Leadership **Futures**

Harnessing Technology for Human Progress

Advancing into Industry 5.0

WORLD OF WORK INSTITUTE

Henley Business School
UNIVERSITY OF READING

Foreword

The transition into Industry 5.0 is driven by a bold ambition: to transform organisations worldwide through technological advancements. As leaders navigate this era of unprecedented digital transformation, they must confront the challenges posed by emerging technologies as they begin to impact traditional work structures, employee productivity, organisational security and workforce dynamics.

The rise of generative artificial intelligence (AI), digital tools and other technological innovations brings both promise and confusion. But it also presents an unparalleled opportunity: to redefine the role of human labour. To effect real change, leaders must meet this moment head on. By shifting from routine, repetitive tasks to higher-order, creative and strategic roles, organisations can unlock innovation, value and progress on a transformative scale.

In my experience with technology and informatics across Industry 5.0, I have witnessed the critical role of responsible and informed leadership in achieving business success. I believe navigating the challenges of AI implementation requires leaders who prioritise ethics, strategy and a clear vision for aligning technology with organisational values.

This report explores the importance of a human-centred approach to technological adoption. It emphasises the need for leaders to prepare their workforces for disruption, integrate AI as a force for good and embrace their ethical responsibilities in guiding their organisations forward. Additionally, it provides actionable insights into effective change management strategies, equipping leaders to navigate the complexities of AI and technological transformation with confidence and purpose.

Professor Keiichi Nakata (2025)
Director of AI & Automation in the World of Work Institute.

Introduction: Industry 5.0

Industry 5.0 represents a significant evolution from Industry 4.0, which focused on efficiency through automation. This new era emphasises sustainable business practices, leveraging advancements in AI and robotics to foster a collaborative relationship between humans and technology. Rather than a future where humans merely serve machines or are replaced by them, Industry 5.0 envisions a partnership where human creativity and decision-making are augmented and enhanced by technological innovation.

AI plays a pivotal role in this transformation, with projections sizing the long-term AI opportunity at $4.4 trillion in added productivity growth potential (Mckinsey, 2025). While the integration of AI into business is still in its early stages, organisations are already experiencing tangible benefits. Those deploying generative AI report both cost reductions and revenue growth. However, while competitive and economic advantages drive AI adoption, there is an equally vital opportunity for organisations to enhance human progress and promote social well-being. Achieving this requires more than technological innovation; it demands courage, adaptability, and visionary leadership.

Leaders must be the catalyst for change. Across Industry 5.0, the highest objective will be to harness technology in ways that promote human progress and advance humanity. Leaders will need to question how technology fulfils its purpose of being more human-centric, while navigating the complexities encountered across an evolving business landscape.

Evolution of the Industrial Revolutions

1.0 The Age of Mechanised Production

The steam-powered revolution transformed manufacturing, transportation and the nature of work.

2.0 The Age of Mass Production

The use of electricity and petroleum led to mass production, giving rise to new industries like automotive and telecommunications.

3.0 The Digital Revolution

Computers and the internet drove automation, globalisation and the rise of smart manufacturing.

4.0 The Era of Smart Automation

The fusion of physical and digital worlds with IoT, AI and robotics created hyper-automated, smart systems.

5.0 The Era of Augmentation

A new era of human-machine collaboration, where AI and automation amplify human capabilities, foster creativity and tackle complex challenges.

“As technology develops, we will increasingly value things produced by humans or that have a human element. This underpins the Industry 5.0 revolution - using technology in a more human-centric way.”

Dr Rodrigo Perez-Vega (2025),
Associate Professor and Co-Director of the Consumer Futures Lab.

Harmonising Human-AI Interactions

> “By overlooking the human element, we risk missing crucial opportunities for innovation.”

Professor Keiichi Nakata (2025),
Director of AI & Automation in the World of Work Institute.

How can we ensure AI remains human-centric?

Technological innovation is advancing at a breakneck pace, with artificial intelligence (AI) and other advanced digital models rapidly proliferating across the working world. Human-AI collaboration has the potential to unlock new sources of competitive advantage, ushering organisations into a new era defined by Industry 5.0. This next phase emphasises harmonising advanced technologies with human values, creativity and wellbeing. While technology promises to revolutionise business operations, boost organisational productivity and reshape the workforce, leaders have an ultimate responsibility to take stock of long-term goals and carefully navigate potential pitfalls along the way.

The current trajectory - one of rapid adoption and an over-reliance on technological tools - risks doing more harm than good. Technological tunnel vision, where businesses focus solely on technological advancements at the expense of human considerations, threatens to detract from the essential, human-driven aspects of business. We can see that leaders must shift the narrative; at its crux, AI should serve as a tool to create positive change as implementation is only the first step, not the end goal.

It's up to organisations to prioritise human capabilities in a technology-dependent world. For AI to remain sustainable and serve as a truly effective tool within organisational structures, leaders must foster a balanced, healthy relationship between AI and the humans who interact with it. This means embedding human-centric principles into every phase of adoption - from design and development to deployment and long-term management.

> "With the rush to embrace AI, leaders may inadvertently prioritise efficiency and modernisation over considering its potential long-term impact on people. A human-centric approach to leadership is needed to actively manage this transition and ensure its benefits are broadly shared."
>
> **World Economic Forum (2025)**
> Leading with purpose: Why human-centric strategies are vital in the AI era

Unlocking meaningful and responsible productivity

Leaders are grappling with significant inefficiencies in routine company activities such as meetings and emails, with industry research estimating that at least 40% of time spent on these tasks is inefficient (PwC, 2024). As organisations transition into Industry 5.0, AI presents a newfound opportunity to reshape operational efficiency. Early adopters of AI stand to gain significantly, with increased labour productivity and substantial time savings. However, the road to higher efficiency must be navigated with care. Achieving responsible productivity means striking a balance between commercial ambitions and the sustainability of the human workforce.

By alleviating the constraints humans face with manual, routine processes, organisations can foster an environment where both businesses and employees thrive. However, the push for maximum productivity must be tempered by thoughtful leadership to avoid steering businesses towards unintended consequences such as employee burnout, job insecurity and a culture of unregulated workforce displacement. Leaders must ensure that AI-driven efficiencies reduce stress rather than amplify it, as responsible AI adoption should create space for employees to innovate and recharge, rather than pressuring them to match machine-like output.

> “Responsible automation should create capacity and new roles for the human workforce, enabling focus on critical areas like environmental and societal challenges. This approach strikes the right balance.”

Professor Keiichi Nakata (2025),
Director of AI & Automation in the World of Work Institute.

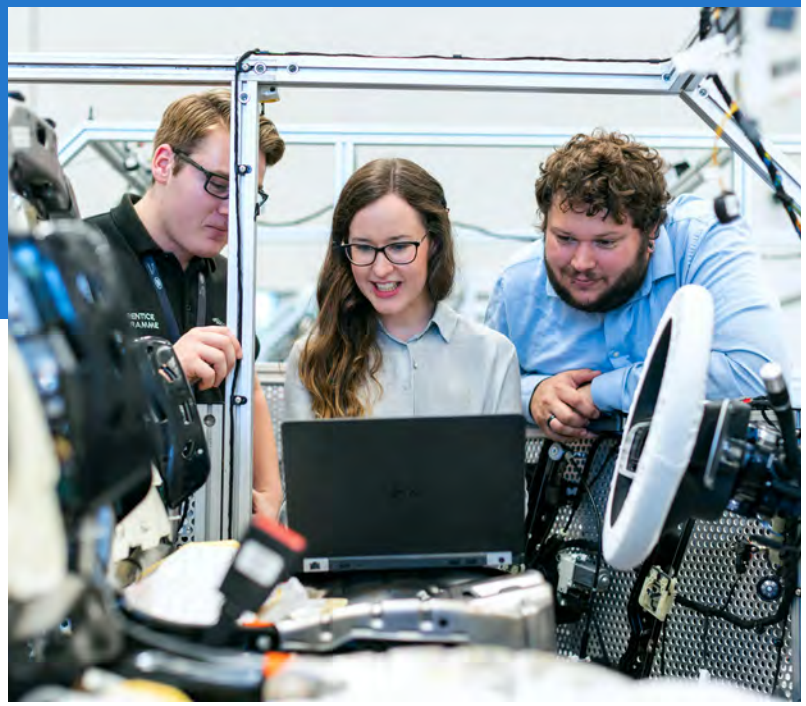
Leveraging AI to elevate human potential

AI excels at handling repetitive and administrative tasks but its real value lies in augmenting - not replacing - human efforts. Leaders must avoid viewing AI purely as a cost-cutting measure or a shortcut to workforce reduction. Instead, leaders should concentrate on its ability to elevate human potential, enabling employees to focus on higher-value tasks that demand emotional intelligence, critical thinking, creativity and interpersonal skills.

Employees freed from routine tasks can dedicate their time and energy to roles that are more meaningful and impactful, driving innovation and reshaping both organisational output and culture. Leaders who prioritise human potential alongside technological advancement will cultivate a forward-thinking and dynamic workplace culture. Such a culture not only boosts internal morale but also enhances public image. By championing a human-AI synergy where people are placed as the priority, businesses can position themselves as leaders in innovation and inclusivity, appealing to talent with a strengthened employee value proposition (EVP).

By adopting AI to amplify human capabilities as opposed to reducing them, leaders can create a thriving ecosystem where both people and technology work together to achieve transformative outcomes. When managed thoughtfully, this partnership can turn workplaces into hubs of innovation and opportunity, setting a new standard for organisational success.

