AI at Work: Unlocking Global Opportunities

AI in the global business landscape

G-P partnered with a third-party research firm to survey more than 1,500 business executives from Australia, the United Kingdom and the United States, to understand AI's role in the complexities of global business, how the technology can drive growth and innovation and ultimately, how AI will reshape the future of work.

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Understanding the current landscape of AI adoption in global business

Global business is just scratching the surface of AI

Much like how chat rooms were an early application of the internet, ChatGPT has become one of the standard use cases most people think of when artificial intelligence (AI) is mentioned.

But, similar to how chat rooms don't represent the value of the Internet, ChatGPT is not representative of the true breadth and depth of AI's capabilities.

AI is evolving at a rapid pace, but there's plenty of opportunity for AI to bring change and make a greater impact on global business.

New generations are welcoming this change into the workforce with louder and bolder opinions and global aspirations. We call this 'Gen Global'. They want growth opportunities, diverse experiences, workplace flexibility and independence associated with global companies. And they are eager to embrace the technologies, like AI, that help them achieve this.

More than two-thirds of business leaders believe AI is critical for operating and being competitive across global markets. The stark reality is 97% of leaders express concerns related to their AI plans or goals.

Yet, AI has increasingly become a priority for businesses in 2024, with **81%** reporting their organization has an established AI program.

In their attempt to keep up with the competition:

52%
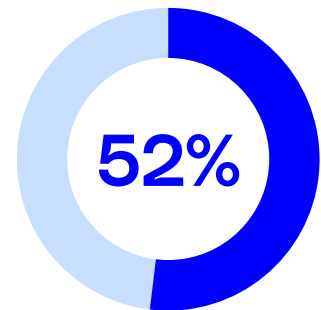
Leaders have an established AI program using technology from other vendors

30%
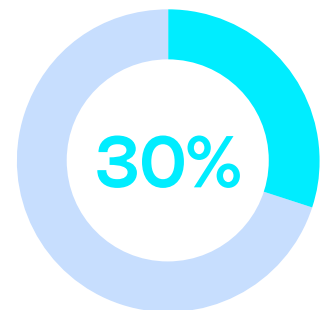
Organizations have an established AI program using technology developed in-house

Business leaders know they need AI tools but do not have the talent or resources to put towards innovation

Despite concerns, 4 in 5 (**84%**) of business leaders report their organization is planning to invest more in AI over the next 12 months, with **30%** reporting to increase their investment in AI "much more".

Organizations worldwide are investing more in AI than in their people.

Close to **60%** of executives say they are putting more dollars toward implementing and/or developing AI technology and tools than in hiring and retaining employees.
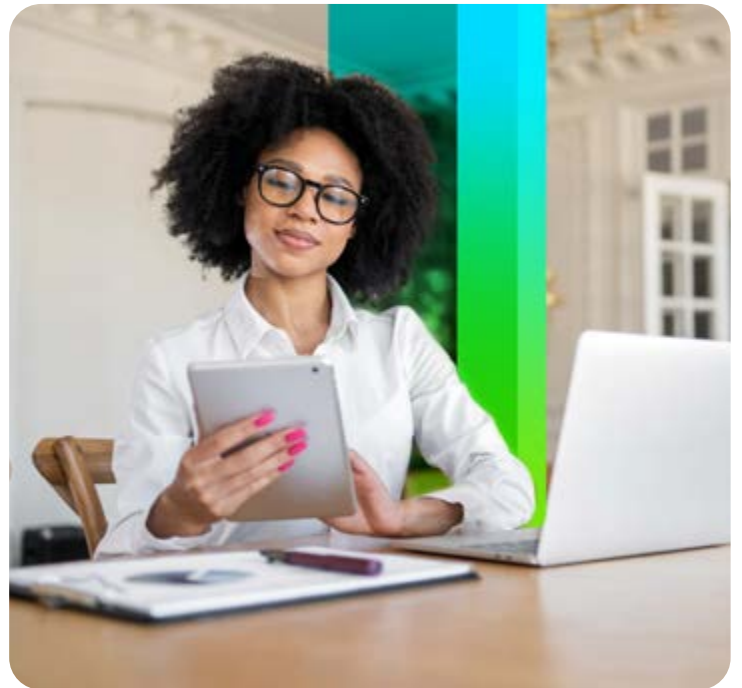
The future of AI is not tech alone

"In a world witnessing an AI revolution, it's essential to remember the heart of our journey is humanity.

