

**Deloitte TECHTalks | EPISODE 13 | GenAI in the Workforce***With [Laura Shact](#), Principal, AI Human Capital Practice Leader, Deloitte Consulting LLP*

**Raquel Buscaino:** Welcome to Deloitte TECH Talks. I'm your host, Raquel Buscaino, and I lead the Deloitte US Novel and Exponential Technologies team where we sense and make sense of emerging tech.

On today's episode, we're going to be chatting about the hot topic of the year: Generative AI, but more specifically, how organizations can successfully integrate GenAI within their workforce.

Our conversation today will build upon our previous episode with Amelia Dunlop on the 4 factors of trust and the relationship of humans with machines. But now, we're going to take it one step further by exploring the impact that GenAI can have on our workforce, what long term skills and capabilities organizations should think about investing in, and how we can shape an AI-driven future in both a positive and equitable way.

I'm very delighted to be joined by Laura Shact, Principal at Deloitte Consulting LLP, and leader of the AI practice for Human Capital on this episode. We've got a lot to cover today, so I say, we dive right in! Laura, welcome to the podcast it's really great to have you.

**Laura Shact:** Thank you for having me on.

**Raquel Buscaino:** Laura, you're the leader of Deloitte's AI practice for Human Capital. What do you see as the greatest impacts of GenAI on an organization's talent strategy?

**Laura Shact:** What we're hearing is as organizations are focusing on the tech, they do recognize early on that with the power of Generative AI comes managing the human. We talk about this human in the loop, and it's not an afterthought. We're seeing organizations consider this upfront, recognizing the power of how GenAI will transform and is already transforming in many cases the tasks, the jobs, and the skills of what people be working on. So what does that look like at a click more detail?

We have quite a bit of data from [Deloitte's state of Generative AI in the Enterprise Report](#). In May, we've released the second quarter data and heard more from organizations about what those talent strategies are. First, we heard, in general, these talent strategies are coming and they're happening now. So, 75% of organizations are thinking about how Generative AI is going to impact Talent within the next 2 years, and 18% of them say it's happening right now.

What are those changes in their talent strategies? The most common are involving the change of looking at their work processes. So what is that work itself and the tasks, right? How do we use Generative AI for summarization, for insights' collection, and redesigning the work and the work processes?

After that most common is looking at the upskilling and reskilling needs of the organization. And then those organizations who cited that they have high level of expertise in AI, they are focused in particular on developing AI fluency and redesigning career paths. So that's an acknowledgement, both that there

are short-term things we need to do to be building the knowledge and awareness, and then also contemplating what will that mean longer term for the roles from a career pathing, career professional development workforce planning.

So those key questions that the organizations have are: What do we think are the change in skills? How pervasive is that impact of GenAI? Should we be focusing on the upskilling? Where do we need to hire for new tech talent in particular? And then what role do human skills play - not just the technical skills -- in increasing the fluency around Generative AI in the organization.

**Raquel Buscaino:** Well, it's really interesting, especially that first stat you mentioned, which is 75% of organizations are looking at that. I mean, it's hard to get that much consensus in this day and age. And I also think it's interesting that you said that 18% are looking at it over the course of the next year. Is that right?

**Shact, Laura:** Yeah, 18% say it is happening now that they are looking at the talent strategies now in their organizations. So we see that, particularly in the industries and sectors like technology, where AI has long been part of the services and products that they're offering customers. Those tend to be the organizations we see moving faster in recognizing that there's implications to the change in the work within the organization. You know, of the humans today.

**Buscaino, Raquel:** That really interesting 75% versus 18%. Because that means that there's a significant portion of companies that still need to close the gap between their intent and actually taking action this next year.

