

HUMA™

Workforce AI Diligence Report

Prepared for: Project Atlas (illustrative target company)

Illustrative sample — not a real engagement

SAMPLE

EXECUTIVE SUMMARY

Workforce AI Risk Overview — Project Atlas

This illustrative report summarizes workforce-AI governance risk identified during a sample diligence review. Project Atlas uses AI-enabled tools across hiring, performance scoring, and candidate screening. Several of these tools operate without documented human review, bias testing, or complete vendor disclosures — creating exposure that would typically transfer to an acquirer at close.

Overall Workforce AI Risk Rating

MEDIUM-HIGH

Rating by Coverage Area

Coverage Area	Rating
Workforce-AI use-case inventory	MEDIUM
Decision rights & human oversight	HIGH
Vendor & third-party AI governance	MEDIUM
Data use, retention & individual rights	LOW
Bias, fairness & discrimination risk	HIGH
Controls, documentation & evidence	MEDIUM
Regulatory & employment-law exposure	MEDIUM
Integration risk & post-close accountability	MEDIUM

Ratings are illustrative and reflect a simplified sample structure. An actual engagement scores each area against a defined methodology with supporting evidence.

SAMPLE FINDINGS

Illustrative Findings — Project Atlas

Each finding follows a consistent structure: risk identified, control expected, owner assigned, evidence reviewed, testing performed, and remediation recommended.

Finding 1		HIGH
Control	Human oversight of AI-assisted hiring decisions	
Owner	VP, Talent Acquisition	
Evidence Reviewed	AI recruiting vendor agreement; hiring workflow documentation	
Test Performed	Reviewed a sample of 25 AI-scored candidate outcomes from the past 6 months	
Finding	No documented human-review step exists before AI-influenced rejection decisions are finalized	
Recommended Remediation	Establish and document a mandatory human-review checkpoint prior to any AI-influenced rejection; retrain hiring managers within 60 days	

Finding 2		HIGH
Control	Bias and disparate-impact testing of AI hiring tool	
Owner	HR / People Analytics	
Evidence Reviewed	None provided	
Test Performed	Requested most recent bias audit; none available at time of review	
Finding	No bias or disparate-impact testing has been performed on the AI hiring tool in the past 12 months	
Recommended Remediation	Commission an independent bias audit within 90 days of close; consider as a closing condition	

Finding 3**MEDIUM**

Control	Vendor AI model transparency disclosures
Owner	Procurement / Legal
Evidence Reviewed	Vendor master services agreement (AI recruiting platform)
Test Performed	Reviewed contract terms against a standard disclosure checklist
Finding	Vendor contract does not require disclosure of scoring methodology or bias-testing results
Recommended Remediation	Negotiate a contract addendum requiring annual bias-audit disclosure prior to renewal

Finding 4**MEDIUM**

Control	AI use-case inventory and ownership
Owner	CHRO Office
Evidence Reviewed	Partial inventory (2 of an estimated 5 AI/HR tools documented)
Test Performed	Cross-referenced IT vendor list against HR-reported AI tool inventory
Finding	At least 3 AI-enabled HR tools identified in IT systems are not included in HR's own inventory
Recommended Remediation	Complete a full AI/HR tool inventory and assign a single accountable owner per tool within 30 days

DEAL IMPLICATIONS

Translating Findings into Deal Terms

Workforce-AI risk is transaction risk. The findings above translate into concrete deal mechanics a deal team can act on directly — illustrative only.

Escrow holdback	\$250,000–\$400,000 (illustrative), tied to remediation of High-risk findings within 90 days post-close.
Purchase price adjustment	Consideration for estimated remediation cost of undocumented bias-audit and human-review gaps.
Closing condition	Completion of an independent bias audit prior to close, or an equivalent escrow holdback.
Post-close covenant	Target completes full AI/HR tool inventory and assigns accountable owners within 30 days of close.

This is educational guidance, not a formal attestation or legal due diligence. It is designed to help professionals think through the governance questions that belong in any serious M&A conversation.