

2019 H2 APAC WORKFORCE INSIGHTS

PREPARING FOR THE WORKPLACE OF THE FUTURE



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INTRODUCTION

The future of work is being shaped by two powerful forces: a transforming and more inclusive workforce; and the growing adoption of automation and artificial intelligence (AI) in the workplace.

Businesses and HR leaders will have to find new ways to overcome these challenges and reshape their policies to prepare for this transforming future workforce. Employees will increasingly be recognised for contributing a unique set of skills and expertise to unlock new opportunities for businesses.

PERSOLKELLY commissioned research* across 12 markets in APAC to help organisations understand and prepare for this future workforce transformation. Based on this research, PERSOLKELLY published its first report earlier this year, focusing on the perceptions of hiring managers and employees in regard to the inclusion of older workers, people with disabilities or special needs and return to work parents.

In this second report, we will focus on uncovering perceptions of automation and artificial intelligence (AI) in the workplace, and how these technologies can be promoted within the workforce.

*The program was conducted amongst the APAC working population and included people 18 years old and above. The research covered 12 markets (Australia, China, Hong Kong, India, Indonesia, Malaysia, New Zealand, Singapore, South Korea, Taiwan, Thailand and Vietnam) in APAC and was conducted from January 2019 – February 2019. 7,277 responses were obtained, from workers across a wide range of industries (Accounting, Education, Engineering, Banking & Finance, Government, IT, Hospitality, Industrial, Healthcare and Professional Services among others).

UNDERSTANDING PERCEPTIONS OF AUTOMATION AND ARTIFICIAL INTELLIGENCE IN THE WORKPLACE

Workplace automation, including the use of artificial intelligence (AI) and robotics, is expected to surge in APAC companies in the next few years. Automation is expected to bring about benefits such as greater flexibility, increase in productivity and reduction of costs.¹

However, as automation advances, not all organisations are ready to address the growing challenges that automation brings and are finding it difficult to keep on top of the latest trends.



How should companies adapt to stop them from falling behind?



¹ HumanResources (2019). Workplace automation in APAC to surge in the next 3 years.

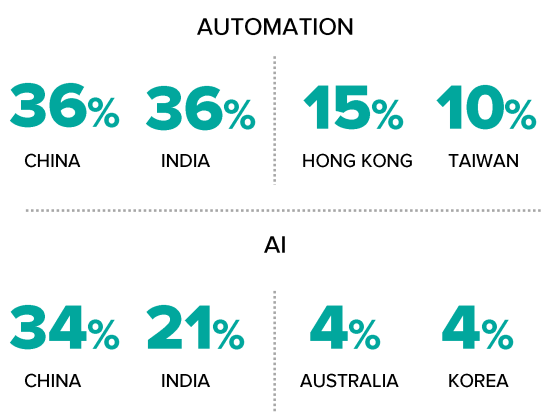
Presence of automation and AI in the workplace

Automation and AI are gaining presence in APAC organisations, with...



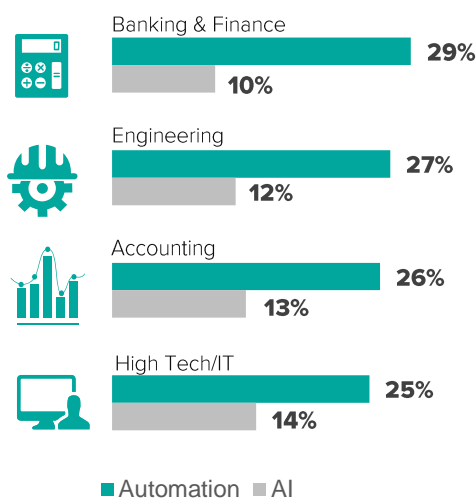
Presence by Markets

Between APAC markets, there are some differences in the level of adoption of automated processes and AI programs, with China and India leading the way in the region. On the other end of the spectrum, Taiwan, Hong Kong, Australia and Korea are lagging behind the rest of APAC.



