IDC

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The Path to AI Everywhere: Exploring the Human Challenges

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UNIT4

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Introduction

The path to AI Everywhere is not just technology-focused. Understanding the technical, ethical, and human perspectives are equally crucial.

There is much agreement that AI will automate routine tasks, freeing up time for more strategic work. But what does this future workplace look like? How will AI impact the way we work and interact with colleagues, and what will be expected of employees in the AI-fuelled office?

Clearly, AI has much to offer. However, humans perform vital roles, not only as gatekeepers and controllers but also as sources of invaluable institutional memory and intelligence. Today, AI struggles to understand unique and random events specific to a given organization, and it cannot replicate the emotional and serendipitous aspects of employee interactions.

If AI cannot replicate every aspect of our human-to-human interactions, then AI adoption should not only involve a discussion about the technology but also the people-related, cultural, and organizational changes needed to maximize the benefits of AI.

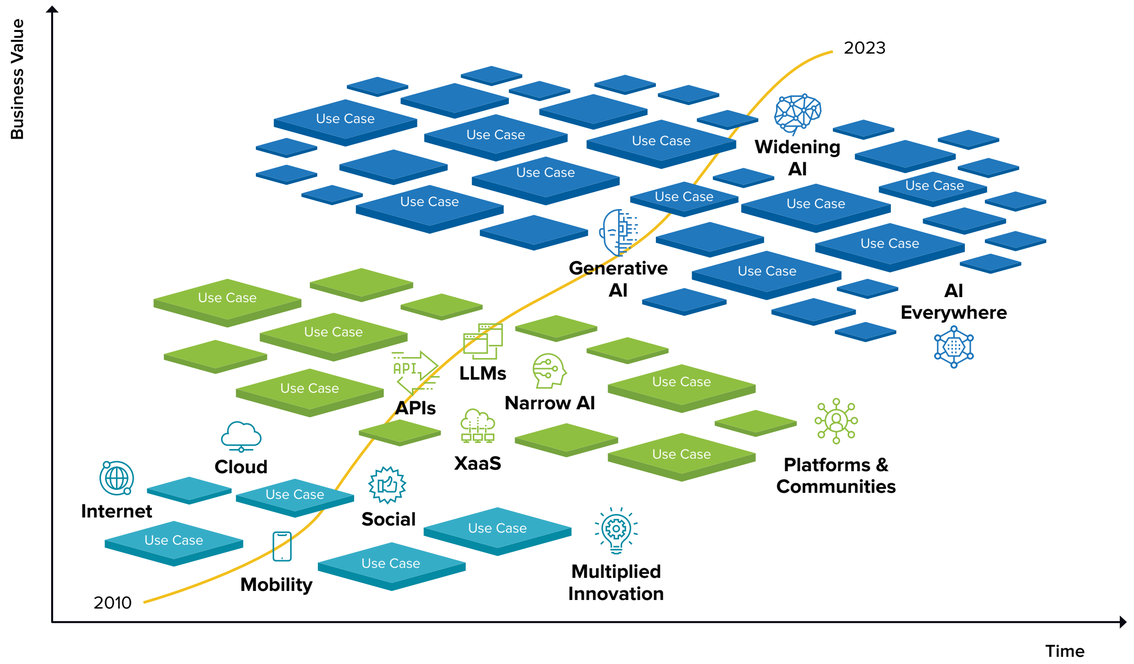
This document explores just how this will impact and shape the current and future dynamics of work.

Methodology and Approach

To enable this document to take shape, IDC utilized its broader research capabilities and insight from across its global network of analysts and consultants. This was augmented by a set of eight in-depth interviews with thought leaders, experts, and practitioners from IT, finance, HR, academia, and business. Insights are presented using a mix of quotes and data points and implications are discussed; the document is designed to be as thought-provoking as it is informative.

The Path to AI Everywhere

Digital Business: Innovation at Scale



> ***Technology leaders need to always have a strategic vision of how data and AI can transform the business. But it is vital that they stay results-oriented to be able to translate technical concepts into commercial impact and customer experiences."***
>
> — Alejandra Diaz, Head of AI, Telefonica Innovacion Digital

IDC forecasts a market shift toward AI Everywhere, marking a new phase in the digital business journey.

By 2028, 80% of CIOs are expected to implement organizational changes to utilize AI, automation, and analytics effectively, fostering agile and insight-driven digital enterprises.

This evolution will create both new opportunities and notable risks, compelling every organization to navigate a unique path to impactful and responsible outcomes.

For successful AI integration, it is essential to make AI a carefully planned core component of the organization's growth strategy, considering both business and human-impact outcomes.

