WORKFORCE AI CAPABILITY

Building and Measuring AI Capability

A practical guide to budgeting for, adopting, and measuring AI capability across the workforce.

For Heads of Learning, Chief Learning Officers, and People & Transformation leaders

2026

EXECUTIVE SUMMARY

Three-quarters of knowledge workers now use AI at work. Only a small minority of organisations can point to any real business impact from it. That gap, between near-universal use and genuinely rare value, is the defining workforce challenge of the moment, and it is not a training problem.

Organisations do not create AI capability by delivering courses. They create it by changing how people work. Training starts the process; capability appears only when employees apply AI consistently, inside real workflows, to the work they already own. The unit of capability is not the completed course. It is the changed workflow.

This briefing sets out why AI capability behaves differently from traditional learning, what to budget for and what to measure, and introduces a simple model, the Capability Curve, for locating where an organisation actually sits and what moves it forward. It is written for the leaders now accountable for turning AI adoption into outcomes rather than activity.

75%

of knowledge workers already use AI at work, nearly double the rate of six months earlier (Microsoft Work Trend Index, 2025).

~6%

of organisations are "AI high performers" able to attribute more than 5% of EBIT to AI. Real value is possible, but rare (McKinsey, 2025).

59%

of leaders say they cannot confidently quantify AI's productivity gains. The value is not being measured (Microsoft Work Trend Index, 2025).

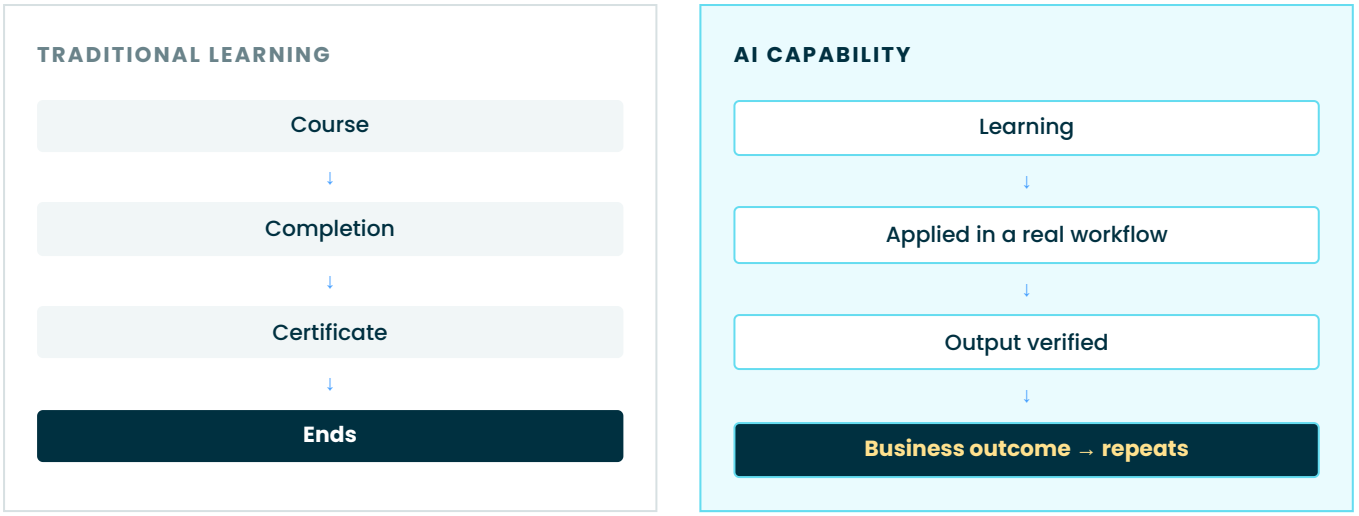
SECTION 1

Why AI capability is different from traditional learning

Traditional learning transfers knowledge, and knowledge can be tested. You can confirm that someone attended, completed, and can recall. AI capability does not work that way. It is behavioural, not informational: it exists only when people change how they actually work, repeatedly, in real tasks. That distinction sounds academic until you try to measure it, at which point it becomes the whole problem.

Four differences matter for anyone responsible for building it.

- **It changes daily work, not just what people know.** A course can leave knowledge behind and change nothing about Monday morning. Capability is visible only in the work itself.
- **It develops through repeated application, not a single event.** Capability is a practised behaviour. One workshop no more creates it than one gym visit creates fitness.
- **Adoption matters more than attendance.** Usage is already near-universal, but it is unmanaged: 78% of AI users bring their own tools, working alone and inconsistently, with no shared standard. Access is not capability.
- **The challenge is behavioural and organisational, not technological.** The tools already work. What stalls is the change in how people and teams operate around them.



Traditional learning ends at the certificate. Capability only begins there, and it compounds because the loop repeats.