> “By creating efficiencies with AI, an organisation can unlock entirely new or underappreciated skills within its workforce – and what companies do today will shape their culture for years to come.”
>
> **Chief Executive (2024)**
> Crafting An AI-Ready Workforce: The Urgent Need For Ethical Leadership.



Automation vs. human capability

As technology becomes more capable of working independently, leaders need to make strategic choices about automation - both to free up human capacity and optimise organisational resources. While increased automation might seem alluring, leaders must exercise restraint in choosing when to automate certain tasks or risk increasing complexity in task accountability and losing valuable feet on the ground. Instead, leaders should enact a 'cliff-edge' automation principle (Young and Stanton, 2023): automation should be restrained until a time that it can fully take over a task with perfect reliability.

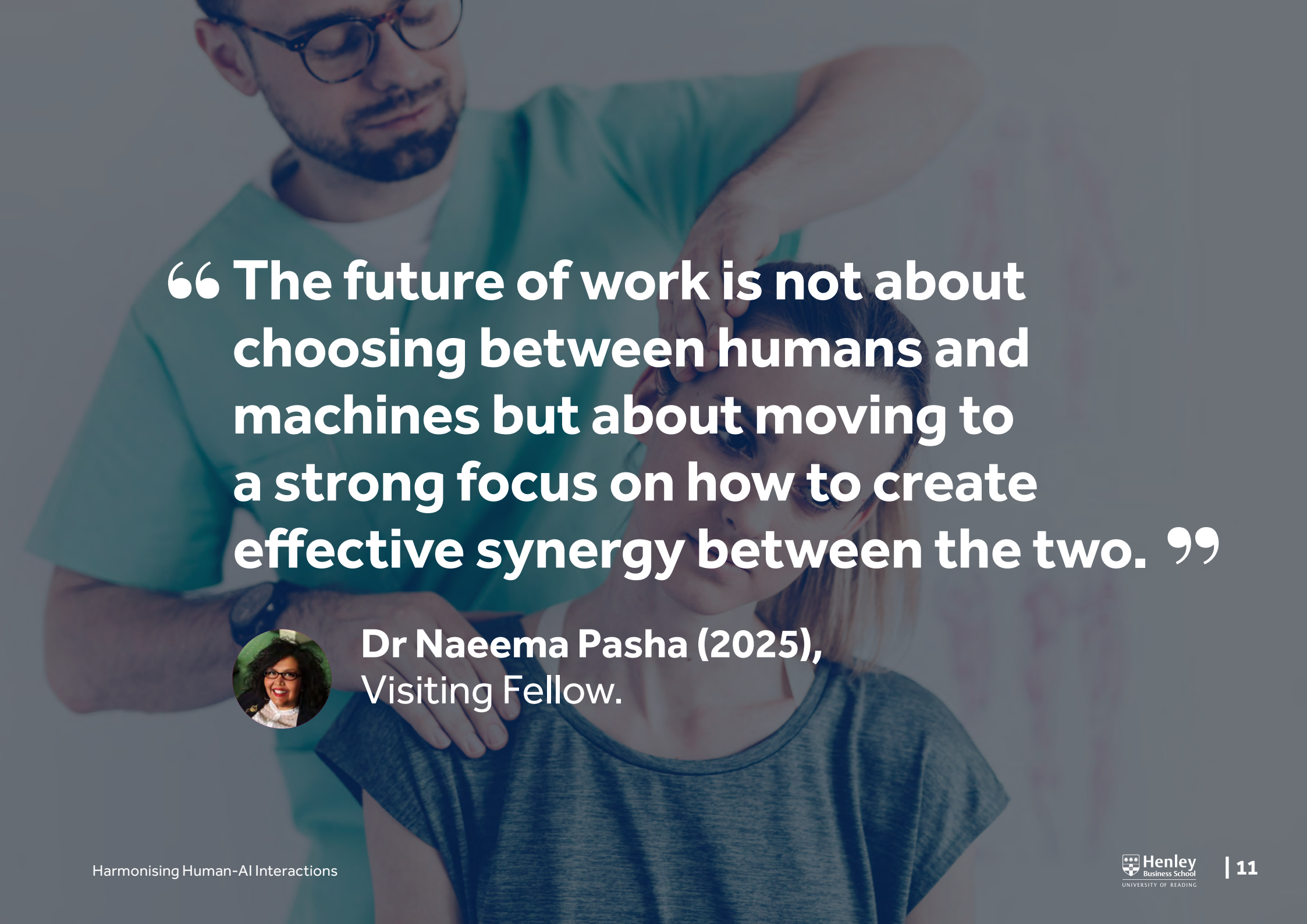
While AI advances at an extraordinary pace, distinctly human skills - such as moral judgement, empathy, and contextual understanding - remain irreplaceable assets. Leaders must champion these human capabilities over machine-like work. As our expert Professor Keiichi Nakata suggests, "The whole idea of the output orientation is being questioned, essentially in relation to the future of work". Leaders will need to manage output expectations and cushion any goals they have in automating large portions of organisational workload. This measured approach not only retains the invaluable human touch in organisational workflows but also leads to more sustainable and effective outcomes.

> "It's not about what to automate, because potentially you can automate almost everything. Hyper automation is going in that direction. But the more important question is: What shouldn't be automated?"

Professor Keiichi Nakata (2025),
Director of AI & Automation in the World of Work Institute.

> "Technology alone will not drive gen AI-enabled growth; instead, prioritising people alongside data and tech can lead to productivity gains of up to 11%, while sidelining the human factor slashes that gain to just 4%."

Accenture (2024)
Work, workforce, workers**:** Reinvented in the age of generative AI.



> **The future of work is not about choosing between humans and machines but about moving to a strong focus on how to create effective synergy between the two.**

Dr Naeema Pasha (2025),
Visiting Fellow.

> Generative AI and other technologies may be exposing an imagination deficit. Scaling human capabilities like curiosity and empathy can help organisations replenish it.

Deloitte Insights (2024)
Global Human Capital Trends.

Exposing an imagination deficit

The more technology and AI-enabled work becomes, the more important human imagination becomes; organisational adoption of Large Language Models (LLMs) and generative AI is approaching a tipping point, where leaders must confront the growing challenge of an imagination deficit. While AI excels in processing data and generating outputs, it cannot replicate the curiosity, empathy and vision that fuel human creativity and innovation. This distinction reframes the value of soft skills as critical drivers of progress in an AI-augmented world.

At this point, leadership and workforce collaboration is essential. Leaders must embed a culture that values and prioritises inquisitiveness and sensibility - qualities that endure even as technical skills rapidly evolve and become obsolete. In turn, employees need the empowerment to actively cultivate these skills. Carving out time for growth, practice and regular application of curiosity will be vital to ensuring the long-term survival of company creativity.

AI may transform operational efficiency, but human imagination remains the source of innovation. Organisations that champion and nurture these uniquely human attributes will increase resilience to dynamic workplace changes and thrive in Industry 5.0.

Determining use cases for AI

The current pace of strategic investment and industry chatter around AI has led many to dive into implementation without proper planning or considering organisational needs. Our experts believe the best way to use AI is to find the use case. Articulating the gap, identifying the business case, and assessing the application gap is critical in strategic decision making.

Without a clearly defined use case, AI projects risk solving problems that don't exist or providing solutions that don't align with organisational priorities. Leaders must focus on areas where AI can address specific challenges or unlock opportunities, ensuring that the technology supports real and pressing business needs. What's more, with a tangible use case for AI, leaders are laying the foundations for organisation-wide acceptance and success. Choosing a compelling, well-thought-out use case helps demonstrate AI's value to stakeholders, employees, and customers. When people see clear, practical benefits, they are more likely to embrace the technology and support its integration.

An effective use case can mitigate strategic risk and allow leaders to deploy AI sustainably and responsibly. Finding the right use case is not just a technical decision, it's a strategic imperative. It helps leaders ensure that AI adoption is purposeful, impactful and aligned with both the organisation's needs and broader mission.

Insight:

The success of AI in organisations lies not in the technology itself but in how it complements and enhances human capabilities. Leaders must focus on fostering a balanced relationship between humans and AI, embedding human-centric principles into every phase of adoption, design, deployment, and long-term management. By prioritising creativity and emotional intelligence, organisations can harness AI as a catalyst for innovation and shared progress, not a disruptor of human values.

Opportunity:

- **Map human-AI collaboration zones in the organisation.** Identify areas where AI can augment human roles rather than replace them. Leaders can create a collaboration blueprint to highlight these intersections.
- **Develop a human-centric AI adoption framework.** Establish a framework that prioritises the human element at every stage of AI implementation. Leaders can include criteria such as employee well-being, user-centric design, and ethical considerations to guide decisions on AI adoption.
- **Measure and communicate the human impact of AI initiatives.** Regularly assess and share how AI projects impact employees, customers, and organisational culture. Use metrics like employee satisfaction, efficiency gains, and innovation outcomes to demonstrate the balanced benefits of AI adoption.
- **Introduce AI literacy programmes for all employees.** Leaders can equip employees with the knowledge to understand, collaborate with, and oversee AI tools. This could include workshops on leveraging generative AI for productivity, identifying potential biases in AI outputs, and fostering responsible use of these technologies.

Preparing the Workforce for Disruption

> “As soon as we start seeing technology do more things than humans can or that require human intelligence, then people start to get worried about it, and rightly so.”

Dr Rodrigo Perez-Vega (2025),
Associate Professor and Co-Director of the Consumer Futures Lab.