Even with many unknowns, exploring the key questions (where, why, how, and who) related to AI in the workplace is a crucial first step for developing your future business model effectively.

An Evolution in the Future of Work

The shift toward AI Everywhere will require a change in how people work. This includes the reshaping of work, tasks, management structures, and even the role of organizational employment within society.

A range of digitalization programs will be based on AI. Routine tasks will be optimized; automation will lead to the broader transformation of user experience in functions such as customer services.

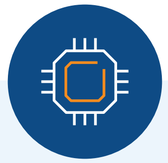
Vast improvements will be made to the use of data relating to customer inquiries and quality control. Jobs will evolve, and new roles will be created directly connected to AI offerings and solutions.

The whole workforce will shift to another level of AI utilization. Jobs will be involve far fewer administrative tasks and far more problem-solving or managerial tasks.

This requires a change in the way companies are organized. A quarter of jobs will change in the next five years, and even more in the next decade.

Managerial roles remain, but expert roles carry far more weight.

Management tasks are divided across all roles. This raises questions regarding the value placed on specific roles within an organization, especially in the context of deep expert knowledge versus administration.



Future AI requires an entirely new set of collaborations between government, unions, employees, industry groups, and education establishments to address concerns and foster a more inclusive AI-driven society. Stakeholders must work together to bring issues to the table, with the aim of building a society with a positive, healthy outlook on AI.

Decisions made today will impact (positively and negatively) the AI Everywhere of tomorrow.

The AI-Enabled Work Models of Tomorrow Will Look Different

This shift in the nature of work will require new AI-enabled work models.

Traditional Work Models	AI-Enabled Work Models
Junior workers do basic tasks, learning about organizational norms and building relationships	AI assistants and agents do basic tasks and complex workflows to assist new ways of working
Siloed functional areas and associated applications and technologies	Integrated functional areas interconnect via AI application workflows
The C-suite function relies on trickle-up functional reporting, with a trickle-down strategic direction	C-suite can access data and analytics across all functions through dashboards and insights
Skills development is standalone and only important in certain situations	Skills development is integral to a skills-based organization powered by embedded AI
Productivity is paramount and measured by the speed of completion	Productivity is part of a holistic set of value assessments, (business and individual)

AI: A New Tool or a New Way of Working?

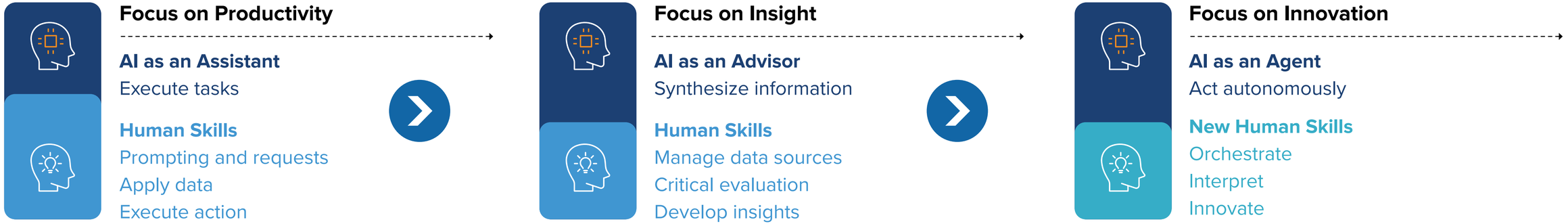
> ***AI is a sophisticated tool that helps humans perform tasks more efficiently or in ways that were previously not possible. AI can redefine how people work by changing workflows, collaboration, and even the nature of certain jobs. It is not just automating old tasks; it is creating new ones and altering how humans engage with work."***
>
> — ChatGPT 4.0

A Tool Today: Tactical

Today, AI is a smart tool that helps people with repetitive tasks, analyzes data, and supports human decisions. Like computers or machines, AI is a means to reach a goal.

A New Way of Working: Strategic

In the future, AI will transform workflows, teamwork, and the types of jobs available. Collaborative AI will act as a creative partner and reshape job roles.



