# **The Al Talent Crisis**

How skills-powered organisations can unlock the UK's potential

GIGGED.A

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## Foreword

### By Gigged.AI CEO and Co-Founder, Rich Wilson

There is a deep imbalance at the very heart of UK employment. Currently, the most in-demand skills — namely AI and machine learning technical expertise — are also the areas in which organisations have the biggest shortcomings.

This is a skills gap that urgently needs addressing, given the rate of AI adoption expected in 2025. The Government's latest plan, The AI Opportunities Action Plan released last month, aims to make the UK an AI superpower, yet despite this widespread effort, the fact remains that the UK is currently not able to cultivate a sufficient talent pool to meet demand. This is the biggest recruitment drive since the industrial revolution.

Businesses must take action. They cannot rely on the government alone to solve the skills crisis and need to take ownership by investing in internal mobility and prioritising employee development. Preparing the workforce for this seismic shift is the only way organisations can get the most out of both their people and the AI technology they adopt.

The solution is not to throw more money at the problem. In a tech industry dominated by boom and bust recruitment cycles, traditional hiring methods are failing to source and replace talent consistently enough to narrow the skills gap – a gap which the UK Government has estimated to cost the economy £63 billion per year [i].

Often, the solution lies within. While businesses desperately forage for scarce and in-demand tech skills, limited by the challenges that IR35 brings, many are harvesting internal talent they're blissfully unaware of. Maximising this talent, as well as ensuring access to a thriving, skills-diverse ecosystem of contingent talent in the form of specialist freelancers and contractors, is how UK businesses can move towards narrowing their tech skills gaps with this blended workforce.

Our data shows that disrupting the traditional and now-stagnant ways of resourcing and hiring, and instead building skills-powered organisations, is increasingly being recognised by senior tech leaders as the way forward for UK businesses in the age of AI.

## Contents

Executive Summary	03
The AI Skills Gap: An Avoidable Crisis	04
The GenAI conundrum: skills gap vs transformative opportunity	07
Organisations are upskilling to prepare for mass GenAI adoption	08
Are Organisations as Skills-Powered as They Claim?	10
Skills tracking: the first step to internally narrowing the skills gap	13
Case Study: Insights Learning and Development	15
Talent Lies Within: How Internal Mobility Can Plug Skills Gaps	16
Unlocking untapped potential	17
NASA's Talent Marketplace: fostering internal mobility and career development	19
The Case for IR35 Repeal to Unlock AI Expertise	20
Businesses are looking to source talent more flexibly	22
Building a Skills-Powered Future	24
The importance of a blended workforce	26
Optimism and government support	26
Augmenting Talent with Agentic Al	28
Understanding Agentic AI and Its Potential	29
Bridging Skills Gaps with Autonomous Agents	30
Blending Agentic AI with Human Talent	32
Agentic Al in Action: Real-World Impact	33
Preparing for a Collaborative Future	34
Conclusion	36
About Gigged.Al	38
Notes to Editors	39
References	39
Appendix	41



## **Executive Summary**

This report aims to explore the state of play amongst UK businesses when it comes to harnessing GenAI, the scale of demand for AI skills, utilising contingent talent, adopting skills-based hiring and the challenges to closing the UK skills gap.

To inform the insights shared in this report, Gigged.Al conducted research among 300 UK senior tech leaders, manager and above, working in organisations with 250+ employees across sectors including technology, finance, and manufacturing.

The most prevalent data is discussed in this report, captured in the following chapters:

- 1. The AI Skills Gap: An Avoidable Crisis
- 2. Are Organisations as Skills-Powered as They Claim?
- 3. Talent Lies Within: How Internal Mobility Can Plug Skills Gaps
- 4. The Case for IR35 Repeal to Unlock AI Expertise
- 5. Building a Skills-Powered Future



The AI Skills Gap: An Avoidable Crisis

## The Al Skills Gap: An Avoidable Crisis

### Key stats



The demand for technically skilled workers in 2025 is high – particularly when it comes to AI and machine learning, which is held as a top priority skill amongst almost half (47%) of businesses surveyed. Concerningly though, AI and machine learning is also the area where businesses are most lacking in talent, with 55% of businesses saying it is the department facing the biggest skills gap in 2025.

