



Building a better
working world

How will humans@centre transform your outcomes?

Leading into a GenAI future



The better the question. The better the answer.
The better the world works.



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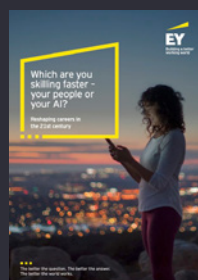
Introduction

In the first paper in our series, we discussed a short history of the evolution of technology, its impact on society, the lessons learnt, as well as the opportunities and challenges new technologies present, particularly their impact on people and work.



Will AI change the world for good, or just change it?

In the third paper, we looked at how GenAI can transform learning and asked the question, how do you help people learn AI at the speed of AI? We considered the practical approaches organisations can take now, next and beyond to ensure they remain competitive in this volatile market.



Which are you skilling faster - your people or your AI?

In the second paper, we outlined the scale and nature of task and job disruption that GenAI will present and concluded that the complexity and sequencing of this change is going to be hard to navigate but we cannot sit on the sidelines and wait to see what happens.



How can you prepare now for the work of the future?

In this paper, we take a step back and reflect on the overarching transformation journey that comes with the adoption of GenAI technology across organisations. Anchored around our Humans@Centre research, we outline a framework for organisations to consider as they navigate the opportunities and challenges of GenAI.



How will Humans@Centre transform your outcomes?

The Opportunity: Leading transformation

Research by EY teams and Oxford University Saïd Business School found that giving specific focus to a series of human factors can increase the probability of success of transformations to more than 70%.

[Click here for Humans@Centre of Transformation research](#)

The **six factors**, drawing on leadership capability, provide a contemporary and proven framework to guide our response to GenAI disruption.

Inspire

Create a vision that everyone can believe in

Lead

Adapt and nurture the necessary (digital) leadership skills

Care

Build a culture that embraces and encourages everyone's opinion

Empower

Set clear responsibilities and be prepared for change

Build

Use technology and capabilities to drive visible action quickly

Collaborate

Find the best ways to connect and co-create

These factors highlight the importance of keeping humans at the centre of all transformations. The transformation that GenAI is driving has the potential to seismically impact the human experience so attention to its impact on people is not negotiable.



Factor 1 – Inspire:

Create a vision that everyone can believe in

The vision must:

- ▶ Act as the cornerstone of the program, to excite people about the change ahead and engage in a shared mission.
- ▶ Be both rational and emotional, appealing to the head as well as the heart.
- ▶ Acknowledge ethical challenges and lay the foundation for an aligned approach to keeping shared ethics at the core.



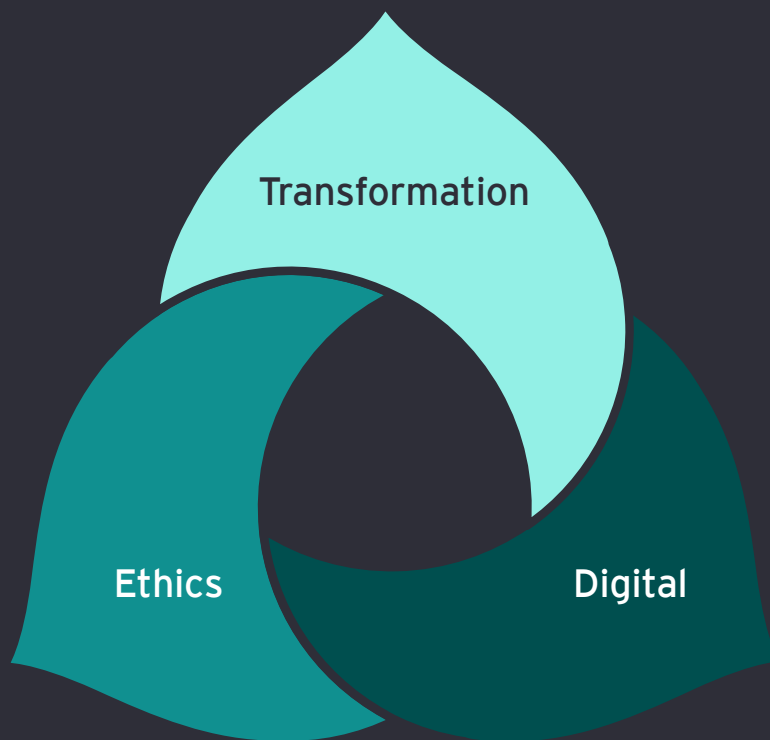
Galvanising people behind a vision of a GenAI Future will require leaders to communicate a compelling 'why?'. GenAI offers real and exciting benefits to people in their daily working lives and beyond, so it is not difficult to generate a sense of excitement of what is to come, and to encourage people to actively engage with the technologies.

