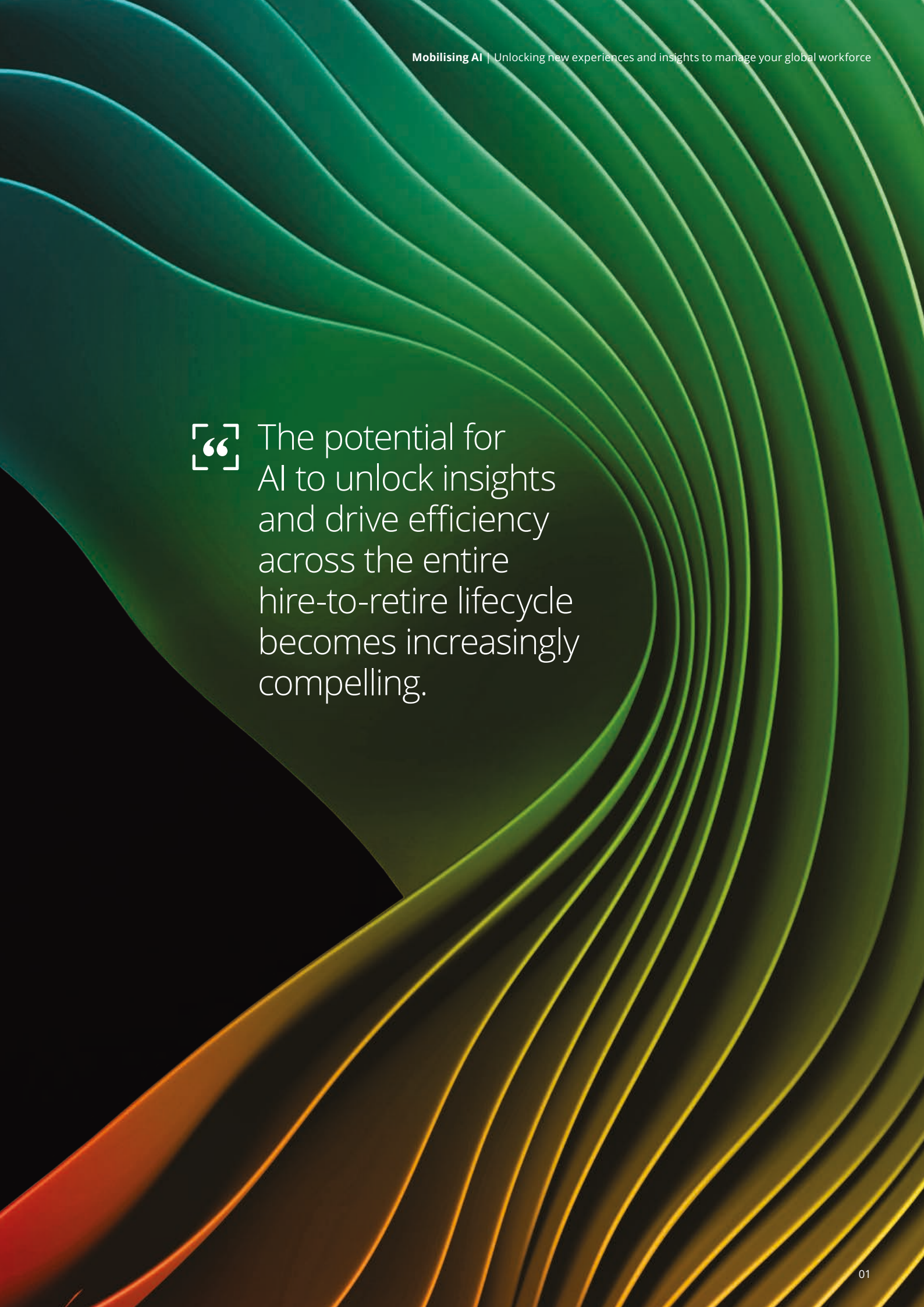
Deloitte.

Mobilising AI

Unlocking new experiences and insights to manage your global workforce

July 2025

Contents



> The potential for AI to unlock insights and drive efficiency across the entire hire-to-retire lifecycle becomes increasingly compelling.

Introduction

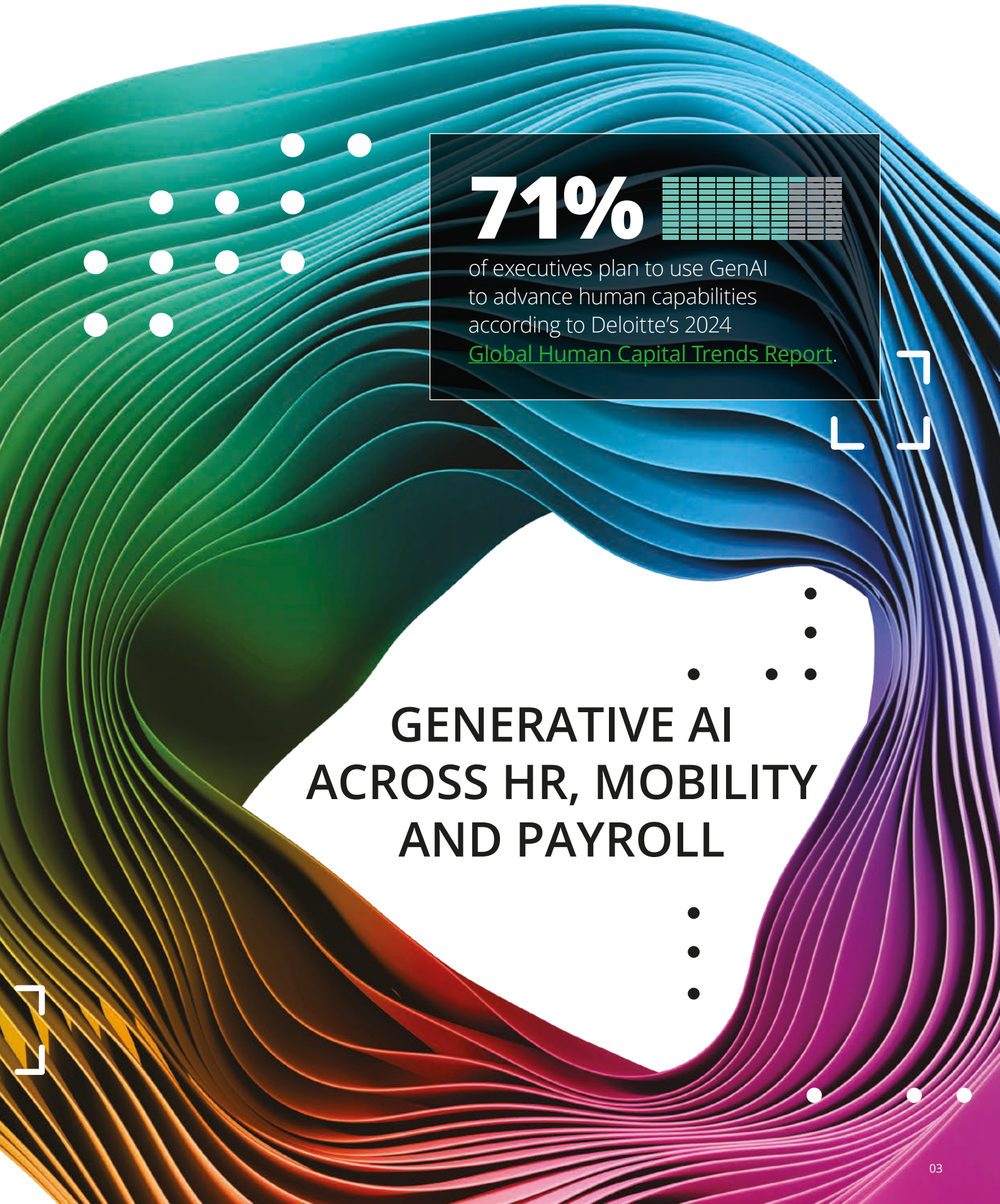
While the idea of using machines to make decisions and solve problems has been around since the 1950s, today's business opportunities have been made possible as artificial intelligence (AI) has become faster, cheaper and more pervasive.

In particular, Generative AI (GenAI) has captured the public's imagination. And with leaders eager to understand how it will revolutionise what we do, and how we do it, organisations are exploring its potential for improving existing solutions, automating manual tasks, creating products and building entirely new businesses.

