Al Agents Gain Momentum Across Malaysian Organisations, According to New Workday Research

Sharp Contrast Revealed: 74% of Employees Comfortable with AI as Co-Pilot, But Only 23% Would Accept an AI Manager

Malaysia, August 26, 2025 — Workday, Inc. (NASDAQ: WDAY), the AI platform for managingpeople, money, and agents, today released new research that shows that while AI agents are gaining ground in the Malaysian workplace, employees still want clear boundaries. According to the report AI Agents Are Here – But Don't Call Them Boss, 74% of workers in Malaysia are comfortable teaming up with AI agents—but only 23% say they are comfortable being managed by one. This signals a key challenge for businesses here: how to embrace the power of AI without losing the human touch.

The research highlights widespread optimism is driving the rapid adoption of AI agents into core operations among Malaysian businesses, particularly in finance and HR. Malaysian leaders and employees strongly believe in AI agents' potential to boost organisational productivity, operational efficiency, and employee experience, with rapid returns on investment.

However, ethical, security, and governance concerns remain the primary barriers to broader adoption, far outweighing technical or financial challenges. Despite 83% of organisations in Malaysia expanding their use of agents, employees are clearly drawing a line between how they are and are not willing to work with AI.

"We're entering a new era of work in Malaysia where AI can be an incredible partner for organisations today, complementing human judgement, leadership, and empathy," said **Jess O'Reilly, general manager, ASEAN, Workday**. "It is important that we rely on AI as a partner, not a leader, in order to unlock its productivity potential while driving trust. To do so, Malaysian organisations need to be intentional in how AI is used and keep people at the center of every decision."

Key Malaysian findings from the report include:

- Al as Co-Pilot, Not Commander: Three out of four employees in Malaysia (74%) are very comfortable with Al agents working alongside them and recommending new skills, preferring them in collaborative roles—but only 23% are comfortable with an Al agent managing them. A mere 9% are comfortable with Al agents operating in the background without human knowledge. Establishing clear boundaries for Al and transparency are key to building employee trust and driving greater adoption. Al agent solutions should be designed to keep humans in control of sensitive decision-making areas
- Ethical risks rank as the biggest concern in Al agent adoption: Despite high levels of adoption and confidence in its potential, ethical risks—including bias, discrimination, and misuse—are perceived as the most significant challenge to introducing Al agents into the Malaysian workforce. Concerns around ethical issues (53%) far outweigh other implementation challenges such as technical gaps (12%), emotional factors (12%), and financing (10%). Clear communication, supported by robust governance frameworks, will be instrumental in building trust when deploying Al agents in workplaces.
- Al regulation and oversight: More than half of respondents in Malaysia indicated a need for strict human oversight when it comes to regulating autonomous Al agents, highlighting a strong consensus for principled and hands-on governance. Furthermore, there is overwhelming agreement (97%) that the management responsibility of these Al Agents should lie with IT or Technology functions.
- The Double-Edged Sword of Al Productivity: In Malaysia, nearly all (94%) respondents believe Al agents will increase their productivity and 86% agree it will help their organization innovate more rapidly. However, many are also concerned that these productivity gains will lead to a decline in critical thinking (51%), diminish the quality of human interaction (47%), and increase pressure to work faster (37%). This underscores the need for thoughtful implementation that prioritizes employee well-being.
- Distinct Roles for Agents and Humans: Most employees in Malaysia see agents as teammates, not full members of the workforce. Trust in AI also depends heavily on the task; it is highest for collaborative or supportive functions such as IT support and skills development and lowest for sensitive decision-making areas like hiring, finance, and legal matters, underscoring the need for human oversight and accountability.
- Finance Sees Big Potential: With the industry facing a shortage of CPAs and finance professionals, more than half (52%) of finance workers believe AI agents will help close the gap and only 12% are worried about job loss. The top uses for AI agents in Finance include fraud detection (38%), forecasting and budgeting (29%), and audit support (24%)

This research underscores a crucial path forward: to harness the potential of AI, organisations in Malaysia must focus on building trust through transparency and empowering their people. This isn't just about deploying new technology. It is about thoughtfully designing a future where AI agents enhance human capabilities, enabling a more productive and fulfilling work experience for all.

For additional information

- Read the full report with global findings, "Al Agents Are Here—But Don't Call Them Boss."
- Discover more about the implications of Al agents on the global workforce, "The Secret to Al Optimism and Adoption Is

Setting Boundaries."

• Hear more about the evolving mindset of the Chief Work Officer, "The Chief Work Officer: Leading the Human-Al Frontier."

About The Report

Our findings are based on a global survey of 2,950 full-time decision-makers and software implementation leaders across three key regions: North America (n=706), APAC (n=1,031), and EMEA (n=1,213). Data collection was conducted by Hanover Research in May and June 2025, commissioned by Workday.

About Workday

<u>Workday</u> is the AI platform for managing <u>people</u>, <u>money</u>, and <u>agents</u>. The Workday platform is built with AI at the core to help customers elevate people, supercharge work, and move their business forever forward. Workday is used by more than 11,000 organizations around the world and across industries – from medium-sized businesses to more than 65% of the Fortune 500. For more information about Workday, visit <u>workday.com</u>.

© 2025 Workday, Inc. All rights reserved. Workday and the Workday logo are registered trademarks of Workday, Inc. All other brand and product names are trademarks or registered trademarks of their respective holders.

Forward-Looking Statements

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 most recent report on Form 10-Q or Form 10-K 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, except as required by law.

Any unreleased services, features, or functions referenced in this document, our website, or other press releases or public statements that are not currently available are subject to change at Workday's discretion and may not be delivered as planned or at all. Customers who purchase Workday services should make their purchase decisions based upon services, features, and functions that are currently available.

For further information: Investor Relations Contact: ir@workday.com; Media Contact: media@workday.com

https://en-sg.newsroom.workday.com/2025-08-26-ai-agents-gain-momentum-across-malaysian-organisations-according-to-new-workday-research