However, there is the downside that must be managed, the unknown impact on people's employment prospects in the medium to longer term, the likelihood of continuing change and uncertainty will be disruptive for many.

The challenge is to create a vision which realistically communicates the opportunities and benefits while giving equal attention to managing downside impacts and uncertainty.

This will be achieved by a vision which is compelling and engaging, speaking to the heart, but also pragmatic. It must readily translate to an understanding of what will change, when and why, and what support will be provided. Leaders will not be able to deliver this by themselves, successful leaders are the ones who are able to find others across their organisations and beyond to help craft such a vision.

A vision for a GenAI future that is true to espoused ethics, underpins more dynamic and complex transformation, and sets the course to integrate and optimise digital innovation presents a new level of challenge for leaders. These three forces must be considered in the framing of the vision and understood at both the organisation level and within functions.



Transformation dependencies

How far and fast can we change to create value through GenAI technologies? How does this tie into our current transformation objectives?

Digital dependencies

What is technology making possible now? How do we translate rapidly evolving technological developments into offerings and services?

Ethical dependencies

How much of what is possible is also acceptable? Not everything that is possible will align with an organisation's mission, values, and ethics, so what do leaders need in place to qualify GenAI developments?

The tension that these forces represent will often be divergent, pulling the organisation in different directions. This will require leaders to be skilled decision-makers who are able to navigate ambiguity. They must be capable of effective communication and able to reflect this in their vision for GenAI.

To INSPIRE the future of GenAI, leaders should implement:

- ▶ The compelling GenAI vision that aligns with and advances the broader organisational strategy and goals.
- ▶ The ethical guidelines needed to govern the use of GenAI in the workplace, while allowing for experimentation and action.
- ▶ The alignment of the operating model needed to allow the organisation to recognise the benefits of GenAI.

Factor 2 – Lead:

Adapt and nurture the necessary (digital) leadership skills

Critical to leadership in the GenAI era

- ▶ The right team with a good mix of technical skills and leadership capability.
- ▶ Leaders who are aligned in their belief of the possibilities of the digital future.
- ▶ Leaders who are there for the team and lean in when the going gets tough.



GenAI can transform the way leadership teams operate in new and exciting ways. They can work together on a future blueprint that shows how GenAI supports the vision and intersects with their business, employees, and customers.

With the speed of opportunity and risk that GenAI presents, leaders need to deploy the relevant technologies quickly, as well as guide their customers and people through the resulting change. They are confronted with wicked choices,

at one end of the spectrum speeding ahead with few limits applied to gain market advantage through the new technologies, and at the other slowing the pace to carefully consider risk and to develop shared ethical standards, supporting policies, and processes.

To do this effectively, leaders must strive to develop in new ways to meet the fast-paced opportunities that GenAI presents. Self-awareness and the ability to transform at a personal level is a critical characteristic for this generation of leaders.

Leaders of a GenAI future will need:

Technical fluency: Leaders do not all need to be experts in GenAI, but they do need to have a reasonable understanding of the technologies, the related opportunities, the risks and be supported by experts.

To be learners: Given the rate of technology development, leaders need to be ferocious learners, actively seeking ways to develop and learn. They must also be comfortable with a position of 'not knowing'.

Commitment to uphold espoused ethics: Driven by the concerns around new ethical challenges that GenAI presents, leaders can no longer rely on their existing ethical frameworks. Increasingly business decisions will need to be grounded in an ethical foundation that goes beyond 'passing the pub test.' Leaders must take time to reflect on their personal motivations and values and how these influence the organisation and its people.



The ability to optimise productivity across people and technology: GenAI will blur the line between the two, as it evolves it will both augment and replace tasks and jobs. Leaders must have a clear view of this progression and work closely with their people team to develop integrated capability plans that incorporate the skills of both humans and machines.

