

Take5 for business

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Can AI advance
toward value if
workforce tensions
linger?

EY Work Reimagined Survey insights for
Malaysia



The better the question.
The better the answer.
The better the world works.



Shape the future
with confidence

Shaping future workforce with AI Advantage

The sixth edition of the global EY Work Reimagined Survey reveals that the great artificial intelligence (AI) race is reshaping the future of work.

Conducted across 29 countries with more than 15,000 respondents in 2025, the results indicate the strategic necessity of orchestrating capabilities that amplify people, technology and AI.

In Malaysia, the survey polled 300 employees and 30 employers across various industry groups including technology, media, industrials and energy, financial services, government, private equity and more.

As AI transforms productivity and intensifies workplace pressures, organizations must build Talent Advantage through strategies that strengthen culture, rewards and agile skill-building.

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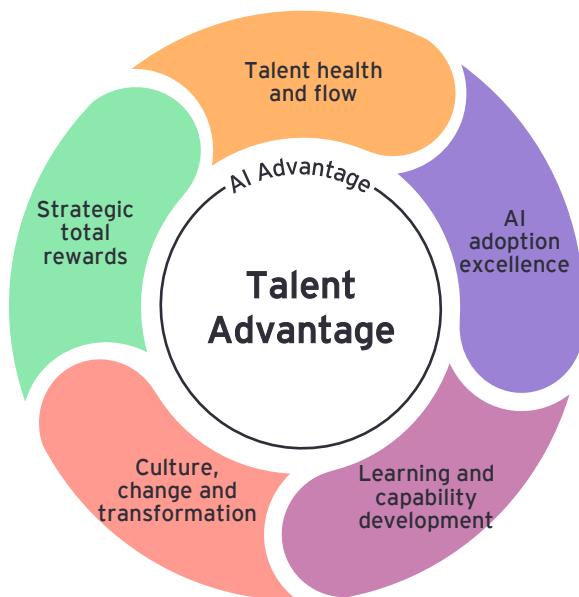
AI adoption is surging, but successful outcomes are dependent upon more than just technology. Organizations mastering the human foundation generate outsized returns and surface new work tensions.



Low Choy Huat

Malaysia People Consulting Leader; and Partner, Ernst & Young Consulting Sdn. Bhd.

Five key dimensions of Talent + AI Advantage*



The prizes of Talent + AI Advantage

17x achieve outperformance in current economic conditions.

8x see productivity improvements in the past two years.

21x more employees agree culture is significantly better than 12 months ago.

*AI Advantage is a multidimensional capability that combines mindset, skill set and toolset to unlock exponential value from AI adoption.

Five key insights on Talent + AI Advantage for Malaysia's workforce

EY conducted the sixth installment of the Work Reimagined Survey in 2025 to understand the rapidly shifting future of work. Set out below are the five key insights on Talent Advantage for the Malaysian workforce.



AI adoption excellence

AI drives higher productivity, yet employees experience increased workload and concerns.



Learning and capability development

Increased AI learning hours paired with human capabilities can drive higher AI adoption and time savings.



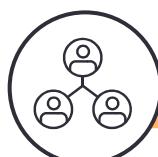
Culture, change and transformation

Culture has improved, with AI serving as a catalyst for embedding innovation, efficiency and quality.



