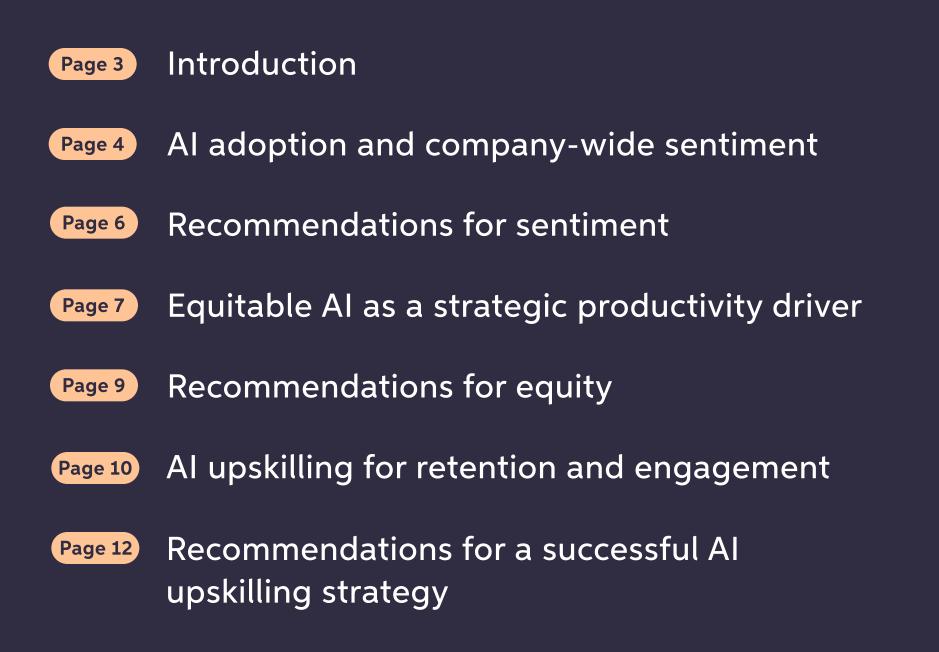






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Introduction

The popularity of generative AI rose quickly in 2023, introducing mixed emotions across the workforce. Some say AI is critical to the fourth industrial revolution (4IR) set to transform how we work and society overall, with leaders like Goldman Sachs stating that adoption of AI could lift the global GDP by nearly **\$7 trillion** within the next ten years.¹

Some employees fear that automation is synonymous with job replacement,² while others express concern about unregulated or biased AI models, or inequity in access to new tools. At a time when the workforce is retiring earlier than predicted, the widening skills gap will require employees to learn new ways of working and companies to reimagine the strategic concert of people, processes and technology to move business forward.

But mutually beneficial AI deployment is possible with thoughtful change management strategies that take transparency, equity and reskilling seriously. As companies like PwC, IBM and Siemens see positive results for skills-based approaches to talent,³ we explore three insights for making AI your competitive advantage to meet the needs of your employees and your business.



potential lift in global GDP within the next ten years due to adoption of Al

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^{1. &}quot;The Generative World Order: AI, Geopolitics, and Power," Goldman Sachs, December 2023, https://www.goldmansachs.com/intelligence/pages/the-generative-world-order-ai-geopolitics-and-power.html

^{2.} Josie Cox, "The Anxiety of Being Replaced by AI," BBC News, July 2023, http://www.bbc.com/worklife/article/20230418-ai-anxiety-artificial-intelligence-replace-jobs.

^{3.} Putting Skills First Insight Report, January 2024, https://www3.weforum.org/docs/WEF Putting Skills First 2024.pdf, 16-17.



Successful AI adoption requires managing company-wide sentiment

Humanity is undoubtedly shifting with AI, and some positive outcomes are already clear: 51% of US adults believe that it can improve bias in healthcare and 57% feel excited for its potential utility with household chores.⁴ Studies of AI in therapy found that its use can reduce clinical mental health symptoms,⁵ and one AI tool has been found to be 99.5% effective in detecting all skin cancers.⁶ AI is changing daily life for some, too: tools like Replika provide AIassisted companionship to those seeking it.

