

3 Actions CSCOs Must Take to Redesign the Workforce for AI

Strengthen talent pipelines, govern AI-enabled work and reshape teams to accelerate supply chain value.



Supply chains must redesign the workforce for AI

AI integration has become mainstream in supply chain, changing responsibilities and expectations at every level of the workforce.

Without intentional workforce redesign, organizations risk losing the talent and oversight capabilities needed to sustain AI performance. Chief supply chain officers (CSCOs) must therefore reshape roles, work and teams so that workforce capabilities evolve alongside AI.

Gartner identified three actions to help CSCOs make this shift:

1. Elevate entry-level roles and development
2. Enable AI governance
3. Cross-pollinate teams and expertise

Together, these actions can help CSCOs protect critical capabilities, strengthen team performance and generate greater value from AI.

86%

of supply chains have adjusted existing roles to integrate AI.

91%

agree AI has fundamentally changed employees' daily responsibilities.

Nearly half (47%)

of supply chain organizations report that AI has reduced headcount.

62%

report ROI from their AI initiatives.

92%

remain under pressure to deliver more value.

1

Elevate entry-level roles and development

What is changing

AI-driven supply chain workforce reductions are concentrated at the entry level. Sixty-six percent of supply chain leaders report that entry-level headcount decreased over the past two years, more than double the percentage reporting reductions at other workforce levels.

Why it matters

Reducing entry-level hiring without meaningfully changing role requirements creates a more fragile talent pipeline, with fewer employees prepared to assume future leadership positions. Those leadership roles are changing, too. Only 69% of the skills sought in supply chain leader, senior manager and director roles overlap with those sought two years ago.

What CSCOs should do

- Redesign entry-level roles around higher-value judgment, technical fluency and exposure to strategic supply chain decisions.
- Build capabilities through intentional upskilling programs that include experiential learning.
- Align compensation and benefits with elevated role requirements and retention goals.
- Track entry-level attrition, promotion readiness and capability depth as leading indicators of talent pipeline risk.

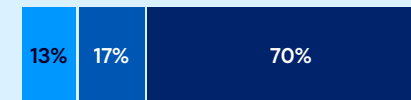
Entry-level role elevation among high performers

Change in dynamics and role requirements due to AI investments for the entry level

Statement A

Require **more interpersonal skills** (collaboration, communication, etc.)

■ Net Statement A ■ Neutral ■ Net Statement B



Need **less direct supply chain experience** to succeed



Employees are **less engaged**



Statement B

Require **more technical skills** (domain-specific skills, analytics skills, etc.)

Need **more direct supply chain experience** to succeed

Employees are **more engaged**

n = 53 high performers

Q: On average, please answer how the following dynamics and role requirements have shifted for the entry level (office location or desk-based remote) as a result of AI investments.

Source: Gartner

2 Enable AI governance

What is changing

As AI deployments mature and autonomous and semiautonomous work expands, the quality of AI governance matters more than the breadth of employee adoption.

Why it matters

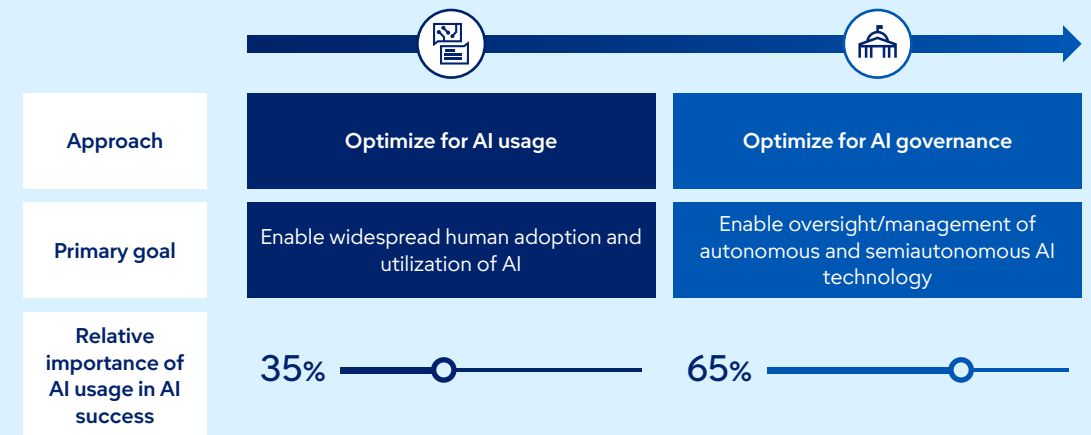
Governance accounts for 65% of AI success, compared to 35% for AI usage. Yet, across the supply chain AI use cases evaluated, 55% have unclear ROI.

