grammarly

The New Language of Business:

How an AI-Literate Workforce Is the New Competitive Advantage

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Introduction

Artificial intelligence (AI) has the potential to drastically transform nearly every area of your business. This isn't news. Soon, the integration of AI will no longer be an option for businesses but a necessity. Some might find this daunting. But innovative companies and professionals have already been using AI to reshape work.

AI stands out for its ability to transform business communication by automating and enhancing manual and time-consuming communication tasks. AI can help companies accelerate high-quality content production, gain new insights, scale personalized customer outreach, and enhance overall communication quality. AI isn't just a technological upgrade. It's a fundamental shift in how employees communicate and how businesses operate. It's the new language of business.

The benefits of being fluent in this language are significant. Knowledge workers using AI say it increases their productivity, reduces stress, and lightens their workload. Leaders tout similar benefits for their business, including saved costs, faster pace of innovation, and increased quality of service.

However, your organization will realize the benefits of AI only if all of your employees are equipped to use the technology. Until everyone is empowered to "speak the same language" of AI, you'll see only limited success—and right now, the majority (78%) of workers say they want to learn how to use AI more effectively for their jobs. This not only puts your business at risk of falling behind the competition but also creates inequity among your workforce, creating a greater advantage for some than for others. In other words: If your workforce doesn't achieve AI literacy—if your business doesn't adapt and mature—you will be left behind.

Enter AI literacy—perhaps the most important upskilling businesses need to pursue (and employees need to achieve) to reach enterprise-wide AI adoption and gain a competitive advantage. As LinkedIn vice president Janine Chamberlin explains it, "Ensuring employees are AI literate is crucial. The skills for jobs are changing faster than ever, driven by rapid developments in new technologies such as generative AI, and businesses cannot afford to be slow on upskilling." AI literacy is a strategic imperative for business leaders who want to win in today's competitive market.

Wherever your organization sits today—whether you're just becoming aware of AI's potential or already experimenting—it's time to take the next step. Now is the moment to invest in your employees' AI literacy so you can unlock the full power of transformation and stay ahead of the curve.

The Human+AI Future of Business Communication

AI offers powerful ways to create helpful and engaging new content and communication at scale. But without an active, engaged human in the loop (and ultimately in control), you risk settling for mediocre communication at best and real safety issues at worst. This is why the concept of AI literacy is so important.

The most exciting possibility of generative AI is the augmented capabilities humans can achieve by pairing their insights, ideas, imagination, and direction with AI. Instead of thinking of it as humans versus technology, the winning formula is humans multiplied by technology.

In augmenting our communication, AI can serve multiple roles:

A thought partner

In response to plain language questions or requests (i.e., prompts), AI can generate a plethora of unique ideas that you can then use to spark fresh creative thinking.

A constructive critic

When AI understands your audience, goal, and best practices, it can improve the strategic value of writing that allows every employee to deliver the best possible work.

A time-saver

Given AI's ability to produce and iterate at scale, you can rely on it to handle a range of time-consuming tasks (like versioning or translating) so you can use your time on the more strategic and creative aspects of your work.

An innovation enabler

The blend of traditional and AI creative methods and outputs empowers you to close the gap between big-picture concepts and real-world execution. Ideas that might have once been impractical, unaffordable, or even impossible can now be operationalized with the help of AI.

When guided by human insight, intent, and expertise, AI becomes a launchpad for human creativity rather than a limiter—not to mention a competitive advantage for businesses. It gives knowledge workers superpowers, enabling them to communicate more effectively and freeing up valuable time to focus on more strategic and creative work. With AI, humans drive the strategic and creative direction, selection, and polish, while the technology enhances production, productivity, and efficiency at scale.

Chapter 1: The Critical Role of AI Literacy in Gaining a Competitive Advantage

Before we dive in, it's important to start with the fundamentals. The (near) future workplace will be one in which every employee's unique skill set will be augmented by artificial intelligence. While some may fear or resist this new technology, the reality is that machines will not replace knowledge workers—instead, they will enhance, automate, and make our lives easier. But this is possible only if every employee can proficiently use AI tools to capture their full potential.

Every employee at your company is likely in a different phase of AI literacy. If your company aims to continue on its path of AI adoption, it's critical to start by ensuring your workforce has an equitable AI skill set. Here are four key AI literacy definitions that describe where someone may be in their relationship with AI at work:

- **AI avoidant:** They choose not to interact with AI tools at work.
- **AI familiar:** They experiment with AI at work.
- **AI literate:** They comfortably use AI in their daily work.
- **AI fluent:** They are using AI in advanced ways that many others are not; they are also referred to as "power users."

AI Literacy: Org-Level Gaps				
	Avoidant	Familiar	Literate	Fluent
Workers	22%	39%	26%	13%
Leaders	9%	28%	33%	30%

According to Grammarly's 2025 annual report, <u>The Productivity Shift: From Overwhelm to AI Empowerment</u>, 39% of knowledge workers report regularly using AI at work. Of this group, only 13% identify themselves as AI fluent, while 26% are AI literate. The largest cohort (39%) consider themselves AI familiar, meaning that they have experimented with AI but are not yet using it as a part of their daily work, while 22% still avoid AI altogether.

