

build an AI-powered, people-centric workplace

a guide to strategically transitioning your
workforce



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executive summary

- Organizations should prioritize a human-centric approach by thoughtfully transitioning their workforce in response to AI changes, as technical implementation alone is not enough for success.
- By 2030, AI could automate up to 70% of global business activities, with 77% of organizations currently utilizing or exploring AI solutions. This highlights the urgent need for businesses to adapt to this evolving landscape.
- As AI handles operational and repetitive tasks, the competitive edge will belong to companies and employees that combine AI capabilities with uniquely human skills like empathy, creativity, teamwork, and adaptability. Examples of success in this regard include Bank of America and IKEA (see case studies).
- While essential human interactions focusing on decision-making and creativity will be vital, they will become rarer, potentially leading to decreased customer empathy and decreased trust in work-based relationships. This suggests a need for companies to take a proactive approach toward developing psychological safety at work, so teams can be more effective, innovative, and empathic toward customer needs.
- Emphasizing human creativity in an AI-driven world underscores the importance of diversity. Diverse teams, especially those with neurodiversity, have been proven to identify more problems and generate novel solutions due to their varied ways of thinking, as validated by studies like Deloitte's and brain imaging research.
- In an AI-dominated era, emotional intelligence (EI) becomes paramount, ensuring limited human interactions are impactful and fostering innovation, customer experience, unbiased decision-making, resilience, and inclusive trust-building.
- Leadership trust is dwindling, with recent studies showing alarmingly low trust levels in organizational leaders, a trend expected to worsen with AI advancements. Amidst employee fears of AI rendering their skills obsolete, leaders must build trust by being authentic about uncertainties, connecting employees to the organization's purpose, and painting a clear, positive picture of a future with AI.
- To prepare for the impact of AI in the workplace, organizations must identify AI business opportunities through pilots, adopt agile methods for job redesign and skill development, and prioritize fundamental skills that boost innovation and resilience. Upskilling for the AI future requires an agile learning approach, assessments of both technical and emotional intelligence skills, AI integration within learning programs, a comprehensive learning design, diverse and accessible learning options, and consistent measurement of outcomes. Collaborating with specialized partners ensures comprehensive skill development, aligning with desired business outcomes from AI initiatives.

first, an experiment

Does ChatGPT know its limitations when it comes to emotional intelligence? To find out, we asked the AI tool the following questions:



ChatGPT, what do you think will be the most important skills for leaders and employees to have in the AI-enabled future?



1. **Digital Literacy:** Understanding AI and emerging technologies and data literacy, which is the ability to interpret, manage, and use data effectively.
2. **Adaptability and Flexibility:** Learning agility, the ability to learn, unlearn as technology continues to evolve rapidly. Change management, the capacity to adapt to changes and manage transitions effectively.
3. **Emotional Intelligence:** The ability to understand and share the feelings of others to manage and lead diverse teams. Building and maintaining strong relationships is vital in a collaborative work environment.



Why is Emotional Intelligence going to be important as AI enters the workplace?



Emotional intelligence (EI) is increasingly important as AI technology becomes more prevalent in the workplace for several reasons:

1. Human Connection:

- Empathy and Understanding: AI lacks the ability to truly understand and empathize with human emotions. Humans with high EI can understand and respond to the emotions of colleagues, clients, and customers, fostering a more harmonious and productive working environment.
- Building Relationships: Building and maintaining positive relationships is crucial in the workplace. High EI enables individuals to connect with others on a deeper level, which AI cannot replicate.

2. Decision-Making:

- Ethical Considerations: AI can analyze data and make decisions based on algorithms, but it cannot consider ethical implications and societal values in the way humans can. High EI allows for ethical considerations and moral values to be integrated into decision-making processes.
- Nuanced Judgments: Many decisions involve nuanced understanding of human emotions, motivations, and contexts, which AI lacks. Humans with high EI can make more nuanced and contextually appropriate decisions.



continued

3. Change Management:

- **Adaptation to Change:** The integration of AI can lead to significant changes in work processes. Individuals with high EI are generally better at adapting to change and can help others navigate through it.
- **Managing Resistance:** There may be resistance to the introduction of AI. High EI can help in understanding and addressing the concerns and fears of employees, facilitating smoother transitions.

4. Leadership:

- **Motivation and Inspiration:** While AI can perform tasks and analyze data, it cannot inspire and motivate teams. Leaders with high EI can understand the needs and aspirations of their team members and motivate them effectively.
- **Conflict Resolution:** Conflicts are inevitable in any workplace. High EI is crucial for resolving conflicts in a way that maintains positive relationships and fosters a collaborative environment.

5. Creativity and Innovation:

- **Idea Generation:** High EI can lead to better understanding of human needs and desires, leading to the generation of more innovative and user-friendly solutions.
- **Collaboration:** High EI fosters better collaboration among team members, leading to more diverse and creative ideas.

6. Customer Service:

- **Customer Satisfaction:** High EI enables individuals to understand and respond to customer needs and emotions effectively, leading to higher customer satisfaction.
- **Brand Loyalty:** Positive interactions with emotionally intelligent employees can lead to increased brand loyalty.