**Laura Shact:** Yeah, Raquel, that is a great point! In the Deloitte Global's [Human Capital Trends Report for 2024](#), one of the key things alongside the trends in Talent is just that gap between "knowing" and "doing". And it's a significant gap across a number of Tech Trends. Things like, you know, are we investing in creative skills? That chapter is called the *Imagination Deficit*, or the need to have learners have hands-on tools, and being able to practice in a safe space. That's in a chapter called *Digital Playground*. So, there's organizations and case studies in that report of what organizations are doing, but there's a much larger percentage, maybe almost an 80-20 rule of organizations looking at that, and then what have they mobilized around with the specific actions and those that are doing.

**Raquel Buscaino:** So given that there's that gap. How can organizations effectively adopt AI, and I think most importantly, even build trust among their workforce? We had Amelia Dunlop come on a past episode where she talked about the 4 factors of trust and humans with machines. Can you elaborate a little bit more on what are the actual strategies to drive adoption successfully within your organization?

**Laura Shact:** Trust is a very interesting topic and very relevant now when we think about trust. So let me zoom out for a moment. Trust is at an "all-time" low. All of the statistics we have, [Deloitte \[Global\]'s Generational report](#), a study on millennials and Gen Z - shows that there is increasing distrust in large institutions, government, companies, higher education, you name it. So, at a time where there's a lower trust in general, in the macro-economic world, we see that also in organizations where there is potential distrust of leaders in the company, right, Millennials and Gen Z actually want to work for the companies or buy products from organizations they trust, and they want to work for leaders whom they trust, and

also the flip side of leaders experiencing with hybrid and shift to more distributed work, questioning, really wrestling with ideas of trust of their employees and their workforce. So that's setting the stage, then we look at throwing in AI into the mix. So when we think about trust, there's trust in the technology, there's trust in our organization, there's trust in our workers. Why, that's so interesting is Deloitte has studied trust for many years, and those [4 factors of trust](#) are: humanity, transparency, capability, and reliability.

And so what's very interesting is if we take the work that we, as Deloitte, have done on Trust ID, That's a brand index that looks at "How do consumers view the trustworthiness of brands?" And we've added some additional data sets. We've added the data sets of what do the workforce say about their employers? And what happens in that mix when we add AI as an ingredient. What we learned from that research is that when engagement and trust are high, 77% of individuals view technology, like AI, positively. And yet employees perceive their employers as less empathetic - to be precise, 188% less up empathetic when AI tools are introduced.

So this creates a bit of a challenge. When you think about how leaders and businesses are interested in exploring the opportunity for AI, and what that means as they roll out those tools and the enthusiasm, and how those messages are landing on their workforce can be taken with a lot of skepticism. Particularly when you focus on topics like productivity and innovation.

Why trust is a critical topic is because we need to match the enthusiasm that leaders have in the organization for rolling out AI with what that means for the workforce. So that means that if organizations hear the words "this is about productivity and efficiency" that can create some cognitive dissonance where the worker may not be motivated to create a business case and participate in identifying what those efficiencies are, if they view that that would lead to either the reduction in the need for human role, for their job, or, as they think about, well, "I used to have an output of doing 5 widgets per hour, and now I'm because I could be so much more efficient, I'm going to have 20 widgets an hour" and what could be the potential well-being hit or expectation?

How organizations can mitigate these potential risks of the negative perception around AI is coming back to those 4 factors of trust, is leaning on how they can be human, how they can be transparent. So what that means is leaders talking in transparency around the vision they see for the role of AI, for their markets, their communities, their customers, and also making it personal in what that means for the individuals? What is that learning opportunity for them? Where are the opportunities for them to co-create and experiment? It's why we see things like "hackathons" or "promptathons" gaining a lot of attention, because we see that this is the way that those workers, really closest to those work processes that can be impacted by GenAI, how they can celebrate and then being part of these solutions.

So the last thing I'll say on trust is there is a critical role, then, of managers and facilitating that trust. It's not just going to be the highest levels of the leaders in their organization, but in having a consistent conversation and thought from the managers, in having a human centered view of what it is going to mean for their workers and positioning that as an opportunity for them to shape and co-create that future with the role that the humans that that critical role that the humans in their business will play.

