The UK risks a growing divide between organizations who have invested in new, artificial intelligence-enabled digital technologies and those who haven't, new research suggests.
Only 36% of UK employers have invested in AI-enabled technologies like industrial robots, chat bots, smart assistants and cloud computing over the past five years, according to a nationally representative survey from the Digital Futures at Work Research Center (Digit). The survey was carried out between November 2021 and June 2022, with a second wave now underway.

Academics at the University of Leeds, with colleagues at the Universities of Sussex and Cambridge, led the research, finding that just 10% of employers who hadn't already invested in AI-enabled technologies were planning to invest in the next two years.

The new data also points to a growing skills problem. Less than 10% of employers anticipated a need to make an investment in digital skills training in the coming years, despite 75% finding it difficult to recruit people with the right skills. Almost 60% of employers reported that none of their employees had received formal digital skills training in the past year.

Lead researcher Professor Mark Stuart, Pro Dean for Research and Innovation at Leeds University Business School, said, "A mix of hope, speculation, and hype is fueling a runaway narrative that the adoption of new AI-enabled digital technologies will rapidly transform the UK's labor market, boosting productivity and growth. These hopes are often accompanied by fears about the consequences for jobs and even of existential risk.

"However, our findings suggest there is a need to focus on a different policy challenge. The workplace AI revolution is not happening quite yet. Policymakers will need to address both low employer investment in digital technologies and low investment in digital skills, if the UK economy is to realize the potential benefits of digital transformation."
Stijn Broecke, Senior Economist at the Organization for Economic Cooperation and Development (OECD), said, "At a time when AI is shifting digitalization into a higher gear, it is important to move beyond the hype and have a debate that is driven by evidence rather than fear and anecdote. This new report by the Digital Futures at Work Research Center (Digit) does exactly this and provides a nuanced picture of the impact of digital technologies on the workplace, highlighting both the risks and the opportunities."

The main reasons for investing were improving efficiency, productivity and product and service quality, according to the survey. On the other hand, the key reasons for non-investment were AI being irrelevant to the business activity, wider business risks and the nature of skills demanded.

There was little evidence in this survey to suggest that investing in AI-enabled technology leads to job losses. In fact, digital adopters were more likely to have increased their employment in the five-year period before the survey.

As policymakers race to keep up with new developments in technology, the researchers are now urging politicians to focus on the facts of AI in the workplace.

The Employers' Digital Practices at Work Survey is a key output of the Digital Futures at Work Research Center. The "First Findings Report" by Professor Mark Stuart, Dr Danat Valizade, Felix Schulz, Professor Brendan Burchell, Professor Richard Dickens and Professor Jacqueline O'Reilly will be available on the Digit website on Tuesday 4 July.

Provided by University of Leeds