

The Leadership Shift in Disguise

*What AI Transformation
is Really Asking of Us*

Dr. Chris Rowell
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Human capacity is the real constraint in the race to realise value from AI. Technology is evolving rapidly and in parallel, organisations are reimagining workflows, redesigning roles, and reshaping operating models. Yet for any of this to translate into meaningful value, one thing is becoming increasingly clear: the people working with AI need to evolve alongside it.¹ And we have warned elsewhere against leaders assuming that this human evolution will be straightforward, simply because some of people's time has suddenly been freed up.²

So what does personal and professional development actually look like in the context of AI transformation?

Take a familiar scenario. Someone turns to GenAI to locate and synthesise relevant industry data, help them think through a strategic problem, and communicate their decision. AI is now doing some of the heavy lifting, yet the essential work still sits with the human: deciding what matters, what nuance has been flattened or left out, what should and should not be said, how choices made in one area ripple to other parts of the system, and whether the final impacts are something they are prepared to own.

**The work has not disappeared.
It has simply moved upstream,
into human judgement, contextual
awareness, and accountability.**

For the people collaborating with AI systems, the developmental shift goes beyond simply building or strengthening their skillset. It asks more fundamental questions about judgement, identity, and responsibility. People need to know what they believe, how to identify and test their assumptions, and when to trust their own judgement rather than outsource it to a machine.

It also asks them to work in new ways. They need to delegate without disappearing, think more systemically about what AI should and should not be doing, and stay anchored to their values, purpose, and the bigger picture of the work. For many, this is not just a practical adjustment but a psychological one. It can bring overwhelm, self-doubt, and the unsettling sense that what made them valuable in the past no longer feels sufficient. Thriving through AI transformation therefore requires a deeper shift in how people understand their role, how they create value, and who they are prepared to become in the process.

We talk a great deal about reimagining workflows. We talk far less about reimagining identity.

And that is where this moment is really asking us to pay attention if we are to realise true value from AI transformation.

For the people undertaking it, the shift required is not entirely new. It bears a striking resemblance to the developmental journey that emerging leaders have long been called upon to undertake. **In other words, AI transformation is a leadership development challenge in disguise.**

The leadership parallel

Brené Brown defines a leader as “anyone who takes responsibility for finding the potential in people and processes, and who has the courage to develop that potential.” By that definition, AI expands the scope of leadership considerably. Organisations are moving through a trajectory whereby every individual will be collaborating dynamically with intelligent, evolving systems; whether this is their own personal AI assistant or a team of AI agents working both independently and in concert with people to reshape how work gets done.³

As this trajectory unfolds, people are being asked to find and shape potential not only in people and processes, but in the intelligent systems increasingly woven into how work gets done. AI now requires people to exercise judgement like a leader, whether or not they hold the formal title of one.

New technologies, familiar struggles

However, the shift into leadership is rarely a simple one, and we have decades of insight into what people tend to struggle with when they first step into it. Challenges often lie in learning to let go, to work through others rather than doing it all themselves, to lift their gaze, to operate at the right altitude, and to move beyond the habits that once made them successful. They wrestle with confidence, with imposter syndrome, and with the gap between how they appear on the outside and how uncertain they may feel within.

Now look at what we are seeing in organisations deploying AI at scale. Some people take on too much, switching relentlessly between tasks and tools, and drowning in expanded workload rather than being relieved by it.⁴ Others swing too far in the other direction, alleviating pressure by outsourcing their judgement to whatever the model produces⁵ and mistaking style for substance.⁶ Many feel unsettled, lose confidence, and compare themselves harshly to those who seem to be adapting more quickly. The design of AI tools is evolving to help address these challenges⁷, though the people using and managing them still need to step up in parallel.

The pattern is different. The developmental task is not.

The implications for executives and HR leaders are significant, because **leaders are not born; they are developed. And that development doesn't happen by default.**

What development looks like in practice

At Performance Frontiers, we work with leaders across three interconnected levels: leading self, leading others, and leading the wider system. Each has a direct parallel in what AI transformation now demands.



Leading self begins with knowing who you are: the strengths you bring, the patterns you fall into, and how you interpret and respond under pressure. It is the capacity to reflect on and regulate your own thinking and behaviour so that you can act with intention rather than impulse.

In an AI context, leading self means staying anchored in your own judgement when the speed, convenience, and polish of AI make it easy to stop thinking. It requires confidence in your own abilities, and the self-awareness to notice when you are deferring to a machine output not because it is right, but because you are tired, pressured, or uncertain.



Leading others is about how we build trust, create connection, and enable different contributors to do their best work together. It involves understanding and combining strengths, shaping the conditions for collaboration, and maintaining the quality of relationship that makes collective performance possible.