7. Job Satisfaction and Retention:

- **Employee Well-Being:** High EI contributes to better interpersonal relationships and a more positive work environment, impacting employee well-being positively.
- **Reduced Turnover:** Enhanced job satisfaction and well-being can lead to reduced employee turnover.

8. Learning and Development:

- **Continuous Learning:** High EI supports a learning mindset, enabling individuals to learn and adapt continuously in the evolving landscape.
- **Development of Soft Skills:** As technical tasks are increasingly automated, the importance of developing soft skills, including EI, is heightened.

the purpose of this guide

We are in a remarkable time: AI, even as it revolutionizes the world, can state its limitations.

And this offers hope to those who worry about a future of work that doesn't include much humanity. Perhaps the most strategic move companies can make is also the most human-centric: Organizations need to be aware of the changes AI is bringing to the workplace and know how to transition their workforce thoughtfully. While technical implementation of AI into companies' new and existing solutions will be important, it is not sufficient for success in this new reality.

This guide provides a comprehensive overview of the drivers of AI transformation, the impact on job roles and responsibilities, and the tools and resources you need to transition successfully.

This guide will explain why it's important to equip leaders and employees with the relevant human-centered skills to guarantee the success of the transition to AI. With careful planning and the right strategic thought partners, you can create an AI-integrated workplace that encourages innovation, even as your people thrive.



AI's rapid workplace transformation

AI transformation is quickly becoming a reality in the workplace, and organizations must understand how to best adapt to this rapidly changing environment. According to a recent study by [McKinsey](#), AI could automate up to 70% of business activities in the global economy across almost all occupations by 2030. Likewise, the World Economic Forum has found that 77% of organizations are already using or exploring AI applications in their businesses.



of business activities in the global economy could be automated by AI

Key Drivers of AI Transformation in the Workplace:

Customer Demand: Customers are increasingly demanding personalized and seamless experiences. AI can help meet these demands by automating such tasks as customer service, product recommendations, and fraud detection.

Data Availability: The amount of data available to businesses is growing exponentially. AI can help to make sense of all of this data, thus unlocking its value. The insights generated will improve decision-making, product development, and customer service.

Advances in AI Technology: AI technology has advanced rapidly in recent years, making it possible to automate a wider range of tasks and to solve more complex problems. This has made AI more accessible and affordable for all businesses.

Competitive Pressure: Businesses are facing increasing competition from both domestic and international rivals. AI will allow businesses to differentiate themselves from their competition by offering new and innovative products and services, and by improving their operational efficiency.

Understanding AI's impact on industries and function areas will help assess which critical human skills are required for a successful transition.

Industries such as customer service, finance and accounting, manufacturing, healthcare, transportation, and logistics are already beginning to feel the effects of AI-enabled automation. Similarly, roles that involve repetitive tasks or high volumes of data are particularly prone to being replaced or augmented with AI technology.

As processes become automated with AI technology, job roles will gradually shift from manual or repetitive labor toward knowledge work activities that require empathy, creativity, and problem-solving skills. It's also possible that some existing jobs could be eliminated if they could be fully replaced by machines or algorithms.



case study: bank of america

Indeed, this is already starting to play out. As examples, let's look at customer operations within two completely different industries. Our first example, Bank of America, recently implemented an AI-powered chatbot named Erica. Erica can answer customers' questions about their accounts, transactions, and rewards. She can also help customers with simple tasks such as transferring money and paying bills. Erica has been incredibly successful, with over 60 million active users. She has helped to reduce the number of customer calls that Bank of America receives by 20%.

At the same time, Erica has helped to improve customer satisfaction, with 90% of customers saying that they are satisfied with her services. Bank of America also uses AI to identify customers who are at risk of moving their accounts elsewhere, thereby triggering retention campaigns.

Human customer service representatives at Bank of America now focus on more creative, challenging, and value-added tasks. These include things like:

- 1 Helping customers develop a financial plan.
- 2 Resolving more complex customer disputes.
- 3 Proactively reaching out to customers who might be at risk of leaving the bank and offering more personalized service.

In total, this has led to **benefits for the bank, customers, and customer service representatives** including:



1 Improved customer satisfaction

Customers appreciate the personalized support and attention they receive from customer service reps who are no longer bogged down by repetitive tasks.

2 Reduced costs

Bank of America has been able to reduce the number of customer service representatives it needs, while still providing excellent service.

3 Increased employee satisfaction

Customer service representatives are more satisfied with their jobs when they can work on more creative and challenging tasks.

case study: IKEA



Let's look at another example of AI transformation in the retail sector with IKEA. The Swedish furniture behemoth used an AI-driven skills strategy to transform their call center workforce into interior designers. In this case, the IKEA initiative was aimed at improving customer service while allowing an AI bot named Billie to handle routine customer inquiries. Let's examine what they did.

IKEA started with the realization that their customers wanted help with interior design.

The company caters to customers who are keen to make exceptional use of space, especially small spaces. However, customer service representatives couldn't assist customers with this more complex service without automating other time-consuming routine tasks. IKEA came up with a plan:

- They introduced Billie to handle the routine customer requests, such as returns, refunds, inventory questions, etc. Billie could effectively handle 47% of customer inquiries.
- IKEA invested in a comprehensive training program to upskill their call center employees, turning them into interior design advisors.
- They initially launched the services in Europe and then expanded to the US and the UK with close monitoring of performance metrics.