Organizations must set strategies where technology complements and supports human work by making it more efficient and scalable rather than replacing it.

And leaders should leverage emerging technologies like AI to meet them where they are at in their own global growth journey."

Nat Natarajan, Chief Product and Strategy Officer, G-P

What's influencing AI adoption?

Leaders said that improved efficiency and productivity is the primary objective of implementing AI technology.

While streamlining workflows and minimizing risks of error is crucial for global employment and expansion, increased efficiency is often a standard outcome of AI use.

Leaders may be overlooking the true potential AI could have for their organization, including product innovation, revenue generation and adding staff with specialized skills to meet future needs of their business.

So, are organizations investing in AI without the right strategies in place?

First there was IBM Watson, then there was Siri and Alexa, and in November 2022, ChatGPT, OpenAI's Generative AI companion was introduced to the world. Since then people have used GenAI models to help write their wedding vows, compose music and even reimagine themselves in photos from historical eras.

When it comes to professional use cases for the tool...

99% of executives have used GenAI themselves

49% of executives have used GenAI tools like ChatGPT to create a presentation

49% have used GenAI tools like ChatGPT to write emails

02

Navigating nightmare scenarios and overcoming AI challenges

No, robots are not taking over the world

But, **99%** of business leaders surveyed said the consequences for using AI incorrectly keep them up at night.

So, what are leaders losing sleep over?

Nearly two-thirds of executives report that their top concern is the financial consequences of using AI incorrectly.

Shockingly, the loss of sensitive and proprietary data is last on the list. This is despite the fact that on average small instances of data loss (fewer than 100 files) cost businesses between **$18,000 to $35,000**, while large-scale incidents can cost up to **$15.6 million**, according to a study by Verizon.
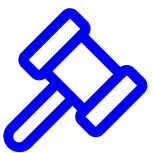
Top concerns

Financial penalties/fines

**Operational disruption**

Legal non-compliance

Loss of sensitive data

The old adage says, by failing to prepare, you are preparing to fail

While financial penalties and data loss due to misuse of AI may haunt leaders, these are often worst case scenarios - the general anxiety impacting leaders is the lack of preparation. Almost two-thirds (**62%**) of executives surveyed are concerned about adopting AI too soon without the right resources and strategies in place — far greater than those concerned about holding off on adopting AI too long and falling behind competitors (**38%**).

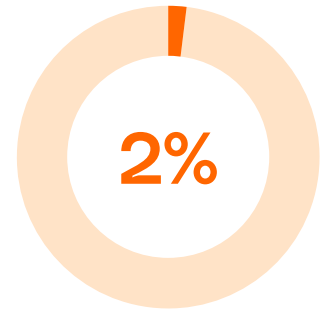Without the right people, processes and technology in place, organizations are often ill-prepared for successful AI adoption.

100%
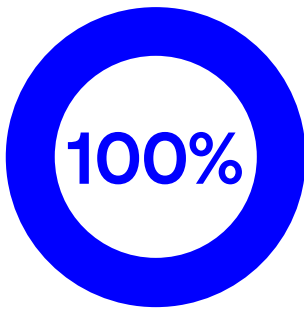
Executives admit to missteps or missed opportunities in their AI journey

50%
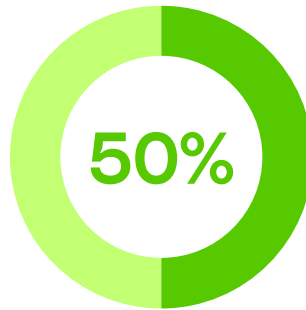
Saying it was believing they could manage AI technologies without hiring experts

2%

Executives believe their organization has the right people to successfully implement and monitor AI

The intersection of the right technology and the right talent

While AI vendors can help fill in technical gaps, business leaders report that major roadblocks to adoption are employees' hesitations and concerns (**51%**) and employees' lack of knowledge in how to use AI (**44%**).

