Morgan McKinley

Part of Org Group



2026 Global AI Report

Contents

Executive Summary	03
Key Insights	05
Part 1. The Impact of AI on Recruitment	07
Insight #1: AI Is Trusted To Assist, Not Decide	07
Insight #2: AI Accelerates Applying, Delays Screening	10
Insight #3: Attitudes to AI in Hiring Differ by Market	12
AI in Recruitment: Regional Comparisons	16
Part 2. AI's Impact on the Future of Work	17
Insight #4: AI Enables More Strategic Work	17
Insight #5: Personal AI Account Use Is Creating Risk	19
Insight #6: Replacement Fears Don't Match Plans	21
AI & The Future of Work: Regional Comparisons	23
Part 3. AI's Impact on Workplace Planning	24
Insight #7: AI Adoption Is Outpacing Employee Upskilling	24
Insight #8: Governance Is Challenging AI Adoption	26
AI's Impact on Workforce Planning: Regional Comparisons	28
Recommendations for Employers	29
Methodology	31
How to Contact Us	32

Executive Summary



Navigating AI in the Global Talent Market

In my role advising international companies on their talent strategies, I see firsthand how quickly the global landscape is evolving. Right now, there is no greater catalyst for change than the integration of AI with how we work.

Our 2026 Global AI Report, which draws on insights from over 1,900 employees and nearly 150 employers across seven global markets, reveals a complex reality:

AI is already embedded in everyday working life and is delivering tangible benefits for many employees and employers. But adoption is moving faster than many organisations' recruitment practices, governance, training and workforce strategies can adapt.

The Recruitment AI Paradox

The data clearly shows that AI has moved from its experimental phase to **an everyday workplace tool** for many employees surveyed. With **62% using AI daily at work,** a combined **70% say AI has made their work easier.** AI is also changing the nature of work.

Some **27%** say they now spend more time on strategic planning and decision-making, while **24%** spend more time reviewing and validating AI-generated output. This suggests that AI is not simply removing tasks; it is creating a new human responsibility around judgement and verification.

The recruitment findings reveal an equally interesting tension. Some **78%** of candidates use generative AI during their job search, including **59%** who use it to improve CVs and cover letters, **43%** for interview preparation and **35%** to optimise applications for ATS algorithms.

For employers, this creates a new verification challenge. Some **29%** say candidate AI use has made it harder to verify skills and backgrounds, although **38%** report no measurable impact and **27%** say it has made screening easier.

The challenge for talent leaders is therefore not simply application volume, but how to assess genuine capability when AI can help candidates produce increasingly polished applications.

The Human Element Remains Important

Perhaps the most striking recruitment finding is the difference between candidates' willingness to use AI and their willingness to be evaluated by it. Only **5%** trust AI to make recruitment decisions independently, while **44%** trust it when used alongside human decision-making.

Employer AI screening creates some degree of hesitation for **49%** of candidates: **23%** say it would make them significantly less likely to apply, while a further **26%** say they would be slightly hesitant but would still apply.

This points to a clear candidate preference for human involvement in consequential recruitment decisions. Some **40%** of employers maintain human-in-the-loop oversight for candidate rejections, suggesting many organisations already recognise the importance of human judgement within AI-supported recruitment.

Bridging the Governance and Upskilling Gap

One of the clearest governance questions raised by the research is the use of personal AI accounts for work. Nearly half (**48%**) of employees surveyed say they use personal AI accounts for work at least occasionally. Depending on what information employees enter into these tools and the safeguards in place, this may create data, confidentiality or intellectual property risks.

The training data also points to a significant gap. Only **25%** say their employer is actively investing adequately in their AI upskilling. Some **28%** say training is available but inadequate, while **30%** report no employer investment. Meanwhile, **52%** of employers plan to increase AI training budgets, suggesting that many organisations recognise the need to catch up.

This is made worse by a worrying governance awareness gap and inadequate upskilling. While **52%** of employers plan to increase their AI training budgets, **58%** of employees currently feel the training provided is inadequate or non-existent, leaving **30%** to upskill on their own time. As AI becomes more embedded in everyday work, the findings point to a need for clearer organisational guidance and greater investment in employee AI skills.

AI Attitudes Differ Significantly by Market

For multinational companies, accounting for regional differences is critical. The research shows marked differences in attitudes towards AI-assisted recruitment across the markets surveyed.

Candidate resistance is particularly pronounced in Ireland and the UK. Some **35%** of Irish candidates and **28%** of UK candidates say employer AI evaluation would make them significantly less likely to apply to a job with that employer, compared with **13%** in Singapore, **11%** in Japan and **10%** in Hong Kong. Complete distrust of AI in recruitment also reaches **32%** in Ireland and **27%** in the UK, compared with just **9%** in Hong Kong and Japan.

For global employers, this suggests AI recruitment strategies should reflect local candidate expectations rather than assuming the same level of acceptance everywhere.

Looking Ahead to the Future

Employee concern about AI-driven job displacement is real, but current employer behaviour is less dramatic than those concerns might suggest. Some **46%** of employees are either very concerned (**16%**) or somewhat concerned (**30%**) that AI could replace their job.

By comparison, **64%** of employers report that AI has had a neutral impact on headcount, while **7%** report a reduction and **13%** say AI has slowed their planned headcount expansion.

This gap between employee anxiety and current employer behaviour is an important workforce issue in itself. A further **43%** of employers describe their long-term approach as 'people-first', using AI to augment rather than replace human talent.

The mandate for employers is therefore emerging: organisations that combine AI adoption with clear governance, meaningful upskilling and appropriate human judgement will be better positioned to capture its benefits while managing the associated risks.



Trayc Keevans
Global Director,
Head of Research &
Foreign Direct Investment
Morgan McKinley

Key Insights

01

AI is trusted to assist, not decide

While candidates actively use AI to write CVs (**59%**) and prepare for interviews (**43%**), only **5%** trust AI to make hiring decisions and **44%** trust it only alongside human review.

02

AI accelerates applying, delays screening

Some **29%** of employers say candidate AI use makes skills and backgrounds harder to verify. But **38%** report no measurable impact and **27%** say AI makes candidates easier to screen.

03

Attitudes to AI in hiring differ by market

Attitudes towards AI screening vary across markets. In Asia, trust in AI screening is high. Yet in the UK and Ireland, candidates are less likely to apply to employers that use AI.

04

AI enables more strategic work

Some **70%** say AI makes their work easier. It has shifted to more strategic planning (**27%**) and reviewing AI-generated output (**24%**). In this sense, AI is creating work as well as removing it.

Key Insights

05

Personal AI account use is creating risk

Some **62%** use AI daily at work and another **15%** weekly. Nearly half (**48%**) use personal AI accounts for work occasionally, highlighting the need for clear organisational guidance.

06

Replacement fears don't match plans

Some **46%** of employees express concern that AI could replace their job. Yet **64%** of employers report no AI-related impact on headcount, while only **7%** report AI-induced reductions.

07

AI Adoption Is Outpacing Employee Upskilling

Only **25%** of employees say their employer is actively investing adequately in their AI skills, with **68%** of employees receiving either inadequate or no training, forcing **30%** to self-educate.

08

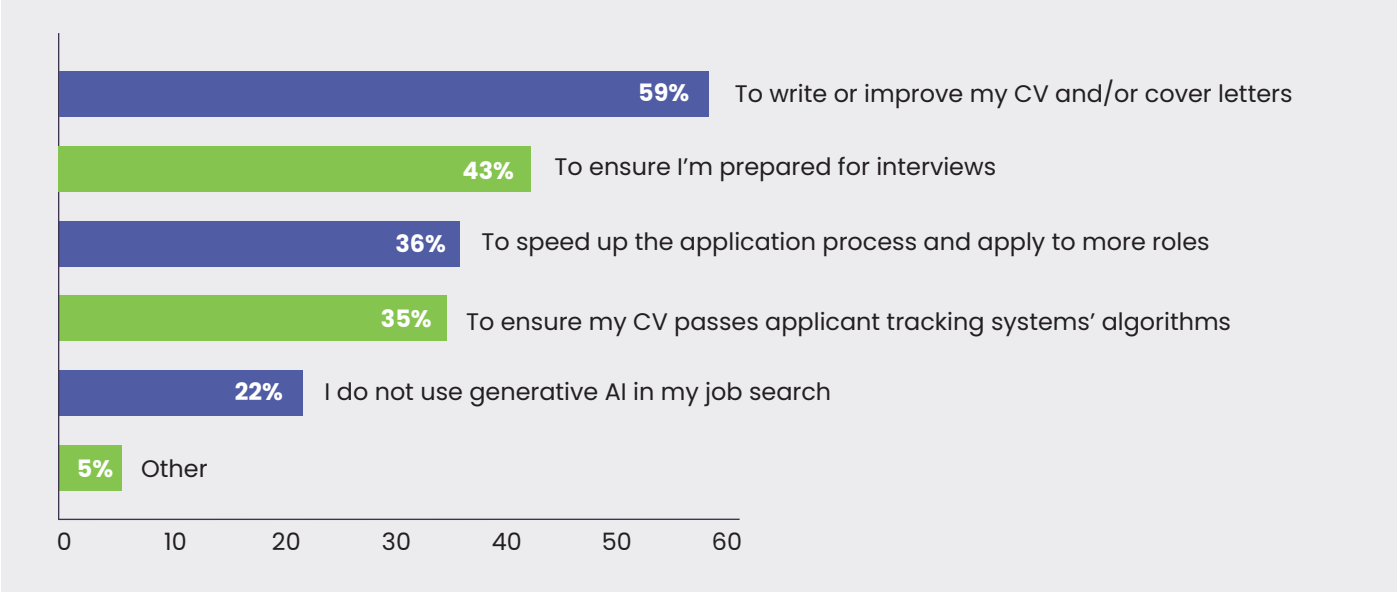
Governance is challenging AI adoption

Data privacy, cybersecurity and compliance are reported as challenges by **25%** of employers. Yet **55%** also report operational performance improvements from AI.

Part 1. The Impact of AI on Recruitment

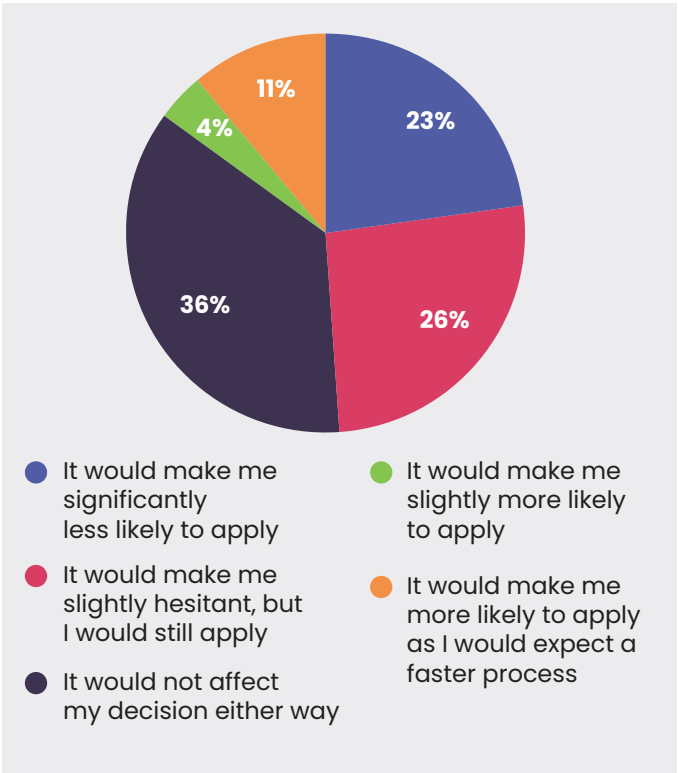
Insight #1:
AI Is Trusted To Assist, Not Decide

Figure 1.1:
Candidates' reasons for using AI during job search



Note: *This question was set up as a 'select all that apply', so the total does not add up to 100%.*

Figure 1.2:
Impact of employers using AI screening on candidates



AI use by candidates during recruitment

The survey found that **78%** of candidates use generative AI in some form during their job search. The most common use is to write or improve CVs or cover letters (**59%**), followed by interview preparation (**43%**). Some **36%** use AI to accelerate applications and **35%** use it to optimise CVs for ATS algorithms.