Since the launch, sales through remote interior design consultations have amounted to 1.3 billion euros. Not bad.

As AI levels the playing field for operational and analysis tasks, human employees will increasingly need to leverage the **skills that are uniquely human in nature**.

Examples include empathy (in IKEA's case toward the customer), creativity, collaboration within diverse teams to increase creative problem-solving, and adaptability.

The companies and employees who leverage both the power of human-centered skills and AI-enabled power will have the competitive advantage in this new world of work.



In these examples is an important message for employees who are living with the fear and anxiety of their roles becoming automated and their jobs eliminated in the name of progress:

Lean into human-centric skills. Upskill if needed in order to optimize the critical skills of emotional intelligence that underlie resilience, empathy, collaboration, and problem-solving.

the impact of AI transformation on the workplace

The 2023 Microsoft Workforce Index study, which included 30,000 participants, revealed a few remarkable findings on the adaptation of AI at work.

When asked what skills will be the most important as we enter the era of AI, respondents said that the top three skills will be:

1 Analytical judgment

The ability to think critically about data and insights (provided by AI) and to make sound decisions based upon those insights.

2 Flexibility

The ability to adapt to change and learn new things quickly.

3 Emotional intelligence

The ability to manage your emotions as well as the emotions of others.

Another interesting finding from this study was that when asked what were the biggest time-wasters and disruptions to productivity, the respondents' answer was: meetings. This is a significant red flag because meetings are where humans collaborate to get things done, and ideally the forum where multiple points of view are coming together to yield an important decision or creative solution.

What this says is that most companies are not very good at doing something that will become critically important in the AI era. As AI increasingly provides the information and analysis needed to make decisions and determine creative solutions, teams and meetings will become a major part of what makes companies successful.

In fact, [a 2020 study by McKinsey](#) projected that by 2030 over 70% of work will be project-based and run by cross-functional teams.

When you combine all of these data points (the increased need to leverage uniquely human capabilities [analytical judgment, flexibility, and emotional intelligence], the current ineffectiveness of meetings, and the rapidly increasing focus on project and team-based work), you start to see a **massive opportunity to upskill the workforce in certain areas that will have outsized impact.**

While effective meetings and interactions between humans that focus on decisions, creativity, and adapting to a rapidly changing business landscape will become critical, they will also become less frequent. As employees increasingly have access to AI copilots who conduct research, wrangle data, answer questions, list options and ideas, craft initial versions of content, and respond to customer needs, we will need less interaction with humans. Less interaction means less customer empathy, fewer work-based social connections, and less relationship building.

McKinsey predicts that by 2030 over 70% of work will be project-based.



Less social connection and relationship-building means more challenges trusting team members and working together.

Ultimately, what it means is that each interaction we have with another human needs to be of the **highest quality.**

Teams will need to come together quickly to address a problem and have the level of psychological safety and techniques required to rapidly create a differentiated solution. And as employees interact with customers, they will need to increasingly rely on better listening, understanding, and consultative, personalized problem-solving.

diversity in an AI-enabled future

As we zero in on the importance of the human ability to generate **novel solutions** to problems (because everyone will have access to the AI answer), this leads us to a discussion of the importance of diversity. The importance of diversity to innovation and problem-solving has been well-documented. For example, a [recent study by Deloitte](#) showed that diverse teams are 17% more likely to identify more problems to solve and 20% more likely to develop higher-quality solutions than homogeneous teams.

As we think about a future where the most critical work will come from a team of people who are reviewing insights and information provided by their AI copilots, **the most successful companies will be those who can optimally and consistently bring together diverse teams of people to solve problems.** Along with this, there is increasingly substantial evidence that neurodiversity is a key lever for optimizing an organization's ability to generate creative solutions.



Why neurodiversity? When you have a team of people with different neurological backgrounds and abilities, they each literally think differently about the problem. Many individuals with autism tend to think in pictures and are hyper-vigilant about details, whereas individuals with ADHD tend to consider a much wider range of possibilities. Employees with dyslexia may process information via auditory means versus reading. These differences in how individuals with diverse neurological backgrounds think mean there is a higher probability that more neurodiverse teams will be able to produce more novel solutions because they have unique ways of approaching the problem. And these are not just theories—this has been proven in [empirical and brain imaging studies](#).

What does this mean for companies and their leaders? They need to improve their ability not only to make the workplace more accessible to the neurodiverse but also to leverage the unique perspectives that neurodiversity brings. Specifically, this means being able to bring together teams with higher degrees of neurodiversity and then having the skills to manage these types of teams.

Putting a group of neurodiverse people in a room together will be far from enough. Team leaders and facilitators will need the skills to work with such groups effectively and in a way that:

1

Enables inclusion and contribution from individuals with a range of social comfort.

2

Allows for conflicting points of view, but prioritizes moving toward a decision with psychological safety.

3

Makes sure that there is an understanding of accommodations needed to create an optimal team environment.

4

Creates a shared understanding of individual differences.