This exploration is particularly relevant within the realm of Human Resources (HR), specifically within the often-overlooked but critical functions of global mobility and payroll. These functions, essential for supporting global workforces, are not just about processes; they are built upon a foundation of vast amounts of sensitive data – the who, what, when, and where of the employee journey, encompassing everything from compensation and benefits to visas and cultural transitions. As mobility and payroll become increasingly intertwined in our globalised work environment, the potential for AI to unlock insights, drive efficiency, and navigate the complexities of these data-rich environments becomes increasingly compelling.

Due to the increasing interdependencies and synergies between mobility and payroll functions as they support global workforces, this report focuses on the possibilities for AI across the entire hire-to-retire lifecycle when moving workforces around the world. It spotlights specific use cases, offers tangible insights on how to get started, and dives into the risks and considerations for businesses as they navigate the technology. With mobility and payroll both data-rich environments, and as we grapple with increasing compliance, complexity and a constantly changing geopolitical landscape, there's huge potential for AI to unlock real benefits for our organisations, and our people.

> There is momentum to finally simplify our processes through GenAI. This could be a source of competitive advantage differentiating those who embraced the technology and those who didn't. However, we need the right conditions for success.



71%

of executives plan to use GenAI to advance human capabilities according to Deloitte's 2024 Global Human Capital Trends Report.

GENERATIVE AI ACROSS HR, MOBILITY AND PAYROLL

Recognising the value of AI within the HR function

GenAI and broader AI tools can unlock opportunities across the entire HR lifecycle, revolutionising the way we work.

AI has the potential to make processes more efficient and services more personalised. But its true value can be harnessed best in highly complex areas like global payroll and mobility, where teams are dealing with international workforces spread across different locations, as well as complicated global compliance requirements. These functions are often overlooked despite their criticality to supporting a global workforce. They are data-intensive, requiring meticulous attention to detail and adherence to various legal frameworks and cultural nuances. The increasing demand for skilled professionals in these areas often outstrips supply, creating a significant challenge for organisations.

These are also areas that, traditionally, remain relatively untouched by new technologies such as core HR and workflow systems, business intelligence tools and analytics. Instead, payroll and mobility functions rely heavily on the capabilities – and availability – of their specialists, even though people may not have enough experience or time. And this applies across every aspect, from day-to-day transactions to regulation. AI offers a solution to these challenges by augmenting the capabilities of existing professionals and potentially creating new "hybrid" roles that combine technological, process, and knowledge skills.

Making the case for AI
Use cases we see include:

Strategy
Generating talent intelligence reports and developing centralised knowledge to mitigate transition impacts.

Operations
Automating administrative tasks, summarising research and generating reports, creating in-house compliance training, explaining the employee benefits package, developing content for intranets or HR portals and enabling HR policy chatbots.

AI can also deliver a differentiated employee experience. Through automation, it can enable professionals to concentrate on high-worth tasks, contributing to people feeling more engaged and fulfilled.

The work of payroll and mobility experts can be augmented fundamentally, so they can build the skillsets they haven't had the time to develop and dedicate more time to the core aspects of the job – pursuing quality, efficiency and stability.

There's also a new role emerging. The 'hybrid' specialist will have capabilities that rarely exist in one person today, including a combination of technological, process and knowledge skills. And the professional who is more focused on process will be able to use AI to, among other things, structure data or reports or access payroll and mobility knowledge much quicker.

> AI is not a solution for 'old' problems; your processes still need to be structured, your data clean and not scattered, and relevant data needs to be held in clearly identified and managed location(s). You still need experts who can build or train the AI so that it works for your organisation.

Deploying AI will also make two 'holy grail' use cases a reality. Firstly, it could monitor people and payroll data, such as work hours, overtime, illness and absence days, to identify trends and predict wellbeing concerns. Secondly, in a global workforce, it could analyse geographical differences in salary and make suggestions on pay equity, and the link between performance and reward. Both should be delivered proactively via live monitoring dashboards.

Whether the aim is to improve existing processes or create new, innovative solutions, measuring the value generated will be crucial in determining which use cases to pursue.

AI in action

Deloitte has been working with a global pharma to set up, operationalise and scale a GenAI Centre of Excellence across the client's entire business. As part of the project, we developed an organisation-specific platform for **10,000** employees that leverages OpenAI. We also collected and analysed more than **150** use cases – **50** of which were developed by the end of the year. Executive leaders have established aggressive goals for GenAI that include at least a **25%** uplift in productivity for each of those **50** use cases.

$1.25tn

Deloitte analysis has shown that successful digital transformation can result in up to **$1.25 trillion** (USD) in additional market cap, and GenAI is proving to be a powerful accelerant for transformation.

For the wider HR function, a GenAI-enabled future could mean:

- More self-service channels, allowing business partners to focus on strategic planning.
- The amount of employee work that is reallocated to GenAI emerges as a key driver of people's experience and creates competitive differentiation.
- End-to-end talent acquisition cycles are more than 50% shorter, improving experience, agility and time-to-value.
- Information access is no longer dictated by who you know thanks to simple, central and inclusive tools.
- Personalised training leads to fast and relevant engagement, increasing quality and compliance rates by 10-20%.
- Inclusive content is adapted at scale to meet the language, complexity, length and ability needs of diverse audiences.

What successful AI requires and what you should consider
Deploying AI within these functions will require a deep practical understanding of HR, mobility and payroll activities, as well as GenAI, and a strong overlay of creativity, vision and self-questioning.

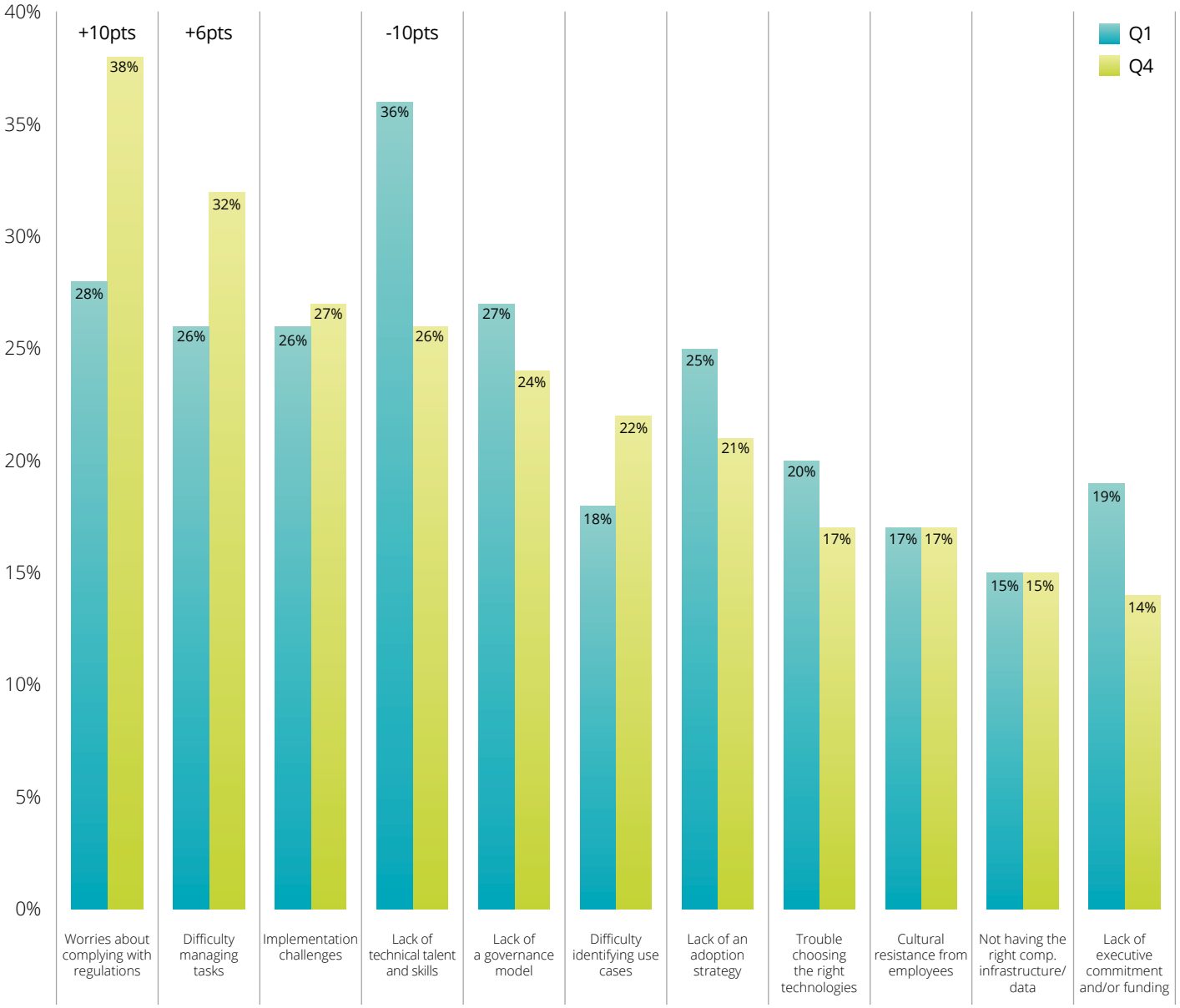
External perspective, whether from elsewhere in the business or an outside advisor, will really enrich this process through shared experience and constructive challenge. In addition, data needs to be 'clean' and structured to enable the appropriate application of GenAI technology – this topic is outside the scope of this document but is an important starting point for any organisation looking to get the most from GenAI.