Presence by Industry

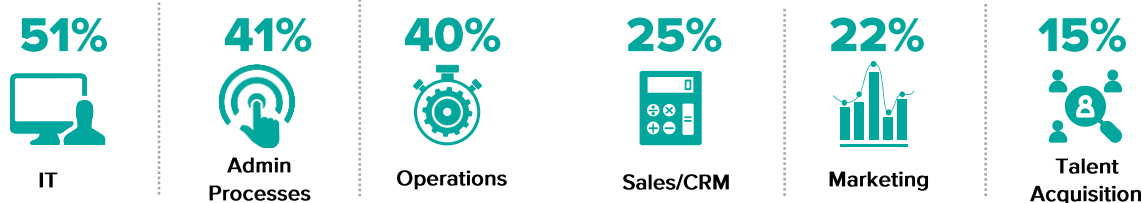
Across industries, the adoption of automated processes consistently exceeds that of AI programs. The industry with the highest level of automation is Banking & Finance, while the High Tech/IT industry has the highest level of AI.



Presence by Departments

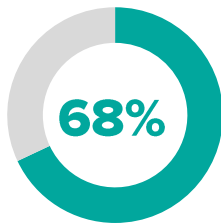
APAC organisations are more likely to invest in automation or AI in areas such as IT, admin process, operations, finance, and customer service.

On the other hand, sales/CRM (Customer Relationship Management), marketing and talent acquisition have the lowest presence of automation or AI.

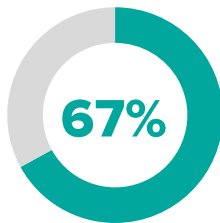


What are the current perceptions of automation and AI at the workplace?

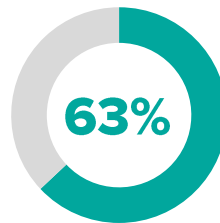
The majority of employees and hiring managers recognise that there are short-term benefits that automation and AI can provide to their organisation. Generally, the APAC workforce has a positive perception of automation and AI, with the majority of employees and hiring managers believing that such technologies increase work efficiency and productivity, as well as allowing them to focus on their core tasks.



believe it will increase work efficiency



believe it will make their job easier



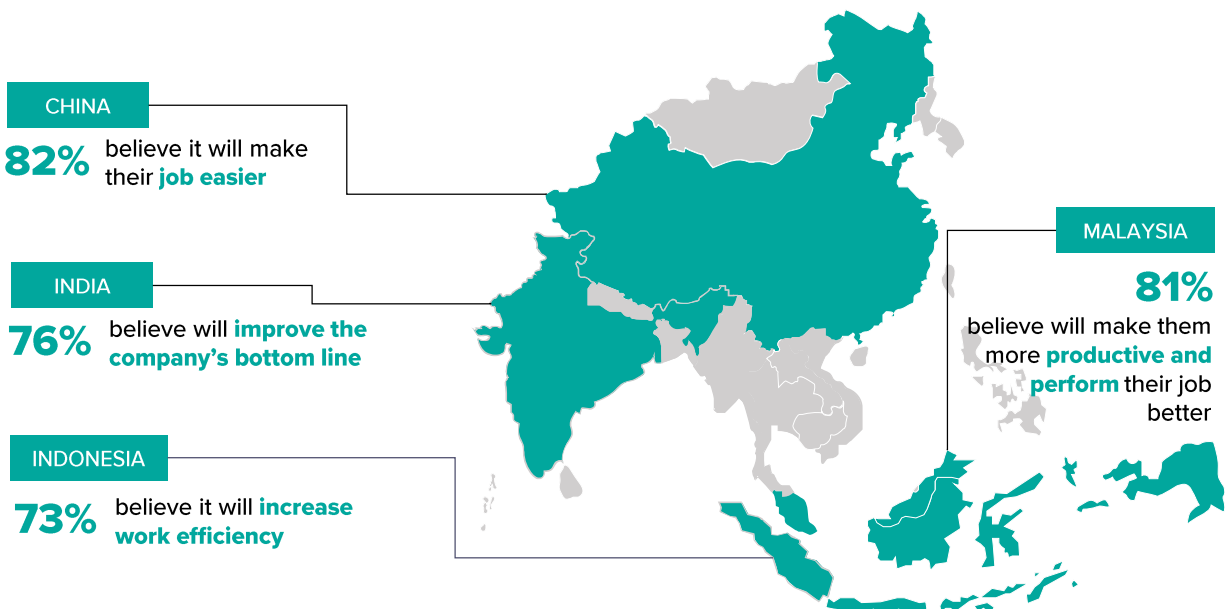
believe it will make them more productive and perform their job better