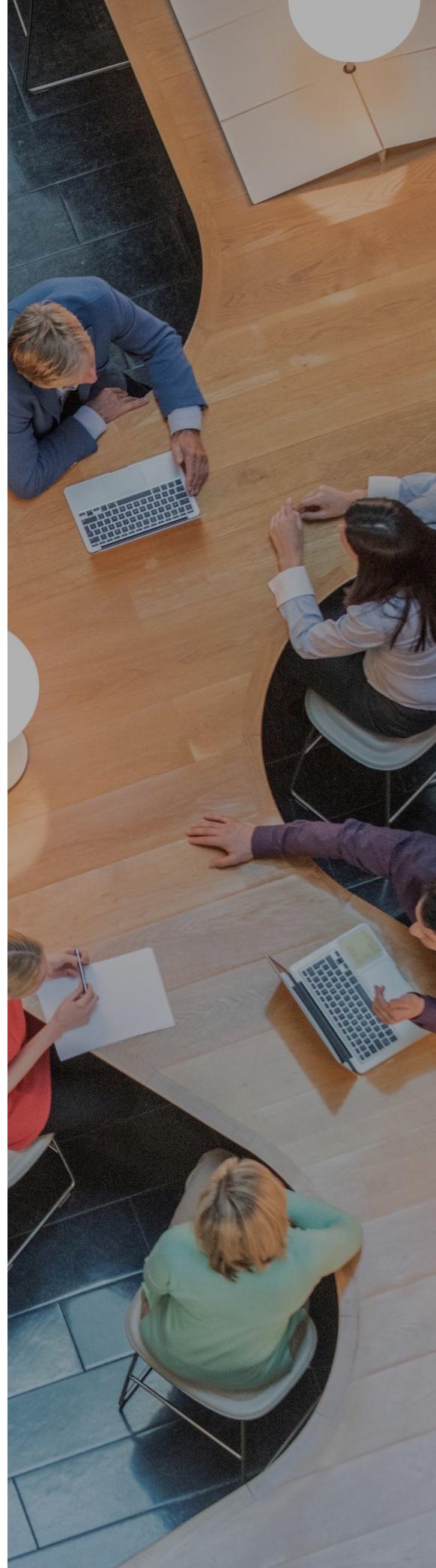
Strategic total rewards

AI adoption seen as an employee value proposition (EVP) advantage with opportunity to enhance flexible work and training opportunities.



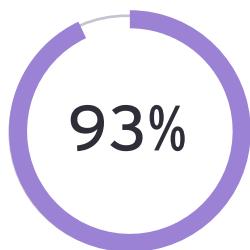
Talent health and flow

Sustained talent retention is strengthened by AI and technology exposure alongside internal career opportunities.



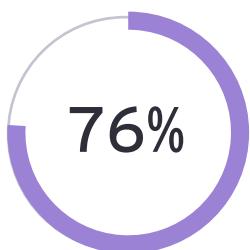
Insight 1: AI adoption excellence

AI adoption in Malaysia is driving higher productivity, yet employees report heavier workload and concerns about overreliance on AI and the quality of its insights.



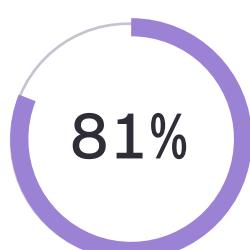
of Malaysian employees use generative AI (GenAI) at work, despite **68% reporting increased workload, alongside concerns about AI overreliance.**

5% more than global counterparts



of Malaysian employees report improved work performance, resulting in delivery of **major time savings and productivity improvements.**

16% more than global counterparts

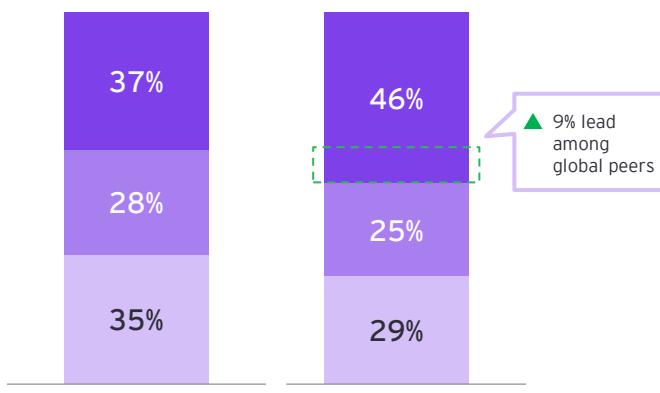


of Malaysian employees highlighted that AI use at work resulted in significant time savings of **up to 10+ hours per week.**

14% more than global counterparts

Frequency of AI use at work

Global vs. Malaysia



In contrast to global results, Malaysian employee's daily usage is 9% higher, indicating that Malaysia is ahead among its peers in embedding AI as a core tool for efficiency and productivity.