The impact of AI screening by employers

Almost half report some degree of concern or hesitation when employers use AI evaluation. Some **23%** would be significantly less likely to apply, while **26%** would be slightly hesitant but would still apply. Only **15%** say AI screening would make them more likely to apply, while **36%** say it would have no impact either way.

However, nearly half of respondents would be reluctant to apply to businesses that use AI for candidate screening, with **23%** stating it would make them significantly less likely to apply and **26%** feeling slightly hesitant. Only **15%** view employer AI screening as a positive and **36%** say that automated evaluation would not impact their decision either way.



Figure 1.3:
Candidates' feelings about the use of AI in recruitment

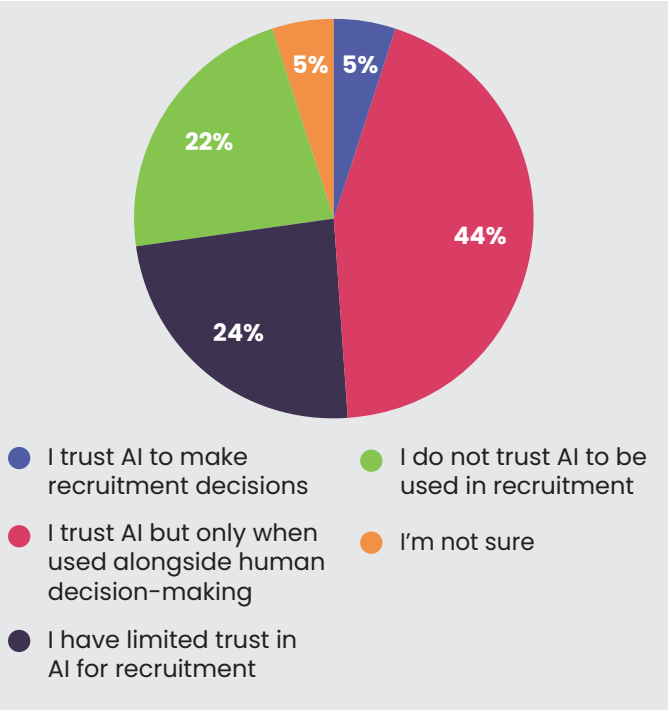
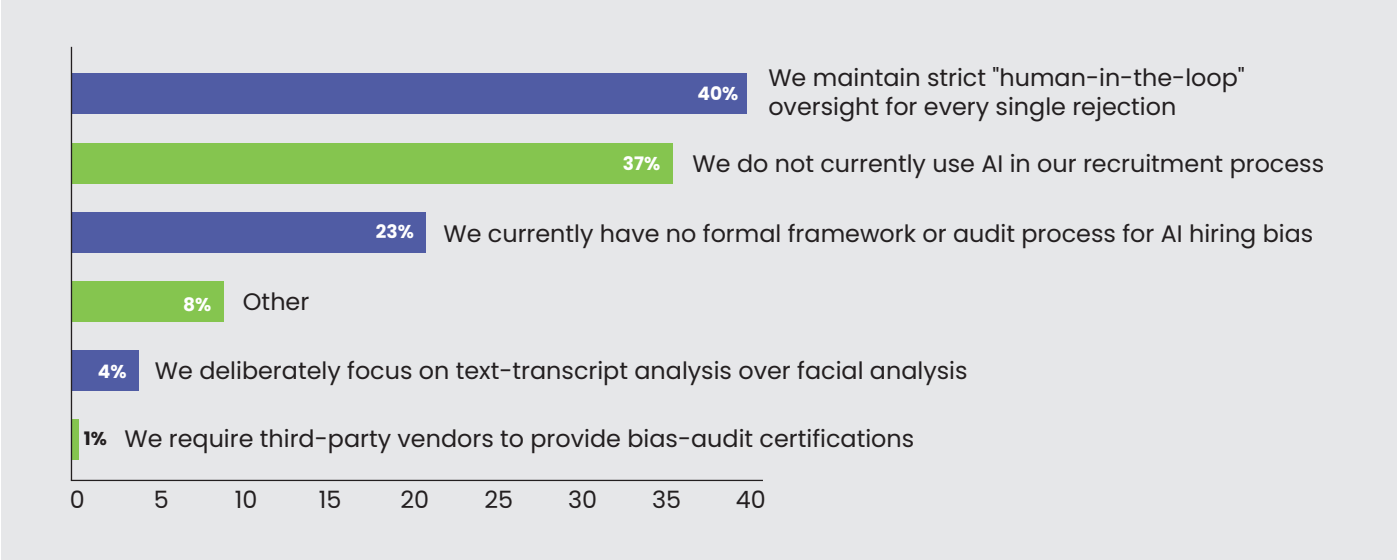


Figure 1.4:
What employers do to limit AI bias in recruitment



Note: *This question was set up as a 'select all that apply', so the total does not add up to 100%.*

Candidate trust in AI for hiring decisions

This caution is also reflected in attitudes towards AI-supported recruitment decisions. Only **5%** say they would trust a recruitment decision made by AI alone, compared with **44%** who would trust AI when it is used alongside human decision-making. A further **24%** report limited trust, while **22%** say they do not trust AI in recruitment decisions.

Candidates therefore appear comfortable using AI to support their own job search, but are more cautious when AI is used to evaluate them. For employers, being clear about how AI is used and the role people continue to play in hiring decisions may therefore become an important part of the candidate experience.

The employer findings provide some evidence that this is already being recognised. Some **40%** of employers say they maintain strict human oversight for every candidate rejection where AI is involved. However, **23%** report having no formal bias audit framework, while **37%** say they do not currently use AI in recruitment. This suggests that approaches to oversight remain varied across employers rather than representing a consistent standard.

What this means for employers

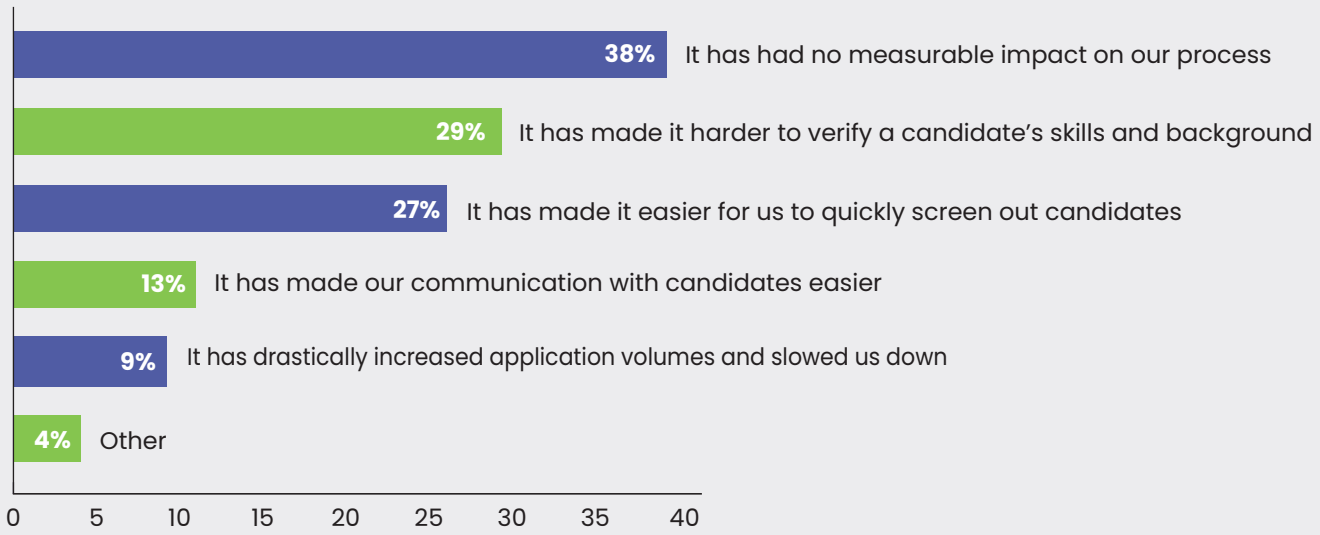
While the majority of candidates (**78%**) use AI to be more efficient, employers must be aware when using AI for candidate screening that it could impact their hiring outcomes. Nearly half of candidates (**49%**) are reluctant to apply to businesses who use AI screening, and trust in standalone AI hiring decisions is just **5%.**

Instead, candidate confidence relies on a hybrid process: Some **44%** trust AI only when paired with human decision-making. Many employers recognise this, with **40%** maintaining strict "human-in-the-loop" oversight for candidate rejections to mitigate bias.



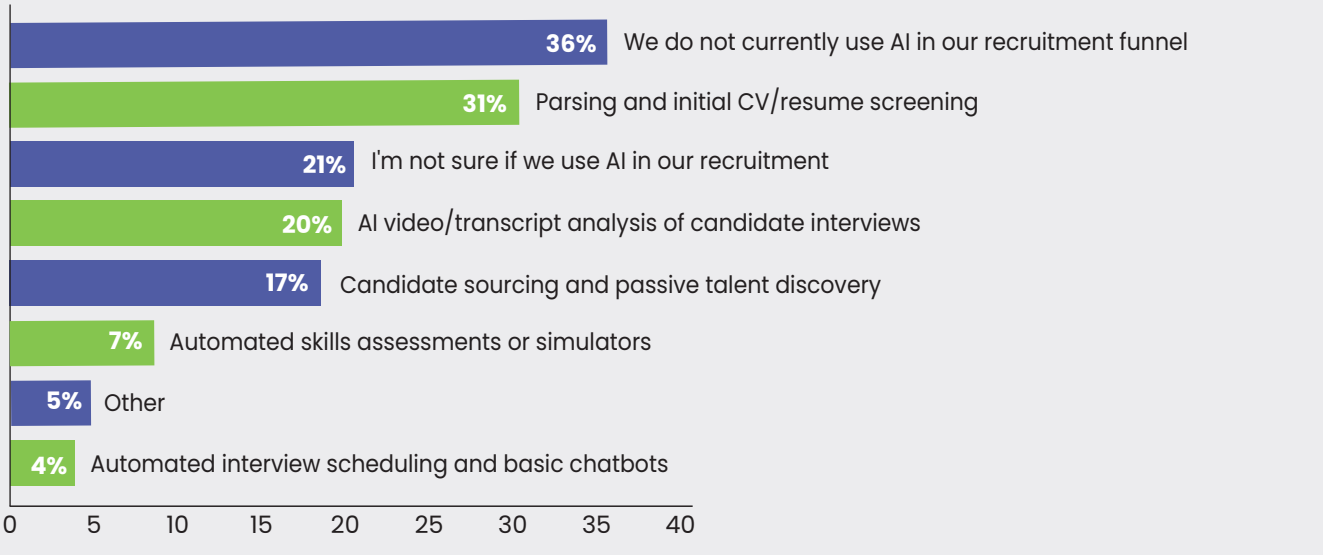
Insight #2:
AI Accelerates Applying, Delays Screening

Figure 2.1:
Employers' opinions on candidates' AI use



Note: *This question was set up as a 'select all that apply', so the total does not add up to 100%.*

Figure 2.2:
What employers use AI for in their recruitment



Note: *This question was set up as a 'select all that apply', so the total does not add up to 100%.*

Employer sentiments on AI use by candidates

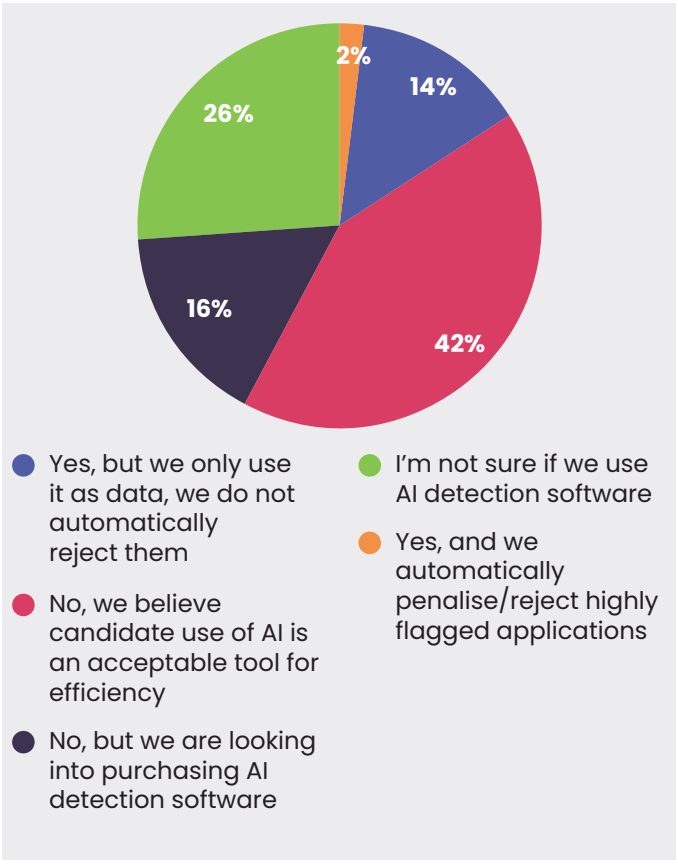
For **38%** of employers, AI usage by candidates has had no impact on their hiring process, but **29%** report that AI makes it more difficult to verify an applicant's skills and background.

