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SPOTLIGHT REPORT

State of AI in Employee Experience

2025

Introduction

ELEVATING BUSINESS OUTCOMES AND EXPERIENCES THROUGH TECHNOLOGY

Across the globe, many economies are experiencing productivity stagnation[1], a longstanding trend that has persisted since the global financial crisis of 2008, and in advanced economies — far longer. At every opportunity, leaders are looking to uncover new ways to boost productivity in the hope of returning to the growth levels of the past. Pushing employees to work longer and harder is no longer the solution.

With the large economic headwinds of today, the timing of AI could not have been better — and most leaders are committing or committed to use it as the solution to increase productivity, organizational efficiency, and gain a competitive advantage.

But even with the potential presented by AI, there's a huge chasm between intention and realization.

Much of the advancement in AI has been employee driven; despite headlines about how leaders can harness the power of AI (specifically generative AI) to reinvent work and create new growth, the real progress is being made by the people on the ground.

For many employees, AI is seen as an additive to the experience, helping to elevate quality and speed of the work, but customers, on the other hand, often want technology removed from their person-to-person interactions, allowing for more authentic connections, with AI instead being preserved for back-of-the-house operations.

However, while use and adoption have reached new heights in some areas, it is clear that organizational readiness, and overall maturity is not keeping pace with the appetite.

Amidst the excitement as we unlock the productivity promise of AI, questions have emerged:

+ Who is set to benefit from these AI transformations?
+ Are we aligned on the goals that we are striving towards?
+ Who is responsible for the outcomes (either good or bad)?
+ What does the future of work look like when AI is integrated into our jobs?
+ And is generative AI all about helping people, making more money, or both?

In this report, we explore employee perspectives on AI at work to uncover new challenges, opportunities, and help answer the most pertinent questions for leaders across the globe.

— DR. CECELIA HERBERT
PSYD, XMP, LEAD AUTHOR,
PRINCIPAL BEHAVIORAL SCIENTIST
XM INSTITUTE

1 https://www.mckinsey.com/mgi/our-research/investing-in-productivity-growth

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AI isn't the future — it's here now

In less than two years since the release of ChatGPT, the utilization of AI tools across critical business functions has increased exponentially, and faster than many of us ever imagined.

Today, almost half of employees globally use AI tools either daily or weekly; and a quarter use them every few months.

But while the utilization of AI in customer experiences has left consumers demanding for more "human" interactions, it's had a largely beneficial effect on employee experiences — and the promise of improved productivity, innovation, and quality of work has organizational leaders excited about the possibilities.

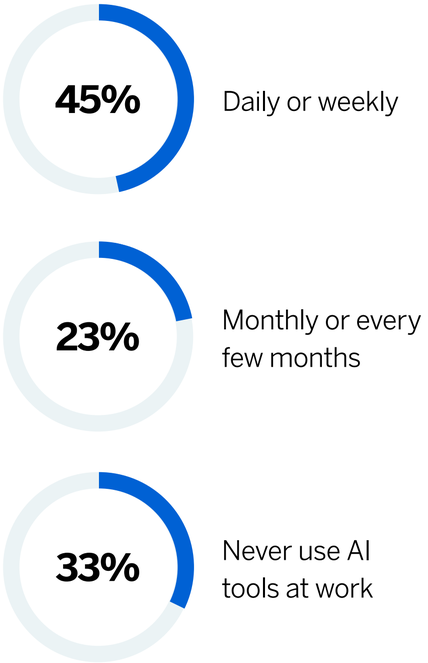
With so many AI options now available, organizations are mobilizing to implement new solutions for their employees and customers. But instead of waiting, employees have forged ahead of their organizations, with many sourcing their own solutions, using those provided by their organizations, or using a mixture of both to analyze data, review content, isolate issues, and much, much more. And overall, employee sentiment towards the use of AI is positive (especially if they are using it).

Despite this, many organizations and employees are barely scratching the surface of AI's multi million to trillion-dollar potential: as high as usage is, organizations are remarkably slow, struggling to keep pace with employee enthusiasm.

EBOOK
2025 EMPLOYEE EXPERIENCE TRENDS REPORT

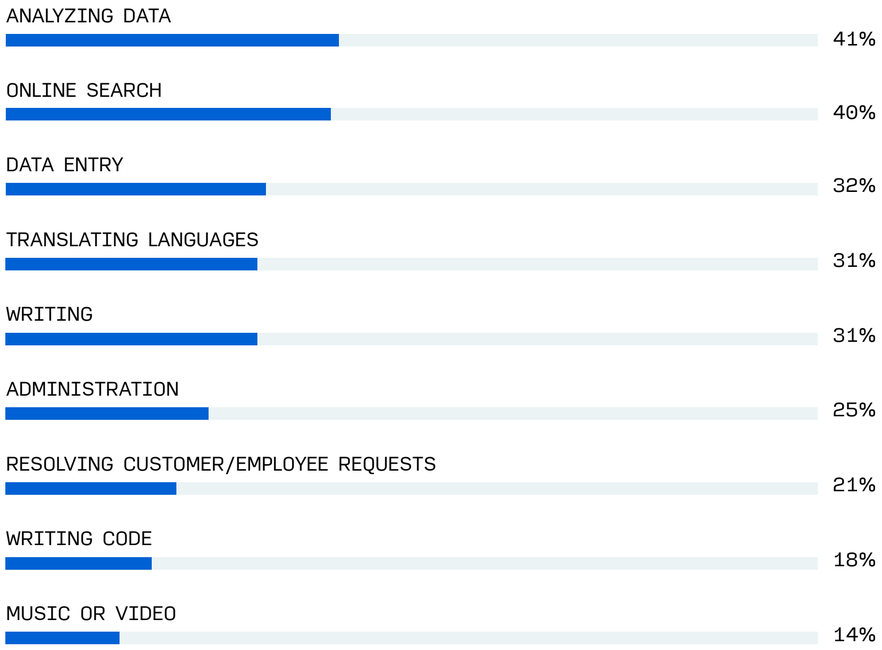
EBOOK
2025 GLOBAL CONSUMER TRENDS REPORT