SECTION 2

Budgeting for capability, not for courses

Most organisations budget for AI capability the way they budget for training: a single line, spent once. A workshop is booked, a licence is bought, a course is rolled out, and the expectation is that capability will now exist. But capability is not an event, it is an operating capacity, and a one-off budget runs out at precisely the moment adoption should be compounding.

The evidence of what unbudgeted capability looks like is already visible in your organisation. When 78% of AI users are working with their own tools, outside any shared approach, that is not enthusiasm to celebrate; it is capability developing by accident, inconsistently, with no verification and no standard. People are improvising because nothing was built for them to adopt.

A budget that actually changes behaviour funds the motion rather than the moment. In practice that means money allocated to ongoing capability-building rather than a single programme, to the redesign of real workflows rather than generic tool training, to reinforcement after the initial learning, to enabling managers to lead the change, and to verification so that AI-assisted work can be trusted. None of these are one-time costs, because the behaviour they create is not a one-time behaviour.

> *Fund the motion, not the moment. Capability that was bought once behaves exactly like a gym membership used once.*

SECTION 3 · THE CENTREPIECE

Measuring what actually matters

The measurement gap is real and it is quantified: a majority of leaders admit they cannot confidently say what AI has done for productivity. That is rarely because the value is absent. It is because the wrong things are being measured. Learning functions instinctively report completions, attendance, hours, and satisfaction scores, because those numbers are easy to collect and familiar to present. But every one of them measures whether training *happened*, not whether the organisation now *works differently*.

The shift is from activity metrics to capability metrics. The test for a good metric is simple: would a CEO or CFO recognise it as a business outcome six months later, when they ask what changed?

WHAT MOST L&D FUNCTIONS MEASURE *Tells you that training happened.*	WHAT ACTUALLY SIGNALS CAPABILITY *Tells you that the work changed.*
Course completions	AI applied in real, named workflows
Attendance and hours trained	Frequency of AI use inside everyday work
Certificates issued	Quality and consistency of outputs
Satisfaction scores	Time saved, and manager confidence in the work
	Reduced dependency on a few AI specialists

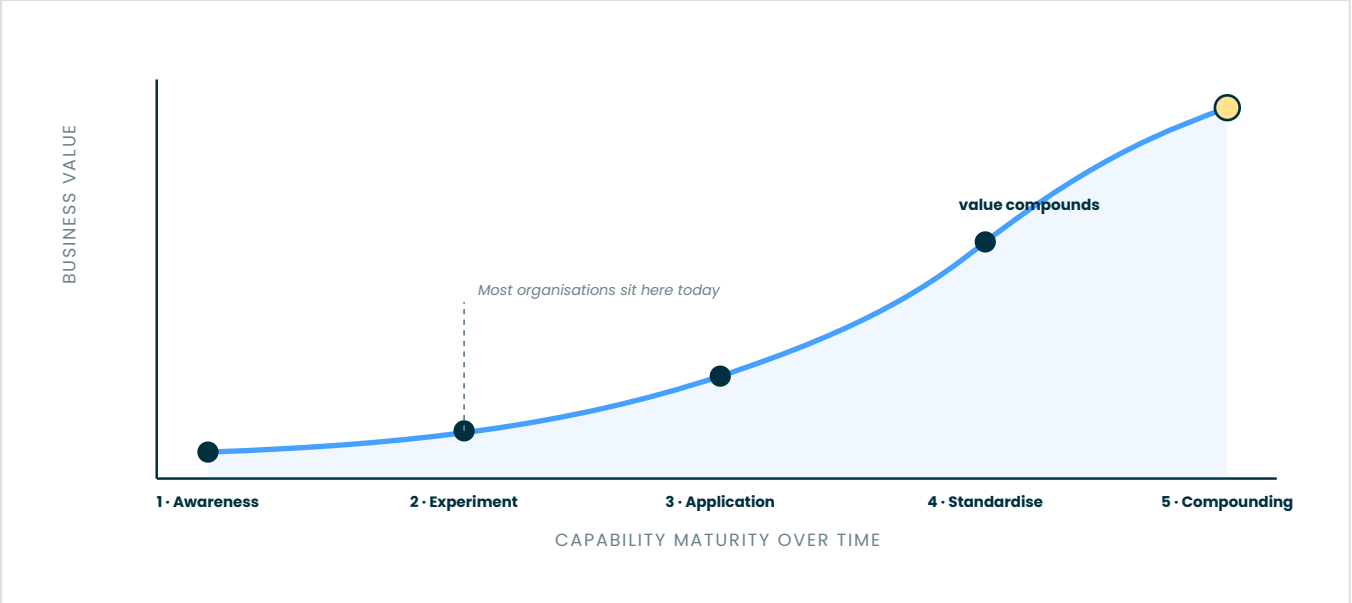
Capability metrics matter more for three reasons. They connect learning to the business outcomes leadership actually asks about, so the learning function is no longer defending activity it cannot tie to value. They reveal whether an organisation is progressing or quietly stalled, which attendance figures conceal. And they are the only honest answer to the quantification problem: you cannot report the value of AI if the only thing you have counted is how many people showed up to learn about it.

