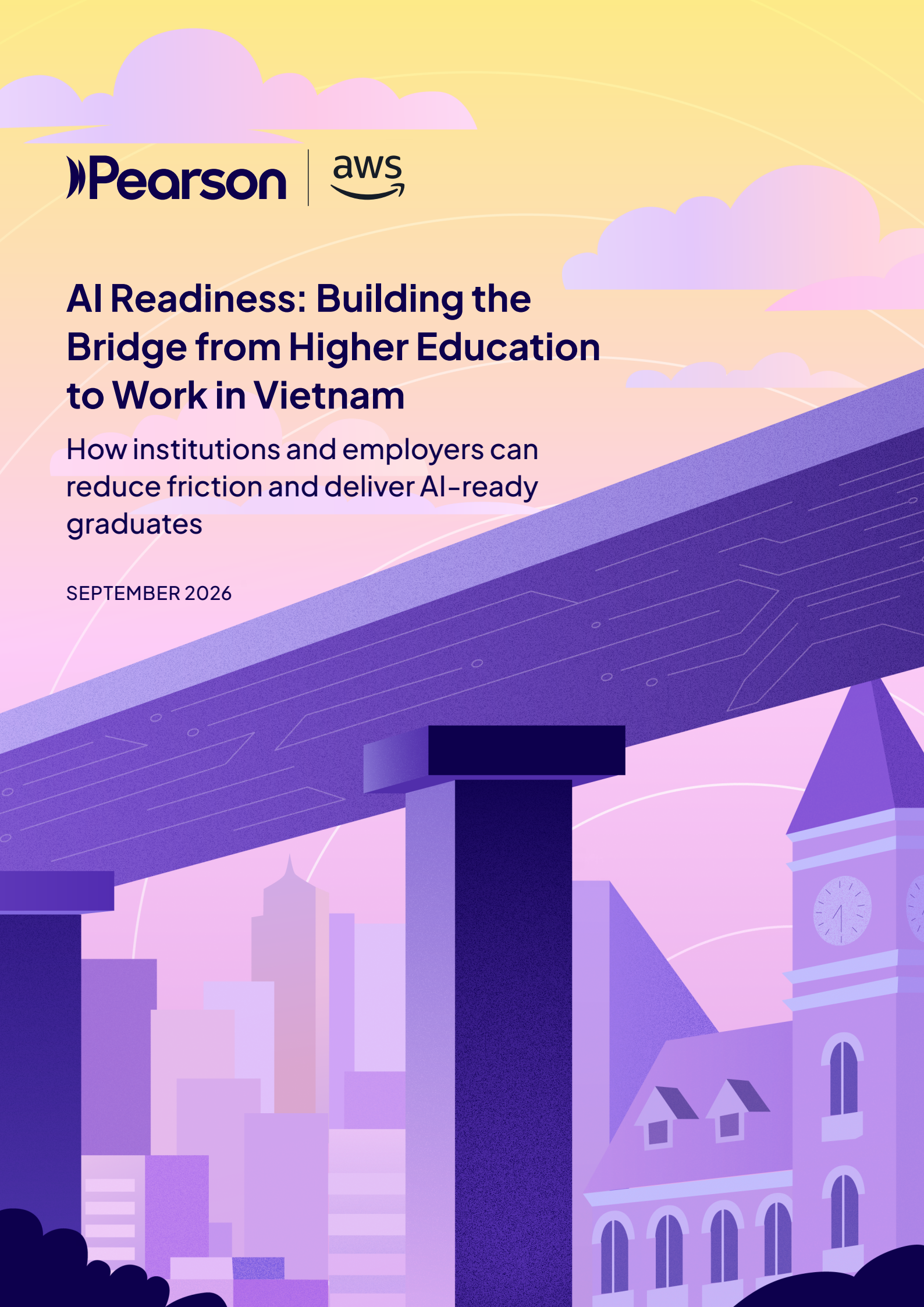




AI Readiness: Building the Bridge from Higher Education to Work in Vietnam

How institutions and employers can reduce friction and deliver AI-ready graduates

SEPTEMBER 2026



Contents

03 Foreword

04 Introduction

07 **Chapter 1:** The landscape of AI-driven education-to-work transformation

14 **Chapter 2:** Progress toward institutional AI readiness: investment, faculty capability, graduate confidence, and governance

21 **Chapter 3:** A framework for a shared direction

25 **Conclusion:** Bridging the AI readiness divide, from insight to execution

28 Supporting information

Foreword

Vietnam is entering an important new chapter in its economic and technological development. Artificial intelligence is becoming increasingly central to the country's ambitions for innovation, productivity, and global competitiveness. For higher education, this creates both an opportunity and a responsibility: to ensure that the pace of technological progress is matched by the development of people who can use AI with confidence, judgment, and purpose.

This report reflects a deliberate collaboration between Pearson and Amazon Web Services (AWS). Together, we wanted to look more closely at the transition between higher education and work, and at what it will take to make that transition stronger in an AI-enabled economy. Pearson brings deep expertise in learning, curriculum, assessment, and skills development. AWS brings a view into how AI is reshaping organizations, industries, and the capabilities people need to succeed within them.

Vietnam enters this moment with considerable momentum. National ambition is high, universities are investing, educators are building capability, and connections between higher education and employers are already well established. These are important advantages, and they also raise the bar for what comes next.

Today, the challenge for Vietnam is to ensure that strong foundations translate consistently into the capabilities graduates can demonstrate in the workplace. Exposure to AI matters, but so does the ability to apply it in real world contexts, question its outputs, exercise independent judgment, collaborate effectively, and understand where human capability remains essential.

That requires more than technology adoption alone. It requires learning experiences designed around application, stronger co-design between universities and employers, and continuous development for the educators responsible for preparing the next generation.

Vietnam therefore has an opportunity not simply to keep pace with AI-driven change, but to shape how education responds to it. The country has many of the ingredients required for progress. The next step is to connect them more deliberately: turning investment into meaningful learning experiences, employer relationships into shared action, and learner confidence into capability, which is visible and valued in the workplace.

We hope this report helps higher education and business leaders identify where friction remains, build on the progress already underway, and work together to ensure that Vietnam's graduates are equipped not only for the jobs being transformed by AI today, but for the opportunities they will help create tomorrow.

Craig McFarlane

Senior Lead, APAC Enterprise Learning & Skills
and Pearson Professional Assessments

Valerie Singer

General Manager, Global Education
Amazon Web Services



Reduce friction. Build the bridge.

AI readiness is not owned by higher education or industry alone.
It is built — or broken — in the transition between them.

Read the global AI Readiness report: pearson.com/ai-readiness

Introduction

The social contract between higher education and the workforce has long rested on a powerful premise: higher education institutions equip graduates for work. Yet the rapid integration of AI into workplaces is outpacing higher education's capacity to adapt, presenting institutions with a critical choice: accelerate curriculum transformation or risk graduating students who are not equipped for an AI-enabled workforce. The gap between institutional intent and graduate outcomes is therefore one of the most consequential challenges facing higher education today.

For Vietnam, navigating this transition is both an urgent challenge and a major opportunity. The government has accelerated its AI ambitions considerably in 2026, with the implementation of the AI Law, the approval of a National Program for AI Human Resources, and, most recently, a new National AI Strategy through 2030 with a vision to 2045. Together, these measures signal a shift from AI adoption toward building AI as a core national capability. The human resources program places particular emphasis on integrating AI across education and developing the skills of educators and workers, while the new national strategy aims to position Vietnam among Southeast Asia's leading countries for AI research and development by 2030.³ This policy momentum is being reinforced by significant investment in the country's technology and semiconductor sectors. For higher education, the implication is clear: Vietnam's technological ambitions will increasingly depend on its ability to translate national investment and strategy into the applied human capabilities an AI-enabled economy requires.

In this study, Vietnam, alongside Saudi Arabia, represents a **High-Velocity Strategist market**. This means AI is treated as central to the institutional mission, backed by high investment, strong faculty capabilities, and a rapid alignment with national digital transformation goals. The foundational pillars of AI readiness in Vietnam are strong. The country boasts high investment, strong faculty capability, high learner confidence, and some of the strongest employer connectivity observed in this study. However, these robust inputs have not yet converted into the applied capabilities employers need, revealing an application gap. **Vietnam has successfully built the inputs. Now it needs to prove the outputs.**

Vietnam's current education-to-work ecosystem is also defined by a healthy resistance to complacency. Higher Education leaders in the market are acutely aware of the speed of technological disruption and overwhelmingly characterize the pace of AI-driven workplace change as exceptionally fast, notably surpassing global peers in their perception of this urgency. Furthermore, there is a widespread expectation among these leaders that this rapid evolution will only accelerate in the near term. Yet, despite progress and high levels of investment, they maintain a critical view of their own institutions' ability to fully keep pace with these developments. This realistic self-assessment sets the tone for a market that possesses great momentum but recognizes the significant distance still left to travel to close the skills gap.