That said, adopting the right AI technology can help a company attract the right talent - those with technical skills and those who embrace the opportunities that AI can bring. Organizations must recruit a multidisciplinary team with expertise in data science, machine learning, software engineering and domain knowledge while providing ongoing training and development opportunities to keep skills up-to-date. This same philosophy applies to non-technical roles that can embrace AI to manage their jobs more effectively.

Leaders must also commit to a culture of innovation and improving access to new AI tools to entice the Gen Global employees and others who want to work for cutting edge organizations.

AI isn't displacing individuals; it's streamlining tasks and empowering humans to achieve greater efficiency

With the complicated nature of AI, organizations need to invest in talent through both strategic hiring and upskilling initiatives. Experienced technology companies with engineering teams can train their employees on new technologies, but for organizations to expand their capabilities they must supplement by hiring for specialized skills by recruiting experts or even appointing a Head of AI.

When hiring an AI expert, organizations should look for:

Business skills e.g. decision making and knowing what can be handled in-house vs. what needs to be outsourced

Technical skills e.g. understanding of the AI and machine learning space

Consultants can offer invaluable guidance on where to start for companies that are starting from scratch. It is crucial to determine very specific and clear goals for what will be accomplished and how it will be measured, and consultants can assess and advise organizations on what tasks can be automated with AI to be more productive.

Yet, the journey extends beyond technical prowess; effective change management and education are needed across the entire organization to ensure seamless integration of AI tools.

Leaders aren't doing enough to reassure or adequately prepare their employees for AI adoption

Only **57%** of executives are proactively trying to mitigate the risks of using AI by:

- **Hiring support for AI programs to implement,** ensure compliance and manage technical aspects

- **Establishing guidelines for internal use**

- **Providing staff training in AI** before they are given access.

Addressing these concerns requires a strategic approach to AI adoption, encompassing careful planning, risk management, stakeholder engagement and ongoing monitoring and evaluation. Only then can businesses unlock the full potential of AI while mitigating risks and maximizing benefits.
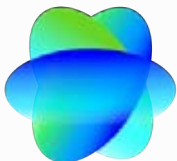
Meet GIA, G-P's Global Intelligence Assistant

When G-P began building the first-of-its-kind generative AI-enabled Global Intelligence Assistant (GIA), the goal was to remove the barriers to entry to global growth, by introducing a tool to help customers around the world 24/7, 365.

G-P has more than 13 years of experience helping companies expand globally in 180+ countries around the world. G-P's unmatched global expertise has become a trove of proprietary knowledge on global employment, tax, benefits, labor laws and cultural nuances to help businesses build global teams quickly and compliantly. With GIA, G-P brought all of that data into a singular structured knowledge engine allowing users to access G-P's expertise in a seamless generative AI-powered experience as they move forward in their global growth journeys.

G-P's customers around the globe have already received answers and results for more than 10,000 inquiries with GIA.

03

Embracing opportunity to leverage AI for global growth

Many leaders are scrambling to understand the best use for AI

The majority believe that AI can be applied to a variety of use cases and they hope to achieve them all.

While ambitious, this lack of clarity on direction and specific focus indicates that these leaders do not have a clear AI strategy in place which could lead to organizations spreading themselves too thin, assuming AI is a "one-size-fits-all" solution.

The top areas that business leaders think AI will help to improve include...
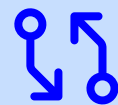
Digital transformation

Market risk predictions

Managing teams and workflows

Talent acquisition and retention

Regulatory compliance

Meeting customer demands

How leaders should leverage AI for growth

Where To Scale: AI can assist businesses in determining the optimal locations for expansion, whether in terms of geography, business units, product lines or specialized teams.

