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THE LONG RUN INSTITUTE

EXECUTIVE ROUNDTABLE SYNOPSIS

The Future of Work:
"AI First, with Human Intelligence"

Event	Executive Roundtable: "AI First, with Human Intelligence"
Date	Monday, 2 March 2026
Venue	BMO Financial Group, 100 Liverpool Street, London EC2M 2AT
Co-Sponsors	BMO Financial Group & The Long Run Institute
Co-Chairs	Mona Malone, Chief Administrative Officer, BMO Financial Group Dr Judy Stephenson, University College London
Closing Synthesis	Dr Laurence B. Mussio, FRHS, Chair, The Long Run Institute
Classification	Confidential -- Chatham House Rule (see note below)

Note on Attribution

This roundtable was conducted under the **Chatham House Rule**, which provides: "When a meeting, or part thereof, is held under the Chatham House Rule, participants are free to use the information received, but neither the identity nor the affiliation of the speaker(s), nor that of any other participant, may be revealed." *(Royal Institute of International Affairs, Chatham House Rule, revised October 2002.)*

For the purposes of this synopsis, **Mona Malone**, **Dr Judy Stephenson**, and **Dr Laurence B. Mussio** have agreed to exempt themselves from the protection of the Rule, permitting their remarks to be attributed. All other contributions remain strictly unattributed in accordance with the Rule.

Opening: The Three Tensions

Mona Malone, Chief Administrative Officer of BMO Financial Group, opened the session by framing the artificial-intelligence transition around three central tensions: speed against

stability, automation against augmentation, and memory against momentum. Drawing on her experience navigating workforce transformation at a two-century-old institution, she identified a distinctive paradox: organisations must move at venture speed while preserving the deep trust and prudential steadiness that underpin financial services. As geopolitical uncertainty and rapid technological evolution combine to create immense institutional strain, Malone cautioned that the gravest risk is that organisations will scale their tools faster than they scale their judgement.

Detailing BMO's practical journey--including the deployment of AI copilots to more than fifty thousand employees--Malone argued that true competitive advantage will emerge not from automation alone, but from the deliberate redesign of work to elevate human capability. She challenged the room to consider how to preserve early-career experiences, rethink succession planning, and maintain purposeful human work as artificial intelligence begins automating foundational entry-level tasks.

Historical Context: The Long Shadow of the Industrial Revolution

Dr Judy Stephenson of University College London grounded the discussion in pragmatic historical perspective, cautioning against breathless technological determinism. She illuminated a sobering fact of the first Industrial Revolution: it took nearly a century for technological innovations to translate into broad-based improvements in living standards. Initial technology adoption, she noted, actually drove labour costs upward for the first fifty years, as firms were forced to reorganise and maintain entirely new operational models. Stephenson urged leaders to recognise that technology permanently alters the fundamental value of what humans do, generating deep societal disruption as new methods of work are negotiated. She framed the AI transition not merely as an efficiency exercise, but as a complex renegotiation of the moral and economic value of labour.

Keynote: Productivity, Stagnation, and the Return on Intelligence

The morning's keynote address by Dr Carl Frey reinforced that technological progress is neither automatic nor inevitable, drawing on centuries of global history to demonstrate that stagnation frequently follows when institutions fail to adapt. While highly centralised systems--such as the mid-century Soviet economy--can effectively scale existing technologies, they invariably struggle at the frontier of innovation, which demands decentralisation, exploration, and institutional flexibility. Despite the current AI revolution, the global economy is experiencing a productivity slump, characterised by declining business dynamism, consolidating acquisitions, and the clustering of creative talent in a handful of leading firms. Leaders were challenged to abandon twentieth-century industrial metrics and instead optimise for a "Return on Intelligence"--measuring the additional decision quality, innovation, and cognitive leverage gained per unit invested in AI.