FREQUENCY OF AI USE AMONGST EMPLOYEES

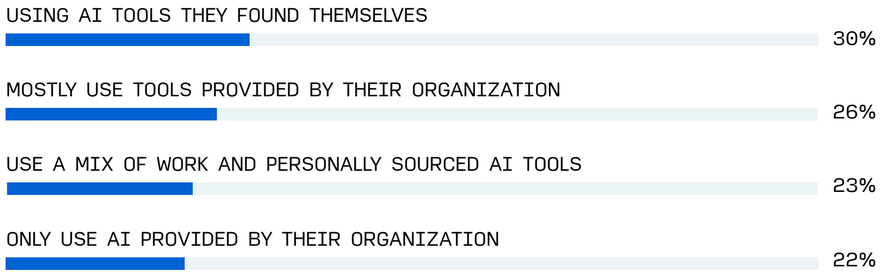


01

TASKS EMPLOYEES ARE USING AI TOOLS FOR



HOW EMPLOYEES ARE SOURCING AI TOOLS



01

DESPITE ENTHUSIASM, DISCOMFORT PERSISTS

Certainly, there's a clear appetite and enthusiasm for AI across all working groups, but while many are eager, feelings of discomfort and worry about how AI will affect people's jobs still persist.

For high-value, knowledge-based tasks or creative work, generative AI has the potential to reduce or alter the value of employee skills and experience.

For AI to unlock value — not just add more complexity or pressure to increase output with fewer resources — enabling employees to transition to new, high-value tasks, as well as restructuring their roles is key. For those without agency or organizational support, AI presents a real, palpable threat that could completely alter their work, driving some to resist the introduction and use of these tools in their workplace.

There is a clear link between the use of AI and people's concerns: those least likely to use AI — or not using it at all — tend to be the most worried about AI.

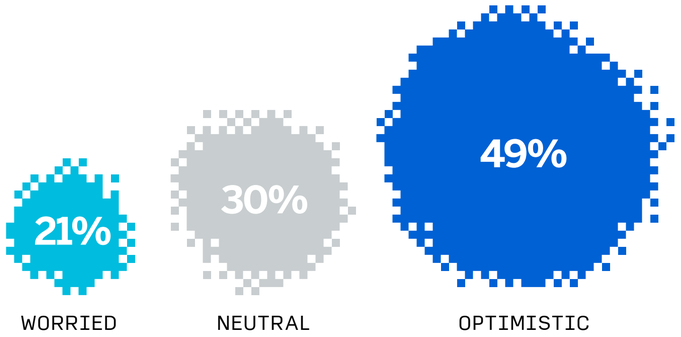
What's more, this discomfort varies greatly by job level, with more senior leaders expressing much more comfort with AI, compared to individual contributors. The effect of these concerns about AI tools extend beyond resistance to their use, impacting employee experience KPIs, such as engagement and intent to stay.

Rather than taking a proactive approach to strategic workforce planning for how employees and jobs function alongside AI, organizations are seemingly implementing it ad-hoc and opportunistically.

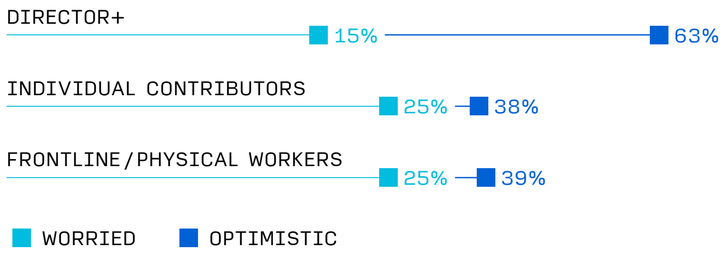
Instead of activating positive outcomes, for many employees this is a source of uncertainty and chaos that at best affects their ability to perform in their current roles, and at worst threatens the security of their jobs, opening up a catacomb of risk when left unmanaged. The fundamental concern for many employees is the threat AI presents to their professional identity, livelihood, and future.

01

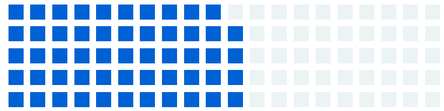
EMPLOYEE SENTIMENT TOWARDS AI CHANGING THEIR WORK



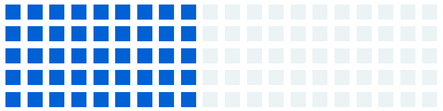
COMFORT WITH AI BY ROLE



OPTIMISM BY FUNCTION



54% OF KNOWLEDGE[1] WORKERS ARE OPTIMISTIC

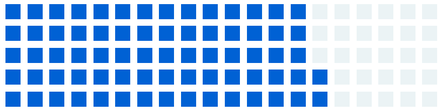


45% OF PHYSICAL[2] WORKERS ARE OPTIMISTIC

OF THOSE WORRIED ABOUT AI AFFECTING THEIR WORK

29% ARE ENABLED ON AI TOOLS

OF THOSE OPTIMISTIC ABOUT AI AFFECTING THEIR WORK



72% ARE ENABLED ON AI TOOLS

OF THOSE OPTIMISTIC ABOUT AI AFFECTING THEIR WORK

35% USE IT WEEKLY

31% USE IT DAILY

1 Knowledge work: applying expertise gained through formal training to solve problems and create new things (eg design, legal, education)

2 Physical work: manual labor that generates tangible outputs or completes physical tasks. (e.g. technical, trade, manufacturing)

02

Unraveling the productivity promise of AI

Business growth has slowed considerably over the past decade — the days of the predictable ups and downs experienced prior to the global financial crisis are gone, and without rapid transformation and proper utilization of emerging technologies, organizations may never see those rates of progress again.

Today, productivity[1] is top of mind for every leader right now: faced with economic, social, and political headwinds, organizations are keen to find new avenues and opportunities to help drive growth at a time when many markets are either volatile or stagnant.

Part of this productivity puzzle is acquiring the right skills and talent — but labor markets in advanced economies are amongst the tightest[2] they have been in the past two decades — a long-trending phenomenon that has gone hand-in-hand with labor market recovery and structural transformation processes post COVID-19.

