Kyle&Co

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THE TALENT CLASS OF 2026

Talent Transformation Yearbook

AI PROGRESS REPORT

'26 EDITION

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A Letter From The Principal



2026 was a challenging year for HR and talent leaders.

The pace of AI development, the pressure to adopt it, and the predictions about what it would mean for the workforce made it difficult to separate meaningful progress from ambitious promises.

AI agents, assistants, and digital employees were expected to transform hiring and workforce management. Boards and CEOs wanted results, often before organizations had fully determined how these technologies would fit into their operations or what success should look like.

Meanwhile, some of the industry's leading voices predicted AI could eliminate as much as half of the HR function. But by August, HR job postings were increasing, and the conversation was already shifting.

I've experienced several waves of HR technology transformation from the talent leader's seat, the industry analyst's desk, and the technology provider side. Each has brought significant promises, real opportunities, and challenges that were more complicated than the technology itself. What stood out about 2026 was how confidently the industry was predicting the future while we were still learning what organizations were accomplishing in the present.

We created the first Talent Transformation Yearbook to document that reality.

In September, we surveyed 500 HR and talent leaders: 100 CHROs and Chief People Officers and 400 heads of talent and talent acquisition. We examined what organizations had purchased, what they had implemented, how they evaluated their progress, and what they were experiencing across key hiring outcomes.

We also started with a hypothesis.

We expected to find a disconnect between the executives establishing AI strategy and the talent leaders responsible for putting it into practice. Having seen that tension in previous technology transformations, we believed it might help explain why so many AI initiatives struggle to move beyond implementation and deliver meaningful results.

A Letter From The Principal

The research challenged that assumption.

CHROs and talent leaders were far more aligned than we anticipated. Their assessments of AI adoption, effectiveness, barriers, and future priorities were remarkably similar.

That finding led us to look more closely at other differences in the data, including how organizations defined success, how much of their AI investment was actually in use, and how their hiring outcomes compared.

What emerged was a more complicated picture of talent transformation than the industry's predictions suggested.

Throughout this Yearbook, we examine what the market promised, what technology providers delivered, and what organizations reported experiencing. We revisit the year's predictions, including our own, and compare the practices and experiences of organizations at different stages of transformation.

We've organized the research around the familiar elements of a school year. The Class Photo introduces the organizations represented in our research. Our Upper Classmen and Freshmen provide a way to examine differences in reported hiring performance. The Report Card evaluates the industry's predictions, while the Superlatives recognize organizations whose experiences offer practical examples of transformation. Finally, Next Year's Syllabus looks at what leaders should carry forward into 2027.

We hope the Yearbook becomes a useful record of how talent transformation is evolving: what was expected, what happened, and how organizations responded to changes in technology, work, and the workforce.

This first edition was made possible through the support of ICIMS, which funded the research, contributed platform data, and connected us with customers whose experiences are featured in the report. Kyle & Co retained editorial control over the findings and conclusions. We're grateful to ICIMS for supporting independent research and helping make these insights available to the industry.

To our Superlatives honorees, thank you for sharing your experiences, including the decisions, challenges, and adjustments that shaped your progress. Your stories add an important perspective to the research and help us better understand what transformation looks like inside organizations.

The Class of 2026 has set the stage. I'm curious to see what changes by this time next year.

Kyle Lagunas
Founder & Principal Analyst,
Kyle & Co

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The Yearbook Committee

Every yearbook has a committee, and we want readers to know who helped bring this together. Here's who conducted the research, who supported it, and where the information comes from.

Team Kyle & Co

Kyle & Co led the research, writing, and editing of the Yearbook. We designed and analyzed the employer survey, and we conducted interviews with the Superlative honorees and developed their profiles. Kyle & Co maintained editorial control throughout the project, including the findings, analysis, and conclusions.



Kyle Lagunas, Founder & Principal Analyst



Brandice Payne, Head of Strategic Marketing & Initiatives



Shamelle Crawford, Research Operations

Team ICIMS

As the Yearbook's founding research partner, ICIMS funded both surveys, contributed hiring benchmark data from its platform, and invited customers to be considered for the Superlatives. The ICIMS team also contributed its research expertise and reviewed the report for factual accuracy and legal considerations. All editorial decisions remained with Kyle & Co.



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The Yearbook Committee

Where the research comes from

The Yearbook draws on several sources to provide a broader view of talent transformation, including employer and job seeker surveys, hiring activity, interviews, and independent market research.

Source	Who	Paid for by
Employer survey of 500 HR and talent leaders at US-headquartered companies	Designed and analyzed by Kyle & Co. Fielded by Censuswide.	ICIMS
Survey of US job seekers	Designed and analyzed by ICIMS. Fielded by Dynata.	ICIMS
Hiring benchmark data	ICIMS platform data, overall benchmark, January to September 2026	ICIMS
Interviews with Superlatives nominees	Conducted by Kyle & Co. Honorees selected from ICIMS customer nominations	ICIMS
Research on agentic AI launches and MCP servers	Conducted by Kyle & Co using publicly available information	Kyle & Co



How to Read This Yearbook

Who's talking. Most of the Yearbook reflects Kyle & Co's independent research and analysis. *The Wide Shot was* written by Trent Cotton and draws on ICIMS research and platform data. The Superlatives profiles feature individual organizations and their experiences, with each honoree reviewing and approving its profile.

The Class of 2026. In September 2026, we surveyed 500 HR and talent leaders: 100 CHROs and Chief People Officers responsible for overall HR strategy, and 400 heads of talent and talent acquisition responsible for talent operations.

Upper Classmen and Freshmen. Every respondent rated their organization against industry peers on six hiring outcomes: time to hire, cost per hire, quality of hire, new hire retention, hiring manager satisfaction, and contribution to business outcomes.

- The Upper Classmen rate themselves above average on all six; they're 37% of the Class.
- The Freshmen are above average on three or fewer; they're 34%.

The remaining 29% are included in Class-wide results and sit out of the tier comparisons. Both tiers are self-rated, so read them as who believes they're ahead, checked against what each group says it has running.

The sources. We draw on third-party research throughout the Yearbook, including the Report Card, where we grade the major research firms' predictions for 2026. We read as much of the primary source (blogs, reports, white papers, etc.) as available, but some data is confined by paywalls. In places where we could only find press coverage or a vendor's own announcement, we made this explicit.

The Superlatives. Each “most” or “best” recognizes a program of talent transformation and the people who built it. These are not rankings, and they are not an endorsement of any product. These are simply reports of recognition that offer insight for other teams planning to graduate to the next class.

Introduction: Same School, Different Year



Introduction: Same School, Different Year

Transformation Then & Now: From the Cloud Decade to the Agentic Era

For roughly fifteen years, HR technology transformation was largely defined by the move to the cloud. Software-as-a-service platforms changed how organizations purchased, implemented, maintained, and accessed technology. HR leaders gained greater influence over technology decisions, vendors took on more responsibility for infrastructure and updates, and employees and managers gained access to HR services from wherever they worked.

The partnership between CHROs and CIOs was central to that transition. Together, they modernized the systems supporting HR, talent acquisition, learning, and payroll. Those investments helped establish the infrastructure that allowed many organizations to transition to remote work in March 2020 and continue operating.

The move to the cloud was significant, but it had its limits. Organizations gained modern infrastructure and new capabilities while many of HR's longstanding challenges remained. Workflows still crossed multiple systems, data remained fragmented, and the experiences of candidates, employees, managers, and HR professionals were often inconsistent. In many cases, existing processes were automated without being fundamentally reconsidered.

Those challenges are especially relevant as organizations adopt AI. The cloud infrastructure that supports today's HR systems also provides much of the foundation for AI capabilities, integrations, and data access. Organizations are now being asked to reconsider how work gets done across the very systems they spent the last decade implementing.

By 2025, generative and agentic AI had become the focus of the next wave of transformation. The promises went well beyond improving individual tasks. AI could coordinate work across systems, automate portions of complex processes, support decisions, and potentially change how HR services were delivered.

Introduction: Same School, Different Year

For talent acquisition, the possibilities were particularly compelling. AI could help organizations identify candidates, assess qualifications, coordinate hiring activities, and reduce administrative work. Skills intelligence could provide new ways to understand workforce capabilities and connect people with opportunities. Agentic AI raised expectations even further, with vendors introducing technology intended to manage increasingly complex sequences of work.

The industry moved quickly. Product announcements, investment, and predictions about the future of HR accelerated, often faster than organizations could determine how these capabilities would fit into their operations or how they would evaluate success.

Some predictions anticipated dramatic reductions in HR headcount, while others described a future in which autonomous agents would manage much of the recruiting process. By the beginning of 2026, the conversation had moved from whether AI would transform HR to how quickly that transformation would happen.

But what would that transformation actually look like inside organizations?

What We Set Out to Learn

We've seen previous technology transformations create a gap between expectations and implementation. Organizations invest in new capabilities with the promise of better processes, improved experiences, and stronger business outcomes. Delivering on those promises requires decisions about workflows, data, accountability, and how people will use the technology.

AI introduces additional complexity because the technology is increasingly capable of performing work and influencing decisions that previously required direct human involvement. The implications extend beyond efficiency to how organizations assign responsibility, establish oversight, and evaluate outcomes.

We wanted to understand how HR and talent leaders were navigating these changes in 2026.

We also began with a specific hypothesis.

In previous waves of HR technology transformation, executives responsible for strategy and leaders responsible for implementation haven't always experienced progress in the same way. A CHRO might view a major technology investment as a strategic achievement while the talent acquisition leader is still addressing integrations, adoption, process changes, and the realities of making the technology work.

We expected AI to expose a similar disconnect.

To examine that possibility, we surveyed 500 HR and talent leaders at US-headquartered companies with 250 or more employees in September 2026. The sample included 100 CHROs and Chief People Officers and 400 heads of talent and talent acquisition, allowing us to compare the perspectives of those establishing strategy with those responsible for implementation.

We asked how organizations evaluated their AI implementation, how much of the technology they had purchased was in production, what barriers they were encountering, and how they assessed their hiring performance. We also examined organizational practices related to AI literacy, process ownership, vendor accountability, manager enablement, and internal mobility.

Alongside the employer survey, we reviewed industry predictions, analyst evaluations, product announcements, hiring benchmark data, and candidate research. We wanted to examine talent transformation from several perspectives, including what the industry expected, what technology providers delivered, what organizations implemented, and what employers and candidates experienced.

Introduction: Same School, Different Year

The Questions Behind the Yearbook

We started with a question about whether HR executives and talent leaders were seeing AI transformation differently. But understanding that relationship was only part of what we wanted to explore.

We also wanted to understand how organizations define success when implementation is still underway, how AI investments translate into operational capabilities, and whether differences in organizational practices are associated with differences in reported hiring outcomes.

The Yearbook follows those questions through the evidence.

We begin with what actually happened in the market during 2026, examining the capabilities vendors delivered, the areas analysts evaluated, and what candidates experienced. We then turn to the Class of 2026 to explore what organizations reported about their own progress and how those experiences compared.

From there, we revisit the industry's predictions, including our own, and consider what the evidence supports, what remains uncertain, and what leaders should be paying attention to as they plan for 2027.

The Superlatives add another perspective through the experiences of organizations putting transformation into practice, while Next Year's Syllabus identifies the decisions and priorities that deserve attention in the year ahead.

We began this research expecting to find a familiar disconnect between strategy and implementation. Whether that assumption held up, and what else the research revealed, is the story of the Class of 2026.

Part I: The Year In Review



How the year was supposed to go, and three records of how it went: What happened to hiring, what analysts chose to measure, and what vendors shipped.

Part I: The Year in Review

How the Year Was Supposed to Go

Heading into 2026, industry predictions pointed toward significant changes in how organizations recruit, manage talent, and organize HR work.

Agentic AI was expected to move beyond individual tasks toward coordinating entire hiring processes. Some forecasts anticipated substantial reductions in HR headcount as automation expanded. Skills-based hiring was expected to become more established, supported by a growing market for talent intelligence technology.

Our own research anticipated that AI adoption would begin to distinguish organizations with established operating practices from those still working through implementation.

Opinions differed on how quickly these changes would happen. For example: Matt Charney, Principal Analyst at Kyle & Co, questioned whether agentic recruiting would deliver much beyond more sophisticated process automation in 2026. He expected the greatest progress in scheduling, assessments, and onboarding logistics with more limited change in how employers evaluated skills and experience.

Those predictions give us something to examine. What did the market actually deliver, and how much of it represented meaningful change?

Part I: The Year in Review

The Wide Shot: What Happened to Hiring in 2026—According to ICIMS

Before looking at what technology providers delivered, it's worth understanding what was happening in hiring itself.

ICIMS brings two perspectives to the Yearbook: hiring activity across its platform and research into job seekers' experiences. Together, they provide context for the technology announcements and industry predictions that dominated much of the conversation in 2026.

Trent Cotton, ICIMS's Head of Talent Insights, examines both in the following section. The research, data, and analysis in *The Wide Shot* are ICIMS's.

Start with the hiring itself. On the ICIMS platform, applicants per opening slid from 38 in January to 34 in September. Time to fill came down from 46 days in January to about 42 by September, and averaged 43 days for the year to date. Fewer people are competing for each opening, and roles are filling a little faster than the year began.

"Your AI hiring problem isn't the AI. It's the silence."

"Jobseekers don't need less AI in the hiring process. They need to know when it's there.

Most conversations about AI in hiring start from the same assumption: that it's everywhere, that it's deciding who gets an interview and who gets rejected, and that candidates have simply learned to live with it. The data doesn't support that assumption, and the gap between what employers believe and what candidates actually experience is where the real problem is hiding.

According to ICIMS' year-end survey of 1,000 U.S. job seekers, 44% say they never encountered AI screening in their search this year at all, and another 17% ran into it only once. Just 32% say they hit it several times or in most of their applications. We have treated AI in hiring like it's already total, when for most candidates, it's still occasional."

Trent Cotton-Head of Talent Insights at ICIMS.

Part I: The Year in Review

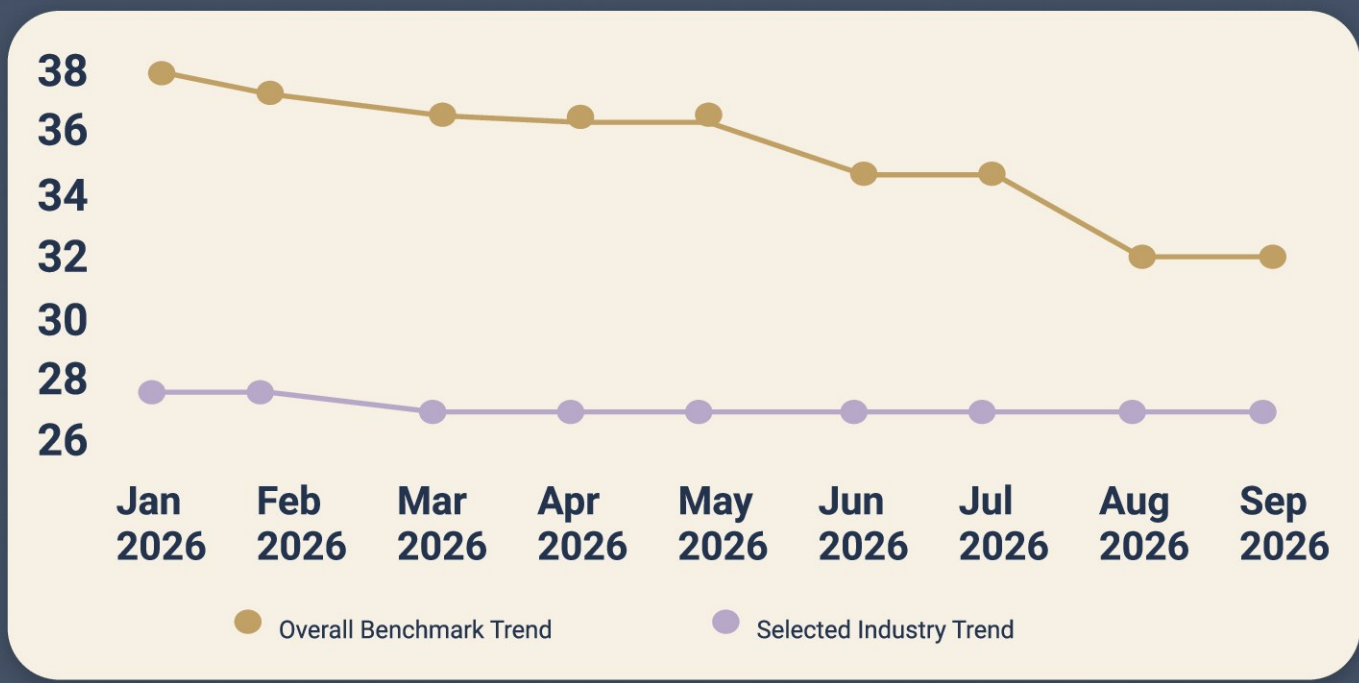


Figure 1: Applicants per Opening, January–September 2026. ICIMS platform data, overall benchmark.