Widespread disruption to the labour market

For all its economic advantages and competitive edge, technological innovation can dominate in the workplace, often at the expense of existing roles. While it can create newfound opportunities and professions, it will also render certain areas of human work obsolete, resulting in a seismic impact across Industry 5.0. Research from the World Employment Confederation (2024) found 81% of senior executives believe AI and other disruptive tech will require companies to radically rethink the availability of skills and resources across the workforce. This has sparked ongoing concerns about job displacement. Skill gaps are beginning to emerge as workers without access to future-focused training find themselves unable to compete in a transformed labour market.

As leaders roll out AI, they therefore have a responsibility to their employees to focus on innovative approaches to education and workforce development. Traditional training methods will need to evolve, ensuring employees can develop the adaptive skills needed to thrive in this shifting environment. Our experts believe leaders need to communicate clearly and consistently to move their organisations and employees forward into this new era. The responsibility falls to key decision makers to step up to this challenge ahead.

> “There are bound to be certain jobs that will be made obsolete by AI. Other jobs will transform; the time-saving effectiveness of AI tools for certain coding jobs, for example, will push those roles in new directions with new freedoms and new possibilities.”
>
> **Chief Executive (2024)**
> Crafting An AI-Ready Workforce: The Urgent Need For Ethical Leadership.

Managing the trust gap

While speed is essential for maintaining competitive advantage, the rollout of generative AI, agentic AI and other technological advancements in business must be approached with vigilance. Leaders must recognise the growing trust gap forming among employees, driven by uncertainty about the role of technology and confusion regarding organisational direction. AI’s pervasive nature means many employees feel alienated from the decision-making process, fearing that these innovations are being implemented without consideration of their long-term impact on job security and workplace dynamics. Within this context, our experts have identified two key trust gaps that demand attention: the technological trust gap and the organisational trust gap. If left unchecked, these gaps could undermine morale and hinder the effective implementation of new technologies. Addressing both is critical for leaders to guide their teams through this era of rapid transformation and secure a sustainable, collaborative future.

The technological trust gap

The technological trust gap arises from employees' concerns about the internal processes and implications of AI and other advanced technologies within the workplace, rooted in fears and misunderstandings about its role and reliability. Many feel uncertain about how these tools will affect their responsibilities, fearing the erosion of job security or the devaluation of their skills. Misinformation or a lack of clear communication from leadership can exacerbate these fears resulting in speculation about worst-case scenarios, while the perceived opacity of AI systems further widens this gap. Leaders are tasked with ensuring their workforce understands how decisions are made by AI systems and whether these systems are being deployed ethically and transparently.

As a route to further mend the technological trust gap, key decision makers must prioritise digital fluency initiatives, helping employees understand the fundamentals of AI and its specific applications within the organisation. Open discussions about the limitations and strengths of AI, paired with clear demonstrations of its role as a complementary tool rather than a replacement, are vital.

The organisational trust gap

The organisational trust gap stems from a broader sense of disconnection between employees and leadership, particularly regarding the implementation of technological advancements. Employees may feel excluded from decision-making processes, suspecting that AI and other innovations are being deployed primarily to serve organisational objectives such as cost-cutting or efficiency gains without sufficient regard for employee wellbeing, development or inclusion.

Bridging this gap requires human-centred leadership, characterised by humility, transparency and a commitment to fostering digital fluency and effective communication across organisational hierarchies. As they consider their long-term road maps, leaders must pro-actively engage employees by clearly explaining the purpose, scope, and expected outcomes of technological initiatives, while also addressing concerns with empathy and actionable solutions. Open dialogue is essential to demystify AI and ensure employees feel involved and valued as partners in the transformation process.

> "Now the pace of the technology is so fast you have much less time to understand it and to act accordingly in regards to the impacts it can have. Nevertheless, you need to make clear how this will impact your people, individually and collectively."

Dr Fabio Goncalves de Oliveira (2025),
Lecturer in Entrepreneurship and Innovation.

> CEOs must embrace this as a new facet of their role: understanding, explaining and managing the inevitable tensions between short-term job losses and long-term job creation potential from AI.

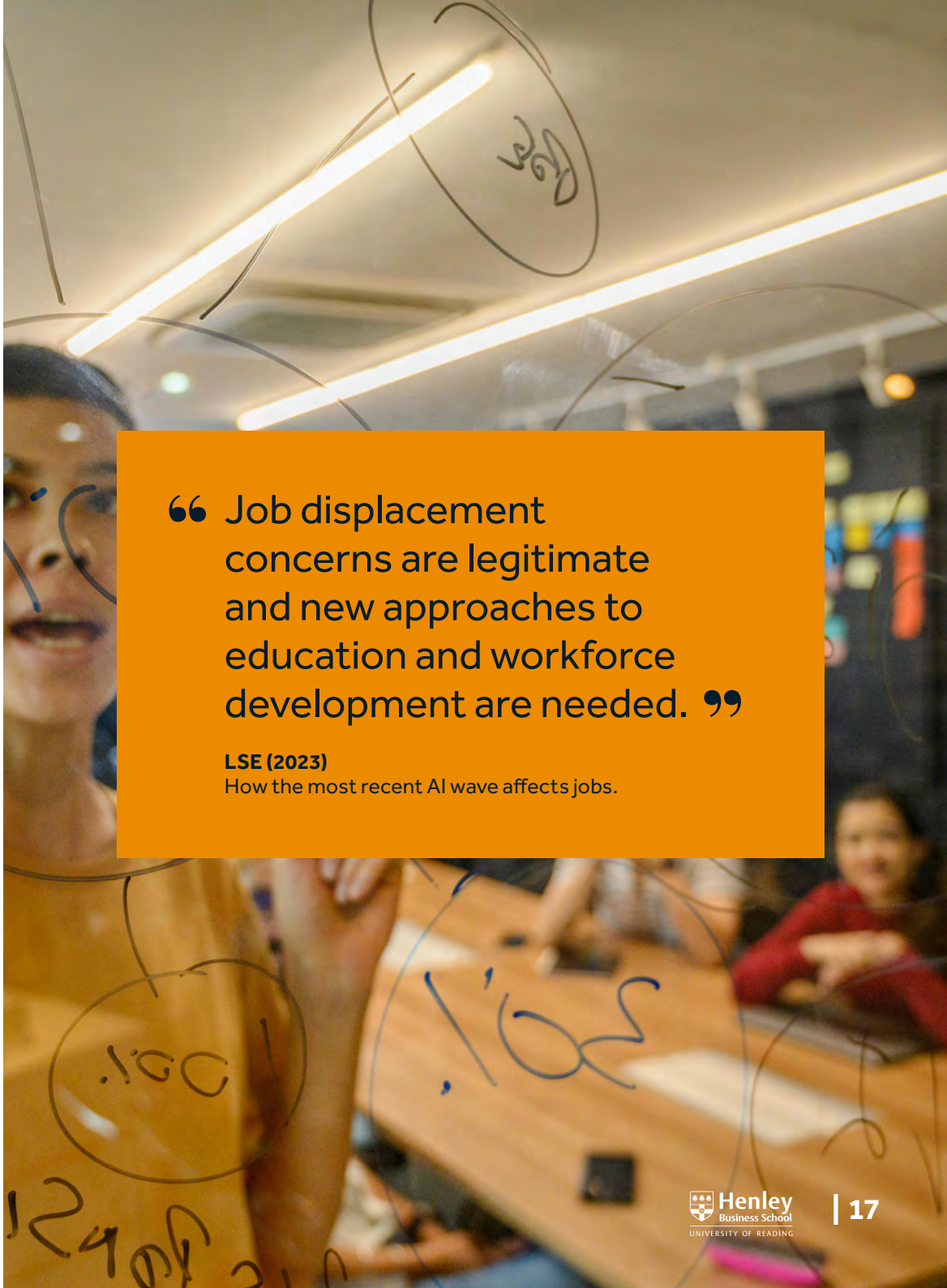
PwC (2024)
PwC's 27th Annual Global CEO Survey: Thriving in an age of continuous reinvention.

Addressing job insecurity and organisational shifts

Organisational shifts are an inevitable part of the transition into Industry 5.0, with the potential to exacerbate job insecurity. As technology continues to reshape the workplace, leaders must not only navigate this volatility but also take responsibility for the resulting impact on their organisations. Central to this responsibility is the need to effectively and empathetically address employee anxiety, ensuring that workers feel supported rather than sidelined by these changes.

At the heart of this approach lies honesty and open dialogue, while leaders should understand that being forthright about the risk and impact of AI must also be accompanied by commentary on how the organisation intends to deal with it. This includes outlining strategies to mitigate job displacement, upskill employees and align technological progress with the organisation's commitment to its people.

Conversation must be underpinned by the human element, focusing on goals and strategies that enable both individuals and the organisation to thrive amid technological transformation. Ignoring these concerns risks allowing fear and insecurity to escalate, which can severely damage company morale, culture and overall productivity.



> Job displacement concerns are legitimate and new approaches to education and workforce development are needed.

LSE (2023)
How the most recent AI wave affects jobs.

Embracing the optimists and the pessimists

Leaders are likely to encounter a polarised workforce when it comes to AI adoption, with varying levels of technological acceptance and fluency shaping a diverse range of opinions on how aggressively organisations should embrace these advancements. While optimism is an important driver of growth, leaders must not dismiss more cautious or pessimistic perspectives in the pursuit of progress.

As our expert Dr Rodrigo Perez-Vega concludes, "People that have more negative views towards technology might actually help managers understand the perceived risks of using these technologies. If you understand what the perceived risks are, you can actually develop strategies that can facilitate or help adoption."

