



BUZZ!

What's Buzzing in CX World This Month?

AI still continues as flavour of the month not only in CX and EX but in the commercial and geopolitical world at large. However, it is not all plain sailing and this issue looks at some of the issues that have emerged in the media over the past month.

Is the effectiveness of AI being assessed in the most effective way?

In her article *PolyAI CEO: Deflection Rates Are the Wrong Metric for Contact Centre AI* Sandra Radlovacki points out

Contact centre AI is often judged by how many customers it keeps away from a human agent. Deflection rate has become the metric that leaders use to justify automation investments, while vendors lean on it to demonstrate value, even as a growing number of organisations find that high deflection does not always translate into satisfied customers.

Nikola Mrkšić, CEO and co-founder of PolyAI, argues the metric is doing more harm than good. He said that the industry's fixation on deflection is obscuring a far more consequential measure: resolution. When deflection climbs but resolution does not follow, customer trust is the first thing to break.

He draws a distinction between two types of resolution: absolute resolution, which measures whether a customer's issue was actually solved, and relative resolution, which measures whether it was solved given that the customer stayed within the automated system. PolyAI's data shows a correlation between relative resolution rates approaching 100% and customer satisfaction scores of five out of five. The principle behind that correlation; automation should only handle queries where it can deliver a genuine outcome, and hand off to a human whenever it cannot.

Voice Is the Final Escalation Point

One of Mrkšić's most pointed observations concerned channel switching, which he said only moves in one direction. When digital channels fail, customers migrate to voice. Yet, the reverse almost never happens. Chat has historically been treated as a lower-stakes environment where companies run lean staffing and accept higher error rates. Voice carries a different weight. Asked whether AI will eliminate the need for human agents, Mrkšić offered a forecast that diverges from the most aggressive automation narratives. He expects headcount reductions of roughly 50%, at least half of the remaining workforce will transition into different roles, operating as product managers for AI systems and refining the processes that automation depends on. "I've never seen people fire in-house agents." The contraction lands on outsourced labour. BPO contracts shrink because those workers handle overflow and carry less institutional knowledge.

The use of AI is already extant in purchasing but CX magazine raised another point of performance measurement and does it mean the end for traditional market research

When Your Customer Is a Machine, Who Answers the Survey?

Voice of the Customer (VoC) software companies have enjoyed a comfortable arrangement over the last few years. Brands pay six- and seven-figure annual licences to collect feedback, run sentiment analysis, and produce dashboards that tell senior leaders what their customers think. AI agents increasingly mediate the customer relationship by planning purchases, filing complaints, and switching providers, there may soon be fewer humans on the other end of the post-interaction survey.

The Feedback Loop Is Thinning

Recent research found that 14% of UK consumers already use AI agents to interact with brands and make purchases, and projects that figure will more than double to 37% by the end of this year. Separately, Gartner forecasts that conversational assistants will resolve 70% of customer service journeys by 2028, and that AI systems will autonomously conduct up to 80% of common service conversations by 2029. When the customer reaching your contact centre is an algorithm, and the agent handling the query is also an algorithm, the traditional survey becomes a bystander in its own process.

Outcomes as the New Product

Meanwhile, a new generation of companies is building around the premise that insight without action is a depreciating asset. Decagon, which tripled its valuation to \$4.5 billion in a recent funding round after signing more than 100 enterprise deals, handles three-quarters of customer contacts autonomously and charges nothing for those it fails to resolve. TheyDo raised \$50 million on the proposition that the customer journey is the operating model, not a slide deck for a quarterly business review. Unwrap is built on the premise that zero-shot AI, insight generation without pre-defined tagging, can replace the taxonomy-building overhead that traditional VoC platforms demand.

The incumbents know the ground is moving. Medallia, Qualtrics, and Forsta have all signalled their intention to move from “insight to action.” Salesforce presented the same idea in February as an architectural principle, describing the migration from systems of record to systems of action, where agents execute decisions inside governed parameters rather than surfacing feedback.

Bill Staikos, Managing Partner at Be Customer Led, recently weighed in on the topic: “This has been the problem with too much of the VoC world for years. SaaS built a whole category around collecting, tagging, sorting, scoring, and circulating feedback, then acted like the job was done. But it really wasn’t. It’s just a more expensive way to admire a problem.”

[When Your Customer Is a Machine, Who Answers the Survey? - Customer Experience Magazine](#)

Read the Forester Report

[Insight Was Never The Point: Arise, Systems Of Action](#)

While opinions vary widely on the impact of AI on the human work force Becky Norman reports on the issues raised when Oracle reduced its work force in her 12/05/26 article **Oracle Rejects Laid-Off Workers' Petition – Some Lost Hundreds of Thousands in Unvested Stock**

Oracle has reportedly rejected attempts by former employees to improve their redundancy terms, following a significant workforce reduction earlier this year. The failed public petition – signed by over 90 laid-off staff – has left those affected without the severance improvements they sought, TechCrunch reported. For some individuals, hundreds of thousands of dollars in stock are believed to have been excluded from the compensation they expected to receive.

