

Why generative AI isn't transforming Transformation (yet!)

1 Generative AI is being treated as a bolt-on for business transformation

Generative AI has quickly become one of the most talked about capabilities driving business transformation. Leaders across industries are exploring how it can consolidate data, accelerate documentation, and improve analysis.

One often understated, if not outright ignored, aspect of this conversation is the business change associated with adopting Generative AI. It often changes how work is performed in ways that are not explicitly acknowledged or intentionally designed. One use case to explore this shortcoming, oddly enough, is looking at how business change and transformation is actually delivered.

For most transformation projects, progress is measured through outputs. Stakeholder interviews are completed. Process maps are created. Communications are sent out. Training is delivered. From the outside, this creates the appearance of momentum and that meaningful work is delivered. The program is moving forward and change is happening. This has direct, tangible benefits for the business. According to independent research from Prosci, projects delivered with effective change management are often 7 times more likely to achieve their objectives¹.

However, this can all happen while business-as-usual activities remain unchanged. New processes are still being worked around, new reporting lines circumvented, or new system reports manually generated.

Business change and transformation projects, especially ones emphasizing Generative AI, often accelerate and embed this illusion.



They quickly produce clean summaries, structured outputs, and executive readouts painting a picture of a successful transformation. It can make the work look more complete, advanced, and aligned even while day-to-day business operations remain unchanged.

For all the appearance of change, organizations can move through transformation while continuing to operate in fundamentally the same way.

2 How Generative AI can expose the illusion of progress

One aspect that makes Generative AI powerful is not just that it accelerates work. It can expose the reality of how it gets done, not just what's documented or discussed in leadership meetings. When applied across interviews, documentation, and process artifacts, it begins to connect institutional knowledge that is typically fragmented across the organization into a single layer of knowledge.

It captures:

- Where documented processes differ from "on the ground" reality
- Where systems are assumed to transform data but only store it
- Where manual workarounds drive critical outcomes

For example, a transformation objective could be the implementation of a new system that will create a clean, integrated data flow. The project teams creates new process maps that are reviewed and approved showing new system integrations. Critical data fields that need to be mapped are documented and shared out. As all this work is presented to project stakeholders, they could reasonably conclude their new data environment will have fewer manual errors, more system integrations, and to expect the improvements and benefits this will yield.

However, when Generative AI connects interview data, technical documentation, and process mapping, it can reveal that the system is still being manually fed data after it's manipulated across multiple steps and reintroduced into the flow.



For example, system integrations may be present up to a point, but then critical data fields are manually copied and pasted between systems. Another example is approvals that may be technically feasible within a specific team on a new system, but require an email or Teams chat when collaborating with a different functional team.

This level of detail often only emerges through dedicated effort against business change or transformation activities, like a business stakeholder assessment or change impact analysis. And even once it's complete, the end-to-end visibility of this reality sits within the team tackling this effort.

The transformation, change, or process improvement looks correct on paper, but it is not happening in practice.

This is the shift. Generative AI is able to not just accelerate transformation but also accelerate the discovery of where transformation is not working.

3 From tool to teammate: what actually changes

To unlock this value, Generative AI shouldn't be treated as a tool to accelerate individual outputs but instead as a member of the team with a specific role or function assigned to it.

For example, most business project teams already rely on individuals who "just know how things work." These are the people who connect the dots across functions, understand how processes actually operate, and can explain why something is breaking down. They are the people you go to with questions or that you schedule a meeting with when documentation doesn't match reality.

Generative AI can begin to replicate part of that capability in a system that doesn't forget. Even better, it can point directly back to source data whether it's from a single interview, a process flow, or a previous project scorecard.

When fed with stakeholder interviews, process documentation, change impacts, and project outputs, a properly enabled Generative AI can create a shared layer of knowledge that:

- Connects insights across the transformation
- Provides traceability back to source data
- Surfaces patterns that would otherwise remain hidden
- Enables new team members to quickly understand the work

In order to maximize the benefits of this capability, business change or transformation teams need to think, operate, and structure themselves differently.

In a traditional transformation or business change environment, knowledge is distributed across individuals. Outputs are created in isolation and stitched together over time. New team members require significant onboarding to understand the context. Leadership depends on periodic updates to stay informed. Institutional knowledge is often lost, fragmented, or inconsistently applied.