Without greater visibility, verification and accountability, AI adoption may outpace the organization's ability to control outcomes and demonstrate value.

What CSCOs should do

- Shift AI metrics from usage to value generated by autonomous and semiautonomous deployments.
- Strengthen AI governance through usage visibility, regular model and data testing, and clear accountability for outcomes.
- Pair experienced leaders with technically skilled entry-level employees to support AI deployment and oversight while building future governance capabilities.

Shift from enabling AI usage to AI governance for AI success



n = 301, all respondents, excluding "don't know" or N/A

Shapley regression was performed to assess the amount of variance in the AI Success Index accounted for by oversight and usage items; r-squared = 0.24.

Q: What is the level of AI integration in the following supply chain functions in your organization? Q03: What percentage of the work in your supply chain function that was previously done by a person is now handled by AI? Q06: How has integrating AI into your supply chain operations had an impact on the following areas within supply chain?

Q: Extent of agreement with the statements regarding how your supply chain manages AI integration.

Source: Gartner

3

Cross-pollinate teams and expertise

What is changing

High-performing supply chains are embedding cross-functional experts within the supply chain, adopting new teaming models and aligning the workforce around shared responsibilities and uniform KPIs.

Why it matters

Cross-pollinated supply chains can use AI more effectively by reducing knowledge and skills silos, clarifying priorities for AI-enabled teams and reducing hierarchical permission structures that slow decision making.

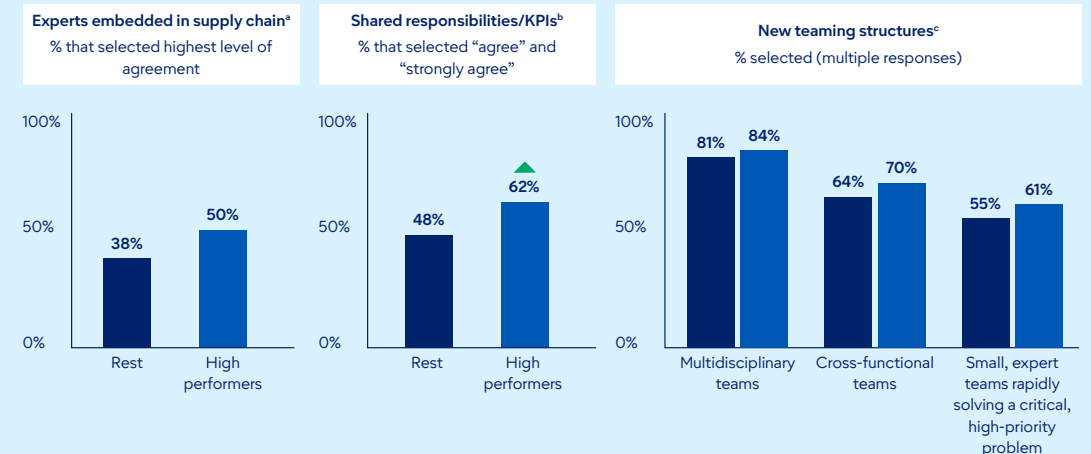
Broader functional expertise also helps teams interpret trade-offs and organizational goals as AI provides access to previously inaccessible or unstructured information.

What CSCOs should do

- Advocate for digital and AI experts full time rather than relying on part-time support.
- Adopt new teaming models to accelerate transformation and time to value.
- Align KPIs and goals across departments and external partners to improve human and AI performance.

Cross-pollinated supply chain characteristic adoption

■ Rest ■ High performers ▲ Statistically significant difference



n = 76 high performers; 225 rest

^aQ: To what extent do you agree or disagree with the following statements regarding how your supply chain operates today compared to two years ago?