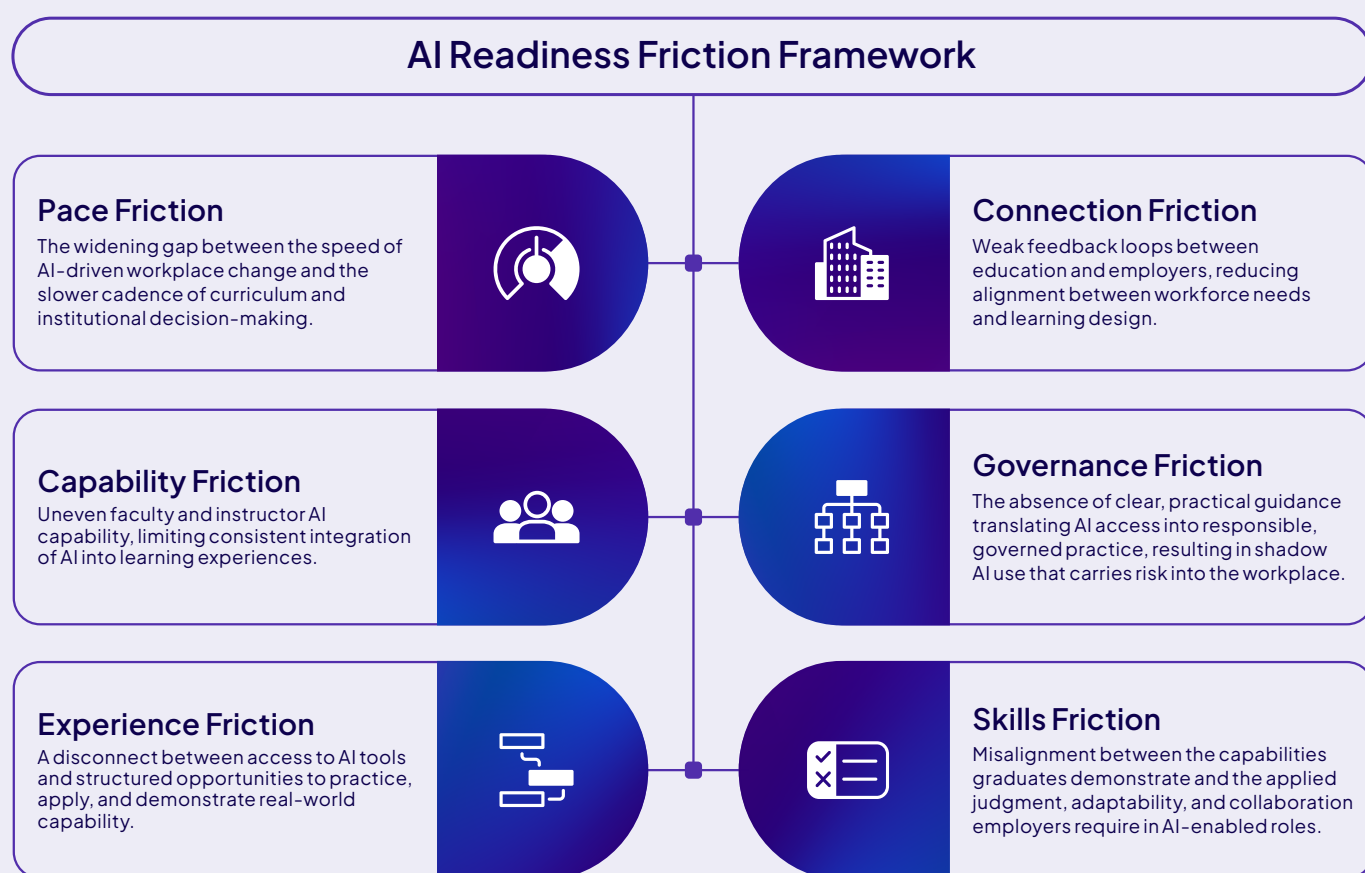
¹CIO SEA (2026) Vietnam's AI law builds a state-backed push for infrastructure, data, and skills, 18 August. Available at: <https://ciosea.economictimes.indiatimes.com/news/policy/vietnams-ai-law-builds-a-state-backed-push-for-infrastructure-data-and-skills/133319746> [Accessed: 25 August 2026].

²Asia News Network (2026) Vietnam's national programme on AI human resources development approved, 13 August. Available at: <https://asianews.network/vietnams-national-programme-on-ai-human-resources-development-approved/> [Accessed: 25 August 2026].

³VGP News (2021) National strategy on R&D and application of artificial intelligence, 27 January. Available at: <https://en.baohinhphu.vn/national-strategy-on-rd-and-application-of-artificial-intelligence-11140663.htm> [Accessed: 18 August 2026].

⁴Vietnam Briefing (2024) Vietnam's Semiconductor Industry: A Guide to the Market and Investment Opportunities, 15 May. Available at: <https://www.vietnam-briefing.com/news/vietnams-semiconductor-industry-market-investment-opportunities.html/> [Accessed: 18 August 2026].

This report examines what this dynamic means across the full education-to-work ecosystem in Vietnam. A synthesis of survey and interview data, along with secondary research, provides the evidence for an AI Readiness Friction Framework. The data shows that success is not random, but it clusters around six compounding friction points that impede progress precisely when speed matters most:



These frictions reinforce one another across education and workplace systems. Rather than prescribing one-size-fits-all solutions, this framework enables leaders to diagnose where friction is most acute in their context and target intervention at root causes rather than symptoms. The chapters that follow examine contemporary indicators of AI readiness in Vietnam and set out practical guidance for universities at different stages of their journey.

Chapter 1

examines how fast AI is transforming the education-to-work pathway in Vietnam, where the most consequential misalignments are between university priorities and employer expectations of a graduate's experience and skills. It concludes with a consolidated portrait of the AI-ready graduate.

Chapter 2

shifts the analysis to four dimensions of the AI readiness divide: the scale and focus of university investment in AI; faculty capability as the primary vehicle for graduate AI readiness; the relationship between institutional behavior and student confidence; and the governance challenges created when rules and practice are misaligned.

Chapter 3

details the AI Readiness Friction Framework, consisting of six points at which the education-to-work transition most consistently breaks down. This includes a friction-based analysis of the Vietnam market's specific readiness profile.

Taken together, the evidence points toward the **considerable progress Vietnam has made in building the foundations for AI-ready graduates, while highlighting the critical application gap that currently hinders the full realization of this ambition**. This report is for higher education leaders and employers who are navigating the intersection of AI and higher education in Vietnam and who are looking for evidence-based guidance on closing the AI skills gap, strengthening workforce readiness, and building the industry partnerships that will shape the next generation of AI-enabled graduates.

Chapter 1: The landscape of AI-driven education-to-work transformation

The accelerating pace of AI-driven change and institutional response

Across the markets in this study, there is a strong consensus that AI development is moving at a rapid speed. In Vietnam, this urgency is felt more acutely than almost anywhere else. An overwhelming 90% of Vietnamese HE leaders describe the pace of AI-driven workplace change as extremely or very fast. This is a full 23 points higher than the cross-market average of 67%. Furthermore, there is absolute certainty among these leaders about the immediate future. Every Vietnamese HE leader surveyed expects this pace of change to accelerate further over the next two years.

What distinguishes Vietnam is how this acute awareness translates into a realistic institutional self-assessment. In some markets, a high awareness of change is paired with an equally high, and sometimes misplaced, confidence in institutional readiness. Vietnam actively resists this. Despite the heavy investment and systemic progress defining the market, only 28% of Vietnamese HE leaders believe their institutions are currently keeping pace with most or all AI developments. This figure sits below the cross-market average, showcasing a leadership cohort that is clear-eyed about the work still required. Importantly, this realistic view is shared across the ecosystem.

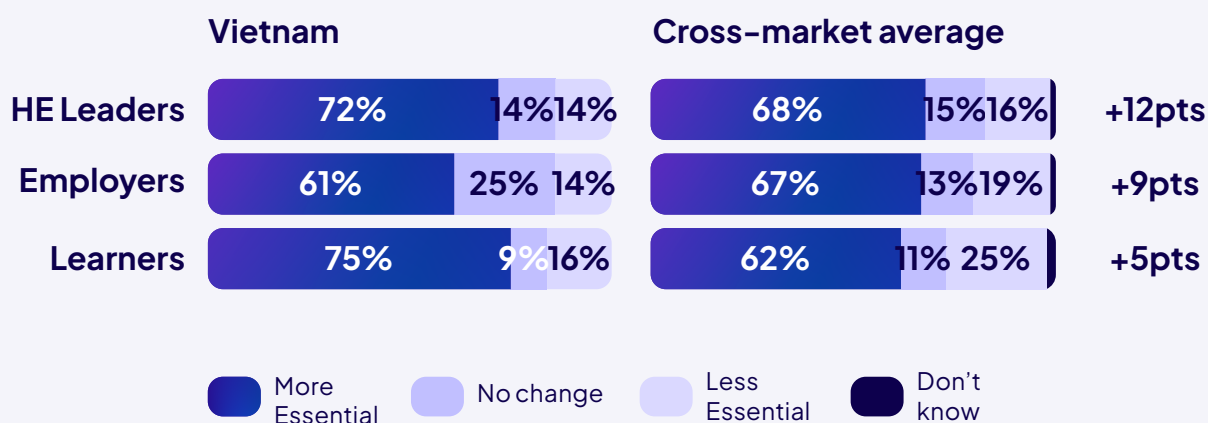
Unlike other markets where there is a significant gap in confidence between HE leaders, the learners they serve and employers, the three stakeholder groups in Vietnam are broadly aligned on the extent to which institutions are keeping pace with these developments. In fact, in Vietnam, learners (34%) are marginally more confident than HE leaders (28%) that universities are keeping pace with most or all AI developments, in contrast with the pattern in the other markets in this study.

This data reveals a market that is highly attuned to the disruptive pressure of AI but honest about the limitations of its current response. Vietnamese HE leaders recognize that traditional curriculum cycles and institutional structures are struggling to match the exponential speed of industry innovation. By acknowledging that they are not yet fully keeping pace alongside their students and industry partners, these leaders demonstrate a clear understanding of the shared challenge ahead. This realistic perspective is a crucial factor in building the agility required to deliver graduates who are truly ready for an AI-enabled workforce.

The evolving value of higher education

With AI rapidly transforming the nature of work, alternative routes to skills development are challenging universities to clarify their distinctive value. Despite this disruption, belief in the value of university education remains strong in Vietnam. In fact, rather than questioning the relevance of the degree, stakeholders see formal education as increasingly important. Three quarters of Vietnamese learners (75%) and HE leaders (72%) believe AI developments make a university education more essential. This belief in the importance of university education, despite AI developments, is also shared by the majority (61%) of Vietnamese employers.

Views on the current importance of university education



Q. Which of the following statements is closest to your view about higher education in the context of AI:

- AI developments make university education **MORE** essential - graduates need the deep knowledge and human skills that higher education provides
- AI developments make university education **LESS** essential - practical skills and experience matter more than formal degrees
- AI developments haven't changed the importance of university education

While the conceptual value of a degree remains high, expectations of what that degree must deliver are shifting. Stakeholders across the Vietnamese ecosystem agree that theoretical knowledge alone is no longer enough. Instead, there is a consensus for a hybrid model of education that combines the deep knowledge universities provide with more applied practical learning. A majority of learners (57%), HE leaders (64%), and employers (65%) agree that blending this formal instruction with practical work experience provides the optimal foundation for an AI-enabled career.

This alignment presents a mandate for universities. What is changing in Vietnam is not whether a degree is valued, but what that degree must prove. The demand is for an evolution of the degree framework rather than an alternative to it. To maintain their relevance, institutions must ensure that work-integrated learning is treated as a core component of the educational experience rather than a supplementary addition. The university continues to be seen as the institution best placed to develop the compound skill set that an AI-enabled economy demands, provided it blends academic rigor with workplace application.