This correlates with findings from the World Economic Forum's Future of Jobs Report 2025 [ii], where according to employer expectations for the evolution of skills in the next five years, technological skills are projected to grow in importance more rapidly than any other type of skills, with AI and big data topping the list as the fastest-growing skills.

More than two thirds (69%) of businesses are concerned about the tech talent shortage in 2025, with a quarter concerned about their internal skills to fill roles (26%) and 1 in 5 worried that they aren't employing freelancers with the skills to fill gaps (20%).

### Technology and IT skills in highest demand for 2025 by industry



### IT departments facing the biggest skills gaps



In 2025, businesses are anticipating that almost half of their workforce will be using GenAl, rising to more than half in the technology sector and for mid-sized companies. But to keep up with this adoption, estimates predict that 40% of the workforce will need to re-skill in the next three years, according to a separate study by IBM [iii]. How are businesses looking to address these skills gaps and make the most of the GenAl revolution?



### The GenAI conundrum: skills gap vs transformative opportunity

Generative AI presents huge efficiency opportunities for businesses, but they must work to prepare their workforce before they can start to feel its benefits.

In fact, The World Economic Forum's Future of Jobs Report [iv] stated that technology skills such as AI and big data and networks and cybersecurity show the largest increase in respondents identifying them as critical for the next five years.

On average, businesses believe their employees could save four hours per week if they used GenAI more. Businesses are increasingly using AI to augment human work – most commonly when it comes to data analysis (52%), and translations (51%) – however there is still a way to go across all departments, with fewer than half reporting that these tasks are very much or completely augmented.

### Organisations are upskilling to prepare for mass GenAI adoption

With GenAI transformation on the horizon, upskilling will be key in ensuring no employee gets left behind. Sure enough, 92% of businesses we surveyed said they are actively upskilling in GenAI. They're doing this in a variety of ways: mid-large businesses (2,500+ employees) prefer to run workshops and training sessions with their teams, whilst smaller businesses are investing in AI certifications for their employees.

But in doing so, it appears businesses are having varying degrees of success. Many are implementing piecemeal initiatives, rather than fundamentally changing their approach to training and recruitment in order to consistently find and recruit the skills they need.

In essence, businesses are recognising the need to invest in AI and cybersecurity skills in an attempt to close their skills gaps, but are lacking the nous and unified strategy to act upon it. Our data shows that skills-based hiring initiatives could be on the rise as a sustainable strategic solution to this problem.



"The relationship between AI adoption and AI skills is a delicate balance. A worker with incredibly advanced technical skills may resist implementation if they fear it will put their job at risk. It's imperative to look at the holistic adoption of AI across several scales and factors, including technical, soft skills, trust, and psychological impact".

> **Eryn Peters,** Co-Creator, Al Maturity Index

Are Organisations as Skills-Powered as They Claim?

## Are Organisations as Skills-Powered as They Claim?

Key stats



The evolution of the skills-powered organisation – defined as the "next-generation enterprise" by leading authority on the future of work Ravin Jesuthasan – is in full swing, fuelled by the rise in popularity of skills-based hiring.

In simple terms, skills-based hiring is recruitment that goes beyond box-ticking. It's a shift from the old ways – valuing degrees and credentials on a CV above all else – to a new world in which skills are the greatest recruitment currency.

This is not as simple as it sounds. While skills-based hiring is growing in popularity, most organisations are struggling to implement it effectively, deploying a fragmented approach rather than all-encompassing initiatives. Despite almost all businesses saying they are taking a skills-based approach to hiring, only 37% have actually fully implemented it into their people strategy.

This is partly caused by confusion about what being a skills-powered organisation means in practice. For example, more than half (54%) of survey respondents believe hiring managers alone should be responsible for implementing skills-based hiring in their organisation – a siloed approach at odds with the unified, organisation-wide initiatives that truly skills-powered organisations require.

### Hung Lee, Curator, <u>Recruiting Brainfood</u>

"It's one of those 'harsh but true' observations that most companies do not know what skills or capability they have within the organisation. This includes organisations who really should know, like professional services consultancies. It's hard work to collect data, validate it and keep it current. The rise of AI presents both challenges and solutions as businesses can no longer afford this 'skills blindspot' and yet now also have the promise of a transformational innovation which can handle data problems of practically infinite scale. The organisations who will be the leaders of the AI-enabled era are likely to be those who have the strongest skills intelligence".