believe it will improve the company's bottom line

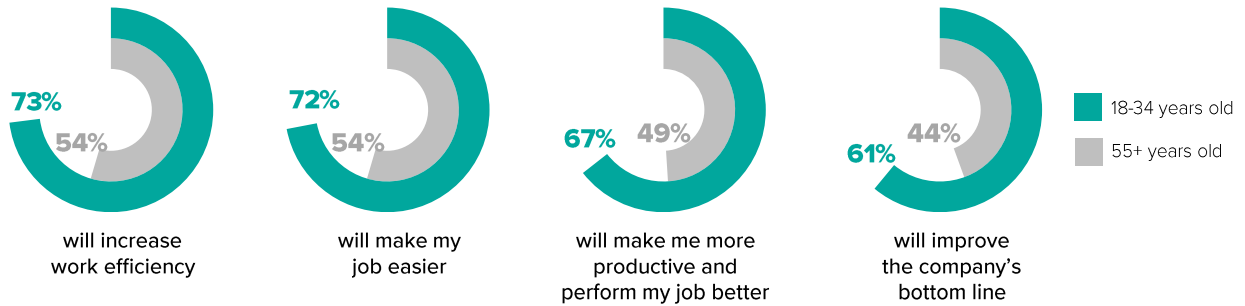
Perception by Markets

These positive perceptions are even more prevalent in the following markets:



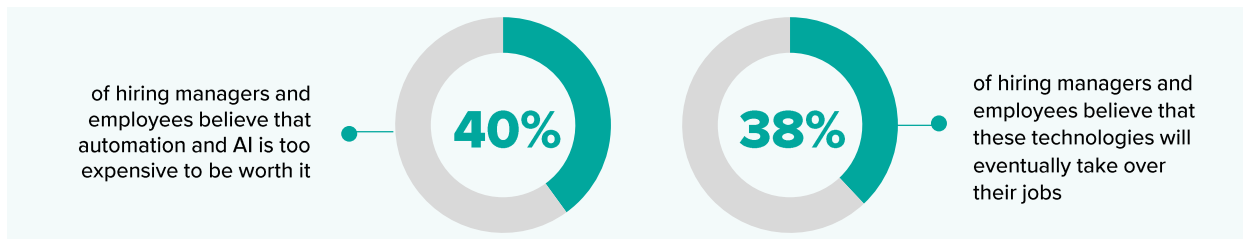
Perception by Age

Overall, younger workers feel more positive about automation and AI than their older counterparts, being more likely to recognise that such technologies can improve productivity and efficiency in the workplace.



What are the current concerns about automation and AI at the workplace?

While there is a strong recognition of the benefits brought to the workplace with the introduction of automation and AI, there are also an accompanying set of challenges. In fact, one in three employees remain slightly concerned about the introduction of automation and AI to the workplace.

