

Australia is getting left behind: Weak AI strategy and talent gaps threaten nation's productivity plan

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New research reveals only one in three organisations have a clear AI vision for their business, despite 670,000 roles to be automated by 2030.

Sydney, Tuesday 21 July 2025 – **New research** from ServiceNow, the AI platform for business transformation reveals that Australia is going backwards in the race to harness AI, falling 10 points in AI readiness over the past year, with poor planning, lack of skills, and strategic misalignment threatening jobs and national productivity.

ServiceNow's AI Maturity Index shows Australia has dropped to a score of 36/100 as only 10% of Australian enterprises are feeling ready to reorganise or innovate their businesses with AI. This is despite widespread recognition of AI's potential with nearly 82% of organisations planning to increase AI investments in the next fiscal year. Yet when it comes to AI preparedness only:

- 33% have a clear AI vision
- 37% have the right skills mix and talent to execute their strategy
- 43% have formalised data governance

The new research reveals Australian organisations have just five years to deploy an effective AI strategy that positions them to reap the financial and productivity benefits of automation and protect their workforces' job security and growth potential through upskilling.

Lack of strategy causes uncertainty for Australian workers

Executives are straddling a dangerous middle ground, accelerating AI spend without clear planning and metrics putting profit margins and workforce security at risk. The research found 6 in 10 Australians fear losing their jobs to GenAI, the highest reported globally.

Meanwhile, 71% of business leaders haven't mapped the skills they'll need to operationalise an AI strategy with almost two-thirds (63%) lacking the resources and talent within their organisations to execute their AI plans.

This skills uncertainty comes at a time when the government is expected to rely on AI to deliver a tech-driven productivity boost over the next three years. The Productivity Commission is already shaping reforms to build public confidence in AI and close talent gaps, but the disconnect between national ambition and business execution is growing. The research reveals 670,000 Australian roles are set to be automated by 2030.

Comparatively, India's tech workforce is expected to grow 95% in the same period, driven by significant domestic digital transformation and talent availability. While Australia lags at 37% growth with just 150,000 new technology roles, significantly less than the **goal of 1.2m roles by 2030 put forward by the Tech Council**.

"Our nation is at a tipping point and without immediate action, weak AI strategies and talent shortfalls could derail Australia's productivity ambitions," says ServiceNow's Employee Experience Director, APAC, Danielle Magnusson. "But for those with strong leadership, an enterprise-wide AI platform, and an upskilling agenda, AI offers a clear path to smarter, faster, more resilient business."

Tightening strategy to support workers

Pacesetters like Orica are prioritising decisive AI strategies and phased rollouts to support its 12,000+ workforce across the world. The global mining services firm deployed ServiceNow's AI-powered Virtual Agent across 35 use cases, transforming both speed and quality of IT service from Orica's team.

"Our deflection rate has gone from 18% to 94%, which is just a massive increase," said Bradley Hunt, Manager of DevOps and Regional Apps at Orica. "We are speeding up the average resolution time by more than a day, freeing up our team to do more strategic tasks."

Prioritising people and platforms

Breakthrough technologies like agentic AI are advancing so rapidly, businesses are struggling to keep pace. Leaders in every industry must act on both fronts to prepare Australia's workforce for this once-in-a-generation technological impact.

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The research

To measure the current state of AI maturity in the enterprise, ServiceNow – in partnership with Oxford Economics – surveyed 4,473 senior leaders worldwide, including 560 from Australia. We developed a proprietary indexing model to identify how leading organisations are putting AI to work effectively. See the Australian fact sheet [here](#) and the global report [here](#).

About ServiceNow

ServiceNow (NYSE: NOW) is putting AI to work for people. We move with the pace of innovation to help customers transform organisations across every industry while upholding a trustworthy, human centered approach to deploying our products and services at scale. Our AI platform for business transformation connects people, processes, data, and devices to increase productivity and maximise business outcomes. For more information, visit: www.servicenow.com.

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