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**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. What if the next phase of AI isn't about individual adoption, but rethinking how teams use it, leading with strategy, not the tools? Well, joining me today is Vinciane Beauchene. Vinciane, welcome.

Now, BCG's been tracking AI at work for several years now. So just talk to me about what it is you are actually looking at and what you've seen this year that's perhaps noticeably different from the previous three.

**Vinciane Beauchene:** Well, through the AI at Work survey, what we saw is that the silicon ceiling has exploded. Now three out of four employees are using AI on a regular basis and they're getting value. And the questions are therefore shifting to the implication for jobs, the boundaries of work, and the operating model as a whole.

**Georgie Frost:** And yet companies arguably aren't seeing the organizational gains that you might expect from that level of adoption. Why is that the case?

**Vinciane Beauchene:** Well, I think it's pretty simple, actually. Adoption is an individual metric. Value creation is really a systemic output. And so individual productivity and adoption does not necessarily translate into collective value creation. If you have five employees that each get the 20% productivity, it does not mean that you will unleash one FTE in the end.

Another aspect is that if you do not look at the collective teams, the multifunctional teams that are working on a given process, you will actually end up just shifting to the left or to the right, the bottleneck in the value chain. So actually getting that value requires very systematic thinking around the full process end-to-end to be able to unleash, I would say, the time saved.

**Georgie Frost:** But how is that translating to making a genuine impact on businesses and on workers?

**Vinciane Beauchene:** Well, I think at the individual level, the outcome is pretty straightforward. People that regularly use AI claim that they're saving a lot of time, actually on average one day per week, which is meaningful. And they're also saying that they're enjoying work more.

They are seeing that the content of their job is evolving and that therefore they require new skills, but also the type of tasks that they're doing are shifting towards more complex decision making, more managing, less doing. At the company level, what's interesting is we really see two archetypes of companies, so to say. You have companies that have used AI and approached AI as a tech deployment. I take a tool, I deploy it to everyone, and I try to encourage people to use it.

On the other side, you have companies that have actually said, "Let me focus on a few processes that I want to truly transform with AI," so therefore a much more holistic and focused transformation. And what's interesting is that we've seen that the latter have had much more success in getting measurable impact out of AI, but also in seeing employees enjoy the use of AI and enjoy their work with using AI.

And that for me was a very interesting finding in the study, which is we tend to see employee satisfaction and business impact as almost two opposite sides of a coin, a trade-off that you need to make. Actually, our survey shows that when you tackle the AI question properly, you can get both and they actually reinforce each other.

**Georgie Frost:** Well, I was going to ask you that because you mentioned there about time saved, and I was just wondering whether that was the right measure of whether AI is working.

**Vinciane Beauchene:** Yeah, definitely. I think time saved, at least for me, cannot be the objective of your AI transformation. It's just an input in the process. I would rather encourage companies to truly focus on what is the value created per outcome or per process. And then indeed you want to add a few human dimensions to track in parallel to that value creation, such as is the level of skills of my employees still at the right level or am I actually de-skilling, which would create issues down the road?

Is the level of trust within the organization around those systems and the future of the organization still there? What is the level of confidence or a number of sentiment metrics that would tend to track in parallel to the value creation dimension, which important to say, is not just productivity, it's much broader obviously.

**Georgie Frost:** Can you give me an example of what it looks like when it's done well when you move from just making individuals more productive to really rethinking about how a team operates?

**Vinciane Beauchene:** Yes, absolutely. I think a few examples, one of the easy examples I would say is in software development, which is one of the functions where AI is the most mature and we've seen the most progress. As AI has been changing how we develop software, we've really seen this move from initially AI was just augmenting coders, so it would help you code faster, and that was really the adoption phase.

We would train software developers on how to use AI to code faster. That led to only incremental gains, I would say. But then came the age of RNS engineering and autonomous agents, and that really changed how you thought about the full software development life cycle, and it had meaningful impacts on the boundaries of the roles. Typically, some of the specialized roles are progressively fading away. You no longer need backend engineers or front engineers, you will have more full stack engineers.