Regular AI usage is more common among business leaders, with 33% falling into the literate category and 30% considered fluent. Only a small percentage (9%) of leaders are avoiding AI technology completely.

Businesses must not only address AI literacy but also close the AI literacy and fluency gaps that exist between levels, teams, and generations.

It's clear that AI experimentation is rampant in the workplace, particularly among younger workers. Notably, Gen Z and the millennial generation have embraced AI, with over 80% having at least experimented with AI tools at work. The older generations are far more likely to resist the new technology, with 23% of Gen Xers and a staggering 46% of baby boomers avoiding it altogether.

This rampant experimentation amplifies the urgency and need for AI literacy across the enterprise. If your employees are familiar with AI tools but not using them safely or effectively, it increases the risk for your business. That's why it is key to invest in proper training and develop formal policies to up-level the skill set of your entire workforce.

AI Literacy: Generation Gaps				
	Avoidant	**Familiar**	**Literate**	**Fluent**
Gen Z	26%	38%	25%	10%
Millennials	15%	39%	29%	17%
Gen X	23%	39%	26%	12%
Baby boomers	46%	41%	13%	0%

Perhaps the most noteworthy AI usage and literacy gaps exist between different teams within an organization. Knowledge workers in sales and customer experience (CX) have been more resistant to adopting AI in their roles. Meanwhile, their colleagues in IT and marketing are mostly literate with AI tools. These gaps must be addressed in order for businesses to reap the benefits of AI enterprise-wide.

If the usage and literacy gaps go unaddressed, it can lead to inconsistencies in how your business processes are handled and can create bottlenecks in which AI-using departments must wait for others to catch up. For instance, if only the IT department uses AI regularly while other departments such as sales and CX do not, your organization loses out on opportunities for enhanced productivity and innovation. While it's expected that some teams will adopt AI more quickly, you should aim to ensure that innovation is not siloed but instead used to up-level all teams.

AI Literacy: Team Gaps				
	Avoidant	Familiar	Literate	Fluent
Sales	29%	41%	22%	7%
CX	39%	40%	21%	7%
Marketing	14%	41%	22%	7%
IT	8%	32%	33%	27%

Introducing the AI-fluent power user

As businesses navigate the challenges and opportunities of AI adoption, one group stands out as a model for success: AI-fluent power users.

These individuals, who come from a range of backgrounds and roles, have seamlessly integrated AI into their workflows, achieving significant time savings, productivity gains, and creativity that deliver both personal and business results. By understanding their habits and approaches, organizations can identify opportunities to scale their success and empower the broader workforce, enabling all employees to harness AI's full potential and be their best selves at work.

Learn More About AI Power Users →

The Importance of Understanding LLMs

One critical component of AI literacy is understanding the large language models (LLMs) that AI technology uses to actually generate text. LLMs are trained on vast amounts of data, which allows them to perform the tasks that we ask them to do. There are many different LLMs that are trained on different datasets and fine-tuned to perform certain tasks. Some LLMs may be great at natural language processing, which allows them to generate text when asked a question. Others perform better at coding tasks, and others are better suited for translation assistance.

The foundation of an LLM is its training data. This training data could be vast amounts of public text gathered from the internet, or it could be proprietary data sources. Both the volume and the quality of the data that each LLM is trained on impact how that LLM will learn. The more high-quality data, the better the LLM becomes at predicting human language patterns, generating contextual and relevant responses, and performing the specific tasks it's been fine-tuned to perform.

Biases

If an LLM is trained on unreliable data, such as massive amounts of text data from the internet, which is subject to societal biases, the LLM can reflect or amplify existing prejudices found in its training data.

Hallucinations

Receiving a seemingly perfectly crafted answer from AI may sound ideal, but LLMs can create outputs that sound confident and reliable but actually contain false or misleading information.

Understanding the basics of LLMs is essential to AI literacy because effective use of AI requires you to be aware of its capabilities so that you know when to use certain LLMs for the task at hand. Responsible use of these tools also requires you to be aware of their behaviors so that you can spot potential biases and inaccuracies and actively work to avoid them.

The Compounding Effect of AI Literacy

It's no surprise that effective communication contributes to both individual and organizational success, but the impact is significantly amplified for those who are comfortable using AI in their workflows. According to The Productivity Shift, AI-fluent workers report significantly higher productivity (96%) and work satisfaction (96%) compared to their AI-avoidant peers (82% and 81%, respectively). The benefits extend to relationships, with 95% of AI-fluent workers reporting improvements in their interactions with colleagues and customers. These findings highlight the powerful synergy between effective communication and AI adoption in the workplace.