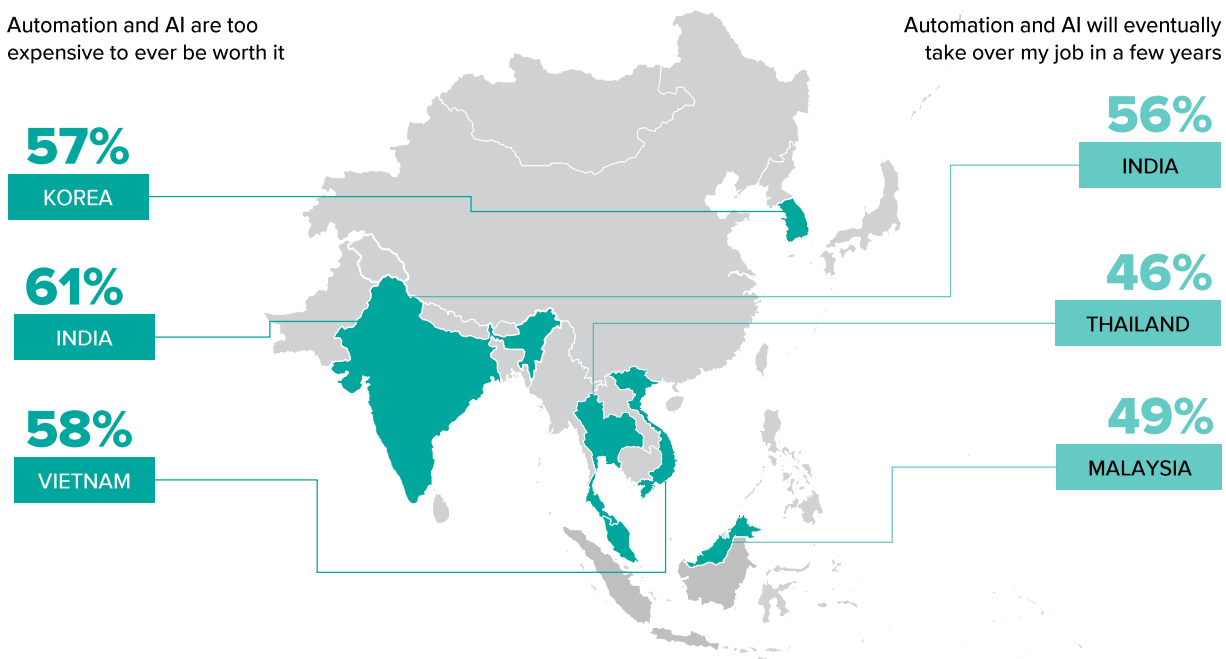


Concerns by Markets

These concerns are especially prevalent in the following markets:

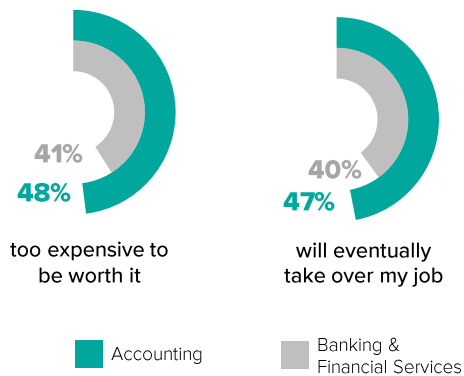
Automation and AI are too expensive to ever be worth it

Automation and AI will eventually take over my job in a few years



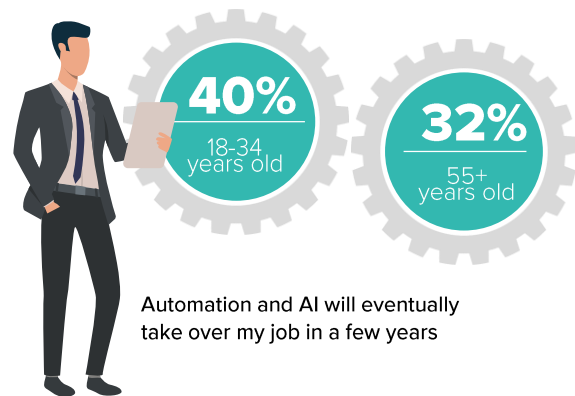
Concerns by Industry

Across the various industries, accounting and financial services are the two industries that show higher levels of concern about the introduction of automation and AI in the workplace.



Concerns by Age

Taking a look at workers of different age groups, younger workers indicate higher levels of apprehension about being replaced by automation and AI in comparison to their older colleagues.



KEY TAKEAWAYS

01

Automation and AI are gaining momentum within APAC organisations, with an increasing presence of these technologies in the workplace compared to previous years.

02

The benefits of automation and AI currently outweigh the concerns, as these technologies are perceived to allow employees to focus on their core tasks and improve efficiency and productivity.

03

Unfortunately, this perception does not translate equally across all organisations and employees. Over a third of employees and hiring managers fear their jobs will be replaced by automation or AI in the upcoming years, hence the need to promote greater integration between the workforce with automation and AI.

PROMOTING THE INTEGRATION OF THE WORKFORCE WITH AUTOMATION AND ARTIFICIAL INTELLIGENCE

Over the next few years, automation and AI will gradually be more prevalent in APAC organisations. As such, it is important for companies to understand the synergies between humans and such technologies.