Identifying Risk Factors: The right AI algorithms can efficiently detect changing laws and regulations to ensure businesses align with local labor laws and are notified of lurking risk factors, enabling companies to make informed decisions.

Accessing Talent: Companies can utilize AI-powered recruitment platforms to streamline talent acquisition by quickly scanning resumes, LinkedIn profiles and other sources to identify qualified candidates.

Opportunity Spotting: Utilizing global workforce analytics from AI tools, businesses can identify areas of opportunity, such as countries with the best talent for their industry and regions with favorable regulatory environments.

Chatbots vs. GenAI Assistants

Chatbot:

- Computer program designed to simulate conversation with human users, typically through text or speech interfaces

- Used for various purposes, including customer service, information retrieval, task automation, entertainment and more

- Utilizes natural language processing (NLP) and artificial intelligence (AI) techniques to understand and respond to user inquiries or commands

- Are often simple rule-based systems that follow predefined scripts, and typically have limited responses and topic areas they can cover

GenAI Assistant:

- Represents the evolution of AI-powered chatbots, aiming to mimic human-like intelligence and understanding while leveraging cutting-edge technologies to offer more sophisticated and tailored support to users

- Utilizes advanced technologies such as artificial intelligence (AI), natural language processing (NLP) and machine learning to provide intelligent and personalized assistance across various tasks and domains

- Designed to be more versatile, capable and adaptable compared to traditional AI assistants

- Understands context and learns from interaction to proactively assist users in a wide range of activities

AI is ushering in a new era of global business

While executives worldwide are exploring how AI can help them expand into new markets and build new teams, almost all **(96%)** of executives believe that companies that use AI to support asynchronous work across countries or time zones will soon outpace those that don't.

Companies with a dynamic global workforce can leverage different ideas, experiences and market knowledge to close strategy gaps, tackle challenges and identify new opportunities for improvement. These global team members play a crucial role in bridging cultural and language barriers when doing business globally, and **40%** of executives believe AI will further help their company overcome cultural and language barriers.

But unless you have the right tools for global growth, it can be difficult to accomplish quickly and compliantly.

Top 5 ways executives say AI makes operating across multiple markets easier:

- **Providing instant support for customer and/or employees through chatbots/ virtual assistants (40%)**

- **Improving collaboration across markets (40%)**

- **Managing technology and tools to optimize adoption, usage, and to ensure security (40%)**

- **Enhancing talent management (39%)**

- **Facilitating compliance to meet market-specific demands or regulations (39%)**

We're still only scratching the surface of AI's potential

Global business' relationship with AI is dynamic and evolving, requiring strategic planning, investment and continuous learning to leverage AI effectively while addressing associated challenges.

When it comes to AI adoption, there is an art and science to embracing innovation and mitigating risk. AI has evolved at an exponential pace, but as people, we function linearly so it can be difficult to fathom this growth rate or the potential impact. In addition, because AI's capabilities and applications are developing so rapidly, there is a greater risk of falling behind.

Innovation can come from anywhere. No one has a corner on good ideas, so it's up to organizations to take initiative, experiment and create a solution that pushes them forward.

METHODOLOGY

The G-P 2024 AI at Work survey was conducted by Wakefield Research among 1,500 executives, VP+, at companies with 100 to 499 and 500 or more employees conducted in three markets: US, UK, and Australia, between April 3rd and April 10th, 2024, using an email invitation and an online survey.

ABOUT G-P

G-P is the recognized leader of the global employment industry and has delivered world-class global compliance and workforce products designed to meet the needs of growing companies since 2012. G-P's global growth platform is driven by the G-P Meridian™ Suite of SaaS-based global employment products. G-P helps thousands of customers build and manage teams quickly and compliantly in 180+ countries without navigating legal, tax or HR issues.