This unique environment — an abundance of jobs and shortage of people who are able to do them — has led to lost economic output, with estimates suggesting GDP could have been 0.5 to 1.5 percent higher[3] if organizations had been able to fill them.

And, according to projections from the International Monetary Fund (IMF)[4], global growth will slow to just above three percent by 2029, dropping one percentage point below the pre-pandemic (2000-19) average by the end of the decade.

1 Productivity here is defined as output per worker or per hour worked. Factors that can affect labor productivity include workers' skills, technological change, management practices and changes in other inputs (such as capital).

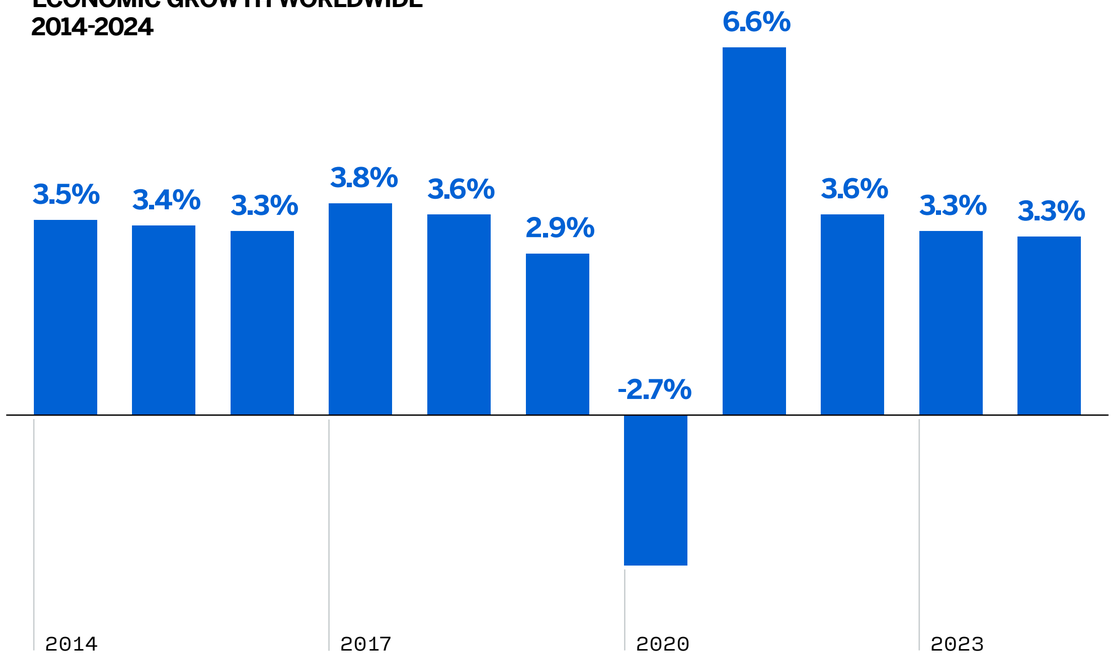
2 Tightness refers to situations when the imbalance between labor supply and demand manifests itself as an abundance of job opportunities along with a scarcity of workers available and willing to take those jobs.

3 https://www.mckinsey.com/mgi/our-research/help-wanted-charting-the-challenge-of-tight-labor-markets-in-advanced-economies

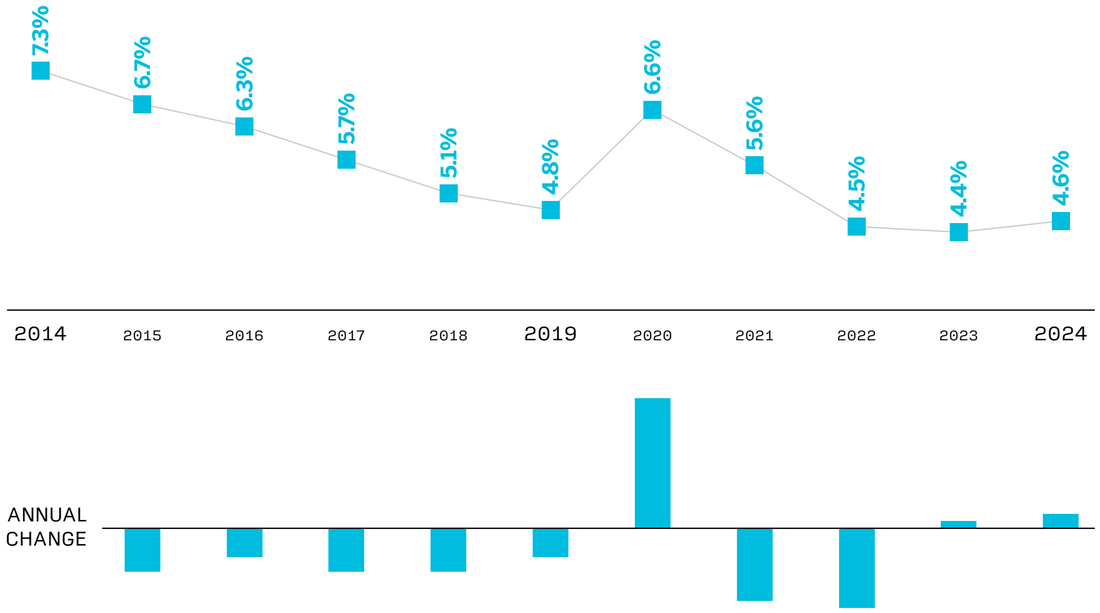
4 https://www.imf.org/en/Blogs/Articles/2024/04/10/world-must-prioritize-productivity-reforms-to-revive-medium-term-growth

02

ECONOMIC GROWTH WORLDWIDE 2014-2024



UNEMPLOYMENT RATE IN ADVANCED ECONOMIES



Source: International Monetary Fund (IMF), World Economic Outlook

02

THE MISSING PIECE IN THE PRODUCTIVITY PUZZLE

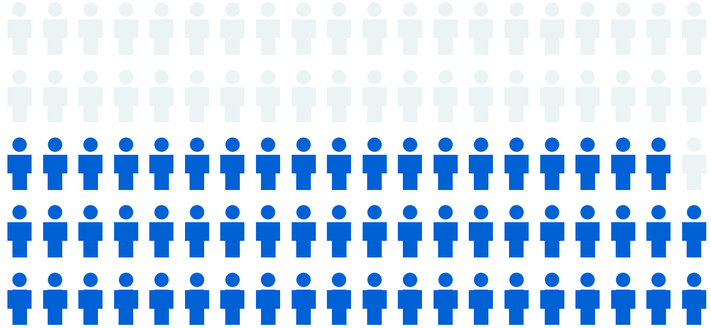
There's more to the puzzle than implementing new technology; unlocking the productivity potential of AI requires organizations and employees to evolve together, from rethinking how they utilize technology in critical areas to redesigning jobs to ensure employees are AI-supported, not AI-led. If AI is the silver bullet that some leaders hope for, ensuring alignment between their vision and employee expectations is critical to successful adoption.