### Skills tracking: the first step to internally narrowing the skills gap

Skills tracking is fast becoming an integral tactic for identifying in-demand internal expertise. 87% of senior tech leaders reported a slight to significant increase in employee upskilling as a result of tracking workforce skills, with a further 4 in 5 reporting increased productivity and career progression opportunities. Perhaps even more interestingly, 38% said they uncovered AI and machine learning skills within their workforce.

Despite the advent of skills tracking as a widespread people management method, dedicated software adoption is slow. Only 33% say they have a dedicated software solution to track skills, but those that have are seeing significant results; almost three quarters (73%) of businesses find that having a software solution that tracks employee skills is a very or completely effective solution.

Meanwhile, traditionally common methods, such as performance reviews, are by and large failing to sufficiently track and find internal skills. Less than three in five senior leaders are finding such methods to be very or completely effective.

Those that are attempting to track skills without deploying software are sinking time into rote manual processes. 23% say they are tracking skills manually in a spreadsheet, creating a static one-dimensional view. Given the rate of change in skills required, this is a hugely inefficient approach.

"In my experience the most effective way to innovate, enthuse and retain staff, and build excellence within an organisation is to identify and develop existing talent."

> **Steven Faull,** Technology Director, Allied Vehicles





### **Case Study: Insights Learning and Development**

Global people development company Insights Learning and Development first selected Gigged.AI's Internal Talent Marketplace (ITM) software to leverage the skills of their Associate Consultants in April 2024.

The platform, which is now an important part of Insights' people operations, automates the matching of skills to projects, helping them to streamline the entire process and free up staff to focus on critical tasks.

In addition to detailing Associate Consultant skills and certifications, the platform shows availability and enables meetings to be booked into various calendar types, to quickly and efficiently accommodate client needs.

The industry-leading initiative places Associate Consultant skills and development at the heart of Insights organisational success and is helping it to better serve its global clients.

Speaking about the impact the Internal Talent Marketplace has made, Anthony Keeling, Senior Delivery Manager at Insights said:

"The platform is highly intuitive, with users able to quickly understand what is required of them. Gigged.AI helps us align our internal skills to the right priorities for our customer as well as balancing the learning opportunities for our staff."

## **Talent Lies Within:** How Internal Mobility Can Plug Skills Gaps

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Key stats



In their efforts to bridge the skills gap, businesses are increasingly looking inwards to evaluate and maximise the resources at their disposal. Gone are the days of round holes in square pegs; internal mobility promises to help leaders find the right skills for the right job.

### Unlocking untapped potential

To mobilise internal skills, businesses are embracing internal mobility through various strategies, with internal job boards (49%) and career development programs (48%) leading the way.

They're doing so with significant success: over the past year, one-third (33%) of open positions were filled by internal hires, while 39% report frequently leveraging employee skills to bridge skills gaps—rising to 52% among larger organisations.

Not only does this plug skills gaps and help upskill employees, but it also enables tech leaders to be more agile in the way they source talent. The same can be said of external, on-demand talent sourcing.

"It's crucial we keep a focus on EDI, supporting diverse teams to build effective AI. On top of widening the candidate pool, using a skills-based approach reduces bias and promotes inclusion, benefiting organisations significantly."

**Ketty Lawrence,** Vice Chair, Scotland Women in Technology



## Case Study: NASA's Talent Marketplace: fostering internal mobility and career development

NASA recently launched the Talent Marketplace [vi], an agency-wide internal job listing and candidate selection platform, to address key opportunities identified in their Future of Work initiative.

#### Key features of the Talent Marketplace:

- Provides employees access to a wide range of internal career development opportunities across NASA centres
- Supports managers in matching talent to task based on skills, grade, and location
- Offers non-competitive opportunities such as internal details, short-term assignments, and leadership development programmes

## The platform aligns with two key themes from NASA's Future of Work initiative:

- Learning and Developing for a Lifetime: Improves transparency and accessibility of opportunities, enabling employees to enhance skills and expand their network
- Deploying Talent; Mobilising Careers: Breaks down centre barriers, enhances employee mobility, and fosters innovation

Early results show strong support from all NASA centres, with opportunities being posted across the agency. The Talent Marketplace is expected to motivate employees, improve engagement, and help NASA retain a strong workforce while advancing its mission through enhanced internal mobility and skill development.