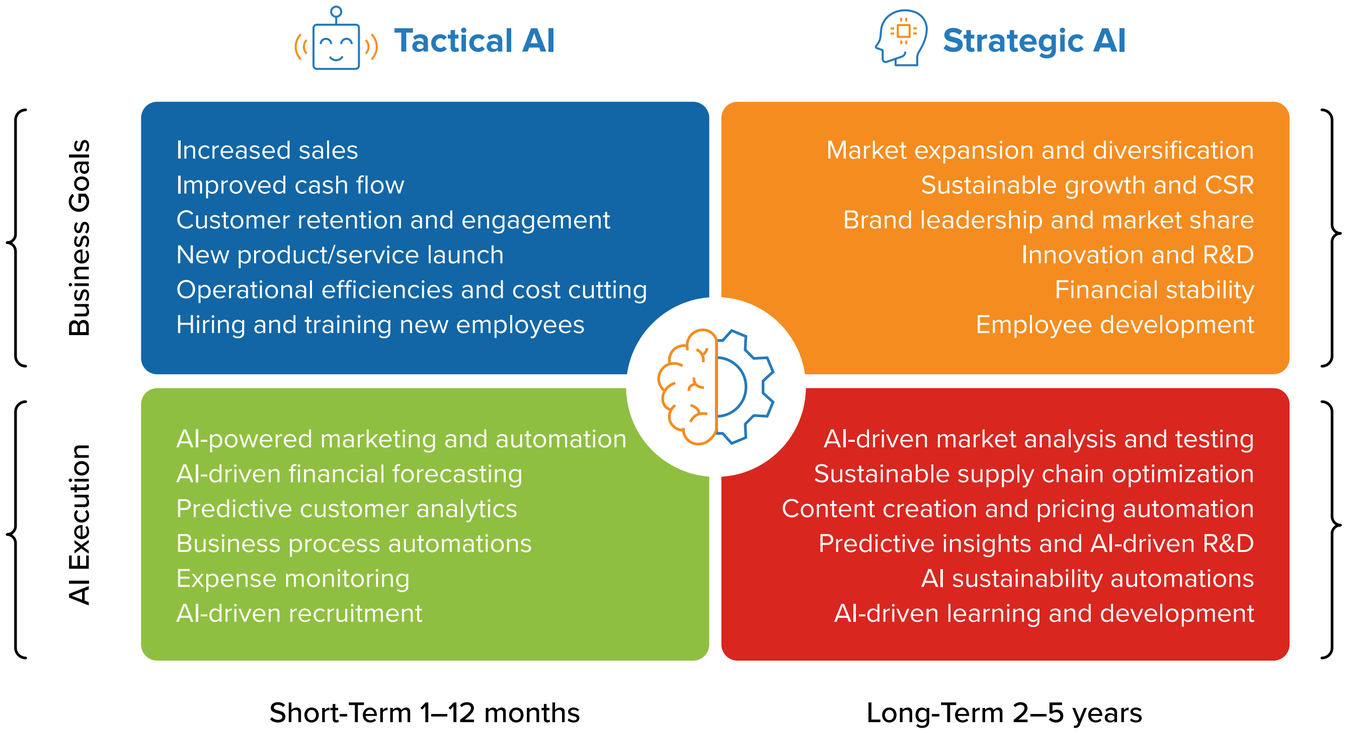
AI is changing the future of work. It is both a powerful tool and a catalyst for changing how work is conceptualized and performed.

Which One Will You Choose? Tactical AI Versus Strategic AI

Immediate gains from AI will need to be balanced with the longer-term impact on how people work. This requires a clear understanding of tactical use cases and benefits, as well as balancing the impacts on individuals with longer-term strategic gains.

Organizations are increasingly driven by short-term business goals, which leads to tactical decisions.

Short-term AI executions are also tactical. They utilize AI as a tool or a "fix" for immediate returns.



Longer-term goals focus on broader sustainability. This includes the stability of the organizational culture and of its individuals.

As a result, AI use cases and executions are focused on developing sustainable growth for both the organization and the employee.

In future, two approaches to AI will be taken — AI as a tool and as a new way of working.

AI Will Deliver Business Outcomes But Will Also Give Rise to Human Challenges

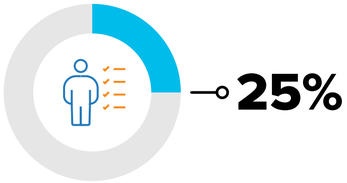
> ***This is not just about positioning disruptive technology within your business portfolio and trying to maximize the benefit. Rather, it's to carefully ensure that this doesn't create unnecessary complications or escalating costs instead of creating efficiencies."***
>
> — Barry Lowry, CIO, Irish Government

European Companies Anticipate...

Productivity gains via a focus on higher-value tasks

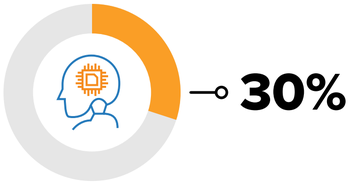
Faster decision-making and execution of repetitive tasks

Improved employee and customer experience

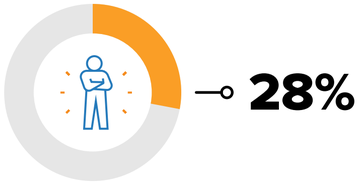


European Companies Struggle With...