What the workforce worries about

Global vs. Malaysia



Role of leadership

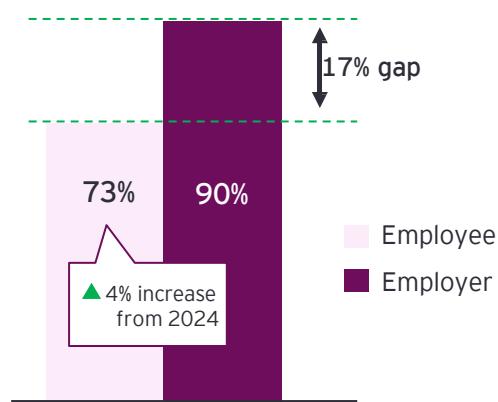
82% of Malaysian employees say their leaders are aligned on AI use, reflecting strong trust that can be leveraged to address concerns.

Insight 2: Learning and capability development

Increased AI learning hours paired with human capabilities can drive higher AI adoption and time savings, building off Malaysia's current momentum.

There is rising confidence in skill relevance, with priority skill development addressing both technical AI and human capabilities.

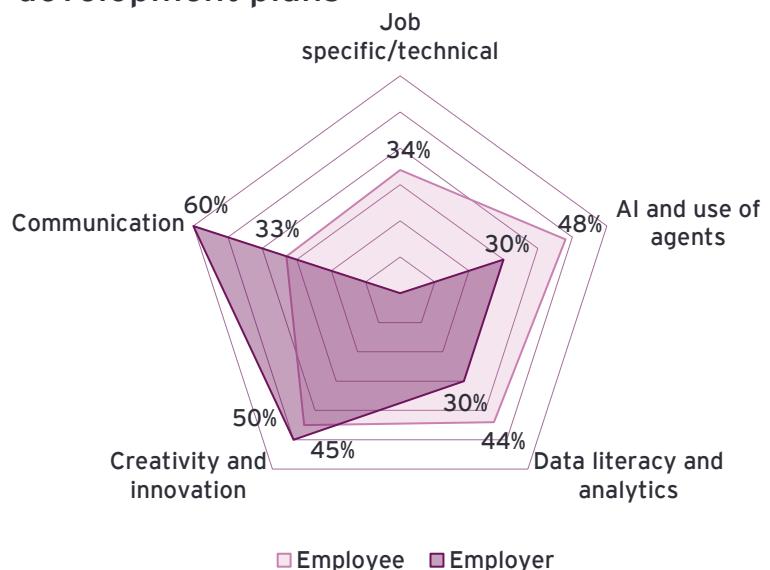
Employee confidence in skill relevance*



*Likelihood that a skill will remain relevant and valuable over next three years.

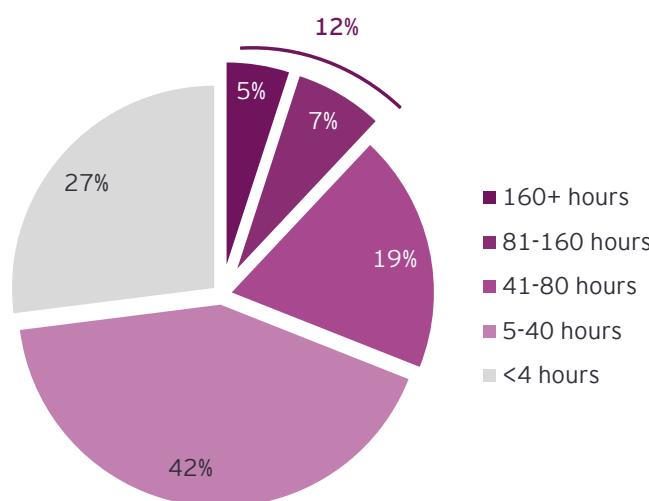
Employee confidence rose 4% since 2024, signaling workforce readiness, but a 17% employer overestimation risks under-investing in upskilling.

Employee skill needs vs. employer development plans



To better align skills with development priorities, employers must meet employee upskilling demand for technical expertise (e.g., use of AI and AI agents).