With this in mind, leaders should balance their ambitions for AI implementation with a humanistic approach, ensuring employees have a platform to voice their concerns and reservations. By fostering a culture that values vigilance and scepticism alongside innovation, leaders can balance enthusiasm with critical thinking, enabling responsible adoption and ensuring that AI serves both the organisation and its people effectively.

> "An organisation is richer if it has contrasting views. And managers and leaders in particular should be able to listen to those two views because they can add a different perspective to the same issue."

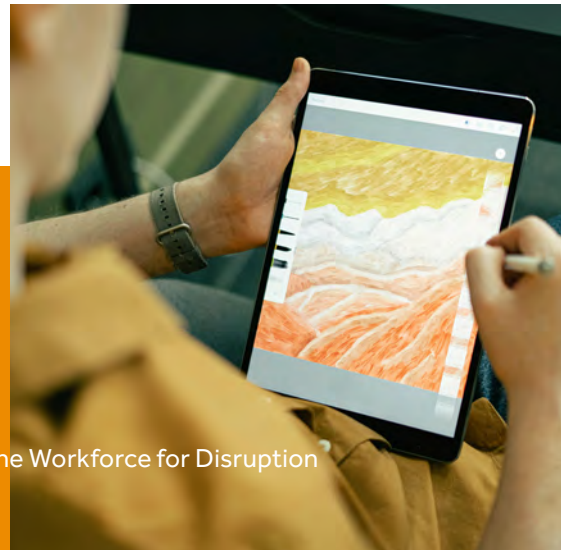
Dr Rodrigo Perez-Vega (2025),
Associate Professor and Co-Director of the Consumer Futures Lab.

Mapping critical skills

Industry 5.0 demands evolved competencies to meet the needs of knowledge-based economies and rapid technological advancements. According to the European Commission, just over 60% of employees in Industry 5.0 are skilled workers, with the rest of the workforce concentrated in lower-skill professions. This highlights the urgent need to address knowledge gaps.

To remain competitive in Industry 5.0, leaders must prioritise training and hiring that balances knowledge, skills, and attitudes, with a particular emphasis on evergreen soft skills. As our expert Dr Rodrigo Perez-Vega says, "Technical skills are becoming less relevant, because a lot of the solutions that we can use now are no code solutions. Whatever you're learning that is technical might not be needed in the medium and long term and that is why the ability for employees to learn by themselves and solve problems is going to be so important to develop within an organisation."

Given this reality, leaders must actively address the organisational challenges of fostering effective and sustainable human-machine interaction by mapping and closing critical skill gaps within their workforce. Strategic foresight is essential as decision-makers will need to anticipate future skill requirements and adapt development strategies to ensure their workforce is prepared for the opportunities and challenges of Industry 5.0.



Preparing the Workforce for Disruption

> "I think we're living in a very interesting era, because roles are less defined. But because technology is reshaping those roles, if you are proactive and curious, you can actually start expanding the remit of what you're doing."

Dr Rodrigo Perez-Vega (2025),
Associate Professor and Co-Director of the Consumer Futures Lab.

Embedding development opportunities

Workplace development opportunities are a strategic cornerstone in leaders' long-term plans for navigating workforce disruption. By aligning the adoption of advanced technologies with the development of workforce capabilities and digital fluency, organisations can ensure employees are included in the journey rather than left behind.

As Dr Rodrigo Perez-Vega says, "The human element within an organisation is a very important asset, and giving employees opportunities to reskill or reshape their roles if they want to do it pro-actively is going to be very important."

With this in mind, leaders should look to embed reskilling and upskilling initiatives into their organisational strategies, empowering employees to adapt to new roles and develop the skills that align with future industry opportunities. By doing so, leaders can foster resilience and readiness within their workforce, building a culture that embraces human-centricity while safeguarding long-term productivity and innovation.

> More than half of managers report difficulties in motivating employees to go beyond basic job duties (51%) and engage in cross-team collaboration (50%).

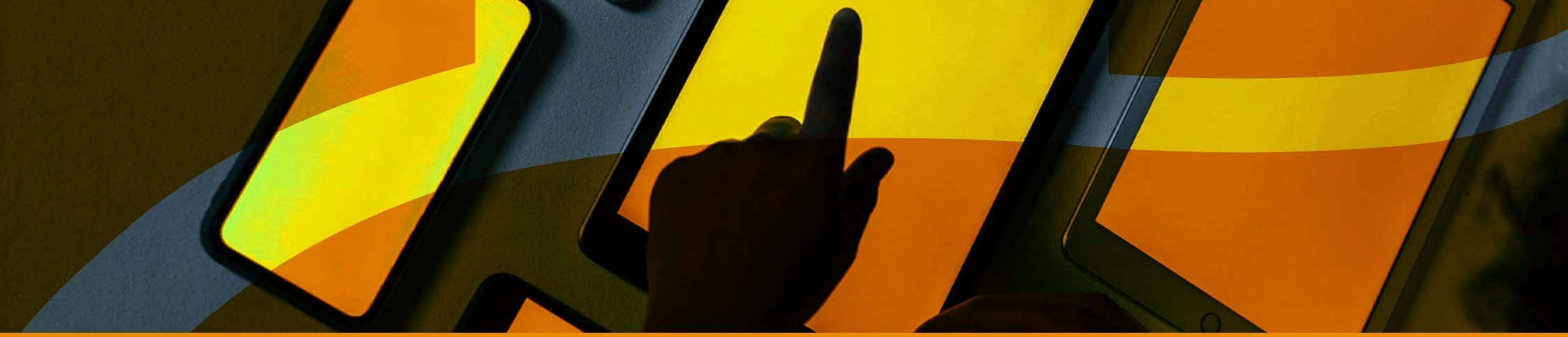
SAS (2024)
Workplace Curiosity Report.

Creating a culture of discovery

Businesses are restructured to embrace automation, efficiency and speed, meaning leaders must take care to ensure organisational culture does not become robotic and solely output-driven.

To combat stagnation and prevent a plateau in creativity, leaders must reimagine workplace culture. Encouraging inquisitive attitudes and critical thinking ensures that innovation flourishes rather than falters. This is where decision makers can find use cases for AI. Technology offers the potential to redefine productivity by eliminating repetitive, mundane tasks and enabling employees to channel their efforts into creative problem-solving and ground-breaking ideas that generate competitive advantage for the business.

By fostering an environment where employees are encouraged to ask questions and explore new learning opportunities, leaders can unlock innovation while strengthening teamwork and collaboration. This cultural shift not only enhances creativity but also ensures that the human element remains central to the workplace.



Insight:

The widespread integration of AI and advanced technologies is reshaping the labour market and workplace dynamics, creating unprecedented opportunities while raising challenges around skill gaps, job displacement, and employee trust. To navigate this era of disruption, leaders must adopt proactive, human-centred approaches that address skill shortages, foster trust, and balance innovation with workforce inclusion.

Opportunity:

- **Implement workforce reskilling programmes.** Design and deliver tailored upskilling and reskilling initiatives that focus on both technical competencies and evergreen soft skills like critical thinking, adaptability, and problem-solving. This can include partnering with educational institutions and technology providers to offer accessible, future-focused training opportunities.
- **Build transparent communication channels.** Leaders should regularly engage employees through open forums, town halls, and surveys to explain AI's role, purpose, and expected impacts on the workforce. They will need to share clear strategies for mitigating job displacement and offer reassurances through practical examples of AI complementing, not replacing, human work.
- **Anticipate future skill requirements.** Develop a strategic workforce plan that maps out critical skills required for Industry 5.0 and invests in employees' development well in advance.
- **Foster a culture of curiosity and innovation.** Encourage employees to take initiative by exploring new roles or skills that align with AI-driven changes in their job responsibilities. Leaders should reward innovative thinking and cross-team collaboration to ensure that workplace culture remains dynamic and human-focused.

Ethical Governance for Advanced Innovation

> “Since generative AI has come on, organisations are really getting to grips with how it’s adopted and looking at productivity, output and competitiveness, but also balancing against being ethical, responsible, good AI.”

Dr Naeema Pasha (2025),
Visiting Fellow.

Ethics as a strategic imperative

As the pace and scale of technological change accelerates in Industry 5.0, so too does the magnitude of potential risks. In recent research, 63% of global CEOs cited ethical challenges as a concern in terms of the implementation of generative AI (KPMG CEO Outlook Survey, 2023). While organisations may want to push ahead with their investments unhindered, leaders must see ethics and compliance not as an afterthought or a box to check, but as a strategic imperative essential for building long-term value. Creating an ethical AI future will require hard choices from leaders. Commitment is necessary to shape the ethical and regulatory frameworks that govern these technologies and be transparent and accountable for their impacts.

Addressing bias in advanced AI systems

One key aspect leaders will need to tackle is bias in advanced AI systems; AI training data and algorithms must be rigorously vetted to remove sources of racial, gender, socioeconomic or other demographic biases that could produce discriminatory outputs. Strategic and committed approaches to addressing systemic bias in technological innovation are crucial for leaders to build a responsible innovation ecosystem and cement themselves as trustworthy figures to drive further AI adoption.

As we cross new frontiers of technological possibility, these decision makers must commit to developing technology for human flourishing, not potential sources of harm.

Tackling inequities in the workplace

Equity poses another key challenge as leaders who want to leverage AI's benefits must do so without compromising stakeholder values and rights. The adoption of AI has the potential to amplify existing disparities in access to resources, training and other opportunities, which could deepen inequalities based on gender, age, race, or socioeconomic background.

