# Half of leaders regret AI-led job cuts despite widespread value gains



The integration of artificial intelligence (AI) into workplace structures is rapidly transforming industries, with wide-ranging implications for employment and the nature of work itself. The recent Orgvue survey has illuminated a tumultuous landscape where leaders express both optimism and regret regarding their AI investments. While nearly 90% of businesses have seen value from AI initiatives, almost half of the leaders surveyed believe that AI will inevitably lead to significant job displacement within their organisations. This sentiment is echoed by the alarming statistic that one-third of participants have already reported employee departures linked to the rising influence of AI technologies.

Despite the apparent benefits, the decision to automate roles through AI is not without its complexities. Among the 39% of leaders who have made redundancies predominantly due to AI, an overwhelming 55% now regret their choices. This regret likely stems from the challenges associated with integrating human workers with AI systems and the pivotal role that skills play in this transition. The misconception that AI can seamlessly replace human creativity, empathy, and critical thinking often leads to misguided strategic decisions, thereby neglecting the intricate value humans contribute to the workplace.

Reflecting on past industrial practices, one finds a salient parallel in the offshoring trend of the late 20th century. Companies once optimistically chased cost efficiency by moving jobs abroad, only to realise the hidden complexities and long-term drawbacks of such decisions. Reshoring became prevalent as businesses discovered that customer service and organisational agility often outweighed the benefits of cheaper labour. The need for a comprehensive understanding of value, beyond mere figures on spreadsheets, remains crucial as organisations grapple with the implications of AI.

In addressing the pitfalls of relying too heavily on technology, it is essential to recognise the unique contributions individuals make to an organisation. The oft-overlooked roles—such as that of a hotel doorman—serve as prime examples. This position is not merely about opening doors but encompasses creating memorable experiences for guests. Such human engagement drives customer loyalty and revenue, a sentiment echoed by contemporary leaders who recognise that their workforce is a critical asset, not a liability.

Amidst this backdrop, reports from expert commentators reveal a significant trend towards hybrid human-AI teams. Research suggests that businesses expect to maintain around 61% of current roles even as they pursue a 19% reduction in overall costs through AI integration. This evolution points to a delicate balance where AI acts as a complement to human capabilities rather than a substitute. Companies like Salesforce highlight the potential for agentic AI to streamline operations and enhance productivity without necessarily diminishing the human element of teamwork.

Nevertheless, the rapid ascent of AI necessitates acute awareness of its potential to disrupt various sectors. The recent strikes in Hollywood, driven by concerns over AI's encroachment on actors' roles, exemplify the urgent nature of these discussions. As industries rethink traditional practices, they must contend with the implications of AI on professions that once seemed immune to automation. Economists have warned that even roles traditionally perceived as uniquely human—such as writers and translators—are now increasingly susceptible to displacement.

The challenge extends beyond simple job replacement; it encompasses broader ramifications for social equity and economic stability. Vulnerable populations, such as Latino workers, face heightened risks as automation targets industries where they are overrepresented. Reports suggest that these workers often lack the necessary digital skills and access to technology, compounding the difficulties posed by automation. Hence, targeted educational and training initiatives are becoming imperative to ensure that all workers can thrive in an AI-driven economy.

As we navigate this uncharted territory, it becomes evident that AI must not be viewed as an insurmountable force against human workers. Instead, it should be seen as a tool to enhance their capabilities. Embracing AI requires a shift in perspective—one that prioritises creativity, innovation, and human connection. By fostering environments that nurture talent and encourage collaboration, businesses can achieve a future where AI amplifies human potential rather than diminishes it.

In this context, leaders are urged to adopt a thoughtful approach to AI integration, ensuring that technology enhances the workplace experience rather than complicating it further. As industries evolve, the most successful organisations will be those that champion the unique qualities of their personnel, recognising that a healthy blend of human intuition and artificial intelligence can drive sustainable growth and innovation.

### Reference Map

1. Paragraphs 1, 2, 3, 4: [[1]](https://hrzone.com/half-of-leaders-regret-replacing-people-with-ai/)
2. Paragraph 5: [[2]](https://www.ft.com/content/15312fbd-acfd-46d8-8040-f36c6d33de18)
3. Paragraph 6: [[3]](https://www.reuters.com/world/china/chinas-ai-powered-humanoid-robots-aim-transform-manufacturing-2025-05-13/)
4. Paragraph 7: [[4]](https://time.com/6961559/ethan-mollick-ai-apocalypse-essay/)
5. Paragraph 8: [[5]](https://www.axios.com/2023/11/17/ai-strikes-labor-hollywood-sag-aftra)
6. Paragraph 9: [[6]](https://apnews.com/article/a7ff825cc2fa0eb8174eafa5e4029cf9)
7. Paragraph 10: [[7]](https://www.ft.com/content/5eadde17-8fb5-44dd-8b11-8a0690121998)

