

Think You Are Open to AI? Think Again.

Leaders, ready yourself for AI so you can help your teams.



The AI revolution is underway.

Three out of four (75%) CEOs surveyed believe that the organization with the most advanced generative **AI will have competitive advantage.** (IBM's CEO Study)

Source: Potential Project

Your employees are worried.

Nearly **¼ of all workers say they are worried** that their job will become obsolete because of technology, **up from 15% in 2021.** (Gallup)

It's time to get ready.

Fewer than one in three CEOs (28%) surveyed have assessed the potential **impact of generative AI** on their workforces. (IBM's CEO Study)

Rather than run, hide or pretend to have the answers, leaders need to adopt a **beginner's mind** with AI.

Doing so will **bolster the well-being and commitment of your teams by 25% or higher.**

WHAT DOES IT MEAN TO BE A BEGINNER?



FROM THE WISDOM TRADITIONS

The concept of **shoshin** is the practice of approaching everything in life with a beginner's mindset. You don't let pre-existing beliefs or past experiences color how you approach a new situation. Instead of assumptions or pre-conceptions, you bring curiosity. You replace a desire to have the answers with a desire to learn.

Source: Potential Project



FROM THE FIELD OF COGNITIVE SCIENCE

The concept of **cognitive flexibility** refers to our ability to adapt flexibly to our constantly changing environment. Cognitive flexibility kicks into action when we switch between tasks or toggle between different concepts or strategies. It is what helps us to navigate new situations or to shift gears and make different choices when something isn't working.

At this moment, when AI is upending how we work, leaders who win are those who lean into the new environment with curiosity and flexibility. Unfortunately, many of us lost the ability to do this years ago.

WHAT GETS IN THE WAY OF A BEGINNER'S MIND?



CONFIRMATION BIAS

Our own expertise can erode our cognitive flexibility. The smarter and more experienced we are, the more locked in we become to our ways of thinking and doing things. So locked in that we go looking for facts and data that support our perspective and ignore anything that may run contrary to that.



COGNITIVE LAZINESS

Our brains are the masters of energy conservation. Whenever we can, we go into autopilot mode to dedicate as little conscious thought as possible. This allows us to walk through the world in a smart and efficient way, but it can also prevent us from adopting new ways of seeing a situation or solving a problem in a different way.



MISPERCEPTION

We are poor judges of how we actually behave and incorrectly assume we do have a beginner's mind.

Recently, Potential Project asked 85 leaders to evaluate themselves on the dimensions of expertise and openness. We asked 250 employees to rate their leaders on the same two dimensions.

EXPERTISE

+3%

higher than
employee
ratings



Source: Potential Project

OPENNESS

+14%

higher than
employee
ratings

On the expertise dimension, leaders rated themselves **3% higher** than employees rated their leaders.

On the openness dimension, leaders rated themselves **14% higher** than employees rated their leaders.