We also need to apply legal and regulatory lenses. Mobility and payroll functions, in particular, handle sensitive personal data within a complex global landscape. Engaging with risk and legal teams is essential to navigate this evolving regulatory terrain. Carefully vetting use cases and tool selections, particularly regarding the handling of sensitive information, is paramount.

As noted in Deloitte's State of Generative AI in the Enterprise Q4 report and seen in the chart on the next page, 'regulatory compliance has emerged from the pack to become the top barrier holding organisations back from developing and deploying GenAI tools and applications'. Partnering with internal risk teams or external counsel like Deloitte Legal during experimentation and scaling decisions can help mitigate compliance risks as regulations evolve.

> External perspective, whether from elsewhere in the business or an outside advisor, will really enrich this process through shared experience and constructive challenge.

Barriers to developing and deploying GenAI



What does AI mean for global mobility?

The current global mobility landscape is ideal for disruption. Organisations are adopting new operating models that put skills at the forefront of their talent strategy (enabling skills to be sourced from anywhere in the world), while automation is taking priority as businesses push to do more with less. Geopolitical shifts are even more unpredictable and therefore the need for agility is paramount.

Moving towards a skills-based talent strategy allows you to respond to the changing demands of the market, foster a culture of diversity and inclusion, and enhance the employee experience. But mobility teams also need to manage the additional challenges that come with this, such as navigating the difficult and dynamic global environment, complying with evolving regulatory frameworks, and managing the costs and risks of mobility.

In addition, workloads for mobility professionals are increasing as the volume of policies and number of mobility types continue to rise and become more complex. Deloitte's 2024 Service Delivery Model Survey revealed the top four mobility types are business travellers, international new hires, two-way temporary assignments and remote workers.

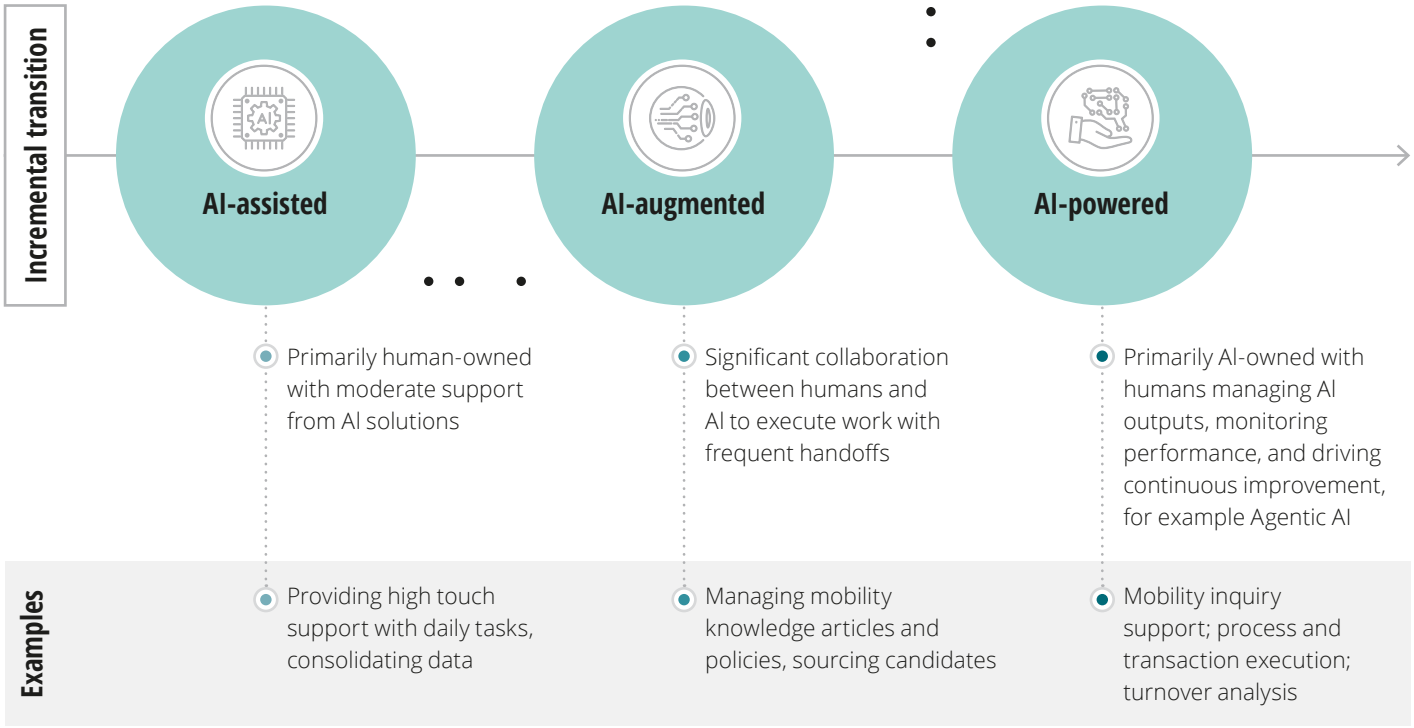
Mobility teams are looking to technology as a solution to navigate these challenges – it can help streamline/automate processes and tasks, flag risks as the geopolitical landscape shifts and support decision making through data led insights and scenario modelling.

But while it can augment, it cannot replace. Mobility professionals play a vital role, especially now, when we're dealing with so much.

It's important to remember that technologies like GenAI cannot recreate the human connections mobility relies on. Moving to another country, settling in a new home and navigating cultural, legal and regulatory differences is a deeply personal experience and the importance of emotional intelligence and empathy cannot be underestimated.

> "Technology is seen as a solution to manage all of these challenges as it can streamline processes, automate tasks, manage risk and support decision-making.

Evolving AI capabilities within your mobility programme



> Work effort will shift over time from humans to AI as capabilities mature.