Interestingly, less than 10% of organisations globally are actively taking steps to prepare for these organisational changes, with companies still having a lack of clarity over who will lead and drive the change agenda internally, and whether human resource departments will need to expand their capabilities to drive talent management practices in the changing economy.²

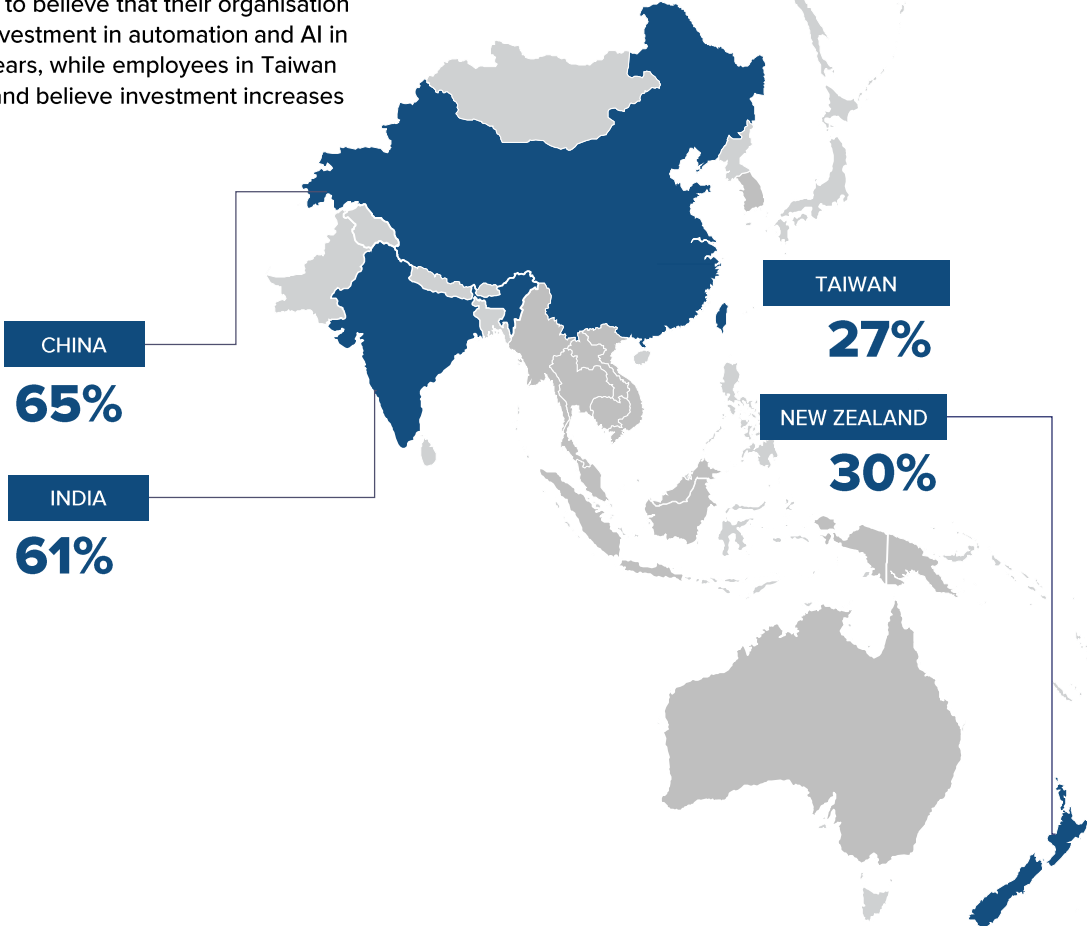
Higher co-existence of humans with automation and AI in the near future

This is especially prominent in markets and industries where automation or AI is currently more present



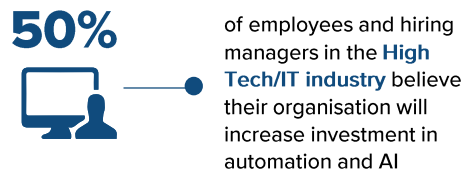
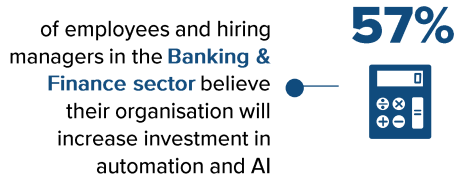
Future Investment by Markets

Employees and hiring managers in China and India are more likely to believe that their organisation will increase investment in automation and AI in the next two years, while employees in Taiwan and New Zealand believe investment increases are less likely.