Connecting the AI-ready Vietnamese graduate with the workforce

The current moment presents higher education in Vietnam with a historic opportunity to lead in equipping graduates with the compound skill set that employers value. Delivering on that role requires clarity about what employers need, a challenge as these needs rapidly evolve as AI is integrated. In Vietnam, the structural inputs for an alignment between higher education and the labor market are strong, and there is clear evidence that this connectivity is having a positive impact. However, persistent gaps in applied capabilities reveal that these robust inputs are not yet translating into the required outputs. This indicates an urgent need to transition from information-sharing channels to deeply collaborative partnerships if leaders in education and industry are to keep pace with the rapidly evolving needs of AI-enabled workplaces.

The employer-educator connection in Vietnam stands as one of the market's strongest systemic inputs, characterized by a high frequency of contact and robust communication channels. An impressive 84% of HE leaders say their institution interacts with employers regularly to understand workforce needs and expectations for graduates. This frequent contact is supported by established frameworks: more than half (54%) of Vietnamese HE leaders report having comprehensive formal mechanisms in place to gather workforce needs directly from employers, while an additional 44% utilize at least some mechanisms to capture this intelligence. There is strong evidence that this connectivity between HE institutions and employers is having an impact, with 73% of Vietnamese employers reporting that the workplace readiness of their recent graduates is better than it was five years ago.

This active dialogue is fostering baseline alignment on the nature of the modern workforce. A robust 82% of HE leaders and 78% of employers agree that technical AI proficiency and critical human skills are equally valuable. This shared vision is anchored by a mutual recognition of the importance of learning agility for emerging graduates: both Vietnamese HE leaders and employers identify adaptability as their number one priority for graduates entering the workforce. While employers rate Vietnamese graduates relatively highly on this specific competency within the local context, this “excellent” rating of 24% still falls below the cross-market average of 30%, indicating that even aligned priorities require further practical development.

Beyond adaptability, the clarity between higher education and the workforce begins to break down, revealing the limitations of current feedback loops. Vietnam exhibits a disconnect present across the majority of markets, where HE leaders overestimate the importance of technical skills to employers and underestimate the demand for critical human skills. In Vietnam, HE leaders assume employers are primarily looking for technical execution and risk management, ranking functional AI tool use and AI risk awareness as their second and third priorities. In reality, Vietnamese employers place a higher premium on innovative thinking alongside communication and collaboration skills to round out their top three requirements.

Key competencies for AI-ready graduates: employer vs educator views

AI skills Human skills

Market	Perspective	Priority 1	Priority 2	Priority 3
Overall	HE Leaders	AI tool use	Human judgment + AI capabilities	Adaptability
	Employers	Communication and collaboration skills	Adaptability	Human judgment + AI capabilities
Vietnam	HE Leaders	Adaptability	AI tool use	AI risk awareness
	Employers	Adaptability	Innovative thinking	Communication and collaboration skills

Q. HE Leaders: Based on your understanding, which THREE of the following are MOST IMPORTANT to employers hiring graduates today?

Q. Employers: Which THREE of the following are MOST IMPORTANT when hiring graduates into your organization today?

Question asked among HE Leaders & Employers

This divergence in views on the specific priorities for AI-ready graduates contributes to a broader challenge regarding seamless workforce integration. The case of Vietnam demonstrates that **while the structural inputs are highly developed, the outputs are lagging**. Despite strong formal connections and reported improvements over the last five years, Vietnamese employers still report a shortfall when graduates transition into the workforce. In Vietnam, the top-ranked barrier to hiring and developing AI-ready graduates is the application gap between academic knowledge and workplace execution.

This application gap is evident in how employers evaluate recent graduate hires. Employers recognize the foundational strengths that Vietnamese graduates bring to the workplace, frequently citing the strong creativity (69%) and adaptability (49%) they prioritize. Yet, these strengths are currently constrained by a lack of applied practice. Employers point to poor evaluation of AI outputs (43%), limited practical experience (37%), and an overreliance on AI tools (35%) as the primary challenges they face when integrating new hires.

An audit of specific skill competencies reveals that this distance between theory and practice is suppressing overall graduate performance, providing clear evidence of the lagging outputs. Despite the high levels of institutional connectivity, Vietnamese employers consistently rate their incoming graduates less favorably than their cross-market peers across every measured dimension. This shortfall spans both the technical capabilities and the core human skills that the workforce demands. Just 18% of Vietnamese employers rate graduates as excellent in their ability to use AI tools effectively, trailing the 27% cross-market average. This is despite the fact that HE leaders point to AI-tool use as a key priority in developing AI-ready graduates.

More significantly, the critical human skills that employers view as essential are noted as underdeveloped in Vietnamese graduates. Communication and collaboration skills earn an excellent rating from 10% of employers, trailing the cross-market figure of 25%. Similarly, while creativity is recognized as a broad foundational strength, it earns an excellent mark from only 14% of employers, compared to the 27% cross-market average. Employers recognize creative potential, but report that it is not yet consistently applied in the workplace. **The application gap is most visible in the ability to exercise critical judgment.** Only 8% of Vietnamese employers rate recent graduates as 'excellent' at critically evaluating AI outputs, compared to the cross-market average of 20%.

Employer ratings on graduate skill competencies

Skill competencies	% of Employers rating graduates as “excellent” on each competency	
	Vietnam	Cross-market average
Technical (role-specific) knowledge	24%	27%
Adaptability to new situations and technologies	24%	30%
Ability to use AI tools effectively	18%	27%
Creativity and innovative thinking	14%	27%
Applying academic knowledge to real work	12%	22%
Continuous learning and development mindset	12%	29%
Communication and collaboration skills	10%	25%
Critical evaluation of AI outputs	8%	20%

Q. Thinking about the recent university graduates your organization has hired in the past 2 years, how would you rate their capabilities in each of the following areas? By ‘recent’ we mean those that have graduated in the past 2 years.

Question asked among Employers

Sample Size: Vietnam Employers – 50, All Employers – 304

In Vietnam, the path forward relies on activating its systemic advantages. While robust, formal feedback loops and regular interactions already exist between higher education and industry, these connections must be leveraged more effectively to align on rapidly evolving workforce priorities. Universities and employers must use these channels to move beyond basic intelligence gathering and information sharing. They must transition into highly collaborative partnerships focused on active learning design. Only through this level of structural co-design can they ensure that the education learners receive equips them with the necessary technical AI proficiency alongside the strategic judgment, innovative thinking, and collaboration skills that the AI-enabled workforce requires.

A portrait of the optimal AI-ready graduate

As universities strive to keep pace with the changes driven by the AI-enabled workplace, the readiness of graduates to enter the workforce is at risk. The term **AI Readiness** is increasingly used but rarely defined with consistency across the education-to-workforce spectrum. Drawing on our understanding of the demands of employers, the strategic priorities of HE leaders, and the current behaviors of today's students, we have constructed a portrait of the ideal AI-ready graduate as a practical brief for what institutions in Vietnam are expected to produce.⁵ For a contemporary graduate, AI readiness is a multifaceted construct that combines:

1. Functional Proficiency

This set of skills represents the type of human-in-the-lead aptitude that employers demand. From day one, graduates must arrive functionally fluent in workplace-specific tools, applying AI technologies directly to professional workflows in ways that enhance their contribution. In Vietnam, strong institutional investment may have equipped learners with high exposure and theoretical knowledge, but employers report a critical gap between academic understanding and actual workplace application, emphasizing that theoretical tool access must be converted into genuine applied proficiency.

2. Strategic Intelligence

This set of skills represents a graduate's ability to move beyond being a user of tools to a strategic operator within a business context. This ranges from identifying precisely where AI adds value to an understanding of its potential impact, deploying it as a driver of macro-level workflow transformation rather than a mere productivity shortcut. In Vietnam, translating high theoretical exposure into this strategic capability remains a challenge. Only 8% of employers rate recent graduates as 'excellent' at critically evaluating AI outputs. With employers frequently citing poor AI habits (43%) and limited practical experience (37%) as core challenges. Graduates need structured opportunities to apply AI strategically to solve real-world business problems.

3. Ethical Stewardship

This set of skills involves a graduate's ability to serve as an ethical filter and a risk mitigation manager for employers, focusing on safety, integrity, and the ethical deployment of technology. For Vietnam, this represents a key area for future development: while students are highly confident, employers recognize a need for stronger critical evaluation skills. Addressing graduates' overreliance on tools and their poor evaluation of AI outputs is essential for transforming confident learners into safe, accountable practitioners.

