



eBook

# The state of AI change readiness

**Accelerating AI transformation through the employee experience**

# Readiness for AI transformation at work

People throughout history have always been innovators, but we often create tools faster than we can adapt our behaviors and shift our practices. With the exponential growth of AI capabilities in the past few years, we are at a point where the shift to an AI-powered workplace is not just about the tools available, but also how people are shifting their work habits and behaviors.

While excitement for AI is evident in the rapid—and growing<sup>1</sup>—use of AI tools at work, many organizations have not fully integrated these tools in formal, organization-sponsored rollouts. As leaders consider enterprise investments in AI, a new question emerges: are people ready for this large-scale AI transformation? And more importantly, how can we best prepare for this shift in how we work to get the most value from the promises of AI?

This eBook outlines findings from a Microsoft Viva People Science study on AI readiness, discusses implications, and provides practical guidance for leaders and HR on how they can best support people through change related to AI at work.

## How can leaders support their people through AI transformation and gain ultimate organizational value?

Leading through a transformation that is rapidly redefining the way we work can be simultaneously daunting for the effort and exciting for the reward. By doubling down on change basics, leaning into experimentation, and not losing sight of the importance of the people experience, we shift from passive participants to proactive co-creators of the vision for AI transformation at our organizations. Use this as your guide for approaching the AI transformation journey intentionally and effectively.



# Table of contents

## Study Introduction

Readiness for AI transformation at work	02
The current study	04
Ready or not AI is at work	05

## Key Findings

AI transformation and the employee experience cannot be decoupled	07
Organizations can drive Realized Value of AI (RIVA) through AI readiness	10
Quality of change experience differs across levels	11
High Performing Organizations in the era of AI	12
HPOs take a more people-centric approach to change	13
HPOs connect dots from AI vision to AI value	14
HPOs lead with access-driven experimentation	15

## People Science Guidance

Role-specific experimentation and change agility	17
Microsoft case study	19
Meet people where they are in their AI journey	20
Guiding principles	23



## Key terms

Concepts used throughout the eBook:

### High Performing Organization:

High Performing Organizations (HPOs) are organizations that continuously exceed expectations in areas ranging from financial performance to employee engagement.

### Artificial Intelligence:

Artificial Intelligence (AI), as referred to in this report, is defined in the study as 'generative AI, specifically, software that can perform tasks that normally require human intelligence'.

### Transformation:

A complex, long-lasting change which impacts organizational culture, structure, competitive landscape, and customer expectations.

# The current study

## 1.8K full time employees

This study by the Microsoft Viva People Science team consisted of a total of 1,800 full-time, global employees<sup>2</sup> with representation across levels and types of industries, representing four distinct regions and nine countries. Data were collected using an online panel vendor.

## Organization size

Respondents were limited to organizations of 1K employees or larger.

- 42.3%** From orgs of 1,000 - 4,999
- 27.4%** From orgs of 5,000 - 14,999
- 30.3%** From orgs of 15,000 or more

## Levels

Within this report, 'leaders' consist of directors and above.

- 13.9%** C-level executive
- 17.1%** Vice president or director

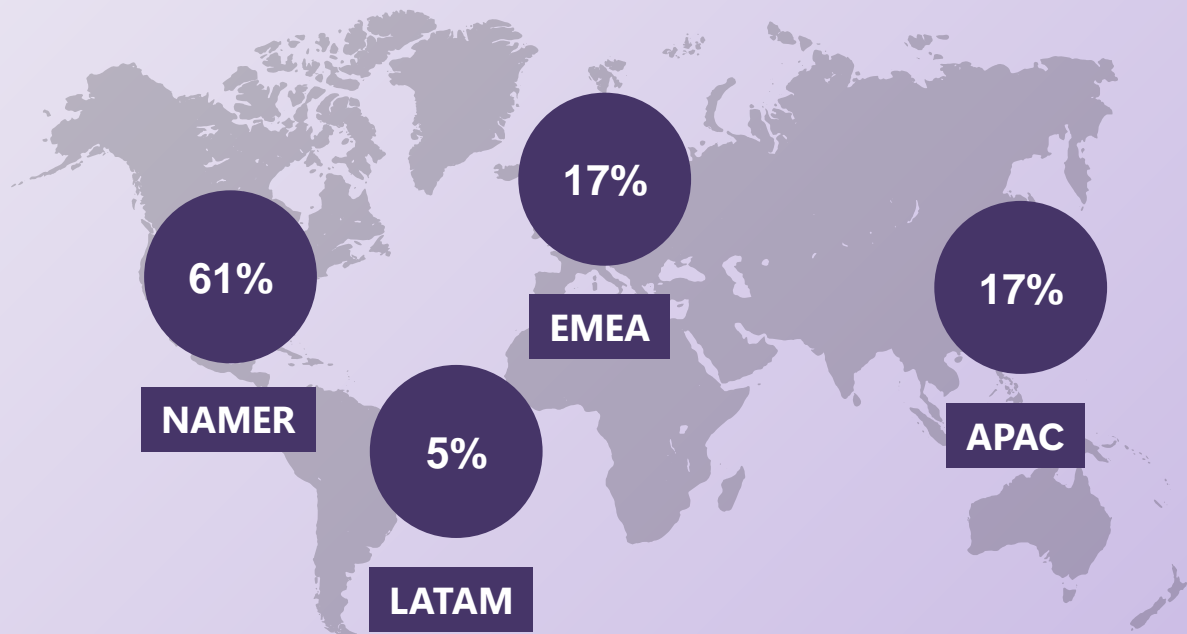
We additionally split by:

- 38.0%** Managers
- 31.1%** Individual contributors

## Industries

Top five industries with highest representation include:

- 12.1%** Healthcare
- 11.9%** Technology
- 10.4%** Retail
- 9.3%** Financial services
- 9.0%** Manufacturing



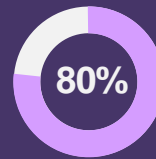
# 17%

**High Performing Organizations (HPOs)** are respondents that, when asked to evaluate their organization's performance, reported their organization is "always" delivering on at least 6/10 (more than half) of the performance indicators presented.

# Ready or not, AI is at work

Employees, not organizations, are leading the charge on AI integration at work. In our study, a staggering 80% of employees say they already use AI tools at work. The 2024 Microsoft Work Trend Index (WTI), reports similar rates of use, with 75% of knowledge indicating they use AI at work.

Mounting evidence also points to employees not waiting for their companies to offer AI tools before finding solutions to enhance their own work. This creates a 'bring your own AI' (BYOAI) scenario<sup>1</sup>.