Adaptive governance: GenAI delivers new risks that will challenge most governance systems, leaders need to monitor the evolution of technology related risks and adapt governance to address these.

Strategy and transformational capability: Leaders need to be equipped to manage dynamic change, while also simultaneously designing, monitoring, and adjusting multi-year strategy.

Adaptability: There is a technical aspect to this challenge, leaders need to understand the technology and what it can do, and to recognise the rapid pace of evolution. This demands leaders to be open and curious, to learn and engage as the environment changes around them.

To LEAD this GenAI transformation:

- Read, listen, write, and actualise to understand the implications of GenAI.
- Allocate time to begin their own personal transformational journey.
- Establish a defined GenAI team with a diverse range of knowledge and capabilities and if necessary, engage an external coach to provide additional insight.

Factor 3 – Care:

Foster a culture that embraces and encourages everyone's opinion

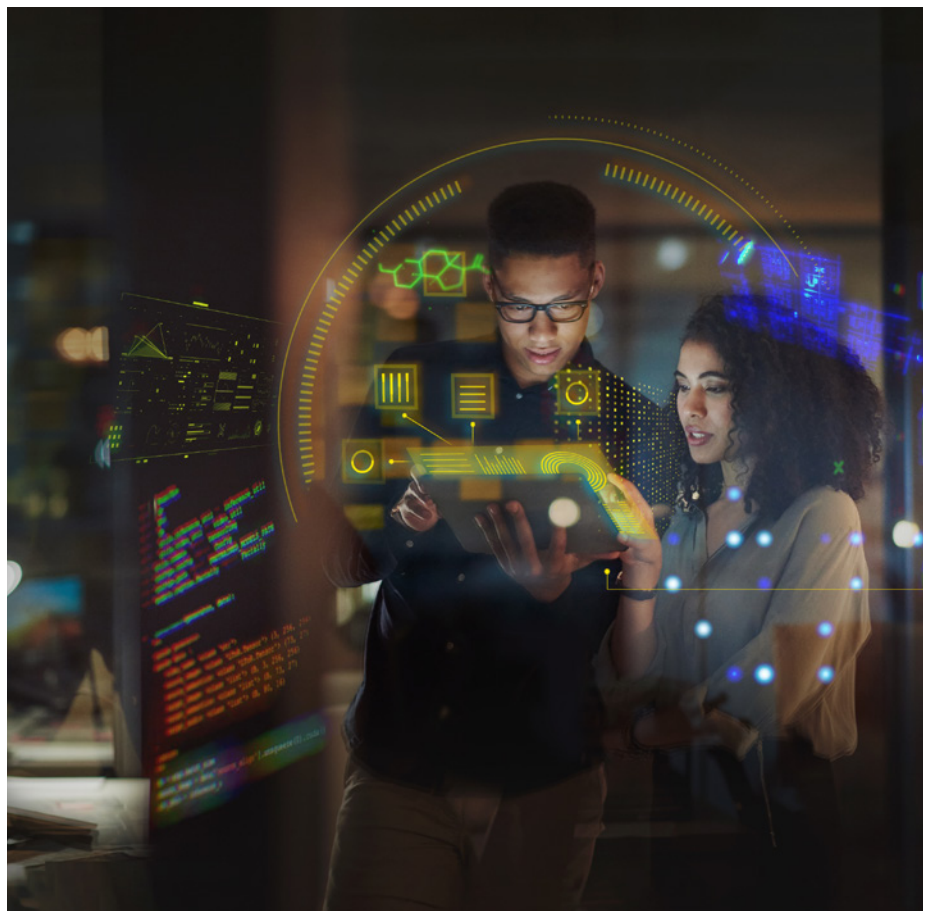
Organisations demonstrate care for their people by purposefully creating a place where:

- ▶ All can have their say.
- ▶ People feel valued and safe.
- ▶ Open communication is championed and rewarded.

A commitment to humans at the centre, and the ability to foster engagement, curiosity and experimentation requires leaders to purposefully craft an internal organisational environment where there is a high degree of psychological safety.

GenAI is creating unprecedented opportunities for individuals to express their views and to be heard by their employers - which can contribute to an organisation's effective transformation.