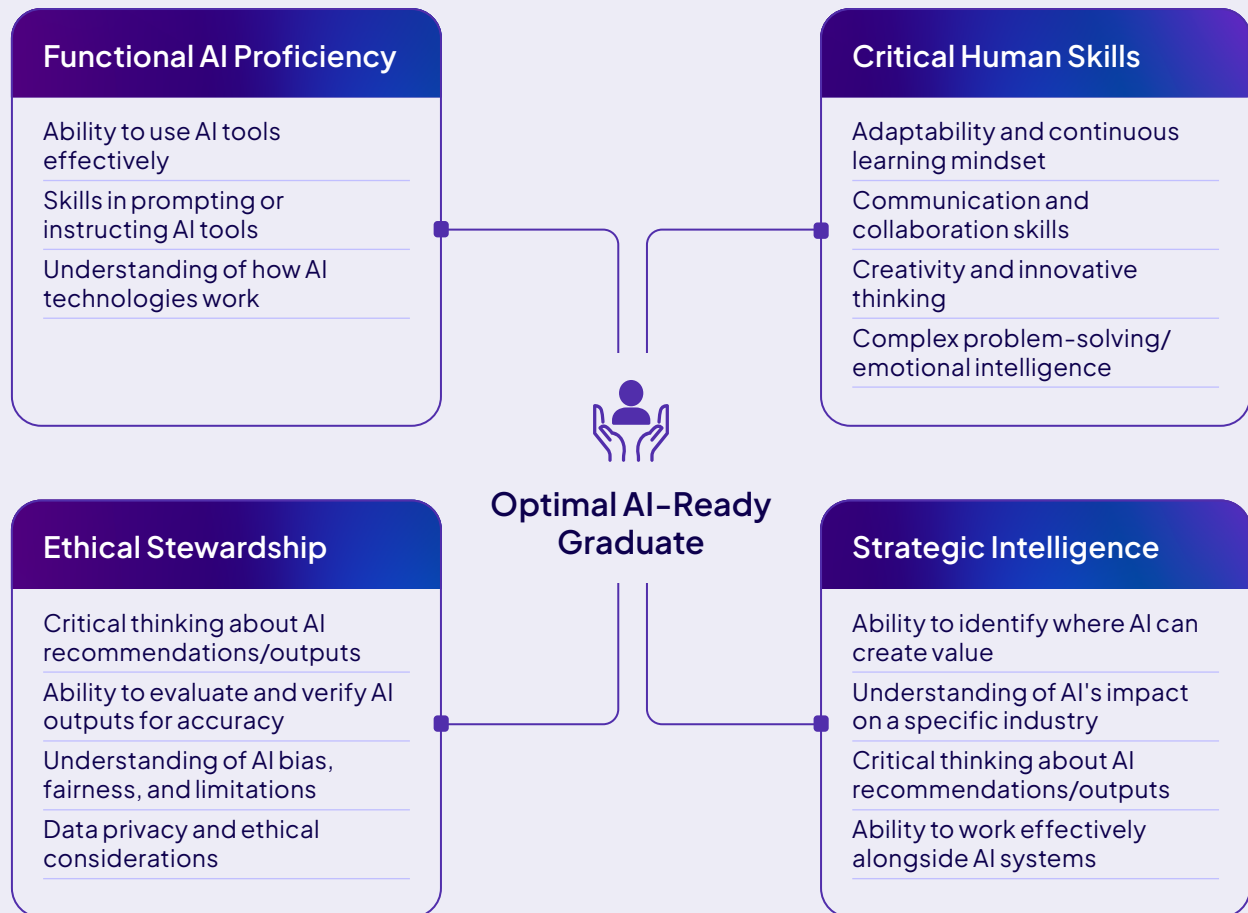
4. Critical Human Skills

This set of skills represents capabilities where human judgment remains essential: creative thinking, collaboration, emotional intelligence and adaptability. Whereas AI automates execution, the AI-ready graduate possesses the relational and cognitive capabilities to bring purpose and direction. They will bring an adaptable, agile mindset ensuring they remain relevant as the pace of change accelerates. Vietnamese graduates already demonstrate a powerful foundation here, with employers highly recognizing that creativity (69%) and adaptability (49%) are assets graduates bring to the workforce; however, to maximize the impact of graduates from day one there is work to be done to develop these skills in learners - with a continuous learning mindset, adaptability and communication and collaboration skills rated as excellent by markedly smaller proportions of Vietnamese employers than the cross market average.

⁵For a full discussion of the optimal AI-ready graduate framework, see Pearson and Amazon Web Services (2026), Chapter 1.

The Optimal AI-Ready Graduate

Key capabilities and skill competencies⁶



This portrait represents a consolidated vision that runs from matriculated student to workforce-ready graduate. Building a more effective path from the classroom to the workplace requires alignment on these core skill competencies. Far from rendering university education obsolete, the advent of AI reaffirms its critical role in fostering the technical, strategic, ethical, and adaptable talent the workforce expects.

However, developing the AI-ready graduate is at risk due to compounding frictions across the education-to-work ecosystem. Vietnamese graduates show strong potential in adaptability and creativity within a market defined by urgency and active employer networks. Yet, a significant application gap undermines this potential. The issue is not a lack of institutional awareness. Instead, universities have not yet translated their industry insights into the structured learning experiences required to develop critical judgment and strategic skills. To turn potential into performance, universities and employers must actively co-design applied learning. The chapters that follow examine the institutional conditions shaping these outcomes, focusing on investment, faculty capability, and governance, and identify where targeted interventions can have the greatest effect.

⁶N.B. Some key skill competencies are essential across more than one domain of capability. For example, critical thinking about AI recommendations/outputs is a core skill required to generate strategic intelligence as well as to perform as an ethical steward of AI technologies.

Chapter 2: Progress toward institutional AI readiness: investment, faculty capability, graduate confidence and governance

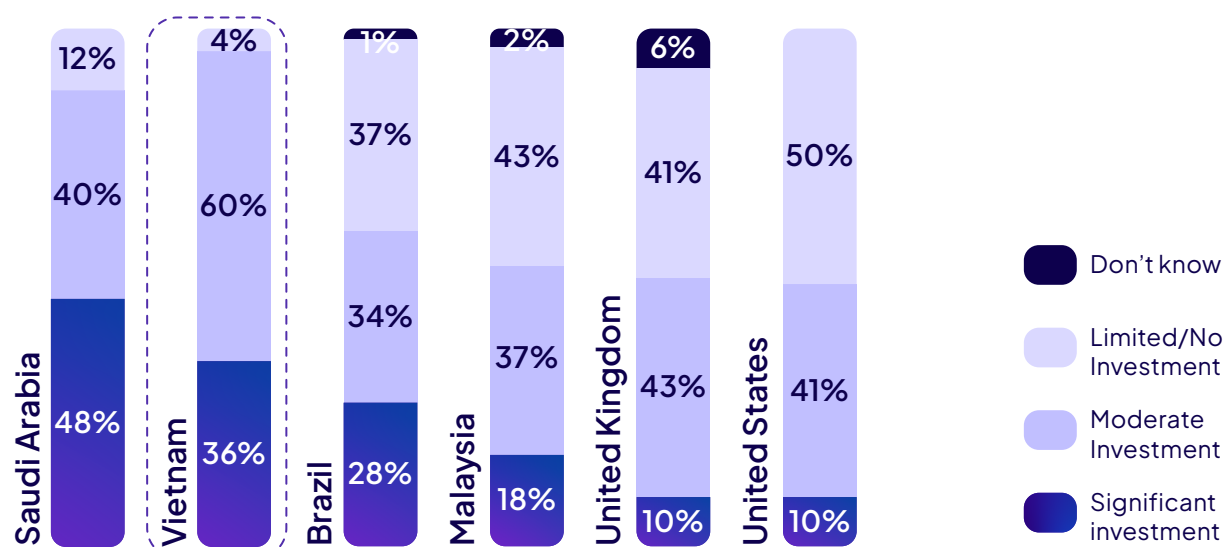
As Vietnamese institutions and learners adapt to a rapidly shifting technological landscape, the data reveals a picture defined by the market's status as a High-Velocity Strategist. Unlike markets struggling with foundational resources or faculty expertise, Vietnam has successfully assembled key inputs required for AI readiness: significant, targeted investment and highly capable faculty. However, this rapid integration has generated a unique set of challenges. The data exposes a tension between stated workforce readiness and high learner confidence and the reality employers face regarding graduates' applied capabilities. Furthermore, while the market benefits from a high-trust environment, governance frameworks remain a work in progress. The focus of our analysis in this chapter is on four dimensions of institutional readiness: the scale and focus of AI investment; the capability of faculty as the primary vehicle for graduate AI readiness; the relationship between institutional behavior and student confidence; and the challenge of AI governance even where there is awareness of policy.

Institutional investment: scale, focus, and friction⁷

Vietnam's investment profile aligns with its categorization as a High-Velocity Strategist. Vietnamese HE leaders report high levels of strategic commitment and financial resources. A combined 96% of Vietnamese HE leaders report significant or moderate AI investment at their institutions. Within this group, 36% describe AI as a major institutional priority receiving significant investment, which sits above the cross-market average of 22%. Another 60% characterize it as a moderate investment priority, compared with 41% overall. Only 4% report limited investment, and no Vietnamese HE leaders in this study report minimal or no institutional investment. In this study, only HE leaders in Saudi Arabia report higher rates of significant investment. In line with this, the vast majority (80%) of Vietnamese HE leaders characterize the level of institutional focus on AI as adequate to prepare graduates for AI-enabled workplaces, 15-percentage points higher than the cross-market average.

⁷In this research, the term 'investment' is used broadly, referring to both the extent to which AI is an institutional priority, a pedagogical and curriculum priority, and the scale of the resources (e.g., financial, human) allocated.

Reported university AI investment levels



Q. How would you characterize your institution's current level of investment in AI?

Question asked among HE Leaders

Sample Size: HE Leaders – 452

But the scale of the investment only tells part of the story. Equally important is where that investment is directed. In Vietnam, HE leaders report this investment is directed toward capability building and infrastructure. Faculty training and professional development (62%) and computing infrastructure and technical capacity (62%) are the top investment priorities for Vietnamese institutions. These are followed by curriculum development and administrative and operational AI systems (both 54%). By directing resources toward tools and educators and curriculum, the investment strategy targets the structural components of AI readiness.

As a high-velocity strategist, Vietnam treats AI as core to its institutional mission, backed by investment designed to synchronize higher education with national development goals. However, even with this commitment, pace friction remains a persistent challenge. When asked about the barriers their institutions face in preparing graduates for AI-enabled workplaces, Vietnamese HE leaders most frequently cite the difficulty of keeping pace with AI developments (44% versus 35% cross-market). The impact of this rapid evolution is further underlined by secondary concerns: 36% of HE leaders cite limited budgets and financial resources, and an equal proportion (36%) point to inadequate computing infrastructure and tools. This data illustrates that even in a market characterized by robust investment and high strategic prioritization, the sheer speed of AI innovation creates a highly challenging environment. Because technology advances so quickly, existing infrastructure and resource allocations are continuously stretched. Despite moving fast to build foundations, Vietnamese institutions must continue to adapt to a moving target.

Ultimately, the data indicates that financial commitment and strategic prioritization are vital inputs, but they do not automatically produce AI readiness. In a high-velocity environment like Vietnam, the core challenge is not generating institutional ambition or securing initial funding, but converting that robust investment into applied outputs, specifically real-time agility and graduates who can execute in a workplace context. This requires ensuring that resources are precisely triangulated to keep pace with rapidly evolving employer demands. As the bar for what constitutes workforce relevance continues to rise, the effectiveness of this institutional investment will depend on the educators tasked with delivering it, placing the spotlight directly on faculty capability as the critical bridge between institutional intent and graduate outcomes.

Faculty capability is a key determinant of graduate AI readiness

Investment in tools and infrastructure is undeniably important, but the primary driving force of graduate AI readiness is faculty capability. In Vietnam, the data points to a comparatively capable educator workforce backed by clear institutional commitment. However, an important operational tension surfaces within this landscape: Vietnamese HE leaders express high confidence in their faculty's current AI skills, yet simultaneously cite faculty capability as their primary barrier to successfully preparing students for the modern workforce. Rather than a contradiction, this dynamic is a testament to how astutely HE leaders understand the challenge ahead. They recognize that as technology rapidly evolves, continuous faculty development is a critical factor in achieving graduate AI readiness.