Similarly, while **27%** of employers say that candidate AI use has made it easier to filter out applicants, **9%** feel overwhelmed by inflated application volumes that are slowing down their time to hire.

Use of AI by employers in the recruitment process

Interestingly, over a third of employers (**36%**) do not use AI anywhere in their recruitment funnel, and another **21%** are unsure whether they do. For those who do, AI usage is concentrated in early-stage evaluation, such as initial CV and resume parsing (**31%**), AI video or transcript analysis of candidate interviews (**20%**) and passive candidate sourcing (**17%**).

Figure 2.3: Whether employers use AI detection software





Use of AI detection tools by employers

About **16%** of businesses are considering purchasing AI detection tools. Right now, applications optimised with AI are rarely penalised, with **42%** of employers viewing AI as an acceptable tool for efficiency. Only **2%** automatically reject flagged applications, while **14%** use AI detection as data rather than as a filter.

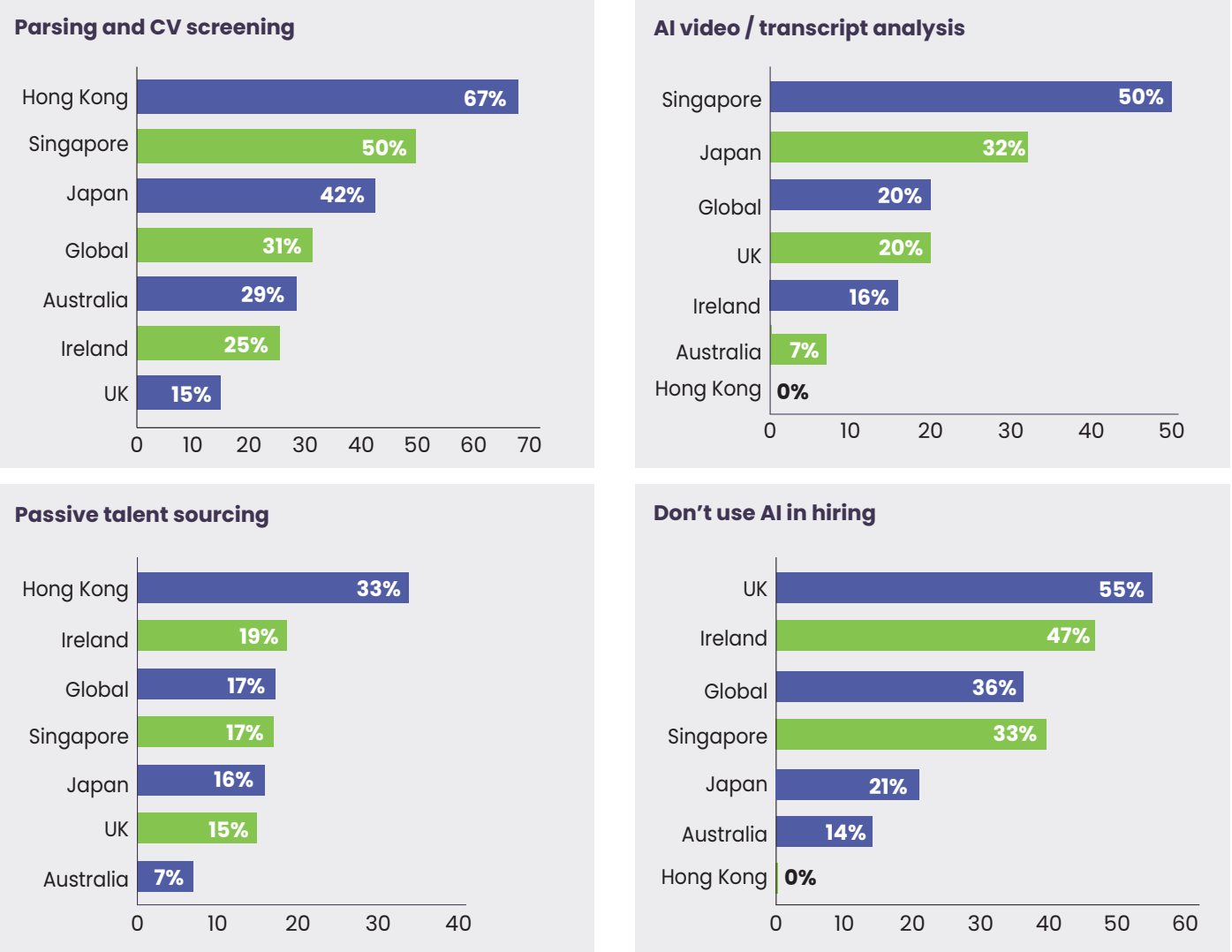
What this means for employers

As the use of AI by candidates becomes more widespread, its impact on hiring teams is mixed. While **38%** report no measurable impact and **27%** say AI-assisted applications have made candidates easier to screen, **29%** say they are finding it harder to verify candidates' skills and backgrounds. A further **9%** say increased application volumes are slowing down the hiring process.

This suggests that as AI becomes a more established part of the application process, employers may need to place greater emphasis on verifying candidates' skills rather than relying on the application alone. Structured assessments or practical evaluation could play a greater role in testing candidates' genuine capabilities.

Insight #3:
Attitudes to AI in Hiring Differ by Market

Figure 3.1:
Employers' use of AI in recruitment by region



Please also note overall employer respondent volumes are significantly lower than candidate/employee respondent volumes. See below for reference:

Australia total = 23

Hong Kong total = 6

Ireland total = 50

Japan total = 23

Singapore total = 11

UK total = 28

***Note:** This question was set up as a 'select all that apply', so the total does not add up to 100%. Also, the employer data received for Canada was not high enough to include.*

Figure 3.2:
Candidate trust in AI screening by region



The outlook in Asia

AI use in recruitment is more common among employers surveyed in several Asian markets, while candidate resistance is also lower. Hong Kong and Singapore report the highest use of AI for CV parsing, at **67%** and **50%** respectively, while **50%** of Singaporean employers use AI for interview video or transcript analysis.

Candidate use of AI during the job search is also high in Hong Kong, where **79%** use it to refine their CV and **50%** use it to apply for more jobs. Distrust of AI in recruitment decisions is relatively low in both Hong Kong and Japan, at **9%**, compared with **22%** globally.

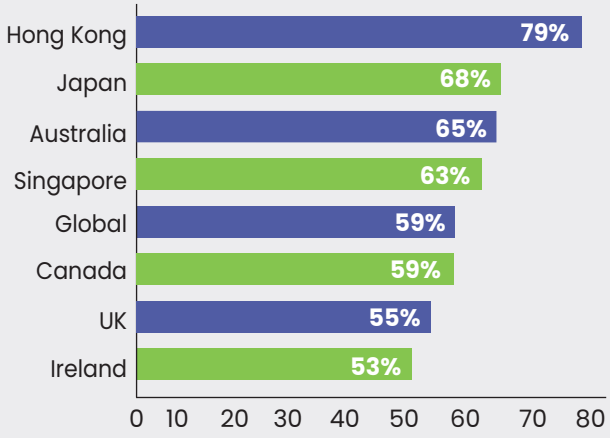
The outlook in Ireland and the UK

In Ireland and the UK, there is greater restraint around the use of AI in hiring. Over half of UK employers (**55%**) and **47%** of Irish employers surveyed do not use AI in their recruitment processes.

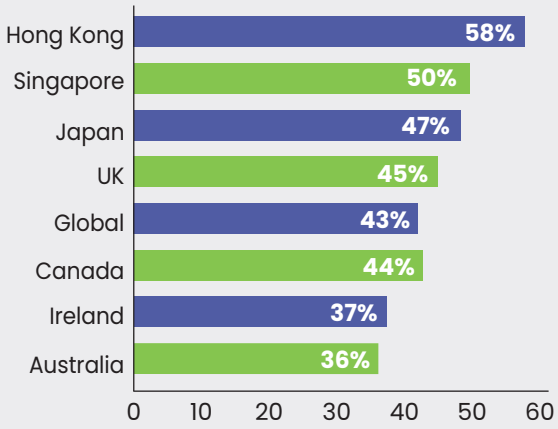
Candidates in these markets also show greater caution. In Ireland, **35%** say they would be significantly less likely to apply to an employer using AI evaluation, compared with **28%** in the UK. Distrust of AI in recruitment decisions is also higher in Ireland (**32%**) and the UK (**27%**) than in the other markets surveyed.

Figure 3.3:
Reason for candidate use of AI in job search by region

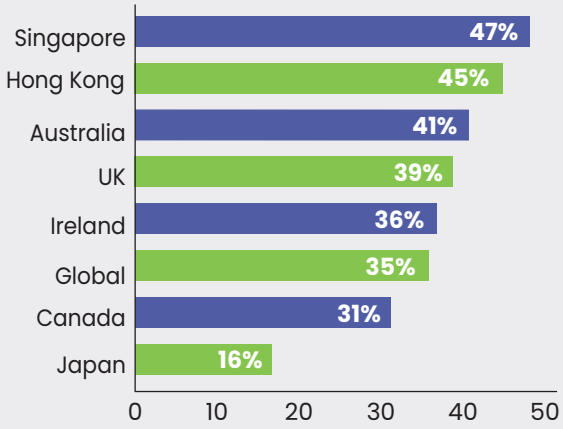
Write / refine CV and cover letters



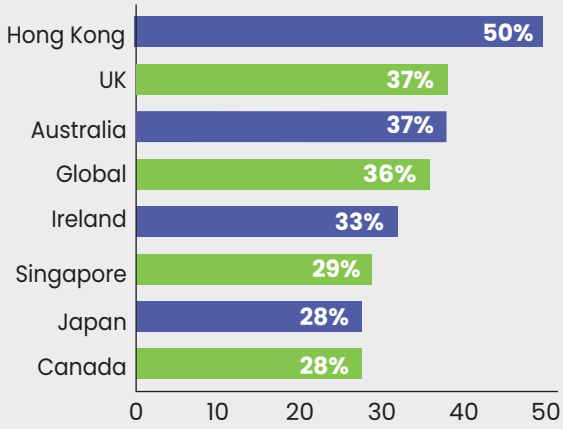
Interview preparation



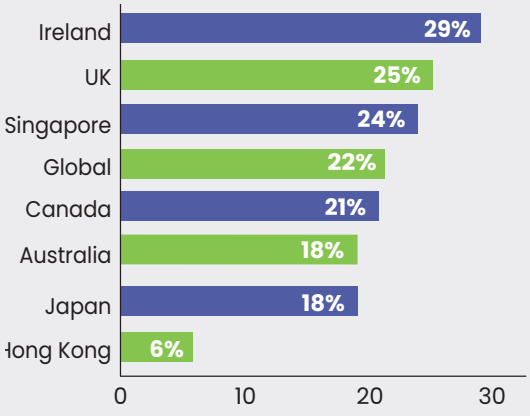
CV optimisation for ATS algorithms



Acceleration of applications



Do not use AI in job search



Note: *This question was set up as a 'select all that apply', so the total does not add up to 100%.*





Regional differences in opinions on candidate AI use

Employers' attitudes towards candidate AI use also vary across the markets surveyed. Among UK employers, **55%** say candidate AI use is acceptable, while **14%** of Australian employers say they automatically reject applications identified as AI-created. A further **21%** of Australian employers report monitoring AI use in applications. Meanwhile, **25%** of Irish employers and **21%** of Japanese employers say they are considering AI detection software.

