The AI Values Test

Why AI is no longer just a productivity tool—it's a signal of employer character.



Based on research by Jonathan H. Westover, PhD

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The Old Question:

How fast can we deploy AI and show a return?

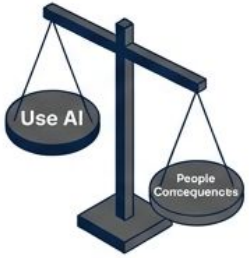


58%

of employees would turn down a job offer if a company's AI values do not align with their own (G-P 2026 World at Work Report).

The New Question:

How do we use AI, and with what consequences for our people?



92% of executives now agree that AI strategy shapes their ability to attract and keep top talent.

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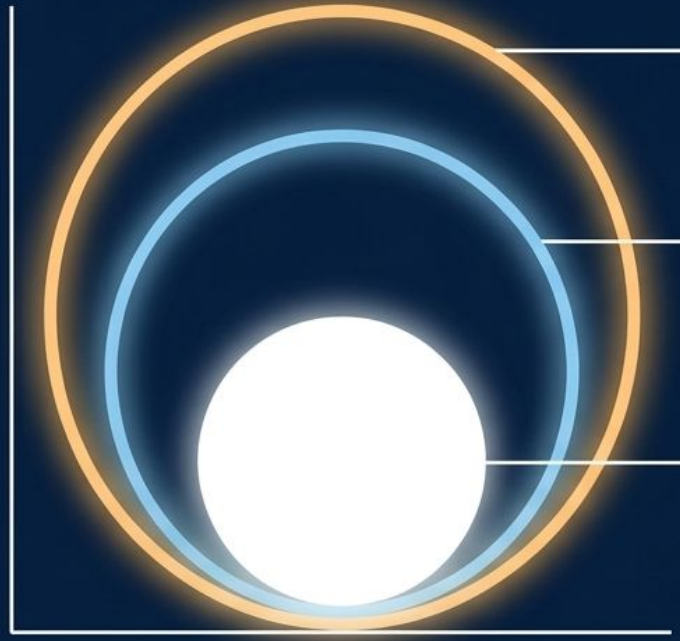
AI Integration is Outpacing Explanation



44% of U.S. employees report their organization has begun integrating AI (Gallup).

40% of global employees say their workplace has a policy or guidance on generative AI (KPMG/University of Melbourne).

Only 22% say their organization has **communicated a clear strategy for doing so** (Gallup).

Uncertainty is not driven by hostility to AI, but by an acute communication gap regarding the terms of its integration.

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The Language of Efficiency vs. The Need for Security

	The Executive View	The Employee View
Primary Outlook	**49%** are highly confident in their organization's AI outlook (G-P).	**52%** feel worried; **32%** expect fewer job opportunities (Pew Research).
Interpretation of Automation	A strategic opportunity to optimize costs and scale output.	Evidence that the productivity dividend will flow exclusively to shareholders.
Communication Focus	Communicates in the language of speed and efficiency.	Listening for signals of security, fairness, and respect.

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The Mechanics of the AI Values
AI Values Test

Step 1: Observable Action

A CEO memo announces AI efficiency goals

Managers quietly add AI usage to performance reviews.

Step 2: The Employee Filter



Signaling Theory & Organizational Justice.
Employees evaluate if the action breaks the implicit Employment Deal.

Step 3a: Passed Test

Employee infers they are a partner in change.

Result: High Trust & Commitment.

Step 3b: Failed Test

Employee infers they are a cost to be engineered away.

Result: Breach of Psychological Contract.

