

A woman's profile is shown in a futuristic, glowing environment. The background is filled with vibrant, colorful light trails and bokeh effects in shades of orange, red, yellow, and blue. The woman's face is partially illuminated by these lights, creating a high-tech, digital atmosphere. The overall composition is dynamic and visually striking, suggesting themes of artificial intelligence, data, and the future of work.

Workforce Insights 2024

Future Workplace: Opportunities & Adversities in AI

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The New Way of Working

The Artificial Intelligence (AI) revolution is upon us, poised to revolutionise the world of work in ways beyond our current comprehension. From finance to healthcare, manufacturing to media, its impact is already being felt across various sectors, compelling businesses of all sizes to adapt swiftly. From restructuring workflows to upskilling employees, evolution is not just a necessity but a strategic necessity in navigating the shifting employment terrain.

What is AI?

Artificial intelligence, or AI, enables computers and machines to simulate human intelligence and problem-solving capabilities.

AI can perform tasks that would otherwise require human intelligence, or intervention, on its own, or combined with other technologies (e.g. sensors, geolocation, robotics).

Source: McKinsey & Company



All the photos in the Workforce Insights 2024 were generated by AI image generators.

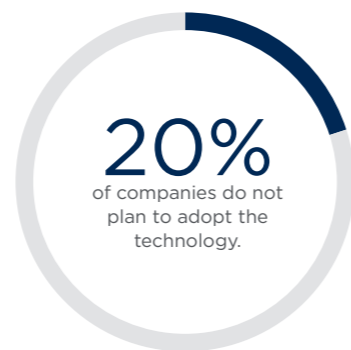
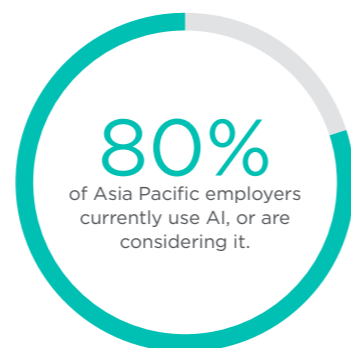


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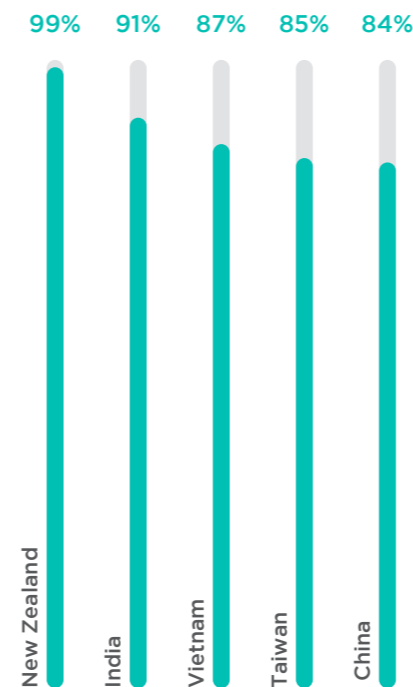
In this rapidly changing landscape, businesses across Asia Pacific stand to gain a lot by observing others' preparations and understanding the implications of AI adoption. Insight into the strategies adopted – by different companies, within various markets – to tackle these challenges, is vital for success in this transformative era.

The results of the **BTI Executive Search 2024 Workforce Insights Report** indicate a significant uptake and acceptance of AI within the surveyed Asia Pacific markets. A noteworthy 80% of respondents already either currently utilise AI in their workplaces or are actively considering its implementation. Interestingly, only a minority, constituting 20%, have no plans for AI adoption.

New Zealand leads in current workplace AI usage, with a rate of 82% - almost double the Asia Pacific average of 43%. Singapore stands at 45%, while Australia is at 35% by comparison.



Top 5 markets where companies currently use, or are considering, AI:

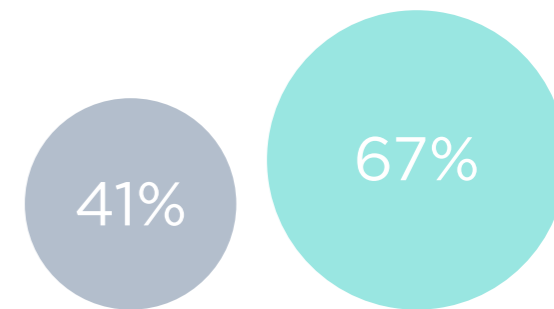
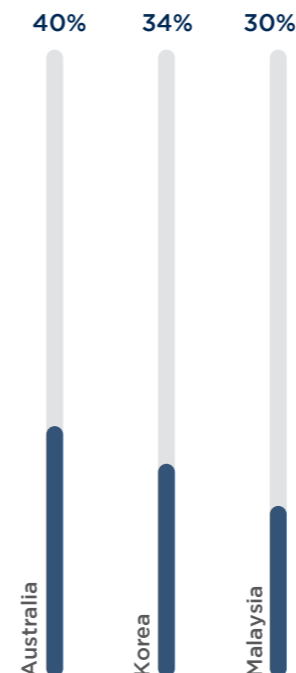


Despite high expected spending on AI, both Australia and Korea exhibit some of the lowest AI adoption rates. In Australia, AI spending is mainly concentrated in the finance sector – leading to slower adoption across other industries. Boston Consulting Group has identified two primary barriers to faster adoption in Australia: implementation challenges due to lacking capabilities and culture within companies, and risk aversion to data sensitivities driven by concerns over customer trust and brand reputation.

Similarly, Korea is a significant player in the global AI space – with a focus on research and development supported by universities, research institutes and government programs. However, widespread adoption remains limited. To address this, the Korean government recently announced plans to invest over USD500 million across 69 sectors to foster AI-driven innovations in various aspects of daily life, industries and government services.

There is a widespread understanding that AI represents the most significant productivity advance of our time. However, the potential benefits to businesses extend far beyond increasing efficiency and enhancing productivity. From cost savings and improved decision-making to personalised customer experiences and predictive maintenance, AI offers a diverse range of advantages that are reshaping industries worldwide.

The 3 markets with the lowest AI adoption rates, where companies neither use AI nor plan to adopt it:



In Singapore, 67% of workers think AI will change how they work – and 41% believe AI will replace their jobs in the next 5 years.

Source: Ipsos

By 2040, automation could cause 63 million jobs to disappear in the five biggest economies in Asia Pacific (India, China, South Korea, Australia and Japan). Another 247 million jobs in those economies could be at risk because of automation.

Source: Forrester

AI offers numerous benefits to businesses, including:



Reducing Human Error

AI-enabled systems minimise errors, saving time and resources.



AI-Enabled Digital Assistants

Chatbots and voice assistants address customer queries promptly.



Performing Risky Tasks

AI applications undertake hazardous tasks, reducing risks.



Facilitating Decision-Making

AI gathers insights rapidly, aiding in faster decision-making.



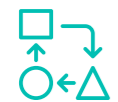
Assisting in Healthcare

AI predicts health risks and aids in complex medical procedures.



Full-Time Availability

AI systems are available 24/7, ensuring continuous productivity.



Improving Processes

AI enhances workflows and productivity, minimising errors.



Handling Big Data

AI processes and analyses large datasets quickly and accurately.



