People-centric prioritisation: a new formula for AI-enabled performance

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To learn more about how EY and Microsoft 365 Copilot can support your business, contact our team today.

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Setting the scene

When it comes to conversations around AI, senior leaders are increasingly focussed on productivity. And with studies being published all the time showcasing the positive impact of AI on workforce output – research published by EY and Liberty Global indicates that AI could add additional productive capacity equivalent to 9.8 million workers in the UK alone[1] – it's no surprise that senior leaders are investigating and investing in AI use-cases to boost work output.

AI is predicted to have a significant, if not transformative, impact on productivity in the UK. EY research indicates that 46% of all jobs in the UK could be complemented by AI[2] and potentially create additional productivity equivalent to $7 trillion in wages.

Whilst the possible gains to productive output are substantial- and undoubtedly tantalising for senior leaders – there's little denying that AI will also have a profound impact on ways of working and impact to employees. AI won't just affect how much work is completed and how it is completed but, importantly, the cultural and behavioural shifts surrounding AI enhanced performance.

In this report, we'll discuss the intersection of wellbeing and productivity and how senior leaders, keen to realise the full benefits of AI and Generative AI technologies, can do so by investing in a workforce-first strategy.

How is AI impacting productivity?

Implemented effectively, AI could add

9.8 million
workers to the UK workforce

Create additional productivity equivalent to

$7 trillion in wages globally

46% of UK jobs could be complemented by AI

Chapter one:
Can AI improve workforce experience in 2024?

Amidst growing pressure from senior leaders to enhance work output, the workforce is also grappling with an increasingly turbulent job market. At time of writing, the UK labour market is more unsure than ever: findings from the recent EY 2024 CEO Outlook survey[3] indicate that 96% of UK leaders are considering restructures or hiring freezes, a reduced focus on learning and development and a move from permanent to contract workers.

Research published by Microsoft and LinkedIn in their joint 2024 Work Index[4] also shows that 68% of workers already feel unable to keep up with the pace of work volume and 46% of professionals feel burnt out.

With workforce morale lower than ever — findings by Gallup tell us[5] that only 34% of the workforce feel like they are thriving at work — it's essential that senior leaders re-focus their innovation efforts to improve feelings of security and belonging in the workplace to prevent talent attrition and burnout. Within the context of Gen AI, leaders should evaluate how new technologies can be deployed to support teams to manage their workload and output and increase overall enjoyment at work. Otherwise, leaders risk depleting morale even further — as professionals fear Gen AI will increase output expectations, make their role redundant or — the worst of all outcomes — stifle productivity as workers feel forced to incorporate tech that doesn't add value.

Practically, tools and technologies that promise to reduce the administrative overload of work, such as Microsoft 365 Copilot, can be instrumental in enhancing morale by releasing some capacity and allowing organisations to give the workforce time back to deliver, learn and thrive.
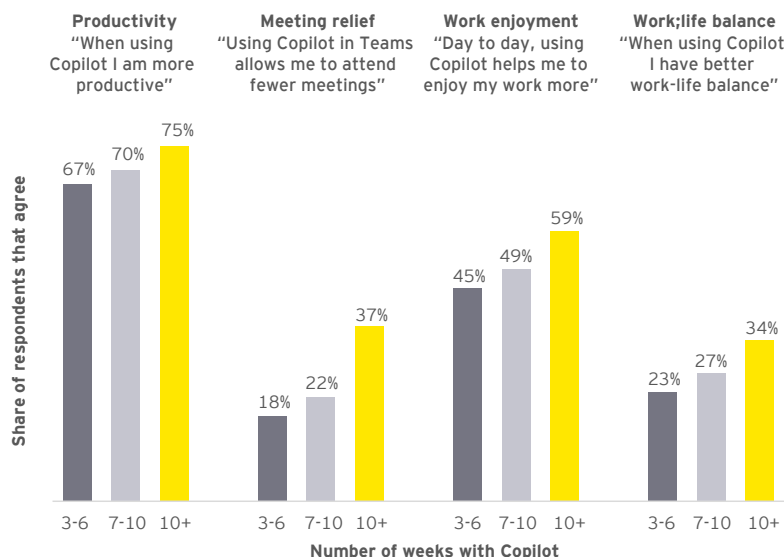
Chapter two:
Generative AI boosted productivity and the promise of better wellbeing

Whilst enthusiasm over Gen AI adoption reigns, findings by Microsoft show that although 79% of business leaders believe AI is imperative to remaining competitive, 59% of leaders don't know how to quantify those productivity gains.[6]

Although AI use-cases often focus on outputs as an indicator of success, it's also important to recognise that Gen AI can first be instrumental in improving internal experience, which in turn can transform quality of output. Although external outputs may be the initial priority, positive work cultures can have a huge impact on performance that outstrip the purported benefits of using AI for specific use cases.