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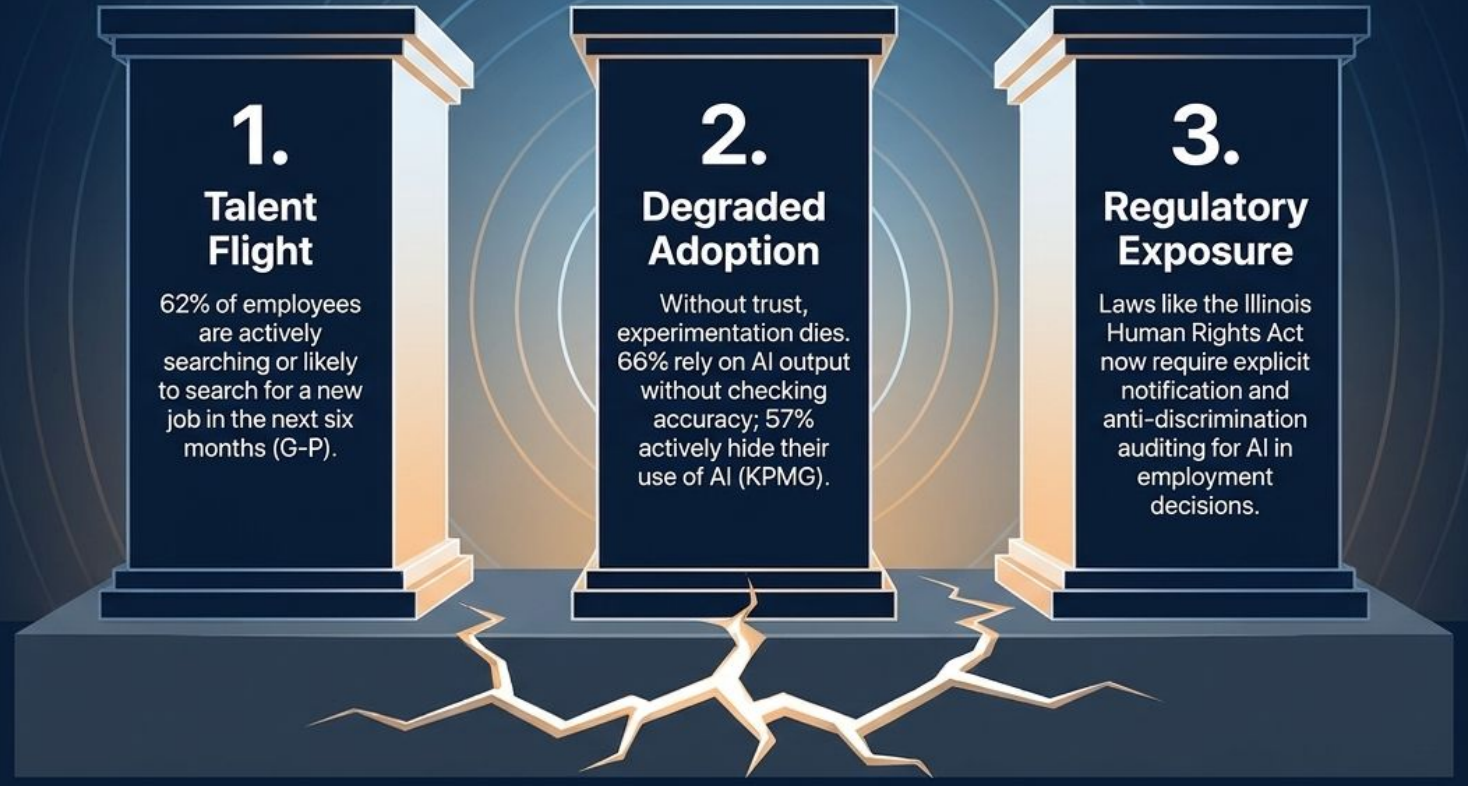
The **Hidden Costs** of Opaque AI Signaling