To address this, leaders must take accountability for identifying and mitigating these disparities. This involves increasing transparency in decision-making processes, ensuring employees understand how AI is applied and how its benefits are distributed. Additionally, fostering inclusive workforce development strategies that focus on upskilling and reskilling employees across diverse groups is crucial.

Building partnerships with educational institutions and external organisations can also help bridge gaps, providing access to resources and learning opportunities for under-represented groups. By adopting these measures, leaders can ensure that AI implementation supports fairness and inclusivity, fostering a workplace where all individuals can thrive in the era of Industry 5.0.

Safeguarding data in the digital age

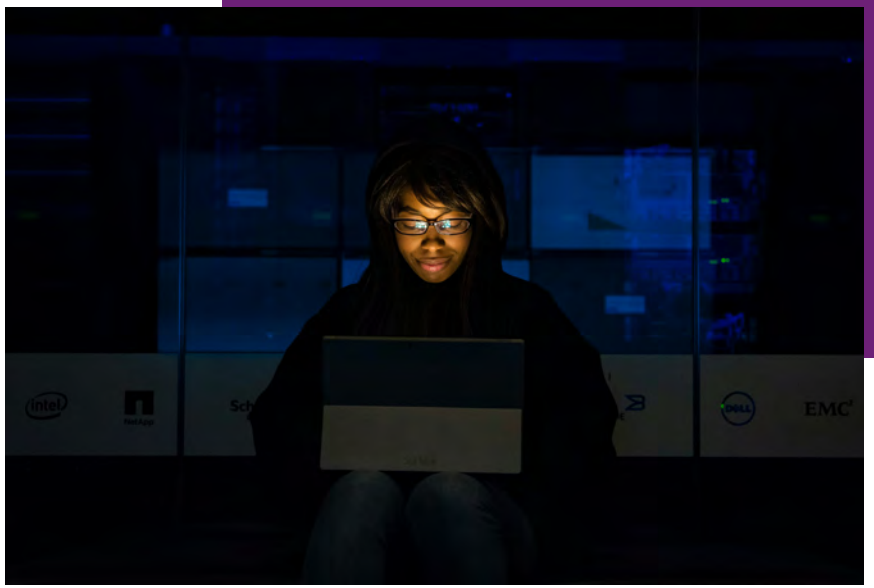
Insights from the UK Government's Department for Science, Innovation and Technology (DSIT) reveal a critical gap in preparedness among companies adopting AI technologies. Nearly half (47%) of these companies lack specific cybersecurity measures, with 13% uncertain about their strategies (2024). From a leadership perspective, this highlights a significant challenge. CEOs, particularly in the context of generative and advanced technologies, identify cybersecurity risks as a primary concern, with over 50% agreeing that these technologies are likely to facilitate the spread of misinformation within their organisations (PwC Annual Global CEO Survey, 2024).

As cybersecurity threats emerge as a key vulnerability, leaders must prioritise data safeguarding measures alongside the implementation of AI. Equal emphasis should be given to ensuring organisations carry robust security frameworks and proactive risk management strategies. As our expert Professor Keiichi Nakata emphasises, "What kind of measures are we implementing to make sure that the data is secure? But also, what are our contingency plans and what are we going to do if - or when - there's a data security breach? Because all organisations are at risk of having data security breaches."

Addressing these risks requires not only technical solutions but also strategic foresight and a clear contingency roadmap, ensuring organisations stand prepared to enter an increasingly data-driven world safely.

> "The first thing that leaders need to understand is that by being interconnected and running their businesses through networks of communication, they are exposing their IP, their ideas, their communication and their assets."

Dr Fabio Goncalves de Oliveira (2025),
Lecturer in Entrepreneurship and Innovation.



> “CEOs have a societal obligation to ensure their organisations use AI responsibly. Indeed, given the pace of innovation and the inevitable delay in establishing new norms and regulations, much of the onus for managing this advancing technology falls, for now, to businesses.”
>
> **PwC (2024)**
> **PwC’s 27th Annual Global CEO Survey:** Thriving in an age of continuous reinvention.

Embracing compliance for future readiness

The rapid pace of innovation is outstripping current regulation and compliance frameworks, leaving a persistent grey area around AI use cases and enforcement. For forward-thinking businesses, this moment calls for caution and a proactive approach to anticipating future compliance challenges, rather than viewing it as an opportunity for unchecked innovation. Missteps in this arena could result in severe and lasting repercussions for organisations that push boundaries too far. Non-compliance can be costly; the EU’s General Data Protection Regulation (GDPR) states companies can face fines of up to EUR 20 million or 4% of their global annual turnover, whichever is higher. In the United States, the Federal Trade Commission (FTC) can take enforcement actions against companies for AI-related violations, such as the use of biased machine learning algorithms.

To ensure future readiness, leaders must establish robust internal responsibility measures, even in the absence of definitive regulatory guidance. Waiting for governing bodies to act risks compounding future obstacles that could derail long-term technological strategies. HR and strategic decision-makers must anticipate emerging challenges and navigate the volatility of an evolving market, guiding their organisations toward stability and resilience in the era of Industry 5.0.

“We need leaders to actually stand up and say, “I’m not part of that old system. I’m part of a new system, or I’m part of reimagining a new system.” And that’s why, for me, the whole organisational construct is up for grabs right now. It’s a very powerful time. ”

Professor Nick Kemsley (2025),
Professor of HR and Organisational Capability.

Prioritising human judgment across implementation

While AI systems can operate autonomously in specific scenarios, they must always remain subject to clear human oversight, with the ability for control and intervention when necessary. Critical decisions that directly affect human lives should never be entirely delegated to autonomous AI systems.

As the Managing Director of the World Employment Confederation stated, “Business must be guided by a human-centred approach and the people implementing AI must be fully in control, experimenting safely and averting unexpected harm while striving to improve the lives of individuals and society.”

To champion a human-centric approach in Industry 5.0, certain workplace functions must remain under human control, ensuring that when autonomy is deployed, human oversight is integrated into its responsible application. While AI holds immense potential to advance the workforce, it falls to leaders to ensure that this progress is directed and governed by human expertise and values.

Insight:

The rapid pace of innovation brings transformative opportunities but also ethical challenges, such as bias, inequity, data security, and compliance gaps. Leaders must embrace proactive and transparent strategies to ensure technology is used responsibly, fostering trust, inclusivity, and long-term value creation. Aligning innovation with human-centric oversight and ethical frameworks means organisations can navigate Industry 5.0 and benefit both people and society.

Opportunity:

- **Mitigate and monitor bias in AI systems.** Leaders must conduct rigorous audits of training data and algorithms to identify and eliminate potential sources of bias. This can include policies for ongoing evaluation of AI outputs to ensure they meet standards of inclusivity and non-discrimination.
- **Enhance data security and cyber preparedness.** Establish robust data protection frameworks, including proactive risk management and clear contingency plans for breaches. Leaders can also look to educate employees on cybersecurity best practices for increased organisational security.
- **Lead compliance beyond regulation.** Anticipate future regulatory trends by aligning organisational policies with emerging standards, even in the absence of clear legislation. Here, leaders can mitigate potential risks and foster increased trust with stakeholders.
- **Champion human oversight in AI implementation.** Leaders must ensure that critical decisions remain under human control, with AI functioning as a complement rather than a replacement. Here they must establish processes for human intervention in AI systems, reinforcing accountability and ethical decision-making.

Using AI as a Force for Good

> “The leaders of tomorrow will be defined not by how quickly they adopt AI, but by how wisely they use it to foster innovation, equity, and shared prosperity for all.”

Professor Keiichi Nakata (2025),
Director of AI & Automation in the World of Work Institute.

How can AI positively enhance the workforce?

AI offers immense potential to revolutionise the workforce in Industry 5.0, but its ultimate impact hinges on leadership vision and strategy. Leaders who prioritise thoughtful and responsible AI implementation can harness its power to drive positive change across their organisations. Advanced technologies stand to boost productivity while democratising access to skills, enabling employees at all levels to thrive. For early career professionals, AI can open up expansive opportunities for learning and skill development, equipping them with tools to excel in dynamic, technology-driven environments. Meanwhile, more experienced professionals can leverage AI to enhance decision-making and refine strategic planning, amplifying their ability to guide organisations effectively.

If leaders choose to view this moment in time through an optimistic lens, AI can serve as a transformative force that not only boosts workplace efficiency but also enables humans to focus on work that drives meaningful societal progress. Achieving its full potential, however, hinges not on speed or technical ability, but on leaders' willingness to lead and learn differently.

> "Technology should be a reflection of our business values, not a deviation from them."

Forbes (2023)
Future-Proofing Tech: Should Ethics Drive Innovation?

Developing technology in service of human prosperity

AI adoption stands at a crossroads; leaders can either leverage AI for cost-cutting measures and economic impact, or choose to balance these with using AI as a force for good, straddling economic priorities with social prosperity and morality. As our expert Professor Nick Kemsley discusses, "issues can generally be traced back to a lack of investment or cost cutting not being appropriately balanced with broader organisational outcomes."

With strong leadership comes the understanding that the human process is more important than any technological output and setting the foundations strong in terms of organisational values must be the first step. By focusing on shared prosperity and fostering "bottom-up" AI goals, leaders can create systems that not only drive business success but also contribute to meaningful social progress.

> "The pace at which technology is changing means that we need to embrace its use, but we also need to keep pushing ourselves and our boundaries as humans as to what we can do with this technology. This can accelerate the outcomes that we can produce."