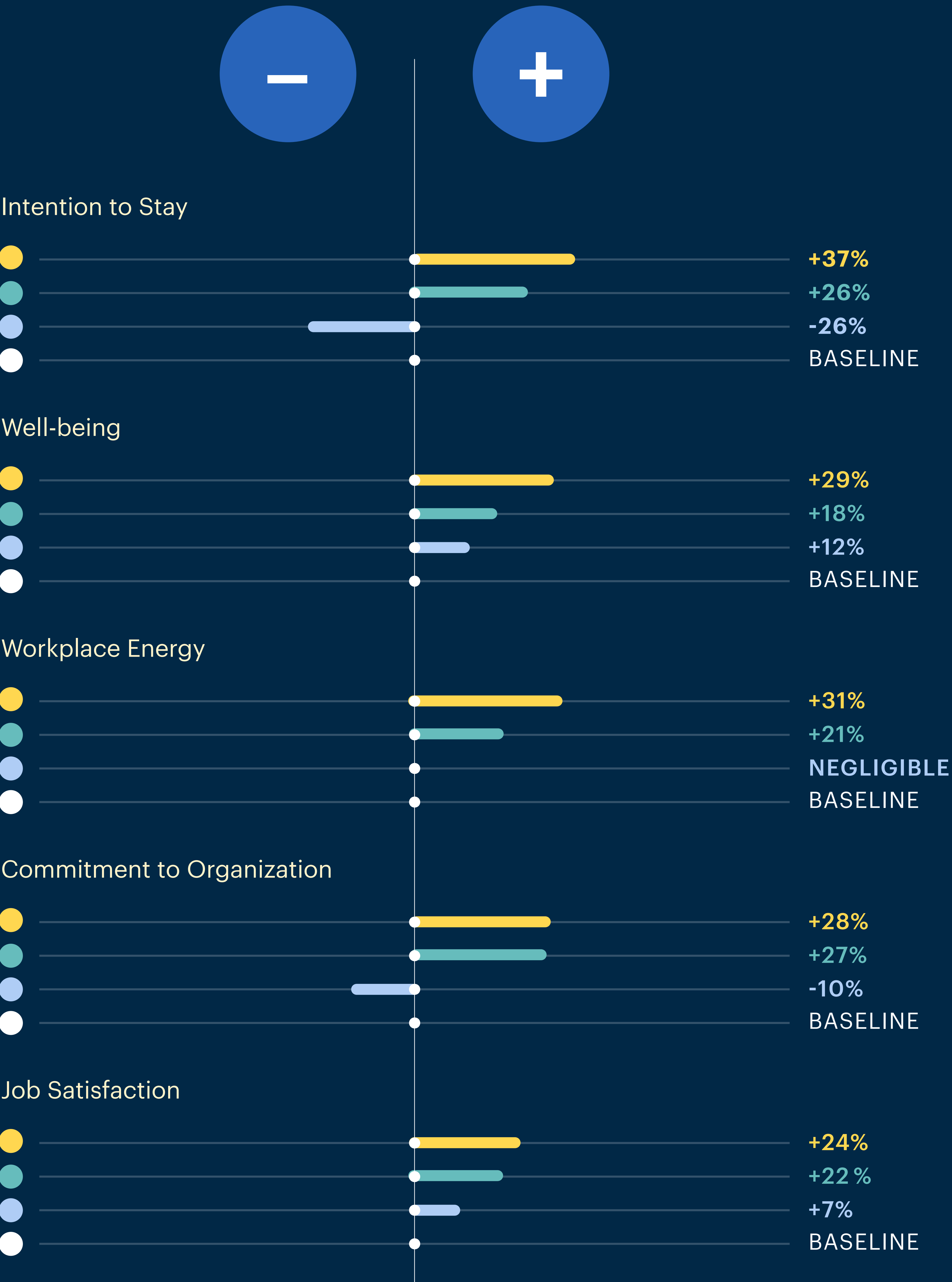
WHY DOES IT MATTER?

WHEN A LEADER IS PERCEIVED AS OPEN, SHE OR HE DRIVES THE BEST OUTCOMES FOR EMPLOYEES.

We asked employees to rate their leaders on the dimensions of expertise and openness.

EMPLOYEE OUTCOMES BY LEADERSHIP STYLE
PERCENT IMPROVEMENT OR DECLINE RELATIVE TO BASELINE

- HIGH Openess HIGH Expertise
- HIGH Openess LOW Expertise
- LOW Openess HIGH Expertise
- LOW Openess LOW Expertise



Employees who perceive their leaders as relying on expertise and also remaining open have significantly better outcomes than those who perceive their leaders as being low on both expertise and openness.

Employees who perceive their leaders as being high on expertise but low on openness have the lowest intention to stay of all and the same level of workplace energy as employees rating their leaders as low on both.

Helping employees to adopt AI means building your own receptivity to the massive changes ahead – not as an expert who has it all figured out but as a learner with intellectual humility and curiosity.

How ready are you?



The Human Leader is Potential Project's bi-annual study of the critical attributes that constitute a new model of leadership. Based on data from 5,000 companies across 100 countries, The Human Leader provides ground-breaking insights into how leaders can unlearn management and relearn how to be human. The research was done in partnership with academic experts at Harvard Business School, Columbia Business School, Haas School of Business, Rotman School of Management at the University of Toronto, and the University of Amsterdam School of Business.



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