



GEORGIE FROST: Welcome to The So What from BCG, the podcast that explores the big ideas shaping business, the economy, and society. I'm Georgie Frost.

In this episode, companies are racing to harness the power of AI, but the biggest puzzle often isn't the technology, it's people. So, how can leaders build trust and confidence in tools that are fundamentally changing the way that we work? Well, joining me is BCG's Global People Chair, Alicia Pittman. Alicia, what's your "so what?"

ALICIA PITTMAN: For BCG, GenAI really is a triple word score. It is very important and vital for how we serve our clients. It is reshaping parts of our own industry, and it's really critical to our talent who want to come to BCG to get really cutting-edge capabilities. And so, for us, it's all about animating innovation. Bottoms up, tops down, always with human beings at the center, and making sure that we're using responsible AI along the way.

GEORGIE FROST: Alicia, AI is transforming every part of business, and the human stakes, I guess, are clearest in how companies hire, develop, and lead their people. It's where trust and adoption truly get tested.

And BCG has had to navigate this itself, bringing AI into the most human parts of its business. So I want to find out what lessons have been learned, and what every company can take from that experience?

ALICIA PITTMAN: You know, I think a year ago when people were talking about GenAI, they knew it was important. They knew they needed to get on board. They knew they needed to test it out. But there was also a little bit of just sort of mystery behind it. What exactly is it? What is it actually going to reshape? I know I need to get there, but what does it actually mean?

We were talking a lot about hallucinations. We were talking a lot about black boxes. We were talking a lot about some things that were out there in the ether, but not actually talking about the work. Now it's about reshaping workflows. We see that certainly in our own adoption.

We today have 90% of BCGers using AI; 50% of BCGers are using AI habitually, is the term we use. What habitually means is, day in, day out, core part

of their work. Not a party trick here or there, not just one chat message, something like that, but really reshaping how large pieces of work gets done.

GEORGIE FROST: Let's zoom in on people management specifically, because when we talk about AI there, what are we actually referring to? Where is it being used? How is it changing the processes?

ALICIA PITTMAN: If we look across the people functions at BCG, we started using AI first really in talent acquisition. We've replaced six systems, put them into one, and kind of built it in AI-native there. But I think performance management and learning and development are actually some of the most interesting areas, where we're really seeing not just change in how we work, but changing what we're able to achieve.

Probably about 18 months ago, we really saw that there was a lot of need bubbling up around using AI for performance management. And not surprising. I mean, we are a professional services firm. Development is at the core of what we do. And so, there's a lot of volume of project reviews, and performance reviews, and feedback, and all of these things.

It caught our attention on a few levels. First, we were like, "Okay, there's a need here, we should think about that." Secondly, honestly, it made us a little bit nervous, because you start to think about performance management, you think about all of these things about bias, and personal data security, and all of these sort of things. But then it also really occurred to us that we had an opportunity to really up our game.

So, to give you a little bit of a view of what that looks like, for project reviews, we have an agent which helps any of our managers, but it's most used by our frontline first-time people managers, our project leaders, in helping to take their notes, craft them into strong first drafts, but also prompt them to get better output. So, take the recency bias out of it. Get specific examples in there. Help to make sure that it's well-balanced between strengths and weaknesses.

What we're seeing in there is, yes, it saves time and that's fantastic, because we like to get timely reviews and actionable reviews, and all of that. But



it's taking time that might've been spent on writing a review, and actually giving time back to the manager to spend time on the apprenticeship, the coaching, the things that really matter. And in the process, it's helping people learn to develop better feedback.

But one of the things we really have paused and taken time to do, is to really say, "How are we going to use AI in HR with our recruits, with our employees, in a way that feels responsible?" And so, we created what we call the AI TALENT Promise, and it's a little anagram we use on talent.

It's our commitment that when we use AI in HR, it is, T, transparent, A, accountable, L, learning-enabled, E, ethical, N, notified, and T, trustworthy, and that there's always a human in the center, and a human ultimately accountable for the decision-making and the outcomes.

GEORGIE FROST: What were perhaps the biggest challenges that you faced?