When Generative AI is embedded into the team, that dynamic begins to change. Knowledge is no longer confined to individuals, but instead is captured and shared through a central, evolving system. Team members are not just producing outputs, they are contributing to a shared understanding of the transformation.

As a result, the work becomes more connected. New team members can engage more quickly because the context is accessible. Leaders are no longer limited to static updates, they can interact directly with the underlying information. Institutional knowledge, instead of being scattered or even lost, becomes persistent and increasingly valuable over time.

4 The risk of keeping it invisible

In transformation programs today, if Generative AI is present it operates in the background. It supports analysis, accelerates synthesis, and may help refine deliverables.

But it is rarely acknowledged as part of the delivery model itself. It may be present in the work but absent from the system. This reduces its ability to support the team and also creates a subtle but important risk.

When Generative AI is used but not discussed, it becomes something that has to be managed quietly. Teams can rely on it to improve outputs but avoid referencing it directly. Delivery can be stronger, but the way it was produced can be harder to explain.

This is similar to having a member of the team that nobody talks about.

If the use of Generative AI is discovered unexpectedly, it can raise questions about credibility. Stakeholders may question whether outputs were fully validated. Leaders may challenge how conclusions were reached. Trust, which is central to transformation, can be put at risk not because the work is flawed, but because the process behind it was not transparent.

This is not a reason to avoid using Generative AI. It is a reason to be more intentional about how it is positioned. Generative AI should not be treated as a secret. Nor does it need to be the focal point of the work. It should be understood as a member of the team and part of the system that supports delivery.



5 What this means for leaders

If Generative AI is going to meaningfully impact transformation, leaders cannot treat it as a tool that teams may or may not choose to use. They need to treat it as part of how transformation is run.

This starts with a shift in the questions leaders ask at the outset of a program. Today, most conversations focus on where Generative AI might fit:

- Where can it accelerate work?
- Which tasks can it improve?
- What outputs can it help generate?

The more important question is how transformation delivery itself should change because Generative AI exists.

In practice, this requires leaders to make different decisions early. Generative AI should not be introduced halfway through a program or left to individual experimentation. It should be designed into the delivery model from the beginning. That means being clear about how it will be used, what role it will play, and how it will support the team.

One of the most important shifts is in how knowledge is treated. In many transformations, knowledge is captured inconsistently and lives across disconnected artifacts. With Generative AI, leaders have the opportunity to establish a shared system where information from interviews, documentation, and ongoing work is continuously captured and connected. This allows the transformation to operate from a more complete and current understanding of the business.

Leadership engagement must also evolve. Rather than relying solely on periodic updates, leaders can begin to interact directly with the underlying information. They can ask questions, trace insights back to their source, and maintain a more continuous view of the transformation as it unfolds. This does not require deep technical expertise, but it does require a willingness to engage with the system supporting the work.

Perhaps most importantly, leaders must be intentional about transparency. If Generative AI is being used, it should not be hidden. It should be understood as part of the delivery approach, with clear expectations around how outputs are validated and how conclusions are formed.

When treated this way, Generative AI does not reduce credibility or degrade trust. It strengthens it. At the same time, it reinforces an important boundary: Generative AI can support delivery and it can strengthen the work that sits behind it, but it does not replace the human element at the center of transformation.

It cannot build relationships. It cannot navigate stakeholder dynamics. It cannot make decisions about tradeoffs or priorities. Those responsibilities remain within the human element of the team. However, if approached correctly, that human element will be better supported by a visible, enabled Generative AI colleague.

6 How Q5 can help

Most organizations do not struggle to strategize why they need to change or to design a transformation. They struggle to deliver it, especially when the team designing the transformation leaves after the final deliverables are handed over.

Q5 focuses on the point where transformation succeeds or fails: in the space between design and delivery where change actually happens. Our approach is grounded in organizational performance aligning strategy, ways of working, and culture to build a change that is not just clearly defined, but tailored to our client realities.

Generative AI introduces a new opportunity within this space. It allows organizations to connect institutional knowledge, improve visibility into how work is actually performed, and accelerate the translation of designed transformation into tangible business change. But as this perspective highlights, its impact often depends on how it is embedded into business change and transformation delivery.

If you're driving business transformation or seeing changes driven by Generative AI and would like to learn more, please reach out [here](#) to start a conversation.



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Get in touch



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