AI-related technology and human skills shortages



Effectively addressing the fear of layoffs



Business leaders in Western Europe and the United States recognize that AI can boost productivity in various areas (e.g., sales, marketing, product research and development, and human resources). However, AI is not yet capable of fully replacing human jobs, as it still requires some level of human oversight. More companies may adopt AI as the technology advances, resulting in shifts in job roles or even the replacement of certain positions. Individual businesses and society need to get ready for these changes.

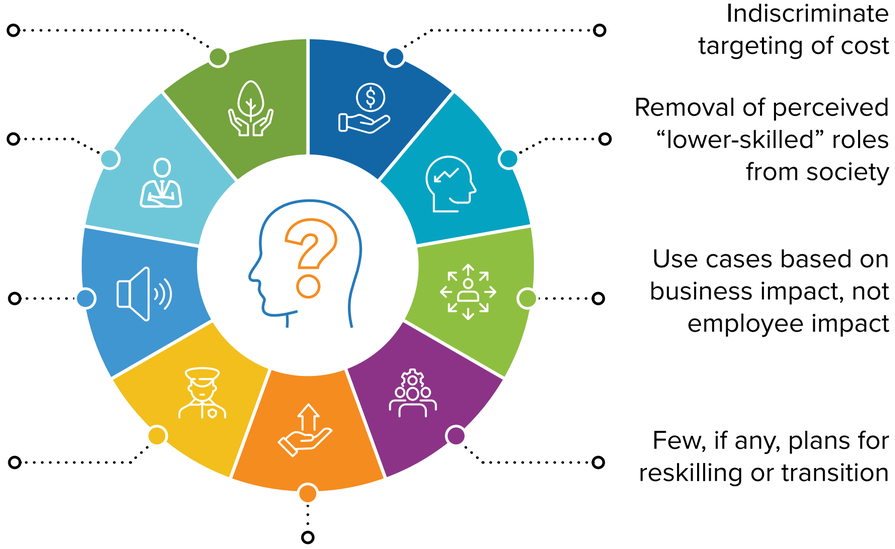
Looking at AI adoption through the lens of the Future of Work should be as much about the human variables as the business ones.

Sources: IDC's *Regional Responses to GenAI and the Future of Work,* 2024; IDC's *Future of Work Survey,* June 2024, n = 1,269

The Rise of the AI Orchestrator

> ***The immediate reaction will be to cut jobs with AI. This will be done on the promise of streamlining organizations to address labor shortages and demographic issues. This would mean that people see AI only as a cost-cutting tool. If this happens, the starting point for all of this is wrong."***
>
> — Joerg Staff, German Association for Human Resources Management (DGFP)

Cited Concerns and Fears



Alienating and disenchanting the existing workforce

43% of surveyed employees in the U.S. and Europe do not trust their employers to handle their data responsibly in an AI context.

78% of surveyed employees in the U.S. and Europe expect some or most of their current tasks to be automated over the next two years

Workers seek clarity on the utilization of AI tools and the algorithms that drive them. Clear policies and assurances around clean, reliable data are needed now, and they should continue to evolve as AI's influence grows.

AI policies should protect both employees and companies and be adaptable over time.

An AI orchestrator could manage the relationship between AI and staff, playing a key strategic role in the organization, supported by the CEO and the board.

Moving to broad AI adoption is a change management exercise as much as a business and operational model transformation. Organizations should nominate an AI orchestrator to reduce friction.

Source: IDC's *Future of Work Survey,* June 2024, n = 1,269

“One of the challenges we are having is… when giving employees Copilot or other tools, they don’t tap into that standard practice of leveraging the technology. They go back to the old norms.