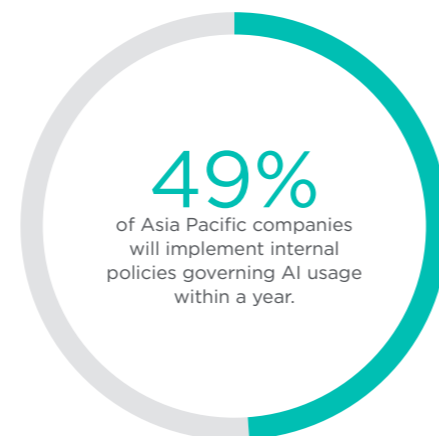
Automating Tasks

AI automates routine tasks, allowing employees to focus on complex tasks.

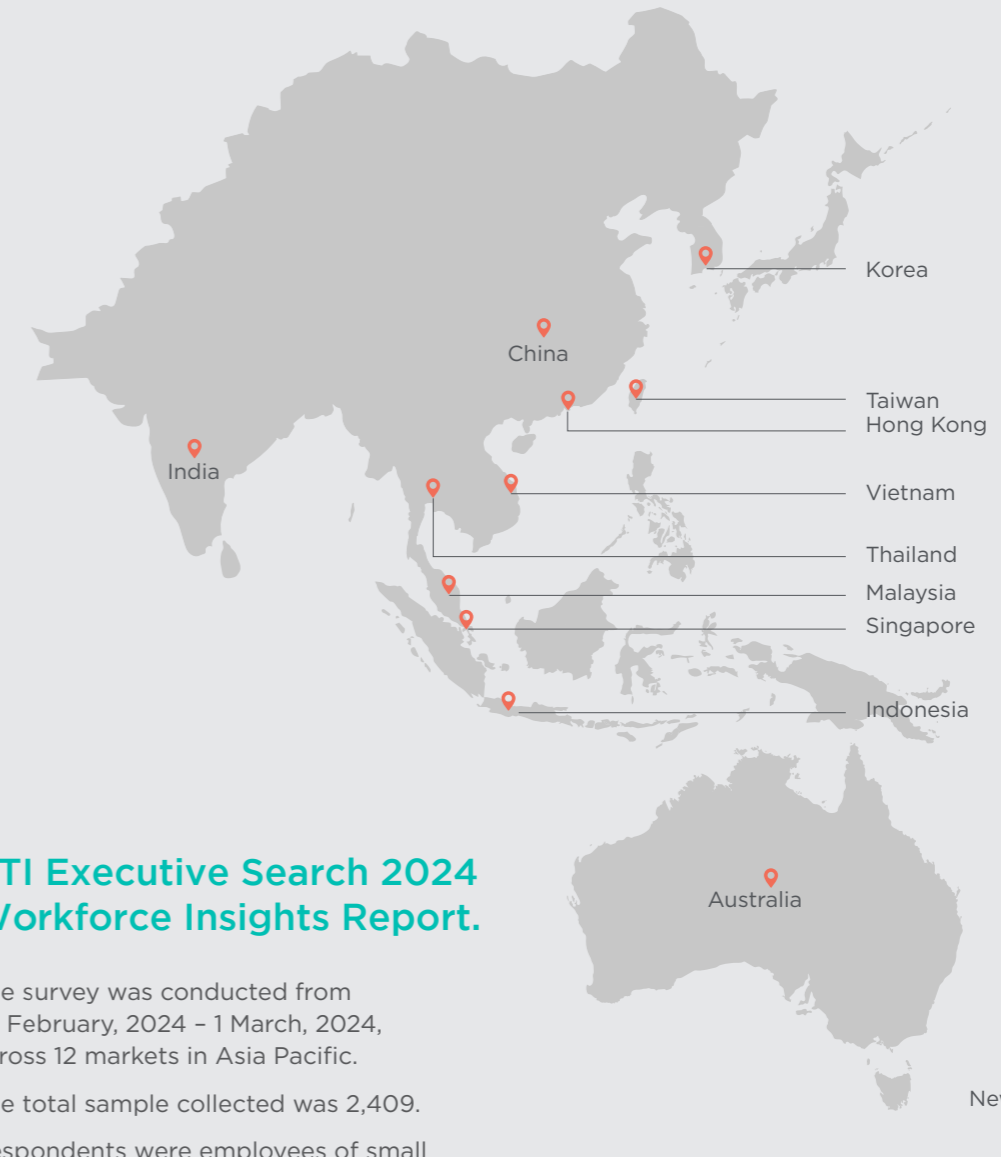
Source: Forbes

Businesses across Asia Pacific are swiftly moving to implement internal policies governing AI usage, recognising the urgency of preparing for new technologies. A significant portion, comprising 49% of respondents, aim to establish such policies within a year.

The rise of new AI technologies offers significant opportunities for businesses, yet they also encounter specific challenges in the Asia Pacific region. These include navigating diverse cultural and regulatory environments, addressing talent shortages in the AI field, ensuring data quality and accessibility, overcoming infrastructure limitations, addressing ethical and bias concerns, integrating AI with legacy systems, and managing cost constraints - especially for small and medium-sized enterprises (SMEs). Overcoming these hurdles demands a strategic approach, collaboration with stakeholders and investment in talent development, infrastructure and ethical frameworks to fully harness the potential of AI.



Survey Methodology



BTI Executive Search 2024 Workforce Insights Report.

The survey was conducted from 22 February, 2024 - 1 March, 2024, across 12 markets in Asia Pacific.

The total sample collected was 2,409.

Respondents were employees of small (10-249 employees) and large (250+ employees) companies.

Sectors involved in the survey:

Accountancy
Transportation & Distribution
Hospitality & Leisure

Media/Marketing/
Advertising/PR & Sales
Construction
Education

Financial Services
Medical & Health Services
Legal
Manufacturing

Real Estate
Retail
IT & Telecoms

AI in the Workplace



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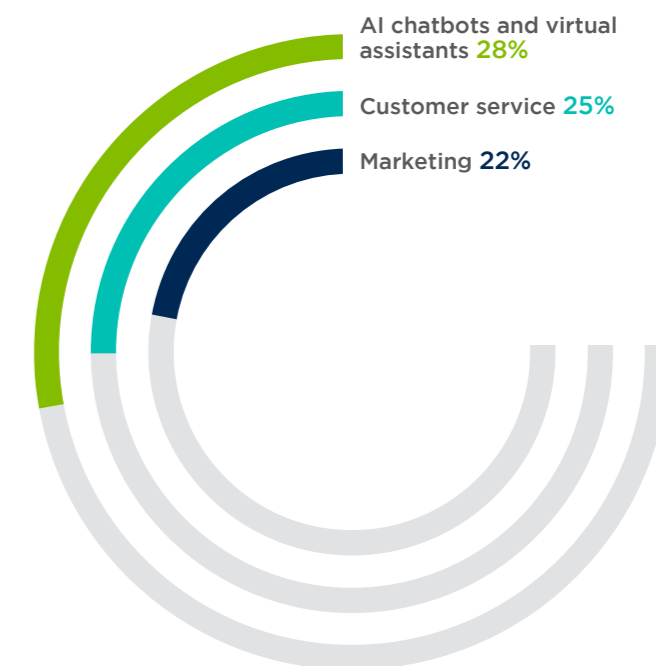
How is AI Used in the Workplace?