**80% of employees say they are currently using AI at their workplace**

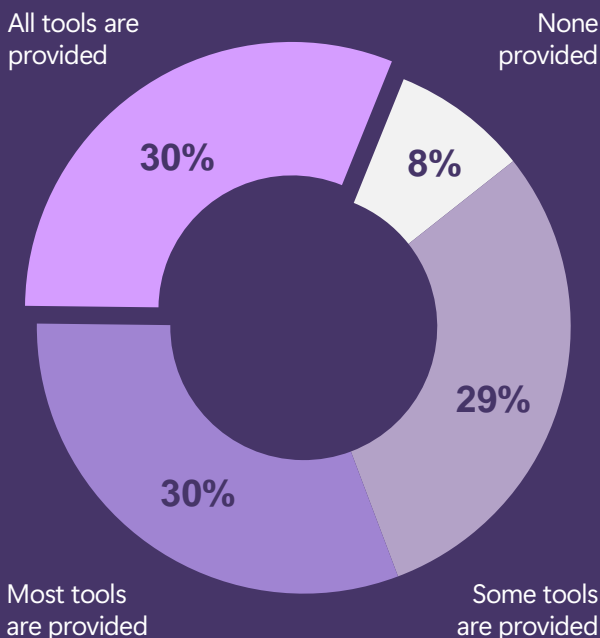
This BYOAI trend, coined by the WTI, is seen in our study as well, with 67% of those using AI at work reporting use of at least some AI tools not provided by their organization. BYOAI indicates excitement for AI but can also pose risk. This risk being that organizations miss out on benefits of strategic AI adoption at scale<sup>1</sup>.

**With this level of employee demand and use of AI at work, why the organizational delay?** What we can tell from our study, is this lack of organization-sponsored AI investment isn't due to a lack of value placed on how AI can transform organizations.

Most senior-level leaders have high support for AI transformation. In fact, 78% of executives believe AI is critical for their organization to succeed and worth the investment of money, time, and effort. This indicates potential for organizational investments in AI tools and integrations in the future.

Despite support, leaders indicate concern with the time it takes for transformation. About two thirds of executives believe adopting AI will take more time and effort than other technologies. While we agree that full AI transformation won't happen overnight, organization-sponsored rollouts and change efforts can take advantage of the employee energy for AI use to get started on their AI transformation.

## Only about 1/3 of employees are using solely organization-provided AI tools



How many AI tools that you use are provided by your organization?

<sup>1</sup> Microsoft WorkLab, Work Trend Index Annual Report. May 2024



In Microsoft HR, a key step in AI transformation has been **capturing the energy and momentum and channeling them in a way that would continue to stoke the creative spark** that was ignited across the organization. As a result, we harnessed ideas while driving for measurable results and encouraging cross-group collaboration in the adoption of technology."

**Christopher J. Fernandez**

Corporate Vice President, Human Resources

Microsoft

In most organizational change, the first hurdle is building excitement and buy-in. When it comes to AI, people are already using the technology, reducing the need to build energy. It's to organizations' advantage to harness this existing energy and guide it toward AI use-cases and strategic applications that will be beneficial to individuals and the organization.

AI transformation undoubtedly presents unique challenges but having an existing group of users excited about using AI, already experimenting with AI in their work, and wanting to share learnings with others is a leg up that many change initiatives do not have the benefit of. Use this excitement as a springboard into AI transformation.

# AI transformation and the employee experience cannot be decoupled

Work transformations of any kind don't happen in a vacuum. AI transformation will consist of many changes in the sea of other organizational change that your people are going through. People already having a negative employee experience are likely to struggle even more throughout change.

In this study, we found that although most employees find the pace of change at their organization to be just right, stress and strain are still present. Meaning even in the best of conditions, change is hard. This stress and strain related to change can be an indicator of burnout. Through self-report on seven risk factors of burnout (e.g., overwhelming workload,

disconnection from colleagues, unclear responsibilities), we found those who have experienced three or more burnout risk factors in the previous month had substantially higher stress and strain and substantially lower confidence they could keep up during change.

For AI transformation specifically, while AI tooling can be part of the solution (e.g., helping with faster task completion and productivity), we first need to create the time and environment that allows employees to shift their behavior and begin to utilize AI in this way. Consider the change saturation, time demands, and experience of employees during change, not just the technical elements of rollout.

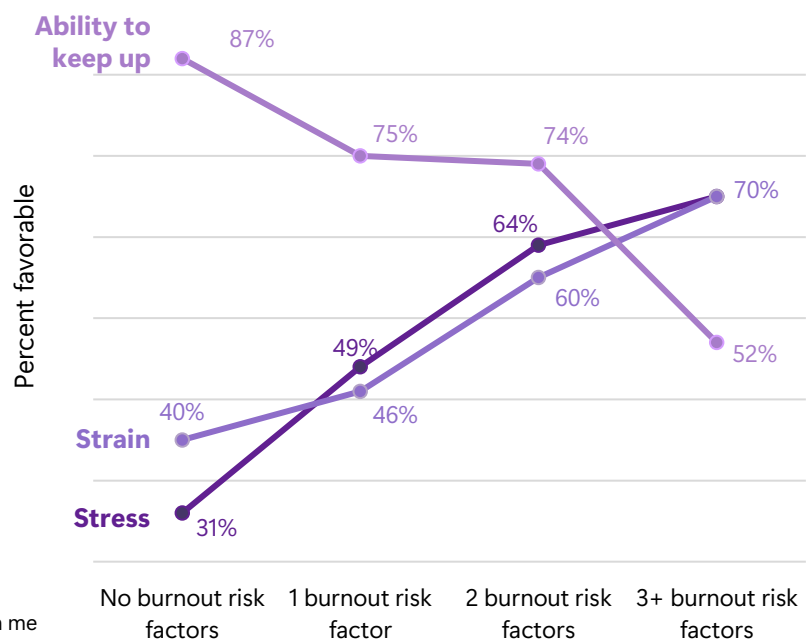
When organizations approach change thoughtfully in terms of supporting their people with upskilling and learning, proactively addressing concerns, and collecting ongoing feedback, they set up better conditions for sustainable change. This becomes even more critical with longer-term transformation versus smaller change initiatives.

## Employees experiencing burnout struggle to keep up with changes

As we consider ability to keep up with changes, we want agreement to remain high, while stress and strain caused by change to stay low.

This is the case for employees with low burnout, but as burnout risk factors increase, we see the desired pattern reverse.

Those with 3+ burnout factors are reporting high stress and strain paired with low ability to keep up with changes.



**Ability:** I can keep up with the changes at my org  
**Strain:** Adapting to the changes at my org is a strain on me  
**Stress:** Changes at my org stress me out

# Your AI strategy is also a people strategy

Transformation, of any kind, is all about behavioral change. The use of AI is often overlaid on top of products or processes that people are already using in their day-to-day. This means with AI transformation we're both asking people to create new habits and break old ones.

We talk about employee engagement as the degree to which employees invest their cognitive, emotional, and behavioral energies toward positive organizational outcomes. Successful AI transformation strategies will consider how a strong employee experience (EX) and an engaged workforce can serve as a foundation for and accelerant of AI adoption.

