NEWS RELEASE

Workday Global Survey: Majority of Business Leaders Believe Humans Should be Involved in AI Decision-Making; Cite Ethical and Data Concerns

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Findings Reveal Business Leader Sentiment Around AI in the Enterprise

PLEASANTON, Calif., June 28, 2023 /PRNewswire/ -- Workday, Inc. (NASDAQ: WDAY), a leader in enterprise cloud applications for finance and human resources, today published the results of its latest study, which examines the state of artificial intelligence (AI) in the enterprise, including the current perception among business leaders about the technology's benefits, challenges, and opportunities. Key findings include:

- 93% of business leaders believe humans should be involved in artificial intelligence decision-making.
- 77% of respondents are concerned about the timeliness or reliability of the underlying data.
- 29% said they are very confident that AI and machine learning (ML) are being applied ethically in business.
- 73% of business leaders are feeling pressure to implement AI at their organizations.
- 80% agree AI and ML helps employees work more efficiently and make better decisions.
- 72% of respondents said their organization lacks the skills to fully implement AI and ML.

Nearly three-quarters (73%) of business leaders are feeling pressure to implement AI at their organizations, but the vast majority are wary of giving up too much decision-making power. In the survey of 1,000 business decision-makers from around the globe, 93% said it's important for humans to have oversight of AI or ML when making significant decisions.

"Business leaders understand that AI and ML are critical to success in the future of work," said Jim Stratton, chief technology officer, Workday. "But enterprise organizations continue to lack the skills needed to implement the

technology, and concerns around data integrity, ethics, and role elimination persist. Successful adoption of AI and ML require a commitment to keeping humans in the decision-making loop and working with partners who are committed to responsible AI and maintaining data integrity."

Despite the Case for AI Adoption, Concerns About Ethics and Data Accuracy Remain

More than 90% said they currently use AI within their operations for managing people, money, or both, and 80% agree AI and ML helps employees work more efficiently and make better decisions. The need for investment in this area is clear – 80% of respondents agree that AI and ML are required to keep their business competitive.

But despite wide-spread adoption and broad agreement around the case for AI and ML in the enterprise, concerns remain about its accuracy, ethics, and security. In fact, 77% of respondents are concerned about the timeliness or reliability of the underlying data, 39% consider potential bias to be a top risk when considering AI, and 48% cite security and privacy concerns as the main barriers to implementation. Only 29% said they are very confident that AI and ML are being applied ethically in business right now, but they are more optimistic about the future – with more than half (52%) saying they are very confident it will be applied ethically in five years' time.

Outlook for Workers is Optimistic, But New Skills Will Be Required

Business leaders are considering AI's impact on the workforce of today and tomorrow. Nearly half (45%) believe AI and ML will benefit workers, augmenting workloads and creating new career paths. 43% are more cautious, warning that AI and ML will replace some tasks, causing some unemployment among workers. 12% are more doubtful, saying that AI and ML will replace humans completely and have a negative impact on workers.

While leaders agree it is critical for humans to be involved in AI decision making, the survey also found a critical skills gap to successful AI implementation. Nearly three-quarters (72%) of respondents said their organization lacks the skills to fully implement AI and ML, and an even slightly higher percentage (76%) said their own knowledge of AI and ML applications needs improvement.

The full findings from the study identify widespread recognition of the potential for AI to transform enterprise business processes – along with significant gaps in how to get there. To learn more and view the full results, visit AI IQ: Insights on Artificial Intelligence in the Enterprise.

For additional information:

- Read more about the survey on the Workday Blog, Workday Research: 'AI IQ' Study Reveals Artificial Intelligence Adoption Barriers for Business Leaders
- Download the report, AI IQ: Insights on Artificial Intelligence in the Enterprise

- Check out the infographic, Overcoming Challenges to Get the Most out of AI
- Learn about Workday's unique approach to AI and ML, How AI and ML Are Powering the Future of Work
- Read about Workday's commitment to responsible AI, Safeguarding Privacy While Innovating With AI at Workday

About Workday

Workday is a leading provider of enterprise cloud applications for finance and human resources, helping customers adapt and thrive in a changing world. Workday applications for financial management, human resources, planning, spend management, and analytics are built with artificial intelligence and machine learning at the core to help organizations around the world embrace the future of work. Workday is used by more than 10,000 organizations around the world and across industries – from medium-sized businesses to more than 50% of the Fortune 500. For more information about Workday, visit workday.com.

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This press release contains forward-looking statements including, among other things, statements regarding Workday's plans, beliefs, and expectations. These forward-looking statements are based only on currently available information and our current beliefs, expectations, and assumptions. Because forward-looking statements relate to the future, they are subject to inherent risks, uncertainties, assumptions, and changes in circumstances that are difficult to predict and many of which are outside of our control. If the risks materialize, assumptions prove incorrect, or we experience unexpected changes in circumstances, actual results could differ materially from the results implied by these forward-looking statements, and therefore you should not rely on any forward-looking statements. Risks include, but are not limited to, risks described in our filings with the Securities and Exchange Commission ("SEC"), including our Form 10-Q for the fiscal quarter ended April 30, 2023, and other reports that we have filed and will file with the SEC from time to time, which could cause actual results to vary from expectations. Workday assumes no obligation to, and does not currently intend to, update any such forward-looking statements after the date of this release.

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