Roundtable Discussion

Implementation and Institutional Friction

In unattributed dialogue, participants explored the practical friction of deploying artificial intelligence across global enterprises. One senior technology executive shared a sobering operational reality: while commercial large language models advertise accuracy rates above ninety per cent, performance frequently falls to approximately forty per cent when applied to complex, highly regulated institutional environments. Achieving viability demands massive, human-led retraining and the embedding of proprietary policies--revealing that AI hallucination is often less an algorithmic failure than a symptom of data drift. The conversation also examined the disruption of traditional professional services, observing that as artificial intelligence raises productivity across all hierarchical layers, legacy commercial structures such as the billable hour will become increasingly obsolete. As payment systems and traditional terms of business are forced to change bargaining costs will be high, but present opportunity for some.

Socio-Economic and Labour-Market Impacts

The dialogue expanded to consider broader distributional consequences. One participant used the analogy of streaming a yoga class versus attending in person to illustrate that consumer preference ultimately determines the reallocation of demand; technology enables efficiency, but human behaviour decides what remains valuable. While AI has the potential to compress structural access gaps in underfunded sectors such as education, participants warned of a power-distribution problem: the individuals building AI systems are rarely those most affected by their disruptions. Power is increasingly centralised while disruptive impacts--ranging from workforce displacement to community destabilisation--are widely distributed, creating significant brand, regulatory, and social risks for organisations that fail to manage downstream effects.

Because to use AI well requires deep contextual knowledge, and workplace and client experience the question of how executives will train more junior staff to make the contribution they should arose. Ideas of apprenticeship and firm specific human capital were discussed. It was noted also that an increasingly concerning high number in unemployment in the economy will potentially miss out of the opportunity to be adequately trained leading to greater inequality in the labour force, despite the ironic opportunity that AI offers a potentially cheap pathway to workplace coaching in the real world.

Cognitive Health and Workforce Psychology

The psychological and cognitive dimensions of the transition emerged as a pressing concern. A healthcare advisory expert introduced the concept of cognitive health, warning that heavy reliance on digital shortcuts accelerates "cognitive offloading," alters neural pathways, and short-circuits the traditional apprenticeship model. If senior professionals routinely employ algorithms to bypass the iterative work of training junior staff, industries risk cultivating a

generation of shallow competence and dependency. Other executives highlighted a post-pandemic rise in workforce anxiety, compounded by fear of technological obsolescence, and urged organisations to frame AI as a tool for personal augmentation--noting the fallacy of expecting employees to perform high-intensity cognitive work continuously without the mental pacing previously afforded by routine tasks.

Market investments, expectations, costs and returns

Participants called out two anomalies. Firstly, that although AI has been decades or centuries in the making financial markets and shareholders expect it to bring us a return on investment immediately. This expectation or market desire has led to irrational speculation, in financial terms. In implementation terms the zeitgeist discussion has been around fear: fear of displacement; fear of misplaced authority; and as was personally noted by most, fear is a terrible management tool.

Closing Synthesis: Ghost Intelligence and the Arithmetic of Reinvention

Dr Laurence B. Mussio provided a closing synthesis that elevated the morning's discussion into a reflection on political economy and institutional stewardship. Pointing to recent massive, AI-driven layoffs at major technology firms, he warned of a looming distributional crisis--a second Engels' Pause--in which productivity gains concentrate at the top while the human workforce is aggressively optimised away. He highlighted a widening governance gap, comparing the current rapid deployment of "agentic" AI to the 2008 financial crisis and cautioning that innovation is dangerously outpacing decision architectures.

Building on his concept of "Ghost Intelligence," Mussio warned against systems that govern in milliseconds, operate purely statistically, and possess no understanding of institutional history. He directly challenged the emerging corporate narrative that treats digital agents as colleagues, arguing that true colleagues possess tacit knowledge, understand informal norms, and carry reputational history--qualities no machine can replicate. He concluded that history will not remember the most efficient institutions, but rather the most adaptive ones--those possessing the courage to resist the seductive arithmetic of elimination in favour of the harder arithmetic of reinvention.

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