For many leaders, the timing of AI is perfect, presenting itself as the missing piece — in a shrinking and overburdened global workforce, it presents a labor-complementing solution that enhances efficiency and productivity, without the manual overhead.

All AI solutions are employee tools: it's the application and management by staff that provides opportunities to generate the scale, consistency, and speed that empowers organizations to have an outsized impact.

On the face of it, successful AI transformation might seem like a technology problem, but underneath the complexity, it really is a human experience challenge and solution.

JOB REDESIGN



59%

of employees are involved in deciding how their job will be done in the future

02

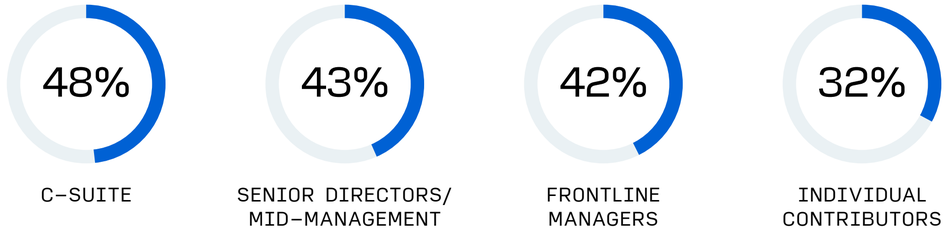
AI ISN'T CREATING PRESSURE, CHANGE IS

It's not just about agency and rethinking work, though. As it stands, employee opinion on the value of AI is divided: while some have suggested that AI is the cause of increased pressure in organizations, factors like pace of change, economic conditions, and business strategies rank far higher.

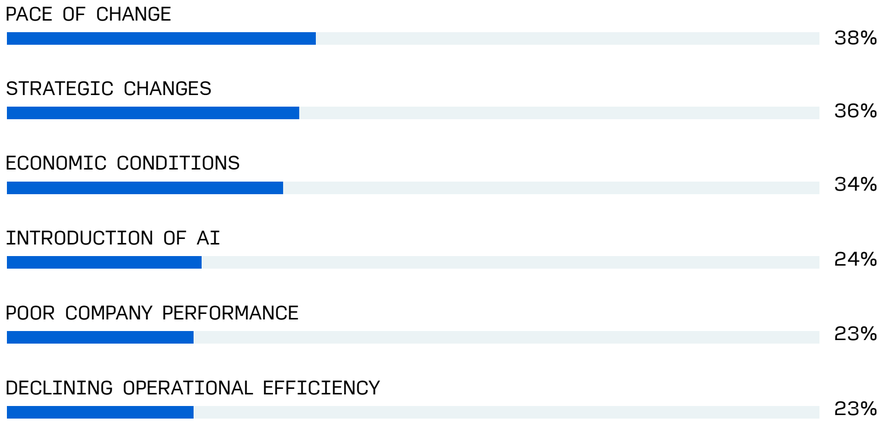
38%

of employees are feeling pressure from their employers to increase productivity

PRESSURE TO INCREASE PRODUCTIVITY BY LEVEL

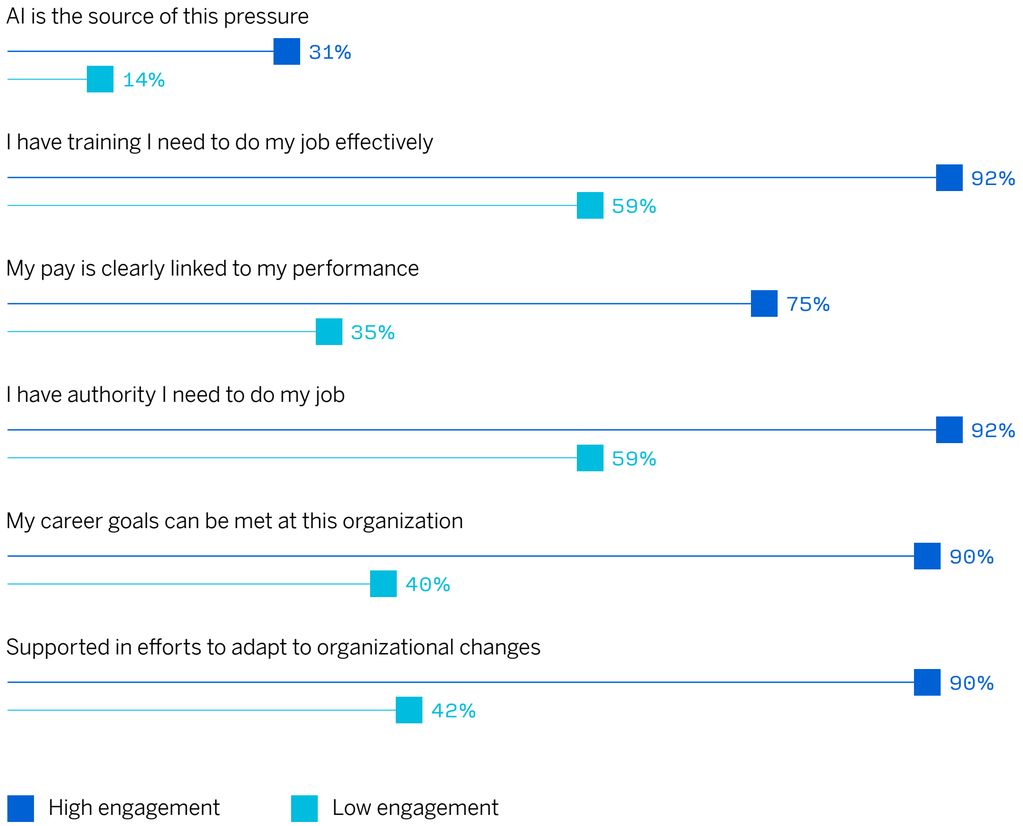


WHAT'S DRIVING PRESSURE?