Indeed, research published by the University of Oxford reminds us that happiness at work is a crucial ingredient to better output; when happy, workers were 13% more productive.[7] Given the spiky talent landscape in which teams are operating, and the rise of talent attrition[8], leaders should rejoice that AI can also help improve enjoyment at work as well as speed up workflows.

In the same study conducted by Microsoft[9], research teams found that Gen AI, when used routinely, can have positive impacts on workforce experience. As a result of continuous usage, defined as 11 weeks of using AI for 11 minutes every day – in as quickly as a quarter, 75% of colleagues noted an increase in productivity, 57% saw a rise in work enjoyment and 34% said they had a better work-life balance.

Productivity
"When using Copilot I am more productive"

Meeting relief
"Using Copilot in Teams allows me to attend fewer meetings"

Work enjoyment
"Day to day, using Copilot helps me to enjoy my work more"

Work;life balance
"When using Copilot I have better work-life balance"

Share of respondents that agree

Number of weeks with Copilot

To realise the full benefits, leaders might be wise to first consider: how can Gen AI make my teams happier? By starting there, not only will beneficial use cases spring to mind but so too will a connected AI strategy. And by considering the holistic benefits of AI in connection with each other, rather than as siloed enhancements that can be cherry-picked at will, leaders can nurture a culture of performance that's underpinned by wellbeing.

But senior leaders must lead from the front, and role model the behaviours they are trying to cultivate in their teams. The majority of the workforce take their cues on behaviour from senior leaders, so it's essential that the leadership team also changes their patterns of work, and integrates Gen AI into their day-to-day tasks. By taking time to proactively demonstrate the benefits of these tools to unlock extra time, to recharge, and upskill, leaders can nurture a culture where speed of output is accelerated, trust is improved, and work enjoyment soars.

Chapter three:
People-centric change

Whilst Generative AI is touted as a transformative technology, revolutionising productivity, leaders can't hope for a miraculous culture change to happen overnight. For Gen AI to have the desired impact, leaders must collaborate with the workforce to ensure effective deployment.

Putting the workforce at the heart of innovation efforts is a well-established tactic for transformation success and can provide crucial clarity over the path forward. In research by EY and Oxford University, Saïd Business School[10], putting people at the centre of transformation efforts can increase transformation success by 2.6x.

Whilst Generative AI does not take the form of a traditional organisational transformation, the ramifications of Gen AI, in how colleagues complete work, team, interact with the technology and engage with clients, will still be radical. As a result, leaders must approach transformation carefully to ensure true value can be realised. Scaling adoption with individuality in mind

How can your business put humans at the centre of change?

Purposeful vision
Disrupt the status quo by looking elsewhere to challenge your thinking. Build belief by communicating 'why' change is needed.

Make it real with technology
Use technology to bring the vision to life. Make it real – quickly – and invest in your people to develop the required mindsets and skills.

Adaptive leadership
Leaders who lean in, are constantly working on themselves, and emphasise 'we' not 'me'.

2.6x
How much the right conditions improve the chances of a successful transformation (from 28% to 73%)

Disciplined freedom
Create autonomy for the organisation to experiement and execute. Incentivise this shift and accept that the pace of progress will ebb and flow.

Psychological safety
Plan for the emotional journey. Create conditions where people can speak up and manage stress to drive urgency, not anxiety.

Collaboration
Co-create new ways of working and foster for connectivity and creativity.

Scaling adoption with individuality in mind

When deploying tools such as Microsoft Copilot, it's essential that leaders remain responsive to the individuality of their workforce. Whilst the majority of the workforce is keen to use AI, training will be essential to build the kind of workforce capable of using AI to its full potential.

In Microsoft's 2024 Work Trend Index[11], they reported that AI power users are 37% more likely to work for a company with an AI training programme, demonstrating that adoption isn't just about interest or enthusiasm, but about providing dedicated development opportunities to stay up-to-date and progress. For senior leaders, this means that interest in AI must be translated into their employee value proposition, providing comprehensive training programmes that give individuals opportunities to upskill on Gen AI, rather than 'figure it out' in their day-to-day work.

Individual preferences will also be a governing factor when it comes to the extent to which Generative AI is deployed and how it is used in day-to-day activity. On a micro level, this will include the prompts that individuals provide Generative AI tools, and encouraging individuals to invest time in working with AI to understand how to improve responses. The key for senior leaders is identifying and aligning the processes and activities of the individual with the capabilities of the technology. This will shorten the time spent to realise value and make use of AI second nature.

