

## AI and its Impact on the Global Workforce

📅 OCTOBER 9, 2024 | ≡ ARTICLES



**Insights from Jordi Berenguer, Managing Partner, IMSA Search Global Partners Spain and General Manager, AdQualis Executive Search**

The arrival of AI on the global business scene feels like old news. Yet the pace of its implementation and resulting impact on the future of work is staggering. McKinsey Global Institute's "A New Future of Work: The Race to Deploy AI and Raise Skills in Europe and Beyond" (June 2024) projects that "by 2030...about 27% of current hours worked in Europe and 30% of hours worked in the US could be automated, accelerated by gen AI," driving real concerns about automation and job replacement, the lack of appropriate skills in today's workforce, and the negative impact on the labor market. At the same time, this accelerated adoption of AI and new technologies is also driving real productivity gains.

### Across Sectors and Around the Globe a Growing Skills Mismatch

McKinsey's survey of C-suite executives around the world confirms companies already face significant challenges regarding worker competencies. Ramping up skills required for jobs in new tech and AI is critical, particularly tech-related skills such as advanced IT and programming, data analysis, and math. Tech and/or tech-adjacent jobs demand higher cognitive skills like critical thinking, problem structuring, and complex information processing, also cited as skills shortfall areas. Interestingly, executives report having enough employees with "basic cognitive skills and, to a lesser extent, physical and manual skills."

### Leveraging AI for Economic and Social Benefit

To remain competitive, companies have no choice but to jump on the new tech bandwagon. Jordi Berenguer, Managing Partner, IMSA Search Global Partners Spain and General Manager, AdQualis Executive Search asserts, "Broadly speaking, AI can help companies increase their efficiency and productivity, improve the quality of their products and services, drive innovation and stay competitive in a constantly evolving market. Beyond its advantages, it is important to implement AI strategically and ethically, considering its impact on employees and society in general."

Estimates of AI's effect on adding global economic activity over the next 10 years range from \$7 trillion or 7% additional cumulative global GDP (GoldmanSachs.com) to \$13 trillion or about 16% higher cumulative global GDP (McKinsey Global Institute). This economic growth will not occur without an appropriately skilled workforce. Occupational transition has become a necessity, as executives strategize how to provide for current and future workforce needs. As adoption of automation and generative AI accelerates, businesses will continue to leverage the potential of these technologies not only for financial benefit, but also to ensure the long-term employability of their workforce.

### Job Winners and Job Losers

As digitization, robotics, and AI replace many jobs, new ones are being created. Coursera, a global open online professional learning provider, partners with leading tech companies such as Google, IBM, Meta, and Microsoft, as well as premier universities like Stanford, UPenn, Imperial College of London, and MIT, to provide degrees and certificates in AI careers. These include AI engineer, Data scientist, Data engineer, Machine learning, Robotics engineer, and Software engineer. A scan of the internet shows additional AI jobs, including Natural language processing, User experience, Data analysis, and Computer vision engineer.

The job losers tend to include those positions which require basic cognitive skills such as office support and customer service roles. Basic data entry, literacy, math, and communication skills are being automated, which means fewer bookkeepers, phone operators/receptionists, salespeople, and research analysts. Also, robotics is replacing many jobs requiring physical labor and repetitive tasks in industries like manufacturing and warehousing.

### Balancing Priorities in the Age of AI

To capitalize on the fast-paced AI revolution, C-Suite executives must prioritize:

- Understanding technology options and their relevant potential to enhance business
- Identifying those tools most likely to drive productivity and growth
- Planning for short and long-term workforce realignment through reskilling/upskilling and new talent recruitment
- Developing the entire workforce to adapt to the changing operational environment
- Pursuing ongoing tech education at all levels, from the C-Suite on down

Jordi Berenguer, Managing Partner, IMSA Search Global Partners Spain and General Manager, AdQualis Executive Search says, "As AI continues to impact the creation and transformation of employment, it is also necessary to highlight the importance of implementing AI in a way that protects the rights and privacy of employees, and that promotes a balance between automation and human contribution in the workplace."

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