AI is transforming workplaces by delivering benefits far beyond improved communication. From boosting productivity (93%) and reducing workloads (91%) to enhancing creativity (91%) and work satisfaction (89%), AI empowers workers to focus on what matters most. Additionally, AI reduces performative communication (86%) and fosters softer skills like empathy (76%), creating an environment where employees can thrive.

The C-suite recognizes that the productivity gains from effective communication and AI amplify business results. The vast majority of C-suite leaders report significant impacts on key outcomes, including increased revenue (90%), higher customer satisfaction (97%), and faster innovation (95%). These results demonstrate how improving communication with AI not only drives workplace productivity but also enhances overall business performance.

To realize these outcomes at scale, organizations need a clear path forward—one that guides teams from early experimentation to full-fledged AI integration. That's where the AI adoption framework comes in. In the next chapter, we'll introduce the framework to help you understand your workforce's current state and how to get ahead.

C-suite reports positive outcomes from AI

98%
Increased efficiency

95%
Faster level of innovation

91%
Higher employee engagement

96%
Increased productivity

94%
Increased quality of service

90%
Increased revenue

Chapter 2: The 5 Stages of Enterprise-Wide AI Adoption

As AI technologies evolve, it can be challenging to keep up and understand how to leverage these tools most effectively. This is where the AI adoption framework comes in. Use this as a way to <u>assess where your organization is currently</u>, identify areas for improvement, and navigate the complex landscape of AI so you can transform your business.

Aware   Experimenting   Optimizing   Standardizing   Transforming
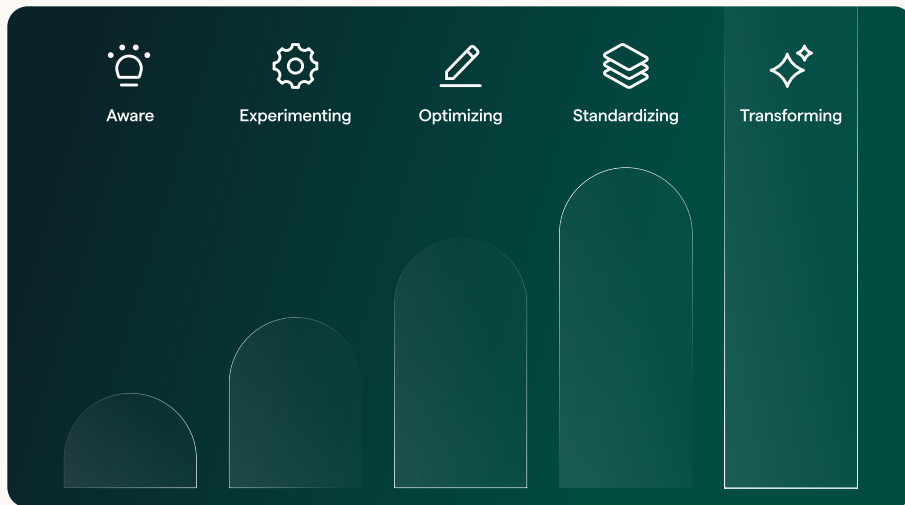
1   Becoming aware

The first stage is simply being aware of AI technology. At this stage, people within your organization have an early interest in AI and may be researching different tools to build an understanding of their capabilities and different use cases for your business. The focus of this stage is on garnering interest in AI, exploring its potential for business communication, and finding out how to use it to add value for employees.

2   Experimenting

The second stage is all about experimentation with AI tools. In this phase of adoption, AI literacy is likely limited, with only a few select people or teams actively using AI in their day-to-day work. In the experimentation stage, there is no formal AI strategy in place, and it's likely that each team within your organization is experimenting with a different tool. The focus here is on exploring the potential of AI, building skills and expertise to improve communication, and identifying areas where AI is adding value to the business.

3 Optimizing

In the third stage of AI adoption, businesses are focused on optimization. Graduating from the experimentation phase means applying all of the lessons learned into creating repeatable processes. You should use that to define an AI strategy and implement tools for your employees to use regularly. In this stage, it's important to improve the AI literacy of your entire workforce, not just certain individuals or teams. AI should become integrated into key business processes, and your focus here should be on achieving measurable improvements in productivity, communication effectiveness, and business performance.

4 Standardizing

The fourth stage is all about ensuring standardized usage of AI across the business. This involves investing in proper technology enterprise-wide, creating a culture of innovation, and encouraging the responsible use of AI tools to drive the business forward. In this stage, AI is integrated into every area where employees communicate. The focus here is on empowering every employee to communicate with more effectiveness, clarity, and context rather than just adding more noise. At this stage, you're driving maximum efficiency across teams, scaling automation and content creation, and creating a competitive advantage due to gains in productivity and creativity.

5 Transforming

The final stage of enterprise-wide AI adoption is when businesses truly transform and gain a competitive edge. At this level, your business is using AI to completely transform its operations and employees' communication. Your business is likely seen as a leader in your industry, recognized for driving innovation and disruption. The focus here is on maximizing the benefits you see in employee productivity, business communication, customer satisfaction, and the bottom line.