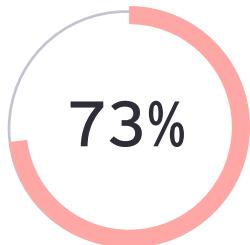
2025 AI learning hours in Malaysia



- Only 12% of Malaysian employees reach the recommended 81+ hours AI learning a year. This signals an urgent need to redesign AI learning strategies.
- Two out of five Malaysian employees use AgentGPT or Copilot Agents, giving organizations a timely opportunity to invest in AI agent training.

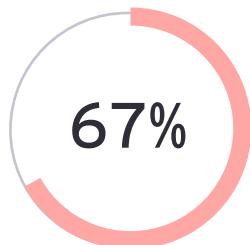
Insight 3: Culture, change and transformation

Malaysia's organizational culture has improved with AI serving as a catalyst for embedding innovation, efficiency and quality.

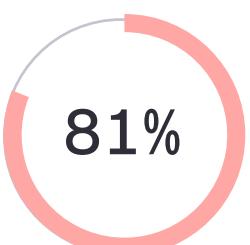


of Malaysian employees believe that culture in their organization has improved.

3% more than global counterparts

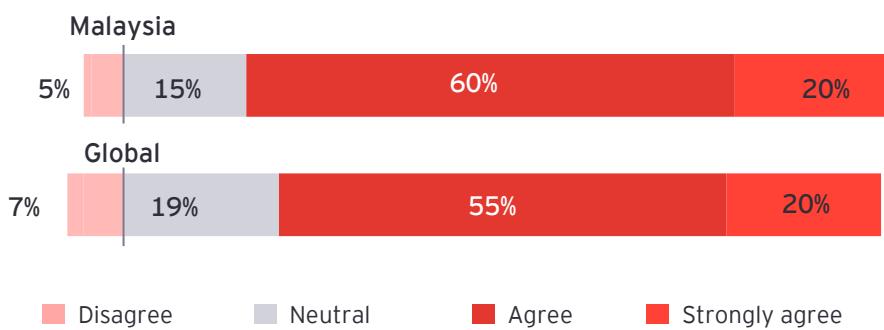


of Malaysian employees feel trusted and empowered by management.



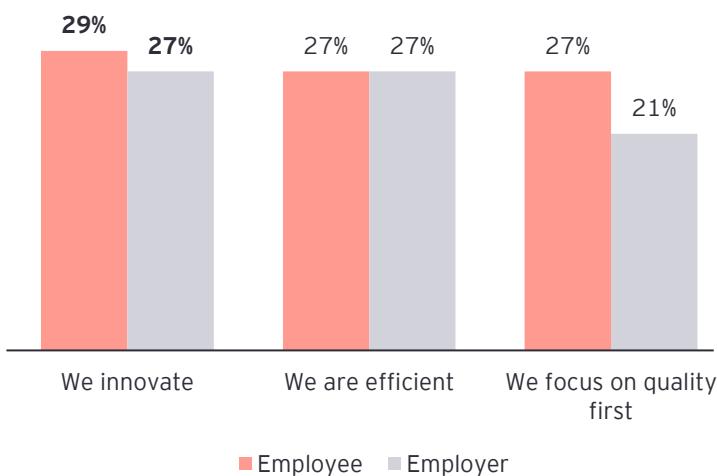
of Malaysian employees feel connected to their team.

"I am confident that the next transformation initiative in my organization will be successful".



Malaysia's organizational culture has improved through high levels of trust and collaboration, resulting in 80% employee confidence in future transformations.