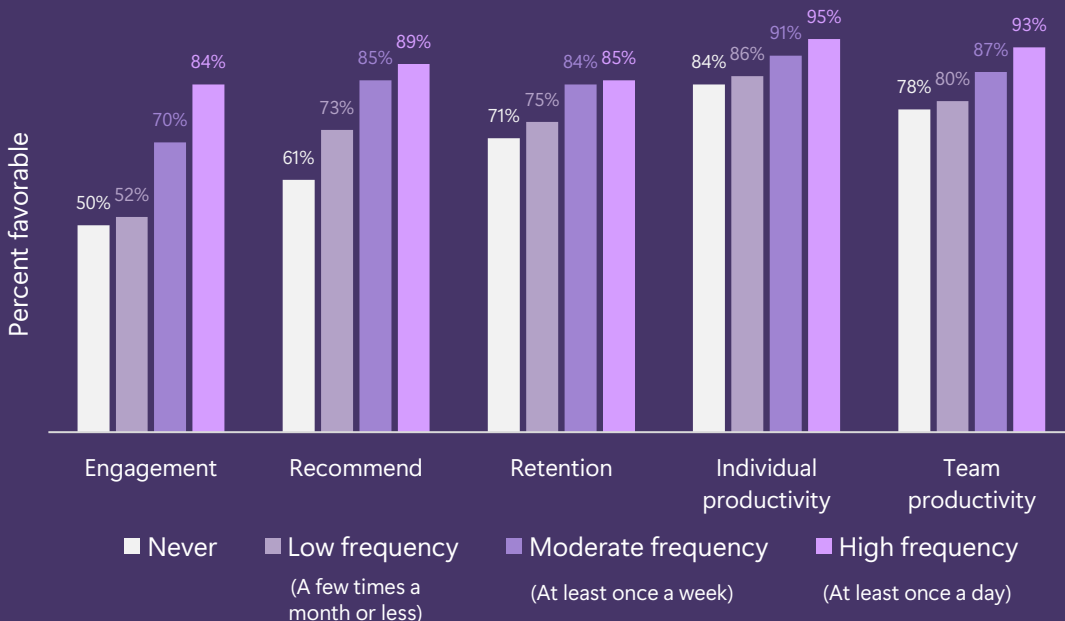
Encouragingly, this study finds early indication that AI use does have a positive relationship with key employee experiences. Favorability on engagement, among other outcomes, increases with frequency of AI use. High frequency (at least once a day) users score highest across the employee outcomes.

Self-report measures of productivity—which we often think of as a key benefit of AI use—also increase with more frequent use. Interestingly, the largest experience increase across use frequency is engagement. Engagement jumps 18 percentage points from the low to moderate AI use frequency groups.

While these findings are correlational in nature (not causal), it's worth taking note that AI use and engagement are not unrelated. Building an AI transformation strategy without considering EX would miss a potential propellant of adoption success.

## EX can support stronger AI adoption

Differences in EX by AI use frequency



### Engagement

How happy are you working at your current company?

### Recommend

I would recommend my company as a great place to work.

### Retention

I plan to be working at my company two years from now.

### Individual productivity

I feel like I am productive at work.

### Team productivity

I feel like my team is productive at work.



# Engagement as a foundation for AI transformation

The connection between engaged employees and better business performance<sup>3</sup> is well-established. In this study, we see engagement is not only related to use frequency, but also support for and value derived from AI.

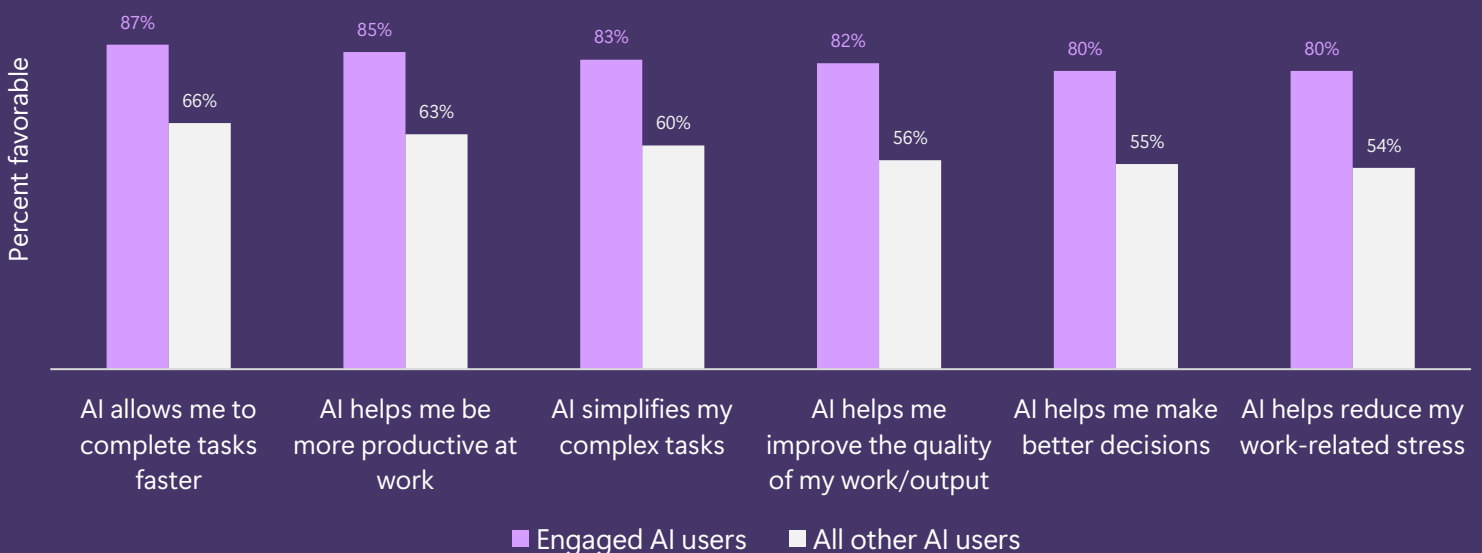
Ultimately, engaged employees are more supportive of AI integration in their workplace and are eager to contribute to the success of the transformation. Engaged employees are also reporting more positive outcomes of AI adoption. We call this set of outcomes **RIVA, or Realized Individual Value of AI**. RIVA encapsulates a myriad of ways that an employee might see a direct impact of AI use on their day-to-day, such as completing tasks faster or reducing work-related stress.

**Engaged employees are 2.6x as likely to say they fully support AI integration and are eager to contribute to AI transformation success**

When we think of all the ways AI can support an employee, those who are already engaged are finding ways to capitalize on that value. Engaged employees have higher RIVA, with scores averaging 19 percentage points higher, even when controlling for high frequency use.