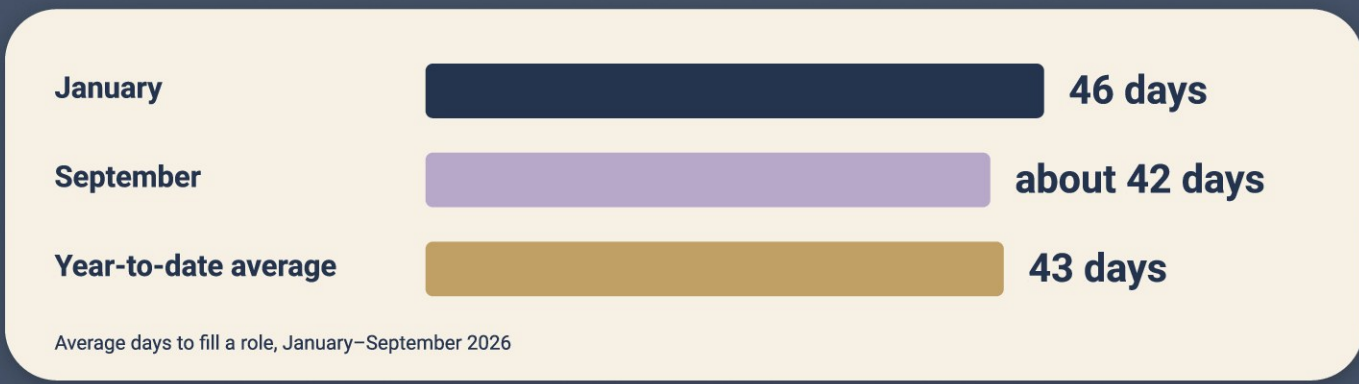


Figure 2: Time to Fill, January–September 2026. ICIMS platform data, overall benchmark. Year-to-date average: 43 days.

"Fewer pop quizzes than the rumors said"

"The experience also varies depending on where AI appears in the hiring process. Most candidates reported limited encounters with automated interview scheduling, AI-scored assessments, and AI-generated communications. While the technology is becoming more common, candidates' experiences suggest adoption is uneven across hiring activities."

Part I: The Year in Review

"Here's the part that should reframe the conversation further: Among candidates who did notice AI somewhere in their process, 45% describe the effect as positive, against 21% who call it mixed and 21% who call it negative.

That's a more positive response than much of the conversation about AI in hiring might suggest. It also raises another question: if candidates aren't overwhelmingly negative about their experiences with AI, what concerns remain about how employers are using it?"

"The rumor mill is running"

"That something else shows up clearly when you ask candidates what they were told. Among job seekers who believe AI played a role in evaluating their application, only 32% say the employer clearly disclosed it. 41% suspected AI was being used and got no disclosure at all. 26% say the employer didn't disclose any use of AI, period.

Silence isn't neutral. When employers don't say anything about how AI is used, candidates don't conclude that nothing happened. Disclosure is particularly important when AI is being used to evaluate candidates. Without an explanation of where AI is involved or how it influences decisions, candidates have limited information about the process. That uncertainty raises questions about transparency and accountability, regardless of whether the technology is being used responsibly."

"Graded on a curve nobody explained"

"This is where the real cost shows up. Asked how confident they are that automated screening evaluated them fairly, 42% of candidates say they're confident it did. 33% say they're concerned it didn't. The rest, more than one in four, land somewhere in between: not confident, not alarmed, just unsure.

The responses suggest candidates have mixed views about whether AI screening treats them fairly. Some are confident in the process, others have concerns, and a substantial group remains uncertain. We can't tell from these findings exactly what drives those perceptions, but they raise important questions about how employers explain AI's role in hiring and whether candidates have enough information to understand how they're being evaluated."

"Hand out the syllabus"

"In conversations with talent leaders this year, I've noticed a recurring reluctance to explain how AI is being used in hiring. Sometimes it's treated as proprietary information, and sometimes organizations simply haven't determined what candidates should be told."

Part I: The Year in Review

But as AI becomes more involved in screening, assessments, and other hiring activities, employers need to consider what candidates should reasonably know about the process.

That doesn't necessarily require a lengthy explanation. It could be as straightforward as telling candidates when AI will be used to evaluate their responses, what role it plays in the decision, and where human review occurs.

The research suggests there is room for employers to improve transparency. Whether greater disclosure improves candidate confidence is something worth examining as AI adoption continues.

For now, the practical question is fairly simple: If AI is influencing a hiring decision, does the candidate understand how?



Trent Cotton-Head of Talent Insights at ICIMS.

What Analysts Chose to Measure: Evaluations as the Real Forecast

Every year, industry analysts publish predictions about where HR technology is headed. Those predictions generate plenty of discussion, but another way to understand how analysts see the market evolving is to look at what they choose to evaluate.

Research such as Gartner's Magic Quadrant, IDC's MarketScape, and the Forrester Wave requires defined market categories, evaluation criteria, vendor participation, and considerable research. The decision to introduce a new evaluation, change its criteria, or retire an existing one can tell us something about how analysts see the market developing.

Several changes in 2025 and 2026 are particularly relevant to talent transformation.

Part I: The Year in Review

What analysts choose to measure is a far better signal of where they believe the market is going than what they choose to predict. Read this way, 2026 tells a clear story in four parts.

Talent acquisition gained renewed attention as a distinct market.

In April 2025, Gartner published its first Magic Quadrant for Talent Acquisition (Recruiting) Suites, the first talent-specific Magic Quadrant since the e-Recruitment Magic Quadrant of 2009. A second edition followed in May 2026.

The return of a dedicated recruiting evaluation reflects the importance and complexity of the talent acquisition technology market. The changes between the first two editions are also worth examining.

In 2026, Gartner increased the emphasis on implementation, support, and scale while reducing the weighting assigned to sales and marketing execution. Fraud and identity verification became part of the evaluation criteria, and candidate relationship management (CRM) was included in the market definition.

These changes reflect evolving expectations for recruiting platforms. Buyers need technology that can support increasingly complex hiring processes, address emerging risks, and operate effectively at scale. The evaluation criteria also suggest greater attention to how vendors deliver and support their products.[1]

IDC followed in October with a new MarketScape for talent acquisition, in enterprise and mid-market editions, a decade after the first edition, which our principal wrote as an IDC research director in 2016.

Talent management followed a different path.

In 2019, Gartner retired its Magic Quadrant for Talent Management Suites incorporating talent management into the HCM Suites evaluation as a sub-domain. Learning lost its Magic Quadrant entirely.

These decisions happened several years before the renewed recruiting evaluation, but the difference is worth considering. Gartner has increasingly evaluated talent management within the broader HCM

Part I: The Year in Review

suite, while returning to a dedicated assessment of recruiting platforms.

The distinction reflects different approaches to defining these technology markets and the capabilities buyers are evaluating. It also raises questions about how recruiting and talent management technologies will evolve as AI and skills intelligence create more connections between hiring, development, mobility, and workforce planning.

Skills intelligence became a market category.

In November 2025, IDC published its first MarketScape for Worldwide Talent Intelligence evaluating seventeen vendors across talent acquisition, workforce planning, and internal mobility as a single market organized around skills data.

The evaluation reflects growing investment in technology that uses skills data to inform decisions about talent across the organization. Creating a dedicated category gives buyers another way to evaluate providers and compare capabilities. It also signals that skills intelligence has become established enough as a technology market to warrant its own assessment.

Whether organizations have made comparable progress in adopting skills-based practices is a separate question, one we'll return to in *Fad or Future*.

Fosway examined what AI vendors actually delivered.

While other evaluations were defining markets and assessing vendors, Fosway introduced a different perspective on AI in talent acquisition.

In 2025, Fosway launched a dedicated AI Market Assessment for talent acquisition, alongside its 9-Grid research. The assessment examined AI capabilities across talent acquisition technology, distinguishing features available to customers from those still in development or on vendor roadmaps. [2]

Fosway found that only 27% of mapped AI features were live with customers.

That finding provides important context for the industry's AI announcements. The volume of

Part I: The Year in Review

announced capabilities can create an impression of a more mature market than the availability of those features supports.

It also introduces an important distinction for buyers: what a vendor has announced, what is available to purchase, and what customers are actually using are different measures of progress.

What these evaluations tell us

Taken together, these developments show how analyst attention was evolving as the HR technology market changed. Recruiting received renewed attention as a distinct category, skills intelligence gained a dedicated evaluation, and implementation, support, and product availability became more prominent considerations.

They also illustrate the limits of using product announcements alone to assess the market. A new category or evaluation tells us what analysts consider important, but it doesn't establish how widely organizations have adopted those capabilities or what results they're achieving.

Fosway's research brings us closer to that question by examining which AI features are available to customers. The next step is to look at the agentic AI products vendors introduced in 2026 and what those products were actually designed to do.

Part I: The Year in Review

Agentic Recruiting: What Shipped, and What It Actually Does

Most major talent acquisition platforms announced an AI agent in 2026, while a wave of emerging companies built products around the promise of more autonomous recruiting.

But the term ‘agent’ tells us relatively little about what a product actually does. Some automate a single activity, others coordinate several steps, and a small number claim to manage an entire hiring process. We wanted to understand how those announcements compared with the industry's expectations for agentic recruiting.

The economy-wide numbers point the same way. Gartner counted 17% of organizations with agents deployed by April 2026, and Deloitte counted 11% in production.[20] Gartner has been naming the gap between agentic marketing and agentic product since mid-2025.

So we counted. We logged the publicly announced agentic AI launches in talent acquisition technology that we could date and source between January and early October 2026, across HCM suites, applicant tracking systems, sourcing and marketplace tools, interviewing and assessment platforms, and staffing software.

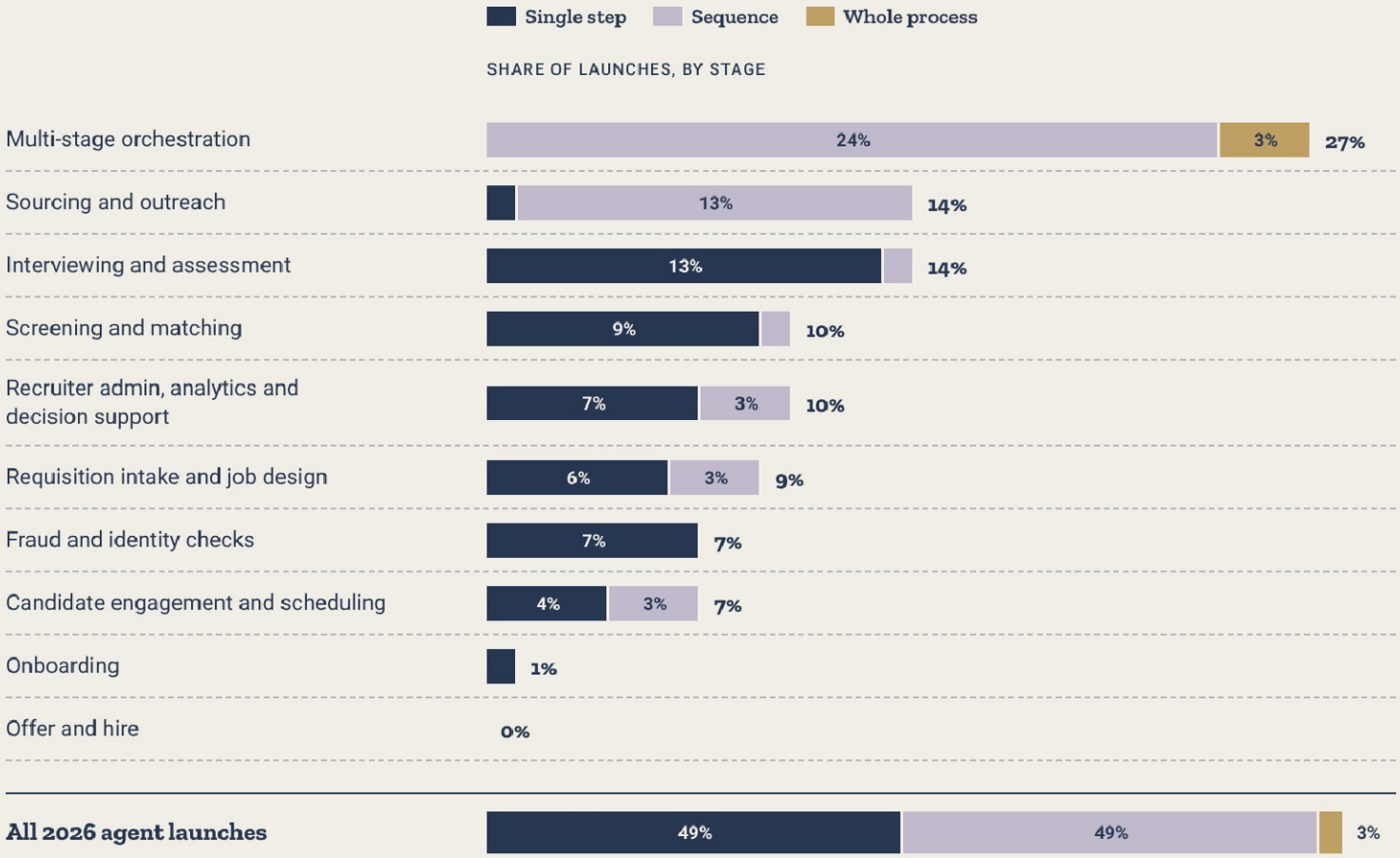
For each launch we asked two things: what it automates, and whether it runs one step, a sequence of steps, or the whole process. We coded each one from what the source describes, not from the adjectives around it.

These classifications reflect capabilities described in publicly available launch materials. They do not independently verify product performance or customer deployment.

Part I: The Year in Review

FIGURE 3

What 2026's Agent Launches Actually Run: One Step, a Sequence or the Whole Process



Agentic AI launches in talent acquisition technology, January to early October 2026, by hiring stage and by how much of the process each one runs. Kyle & Co desk research. Percentages may not total 100% due to rounding.

Stage	Share of launches	Single step	Sequence	Whole process
Multi-stage orchestration	27%	0%	24%	3%
Sourcing and outreach	14%	1%	13%	0%
Interviewing and assessment	14%	13%	1%	0%
Screening and matching	10%	9%	1%	0%

Part I: The Year in Review

Stage	Share of launches	Single step	Sequence	Whole process
Recruiter admin, analytics and decision support	10%	7%	3%	0%
Requisition intake and job design	9%	6%	3%	0%
Fraud and identity checks	7%	7%	0%	0%
Candidate engagement and scheduling	7%	4%	3%	0%
Onboarding	1%	1%	0%	0%
Offer and hire	0%	0%	0%	0%
All 2026 agent launches	**100%**	**49%**	**49%**	**3%**

Agentic AI launches in talent acquisition technology, January to early October 2026, by hiring stage and by how much of the process each one runs. Kyle & Co desk research.
Percentages may not total 100% due to rounding.