Among Vietnamese HE leaders, 68% rate their faculty's AI knowledge and skills as strong or very strong (58% strong, 10% very strong), while 28% describe this capability as mixed. This assessment is notably more positive than the cross-market average, where 44% rate faculty capability as strong or very strong. This capability profile is supported by structural investment in professional development. In Vietnam, 80% of HE leaders report that their institutions provide extensive training (22%) or quite a lot of training (58%) for faculty, well above the cross-market average of 49%. This institutional focus is visible to learners. Half of Vietnamese learners (50%) report that their instructors use AI extensively or quite a lot in their teaching practice, compared to a cross-market baseline of 27%. This visibility corresponds with generally positive student sentiment: 77% of Vietnamese learners are satisfied with the quality of AI teaching and instruction, including 29% who are very satisfied.

However, the data also reveals an internal tension. Despite comparatively high capability ratings and robust training provision, structural friction remains. As noted previously, 44% of Vietnamese HE leaders cite the difficulty of keeping pace with AI developments as a primary barrier. Alongside this, an equal proportion (44%) continue to cite a lack of faculty AI expertise as a top constraint to preparing AI-ready graduates, while a notable minority of learners (21%) remain dissatisfied with their AI instruction.

This apparent contradiction reinforces the reality that continuously advancing faculty expertise is an essential driver of graduate readiness. The challenge is not necessarily a foundational technical deficit; educators are trained and visibly utilizing AI tools. Instead, as the pace of industry innovation accelerates, the standard for what constitutes relevant expertise is always shifting. It is increasingly insufficient for faculty to be proficient in theoretical tool operation; the expectation is now the ability to guide learners in the deployment of these tools within authentic business contexts.

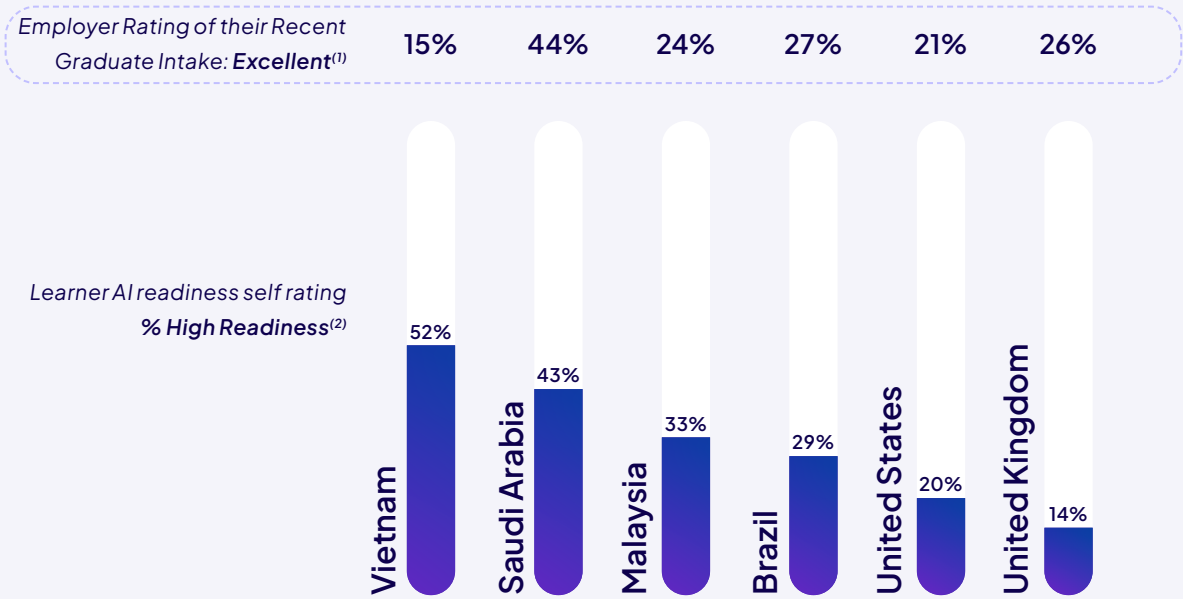
To resolve this capability friction and address the broader application gap, institutional strategy must evolve professional development from technical upskilling toward applied pedagogy. By leveraging the market's active employer networks to connect faculty with live industry contexts, institutions can equip educators with the practical insights needed to design the work-integrated learning experiences that employers increasingly require.

Institutional capability and graduate confidence

Reflecting the high levels of institutional investment and strong faculty capability outlined above, curriculum coverage of AI in Vietnam is notably broad. Nearly half of Vietnamese learners (44%) report that AI is covered extensively or quite a lot in their studies, well above the 30% cross-market average. This robust academic exposure has a direct and powerful impact on the student mindset. Consequently, graduate confidence in Vietnam is high: 84% of Vietnamese learners feel very (24%) or somewhat (60%) confident that they are prepared to enter an AI-enabled workforce, higher than the cross-market average of 72%. Institutional leaders share this optimism, with 90% reporting they are very or somewhat confident that their graduates will meet employer expectations.

However, this peak confidence creates a striking disconnect when juxtaposed against the realities of the workplace. Vietnam’s data highlights **the challenge of translating inputs into outputs**: while the market leads on learner self-reported preparedness (driven by high institutional investment), it records the lowest average employer excellence rating across the eight measured competencies at 15% (the required output).

Graduate AI readiness: self-reported vs. employer-rated



Q. Please imagine a ladder, with steps numbered from 0 at the bottom to 10 at the top. The top of the ladder (10) represents being completely ready and prepared to enter AI-enabled workplaces – having all the knowledge, skills, and capabilities you need. The bottom of the ladder (0) represents being not at all ready and prepared to enter an AI-enabled workplace. On which step of the ladder would you say you personally stand right now?

Q. Thinking about the recent university graduates your organization has hired in the past 2 years, how would you rate their capabilities in each of the following areas? By ‘recent’ we mean those that have graduated in the past 2 years?

Questions asked among Learners and Employers

Sample Size: Learners – 1,955, Employers – 304

(1) This is an average score of ‘Excellent’ across 8 metrics Employers rate graduates on

(2) ‘High readiness’ represents those answering ‘10’, ‘9’, ‘8’ on 0–10 scale

Vietnam leads on learner self-reported graduate preparedness, with 52% of learners placing themselves at the highest levels of readiness (rating themselves an 8, 9, or 10 on a 10-point scale). Yet, Vietnam records the lowest average employer excellence rating across the eight measured competencies, at 15%.

The specific challenges employers face when integrating these new hires into the workforce support the frictions identified in Chapter 1. In Vietnam, the top challenges are overwhelmingly behavioral and applied. A striking 43% of employers cite “poor AI habits”, such as over-trusting outputs and exercising weak verification, as a key challenge, exceeding the 27% cross-market average. This is closely followed by limited practical experience (37%), an over-reliance on AI tools (35%) and poor adaptability (33%), reinforcing that shared priorities alone cannot guarantee workforce-ready graduates. More positively, it is worth noting that Vietnamese employers are less likely than their cross-market peers to cite professional maturity as a challenge in developing graduates.

Employer challenges with recent graduate hires

Reported Challenge	% of Employers citing challenge	
	Vietnam	Cross-market average
Poor AI habits (e.g., over-trusting outputs, weak verification)	43%	27%
Limited practical experience or application skills	37%	33%
Over-reliance on or inappropriate application of AI tools	35%	29%
Poor adaptability to new situations or changes	33%	23%
Difficulty applying academic knowledge to real work situations	29%	25%
Professional maturity or workplace readiness	25%	36%
Weak communication or collaboration abilities	22%	24%
Limited understanding of workplace context	20%	24%
Weak AI tool skills or digital literacy	18%	18%
Limited continuous learning mindset	12%	16%
No particular challenges	2%	9%

Q. What are the main challenges you have observed with the recent graduates your organization has hired in the past 2 years? Please select up to THREE.

Question asked among Employers

Sample Size: Vietnam Employers – 51, All Employers – 304

Nevertheless, together these figures illustrate the danger of theoretical exposure without guided, real-world application. In Vietnam, high institutional investment and frequent faculty AI use are successfully building deep familiarity and theoretical confidence. However, without structured, work-integrated practice, graduates enter the workforce overly trusting of technology and lacking the strategic judgment required to critically evaluate outputs in a business context. Employers do not measure readiness based on theoretical familiarity; they measure excellence based on applied proficiency.

Crucially, Vietnamese learners themselves appear to recognize this limitation, indicating that their high confidence is tempered by awareness of what they are missing. They identify areas where their education must evolve to bridge the gap between classroom theory and workforce reality. Nearly half (48%) of Vietnamese learners point to more practical experience with workplace AI tools as the change that would most increase the value of their education, slightly above the cross-market average of 45%.

These learner demands reinforce the central challenge facing the Vietnamese market. Students understand that the theoretical knowledge driving their current confidence will not fully measure up to how they will be expected to execute tasks professionally. For Vietnamese institutions, the associative chain is clear: robust investment has successfully built faculty capability, which in turn has driven curriculum exposure and high student confidence. The final, critical link in this chain is resolving experience friction, converting that theoretical confidence into the structured, employer-validated practical experience that will raise employer satisfaction to match learner ambition.

The governance challenge: shadow AI and the ungoverned student experience

In most markets, the governance challenge is obvious: rules do not exist, learner awareness is low, or policy has not kept pace with innovations and behaviors. In Vietnam, the challenge is more nuanced. The market is characterized by high but general awareness of institutional guidelines, strong claimed compliance among students, and a distinct culture of trust between learners and educators. This culture of trust means the shadow AI challenge in Vietnam is less pronounced than in other markets. The opportunity in Vietnam is to build on this strong foundation, transitioning students from partial transparency into fully structured AI adoption.

In keeping with the cross-market picture, most learners in Vietnam (85%) say they know about their institution's guidance or rules on how to appropriately and effectively use AI to support their studies. Within this group, 38% report being definitively aware of their institution's rules, matching the cross-market average, while a larger portion (47%) say they are only 'maybe' aware. The remaining 15% are completely unaware of any institutional guidance. Despite this ambiguity, students feel they are following the rules. A combined 90% of learners express confidence that they comply with institutional AI guidance, with 33% very confident and 57% somewhat confident. However, perceived compliance does not necessarily equate to structured, responsible adoption.

Where Vietnam stands out is in its culture of trust, which represents a significant systemic advantage. Vietnam boasts the lowest level of absolute AI concealment in the study. Only 5% of students are completely uncomfortable with teaching staff knowing about their AI use, a figure well below the 18% cross-market average. Furthermore, 39% of Vietnamese learners are completely comfortable with teaching staff knowing exactly how they use AI, representing the strongest trust environment surveyed and ten percentage points higher than the cross-market average of 29%. Yet, complete openness is still a minority behavior, even in Vietnam. The majority (56%) are only comfortable sharing their use for certain tasks. This partial transparency indicates that Vietnamese learners, like their cross-market peers, are still carefully navigating what is acceptable, keeping portions of their AI usage out of sight.