When an employee's RIVA is high, it indicates success in translating their AI use into tangible benefits, which may be spurring even more use of the tool. Thirty-four percent of engaged employees are high frequency users versus only 12% of non-engaged employees. We hypothesize that the more benefits users see, the more likely they are to be motivated and inspired to continue leveraging AI, leading to a virtuous cycle between ongoing use and realized value of AI.

## Realized Individual Value of AI (RIVA) is higher for engaged employees



<sup>3</sup> Microsoft WorkLab, The New Performance Equation in the Age of AI. April 2023

# Organizations can drive RIVA through AI readiness

Employees can be primed for higher Realized Individual Value of AI (RIVA) in their work through AI readiness. AI readiness consists of several factors: awareness, desire, knowledge, and the opportunity to integrate, and see the value of integrating AI. For current AI users, these combined AI readiness factors drive up to 62% of RIVA, even when controlling for job level and use frequency\*.

This means those with higher AI readiness get more value from the AI tools they are using, regardless of how often they use the AI tools. Feeling primed and motivated sets employees up for success to experience better productivity, wellbeing, and output quality once they are using the AI tools at work.

What does an AI ready employee look like?

- ✓ Understands how AI could be integrated
- ✓ Is motivated to integrate AI
- ✓ Has the skills to integrate AI
- ✓ Has the opportunity to integrate AI
- ✓ Sees the value in integrating AI

AI readiness can be supported by leaders in a variety of ways. Use the best practices checklist outlined in the tips for supporting AI readiness. Supporting AI readiness for your people helps your organization to realize the value of your AI investments. Much of what builds AI readiness is also part of change management best practices. Build these habits with all organizational change.

\*Methodology: Regression Analyses was performed to model the relationship between AI Readiness and RIVA for AI users (n = 1443), controlling for job level and current AI use frequency.

## Tips for supporting AI readiness

- Provide examples:**  
Understanding how AI could be integrated into work is key for AI readiness. Make it real by providing role-specific examples of how to apply AI into workflows. **Not sure where to start?** Consider the use-case scenarios already identified in the [Microsoft Copilot Scenario Library](#).
- Build AI skills together:**  
Ensure people have the basic skills and information necessary to use AI tools. Use time in already scheduled meetings to review and share tips.
- Make time to experiment:**  
Lack of time and access to tools is a barrier to AI use. Create space to use new AI skills and test which use-cases are most valuable.
- Get feedback on value:**  
As experimentation and use is underway, get feedback on what people like most. Use this feedback to inform ongoing skilling and AI use-cases.
- Share success stories:**  
Amplify stories from across the organization of where AI has had the most positive impact—and how teams have overcome barriers.

# Quality of change experience differs across levels

Even if you are not yet embarking on an AI transformation, now is the time to build strong change habits. As we look at AI readiness, up to 43% of how AI-ready an individual is can be explained by their previous experience with change\*. This strong relationship means the positive change experience you build today will set you up for success in the future.

In looking at current change experience, we see an opportunity for better support at the individual contributor level. Across a variety of factors, leaders are having a substantially

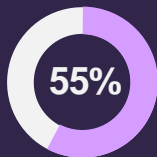
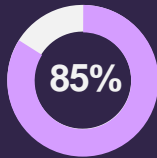
different experience compared to individual contributors. Leaders who've had positive change experience in the past, may be at risk of underestimating the support their people need during change in the future. Leaders concluding people are more change-ready than they are can result in the skipping of the critical change steps of communications, skilling, and measurement. This risk of assumed alignment is amplified when there is no mechanism for employee feedback.

Take stock of your current change management capabilities and opportunities for improvement. Build, buy, or borrow where you have gaps to ensure quality change experiences that can directly improve how employees feel as you begin to integrate AI. Focusing on change best practices will pay dividends when it comes to participation, adoption, and ultimately the success of your AI rollout.

## Critical pillars for successful change

### Communications

85% of leaders believe their organization communicates consistently during change, while only 55% of individual contributors agree.

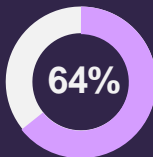
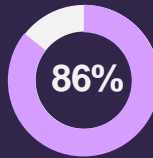


**What this means:** If leaders don't feel they are over-communicating, they are probably not doing enough.

**What to do:** Consider campaigns, omnichannel communication approaches, and using managers to reinforce messaging.

### Skilling

86% of leaders have good opportunities to improve skills, learn, and grow during change, while only 64% of individual contributors have this experience.

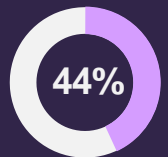
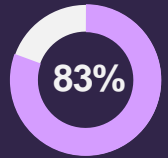


**What this means:** People across all role levels need the skills necessary for change and the opportunities to do so.

**What to do:** Provide everyone access to upskilling material and subject matter expertise through expert communities.

### Measurement

83% of leaders feel included in decisions about change that affects their job, while only 44% of individual contributors agree.



**What this means:** Leaders need to intentionally integrate employee feedback as they roll out changes.

**What to do:** Implement mechanisms to collect employee sentiment and other relevant data before, during, and after change.

# High Performing Organizations in the era of AI

High Performing Organizations (HPOs)<sup>4</sup> continuously exceed expectations in areas ranging from financial performance to employee engagement. There are three pillars that work together to characterize high performance at these organizations: engaged employees, productive teams, and resilient business.

**Those at HPOs are 90% more likely to say they fully support AI being integrated in their workplace.**

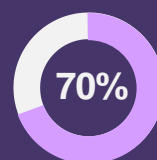
Respondents at HPOs were identified based on how often they reported their organization demonstrated a set of key performance indicators. The HPO category includes those who indicated that a majority of the performance indicators were 'always' demonstrated (17% of respondents).

Compared to those at typical organizations, people at HPOs see more value in bringing AI to their organization. They are substantially more likely to say they fully support the integration of AI at their workplace and are eager to contribute to the success of the transformation.

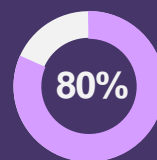
What do HPOs do differently? We see key differences about how they approach change, bring people along with the AI vision, and provide access to AI tools. We unpack these areas and what this means for leaders as we go into the era of AI.



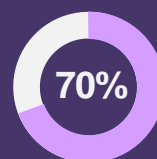
## Employees at HPOs see the value AI can bring to their organizations.



**70%** more likely to say AI is critical for their organization to be successful



**80%** more likely to say AI will distinguish their organization as an employer of choice



**70%** more likely to say AI will boost their organization's revenue and financial success

More likely compared to employees at typical organizations

<sup>4</sup> Microsoft Viva People Science, Redefining High Performance in the New Era of Work. October 2023.

# HPOs take a more people-centric approach to change

Employees at HPOs report more positive change experiences than those at typical organizations across the board. When we look at which experiences have the largest differences between HPOs and typical organizations, we see common themes that center around the human experience. HPOs approach change with a more people-centric focus, ensuring support, respect, and inclusion.

