

New Report Highlights Critical Gap Between Employees and Executives Around Generative Al Leadership Readiness

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Udemy announces new research and cohort learning program to help executives lead through the GenAl transformation

SAN FRANCISCO--(BUSINESS WIRE)--Mar. 27, 2024-- <u>Udemy</u> (Nasdaq: UDMY), a leading online skills marketplace and learning platform, today announced a new research report, <u>The GenAl Transformation: Perspectives on Leadership</u>, which revealed that while employees believe their management teams will be critical to the success of their generative AI (GenAl) initiatives, many are questioning whether their leaders are ready to guide them through this transformational shift.

The January 2024 study, which surveyed more than 2,500 employees and business leaders at companies across all sizes and industries globally, found that while nearly all respondents (88%) agreed that effective leadership would be critical to the success of their organization's GenAl initiatives, only 55% felt confident in their management team's ability to seize the opportunities and mitigate the risks brought on by GenAl.

Leaders are falling short of employee expectations on GenAl initiatives

When pressed about their leadership team's GenAl readiness, including their approach to risk mitigation and overall communication, employees consistently gave low ratings to their executives. In fact, only:

- 48% of employees believe their executives are ready to successfully lead GenAl initiatives;
- 44% of employees are confident in their leadership team's ability to mitigate the risks associated with GenAI; and
- 42% of employees believe their management team is communicating effectively about their GenAl strategies and initiatives.

One of the main factors contributing to this lack of employee confidence is that many executives are still familiarizing themselves with the technology so they can understand and communicate the positive, practical implications that GenAl may have on their organization.

The study also uncovered differences in employee sentiment by sector. As early adopters of GenAI, employees across the technology, professional services, and financial services sectors consistently rate their leadership team's readiness, communication, and management of GenAI more positively. In contrast, employees in sectors positioned for the highest levels of transformation and automation, like retail, manufacturing and non-profit, remained more apprehensive about the future.

"Effective leadership is crucial for companies to navigate transformation and thrive in a changing landscape," said Greg Brown, President and CEO at Udemy. "Our research highlights a critical skills gap in leadership, emphasizing the urgent need for developing leaders with skills such as communication and change management, to help their teams navigate this seismic shift."

How leaders can close the GenAl skills gap and inspire confidence

Through Udemy Business Leadership Academy, management teams can access a new cohort learning program, <u>Leading GenAl Innovation</u>, to help them effectively usher their organization into the next digital revolution.

As part of this programming, there are three critical GenAl imperatives that Udemy can help leadership teams address:

- 1. **Becoming familiar with the technology.** It's not enough to simply read about GenAl. Leaders must actually spend time immersing themselves in the technology to understand how to best adapt it for their organization. Within the first 20 minutes of the Udemy course, leaders are dropped into a collaborative testing environment with access to a GenAl chatbot, so they can safely explore all the capabilities of this new technology.
- 2. **Learning how to nurture and manage this innovation.** Once leaders have a deep understanding of GenAl, they need to clearly define their strategy and create a set of company-wide policies and practices to both mitigate risk and encourage innovation. During the course, Udemy helps to facilitate this discussion through immersive, cohort-based learning experiences to generate actionable ideas among leaders.
- 3. **Driving and inspiring change throughout the organization.** When it comes to fully integrating GenAl within an organization, clear and constant communication is key. Throughout the program, Udemy helps leaders develop their core GenAl messages so they can provide employees with reassurance, confidence, and ultimately, excitement about the future of the organization and their role within it.

"GenAl represents a massive opportunity for organizations globally, but to lead through this change effectively, executives must lean in and also become students of this new technology," said Nathan Blain, General Manager of Udemy Business Leadership Academy. "Today, too many leaders don't know where to start. Without a roadmap to guide their teams through change and the skills to do so effectively, organizations will struggle to unlock the tremendous economic potential that GenAl offers. It's why Udemy developed this new program—to help create an easy and actionable way for executives to clearly define and implement their GenAl strategies with confidence."

To read the full report and learn more about the new Udemy Business Leadership Academy GenAl course offering, visit: www.business.udemy.com.

About Udemy

Udemy (Nasdaq: UDMY) transforms lives through learning by providing flexible and effective skills development and validation. Through the Udemy Intelligent Skills Platform and its community of instructors, millions of learners gain expertise in a wide range of technical and professional skills – from generative AI to leadership. The Udemy marketplace provides learners with thousands of up-to-date courses in dozens of languages, offering a variety of solutions to achieve their goals. Udemy Business empowers enterprises to offer on-demand learning for all employees, immersive learning for tech teams, and cohort learning for leaders. Udemy Business customers include Fender®, Glassdoor, ON24, The World Bank, and Volkswagen. Udemy is headquartered in San Francisco with hubs in Ankara and Istanbul, Türkiye; Denver, USA; Dublin, Ireland; Gurugram, India; and Melbourne, Australia.

Methodology

<u>The GenAl Transformation: Perspectives on Leadership</u> measured employee sentiment around the unfolding GenAl revolution and the level of confidence they have in their leadership teams to help them navigate this seismic technological shift. The online study, which was conducted by Udemy in January 2024, surveyed more than 2,500 professionals globally, spanning all industries, company sizes, and levels of seniority.

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