Generative AI expected to accelerate entry-level career progress across industries

- *Employees believe generative AI will facilitate a third (32%) of entry level tasks over the next 12 months.*
- *6 in 10 managers and most employees (71%) expect entry-level roles across functions to evolve from creation to reviewing generative AI outputs, over the next 3 years.*
- *Over three-quarters (78%) of leaders and managers predict generative AI will augment their problem-solving and decision-making in the next three years, and over half think manager-level positions will evolve towards specialization.*

Paris, October 17, 2024 – The Capgemini Research Institute's new report on generative AI (Gen AI) in management, 'Gen AI at work: Shaping the future of organizations', published today, suggests that Gen AI could have a positive impact on early-stage careers. In the longer-term, the report finds that Gen AI has the potential to create new job roles, transform organizational structures, drive human-AI fusion teams, and make managerial roles more specialist. However, adoption remains low and nascent. The report finds most employees lack the training they need to develop Gen AI skills.

Whilst the impact of Gen AI on careers has been hotly debated, this new research finds the majority of business leaders believe that entry level roles could become more autonomous and evolve into frontline managerial roles within the next three years. With this in mind, the proportion of managers in teams across functions could expand from 44% to 53% in the next three years; only 18% of leaders and managers believe that Gen AI will reduce middle management.

Employees think that, over the next 12 months, generative AI tools could lead to an average time saving of 18% for entry-level workers, implying there could be significant productivity improvements for junior employees. However, the cost of the Gen AI tool must also be taken into account, cites the report. Furthermore, 81% of leaders and managers expect new roles such as data curators, AI ethics specialists and algorithm trainers to emerge at the entry level.

"Generative AI tools are becoming more adept at assisting with complex managerial tasks, which could challenge the status quo of organizational structure and ways of working," said Roshan Gya, CEO of Capgemini Invent and member of the Group Executive Committee. *"Generative AI has the potential to shift from a co-pilot to a co-thinker, capable of strategic collaboration, adding new perspectives and challenging assumptions. This shift could unlock significant value when tailored to specific business use cases but is dependent on several factors, including organizations prioritizing building the skills and readiness of employees, taking proactive steps around talent acquisition and development."*

Potential to redefine management but still a significant gap on actual usage
The report finds that Gen AI is transitioning the view of future leadership and managerial roles toward becoming more strategic, focusing on decision making and fostering innovation. In fact, many managers and leaders currently believe that Gen AI tools could act as co-thinkers for them. 65% of the leaders and

managers surveyed see high potential in Gen AI for complex strategic tasks, and more than half of leaders believe managers will play a critical role as catalysts of Gen AI-driven change. The technology could also save leaders and managers up to seven hours each week, with nearly 8 in 10 leaders believing that Gen AI will positively impact their productivity in the next 12 months.

Gen AI has the potential to amplify the strategic scope of leaderships roles. Currently, managers spend more than one-third of their time on administrative tasks. However, AI's ability to automate much of this work provides opportunities to focus on strategic-planning and problem-solving tasks. In the next three years, over three-quarters (78%) of leaders and managers expect Gen AI to augment their problem-solving and decision-making, and over half believe manager-level positions will evolve towards specialization. 57% of leaders at organizations advanced in their Gen AI implementation already see their roles becoming more strategic.

While adoption of Gen AI in management has good potential, there is a significant gap between potential and actual usage. Although 97% of leaders and managers say that they have experimented with Gen AI tools, only 15% use Gen AI tools at least once a day in their work.

Organizational structures need to transform to enable cohesive human-AI collaboration
For nearly half (46%) of teams, AI is used simply as a tool to enhance existing capabilities and workflows. However, human-machine partnerships are starting to be embraced. One in three teams are currently using AI as a 'team member', for example by enhancing human performance or using AI agents to complete predefined tasks without human intervention. According to the research, today AI is used as a supervisor in only 1% of teams i.e., it is directing, allocating, or prioritizing work for humans. Yet, in the next 12 months, 13% of teams expect to use AI in this role. In an AI-led environment, human judgment is increasingly important, and the majority of leaders, managers and employees in the research acknowledge this.

Training and managerial guidance required to secure the future of Gen AI at work
Despite the potential of Gen AI to boost productivity across job functions, adoption remains nascent. While almost two-thirds (64%) of workers already use Gen AI tools for their work, only 20% of employees use Gen AI tools daily.

Employees also lack proficiency in key skills, with only 16% believing they are getting the support they need to develop Gen AI skills. Only 13% of employees say they are well-versed in machine conversational skills; only a third say they can manage Gen AI systemic risks; and less than half claim to have prompt engineering skills. The report suggests that team members should be equipped with the right AI skills, defining rules and responsibilities for cohesive human and Gen AI collaboration, ensuring accountability when Gen AI systems make mistakes, and adapting workflows and processes for the new era of Gen AI.

Report Methodology
Capgemini Research Institute conducted a global quantitative executive survey in May 2024 across 15 different countries and 11 key industries, surveying 1,500 respondents from 500 organizations, with annual revenue of more than $1 billion. Each unique organization is represented by three executives, one each at leadership level, middle-management level, and front-line management level (the three respondents can be from different functions or locations). The report is also based on an entry-level employee survey to take their perspective on Gen AI adoption by their managers and leaders. The survey targeted 1,000 entry-level employees from the same 500 organizations as in the executive survey. Hence, overall, each organization, irrespective of location or function, is represented by five respondents – three executive-level (leaders and managers) and two entry-level employees. In addition to these executive and entry-level employee surveys, the report also draws on 15 in-depth interviews with independent experts from various industries across the globe to validate and substantiate findings. Please note, the study findings reflect the views of the respondents and are aimed at providing directional guidance.

About Capgemini
Capgemini is a global business and technology transformation partner, helping organizations to accelerate their dual transition to a digital and sustainable world, while creating tangible impact for enterprises and society. It is a responsible and diverse group of 340,000 team members in more than 50 countries. With its strong over 55-year heritage, Capgemini is trusted by its clients to unlock the value of technology to address the entire breadth of their business needs. It delivers end-to-end services and solutions leveraging strengths from strategy and design to engineering, all fueled by its market leading capabilities in AI, cloud and data, combined with its deep industry expertise and partner ecosystem. The Group reported 2023 global revenues of €22.5 billion.
Get The Future You Want | www.capgemini.com

About the Capgemini Research Institute
The Capgemini Research Institute is Capgemini's in-house think-tank on all things digital. The Institute publishes research on the impact of digital technologies on large traditional businesses. The team draws on the worldwide network of Capgemini experts and works closely with academic and technology partners. The Institute has dedicated research centers in India, Singapore, the United Kingdom and the United States. It was recently ranked #1 in the world for the quality of its research by independent analysts.
Visit us at https://www.capgemini.com/researchinstitute/