**Buscaino, Raquel:** I think that co-creation piece is such a big part of it. There's this quote, "people support what they help create." And I think when it comes to AI transformation within your workforce. That is so, so true. I also think it is how you're going to get the best used cases for how to include AI in your workforce from the people who are living it themselves.

So, Laura, another piece of this, too, I think, is that technology feels like it is constantly evolving, and as a society, we're experiencing maybe, a bit of change overload things just seem to be changing all the time. But amidst this change, I do think there's some things that will remain as important as ever. Can you speak to what those enduring skills and capabilities might be that even in this AI-driven future will still remain just as important?

**Laura Shact:** Those enduring skills, I think, are things like critical thinking, agility, problem solving empathy. So those roles that we talk about, those skills that we talk about, that we often think of as good leadership, being a "good people manager" in particular, are those areas that will continue to be essential for the future of Generative AI.

What we are talking about is that muscle around agility. You may hear that quite a bit, because the pace of this technology is so fast and so we can't just train people on the tech today as it will continue to evolve. We want to focus on having that baseline understanding, that people have a digital fluency, or an AI fluency, but those people skills are really the things that will not be done, at least anytime in the near future, better by technology than by humans.

All of this said, I think there's a very difficult message out there that we make confusing for individuals, especially at college grads, who are looking at "what should I be focusing on and in the work world, or even earlier high school students as they think about "what should I be studying in college?" because for many years we've said things like, "go into data science", "go into software engineering." And yet at the same time, we have this focus that we're saying on the human skills that creates sometimes a mixed message about, you know, which of these things are important?

My perspective is: there is a need for that baseline understanding of technology by all, but it will continue to be those human skills that will differentiate the individuals who can do what they're doing today well from those who will shape what is the future of the work tomorrow. And so when we think about these programs, how do we develop these skills? We are often seeing organizations right now investing in training and learning for their workforce, both in those people skills, as I mentioned, since those are those critical, enduring human skills, but looking at: what are those baseline levels of fluency? How is that different by roles? How do I know as an organization which skills it's important to build across different levels or domains?

A way to address that, is to craft learning personas. So to get very crisp on what are those learning objectives that you need in every level of your organization to tailor that curriculum development. Common types of personas I see, are something for an executive, then a leader or people manager, and then the broader workforce, technical and non-technical professionals. And what creates trust in the organization for the individuals is now understanding "me" in one of these personas. What is that pathway going to look like? What are those skills I can develop today? And not just knowledge as being

imparted with skills, many of these things, the best programs, have hands-on application with Generative AI. And so, we at Deloitte see the organizations who are investing in those enduring skills and capabilities, being the ones who develop these clear personas, that create paths with specific objectives that touch that AI fluency as well as continuing to invest in people development skills with those things like: critical thinking, dealing with conflict, having emotional empathy, as they complement the technology. And, right when we talk about humans in the loop, how do you build a human who can add value in the loop? They need to know what questions to ask, to analyze if the answers that they're getting from the technology are correct.

A skill you probably hear quite a bit of is prompting, or prompt engineering. And prompt engineering is at the heart asking good questions. And while the technology gets better at understanding human intent so hopefully, we don't need to keep focusing on how do we prompt "exactly" so we get the answers we need from the tech? But is that knowing that critical thinking, and creativity, and intellectual curiosity that will continue to be important: to know what questions to ask, to be able to look at data that you're getting out of an answer and asking a question: where did this come from or what is missing from this answer? What voice might not be heard right and that often it becomes the key of, connecting that human skill back to the technology skill.

**Buscaino, Raquel:** It really is such an important skill. And I just do love the idea that you mentioned up different personas because it's not one AI fits all. AI is a tool to help us work better. And the different tools people use should be different, based on their role and function. So it makes all the sense in the world why, we would have different personas for different ways that people are going to use the tool that is AI.

What are some of the things from a change management perspective that you think is a misstep that some organizations might make, or maybe a hiccup that they encounter?