Half of the year's agent launches run a single step: They conduct a first-round interview, score an application against a rubric, flag a fraudulent candidate, or turn intake notes into a job brief.

The other half chain steps together, most often finding candidates, writing the outreach, following up and putting a screen on the calendar. Two launches describe running a whole hiring process, and both are in frontline, high-volume hiring, where the process is short and repeats. No launch targets the offer.

Where the work landed says a lot.

The AI interviewer was the most repeated product of the year, and nine in ten of them run one step: a structured screen, scored and handed to a person. Sourcing is where the chaining happens, with nine in ten sourcing launches stringing search, outreach and booking together.

Fraud and identity checks arrived as an agent category of their own, each doing a single job, in the same year Gartner added fraud and identity verification to its Magic Quadrant criteria. Interview scheduling, the first thing the forecasts expected agents to take off the desk, rarely ships as a standalone agent. Usually it's one step inside a sequence.

Part I: The Year in Review

That's useful work. Scheduling alone takes a measurable share of a recruiter's week, and the screen and the interview are where volume hits hardest. Automating a step is real progress. The 2026 predictions were about orchestrating the whole process, and two launches describe doing it.

The evidence behind most of these launches is thin. More than four in five are described only by the company selling them. Where a named customer result appears, the vendor published it. We found no independent evaluation of how any of these agents behave in production. About one in five was on a roadmap on the day it was announced.

This reinforces the distinction raised by Fosway's AI Market Assessment: announced capabilities, features available to customers, and demonstrated results are different measures of progress.

The market made progress in automating specific recruiting activities and coordinating defined workflows. More comprehensive orchestration remained uncommon in the announcements we reviewed, and independent evidence of production performance was limited.



Part I: The Year in Review

From Market Announcements to Organizational Reality

The evidence from 2026 shows a market making progress, although not always in the ways or at the pace the industry predicted.

- Analyst evaluations reflected changing expectations for recruiting platforms and emerging technology categories.
- Vendors introduced AI capabilities that could automate individual activities and coordinate defined workflows, while broader autonomous recruiting remained less established.
- Candidate research also raised questions about how employers were communicating AI's role in hiring.

The market's record explains some of the gap between AI's promises and its results. The Class of 2026 suggests there's more to the story, and much of it lies in what organizations do after they buy.

How much of it was put into production? How did HR and talent leaders evaluate its success? And what distinguished organizations reporting stronger hiring outcomes?

To answer those questions, we turned to the Class of 2026.

Part II: The 2026 Class Photo



Who is in the Class of 2026, what they have running, and what they say about it.

Part II: The 2026 Class Photo

The Divide We Expected to Find

We entered this research expecting CHROs and talent acquisition leaders to tell us different stories about AI.

The reasoning was straightforward. CHROs and chief people officers are responsible for setting strategy and making investment decisions. Talent and talent acquisition leaders are closer to the daily work of implementation, including the processes, people, and systems that determine whether new technology delivers on its promises.

We've seen those perspectives diverge during previous waves of HR technology transformation. We expected AI to reveal a similar divide, particularly when it came to implementation success, deployment, and organizational readiness.

So we deliberately surveyed both groups: 100 CHROs and chief people officers, and 400 heads of talent and talent acquisition.

The divide we expected didn't appear.

Across the measures we examined, their responses were remarkably similar. They were just two percentage points apart in how they rated AI implementation success and one point apart in how much of their purchased AI capability was in production. They also reported similar levels of readiness, approaches to change management, hiring performance, investment priorities, and implementation barriers.

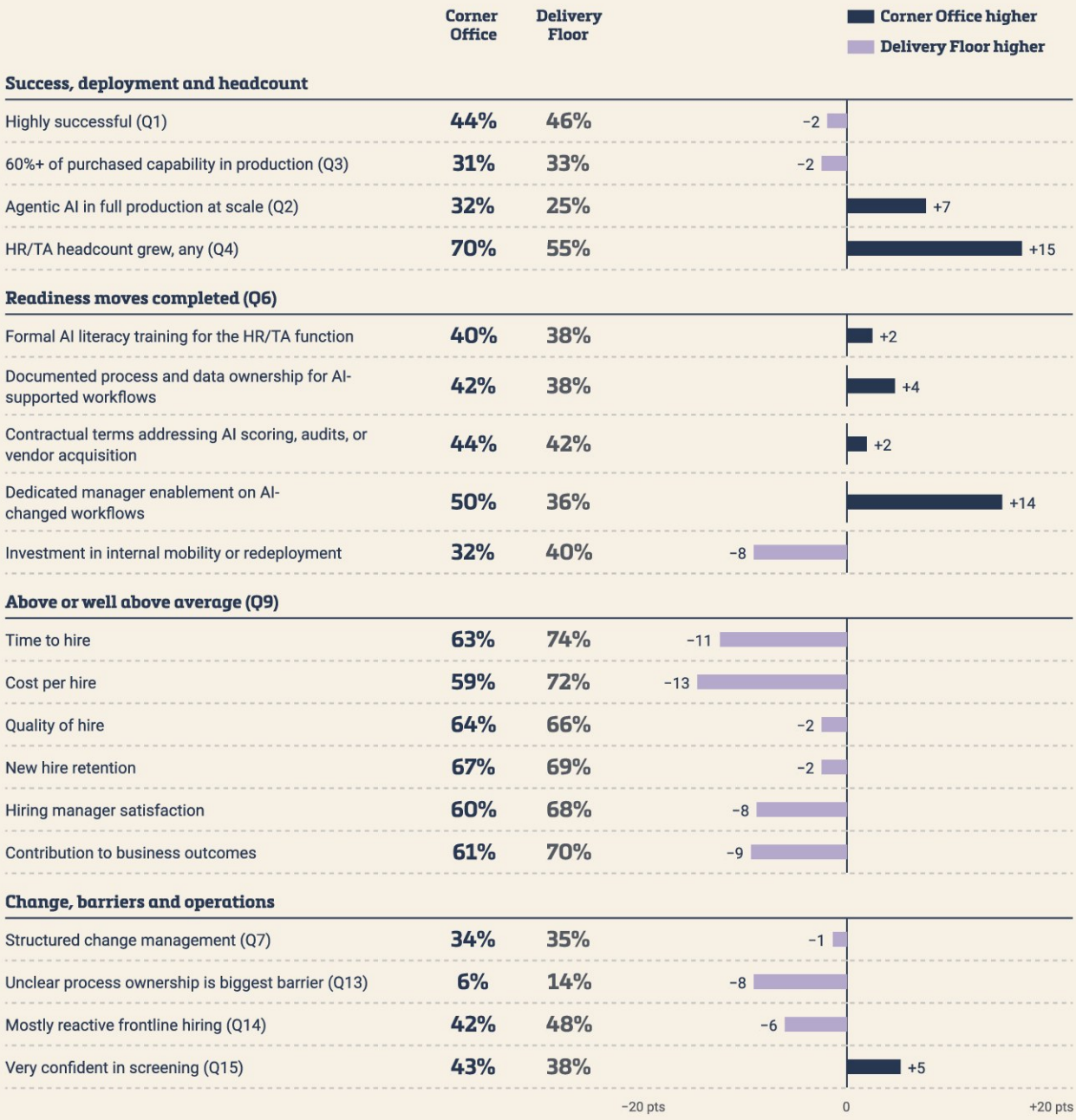
This was one of the more surprising findings in the research. The people responsible for setting the direction of HR technology and those responsible for putting it to work largely agreed about where their organizations stood.

That agreement doesn't necessarily mean AI implementation is going well. It tells us that the differences we expected between executive and operational perspectives aren't evident in these responses.

Part II: The 2026 Class Photo

FIGURE 4

CHRO and Talent Leader Responses on AI Success, Deployment, Readiness, and Performance



Top-box shares by segment. Corner Office n=100 is directional. Composite contrasts are not statistically significant. Source: Kyle & Co 2026 State of Talent Transformation survey, n=500.

If CHROs and talent leaders generally agree about their progress, what explains the differences between organizations reporting stronger hiring outcomes and those reporting weaker ones?

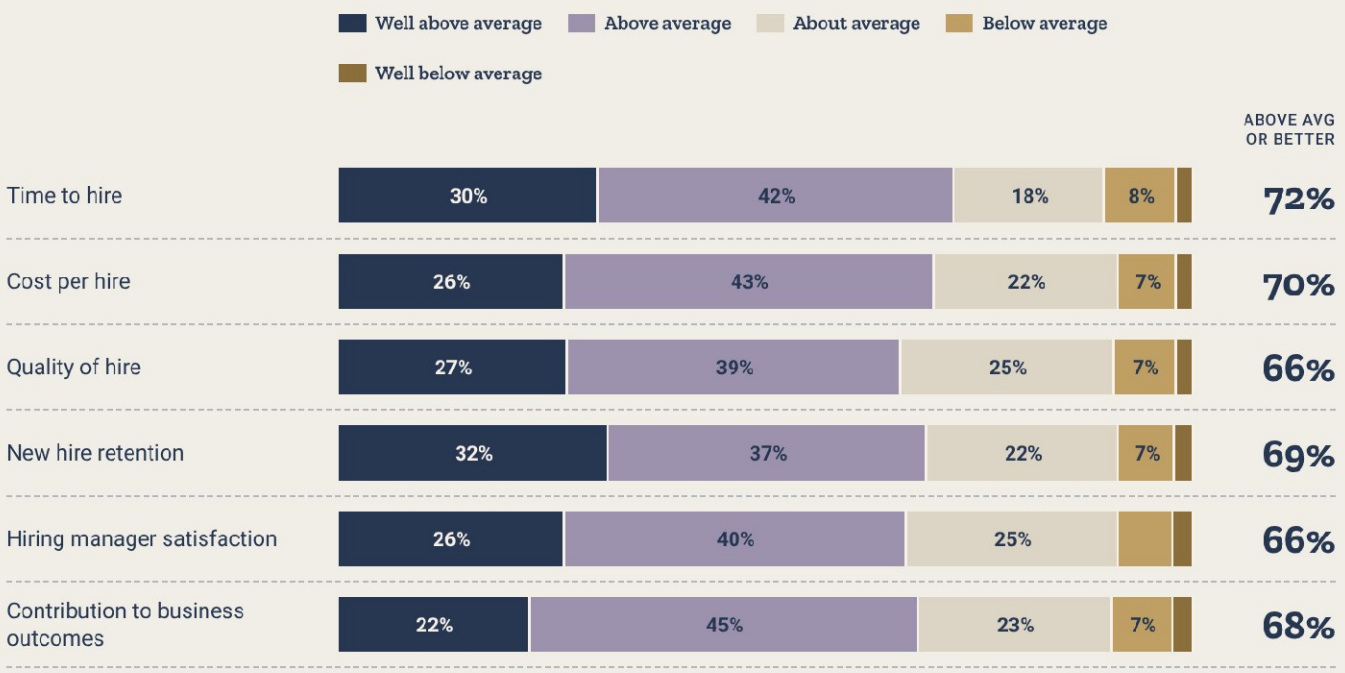
Part II: The 2026 Class Photo

Who's in the Class: Six Outcomes, Two Tiers

The Class of 2026 includes 500 HR and talent leaders at US companies with 250 or more employees. We asked each respondent to rate their organization's performance relative to peers on six hiring outcomes: time to hire, cost per hire, quality of hire, new hire retention, hiring manager satisfaction, and contribution to business outcomes.

FIGURE 5

How the Class Rates Itself on Six Hiring Outcomes



Q9, self-rated vs peers, full class. Tiers are defined from these six items. Source: Kyle & Co 2026 State of Talent Transformation survey, n=500.

Part II: The 2026 Class Photo

The Class grades itself well. On every one of the six, between 63% and 72% rate their organization above average or well above average, and fewer than one in ten rate it below.

Time to hire draws the most confidence, with 72% above average and 30% well above; contribution to business outcomes draws the least, with 67% above average and 22% well above. Quality of hire, the metric the industry has spent a decade trying to define, lands in the middle at 66%.

That level of confidence deserves some attention. Most respondents believe their organizations perform better than their peers across multiple hiring outcomes. These are perceptions of relative performance, rather than independently verified results, and the distribution raises questions about how leaders evaluate their own effectiveness.

To examine differences within the Class, we grouped respondents according to their answers across all six outcomes.

How we sorted the Class.

Organizations above average on all six outcomes are the Upper Classmen, representing 37% of respondents.

Organizations above average on three or fewer are the Freshmen, representing 34%.

The remaining 29% fall between these groups and are included in the overall survey findings, but excluded from comparisons between the two tiers.

These classifications reflect self-reported performance relative to peers, rather than independently verified hiring outcomes.

We used reported hiring outcomes to define the groups, then examined whether their answers differed on AI deployment, organizational readiness, and implementation practices. This allows us to identify relationships between perceived performance and the activities organizations report completing, although it cannot establish that those activities caused better hiring outcomes.

The two tiers look alike on the surface. Both are mostly heads of talent, with chief people officers present in each. Both run companies of every size in the sample. 37% of Freshmen and 34% of Upper Classmen run structured change management with dedicated resources and a formal plan; 28% of each run communication and training only.

Part II: The 2026 Class Photo

The similarities are worth noting. The two groups include comparable mixes of executive and operational leaders, represent organizations across the size ranges surveyed, and report similar approaches to change management.

Those characteristics offer little explanation for the differences in how they rate their hiring performance.

Other responses reveal more substantial differences. The next sections examine where those differences appear, beginning with how the Class evaluates its AI investments and what organizations have actually put into production.

The two groups share several characteristics, including similar approaches to change management. But their answers about AI deployment and organizational readiness reveal much larger differences. Those are the patterns we'll examine next.

What's Actually Running: The AI Deployment Divide

We asked about seven AI capabilities in talent acquisition:

1. Resume screening and ranking
2. Conversational AI and chatbots for candidates
3. Interview scheduling
4. AI-led screening and assessment
5. Agentic AI running multi-step workflows
6. AI-assisted writing for job descriptions and candidate communications
7. Skills inference and matching

Part II: The 2026 Class Photo

For each, respondents told us whether it was in full production at scale, in limited production, piloting, under evaluation, or not under consideration.

Look across the Class, and each capability shows a similar pattern. It is in some form of production at 63% to 65% of organizations. It is in full production at only 23% to 28%.

Across the Class, deployment rates are remarkably similar for all seven capabilities, even though they serve very different purposes. But those overall numbers hide a much bigger difference between organizations.

When we separate Upper Classmen from Freshmen, the picture changes considerably:

- **Among Upper Classmen, 88% to 90% have each capability in production, and 39% to 52% have each at full scale.**
- **Among Freshmen, 33% to 39% have each in production and 8% to 11% at full scale.**

Part II: The 2026 Class Photo

FIGURE 6

AI Capability in Production, by Tier



Q2, share in full production at scale. All Freshmen vs Upper classmen gaps are statistically significant. Source: Kyle & Co 2026 State of Talent Transformation survey, n=500

The average Upper Classman is running six of the seven capabilities, three at full scale. The average Freshman is running two and a half, and less than one at full scale.

At the far end, between 26% and 35% of Freshmen have not moved past evaluating each capability, against 4% to 6% of Upper Classmen.

The widest single gap is on skills inference and matching: 52% of Upper Classmen in full production against 8% of Freshmen. The narrowest is on resume screening, the oldest capability on the list, at 39% against 10%.