ALICIA PITTMAN: So one of the challenges when we started actually building these agents to help with review writing is actually, the first time we did it, we spent six weeks or so trying to build some tools using the LLMs, figuring out what we could do. And then we took it to the responsible AI team and we said, "Oh, look what we built. Proof it for us, whatever. Give us your edits and whatever, and we'll get it done."

And actually they made us tear it back down to the studs. So, we learned quickly that actually starting with our responsible AI team, they helped us build the data protocols a little bit differently. They helped us understand better learning/coaching prompts, how to build all of those in from the get-go. How to test certainly differently.

And so, that was a big learning for us, and it's where I actually got most excited to see that AI, responsible AI, can be an accelerator, not actually a brake on what we do. That was a lesson we learned probably 18 months ago.

And then if I fast-forward to this summer, we decided, I think it was July 30th or something, that we wanted to test something new for our fall review cycles. And we were able, within about six weeks, to set up the pilot with our responsible AI team. We wouldn't have been able to do that a year ago.

But the other things were about having to get bias out of the scores. I mean, humans have bias, and we know that LLMs have bias. And so really kind of training our agents to make sure that they're testing for that.

GEORGIE FROST: What perhaps didn't work at first?

ALICIA PITTMAN: One of the things that really didn't work at first, was trying to figure out how to spread innovation, and how to spread what best practice was, was working quickly enough. We stood up an enablement network. It's about 1,800 people across BCG who have raised their hands. They're basically our volunteer ambassadors. Some of them are really quite expert at what they do, and some of them are just really quite energized.

But they are activating, animating in their local offices with their teams how to spread best practice they share amongst each other, and then they share out with their communities. And that kind of peer learning has been a big piece at the center. We also hardwired some things, like we have basically a store, a marketplace, where our people can come and see not just the best of the agents that we've built, but also which ones are being used the most.

GEORGIE FROST: What are the metrics that you're using to measure success? Because trust, and this all boils down to trust, doesn't it? It's a quite hard one to measure, isn't it? So, what signals tell you that this is working for trust, as it were?

ALICIA PITTMAN: One of the things that, it's kind of a basic metric, but we do look at, is part of the TALENT Promise that I talked about is N, notified, right? So, we are not allowed, no BCGer is allowed to be using AI in any kind of performance review process without the person who is the subject of the review opting in.

And so, one of the things we just track is, how much are people opting in to do it? It's not 100%, by any means, but it is the vast, vast majority of people are not only opting in, but actually asking for it and pushing us on it. So, that's one of the ways do we say, do people want this, right? I mean, it's kind of easy to see why the reviewers would want it, do the reviewees want it? And they do. So, that's one of the things we do.



But the other thing we're measuring is, and I spoke about it a little bit before, are people feeling like they have a better quality outcome? Because if all that we've done is speed up some time to put reviews out there, then we've achieved a little bit, but we haven't actually really achieved our ambitions on development excellence, and seeing the better quality outcomes. That's a big part of what we promise to people when they come to BCG, and that's part of what we recognize and know as a quality outcome.

GEORGIE FROST: I'm curious, you are obviously BCG's people, Chief People Officer, but you are an active commercial officer as well. So, what are leaders out there telling you, I suppose? What are their biggest concerns when implementing, when getting the most out of these new AI tools, when it comes to people management?

ALICIA PITTMAN: The first are business questions that any leader would ask, which is, "How do I know that I'm going to get return on this? Where do I start? How does all this thing work? Is it responsible for me to make big money technology decisions right now in a world where the technology is moving as quickly as it is?"

And the good news there is that we can dissect and see what actually works. We know that when you use AI at the core of your business, when you use it to reshape some of the most important work that you're doing? That is one of the big signals of the 5% of companies that are really getting value out of AI.

The second is that they are taking this on as a true soup-to-nuts transformation, not just a technology implementation, but looking at people, looking at process, looking at culture, and really creating all of that. What is the role of human beings? What are we trying to actually let the machines do? And what is really uniquely human that is going to keep at the center? I think they're asking that question from a number of different angles.

One is, where should my compass be, in terms of what I do want to take out, and what I don't want to take out, in terms of work? Two is, how do I think about the role of leaders and managers moving forward? Which I think is a particularly fascinating one. And then the third is, how do I move my people, my organization through this, in a way that they don't feel like they're now sidelined? That actually they feel at the center of this, not some

sort of by-product. I think those are all really important facets to explore.

