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## Of Innovation

Navigating the Complex Terrain of  
AI in the Canadian Workplace

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The success of integrating AI into the workforce hinges not on the technology itself, but on leaders' ability to transparently manage innovation and inclusively address the workforce's deep-seated fears and concerns about equity and the future of work.



The 2024 Edelman Trust Barometer sheds light on Canadian employees' perceptions of AI being introduced into their workplaces, revealing a complex mix of anticipation and apprehension. Amid a landscape where businesses are generally trusted for their competence and ethics more than other institutions, there remains a palpable skepticism towards the motivations of business leaders, with 61% of respondents wary of misleading or exaggerated statements. This backdrop of skepticism extends into the realm of AI innovation, where the reception among employees is decidedly mixed.

While technology firms, especially those pioneering in AI, enjoy a 50% trust rate, the broader sentiment towards AI in the workplace is fragmented. About 30% of employees welcome AI innovation, seeing it as a harbinger of progress and efficiency. Conversely, 35% resist, driven by concerns over job security, the pace of change, and the implications for their professional future, culminating in a net promoter score of -5. This dichotomy points to a workforce standing at a crossroads, equally pulled towards the potential benefits, and repelled by the potential disruptions AI might bring.

The introduction of AI is further clouded by a widespread belief that innovation is not being managed effectively. Forty-four percent of Canadians think innovation management is lagging, compared to a global average of 39%, with only 17% feeling it's handled well. This perception of mismanagement not only fuels resistance to AI but also amplifies fears that technology is advancing too swiftly, leaving societal adaptation trailing behind.



Moreover, a significant number of employees believe that the rapid pace of technological and societal change disproportionately benefits the affluent, exacerbating inequalities and casting doubt on the broader merits of capitalism. Yet, despite these concerns, there's an underlying openness among many employees towards AI, tempered more by caution than outright opposition. This hesitancy reveals an opportunity for businesses to foster a more accepting attitude towards AI through enhanced training and development initiatives—areas where Canada currently invests less than other leading economies, especially in regions like Atlantic Canada.

Employees are primarily informed about AI and technological advancements through online search engines and social media, indicating a critical need for direct and transparent communication from leaders. **An overwhelming 82% of employees express a desire for their concerns to be heard and to engage in meaningful dialogue about the impact of AI.** They seek assurances and clarity on how innovations will affect their job roles, the ethical considerations of technology use, and the future landscape of employment. Addressing these concerns head-on, with 80% of employees calling for discussions on the skills of the future and the ethical use of technology, is essential for navigating the uncertainties brought by the swift tide of change.

Canadian employees' perceptions of AI in the workplace are marked by a delicate balance of optimism and unease. The path to harmonizing these views lies in transparent management of innovation, proactive engagement with employee concerns, and a commitment to equipping the workforce for the challenges and opportunities of the AI era.

What is most surprising and impactful regarding Canadian employees' perception of AI in the workplace?

**82% of employees who believe innovation is being poorly managed also believe the system is biased in favor of the rich, and more than half think that capitalism does more harm than good.** This statistic is particularly striking because it not only reflects a significant distrust in the current management of innovation but also ties these perceptions directly to broader societal and economic concerns.



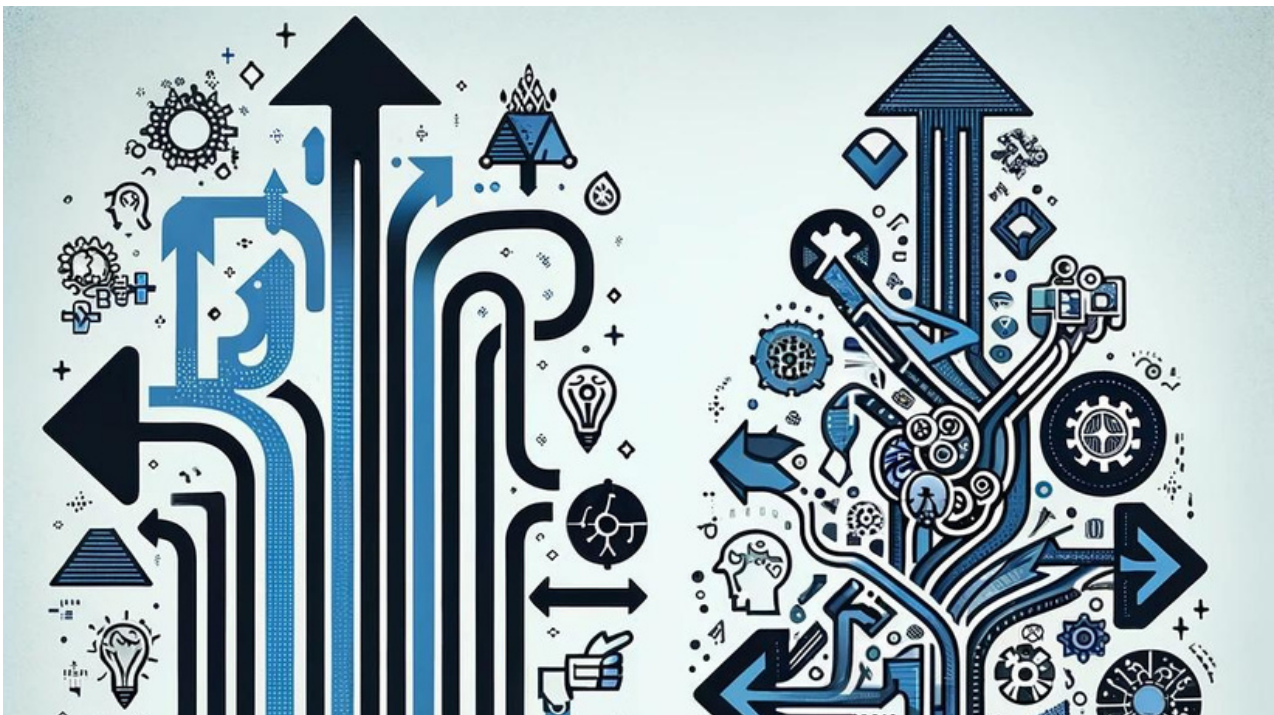
## A test...