Employees at HPOs more often felt considered and respected during negative change moments, felt included in decisions, and felt that their management was receptive to feedback.

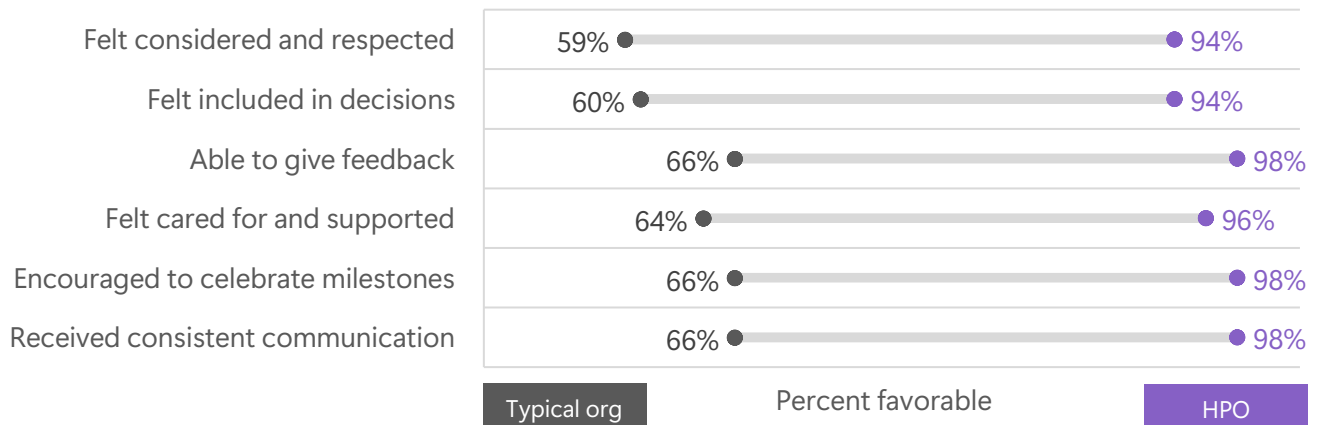
**Employees at HPOs are 60% more likely to feel included in decisions about change that will impact their jobs.**

Knowing great change experience is critical to AI readiness, it is not surprising that we also see HPOs scoring higher on RIVA.

What we can learn from HPOs is that moving from a 'good' to 'great' change experience is all about how we prioritize the individuals going through the change and support them during the process. Leaning into fundamental people-centric change experiences can set an organization up for success when tackling an AI transformation. Due to the positive experiences that HPO employees have already had with change – they are primed and ready to go for an AI-driven future.

## HPOs excel at ensuring people are at the center of change

### Experiences during change at HPOs versus typical organizations uncover a people-centric approach as a key differentiator



# HPOs connect dots from AI vision to AI value

Just as we saw differences across levels in change experience, a gap is also seen when we look at the perceived value that AI can provide. We know that 60% of leaders worry their organization’s leadership lacks a plan and vision to implement AI<sup>1</sup>. In this study, about half of individual contributors say they see the value of integrating AI in their own work, but only 28% see AI as critical to their organization's success.

Individual contributors more naturally see how AI can benefit their own work but have a disconnect in seeing how these benefits ladder up to organizational goals. Individual contributors can see the ‘what’s in it for me’ but are struggling with the ‘what’s in it for us’— which could be due to a lack of clear vision.

Gaps between senior level leaders and individual contributors are not necessarily uncommon, but

differences in perceived AI value poses a risk to successful adoption and a potential for the gap to continue growing if leaders do not intentionally define and clarify their vision for AI.

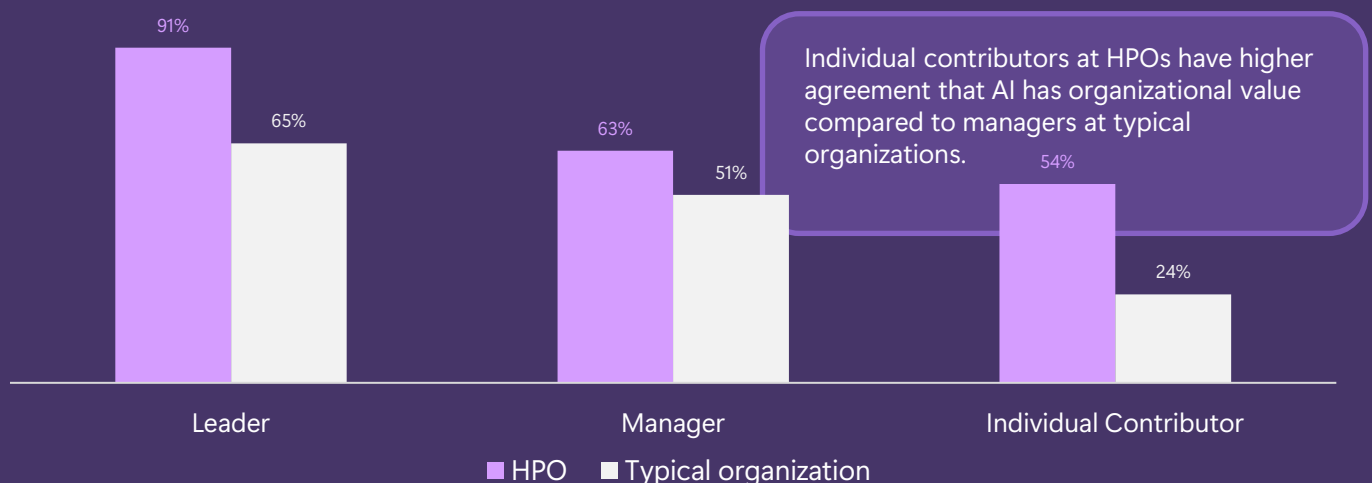
If leaders do not help their people understand both how the investment in AI is helping their own work **and** driving organizational success, we may see a lack of motivation to support organization-level adoption initiatives. Managers also score substantially lower than leaders, uncovering an opportunity for better cascading of the AI vision.

At HPOs we see less of a gap. Not only are employees at HPOs more ready for AI transformation, but they have a greater sense that their organizations will benefit from AI. Individual contributors at HPOs have an average of +35 percentage points higher agreement on the organizational value of AI compared to individual contributors at typical organizations.

What does this mean? Typical organizations are struggling to help individual contributors connect the dots between micro-value (how AI helps *me individually*) to macro-value (how AI helps *my organization*). HPOs are further along.

## HPOs are more effective at cascading their vision to all employees

Generative artificial intelligence (AI) in our workplace is critical for my organization to be successful.



<sup>1</sup> Microsoft WorkLab, Work Trend Index Annual Report. May 2024

# HPOs lead with access-driven experimentation

Despite the prevalence of AI tools at work, the majority of people are using at least some tools that have not been provided directly by their organization. This may cause employee hesitation to share with their peers and leaders how they are using AI in their day-to-day.