GEORGIE FROST: How do you answer those questions, then?

ALICIA PITTMAN: I think there's a few things to them. One is, on this question that I think is super interesting about what is the role of the manager. I mean, the truth of the matter is, in most organizations, managers are spending a lot of time just connecting the dots with people, right? "Oh, I was in this meeting and this got mentioned. I was in that meeting that got mentioned. Let me make sure I tell my team so that they can connect the dots on that."

Or managing priorities and workflows, and things like that. Honestly, that's a lot of stuff that AI can be hugely helpful with. It's important that those dots get connected, but it's not super high-value work to just repeat what you heard somewhere else. So I think a lot of that kind of work management is going to come out from a lot of managers' jobs.

I think what is going to be more important is, how do they spark creativity? How do they spark new ideas? How do they motivate their employees, develop their employees? And particularly, when we think about development in a world where work is changing so quickly. And so managers are really, I think, going to have to spend more time not just managing work, but actually helping their people develop, adapt to change, and move through and build capabilities for the organization, and build capabilities for themselves.

GEORGIE FROST: I am curious, though, where do you draw the line on automation in people processes? What needs, has to stay human?

ALICIA PITTMAN: What has to stay human is the view of what the objectives are. What's the work that I'm trying to get done? What does success look like? Those are things that AI is not going to tell you. Those are things that AI, I'm sure if you put something into ChatGPT, it's going to spit out something which is eloquent, and maybe makes you think a little bit, but it's not actually going to know what your objectives are, what matters for your business, what matters for your team.



Just to give an example that I heard just this week, I won't name the organization, but this was out when I was talking with clients a few days ago. Someone said that one of the very senior leaders actually admitted that he was enjoying more sparring with the LLM than he was sparring with his management team. And the good news is, he recognized that, and that that wasn't great.

So, I do really think that that's one of the things that we have to be careful on, that we don't lose the human collaboration. Because that is where creativity comes from, and it doesn't mean that it can't be machine-assisted, but the machine cannot replace that. And talk about what are we trying to achieve together. What are we trying to get outcomes we get to?

Those are very human motivations. I mean, we all need, as human beings, we need mastery. We need connectivity. We need to feel like we're part of achieving something. Otherwise, why get out of bed in the morning? If that component doesn't come through? We will not have harnessed any real gains or productivity out of how we change work with AI.

GEORGIE FROST: You've just highlighted one of the big problems with these tools is, it's so seductive. You think it can just answer all your questions. It can solve all your problems. How does a human in the loop look like, for BCG, when you have 34,000 people?

ALICIA PITTMAN: Like anything, especially all the more so a powerful tool, you don't just throw it at someone. You really need to train them on how to use it well. As an example, we train our people to use AI, not to get the answers for them, but to help test their answers. Or to help say, "What didn't I think about?" Or, "What might you add to that?" Or, "Where does this feel..." Like to use the AI to challenge ourselves not to do the work for us, right?

GEORGIE FROST: You said earlier about leaders questioning even if it's the right time to bring in these AI tools, when it's changing so fast, the workplace is changing so fast. Is there an argument to sort of almost sitting it out a little bit, waiting to see what happens and what changes?

ALICIA PITTMAN: I think that's an argument I hear some people making. I think personally, I think it's a really dangerous argument to make, for two reasons. One is just the economics of it all. We see

that the companies that are adopting AI and getting return out of it, are able to reinvest those, you know, they have higher performance. They're able to reinvest in more advanced technology, people upskilling, transformation of their work. And then they get another gear of outperforming versus their peers.

And so, the spread actually rises. And especially given how fast things are moving, it's going to be hard for laggards to close that gap. So, I don't propose that anybody just starts throwing money at AI without a view of how you're going to get to it, just to be kind of in the market and on board. That's not the point.

But the point is, to take seriously what are the core pieces of your business that are most reshaped by AI, and make sure you're really harnessing that power both to drive the performance you're going to need to be able to reinvest and fund that journey, but also to get your people on board.