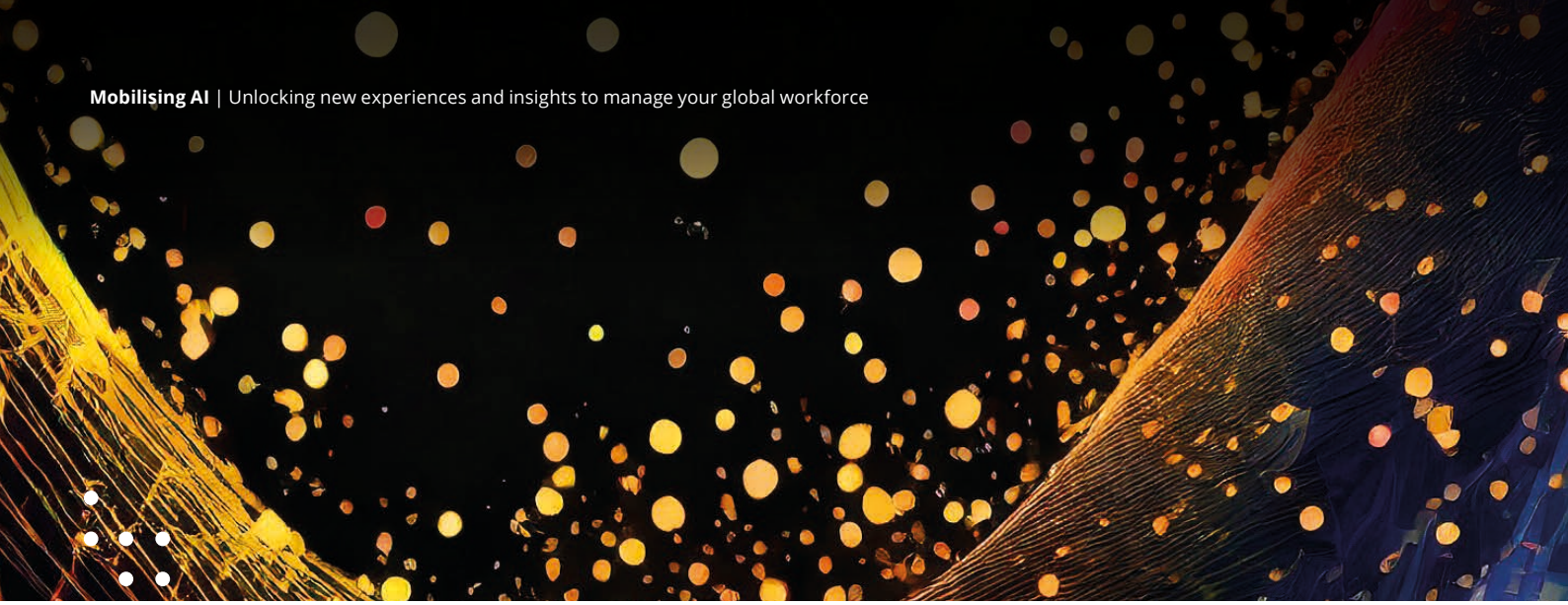
AI in action:
The 'Chatter' around virtual assistants

Global mobility colleagues frequently have queries about tax and social security, immigration requirements, benefits and company policies that cover everything from car leasing to the cost of shipping household items.

HR case handlers are the obvious choice for answers, or people can search policies themselves. But for employees, documentation can be difficult to find and hard to understand.

For businesses, there are the time and cost implications of deploying HR professionals to answer routine questions when they could be doing more valuable work.

So, what's the solution?
Advancements over the past two years have made AI-powered chatbots and virtual assistants far more readily available. In fact, many organisations, including Deloitte, have built their own.



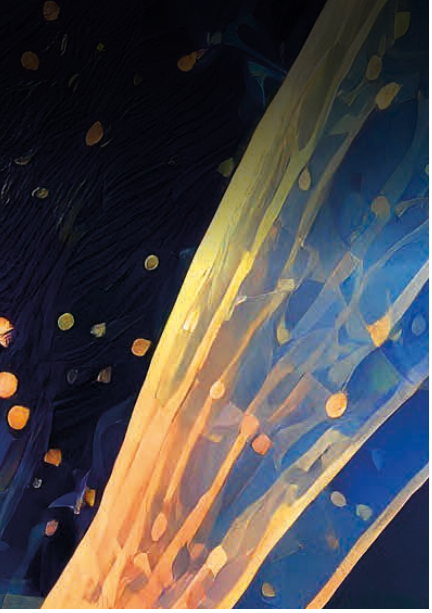
Intelligent responses grounded in fact

Simple AI architectures like Retrieval Augmented Generation – or RAG – allow LLMs to ingest company policy documents, so chatbots and virtual assistants, using natural language, can help employees engage with information. Instantly, the AI can provide bespoke, intelligent answers based on the underlying data.

At Deloitte, we've built an internal platform called Chatter that allows non-technical specialists to create employee-facing virtual assistants to answer routine questions, for instance about client onboarding, quality risk management procedures or technical tax matters. Users can easily adjust the AI's parameters to get the best results, within guardrails that limit harmful responses.

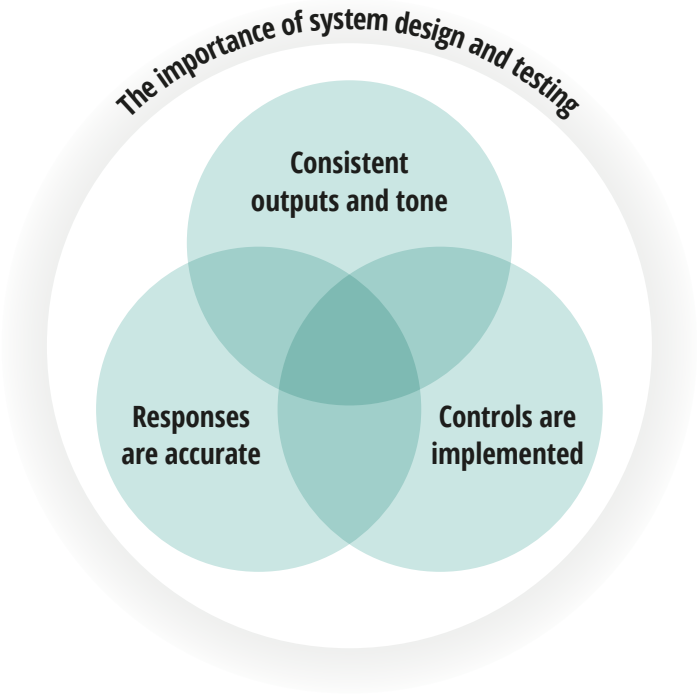
The key to successful deployment of AI-powered virtual assistants is ensuring policy documents are fit for purpose, so in the right format, sufficiently detailed and up to date from tax and policy perspectives. The AI must also feature the functionality and controls required to avoid harmful responses, and the right people must be involved at all development stages, including ongoing maintenance.

> When grounded in the right data, and with the right system parameters in place, it's difficult to not be impressed by the quality of the outputs that AI can generate. However, for optimum results and safeguards, it's critical that global mobility specialists are involved in designing and testing AI-powered employee assistants.



The importance of system design and testing
It's essential that HR and global mobility professionals play a key role in designing the system. By using prompts and controlling GenAI functionality through platforms like Chatter, they can ensure:

- **Consistent outputs and tone** across all employee interactions, using concise and professional language, while clearly identifying the assistant as AI-powered.
- **Responses are accurate** and based on the latest company policy, tax regulations and immigration data, rather than the model's general knowledge.
- **Controls are implemented** to prevent the assistant from providing potentially harmful answers, or making tax calculations, in a domain that always calls for human input. Instead, assistants should guide employees to the appropriate HR contact, with clear instructions, when circumstance warrant it.



A structured testing phase involving HR and global mobility professionals is also essential. When developing our own digital assistants through Chatter, we've used databases of past HR tickets, bucketed in an intelligent way.

This has helped to identify domains that require human interaction, either because they are highly specialised or the scope for harmful responses is significant. Testing has also enabled us to optimise elements of Chatter's design and improve the results.

Opportunities and use cases across global mobility

When embracing AI within global mobility, a clear understanding of your objectives is paramount.

Are you striving to automate manual processes, unlock insights from mountains of data, or perhaps craft entirely new experiences for your global workforce? By first defining your goals – whether it's boosting efficiency, enhancing employee experiences, or uncovering hidden patterns – you can pinpoint specific use cases within the mobility life cycle where AI can augment or transform your existing capabilities. Let's explore some illustrative examples of how AI can revolutionise your mobility programme from talent selection, pre-assignment planning to deployment and beyond.

88%

In Deloitte's 2024 Global Human Capital Trends Report, **88%** of leaders say trust and transparency are important when it comes to data, but only **13%** are making meaningful progress.