Candidate behaviour also differs by market. While using AI to improve CVs is common across the countries surveyed, using it to optimise applications for applicant tracking systems is more prevalent in Singapore (**47%**), Hong Kong (**45%**) and Australia (**41%**), compared with **16%** in Japan. AI use for interview preparation is highest in Hong Kong (**58%**) and Singapore (**49%**).

What this means for employers

The findings show clear differences in attitudes towards AI-assisted recruitment across the markets surveyed. Employer adoption is higher in Asian markets, with **67%** of Hong Kong employers surveyed using AI for CV screening. Candidates in Hong Kong and Japan also show lower levels of distrust towards AI in recruitment decisions, at **9%** in both markets.

In Ireland and the UK, adoption is more cautious. Some **47%** of Irish employers and **55%** of UK employers surveyed do not currently use AI in recruitment. Candidate resistance is also higher, with **35%** of respondents in Ireland and **28%** in the UK saying AI evaluation would make them significantly less likely to apply.

For international employers, the findings suggest that attitudes towards AI in recruitment vary enough to warrant consideration of the local market. How AI is introduced and explained to candidates may be particularly important in markets where trust is lower.

For global employers, recruitment strategies need to be tailored to the local market rather than applied uniformly. Talent acquisition teams in the UK and Ireland may want to integrate transparency and human oversight to avoid losing candidates, while those in Asia can use AI tools with minimal pushback

AI in Recruitment: Regional Comparisons

1 Hong Kong & Singapore lead AI use in screening

In Hong Kong, **79%** of candidates use AI to improve their CVs, while **67%** of employers surveyed use AI for CV parsing and screening. In Singapore, **46%** of candidates use AI to optimise their CVs for applicant tracking systems, while **50%** of employers use AI for CV parsing or interview video or transcript analysis.

2 Candidates in Ireland and the UK show greater caution

In Ireland, **35%** of jobseekers say AI evaluation would make them significantly less likely to apply to a job, compared with **28%** in the UK. Meanwhile, **25%** of UK employers say candidate AI use has increased application volumes and slowed screening, while **40%** say it has made skills and backgrounds harder to verify.

3 Australian employers are firmer on AI applications

Some **41%** of Australian candidates use AI tools to optimise their CVs for applicant tracking systems but caution is warranted here. Among the Australian employers that were surveyed, **14%** say that they automatically reject applications identified as AI-generated, compared with only **2%** globally.

4 Japanese candidates show lower distrust in AI

While **16%** of Japanese candidates use AI to optimise their CVs for applicant tracking systems, compared with **35%** globally, only **9%** say they do not trust AI in recruitment decisions, compared with **22%** globally. Among Japanese employers surveyed, **42%** also use AI for CV parsing and screening.

5 Canadian candidates show higher trust in AI

Among Canadian candidates surveyed, **19%** say they would trust hiring decisions made by AI alone, compared with **5%** globally. Some **59%** use AI to write/improve their CV when applying for jobs. Employer use of AI screening would make **9%** slightly more likely to apply and **16%** significantly more likely.

Note: *Canadian candidate findings should be interpreted with caution due to a smaller respondent base of only 33 respondents in Canada, so calling them the 'highest' globally gives a small sample more authority than it deserves.*

Part 2. AI's Impact on the Future of Work

Insight #4:
AI Enables More Strategic Work

Figure 4.1:
Frequency of AI tool use at work by employees

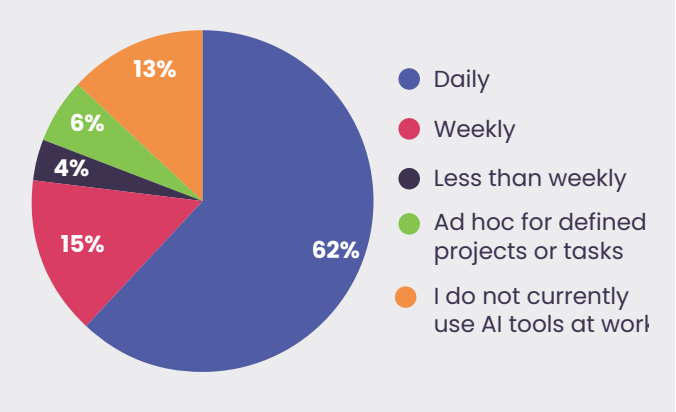
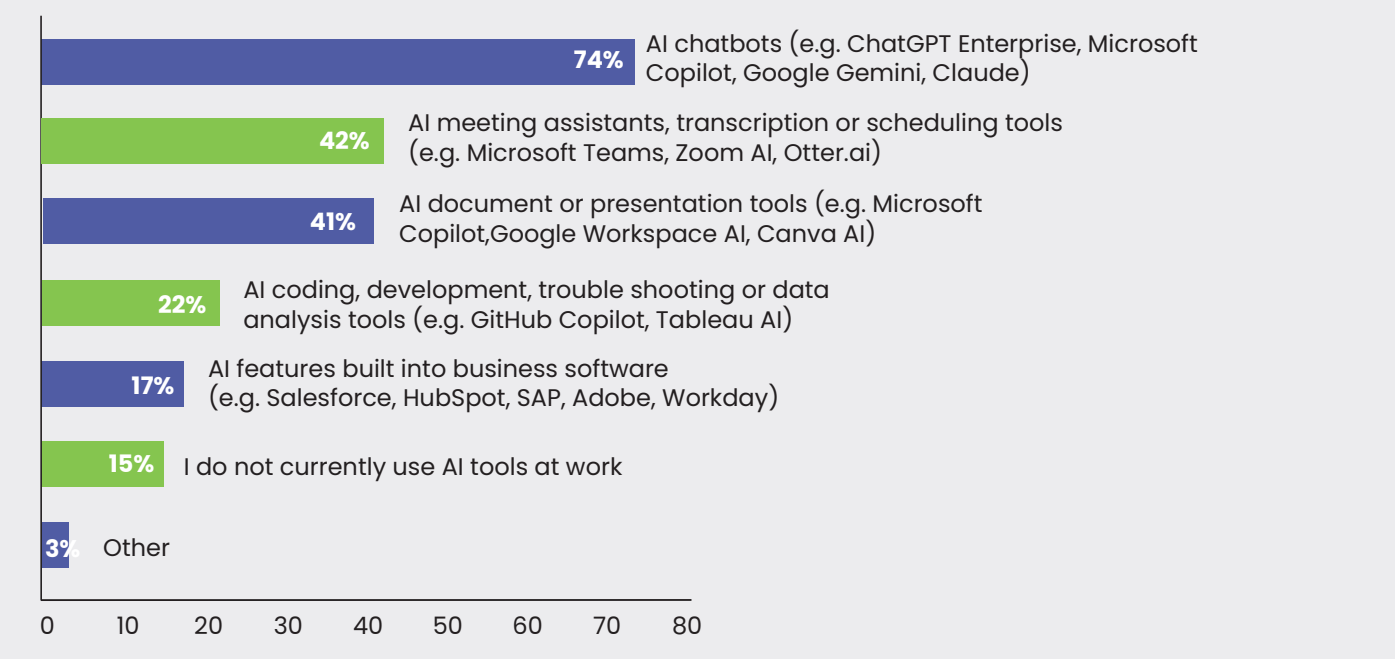




Figure 4.2:
AI tools used by employees at work



Note: *This question was set up as a 'select all that apply', so the total does not add up to 100%.*

Employees' use of AI at work

The survey found that the majority of employees are using AI at work, with **62%** using it daily, **15%** using it weekly (bringing regular use to **77%**) and only **13%** not using it at all at work.

AI chatbots are by far the most widely used tools, with **74%** of employees using platforms such as ChatGPT Enterprise, Microsoft Copilot, Google Gemini or Claude. AI meeting, transcription or scheduling tools are used by **42%**, closely followed by AI document and presentation tools at **41%**.

Figure 4.3:
How employees say AI has changed the way they work

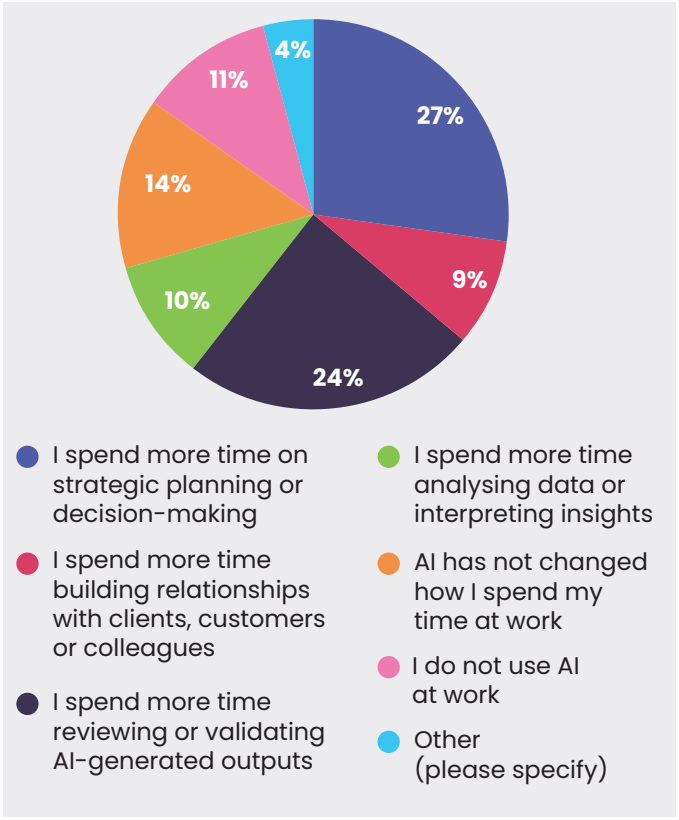
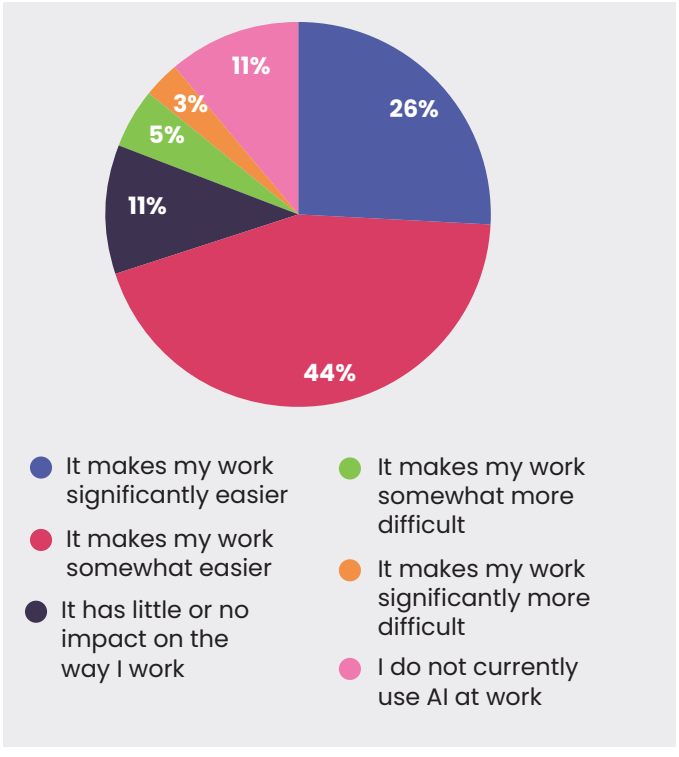


Figure 4.4:
The overall impact of AI on employees' work





The impact of AI on what employees focus on at work

AI use is also changing how employees spend their time at work, with **27%** now spending more time on strategic planning and decision-making, and **24%** on reviewing and validating AI-generated outputs. Some employees report spending more time on data analysis (**10%**) or building relationships with clients or colleagues (**9%**), while **14%** say AI has not changed how they spend their time.