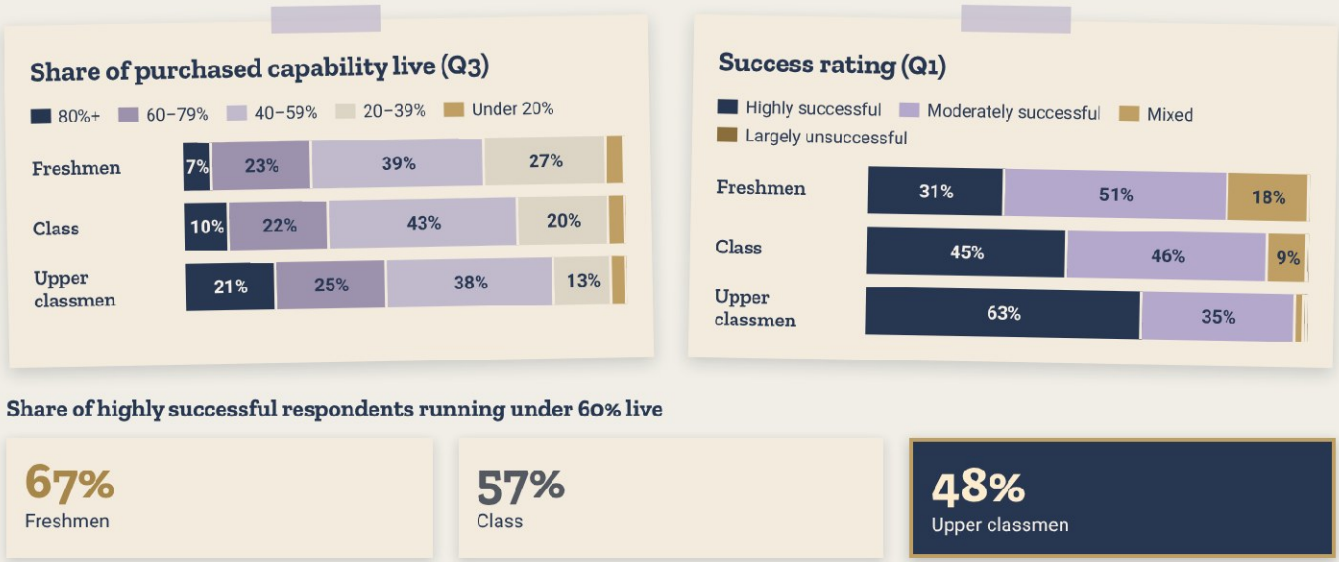
Agentic AI, the newest capability on the list, shows a similar divide: 42% of Upper Classmen report having it in full production, compared with just 9% of Freshmen.

Part II: The 2026 Class Photo

Bought vs. Deployed: How Much AI Is Actually Running?

FIGURE 7

Share of Purchased Capability in Production, and Success Rating, by Tier



Share of highly successful respondents running under 60% live

67%	57%	48%
Freshmen	Class	Upper classmen

Q3 and Q1 by tier. Source: Kyle & Co 2026 State of Talent Transformation survey, n=500.

The capability question tells us what is running. A second question tells us what is not: of the AI the organization has already purchased, how much is in production today?

Part II: The 2026 Class Photo

Upper Classmen have deployed an average of 59% of what they purchased, compared with 50% among Freshmen. That nine-point difference is considerably smaller than the gaps we saw when comparing which of the seven AI capabilities each group has in production.

At the high end, one in five Upper Classmen report having nearly all their purchased AI in production, compared with fewer than one in ten Freshmen.

Set that next to how each tier rates the year:

- 62% of Upper Classmen call their AI implementation highly successful, with clear and measurable business impact; 35% call it moderately successful; 2% report mixed results.
- Among Freshmen, 31% call it highly successful, 51% moderately, and 18% mixed.

The gradient is in the right direction. But the numbers raise another question: What counts as success?

Nearly one in three Freshmen, organizations reporting average or below-average performance on at least half their hiring outcomes, with two and a half AI capabilities in production, calls its AI implementation a clear and measurable success. Two-thirds of those are running half or less of what they bought.

Among Upper Classmen who call the year highly successful, the split is closer to even: 52% running most or nearly all of their purchased AI, 48% running half or less.

There are two ways to read those numbers.

One is that organizations are setting a relatively low bar for AI success. The other is that they're measuring something real, like a scheduling tool that took hours off a recruiter's week, and calling it successful even though much of their purchased AI remains unused.

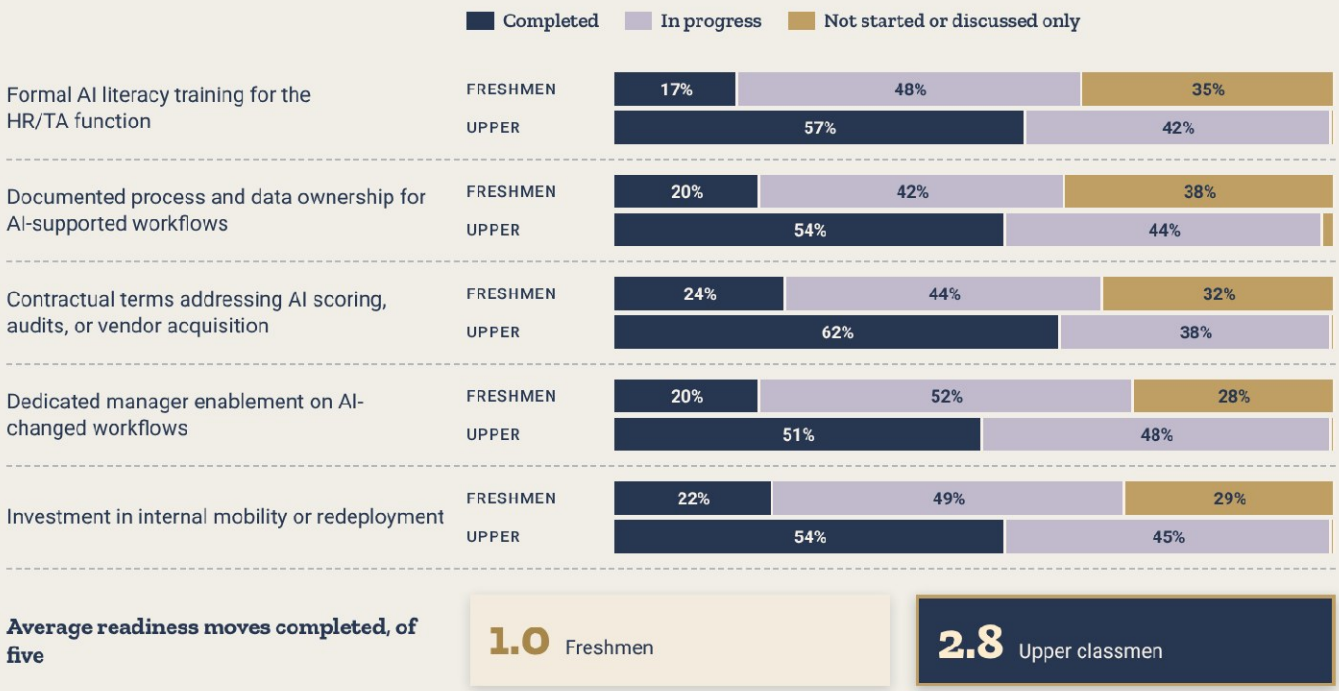
Our six outcome benchmarks add another piece to the puzzle. Some organizations reporting highly successful AI implementations also rate themselves average or below on time to hire, cost per hire, and quality of hire. That gap suggests some of those organizations haven't yet seen the business impact they're reporting.

Part II: The 2026 Class Photo

The Foundations: Finished, In Progress, Not Started

FIGURE 8

Readiness Moves, by Tier



Q6, status of each readiness move. Source: Kyle & Co 2026 State of Talent Transformation survey, n=500.

Five moves show how far an HR function has gone in preparing to put AI to work:

1. Formal AI literacy training for the HR and talent team
2. Documented process and data ownership for AI-supported workflows
3. Contractual terms covering AI scoring, audits and vendor acquisition
4. Dedicated manager enablement on the workflows AI has changed
5. Investment in internal mobility and redeployment

Part II: The 2026 Class Photo

We asked where each stood.

Across the Class, each is complete at 38% to 43% of organizations and in progress at another 43% to 50%. Roughly one in eight has not started, or has only discussed, each one. Contract terms are furthest along at 43% complete; AI literacy training is furthest behind at 38%.

By tier, the in-progress column barely moves. 42% to 48% of Upper Classmen and 42% to 52% of Freshmen are working on each move. Everything else moves.

Upper Classmen have completed each of the five at 51% to 62%. Freshmen have completed each at 17% to 24%. And where 1% or 2% of Upper Classmen have not started each move, 28% to 38% of Freshmen have not.

The average Upper Classman has 2.8 of the five finished; the average Freshman has 1. None of this is glamorous work: contract language, data ownership, training for recruiters, enablement for managers, a redeployment plan. None of it appeared in a 2026 prediction. But the differences are hard to miss. Upper Classmen have done more of the foundational work needed to put AI into practice, while Freshmen are still getting started. The gap extends beyond which AI capabilities are running to how prepared organizations are to use them.

THE FIVE MOVES

1. Formal AI literacy training for the HR and talent team
2. Documented process and data ownership for AI-supported workflows
3. Contractual terms covering AI scoring, audits and vendor acquisition
4. Dedicated manager enablement on the workflows AI has changed
5. Investment in internal mobility and redeployment

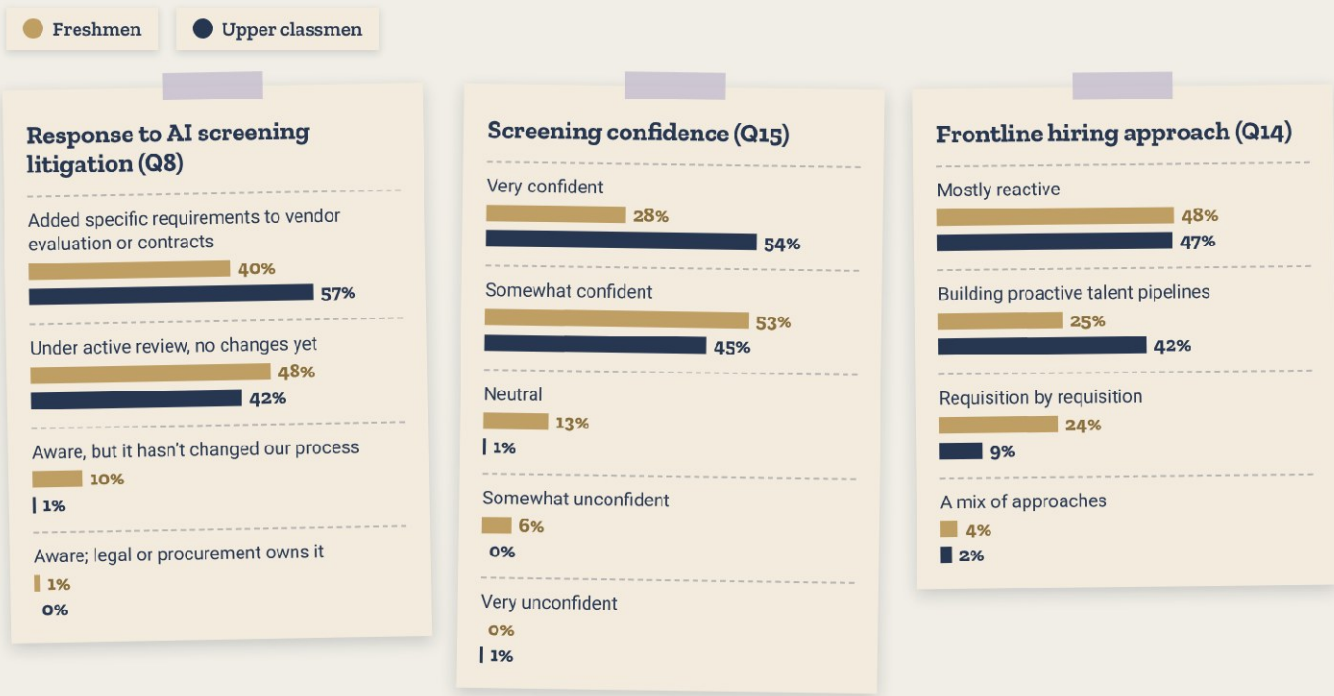


Part II: The 2026 Class Photo

How Buyers Are Buying: Contracts, Confidence, Pipelines

FIGURE 9

Buyer Behavior, by Tier



Q8 response to AI screening litigation, Q15 screening confidence, Q14 frontline hiring approach. Source: Kyle & Co 2026 State of Talent Transformation survey, n=500.

Three questions describe how the Class of 2026 is buying and running AI in hiring:

- What it has done about litigation and regulation around AI in hiring
- How confident it is that its own screening doesn't create legal or bias risk

Part II: The 2026 Class Photo

- How it approaches frontline and high-volume hiring, where AI is increasingly part of the process

On litigation and regulation, the Class has moved. 52% say they have added specific requirements to vendor evaluation or contracts in response, and another 42% have it under active review[19]. 5% are aware and have changed nothing.

The Class is paying attention. By tier: 57% of Upper Classmen have added requirements, against 40% of Freshmen; 10% of Freshmen are aware and unchanged, against 1% of Upper Classmen.

The legal exposure may vary by organization, but the difference in how the two tiers are responding is clear.

On confidence, 39% of the Class is very confident its automated screening doesn't create legal exposure or bias risk, 52% is somewhat confident, and 9% is neutral or unconfident. Among Upper Classmen, 54% are very confident and 1% neutral or unconfident. Among Freshmen, 28% and 19%.

Nearly one in five Freshmen is neutral or lacks confidence about the legal and bias risks associated with its automated screening, and the same tier has been slower to add AI requirements to vendor evaluations and contracts.

The difference is worth paying attention to. Freshmen report less confidence in their screening practices and are less likely to have changed their vendor requirements in response to legal and regulatory developments.

On frontline hiring, the Class of 2026 is mostly reactive.

46% describe their approach as filling roles as they open, and that figure is similar in both tiers, 48% of Freshmen and 47% of Upper Classmen. The difference is in the other half. 42% of Upper Classmen are building proactive talent pipelines against forecast demand; 25% of Freshmen are. 24% of Freshmen hire requisition by requisition; 9% of Upper Classmen do.

For a function that spent 2026 investing in AI sourcing and screening at scale, the continued reliance on reactive hiring is striking. Upper Classmen are more likely to be building pipelines against anticipated demand, while Freshmen are more likely to be hiring one requisition at a time. The difference suggests that technology adoption and workforce planning are progressing at different rates across the Class.

Part II: The 2026 Class Photo

The Same Syllabus: Where the Tiers Do Not Differ

Every comparison so far has shown the tiers apart: six capabilities in production against two and a half, and nearly three foundations finished against one. This page shows where they are the same, and it matters as much.

When asked what is driving AI investment, the Class splits five ways in nearly equal shares:

- Pressure from the CEO or board at 22%
- Cost reduction targets at 21%
- Capabilities arriving in tools already owned at 21%
- Competitive pressure at 20%
- A strategy defined by the function itself at 16%

Freshmen and Upper Classmen are no more than seven points apart on any of them. The organizations with the lower-rated hiring outcomes are not buying AI for different reasons than the Upper Classmen, and the Upper Classmen are not more likely to be following a strategy of their own.