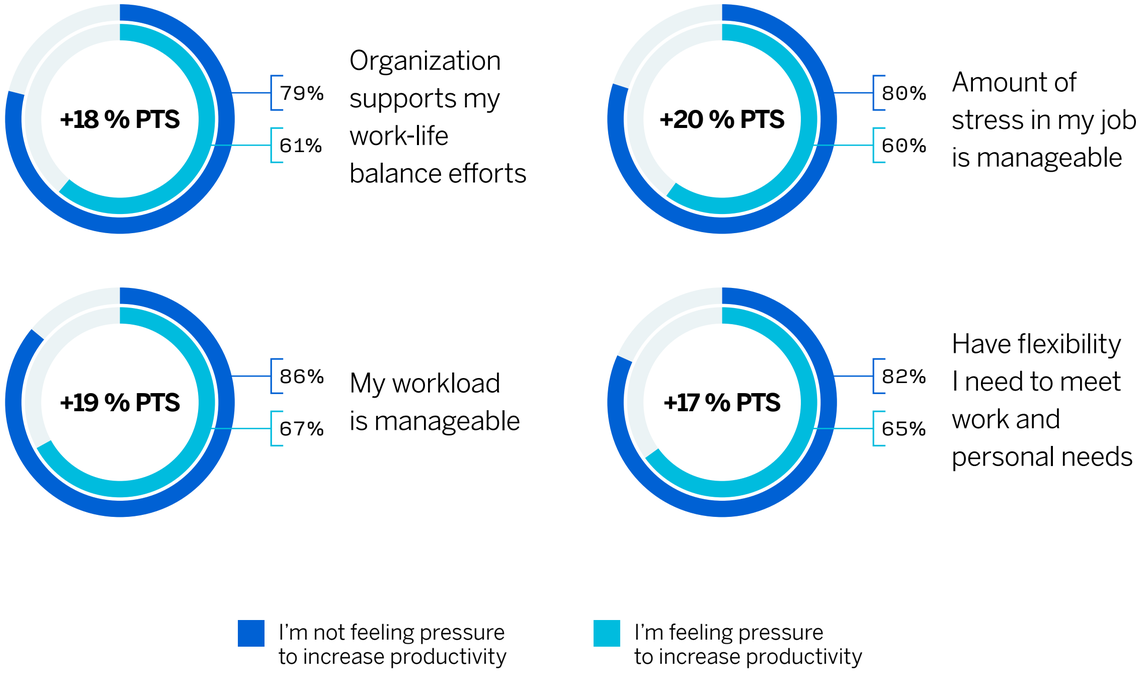


02

EMPLOYEES WHO ARE FEELING PRESSURE TO INCREASE PRODUCTIVITY



THE IMPACT OF PRODUCTIVITY PRESSURE EMPLOYEE WORK-LIFE BALANCE



02

IT'S NOT ABOUT INCREASING EMPLOYEE OUTPUT

Employees don't see AI as a way to increase the amount of work they produce — rather, they largely view it as a way to elevate quality, identify new opportunities, engage in new activities and get work done in less time.

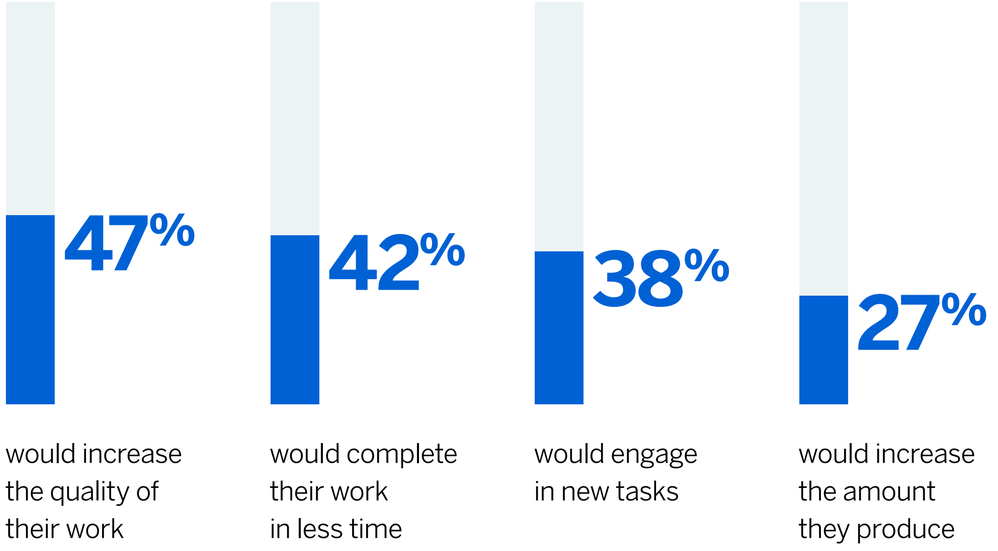
But with senior leaders feeling the pressure to boost productivity, it makes sense that employees might hear that the introduction of AI in their workplace will bring with it the expectation to increase output with fewer human resources.

Over time, this demand for increased output (without commensurate support from organizations) could lead to a 'mental outsourcing' of workers to generative AI, possibly leading to a decline in quality of output and an elevated risk of undetected errors.

Without a clear and coherent strategy for adoption, job design, and overall enablement, AI is a tightrope that many organizations are currently walking.

Getting it right can give a tremendous competitive advantage. If leaders focus on increasing output through AI while employees see it as a means to improve quality and complete work in less time, they will miss the opportunity to build alignment with employees, and instead create needless pressure that negatively affects the employee experience.

