



Realizing the Value of AI by overcoming the Fear of Change

The realized value of every innovation comes down to the success of the associated change management effort - and AI-enabled technologies are no exception.

But while all projects have a change management component to them, what is required to help people embrace change is not always the same. With automation and AI-related changes, people are often concerned that short-term alterations to their work will lead to either:

- a. Jobs being eliminated over time, or
- b. An inability to perform as expected.

The value from AI-enabled systems is derived from purposefully changing how people work, reallocating them from transactional tasks to value-oriented tasks.

By automating tasks such as data cleansing and categorization, companies can democratize their processes, eliminate bottlenecks, and substantially reduce the likelihood of error.

Despite all of these benefits, people may still resist change if they approach it with fear.

It is absolutely critical for leaders with change management responsibility to understand the specific fears or concerns being exhibited so they can address them effectively.

We have identified two different types of change-related fear, and each needs to be addressed differently for AI-enabled technologies to be successfully implemented and deliver the full ROI.

Fear of Replacement

When people believe a new technology will lead to job loss, they resist change for the sake of self-preservation.

The 'machine' becomes the enemy, and they are provided with an incentive to block its progress, resist adoption, and (loudly) point out any weaknesses they can find.

This form of fear should be addressed proactively through reassuring communications and skills investments intended to prepare affected individuals for higher-level roles.

In theory, the role they previously held will be upgraded to something more impactful, but they may need training or instruction before

they feel confident enough to see the opportunity, welcome the change, and participate productively in the implementation.

Fear of Disconnection

When leadership teams opt to have AI or another form of automation take on manual tasks, individuals may feel a loss of 'connection' with the data.

Some people may feel that their ability to handle tasks is diminished by being separated from the data. This can be the result of 'lateral thinking' triggered during mundane work, or trends/shifts that they notice over time.

For example, an analyst may develop a 'sense' or 'feel' from the time they spend working directly with data. If they lose the connection, they lose their 'feel.'

This is a more amorphous fear than the fear of replacement - and it is not necessarily negative.

Although transactional work does not offer an ROI that justifies dedicated human resources, companies still need to protect against qualitative value loss. AI can be 'taught' to perform tasks, but it may not be possible – at least at first – to capture the same 'sense' or 'feel' people would come away with.

This fear should be addressed through open-ended conversations about how to best bring AI into an effort/process rather than just capturing the discrete tasks AI should perform.

If individual members of a team have developed unique best practices over time, they can be made scalable by formalizing them and ensuring that everyone in their position – with the help of AI – is consistently applying their best practice.

Not only should both types of fear be addressed differently, but each also has a different impact on the change management effort. The fear of replacement causes people to resist change for their own sake – against the best interests of the enterprise.

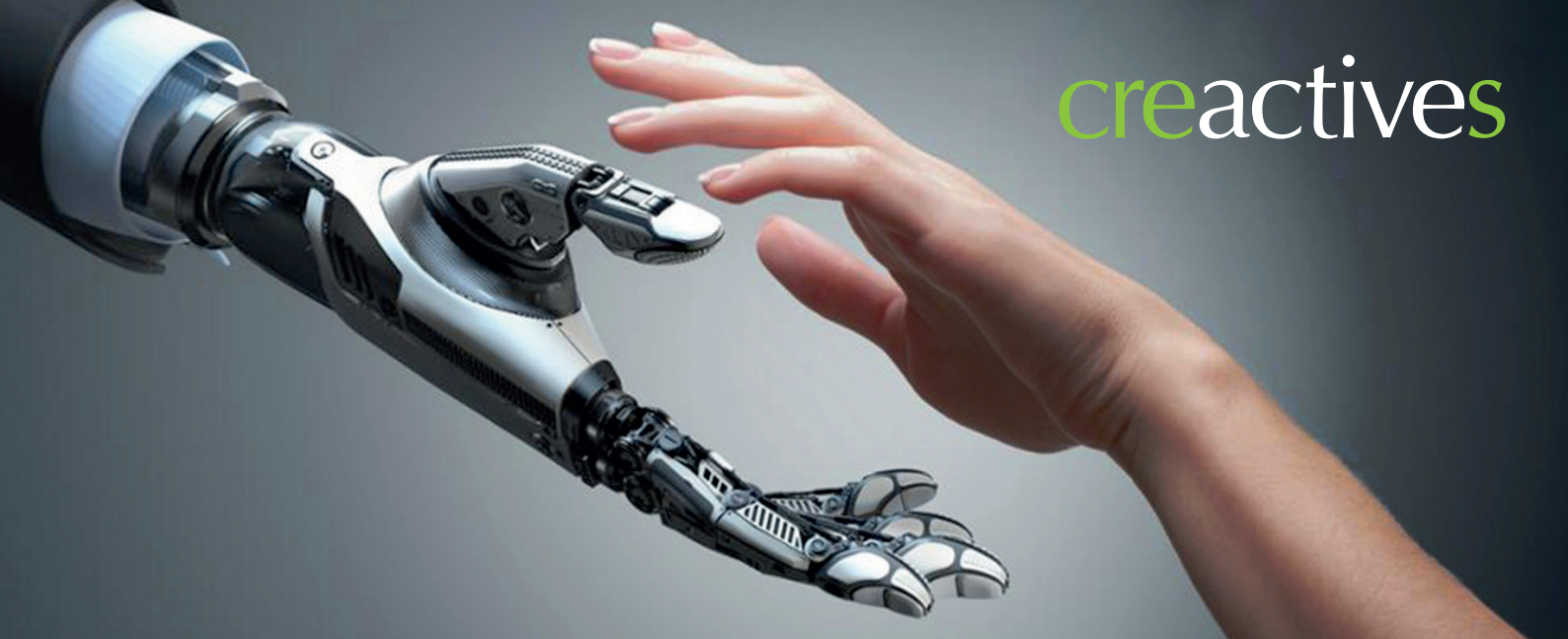
Someone will need to resolve their fears, protecting against the risk of poor adoption. With the fear of disconnection however, people fear change for the sake of the company/organization.

Anyone elevating this kind of fear should receive positive reinforcement or even recognition. They can play an active part in the change management effort.

Change management is always required when rolling out new technology, but the approach will not always be the same. The solution must be directly tied to the fear in question and the motivations of the people raising it.



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Founded in 2000, Creactives SpA is a company that specializes in providing solutions for procurement and supply Chain digitization. We offer services such as MMD Cleansing and Governance, Spending Categorization, as well as AI solutions for real-time analytics, inventory management, procurement optimization, and data migration. Creactives SpA started as a cost reduction consulting company and has evolved to develop supervised AI-powered technologies to address complex real-life business problems in data management for the supply chain.



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Abigail Ommen, Research Analyst & Analyst Production Manager