Encouraging AI experimentation—the testing and sharing of what worked and what didn’t — provides highly useful information, uncovering valuable AI use-cases across roles.

Understanding the most impactful way to use AI helps move from an aspirational AI vision to one that is tangible, already tested, and rooted in the real experiences of your employees. Providing access to AI tools creates an atmosphere that will encourage more experimentation, frequent use, and the sharing of experiences.

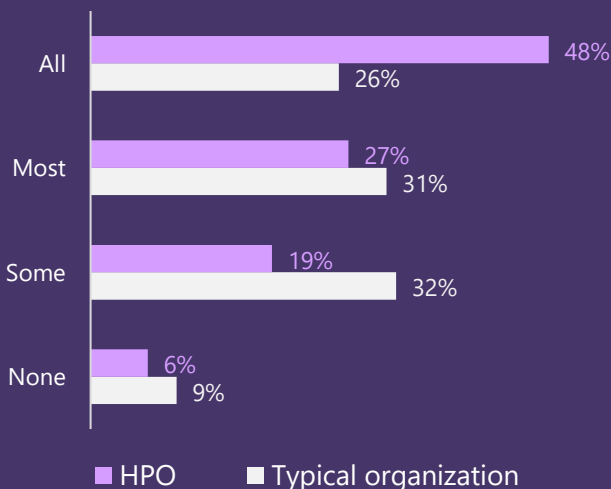
**83% of employees at HPOs say they have opportunities to integrate AI into their work. Only 56% of employees at typical organizations say the same.**

HPOs are providing access to organization-sponsored AI tools at a substantially higher rate than typical organizations and in turn are seeing more frequent use of AI. HPO employees are more likely to report that they understand where AI could be integrated in their work (87% at HPOs versus 67% at typical organizations) and more likely to have opportunities to integrate AI tools at work (83% at HPOs versus 56% at typical organizations).

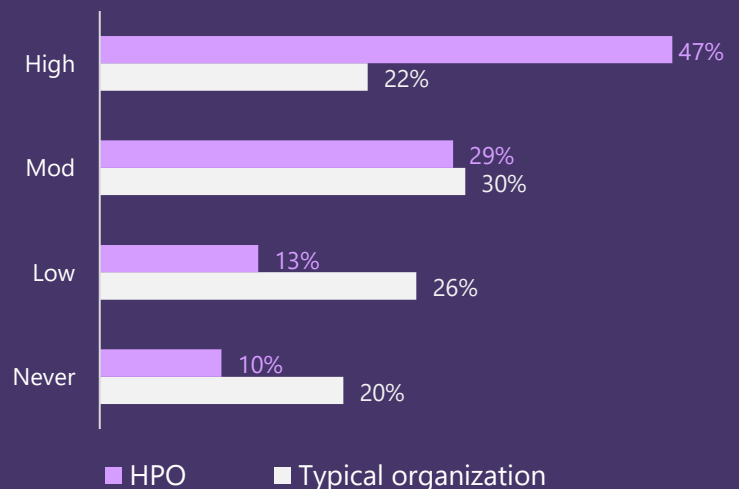
This experimentation is likely fueling a virtuous loop from use to realized value, in that more experimentation leads to greater realized value and vice versa. We see that 87% of those at HPOs agree there is value in integrating AI to their workplace versus 64% of employees at typical organizations.

## Extent of organization-sponsored AI tools much higher at HPOs, which could be driving high use frequency for HPO employees

Amount of AI tools provided by their organization



Frequency of AI tool use



Low frequency = A few times a month or less  
 Moderate frequency = At least once a week  
 High frequency = At least once a day

# Take an HPO approach to AI transformation

During change, High Performing Organizations excel in communications, skilling, and measurement. As you go into your own AI transformation take a page out of the HPO handbook:

## Communications

HPOs leverage **transparent two-way communication** to openly share reasons for change, its impact, and the expected benefits.

**In AI transformation:** Use channels that allow people to be part of the AI conversation, avoid tools limited to one-way sharing of information in favor of tools that dynamically capture employee responses and input.

## Skilling

HPOs invest in employees' development during change, provide **proactive upskilling and reskilling** and opportunities to grow.

**In AI transformation:** Use peer-to-peer learning and sharing of AI tips and tricks through communities. Encourage the building of AI skills through training and experimentation.

## Measurement

HPOs engage employees early and often **seeking and acting on feedback** throughout the process. They integrate this feedback into decision making.

**In AI transformation:** Deploy ways to gather input and ensure action is taken on the feedback gathered. Share feedback with those who are in the best position to make meaningful adjustments throughout change.



HPOs **celebrate milestones and achievements** recognizing employees' efforts and contributions to the change. Sharing success stories is a great way to do this. Showcase both smooth paths to success, as well as stories about teams who ran into barriers and how they met their challenges with resilience.

HPOs also **provide empathy and support** during change. Recognizing that change can be stressful, HPOs do not dismiss the emotions of their people, but rather anticipate concerns and provide relevant support.

**In AI transformation:** Help employees see their part in AI transformation and clarify how their role may shift (and stay the same) in the future. Reduce uncertainty and acknowledge where there are unknowns. As you go through your transformation, continue to ask, **"How can we bring our people along during this change?"**

### Want to learn more about HPOs?

See our [report](#) with research on what matters most for organizational performance.



# Elevate impact through role-specific experimentation

HPOs provide far more access to AI tools than typical organizations, with 48% from HPOs versus 26% from typical organizations saying all AI tools they use are provided by their organization. This creates space for more use and organization-supported experimentation. Experimentation can be highly valuable in uncovering AI use-cases and scenarios that drive value for individuals, teams, and the organization.

As you consider the most impactful AI use-cases for your organization, remember AI is not a one-size-fits all solution and can be tailored to unique needs. Often, this means different functions and

roles find differing value across the variety of AI capabilities available.

Use the [Microsoft Copilot Scenario Library](#) to start your experimentation journey. Explore different AI use-cases, key performance indicators, and potential benefits of AI use by role. Consider this a jump-start to thoughtful implementation and continue to iterate and co-create additional scenarios with your people. Have employees test, provide feedback, and generate new ideas that surface as they use AI in their work.

Experimentation can take many forms, varying on level of structure (informal versus organized) and relatedness to a particular role (general versus specific). Use a mix of experimentation methods, consider what methods have been successful in the past and how multiple methods may work together. Informal, general testing can be useful as people are getting used to AI at work. Organized and specific testing is necessary as substantial AI investments and systemic workflow integrations are made.