The survey reveals that AI chatbots and virtual assistants (28%) top the list as the most used or considered AI applications. These platforms - including Dialogflow by Google, Microsoft Bot Framework, Rasa and others - utilise natural language understanding (NLU) technology to understand and respond to user queries in natural language, contributing to enhanced customer service and improved user experience.

Next comes AI for customer service (25%), employing software tools like Zendesk AI, Freshdesk, and Intercom. These tools streamline customer inquiries, automate tasks, organise support tickets and provide insights into support team performance. They enable multichannel support, maintain a knowledge base and personalise communication, leading to improved customer interactions and loyalty.

Additionally, AI for marketing (22%) is on the rise - leveraging platforms such as Adobe Sensei, HubSpot AI and Marketo. These platforms enable effective data analysis, provide insights and craft personalised customer journeys, enhancing customer engagement for businesses.

Top 3 most used/considered AI applications



\$78.4 billion



Spending on AI-related software, services and hardware for AI-centric systems in Asia Pacific is set to hit \$78.4 billion by 2027, growing at a compound annual growth rate (CAGR) of 25.5% from 2022 to 2027.

Source: IDC

AI is delivering benefits

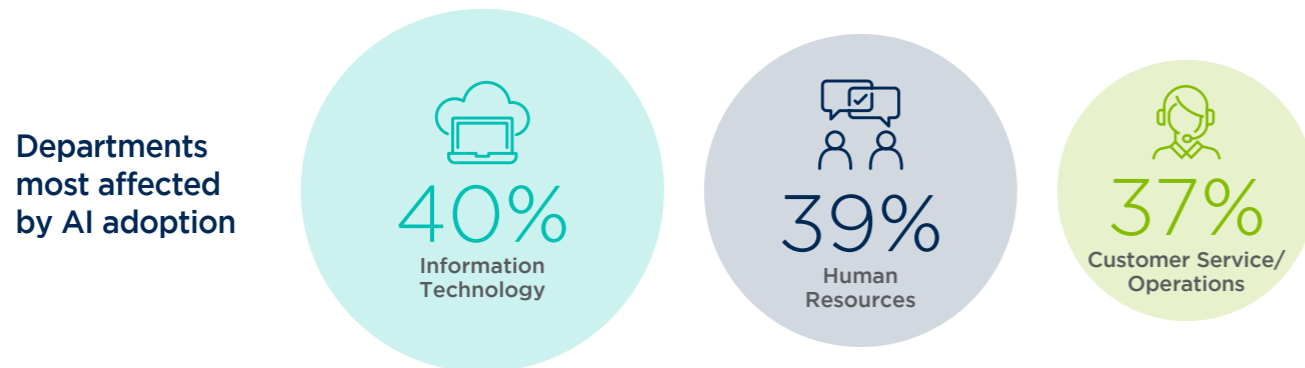
Respondents in the APAC region value AI technology primarily for its efficiency (51%) and productivity (44%), making them the top two factors. This mirrors the popularity of AI chatbots and virtual assistants as noted in the survey, which serve as versatile tools across various job roles to enhance efficiency and productivity. AI technologies are clearly proving to be valuable assets that drive positive outcomes and contribute to business success.



Job Roles Affected by AI Adoption

Respondents across the APAC region anticipate that AI adoption will impact various departments within their companies, with IT (40%), HR (39%) and Customer Service/Operations (37%) being the top areas of concern.

Across all markets, there is a general consensus (top four choices) that IT roles will be impacted by AI adoption. This holds true even in Taiwan (29%), Australia (30%) and Malaysia (33%), where IT roles are perceived to be less affected. Additionally, customer service/operations rank in the top three concerns in all markets except Vietnam and Thailand.



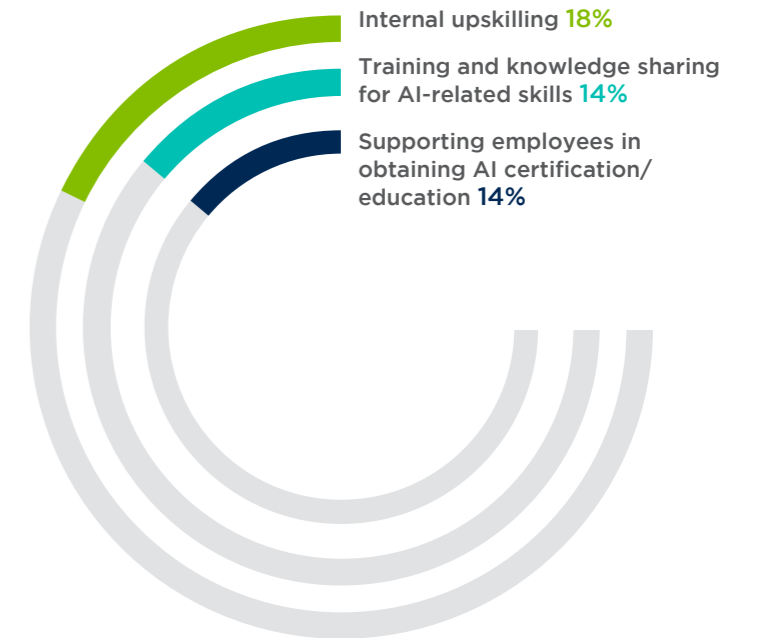
Actions Taken After AI Adoption

In terms of actions following AI adoption, the top responses overall include implementing upskilling (46%), change management strategies to aid employee adaptation (44%), and maintaining communication (44%). Upskilling emerges as a popular choice, featuring in the top three for all markets except Korea, Indonesia and New Zealand.

However, upskilling appears particularly unpopular among Korean respondents – plummeting to the bottom three at 27%. This trend, coupled with Korean managers’ lesser interest in retaining key talent (just 16% compared to APAC’s 33%), suggests a potential openness among Korean respondents to replacing staff with AI, although they perceive the need for this as insignificant.

Interestingly, for Indonesia and New Zealand, upskilling is replaced in the top three responses by utilising AI for HR decision-making (49% and 44% respectively). This shift reflects the previous emphasis on HR decision-making factors in both markets’ reasons for adopting AI.

Top 3 strategies for bridging the skill gap to implement AI technology



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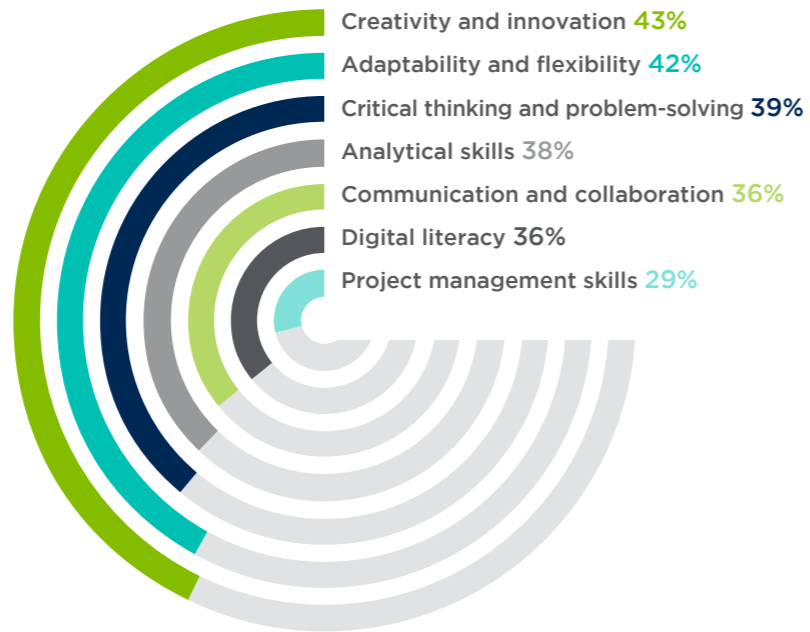
Critical skills in an AI era

As automation and AI reshape the workforce, there is a growing recognition of the value of uniquely human skills. While technology excels in efficiency and accuracy, it often lacks in emotional intelligence, creativity, empathy and interpersonal connections. Skills like building relationships, collaborating effectively and understanding human emotions are inherently human and difficult for technology to replicate. Therefore, leveraging these skills will be essential for success in the evolving workforce – complementing emerging technologies.