Dr Rodrigo Perez-Vega (2025),
Associate Professor and Co-Director of the Consumer Futures Lab.

> **Leaders need to think much more around the greater good, however we define that, and one element of that is going to mean trading off profit against other things. Leaders must start thinking about driving wider organisational outcomes, and they need to be more than just financial.**

Professor Nick Kemsley (2025),
Professor of HR and Organisational Capability.

AI benefits for all, not the few

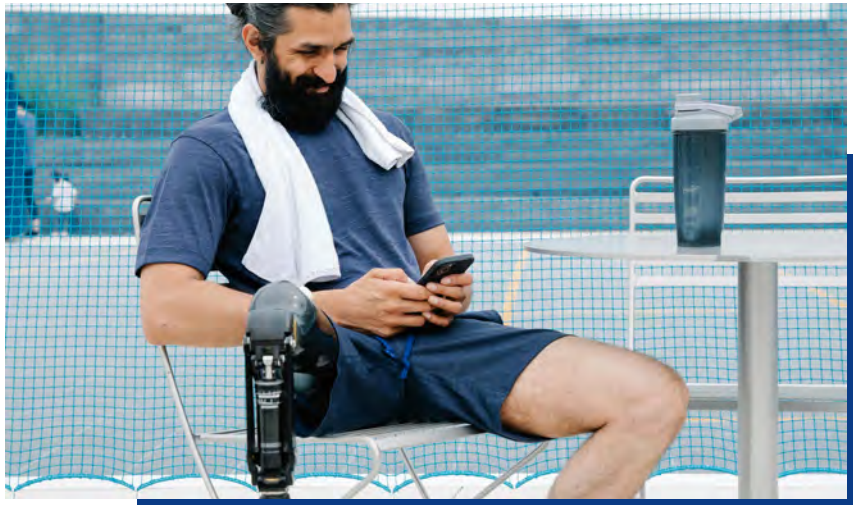
Traditional hierarchical leadership structures often exacerbate inequalities tied to AI, particularly in terms of shared successes and inclusive decision-making. When power is concentrated, those controlling AI tend to dominate access to information and influence, resulting in economic and social disparities. This dynamic frequently benefits leaders while leaving frontline workers behind, deepening the divide between organisational tiers.

For equitable leaders, fairness extends beyond access to resources or roles - it involves a commitment to sharing the economic gains and societal benefits that AI can bring. Using AI as a force for good is about bringing everyone on board. By sharing the financial gains of AI-driven efficiency, leaders can help narrow the gap between hierarchical layers in the organisation. Profit-sharing initiatives, equitable wage adjustments, or reinvestments into employee development can serve as tangible evidence of leadership's commitment to fairness.

Democratising social benefits brought by technical advancement must also be woven into the relationship between leadership and employees. Social dividends such as increased work-life balance and upskilling reinforce the organisation's reputation as a progressive and ethical employer, enhancing its ability to attract and retain top talent.

> "This generation's leaders have got to sit there and say, "How do we spread the net outcome of doing business in different ways? How do we spread it around such that it supports people on lower incomes?"

Professor Nick Kemsley (2025)
Professor of HR and Organisational Capability.



> "As leaders, we are lucky if we have one opportunity in our careers to identify a genuine catalyst for monumental change. Gen AI is that opportunity. By leading and learning in new ways, we have the power to lift organisations, people and society, while building the organisational resilience needed to navigate what's next on the horizon."

Accenture (2024)
Work, workforce, workers: Reinvented in the age of generative AI.

Eco AI: Environmental and civic improvement

Leaders can harness AI for impact beyond their organisation, including environmental and civic enrichment. By aligning AI innovations with sustainability efforts, leaders can strengthen their Environmental, Social, and Governance (ESG) credentials while contributing to global progress. As stated by Bain and Company (2024), merging AI and sustainability goals "can be incredibly powerful for both the planet and the corporate bottom line."

The potential for AI to drive meaningful change is evident, as it is already contributing to advancements across all 17 Sustainable Development Goals outlined by the UN (McKinsey, 2024) - applications that are demonstrating how technology can serve as a catalyst for environmental and social enrichment.

At an organisational level, leaders will need to consider how to utilise AI to work on sustainability that can also deliver true business value. Identifying and realising sustainability improvements within company operations can be a useful avenue, while modelling carbon emissions and waste management can bolster leadership insight on where improvements can be made. By adopting such measures, leaders can address the challenges of Industry 5.0 while ensuring AI remains a tool for positive, impactful change.

> "By collaborating to find ways to put AI to work at scale for social good, mission-driven organisations, governments, foundations, universities, ecosystems of developers, and businesses can help solve some of the world's most challenging and intractable problems."
>
> **McKinsey (2024)**
> AI for Social Good.

Organisational accountability

Addressing AI as a force for good necessitates a focus on organisational accountability. Leaders must grapple with pressing questions: as AI systems gain autonomy in decision-making, who takes responsibility for their actions? When ubiquitous data collection enables hyper-personalisation, how can privacy be safeguarded, and misuse prevented?

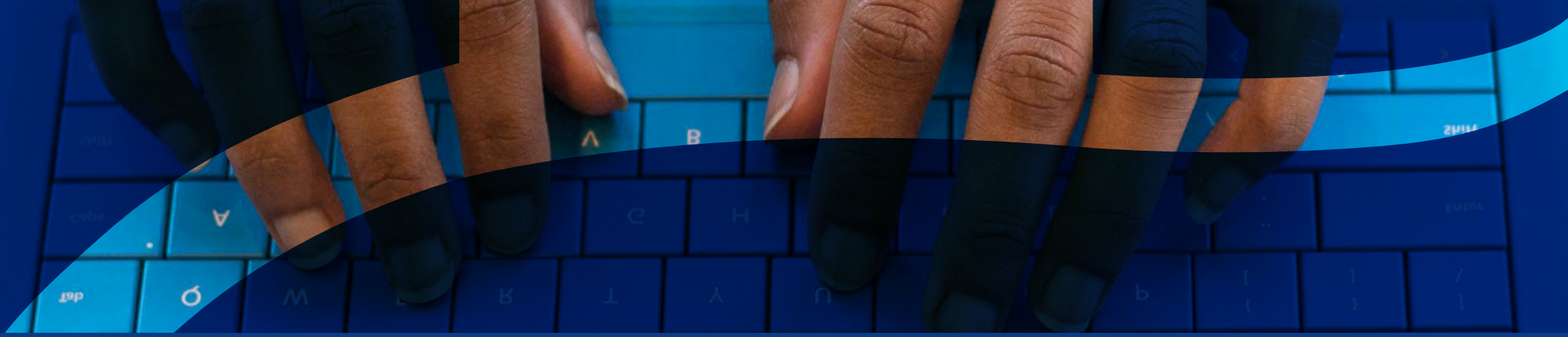
The Information Commissioner's Office (ICO) emphasises that accountability is non-negotiable: "Demonstrating how you have addressed these complexities is an important element of accountability. You cannot delegate these issues to data scientists or engineering teams. Your senior management are also accountable for understanding and addressing them appropriately and promptly." For leaders, accountability must translate into tangible, actionable commitments. While zero tolerance for risk may impede meaningful innovation, leaders must balance progress with careful oversight of their organisation's risk appetite and data protection measures. Should failures arise, it is leaders' responsibility to confront and resolve them.

> One way that leaders demonstrate their commitment to honesty is through transparency. With respect to AI, this involves openly sharing how AI systems make decisions, explaining what data are being used and acknowledging the limitations and biases of these systems. By doing so, such leaders build trust and accountability in their use of AI.

Forbes (2024)
AI Ethics: 7 Crucial Qualities Of Ethical Leadership.

> Leaders are responsible for implementing technology and managing its impact. If the leadership choose to replace people with technology, it is their duty to decide how to support those affected and address the broader societal consequences.

Dr Fabio Goncalves de Oliveira (2025),
Lecturer in Entrepreneurship and Innovation.



Insight:

AI holds transformative potential to serve as a force for good in Industry 5.0. By prioritising equitable access, environmental sustainability, and human-centred innovation, leaders can ensure AI delivers positive impacts for organisations, employees, and society. Achieving this vision requires a strategic shift toward ongoing accountability and leveraging AI to drive business success alongside social progress.