## Uncovering key use-cases for AI at your organization can range from highly informal and general to very organized and role-specific



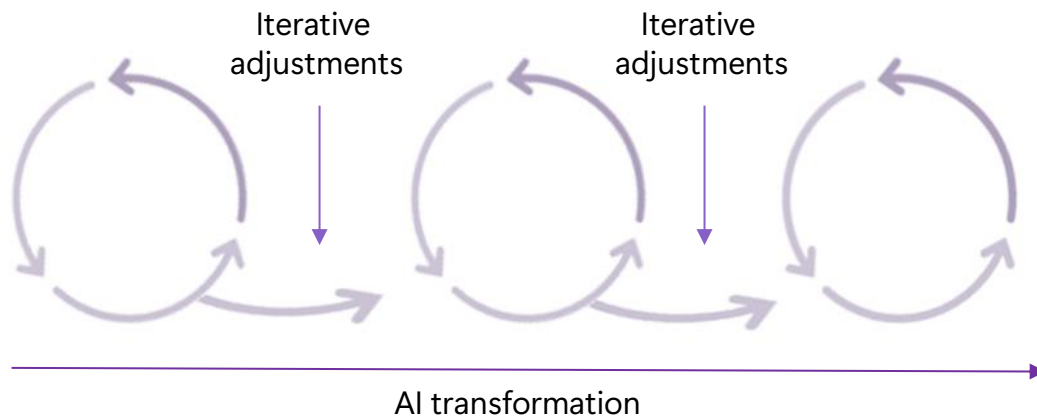
# Change agility for AI transformation

With new AI models offering increased capabilities, even a perfect change plan for the AI of today quickly becomes outdated. By 2027, it's predicted that more than 50% of AI models used at work will be specific to industry or a particular business function—a rise from about 1% in 2023<sup>5</sup>.

Value derived from current AI models is already influenced by the functional role and industry of the individual using it<sup>6</sup>. As such,

integrating an agile, experimental, and personalized approach to your organizational change process, allows for your AI transformation vision to mature over time and flex to meet the unique needs of users. This means shorter, cyclical, function-specific change rollouts focusing on iterative change informed by feedback and shifting context.

It may be tempting to wait until AI tools and models are in a more final form, allowing for a more traditional change rollout, but there is risk in waiting indefinitely. Early adoption has its advantages and requires a mindset shift—seeing past the uncertainty to the opportunities and creative uses for AI<sup>7</sup>. Agile change can help navigate ambiguity and move ahead even without knowing its exact end-state. Focus on forward momentum, allowing room to adjust.



## How can your approach to AI transformation be more agile?

### Take small, directionally correct changes

Break down the bigger vision into small, tangible shifts in the right direction to help make the change less daunting. Experiment and provide room to re-route or change the vision, as needed.

### Co-build with your employees

Call on the collective wisdom of those going through the change to determine the most sensible path. Gather ongoing feedback to determine what can yield the most value and adoption.

### Focus on flexibility and iterative progress

Stay flexible and avoid being too beholden to the path originally outlined. Provide space for shifts based on feedback and the changing context in which the change is being implemented.

<sup>5</sup> Gartner. 3 Bold and Actionable Predictions for the Future of GenAI. April 12, 2024

<sup>6</sup> Microsoft. AI Data Drop: New research shows who has an early AI advantage. 2024.

<sup>7</sup> Harvard Business Review, Is Your Mindset About Generative AI Limiting Your Professional Growth? May 17, 2024

# Experimentation in Action: Microsoft AI community



Embarking on large-scale transformation can feel like standing at the starting line of a marathon, not knowing where the finish line is. At Microsoft, we recognize our AI transformation could indeed be a marathon, and while we may not have a clear map to the end-point, the race has started, and it's time to get moving.

"We focused on setting short-term goals around AI experimentation to get us moving in the right direction," recalls Chris Owen of the HR AI Orchestration, Adoption, & Impact Team at Microsoft, "It may not be the end of the transformation 'race,' but if we can say 'hey, there's a water stop at mile two' that's a way we can bring people along on this journey."

Microsoft built an AI Champion Community to support AI experimentation and deploy those AI journey 'water stops'. These activities included an AI Basics learning path, group co-innovation activities, and local team AI use-case ideation led by AI Champs.

AI Champs become SMEs, serving as go-to resources for tips, tricks, and innovative best practices from across the global AI Champ Community. The real value in having AI Champs lies in their ability to 1) scale, amplify, and build upon the impact of adoption efforts, 2) adapt efforts in ways that are relevant to their colleagues, and 3) build colleagues' excitement for the future of an AI-powered organization and being part of creating this direction. "We want this to be a co-created, transformation experience," says Owen, "Our north star continues to be 'community is agility'."

## Building an AI Champion Community

**Identify your champs:** Use both a top-down and bottom-up approach to selecting Champs (both nominated and volunteered). Seek innovators and influencers who embrace change, love to tinker, and are motivated to explore ways to use AI.

**Encourage ownership:** Community organizers can be a resource more than an authority, empowering Champs to make the program and training resources their own.

**Be agile and iterative:** Your program is a living thing which evolves with the needs of your people and the constantly evolving capabilities of your AI tools.

**Make it fun:** Consider ways to inject fun via competitions or gamification to help avoid change fatigue. Try an innovation jam or AI skilling in the style of an escape room.

**Start small, practical, and personalized:** Have AI Champs focus on applications that resonate best with the needs and work of their cohorts.

**Build community platforms:** Use communication platforms to build community and share success stories, best practices, and lessons learned. Make it easy for people to connect, help each other, and keep the momentum going between more formal sessions.

**Only 61% of individual contributors have SMEs on their team to build competence during change, compared to 83% of leaders and 74% of managers<sup>2</sup>.** AI Champs can extend support needed and close change experience gaps.

<sup>2</sup> Microsoft Viva People Science, AI Transformation Readiness Research, April 2024

## AI transformation profiles

# Meet people where they are in their AI journey

Leaders and HR need to understand where their people are, not only in their own AI journey, but also in their work experience, to empower their own AI experimentation. In our analysis, we found five key employee profiles that organizations are likely to encounter\*. These profiles were created by examining participants'

- 1) current employee engagement levels,
- 2) experiences with past change initiatives at their organization, and
- 3) expressed optimism and readiness for AI integration at work.

Knowing where people are in their AI journey helps to identify their key needs during change and AI transformation. Some profiles may be eager to experiment, where others may need support and encouragement to dive in. Encourage experimentation from employees representing all profiles to get the most well-rounded feedback on what is working and where additional support is needed.

\*Methodology: Latent profile analysis was used to group respondents by response patterns to questions on engagement, previous change experience, and AI optimism (n = 1389). This method facilitates the grouping of respondents based on similar sentiments.