Employers across the Asia Pacific region emphasise the importance of specific human skills in successful AI adoption. According to survey results, creativity (43%), adaptability (42%) and critical thinking (39%) are deemed crucial for AI integration. These skills empower employees to innovate, adapt to changes and make informed decisions based on AI insights. Project management skills (29%) are considered the least important, filling the bottom spot.

Some variables across markets did emerge. For example, in Indonesia, digital literacy (47%) and communication (46%) are prioritised over adaptability and critical thinking. In Singapore, critical thinking (51%) and adaptability (50%) are highly valued – while creativity is less emphasised (29%). Conversely, Korea, Vietnam and Thailand prioritise digital literacy over critical thinking – with Korea ranking it lowest (22%). Vietnam and Thailand prioritise digital literacy at 43% over critical thinking, rated at 31% and 28% respectively.

Critical skills for AI adoption



How companies plan to manage the potential displacement of jobs due to AI

-  Offer reskilling programs
-  Create new job positions
-  Engage in open dialogue about the impacts

Ways to manage job displacement due to AI

Businesses must take action in response to AI adoption, as failure to do so could lead to substantial disruption, talent attrition and reduced competitiveness. Proactively managing potential job displacement ensures that the organisation maintains agility, resilience and readiness to succeed in a rapidly-evolving landscape shaped by AI and automation.

When asked about managing potential job losses due to AI, roughly half of companies in Asia Pacific (45-50%) chose options like providing re-skilling programs, creating new job positions and having open discussions about the potential impacts.

In markets like Australia and Korea, which show less interest in adopting AI, there's a stronger belief that significant job losses are unlikely. In Australia, 41% are confident that job displacement won't occur – leading to lower interest in other plans to manage it. Korea, on the other hand, prefers to be cautious, with 42% opting for dialogue with employees about potential impacts. In contrast, India has a much lower belief that job displacement won't happen, with only 8% sharing this view. Consequently, India is more supportive of all plans to manage displacement than the regional average.

Vietnam, China and New Zealand show similar trends, with higher expectations of job displacement and a corresponding higher interest in plans to manage it. Notably, China emphasises creating new job roles (60%) as a primary strategy for handling displacement.

Conclusion

The rise of AI, exemplified by innovative tools like ChatGPT, signals the onset of the fourth industrial revolution. The pace of change is expected to accelerate further as the global AI chip race intensifies, with tech companies competing to develop increasingly powerful semiconductors crucial for the next wave of AI tools.

It is fair to say that both employees and businesses cannot afford to ignore these trends if they want to remain relevant in the future. As automation and AI continue to advance, there is a pivotal shift altering how people work, communicate and access information. Skill requirements are evolving rapidly, impacting production, management and governance structures. Individuals must stay informed and adapt by acquiring new skills or transitioning to different roles, while businesses need to adjust strategies, operations and their workforce to leverage these technological advancements. Neglecting these trends could leave both individuals and businesses vulnerable to disruption and loss of competitiveness.

Five tips for CEOs in the AI Era:



Invest strategically in AI:

Recognise AI as more than just a technology; it's a strategic investment that can reshape operations, customer experiences and competitiveness.



Develop an AI-ready workforce:

Prioritise upskilling current employees, attracting AI-specialised talent and fostering a culture of continuous learning and adaptation to new technologies.



Differentiate between AI hype and reality:

Stay informed about AI developments, make decisions based on facts and avoid following trends that don't align with business objectives or deliver tangible benefits.



Optimise operations or exit:

In anticipation of economic stagnation, assess assets and markets for profitability and consider divesting from underperforming areas.



Drive growth through strategic partnerships:

Explore opportunities for strategic mergers, acquisitions and joint ventures to acquire new capabilities, enter new markets or enhance AI capabilities.

Source: EY

BTI Executive Search is actively adapting its services to meet the demands of this evolving space, to better serve both job seekers and employers.

By leveraging AI-driven insights, BTI Executive Search assists job seekers in finding roles that align with their passions and values – ensuring a workforce that is engaged, motivated and fulfilled in their professional pursuits.

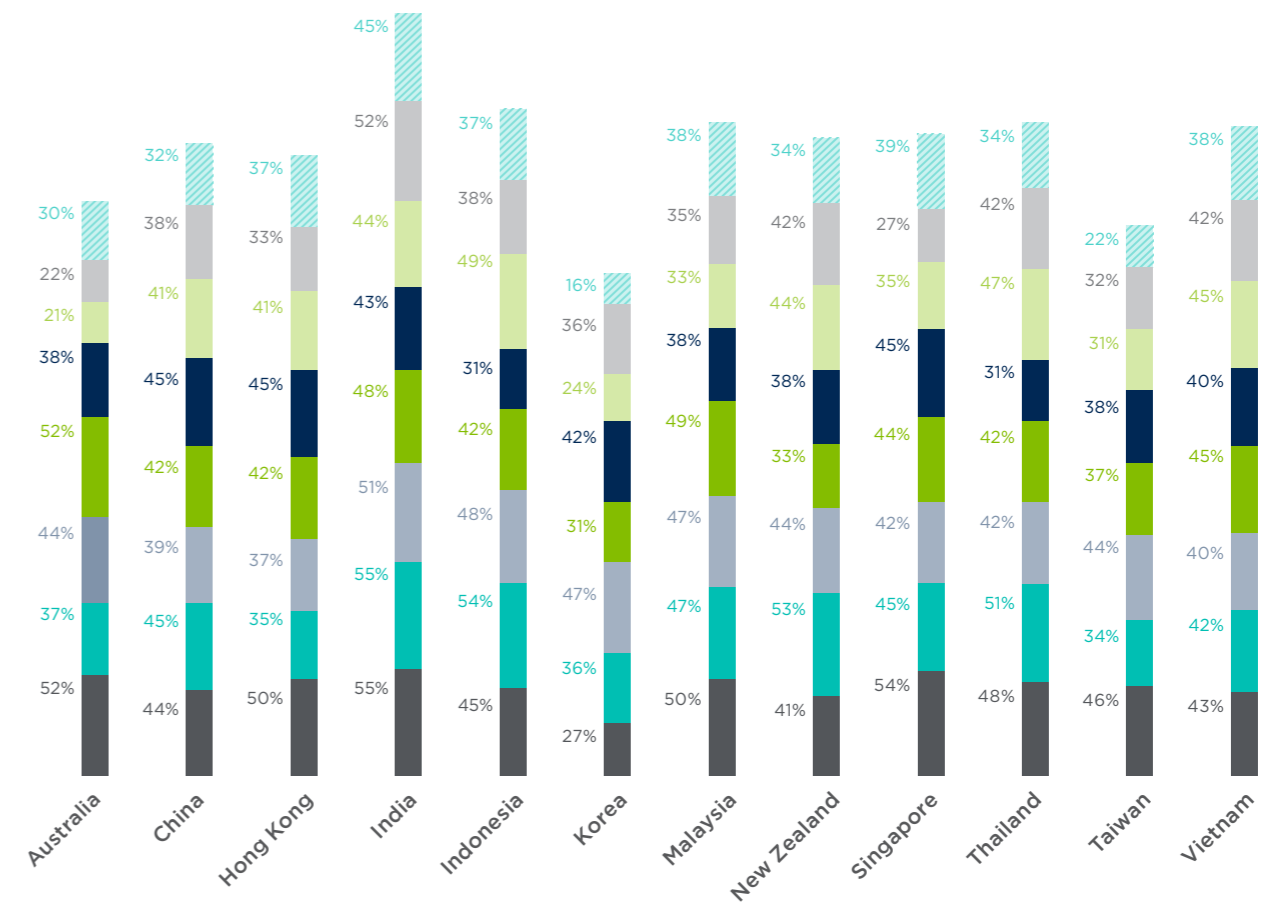
Through personalised guidance and strategic support, BTI Executive Search enables employers to harness the potential of AI technologies to optimise recruitment processes and cultivate a workplace culture that fosters happiness, satisfaction and personal growth.