The Case for IR35 Repeal to Unlock AI Expertise

## The Case for IR35 Repeal to Unlock AI Expertise

#### Key stats



The UK's technology sector is experiencing a growing need for specialised roles in areas like artificial intelligence, cybersecurity and data science. Expertise in these areas is required not only for their ability to provide in-demand skills cost effectively, but also for their ability to help upskill in-house employees.

Reliably sourcing such specialised expertise, however, means organisations need to evolve their talent acquisition strategies and ensure they find the right talent for the job. 57% of senior tech leaders say contingent talent has helped them upskill internal teams, but with the rise in national insurance and IR35 reform, are businesses able to recruit the right talent?



### Businesses are looking to source talent more flexibly

Businesses are looking for alternatives to hiring, outside of the more traditional, full time roles which can have large overheads and may not necessarily be needed long term. Cost concerns are a significant factor here – for example, 35% expect to be hiring less as a result of National Insurance rises.

The majority of businesses have used contingent talent to fill internal skills gaps, of which 99% report that this has had a positive impact, particularly when it comes to filling skills gaps and upskilling employees simultaneously (57%).

Interestingly, the top two areas where businesses reported skills to be in demand - AI and Machine Learning and IT Infrastructure and Networking - are also the top areas where contingent talent has been used, demonstrating that contingent talent remains one of the quickest and most reliable ways to fill skill gaps.

But due to IR35 reform, businesses and contractors are finding it increasingly difficult to work together. Over a third (34%) of senior tech leaders believe IR35 has had a negative impact on their ability to bring the right skills into the workforce. Meanwhile, IPSE's IR35 Spotlight 2024 [v] found that more than 1 in 5 (21%) of contractors are not currently working, with half of them attributing this to the impact of reforms to IR35 tax. Almost a quarter (24%) said they plan to seek contracts abroad in the next year. With AI contract talent heading overseas as a result of IR35, the UK is losing critical skills it needs.





"The UK Government's Autumn budget opposes what is needed to upskill the UK workforce. To ensure we have more AI talent in the UK we must scrap NI increases so companies stop outsourcing AI work outside the UK, remove the IR35 Reform so companies can easily tap into freelance and contract AI talent that is currently working abroad and create an internal mobility platform so all government departments can share talent and share the upskilling and displacement of jobs. "

> **Rich Wilson,** CEO and Co-Founder, Gigged.AI



## Building a Skills-Powered Future

## **Building a Skills-Powered Future**

More than two thirds (69%) of businesses are concerned about the tech talent shortage in 2025, with a quarter concerned they don't have the skills internally to fill roles (26%) and 1 in 5 worried that they aren't employing freelancers with the skills to fill gaps (20%).

The AI skills gap is no longer a future problem—it's here. Research by IDC paints a concerning picture, noting that by 2026, the inability to secure tech talent will cost organisations globally \$5.5 trillion in revenue loss, delays, and quality issues [vii] .

UK businesses need to rethink their upskilling and training approaches to meet the demands of emerging technologies and ensure they remain competitive with organisations in other countries.

There will be no silver bullet, but those organisations who adopt a blended workforce approach, intelligently tracking and mobilising their internal skills alongside specialist contingent talent will be the most likely to fill the gap.





Chief Information Officers (CIOs) are at the forefront of the skill revolution. As technology leaders, they are uniquely positioned to understand both the current and future technological needs of the organisation. As the data shows, in order to tackle skill shortages and continue driving innovation, CIOs must consider a blended workforce that combines the strengths of internal teams with the flexibility and expertise of contingent talent.

Contractors bring fresh perspectives, adaptability and specialist skills which may otherwise be difficult to find. Combining these insights with the institutional knowledge of internal teams creates a synergy that accelerates innovation and problem-solving.

Equally, internal employees often possess untapped skills. By deploying an internal talent marketplace, CIOs can identify and mobilise these resources for the right projects in order to avoid unnecessary external hires and overheads.

A blended workforce helps CIOs access specialised skills on-demand, filling gaps without the prolonged and costly processes of traditional hiring. It represents a new way of thinking about talent, work, and value creation. For CIOs ready to lead their organisations into the future, now is the time to act.