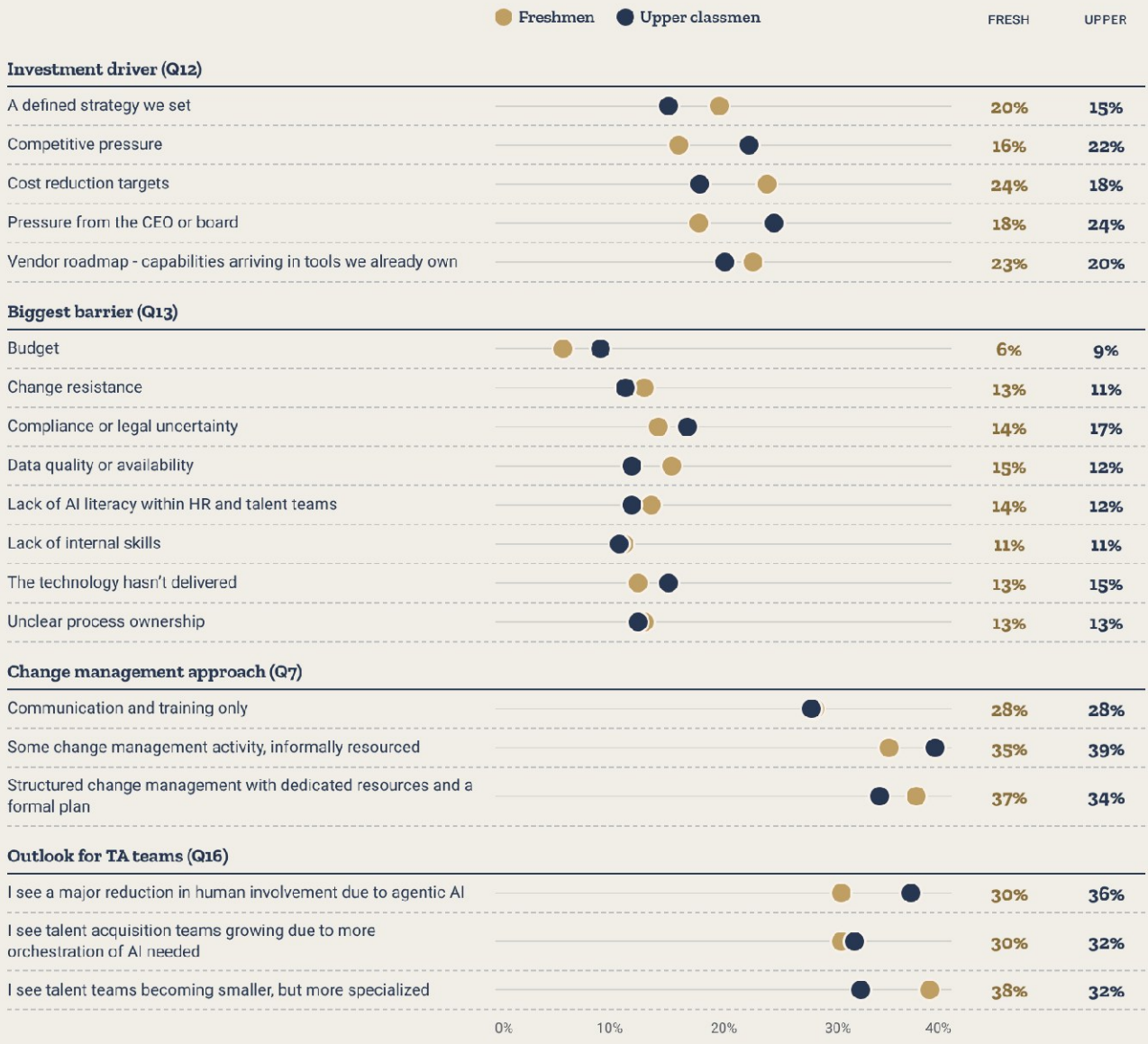
Asked what most prevents the organization from getting more value out of AI, the Class spreads across eight barriers at 7% to 15% each:

compliance and legal uncertainty	data quality	AI literacy	technology that has not delivered
unclear process ownership	change resistance	lack of internal skills	budget

Part II: The 2026 Class Photo

FIGURE 10

Drivers, Barriers, Change Management and Outlook, by Tier



Q12 investment driver, Q13 biggest barrier, Q7 change management approach, Q16 outlook for TA teams. None of these Freshmen vs Upper classmen differences is statistically significant. Source: Kyle & Co 2026 State of Talent Transformation survey, n=500.

Part II: The 2026 Class Photo

No barrier draws more than 17% of either tier, and no barrier stands out as a major difference between them. The Freshmen face the same obstacles the Upper Classmen faced.

Change management is similar across tiers, as noted. And asked what talent acquisition teams will look like in one to three years, the Class splits three ways: 35% see smaller and more specialized teams, 34% see a major reduction in human involvement due to agentic AI, and 30% see teams growing because of the orchestration AI will require.

Freshmen and Upper Classmen hold those three views in the same proportions. The organizations furthest along in deployment do not see a different future than the ones with less AI in production.

The Class of 2026 agrees on why it is buying AI, what is in its way, how to manage the change, and where the function is headed. Where the tiers diverge is in what they've done about it. Upper Classmen have more AI running, more foundations finished, and more proactive hiring practices.

That makes the Upper Classmen's record unusually useful. If they faced different obstacles or were driven by different pressures, their path would be of limited use to anyone behind them. They don't. The pressures are familiar, the obstacles are familiar, and the work is there for the rest of the Class to see.



Part II: The 2026 Class Photo

What the Class Photo Shows

Four things, each on its own page above.

- The market spent the year questioning whether AI was delivering on its promises. The Class of 2026 tells a different story. Nearly half call their AI implementation highly successful, even though much of what they've purchased is still waiting to be deployed. And when we sort the Class by hiring outcomes, the difference between Upper Classmen and Freshmen becomes hard to ignore.
- The Upper Classmen have put more AI to work. Six capabilities in production against two and a half. Three at full scale against less than one. The newest capability, agentic AI, shows much the same divide as the oldest.
- The Upper Classmen finished the foundations: contracts, data ownership, training, manager enablement, redeployment. Freshmen have just as much work in progress and far less finished. None of it made the headlines in the year's AI predictions.
- The tiers want the same things, face the same barriers, and expect the same future. The syllabus is shared. The Upper Classmen are further through it.

One more thing the Class Photo shows: 75% of Upper Classmen grew their HR and talent headcount this year including 34% by more than 20%. Freshmen were more than twice as likely to cut. That runs against the year's loudest predictions.

Part III grades that prediction, along with the others that shaped the Class of 2026.

Part III: FAD or Future



What everyone said would happen, graded.

Part III: FAD or Future

How We Graded: Three Grades, Four Rules

Everyone published predictions for 2026. We graded them, including our own. Part I set out what the forecasts said; this part says how they held up against what happened in 2026.

Every call gets one of three grades.

- **FAD**: it didn't happen, and the evidence says it's not coming anytime soon.
- **FUTURE**: it's happening, and we note whether it is on the schedule the forecaster set or behind it.
- **INCOMPLETE**: too early to call. We give it a lean and say what would settle it.

Four rules.

We grade the call, whoever made it.

Multi-year forecasts are graded on one year of trajectory and marked provisional.

Every call is checked against its primary source, and where we could only find coverage, the card says so.

Where a forecaster changed position during the year, we grade what they said first and note what they said later.

One thing about the field: The 2026 forecasts were unusually unanimous. Five research firms described the same future in five vocabularies: super agents, digital employees, agent orchestration, the agentic organization, an $8.5 billion orchestration market.

A call that unanimous tells you what was fashionable in the fall of 2025. Nobody risked anything by making it, and the Report Card grades it once, as one call, rather than five times as five.

Part III: FAD or Future

We also grade only the calls strong enough to take a grade. A prediction with no number, no date, or no identifiable outcome is difficult to test. Several from the cycle, including some of ours, fall into that category. Those are not on the card.

The Report Card

Grading ourselves first. In January we published five bets for 2026.[3] We put no number and no date on any of them, which by our own test makes them weaker calls than the ones we grade below, and we are saying so before grading anyone else.

Two of the five can take a grade on this year's evidence. The other three are written so they couldn't lose, and they are not on the card.

Kyle & Co's January Bet	Final Grade	Why
Defensibility becomes the AI buying center's baseline	**FUTURE, on schedule**	52% of the Class has added specific requirements to vendor evaluation or contracts in response to litigation and regulation around AI in hiring, and another 42% has it under active review. 5% are aware and have changed nothing. By their own account, buyers changed how they buy. Among Upper Classmen, 57% added requirements; among Freshmen, 40%.
AI adoption becomes a capability problem	**FUTURE, behind**	One in four respondents names either AI literacy or internal skills as their biggest barrier. 38% of the Class of 2026 has finished formal AI literacy training for the function 57% of Upper Classmen have finished the training against 17% of Freshmen.

Our organizing thesis for this Yearbook, that the maturity curve in HR technology is organizational rather than technical, was also a bet Kyle & Co made in January. It's the argument of Parts I and II of the Yearbook, and we aren't grading it on our own data. We'd rather you did.

Grading the field. The predictions below are from the 2026 cycle with enough specificity to be checked.

Part III: FAD or Future

The call	Who	Final Grade	Why
Autonomous agents orchestrate hiring end to end; the agentic organization arrives	Bersin, Forrester, IDC, Deloitte, McKinsey[4]	**FUTURE, behind**	Agents shipped: 26% of the Class has agentic AI in full production at scale, 42% of Upper Classmen and 9% of Freshmen. Half of 2026's agent launches run a single step, and two describe running a whole hiring process. The end-to-end orchestration that forecasts promised remains largely on the drawing board.
Agentic AI is recruitment process automation renamed; 2026 adoption lands on scheduling, assessments, rediscovery and onboarding logistics, not orchestration	Matt Charney[5]	**FUTURE, on schedule**	The only forecaster in the cycle who predicted the modest version. The launch tally in Part I shows agents handling discrete steps far more often than whole processes, and interview scheduling is among the most-deployed capabilities in the Class.
HR teams "may see staffing cuts of up to 50%"	Forrester, Nov 2025[6]	**FAD**	58% of the Class grew HR and talent headcount in the past twelve months. Only 20% cut. Among Upper Classmen 75% grew. The Class, as a whole, moved in the opposite direction from the headline prediction.
30 to 40% of existing HR jobs "can be automated with relatively low effort"	Bersin, Jan 2026[7]	**INCOMPLETE**	The call was about what can be automated, and that stays open. In August, Bersin wrote that those roles are "NOT GOING AWAY" and that HR postings are up.
Half of AI-attributed layoffs will be "quietly reversed"	Forrester, Nov 2025[8]	**INCOMPLETE**	Nobody measured it this year, including us. AI was cited in about a fifth of US job cut announcements through August.[9] Whether those roles come back is the real test.
Over 40% of agentic AI projects canceled by end of 2027	Gartner, Jun 2025[10]	**INCOMPLETE, leaning FUTURE**	The cancellations have not been counted. The conditions Gartner warned about are familiar: cost, unclear value, and weak risk controls. The Class reports implementation challenges, but the cancellation count is still to be determined.

Part III: FAD or Future

The call	Who	Final Grade	Why
30% of enterprise app vendors launch their own MCP servers	Forrester, Nov 2025[11]	**INCOMPLETE, leaning FUTURE**	At least fifteen vendors published their own MCP servers between January and mid-October. They expose the same core objects: candidates, jobs, applications, interviews and scorecards, plus employees and time off in HCM. Just under half can write anything, limited to a note, a stage move, a time-off request. Nobody publishes the denominator Forrester's 30% needs, so this grades the direction, not the threshold.
Skills-based hiring "isn't going to happen"; employers keep hiring for pedigree under a skills vocabulary	Matt Charney[12]	**INCOMPLETE, contested**	36% of the Class of 2026 says skills-based hiring is fully implemented across most roles, and 66% says it is implemented at least for specific roles. 28% have skills inference in full production. The Class says he is wrong, though deployment data leaves room for him to be right.
"Job hugging" gives way to "job chaining"; retention rises short term, skills stagnate, reskilling and workforce planning become urgent	ICIMS, Jan 2026 Workforce Report[13]	**INCOMPLETE, leaning FUTURE**	The quits rate held between 1.9% and 2.0% from January through August, the same range as 2025. Job hugging is holding on. On the ICIMS platform, applicants per opening slid from 38 in January to 34 in September. People are staying put, and fewer of them are competing for each opening. Job chaining hasn't arrived. Employers are preparing anyway. Skills-based hiring and internal mobility rank among the top-three priorities for 2027 for 27% of the Class, and 88% have completed or started work on internal mobility. The Class is preparing for the next move. The labor market hasn't made it yet.

Part III: FAD or Future

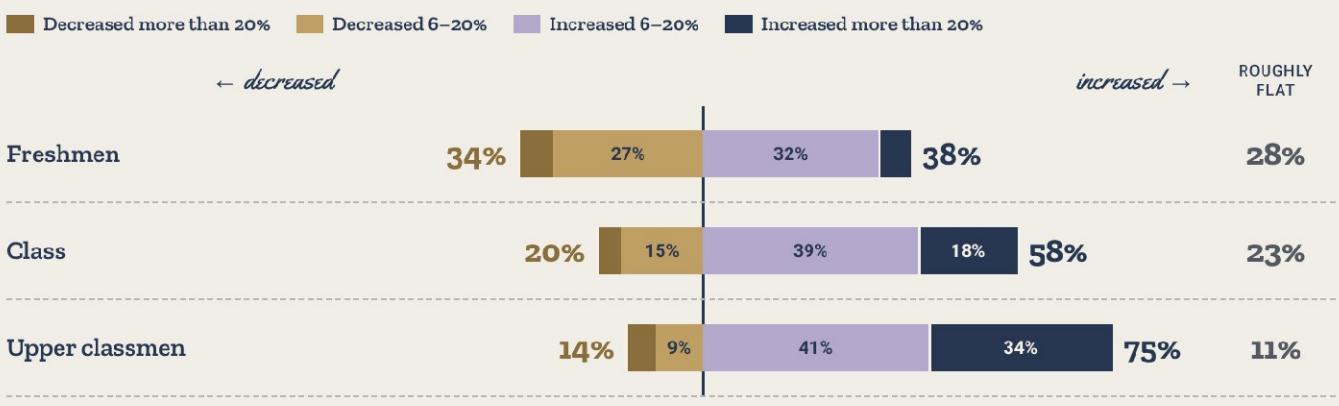
Two Forecasts, One Function: HR Was Supposed to Shrink

Going into 2026, the boldest calls about HR's own headcount pointed one way. Forrester said HR teams "may see staffing cuts of up to 50%" as executives "test how far they can push." Bersin estimated that 30 to 40% of existing HR jobs could be automated "with relatively low effort."

The two were making different bets on the same future: AI would take over enough HR work to make the function smaller.

FIGURE 11

HR and Talent Headcount Change in the Past Twelve Months, by Tier



Q4, HR/TA headcount change in the past twelve months. Totals at bar ends are any increase and any decrease. Percentages may not sum to 100 due to rounding.
Source: Kyle & Co 2026 State of Talent Transformation survey, n=500.

The Class reported the opposite. 58% grew HR and talent headcount over the past twelve months, including 18% who grew by more than 20%. Another 23% held flat. Just 20% cut, including 5% who cut by more than 20%.

Part III: FAD or Future

By tier, the reversal sharpens into the most important finding in this part. **75% of Upper Classmen grew the function, including 34% who grew by more than 20%. Among Freshmen, 38% grew, just 6% by more than 20%, and 34% cut, compared with 14% of Upper Classmen.**

The organizations with the most AI in production, the most foundations finished, and the strongest hiring outcomes are the organizations most likely to have added people. Freshmen were more than twice as likely to cut.

That doesn't mean AI created the headcount. Strong functions may have been trusted with both budget and technology, or growing companies may have expanded HR along with everything else.

But the forecast's mechanism–AI arrives, and HR gets cut–is not what happened in the Class we surveyed. The organizations furthest along with AI were also the ones most likely to grow their HR teams.