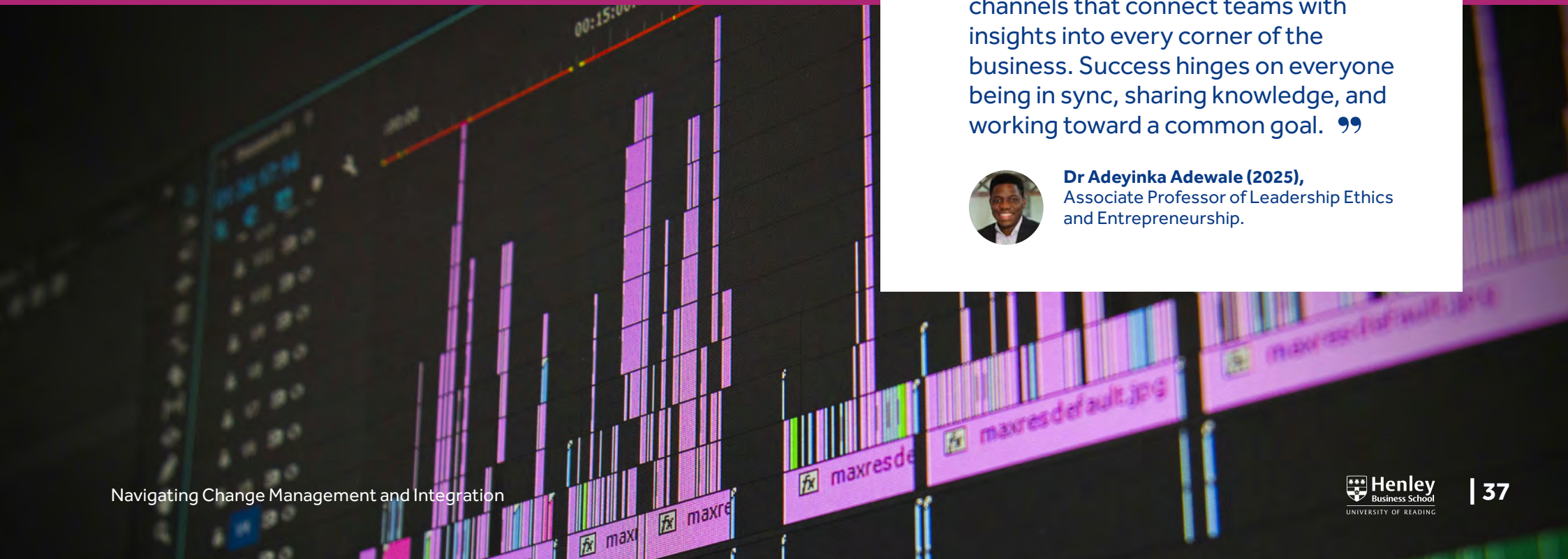
Opportunity:

- **Harness AI to empower the workforce.** Leaders must use AI to democratise access to skills and opportunities, enabling employees at all levels to thrive. Invest in AI tools that facilitate continuous learning, upskilling, and career development for both younger and experienced workers.
- **Commit to fair distribution of AI benefits.** Implement profit-sharing initiatives or equitable wage adjustments to ensure financial gains from AI-driven efficiency are shared across the workforce. This should include a focus on social dividends, such as improved work-life balance, positioning the organisation as an ethical and progressive employer.
- **Drive organisational accountability.** Leaders can establish clear governance structures to address responsibility for AI-driven decisions and actions. Alongside this, they must ensure senior management actively engages in oversight, balancing innovation with organisational risk appetite and ethical considerations.
- **Set the vision for AI as a transformative force.** Articulate a clear vision for how AI will contribute to societal progress and lead by example, demonstrating a commitment to equity, sustainability, and innovation. Inspire teams to view AI as an opportunity for monumental change, focusing on long-term benefits over short-term gains.

Navigating Change Management and Integration

> For successful technological implementation, organisations must establish sustainable communication channels that connect teams with insights into every corner of the business. Success hinges on everyone being in sync, sharing knowledge, and working toward a common goal.

Dr Adeyinka Adewale (2025),
Associate Professor of Leadership Ethics and Entrepreneurship.



Overcoming technological resistance

A Slingshot study featured by Forbes reveals that 32% of employees feel they need more AI training before their company is ready to support it and only 23% are confident in their ability to use AI (2024). Resistance to AI can often be mitigated by addressing job security concerns and investing in upskilling programmes. However, leaders must also be mindful of cultural and demographic differences in AI adoption.

Mckinsey reported 48% of employees say they would increase their use of generative AI if their company provided formal training, and 41% would increase their use if they were enabled better access to AI tools (2025). Leaders can foster adoption by implementing AI incrementally, starting with smaller integrations to ease the transition. Establishing an AI and ethics representative can also formalise accountability and build trust, ensuring that employees feel supported and connected to leadership throughout the process. This balanced approach can mitigate resistance and create a collaborative path to successful AI implementation.

> “I observe leaders resisting change, primarily due to a lack of understanding of the technology and its implications.”

Dr Fabio Goncalves de Oliveira (2025),
Lecturer in Entrepreneurship and Innovation.

> “Lots of businesses are still feeling some so-called AI anxiety. This anxiety is partially created by the fear of the unknown; they don’t know what to expect and they also don’t know what AI can and cannot do.”

Professor Keiichi Nakata (2025),
Director of AI & Automation in the World of Work Institute.

> I think it's part of the responsibility of any leader that is operating in a technology rich world to keep pace with the technological developments.

Professor Keiichi Nakata (2025),
Director of AI & Automation in the World of Work Institute.

Keeping pace in the AI revolution

The pace of AI implementation has surged in 2024, with McKinsey's global survey revealing that 65% of executive respondents are now leveraging generative AI - double the rate from just 10 months ago. Organisational AI adoption has similarly jumped to 72%, a sharp rise from the stagnant 50% seen over the past five years (2024). This dramatic acceleration has ignited widespread discussions about AI's potential applications. As our expert Professor Keiichi Nakata observes, "There are lots of competing or contradictory perspectives and debates happening around the future of work and AI."

In such a rapidly evolving landscape, it is vital for leaders to stay informed and agile. Falling behind in understanding or integrating these advancements risks missing opportunities for competitive advantage and could even expose organisations to operational inefficiencies or compliance risks. Keeping pace with industry innovation requires leaders to actively sift through the noise of conflicting viewpoints and focus on actionable, relevant insights.

Success hinges on a leader's ability to not only identify the most impactful AI tools but also deeply understand their applicability across various business functions. Whether it's improving HR processes, enhancing data analysis, fortifying cybersecurity, or boosting productivity, leaders must remain vigilant and adaptive. By staying up to date with AI trends and maintaining a forward-thinking approach, organisations can ensure they are not only participants in Industry 5.0 but frontrunners in shaping its potential.

Synchronising AI adoption with organisational vision

AI is seen as a game-changing technology, prompting leaders to rush toward adoption in fear of being left behind. However, this urgency risks creating a "tech-first, business-second" scenario, where speed to market takes precedence over long-term strategy and organisational alignment. While AI's capabilities are undoubtedly transformative, adopting it without a clear organisational purpose often leads to underwhelming or counterproductive outcomes.

It's crucial to remember that AI is a tool, not a strategy. It cannot replace the need for clear organisational thinking but should instead act as a powerful supplement to an already well-defined vision. Leaders with less experience in democratised AI may struggle to fully grasp its use cases. This lack of clarity, combined with a hasty approach, risks misalignment with core organisational goals and solving the wrong problems.

To avoid these pitfalls, leaders must anchor AI adoption firmly within their organisational vision, ensuring it complements and enhances their strategic direction rather than derailing it. This approach not only improves the likelihood of achieving meaningful results but also solidifies AI's role as a force for sustainable and intentional growth.

> Analysing and making decisions regarding systems and technology is much more complex than ever before - everything is entangled in the political, social and economic factors of the world.

Dr Fabio Goncalves de Oliveira (2025),
Lecturer in Entrepreneurship and Innovation.

Decision making for technology investment

74% of leaders say the number of decisions they make every day has increased 10x over the last three years (Oracle, 2024) and when it comes to technological investment, the stakes are only further heightened. As Industry 5.0 takes shape, navigating change management and implementation requires leaders to make informed and strategic decisions about investing in AI and other advanced technologies.

To succeed, leaders must rely on robust investment frameworks and apply critical thinking to ensure all aspects of the decision-making process are covered. Key steps include:

- **Defining the purpose behind technological investment:** Clarify how the investment aligns with organisational goals.
- **Evaluating cost versus benefit:** Weigh the financial and operational implications of the investment.
- **Assessing workforce impacts:** Understand how technology will affect employees, from productivity to morale.
- **Selecting the most suitable AI solution:** Choose tools that fit the organisation's needs and objectives.
- **Ensuring compliance and legal accountability:** Address data privacy, intellectual property, and regulatory requirements.
- **Engaging stakeholders early:** Foster collaboration and transparency across the organisation.
- **Ensuring scalability and adaptability:** Plan for future growth and evolving business demands.

> "I would say that companies and leadership within companies first need to consider the needs of the customer. Does the technology actually provide anything beneficial for the end user or the customer? And taking that approach should be the guiding star for every CEO or CMO in any organisation."

Dr Rodrigo Perez-Vega (2025),
Associate Professor and Co-Director of the Consumer Futures Lab.

The end consumer is the guiding star

Leaders must approach decisions from multiple perspectives, asking the right questions and grounding their choices in the value the technology brings to their organisation. Maintaining confidence in these commitments, while avoiding decision paralysis, is essential to staying competitive in Industry 5.0.

To achieve this, a focus must remain on the end consumer. As our expert Dr Rodrigo Perez-Vega suggests, "Rather than just trying to keep up with all these changes, I would suggest taking a human-centric approach because that will ensure that we as organisations are still delivering products or services that satisfy a consumer need." By prioritising value creation and consumer alignment, leaders can ensure their technological investments drive meaningful and sustainable success.

Structuring workplace responsibility for AI success

Implementing AI requires a collaborative effort from stakeholders across all levels of the organisation, including the C-suite, middle management and HR. This collaboration ensures strategic decisions are well-informed, workforce impacts are effectively managed, and employee adoption is successful. Leaders must carefully evaluate who should have a voice in AI management and who is best positioned to oversee its implementation and strategy.

By involving diverse perspectives and expertise, organisations can create cross-functional teams that align technological priorities with broader business goals. This not only enhances decision-making but also fosters a culture of collaboration and accountability, ensuring AI strategies are seamlessly integrated. Here we look at the role of the leader, the HR team and the technology team across AI implementation.

> “Whether it’s because you’re able to create something greater than the sum of its parts or because you’re able to utilise the creativity of your team to leverage AI in new ways, collaboration with your team provides a greater surface area for experimentation, and multiple perspectives from which to assess the impact, enabling you to move more quickly and creatively.”