Understanding where your business is in its AI adoption journey is key if you want to adapt and win in today's competitive market. This framework should help you understand your current stage of adoption. But how do you know what's holding you back from reaching the next stage?

AI Adoption Gaps: What's Holding You Back From Reaching the Next Stage

Having an understanding of where your business currently sits is a solid first step toward business transformation. But it's what you do with that knowledge that really matters. Enter AI adoption gaps. These are the key blockers that companies must overcome to reach enterprise-wide AI adoption.
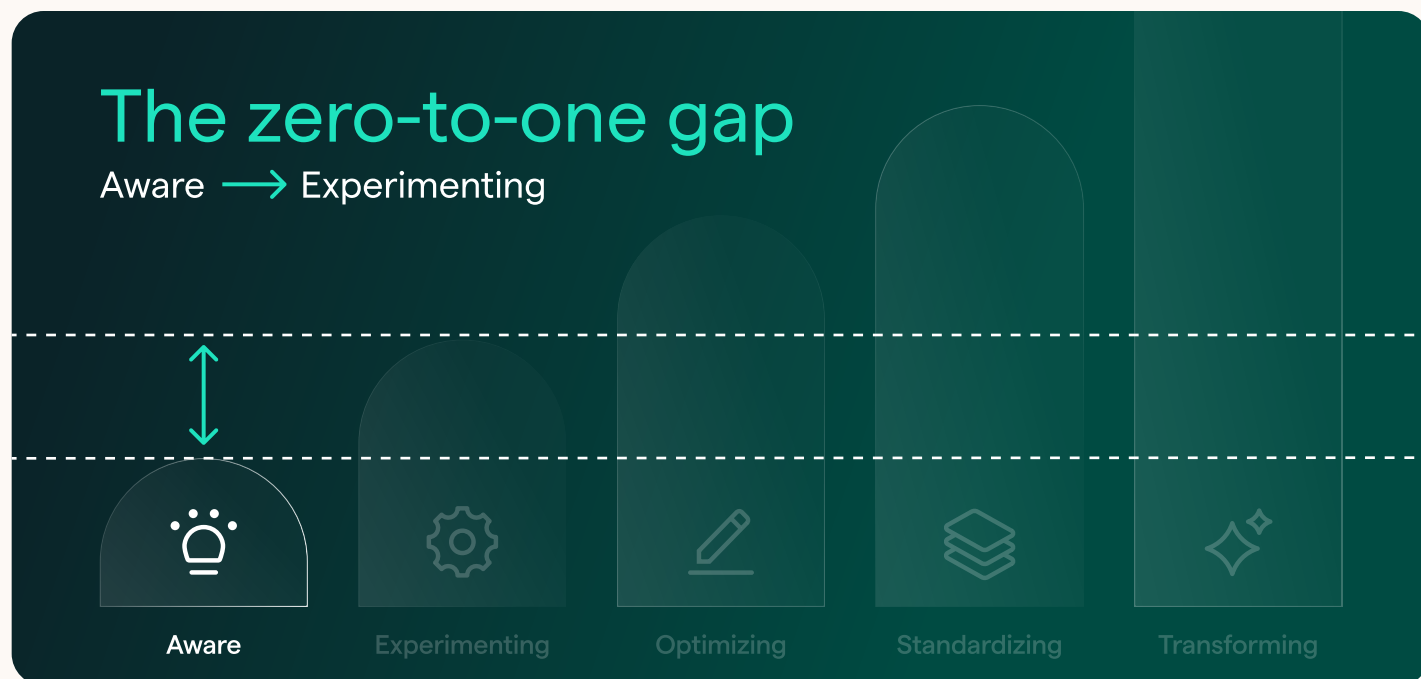
## Becoming aware

The zero-to-one gap

If your business is stuck in the awareness stage, it's likely that you have a lack of buy-in across the organization to try out AI technology. You could be missing key buy-in from leadership, whose approval you need before bringing in new technology. It could also be because the company is stuck in a state of fear of messing up, so they're avoiding getting started altogether. Or there could be a lack of buy-in from employees who prefer to avoid new technology and use more traditional methods to communicate.

How to bridge the gap

To enter the next phase of experimentation, you should focus on communicating the benefits of AI for individuals and the business so that both employees and leadership are keen to try it out. Start small and simple. You don't need your long-term AI strategy fully developed from the get-go. Choose one problem, like improving one aspect of one team's communication effectiveness, and see how AI can solve it.