HOW WOULD EMPLOYEES USE THE TIME SAVED BY AI?



03

Employees don't trust leaders to implement AI

Though many organizations are investing heavily in AI technology, operational maturity continues to lag behind adoption. In most cases, employees are leading these efforts, testing the waters to identify ways to be more effective in their roles.

While some leaders might perceive employee initiative to leverage AI as a way to gain an advantage or control, it's more than just that: in many cases, employees are adapting faster than their organizations.

It's not surprising, therefore, that a little over half of employees trust their senior leaders to implement and manage AI effectively, with even less believing their leaders will act with benevolence and integrity.

OVERALL TRUST IN SENIOR LEADERS TO IMPLEMENT AI EFFECTIVELY

57%

COMPETENCE

64% The decision makers in my organization understand new technology well enough to manage them effectively

BENEVOLENCE

56% The decision makers in my organization prioritize people's wellbeing over immediate gains or profits when making decisions about new technologies

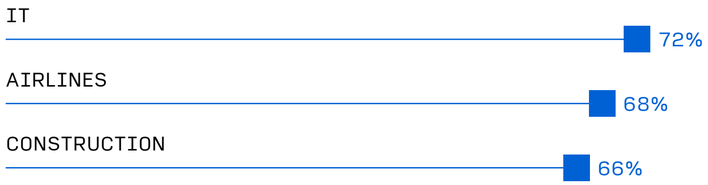
INTEGRITY

52% My organization has clear principles ethics or guidelines on the use of AI tools

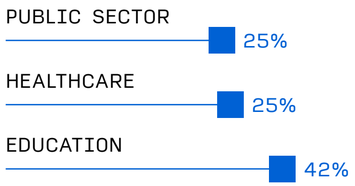
03

TRUST IN SENIOR LEADERS TO IMPLEMENT AI EFFECTIVELY BY SECTOR OR INDUSTRY

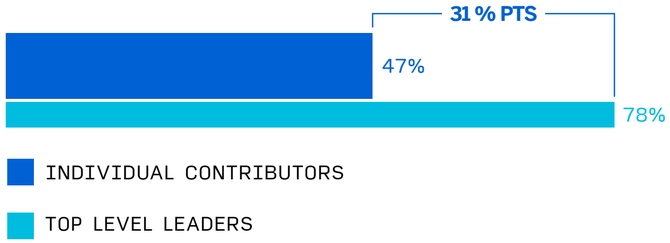
HIGHEST



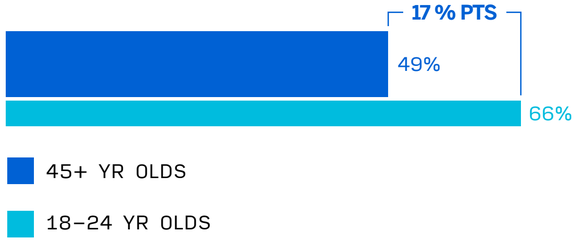
LOWEST



TRUST IN SENIOR LEADERS TO IMPLEMENT AI EFFECTIVELY BY WORK LEVEL



TRUST IN SENIOR LEADERS TO IMPLEMENT AI EFFECTIVELY BY AGE GROUP



03

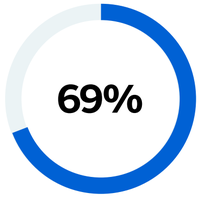
TRUST GOES HAND-IN-HAND WITH SUCCESSFUL TRANSFORMATION

The change that organizations are facing is unlike any other technology implementation, as AI has the potential to change the very nature of work as we know it.

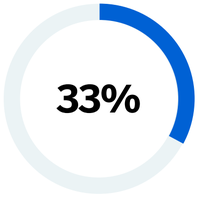
With so much riding on the success of these transformations, leaders who can build and maintain trust in their ability to manage these technologies effectively, align their behaviors with clear values, and demonstrate that people's wellbeing is a priority in technology decisions, are those that will gravitate towards success.

The question is, how? The amalgamation of the operational (AI) and experiential (trust) requires a fundamentally different approach. Unlike typical technology transformations that are sourced and implemented via IT teams, ensuring employee adoption, enablement and governance of AI is increasingly under the remit of HR.

WHEN EMPLOYEES HAVE OPPORTUNITIES TO SHARE THEIR FEEDBACK, THEY'RE MORE LIKELY TO TRUST LEADERS TO IMPLEMENT AI EFFECTIVELY:



Provided daily or weekly feedback



Never provided feedback

WHO FEELS THE MOST TRUST AND SUPPORT WHEN IT COMES TO AI IMPLEMENTATION?

Hybrid workers // 58%

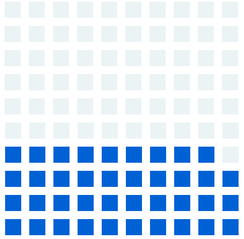
Onsite workers // 50%

Remote workers // 48%

C-Suite // 80%

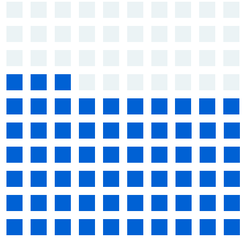
Directors // 68%

Individual Contributors // 38%



39%

People with disabilities that do not impact their ability to carry out day-to-day activities



63%

People with disabilities that greatly reduce their ability to carry out day-to-day activities

04

Successful AI transformation requires HR leadership

While HR leaders aren't necessarily experts in technology, they are experts in people and culture — and this is what will make or break the success of these business-critical changes.

For example, developing guidelines for AI use, principles or codes of conduct, training and enablement to build skills, job design (or redesign), workforce planning, identifying tasks ripe for AI use, employee-centric change management practices, and much more — all of these are areas where HR can underscore the importance of AI's value in an organization.

But as it stands, organizations still have work to do to get to this point; just over half have clear principles, ethics, or guidelines on the use of AI, training for AI tools, or have designed jobs based on future needs.

This organization-wide gap points out something vital: HR shouldn't just be involved in or consulted on these projects, but actually co-leading them. This is what will make or break the success of business-critical technology changes that affect employee experiences. So, what can HR do?