Leaders face the challenge of ensuring that GenAI advances the voices of all, not just furthering the views of a few, or particularly of those who create and manage the technology. To better enable all perspectives, leaders must invite minority voices into the conversation, and structure and foster an environment where people trust that their 'speaking up' will be recognised favourably.



Leaders can set this tone of inclusion through informal and formal means. Informally, leaders need to appreciate that 'speaking up' is challenging depending on the individual's position in the organisational hierarchy, their social power and cultural background. Seeking out feedback explicitly from all groups, making time to talk one on one, developing trusting relationships

wherein leaders 'do what they say they're going to do' is critical in building safer spaces.

One of the swiftest ways to dampen the desire to provide inputs is when leaders appear to 'hear you', directly in conversation or indirectly through receipt of engagement or culture survey inputs, and then fail to act.

Ultimately, leaders need to work to reduce employee fears that their acceptance, inclusion and standing in the organisation or their position will be threatened by 'speaking up'.

More formal avenues for expressing one's views are also required, particularly for those whose cultural norms mean they are far less likely to speak directly to their seniors. To cater for all orientations, opportunities for providing input, feedback, and expressing emotional responses to leadership decisions need to be varied, ranging from anonymous and secure digitally enabled avenues, through to face-to-face opportunities with leadership, irrespective of their role in organisation.

To strengthen a psychologically safe culture and to further encourage participation, leaders need to respond and to be seen to respond to employee expressions and feedback. By providing no perceptible action in response to feedback, employees lose faith in the process, can become despondent, disengage from the transformation activities and at worst can act to sabotage change efforts. Timely responses to feedback are critical, even if that means providing a response as to why no action was taken.

To build an environment of CARE:

- ▶ Practice psychological safety behaviours by including diverse voices, taking action on feedback and providing rationale for decisions.
- ▶ Pursue a multi-channel strategy to promote effective communication and dialogue with all members of the organisation.
- ▶ Explore how GenAI tools can help to listen to the workforce in ways that encourage contribution and communicate the ethical guidelines being used.



Factor 4 - Empower:

Set clear responsibilities and be prepared for change

Leaders need to manage the tension between the increasing autonomy GenAI delivers while maintaining relevant controls to balance risk. This requires:

- ▶ An effective PMO leading the transformation which focuses on the people and technology implications in equal measure.
- ▶ Clear delegation, allowing the space where people can test and learn, and course correct the program as needed.
- ▶ Learning and experimentation, celebrating 'good' failure (e.g. testing new ideas, learning from failure).

To build an environment which EMPOWERS:

- ▶ Assess the current governance, decision-making and hierarchy of the organisation and determine how ready it is to enable empowerment and delegated authority.
- ▶ Identify where in the organisation the appetite for change, transformation, curiosity and willingness to test and learn exists and select these as initial pilot sites.
- ▶ Challenge the status quo - we own the structures and systems we work within and have the power to change them.



GenAI can both empower and disempower - it has the potential to enable new ways of working, and allocate responsibilities and provide feedback and support in real time. At the same time, it can be used to closely monitor or control an individual's contribution. The cultural impact of this can span from enabling innovation and experimentation where failure is understood as a stepping stone to success right through to driving low levels of trust in how the technology is being used.

Supporting the navigation and acceptance of the change that GenAI will deliver requires an environment where it is safe to experiment and to take risks, and that promotes learning and open communication. Leaders must find ways to delegate authority as far they can, while maintaining effective controls. This will require centralised accountability and resourcing to deliver clear guiding principles and policies, while

at the same time listening, learning, understanding what is working, where, and embedding success.

Transformations are in essence a learning process, whereby leaders must find a balance between setting clear expectations and creating the opportunities for teams to experiment and develop new ways of working while steering efforts in line with the organisation's strategic direction and managing the associated risks.

Factor 5 – Build:

Purposefully embrace GenAI technology

Many businesses no longer exist because they failed to recognise and capitalise on major shifts in technology. The current burst of GenAI solutions is one of those points in time, so it is important that:

- ▶ Technology tangibly supports the organisational strategy and purpose. GenAI unleashes a new era of potential, but it is an enabler, not the vision.
- ▶ Technology is brought to life quickly; the speed of evolution must be matched by the speed of innovation and application if the opportunity is to be captured.
- ▶ People must be encouraged to see their future linked to the new technology, to engage with, and apply the new technologies, and be provided with the opportunity to develop new skills.