Chief Executive (2024)
Crafting An AI-Ready Workforce: The Urgent Need For Ethical Leadership.

“I think senior managers like the CEO or the CMO should see themselves as the interface between the technology side and their customers.”

Dr Rodrigo Perez-Vega (2025)
Associate Professor and Co-Director of the Consumer Futures Lab.

Why leaders must drive AI strategy

Leaders must drive AI strategy by identifying areas where AI can create the most value, defining clear objectives, and establishing measurable success metrics to keep projects on track. They play a pivotal role in maintaining a human-centred approach, delegating tasks to the most capable teams while focusing on overarching organisational goals. Rather than becoming immersed in the specifics of implementation, leaders should prioritise setting a strategic vision. This includes promoting ethical and responsible AI use, ensuring technological alignment with corporate values, and fostering a culture that welcomes AI adoption while clearly understanding its benefits and boundaries.

> “If the leader does not understand the technology and its capabilities, then they cannot leverage these capabilities to solve specific problems.”

Dr Fabio Goncalves de Oliveira (2025),
Lecturer in Entrepreneurship and Innovation.

Tech teams as partners, not sole proprietors

Assembling the right team for AI implementation requires a deliberate and balanced approach, where a technological voice is included without burdening the product team with all strategic execution. Siloing AI implementation within tech teams may overlook business goals, while excluding them risks unaddressed challenges and poor execution. Leaders must strike a careful balance to avoid delegating too much responsibility here. While technology teams excel in understanding and applying AI tools, they may lack the business insight needed to align AI initiatives with the organisation’s strategic goals. This disconnect can lead to projects that are technologically sound but fail to deliver meaningful value. To ensure success, organisations must prioritise collaboration between technical and non-technical teams, creating a unified approach that bridges AI’s potential with business needs.

HR as a driver of AI transition

72% of executives agreed that HR’s shift from an operations function to a discipline operating across functions to orchestrate work is very important or of critical importance (Deloitte Insights - 2024 Global Human Capital Trends, 2024). HR should play a more decisive role in the AI transition, engaging employees affected by technology change on how best to design and implement the new systems, to ensure they integrate with other work processes and to reduce operational complications. While long-term strategic direction may not fall to them, HR should be actively involved in planning support for employees, ensuring learning opportunities are available to keep pace with evolving technology and supporting leadership teams with building new processes for long-lasting success.

Insight:

Navigating change management and integration is critical to ensuring the successful adoption of AI in Industry 5.0. Leaders must address resistance, align AI initiatives with organisational goals, and establish a culture of collaboration and accountability. This approach ensures that AI implementation creates sustainable value for organisations, employees, and end-users.

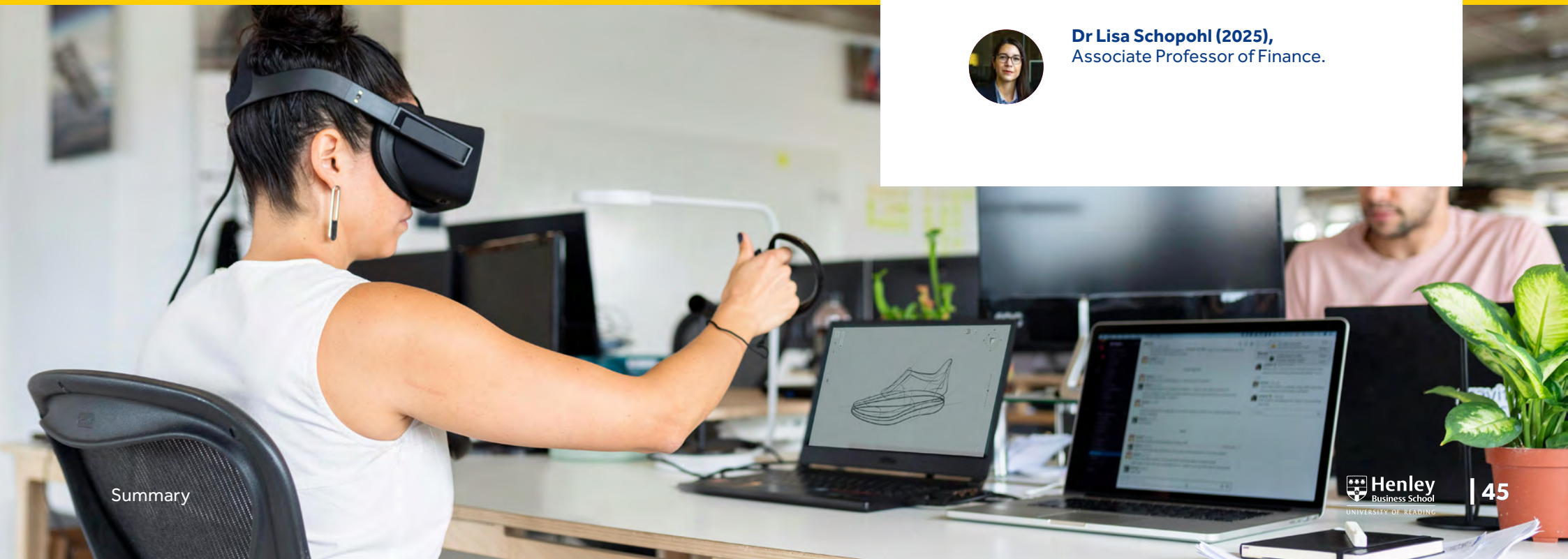
Opportunity:

- **Build employee confidence through targeted training.** Launch company-wide, tailored AI training programs to help employees at all levels gain familiarity with AI tools, with a focus on hands-on practice and application. Gradually implement AI tools, starting small to reduce disruption and establish clear communication channels to build trust.
- **Stay informed and agile around technology innovation.** Leaders can support participation in AI webinars, conferences, and industry events to stay ahead of innovations and better understand the future trajectory of AI. Alongside this, they should schedule regular, structured internal reviews to assess the effectiveness of current AI tools and identify new solutions or adjustments needed.
- **Ensure AI aligns with business strategy and values.** Leaders should establish clear AI roadmaps that are tightly linked to the company's strategic goals. They must set up regular feedback loops with employees and key stakeholders to assess whether AI implementations are meeting organisational needs and driving positive impact.
- **Monitor AI's impact on the workforce and business.** Track and review the broader organisational and cultural impact of AI, identifying and addressing any negative shifts such as job displacement concerns or resistance to change. Leaders should seek areas for improvement, ensuring that AI tools evolve in response to changing organisational needs and employee feedback.

Summary

> “Leaders who embrace technology with a focus on humanity will drive progress that enriches lives and builds resilient organisations.”

Dr Lisa Schopohl (2025),
Associate Professor of Finance.



Industry 5.0 challenges leaders to drive meaningful change through responsible technological adoption, leveraging AI as a force for good to elevate the role of human labour. While a technology-first mindset is often tempting, leaders must prioritise a human-centric approach in their strategic decisions. This includes preparing the workforce for transformation through upskilling and building a shared vision that aligns human potential with advanced innovations. We believe organisations that adopt ethical and impactful technological strategies will unlock progress across economic, social and environmental domains, positioning themselves to thrive in an increasingly competitive landscape while fostering human flourishing.

Report Series: Navigating Industry 5.0

While this report has explored the role of technology in Industry 5.0, it is part of a broader series examining the key pillars shaping the future of business:

1. **Unlocking the Potential for Enhanced Ethics, Sustainability and Human-Centricity:**
   A comprehensive introduction to Industry 5.0, examining how organisations can adapt to an era defined by human-machine collaboration, responsible innovation and sustainable value creation.
2. **Building a People-First Future:**
   A deep dive into demographic shifts and evolving workforce expectations, examining how businesses can support human flourishing, trust-building, work flexibility and wellbeing accountability.
3. **Purpose in Practice: Transforming Business for Sustainable Success:**
   An exploration into building tomorrow's purposeful organisations, examining leaders' role in pushing beyond ESG, creating the right infrastructure for meaningful business, and the power of collective impact.

Together, these reports provide leaders with comprehensive insights and practical guidance for navigating the opportunities and challenges of Industry 5.0, helping organisations drive innovation, foster sustainable growth and create meaningful impact.

We would like to thank the following research centres at Henley Business School for their contributions to this report.

World of Work Institute

Henley's World of Work Institute helps businesses face the future of work by applying innovative research to real workplaces.

https://www.henley.ac.uk/world-of-work

Centre for Business Ethics and Sustainability

The Centre's mission is to promote ethical, responsible and sustainable organisations and management practices. In doing so, it supports the United Nations' Sustainable Development Goals.

https://www.henley.ac.uk/research/centres/centre-for-business-ethics-and-sustainability

Henley Centre for Leadership

The Henley Centre for Leadership is a community of scholars and leaders striving to tackle challenging leadership issues, transform leadership and create positive change in organisations, communities and society.

https://www.henley.ac.uk/research/centres/henley-centre-for-leadership

About Henley Business School

Henley is a triple-accredited business school and part of the University of Reading, recently named Sustainable University of the Year by The Times and The Sunday Times Good University Guide 2025. With campuses, offices and partnerships around the world and over 100,000 alumni from 160 countries, we are a truly international institution. As a trusted partner, we help organisations tackle complex challenges and develop in-house capability through insights, development programmes, coaching and consultancy. Our courses are aimed at students and professionals at every career stage – from undergraduate and postgraduate to PhD, MBA, DBA and executive education.

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Harnessing technology for human progress

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