Work is changing, too: almost 40% of the global workforce is exposed to AI as of 2024.⁷ While AI poses higher risks and rewards for developed economies with higher concentrations of knowledge workers, attitudes are starting to shift in places like the US. 53% of US adults believe the use of AI in talent acquisition would improve bias in screening and hiring,⁸ and the overall employee voice is positive: 52% of employees surveyed in PwC's Global Workforce Hopes and Fears Survey expressed at least one positive outlook about AI when it came to the opportunity to increase productivity, learn new skills, or open pathways to career advancement.⁹ And whether they're using it at work or not, personal use of consumer AI tools like Rezi and Skillroads is helping job-seekers improve their resumes, and find job matches in AI-assisted marketplaces like TalentPrise.





^{4.} Michelle Faverio, What the Data Says about Americans' Views of Artificial Intelligence, November 2023, http://www.pewresearch.org/short-reads/2023/11/21/what-the-data-says-about-americans-views-of-artificial-intelligence/ 5. Lauren Silva, 4 AI Therapy Options Reviewed: Do They Work?, December 2023, http://www.forbes.com/health/mind/ai-therapy/

^{6.} Cara Murez, "New AI Software Highly Accurate for Spotting Melanomas, Study Shows," UPI, October 2023, http://www.upi.com/Health_News/2023/10/13/artificial-intelligence-melanoma/5041697202018

^{7.} Mauro Cazzaniga et al., "Gen-AI: Artificial Intelligence and the Future of Work," IMF, January 2024, http://www.imf.org/en/Publications/Staff-Discussion-Notes/Issues/2024/01/14/Gen-AI-Artificial-Intelligence-and-the-Future-of-Work-542379, 2. 8. Michelle Faverio, What the Data Says about Americans' Views of Artificial Intelligence.

^{9.} PWC Global Workforce Hopes & Fears Survey 2023, June 2023, https://www.pwc.com/gx/en/news-room/press-releases/2023/pwc-global-workforce-hopes-and-fears-survey-2023.html.



65%

of students worldwide say that they would like their curriculum to include training in AI tools relevant to their future career¹⁰

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Successful AI adoption requires managing company-wide sentiment

How do companies manage sentiment around AI on their adoption journey? Most often, negative sentiments arise when Al is the final decision-maker, without human sign off or intervention. In your usage policies, decision-making, judgment, and emotional intelligence should remain uniquely human strengths.

And while there are examples of AI behaving badly—like for legal discovery and citing non-existent case law produced by Al¹¹ disruption is not inherently negative for employees. Considering the time employees gain to do the strategic work they were hired to do, the challenge becomes managing sentiment around AI, and using these productivity gains for meaningful advancement of your organization's objectives and employees' career mobility.



^{10.} Chegg.org Global Student Survey 2023, 2023, http://www.chegg.org/global-student-survey-2023

^{11.} Molly Bohannon, Lawyer used ChatGPT in court-and cited fake cases. A judge is considering sanctions, June 2024, http://www.forbes.com/sites/mollybohannon/ 2023/06/08/lawyer-used-chatgpt-in-court-and-cited-fake-cases-a-judge-is-considering-sanctions/

RECOMMENDATIONS

Manage sentiment to aid the beginning stages of your Al adoption journey

Many employees are already using AI in their personal and professional lives to automate tasks, brainstorm ideas, analyze data, or produce content.

Some are using AI at work with or without company-provided tools, making it critical for employers to create transparent policies to capitalize on the potential gains of AI and manage sentiment that can be a detractor to successful AI adoption.



IMPLEMENT CLEAR, COMPANY-WIDE POLICIES AROUND THE USE OF AI TOOLS

Instill a culture for responsible experimentation and use by outlining:

- Specific approved and unapproved tools • Example use cases



PARTNER WITH STRATEGIC TECHNOLOGY VENDORS WHO HAVE EMBEDDED GENERATIVE AI

• Use a vetted, secure technology vendor that learns from your data model of customers and employees



ESTABLISH AN AI COUNCIL FOR CROSS-FUNCTIONAL GOVERNANCE

Find cross-functional subject matter experts to collaborate with, and advise on:

- Cross-functional applications of new tools • Standards of use and use case documentation