Appendix



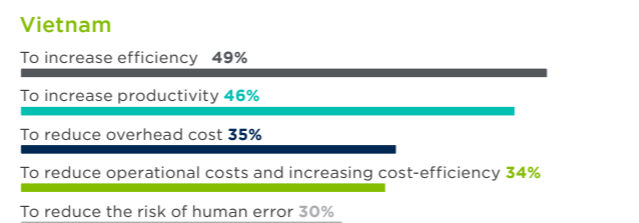
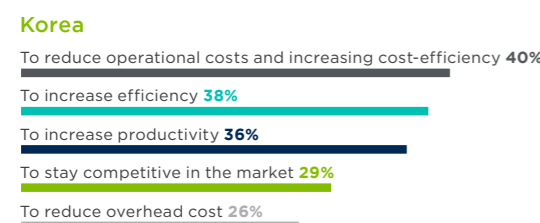
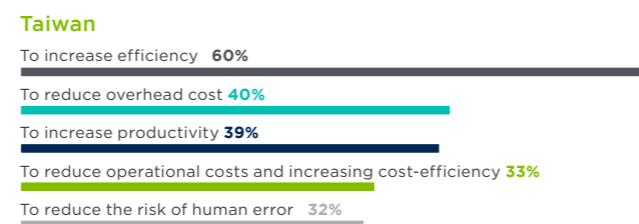
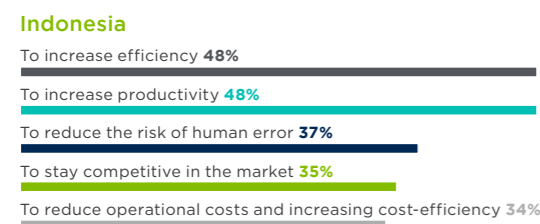
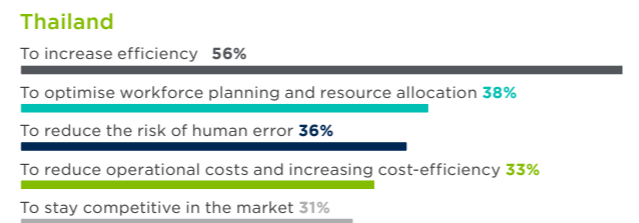
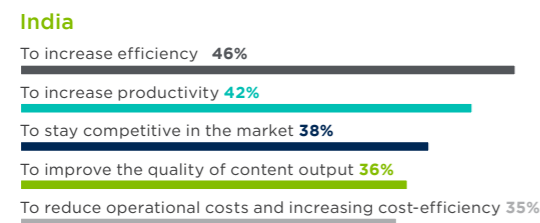
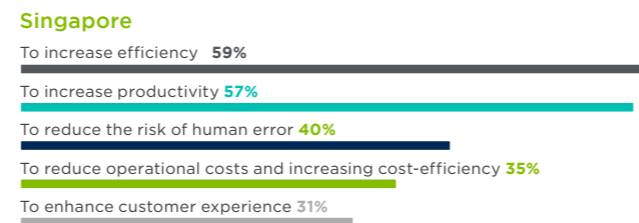
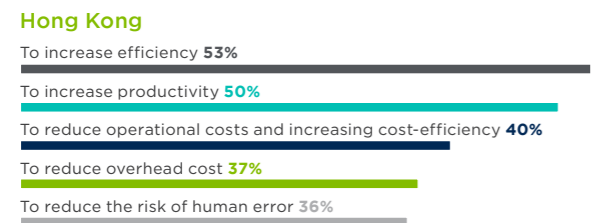
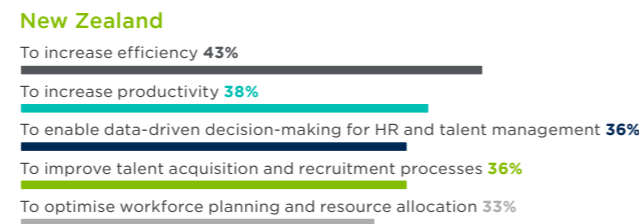
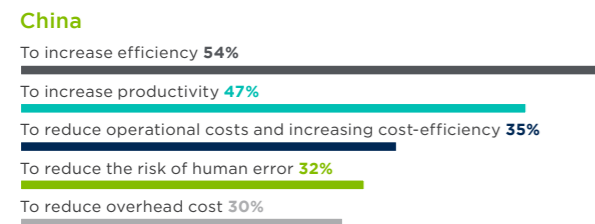
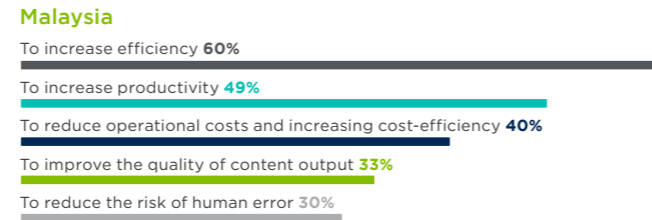
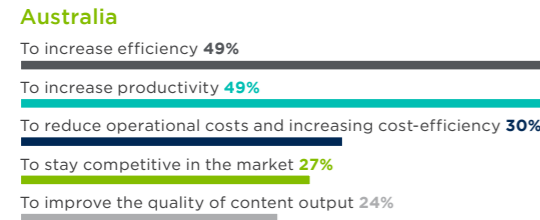
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Actions taken after AI adoption