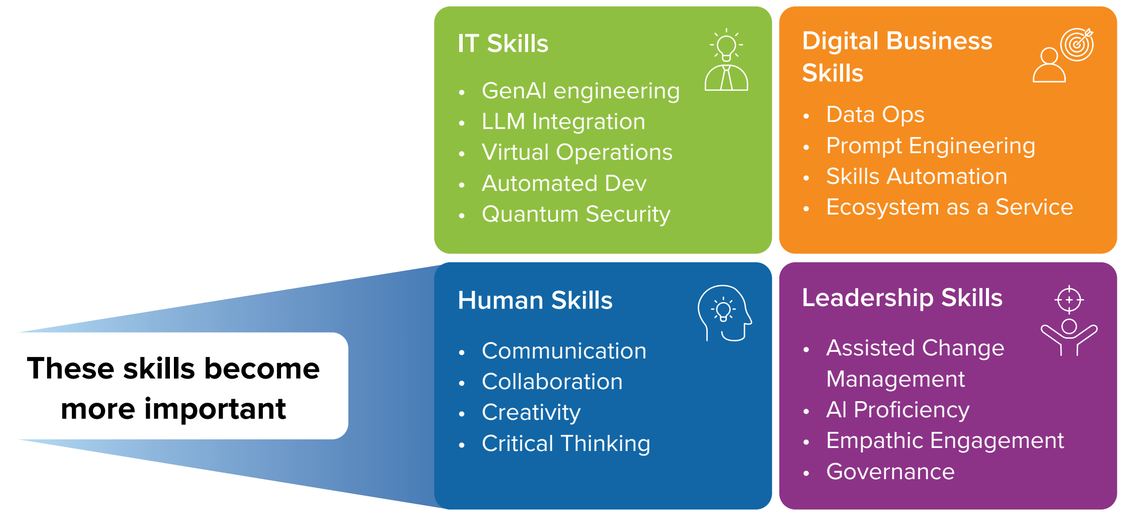
So, how do we make them use those technologies to their advantage?”

— CIO, large manufacturing company

Rethinking Work Means Rethinking Skills: Building Your Own AI DNA

> ***"The risk lies in the fact that the initial literacy required to engage with the world of AI — while intuitive and accessible — may not be adequately supported by companies, leaving it solely to individual initiative and effort."***
>
> — Barbara Rizzo, Head of Assessment Architecture & People Metrics, Glasford International

Skills Development Framework 2030



Source: IDC's Skills and Generative AI Research, 2024

Workers based in Europe and the United States generally have a positive view of AI, with 88% not seeing automation as a threat and 52% believing it will improve their work experience. However, 50% also feel they would need additional training to take full advantage of AI.

Companies need to guide their employees through the AI transition by creating their own AI DNA. A key aspect is promoting continuous education. It is essential for organizations to create a culture where all employees, regardless of age, are encouraged to embrace lifelong learning.

Q: What key elements are missing in your learning & development at your current employer?

32%
More paid time for training and learning

23%
Freedom to choose my training path

22%
Skills measurement and tracking

For AI-driven employee augmentation to be successful, companies need to create their own AI DNA. They need to see AI adoption as a long-term initiative which requires significant change management.

Source: IDC's *EMEA & NA FoW Employee Experience Survey,* 2024

A Human-First AI-Fueled Future of Work

> ***Accountability is one of the main topics discussed in the context of AI and responsible AI. Who is accountable now and who should be in future?"***
>
> — Ewa Zborowska, IDC Analyst, Artificial Intelligence

1

Adopt Human-Centric AI

"We are profoundly convinced that this is not a technological project, this is a change management project. Humans should be in the center."

- Demetrio Migliorati, Head of Innovation, Mediolanum Group

The goal of human-centric AI must not be to replace employees but to enhance human capabilities with intelligent technology. Develop a clear strategy that ensures the focus is on trust, data and usage transparency, and safety and ensure that AI benefits the business as a whole.

2

Involve Your Users

"Creating those emotions and taking them on that journey is paramount, as well as creating some kind of FOMO that if you are not there, you are missing out. The message should be: Please be part of this journey."

- Anindya Biswas, Chief Digital and Product Officer, Mitie

Involve your users in the AI journey from the start, highlighting opportunities for their own work and the business overall. Having them participate in the development and execution of AI will enable them to champion AI initiatives throughout the organization.

3

Upskill Your People

"The role of HR is going to be critical in this too and that is to facilitate the learning that is required to enable this disruptive technology to be used successfully."

- Barry Lowry, CIO, Irish Government

Without the appropriate training, organizations expose themselves to various risks that may have far-reaching implications. A lack of knowledge could lead to user resistance and a loss of ROI. The unintentional misuse of AI tools could have legal consequences.

Now is the time to evaluate and improve existing work policies and practices or to create new ones to help you harness AI responsibly and prepare for the inevitable changes in work as we know it today.

An Initial Guide to Starting Your AI Journey

> ***"There is a lot of complexity under the hood of those solutions, but really, they are only probability machines. That's a long way from a general AI, and I think although we're accelerating towards that, the future of having a Terminator-style Skynet AI is still a long way off."***
>
> — Peter Davies, Developer, Panache

	1	2	3	4	5
FACTS	AI still represents a small portion of total digital spending in the EMEA region.	In 2024, most AI plans did not make it into successful production.	AI is for everyone — not just for IT.	AI will impact tasks in nearly every job role.	AI should enhance humans, NOT replace them.
ACTIONS	Take your time getting ready for this monumental change. Focus foremost on AI education and adoption.	Successful AI needs careful change management alongside new business and operational models.	Appoint an AI orchestrator to help minimize obstacles.	Develop your own unique AI DNA to chart the AI journey for all your employees.	Keep your employees at the center of ANY AI implementation.