By August, Bersin had come around: HR postings are up, and the automatable roles "are being replaced with even more important positions."[14]

Forrester's own caution belongs here too. Most layoffs attributed to AI, it wrote, are "financially driven and AI is just the scapegoat, at least today."[15] Challenger counted AI in about 22% of announced job cuts through August. In August itself, AI fell to the fourth most-cited reason. That was its lowest ranking since December 2025.[16]

None of this settles what AI will do to HR headcount over the next several years. But the near-term story was supposed to be straightforward: AI would take over the work, and HR teams would get smaller. The Class of 2026 went the other way. **Verdict: FAD.**

Part III: FAD or Future

Who Will Be America's Next Top Model (Context Protocol)?

Forrester predicted that 30% of enterprise application vendors would launch their own MCP servers in 2026.[17] MCP, the Model Context Protocol, is an open standard that lets AI agents connect to a software platform's data and actions. The prediction is about vendors opening their platforms to outside agents.

In HR and talent technology, at least fifteen did, with seventeen servers between them. Most arrived in the second and third quarters.

They weren't alone. Unaffiliated developers published at least twenty more, most of which read public job-board postings and nothing else. Integration platforms, several of which predate 2026, already put dozens of HR and recruiting systems behind a single server.

What most of those servers expose is the same set of core objects: candidates, requisitions, applications, employees. Little separates one from the next, which is normal for a protocol in its first year. Just under half let an agent write anything back, and the writes are small: a note, a stage move, a time-off request.

The more useful question is what the agents on the other end of it are permitted to do. That is a question the launch tally in Part I already answered for this year: read, schedule, screen, write. Not decide.

Verdict: INCOMPLETE, leaning FUTURE. Fifteen vendors showed up. Forrester called for 30% of the field, and we don't have the full roster to count. It's happening. Nobody has won it.

Part III: FAD or Future

Skills: The Category Versus the Practice

Analysts gave skills intelligence its own category this year. IDC's first MarketScape for Worldwide Talent Intelligence evaluated seventeen vendors as a single market organized around skills data. Gartner's second Talent Acquisition Magic Quadrant moved skills capabilities toward table stakes. The category exists, and the vendors in it are being graded.

The Class says it followed. 36% report skills-based hiring fully implemented across most roles. 30% report it implemented for specific roles or functions. 15% are piloting. 18% have discussed it and not started. Two in three, in other words, say they are doing it.

Matt Charney, Principal Analyst at Kyle & Co, said they are not, and would not: that employers "continue to hire for pedigree and experience" with "some specious skills taxonomy pasted on post-facto," and that the real shift is toward evidence-first hiring rather than skills-first hiring.[18]

It is the sharpest dissent in the 2026 cycle and the one most directly testable against our Class.

Put the reported practice next to the technology designed to support it, and the numbers get interesting. 28% of the Class has skills inference and matching in full production. 36% say skills-based hiring is fully implemented. The practice is running ahead of the tech by eight points across the Class, and the gap is not in the tier you would expect.

Among Upper Classmen, 52% have skills inference at full scale and 41% report skills-based hiring fully implemented; the tooling leads. Among Freshmen, 8% have the tooling at full scale and 33% report the practice fully implemented; the practice leads the tooling by 25 points.

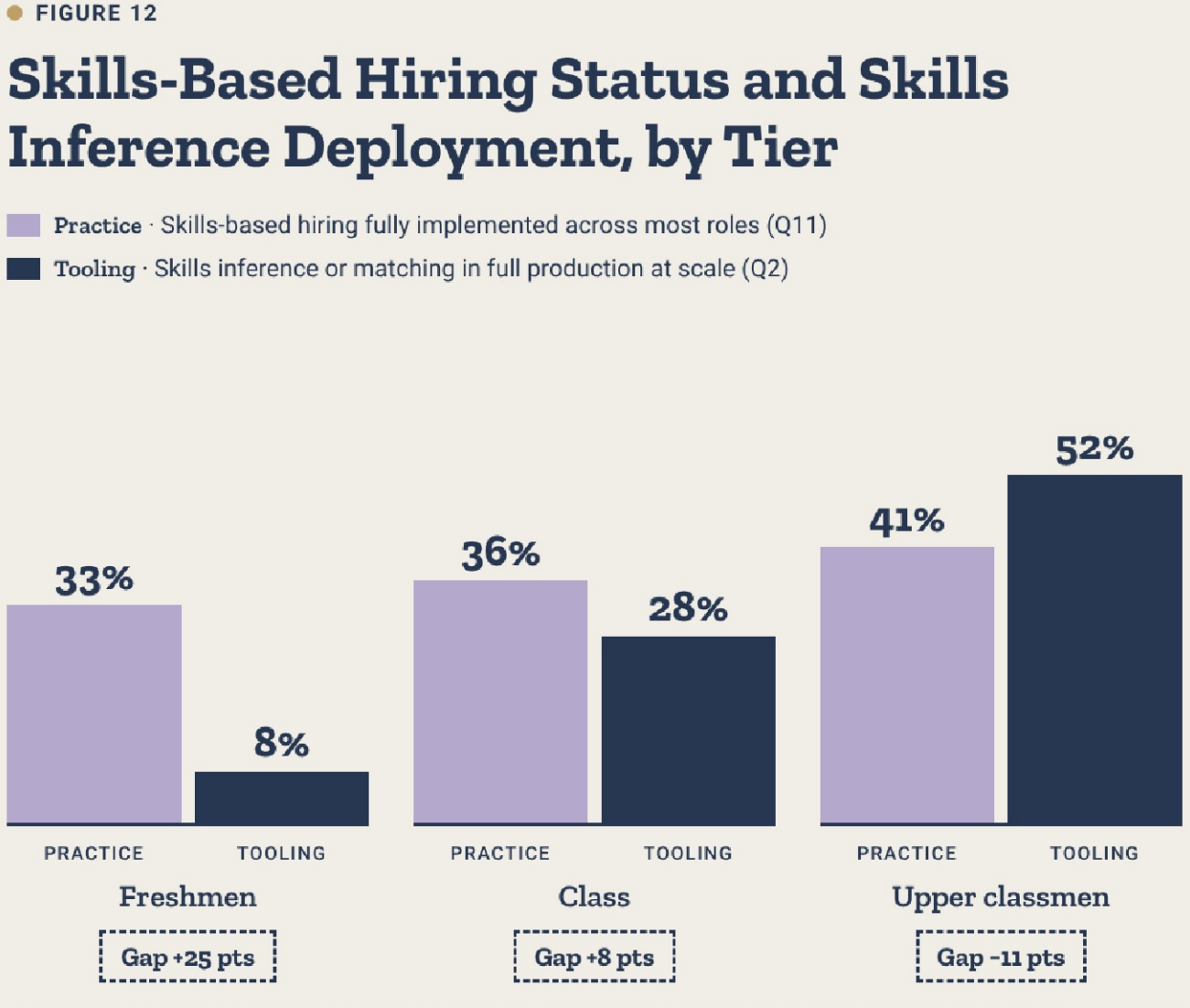
A third of Freshmen, the organizations with the least skills technology in production, say they are hiring on skills across most roles. Either they are doing it by hand, or they are doing exactly what Charney said: hiring the way they always have and calling it skills.

The Class claims the practice is here. The technology numbers give Charney room to argue back. Both deserve a closer look.

Part III: FAD or Future

FIGURE 12

Skills-Based Hiring Status and Skills Inference Deployment, by Tier



Gap = practice minus tooling, in points. Source: Kyle & Co 2026 State of Talent Transformation survey, n=500.

Verdict: INCOMPLETE, contested. Of all the claims on this report card, this is one we'd most like to put to the test.

Part IV: Superlatives

Every yearbook has a superlatives page. Everyone flips to it first, because it's about people. Ours is too.

Part II of our Yearbook found that the unglamorous work is what separates the top of the Class of 2026 from the bottom: clean data, clear process ownership, trained teams, managers brought along, accountability written into contracts, and plans for moving people into new roles.

Organizations that have finished three or more of those foundations call their AI a clear success at 65%. Among those with one or none, it's 25%.

The eight teams on the pages that follow weren't part of that survey, but their stories read like that finding in practice. Their programs reach across the whole of talent, from candidate experience and high-volume hiring to recruiting operations and employer brand. AI shows up in some of them.

The categories are the ones you remember. Some recognize what a team built: Most Likely to Succeed and Most Resourceful. Some recognize how a team showed up for candidates and for each other: Most Popular, Most School Spirit, Teacher's Pet and Best Personality. And some recognize how far a team went: Most Adventurous and Most Likely to Run the World.

As our founding underwriter, ICIMS invited its customers to be nominated. Kyle & Co interviewed every honoree and wrote every profile. The work, and the results, are theirs.

Congratulations to the standouts of the Class of 2026.

Senior Superlatives



MOST LIKELY TO SUCCEED

ATI PHYSICAL THERAPY

Amanda Lobas

Director, HR Technology and Operations



MOST RESOURCEFUL

ATCC

Angela Biehl

Director, Talent Acquisition



MOST ADVENTUROUS

XANTERRA

Stacy Hiller

Senior Director of TA and Engagement



MOST POPULAR

ECHOSTAR

Lauren Wilson

Director of HR Tech and Enablement



MOST SCHOOL SPIRIT

COVENANT HEALTHCARE

Christin Tenbusch

Director, Human Resources



TEACHER'S PET

ESLER COMPANIES

Christina Schmit

VP, Talent & Culture



BEST PERSONALITY

ENTERPRISE MOBILITY

Marie Artim

VP, Talent Acquisition



MOST LIKELY TO RUN THE WORLD

SIGNATURE HEALTHCARE

Amber Kirwin

SVP, Talent Acquisition

Most Likely to Succeed

ATI PHYSICAL THERAPY



"Let AI bring you the people, so you can focus on the relationships."

Amanda Lobas



Amanda Lobas
Director, HR Technology and Operations

Natasha Long
TA Digital Outreach Manager

WHY WERE THEY NOMINATED?

Most teams start their AI story with interview scheduling. ATI started with the plumbing: building clean candidate data, nurturing relationships for more than a year, and getting recruiters to trust the information in front of them. Now they're adding AI prioritization on top, one phase at a time. That order is why we'd bet on them.

THEIR STORY

Physical therapy recruiting is a long game. ATI meets students in their last year of college or first year of DPT school, and even a student in their final year is about 400 days from a start date, because graduation and boards come first.

So ATI built for the long game. Natasha Long, TA Digital Outreach Manager, runs nurture for PTs, OTs, athletic trainers and nurses in ICIMS Candidate Experience Management (CXM), with behavioral journeys that branch from a single event contact. An AI engagement score, built from what candidates open and click, shows recruiters who's leaning in. The recruiters own the data underneath it: a lean set of tags for position, license, location and grad year, kept clean.

Not everyone bought in at first. Some asked why they needed a candidate relationship management (CRM) tool when they could already search the ATS, and others wanted to know what an email campaign would do for them. Amanda and Natasha had to make the case.

What won it was an answer the business had been asking for and never getting: how many touchpoints it takes to get a candidate to yes. Before, the honest answer was "a lot." Now it's a number.

Most Likely to Succeed

ATI PHYSICAL THERAPY

That data changed the recruiters' role too. They used to be process-driven and reactive. Now they bring the data into conversations with the leaders they hire for, "almost like consultants to the business," in Natasha's words. And it gave phase two something to stand on, because the engagement score is the signal the next round of AI ranks on. That foundation is what makes ATI this year's Most Likely to Succeed.

What did they deliver?

- A candidate pool three times larger in two years, with no added recruiting headcount.
- Early-career hiring volume up about 10%.
- Reduced reliance on paid sourcing as recruiters increasingly draw from ATI's own candidate pool.

What advice would they give?

AI isn't turnkey. "You have to teach it. You have to tell it when it's wrong. You have to gut-check it." Then go slower than the pressure tells you to: "I'd rather it take three to six months to do it the right way than put something out there that's going to make us look foolish."

Read the ATI Physical Therapy case study →

Most Resourceful



> "We built credibility by delivering results, then used that trust to keep challenging what was possible."
>
> **Angela Biehl**

Angela Biehl
Director, Talent Acquisition

THE ATCC RECRUITING TEAM



Funmi Ogunwale
Sr. TA Specialist



Saira Mushtaq
TA Specialist

WHY WERE THEY NOMINATED?

Angela Biehl moved ATCC off agency and RPO dependence and onto a three-person internal team. The first year saved nearly $2 million, and the credibility that earned paid for technology, automation and analytics. Her responsible use of AI in recruiting earned her the 2026 ICIMS AI Pioneer Award.

THEIR STORY

ATCC is a nonprofit biomanufacturing and standards organization in Manassas, Virginia, with about 700 employees across roughly 230 job profiles. Many roles combine scientific, technical and commercial expertise, compliance is built into hiring, and for some positions only a handful of people in the country have the right background.

When Angela joined in late 2022, some roles had been open for over a year, and much of the recruiting ran through agencies and RPO. She brought the work in-house and rebuilt the operating model around it. The team cut an application that about 30% of candidates had been abandoning down to what compliance required and recruiters needed. Executives got reporting on hiring activity and costs, fed from the HRIS.

Those early results bought room to invest. The team took its recruiting platform past applicant tracking into workflows, automation and analytics, and piloted new sourcing approaches. The goal was capacity: less repetitive work, more time evaluating specialized talent, advising hiring managers and engaging candidates. In a regulated environment, that comes with guardrails. Recruiters validate AI-generated results and build targeted searches for niche fields like genomics and new approach methodologies.

Most Resourceful

ATCC®

Angela credits her small but mighty team, Funmi and Saira, for embracing new technology and challenging how things had always been done. The three of them cover all 230 job profiles with no ongoing agency or RPO support, and Angela still hunts the "purple unicorns" herself. "The real return is bringing in exceptional talent that goes on to make an outsized impact across the organization."

Simplify the process, prove the results, reinvest the trust and keep people on the decisions that matter most: that's what makes ATCC this year's Most Likely to Succeed.

What did they deliver?

- Nearly $2 million in agency and RPO spend saved in year one.
- Time to hire down 28%, time to apply down 90%, and applicant volume up 12x.
- About 230 job profiles supported by a three-person team, with no ongoing agency or RPO reliance.

What advice would she give?

Transform the process before you automate it. Build credibility with measurable results, then spend that trust on the next improvement or pilot. For specialized roles, start with the ideal profile and work outward. Use AI to create capacity, and keep recruiter judgment at the center.

Most Adventurous

Xanterra TRAVEL COLLECTION



"Let's pull back the hood, and see what is going on in the engine."

Stacy Hiller

Stacy Hiller
Senior Director of TA and Engagement

WHY WERE THEY NOMINATED?

Before Xanterra went shopping for new technology, they audited everything they already had. Then they put more of it to work, without outside IT support, across parks, lodges, and cruise ships where the workforce moves with the seasons.

THEIR STORY

Stacy Hiller joined Xanterra ten years ago as its one-person recruiting team, with no standard sourcing codes or statuses and every property hiring its own way. She standardized processes and systems, then brought every property under one central team by the end of 2021.

Last year, Stacy took stock of the technology Xanterra already owned before considering anything new. Working with ICIMS on an optimization audit, her team identified which capabilities could deliver the most value. This spring, a systems administrator and a two-person recruitment marketing team put that plan to work: adding offer management and interview scheduling, moving to ICIMS Candidate Experience Management (CXM), and introducing automation and AI across much of the recruiting process. They did it without outside IT support.

Rehires and transfers are a critical part of Xanterra's talent supply chain, so the team shaped its tools around them, including a monthly routine that keeps employee records current. To get everyone onto the updated platform, the team designated days when recruiters worked exclusively in the new system. They also listened when changes made familiar tasks harder: "We're trying to make it easier, but yet it's harder for them sometimes." They brought that feedback to ICIMS to help improve the experience.