the research challenges the traditional assumption that technological innovation, particularly AI, is uniformly welcomed by the workforce as a positive force for change. It underscores the complexity of employees' perceptions, revealing a nuanced landscape where enthusiasm coexists with resistance, skepticism, and concern. The data highlights that employees' acceptance of AI is not just about the technology itself but is deeply intertwined with broader issues of trust in leadership, the pace of societal change, economic inequality, and the management of innovation. This challenges the simplistic view of technological advancement as an inevitable step forward that will be embraced by all segments of the workforce without reservation.

## To rethink...

The position of leadership that requires re-evaluation for better outcomes in the context of AI integration into the workplace is the traditional top-down, command-and-control approach. This conventional leadership stance often involves making unilateral decisions about technological innovations and implementing changes with minimal input from employees.

Rethinking leadership to be more inclusive and participative – not having all the answer but evolving the solution with the input of the people most impacted, the employees.



## The opportunity...

for leaders to shift towards greater acceptance and commitment of employees to AI lies in actively addressing and mitigating the concerns around the pace of innovation and its management. Specifically, the need for:

- 1 Enhancing Transparency and Trust:** By openly communicating the objectives, benefits, and potential challenges of AI integration, leaders can build trust. This involves not just sharing the 'what' and the 'how' of AI projects but also the 'why' behind them. Transparency in the decision-making process, especially regarding how AI will impact employees' roles and the measures in place to support them, can significantly increase acceptance.
- 2 Prioritizing Inclusive Dialogue and Collaboration:** The desire for a voice in the conversation about AI shows a significant opportunity for leaders to engage employees in the planning and implementation process. This could be through regular feedback mechanisms, participation in pilot projects, or inclusion in decision-making forums. Such collaborative approaches can demystify AI, reduce fears, and help employees feel more invested in the technological transformation journey.
- 3 Investing in Training and Development:** The passage underscores a crucial gap in training and development investments, particularly in comparison to other advanced economies. Leaders have the opportunity to champion and invest in comprehensive training programs that not only equip employees with the necessary skills to work alongside AI but also address the emotional and psychological aspects of adapting to change. Tailoring these initiatives to meet the diverse needs of the workforce can help alleviate fears of obsolescence and foster a culture of continuous learning and adaptability.
- 4 Addressing Equity Concerns:** Recognizing and actively working to prevent the exacerbation of existing inequalities due to AI integration presents a significant opportunity for leaders. This means ensuring equitable access to training, opportunities for advancement, and benefits from AI-driven efficiencies. By demonstrating a commitment to fairness and equity, leaders can mitigate resistance and build a more cohesive, committed workforce.





By focusing on these areas, leaders can transform the current landscape of hesitation and resistance into one of enthusiasm and proactive engagement with AI, ultimately driving a more positive and productive integration of AI technologies into the workplace.

The most important takeaway for making a difference in shaping an effective and evolving AI strategy is the critical need for leaders to prioritize transparency and trust. By openly communicating the rationale, benefits, and challenges of AI integration, and actively involving employees in the process, leaders can demystify AI, address concerns, and foster a culture of collaboration and adaptability. This foundational step is essential for building a supportive and inclusive environment that is well-equipped to navigate the future challenges and opportunities presented by AI.

## **Leaders should ask themselves:**

"Are we adequately addressing the underlying fears and concerns of our employees about AI, or are we prioritizing technological advancement at the expense of trust and equity within our workforce?"

## **And leaders should ask employees:**

"How do you feel the rapid pace of AI innovation and its integration into our workplace is impacting your sense of job security and the fairness of opportunities available to you?"

The most surprising and impactful takeaway from the research is the stark disparity in trust towards AI and innovation management between different income levels and the widespread belief among employees that the system is biased in favor of the wealthy, suggesting a deep-rooted concern about equity and fairness in the era of technological advancement.

Remember this more than anything else:



Introducing AI solutions to the workplace is at a crossroads, that despite a general trust in businesses for competence and ethics, a significant **61%** of people believe business leaders are intentionally misleading them.

This highlights a critical gap between employee trust and the intentions of leadership, underscoring the urgent need for transparent, honest communication and genuine engagement with employees about the impacts and benefits of AI, to rebuild trust and successfully navigate the complexities of AI integration.

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