Top three primary culture characteristics needed

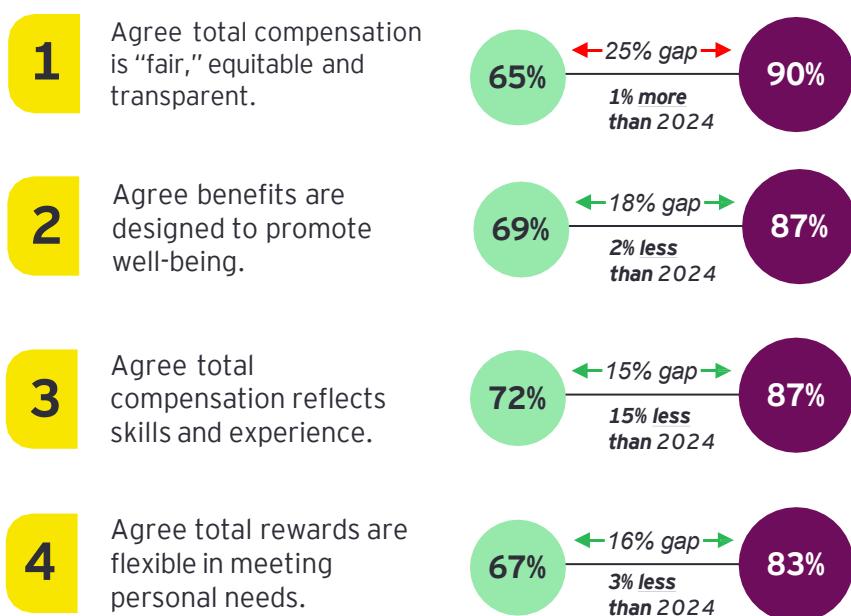


- Employees and employers share **innovation, efficiency and quality** as top culture characteristics they need in the next 12 months.
- AI is perfectly positioned to help organizations embed these traits into their employees' ways of working.

Insight 4: Strategic total rewards

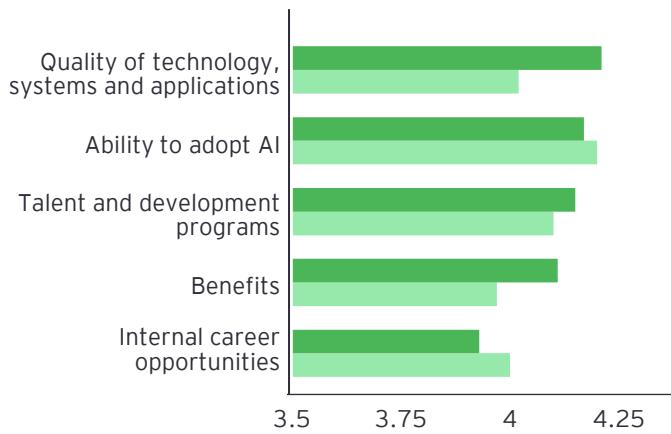
AI adoption is seen as an employee value proposition (EVP) advantage, with opportunity to enhance flexible work and expand training.

Malaysian employers' perception on company's total rewards



Responses from Malaysia indicate that employers significantly overestimate employees' perception of total rewards, highlighting the need for EVP recalibration.

Current reward competitiveness* in Malaysia



Reward priorities vary across generations

	Flexible work	Training	Cost of living pay
Gen Z	Medium priority	High priority	Low priority
Millennials	Low priority	Medium priority	High priority
Gen X	High priority	High priority	Low priority

The ability to adopt AI is a clear EVP advantage that can be strategically leveraged to attract and retain competitive talent.

Gen Z values flexible work and cost-of-living aligned pay, while millennials and Gen X prioritize structured, incentive-linked training. To be effective, reward strategies must meet the needs of a multi-generational workforce.

*Reward competitiveness refers to an organization's ability to attract, motivate and retain top talent by offering superior financial and non-financial incentives.

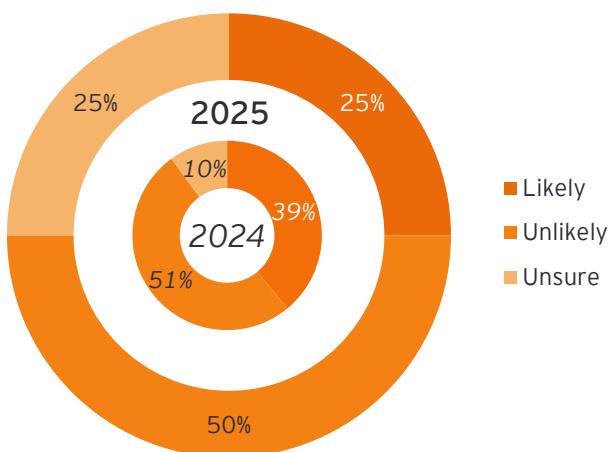
Insight 5: Talent health and flow

Sustained talent retention is strengthened by AI and technology exposure alongside internal career opportunities.