Persona Mapping and the importance of diversity, equity and inclusion

Scaling Gen AI adoption must be fuelled by an understanding, and appreciation, of neural diversity and the role of inclusion and accessibility. By investing time understanding your people and circles of influence in your business, not only will you have a greater understanding of the opportunities and use-cases in your business but be more informed as to the barriers that could stand in the way of adoption.

When considering how new technologies can be inducted into your business, it's not simply a matter of defining the job functions that will be impacted, but about understanding communities and the individuals that comprise them. By doing so, your organisation will be able to create comprehensive personas that build a picture of the type of person who will be using Gen AI, from sceptics to champions, their priorities, challenges, and interests.

For example, many organisations are seeing positive strides forwards to greater inclusion of neurodiverse colleagues through the application of Generative AI technologies. For instance, LLMs can play a significant role in helping to distil long texts (emails, messages and more) to reduce cognitive overload for neurodivergent employees. Other AI technologies have been employed to create 3D avatars to support non-verbal individuals to communicate with other members of the team.

Whilst AI technologies are currently focussed on assistive functions[12], Gen AI could be instrumental in realising true inclusion – and improved performance – by empowering neurodiverse professionals to approach tasks and challenges in their own unique way, without having to assimilate to existing corporate structures and behaviours.

Upskilling teams and creating power users

Research by Microsoft reveals a spectrum of AI use at work[13] – from naysayers who rarely use AI to 'power users' who use it extensively, and who have built a rapport with the technology. Whilst winning over skeptics is an important aspect of AI adoption, first focus on helping power users flourish.

Not only can power users boost their own productivity and output but they can have a positive impact on those around them. By showcasing their increased creativity, more manageable workload and motivation, power users act as living and breathing case studies for change, demonstrating in real-time how AI can have a positive effect on their work life.

What makes a power user?

Power users are more likely to frequently ...

+30%
▶ Keep trying if they don't get the perfect response the first time

+68%
▶ Experiment with different ways of using AI

+56%
▶ Reserach and try new prompts

85%
▶ Power users also bookend their day with AI – using it to start their day and get ready for the next one

Power users leverage AI across their role They are more likely to use AI to:

+56%
▶ Catch up on missed meetings

+51%
▶ Analyse information

+37%
▶ Brainstorm or problem-solve

+49%
▶ Design visual content

+66%
▶ Redesign business processes and workflows with AI

Creating networks or communities of super users will be a powerful tool in supporting the roll out of new generative AI technologies. By bringing teams together, who share workflows use cases can be refined and improved in real-time, and best practice brought to life. As power user communities help to co-create solutions with the business, based on first-hand experiences using the technology, not only can these groups help realise business value faster, but empower peer-to-peer support that embeds AI in your departments faster.

As a result, senior leaders should reconsider rolling out individual licenses to new Gen AI technologies on an ad-hoc basis, and instead release them in clusters, so that colleagues can provide their feedback and work together to unlock value, rather than in siloes.

Case Study

How can Microsoft 365 Copilot boost productivity?

In a recent engagement with a global insurance provider, EY teams worked to support the company to induct Microsoft 365 Copilot into their operations, helping the workforce to engage with the technology, and providing a roadmap for leaders to understand workforce sentiment surrounding the tech.

Alongside developing use-cases for the technology, EY teams helped the organisation to define and implement KPIs that put humans at the centre of AI innovation efforts, measurements that tracked workforce sentiment and persona mapping to identify areas of potential value and barriers to adoption.

To help the global insurance provider understand the impact of Microsoft 365 Copilot on their teams, EY colleagues defined return on investment using uniquely human metrics. These included: productivity, creativity, collaboration, wellbeing and learning, measuring the impact of Microsoft 365 Copilot through quantitative and qualitative data capture, such as staff surveys.

By doing so, EY teams helped the business capture crucial insights that helped accelerate adoption of the technology, getting real-time feedback from different persona groups as to how useful they found Microsoft 365 Copilot and the benefits to their work.

As a result of this human-centric effort, the global insurance provider was able to realise gains in productivity, creativity and wellbeing faster and deploy a collaborative approach to AI innovation that met the needs of senior leaders whilst being responsive to the needs of the workforce.

Conclusion

Combining the dual powers of Generative AI to enhance productivity and improve staff wellbeing will be essential for senior leaders to unlock the full benefits within their organisations. By prioritising human-centric innovation, not only will new AI technologies meet the needs of the workforce, and therefore be integrated much faster, but your organisation will be able to radically improve employee wellbeing, reduce attrition, and enhance the quality of output.

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