As we outlined in a previous paper, we are relatively complacent about how technology will impact our jobs, as job impact often perceived to be happening somewhere else. This is in strong contrast with the reality most will experience. For that reason, leaders will have to focus on capability, skill building and open communication about the use of GenAI in the organisation, so that workers are fully informed of the implications. Ideally, this includes giving workers access to new technology as early as possible, even if it is not yet fully formed, so they understand the impact it can have on their roles.

One of the most critical factors of transformation success is giving people the opportunity to experience the new technology, a new way of working or the changes to their working day as quickly as we can. Leaders of GenAI transformation will need to give people the opportunity to use the tools as quickly as is viable, within the ethical guidelines they have established.

This way, opportunities for productivity and efficiency gains are identified and maximised early, people feel included in the transformation and are more willing to stay connected over time and the organisation is building the transformation muscle it needs to continue to adapt and evolve.



To purposefully embrace technology and BUILD transformation capability:

- ▶ Identify and generate actionable use cases and tie additional funding to further use case creation so as many people as possible can get involved with the technology.
- ▶ Give people the opportunity to learn and train themselves in how to use the technology and apply it to their work – building their own skills and the capability of the organisation.
- ▶ Monitor both the emotional and rational feedback to GenAI as people experience it – both their experience and how the technology works.

Factor 6 – Collaborate:

Create radical interdependence across siloes in the organisation

All transformations aspire to extend and strengthen horizontal connections to break down siloes and drive value across an organisation, but this is often left to chance. To purposefully drive collaboration:

- ▶ Deliberately design horizontal working into the new operating model.
- ▶ Align incentives to support and reward collaboration.
- ▶ Co-design new ways of working to capture innovation and strengthen engagement.



When the world as we knew it was blown apart by the pandemic, the shift to a virtual working happened overnight. There was no choice, and no one was an expert in how to make it work. Over the following months, teams refined their ways of working in this virtual state by listening, learning, innovating, and adapting. While it drove people apart physically, it brought them together through a shared imperative and experience.

Some of the best insights can be drawn from the most dramatic experiences and this is true of COVID-19. It highlighted the power of a clear and a common imperative, it also demonstrated the ability to transform in the face of a shared threat, to realise opportunities that in the past were only aspirational.

As GenAI is developing so quickly, we need to realise a similar ability to collaborate and connect, to stay current with the technologies and how they are impacting our work and organisation. Our opportunity is to collectively build intelligence and experience across teams to help people manage both the emotional and rational elements of change.

Leaders can support this by encouraging the co-creation of new ways of working and empowering workers to redesign and redefine their own work within their own team, and across into others, both in terms of what work and behaviours need to shift and how work is done. They can also tap into the opportunity GenAI presents for rapid and unfiltered communication, but they need to be ready to utilise and encourage this organic communication so that co-creation generates applied outputs in the workplace.

To build an environment of COLLABORATION:

- ▶ Develop a centralised way to oversee the GenAI experiments and transformations that are underway and make sure the learning from each is being shared across groups.
- ▶ Establish internal collaboration tools and systems so that people can share with each other what they are using, how it is working and their experience.
- ▶ Gather insight into the behavioural and technical skills needed across teams to uplift their capability to use GenAI and develop needed training plans.

Conclusion

The opportunities and risks that GenAI present cannot be overstated. Developing a clear view of how these evolving technologies can contribute to the organisation's vision and sustainability is an immediate leadership imperative.

If leaders understand and apply the six factors of transformation success, which are grounded in the human experience, they will be more successful at building the organisational capability to adapt and evolve.