The boundaries between the full stack engineer and a product manager or product owner become more blurry because suddenly product owners can prototype, but software engineers can spend more time understanding customer needs. So it requires you to rethink a bit, not only the boundaries and how those two roles co-work together and coincide, but also requires you to therefore rethink the structure of a team.

And we've been experimenting, not that there are definite answers today, but we've been experiencing should it be a power couple, a PO with a software developer? Should it be much larger teams with one PO and much more software engineers working together? Those are the type of things that I think we need to experiment. And my key learning of supporting those transformations that actually it's very difficult to have the answer up front. It's really critical that we create the ability to experiment systematically around the number of hypotheses that we have.

Another example that I find interesting is how we looked at the interaction between AI and humans in the sales forecasting process. Sales forecasting is typically a process that AI is very good at before even GenAI. And when we deployed those processes, when we deployed this process for a fashion company, we of course saw that AI was much better at forecasting than humans, but we said, okay, maybe we want to actually see what human plus AI does because our assumption was that it would be much better.

So we experimented with, okay, let's take the AI, do the forecasting, and let's have experienced humans revise the forecast when they believe it's a bit odd. And that actually destroyed the reliability of the forecast compared to AI alone. It's only when we tested, okay, let's have humans provide inputs upfront on some context elements that the AI cannot have access to, and then let's let them do the job that we got the best results.

So this type of what's the optimal human AI interaction is really something that you cannot invent or imagine up front or predict up front. It's really something that you need to play with before you scale.

**Georgie Frost:** Just on the human point, because I was going to ask you, how do you put strategy first when deciding what you actually want AI to do, but also where not to use it? Why might a company choose not to use AI? And this makes me think of what Bill Gates said about human reserve, so areas we could hand to machines but consciously choose not to. How do you make that decision?

**Vinciane Beauchene:** Yes, I think in recent years, most of the leaders that would come to us were asking, what can AI do? Where can I use AI in my processes? And more and more we're starting to realize that it's likely that in the near future, actually, that question will become totally obsolete. It's likely that AI will be able to do most of that.

And then the truly interesting question therefore becomes where should I deploy AI or more importantly, where should I protect human value-add because I think it will be a strategic differentiator? And I don't think it's only, of course it needs to be an ethical and regulatory question, but I think it's actually much more than that. I think it will become a competitive advantage question.

I think where companies decide to protect the human touch and to keep a human touch will be part of the DNA of a brand, will be part of the experience and the philosophy, the culture that they offer, and will become part of the strategic advantage considerations.

**Georgie Frost:** In the past, we've spoken about this, I suppose, battle for brains and intelligence, but will the battle be more for human skills, empathy, the things that make us, well, different from machines?

**Vinciane Beauchene:** It is likely that what we are looking for in humans will evolve. In a recent TED Talk, I was talking about the fact that human value isn't gone, it's just moved. It will require, as I was saying, each company to define where it wants to move the value-add and what are the skills that go with it. And indeed very likely it is the relationship, the empathy component that will become more and more important because the purely analytical and brain aspect will be more competed.

**Georgie Frost:** Do you think as we move towards more autonomous AI agents, those strategic choices that we make will become even more important?

**Vinciane Beauchene:** For one simple reason, which is when you had a copilot, you still were asking the questions. With agents, you have a much more autonomous system that is able not only to realize action, but actually take initiatives in doing those actions. And therefore, every strategic decision can be much faster executed, but therefore also any ambiguity in your strategy can also be much faster executed.

So with every strategic decision, you will need to be much more thoughtful about what can agents do, who has accountability, ownership, what are the decision-making processes, what are the guardrails that they want to set up to make sure that those agents work within the guardrails that you want to set up for them.

**Georgie Frost:** I just want to go back to what you mentioned earlier around the way that AI is making people feel about their jobs and the value that they bring. What is your research really finding about this?

**Vinciane Beauchene:** Well, there's truly a paradox there because when you look at regular AI users, what you definitely see is people are more satisfied in general, and they also recognize that they are experiencing increased cognitive strain.