### **Optimism and government support**

While there are clearly concerns among senior tech leaders in their ability to address the skills shortages, UK businesses are feeling cautiously optimistic about 2025, with two thirds of businesses feeling confident in their ability to close skills gaps in their teams, and 88% feeling supported to some extent by the government in adopting transformative technologies.

"This report is a timely reminder that untapped internal talent and a strategic embrace of contingent workforces are not just solutions but critical imperatives for future-proofing organisations in the AI era."

**John Winsor,** Executive Fellow, Harvard Business School

## Augmenting Talent with Agentic Al

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As UK enterprises grapple with the acute digital skills shortage, a new ally is emerging which offers new possibilities to complement internal and contingent workers: agentic AI.

These are autonomous, goal-driven AI systems which act as independent "digital workers," capable of analysing information, making decisions, and executing tasks with minimal human intervention. One big difference between agentic and generative AI is its ability to take action proactively and make decisions, as opposed to just reacting to a user's input [viii].

In essence, agentic AI shifts AI from a passive tool to an active agent – one that can plan actions and carry out complex processes once exclusive to human experts.

For business leaders facing unfilled tech roles and mounting project backlogs, agentic AI offers a compelling way to amplify workforce capacity and bridge critical skill gaps.

### **Understanding Agentic AI and Its Potential**

Agentic AI represents a convergence of advanced AI (like large language models), machine learning, and automation technologies to create software agents that can set goals and act autonomously [ix].

Unlike traditional robotic process automation (RPA) that follows fixed rules, agentic AI adapts to changing conditions and learns from data, exhibiting reasoning and inferencing abilities closer to human problem-solving.

This means an agentic AI system can understand context, optimise its approach, and continuously improve at tasks – whether it's handling a customer inquiry, analysing a dataset, or orchestrating a workflow.

Crucially, these AI agents operate with high adaptability. They rely on probabilistic models (finding patterns and likely solutions) rather than rigid algorithms.

For example, an autonomous agent could scan through thousands of CVs to shortlist candidates, or coordinate multiple sub-agents to complete a business process (e.g. an HR agent collaborating with a scheduling agent and a compliance agent to onboard a new hire).

#### As Salesforce CEO Marc Benioff observes:

"Agentic AI is a new labor model, new productivity model, and a new economic model" [x] – one that introduces a digital workforce alongside our human workforce.

The promise of agentic AI is immense. By deploying autonomous AI agents, companies can achieve 24/7 productivity and scalability beyond human limits.

These agents don't need sleep or holidays, and they can operate across time zones to serve global markets continuously.

In practical terms, a single agentic AI assistant might handle routine customer inquiries or IT support tickets overnight, freeing human staff to focus on higher-value strategic work during the day.

The result is a more efficient operation where mundane tasks are automated and human expertise is applied where it's truly needed.

### **Bridging Skills Gaps with Autonomous Agents**

As a reminder of the scale of the problem, our research shows that over two-thirds of UK businesses are concerned about the tech talent shortage in 2025. Organisations are worrying they lack sufficient in-house skills (26% cite internal skill gaps) and almost as many are struggling to employ external contractors or freelancers with the right expertise (20%). For skills related to artificial intelligence and machine learning, the gap is especially pronounced – 55% of businesses report AI/ML as the area with the biggest skills shortfall in 2025.

As a result, for tech leaders, agentic AI is emerging not just as a tech innovation, but as a potential strategic response to talent shortages. Upskilling the human workforce remains vital (indeed, 92% of businesses are investing in GenAI training for staff), but these efforts take time. This is where agentic AI can make an immediate impact.

Business leaders increasingly see autonomous AI agents as a way to alleviate workforce capacity constraints. According to Microsoft's Work Trend Index, more than 4 in 5 business leaders (82%) expect to deploy agentic AI to address workload capacity gaps in their organisations [xi].

The report notes that nearly half of decision-makers say their companies have already automated entire workflows using AI agents, targeting areas like customer service, marketing, and product development.

By offloading repetitive or knowledge-intensive tasks to AI, organisations can mitigate the pressure of too few skilled humans. For example, a well-trained AI agent can handle tier-1 customer queries or generate first-draft reports, enabling the existing human team to cover more ground than their numbers would normally allow.

