

FICO's AI job cuts highlight ROI challenge

Executive Summary

Credit-scoring firm FICO's move to cut 15% of its workforce to integrate AI marks an inflection point for AI's impact on jobs. Global surveys show adoption is spreading fast, but returns are lagging and net job gains have turned negative - a sign that without redesigning work and skills, automation can lead to workforce pain instead of productivity gains.

FICO's AI-driven job cuts

On Tuesday, Fair Isaac Corp (FICO) became the latest company to announce mass layoffs linked to artificial intelligence. The US-based credit scoring firm said it will trim 15% of its workforce - about 570 employees - as part of an AI-focused restructuring ([money.usnews.com \[1\]](https://money.usnews.com/investing/news/articles/2026-10-06/fico-cuts-workforce-by-15-as-part-of-ai-driven-restructuring#:~:text=logo%20in%20this%20illustration%20taken,could%20affect%20about%20%E2%81%A0570%20%E2%81%A0workers)) ([money.usnews.com \[2\]](https://money.usnews.com/investing/news/articles/2026-10-06/fico-cuts-workforce-by-15-as-part-of-ai-driven-restructuring#:~:text=logo%20in%20this%20illustration%20taken,could%20affect%20about%20%E2%81%A0570%20%E2%81%A0workers)). FICO told investors the overhaul, which includes integrating AI into product development, will "allow us to operate and bring innovations to market faster" ([money.usnews.com \[3\]](https://money.usnews.com/investing/news/articles/2026-10-06/fico-cuts-workforce-by-15-as-part-of-ai-driven-restructuring#:~:text=logo%20in%20this%20illustration%20taken,could%20affect%20about%20%E2%81%A0570%20%E2%81%A0workers)). This is one of the largest AI-related job cuts to date, following other tech firms that have cited automation while reducing headcount. In July, project management platform Monday.com said it would lay off around 20% of staff in a bid to refocus on an "AI-driven growth strategy" ([techcrunch.com \[4\]](https://techcrunch.com/2026/07/25/the-running-list-major-tech-layoffs-in-2026-where-employers-cited-ai/#:~:text=others%20,of%20%E2%80%9Ca%20leaner%2C%20more%20focused)) - even as its founders insisted the move was about reorganisation rather than simply "replacing people with AI" ([techcrunch.com \[5\]](https://techcrunch.com/2026/07/25/the-running-list-major-tech-layoffs-in-2026-where-employers-cited-ai/#:~:text=others%20,of%20%E2%80%9Ca%20leaner%2C%20more%20focused)).

FICO's decision underscores a growing tension for leaders: artificial intelligence promises productivity gains, yet in some cases is prompting cost-cutting and reorganisation. As of mid-2026, US tech companies had collectively shed nearly 140,000 jobs, with giants like Amazon, Oracle, Meta and Microsoft accounting for almost 50,000 of those cuts as they pour billions into AI initiatives ([techcrunch.com \[6\]](https://techcrunch.com/2026/07/25/the-running-list-major-tech-layoffs-in-2026-where-employers-cited-ai/#:~:text=others%20,of%20%E2%80%9Ca%20leaner%2C%20more%20focused)). While AI investments are typically aimed at efficiency, early adopters are finding that they must rethink how work is done - or risk letting AI's costs simply replace employees. FICO's move suggests that even companies outside the tech sector could feel pressure to restructure roles and reduce headcount as they implement more automation. That raises the stakes for organisations to have a clear strategy for how employees and AI can work in tandem, so that technology augments jobs instead of making them redundant.

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AI adoption climbs as returns lag

Recent surveys indicate that workplace AI use is becoming commonplace - but turning that uptake into measurable success is proving difficult. In Europe, more than half of workers now use AI on the job (www.ecb.europa.eu [1]) (www.ecb.europa.eu [2]), and the share of companies deploying generative AI has nearly doubled in a year to 40% (www.thomsonreuters.com [3]). Yet only 18% of organisations track their return on investment from AI initiatives (www.thomsonreuters.com [4]), according to a Thomson Reuters study, and global data suggests that fewer than half of recent AI projects are on pace to hit their one-year ROI targets (www.spglobal.com [5]). In fact, only 37% of these new initiatives are currently “live and delivering value” as intended (www.spglobal.com [6]).

These mixed results help explain why many executives remain cautious about AI's promised payoff. Gartner's latest CFO survey found just 36% of finance chiefs feel confident they can achieve meaningful business outcomes from AI investments (www.cfo.com [7]) (www.gartner.com [8]). Analysts note that deploying advanced tools outpaces many firms' readiness. Challenges with data quality, workforce skills and trust in AI systems mean that the technology is “advancing faster than organisations can reliably deploy it” in practice (www.spglobal.com [9]). For business leaders, the lesson is that buying powerful AI tools is not enough - success depends on rethinking processes and ensuring the organisation can absorb and govern these new capabilities.

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Leaders slow to rewire roles for AI

Another recurring finding is that most organisations have yet to proactively redesign jobs or train employees for the age of AI. In a global survey of 3,200 executives, Deloitte found that 84% of organisations had not revamped roles or workflows to capitalise on AI technologies (digital-skills-jobs.europa.eu [1]). Instead, most companies remain focused on incremental efficiency gains - tweaking existing processes rather than reimagining work around AI's possibilities (digital-skills-jobs.europa.eu [2]). This lack of role redesign may already be having consequences. Workday's latest data shows that promotions are flat and internal job moves have slowed at 57% of employers, even though nearly 40% of workers experienced a reorganisation in the past year (www.cioandleader.com [3]). “Employees may not be changing jobs, but their jobs are changing around them,” notes Workday's people analytics leader - and many staff worry their current skills will lose value as AI automates basic tasks (www.cioandleader.com [4]) (newsroom.workday.com [5]).

The bright spot is that forward-looking companies are beginning to invest in people, not just software, to unlock AI's benefits. Surveys show that organisations further along in their AI journey are more likely to be hiring for new entry-level talent and consciously enhancing roles with AI, rather than eliminating them (www.hcamag.com [6]). This aligns with moves by companies like IBM, which plans to **triple** junior hires and refocus their duties on "people-forward" tasks that AI cannot do well (www.ibm.com [7]) (techcrunch.com [8]). And the surge in demand for advanced human skills is real: job postings requiring AI expertise have jumped 69% in a year - roughly eight times the growth rate of overall roles (www.pwc.com [9]). The message for leaders is clear: to realise AI's potential, organisations must redesign work and provide training so employees can step into higher-value tasks alongside AI. Otherwise, firms risk a scenario where technology progresses but the workforce is left behind - or cut back.

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Key Statistics

- 15% - share of Fair Isaac (FICO) workforce being cut as part of an AI-driven restructuring (company)
- 46% - proportion of recent AI initiatives on track to deliver positive ROI within 12 months (S&P Global survey)
- 84% - organisations that have not yet redesigned jobs or workflows around AI capabilities (Deloitte survey)
- 52% - share of euro-area workers using AI on the job in 2026 (ECB Consumer Expectations Survey)
- 69% - annual increase in global job ads seeking AI skills (vs 9% growth in total job postings, PwC)

KEY TAKEAWAY

Review how AI is altering key roles and skills in your business. Identify roles or tasks that AI is transforming and create a plan to redesign them and upskill your people - before resorting to job cuts.

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