Talent retention trends

Malaysian employees show a lesser likelihood to leave their current employers compared to the previous year. This sustained retention across Malaysian employees is seen to be driven by strong internal career opportunities.

How likely are you to leave your employer in the next 12 months?



What factors motivate you to stay in your current role?



Building talent retention

Employees are now declaring working with the latest technology and AI as one of their top priorities when seeking a new role.

2024

- 1** Opportunity for increased total pay.
- 2** Better job or career advancement internally.
- 3** Location of the work site, workplace or strong work environment.

2025

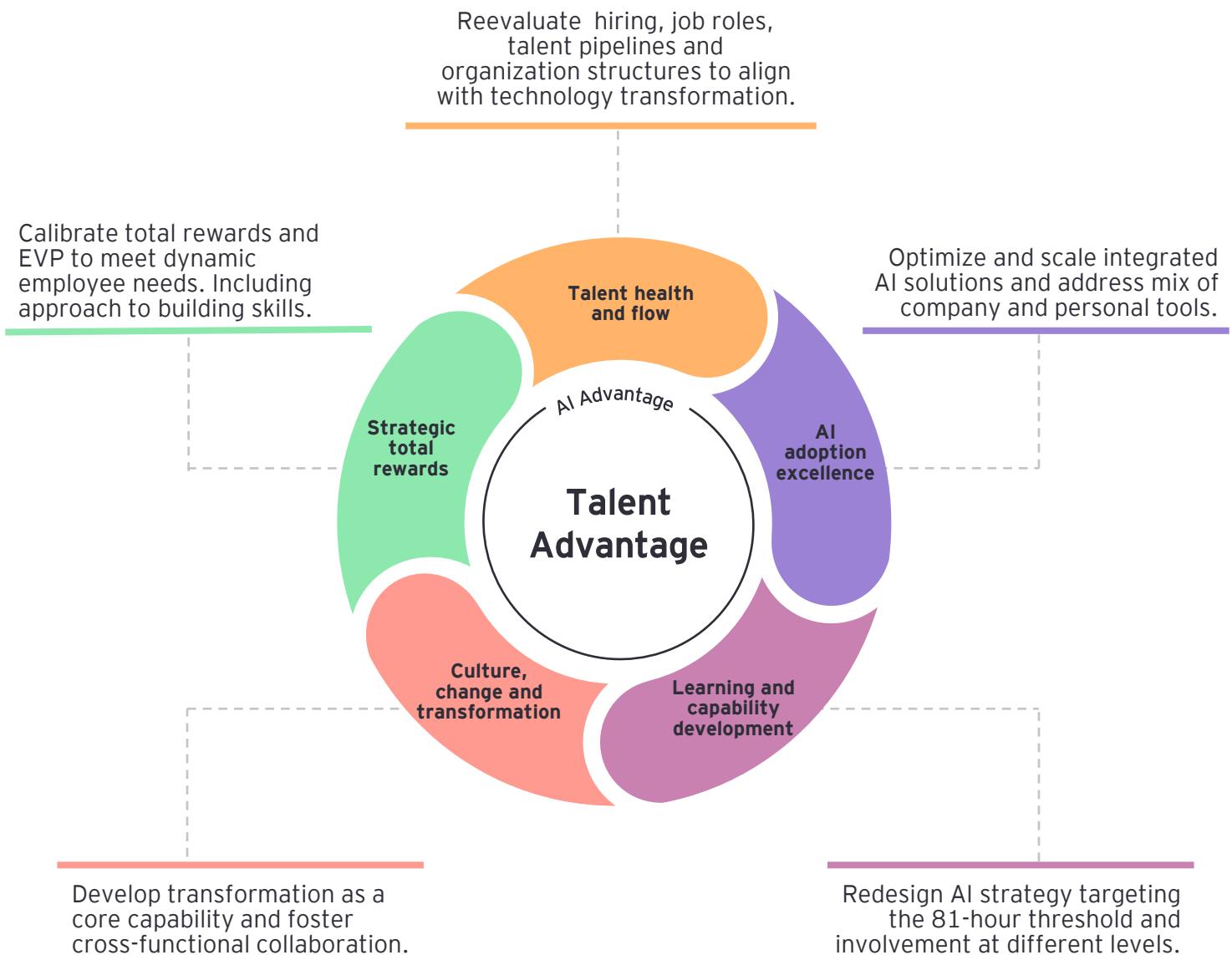
- Opportunity for increased total pay.
- Opportunities to work with the latest technology and AI. Key difference
- Location of the work site/workplace or strong work environment.