JOB DESIGN

I am involved in deciding how my job will be done in the future

GUIDANCE

My organization has clear principles, ethics, or guidelines on the use of AI tools

TRAINING

My organization provides training and enablement on the use of AI tools

EBOOK
ELEVATING EMPLOYEE ADOPTION OF AI THROUGH HUMAN CONNECTIONS

04

Step 1: Implement

LEAD THE CHARGE ON AI-POWERED TASK AUTOMATION

As the demand for increased efficiency and strategic advisory increases for HR teams, AI tools present an opportunity to automate routine tasks, enabling HR teams to focus on more complex and human-centric responsibilities that machines cannot replicate.

To help identify which tasks are ripe for automation, the Qualtrics XM Institute has developed a robust and comprehensive framework to review tasks and deliverables teams are currently responsible for, and explore how AI tools might be used to automate or support them (as well as identify areas that are off limits).

WORKSHEET
HR TASK SUITABILITY FOR AI

BUILD PRINCIPLES FOR ETHICAL AND EMPLOYEE-CENTRIC AI

HR teams play an important role in developing policies and principles that guide employee use of AI technologies in the workplace. These can cover many areas such as digital code of conduct, the use of data, approval processes, training requirements and escalation pathways. All employees should have clear guidelines and expectations that are fairly applied, and be enabled on how to use them in everyday work.

USE THE RIGHT AI TOOLS FOR THE JOB

Most executives today are feeling the pressure to implement the right AI tools as delays will cost them opportunities to win in their markets. Rushing towards a solution without evaluating the options available or specific needs of employees creates just as great a risk.

This is where HR leaders play a role — the success of all AI and technology implementations hinges on the capability and speed at which employees can adopt and convert them into high value outcomes. The productivity paradox, where investments in technology negatively impact growth, occurs when change management and employee experiences are overlooked.

04

Step 2: Accelerate

CREATE A STRONG PARTNERSHIP BETWEEN PEOPLE, CHANGE MANAGEMENT AND TECHNOLOGY TEAMS

Adoption is just one part of the transformation. To ensure employees follow policy and use the AI tools mandated by the organization, having champions to lead, teach, and demonstrate the potency of such solutions is absolutely critical.

Early adopters are passionate about the potential of AI, acting as catalysts for integration and transformation efforts. Work with employees who can highlight where AI could drive real value and identify areas of risk.

These early adopters can uncover opportunities and educate others on AI processes and possible applications across the enterprise.

MEET EMPLOYEES WHERE THEY ARE

As mentioned previously, amalgamating AI and the workforce requires a fundamental rethink and redesign of not just people's day-to-day roles and responsibilities, but also careful consideration of what people need to be successful at work. If AI encroaches upon people's professional identities and acquired skills, naturally, there will be resistance.

With this in mind, it's up to HR leaders and people managers to revise job roles to ensure employees are augmented (not replaced) by AI, and feel comfortable using the tools to increase the quality of their work.

04

Step 3: Transform

TAKE STOCK OF EMPLOYEE WELLBEING AND TRUST

Having clear signal on what matters most to employees, from whether they're feeling pressure to how they perceive the impact of AI on their roles, will help leaders to close experience gaps and pivot to new strategies where necessary. This means focusing on employee wellbeing to identify where and when to act to improve outcomes.

LET EMPLOYEES VALIDATE AI INSIGHTS

A core priority for leaders is to ensure employees feel empowered (not threatened) by generative AI as if it were a new tech co-worker or assistant, and that requires new thinking and training.

By fundamentally redesigning jobs so that employees focus on more human and higher value tasks while validating AI insights, HR leaders can help unlock new efficiencies, higher productivity, and quality of work.

INVEST IN EDUCATION

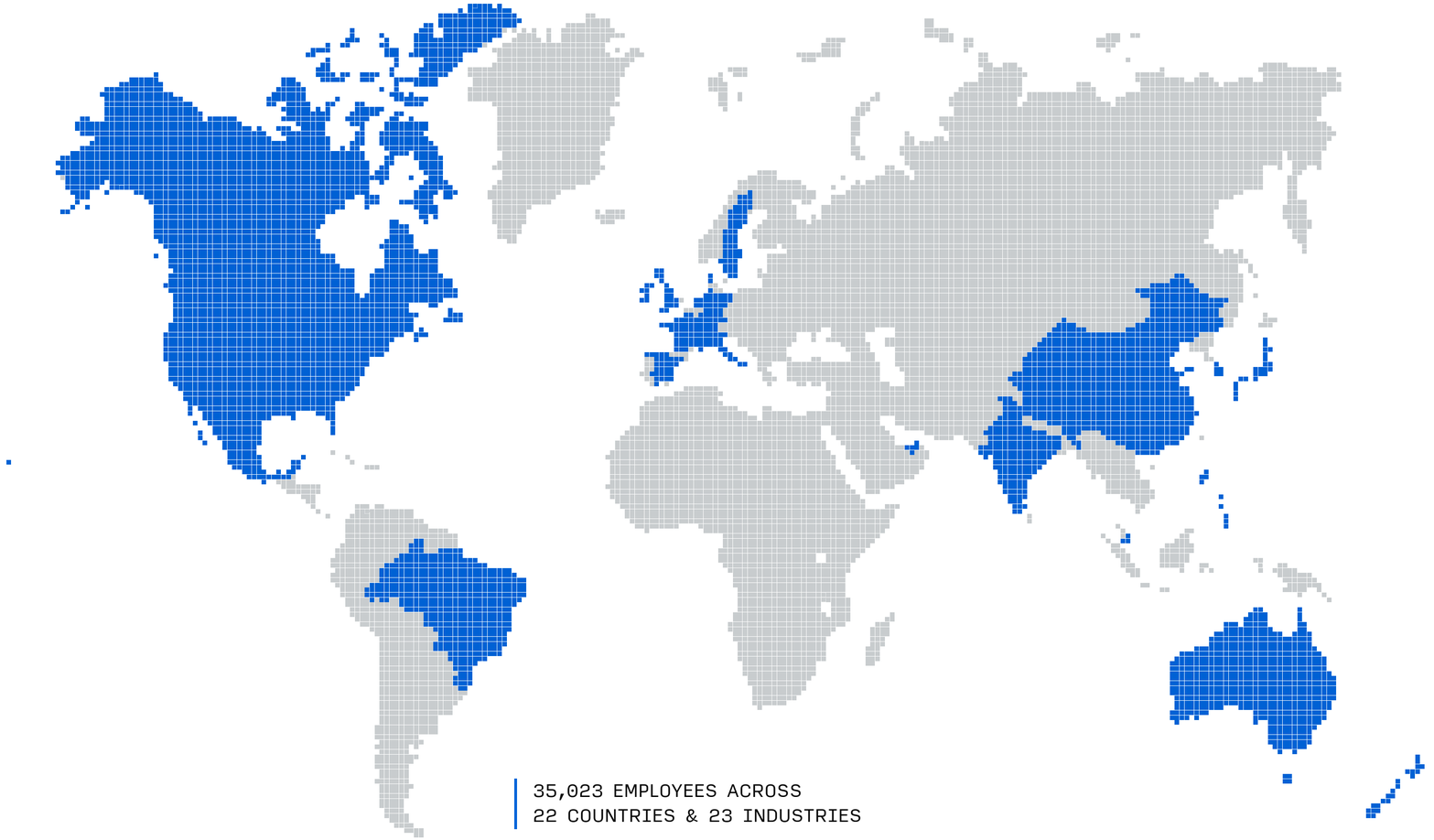
You can't use what you don't understand. In the process of standing up AI in your organization, slow down and invest in the knowledge your employees have around the tools in order for them to most effectively leverage it.