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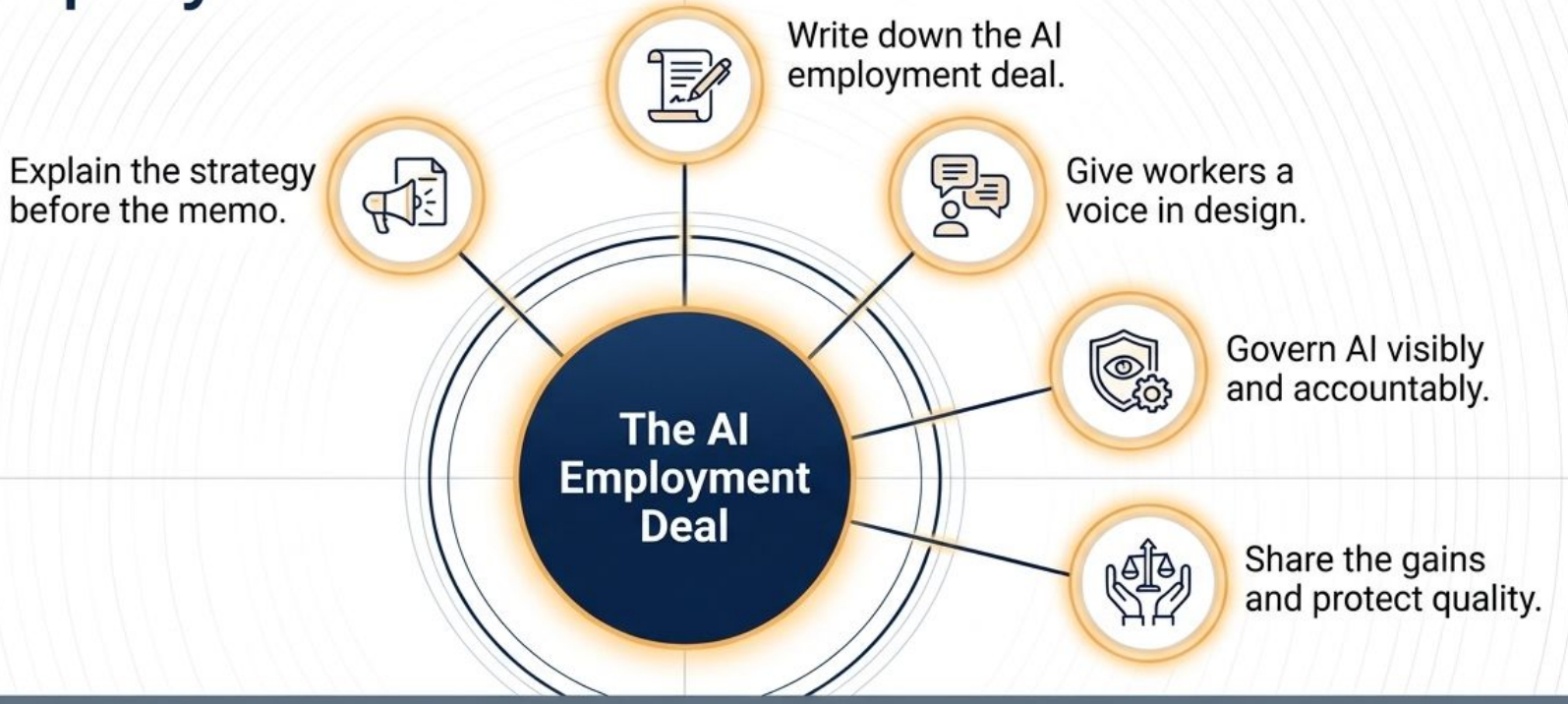
A Playbook for the AI Employment Deal



Five evidence-based responses to make AI adoption legible, fair, and shared.

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Playbook 1: Explain the Strategy Before the Memo

1. Lead with Purpose
2. Define the Boundaries
3. Give Context for Workforce Effects
4. Publish the Public Memo

✗ Not That

Duolingo (April 2025)

An internal AI-first memo halting contractor work sparked public backlash. The CEO spent months clarifying that full-time jobs were not at risk.

The lesson: Memos without context invite threatening interpretations.

✓ Do This

Shopify (April 2025)

A clear memo making reflexive AI use a baseline expectation, integrated directly into performance reviews. The expectations were stark, but the ambiguity was removed.

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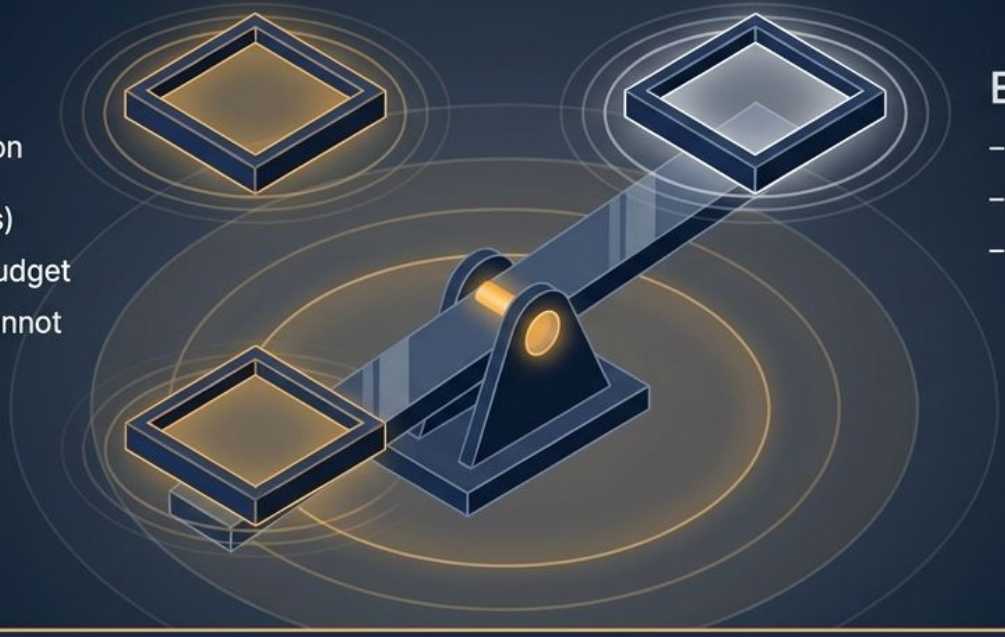
Playbook 2: Write Down the Implicit AI Deal

