GENERATIVE AI

GenAI Adoption Is Hard. Radical Employee Centricity Can Help

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The rapid evolution of generative AI and agentic AI is forcing organizations to completely rethink how work gets done. This moment offers an unprecedented opportunity: as leaders consider what should be automated, where to redeploy talent, and how to upskill the workforce, it creates a natural opening to redesign work to improve the employee experience.

For decades, business leaders have pursued performance by focusing on two primary stakeholders: shareholders and customers. Shareholder value was once the ultimate metric—the most

successful companies were those that could achieve scale efficiencies with heavy investments in assets and experience. Later, customer obsession became the prevailing philosophy as companies recognized that delighting customers was not a trade-off against profit, but rather a catalyst for growth and profitability.

But both of these priorities can come at the expense of employee well-being. Low motivation, burnout, and high levels of attrition also have a big impact on company performance. We must therefore recognize a long-overlooked, but equally important, stakeholder: the employee. This approach—what we call "radical employee centricity"—means ensuring work is designed (or redesigned) so that employees are supported, motivated, and empowered to do work they enjoy and, as a result, generate value for their organization.

The happy coincidence? While AI is creating a window to reshape work to become more employee centric, the technology also demands employee centricity to drive workforce adoption of AI tools and new ways of working. In other words, being radically employee centric while pursuing GenAI and agentic AI is not an option—it is a requirement.

Elevating Employees to Equals

Radical employee centricity doesn't mean that organizations deprioritize customers or shareholders. Rather, employees deserve an equal focus in how we define and create value. In many organizations, employees are still treated primarily as a cost to be managed. This is the wrong way to think about the workforce.

Employee centricity is not simply a question of culture or morale. Employees are also a key driver of performance, quality, and continuity—especially in industries where the stakes are high and talent is in short supply. Our research shows the important, value-driving link between employees' enjoyment of work and their motivation and retention. In a survey of more than 1,000 workers, we found that those who enjoy their work are less than half as likely to be looking for a new job.

We've also seen this in our work at companies. In one manufacturing salesforce, employees who reported high enjoyment were three times more likely to say they are highly motivated to do their best work. We saw a similar pattern among nurses—those who enjoyed their work were twice as motivated to do their best work compared to their peers.

> " When people enjoy their jobs, they stay. When they stay, they get better at what they do. And when they're motivated, they go beyond what's required.

That combination—lower attrition and greater motivation—is a clear pathway to better organizational performance and value delivery.

Treating Employees Like Customers

If organizations are to act on this insight, they must redesign their approach to employee experience with the same sophistication they apply to customers. While most companies routinely segment their customers, run conjoint analyses, and map and redesign customer journeys with design thinking, the employee experience is too often reduced to an annual survey from which employees see little change.

When we take a more rigorous approach to understanding workforce needs, the results are powerful. Functional elements like compensation and benefits often rank highest when employees are asked directly what they want. But when positioned as real-world trade-offs, emotional needs such as feeling respected, secure, and valued rise to the top. And when we use even more sophisticated correlation analyses, we find that these emotional drivers—and finding work enjoyable—are the dominant drivers of attrition/retention. Notably, pay falls from first to 15th in importance.

These more sophisticated analytics illuminate how organizations that rely solely on pay increases and benefits to drive retention are throwing money at the symptom rather than addressing the root issue, while also reinforcing the erroneous perspective that making employees happy is cost prohibitive.

Our research shows that emotional needs are far more predictive of retention and motivation than compensation alone. To address these vital emotional needs requires investing in training managers to lead with empathy, redesigning work environments for connection and autonomy, and embedding listening mechanisms into everyday operations.

Designing for Adoption

We noted above that the rise of GenAI and agentic AI creates a moment—and a necessity—to put radical employee centricity into practice. Unfortunately, many organizations are missing this

opportunity and instead pursuing AI transformations with a predominant focus on productivity. Unsurprisingly, this approach often creates employee skepticism and resistance. Employees understandably fear that technology will result in job loss or increased workload, or that it will take away tasks they find enjoyable and meaningful. These concerns are valid—and unless addressed, they will significantly hamper the adoption of GenAI and agentic AI.

Through our work internally and with company executives, our interviews with GenAI leaders, and broader BCG research, we have identified three conditions that consistently lead to higher adoption and greater value:

- **A GenAI strategy should aim to make work more enjoyable.**

  This means identifying the toil GenAI can remove from day-to-day work and how it can make the remaining work more engaging.

  > " Alongside productivity and value, GenAI must be approached with the explicit goal of making work more pleasurable for employees.

  In addition to focusing on the nature of the work, it is also important to co-create how to deploy technology with employees. We've learned from our own internal technology rollouts that involving employees early in tool development and implementation ensures relevance, reduces fear, and increases buy-in. This means engaging top performers across the organization to shape use cases, test prototypes, and provide feedback on design and training so that the final solution reflects the real needs and workflows of those expected to use it. It also means engaging potential skeptics in the process from the beginning and considering their concerns around the technology.

- **Managers must vocally support and use AI.** When leaders truly care about their team members and are themselves excited, knowledgeable users of GenAI tools—and communicate transparently about their purpose—employees are far more likely to engage. Leaders' enthusiasm and concern for employees' well-being set the tone for adoption, helping teams see the technology as an opportunity rather than a threat.

  We saw this when working to deploy GenAI with our own administrative staff: teams in which managers used the tools themselves adopted GenAI at four times the rate of their peers. This in turn led to significantly higher reported time savings and greater reported job enjoyment.

- **Organizations must protect time and space for learning.** GenAI tools require new skills and habits, which cannot develop under the pressure of unchanged performance expectations.

Structured learning opportunities, peer-to-peer experimentation, and adjusted or even suspended performance metrics during rollout are essential.

For example, at one organization we worked with, 80% of software developers expressed excitement about using GenAI. Yet when the tools were introduced, only 25% of those developers adopted them at even a basic level. The barrier wasn't lack of interest—it was time, pressure, perception of tool capabilities, and fears. To course-correct, the company paused standard workflows for two weeks, freeing up half of employees' capacity so they could explore, experiment, and share best practices. After a series of interventions, adoption doubled in a short window of time for newly onboarded groups.

When organizations meet these three conditions, the impact is significant. When we took this approach with our own workforce at BCG, adoption rates increased up to fourfold, weekly time savings reached several hours—and employees who had already self-reported high levels of job satisfaction reported more joy and effectiveness in their work. And BCG global research across more than 1,000 organizations has found that the above elements are key enablers utilized by the companies leading the way in AI adoption—and ignored by those whose efforts are lagging.

From Side Concern to Strategic Priority

While HR plays a vital role in implementing radical employee centricity, it lacks the resources, access, and agency to fundamentally create the work redesign needed across the enterprise. That responsibility lies with line leaders. Every leader must be accountable for creating conditions where employees can thrive—just as they are accountable for business outcomes and customer results.

Generative AI and agentic AI have created a unique inflection point: organizations now have an opportunity to elevate employee needs as they are rethinking how to embed AI in work. At the same time, these technologies require employee centricity to drive adoption and, as a result, value. That means the employee experience needs to be reimagined for more joy and less toil—not as an afterthought, but as a core, ongoing design principle.

This is the moment to design work with employee joy in mind, because that's how performance will be unlocked in the years ahead. Radical employee centricity is no longer optional—it's the foundation of sustained competitive advantage.

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