For most employees using AI, the impact on their day-to-day work is positive. A combined **70%** say AI has made their work easier, with **44%** saying somewhat easier and **26%** significantly easier. Just **8%** say it has made their work more difficult, while **11%** report no impact or do not use AI tools at work.

What this means for employers

AI is not only making work easier for many employees; it is also changing where they spend their time. More than a quarter (**27%**) report spending more time on strategic planning and decision-making, while almost as many (**24%**) are spending more time reviewing and validating AI-generated outputs.

The findings suggest that as AI takes on more tasks, employees' ability to assess the quality of its output may become increasingly important. This has implications for how organisations think about AI skills and the support employees need as their roles evolve.

Insight #5:
Personal AI Account Use Is Creating Risk

Figure 5.1:
Employees' use of personal AI accounts at work

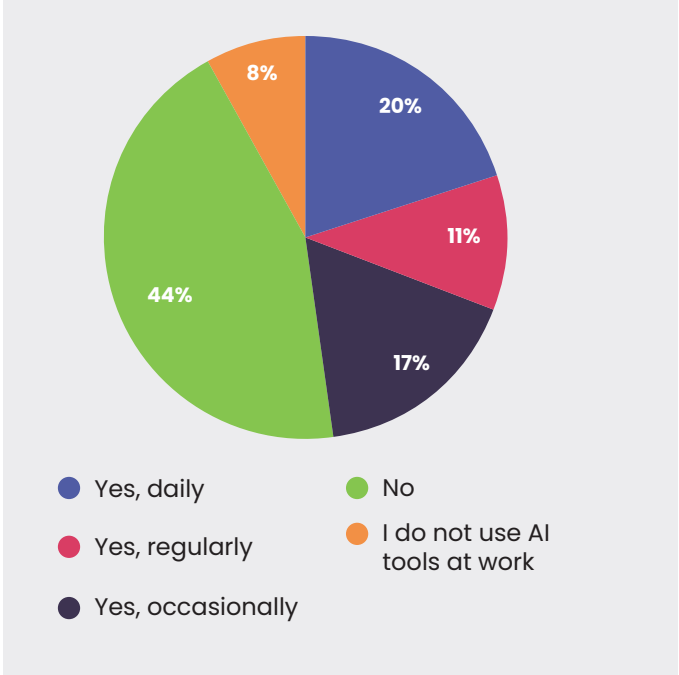
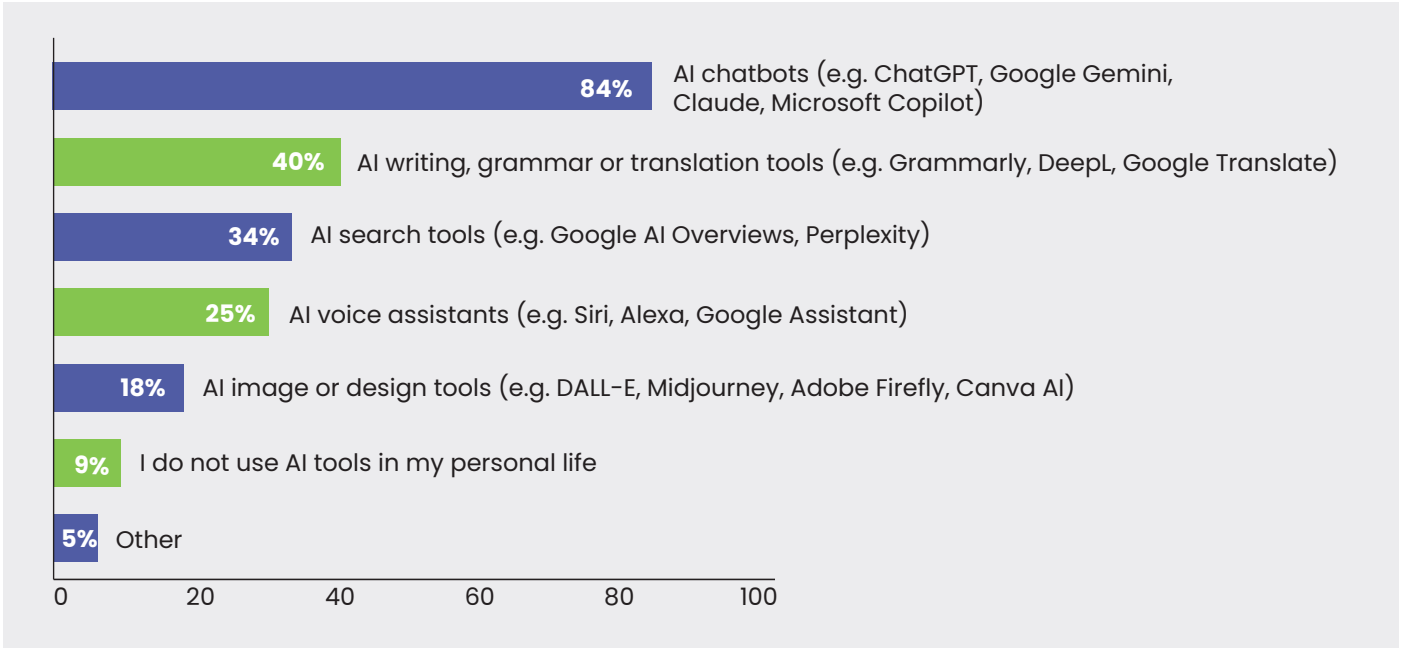




Figure 5.2:
AI tools used in employees' personal life



Note: *This question was set up as a 'select all that apply', so the total does not add up to 100%.*

The use of personal AI accounts at work

Nearly half of employees (**48%**) say they use personal AI accounts for work, either daily (**20%**), regularly (**11%**) or occasionally (**17%**). This raises questions around how organisations manage the use of personal AI accounts, particularly where sensitive company information may be involved.

The popularity of AI tools in and outside work

AI chatbots dominate usage in both personal and professional settings, used by **84%** of respondents in their personal lives and **74%** at work. In their personal lives, **40%** use AI for writing or translation and **34%** for search, while **25%** use voice assistants.

At work, meeting, transcription or scheduling tools are used by **42%** of employees, closely followed by document and presentation tools at **41%**. AI tools for coding or data analysis are used by **22%**. Overall, **15%** say they do not use any of the listed AI tools at work, compared with **9%** who do not use AI tools in their personal lives.

Figure 5.3:
Employers' AI governance according to employees

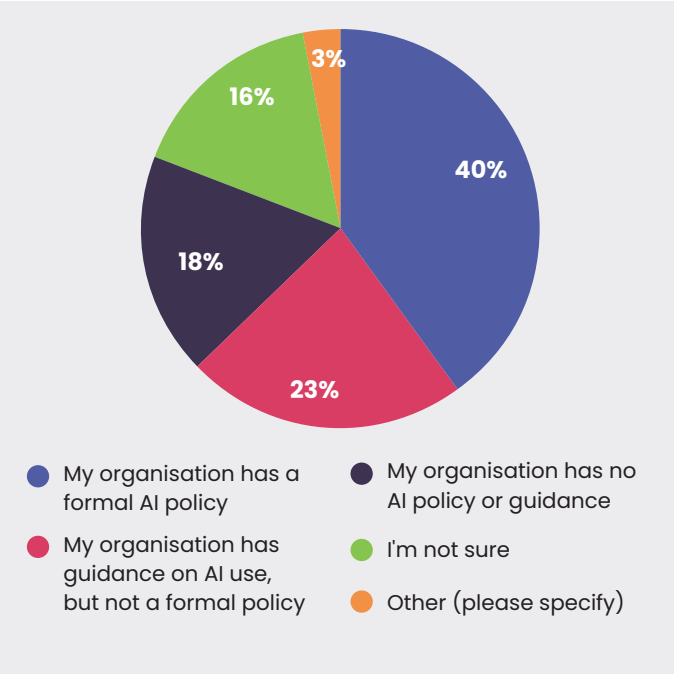
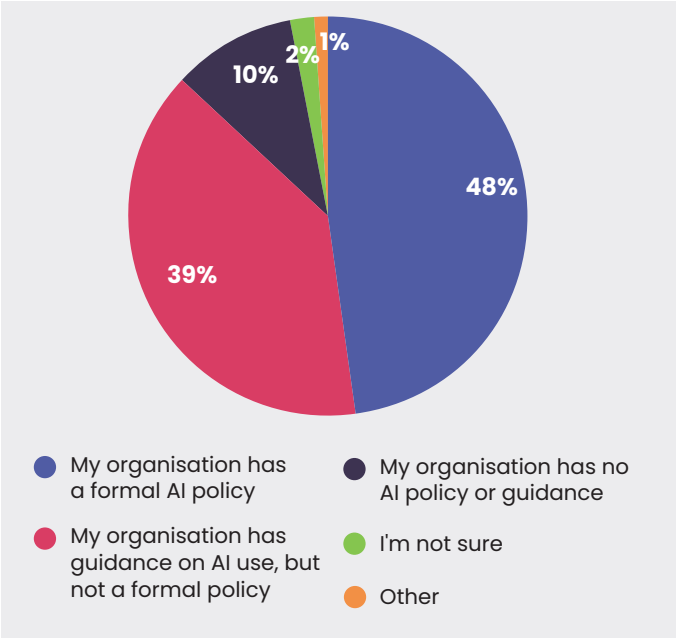


Figure 5.4:
Employers' AI governance approach according to employers



AI policies: Employers versus employees

The findings also point to a gap between how employers describe their AI governance and employees' awareness of it. Nearly half of employers (**48%**) say their organisation has a formal AI policy in place, compared with **40%** of employees who say they are aware of one.

A further **39%** of employers report having guidance on AI use without a formal policy, compared with **23%** of employees. Among employees, **18%** say their organisation has no AI policy or guidance, while **16%** are unsure whether any exists.

What this means for employers

The difference between employer and employee responses suggests that having AI policies or guidance in place does not necessarily mean employees are aware of them. This becomes more relevant given that **48%** of employees say they use personal AI accounts for work at least occasionally.

As AI becomes more embedded in everyday work, the findings point to the importance of making organisational guidance clear to employees and ensuring they understand how AI can be used appropriately at work.