5

Ensures that everyone has a high level of emotional intelligence so that each person can articulate their perspective, share their expertise, and collaborate to the best of their ability

The bottom line is that for organizations to reap the benefits of neurodiversity, they need to equip their workforce with the ability to understand others, become aware of and understand their own emotional reactions, and use this understanding to avoid the unproductive conflict that can often arise when you have a highly diverse group of people working together.



emotional intelligence for the future of work

When you take all of these factors into account, you start to see the critical importance of emotional intelligence (EI) to business success in this new AI-powered era. Fundamentally, EI will guarantee that when (increasingly limited) human interactions occur, they are effective at creating understanding, empathy, and awareness of what is important.

Beyond that, there are a range of different areas where EI skills will play a crucial role in the AI-enabled world:

- Innovation through psychological safety
- Enhancing customer experience
- Reducing bias during decision-making
- Increasing resilience and growth mindset during periods of change
- Building trust and creating inclusion

Let's briefly talk about each one of these, but first let's consider a brief definition of emotional intelligence:

Emotional intelligence is a skill set that includes both the ability to understand and manage one's own behaviors, thoughts and emotions, as well as the ability to interact skillfully (and empathically) with others.



innovation through psychological safety

The importance of innovation has already been mentioned, but it's worth additional emphasis. Organizations will need to move quickly to not be disrupted by the coming wave of generative AI. As McKinsey points out, the biggest obstacle to digital success for organizations is a culture that is averse to risk and experimentation. Generative AI opens the door to massive disruption, including the complete revisioning of existing business models.

Additionally, with AI leveling the playing field regarding analysis and basic problem-solving tasks, the importance of differentiated solutions will become ever more critical. In this environment, you will need people who feel able to come up with what might be seen as radically creative solutions.

The only way to create an environment where this is possible is to provide a high level of psychological safety. **Essentially, employees need to feel safe to express their ideas.** That may seem simple, but based on work by Amy Edmondson, a Harvard Business School Professor and researcher, creating the conditions for psychological safety is far less common than one might imagine. Why? Because what gets in the way of that safety can be complex. A high degree of emotional intelligence is required in order to successfully participate in psychologically safe teaming.

Individuals on teams need to have a deep understanding of both their own emotional state during an innovation team interaction and the emotional states of others. This doesn't just happen via osmosis. They need to be paying attention to the right things and making efforts to check in and involve others in the problem-solving discussion. They need to be secure enough to be challenged and feel safe enough to challenge others appropriately. They need to be willing to admit when they don't know or when a mistake has been made.

The problem becomes that the social interactions that can be precursors for this sort of psychological safety will become less frequent in the AI-enabled world. As social creatures, that can become problematic for humans in the mix. The social connections we have grease the wheels of the problem-solving process by creating trust and loyalty. When we care about other people, we are simply willing to do more, risk more, and proceed in the face of uncertainty. Therefore, **a concerted effort by leadership at creating healthy, emotionally intelligent connections becomes essential for the psychological safety necessary for peak innovation.**

enhancing the customer experience

While it's very likely that many organizations will be able to put their uniquely branded spin on the AI personality that customers interact with, the truly differentiated experience will still come from interactions with humans. That **heightens the importance of the quality and the value of the experience that customers have when they interact with a human.** And that means that employees interacting with customers need to make them feel truly heard and understood, and they need to be able to use a deep level of understanding to provide highly personalized and valuable solutions. If you don't fully understand the customer you're speaking with, then there is little possibility that you will provide them with something valuable.



reducing bias during decision making

As we humans start to focus more on making complex decisions, understanding our own bias becomes more critical. So, how do we understand when bias is at play? We increase self-awareness.

There are a range of well-documented biases, and a full articulation of them is beyond our scope here. However, let's look at one as an example: the sunk cost fallacy. We humans tend to continue investing in a decision based on cumulative prior investment. Basically, we've put a lot of time, effort, and money into something and we just don't want to believe that that was wasted. This becomes a problem when there is evidence that the course of action we were taking was wrong. Having a greater level of self-awareness as to why we are making a decision allows us to step back and take a more objective view. From here, we can understand that the decision that feels correct on an impulsive level is not always the best for long-term success.



As generative AI starts to accelerate the rate of change in the business world, having a strong handle on biases like the sunk cost fallacy will become increasingly important. The reason? Businesses will not have as large a margin for errors as they previously had. In a new environment where disruption is happening all around you, simply staying the course can mean the end of your business.

increasing resilience to change and enabling a growth mindset

As mentioned above, the biggest impediment to success in recent digital transformations has been cultural hang-ups that reduce the willingness to take risks and experiment. As generative AI enters the picture, the ability for companies to iterate on new concepts faster than ever before will become a reality. At the same time, change for humans is inherently stressful. The unprecedented and ongoing change brought about by AI will likely impact every aspect of our working lives in short order. Therefore, **leaders will need to prepare their cultures for this new world, and that means equipping them with the skills they need to personally manage this level of change and also help others to deal with the tectonic shifts we are all about to experience.**

As business leaders know, there is currently an epidemic of burnout, which can lead to employee disengagement sometimes referred to as “quiet quitting.” If organizations do not take steps to empower employees with the skills needed to manage the stress of these massive changes, finding engaged talent will become an increasingly urgent issue.



building trust and increasing inclusion

As generative AI becomes increasingly woven into the fabric of our work lives, there will be fewer meetings and generally few interactions between humans. Where you used to rely on and communicate with other humans, workers will increasingly have access to some sort of AI copilot. In addition to that, we have already entered an era where hybrid work is commonplace, thereby limiting the number of organic in-person interactions. Trust is built one interaction at a time between two people. If we are dramatically decreasing the number of interactions that occur, this will have a negative impact on trust between team members, peers, and leaders.