The literacy gap
Experimenting $\longrightarrow$ Optimizing

Aware **Experimenting** Optimizing Standardizing Transforming
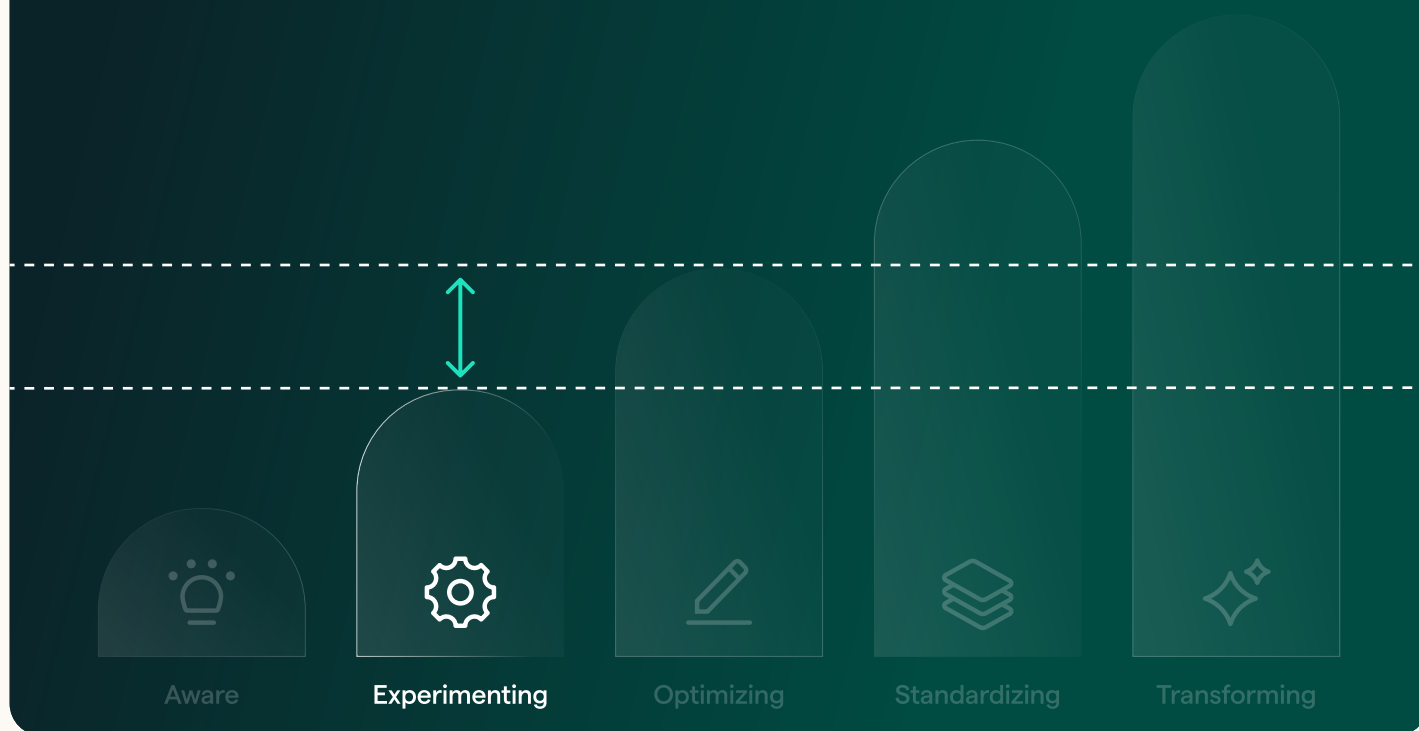
Experimenting

The literacy gap

The majority of companies today are in the experimentation stage of AI adoption. It's possible that you have a few individuals who use AI regularly for communication, but your workforce's overall AI literacy is holding you back from reaching the next phase. Someone who is literate with AI has a fundamental understanding of the tools and their capabilities, is comfortable using them regularly for some communication tasks, and is starting to see personal benefits—but has room to improve to realize its full potential.

How to bridge the gap

The key to bridging this gap and entering the next stage of optimization is investing in proper training and policies. It's crucial to ensure that your entire workforce not only feels confident using AI for their roles' specific use cases but also knows your organization's guidelines and policies around AI usage to enhance business communication.