Process automation

Mobility opportunity and talent selection	• Remote work eligibility: tax impact, social security, immigration
Pre-deployment	• A virtual assistant to answer policy or mobility questions
Deployment	• Proactive management of risks based on patterns • Consolidate actions across functions, e.g. tax, payroll, HR

Categorisation and insight

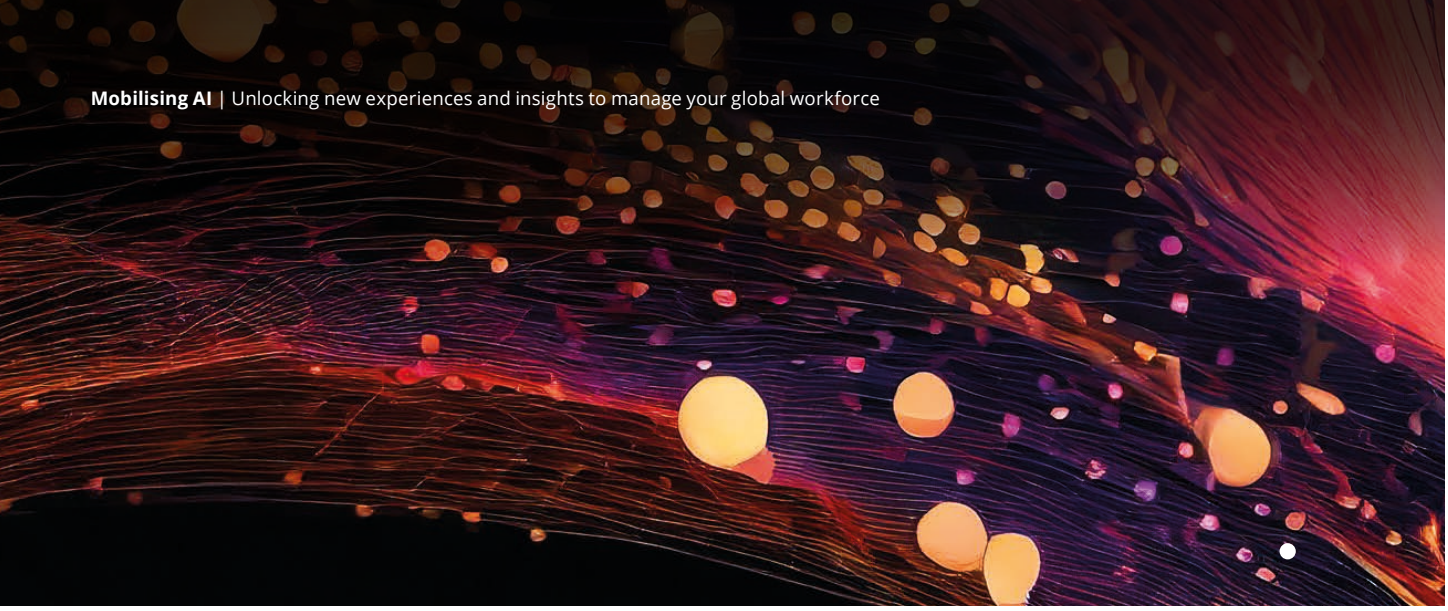
- Analyse large volumes of data, for example using Deloitte's PSA Wizard to categorise expense receipts. Use GenAI to detect patterns in data to, for example, understand assignments in certain locations or for specific durations, or to learn which roles tend to be more successful than others. Analyse employee sentiment, such as textual feedback from mobile colleagues about their experience in a location, a vendor or a mobility team's support through the assignment lifecycle. Combine data sets to generate predictive insights or spot future trends and risks
- Conduct DEI assessment of letters, documents and policies to ensure they are inclusive
- Location analysis and tracking insights
- Categorise expense receipts and data
- Tax rate optimisation

Customer experience

- Create personalised content and recommendations based on individual behaviour. Use a virtual assistant to answer most commonly asked questions that would require agents to sift through large volumes of information. Deloitte's proprietary platform, GlobalAdvantage will deliver a new experience. Part of this transformation will include an AI enabled virtual assistant to answer frequently asked questions providing an enhanced employee experience
- Create personalised assignment letters, which includes easily translating them into local languages
- Prepare personalised policy benefits and documentation based on the employee's situation, preferences, location combination and budget
- Use avatars to aid engagement with employees for communications or briefings
- Virtual assistant to provide in-location support for local services or policy/process-based questions

Content generation

- Draft job descriptions
- Create draft policy frameworks
- Summarise complex, technical advice or lengthy policy information
- Generate assignment letters
- Create country guides containing local and compliance information
- Location guide: including information on neighbourhoods, transportation, cultural norms, local laws, and recommended activities, all tailored to an assignee interests



Unlocking payroll potential with AI

Introducing AI within payroll will be a crucial enabler to automate and integrate insights, but it will bring the most benefits where payroll data is structured and there is a clearly defined ecosystem of technology platforms used to support the delivery of payroll.

It must also be part of the organisation's overall approach to AI, and payroll has to be involved in those strategic conversations.

So, how can this technology free up payroll professionals?

Enhancing efficiency and accuracy

- Automating data entry and validation: Automating manual data entry from timesheets, leave requests and benefits forms can save time and help to reduce mistakes.
- Predicting and preventing payroll errors: By analysing historical data, AI can identify patterns and anomalies, flagging potential errors before they occur.
- Streamlining payroll reconciliation: AI can automate the reconciliation process between payroll and other financial systems, ensuring accuracy and compliance.

Improving the employee experience

- Providing personalised payroll information: Chatbots powered by AI can answer employee queries about payslips, deductions and tax information in real-time.
- Simplifying expense management: To make life easier for employees and managers, AI can automate expense reporting, categorisation and approval workflows.
- Offering financial wellness tools: AI can analyse payroll data to provide personalised financial advice and budgeting tools for employees.

Strategic insights and compliance for leadership and stakeholders

- Generating predictive analytics: Analysing payroll data can also help to identify trends in labour costs, turnover rates and other key metrics, enabling better workforce planning.
- Ensuring compliance with regulations: As the regulation landscape becomes increasingly complex, AI can monitor changes in tax laws, fair pay and labour regulations, as well as other compliance requirements. This will make sure payroll processes remain up to date.
- Detecting and preventing fraud: AI can identify suspicious activity in payroll data, such as ghost employees or fraudulent expense claims, mitigating financial risks.

> Many organisations will need to evolve if they want to embrace AI. Limited access to data and closed ecosystems are issues. Make sure all your payroll data is somewhere central, and that there's a ticketing tool or general mailbox if you want to leverage AI for employee support.

Chatbots

AI-powered chatbots can handle payroll questions immediately, including complex queries regarding pay changes or tax increases. AI can also help to identify questions that need to be answered by a human.

For global payroll teams, an AI-powered chatbot can navigate divergence between countries. Having a chatbot link to payroll filing obligations in Deloitte's Obligations Tracker, for example, enables answers to questions such as, "what is the payroll filing date in Sweden?" or "what are the tax payment dates in Japan?". Being able to have instant responses to administrative information is a really powerful way to add value to the business without relying on vendors to find the information from their local teams.

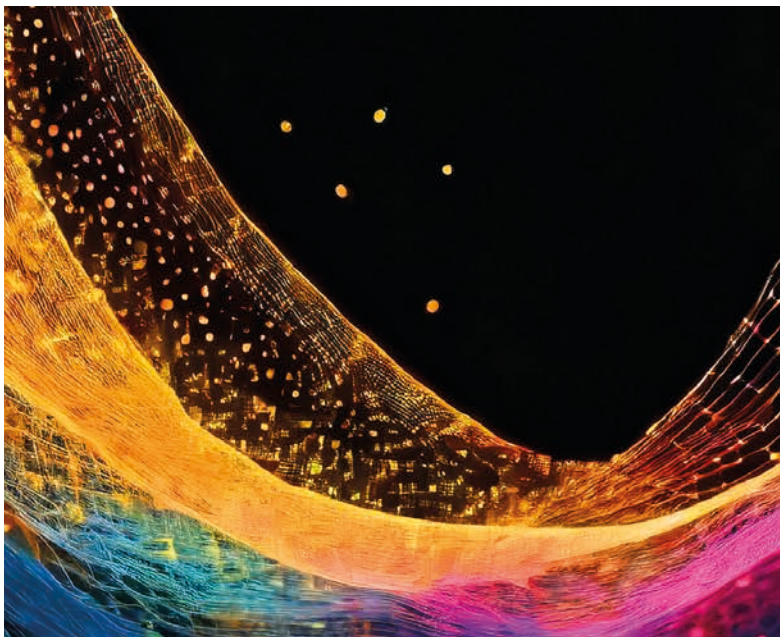
Automated validation and control checks

Validation and control checks are a key part of global mobility and payroll processes and automating them can offer real benefits. A system that can inform you that the input line and sum count matches the output line and sum count saves significant manual work. If it can show the line and sum count do not match and highlight why, that's another plus.

There are many technologies out there that can do this, but the main objective should be ensuring they remove the time and effort spent on validating data, mitigate incorrect manual entries and offer the ability to add to these checks going forward, so payroll professionals can continue to learn and limit future errors.