This is not restricted to only training employees on a specific tools, but investing in the digital and AI skills more broadly. When people understand how AI and machine learning works, and have the critical reasoning skills to interrogate what it produces, these general skills can be transferred to multiple use cases.

DEMO
WELL-BEING AT WORK SOLUTION

Methodology

Data collected in July 2024. Our research participants consisted of 35,023 full-time and part-time employees from 22 countries, and 23 industries. We sampled employees from organizations employing between 100-50,000+ employees. The sample was 49% male, 50% female, and 1% non binary/transgender/third gender.



Country

USA	13%	UAE	3%
Canada	3%	Australia	6%
Mexico	3%	Japan	6%
Brazil	3%	India	6%
UK	6%	Singapore	3%
Ireland	3%	Philippines	3%
Germany	6%	South Korea	3%
France	6%	Hong Kong	3%
Netherlands	3%	New Zealand	3%
Spain	3%	China	9%
Italy	3%		
Sweden	3%		

Region

EMEA	36%	APJ	42%
AMER	16%	LAC	6%

Gender

Male	49%
Female	50%
Non binary/transgender/third gender	1%

Age

18-24	14%
25-34	27%
35-44	26%
45-54	19%
55+	14%

Tenure

Less than 6 months	5%
6 months to less than 1 year	8%
1 year to less than 2 years	12%
2 years to less than 3 years	14%
3 years to less than 5 years	18%
5 years to less than 10 years	22%
10 years or more	22%

Caring

On average, how many hours per day do you spend on unpaid caring or domestic work?	3 hrs
How would you describe your work?	
Knowledge	66%
Physical	29%
Other	5%

Work Level

Trainee / Intern	5%
Individual contributor (i.e., you do not have people who report to you)	45%
Manager / Leader of Individual Contributors (i.e., you have people who report to you)	26%
Senior Director, Director, Mid-management (e.g., leads a region, function, department)	18%
Top level leadership (VP, C-suite etc.)	6%

Employment

Full time	83%
Part-time	17%

Disability

Has a physical or mental health condition or illness lasting or expected to last 12 months or more	25%
Conditions or illnesses reduce your ability to carry out day-to-day activities	23%

Company Size

100-500	33%
500-999	16%
1000-4999	19%
5000-10000	15%
10000-50000	10%
50000+	7%

Industry

1% Airlines
3% Automobiles & Components
3% Capital Goods (Tangibles produced and distributed used for the production of other products: Aerospace & Defense, Building Products, Electrical Equipment, Industrial Conglomerates, Machinery)
9% Construction & Engineering
3% Consumer Durables and Apparel (electronics, furnishings, appliances, apparel)
5% Consumer Staples/FMCG (food, beverage, tobacco, household, and personal products; includes drug and food retail)
9% Education
2% Energy (Oil/Gas/Coal Equipment, Drilling, Extraction, Production, Exploration, Refining...etc.)
7% Financial Services
6% Government/Public Sector
13% Healthcare
7% Information Technology: Software & Services
2% Information Technology: Hardware & Equipment
2% Information Technology: All Other
2% Media & Entertainment (advertising, broadcasting, cable/satellite, publishing, cinema, entertainment, interactive media)
2% Metals, Minerals, Mining
2% Non-profit
3% Pharmaceuticals, Biotechnology & Life Sciences
1% Real Estate
1% Restaurant (Quick Service/Fast Food)
1% Restaurant (Table Service)
5% Retail (Store)
1% Retail (Online)
2% Services: Commercial Services & Supplies (B2B: office, facility, security)
1% Services: Consumer Services (B2C: personal, home, legal services)
2% Services: Professional Services (B2B: consulting, HR/employment, research)
1% Telecommunications
4% Transportation
1% Utilities (Electric, Gas, Water, Renewable...etc.)

Function

9% Admin support
5% CEO/Executive/President
2% Community/Social Service
5% Construction
12% Customer Support/Services
3% Data Science, Big Data, Database Management
7% Education/Training
4% Engineering (includes architect)
1% Ethics, Compliance, Corporate Social Responsibility
3% Facilities/Office Management
6% Finance/Accounting
4% Food and Beverage Service
4% HR
3% IT (Help Desk, Organizational Support)
8% IT (Technology Development)
1% Legal
2% Marketing/PR/Advertising
6% Patient Care
2% Procurement/Purchasing
2% Research & Development (hard and soft sciences)
6% Sales/Business Development
3% Supply Chain/Logistics
2% Transportation

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