² The Straits Times (2019). Workplace automation is Singapore expected to double in the next 3 years: Poll.

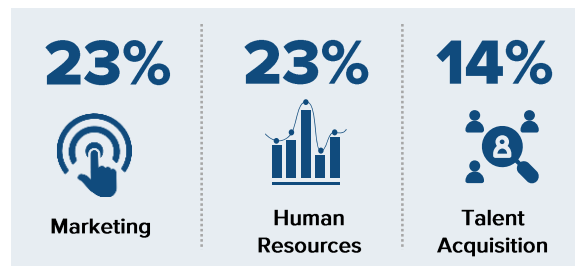
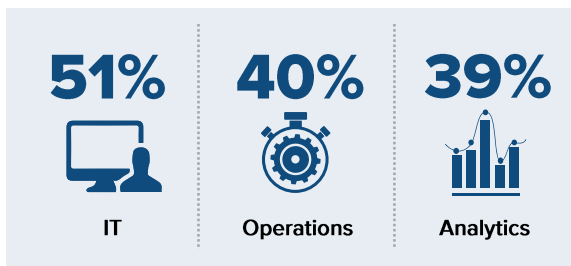
Future Investment by Industry



Future Investment by Departments

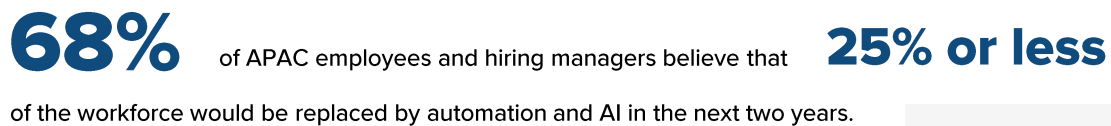
The future investment in automation and AI is believed to be mainly focused on IT, Operations, and Analytics.

Whilst marketing, human resources and talent acquisition are the departments least likely to invest in automation in the future.



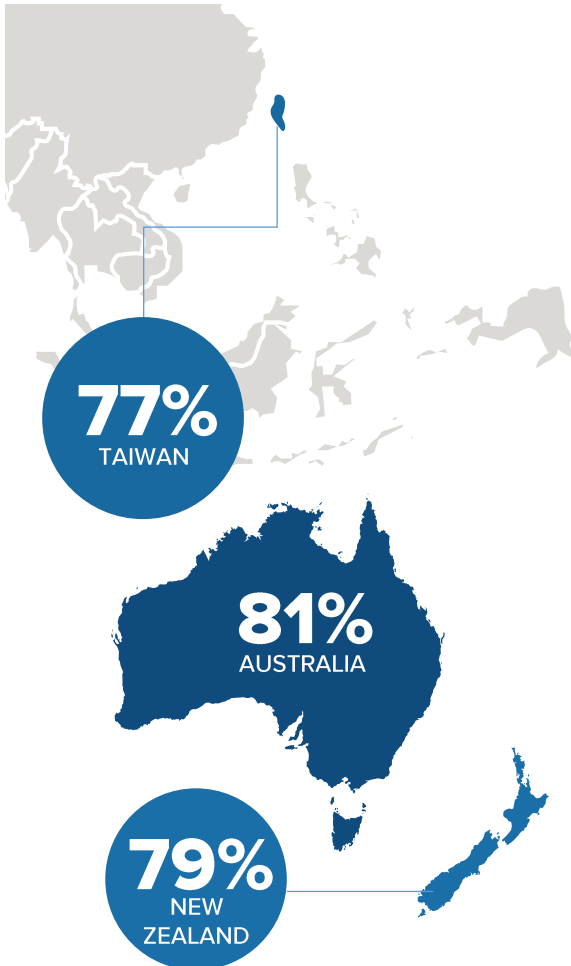
Future job replacement due to automation and AI

Even though automation and AI will gradually be more prevalent in APAC organisations in the short term, the majority of employees and hiring managers believe that only a very small proportion of staff will be replaced by these technologies in the next two years.