- Data guidelines. especially around customer data use
- Employee advantages of AI-powered work

• Get tailored, contextualized recommendations to improve how employees work and serve customers

• Coordinated launch and communications plans





Equitable AI access leads to strategic productivity gains

In its relatively short time span of public adoption, **AI access is already biased**. Employees most likely to be exposed to AI tools and technology in their work hold a bachelor's degree or higher and are already in higherpaying jobs, and lack of access disproportionately affects Black and Hispanic employees.¹² And while younger, more digitally-native employees are best positioned to capitalize on AI benefits—a Chegg survey found that 40% of undergraduate students say they have used generative AI for their college studies¹³—older employees may be more vulnerable to the AI-driven transformation. While AI has the potential to be the great equalizer of skill and ability,¹⁴ access today is already problematic, so much that **57% of employees say they're receiving** insufficient AI training from their employer.¹⁵

Adoption is already underway in business functions like copywriting and customer service, but adjacent reskilling is falling behind. While 25% of HR departments use AI today, that number is expected to grow to 51% by 2025¹⁶ given AI's potential to improve talent acquisition, onboarding, learning delivery, and employee compliance through AI tools like EdApp, Gemini, or ChatGPT. But when it comes to addressing the skills gap created by technological advancement and labor shortages, employee upskilling and reskilling is a growing concern: **only 21%** reported that their organizations were very effective with this initiative in 2023.¹⁷

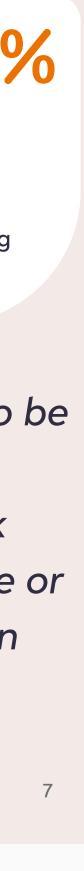
17. 2023-2024 SHRM State of the Workplace Report, 7.



of undergrads have used GenAl for college studies

> say they're receiving insufficient AI training at work

" Employees most likely to be exposed to AI tools and technology in their work hold a bachelor's degree or higher and are already in higher-paying jobs.

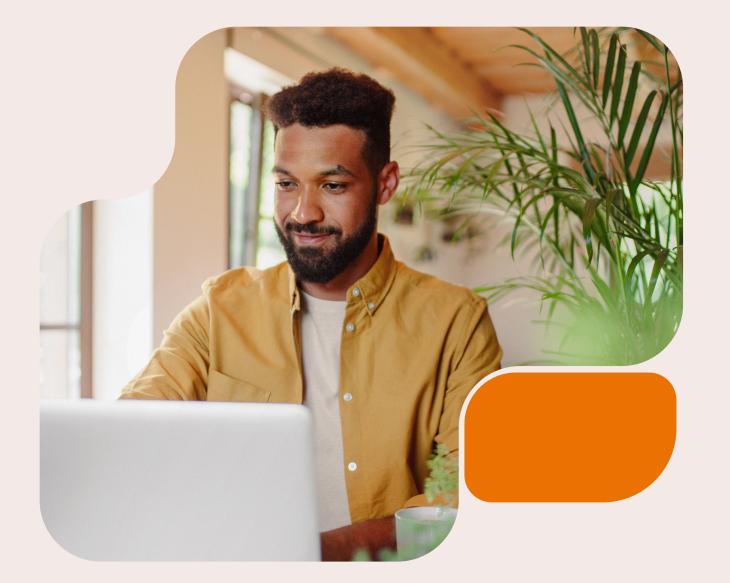




^{12.} Rakesh Kochhar, Which U.S. workers are more exposed to AI on their jobs?, July 2023, http://www.pewresearch.org/social-trends/2023/07/26/which-u-s-workers-are-more-exposed-to-ai-on-their-jobs/. 13. Over Half (55%) of Undergraduate Students Worldwide Want Involvement of Human Expertise in GenAl, November 2023, https://investor.chegg.com/Press-Releases/press-release-details/2023/Over-Half-55-of-Undergraduate-Students-Worldwide-Want-Involvement-of-Human-Expertise-in-GenAI-According-to-New-Global-Survey/default.aspx.

^{14.} Haiyan Zhang et al., The role of AI in mitigating bias to enhance diversity and inclusion, 2019, https://www.ibm.com/downloads/cas/2DZELQ4O.