Company Gives

- Bounded commitments on redeployment (internal moves before reductions)
- Funded reskilling time/budget
- Honest limits on what cannot be guaranteed



Employee Gives

- Willingness to experiment
- Responsible tool usage
- Error reporting without fear of reprisal

Case Study: Ingka Group (IKEA). Trained 8,500 call-center workers as interior design advisors while an AI bot handled 47% of customer queries. The commitment to redeployment was visible and enacted.

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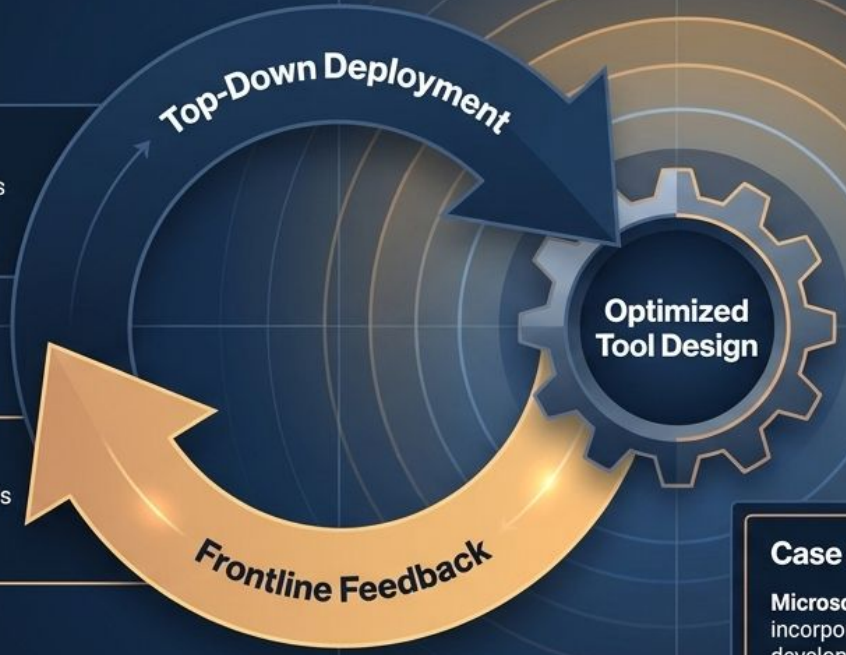
Playbook 3: Give Workers a Voice in Deployment

Top-Down Actions:

- Establish standing advisory councils
- Bring labor representatives into planning before decisions are fixed



Bottom-Up Actions:

- Build easy error-flagging into AI tools
- Respect consent in roles where creative ownership is central

Case Studies:

Microsoft & AFL-CIO: Tech-labor partnership incorporating worker perspectives into AI development.

Writers Guild of America: 2023 agreement establishing that AI cannot write literary material and its use requires mutual consent.

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Playbook 4: Govern Visibly and Accountably

Hollow Principles	Enacted Governance
Publishing a generic Responsible AI PDF.	**Linking every AI principle to a specific review step and internal owner** (e.g., Salesforce's Office of Ethical and Humane Use).
Silent internal rollout of HR algorithms.	**Explicit notice and a defined path for human contestability when AI informs employment decisions.**
Claiming safety first.	**Publishing an annual AI Transparency Report** detailing risks, failures, and mitigation (e.g., Microsoft).