In line with this greater trust, Vietnamese learners are less likely than their cross-market peers to rely solely on tools they have sourced independently. Taking tools used for drafting or writing as an example, 42% of Vietnamese learners say they use a combination of independently found tools and those provided by their university, compared with a cross-market average of 31%. Meanwhile, 34% rely exclusively on tools they have found independently, which is notably lower than the 49% average among all cross-market learners in this study. While risks remain given that a sizable proportion of Vietnamese students are still forming habits outside of their institutional environment, the rates of this shadow AI usage are markedly lower than in other markets.

If left unguided, these remaining governance gaps directly impact workforce readiness. When students operate partially in the shadows and rely on unvetted tools, they risk developing behaviors that frustrate employers downstream. For Vietnamese institutions, the governance task is to solidify the progress they have made. Universities must move beyond general rule awareness to establish clear, practical frameworks that bring usage habits even further into the light. By actively modeling critical evaluation and ethical stewardship within a fully governed environment, institutions can help students replace unguided habits with the professional maturity that employers demand.

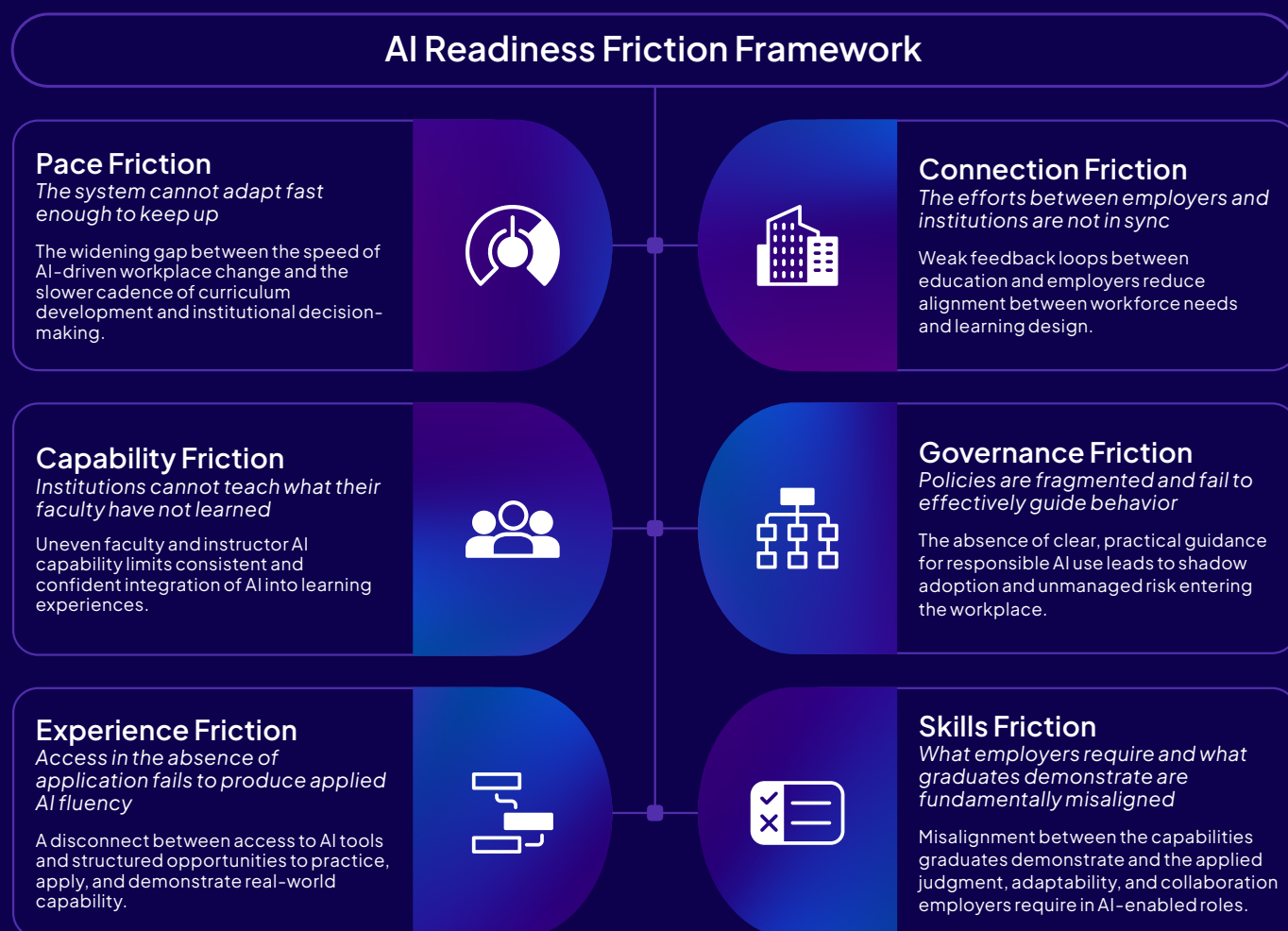
“
We are seeing a ‘trust gap’ where we can’t always tell if an improved grade is a result of learning or simply leaning more towards external sources... Readiness is about moving past pretending like they’re not using AI in take-home assignments. It’s a way for academics to redefine what assessments mean to them and to the students in the age of generative AI.”

Assoc. Prof. Mike Perkins,
Head of the Centre for Research & Innovation at British University Vietnam

Chapter 3: A framework for a shared direction

The AI Readiness Friction Framework

The gap between higher education and work, from institutional intent to graduate AI readiness, is real, measurable, and widening. The AI Readiness Friction Framework provides a tool for identifying where the most consequential interventions lie. It illustrates where the education-to-work transition most consistently breaks down. These frictions reinforce one another but are not fully dependent on one another. This report has outlined how the dynamics that underpin the six frictions operate in compounding procedural relationships that affect graduate AI readiness. This diagram illustrates a hierarchy that moves from macro-systemic drivers to institutional implementation and finally to individual learner outcomes.



Faculty capability defines the extent of a student's applied experience, while the pace of institutional investment and transformation informs the development of effective governance. The frequency and quality of employer engagement determine how well the curriculum and educational experience reflect workforce reality. Ultimately, high friction in any single area will result in bottlenecks elsewhere in the education-to-workforce ecosystem that begins with global technological shifts and concludes with a deficit in individual graduate AI readiness. But these frictions are also discrete and addressable. Reducing friction at any single point has the potential to generate benefits across the ecosystem.

Friction profile of Vietnam

No market is friction free. Vietnam is no exception and has a distinctive friction profile that positions it as a High-Velocity Strategist alongside Saudi Arabia. This profile is defined by high investment, strong faculty capabilities, active employer networks, and a resistance to complacency. The ecosystem has many of the required inputs; the challenge now lies in proving the outputs: significant challenges remain in translating this strong foundational progress into the structured, applied practice required to deliver fully workforce-ready graduates.

Pace Friction: high urgency matched with a realistic self-assessment

This friction reveals the structural misalignment between the exponential speed of AI innovation and the linear cadence of institutional curriculum design. In Vietnam, this urgency is felt more acutely than almost anywhere else, with an overwhelming majority of HE leaders describing the pace of AI-driven change as extremely or very fast, far above the cross-market average. What distinguishes Vietnam is how this acute awareness translates into a realistic institutional self-assessment. Because only a minority of Vietnamese HE leaders believe their institutions are currently keeping pace with AI developments, the market demonstrates a clear-eyed understanding that existing infrastructure is continuously stretched. By acknowledging that traditional curriculum cycles are struggling to match industry innovation, Vietnam's leaders avoid complacency and recognize the agility required to adapt to a rapidly moving target.

Connection Friction: active networks lacking strategic alignment

This area of friction refers to the absence or underdevelopment of feedback loops between industry and academia, leading to misaligned views on graduate AI readiness. The employer-educator connection in Vietnam stands as a notable systemic advantage, with more than half of HE leaders reporting comprehensive formal mechanisms to gather workforce needs directly from employers. However, these mechanisms have not yet been translated into institution-workforce alignment on the precise requirements for graduate readiness. HE leaders assume employers are primarily looking for technical execution and risk management, while employers actually place a higher premium on human capabilities like innovative thinking and collaboration. Resolving this friction requires institutions and employers to use these strong communication channels to move beyond intelligence gathering and actively collaborate to define graduate outcomes.

Capability Friction: evolving from technical upskilling to applied practice

Capability friction highlights the uneven distribution of AI knowledge and skills among faculty, which prevents the consistent integration of AI into the student learning experience. In Vietnam, the educator workforce is comparatively capable, supported by robust institutional training that results in a high proportion of learners observing faculty use AI extensively in the classroom. Yet, an internal tension remains: a significant segment of HE leaders still cite a lack of faculty AI expertise as a top constraint to preparing AI-ready graduates. In a high-velocity environment, the standard for what constitutes relevant expertise is shifting from theoretical tool operation toward the ability to deploy these tools strategically within authentic business contexts. Building this capability will require professional development to evolve from foundational technical upskilling toward applied pedagogy.

Governance Friction: partial transparency and the persistence of shadow AI

This friction in Vietnam is unique: it is not driven by a lack of trust, but by limitations in translating that high trust into structured, governed practice. Vietnam shows promising indicators of progress, boasting the lowest level of absolute AI concealment in the study alongside high student confidence in their own compliance with institutional guidance. However, true openness is still a minority behavior, with only a fraction of learners feeling completely comfortable letting teaching staff know exactly how they use AI. Consequently, a shadow AI culture is active among more than a third of students who rely exclusively on independently sourced, unvetted tools. The challenge is not building trust, but formalizing it so students do not develop poor AI habits.

Experience Friction: a critical application gap

Experience friction is driven by a disconnect between access to AI tools and structured opportunities to apply them in professional contexts, representing a critical roadblock in the Vietnamese education-to-work pipeline. This friction represents the critical bottleneck between inputs and outputs. While robust investment has equipped learners with high exposure and theoretical knowledge, employers report a severe gap between academic understanding and actual workplace application. Employers cite limited practical experience and an over-reliance on AI tools as primary challenges when integrating new hires. Crucially, Vietnamese learners themselves recognize this limitation, pointing to a need for more practical experience with workplace AI tools to increase the value of their education. The challenge for Vietnam is converting theoretical exposure into structured, authentic, and work-integrated learning that turns basic tool usage into applied, work-ready competency.

