



## Korn Ferry Global Study: Majority of CEOs See More Value in Technology Than Their Workforce

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--Two-Thirds of CEOs Believe Technology Will Be Their Firm's Greatest Competitive Advantage

--Nearly Half Say Robotics, Automation and AI Will Make People 'Largely Irrelevant'

LOS ANGELES--(BUSINESS WIRE)--Nov. 17, 2016-- A global study of CEO perceptions by [Korn Ferry](#) (NYSE:KFY) finds a startling lack of top-leader focus on, or confidence in, the value of the people in their organizations, while they instead are putting a higher value on technology and tangible assets.

Korn Ferry conducted in-depth interviews with 800 business leaders in multi-million and multi-billion dollar global organizations on their views concerning the value of people in the future of work. Among the key findings:

- Sixty-three percent say that in 5 years, technology will be the firm's greatest source of competitive advantage.
- Sixty-seven percent say that technology will create greater value in the future than people will.
- Forty-four percent say the prevalence of robotics, automation and artificial intelligence (AI) will make people "largely irrelevant" in the future of work.

Further indicating that the leaders are not putting the appropriate focus on people, the study found that when asked to rank what their organization's top five assets will be 5 years from now, the company's workforce did not make the list. The top five assets named by the CEOs (in order) are: Technology (product, customer channels); R&D / Innovation; Product / Service; Brand; and Real Estate (offices, factories, land).

Leaders who took part in the study say that tech is becoming so central to their thinking and execution that it occupies 40 percent to 60 percent of their priorities on strategic focus, financial investment and C-suite time. The research also finds a possible source of CEOs' tech obsession: 40 percent of respondents say they have experienced shareholder pressure to direct investment toward tangible assets like technology.

"Leaders may be facing what experts call a *tangibility bias*," said Jean-Marc Laouchez, Global Managing Director, Solutions, Korn Ferry. "Facing uncertainty, they are putting priority in their thinking, planning and execution on the tangible – what they can see, touch and measure, such as technology investments. Putting an exact value on people is much more difficult, even though people directly influence the value of technology, innovation and products."

"While the critical role and pervasive nature of technology in tomorrow's workforce is clear, no one is saying people are going away altogether," said Alan Guarino, Vice Chairman, CEO and Board Services, Korn Ferry. "Soft skills such as the ability to lead and manage culture, will become critical factors of success for companies in the future of work as they seek to maximize their value through their people."

**Editor's note:** This news release is part one of a two-part series based on [this report](#). In December, we will share details of an economic analysis commissioned by Korn Ferry, which finds that human capital represents to the global economy a potential value of \$1,215 trillion – more than two times the value of tangible assets such as technology and real estate.

### Study Methodology

In August and September, 2016, Korn Ferry interviewed 800 business leaders in multimillion-dollar global organizations on their views on the value of people in the future of work. These leaders were in: the United Kingdom, China, the United States, Brazil, France, Australia, India, and South Africa.

### About Korn Ferry

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