Early results are promising: companies adopting agentic AI report significant efficiency gains. In one case, a bank implemented an AI agent to handle customer calls through a natural-language Interactive Voice Response (IVR) and saw an 80% improvement in call containment (issues resolved by the AI), along with reduced fraud and higher customer satisfaction [xii].

It's no surprise, then, that enterprise spending on AI agents is surging. Major technology providers like Microsoft, Salesforce, Google, SAP, and AWS have all launched agentic AI platforms to automate more business processes [xiii], underscoring a broad conviction that autonomous agents will be integral to the future of work.

Notably, embracing agentic AI is not about replacing employees wholesale – it's about augmenting the workforce. While one-third of leaders in Microsoft's Annual Trend Index survey did consider potential headcount reductions as AI automates tasks, an even larger share (78%) plan to hire for new AI-related roles to support and govern these systems [xiv].

In fact, the rise of agentic AI is spawning new career paths: prompt engineers, AI ethicists, "agent orchestration" managers, and more.

In short, agentic AI helps fill immediate skill gaps, buying time for organisations to reskill and redeploy human talent into higher-value positions.

Indeed, analysts estimate that with labour markets the tightest in two decades and an estimated 85 million jobs projected to go unfilled globally by 2030 [xv], autonomous agents could be essential to fill the gap and sustain business growth.

In Microsoft's Work Trends survey, 79% of employees said they think AI will help accelerate their careers (by handling drudgery and enabling them to develop new skills) [xvi]. This highlights an important aspect for leaders: agentic AI, when introduced with proper change management, can actually enhance job satisfaction and growth, rather than threaten it.

The key is transparency and training – ensuring staff understand the AI is there to help, and investing in reskilling so employees can move into higher-value roles that these AI systems create.

### **Blending Agentic AI with Human Talent**

To truly overcome the digital skills shortage, forward-thinking enterprises are adopting a blended workforce strategy – integrating agentic AI agents alongside internal employees and contingent talent (contractors, freelancers, gig workers).

This approach mirrors what many CIOs already advocate: combining the institutional knowledge of full-time teams with the specialised expertise of freelance talent [xvii].

Now, AI agents are joining that mix as a third category of "worker." When orchestrated well, the synergy can be powerful.

Human-AI collaboration allows each to play to their strengths. AI agents excel at speed, scale, and data-driven tasks – they can sift large data sets, perform repetitive processes, and respond instantly to routine requests. Human professionals bring creativity, strategic thinking, empathy, and oversight to the table.

In a blended model, an autonomous AI might handle 70% of incoming customer support tickets, for instance, while escalating the trickiest 30% to human specialists who can apply judgment and personal touch.

Crucially, agentic AI can also work in tandem with contingent talent. Freelancers and contractors often bring niche skills that are in short supply internally. Agentic AI can amplify their impact by taking on ancillary tasks and enabling a more agile allocation of work.

For example, an external data scientist could be supported by an AI agent that automatically cleans and preps data, so the expert can focus on advanced analysis.

### As Katie Obi, Chief People Officer at tech firm OneAdvanced, notes,

"I anticipate that over time there will be a move from introducing AI use cases to aid human productivity (for example, AI assisted workflows) to agentic AI with human oversight (for example human assisted workflows)." [xviii]

This pairing would mean that human experts supervise AI outputs, maintaining quality and ethics, while the AI dramatically expands the volume and scope of work that can be tackled. It's a force multiplier for contingent workers and employees alike.

In practical terms, this means future project teams might consist of an internal project manager, a contract specialist, and an AI agent all working side by side. The AI handles grunt work or data-heavy tasks, the contractor contributes specialised know-how, and the employee integrates everything and ensures alignment with business goals.

Such agile talent ecosystems can dynamically reconfigure to meet changing project needs, something static org charts cannot easily do.

### **Real-World Impact**

Real-world deployments of agentic AI provide a practical look at how it helps address skill shortages.

One notable example is Concentrix's "Hello iX" agentic AI, a platform that enables businesses to spin up custom AI assistants in minutes [xix]. These assistants function as autonomous agents capable of everything from answering customer questions to booking appointments and analysing data. Concentrix reports that unlike traditional single-purpose chatbots, Hello agents continuously learn and adapt, delivering high-quality responses securely and at scale.

