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Perspective: The Verification Shift

Last month, we argued that AI forces firms to rethink incentives as the technology makes good enough cheaper and undermines traditional performance targets. We now suggest that AI also transforms the very nature of valuable effort. In many professional roles, the focus of human labor is shifting from producing output to the critical tasks of assessing, verifying, and refining it. While initial drafts have become immediate, the essential work now lies in evaluating their accuracy and deciding if they are worth acting on.

This requires a change in organizational focus. Firms used to allocate talent around production, such as writing, analyzing, coding, or preparing a deck. Since AI has automated much of that initial labor, human skill must now focus on the subsequent phase of the process. This involves checking assumptions, tracing evidence, and determining whether an AI-assisted answer is truly reliable.

All of this is costly. It requires the time and focus of the most limited resource in any firm, the experienced employee with proven judgment. This high cost makes it tempting to delegate the task downward or to treat it as a routine approval click. However, a superficial check is meaningless; the verifier must grasp the work well enough to genuinely challenge the output.

An immediate implication is that verification, too, must be effectively incentivized. A reviewer rewarded mainly for speed will tend to rubber-stamp output, while one who bears no consequences for errors will naturally economize on attention. Yet verification only matters because flaws do matter. When an important error is missed, it eventually surfaces through rework, client pushback, or audit failures. Organizations therefore must hold their verifiers accountable to these outcomes.

A natural response is to let AI verify AI. Sometimes that works, especially in formal domains where correctness can be defined precisely. But most organizational work is different. Strategy, policy, and software design rely on context and judgment. In these settings, AI can support verification, but it cannot replace human responsibility for the final output.

The shift to verification changes how firms should deploy talent. Verification cannot be treated as a junior task. Instead, scarce expertise and attention must be directed to outputs where errors would be most costly. While AI makes production scalable, it does not do the same for trust. Firms that successfully shift their best talent from production to verification will be the ones to capture the greatest gains.



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