Skills Friction: foundational strengths without the full blended capability employers require

This area is the downstream manifestation of all preceding frictions, reflecting how systemic constraints surface as gaps in graduates' applied capability at work. In Vietnam, this friction manifests as the widest gap between self-reported learner readiness and employer ratings of any market in the study. While a majority of Vietnamese learners place themselves at the highest levels of readiness, only a small fraction of employers rate recent graduate hires as "excellent" across key competencies. Despite recognizing strong potential in adaptability and creativity, employers give exceptionally low ratings for critical evaluation of AI outputs, communication, and innovative thinking. Resolving this friction requires moving beyond theoretical instruction to build the strategic judgment and relational capabilities that the AI-enabled workforce actually values.

Overcoming AI readiness frictions: case studies in action

Contributors to this report have provided useful case studies of how their institutions are overcoming AI readiness frictions. These innovative bright spots demonstrate that when institutions and employers embrace shared data, shared uncertainty, and shared accountability, the AI readiness gap begins to close.

A snapshot of each is presented below. Full case studies are provided in the global AI Readiness report.



Pace

To close the gap between fast-moving markets and slow-moving curricula, **Fundação Getúlio Vargas (FGV)** replaces periodic curriculum reform with semesterly immersion weeks and executives-in-residence keeping course content market-current.



Connection

To close the feedback loop between employer needs and curriculum design, **University College London (UCL)** runs the Industry Exchange Network (IXN), matching live company challenges directly to students working under joint industry and academic supervision with 40 to 45 percent of participating students subsequently recruited by their industry partners.



Capability

To address uneven AI capability across the institution, faculty at the **University of Pittsburgh** run AI Across Disciplines to train colleagues across subjects and sustain PASTA, a cross-institutional peer network for sharing practical integration experience, building the consistent faculty capability that confident AI integration requires.

To build faculty AI capability across disciplines, **Prince Sultan University** addressed the human dimension before the technical one, treating emotional and behavioral readiness as a prerequisite and using low-code approaches to enable teaching staff from law, business, and the humanities to integrate AI into their own teaching and research.



Governance

To replace fragmented policy with practical guidance, **British University Vietnam's (BUV) AI Assessment Scale (AIS)** provides a tiered framework shifting focus from policing student behavior to deliberately designing assessments around AI.



Experience

To convert AI access into applied fluency, **Asia Pacific University of Technology and Innovation (APU)** provides frontier computing infrastructure including Malaysia's first NVIDIA-powered AI supercomputing lab, and designs assessment around authentic workplace tasks, creating structured conditions for students to practice with real tools on real problems.

To bridge the gap between AI access and applied competency in healthcare, **Illinois Institute of Technology** launched the Health Tech Talent Institute, partnering with Leap of Faith to place students directly on live health informatics challenges using industry-supplied AI tools.



Skills

To move graduates beyond technical proficiency toward applied judgment, **Illinois Institute of Technology** builds its curriculum around an explicit humans-in-the-lead philosophy, treating critical thinking, systems thinking, and ethical reasoning as equal priorities alongside technical and data skills – producing graduates with the adaptability and collaborative judgment employers require in AI-enabled roles.

Conclusion: Bridging the AI readiness divide, from insight to execution

AI-ready graduates do not emerge by chance. They are deliberately built through an ecosystem designed to foster applied capability. The evidence provided in this report is a resource for determining what is required by institutions, employers, and learners.

What this means for Vietnam as a high velocity strategist

The Vietnam friction profile reflects the archetype of the high-velocity strategist. Vietnam enters the AI era with exceptional foundations: high institutional investment, strong faculty capabilities, high learner confidence, and some of the most active employer-HE connections in the study. Simply put, Vietnam has built the inputs. Now it needs to prove the outputs.

Across several friction points, Vietnam has built unusually strong foundations for AI readiness. Yet this momentum is met with a critical tension: Vietnam shows the largest contrast in the study between self-reported learner readiness and average employer ratings across key competencies. The country's challenge is closing this "application gap." The next frontier is therefore converting strong foundations into applied capability. Vietnam's next phase of AI readiness will be defined by how effectively institutions and employers work together to convert theoretical knowledge and high student confidence into the structured, responsible, and applied capabilities that the modern workforce demands.



What this means for HE institutional leaders

To deliver AI-ready graduates at the pace that the transforming workforce demands, action is required across all six friction points. Use the Friction Framework Self-Assessment Questions⁸ to diagnose where friction is most acute in your institution, then prioritize action accordingly.



Pace

Accelerate the cadence of curriculum and institutional decision-making through modular design, stackable credentials, and faster review cycles that keep learning aligned with workplace change. In a market moving this fast, industry advisory boards are a vital mechanism for keeping curriculum signals current.



Connection

Vietnam has strong formal feedback loops, but they may currently function as intelligence-gathering channels rather than collaborative partnerships. Shift these relationships from data collection to active co-design. Ensure workforce signals directly inform learning design, assessment standards, and graduate outcomes.



Capability

While faculty technical training is high in Vietnam, the standard for expertise is shifting. Evolve professional development from foundational technical upskilling toward applied pedagogy. Connect educators to live industry contexts through embedded partnerships, secondments, and employer-hosted professional development rather than one-off experimentation. Cross-institutional peer networks are scalable mechanisms to build consistency across institutions regardless of individual infrastructure budgets.



Governance

Acknowledge and address the remaining “shadow AI” culture by formalizing the high-trust environment you already have. Rather than introducing restrictive or compliance-heavy governance, build supportive frameworks that position AI use as an ethical, positive, shared practice modeled by faculty and integrated into formal assessments.



Experience

This represents a key friction point in Vietnam. Move beyond theoretical exposure to AI by embedding structured, credit-bearing opportunities to practice and demonstrate AI capability in authentic workplace contexts. Prioritize co-designed assignments, live industry challenges, and employer-informed assessments that develop applied judgment, verification skills, and confidence using AI to solve real problems.



Skills

Vietnam’s priority is converting strong learner confidence into the blended capabilities employers value. Strengthen applied judgment and verification alongside innovative thinking, communication, and collaboration, while continuing to build functional AI proficiency. Explore a balanced Graduate AI Attribute Framework, developed with employers, that clearly defines and assesses these capabilities across the student journey.⁹

⁸ <https://www.pearson.com/power-of-learning/ai-readiness/diagnostic.html>.

⁹ See also the Optimal AI-Ready Graduate profiled in chapter 1 of this report.

What this means for business leaders

Vietnamese employers understand the application gap, noting poor AI habits, over-trust in outputs, and weak verification as their primary challenges with new hires. The graduate readiness needed for the AI-enabled workforce is not for HE institutions alone to determine. Leaders should prioritize actions that directly reduce friction, rather than adding new layers of strategy or policy. Use our Friction Framework Self-Assessment tool¹⁰ to diagnose where friction is most acute in your context, then prioritize action accordingly.



Pace

Move quickly to diagnose the AI capability needs your organization is facing now. Communicate them to university partners with specificity, regularity, and intentionality. The pace friction that you feel as an employer should be shared with institutions that build future talent. Industry Advisory Board participation is an efficient channel for translating your operational urgency into academic agility.



Connection

Build systematic, ongoing relationships with university partners that elevate existing feedback mechanisms from gathering information (an input) to the active co-design of curriculum, assessment, and graduate outcomes (the output). Provide clear, continuous signals to education partners about role-level expectations, validate assessments, and share feedback earlier and more often than annual cycles allow. Contribute to employer surveys and national skills analyses to ensure your specific talent needs are registered system-wide.



Capability

Support universities in understanding the practical implications of AI for your sector by opening your organizations to educators. Embed practitioners, share case materials, and treat faculty development as a strategic investment in the pipeline of talent your organization depends on.



Governance

Communicate what responsible AI governance looks like inside your organization and what will be expected of graduates from day one. By helping universities design authentic, governed assessments, employers can play a direct role in transitioning Vietnamese students away from over-trusting unvetted tools toward accountable, professionally ethical AI practices.



Experience

Purpose-built, co-designed programs are the most effective way to address the acute shortage of practical experience that Vietnamese employers report in recent hires. Work with universities to host authentic workplace scenarios, sponsor live company challenges, and offer apprenticeships. Publish case studies to support universities in their curricular development strategies.



Skills

Communicate the specific skills your sector needs directly with universities. To overcome the current misalignment, Vietnamese employers must clearly articulate that critical evaluation, innovative thinking, and collaboration are just as critical as foundational digital literacy. Communicate hiring needs using common skills frameworks in job specs and postings.

Meeting this moment in Vietnam requires educators and employers to work together with shared urgency. Vietnam has established exceptional foundations to build on, with immense investment, capable educators, and high learner ambition. The task now is to forge the structural connections necessary to remove the remaining frictions and deliver graduates who are truly ready for the AI-enabled workforce.

¹⁰ <https://www.pearson.com/power-of-learning/ai-readiness/diagnostic.html>

Supporting information

Methodology

This report is based on a comprehensive multi-market study designed to capture a 360-degree view of the AI transition within the higher education ecosystem. Data was gathered through a mixed-methods approach, combining extensive quantitative surveying with targeted qualitative insights across six strategic markets: Brazil, Malaysia, Saudi Arabia, the US, the UK, and Vietnam. All fieldwork was conducted by PSB Insights.

Quantitative survey

To ensure the findings reflect the complexities of the current labor market and academic landscape, the survey engaged three distinct stakeholder groups:

Learners: Undergraduates currently enrolled in higher education, representing a diverse range of institutional types and academic disciplines, from STEM to the humanities.

HE Leaders: Comprising both Senior University Administrators and Educators. This includes faculty with 3+ years of experience and responsibility for curriculum development and/or wider strategic decisions for a department, faculty or institution and administrators with decision-making responsibility for budgets, strategy, and course design.

Employers: Business Leaders with responsibility for strategic decisions and talent strategy. To ensure relevant data, participating organizations must have hired graduate-level employees within the past two years.

Market	Learners	HE Leaders	Employers	Total
Overall	1,955	452	304	2,711
United States	351	101	51	503
United Kingdom	351	100	51	502
Brazil	350	100	50	500
Saudi Arabia	302	50	50	402
Vietnam	301	50	51	402
Malaysia	300	51	51	402

Fieldwork was conducted via an online survey that ran between January 7 and 28, 2026.