This waning level of trust will then have a negative impact on the ability of teams of humans to get things done, because trust is fundamental to the psychological safety necessary for successful collaboration and innovation.

MYTH BUSTING:

Before we move on to a discussion of leaders' role in this transition, it's important to take a moment to dispel a myth that many take as truth: **that emotional intelligence cannot be developed or increased.**

It's a natural misconception since most of us have also been brought up to believe that general intelligence (how "smart" we are) is set. You basically get your allotment of intelligence when you are born and that's that. Emotional intelligence works a bit differently, and neuroscience concepts like neuroplasticity explain why.

Neuroscience tells us that the brain is much more dynamic than previously thought. It allocates resources to where the action is. So for example, if you put on a blindfold for an entire day, your brain will start to redirect brain real estate to other senses like hearing, touch, and taste. Likewise, with emotional intelligence, as you start to develop your personal awareness and awareness of others' emotions, your brain will start to increase the number of neurons that are dedicated to this skill. Quite amazing really, but the bottom line is that, like other skills, with the right kind of practice, emotional intelligence can be dramatically increased.

equip leaders with essential transition skills

The integration of AI into the workplace is a complex process that requires thoughtful planning and an understanding of the potential impact on employees, leaders, and the organization as a whole. Leaders have an essential role to play in this transition, as they are responsible for establishing an environment where employees feel secure and supported while also facilitating innovation using AI technology.

To ensure success during this transformation, it is important for leaders to possess the skills necessary to make it happen. **One of those critical skills is building trust with employees.** Unfortunately, trust in leaders is at an all-time low, and likely to go lower as AI is increasingly brought into companies to automate many routine tasks.

Gallup recently found in their Global Workplace study that only 20% of employees trust the leadership of their organizations. Similarly, DDI found in their bi-annual Leadership Forecast that only 32% of employees trust leaders to do what is right. These numbers are likely to go even lower as we see leaders within organizations stumble with the coming AI transformations.

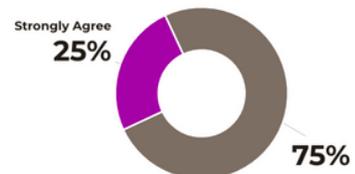


I trust the leadership of this organization (% Strongly Agree)



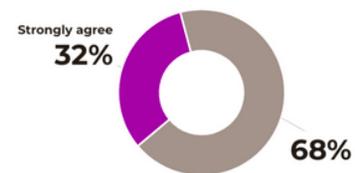
Gallup State of the Global Workplace 2023

My organization will always choose to do the right thing over an immediate profit or benefit.



Gallup State of the Global Workplace 2023

I trust senior leaders at my organization to do what is right.



DDI Leadership Forecast 2023

The fundamental fear that many employees have is that AI will partially or completely replace their jobs and make their skillsets irrelevant all while their employer does nothing to help increase or adapt their skills in a way that enables them to continue to do purposeful and valuable work. To ensure employee engagement and retention, leaders must demonstrate that they care about their employees' welfare through this transition. In demonstrating this care, leaders build essential trust that enables the growth mindsets and resilient behaviors that will empower innovation. Yet, the data seem to indicate that currently, employees are not feeling much trust in their leaders. Leaders can and should address these fears that employees have head-on. How? Recent research offers some suggestions:

- **Authenticity:** The biggest challenge for leaders is being authentic about what they know and, more importantly, what they *do not* know. Employees can sense when bravado obscures clear communication. Rather than engendering confidence in leadership, poor or lacking communication causes employees to doubt the intention and capacity of leadership. Leaders need to get comfortable with the fact that they do not know exactly how the AI transformation will unfold and be able to communicate that to employees, while assuring them that they have every interest in making sure they are equipped to handle whatever comes.
- **Connecting to Purpose:** Many leaders are aware of how their work and purpose aligns with the broader goals of the organization. However, where they often fall short is in their ability to empower their employees with the same level of connection. However those that are able to make this connection create trusting relationships with engaged employees ready to tackle the biggest challenges facing their work. Why? Because it matters to them, both professionally and personally.
- **Paint a Picture:** It is incredibly challenging for people to envision a future state. This is essentially where the fear comes from. In the absence of a positive future, we humans see the future as dark and foreboding. To create a different view of this, leaders need to help employees understand what the future with AI could look like, how they fit into it, and how it can be a positive future for them personally.