^bQ: Since AI was integrated into your supply chain, how have the overall characteristics of roles and operations shifted?

^cQ: Since AI was implemented into the supply chain, have any of the following teams been introduced in the supply chain organization?

Source: Gartner

Shape your AI-ready supply chain workforce

AI is already changing how supply chain roles are designed, how work is performed and how teams are structured.

Leading supply chains are not allowing these changes to happen without strategic thought and intention. They are elevating entry-level roles, enabling effective AI oversight and adopting cross-pollinated organizational designs to improve AI returns and workforce performance.

The talent evolution is already underway. CSCOs must start shaping these changes now to protect future capabilities and stay ahead.

Become a Gartner client to access the complete insights, including additional organizational examples, supporting data and detailed recommendations for redesigning roles, governing AI-enabled work and cross-pollinating teams.

Gartner Supply Chain Organizational Design Decision Tool

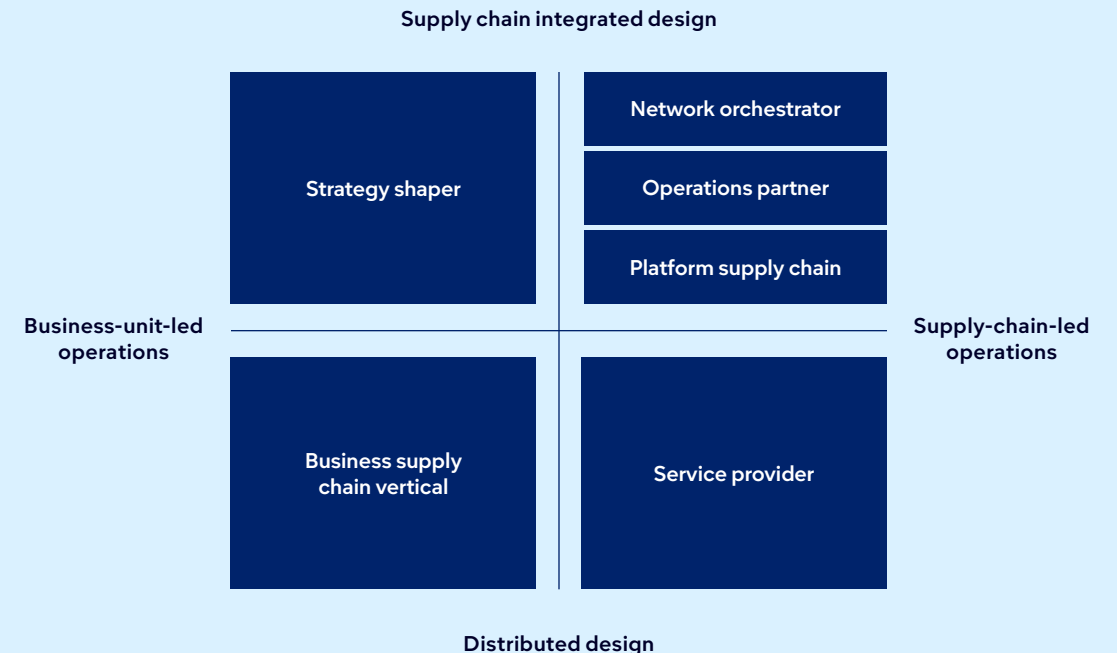
Design a fit-for-purpose supply chain organization

The Gartner Supply Chain Organizational Design Decision Tool leverages best practices and benchmarks to help heads of supply chain organizations understand current organizational archetypes and arrive at recommended design options that align with a fit-for-purpose supply chain organizational design.

- Identify your current organization design archetype and understand its characteristics.
- Define the changing context and intentions.
- Determine your Gartner-recommended organizational design archetype and review design options.

[Learn More](#)

Supply chain organizational archetypes



Source: Gartner

Actionable, objective insights

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Redesigning Supply Chain and Procurement Jobs for the Era of AI

Explore practical strategies to redesign work, build workforce readiness and direct AI-enabled capacity toward greater business value.

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Insights



The AI-Native Supply Chain

Discover how leading CSCOs are building AI-native supply chains that balance innovation, risk and ROI.

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