By taking time for careful planning and prioritizing employee experience, your business can ensure a smooth and successful AI implementation, maximizing the potential of this transformational technology.

Detailed Finance Case Study

Transforming Finance Through AI

Understanding the pressures and realities of the finance function today helps define how the function could look tomorrow with even greater AI utilization. Rather than transforming finance as a discipline, AI could transform how finance enables advantage.

Today

It works, but is it ideal?

Despite the investments made in digitalization, employees in finance and across the organization spend much of their time on repetitive and mundane tasks. This includes keying invoices into accounting applications, categorizing expenses, and matching invoices to purchase orders and goods received. Ensuring accurate invoices and transactions, as well as all forms of reconciliation, takes time and effort.

Inaccuracies, the failure to provide correct details, and a host of unexpected issues add to the workload, even before the anxiety-inducing grind of chasing overdue payments and approvals.

From an FD and CFO perspective, various “versions of the truth” drift around the organization, with consistency and accuracy always slightly out of reach. Real-time insights — especially for compliance and risk management — appear distant, and resources are consumed in reconciling various systems within the organization and outside it.

The finance function is under constant pressure make accurate and informed decisions (many of which will determine the future success of the organization), no matter the situation.

Tomorrow

Automation is there to help. Finance processes have not been automated to the point of removing human judgment. Customers do not appreciate automated emails chasing payments; however, they do appreciate the seamless and integrated use of an agent when paying.

Steering the finance and treasury functions through the storms of modern business requires access to accurate real-time data, all of which is now at your fingertips. Suggestions and “red flag” events are highlighted and prioritized, but little is done without management approval. Systems play supporting and advisory roles.

Technology is also used to enable the broader education of the workforce. Finance is being decentralized, empowering the wider organization with self-service tools and insights, but this occurs without any loss of control or sense that the finance function’s authority has diminished.

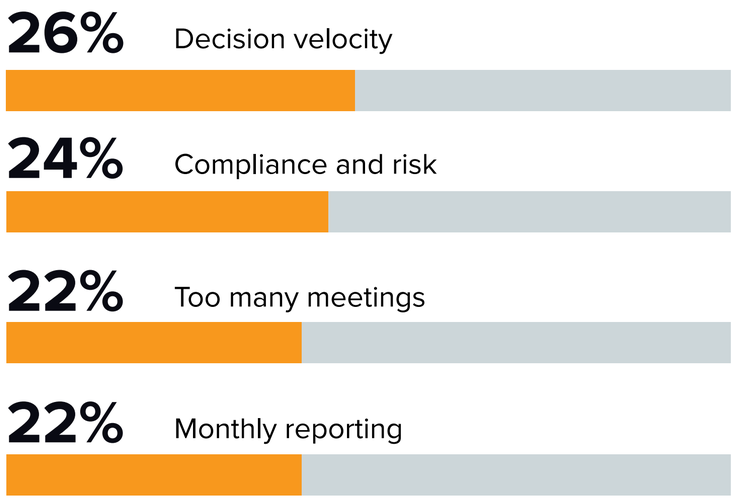
Systems are integrated with those of suppliers, customers and partners, enabling a broader ecosystem of finance to flex and adapt in support of all. This has installed a heathy sense of partnership across the supply chain.

Perhaps most critically, forecasting, scenario planning, and insights allow time to be spent on scaling the business and ensuring longer-term prosperity for all.

The AI-Fueled Finance Department of Tomorrow

> ***"Finance departments often look at things more long-term than other departments; removing controls can lead to short-term decisions that are detrimental to the business. The rapid development of and reliance on AI could lead to ignorance and vulnerability when it fails."***
>
> — Robert Brown, Financial Director, Medvivo Group Ltd

Greatest Challenges for the CFO Role



Finance Evolution Concerns

Pressure on finance to continue day-to-day operations while making long-term decisions could result in the rapid adoption of AI solutions.

However, most modern organizations already have streamlined paperless processes for approvals and invoicing. Relying too heavily on AI will lead to a lack of nuance and human interaction. Concerns about losing control over critical decisions are real. Short-term AI adoption may lead to cutting headcount or further streamlining, but it may also result in diminished oversight and compliance.

Finance Evolution Best Practice

One key area of opportunity is to utilize AI to decentralize the function, allowing control to be spread across the organization.

However, the importance of understanding the underlying processes and the potential consequences of decisions remain. Organizations must utilize AI to enable finance teams (as well as everyone within the organization) to access a real-time unified version of the true data.