That preparation gets tested in ways most employers never see. When flooding hit the Grand Canyon, employees were bused to Yellowstone and the Oasis at Death Valley, transferred in and later transferred back, and every one of those moves ran through recruiting. With employee records kept current and recruiters cross-trained across properties, the work followed the people. "The job still needs to get done."

Most Adventurous

Xanterra TRAVEL COLLECTION

A team that made the most of what it had, rebuilt its processes, and kept moving when nature changed the plan: that's this year's Most Adventurous.

What did they deliver?

• Supports approximately 7,000 hires annually through ICIMS Applicant Tracking System (ATS), with a recruiting team that flexes from 30 to 40 people.
• Reduced time-to-fill for corporate and frontline requisitions by at least five days.

What advice would they give?

Use everything you've already paid for before you buy what's next. When the new way is harder for the people doing the work, listen: "We're trying to make it easier, but yet it's harder for them sometimes. So, stakeholder experience is always top of mind."

Read the Xanterra case study →

Most Popular

ECHOSTAR



"You have to be popular by being nice."

Lauren Wilson



Lauren Wilson
Director of HR Tech and Enablement

Nick Melcher
Senior Manager of HR Tech Products

WHY WERE THEY NOMINATED?

Candidate experience is easy to love on a slide and hard to get people to do. EchoStar, home to brands including DISH, Hughes, Sling TV and Boost Mobile, made it a team effort. Recruiters helped write the fixes, everyone saw the scores every month, and the program kept improving after its founders stepped back.

THEIR STORY

EchoStar has been an ICIMS customer since 2012, and Lauren and Nick both came up as recruiters before joining EchoStar during the Great Resignation. As hiring conditions changed, the team wanted a clearer picture of how candidates experienced its process. So it entered the Candidate Experience (CandE) Benchmark program. "The first year was not pretty."

The team went through a talent acquisition transformation and started by mapping the hiring process through the candidate's eyes and coaching recruiters to act as advisors. If there's no update, tell the candidate there's no update. They ran role-plays and put a dollar figure on what a bad experience costs a consumer brand when a rejected candidate stops being a customer.

A volunteer Candidate Appreciation Team, the CAT team, read every survey comment, grouped the themes, and brought fixes to monthly roundtables, including resources explaining what candidates could expect from the hiring process and how to prepare for interviews. Individual feedback went to private coaching, never to the room.

Most Popular

The comments also pointed at the interview itself. EchoStar rolled out structured behavioral interviews with set competencies and questions, and every interviewing leader completed certification. Time to fill held, and in places it dropped. The real delay turned out to be offer approvals.

What made it stick was progress people could see. Scores went out every month, and the fixes came from the recruiters themselves. When Lauren and Nick stepped back this past year, the program kept climbing without them.

They built a program that no longer needed them to keep getting better, and that's what makes EchoStar this year's Most Popular.

What did they deliver?

- CandE Benchmark winner two consecutive years, ranking 12th this year, while hiring approximately 3,500 people annually through ICIMS ATS.
- A Crosschq quality-of-hire award in the telecom category.
- Maintained time-to-fill after implementing structured interviewing, with improvements in some areas.

What advice would they give?

Be patient. This took a full year of focus before the momentum showed: "It wasn't like we decided, poof, by next month we're going to revitalize our experience." Nick's advice: Put yourself in the candidate's seat and the hiring manager's seat before you design anything.

Watch the EchoStar interview → | **Read the ICIMS Signal newsletter →**

Most School Spirit



Christin Tenbusch
Director, Human Resources

"They get to change people's lives every day, and that's why they keep coming in."

Christin Tenbusch

AND THE RECRUITING TEAM



Tiffany



Amy



Deyza



Emily



Mary



Mara

WHY WERE THEY NOMINATED?

Five recruiters and one sourcer hire for a health system of about 5,000 employees and medical staff. Christin Tenbusch tackled their workload first, then built everything else on a team that has stayed, some for 17 years, and still talks about the work as changing lives.

THEIR STORY

Covenant is the largest employer in Saginaw County, Michigan, and its recruiting team takes in more than 18,000 applications a year to make about 800 hires, all processed on ICIMS ATS. Two recruiters cover nursing, two cover everything else, a senior recruiter runs projects and reporting, and a sourcing specialist handles outreach. Each recruiter carries between 35 and 80 requisitions, depending on the season and hiring needs.

When Christin became director nearly three years ago, she started with benchmarks. The team was carrying two to three times a typical workload.

She added a recruiter and a sourcing specialist, then redesigned the application process, cutting the time to apply from 20 minutes to two and a half. Integrations now handle verification, references, and background checks, with the background check integration proposed by the recruiters and led by their senior recruiter.

With more room to breathe, the team could look beyond the requisitions in front of them. They build university internship cohorts to develop candidates for hard-to-fill roles, some of which had been open 150 days with only one or two applicants.

Most School Spirit

They partnered with Michigan Works on site tours and held pop-up career fairs in the city's underserved neighborhoods, seeing themselves as "connectors for our community." They also trained leaders and documented standard operating procedures so managers could do their part without recruiters chasing every step.

Many of those ideas came from the recruiters. When someone is buried, colleagues take a few of their reqs. Tenure runs from one year to 17, and the team grows its own: a nursing recruiter is moving into an HR Generalist role, and the sourcer is becoming a recruiter. Ask them why they stay, and they give the same answer: they get to change people's lives every day. That's why Covenant takes Most School Spirit.

What did they deliver?

- More than 18,000 applications and about 800 hires a year, with five recruiters and one sourcer, on ICIMS ATS.
- Time to apply down from 20 minutes to two and a half.
- Organization-wide turnover below 15%, with nursing turnover below 10%.

What advice would they give?

Put the work in up front. Train the leaders and write the SOPs, so the process runs right without a recruiter chasing it. "Investing a lot up front's been a big part of our story."

Teacher's Pet

ESLER COMPANIES



Christina Schmit
VP, Talent & Culture

"We show it all. We show all the homework."

Christina Schmit

WHY WERE THEY NOMINATED?

The teacher's pet does the reading and shows the work. Christina Schmit built Esler's talent function from scratch into a 45-person team, and she hasn't stopped learning. Every month, she hands in her homework to the whole business.

THEIR STORY

Ten years ago, Christina joined Esler Companies with no talent acquisition function at all. She built it from spreadsheets and sticky notes into a 45-person team serving nine Renewal by Andersen affiliates and a sales hub. She's still looking outside Esler for ideas, writing for Forbes HR Council, participating in Indeed's Leadership Connect program, and learning alongside the Big 12, a council of talent and HR leaders from twelve construction-industry companies.

She hands in her homework, too. Once a month, leadership gets a dashboard that follows the whole talent journey: post-interview candidate surveys, onboarding surveys, culture day surveys, and voice-of-the-teammate results, alongside the hiring numbers. Her team gets weekly updates and live dashboards in ICIMS.

Christina's team also approaches recruiting like marketing. Nurture campaigns introduce candidates to the market, the culture, and available roles. Video job descriptions feature current teammates. Every high-volume applicant gets a phone call, even before a recruiter has reviewed the resume.

The learning travels, too. A senior TA manager on Christina's team took the stage twice in Nashville in September to talk about high-volume recruiting and technology. A leader who studies, shows her work, and turns her team into teachers: that's what makes Esler this year's Teacher's Pet.

Teacher's Pet

ESLER COMPANIES

What did they deliver?

• Built a 45-person TA team from scratch since 2016, now serving nine Renewal by Andersen affiliates and a sales hub.
• Provides every high-volume applicant with an email and text acknowledgement and a phone call.
• Named to America's Top 100 Most Loved Workplaces for 2025.
• Earned a USA Today Top Workplaces award four years in a row.

What advice would they give?

Keep learning outside your own building and show your work even when it starts hard conversations. Her rule for keeping transparency from turning into meeting overload: "If there's nothing to talk about, cancel."

Best Personality

ENTERPRISE MOBILITY



Marie Artim
VP, Talent Acquisition

> "We're known for our high-touch candidate experience."
>
> **Marie Artim**

WHY WERE THEY NOMINATED?

Enterprise Mobility hires at the kind of volume where most employers are tempted to automate away the personal touch. Marie Artim's team kept people in. When the pandemic opened the door to a rebuild, she changed how the function works but protected what candidates remember most: a real person on the other end.

THEIR STORY

Enterprise Mobility built its brands on service, and Marie Artim's team recruits the same way. "We're known for our high-touch candidate experience," she says, and that holds in the roles with the highest volume: detailers and local drivers, hired by the thousands every year.

For years, that volume landed on field recruiters working a full desk: sourcing, high-volume and professional hiring, everything. Those high-volume roles pulled recruiters away from other critical responsibilities. Sourcing accounted for just 12% to 15% of hires, well short of the team's goal of more than 25%.

Then the pandemic happened. Amid all the disruption, Marie saw a silver lining: "an opportunity to think differently." As hiring ramped up again, her team had a choice. Rebuild the recruiting function as it had been, or rethink how its people could best serve the business.

They chose the latter. Enterprise Mobility created two talent acquisition centers of excellence (CoEs): one for sourcing and engagement, and another for high-volume hiring. That freed field recruiters to focus on their local markets, employee referrals, internal mobility, and campus recruiting.

A rebuild like that creates plenty of opportunities to automate. Enterprise Mobility had a different priority: figuring out how to make its people more effective. Enterprise Mobility's candidate management team asks what its coordinators need to work more efficiently while giving candidates a better experience. Candidates still talk to a person and interview on site with the hiring manager.

Best Personality

ENTERPRISE MOBILITY

The changes are paying off. Since the CoEs launched, retention in high-volume roles has nearly doubled. Engagement and quality among sourced hires remain strong, and business partners have noticed. Enterprise rebuilt its recruiting function without losing the personal connection that defines its brand. That's why Enterprise is this year's Best Personality.

What did they deliver?

- Significant retention improvement in high-volume roles.
- Earned a 2026 North American CandE Award – the organization's 12th win.
- Established two centers of excellence for sourcing and engagement and high-volume hiring, allowing field recruiters to focus on local recruiting priorities.

What comes next?

Next on the list: making interviews more efficient and finding better ways to address candidate fraud. The team has redesigned how recruiting works. There are still problems to solve.

What advice would they give?

When the business resets, don't just go back to the way it was. Ask what the business actually needs and build for that. Then decide where human judgment and personal connection matter most. Resist the pressure to automate simply because you can.

Watch Marie Artim's story →

Most Likely to Run the World

SIGNATURE HEALTHCARE



Amber Kirwin
SVP, Talent Acquisition

"Even if you are an SVP of TA, you might need to go and order lunch for your team and not feel like it's beneath you."

Amber Kirwin

WHY WERE THEY NOMINATED?

Amber was hired to get hiring ahead of turnover. Three and a half years in, her responsibilities stretch from recruiting through credentialing and the offer-to-start process. She still works requisitions herself when needed.

THEIR STORY

Signature HealthCARE operates 67 locations across five states, primarily in skilled nursing and long-term care, with rehabilitation and home health services alongside. Seventeen recruiters and three leaders make about 6,000 hires a year across roughly 25 roles, from CNAs and nurses to admissions, activities, and plant operations.

In some of the rural communities Signature serves, the nearest alternative care provider is more than an hour away. When hiring falls behind, shifts go unstaffed, and residents have fewer people to care for them. Coming out of COVID, Signature needed hiring to outpace turnover. It also needed to replace a fragile, seven-vendor technology stack that made keeping up even harder. So the company went outside healthcare for a leader who could bring more structure, accountability, and visibility to recruiting.

Amber came up in RPO and runs TA like an account: SLAs, quarterly business reviews, internal customers treated as clients.

After joining in 2023, she moved the team from seven vendors onto ICIMS, giving the function a more consistent process and better reporting. Then she found new ways to use it. Facility volunteers, who do residents' hair and nails or simply sit with them, had been managed through a manual process. Now they apply through their own portal in three steps, and volunteer applicants and hires rose 50% within about three months.

Then her territory grew. She built out the employer brand with a segmented sourcing strategy and worked with marketing to respond to reviews, including some intended for other companies with the same name.

Most Likely to Run the World

SIGNATURE HEALTHCARE

This year, she took on credentialing and the entire offer-to-start process. She held vendors accountable to their statements of work, and introduced a "dominoes tracker" that shows candidates where they stand and helps TA and hiring teams know when it's their turn to act.

Amber came in to fix recruiting. Now she's responsible for what happens from first contact to start date, and she's still willing to jump in and work a req. That's Most Likely to Run the World.

What did they deliver?

• Approximately 6,000 hires annually across 67 locations in five states, supported by 17 recruiters and ICIMS ATS, Text Engagement, and Onboarding.
• Volunteer applicants and hires increased 50% within approximately three months of launching the ICIMS Career Sites portal.
• Expanded TA's responsibilities to include credentialing and the offer-to-start process.

What advice would they give?

Technology doesn't fill jobs on its own: "You cannot post and pray." Know the work at every level, too. "I would never ask an individual on my team to do something that I wouldn't do myself."

Read the Signature HealthCARE case study →

Part IV: Superlatives

The Booster Club: The ICIMS Service & Advisor Partner Program

Every school has a booster club: the alumni and parents who keep showing up for the team and community long after they've graduated. This year's Booster Club is the ICIMS Service & Advisor Partner Program, the group of independent consultants and advisory firms that ICIMS certifies to help its customers plan, implement and run their talent acquisition tech and transformations to meet their organizational goals.

Plenty of the people who do this work best have left the corporate leadership seats and now do it from the outside, for the teams that need them. Many of the advisors in this program graduated from previous practitioner roles. We're recognizing the program as a group, and two of its members speak for it at the end of this page.

Why They Show Up for Every Game

The Class Photo found that what separates the Upper Classmen from the Freshmen is less a matter of the AI they bought, and more of the foundations they built: documented processes and data ownership, training for recruiters, and enablement for managers. More than half of Upper Classmen have completed each of those practices, compared with roughly one in five Freshmen.

That work is slow and sometimes unglamorous, and often it lands on teams already underwater with open requisitions. It is also the kind of work ICIMS advisor partners are hired to help with.

Club Bylaws

ICIMS calls this a "client-side" program: advisor partners work for the customer as an extension of their team, forming a broader support layer in conjunction with the ICIMS team. Partners support strategy and vendor selection before a purchase, project management during implementation, and process documentation, custom training, system administration and optimization after go-live.

Part IV: Superlatives

To be listed in the ICIMS Marketplace, advisors must complete training and pass the ICIMS user administration certification exam. ICIMS also provides ongoing training and product updates to help advisors stay current.

What Earns a Varsity Letter

Product knowledge is the baseline. An advisor needs to know the system inside and out–but the rest is knowing the client: their priorities, their stakeholders, what they're on the hook for, and what they can't change.

Bringing in an outside advisor can feel like a trust fall. You are opening up your processes, challenges and priorities to someone new and trusting them with work that reflects on your team.

In our experience, the best advisors are former practitioners who know what it's like to sit on the other side of that relationship. They've lined up strategy, operations, and technology to get hard change done. They know when to listen, when to challenge a process, and how to work with the people who will own the changes.

The best ones deliver the work they were hired to do and leave the function better equipped to keep improving after they're gone.

Sign My Yearbook



A common struggle I have seen this year is clients are creating future state processes based on milestone steps, not focusing on the multitude of actions that are required to move from one step to the next. It's in this detail that the process can either get bogged down with manual effort or streamlined by automation and other strengths of talent technology.

Joe Stewart, Founder & CEO at Synchro Talent Technology Services



Technology doesn't fix broken processes. It just helps organizations execute them faster. I see clients struggle when process ownership is unclear or managers aren't equipped to use the technology. I start with the business outcomes they're trying to achieve, then work backward to how technology, processes, and people need to align, so they can continuously improve their technology long after our engagement ends –

Kara Yarnot, Founder & CEO, Meritage Talent Solutions

Part V: Next Year's Syllabus



What to do about it.