^{15.} Ana Kreacic et al., How Generative AI is Transforming Business and Society, 2024, https://www.oliverwymanforum.com/content/dam/oliver-wyman/ow-forum/gcs/2023/AI-Report-2024-Davos.pdf, 17 16. 2023-2024 SHRM State of the Workplace, 2024, www.shrm.org/topics-tools/research/2023-2024-shrm-state-workplace, 12.



increase in number of issues resolved per hour by customer service representatives given access to an AI tool

The data that many AI tools use is based on inputs of employees who do their jobs well, and not so well—and its algorithms focus on optimizing for the best outcome, giving your employees access to more efficient ways to work. From this perspective, AI can be the tide that lifts all boats: equitable and broad access promises the most strategic gains in lessexperienced or less-skilled employees, in technical or non-technical roles.

One National Bureau of Economic Research study showed that customer service representatives given access to an AI tool saw a **34% increase** in the number of issues they are able to resolve per hour.¹⁸ Showing signs of shortening time to competency, the same study saw customer service reps "with two months of tenure perform just as well as untreated agents with more than six months of tenure."¹⁹

In another experiment, engineers given a specific coding task with permitted use of GitHub's Al Copilot tool completed the task 55.8% faster compared to those who didn't have access.²⁰

19. Brynjolfsson et al, 17.



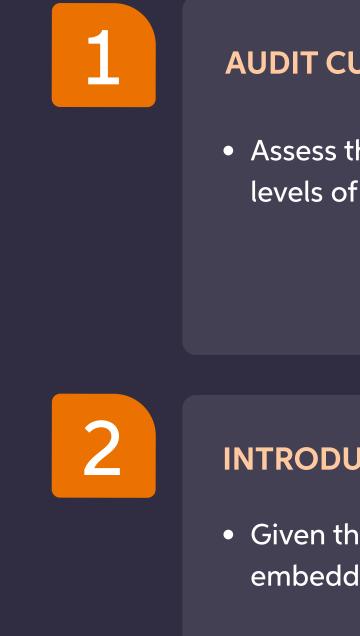


^{18.} Erik Brynjolfsson, Danielle Li, and Lindsey R. Raymond, "Generative AI at Work," National Bureau of Economic Research, April 2023, https://www.nber.org/papers/w31161, 15. 20. Sida Peng et al., The Impact of AI on Developer Productivity: Evidence from GitHub Copilot, February 2023, https://arxiv.org/pdf/2302.06590.pdf, 5.

Ensure equitable AI access at your organization

Studying the past is important to inform the future. If we've learned anything from past technological shifts, historically, they've widened disparities in the workforce. Al has the potential to level the playing field in your workforce and democratize skills if business leaders intentionally expand access to AI skills, but data shows that many employers are already getting this wrong.

The voice of the employee on this issue is clear: 97% of global employees believe businesses should prioritize AI skills in their employee development strategy.²¹



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AUDIT CURRENT AI ACCESS WITHOUT BIAS TO ROLES, FUNCTIONS, OR SENIORITIES

- Assess the tech stack access across all levels of your team or organization
- Map the use cases where AI tools can be used as a productivity tool, whether it's for better customer service, data analysis, content ideation, code generation, or beyond

INTRODUCE AI TOOLS AT THE BEGINNING OF A NEW HIRE'S ONBOARDING

• Given that studies show AI assistance can shorten time to skill competency, having AI training be an embedded part of onboarding can significantly increase new hire productivity





Al skills as a driver of retention and engagement

When we look back at the past century of technological innovation, AI is evolving at lightspeed. It took 17 years for the internet to reach critical mass adoption (adoption by over 50% of the US population) and 21 years for smartphones to reach this milestone. ChatGPT hit this benchmark after only 10 months on the market, in June of 2023.²²

The speed of adoption proportionally affects the global workforce's ability to capitalize on innovation: new technology means new skills. According to research by Oliver Wyman Forum, 60% of employees will need reskilling or upskilling on AI by 2027.²³ Complicated by its nascency and the individuality of how people learn new things, AI upskilling is not a passive activity: 22% of respondents in one study said that learning about AI "adds stress and takes time because [they are] not proficient with the technology."24

In parallel, the human skills required to make AI successful evolve at the same pace, creating a critical need to equip employees to be effective agents of change. Skills like growth mindset, influencing and leading others, adaptability and critical thinking become increasingly important to successful business transformation towards AI.

