THE FOUNDER THAT FASHION CANNOT IGNORE

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Mind the rebound —

How leaders can avoid a boomerang workforce

The robots aren't at the door quite yet according to a recent Yale analysis which says generative AI hasn't meaningfully changed overall employment so far. The job market is shifting, but the study argues it's too early to credit or blame AI for broad job losses. That matters for leaders under pressure to cut costs and show AI progress. It's a prompt to pause, plan and avoid a cycle of letting people go, then rushing to rehire.

We've all seen the pattern recently. A company trims experienced teams, flips on automation and hopes customers won't notice. But, they do. Complaints rise and complex cases stall. Leaders then scramble to rehire at a premium. That's a boomerang workforce. As the leadership at Klarna would likely attest to, it looks decisive on day one, then expensive by day ninety. Re-hiring their workforce is likely to have impacted customer and workforce loyalty as well as having financial ramifications.

But there are other approaches worth studying. Pet insurer Waggel has put a cap on headcount at 100. The aim is not to sack people. It's to force the business to use AI well, remove drudge work and free staff to focus on the moments that need judgment and empathy. It's a bet on productivity and design, not on blunt cuts. Whether you would adopt the same cap or not, the principle is timely and sets clear limits to make technology earn its place.

However, Klarna offers another useful signal. After a re-hiring initiative, its AI assistant now handles a large share of customer service chats, with the company publicly tying the rollout to measurable gains and a significant agent-equivalent workload. It shows what's possible when you design hybrid service with strong metrics and guardrails. The headline isn't "bots replace humans." The headline is "measure, learn, and scale what works."

So, if AI isn't yet the main driver of job losses, why the rush to deep cuts? Because it's easier to point at a tool than to fix a system. Many organisations have underinvested in work design and workforce planning. Tasks, skills and process debt have piled up. Then AI arrives with a neat story and a quick line in the budget. It becomes a plaster over a structural crack.

There is a better route. Start with skills intelligence. Treat work as tasks, not titles. Ask

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what teams actually do, and which skills sit behind each task. Then test where AI can lift quality, speed or both. Think of it like measuring a room before you buy the furniture. Fit first. Fashion second.

Steps towards planning a workforce with skills intelligence —

1 **Set a tight scope**

Pick one function or customer journey. Don't announce a grand transformation. Smaller scope gives faster feedback and less risk. It also shows respect to the people who do the work.

2 Break work into tasks

Job descriptions are often stale. Spend time with the team. Watch real cases. Note the tasks, the tools, the handoffs and the delays. You'll learn more from a few sharp interviews than from a thousand-line process map.
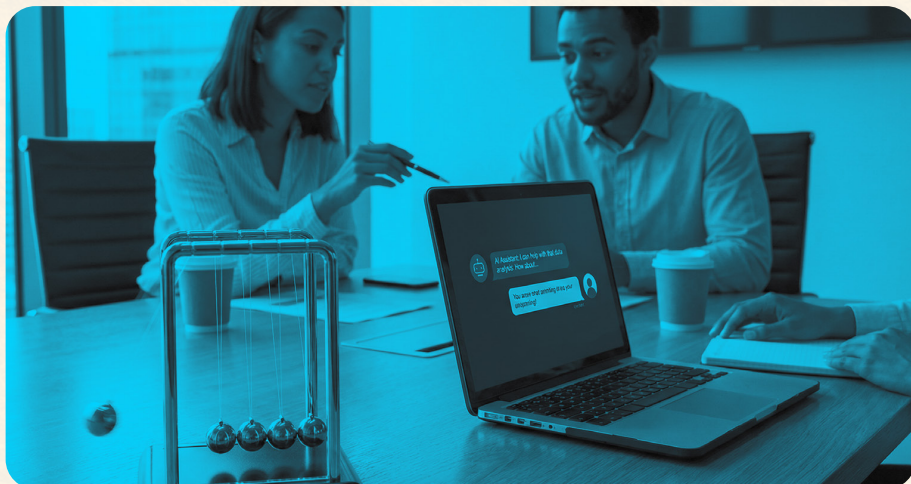
3 Apply an AI lens

Sort tasks into three buckets: automate, augment, keep human. Document why. Define quality checks. Define how exceptions escalate. If you can't explain the handoff in two sentences, the customer will feel it.

4 Apply a work lens

Ask who should do the remaining tasks and how. A different team? A centre of excellence? A trusted partner? A project pool? Also ask which tasks are motivating and worth keeping inside the role. Motivation isn't a soft idea. It protects service, retention, and brand voice.

5 Redesign roles and size them with data

Rebuild jobs around the new mix of tasks, skills, and tools. Estimate volumes. Set service goals. Be clear where AI fits and where it doesn't. Then fund training for the target state before you move headcount.

Now add workforce planning. Model different futures. What if migration policy tightens and overseas talent is harder to hire? What if a new model changes task accuracy? What if a supplier raises prices or exits a market? Scenario planning sounds slow but in practice it speeds decisions, because you're not starting from a blank page when the news breaks.

Keep humans close to the customer. Hybrid beats all-or-nothing, so run people and AI in parallel for a period. Design clear handoffs and visible routes to a person. You may think the overlap looks pricey. It's cheaper than refunds, churn, and another recruitment drive.

Governance can stay light. Write a short policy that says where automation is allowed and where a human must decide. Publish the metrics that matter: first-contact resolution, time to first response, deflection without repeat, customer satisfaction. Then share them across the leadership team. Trade-offs get better when everyone sees the same scoreboard.

This is a culture choice as much as a tech choice. Sudden cuts look bold yet seem like panic inside the business. Measured changes read as competence. Customers notice. So do regulators when service dips below a sensible line.

Slow down to speed up. AI scales good process as well as bad process. Skills intelligence and solid workforce planning give you the difference. Get those right and you avoid the bounce back and will spend less, protect trust and take your people with you.

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