AI in action

We're already seeing many examples where AI is adding value within payroll. Applying machine learning and GenAI to vast amounts of payroll data, for example, can help to detect patterns and anomalies. The technology can also map thousands of payroll codes to enable vendor implementations and to categorise different wage types.



Getting started with GenAI

Leaders are questioning where to begin, especially when it comes to business-specific GenAI.

Being part of a community with other mobility, payroll and HR leaders and advisors addressing similar challenges will be a huge advantage when keeping up to date with trends and opportunities. However, the needs of each business will be different so, when evaluating GenAI use cases, it's important to be methodical and purposeful and to do your due diligence.

Here are some points to consider:

Demand

- What steps do you need to take to fully understand the activities where GenAI can play a part? Ideally, each process should be broken down to its most granular level.
- How much work is the GenAI solution likely to handle? There may be incremental gains each time an activity is performed, but real economies of scale happen when the activity takes place at a reasonably high frequency and/or over an extended period.
- Is there scope for GenAI to deliver higher quality (lower risk) outcomes, to reduce 'key person' risk and bring other sustainability improvements?

Feasibility/readiness

- The current focus on GenAI should catalyse a broader look at all the available options. Would other digital and tech-based solutions prove a viable and cost-effective alternative? For example, off-the-shelf coding platforms to build digital and robotic solutions.
- Do you have a GenAI-ready culture in your organisation? Are there barriers that need to be addressed and how can they be navigated?
- What does the organisation need to do to ensure it has the right level of maturity for GenAI? Is it possible to tap into existing infrastructure?
- What resources are required to verify the accuracy of the GenAI result? The technology is based on statistics and isn't 100% accurate, so the outputs require validation (see The risks associated with AI). Good GenAI use cases are those where the outputs can be validated with minimum human effort.
- How does the proposed GenAI deployment fit within the organisation's own governance and ethics framework? Are there steps to take to ensure the right infrastructure is in place and the IT governance framework is sufficiently mature?
- Who has the subject matter expertise to feed into the model and validate its outputs? Is it publicly available, can it be acquired/licensed, or does it need to be created? Should the organisation invest in building the appropriate skills in core areas such as prompt engineering, as well as in more complex areas?

Proof of concept

- Should a generic solution be used, or one tailored to mobility, payroll and HR? Should it be off-the-shelf or bespoke?
- Have GenAI developments brought about new/better opportunities to outsource or partner with an external provider?
- Data is GenAI's basic fuel – so there is a lot to consider. Is sufficient quality data accessible to the organisation? What are the limitations and legal restrictions associated with leveraging and handling the outputs of the GenAI? Does the organisation have the right protection from the GenAI provider to allow it to process sensitive data through the tool? Where data is limited, are there opportunities to safely synthesise it or purchase synthesised data from third parties? If a data set is supplemented by third-party information, has the organisation ensured any GenAI processing fully complies with the terms of the licence agreement? Organisations should be evolving their data strategies and data governance approaches to cater for GenAI – and mobility, payroll and HR teams should tap into that activity.

At this stage of GenAI use, we believe there will be a mix of approaches, depending on the specifics of each organisation and use case. Over time, as adoption of the technology evolves, clear trends and common practices will emerge.

We should also recognise that GenAI is developing at such a pace that today's infeasible use case may easily become tomorrow's big win, for example through improvements in the technology, lower costs and changes in the organisation's own approach. Decisions, therefore, need to be kept under review.

AI in action

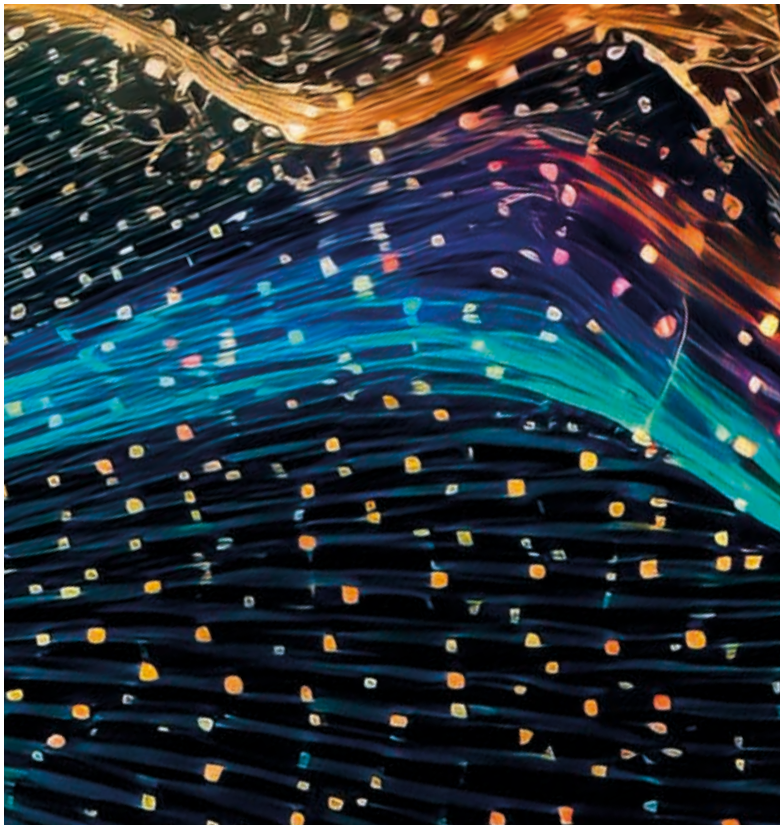
Training and educational materials, resources and activities are vital as part of onboarding and employee learning and development. Organisations increasingly rely on external vendors to create training content – a Statista survey found that **62%** of companies either partially or fully outsourced training in 2022.

Applying GenAI to create training content can increase efficiency, drive personalisation, enhance delivery methods and create better, more engaging learning experiences for employees.

The value

Productivity	5-10%	↑
Cost	20-30%	↓
Experience	20-30%	↑
Compliance	10-20%	↑

> In the rapidly evolving landscape of AI, the connection between technology and value has become increasingly apparent.



The risks associated with GenAI

Trustworthy GenAI encompasses areas such as human agency and oversight, technical robustness and accuracy, privacy and data governance, transparency, fairness, non-discrimination and other ethical principles.

Within global mobility and payroll, we work with highly personal information to manage moments in an employee's career and life. As organisations explore GenAI use cases, they should consider the following during their discovery and design stage to enable a more successful implementation:

Data quality and bias

The quality and diversity of the data used to train GenAI models are crucial; biases present in the training data can lead to biased outcomes. It's essential, therefore, to ensure the data used is representative and free from any inherent biases to avoid perpetuating discrimination or unfairness.

Ethical and legal implications

Global mobility and payroll professionals must make sure technology solutions comply with relevant local laws, regulations and industry standards. This includes data protection, privacy regulations, intellectual property rights and any specific requirements for the industry or application domain. With global regulation still developing, this is a space to continually monitor.

Human/GenAI collaboration

Promote a culture where GenAI is seen as a tool to make the most of human capabilities, rather than replace them. Encouraging collaboration between technology and professionals will create an environment where people feel valued and supported.

> We work with highly personal information to manage moments in an employee's career and life.

Transparency and explainability

In use cases where technology aids decision-making or risk management, for example candidate selection, compliance risk or calculations, both transparency and explainability are essential. Users should have a clear understanding of how the technology works, the reasoning behind their decisions and any potential limitations. This promotes trust and accountability.

