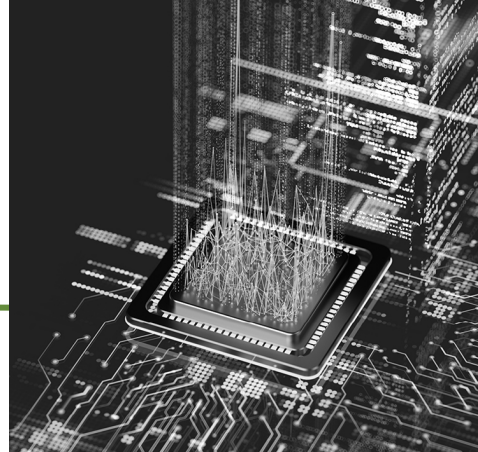


MARKET SIGHT LINES



AI at Home and at Work: Signs of Real Impact

By Michael O'Keeffe, *Chief Investment Officer*



When I reflect back on the changes over the last few years, it is becoming increasingly clear that artificial intelligence (AI) is no longer a distant concept or a niche tool. In a very short period, generative AI (GenAI) has moved from early tests to everyday use, with millions of people using it to search, write, code, and solve problems at work and at home. Employers are racing to integrate AI into workflows, and early deployments are already showing improved productivity in specific roles and sectors, even for those efforts still in pilot mode. In this Sight|Lines, we look at the latest evidence on who is using AI, where it is delivering tangible benefits, and what this could mean for productivity, growth, and long-term returns.

THE TAKEAWAY: AI IS MOVING MAINSTREAM, AND THE IMPACT IS REAL

AI is being widely adopted and is already improving productivity and growth. In summary:

- AI has gone mainstream for everyday life, with many now using generative AI.
- At work, AI is becoming a standard tool for desk workers, showing up in how people spend their time and describe their productivity.
- Most companies are now experimenting with AI in various areas.
- But only a minority have scaled AI across the enterprise, with many firms stuck in “pilot mode.”
- Well-designed deployments are delivering measurable productivity gains.
- AI appears especially powerful for boosting less experienced workers and narrowing some skill gaps.
- Early evidence points to a real uplift in productivity and growth, but execution, governance, and reskilling will ultimately determine who benefits most.

IN-DEPTH: AI ADOPTION, PRODUCTIVITY GAINS, AND GROWTH ARE STARTING TO LINE UP

As we look across the economy – at home and at work – AI is already being widely adopted, with tangible evidence showing improved productivity and growth. Going deeper:

- AI has gone mainstream for everyday life, with many now using generative AI:
 - 54.6% of U.S. working age adults have used generative AI by mid-2025, up 10% in a year.
 - GenAI penetration “three years in” is far ahead of PCs (~20%) and the internet (~30%).
 - Common uses include summarizing documents, planning trips, and coding.
- AI is becoming a standard tool for desk workers, influencing how they spend their time and productivity:
 - One survey shows 60% of desk workers use AI, with 42% using it weekly and one in five daily.
 - 64% report “very good” productivity and 58% report very good focus, compared to non-users.
- A strong majority of companies are now at least experimenting with AI, with some moving to production:
 - 71% report using generative AI in areas like marketing/sales, customer operations, product development, and software engineering.
 - Higher adoption is being reported in information technology, finance, and professional services.
- Since only a minority have scaled AI across the enterprise, many firms are stuck in a “pilot trap”:
 - Just 17% of organizations have implemented AI at scale, despite sharply rising AI budgets.
 - The gap between “we use AI somewhere” and “we’ve redesigned workflows around AI” is a central theme we and other investors will watch over the next several years.
- That said, well-designed deployments are already delivering measurable productivity gains:
 - Studies show that programmers are coding over 50% faster with AI support.
 - Customer service agents are resolving ~15% more issues per hour when using AI assistance.
- AI appears to be especially powerful for boosting less experienced workers and narrowing skill gaps:
 - AI assistance improved novice/lower skilled customer service agent productivity by roughly one-third.
 - For earlier career workers, AI can be a confidence and capability multiplier, helping them perform more like seasoned professionals.
- While a real uplift in productivity and growth is possible, execution, governance, and reskilling will determine who benefits most:
 - In one survey, only 17% of AI adopters say GenAI currently contributes 5% or more to earnings.
 - Companies treating AI as a workflow/reskilling project, not just a software purchase, will be better off.

CONCLUSION

Evidence suggests that AI has already started to change how people live and work, with adoption spreading quickly and early productivity gains emerging. For now, the impact on company earnings and GDP is modest but building, as organizations move from experiments to more scaled deployment. From here, the key will be the execution: redesigning workflows, reskilling workers, and using AI to enhance human judgment, rather than replace it. As investors, we will remain focused on how AI spending is translating into durable productivity gains, healthier margins, and more resilient long-term growth in companies and the economy more broadly.

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