The technology gap
Optimizing → Standardizing

Aware   Experimenting   **Optimizing**   Standardizing   Transforming
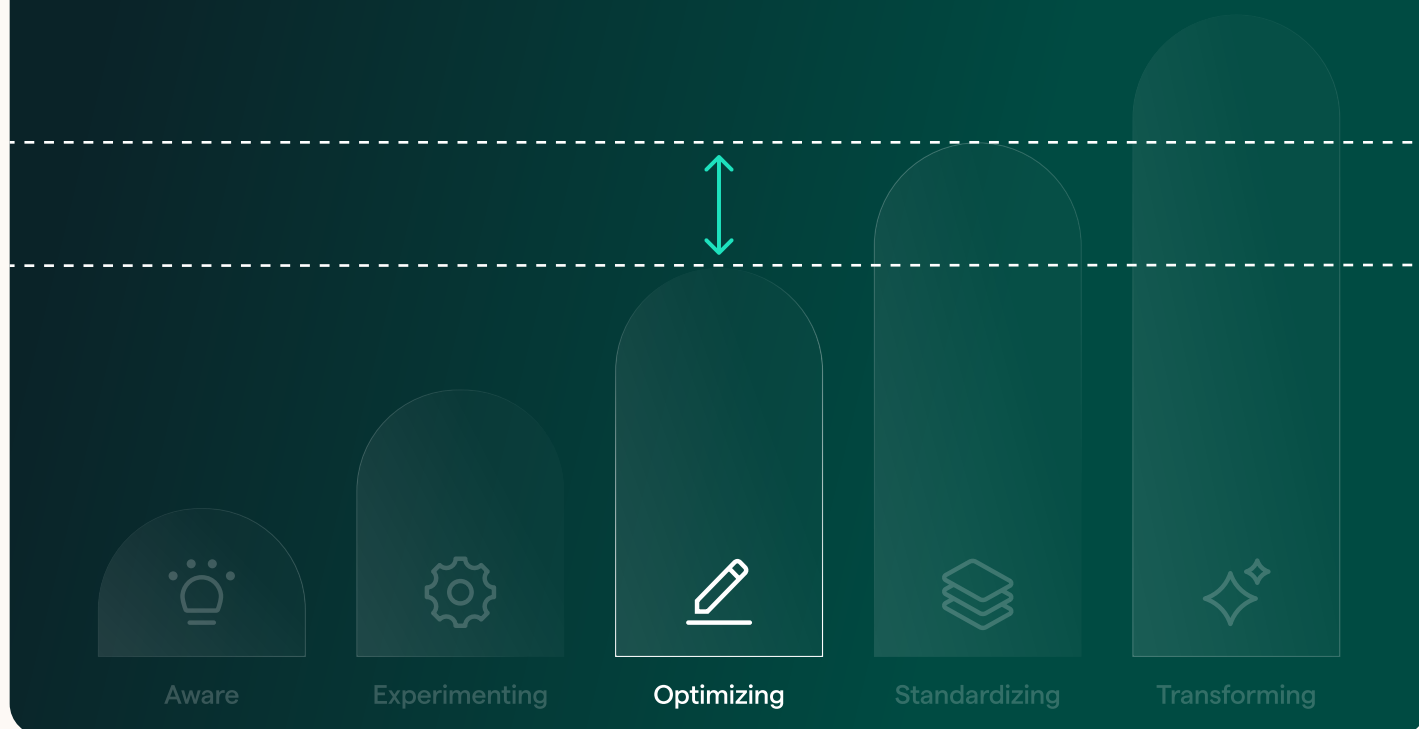
Optimizing

The technology gap

Once your workforce is upskilled and has elevated its AI literacy, it's time to turn your attention to the technology you invest in. If you find your business stuck in the optimization phase, it's likely because you don't have the proper AI communication tools in place to support each function or the strategies to make the most of those tools.

How to bridge the gap

To enter the next stage of standardization, it's crucial to invest in trusted, responsible, and ubiquitous AI technology. Not all AI tools are created equal. For your entire workforce to reap the benefits, you'll need a solution that combines user-friendliness, scalability, and robust data security. The best place to start is an AI-powered communication assistant that is easily embedded into employees' existing workflows and communication channels.