AI tools must present insights, offer solutions and resolutions, and unite employees and stakeholders within a field of understanding.

Finance is a very real and understandable example of where AI can be used as a tool and a new way of working. It is also an area of the organization in which the temptation to automate and streamline must be balanced with the ability to empower and enable individuals and decision-makers.

Source: IDC's *Office of the CFO Survey,* 2024, N = 512

Find a Super Use Case: Financial Risk Management Example

> ***The identification of use cases and, indeed, their prioritization is critical to the successful deployment of AI. Beyond this, however, is the successful identification and deployment of super use cases. These are the ones that will drive efficiencies, provide accurate insight, and generally empower the finance function to be more accurate and more impactful on the business."***
>
> — Tom Seal, Senior Director, IDC Finance Research

Super Use Case Criteria

Rich in Business Outcomes

- Increases efficiency
- Drives revenue growth
- Improves customer satisfaction

Builds Resilience

- Anticipates market changes
- Manages risk

Promotes Overall Health

- Promotes adaptability
- Fosters innovation
- Supports sustainable growth

Finance Treasury & Risk

- Scenario analysis and simulation

Financial teams generate scenarios and simulations based on different market conditions, regulatory changes, or internal factors. While this is an existing AI use case, GenAI increases teams' efficiency in assessing the potential outcomes of various events (e.g., market fluctuations, regulatory changes, or operational disruptions).

This meets super use case criteria because it:

- Increases efficiency
- Manages the risk associated with changing market conditions
- Promotes adaptability by enabling the organization to adjust to changing market conditions faster

In 2024, the majority of AI Proofs of Concept did not make it into successful production. Organizations must ensure their AI strategies prioritize super use cases.

Starting Your AI Journey as a CFO

> ***AI could help decentralize the finance function, allowing control to be spread across the organization rather than relying on a centralized team. The danger here is that the centralized function still has a purpose [in terms] of responsibility and accountability. Perhaps a better way to think about it is what finance should be and look like, and then work back from there using AI tools to enable it."***
>
> — Robert Brown, Financial Director, Medvivo Group Ltd

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FACTS	The finance function is under pressure to cut costs.	AI is a tool and a new way of working.	The finance function has already been heavily automated.	Decision-making is one of the largest pressure points for finance professionals.	Many of the AI use cases adopted in finance will not work.
ACTIONS	Two clear paths of adoption are evident: tactical and longer-term transformation. Each must be understood.	Understand the end goal and vision for finance (e.g., real-time access or self-service). Work back and define immediate steps.	Determine which lessons can be learned from past tech adoption/ implementation.	Focus AI super use cases on assessing the potential outcomes of various events.	Accept this. Ensure a process rich in compliance and resiliency to reduce the impact on the organization.

Rethinking finance as a function for everyone within the organization — customers, partners, suppliers, and investors — enables the right approach to be taken, now and in the future.

Country Data Appendix

Sweden

43%

of enterprises plan to invest in GenAI digital assistants in 2024 and 2025 (e.g., ChatGPT, Gemini for Google Workspace, and Copilot).

27%

of enterprises have started to invest in GenAI productivity tools to measure GenAI's impact on employee workflows.

52%

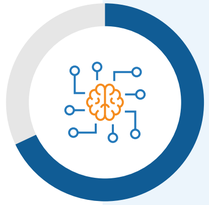
of enterprises expect AI's biggest impact to be on time savings, as it allows employees to focus on higher-value tasks.

Enterprises have observed a skills gap for both technical skills

(40%)

and human skills

(48%)



68%

of employees agree that AI will impact their current roles at least partially.

38%

of employees feel the changes increased automation will bring to their work will improve their employee experience.

71%

of employees fear their company does not categorize AI applications based on the risk of potential harm to employees and customers.

Source: IDC's *WW Future of Work Survey,* May 2024

Source: IDC's *EMEA & US FoW Employee Experience Survey,* June 2024

Germany

53%

of enterprises plan to invest in GenAI digital assistants in 2024 and 2025 (e.g., ChatGPT, Gemini for Google Workspace, and Copilot).

30%

of enterprises have started to invest in GenAI productivity tools to measure GenAI's impact on employee workflows.

36%

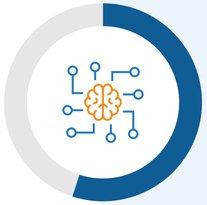
of enterprises expect AI's biggest impact to be on time savings, as it allows employees to focus on higher-value tasks.

Enterprises have observed a skills gap for both technical skills

(35%)

and human skills

(33%)



55%

of employees agree that AI will impact their current roles at least partially.