The Class of 2026 has had its say and the forecasts have been graded. Now comes the part that counts: what to do next. Specifically, five moves that pay off whichever way 2027 goes, two numbers worth watching, and the priorities the Class set for itself.

Part V: Next Year's Syllabus

Required Courses: Five Moves That Pay Off in Any Forecast

If AI takes a large share of HR and talent work in 2027, the five moves on this page help your team absorb it. If it takes far less than promised, they still leave your team stronger. That's our definition of a no-regrets move, and these five made the cut.

We discussed the five moves in Part II called the foundations:

- Formal AI literacy training for the function
- Documented process and data ownership for AI-supported workflows
- Contractual terms covering AI scoring, audits and vendor acquisition
- Dedicated manager enablement on the workflows AI has changed
- Investment in internal mobility and redeployment

Part II showed that Upper Classmen have finished each at 51% to 62% and Freshmen at 17% to 24%. This page asks the question: does finishing these five moves track with anything a CHRO would be measured on?

It does, and not subtly. Among organizations that have completed none or one of the five, 25% call their AI implementation highly successful and 3% are Upper Classmen. Among those that have completed two, 44% and 34%. Among those that have completed three or more, 65% and 68%.

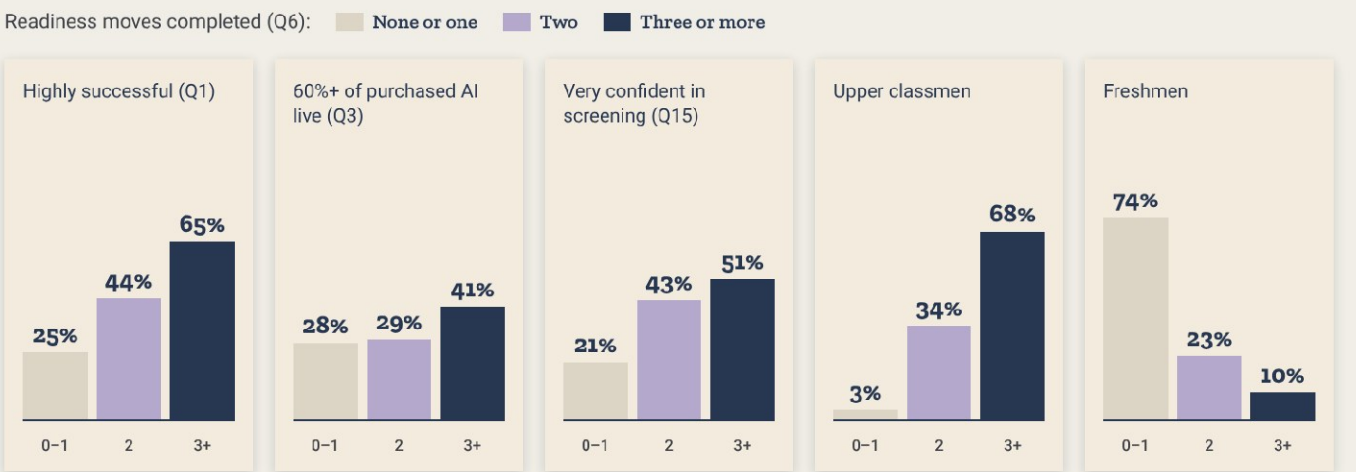
The pattern is hard to miss. AI success climbs from 25% to 65% as completed foundations increase. The share of Upper Classmen jumps from 3% to 68%.

The Class's CHROs and talent leaders agreed on the challenges so these are five moves they can tackle together.

Part V: Next Year's Syllabus

FIGURE 13

Success and Tier, by Number of Readiness Moves Completed



Q6 count of completed readiness moves, of five. None or one = 30% of class, two = 35%, three or more = 35%. Source: Kyle & Co 2026 State of Talent Transformation survey, n=500.

1. Build AI literacy across the function

Start with the people who use AI, supervise its work, and make decisions based on its outputs. Give them a working understanding of what the technology does, where it can go wrong, and what they're responsible for checking. Make the training specific to their jobs.

Only 38% of the Class has completed formal AI literacy training, the lowest completion rate of the five foundations. One in four identifies AI literacy or internal skills as its biggest barrier. Among organizations that have completed training, 55% are Upper Classmen, compared with 26% of those that haven't.

It's useful at any pace of change, and most of the Class still has work to do.

2. Fix workflow and data ownership before you buy more

Pick a workflow already using AI and document who owns the process, the data, the decisions, and the exceptions. Make sure someone is responsible for what happens when the technology produces the wrong result or the process breaks down. Then do the same for the next workflow.

Part V: Next Year's Syllabus

Only 39% of the Class has completed this work. Meanwhile, much of the AI organizations have already purchased has yet to reach production.

Before adding another capability, make sure the ones you've bought have a process and an owner.

3. Get AI accountability into vendor contracts

Review your vendor agreements for AI scoring transparency, audit rights, accountability, and what happens when a vendor changes its AI capabilities or ownership. Make sure the contract gives your organization what it needs to meet its obligations as laws and regulations evolve.

This is the most completed of the five foundations, although only 43% of the Class has finished it. Another 52% say they've added vendor evaluation or contract requirements in response to AI litigation and regulation. Among Upper Classmen, that figure is 57%.

Organizations that have completed contractual accountability measures are more likely to call their AI implementation highly successful, 54% versus 39% of those that haven't.

It is cheaper to settle these questions before signing than after something goes wrong.

4. Invest in your managers

Train managers on the workflows AI has changed. Show them what the technology is doing, what decisions remain theirs, and when they need to step in. Give them a way to raise problems and enough authority to do something about them.

Whatever the technology does, managers absorb the operational changes first.

Only 39% of the Class has completed dedicated manager enablement, while 49% have it in progress, the largest in-progress share of the five foundations.

The Class has started this course. Most haven't finished it.

5. Protect internal mobility

Identify the work AI is changing, the skills employees already have, and the roles they could move into. Build ways for people to learn new skills and move across the

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organization before a restructuring or skills shortage forces the issue. This is the cheapest hedge against a forecast you got wrong, and the Class has moved on it: 88% have finished or started investing in internal mobility or redeployment.

If AI changes the work faster than expected, organizations will need ways to redeploy people. If change comes more slowly, they'll still need to retain talent, fill skills gaps, and make better use of the workforce they already have.

Either way, this course belongs on the syllabus.

Extra Credit: Two Numbers to Watch, and One Gap to Close

Two numbers from this survey are must-watch metrics for 2027.

Implementation success. 45% of the Class of 2026 calls its AI implementation highly successful, with Upper Classmen at 62% and Freshmen at 31%. SHRM reported 17% in January 2025, a reminder of how differently organizations can assess AI success.

If next year's Class gives itself higher grades without putting more AI into production or improving hiring outcomes, we'll have a confidence problem. If success ratings rise alongside deployment and outcomes, we'll have a much better story to tell.

Share of purchased AI in production. 52% on average across the Class. Upper Classmen, 59%. Freshmen, 50%. Vendors can count what they sold, while this number tells us how much of it employers actually put to work.

The Priority Gap

Asked to name their top three priorities for the year ahead, the Class spread its votes across ten options. High-volume and frontline hiring capacity led at 28%, with skills-based hiring and internal mobility just behind at 27%.

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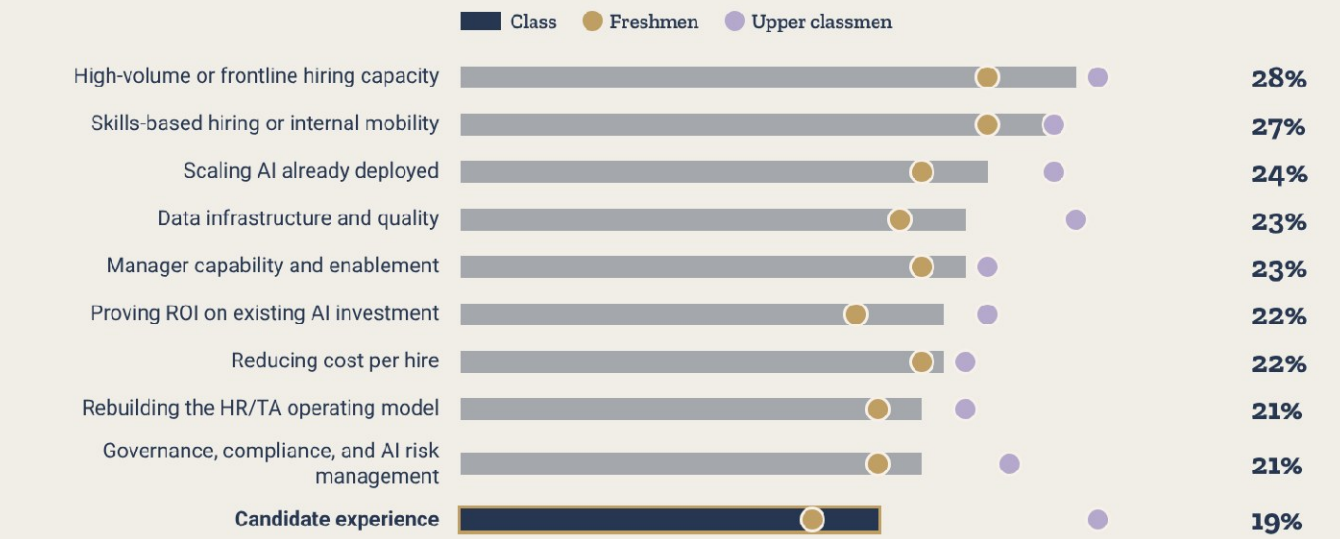
Scaling AI already deployed, data infrastructure, manager capability, proving ROI, reducing cost per hire, rebuilding the operating model, and governance all landed between 21% and 24%.

No landslide here. The Class has plenty to work on, and no single priority owns 2027.

Freshmen and Upper Classmen set nearly the same priorities for 2027, with one exception. 29% of Upper Classmen name candidate experience as a top-three priority. Only 16% of Freshmen do, the lowest of any priority they chose.

FIGURE 14

2027 Priorities, by Tier



Q10, sorted by class share. Source: Kyle & Co 2026 State of Talent Transformation survey, n=500.

the only statistically significant gap: candidate experience, 29% vs 16%

The Upper Classmen have more AI in production, more foundations finished, and stronger hiring outcomes. They're also nearly twice as likely to put candidate experience on next year's priority list. The Freshmen have plenty of work left on the process itself. But for a function increasingly putting AI between employers and applicants, the experience on the other side deserves a place on the syllabus too.

In Memoriam

It wouldn't be a transformative year if we didn't move on from at least a few things. Here are the practices, promises, and assumptions the Class of 2026 would like to leave behind.

Speed as the headline TA metric. Time to hire is still the outcome the Class rates itself highest on, at 72% above average. BUt speed alone won't get you on the Honor Roll.. Quality of hire, contribution to business outcomes and retention are where the tiers separate and where the Honor Roll is decided.

The endless pilot. Between a quarter and a third of Freshmen have not moved past evaluating each AI capability they are considering. The Upper Classmen found the exit.

Buy now, adopt later. The Class is running 52% of what it bought. Half the purchased AI is still waiting for someone to put it to work. The Class has enough unused technology to keep it busy without another shopping trip.

Governance as a compliance checkbox. 52% of the Class added vendor evaluation or contract requirements in response to AI litigation and regulation. Governance moved from the appendix to the purchase order.

The linear AI maturity model. The Class didn't sort neatly into the stages on a maturity model. Organizations had AI in production while foundational work was still underway. The neat staircase from awareness to optimization looks a lot messier in practice.

"Do more with less." 75% of Upper Classmen grew their HR and talent teams this year. The Class leaders weren't the ones cutting the deepest. See Part III.

"AI-powered" as a differentiator. Every one of seven capabilities is in some production at 63% to 65% of the Class. "AI-powered" tells buyers less and less. What the technology actually does is where the competition starts.

"Plausible deniability." After a year of AI litigation and new rules, "the vendor told us it was compliant" is looking less like a defense and more like an admission.

HAGS

Everyone signs a yearbook the same way: Have a great summer. Stay cool. See you next year. It's warm, it's unanimous, and it commits you to nothing. Most of the 2026 forecasts were signed the same way, and I hate it.
So here's mine, with something on the line. Do your homework. Specifically, watch two numbers in 2027: the share of organizations calling their AI implementation highly successful, and the share of purchased AI actually running in production.

If the first number keeps climbing while the second number stands still, the Class is grading on a curve that keeps getting wider.

To the Upper Classmen: Keep going. You've shown the work can be finished.

To the Freshmen: The syllabus is yours now. You're facing the same barriers as the Upper Classmen. They've shown you what finishing the work looks like.

To ICIMS: Thank you for making this work possible.

Have a great year.

Kyle
Founder & Principal Analyst

Kyle & Co

Appendix

About the employer survey

Kyle & Co designed the survey and analyzed the respondent-level results. Censuswide fielded it online between September 15 and 22, 2026, among 500 CHROs, Chief People Officers and talent acquisition leaders (heads of talent acquisition, talent acquisition managers and VPs of talent acquisition) at US companies with 250 or more employees. Censuswide is a member of the Market Research Society (MRS) and the British Polling Council (BPC), a signatory of the Global Data Quality Pledge, and adheres to the MRS Code of Conduct and ESOMAR principles. ICIMS paid for the survey.

Role	Share of the Class
Chief Human Resources Officer	13%
Chief People Officer	7%
Head of Talent Acquisition	20%
Talent Acquisition Manager	55%
VP of Talent Acquisition	6%
Company size	**Share of the Class**
250–499 employees	33%
500–999 employees	44%
1,000 or more employees	23%
Industry	**Share of the Class**
Hospitality	22%
Manufacturing and utilities	20%

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Role	Share of the Class
Retail, catering and leisure	16%
Healthcare	16%
Finance	12%
HR	12%
All other industries	2%

Before analysis, we checked the respondent-level file for patterned answering and for consistency between related questions. Q5 was asked only of respondents whose HR and talent headcount fell in the past 12 months. Q8 asked about recent litigation involving AI in hiring; where the text describes buyers responding to "litigation and regulation," it is reporting answers to that question.

About the job seeker survey

ICIMS surveyed 1,000 U.S. job seekers through an online Dynata survey in September 2026. ICIMS designed and paid for this survey, and Kyle & Co. advised on it.

About ICIMS platform data

Powered by hiring activity from 3.2 million global platform users who receive more than 240 million applications and make more than 5 million hires annually, ICIMS proprietary platform of customer data (“ICIMS Insights”) delivers a definitive, behavior-driven view of the labor market. The Wide Shot and Part III show January through September 2026.

About Kyle & Co's desk research

The agentic launch tally logs every agentic AI launch in talent acquisition technology that could be dated and sourced from January 1 to October 2, 2026, coded by what each source says the agent does. The MCP count covers servers announced or first released from January 1 to October 16, 2026. Both favor vendors that publish dated releases. Details are in the notes on the pages where they appear.

Appendix

About the Superlatives

ICIMS, as founding underwriter, invited its customers to be considered. Kyle & Co interviewed each nominee, wrote each profile and assigned the categories. ICIMS approved the final list, and each honoree approved its own profile.

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About ICIMS

ICIMS is the Intelligent Hiring Platform built to help organizations hire at enterprise scale. Powered by billions of hiring interactions and more than 25 years of expertise, ICIMS combines trusted AI with end-to-end hiring technology to help recruiting teams hire smarter, faster and with greater confidence across corporate, high-volume and frontline roles.

Trusted by thousands of organizations worldwide, ICIMS continuously innovates with responsible AI and a highly extensible platform designed to help customers adapt quickly to changing workforce needs, scale globally and turn talent acquisition into a strategic business advantage.

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