The systems gap
Standardizing ⟶ Transforming

Aware　　Experimenting　　Optimizing　　**Standardizing**　　Transforming
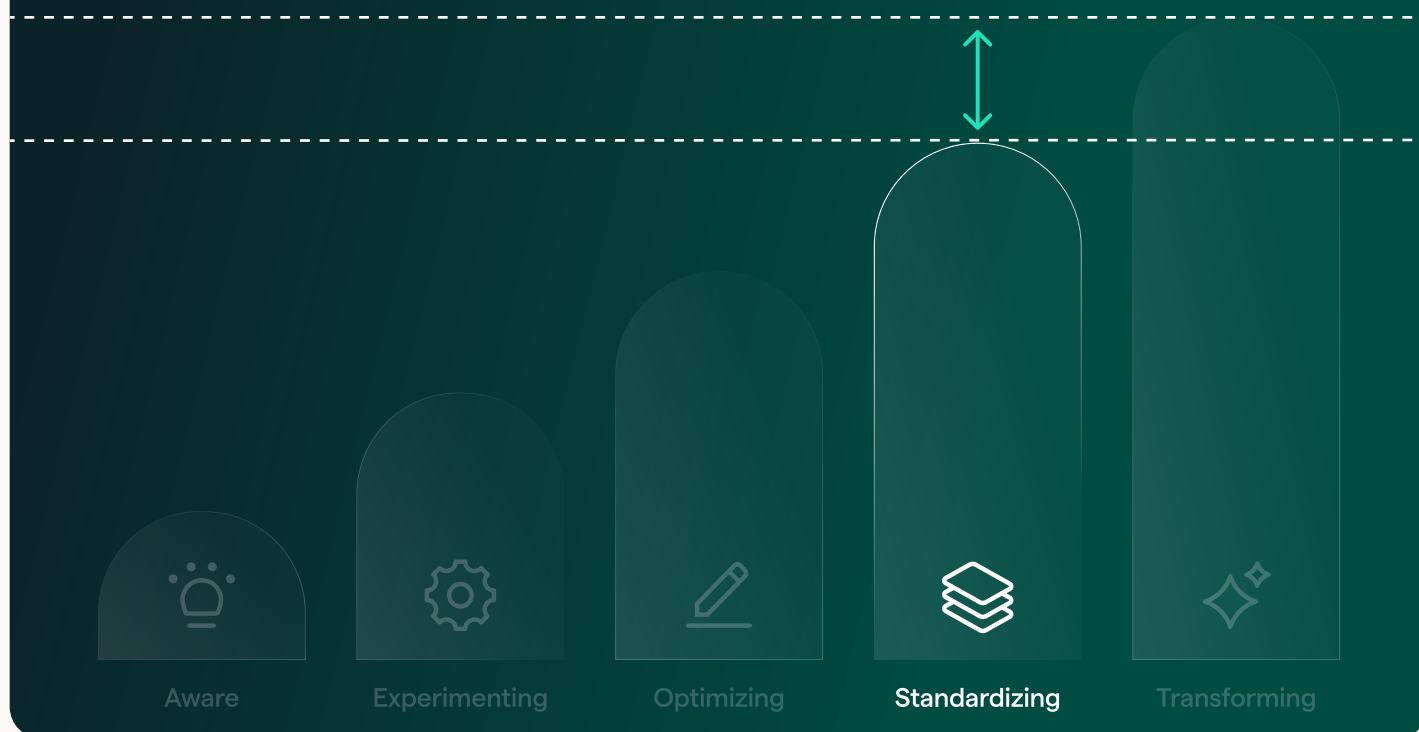
Standardizing

The systems gap

The final gap that you must overcome to achieve enterprise-wide AI adoption is building systems that standardize AI usage and effective communication throughout your enterprise. You must ensure that everyone is invested in a culture of innovation. When you focus on building systems that support this culture, you'll upskill your entire workforce, enable everyone to communicate more effectively, and maximize the benefits of AI.

How to bridge the gap

To bridge the systems gap and achieve business transformation, you'll need to double down on standardization. This means standardizing the tools you invested in (from the technology gap above) and creating standardized, role-specific training and enablement so every employee feels confident in using them effectively.

As AI continues to demonstrate its transformational capabilities on business communication for organizations across all industries, it's critical for you to take this moment to assess where your business stands. Once you know what stage you're in, you can prioritize building a strategy for AI adoption. In the next chapter, we'll lay out a roadmap to help you get started or improve your AI capabilities to scale effective communication, drive business results, and stay ahead of the competition.

Chapter 3: How to Achieve a Competitive Edge Through AI Adoption and Literacy

As you just read, every business is starting at a different place with AI. Those slower to adopt likely feel behind, especially if they are still avoiding the technology altogether. Early adopters might be ahead of the curve and the competition now; however, with an emerging technology like AI, the curve continues to move. We are all at the beginning of a long-term shift that takes proactive planning, incremental adjusting, and the occasional pivot to achieve true transformation and put your business in front of the competition.

Read on to get the roadmap to equip your workforce with the resources to achieve AI literacy—and prepare your business to enter the next stage of AI adoption.

5 Actionable Steps to Achieve Enterprise-Wide AI Adoption

Business leaders looking to get ahead with the power of AI must take a strategic and comprehensive approach to achieving enterprise-wide adoption. Here's a roadmap to help you steer your organization through the intricacies of adopting and integrating AI effectively.

1. **Gain buy-in from leadership and employees**

2. **Provide training and education to improve AI literacy**

3. **Invest in the right AI tools**

4. **Create acceptable usage guidelines and policies**

5. **Build an enterprise-wide AI culture**

1 Gain buy-in from leadership and employees

The journey to full AI adoption begins with gaining buy-in, not just from the top executives at your company but also from employees who will be expected to use AI in their daily work. Start by demystifying AI, explaining the basics of AI usage, and showcasing the benefits for everyone involved. Here are a few actionable next steps to take:

- **Assign an AI business driver or tiger team** to manage the research, strategy, and implementation across your company.

- **Educate your leadership** through a series of workshops in which you bring in experts to share the benefits, challenges, and strategic importance of AI to transform business communication. You'll need their approval before investing in new technology or implementing any new policies.

- **Engage and prepare employees** through interactive sessions, such as town halls and Q&As. In these sessions, you should not only outline the impact that AI will have on the business but also the benefits that it will bring to their specific roles. It's crucial for employees to understand how they'll be able to leverage AI in their daily tasks to make their work more efficient and their communication more effective.

- **Showcase early wins** that you achieve in pilot programs where key individuals or teams experiment with AI tools. These successes will boost confidence among employees and leadership alike.