And so, I think that, one, any employer needs their organization to be AI-fluent. Not everybody needs to be an expert, but you need to have people have comfort with the tools, comfort innovating how they work, basic fluency. I think it's going to be really hard to be an employer of choice if you are not really bringing AI into your workplace.

Both because people want to be at a place where they're learning cutting edge things, but also, AI takes a lot of the toil out of work. That's one of the things we think about. More triumph, less toil, is one of our rallying cries for how we think about it. And the companies that are able to take more of that low value, that toil, out of the work, are going to be more attractive employers.

I always remember when we first kicked off Amplify Impact, which is what we call at BCG, our internal GenAI transformation, one of the quotes that struck me most that we got from one of our teams was this woman said, "AI helps me at the loneliest hours of the day." She was basically saying, when I'm staring at a blank computer screen, or I don't know what to do, or I'm just like, "Oh my God, it's been a long day and I have three pages of notes to summarize into an email, or something. That's when I got this buddy of AI that just sort of is with me, and makes it easier."



I think those sort of things really matter. I mean, one of the metrics we look at is employee satisfaction around GenAI and 73% of our employees tell us that they enjoy their work more when they're leveraging AI for it. That's not surprising, but it is important that we keep measuring that.

GEORGIE FROST: Alicia, how is AI reshaping how we learn today?

ALICIA PITTMAN: This, I think, is one of the most fascinating places that really AI is going to change people management. I think there's a lot of layers to it. I mean, there's the basic layer, when you say, "Okay. How do we learn?" We can use AI to generate videos, and more tailored learning, and all of that, and create in hours what might've taken days before. I think that's kind of the first layer of it. That'll be powerful.

But I think the bigger piece is that you really have the opportunity with AI to help get learning into people's hands with specificity, and in the moment of need, and in a lot of ways come to them, versus employees having to find the learning themselves.

And so, two examples of that that I would share. I remember, and it was some of my least favorite moments in training when I was in school, and early in my career, where you learn to give feedback and there's improv to do it, and there's all of these sort of things. I always found it super uncomfortable. I didn't like practicing in front of people. And it was like practicing for something that might happen theoretically a month, two months, three months down the road.

Now people can use avatar coaches. I think about how empowering it is for our project leaders, as an example, like the night before they need to give tough feedback, or maybe the hour before they have to give tough feedback, they can actually go on and spar with an avatar that's going to react. The tool will both give you a view of, was your feedback good or not? Was it concise? Was it granular enough?

But it also lets you practice with different types of reactions. Sometimes the avatar says, "Oh, thank you very much for your feedback. I really appreciate your investment in me." And sometimes it gets defensive and it says, "You don't know what the

hell you're talking about." So that's a really interesting change in the way things work.

And then the other is that using LLMs to help assist the workflow and get the work done faster, in and of itself, becomes a coaching mechanism. So, we see, as an example, one of the top uses for us are things like an agent that helps you review your communications, your slide decks, things like that.

Basically what would my, in our case, a project leader, but what would my manager say about this document? And you can train it for different personas, and different slide objectives, and that sort of thing. That's an amazing way to actually teach someone what good looks like. Because in the reaction, that is learning and coaching, in and of itself.

GEORGIE FROST: What advice do you have for leaders who are going through this change?

ALICIA PITTMAN: One thing I want to pause on in terms of responsible AI, is responsibility isn't a brake on innovation. It's actually an accelerator. Trust drives adoption. Adoption drives impact. And putting responsible AI at the center allows you to do that at a much greater pace.

GEORGIE FROST: What's the "now what?" What are the next steps that leaders can take?

ALICIA PITTMAN: For other leaders who are asking, "Where should I start?" My message is basically this. Start focused, but start now. Pilot. Pilot responsibly, learn fast. Scale what works, expect returns, expect high ROI. It's not always easy to find, but it's out there.

In terms of your employees, upskill broadly. Invite employees to co-create with you. Keep communications open. When we get this right, AI is a ton of fun. Honestly, there's not so many things out there that can get better quality results, more efficiently, and actually engage and energize people along the way. That's a great thing, because getting the culture right really matters for AI success. It's kind of magic in a bottle, in my view.

GEORGIE FROST: Alicia, thank you so much, and to you for listening. If you want to read the latest articles from Alicia, and the People Team, follow the link in the show notes.