

Senior Management Expects Humans and Robots to be Comfortable Coworkers by 2020, But Skills and Culture Gaps Pose Hurdles

New Genpact study reveals large disparities - in business performance and attitude - between artificial intelligence leaders and laggards; opportunities exist for companies that overcome internal barriers

NEW YORK, Sept. 20, 2017 [/PRNewswire/](#)-- A large majority of global companies that are leaders in artificial intelligence (AI) expect their employees will work comfortably with robots by 2020. Despite this optimistic outlook, a significantly smaller fraction of businesses is providing adequate reskilling and training to address technology disruption, according to a new survey of C-suite and senior executives. The study shows a striking disconnect between the expectations of how AI will impact the future of work, and the actions companies are taking in preparing their workforces and organizations for that future.

The research, *Is Your Business AI-Ready?*, conducted by Genpact, a global professional services firm focused on delivering digital transformation, and FORTUNE Knowledge Group, also underscores that even in AI's early days of enterprise applications, large gaps in behavior and performance exist between AI leaders (companies realizing the most impact from AI) and laggards (those reporting the lowest business outcomes from this technology). While 82 percent of respondents plan to implement AI-related technologies in the next three years, these disparities in success will only widen without adoption of critical widespread organizational change.

"CxOs often struggle with how to achieve strong business impact from AI. The survey findings underscore what we see with our clients daily - success won't come simply from technology alone," said N.V. 'Tiger' Tyagarajan, president and chief executive officer, Genpact. "Companies must train their workforce - at all levels - and encourage the right corporate culture. Collaboration between humans and machines has the power to improve customer experiences, grow revenue, and create new jobs - but only if senior management has the vision to proactively prepare and embrace change."

Resistance more from corner office than cubicles

While recent news reports raise alarms about the average worker's wariness of AI, the study shows the C-suite's view is the exact opposite: close to one-third (32 percent) of respondents indicate senior management is the group that most strongly resists AI. This compares with only 13 percent who cite middle management, and a mere five percent who say entry-level workers resist most.

Breaking barriers: Leaders embrace talent + technology

According to the research, the top three barriers to AI adoption are information security concerns, lack of clarity about where to apply AI most effectively, and silos within the organization, especially between information technology and other functions. AI leaders clearly understand that overcoming these barriers requires much more than just having leading-edge technology. Leaders dramatically excel over AI laggards in encouraging a culture that fosters success. For example:

- Nearly three quarters (71 percent) of leaders allocate sufficient resources and funding toward AI-related technologies, compared to only 9 percent of laggards.
- More than half (53 percent) of leaders foster a training and development culture to learn new skills, compared to 15 percent of laggards.
- Almost 60 percent of leaders say their middle managers think out of the box and encourage innovation, compared to only 14 percent of laggards.

AI leaders also have a strong focus on process:

- Two-thirds of leaders have processes and systems that are well documented with standard operational procedures, compared to 20 percent of laggards.
- Leaders are more than four times more likely to have large amounts of customer data they can easily share across all departments (58 percent of leaders versus 14 percent of laggards).

"Process design and talent are keys to success with AI," said Sanjay Srivastava, chief digital officer, Genpact. "One provides the catalyst for extracting the value from AI technologies; the other provides the amplifier to drive it at scale for the enterprise. Without one or the other, the chemistry of AI success just doesn't work."

Aiming AI for topline growth: Leaders excel in customer experience and revenue impact

When looking at AI benefits, leaders have the clear edge in moving beyond the more expected cost-cutting measures. While a third of all respondents cite cost savings as a benefit, more than 40 percent of leaders say AI improves the customer experience. Leaders also are almost twice as likely to achieve increased revenues from AI (45 percent of leaders, compared to 25 percent of all respondents) – a clear indication that using AI to transform the customer experience also delivers competitive differentiation.

Moreover, when asked to fast forward three years, 87 percent of all respondents expect that AI will bring better customer experiences. This underscores how companies increasingly plan to throw out their old playbook and replace it with AI – a nod toward the importance of imaginative, personalized, and immersive customer experiences.

The research also addresses companies' investments in and use of AI and other technologies, and further trends on reskilling and workplace issues. To access a copy of the report, *Is Your Business AI-Ready?*, please click [here](#). In addition, in a separate forthcoming study, Genpact will explore AI's impact on consumers, both in their personal and professional lives.

About the Study

In June 2017, Genpact and FORTUNE Knowledge Group conducted a survey of 300 senior executives (C-suite and one level below) from around the world, seeking insights into the strategies respondents and their companies use when adopting artificial intelligence (AI) technologies. Fifty-one percent of the respondents' companies earn annual revenues of US\$1 billion to \$5 billion; 28 percent between \$5 billion and 10 billion; 17 percent between \$10 billion and 25 billion; and 5 percent between \$25 billion and \$50 billion. One-third of the respondents are based in North America, and the remaining two-thirds are evenly split between Europe and the Asia-Pacific region. The study also differentiated between "AI leaders" – respondents who achieve strong positive business outcomes from AI, scoring 9 or 10 on a 10-point scale -- and "AI laggards," who scored 1 through 6 on the same scale.

About Genpact

Genpact (NYSE: G) is a global professional services firm that makes business transformation real. We drive digital-led innovation and digitally-enabled intelligent operations for our clients, guided by our experience running thousands of processes for hundreds of Global Fortune 500 companies. We think with design, dream in digital, and solve problems with data and analytics. We obsess over operations and focus on the details – all 78,000+ of us. From New York to New Delhi and more than 20 countries in between, Genpact has the end-to-end expertise to connect every dot, reimagine every process, and reinvent companies' ways of working. We know that rethinking each step from start to finish will create better business outcomes. Whatever it is, we'll be there with you – putting data and digital to work to create bold, lasting results – because transformation happens [here](#). Get to know us at [Genpact.com](#) and on [LinkedIn](#), [Twitter](#), [YouTube](#), and [Facebook](#).

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