Insight #6:
Replacement Fears Don't Match Plans

Figure 6.1:
Level of employee worry of AI job replacement

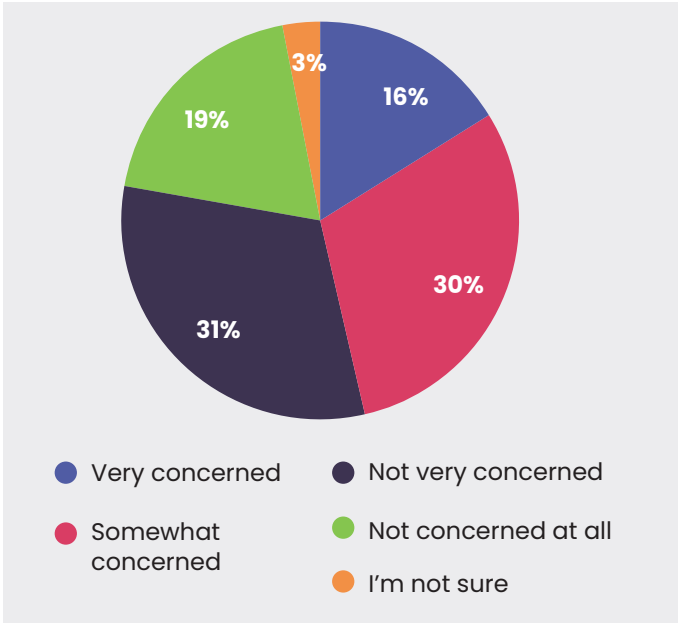
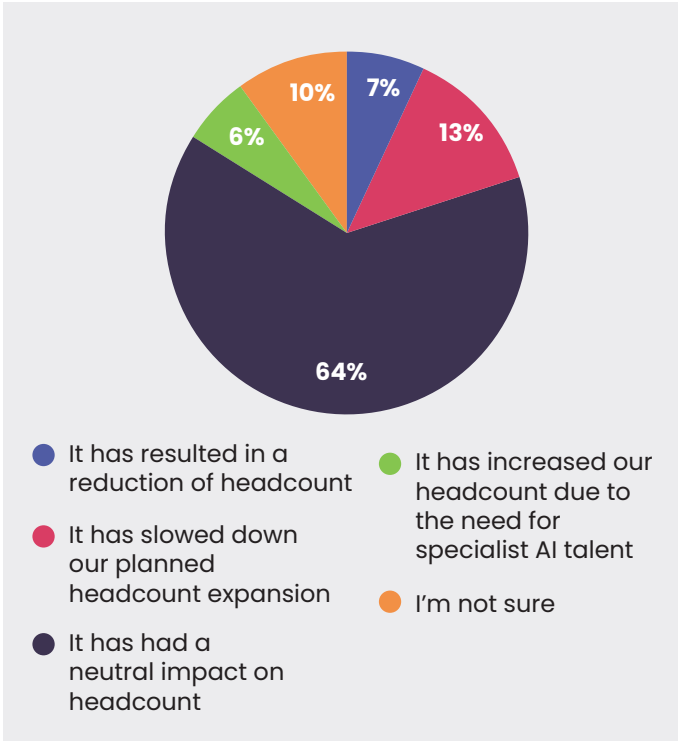


Figure 6.2:
Impact of AI on headcount, according to employers



Employee concerns about job displacement

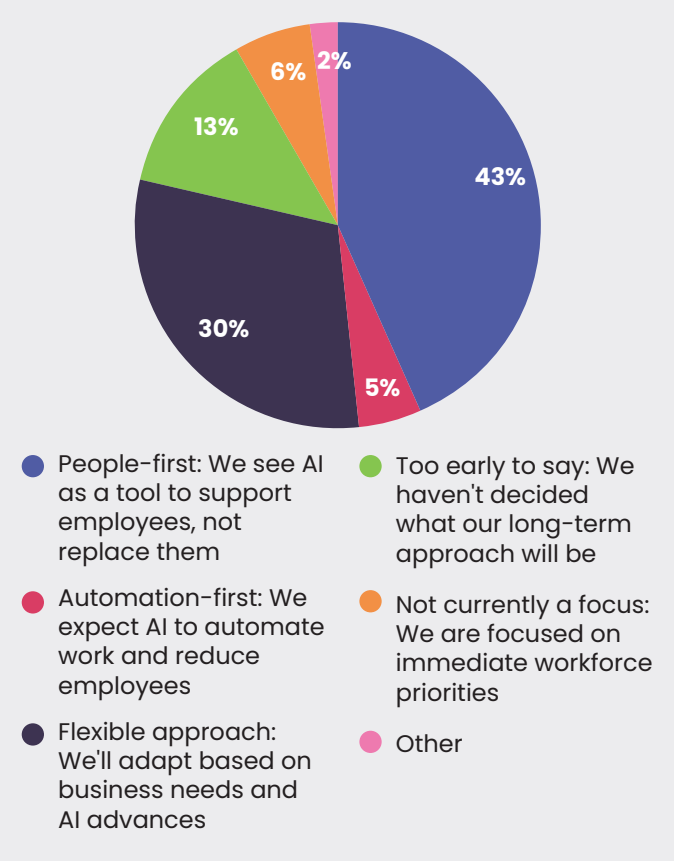
Around half (**50%**) of employees say they are either not very concerned or not concerned at all about their role being replaced by AI. However, **46%** express some level of concern, with **16%** very concerned and **30%** somewhat concerned.

Current employer data shows more limited evidence of direct job displacement. Almost two-thirds (**64%**) say AI has had a neutral impact on headcount, while **13%** say it has slowed planned headcount expansion. Some **7%** report a reduction in headcount, while **6%** have increased hiring due to the need for specialist AI talent.

Figure 6.3:
Impact of AI on graduate hiring, according to employers



Figure 6.4:
Long-term approach to AI, according to employers





The impact of AI on future hiring plans

The picture for early-career hiring is mixed. Over a quarter (**27%**) of employers say AI will not change their graduate recruitment plans, while **13%** expect to recruit a similar number of graduates but with different skills. Some **11%** expect to recruit fewer graduates as AI automates some entry-level work, while **5%** expect to delay or reduce graduate recruitment as they assess its impact.

Looking further ahead, **43%** of employers describe their approach as 'people- first', viewing AI as a tool to support employees rather than replace them. A further **30%** expect to take a flexible approach as business needs and AI capabilities evolve. Only **5%** currently describe their long-term strategy as 'automation first'.

Taken together, the findings suggest a gap between employee concern about job replacement and the workforce changes employers report having made so far. While **46%** of employees express some concern about their role being replaced, direct headcount reductions attributed to AI remain relatively limited among employers surveyed.

What this means for employers

Employee concern about AI-driven job displacement is more widespread than current employer behaviour might suggest. While **46%** of employees are concerned to some degree about their role being replaced by AI, **64%** of employers say AI has had a neutral impact on headcount. Some **7%** report headcount reductions, while **6%** have increased hiring for specialist AI talent.

The longer-term findings also suggest that many employers currently see AI as supporting rather than simply replacing people. Some **43%** describe their approach as 'people-first', while only **5%** identify as 'automation-first'.

For employers, this gap between employee concern and current workforce plans may be important. Greater clarity about how AI is expected to affect roles could help employees understand how their work is changing and where they may need to develop new skills.

AI & The Future of Work: Regional Comparisons

1

APAC shows high AI use and self-upskilling

Daily AI use at work is highest in Japan (**78%**) and Hong Kong (**77%**), compared with **62%** globally. Yet only **19%** in Japan and **15%** in Hong Kong say their employer is investing in AI upskilling, compared with **25%** globally. Some **47%** of Hong Kong and **32%** of Japanese employees report no employer investment will upskill in their own time.

2

UK employers report lower investment in AI skills

Among UK employers, **44%** report having no budget for AI skills development, compared with **19%** globally. A further **44%** say they have no active AI upskilling strategy, compared with **31%** globally. Formal AI policies are also less common among UK employers surveyed, at **31%** compared with **48%** globally.

3

Canadian workers report higher use of AI coding

Canadian respondents report higher use of AI coding and data analysis tools, at **45%** compared with **22%** globally. Use of document and presentation tools is lower, at **13%** compared with **41%** globally, as is the use of writing or translation tools, at **16%** compared with **40%** globally.

4

Australian employers report higher AI governance

Among Australian employers, **86%** say they have a formal AI policy in place, compared with **48%** globally. By contrast, no Hong Kong employers surveyed report having a formal AI policy. Among Hong Kong employees, **25%** say their organisation has a formal policy, while **23%** report having guidance on AI use.

5

Personal AI account use is higher among Japanese employees

Japanese employees report the highest daily use of personal AI accounts for work among the markets surveyed, at **30%** compared with **20%** globally. By contrast, **55%** of Canadian respondents and **53%** of Australian respondents say they do not use personal AI accounts for work, compared with **44%** globally.

Part 3. AI's Impact on Workforce Planning

Insight #7:
AI Adoption Is Outpacing Employee Upskilling

Figure 7.1:
AI training provided by employers, according to employees

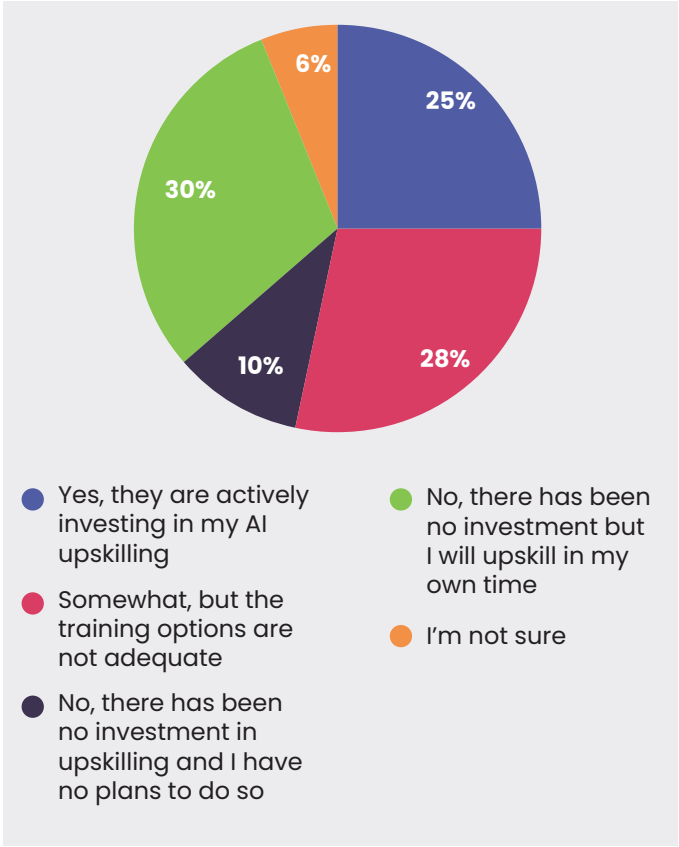
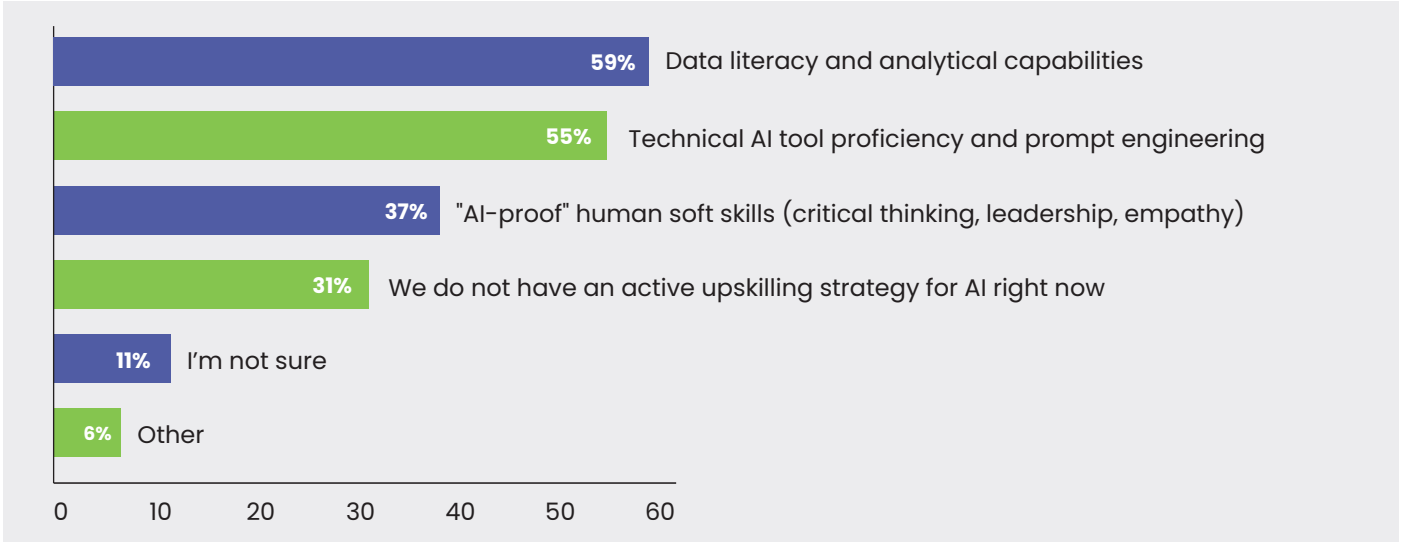




Figure 7.2:
I training provided to employees, according to employers



Note: *This question was set up as a 'select all that apply', so the total does not add up to 100%.*

Misalignment of AI training needs

Only **25%** of employees say their employer is actively investing in their AI upskilling, while **28%** say the training available is not adequate. A further **30%** say there has been no employer investment and they intend to upskill in their own time, while **10%** report no investment and no plans to upskill themselves.