**Laura Shact:** One hiccup that I see is treating a Generative AI implementation like a tech implementation. So getting excited about the technology and treating it as an event. And there's a great quote out there: "AI is a lifestyle, it's not an event."

And so, it's not like the ERP [Enterprise Resource Planning] implementations that I grew up in my career where we would, do a waterfall method, and then implementation, and now we've delivered it and off we go. What we see with AI is, it's iterative. We have this experimentation, we have proofs of concept, and need to keep iterating based on what we are learning. That is fundamentally different. And so what that means is starting upfront, when you have a technology roadmap, or a product roadmap, to think about what will be our people roadmap.

There will need to be immediate things that you roll out; here's the technology we're going give you, here's expectation on how you use it, here's what it means for our business, and then building over time to infusing the use of AI internally, or that creation of AI for new value for customers, in evolving that roadmap over time. And so, by treating it as a tech play versus a human play misses the opportunity to have very open conversations about your business, it misses the opportunity to bring people along, and it can have potentially very detrimental effects too, I think, the trust of the workforce and at minimum, what we see is, you know enthusiasm from executives around things like AI assistants and chat bots,

when they look at their adoption results, it doesn't meet their expectations. Usually that missed expectation is because they're wondering why we threw it out there like, why are you using this?

And you know they're needing to be more education and support for identifying how do we expect Generative AI to be used in future workflows and also not just hearing it from the top levels of the organization, but having that reinforced by leaders that they trust whom they look to for direction, and having a consistent message around the role of both the humans and the technology in the business. So looking at this, as these are business problems that we are applying technology to solve and with humans to monitor that and add the value. All of those ingredients are really important to not over-index on the tech at the expense of the business and the people elements.

**Raquel Buscaino:** I really like what you said about AI being a lifestyle and not an event, I think that's so powerful! As we look to the future, as you think about the role that we all have in building this future, how do you make sure that we're building it in a positive and equitable way? And I just also love to hear from you what you're most excited about for the future that we are building.

**Laura Shact:** What excites me about Generative AI is our potential to enable people to focus on these higher value tasks, these more human-centered items like coaching and managing that individuals spend less time on the work that we all feels are “grunt” work, the things we don't want to do, but need to do for our business, and that we would be able to focus on these higher value tasks. What that requires in order to make it a positive and equitable future are a number of things.

An important element of that is that we create the technology itself in a way that has inclusive participation. So what I mean by that is, we can start at the beginning of these transformations with equity in mind, not as something we look back to, and wish we had done it a different way. And I see that as important in organizations who are creating AI COEs (Center of Excellences), AI Councils, in the companies who are building the technology themselves in bringing in different perspectives, for under-represented groups having a voice at the table, just like any other product design, to make sure that it solves for the needs of all, that we bring in a diverse and representative group of the broader communities that we live in to be part of that technology development, those transformations.

I would say that thinking about AI creating a positive future is certainly what motivates me. We know that humans will not be replaced by AI, but that humans, other humans using AI will. And I think that's a really positive message, because it's an equitable one.

So if there's anything I would end on it was that as we shape this future of work, creating that as one where we emphasize the potential and make that a place where all can participate will be, the one that helps make AI power for good in our organizations.

**Raquel Buscaino:** I'm so with you there. I think one of my personal missions in life is to make sure that technology is working in the service of humanity. And so thinking about how can AI help me do what I want to do in life better, faster, cheaper that's the future that I want to aim towards?

So, Laura, thank you so much for such an insightful conversation on how organizations can bring their workforce into this GenAI transformation as active participants, as co-creators, as people who play, learners, researchers, you name it! To all our Tech Savvy listeners out there. If you enjoyed this episode, please share and subscribe, and if you'd like to learn more about the impacts of GenAI on the workforce, follow Laura or myself to stay up to date, our socials are listed in the episode description. Thanks for tuning in, and I'll see you on our next episode. Until then, stay savvy.

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