

MEDIA RELEASE

Avanade Research Reveals Australia Leads Global Adoption of AI Despite Staggering Skills Gap

Australia leads the global adoption of AI with 76% of Australian businesses using AI daily, compared to just 57% globally.

SYDNEY, Australia, 23 January 2024 – A new [global survey](#), including Australia, of over 3,000 business and IT leaders released today by [Avanade](#) reveals the workplace impact of AI for organisations and how to safeguard roles as AI is scaled.

Overall, Australia is ahead of the rest of the world, with respondents positive about AI and excited about its potential to help them as a copilot at work. By the end of 2024, AI will offer more than efficiency gains, with employees expecting it to help inspire creative ideas and innovation.

This notion of AI supercharging human intelligence is contrary to hyped fears of human replacement. Two in five Australian businesses surveyed believe that AI will maintain or increase the number of human roles at their organisation in 2024, and most expect headcount to increase by up to 9%. When it comes to the priority of investment to scale AI, Australian businesses view workplace platforms and tools such as Microsoft 365 and Teams as a top investment priority that will enable them to scale.

How will roles change with generative AI tools like Microsoft Copilot?

Most employees expect AI tools like Microsoft Copilot will help them be more efficient, innovative, and empowered in their roles. However, employees are currently unequipped to work with these tools and seize their many benefits. Employers don't have the right mix of skilled AI talent available to achieve their goals and organisations need to invest in upskilling, reskilling, and continuing education for employees to undertake AI projects successfully.

- More than two-thirds (70%) of respondents said employees will need some new skills or a completely new set of skills to work with generative AI tools like Microsoft Copilot in their day-to-day roles by the end of 2024.
- While there is general optimism among employees, almost all (96%) believe their organisation needs to shift to an AI-first operating model in the next 12 months to stay competitive and meet customer expectations.
- Over five in 10 employees (51%) anticipate that generative AI tools like Microsoft Copilot will impact up to 20 hours, or half, of their work week.

How AI-ready are organisations and their people?

Most employees (96%) are optimistic about AI and its impact. Encouragingly, when it comes to having the highest confidence rating in their leaders for understanding AI and governance, Australia continues to lead globally at 67%, followed by the United States at 58%.

- 87% of organisations surveyed in Australia have implemented some or a complete set of guidelines/policies for responsible AI.

- Almost all employees (96%) are confident their organisations and IT teams have the knowledge and resources to scale AI.
- Over half (52%) say their organisation has complete human capital and workforce planning processes in place to safeguard headcount as generative AI is scaled.
- Less than one-third (29%) of employees admit they do not have the utmost confidence that their organization's risk management processes are adequate for an enterprise-wide technical integration of generative AI.

"While businesses and IT executives are enthusiastic about driving business value with AI, the findings also reflect the increasing interest and curiosity we are witnessing from leaders and their people globally," said **Florin Rotar, Chief AI Officer at Avanade**. "Not only do businesses need to take action to ready their people with the essential skills needed to utilise AI effectively, but now is the time for leaders to prepare for an AI-first future by crafting well-defined and responsible strategies."

"The signal from our Avanade AI Readiness Report is clear – AI will continue to be integrated into our everyday lives, reimagining the way we work, collaborate and create," said **Lourens Swanepoel, Data and AI Lead, Avanade Australia**. "Australia has always been an early adopter of emerging technology, and it is encouraging to see that Australian organisations are ready to embrace AI to augment their work. However, to fully reap the true potential of AI, businesses will need to ensure that the workforce is equipped with the skills and knowledge to effectively collaborate with AI systems in a responsible manner."

The full findings are available by downloading the report: [Avanade AI Readiness Report](#).

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Survey Methodology

The survey was conducted in August 2023, by McGuire Research Services on behalf of Avanade. 3,000 qualified respondents were self-reported to be between the ages of 18 and 65; located in and working for a company headquartered in one of the following countries: Australia, Brazil, Canada, France, Germany, Italy, Japan, Spain, United Kingdom, and United States; working for a company in one of the following industries: Banking, Energy, Government, Health, Life Sciences, Manufacturing, Non-profit, Retail, and Utilities; working for a company with annual revenue of or greater than \$500 million; with a job title level of staff or specialist, mid-level management, senior executive, or C-level; a role in AI decisions for their company for mid-level management titles or higher; and awareness of their company's current AI strategies for staff and specialist titles. Respondents were not asked to identify the name of their company. The survey was conducted in both English and in the native languages of the countries included, with respondents choosing the language.

About Avanade

Avanade is the leading provider of innovative digital, cloud and advisory services, industry solutions and design-led experiences across the Microsoft ecosystem. Every day, our 60,000 professionals in 26 countries make a genuine human impact for our clients, their employees and their customers.

We have been recognized, together with our parent Accenture, as Microsoft's Global SI Partner of the Year more than any other company. With the most Microsoft certifications (60,000+) and 18 (out of 18) Gold-level Microsoft competencies, we are uniquely positioned to help businesses grow and solve their toughest challenges.

We are a people first company, committed to providing an inclusive workplace where employees feel comfortable being their authentic selves. As a responsible business, we are building a sustainable world and helping young people from underrepresented communities fulfil their potential.

Majority owned by Accenture, Avanade was founded in 2000 by Accenture LLP and Microsoft Corporation. Learn more at www.avanade.com.

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