**Georgie Frost:** On the use of AI, particularly in the workplace, now I'm hearing more often that people refer to AI tools and agents as coworkers or digital workers. Not a phrase I've used, but I have heard it. Is this a helpful way to think about them? Why does language around AI and AI tools matter?

**Vinciane Beauchene:** Well, I do think it impacts very directly how our relationship to AI and notably around the notions of ownership, authority, accountability, trust. And interestingly, we've recently done an experiment where we would give an AI outcome to employees and we would either tell them this has been produced by an AI worker or this has been produced by an AI tool.

And what we found out was that when people believed that it had been produced by an AI worker, the level of personal accountability on the outcome tended to drop, so did the ability to spot a number of mistakes in the outcomes. People were just less attentive because consciously or not, they associated it to a colleague and trusted it more. And also at the collective level, the fears around job uncertainty and the crisis and questions around job identity were much stronger.

So I do think there are a number of pitfalls in using this digital worker analogy or AI worker, although it may make it feel like it's therefore more relatable and will drive adoption. As we mentioned, adoption is not the issue anymore. It's more about driving value and the right level of quality.

**Georgie Frost:** So in terms of getting AI right for business, what does that look like for the people who work there? What should businesses be focusing on?

**Vinciane Beauchene:** I think what 'right' looks like for an employee in a company is the ability to answer very clearly three questions, or have clarity on three questions. First, where is my company going from a strategic standpoint, from a business standpoint and how is AI contributing? Second, what does that mean for my job? And where is the value add that would be expected from me as a human?

And third, how am I going to grow in that direction? What are the means, the resources that the company will provide to me to help me get there? And I think if a company is able to answer those three questions, you get a good outcome.

Actually, going back to the AI at work study, I think one of the most surprising outcomes for me was this idea, this fact that if you compare an employee who has very strong access to AI tools, but very weak strategic guidance to an employee that has limited access to AI tools, but very strong strategic guidance on where to use those tools, where to redeploy the capacity, the likelihood of getting measurable impact is five times less for the employee that has a lot of AI tools, but very weak strategic guidance. So the strategic dimension is more important than the level of tools that you can get access to nowadays.

**Georgie Frost:** If you were a leader, what would worry you more? Moving too slowly on AI or moving quickly, but without redesigning the organization around it?

**Vinciane Beauchene:** That's a really tough question, and I'm sure one that leaders ask themselves on a regular basis. I think the worst for a leader is moving very fast and hard coding a number of operating model decisions in doing so, because the tech will continuously evolve and there's no way that you can define a set in stone operating model, be it the legacy one or the future-ready one.

I do think that what will make the difference is the ability to create a company and a workforce that is able to evolve regularly as the tech progresses. And that involves making a number of design choices to minimize interdependencies across the different teams, to reinforce accountability of a few leaders around end-to-end processes, and to build a muscle allowing you to regularly upskill and develop your employees.

**Georgie Frost:** Well we've covered the "so what." What about the "now what?" What are the next immediate steps that leaders should take if they want to move from simply using AI to actually redesigning work around it?

**Vinciane Beauchene:** When I reflect back, the first one is not trying to do peanut butter spreading and do AI everywhere, but rather focus on a few places where you really believe AI can make a difference.



And then looking at those places, not with an individual task logic, but really starting from the outcomes and redefining work at the systemic level and thinking about the workforce transformation.

Last but not least, I think that in order to do so, companies need to progressively equip themselves with a team, a transformation team, that will be able to connect technology, business strategy, HR, finance, risk. This is not how companies are set together, but this is what will be required for AI to deliver value in the company of the future.

**Georgie Frost:** Vinciane, thank you so much and thank you for listening. You can find the link to Vinciane's latest co-authored piece, AI at Work: Strategy Matters More Than Tools in the show notes. If you've enjoyed the episode, please subscribe so you don't miss future discussions as soon as they're released, and you can catch up with all our episodes on Spotify, LinkedIn, YouTube, and Apple Podcasts.