A candid note on evidence: the public research linking specific capability metrics to financial outcomes is still thin, and this briefing does not pretend otherwise. What follows should be read as a recommended measurement framework, what to measure and why it is the right thing to measure, rather than a claim that each metric has been proven to predict profit. The direction is well-supported; the precise coefficients do not yet exist.

SECTION 4 · THE FRAMEWORK

The Capability Curve

AI capability is not binary, and treating it as present-or-absent is part of why so many programmes are judged to have failed. Capability develops in stages, and, importantly, the business value it produces does not rise in a straight line. It compounds. The Capability Curve names five stages and shows why the return accelerates near the top, which explains a common and expensive misjudgement: organisations stuck in early experimentation conclude that "AI doesn't deliver," when in truth they simply never reached the part of the curve where it does.



1 Awareness

People know AI exists and have access to it. Use is curious, occasional and entirely individual. Nothing about the way work is done has changed yet.

2 Experimentation

Individuals try AI on real tasks and find personal wins. But the wins are inconsistent, unshared and invisible to the organisation. This is where most teams sit, and where the 78% who bring their own tools are working alone.

3 Application

AI is applied to specific, named workflows, repeatedly and deliberately. Value becomes visible in real processes rather than anecdotes, and it can, for the first time, be measured.

4 Standardisation

Repeatable, verified workflows are shared across teams. Quality becomes consistent, and the organisation stops depending on a handful of enthusiasts for its capability.

5 Compounding capability

Capability is organisation-wide and self-reinforcing. Teams improve their own workflows, new practice spreads without a central push, and the return keeps growing without proportional new spend. This is where the curve steepens.

THE ENGINE THAT MOVES AN ORGANISATION UP THE CURVE

Between one stage and the next sits a single repeatable motion, run continuously rather than once: **learn → apply → verify → measure → improve**. Training only starts it. What carries an organisation up the Capability Curve is turning that motion into a habit the workforce runs on its own.

SECTION 5

Where AI capability programmes go wrong

- **Treating AI as another course.** A one-off event is scheduled, delivered, and expected to stick. It does not, because capability is a practised behaviour, not a transferred fact.
- **Measuring attendance instead of behaviour.** The programme reports who showed up, never whether the work changed, and quietly loses the argument with the business.
- **No reinforcement, and no manager involvement.** After the workshop, people return to old habits because nothing and no one holds the new behaviour in place. Managers are the mechanism, and they are usually left out.
- **No verification, no workflow redesign.** AI is bolted onto the old process and its output goes unchecked, which in most functions is not efficiency but exposure.
- **No governance and no business metrics.** Without standards, quality varies by whoever did the task; without outcome metrics, the investment cannot be defended when it matters.

SECTION 6 · A 90-DAY START

How the first ninety days are typically sequenced

PHASE 1 · ASSESS

0–30 days

- Prioritise the workflows worth changing first
- Identify champions inside the teams
- Baseline where you sit on the Capability Curve

PHASE 2 · EMBED

30–90 days

- Build repeatable, verified workflows
- Enable managers to lead the change
- Measure adoption, not attendance

PHASE 3 · SCALE

3–12 months

- Standardise the workflows that worked
- Spread capability and reduce specialist dependency
- Track business outcomes and improve continuously

WHERE ORGANISATIONS GO FROM HERE

From learning activity to organisational capability

The organisations building AI capability that lasts are not the ones running the most training. They concentrate, consistently, on three things.

1

Help the experts who already understand the business apply AI within their own work.

2

Turn individual experimentation into repeatable, verified workflows.

3

Measure business outcomes, not learning activity.

Etiq is built around exactly this. Etiq helps organisations build practical, repeatable and verifiable AI capability across the workforce, turning AI adoption into measurable business outcomes rather than isolated experiments or one-off training. If a useful first step is simply knowing where your organisation sits on the Capability Curve, that is a reasonable place to start the conversation.

SOURCES. Microsoft Work Trend Index 2025, "AI at Work Is Here. Now Comes the Hard Part" (share of knowledge workers using AI; bring-your-own-AI; leaders' difficulty quantifying productivity gains); survey of 31,000 people across 31 countries. McKinsey & Company, "The State of AI" 2025 (organisations regularly using AI; share scaling across the enterprise; the ~6% of "AI high performers" attributing >5% of EBIT to AI; workflow redesign among high performers); survey of 1,993 respondents across 105 nations. Independent corroboration of limited pilot-to-impact conversion is consistent with the MIT Project NANDA report (2025). Descriptions of the Capability Curve stages are Etiq's framework, offered as a practical model rather than a measured benchmark.