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AI TO FUEL SKILLS SHORTAGE UNLESS COMPANIES ACT NOW

Survey of 2,000 C-Suite executives shows majority of companies have an unbalanced 'buy vs build' approach

Urgent need to build skills to maximise AI's potential and ensure worker employability

More than half of companies surveyed in some of the world's leading economies plan to recruit new talent to cope with the mass adoption of Artificial Intelligence (AI) rather than retrain existing workers, leading to a rush for digital skills, according to a major study of C-Suite executives published by the Adecco Group today.

The findings from "Leading Through the Great Disruption," a survey of 2,000 leaders across nine countries, conducted by the Adecco Group, showed that 66% said they will buy AI-skilled talent externally, compared with just 34% who said they will develop their existing workforce.

Given the anticipated demand for these skills, 37% of business leaders say pay for AI-related roles will "increase significantly" in the next 12 months, compared with just 24% for white collar and 9% for blue collar roles.

Denis Machuel, Chief Executive Officer of the Adecco Group, said: "Artificial Intelligence is emerging as a great disrupter in the world of work and the current path is unsustainable. Companies must do more to reskill and redeploy teams to make the most of this technological leap and avoid unnecessary upheaval. Buying your way out of disruption should not be the only approach companies take."

While the 'buy vs build' gap is widest for AI talent, it extends to other digital skills, with 62% of leaders saying they will hire data literacy experts externally, compared with 36% saying they will reskill or upskill teams. Similarly, 60% plan to hire to fill digital literacy gaps compared with 37% who say they will build up capability in this area.

Business leaders foresee significant upheaval across the wider labour market, with only 46% saying they will redeploy employees whose jobs are lost because of AI. Further ahead, 41% said they will employ fewer people within five years because of the technology.

The survey also found the AI skills gap extends to the very top of their companies, with 57% lacking confidence in their own C-Suite's ability to understand the "risks and opportunities" afforded by AI. Just 43% among this group said they had formal training programmes in place to improve AI skills, while only 50% said they provide guidance to staff on how to use AI at work.



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Still, for all the transformation that AI is likely to bring, business leaders say human skills will continue to play a critical role in the success of any company. A majority of 57% say the “human touch” is still more influential than AI in the workplace, while creativity and innovation is cited as the leading area where skills are lacking.

Machuel added: “It is imperative that leaders not only urgently deploy AI upskilling, but also ensure it is implemented safely and responsibly by keeping people firmly at the centre of this transition. AI should be a tool that supports people’s unique creative potential and enables more time for strategic thinking and problem solving.”

About the research

The Adecco Group, in collaboration with Oxford Economics, polled chief executives, chief technology officers, chief human resources officers, chief financial officers and chief operating officers from industries including aerospace, automotive, energy, healthcare and retail and distribution in the US, Canada, the UK, Germany, France, Spain, Singapore, Australia and Japan.

The full report is available [here](#).

Report summary and recommendations:

1. AI IS ALREADY FORCING CHANGE

AI has penetrated many areas of business and leaders say they want to harness its power. 61% of business leaders expect AI to be a game changer for their industry. This enthusiasm for AI should be used as a change lever to help organisations push forwards with transformation plans. Currently, only one in 10 companies have made significant progress. CFOs and CEOs need to be more convinced about the AI opportunity to accelerate adoption.

2. LEADERS ARE NOT READY

Leaders need to understand the challenges and opportunities of AI before they can set the right strategy. But there are serious skills gaps at the highest level, with a majority saying they lack confidence in their leadership team's AI skills. This has a knock-on impact on workforce readiness. To navigate AI disruption, leaders must adopt an "adaptive" mindset – and fast.

3. A RESPONSIBLE TALENT STRATEGY UNDERPINS AI SUCCESS

Right from the start, businesses need to create a framework for how they use AI ethically and responsibly. Building digital trust is paramount to the success of AI in the workplace. The workforce must have confidence in the technology. Responsible AI policies are key to winning buy-in across the enterprise, building trust and getting ahead on AI adoption.



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4. A 'BUY VS BUILD' TALENT STRATEGY IS NOT SUSTAINABLE

The competitive jobs market is likely to get tougher as nearly all roles require digital and tech skills. Most companies plan to recruit rather than train existing teams. This approach risks creating a skills shortage that drives up wages. Organisations must build relevant skills within their workforce to avoid inflating skills scarcity and instead ensure worker employability.

5. AI CAN HELP TO CREATE A HUMAN-CENTRIC BUSINESS

Leaders must bolster uniquely human attributes with coaching, training and leadership development. Companies face huge gaps in creativity and innovation and critical thinking. AI should be used to unlock human potential by freeing it from the burden of labour-intensive tasks. It also has a critical role to play in bolstering transferable skills and fuelling internal mobility.

About the Adecco Group

The Adecco Group is the world's leading talent company. Our purpose is making the future work for everyone. Through our three global business units - Adecco, Akkodis and LHH - across 60 countries, we enable sustainable and lifelong employability for individuals, deliver digital and engineering solutions to power the Smart Industry transformation and empower organisations to optimise their workforces. The Adecco Group leads by example and is committed to an inclusive culture, fostering sustainable employability, and supporting resilient economies and communities. The Adecco Group AG is headquartered in Zurich, Switzerland (ISIN: CH0012138605) and listed on the SIX Swiss Exchange (ADEN).

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