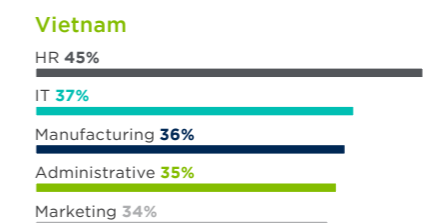
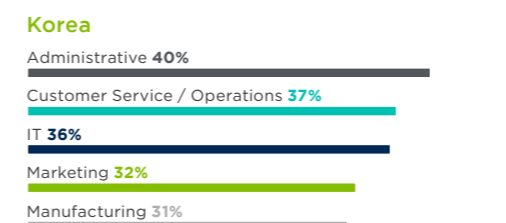
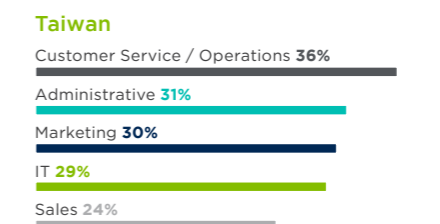
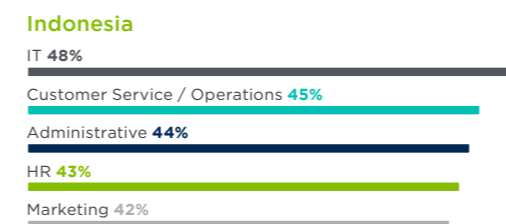
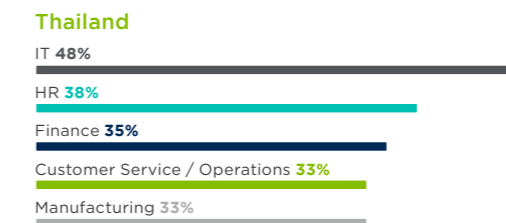
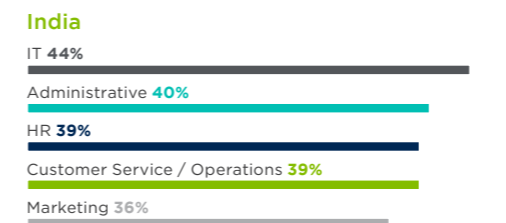
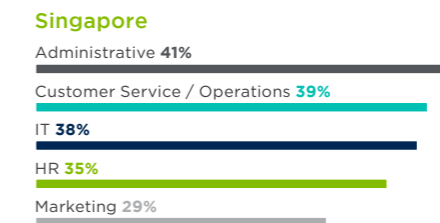
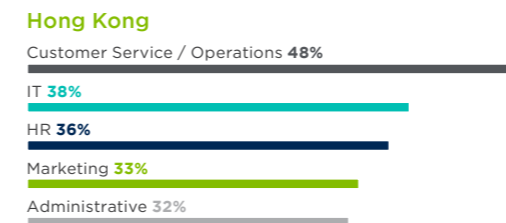
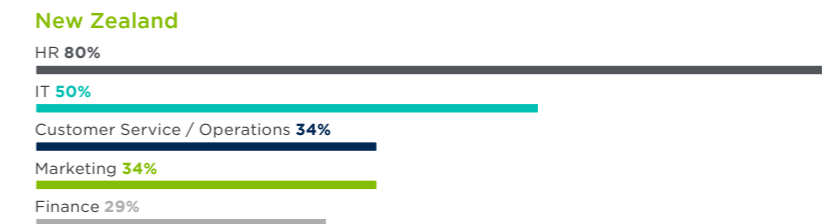
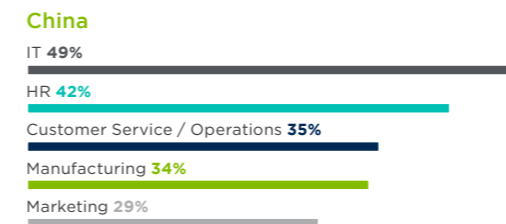
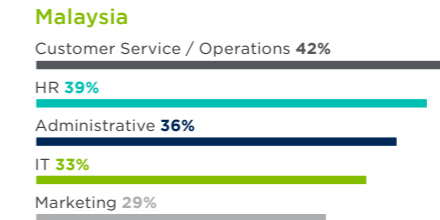
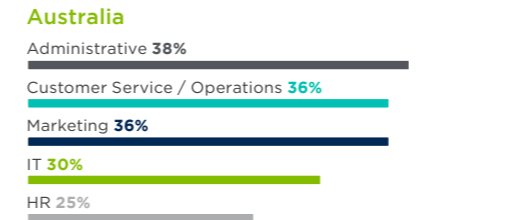


- Implement upskilling programs for current staff
- Implement change management strategies to help employees adapt to new roles and technology-driven changes
- Maintain open and transparent communication about AI adoption and its impact on job roles
- Ensure that AI-related activities comply with laws and regulations
- Redefinition of job roles and responsibilities to accommodate AI technology
- Utilise AI and data analytics for HR decision-making related to role changes
- Develop comprehensive plans to assist affected staff in finding new opportunities within or outside the organisation
- Retain key talent and maintain employee morale during transitions

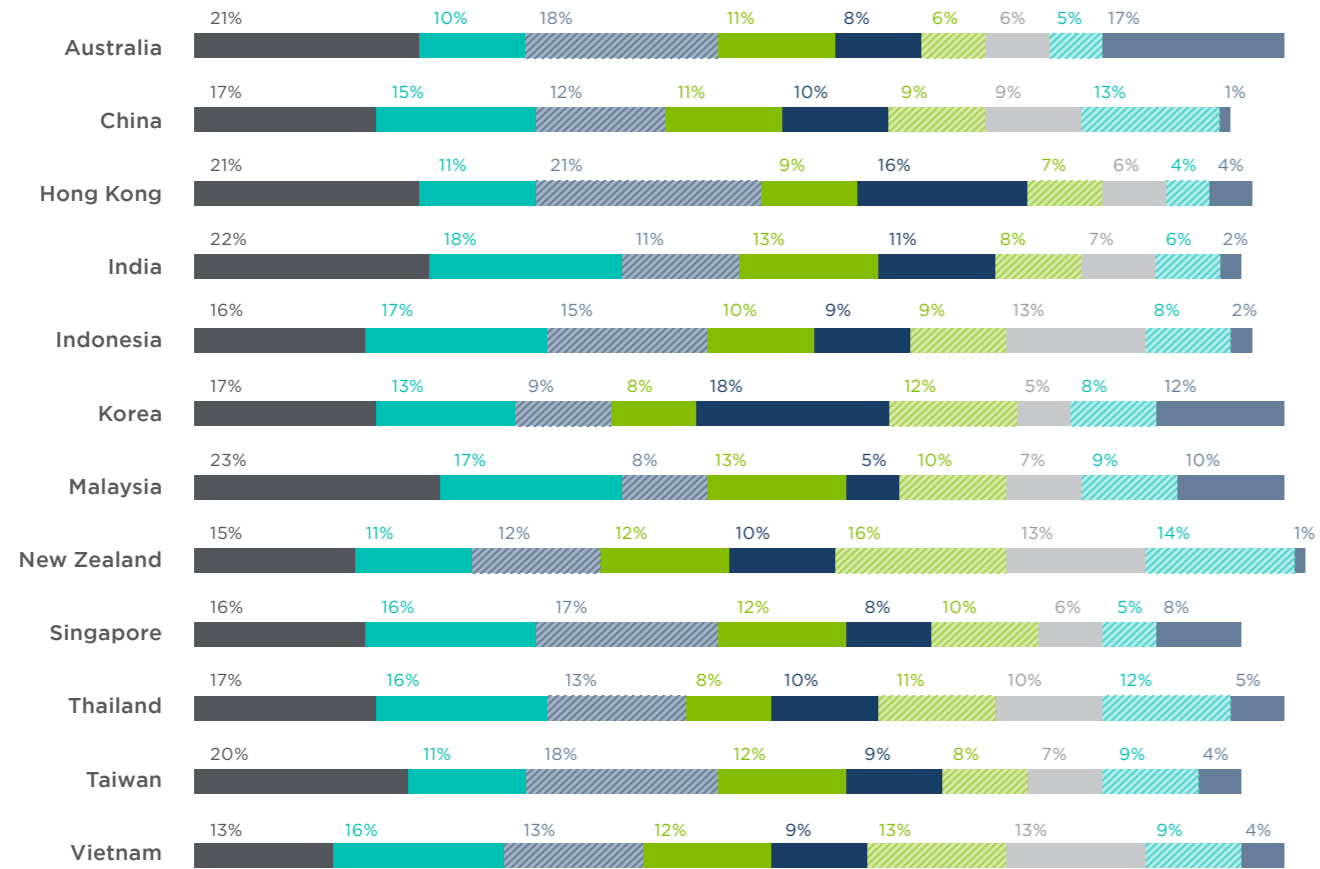
Top 5 reasons for adopting AI technology (by market)