### Multipliers

28% of sample

Very Engaged / Very High Change Exp / Very High AI Sentiment

*Multipliers are already experimenting with AI and sharing with their peers. These are your early adopter, AI champions! Leverage them as SMEs and role models.*

**Needs:** Opportunities to experiment and play with new tools and features



### Advocates

44% of sample

Engaged / High Change Exp / High AI Sentiment

*Advocates support change and while they may not be proactively experimenting, they quickly adopt. Advocates can be fast followers of Multipliers – a winning combination for AI transformation.*

**Needs:** Clear expectations and direction, a Multiplier change buddy



### Persuadables

18% of sample

Slightly Engaged / Medium Change Exp / Medium AI Sentiment

*With average experiences, Persuadables are in the prime spot to be swayed. Focusing on their needs for improved EX and change experience can boost sentiment and create more AI excitement.*

**Needs:** Feedback outlets, clarified vision



### AI Skeptics

6% of sample

Engaged / High Change Exp / Low AI Sentiment

*Despite an overall good EX, AI Skeptics are unsure of AI integration at work. These individuals need some convincing to help them move toward adoption of AI tools.*

**Needs:** Info on benefits of AI to their work and how the organization is creating safeguards to minimize negative impact



### Change Pessimists

4% of sample

Very Disengaged / Low Change Exp / Low AI Sentiment

*Change Pessimists have struggled with previous change experiences and are disengaged at work. Coupled with lower-than-average AI sentiment, these individuals will need very targeted support.*

**Needs:** Significant change support

# Bringing people along requires surfacing concerns

AI use alone does not indicate full support for AI at work, nor a lack of concern. When asked to what level they support AI use at their workplace, the majority are split between full support and support with some skepticism.

## Top concerns include:

### Security

People want security in AI processing and storage of their personal data and organization's sensitive information. Looking for confirmation that data is protected and not misused.

### Over-reliance

How and why AI models make decisions is not always easy to interpret, creating a 'black-box'. People note blindly following decisions without human validation could cause unintended harm.

### Job loss

People worry AI could negatively impact certain industries and occupations, especially roles with repetitive tasks, or deskilling, with roles being reduced in scope or skill necessary to complete.

As you think about generative AI being integrated into the way we work, what are you most concerned about?

When asked specifically about concerns, across levels, there is relative agreement that using AI at work can have risk (57% of leaders, 54% of managers, and 52% of individual contributors agree). Yet individual contributors have far more skepticism:

- **Only 56% of individual contributors say they trust the output of AI** versus 82% of leaders and 71% of managers.
- **Only 47% of individual contributors agree that AI will transform work for the better** versus 84% of leaders and 69% of managers.

Top concerns across all levels and profiles include:

1. Security and data privacy.
2. Over-reliance on AI for automatic decision making, particularly those decisions that have impact on employees (e.g., hiring).
3. Potential job loss or deskilling due to AI taking over tasks traditionally done by humans.

Addressing the concerns for your people is an important part of managing potential change resistance. To do this, uncover what the top concerns are for your organization through ongoing feedback mechanisms. Communicate what security efforts are in place to ensure the safety and accuracy of AI use. Provide skilling where AI has been integrated, both reskilling where there may be automation, and upskilling where AI may shift a workflow. As you begin to rollout AI, share success stories and quick wins.

Fear around AI may be driven by the unknown. Exposure can be helpful in reducing apprehension even for AI skeptics or people who do not feel tech savvy. Don't discount the value of surfacing concerns, this builds trust that key risks are not being overlooked and helps refine and improve your AI strategy.

# Guiding principles for AI transformation

While time will ultimately uncover how AI transformation is different than other change seen in the past, here are some early guiding principles to keep top of mind and build upon in your own AI journey:

## Recognize the scope

### Impact beyond the workplace

AI has the potential to redefine how we interact with technology, shaping expectations in and outside of our work lives.

### More than a software rollout

AI transformation is a continuous evolution that requires cultural and behavioral shifts, not just technical changes.

### Lean into the change

Go with the energy of your people and consider the risk of delay. The earlier your employees have exposure to AI tools, the sooner they can build the capabilities necessary for the future.

## Take an agile approach

### Build your vision as you experiment

Getting to your AI vision will be an ongoing process that requires experimentation and adaptation. Be agile and flexible to avoid being left behind.

### Co-create with your people

Get feedback from your people on the most impactful uses of AI at your organization. AI transformation will not be a one-size-fits all, so creating room for personalization can be a key impact factor.

## Address the fear factor

### Lead with empathy

With the excitement, there is also fear—particularly a fear that taps into our own sense of future relevance and control in the work we do. Viewing AI transformation as just a process change misses the critical, human element and the need to bring people along and include them in the shift.

### Prioritize security

A top concern across employee levels is the security of their data with the introducing of new technology. IT and HR can work together to ensure that infrastructure and use-cases of AI tools emphasize security of organizational and personal data.



## Better together

More than ever, cross-disciplinary teams can be working together to ensure the success of this change. The combined expertise across a variety of backgrounds allows organizations to take a holistic perspective on the pros and cons of any given approach and supports a more well-rounded deployment. Not only is this an exercise in risk-management, but also a best practice in the identification of opportunities to apply AI in the most impactful ways across your organization.

# Use Microsoft Viva in your agile change management

Viva can support agile change management. We are all going through this AI transformation journey together. At Microsoft, Responsible AI is at the core of how we build and deploy AI. As we think about the criticality of the employee experience in AI transformation, Viva is here to help through apps that enable communications, measurement, and skilling.



## Microsoft Viva

Accelerate your AI workforce transformation

Communications



Measurement

Skilling

Copilot in Microsoft Viva • In the flow of work • Trusted platform

Visit our website to learn more  
about the Microsoft Viva suite



# References

- <sup>1</sup> Microsoft WorkLab, [Work Trend Index Annual Report: AI at Work is Here. Now Comes the Hard Part.](#) May 2024.
- <sup>2</sup> The AI Transformation Readiness Study was conducted by the Microsoft Viva People Science team utilizing an Online Panel Vendor, commissioned by Microsoft, with 1,800 full-time employees across nine markets between March 29, 2024 and April 9, 2024. This survey was 10 minutes in length and conducted online. Global results have been aggregated across all responses to provide a total or average. Each sample was representative of business leaders across regions, ages, and industries (i.e., Education, Financial Services, Healthcare, Manufacturing, Professional Services, Retail, Technology). Each sample included specific parameters on company size (i.e., organizations with 1,000+ employees) and job level (i.e., business leaders/business decision makers, those in mid- to upper job levels such as, C-level executive, VP or Director, Manager). *The overall sampling error rate is 2.31 percent at the 95 percent level of confidence. Markets surveyed include: Brazil, China, France, Germany, India, Japan, Mexico, United Kingdom, and the United States.*
- <sup>3</sup> Microsoft WorkLab, [The New Performance Equation in the Age of AI.](#) April 2023.
- <sup>4</sup> Microsoft Viva People Science, [Redefining High Performance in the New Era of Work.](#) October 2023.
- <sup>5</sup> Gartner, [3 Bold and Actionable Predictions for the Future of Gen AI.](#) April 12, 2024.
- <sup>6</sup> Microsoft WorkLab, [AI Data Drop: Which Jobs Have an AI Advantage?](#) 2024.
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