- **Become a Model of Emotional Intelligence:** In our experience, leaders cannot expect emotional intelligence from their employees when they themselves do not demonstrate it. While emotionally intelligent behavior modeled by leaders can often train the same in their employees, the opposite can be true as well, leading to a downward spiral of this essential skill. Senior leaders need to lead the way regarding prioritizing, investing in, and most importantly, demonstrating emotional intelligence skills.
- **Managing Diverse Teams:** Continuing from the previous section on the importance of diversity when it comes to developing novel solutions, leaders will need to become extremely adept at managing highly diverse teams. This will be challenging for many reasons. One is that as the diversity level of teams increases, the individual needs of the team members will become highly varied: Some team members will be extroverts; some will need high levels of routine and structure; some will prefer to think expansively and make connections between disparate topics; some will not feel comfortable speaking in a large group. Team members from different backgrounds will naturally have different opinions on things, requiring leaders to effectively facilitate agreement on a way forward. This requires new skills and techniques from leaders to manage these types of teams in a way that leads to successful outcomes. Added to that, many of these teams will be increasingly project-based in nature. In practical terms, this means groups of diverse individuals coming together for a finite period to solve a specific problem. This will put pressure on leaders to quickly galvanize the team and move it toward an outcome while managing a broad range of styles, needs, points of view, and ways of working represented on the team.

trust in leadership matters

Equipping leaders with suitable skills is key if organizations want to make a successful switchover to an AI-integrated workforce. By doing so now, organizations can set themselves up for long-term success by furnishing their leaders and teams with the tools they need to generate novel solutions using cutting-edge technologies like artificial intelligence.

strategies for sustainable AI adoption

As the integration of AI into the workplace continues to gain traction, it is essential for organizations to be prepared. To guarantee a successful transition towards an AI-powered work environment, it is important to:

1 Identify the AI business opportunities

The majority of organizations are already analyzing and experimenting with where and how AI (especially generative AI) can be integrated into their operations. This is the obvious first step—determine where to integrate it and start to experiment with doing so in well-orchestrated pilots.

2 Shift job redesign and skill development to Agile

As experiments and pilots happen, jobs will start to be redesigned to include the new ways of working. This will likely happen in an iterative fashion versus the old way of taking a lot of time upfront to do an analysis of the job, create a job description or some sort of skills profile, and then implement a training program. This old method is too slow in a digital, agile, AI world.

Take the IKEA example: customer service representatives had to learn an entirely new way of interacting with customers and with AI-powered systems. No one knew exactly how this would work because it hadn't been done before. Thus, iterative job design and continuous skill development allowed this to work at speed. With speed to market becoming one of the most important factors when it comes to competitive advantage for new AI-driven solutions, an organization's ability to operate in an agile way will become the new norm.

3

Focus on core skills first

We are about to enter a time where things will start to change faster than we have ever seen before (ChatGPT reached 1 million users in five days), and relying on an old-school, competency-based approach will be too slow and hard to manage.

The organizations that will be successful at surviving in this breakneck, dynamic environment will focus first on fundamental skills that enable innovation and ready the workforce for massive and ongoing learning and change.

This means that beyond learning how to use and interact with AI, employees will need skills that enable them to increase the effectiveness of the human-to-human interactions they have with peers and/or customers and adapt to the rapidly changing business landscape. It means equipping them with the capability to be resilient and manage the stress that comes with ongoing significant change (at levels never seen). And it means increasing their ability to join a diverse team and quickly develop trust and openness to different points of view and ways of working.

upskill your workforce for the AI future

We will not pretend to know exactly how AI integration with the workforce will unfold, and because of that we cannot lay out a step-by-step plan. However, based on the fast-moving, iterative nature of AI implementations, there are a lot of things that we can say will be necessary for organizations to be successful:

1 Take an agile learning and development approach

Learning and development professionals are great at determining what skills will be needed at the beginning of the year and laying out a programmatic design for delivering those skills to the workforce throughout the year. The problem with this is that it's too slow. Looking at the speed with which AI, particularly generative AI, will start to impact the workforce, the adaptation of learning needs is going to accelerate at an unprecedented rate. Department, business unit, and even company-wide learning needs will continually evolve as AI is piloted and implemented and skill development needs are identified.

This means it will be more effective to plan for learning needs in a six-week timeframe rather than the usual six-month or 12-month timeframe.

2 Assess both technical skills and social and emotional intelligence skills

Companies who over-rely on the technical skill area and do not evaluate the needs on the social and emotional intelligence side will fall behind. We recommend conducting some level of needs assessment for both when integrating AI into the workforce. The needs assessment will help you to pinpoint areas of concern and allow you to focus your investments and efforts in a balanced fashion. Plan to re-assess in an ongoing manner and use the results to iterate on the learning offerings provided.

3

Model the integration of AI in learning and development

As AI starts to become increasingly integrated into the workplace, learning and development becomes a primary use case for our suggested blend of generative AI and human-centered skills. Learning and development teams should start to model things like using diverse teams to create innovative learning programs and designs that can connect broad and diverse populations of employees.

4

Create an integrated learning design

The best learning programs will have an integrated approach that shows alignment between the topics and courses that are delivered to employees. This is in contrast to doing a range of different disparate learning events without any connections made between how the new skills will be used in combination to achieve organizational outcomes.

5

Offer diverse and accessible learning options

As we look at the importance of diversity for companies that want to fully leverage the value that humans will continue to offer, it's important to realize that individual differences matter when you want to get the most value from learning and development programs.