In human-AI teams, this means understanding where AI can best contribute and where it cannot, while consciously protecting the forms of empathy, care, and authentic human connection that become more valuable as work grows more digitally mediated.⁸

It also means staying alert to what AI transformation does to team dynamics specifically. When their work is organised by algorithms, people are significantly less likely to help their colleagues than when their work is managed by humans.⁹ At the same time, the people around you are navigating their own identity transitions in relation to AI, whether they speak about them or not. The leaders who can see that, and meet people in it, will be the ones who hold teams together through the change.



Leading the wider system means seeing the bigger picture, thinking laterally, holding complexity across multiple horizons, and recognising where action in one part of the system creates consequences elsewhere. It is the shift from focusing only on the immediate task to understanding the broader environment in which that task sits.

In an AI context, this means deciding what AI should be used for, what it should not, how its outputs should be interrogated, and where human judgement must take precedence. These are systems-level questions that require people to step back from the immediate task and see the whole. Without that systems lens, people are more likely to optimise locally, automate narrowly, and miss the wider consequences of what they are setting in motion. For leaders, this is often one of the hardest shifts to make. For people at every level working with AI, it is becoming increasingly unavoidable.

Why this cannot be left to chance

You would rarely promote someone into a leadership role without conscious, structured support for the shift they are being asked to make. The development required is too significant, and the change in both identity and capability too fundamental, to leave to chance.

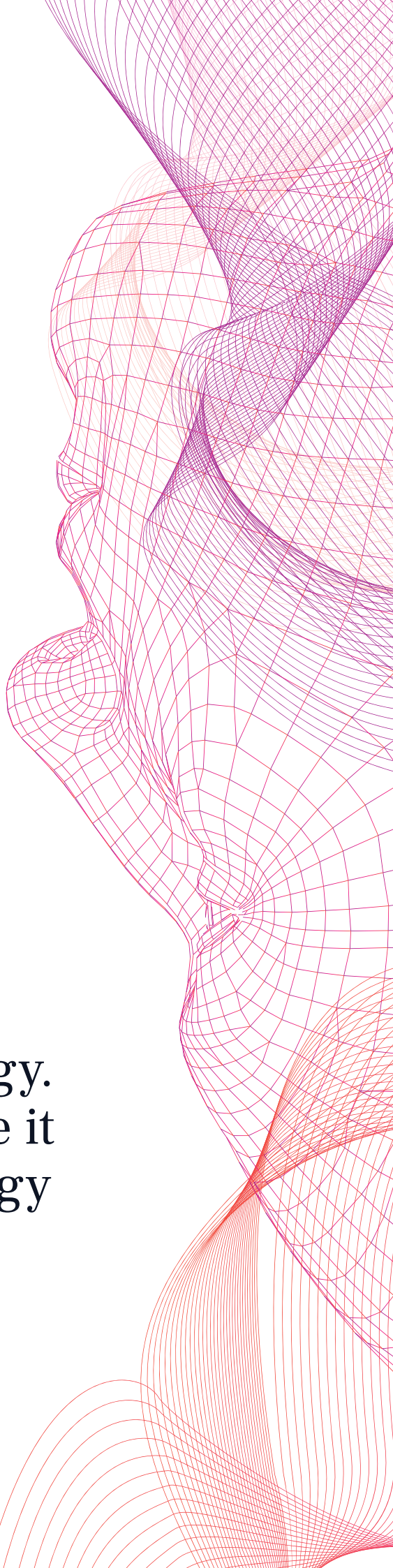
And yet this is precisely what many organisations are currently doing with AI. They are developing and implementing AI strategies that are shifting the value that humans create within new organisational configurations, without supporting them in making this leap. Early signs suggest that people are being handed new tools, restructured workflows, new productivity expectations, and are simply expected to adapt without losing a step.

That is a risk. People at all levels are now being asked to make a shift that looks and feels remarkably similar to the shift into leadership. Regardless of the specifics of their organisation's AI strategy, team members now need greater self-awareness, stronger judgement, the capacity to work through a more complex mix of contributors, and the ability to see and act within a larger system. Those who do not make this leap may find themselves working to the logic of algorithms rather than leading them.

What was once treated as leadership development for the few is fast becoming core human development for the many. The shift AI is asking of people is not primarily about learning to use new tools. It is about who they are becoming in the process of using them. That is not something that happens by default. It has to be supported, developed, and taken seriously.

The organisations that thrive will therefore not simply be those with the most sophisticated AI tools. They will be those that recognise AI transformation for what it also is – a human development challenge – and invest in it accordingly.

The question worth sitting with is not whether your organisation has an AI strategy. It is whether the people inside it are becoming who that strategy actually requires them to be.



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+61 7 3870 8433

info@performancefrontiers.com

performancefrontiers.com

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