Top 5 job roles affected by AI adoption in the company (by market)

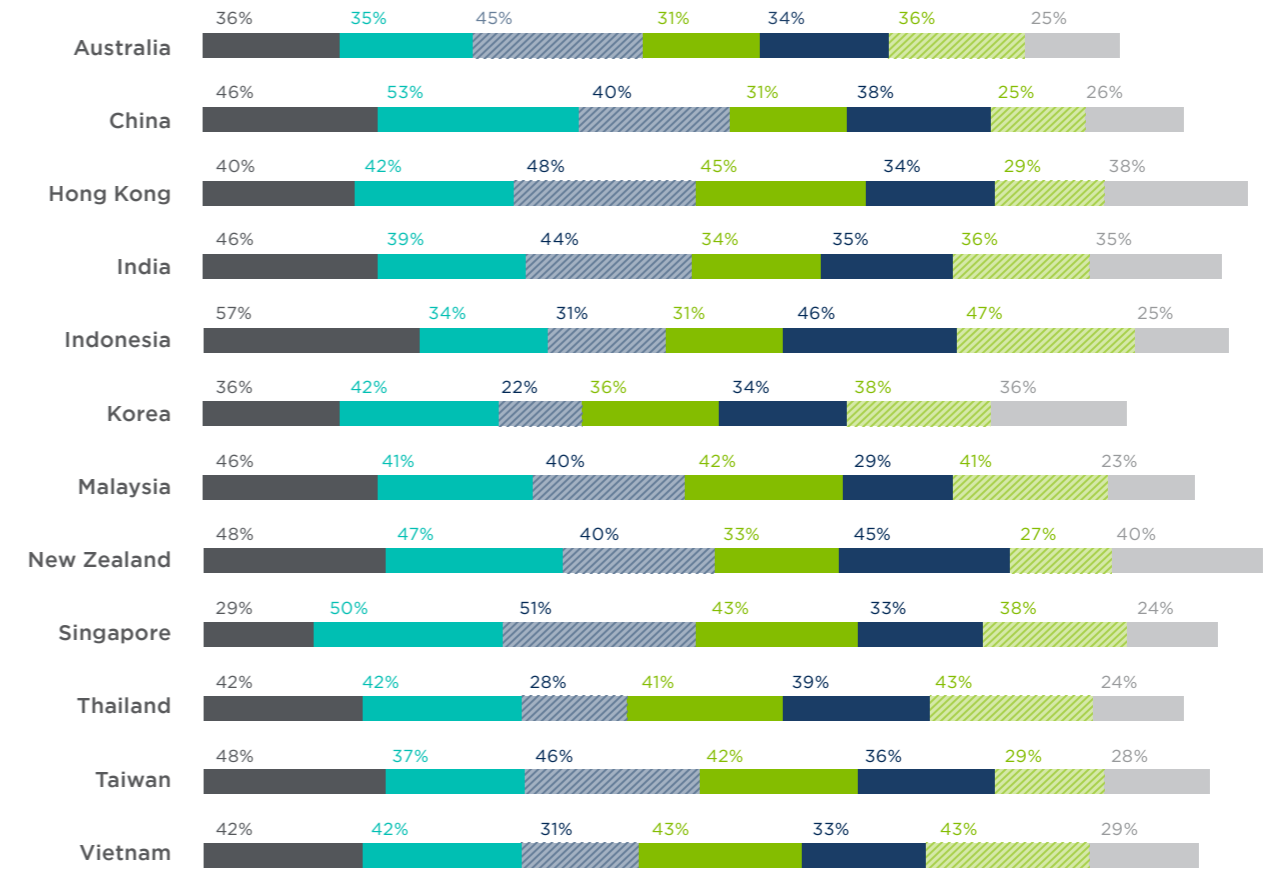


Strategy to bridge skill gap in order to implement AI



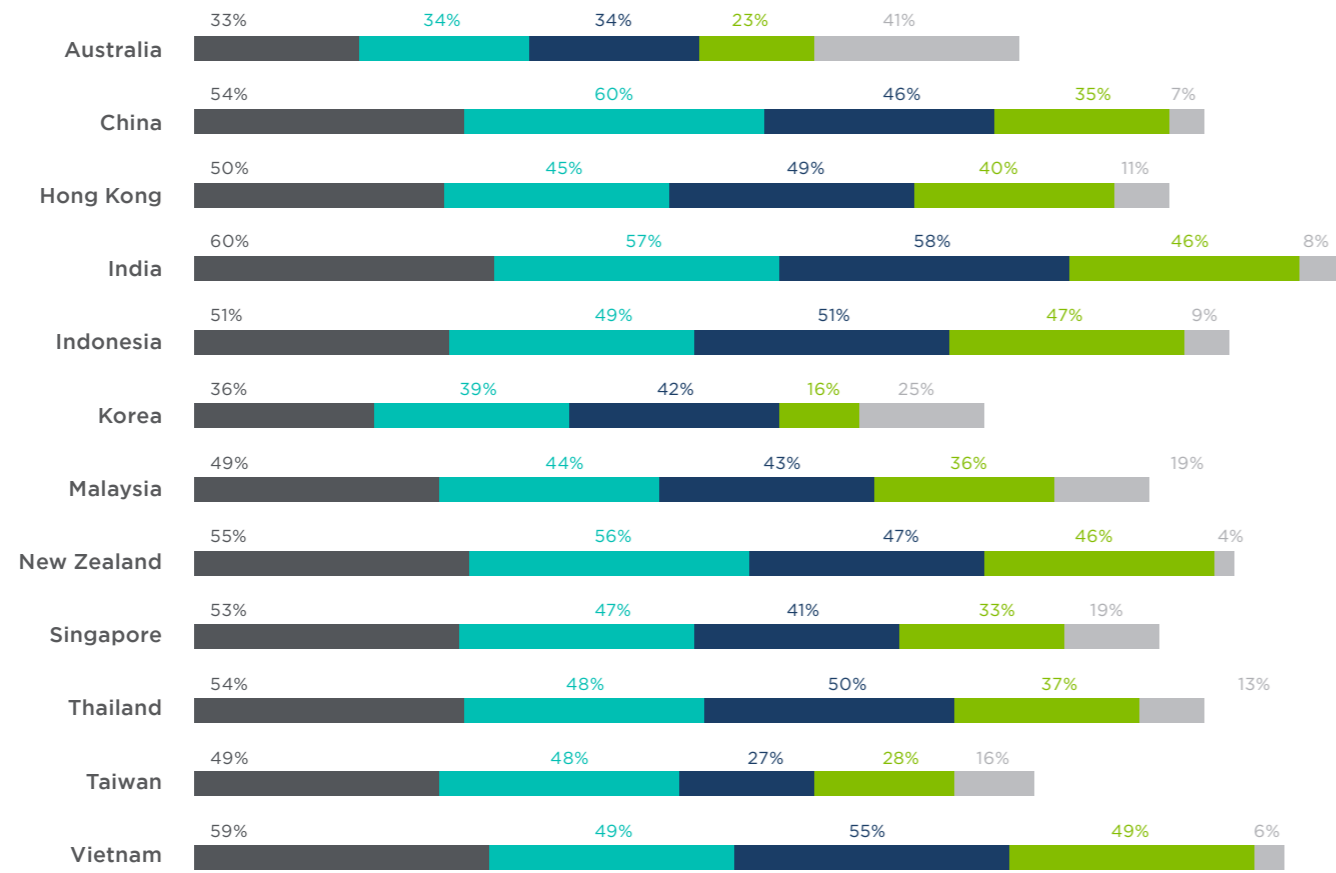
- Internal upskilling and training programs
- Organise cross-functional training and knowledge sharing within organisation to develop AI-related skills
- Support employees in obtaining relevant AI certifications and furthering their education
- Engage external consultants or experts to guide and support AI adoption and workforce development efforts
- Hire individuals with necessary AI skills
- Collaborate with vendors who use the same technology, outsourcing tasks when necessary for specific projects
- Engage specialised freelancers, temporary, or contract staff who are experts in the required AI technology for project-based work
- Partner with staffing companies that specialise in sourcing talent familiar with technology we need
- Don't know/not applicable; there is no skill gap