Qualitative interviews

To contextualize the survey data, the research included a series of seven in-depth qualitative interviews with key leaders and innovators in AI adoption from the higher education sector. These sessions allowed for a more nuanced exploration of the friction points in the transition from education to work, how institutions are overcoming them, and the shifting value of the university degree.

The views and opinions expressed by the interviewees during this project are their own and were shared in their capacity as individual professionals. These insights do not necessarily reflect the official policies, positions, or endorsements.

Acknowledgments

We would like to express our sincere gratitude to the following experts for contributing their time, expertise, and invaluable insights to this research. Their perspectives have been instrumental in shaping our understanding of the evolving landscape of AI in higher education.

Dr. Mateus Canniatti Ponchio – Doctor of Business Administration,
Head of Department of Technology and Data Science,
Fundaç o Get lio Vargas (FGV) (Brazil)

Graça Carvalho – Director,
UCL Centre for Digital Innovation, Office of the Vice Provost (Research, Innovation & Global Engagement),
University College London (UK)

Dr. Raj Echambadi – President,
Illinois Institute of Technology (US)

Evgeniya Efremova – Director of the Hilary Ballon Center for Teaching and Learning,
New York University – Abu Dhabi (UAE)

Prof. Dr. Ho Chin Kuan – Vice Chancellor,
Asia Pacific University of Technology and Innovation (Malaysia)

Assoc. Prof. Dr. Mike Perkins – Head of the Centre for Research & Innovation,
British University Vietnam (Vietnam)

Prof. Tanzila Saba – Associate Director of Research & Initiative Center, Artificial Intelligence & Data Analytics (AIDA) Lab Leader
Prince Sultan University – Riyadh (KSA)

Dr. Annette Vee – Associate Professor and Faculty Liaison for AI Enablement,
University of Pittsburgh (US)

Dr. Joseph T. Yun – Director of AI Enablement, Pitt Digital; Research Professor, Electrical and Computer Engineering,
University of Pittsburgh (US)

This report would not exist without the partnership of AWS and Pearson and the conviction, on both sides, that the solutions it seeks to inspire are worth pursuing. We are grateful to Maryclaire Abowd, Maysam Ali, Makeda Mesfin and Imani Pope-Johns from AWS, and to Veronica Filgueira, Joseph Kimmelman, Vincent Liardi and Sandy Smith at Pearson, for their vision and leadership, and for the coordination and commitment they brought to this project. We would also like to extend our thanks to the wider teams at both AWS and Pearson whose support made this work possible.

We are also grateful to the educators, employers, and learners across six markets who gave their time to share their experiences and perspectives.

The research design, analysis, interviews, and writing that gave shape to this report were the work of the team at PSB Insights: Issa Asfatoun, Rodney Collins, Katie Hamilton, Kirsty Harvey and Michael Hodgkinson. We are grateful for the expertise, craft, and considerable effort they brought to each stage of the process.

References

Asia News Network (2026) Vietnam's national programmer on AI human resources development approved, 13 August. Available at: <https://asianews.network/vietnams-national-programme-on-ai-human-resources-development-approved/> [Accessed: 25 August 2026].

Beard, S.J., Roehrick, K., Beadle, J., Brinkworth, G., Compton, M., Crawford, K., Ennion, M., Gharavi, L., Gordon, C. and Hillman, V. (2026) A Horizon Scan of AI and Higher Education: Fourteen Issues That May Transform the Sector. SSRN Working Paper Series, ID 6257318. Available at: https://papers.ssrn.com/sol3/papers.cfm?abstract_id=6257318 [Accessed: 21 June 2026].

Bearman, M., Tai, J., Dawson, P., Boud, D. and Ajjawi, R. (2024) 'Developing evaluative judgement for a time of generative artificial intelligence', *Assessment & Evaluation in Higher Education*, 10 April. DOI: 10.1080/02602938.2024.2335321.

BHEF (2025) The AI workforce moment is here: here is how business and higher education are leaning in together, 8 February. Available at: <https://www.bhef.com/article/blog/2025/the-ai-workforce-moment-is-here-here-is-how-business-and-higher-education-are> [Accessed: 8 February 2026].

CIO SEA (2026) Vietnam's AI law builds a state-backed push for infrastructure, data, and skills, 18 August. Available at: <https://ciosea.economictimes.indiatimes.com/news/policy/vietnams-ai-law-builds-a-state-backed-push-for-infrastructure-data-and-skills/133319746> [Accessed: 25 August 2026].

Coursera (2025) WEF Future of Jobs Report 2025 reveals a net increase of 78 million jobs by 2030 and unprecedented demand for technology and GenAI skills, 8 February. Available at: <https://blog.coursera.org/wef-future-of-jobs-report-2025/> [Accessed: 8 February 2026].

Ibrahim, H., Jaber, A. and Al-Ma'aitah, M.A. (2024) 'The impact of artificial intelligence on the higher education sector', *Industry and Higher Education*, 38(6), pp. 783–795. DOI: 10.1177/09504222241280441.

Legatt, A. (2026) 'Here's how college leaders can close the AI governance gap in 90 days', *Forbes*, 19 March. Available at: <https://www.forbes.com/sites/avivalegatt/2026/03/19/heres-how-college-leaders-can-close-the-ai-governance-gap-in-90-days/> [Accessed: 19 March 2026].

Levanon, G., Sigelman, M., Mamertino, M., de Zeeuw, M. and Guilford, G. (2025) No Country for Young Grads. Burning Glass Institute. [Accessed: 21 March 2026].

McKinsey & Company (2025) The State of AI 2025. Available at: <https://www.mckinsey.com> [Accessed: 4 June 2026].

McKinsey Global Institute (2024) Agents, robots, and us: Skill partnerships in the age of AI. Available at: <https://www.mckinsey.com/mgi/our-research/agents-robots-and-us-skill-partnerships-in-the-age-of-ai> [Accessed: 21 March 2026].

Microsoft AI Economy Institute (2025) Global AI Adoption 2025. Redmond, WA: Microsoft Corporation. Available at: <https://www.microsoft.com/en-us/corporate-responsibility/topics/ai-economy-institute/reports/global-ai-adoption-2025/> [Accessed: 25 March 2026].

- OECD (2025) OECD Skills Outlook 2025: Building the Skills of the 21st Century for All. Paris: OECD Publishing. DOI: 10.1787/26163cd3-en. [Accessed: 24 March 2026].
- Pearson (2025) Lost in Transition: Fixing the “Learn to Earn” Skills Gap. London: Pearson. Available at: <https://www.pearson.com/en-gb/news-and-policy/reports/lost-in-transition.html> [Accessed: 21 March 2026].
- Pearson (2026) Pearson and AWS announce collaboration to unlock AI-powered personalized learning for millions of people globally, 8 February. Available at: <https://plc.pearson.com/en-GB/news-and-insights/news/pearson-and-aws-announce-collaboration-unlock-ai-powered-personalized> [Accessed: 8 February 2026].
- Pearson and Amazon Web Services (2026) AI Readiness: Building the Bridge from Higher Education to Work. [Online]. Available at: <https://www.pearson.com/power-of-learning/ai-readiness.html> [Accessed: 4 June 2026].
- Rosowsky, D. (2026) ‘The 60-year degree: why universities must pivot from recruitment to perpetual partnership’, Forbes, 21 March. Available at: <https://www.forbes.com/sites/davidrosowsky/2026/03/21/the-60-year-degree-why-universities-must-pivot-from-recruitment-to-perpetual-partnership/> [Accessed: 21 March 2026].
- Sand Technologies (2025) AI and the Future of Work: Insights from the World Economic Forum’s Future of Jobs Report 2025, 8 February. Available at: <https://www.sandtech.com/insight/ai-and-the-future-of-work/> [Accessed: 8 February 2026].
- Stanford University Institute for Human-Centered AI (2024) Artificial Intelligence Index Report 2024. Stanford, CA: Stanford HAI. Available at: <https://hai.stanford.edu/ai-index/2024-ai-index-report> [Accessed: 24 March 2026].
- Stanford University Institute for Human-Centered AI (2026) AI Index 2025: State of AI in 10 Charts, 12 March. Available at: <https://hai.stanford.edu/news/ai-index-2025-state-of-ai-in-10-charts> [Accessed: 12 March 2026].
- Stanford University Institute for Human-Centered AI (2026) The 2026 AI Index Report, Research and Development. Available at: <https://hai.stanford.edu/ai-index/2026-ai-index-report/research-and-development> [Accessed: 4 June 2026].
- UNESCO IESALC (2026) The challenges of AI in higher education and the imperative for competency frameworks, 12 March. Available at: <https://www.iesalc.unesco.org/en/articles/challenges-ai-higher-education-and-imperative-competency-frameworks> [Accessed: 12 March 2026].
- Valentini, A. and Blancas, A. (2025) The challenges of AI in higher education and institutional responses: Is there room for competency frameworks?. Paris: UNESCO. Available at: <https://unesdoc.unesco.org/ark:/48223/pf0000394935> [Accessed: 1 March 2026].
- VGP News (2021) National strategy on R&D and application of artificial intelligence, 27 January. Available at: <https://en.baochinhphu.vn/national-strategy-on-rd-and-application-of-artificial-intelligence-11140663.htm> [Accessed: 18 August 2026].
- Vietnam Briefing (2024) Vietnam’s Semiconductor Industry: A Guide to the Market and Investment Opportunities, 15 May. Available at: <https://www.vietnam-briefing.com/news/vietnams-semiconductor-industry-market-investment-opportunities.html/> [Accessed: 18 August 2026].
- Vietnam Briefing (2026) Breakthroughs in Vietnam’s 2026 Education Regulations: Implications for FDI, 12 March. Available at: <https://www.vietnam-briefing.com/news/vietnam-education-regulations-2026-implications-for-fdi.html/> [Accessed: 12 March 2026].
- World Economic Forum (2025) Educating a future workforce that will match AI disruption, 8 February. Available at: <https://www.weforum.org/stories/2025/10/education-disruptive-ai-workforce-opportunities/> [Accessed: 8 February 2026].
- World Economic Forum (2025) Responsible AI in higher education: Building skills, trust and integrity, 4 September. Available at: <https://www.weforum.org/stories/2025/09/responsible-ai-in-higher-education-building-skills-trust-and-integrity/> [Accessed: 24 March 2026].
- World Economic Forum (2025) The Future of Jobs Report 2025. Geneva: World Economic Forum. Available at: <https://www.weforum.org/publications/the-future-of-jobs-report-2025/> [Accessed: 21 March 2026].