Hundreds of Thousands of Dollars Lost Overnight

Earlier this year, Oracle swiftly laid off between 20,000 and 30,000 employees with no advance notice. The company's severance package offered four weeks of pay for the first year of service, plus one additional week per year thereafter, capped at 26 weeks. The deal also included one month of employer-sponsored health insurance. In exchange, laid-off employees were required to sign a release waiving their right to sue.

While these are relatively standard severance terms in the US, the key point of contention centred on stock compensation. Despite Restricted Stock Units (RSUs) making up a significant proportion of pay for Oracle employees, the company did not accelerate the vesting schedule ahead of the layoffs.

According to a written survey of 272 laid-off employees, 27% reported they had RSUs due to vest within 90 days. These were instantly forfeited. A former software manager told TIME that RSUs made up 70% of his compensation, and he was four months away from \$1 million in stock options vesting. Another employee – a technical writer who had worked at Oracle for three decades – said she had been awarded RSUs in lieu of bonuses for high performance scores. When she was laid off, those stocks, worth \$300,000, disappeared.

What This Means for EX and the Psychological Contract

Oracle's severance package — and its flat refusal to negotiate — represents a significant financial loss for those who left. But the damage is unlikely to stop there.

When RSUs can account for the majority of total pay, employees reasonably treat unvested equity as earnings in progress, not a discretionary benefit. Oracle's decision to forfeit those units at termination signals that the psychological contract is one-sided, and that the company decides when and how it ends.

Remaining employees will not forget this easily. If they are seeing better compensation deals elsewhere, many will look to move on at the first opportunity. Candidates at the negotiation stage may also push for a higher base salary or cash bonus over a larger equity package, knowing that unvested stock could potentially disappear overnight. The labour market is difficult for employees right now. But poor treatment is noted, shared, and remembered – and when the balance of power shifts, those memories can be quickly recalled to inform career choices.

Oracle may have successfully tested its redundancy strategy in court but does the damage to the employee experience (EX) potentially carry longer term implications? Deborah Hartung explores the subject in her May 27 article

AI Anxiety at Work Is Dismantling Employee Engagement – and Most Organisations Aren't Responding

Years have been spent building the infrastructure of employee experience (EX) with pulse surveys and wellbeing programmes. Flexible working policies, have been intentional about DEI initiatives, recognition platforms and career development opportunities. But, right now, what is keeping employees up at night is sustained, unrelenting AI anxiety at work – and most EX strategies are not built to withstand it. At present, 69% of employees expect their company to proceed with layoffs because of AI within the next three years. Nearly half of those people fear that they will personally lose their job. Gallup's 2026 State of the Global Workplace report tells us that global employee engagement has fallen to its lowest level since 2020, costing the global economy around \$10 trillion a year. Manager engagement has collapsed even faster than employee engagement, dropping from 31% in 2022 to just 22% in 2025 – the steepest fall on record. The very people relied upon to hold the human experience of work together – managers, team leaders and supervisors – have checked out emotionally because they are exhausted, uncertain and nobody is looking after them. These are the same people now asked to lead their teams through an AI revolution.

What AI Anxiety at Work Actually Looks Like

With nearly 7 in 10 people believing that AI will lead to layoffs in their company, workers are living with a level of ambient fear that leaks into all aspects of their lives and changes how they work and how they relate to colleagues. This anxiety also affects how much of themselves they're willing to invest in an organisation that might be engineering them out of existence. It might be difficult to distinguish from is known as 'disengagement' or 'quiet quitting', but it's definitely showing up at work on the daily. It looks like the employee who has stopped raising their hand in meetings – not because they don't have ideas, but because they're quietly calculating whether making themselves visible is going to increase or decrease their odds of survival.

It may be seen in the manager who has started micromanaging again after years of working toward autonomy for their team. Not because they have regressed, but because they are anxious about their own relevance and this feels like the only aspect of their work they still control.

The anxiety is showing up in the high performer who has started applying elsewhere because the organisation's silence on AI has left them convinced that the people making decisions don't view them as a long-term asset. It's crept into teams that used to be creative problem-solvers, constructively challenging each other, but now play it safe in every direction because the psychological safety has been eroded by the suspicion that someone or something is watching and measuring everything they say or do. The anxiety is also surfacing in something more organised. Across some of the world's most recognisable tech companies – Meta, Google DeepMind, and Amazon – employees are moving from quiet frustration to active resistance, with protests, open letters, and attempts to unionise.