2

Provide training and education to improve AI literacy

Next, make AI education a top priority. AI literacy is a foundational skill for every employee to focus on. Here is how you can equip your workforce with the resources they need to use AI systems responsibly, effectively, and with the desired outcomes:

- **Launch AI onboarding programs** that provide an overview of AI technologies, touching on everything from basic concepts and best practices to risks and security considerations.

- **Align AI education with how people work** to address usage and literacy gaps between levels and teams. Create customized training sessions that are practical, hands-on, and tailored to every function within your organization. They should focus on the specific AI tools and use cases that they will use in their role on a daily basis.

- **Promote continuous learning** for early-career and senior-level workers alike by regularly updating training materials to reflect the latest AI advancements and insights. This will ensure that your team remains on the cutting edge and that you are constantly investing in upskilling your workforce.

- **Offer a learning stipend** for employees who are interested in further improving their AI literacy and fluency. This could be a portion of your company's learning and development budget dedicated to providing external courses, workshops, and books to employees.

3

Invest in the right AI tools

Every function within your organization likely has countless options for AI tools. Over the past year, we've seen hundreds of point-solution startups pop up across industries. It's a complicated landscape that gets more crowded by the day. Here's how you can break through the noise and choose the right tools for your business:

- **Identify AI capabilities in your current tech stack**, looking for tools that your employees already use. Rather than investing in more tools, look for AI technology that works with your existing tech stack to create ease around AI adoption and everyday usage.

- **Carefully select vendors** based on criteria such as ubiquity, scalability, ease of integration, customer support, and robust data security. Look for AI technology that is easily embedded into employees' existing workflows and communication channels.

- **Invest in AI tools that can be customized** to your brand guidelines and that tailor results to your organization's context, tone, clarity, and fluency. This will create more consistent and effective communication across the entire company.

- **Prioritize security and privacy** by monitoring how your employees use AI technologies and watching for risky or unusual inputs and outputs. Security, data privacy, and protection of company intellectual property are top AI concerns for business leaders. Choose a secure and reputable AI provider to ensure the protection of sensitive company data.

4

Create acceptable usage guidelines and policies

With great power comes great responsibility. As you adopt powerful AI tools, it's critical to guide their use with clear policies. After all, if you don't have control over the AI systems your employees are using, how can you protect your data, your people, and your brand from the most common risks? Start with these steps:

- **Develop an ethical framework** for AI that addresses key issues such as data privacy, security, and bias. This framework should align with your brand's values and compliance requirements.

- **Draft clear usage policies** that define acceptable and unacceptable uses of AI in your business operations. This will help prevent misuse and guide employees in making ethical decisions.

- **Stay up to date on AI regulations** to ensure your policies remain compliant with both local and international laws. Regular reviews and updates to your policies are necessary as regulations evolve.

- **Prioritize standardization across your enterprise** to ensure that all employees are using the same tools under the same guidelines. This will help combat the uncertainty that can arise from differences in AI use and proficiency.

5

Build an enterprise-wide AI culture

Finally, nurturing a culture that embraces innovation and continuous learning is vital for achieving sustainable AI success. Here's how you can create a culture that supports your business transformation:

- **Encourage employees to share** effective prompts, best practices, and lessons learned with one another so everyone learns to use AI tools responsibly and celebrates wins together.

- **Identify AI champions** who experiment with new AI features and technologies. Think of these people as incubators for new ideas and inspiration for AI-driven innovation and skill sets.

- **Incentivize innovation** by offering rewards for teams or individuals who come up with new ways to leverage AI to improve communication. Recognition can go a long way in motivating employees to think creatively.

- **Embrace AI for the long term** by investing in continuous education and new technologies. Regularly seek feedback from employees to learn how to improve your operations and business communication with AI.

Resources

AI is fundamentally changing the way we work. If your workforce does not achieve AI literacy—if your business does not adapt and mature—you will be left behind. This is not just about embracing technology; it's about embracing a new way of operating, communicating, and innovating within the modern enterprise. It's the new language of business.

Here is a curated collection of resources to further enable an AI-literate workforce and guide your business toward enterprise-wide AI adoption.

Learn

The Productivity Shift: From Overwhelm to AI Empowerment

AI Insights for Enterprise Executives

2025 AI Shortlist: 3 Trends to Prioritize in Your Annual Strategy

Assess

The Generative AI Adoption Assessment

The Productivity Shift Benchmark Toolkit

Grammarly's Answers to Your AI Vendor Questions

Implement

A Framework for Safe Generative AI Adoption

The Responsible AI Advantage: Guidelines for Ethical Innovation

The Gen AI Decision-Maker's Guide

About Grammarly

Grammarly is the trusted AI assistant for communication and productivity, helping over 40 million people and 50,000 organizations do their best work. Companies like Atlassian, Databricks, and Zoom rely on Grammarly to brainstorm, compose, and enhance communication that moves work forward. Grammarly works where you work, integrating seamlessly with over 500,000 applications and websites.

Learn more at grammarly.com/enterprise.