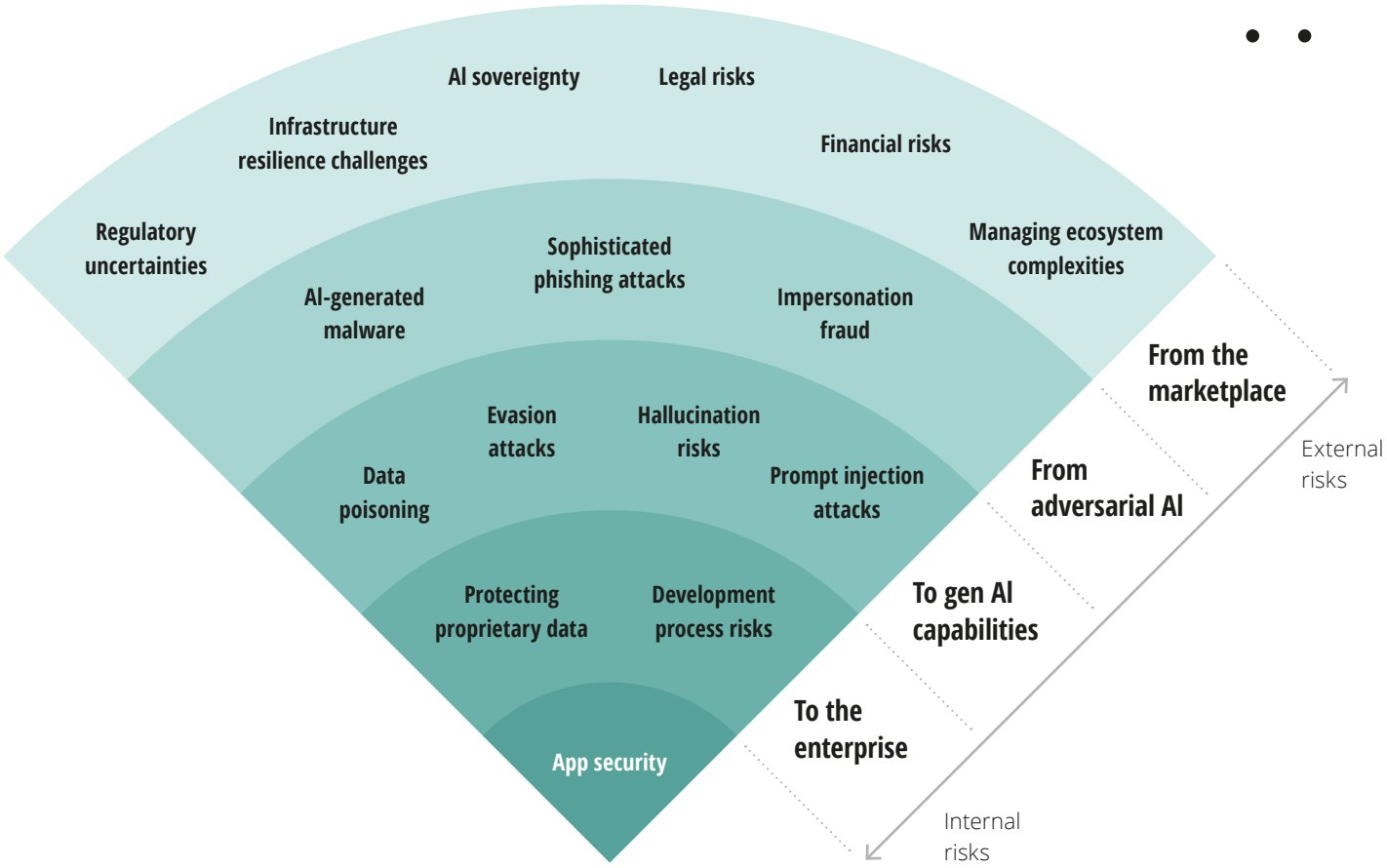
Human oversight and intervention

GenAI is not free from error. Human validation is critical to identify mistakes and biases. Viewing GenAI as a way to augment teams will deepen your people's relationships with these systems.

Data privacy and security

Managing mobility and payroll requires access to a vast amount of sensitive and personal data. Ensure it's collected, stored and processed securely and in line with organisational and privacy regulations, both within your own and your third-party systems. Work with legal counsel, risk and cyber teams to build solutions that are compliant and also secure.

The four categories of gen AI risks affecting cyber leaders



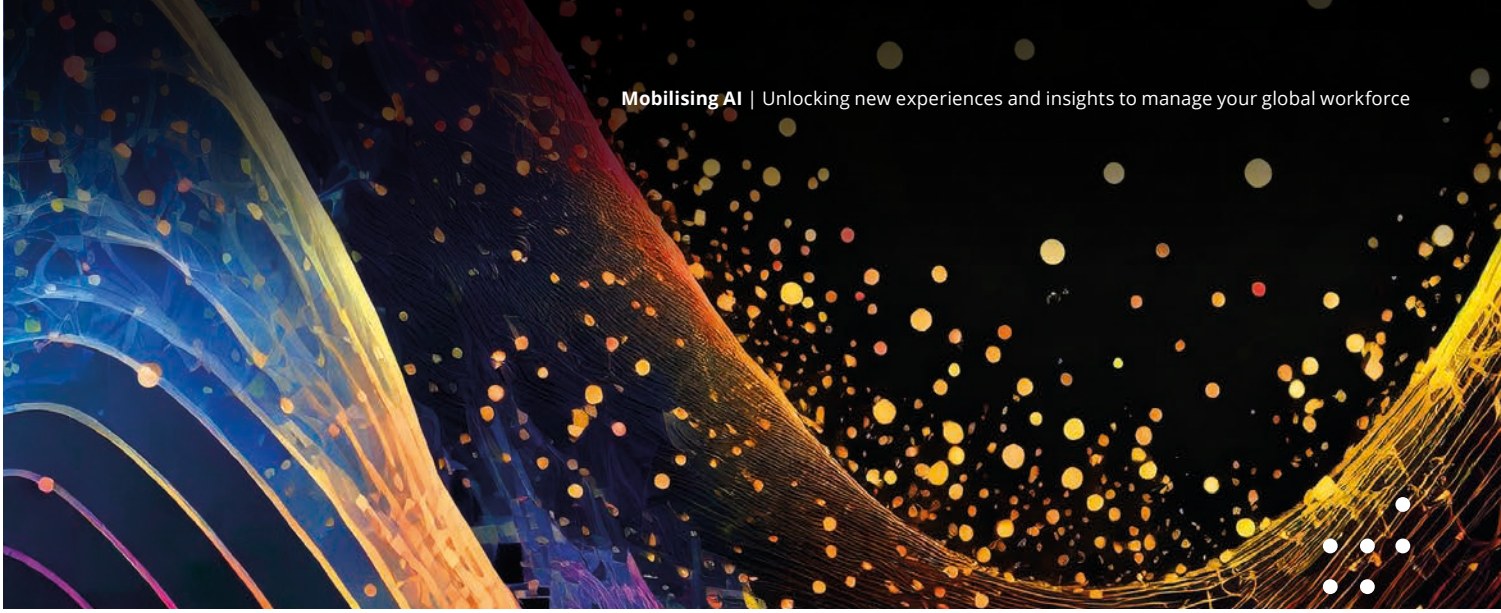
Source: Deloitte analysis.

Before embracing any GenAI use case, teams need to be fluent with the technology and the broader risks. Do we fully understand its role in a process? Can it add value without introducing new risks? Do we comprehend every aspect of the 'bargain' being made with a provider? It's important to talk to your vendors about how they are future-proofing their technology. Be clear on what they will deploy and what you need to develop internally.

There are significant unknowns about how GenAI really operates, behaves and will evolve. Rigorous testing, experimentation and monitoring are essential, and policies need to be developed so team members know how to use it safely within the organisation's established risk framework. It's crucial that your risk and internal audit functions agree with your proposed level of GenAI use.

While the potential of AI and GenAI is undeniable, some organisations might hesitate to embrace these technologies. However, the World Economic Forum's 2025 jobs report highlights a critical risk for such companies: being left behind in a rapidly evolving landscape. As the report states, advancements in areas like "AI and information processing (86%); robotics and automation (58%)" are poised to be transformative for businesses. Choosing to forgo these technologies could mean missing out on significant opportunities for growth, efficiency, and competitive advantage.

> In a world increasingly shaped by AI, inaction could be the biggest risk of all.



Moving the needle: how do you forge ahead?

Before integrating GenAI into processes and business strategies, global mobility and payroll professionals must understand how it can help them create the workplace and workforce they need.

To gain the most value, it's important to:

- Recognise the goals you want to achieve and which use cases you want AI and GenAI to solve – apply metrics.
- Understand workforce's fluency with AI.
- Connect with leadership to understand their appetite for investment, as well as other internal stakeholders.
- Obtain budget when there are competing demands.
- Develop a robust maintenance schedule.

> AI success across HR, Mobility and Payroll isn't just about algorithms; it's about alignment. Define your goals, empower your people, and integrate with your firm's broader AI vision. Lead the change, don't just react to it.