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## Bibliography

1. <https://hrzone.com/half-of-leaders-regret-replacing-people-with-ai/> - Please view link - unable to able to access data
2. <https://www.ft.com/content/15312fbd-acfd-46d8-8040-f36c6d33de18> - This article discusses the growing impact of agentic AI on global workforces. Agentic AI, which autonomously completes multi-step tasks, is being rapidly integrated into workplace processes like onboarding, expense approvals, and project collaboration. Thought leaders, such as Salesforce’s Marc Benioff, highlight its potential to drive productivity without increasing human staffing, possibly reshaping organizational structures and reducing labor costs. A McKinsey report reveals top executives underestimate current AI usage by employees, suggesting a disconnect in perception. Forecasts indicate a near-future shift to human/AI hybrid teams, with HR leaders expecting 61% of workers to retain roles amid a 19% cost reduction. Additionally, newer AI-native startups operate with minimal staff and fluid hierarchies. The Office Therapy segment addresses adapting to disruptive new leadership amid organizational flux, suggesting strategies to navigate changing corporate culture. Other features cover topics including remote workers juggling multiple jobs, changes to white-collar wage dynamics, and rising concerns over the return on higher education. Lastly, the newsletter shares community contributions and recommends fostering workplace positivity through “positive gossip.”
3. <https://www.reuters.com/world/china/chinas-ai-powered-humanoid-robots-aim-transform-manufacturing-2025-05-13/> - China is advancing its use of AI-powered humanoid robots to transform the manufacturing sector amid economic challenges like trade tensions, population decline, and slower growth. Startups like AgiBot and MagicLab, backed by government support, are deploying robots capable of performing complex tasks including assembly and quality control. These robots are trained with specially collected datasets, emphasizing embodied AI that requires interaction with the physical world. The government provides significant subsidies, with over $20 billion allocated and municipal programs offering financial and operational benefits to robot firms. President Xi Jinping has highlighted humanoid robots’ strategic importance, and state procurement of such technology rose dramatically from 4.7 million yuan in 2023 to 214 million yuan in 2024. With a robust supply chain for robot components, China can lower production costs, offering robots as low as $12,000. Investments from major companies and integration with advanced AI models like DeepSeek, Qwen, and Doubao further enhance capabilities. However, concerns about job disruption persist. Legislators have proposed unemployment insurance schemes and emphasized robots focusing on undesirable or hazardous tasks. Humanoid robots also play a role in elder care, supported by new initiatives such as Ant Group’s Ant Lingbo Technology. Analysts predict significant expansion, with potential global sales reaching one million units by 2030.
4. <https://time.com/6961559/ethan-mollick-ai-apocalypse-essay/> - The essay argues that current discussions on the future of AI are overly focused on a distant apocalyptic scenario of Artificial General Intelligence (AGI) causing mass unemployment or uncontrollable AI systems. Instead, the author suggests focusing on immediate and practical concerns such as misinformation, deep fakes, and the disruptive impact of existing AI technologies on jobs and workplaces. AI is already showcasing significant productivity enhancements, and its integration into work and learning is inevitable. Organizations face pivotal decisions about using AI to enhance productivity positively or negatively. Missteps in managing AI could lead to widespread small-scale disruptions, such as job losses, increased surveillance, or educational disparities. However, AI also presents opportunities to make work more meaningful and improve educational outcomes. Leadership and thoughtful decision-making at all levels are essential to navigate AI's impact constructively. The essay advocates for proactive, broad-based discussions and strategic planning to ensure AI benefits human workers and society rather than exacerbating existing problems.
5. <https://www.axios.com/2023/11/17/ai-strikes-labor-hollywood-sag-aftra> - The recent Hollywood actors' union strikes, which lasted for 118 days, highlight the significant impact of AI on the entertainment industry and signal broader labor challenges ahead. The core issue was the use of AI, particularly digital replicas of actors, rather than traditional concerns like pay or streaming. This issue couldn't be delayed, as Hollywood is keen to implement this technology. This situation is indicative of a wider trend, where the rapid advancement of AI is poised to disrupt various job sectors, including those not previously considered at high risk for automation. Economists note that roles such as translators and copy editors are already heavily impacted, with software engineering evolving swiftly. The future of many professions is uncertain, as AI could either replace jobs or augment them, altering how work is performed. Hollywood actors are experiencing these changes first, but many other job sectors are expected to follow soon.
6. <https://apnews.com/article/a7ff825cc2fa0eb8174eafa5e4029cf9> - A new report by UCLA researchers highlights the impact of automation on Latino workers, who are overrepresented in fields at risk of being automated, such as agriculture, construction, retail, and food services. Limited digital skills, low internet access, and educational gaps compound the challenges faced by these workers. Automation has already displaced some, as exemplified by Valerie Gills, who lost her job as a hotel receptionist to self-check kiosks and AI-powered chatbots. The report suggests that improving digital skills and providing access to technology and targeted training programs are essential for Latino economic mobility. Organizations like Miami Ed Tech and the Hispanic Federation are actively addressing these needs through apprenticeships and training programs. Former government initiatives under the Biden administration have focused on supporting Latinos with apprenticeship programs for high-paying careers. The ongoing efforts seek to bridge the digital divide and prepare Latino workers for a technology-driven future, despite the threats posed by automation.
7. <https://www.ft.com/content/5eadde17-8fb5-44dd-8b11-8a0690121998> - The rise of artificial intelligence (AI) is transforming job prospects in the tech industry, traditionally dominated by computer science graduates. Despite historically high salaries and increasing numbers of students in these majors, recent cost-cutting measures and AI advancements are challenging this trend. In 2023 and early 2024, over 352,180 tech jobs were cut. While demand for software developers and engineers persists across various industries like banking and healthcare, the Bureau of Labor Statistics predicts an 11% drop in computer programming jobs by 2032 due to automation. The rise of AI, however, creates new roles that value liberal arts skills, such as prompt engineering, which benefits those with strong language and creative thinking abilities. This shift may drive renewed interest in liberal arts education amidst the evolving job market shaped by AI.