A diverse population of employees means a range of learning styles: some will respond better to visual learning, some will prefer more or less social interaction, some will prefer learning in an audio format, some will want the flexibility of online learning, and some will prefer to be in person. The ability of learning and development departments to model the skills required to manage diversity in their own area will be critical.

6

Measure . . . and measure again

The key to an effective agile process is always measurement. Did the learning and development solution have a positive effect on the speed with which important problems are identified? Did it accelerate the speed with which a solution was determined? Did it result in more highly differentiated solutions? Did it give employees the skills they need to be better able to weather the high degree of change and uncertainty?

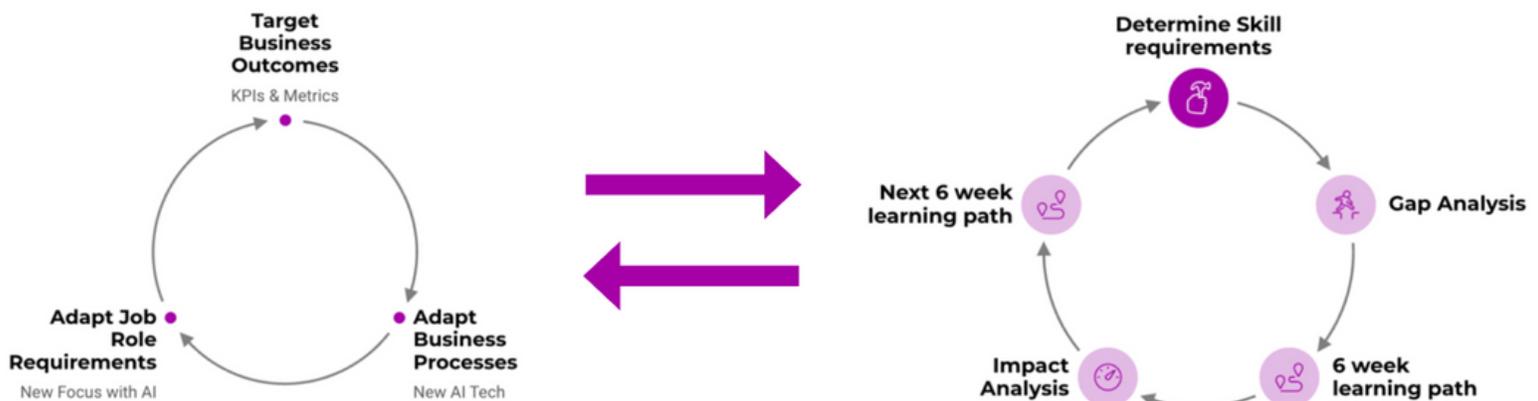
If you can't answer these questions with evidence, then there is no way that you will be able to adapt your learning and development programs fast enough to keep up.



Ultimately, it is critical to have access to the right partners when transitioning your workforce into an AI-driven workplace. Depending on what skills are needed, it will be difficult to find one partner who does it all. For example, companies might be transitioning to an agile way of working, training employees on how to work with new AI tools, and increasing the social and emotional intelligence of both employees and leaders. In this type of scenario, organizations will likely need to find partners who specialize in each of these areas and who are willing to work together to create a comprehensive, integrated approach to delivering the skill development program design. By using this best-in-class partner ecosystem approach, organizational leaders can ensure that they can deliver upskilling programs that will cover the skills necessary for success while showing a clear linkage back to the business outcomes that represent success for the AI initiative.

tools for transitioning to an AI-integrated workforce

Taking an agile leadership and workforce skill development approach means doing shorter learning and development cycles. This allows organizations to deliver a targeted set of skills, determine if they are having a measurable effect on the desired outcomes, and then adjust and deliver another iteration of skills development. The companies who can master this will be way ahead in the AI game. Here's how that works in practice:



The diagram above illustrates that as business outcomes and processes evolve quickly, the workforce and leadership skills need to evolve quickly as well. To do this, organizations will need to start looking at what outcomes they want to try to achieve as they implement AI. There are naturally lots of efficiencies to be gained, but the more successful organizations will focus on how they can differentiate themselves. In the IKEA example they didn't just reduce the amount of customer service that employees had to handle. They redirected the human customer-service capabilities towards a new value-added and differentiated service that increased their top line significantly. A completely new service like this can only be accomplished through rapid experimentation and continuously adapting to what skills are needed.

Moving to a more agile, iterative, workforce upskilling approach can be challenging. At most companies, learning and development programs are determined before the start of the new fiscal year and run anywhere from six to twelve months in length. The problem with this in a rapidly changing business environment (and one that is increasingly operating in an iterative agile format) is that it's too slow and too risky. It also typically lacks personalization for learners, which is critical to the relevance and value of the learning that is being provided.