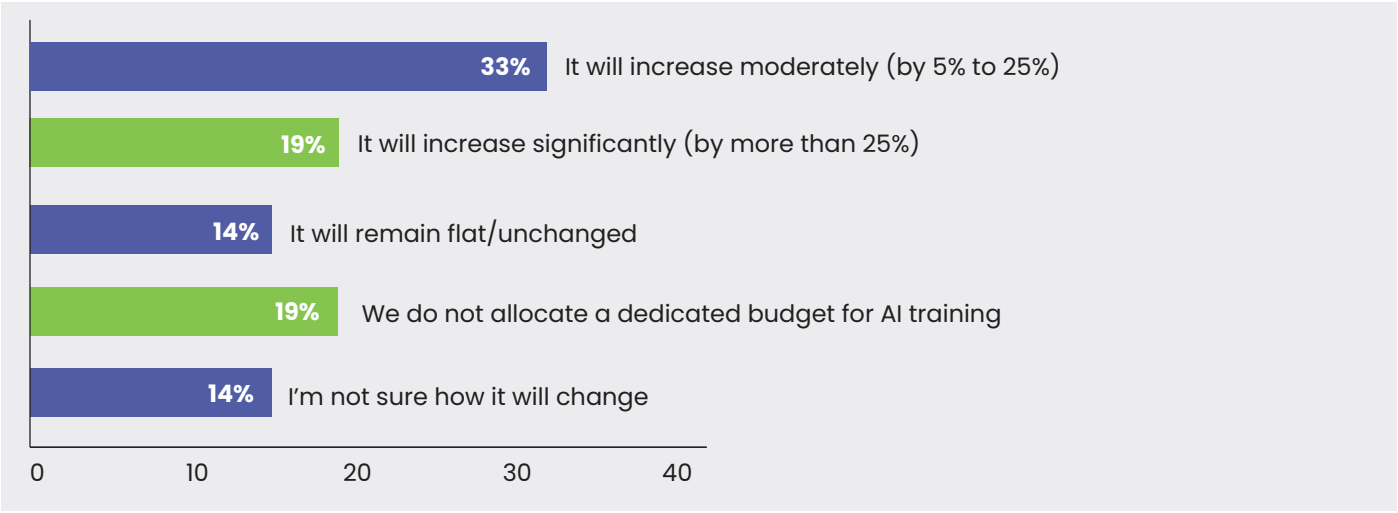
Among employers, data literacy and analytical capabilities are the most common upskilling priority (**59%**), followed by technical AI tool proficiency and prompt engineering (**55%**). Some **37%** are prioritising human skills such as critical thinking, leadership and empathy, while **31%** say they do not currently have an active AI upskilling strategy.

What this means for employers

The findings suggest a gap between the pace of AI adoption and the training employees receive to support it. While only **25%** say their employer is actively investing in their AI upskilling, **30%** report taking responsibility for developing these skills in their own time.

With **52%** of employers expecting AI training budgets to increase, there are signs that organisations are responding. The findings also suggest that effective AI development may need to extend beyond familiarity with the technology, particularly as employees take on more responsibility for reviewing and validating AI-generated work.

Figure 7.3:
Movement in budget for AI training, according to employers



Investment in AI upskilling for employees

There are signs that employer investment in AI training may increase, with **52%** expecting their budget for internal AI skills development to rise. Some **19%** expect an increase of more than 25%, while **33%** anticipate an increase of between **5%** and 5%-25%. A further **14%** expect budgets to remain unchanged, while **19%** say they do not currently allocate a dedicated budget to AI training.



Insight #8:
Governance Is Challenging AI Adoption

Figure 8.1:
Employers' motivations for adoption of AI

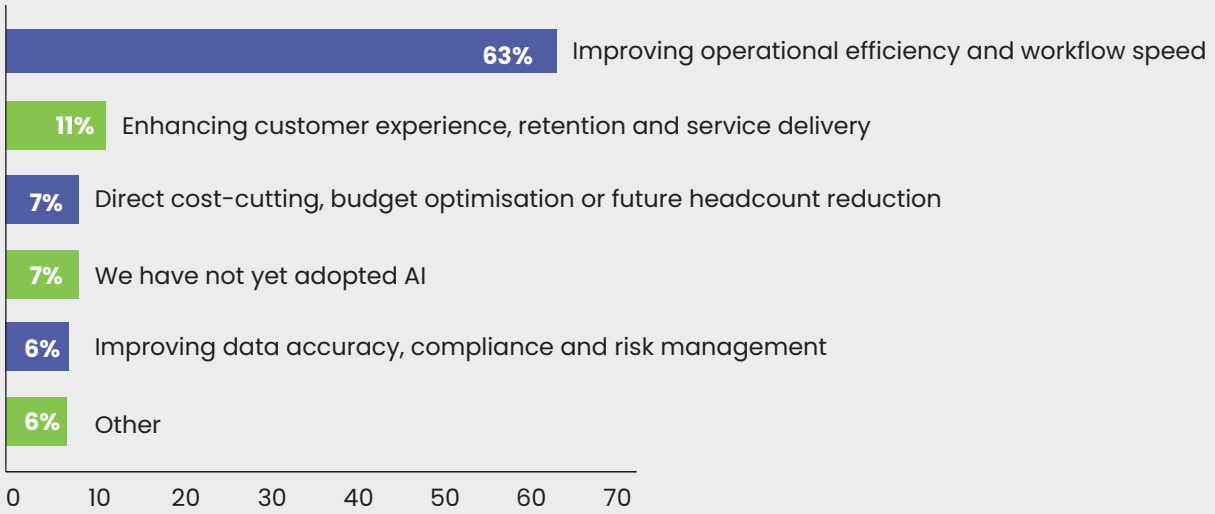
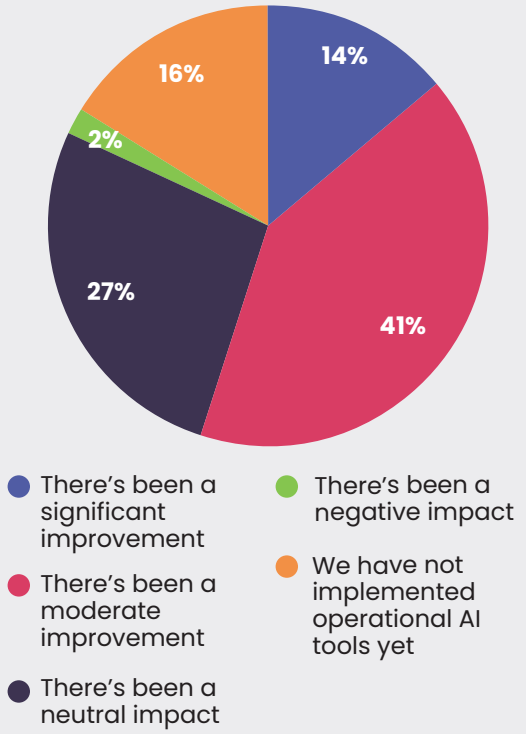


Figure 8.2:
Impact of AI adoption on employers' operational performance



The operational impact of AI implementation

Operational efficiency and workflow speed are the main motivation for AI adoption among employers, cited by **63%**. Other motivations include enhancing customer experience (**11%**), direct cost reduction or budget optimisation (**7%**), and improving data accuracy, compliance or risk management (**6%**).

The employer data also points to positive operational outcomes. A combined **55%** report an improvement in operational performance, with **41%** seeing a moderate improvement and **14%** a significant improvement.

A further **27%** report a neutral impact, while **2%** have experienced a negative impact. Some **16%** have not yet implemented operational AI tools. The findings suggest that improving efficiency is a much stronger motivation for AI adoption than direct cost reduction.

Current challenges to widespread AI implementation

Despite the operational improvements reported by many employers, barriers to wider AI implementation remain. Data privacy, cybersecurity and regulatory compliance are the most commonly cited challenges, reported by **25%** of employers.

A further **19%** point to a lack of practical or measurable output from current tools, while **16%** identify budget constraints. Talent and workforce challenges also feature, with **14%** citing a lack of internal expertise or pointing to employee resistance or fear of displacement.

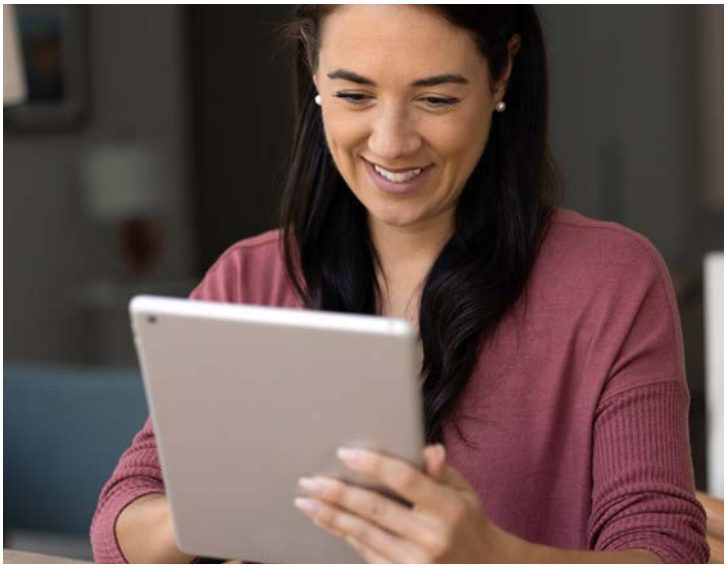
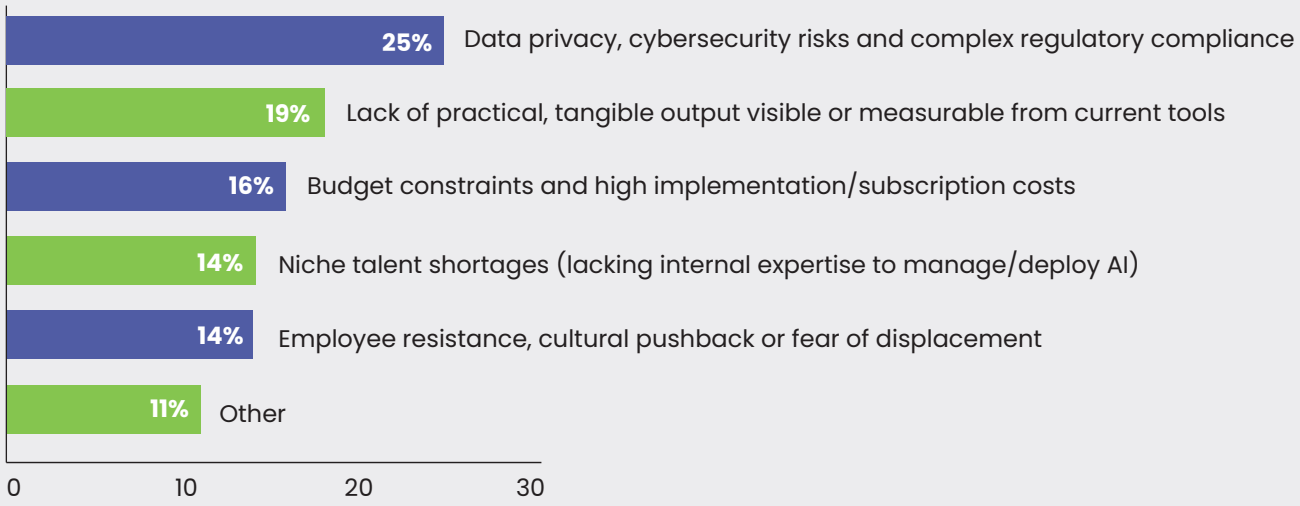


Figure 8.3:
Employers' biggest challenges in implementing AI



What this means for employers

The findings show that employers are seeing benefits from AI, but implementation challenges remain. While **55%** report improved operational performance, data privacy, cybersecurity and regulatory compliance are the most commonly cited barriers to wider implementation.