40%

of employees feel the changes increased automation will bring to their work will improve their employee experience.

51%

of employees fear their company does not categorize AI applications based on the risk of potential harm to employees and customers.

Source: IDC's *WW Future of Work Survey,* May 2024

Source: IDC's *EMEA & US FoW Employee Experience Survey,* June 2024

UK

59%

of enterprises plan to invest in GenAI digital assistants in 2024 and 2025 (e.g., ChatGPT, Gemini for Google Workspace, and Copilot).

38%

of enterprises have started to invest in GenAI productivity tools to measure GenAI's impact on employee workflows.

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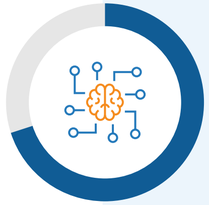
Enterprises have observed a skills gap for both technical skills

(44%)

and human skills

(36%)



70%

of employees agree that AI will impact their current roles at least partially.

50%

of employees feel the changes increased automation will bring to their work will improve their employee experience.

50%

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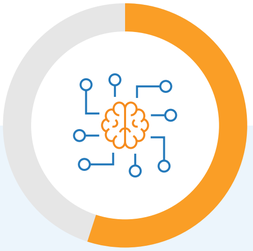
Source: IDC's *WW Future of Work Survey,* May 2024

Source: IDC's *EMEA & US FoW Employee Experience Survey,* June 2024

Benelux



55%

of employees agree that AI will impact their current roles at least partially.

37%

of employees feel the changes increased automation will bring to their work will improve their employee experience.

82%

of employees fear their company does not categorize AI applications based on the risk of potential harm to employees and customers.

USA

59%

of enterprises plan to invest in GenAI digital assistants in 2024 and 2025 (e.g., ChatGPT, Gemini for Google Workspace, and Copilot).

42%

of enterprises have started to invest in GenAI productivity tools to measure GenAI's impact on employee workflows.

37%

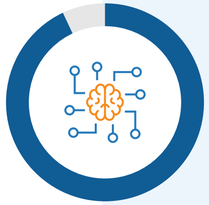
of enterprises expect AI's biggest impact to be on time savings, as it allows employees to focus on higher-value tasks.

Enterprises have observed a skills gap for both technical skills

(39%)

and human skills

(32%)



93%

of employees agree that AI will impact their current roles at least partially.

68%

of employees feel the changes increased automation will bring to their work will improve their employee experience.

45%

of employees fear their company does not categorize AI applications based on the risk of potential harm to employees and customers.

Source: IDC's *WW Future of Work Survey,* May 2024

Source: IDC's *EMEA & US FoW Employee Experience Survey,* June 2024

Unit4 AI Philosophy

UNIT4

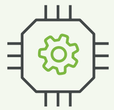
At Unit4, our focus is people. Since 2017, we've been dedicated to transforming the enterprise resource planning (ERP) landscape by integrating AI and automation, empowering service-centric organizations and their teams to concentrate on what really matters. Our strategy delivers modern, intelligent ERP solutions that simplify workflows, enhance productivity, and solve real challenges, making "getting work done" not just easy but intuitive and effective.

Our philosophy centers on human-centered design and the practical application of AI, and we tailor our Smart Experiences and automation strategy to meet the unique needs of our users. By enhancing key operations in finance, planning, and human resources, we aim to significantly reduce the time and errors involved in tasks like invoicing, payroll, expenses, and absences. Our goal is to automate 50% of ERP tasks within the next three years, prioritizing solutions that accelerate task completion and improve precision and directly empowering users to work more efficiently and effectively.

Empower Human Potential

We continuously develop technologies that augment and enhance human activity, boosting the potential of what your people can achieve with their ERP.

Pragmatic AI Integration



Our approach to adoption has always been and will continue to be pragmatic, involving the thoughtful deployment of technology to enhance process efficiencies and solve complex organizational challenges for midmarket service-based organizations.

Human-Centered Design Excellence

Our strategy focuses on a steadfast commitment to human-centered design; it places our users' needs at the forefront, with streamlined operations, higher task completion rates, reduced task time, and elevated customer satisfaction as our constant benchmarks.

To learn more about our product innovation, visit our website or download our AI product innovation white paper.

About the Analysts

Meike Escherich
Associate Research Director,
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Meike Escherich is an associate research director with IDC's European Future of Work practice, based in the UK. In this role, she provides coverage of key technology trends across the Future of Work, specializing in how to enable and foster teamwork in a flexible work environment. Her research looks at how technologies influence workers' skills and behaviors, organizational culture, worker experience and how the workspace itself is enabling the future enterprise.

More about Meike Escherich

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