Critical skills in an AI era



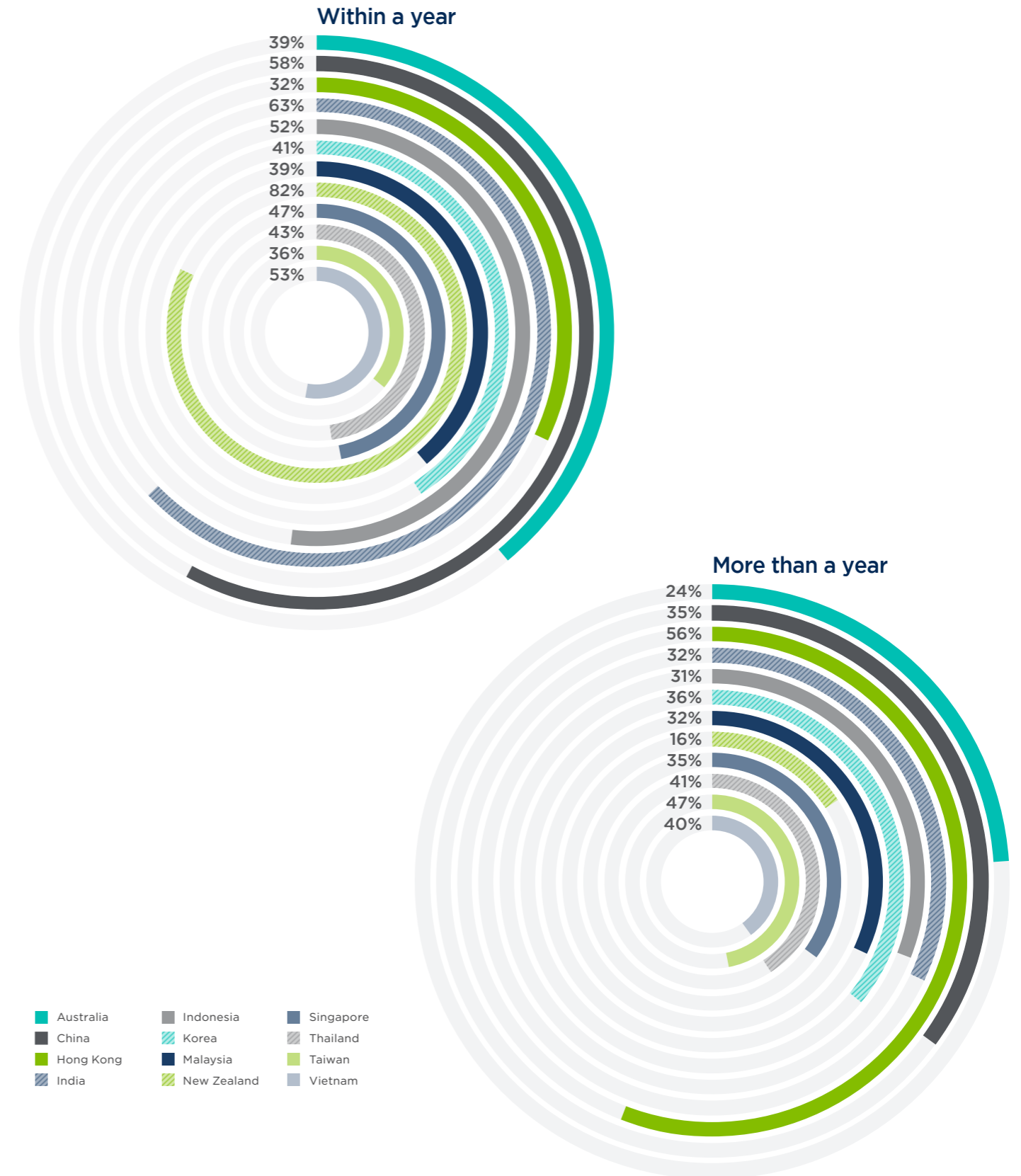
- Creativity and innovation
- Adaptability and flexibility
- Critical thinking and problem-solving
- Analytical skills
- Communication and collaboration
- Digital literacy
- Project management skills

Ways to manage job displacement due to AI



- Offering reskilling programs to transition into other roles within the company
- Creating new job roles that complement AI technologies
- Engaging in open dialogue with employees about potential impacts and solutions
- Providing support and resources for external job placement
- Not applicable; We do not foresee significant job displacement due to AI

Speed of implementing AI policies



- Australia
- China
- Hong Kong
- India
- Indonesia
- Korea
- Malaysia
- New Zealand
- Singapore
- Thailand
- Taiwan
- Vietnam

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About BTI Executive Search

BTI Executive Search aims to help clients in Asia find their most valuable asset: the right PEOPLE.

We firmly believe that it's through the right people that teams are able to maximise their potential and create value for their organisations. Our regional footprint across 8 markets within Asia Pacific, together with our understanding of local market insights and culture are defining reasons for our clients to place their trust in our abilities to effectively assess the right quality of talent to help them succeed.

We are also the first Asian Executive Search Firm to receive ISO9002 accreditation.

BTI Executive Search is part of PERSOLKELLY group (being a joint venture between PERSOL Holdings and Kelly Services established in 2016 where with a combined expertise of over 40 years, PERSOLKELLY is now one of the leading and largest workforce solutions company spanning over 80 offices across 13 markets within the Asia Pacific region).

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