As adoption increases, this points to the importance of having appropriate governance in place without creating unnecessary barriers to use. For organisations still assessing where AI can add value, the experience of employers already reporting operational improvements may provide useful context for future investment decisions.

AI's Impact on Workforce Planning: Regional Comparisons

1

Singapore embraces AI-first workforce strategies

Among Singaporean employers surveyed, **20%** describe their long-term approach as 'automation-first', compared with **5%** globally, while **20%** expect to recruit fewer graduates as AI automates some entry level work. By comparison, **56%** of UK employers surveyed describe their long term approach as 'people-first', with AI supporting employees rather than replacing them.

2

Australian employers seek more dedicated AI specialists

Among Australian employers surveyed, **43%** say they have hired dedicated AI specialists and plan further hiring, compared with **22%** globally. Meanwhile, **38%** of UK employers and **30%** of Irish employers say they see no immediate need for dedicated AI hires and are focusing instead on upskilling existing employees.

3

Workers in Asia are more optimistic about AI

Nearly half of employees in Japan (**47%**) and Hong Kong (**42%**) are more likely to expect AI to create opportunities for higher-value work and new skill development over the next two years. This compares with only **29%** in both Ireland and the UK.

Recommendation for Employers



1. Keep Human Oversight in Hiring

Candidates are more cautious when AI is used to evaluate them than when using AI themselves. Some **23%** say employer use of AI evaluation would make them significantly less likely to apply, while a further **26%** would be slightly hesitant but would still apply.

Only **5%** trust AI to make recruitment decisions independently, compared with **44%** who trust it when human decision-making is involved. Employers using AI in recruitment should therefore consider where human judgement remains appropriate, particularly for decisions that have a direct impact on candidates.

2. Place More Emphasis on Practical Skill Verification

With **59%** of candidates using AI to write or improve CVs and **29%** of employers saying candidate AI use has made skills and backgrounds harder to verify, traditional applications may provide a less complete picture of genuine capability. Employers could consider placing greater emphasis on structured assessments or other forms of practical skills evaluation.

3. Make AI Governance Clear to Employees

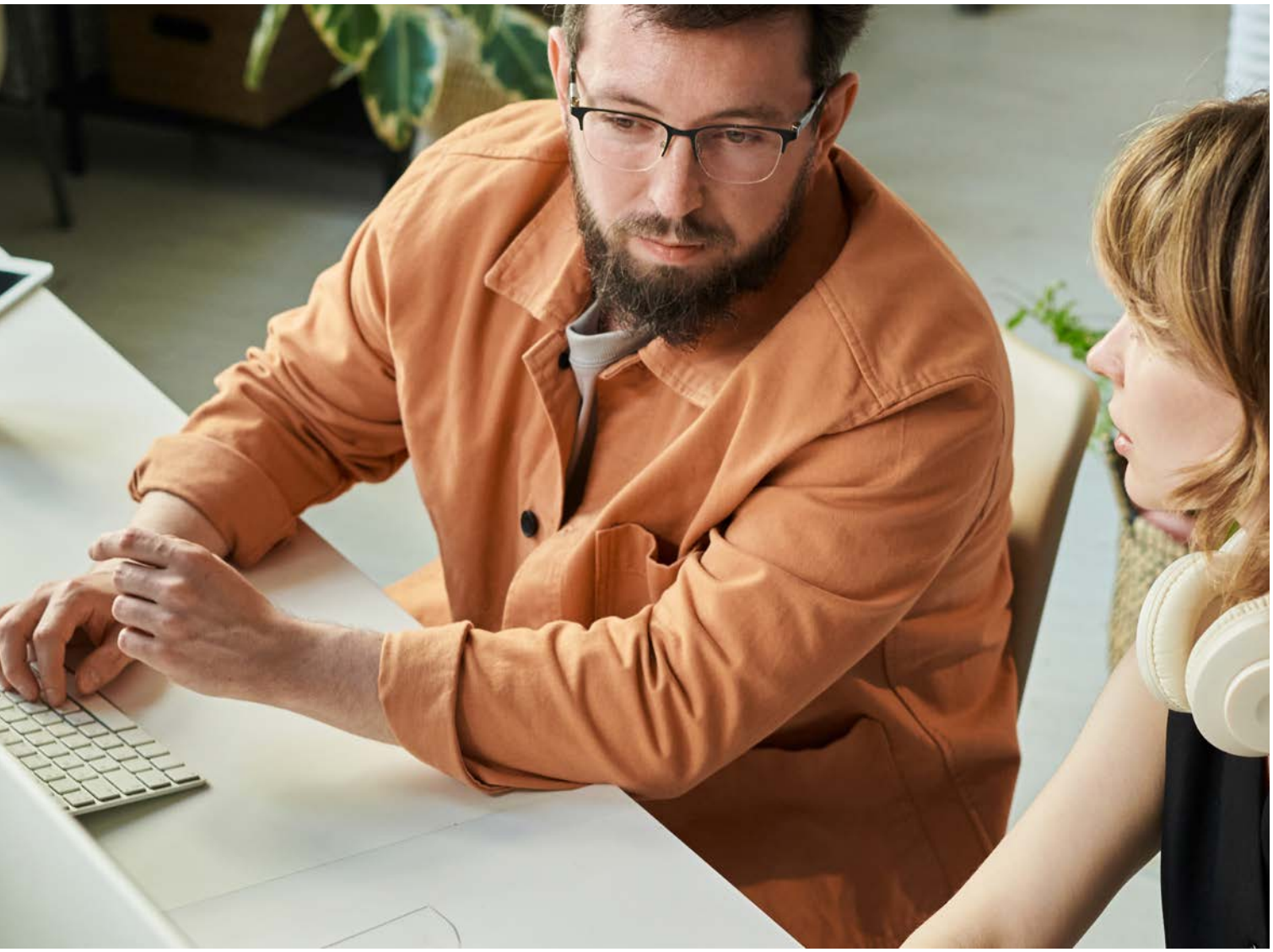
Nearly half of employees (**48%**) use personal AI accounts for work at least occasionally. At the same time, employer and employee responses suggest a gap in awareness of organisational AI governance. While **48%** of employers report having a formal AI policy, only **40%** of employees say they are aware of one.

As personal AI use becomes more common at work, organisations should consider whether employees have sufficient clarity about appropriate use and access to suitable tools.

4. Increase Focus on Employee AI Upskilling

Only **25%** of employees say their employer is actively investing in their AI upskilling, while **28%** describe the training available as inadequate. A further **30%** say there has been no employer investment and they intend to develop their AI skills in their own time.

With over half (**52%**) of employers expecting their AI training budgets to increase, there are already positive signs that organisations are beginning to respond to this gap.



5. Address Governance Alongside AI Adoption

Data privacy, cybersecurity and regulatory compliance are the most commonly cited challenges to AI implementation, reported by **25%** of employers. At the same time, **55%** of employers report that AI has improved operational performance.

For organisations expanding their use of AI, the findings point to the importance of considering governance alongside adoption so that concerns around risk do not unnecessarily limit potential benefits.

6. Consider Local Attitudes in Global AI Hiring Strategies

The research shows meaningful differences in attitudes towards AI-assisted recruitment across the markets surveyed. Candidate resistance is higher in Ireland and the UK, while respondents in several Asian markets show lower levels of distrust.

For international employers, this suggests that how AI is introduced and communicated to candidates may need to reflect local expectations rather than assuming a uniform response across markets.

Methodology

Our 2026 Global AI Report is based on findings from a survey launched in Q3 2026 and distributed to our global database of clients and candidates across seven of the markets in which we operate.

The research gathered perspectives from 2,106 respondents, comprising 1,962 employees and 144 employers across seven global markets. Respondents spanned sectors including Financial Services (**21%**), Technology (**19%**), Consulting (**8%**) and Manufacturing (**8%**), among others, providing perspectives from a diverse cross-section of organisations and professionals.

Our respondent community also spans a broad range of professional disciplines, including Accounting & Finance, Banking & Financial Services, Business Support, HR, Legal, Risk & Compliance, Life Sciences & Engineering, Strategy, Project & Change, Sales & Marketing, Supply Chain & Procurement and Technology. The disciplines represented vary by region in line with the specialist markets in which we operate.

The findings reflect the experiences and opinions of our respondent community and should be interpreted in the context of the survey sample. Regional findings, particularly those based on the employer sample, should be considered alongside the relevant respondent base sizes.

The following profiles summarise the composition and key demographic characteristics of the employee and employer respondent groups.

Employee Respondent Profile

- **Location:** Respondents were primarily located in Ireland (**32%**), Japan (**19%**) and the UK (**17%**), with further representation from Australia (**7%**), Singapore (**6%**) and Hong Kong (**5%**).
- **Industry:** The most represented industries were Financial Services (**21%**), Technology (**19%**), Consulting (**8%**) and Manufacturing (**8%**).
- **Professional function:** Respondents represented a broad range of functions, led by Technology (**28%**), Accounting & Finance (**12%**), Marketing & Sales (**10%**) and Strategy, Projects & Change (**8%**).
- **Company size:** The largest proportion of respondents worked for enterprise organisations with 1,000+ employees (**41%**), followed by small organisations with 0–49 employees (**25%**).
- **Age:** Respondents were predominantly aged 45–54 (**30%**) and 35–44 (**27%**), followed by those aged 25–34 (**18%**).
- **Gender: 61%** of respondents identified as male and **34%** as female.
- **Salary:** The most represented salary bands were €30,000–€49,999 (**19%**) and €50,000–€74,999 (**18%**).

Employer Respondent Profile

- **Location:** Respondents were primarily headquartered or operating in Ireland (**35%**), the UK (**19%**), Japan (**17%**) and Australia (**15%**).
- **Industry:** The most represented industries were Financial Services (**20%**), Technology (**13%**), Manufacturing (**8%**) and Education (**8%**).
- **Professional function:** Respondents were primarily from HR (**38%**), Technology (**15%**) and Strategy, Projects & Change (**10%**).
- **Company size:** The largest proportions of respondents represented mid-sized organisations with 50–249 employees (**31%**) and enterprise organisations with 1,000+ employees (**28%**).
- **Seniority:** Respondents were primarily at management (**49%**), executive/C-suite (**25%**) and HR leadership (**20%**) levels.



How to Contact Us

AUSTRALIA

Level 9, 383 Kent Street,
Sydney, NSW 2000
+61 2 8986 3100
sydney@morganmckinley.com

CANADA

Unit 204, 107 Atlantic Ave,
Toronto, Ontario, M6K 1Y2
+1(437) 826 7900
toronto@morganmckinley.com

HONG KONG SAR

Suite 3407 Lippo Centre, Tower II 89,
Queensway, Admiralty, Hong Kong
+852 3907 3907
hk@morganmckinley.com

IRELAND

Cork

Penrose Dock Two, Alfred St,
Victorian Quarter,
Cork, T23 YY09
+353 21 2300 300

Dublin

Connaught House,
Burlington Road,
Dublin 4, D04 C5Y6
+353 1 4321 555
connect@morganmckinley.com

JAPAN

17th floor, Holland Hills Mori Tower,
5-11-2 Toranomon, Minato-ku, Tokyo
+813 4550 6560
+813 4520 5788
japan@morganmckinley.com

MAINLAND CHINA

Unit 3102 - 3104, Level 31, K. Wah Centre,
1010 Middle Huaihai Road, Xuhui
District, Shanghai 200031
+86 21 60700488
shanghai@morganmckinley.com

SINGAPORE

1 Raffles Place,
#47-02 One Raffles Place Tower 1,
Singapore 048616
+65 6818 3188
singapore@morganmckinley.com

UNITED KINGDOM

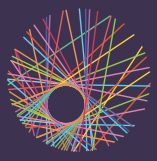
Bristol

4th Floor, Spectrum Building,
Bond Street, Bristol, BS1 3LG
+44 11 7944 0600
southwest@morganmckinley.com

London

15 Fetter Lane,
Holborn, London, EC4A 1BW
+44 20 7092 0000
london@morganmckinley.com

Empowering your talent strategies.
We're here to help you Go Beyond.



Morgan McKinley
Part of Org Group

Start the search