For one financial services firm that deployed the platform, the AI assistants resolved common customer issues across chat, voice, and SMS channels, freeing human advisors to focus on complex cases and improving overall service speed and accuracy [xx]. By teaming AI with staff, the company achieved round-the-clock operations without overburdening its people. Agentic AI gives human employees more bandwidth to be creative and strategic, by taking over mundane tasks.

The impact of agents isn't limited to efficiency; it can also be used to boost innovation. One such example comes from Visa who have partnered with leading AI developers, including OpenAI and Microsoft, to enable AI agents to make purchases on behalf of users. The agents can handle routine shopping tasks, such as ordering groceries or booking flights, based on user-defined budgets and preferences, while ensuring secure transactions. The initiative aims to streamline online shopping experiences and reduce transaction abandonment. [xxi]

Another example comes from the pharmaceutical industry. Earlier this year it was reported that Johnson & Johnson employs AI agents to assist in analysing vast datasets to identify potential compounds, accelerating research and development timelines. [xxii]

Without the use of agents, the organisation's scientists would have to perform the same process manually several times, all the while making sure all of the correct conditions are true. Crucially though, it was reported that employees are responsible for checking the agent's outputs and being mindful of the risk of bias or hallucinations.

### Preparing for a Collaborative Future

To fully capitalise on agentic AI in addressing the skills crisis, organisations must integrate these agents thoughtfully into their talent strategies. Governance and oversight are paramount. Agentic AI should be deployed with clear guidelines and human checkpoints – a concept Concentrix calls "human and AI collaboration, perfectly orchestrated" [xxiii].

This ensures that autonomous agents amplify human strengths without running amok or making unsanctioned decisions. Many companies are establishing AI governance committees and new roles (AI supervisors, data curators) to monitor agent performance and outcomes. Such measures build trust in the technology among employees and leaders alike.

At the same time, companies should invest in upskilling their workforce to work alongside AI. Microsoft's leadership emphasises that preparing for what's next is not optional: employees must develop AI proficiency and companies must support them with training and tools.

This might mean teaching staff how to interpret AI outputs, how to "manage" AI agents, and how to leverage insights the agents produce. The payoff is a workforce that is AI-ready and able to seamlessly collaborate with digital agents. IBM estimates that 40% of the workforce will need to re-skill in the next three years to keep up with AI and automation advances [xxiv], underlining the urgency of such training initiatives.

Agentic AI offers a practical, immediate way to mitigate digital skill shortages by taking on work that we may struggle to hire enough people for. These autonomous agents, when combined with a blended workforce of employees and contractors, enable an organisation to do far more with its talent pool.

They act as force multipliers and colleagues that can shoulder the heavy load of data processing, routine decision-making, and even customer interaction.

For technology leaders, the message is clear: those who embrace agentic AI, guiding it with human insight and integrating it into a holistic talent strategy will not only fill today's skill gaps but also unlock increased performance and innovation.

In the midst of the AI talent crisis, agentic AI is turning out to be a timely and transformative part of the solution.

# Conclusion

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As AI begins to transform UK organisations, senior tech leaders and people management teams are faced with a huge challenge in preparing the workforce – on the one hand ensuring no employee is left behind, and on the other, finding the right people to capitalise on the AI opportunity.

But without first properly assessing and tracking the skills organisations have in-house or in their contractor network, the measures they take to close the digital skills gap and source talent – whether with drastic recruitment drives or expensive training initiatives – could be doomed to failure.

As our data shows, by and large most businesses have more resources than they realise, and their skills gaps can be narrowed in-house. Leveraging these dormant, undetected, and at times neglected skills requires a unified skills-based strategy that combines internal mobility with ondemand contingent talent.

With Gartner having recently listed Internal Talent Marketplaces in the Emerging Technology Hype Cycle [xxv], skills-based strategy is finally embedding itself into UK businesses. Organisations that use this technology to create strong internal mobility, all the while maintaining an open supply of contingent talent, will minimise their skills gaps and be better placed to keep up with the pace of AI-powered change in the UK.



## **About Gigged.Al**



Gigged.AI is a skills-powered Talent Marketplace solving the tech skills shortage for enterprises through internal mobility and open talent. Gigged.AI's products employ AI and skills-based matching to help tech leaders put the right people into the right roles with rapid speed and efficiency.

Its Internal Talent Marketplace captures the skills within a workforce and matches them to the right projects, reducing hiring costs and improving employee retention. The Open Talent Marketplace allows organisations to easily and compliantly hire global contingent talent through either an outcome-based or time and material Statement of Work.

