

Caveat Emptor: How the AI Gold Rush is Repeating HR's Old Mistakes

HR Executive | Maggie Allen | June 10, 2026



Human resources leaders are hearing the same sales pitch everywhere: AI will fix hiring, automate workflows and unlock a faster, smarter experience for candidates and employees. Yet many organizations want the promise of artificial intelligence before they have built the foundation needed to support it.

The “cart before the horse” tension is now shaping the HR technology market. Buyers want a fraud agent or a voice agent, but many of them do not yet have the underlying data structure, career site, candidate relationship management (CRM) or workflow architecture to integrate the tools effectively.

The result is a kind of re-education moment, where vendors are having to explain not just what their products do, but why the customer’s environment matters just as much as the products themselves.

The infrastructure problem with AI in HR

AI in HR is not plug-and-play, yet organizations approach buying as if tools were à la carte, sitting neatly on top of systems of record without deeper preparation. That strategy ignores the layers of technology and process that determine whether the AI actually works.

A Society for Human Resource Management study found that 70% of HR leaders using AI reported challenges such as privacy concerns, employee resistance, limited resources and difficulty auditing algorithms. That goes to show that adoption is not the same as readiness. Even when the technology is installed, organizations still have to contend with trust, governance and change management.

Infrastructure is like the frame of a house. If the frame is weak, the shiny new features will not hold up for long. In HR terms, that means data quality, integration design and process consistency are the conditions that determine whether AI produces value or not. Without them, organizations risk building new technology on top of old weaknesses.

The concern is especially relevant as HR teams juggle multiple vendors and use cases. HR departments are still scarred by the integration challenges of the last decade, when multiple point solutions created fragmented systems rather than seamless experiences. That history is repeating itself, only now the packaging says “AI.”

The re-education moment

What makes the current market fascinating is that buyers are not always being pushed into bad decisions by vendors alone. Sometimes they are pushing themselves, driven by pressure to act quickly in a crowded field where every platform promises intelligence, automation and speed. People leaders are flooded with advice, but not always with enough experimental evidence to make confident choices.

That creates a familiar HR dilemma: Leaders know they need to modernize, but they are not always sure where to begin. Many are rediscovering basics they thought they had already solved, such as what a career site should do, what a talent CRM should enable and how systems of record actually behave in practice. The AI conversation is forcing HR and IT teams to revisit the plumbing before they install the faucet.

HR leaders who move too quickly risk buying novelty instead of capability. Those who move too slowly may miss the window to improve the candidate experience before competitors do. So where does the middle ground lie?

Here are three recommendations:

1. Map your process before you buy

Before evaluating any AI tool, HR leaders should document exactly how work moves through their organization today. Not how they wish it worked, but how it actually does. That means tracing the full lifecycle of a hiring decision, where requests originate, who touches them, where approvals stall, where candidates drop off and where recruiters are spending time they shouldn't be.

The goal is to surface the real bottlenecks. The handoffs that rely on tribal knowledge, the steps that exist only because “that’s how we’ve always done it,” and the moments where volume overwhelms capacity. Those are the places where AI can do its best work, but only if the process is understood first.

There is a deeper challenge here, though. Many organizations assume that AI should map to their existing workflows, but it doesn’t have to. In fact, one of the most common mistakes in HR technology procurement is treating the current process as fixed and asking only whether a tool can fit inside it.

Just because a process exists today does not mean it should survive the transition/implementation. Some workflows were built around the limitations of older systems. Others were layered on over time, without anyone stepping back to ask whether the whole was still working. AI adoption is an opportunity, not just to automate what you already do, but to rethink whether you should be doing it that way at all.

The organizations that will get the most from AI are not the ones that digitize their broken processes fastest. They are the ones who use this moment to ask harder questions about where friction lives and why.

2. Start small, then scale

Business leaders should pilot AI with a narrow use case, rather than rolling it out everywhere at once. Think of it as testing a swatch of paint on a small section of wall before repainting an entire room. That approach is especially important in HR, where a misfire can affect candidates, employees and the employer brand at the same time.

Piloting lets teams see whether the tool actually solves the right problem, whether the data is clean enough to support it and whether employees trust the output. It also gives organizations a chance to spot integration issues before they become expensive mistakes.

Applied AI is better than generic experimentation. A broad “let’s do AI” mandate is unlikely to produce durable results, but a targeted use case tied to a specific business problem can reveal whether the technology is truly helping. For example, a company might test AI in one location, one workflow or one employee segment before expanding more broadly.

3. Seek trusted information

Attend HR industry conferences. They are better guides than the noise of the market, especially in a field where many new entrants are rushing in with little context and plenty of confidence. The more AI enters critical HR workflows, the more important it becomes to separate evidence from hype. HR buyers should not confuse availability with expertise.

The human layer still matters

Organizations can probably find 80% of the information they need, but the remaining 20% still requires judgment, context and human touch. That last stretch is where HR lives every day.

For HR professionals, that means the goal is not to automate everything. Instead, the focus should be to understand where automation makes the most sense. The best AI strategies will make judgments more informed.

The market is full of new agents, pop-ups and polished promises. But the real winners in HR won't be the companies that buy the fastest or acquire the most tools, but the ones who build the strongest foundation first.