Deloitte's 'AI Cultural Debt'

Deloitte coined the term 'AI cultural debt' to describe the long-term cost that accumulates when organisations deploy AI without equal investment in the human systems surrounding it. It's what happens when efficiency is prioritised and trust and psychological safety are treated like an afterthought. AI cultural debt accumulates quietly. Initially, the gains are visible as faster processes, leaner teams and cleaner data. The liabilities don't show up on any dashboards:

The river that runs through it all is a slow, corrosive erosion of trust in leadership.

it attacks the very EX foundation of belonging, purpose and autonomy and any sense that your contribution matters and is seen by humans who actually give a damn.

The Transparency Gap is an Emergency

Only 22% of global workers strongly agree that their job is safe from elimination. So 78% of the very people we are trying to engage, retain, develop and support, are operating under a cloud of job security and AI anxiety at work. A fear they are largely carrying alone because most organisations have not created the structures, the safety, or the leadership courage to address it directly. Gallup's 2026 data finds only about 26% of employees say their organisation has communicated a clear plan for integrating AI in their daily work and just 30% say that their manager supports AI use at work. This points to a massive transparency gap, which, in EX terms, is not a communication problem but a trust crisis. Trust, once eroded, is extraordinarily difficult and expensive to rebuild.

Neuroscience is unambiguous on this: when people don't have information, their brains generate threat responses and fill the vacuum with worst-case scenarios. People will assume that silence means that bad news is coming and they will behave accordingly by protecting themselves, withdrawing discretionary effort and preparing to leave. So, every week that passes without clear, honest, human conversations about what AI means for roles, skills and the future of work is another week in which that AI cultural debt is compounding.

The Manager Crisis: Why Middle Leaders Are Being Left Behind

Managers have lost what Gallup calls the 'engagement premium' – the historically higher engagement that came with the role and proximity to power and information. Managers are now, on average, only as engaged as the people they lead, yet they are being asked to champion AI adoption while carrying their own unprocessed anxiety about what AI means for them personally. They are being asked to have honest conversations with their teams about uncertainty when nobody has had those conversations with them. They're being expected to model psychological safety while their own is being dismantled by restructures, increased team sizes, reduced support and the creeping sense that their role is next on the efficiency agenda.

Managers have been absorbing the full weight of post-pandemic disruption with inadequate support. They've had to deal with employee turnover, a hiring boom-and-bust cycle, digital transformation, rapid AI tool introduction, new employee expectations and restructured teams on shrinking budgets. We keep asking them to do more, with less.

Immediate Survival Strategy

Love it or loathe it, AI is not going anywhere and we are all going to be under significant pressure to lead AI adoption at work. In 2025, companies spent over \$40 billion on AI implementation, yet 95% of respondents in the Gallup survey reported 0% ROI. AI is costing our organisations both financially and culturally. So how do we survive the tsunami?

Invest in Your Managers More

Invest in building manager capability and supporting both their mental health and career development. When their managers actively support the use of AI by their teams, Gallup data finds that employees are 8.7 times more likely to view work as transformed by AI and 7.4 times more likely to agree that AI gives them more opportunities to do what they do best.

Provide Real Transparency About Your AI Strategy

The WTW Global EX Market Study 2026 finds that when employees understand why change is happening and how they fit into the future, wellbeing improves, engagement rises and organisations unlock higher performance and measurable value. Employees don't need more resilience training or another wellbeing app and a webinar on mindfulness. They need real transparency about what AI is doing in their organisation, what it means for their roles and what the plan is for bringing people along, rather than leaving them behind.

Prioritise Authentic Humanity

Right now, people need more human connection and authentic vulnerability. Town halls simply won't cut it, when what people are craving is community and an opportunity to ask the difficult questions or share their fears and uncertainty. They also need reassurance that AI isn't just being used to automate them out of the employment equation, but, instead, to augment their abilities and experience at work.

To survive this moment, ensure that managers are supported, informed and genuinely equipped to lead people through uncertainty, rather than simply to survive it. Make sure that all our people feel that they are valued for what makes them human – their judgment, creativity, their capacity for contextual thinking and their empathy – not just for the tasks that can be measured on a dashboard.

None of this is complicated, but all of it is urgent.

[AI Anxiety at Work Is Dismantling Employee Engagement – and Most Organisations Aren't Responding - Customer Experience Magazine](#)

[Read The Gallup Reoort](#)

[State of the Global Workplace 2026 | Employee Engagement Data & Trends - Gallup](#)

This final article is longer than most BUZZ notifications but is felt to be one of the key issues facing organisations and the impact of AI on both EX and thereby ultimately CX

See <https://icxi.com/> for all details of the institute's Look out for the imminent relaunch of **The ICXI Online Academy and Website** and the all-new **International Excellence Awards** – a new kind of awards programme that give every organisation the opportunity to optimise the positive motivational benefits of that **winning feeling**.