Together, Gigged.AI's products are designed to help keep costs and headcount low, while driving project work forward. For more information or to book a demo, <u>visit Gigged.AI</u>.

## **Notes to Editors**

### **Research methodology**

The survey was conducted among 300 UK senior tech leaders, manager and above, working in organisations with 250+ employees. The interviews were conducted online by Sapio Research in November and December 2024 using an email invitation and an online survey.

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## Appendix

### How to Become Skills Powered: A step by step guide

For CIOs leading digital transformation initiatives, adopting a skills-powered approach can unlock immense value. But where should you start? Let's break it down into actionable steps.

### Why CIOs Should Pursue a Skills-Powered Approach

As organisations navigate the demands of digital transformation, CIOs are uniquely positioned to drive the shift to a skills-powered model. This approach allows CIOs to build adaptive, resilient teams that can quickly respond to emerging technologies and market trends. By focusing on skills, organisations can bridge talent gaps without always resorting to external hires, empowering internal talent to thrive.

Additionally, a skills-powered workforce fosters innovation by encouraging cross-functional collaboration and equipping employees with the capabilities needed to tackle complex challenges. For CIOs, this is not just about operational efficiency — it's about creating a future-ready workforce that aligns seamlessly with the organisation's strategic goals.

### Step 1: Understand the Value of Skills Over Roles

The shift from a role-based to a skills-based approach is not just a buzzword; it's a strategic imperative. With the emergence of AI and other technologies, role descriptions can quickly become outdated, while skills provide a granular understanding of an employee's capabilities. For example, an employee classified as a "Data Analyst" might also have skills in machine learning, Python, and storytelling — all of which could be pivotal for a new project or initiative. Traditional talent management approaches:

- Create siloed working environments
- Limit employee potential
- Slow down project delivery
- Increase recruitment and training costs
- Fail to leverage existing internal talent effectively





As a CIO, your role is to articulate how a skills-powered approach supports broader business objectives, such as innovation, speed-to-market, and operational efficiency.

### Step 2: Leverage Technology to Map Skills

Building a skills-powered organisation starts with visibility. Technology platforms like Gigged.AI's Internal Talent Marketplace can be instrumental in mapping the skills of your workforce. These platforms:

- Identify the existing skills within your organisation.
- Highlight gaps that need to be addressed for future projects.
- Offer real-time insights into how skills are distributed across teams and geographies.
- Allow employees to showcase their full range of skills
- Provide transparency into internal talent capabilities

By leveraging AI-driven tools, you can create a dynamic and up-to-date inventory of skills that serves as the foundation for informed decision-making

### Step 3: Foster a Culture of Continuous Learning

The success of a skills-powered organisation hinges on its ability to evolve. Encourage employees to continually upskill and reskill by providing access to learning resources, certifications, and stretch assignments. This not only helps bridge skill gaps but also enhances employee engagement and retention.

For CIOs, championing this cultural shift means working closely with HR and L&D teams to ensure that learning opportunities align with both individual aspirations and organisational goals.

### Step 4: Implement Agile Workforce Models

Once skills are mapped and learning pathways are established, the next step is to operationalise this approach. Internal Talent Marketplaces enable agile workforce models by:

- Matching employees to internal projects based on their skills and interests.
- Breaking down silos by facilitating cross-functional collaboration.
- Reducing reliance on external hiring by optimising internal resources.

This agility ensures that your organisation can respond quickly to emerging opportunities or challenges, such as launching a new digital product or navigating a market disruption.

### Step 5: Measure and Iterate

Transitioning to a skills-powered organisation is not a one-and-done initiative. Regularly measure the impact of this approach through metrics such as:

- Project completion rates.
- Employee satisfaction and engagement levels.
- Speed of reskilling and redeployment.
- Reduction in hiring costs.

Becoming a skills-powered organisation is a journey, not a destination. For CIOs, it represents a strategic opportunity to drive digital transformation, improve workforce agility, and future-proof the business. By leveraging tools like Gigged.AI's Internal Talent Marketplace, CIOs can take a data-driven approach to unlocking the full potential of their workforce.

Start small, think big, and continuously iterate. The future belongs to organisations that prioritise skills as their greatest asset.



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