22. Ana Kreacic et al., How Generative AI is transforming business and society, 2024, https://www.oliverwymanforum.com/content/dam/oliver-wyman/ow-forum/gcs/2023/AI-Report-2024-Davos.pdf, 20 23. Ana Kreacic et al, 32 24. Ana Kreacic et al, 29.

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of employees will need AI reskilling or upskilling by 2027

of respondents in one study said that learning about AI adds stress



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Company-sponsored AI training, accompanied by strategic placement of durable skills training, is part of modern talent strategy that can provide a competitive advantage to retention and engagement goals. AI can help employees recoup time and energy from routine and mundane tasks, enabling them to focus on strategic, creative and intellectual work that draws on their talents. At the same time, employees getting better at the human skills that **make change management more palatable through better communication and collaboration** can help translate AI adoption into productivity.

The expectation of upskilling investments is not new to the workforce: having gone through several work economy transformations since 2020, employees now expect their employers to play an active role in their professional development. Employees between 18-24 deemed upskilling the third most important benefit when evaluating a new job, behind health insurance and disability.²⁵ This sentiment is true across varied demographics: **53%** of employees above the age of 55 report that upskilling is "very" or "extremely" important.²⁶

25. The American Upskilling Study, 2021, https://www.gallup.com/file/analytics/354647/Amazon_Upskilling_Report.pdf, 18.



Employees getting better at the human skills that make change management more palatable through better communication and collaboration can help translate Al adoption into productivity.



RECOMMENDATIONS

Enacting a successful Al upskilling strategy

Every employer has a responsibility to their company and their employees to examine how AI will shift the anatomy of the work they do—and create a plan to transparently and equitably build the skills to capitalize on the AI revolution.

A thoughtful approach to AI upskilling in any company should audit the durable skills people managers may need to execute change management to meet the pace of market transformation.



CONSIDER THE CONCERT OF AI AND DURABLE SKILLS IN YOUR PROGRAMS

towards Al.

ASSESS AI AS A RETENTION AND ENGAGEMENT TOOL

skillsets

3

2

ENSURE AI UPSKILLING IS NOT A PASSIVE ACTIVITY

• Growth mindset, influencing and leading others, adaptability, and critical thinking become increasingly important to successful business transformation

• Consider which people leaders may need durable skills training to effectively manage a companywide shift towards AI

• Given the incredible speed of AI adoption, reassessing AI access as a retention and engagement tool should become a business priority to meet the needs of employee expectations and desired

• With proactive and equitable AI upskilling, companies can shorten the time it takes to place talent in the right roles, get focused on revenue-generating activities, and spend more time getting better at the uniquely human parts of work







Conclusion

AI has the potential to reinvent a lot of jobs and companies for the better. AI can help companies more efficiently match talent to business needs, plan skills-based career paths, and ingrain new employees into company culture through better onboarding. Outsourcing routine work to AI has the potential to create more time in the week to think strategically, learn new skills, and make space for creativity—across all functions.

Our time and mental capacity is finite—consider the possibility of how your employees could spend the extra hours a week they saved developing something from scratch. What if they used AI to quickly understand a new customer industry to sell into? What if AI realigned their daily work priorities based on contextual company goals?

With proactive and equitable AI deployment, companies can shorten the time it takes to place talent in the right roles, get focused on revenue-generating activities, and spend more time getting better at the uniquely human parts of work.





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Chegg Skills designs innovative skills-based learning programs that bring high-growth career training to motivated working adults.

Companies that offered Chegg Skills programs realized approximately <u>2x ROI</u> for every \$1 invested.²⁷

Learn more about our programs at chegg.com/skills.

AI SKILLS

- Al Prompt Engineering
- Applying AI
- Applying AI in Customer Service
- Applying AI in Cybersecurity
- Applying AI in Data Analytics
- Applying AI in Web Design
- Applying AI in Web Development

+ BUSINESS SKILLS DATA SKILLS	DURABLE SKILLS	TECH SKII
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