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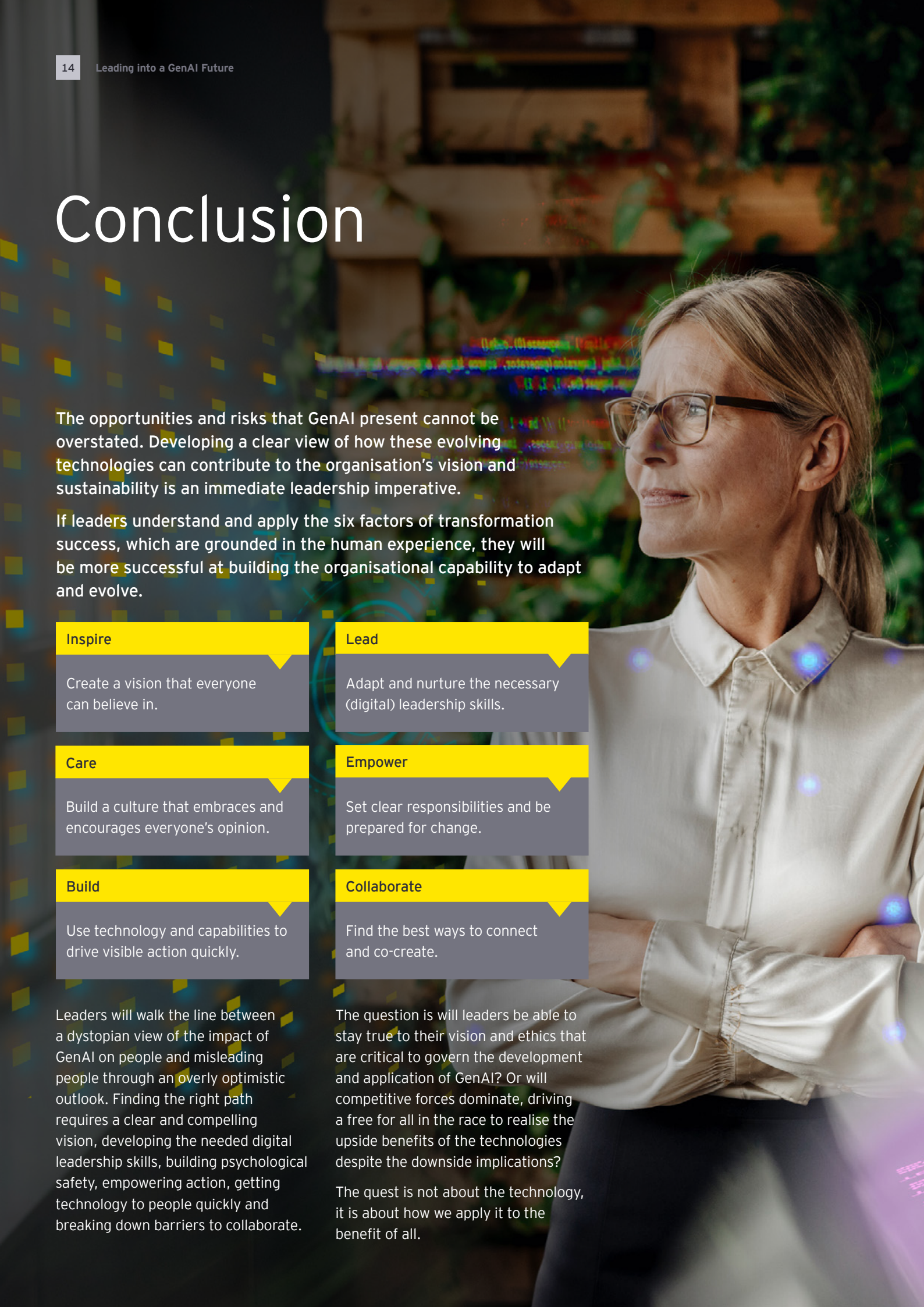
Collaborate

Find the best ways to connect and co-create.

Leaders will walk the line between a dystopian view of the impact of GenAI on people and misleading people through an overly optimistic outlook. Finding the right path requires a clear and compelling vision, developing the needed digital leadership skills, building psychological safety, empowering action, getting technology to people quickly and breaking down barriers to collaborate.

The question is will leaders be able to stay true to their vision and ethics that are critical to govern the development and application of GenAI? Or will competitive forces dominate, driving a free for all in the race to realise the upside benefits of the technologies despite the downside implications?

The quest is not about the technology, it is about how we apply it to the benefit of all.



Reach out to your local EY member firm or click here to send an email which will be sent to your local People Consulting team.

Contact us

References:

Saïd Business School, University of Oxford and EY, 2022, 'The future of transformation is human'

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