Although many organisations are keen to implement GenAI, leaders are often unsure where to start. Here's an example approach:

Develop a vision/ mission and digital roadmap

Creating business cases to gain investment for big-ticket initiatives, and having a skills development plan for your people, are essential steps to take. GenAI capabilities and processes will change, so fluency must increase. At the macro level, this means a lot of retraining and hiring new people with different skills, in addition to ensuring data is structured in a manner that allows it to be used efficiently for AI purposes. According to Davenport and Mittal in their book, All in on AI: "To achieve substantial value from AI, a company should fundamentally rethink the way humans and machines interact within working environments."

Put in place the right operating model – and governance

This will ensure you are in control of the changes GenAI brings and the decisions that are taken.

Choose one of the multiple avenues to get started with GenAI

You can build your own system, buy existing solutions or integrate GenAI into what you already have. Consider what best suits the needs of the organisation, its investment appetite and budget.

According to Deloitte's latest Tax Transformation Trends report, digital transformation is embedded into most companies' agendas, but it's still hard to identify clear returns on technology investment – from determining which actions drive the most impact, to which investments yield the highest enterprise value. With GenAI advancing at pace, it's increasingly difficult for businesses to work out the optimum point at which to invest at scale. When resources are constrained, it's worth weighing up the investment needed for developing, buying, maintaining and replacing technology versus the cost and capabilities of an outsourced provider.

Our report, The State of Generative AI in the Enterprise: Now decides next, shows most organisations are primarily relying on off-the-shelf GenAI solutions.

To help meet growing demand, we've expanded our alliance with ServiceNow to integrate Now Assist GenAI capabilities with next-generation managed services. The alliance will provide Operate services through Deloitte's domain and industry experience and ServiceNow's GenAI enterprise platform. We're also pioneering the use of ServiceNow's platform to scale client Operate services globally.

Consider the human side

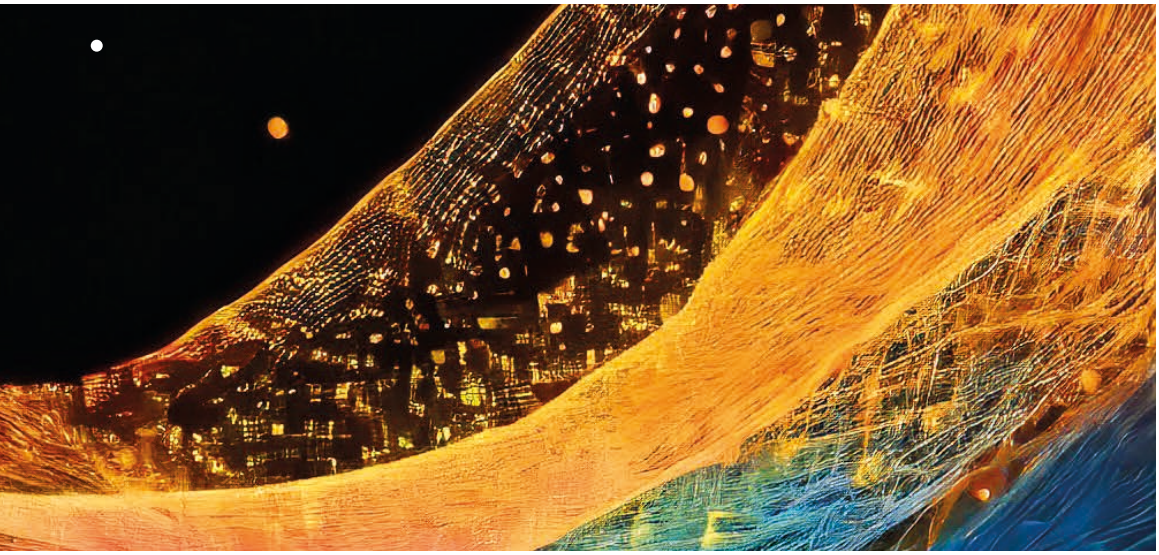
GenAI can help to enhance the role of the HR professional. However, certain jobs require the kind of human skills and judgment AI cannot replicate, such as communication, empathy, cultural awareness and personal sensitivity.

Address risk and compliance and understand the data implications

For example, the EU has passed the EU AI Act to:

01. Ensure AI is clearly defined, in plain non-technical terms.
02. Put people at the centre, to maintain human oversight.
03. Avoid a one-size-fits-all approach, by including scaled regulations by assessed risk for existing and future systems.

> According to Deloitte's 2024 Global Human Capital Trends Report, only **10%** of workers received AI-related skills training in the past year. However, **70%** are willing to delegate work to AI to free up time and enhance creativity.



What is the difference between AI and GenAI?

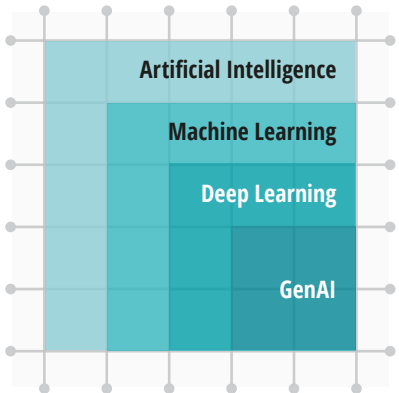
AI is a general term used to describe the application of machine learning and other techniques to automate repetitive tasks and provide insights into complex data sets.

But it isn't a catch-all. It doesn't include, for example, robotics, smart coding or simple chatbots.

GenAI, meanwhile, is a type of AI that creates entirely new content based on inputs or prompts, including text, images, audio, code, voice and video.

Behind user-friendly interfaces are Large Language Models (LLMs) trained on billions of data points to understand, and mimic, human communication with exceptionally high accuracy. It can also summarise text, classify data and perform intelligent searches, providing increasingly more accurate and relevant results.

Both use similar technologies and techniques, but the key difference is in the output. AI might be used to analyse customer data and provide insights into buying patterns, while GenAI can create realistic images of products that don't yet exist.



Artificial Intelligence
1950
The theory and development of computer systems able to perform tasks normally requiring human intelligence.

Machine Learning
1980
Gives computers "the ability to learn without being explicitly programmed".

Deep Learning
2010
Machine learning algorithms with brain-like logical structure called artificial neural networks.

GenAI
2017
Generate new content based on training data.

> Behind user-friendly interfaces are Large Language Models (LLMs) trained on billions of data points to understand, and mimic, human communication with exceptionally high accuracy.

How can Deloitte help?

We are supporting organisations that have already started their AI journeys.

For example, our AI fluency sessions tailored for global workforces can help clients to understand the fundamental tax implications of AI and GenAI. We run AI use case and roadmap labs designed to help teams identify and prioritise use cases, assess them based on feasibility and value, and turn ideas into reality.

Our Digital Advisory and Transformation services are also taking use cases to proofs of concept and pilots, drawing on our data science capabilities and technical tax, legal and mobility expertise.

> We run AI use case and roadmap labs designed to help teams identify and prioritise use cases.

Endnotes

- https://www2.deloitte.com/uk/en/insights/focus/tech-trends.html#genie-out-of-bottle
- https://www.deloitte.com/content/dam/assets-shared/docs/dttl-tax-technology-report-2023.pdf
- All-In on AI: How Smart Companies Win Big With Artificial Intelligence by Thomas H. Davenport and Nitin Mittal. Copyright 2023 Deloitte Development LLC. All rights reserved.
- https://www.techtarget.com/searchenterpriseai/feature/Explore-real-world-examples-of-AI-implementation-success

Conclusion

Think exponentially but act incrementally

Integrating GenAI presents a unique opportunity for organisations to enhance their operations and create new products and services. The advantages are numerous and substantial, but adoption has to be approached with care, and must be guided by a well-considered strategy.

We cannot underestimate the importance of human characteristics in any GenAI implementation. Our 2024 Global Human Capital Trends Report points to an imagination deficit – AI advancements expose organisations' inability to imagine new possibilities for human-technology collaboration. Businesses should prioritise developing human capabilities like curiosity, empathy and creativity, but only 9% are making great progress in achieving this balance.

Deloitte studies also show that, when it comes to GenAI, many organisations are just beginning to recognise its potential, but are yet to see it as a catalyst for growth. However, GenAI needs to be considered in conjunction with other AI and technology tools to really drive growth.

The implications of AI are so extensive and far-reaching that it will impact every aspect of the organisation. **At Deloitte, we believe the mobility and payroll functions should think exponentially while acting incrementally.** And by collaborating with the entire C-suite, it will be well-prepared for the exponential changes AI will bring.

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