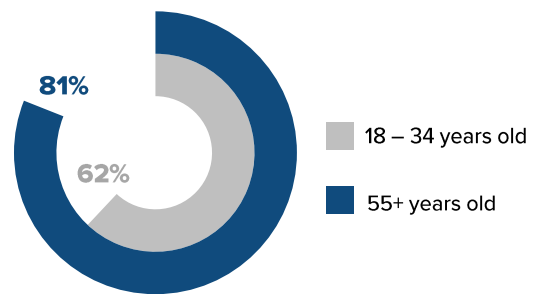
Job Replacement by Markets

Staff in Australia, New Zealand and Taiwan are less concerned about being replaced by automation and AI in the near future.



Job Replacement by Age

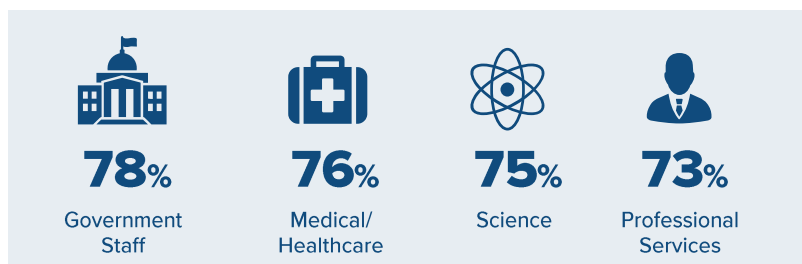
Older workers aged 55 and above are more likely to underestimate the impact of automation and AI on job replacement. This could be a possible reason why older workers tend to believe that a lower proportion of the workforce will be replaced by automation and AI in the next two years.



of employees and hiring managers believe that 25% or less of the workforce would be replaced in the next 2 years.

Job Replacement by Industry

The Government, Medical/Healthcare, Science, and Professional Services industries are also less concerned about being replaced by automation and AI in the near future.



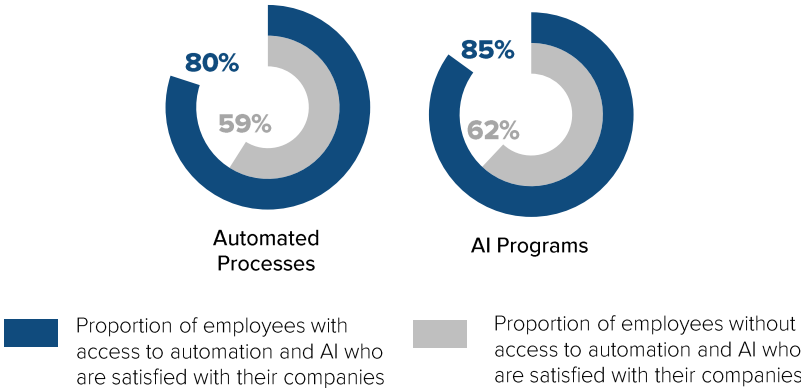
of employees and hiring managers believe that 25% or less of the workforce would be replaced in the next two years.

Increase investment in automation and AI to drive satisfaction

As the presence of automation and AI becomes more prevalent in APAC organisations, the increase in investment in such technologies will have a greater impact on employee satisfaction.

From our study, it can be seen that employees and hiring managers who have access to automation or AI are more likely to be satisfied with their companies compared to those with no access to these technologies.

Satisfaction with Company



As such, by increasing the presence of automation and AI, organisations will not only see an increase of productivity in their processes but also an increase in satisfaction among their workforce.

KEY TAKEAWAYS

- 01** Over the course of the next two years, automation and AI will be more prevalent in APAC organisations, with the majority of employees and hiring managers believing that only a very small proportion of staff will be replaced by these technologies.
- 02** Interestingly, even though younger workers feel more positive about automation and AI than their older counterparts, they are also more likely to recognise the challenges, such as job replacement.
- 03** Our survey has identified that automation and AI not only improves companies' processes, but also increases employees' satisfaction.