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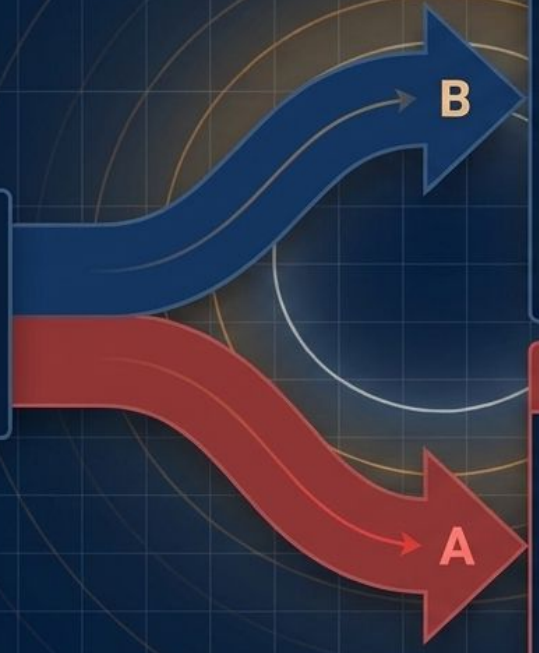
Playbook 5: Share the Gains and Protect Quality

AI Time Savings & Productivity Gains



Reinvestment

Diverging thothenii a “fork in the road.”

Directing freed capacity into new services, development, and workload relief.

Result: AI is viewed as an enabler, driving further adoption.

Case Study: *IKEA reinvested call-center time savings into remote interior design, driving 1.3 billion euros in new sales.*

Cost Capture

Full conversion of time savings into headcount reductions.

Result: Short-term margin bump, but employees stop sharing AI efficiencies.

Case Study: *Klarna initially froze hiring to let AI replace 700 agents, but was forced to rehire human staff a year later due to severe quality drops.*

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Sustaining Trust: Auditing and Managerial Equipping

Measure Trust, Not Just Adoption.



Track leading indicators:
- Do employees understand the plan?
- Do they feel safe reporting AI errors?
- Are HR algorithms audited for disparate impact?

Executive

↓

Manager

↓

Frontline

The Manager is the Messenger.

Most employees experience AI values through their direct manager. Organizations must equip managers with:

1. **AI Literacy** (Currently, only **47%** of employees receive AI training).
2. **Conversation Skills** for role transitions.
3. **Decision Rights** to recognize AI-enabled improvements safely.

47% of employees receive AI training

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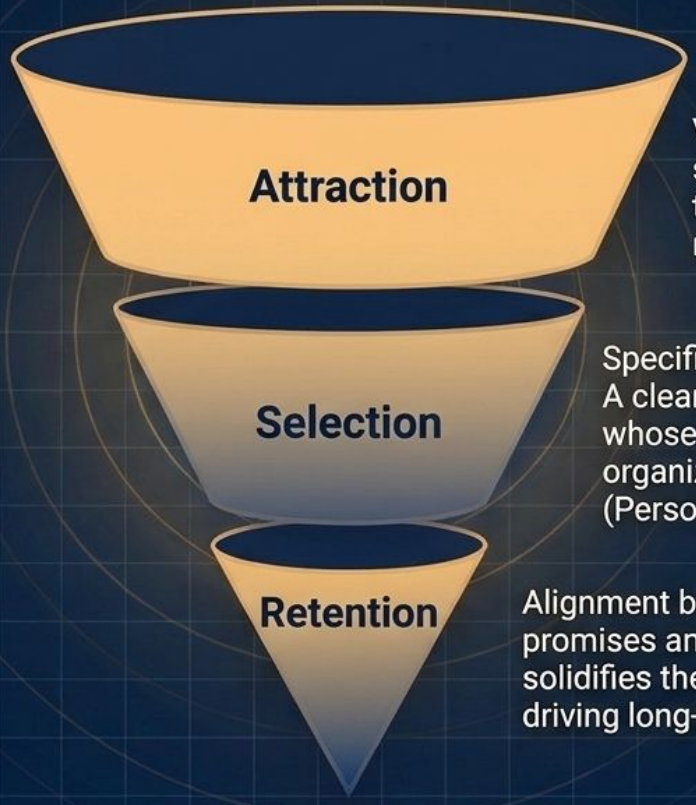
Building AI Values into the Employer Value Proposition

Verifiable Corporate Signals

- Published Governance Processes
- Explicit Reskilling Budgets
- Documented Redeployment Records



Verifiable AI commitments signal respect and security to top-tier candidates who research corporate conduct.

Specificity filters out misalignment. A clear AI stance attracts candidates whose values naturally fit the organization's trajectory (Person-Organization Fit).

Alignment between boardroom promises and frontline realities solidifies the psychological contract, driving long-term retention.

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The Ultimate AI Metric is Trust



AI speed and AI values are not at odds—they are deeply co-dependent.
Without clear values, adoption stalls, experimentation dies, and top talent leaves.

The way you adopt AI is the message.
Make sure it is the message you intend to send.

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