determining business needs and outcomes

One of the challenging things about the speed with which AI is entering the business world is that it's hard to know what will happen. The ambiguity level is rising daily as things evolve. This again, underscores the need for iterative business processes. Business leaders will start to look at where AI can create value within the organization, and learning and development professionals will need to translate that vision into upskilling needs. The good news is that by focusing on core skills like emotional intelligence, psychological safety, growth mindset, resilience, and flexibility, you can prepare the workforce for most of what the AI transformation will bring. Let's look at some common business challenges and how AI, EI, and technical skill requirements relate to these:

business challenge with AI	EI skills	technical skills
Customer Satisfaction and Retention: AI-driven customer service can improve responsiveness but may affect customer relationships due to lack of personal interaction.	<ul style="list-style-type: none"> • Empathetic listening • Psychological safety 	<ul style="list-style-type: none"> • AI copilot skills • Customer solution building
Supply Chain Management: AI enhances supply chain efficiency but can be disrupted by data inaccuracies and requires significant investment.	<ul style="list-style-type: none"> • Focused attention • Awareness of bias in decision making 	<ul style="list-style-type: none"> • Data analysis • Strategic thinking
Product Innovation: AI accelerates innovation cycles but can create dependency and potentially stifle creativity.	<ul style="list-style-type: none"> • Psychological safety • Inclusion • Customer empathy 	<ul style="list-style-type: none"> • Design thinking • Data analysis • AI prototyping and modeling
Market Expansion: AI aids in analyzing global markets but poses challenges in determining how to differentiate within various markets and market segments.	<ul style="list-style-type: none"> • Awareness of bias in decision-making • Customer empathy 	<ul style="list-style-type: none"> • AI competitive analysis • Data analysis • AI market expansion modeling
Scaling Operations: AI optimizes scalability but increases complexity in managing human-machine collaboration.	<ul style="list-style-type: none"> • Growth mindset • Resilience 	<ul style="list-style-type: none"> • AI copilot use
Technological Adaptation: While AI fosters technological adaptation, it necessitates continual learning and adaptation from employees.	<ul style="list-style-type: none"> • Growth mindset • Resilience • Flexibility/adaptability 	<ul style="list-style-type: none"> • Using AI as a learning partner
Regulatory Compliance: AI can ensure better compliance through real-time monitoring but introduces new regulatory challenges related to data privacy and usage.	<ul style="list-style-type: none"> • Awareness of bias in decision making • Focused attention 	<ul style="list-style-type: none"> • AI data privacy regulations

evaluating skill needs and gaps

Once the organization has an initial idea of what existing job responsibilities the AI tools will start to take on or augment, then it's time to figure out what new skills will be needed for human employees and how to best accomplish that upskilling. It's important to note that because things will be changing quickly, directionally correct gap analysis information is more valuable than trying to create the most rigorous approach. Let's walk through a step-by-step approach to doing this.

step	description and activities
Identify business challenges	<ul style="list-style-type: none"> • Talk to business leaders about what challenges they think they need to address in the next six months. • How are they thinking about deploying AI or new business processes like Agile to ready the organization for the integration of AI?
Consider job changes	<ul style="list-style-type: none"> • How are jobs likely to change based on these strategies over the next six months?
Identify needed skills	<ul style="list-style-type: none"> • Based on this, what skills are needed? • Consider both EI and technical AI-related skills. • Also consider new technical skills outside of AI (e.g. IKEA teaching customer service reps to be interior-design consultants). • Make a list of EI, AI, and other skills that you think will be relevant and confirm with the business leaders.
Readiness evaluation	<ul style="list-style-type: none"> • Survey leaders of individuals who will be affected by the changes to the business. • How much and to what degree do these skills currently exist on their teams? • This can be as simple as a quick survey to the leaders of the teams. • This can also serve as your pre-training assessment.
Design the program and get budget approval	<ul style="list-style-type: none"> • Define what you want the outcomes of the program to be. • Establish alignment to the AI transformation needs of the business. • Configure your training program to meet those objectives. • Keep it to a shorter time frame of 6-12 weeks, maximum.
Complete a post-assessment and re-evaluate	<ul style="list-style-type: none"> • Conduct a post-assessment via survey to determine if you've moved the needle on the readiness of the learners. • Determine what is needed next to continue to increase confidence and advance and sustain the skills. • Configure your next 6-12-week dose of learning. • Rinse and repeat.

where to focus as you get started

Moving to an AI-integrated work environment can be a challenging and intimidating prospect for any organization. To make the process smoother and ensure success, it is essential to have access to the correct tools and resources. The days of having time to update and revise a competency model based on changing business needs are essentially gone.

Successful organizations will equip their employees with core power skills like emotional intelligence, which will help workers continually adapt to change, increase innovation, increase awareness of bias in decision-making, and increase the effectiveness of increasingly limited interactions with customers and coworkers.

SIY Global provides a range of programs designed to provide team leaders and members with the aptitudes required to successfully implement this transition. Not only does this include emotional intelligence, but it also covers resilience, inclusion strategies, growth mindset, and psychological safety, all of which are necessary for teams to benefit from AI developments.

The tools and techniques that SIY Global provides are backed by neuroscience and enable leaders and employees to increase their skill level in all of the aforementioned areas. While many training providers talk about the importance of concepts like emotional intelligence, few have developed proven, science-based practices for increasing the capability at a practical level. We also have a track record for working with some of the most successful technology companies on the planet and have enabled their workforces to achieve new levels of innovation and high performance.

 **Contact us today for a consultation on how we can help you with enabling and accelerating your AI transformation journey.**

humanize work,
deliver results.



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