RECOMMENDATIONS

As our workplaces become more technologically advanced, companies need to make a concerted effort to drive acceptance and promote the integration of automation and AI with workers in the workplace. Each organisation faces different perceptions and concerns on such trends, which could impact the adoption rate of such technologies. For an organisation to profoundly impact their workforce; part of the solution must be organic, and leaders must also engage with their workforce. In other words, leaders must own their solutions.

We propose the following **TOTAL INTEGRATION** framework to promote the integration of automation and AI with workers at the workplace.



INTEGRATE

Embed automation and AI within the company's overall strategy and **train senior management on this topic so they can clearly articulate the numerous benefits and minimise concerns.**



DISCOVER

Identify employees who are more resistant to automation and AI and refocus their attention on the positive aspects that automation and AI can deliver to an organisation.



FACILITATE

Provide tactical and targeted support for different groups of employees who need to upskill to keep up with the increasing integration of automation and AI at the workplace.



SUPPORT

Continually highlight the benefits of automation and AI such as **increasing efficiency and enabling workers to focus on their core tasks.**



PROMOTE

Ensure a **smooth transition by establishing processes** that ease the collaboration between the workforce and any new automation and AI tools.

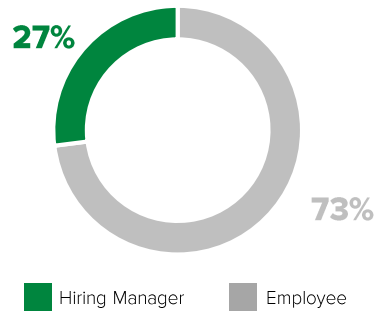
METHODOLOGY

PERSOLKELLY and Ipsos undertook quantitative research with hiring managers and candidates across Asia Pacific in January – February 2019. The survey focused specifically on the impending increase in automation and AI in the workplace and the corresponding perceptions among the workforce. The survey also sought to understand how to best promote integration between human and machine in the near future. The data and insights are based on the responses of 7,277 hiring managers and candidates. Percentages will not always total to 100% as respondents could select more than one option for certain questions.

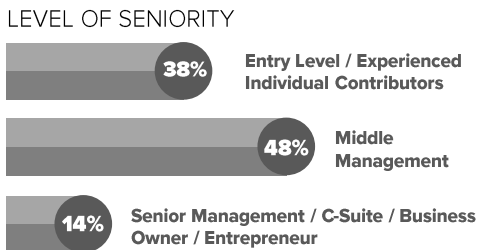
MARKETS

AUSTRALIA	1564
CHINA	501
HONG KONG	769
INDIA	351
INDONESIA	381
KOREA	479
MALAYSIA	505
NEW ZEALAND	879
SINGAPORE	507
TAIWAN	637
THAILAND	352
VIETNAM	352

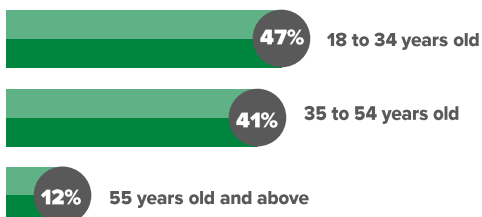
ROLE



WORK STATUS



AGE



INDUSTRY

Accounting & Finance	475
Agriculture / Natural Resources	86
Arts / Entertainment	107
Education	313
Engineering	343
Banking & Financial Services	368
Government	357
High Tech / IT	782
Hospitality / Travel / Leisure / Retail	496
Legal	39
Industrial / Manufacturing / Trades	975
Medical / Healthcare / Life Sciences	407
Non-profit	85
Professional Services	321
Science	72
Transport / Logistics / Warehousing	283
Human Resources	416

About PERSOLKELLY

PERSOLKELLY is one of the largest HR solutions companies in Asia Pacific that provides comprehensive end-to-end workforce solutions. It combines resources and operational expertise of its key brands i.e., Kelly Services, Capita, PERSOL in Asia Pacific, First Alliances, BTI Executive Search, and PERSOLKELLY Consulting.

Headquartered in Singapore, PERSOLKELLY spans over 50 offices across 13 markets including: Australia, mainland China, Hong Kong, India, Indonesia, Korea, Malaysia, New Zealand, Philippines, Singapore, Taiwan, Thailand and Vietnam.