Emerging expectations for AI and new technologies necessitate a reset of the EVP. We must pair internal career opportunities with exposure to modern AI tools and skills.

This trend is more pronounced among advanced AI learners (>40 hours of training), who make working with the latest technology their top priority when seeking a new role.

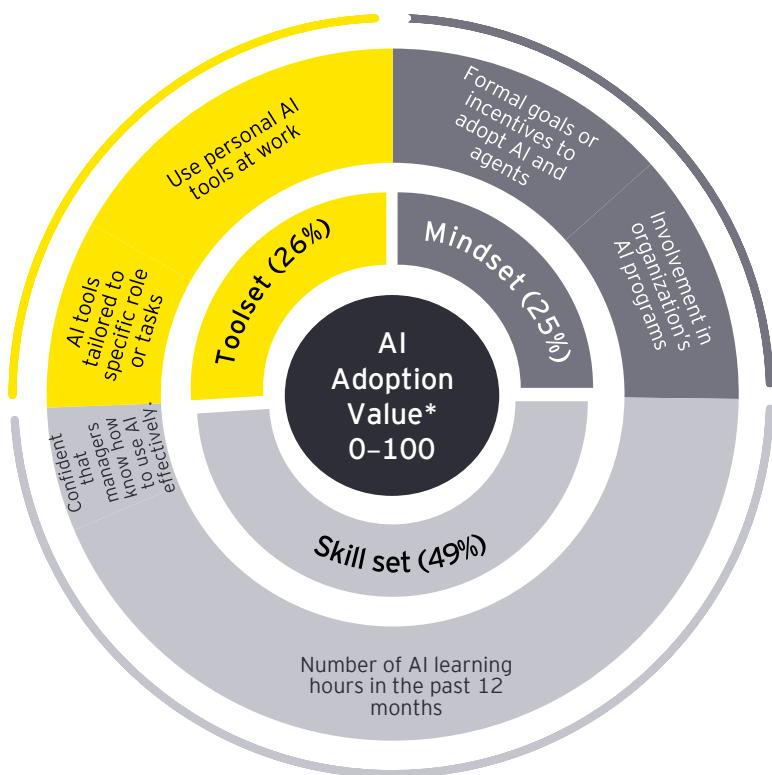
Integrated approach to workforce and technology

How will you achieve the magic formula combining Talent + AI Advantage?



Moving forward

In line with AI Advantage and to accelerate Malaysia's AI-driven growth with a skilled workforce, businesses can take **three key actions** aligned to the three drivers of AI adoption.



Action #1

Toolset

Engage leadership in defining policies and guidelines that safeguard employee welfare and maximize AI-driven productivity through the strategic adoption and governance of shared AI tools.

Action #2

Mindset

Leverage AI to catalyze and embed a culture of innovation, efficiency, and quality in existing ways of working and operating models.

Action #3

Skill set

Redesign the AI learning strategy to achieve the 81-hour learning threshold. Upskill both technical AI and human capabilities, with focus on AI agents and communication.

Notes:

- *AI Adoption Value measures the effectiveness of AI integration within an organization. Mainly driven by three key factors: toolset, mindset and skill set.
- Malaysia's AI Adoption Value is 37, ahead of the global average of 34.

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