CATALYST
CONSTELLATIONS

Transformation at Speed

What's Shifting, What's Breaking and What Executive Teams Must Relearn

A New Era of Transformation Revealed by AI

Transformation is not new. From industrial revolutions to computers, internet, cloud, and now AI, organizations have always had to adapt. What is new is the pace, the stacking of change and the shrinking window leaders have to respond effectively.

In recent years, organizations normalized faster planning cycles, continuous reprioritization and increased cross-functional coordination. AI has accelerated these dynamics dramatically.

AI is not separate from transformation. It is the catalyst that has exposed how transformation itself must now operate.

In this emerging era, transformation is faster, more continuous, more cross-functional and more dependent on early clarity of value and impact than at any point in the past.

At the same time, expectations about the speed of transformation are shifting. The rise of AI has created a widespread assumption that change should now be easier and more immediate, that organizations can simply “apply AI” and move faster with less effort. In practice, leaders are finding the opposite: the accelerating pace of technology is increasing the complexity of decisions, coordination and organizational change required to deliver real value.

The result is a widening gap between how quickly the environment is changing and how quickly most organizations are structured to respond.

To understand how transformation is shifting, we conducted interviews with senior executives and transformation leaders responsible for enterprise-wide transformation across digital, technology, and operational roles in U.S. enterprise and mid-market organizations

This research initially focused on how organizations are managing AI transformation. What became clear is that AI represents not just another transformation, but a signal that organizations have entered a new era, one where the speed of change now exceeds the speed most organizations are designed to absorb.

Across conversations, three patterns emerged:

1. Organizations are placing greater emphasis on tying transformation priorities to clear business value, explicit metrics and unified executive alignment from the outset.
2. The rapid pace of change is making workforce readiness a more significant barrier to success, underscoring the importance of mindset and capability-building.
3. Transformation requires collective executive alignment, but organizations remain uncertain about how to structure ownership and accountability for sensing and executing change.

Pattern 1

From Broad Transformation Agendas to Problem-Bound Activation

For much of the past decade, organizations treated transformation as an ongoing capability. Transformation offices expanded. Digital organizations matured. Dedicated transformation roles became more common. In many cases, this shift was necessary. The pace of technological and market change required continuous evolution rather than episodic reinvention.

What leaders are describing now points to emerging tensions with this model. Tensions this research began to surface, and the next phase will explore more deeply.

Executives described a shift from broad transformation agendas to clearly defined business problems, paired with earlier clarity on outcomes and visible executive alignment from the start.

> *"Organizations are not trying to disrupt themselves. They are trying to modernize themselves." — Farhan Siddiqi, CEO, QualDerm Partners*

The Problem Has to Be Crisp Enough to Focus and to Fund

Transformation must be grounded in real business needs, not broad aspirations. While words like 'transformation,' 'disrupt' and 'innovate,' even 'AI', have dominated the narrative, they are not goals in themselves. Organizations transform to protect and advance competitiveness, relevance and performance.

> "I think transformation means everything and nothing, like customer experience, big data and now AI. These concepts launch into the stratosphere but are never fully realized and lack crisp definitions. People take forays into the topic du jour without getting the returns they expected and the term becomes almost a misnomer. Ultimately, for transformation to be successful it has to have enterprise-wide accountability and achieve your business goals."
>
> *— Rob Scruggs, Chief Digital Officer, Fortune 500*

Defining a problem is not new. What is new is the precision required to move forward with confidence. In an environment of compressed timelines and constrained organizational capacity, leaders described needing sharper clarity about what they are changing, and why, before committing resources.

> "Our transformation approach looks holistically at people, processes, and technology, recognizing that many legacy systems support outdated processes and capabilities. We prioritize transformation efforts based on business criticality, technical fitness, and security risk to focus on the highest-impact applications first."
>
> *— Sunith Ravindran, Senior Vice President, World Fuel Services*

Earlier Clarity on Outcomes

A consistent signal across interviews was the expectation that leaders establish line of sight to positive impact much earlier than before, often as a condition of focus & funding, not as a downstream validation.

> "One of the biggest things is having people think through how you quantify value. You need to work with your business partners to quantify the value, or we're not going to do it. ... It's meant to make sure we're working on the right things."
>
> — *Andrea Le, Chief Digital Officer, FMC Corporation*

Deloitte's 2025 **research on Chief Transformation Officers** reflects this shift. The study highlights increased emphasis on accountability, measurement and provable progress as predictors of transformation success. Transformation earns momentum through evidence, not ambition alone.

McKinsey's 2024 work on **the evolving role of technology and digital leaders** adds another dimension. As these leaders are increasingly expected to act as orchestrators of value across business and technology, not simply as delivery leads, accountability for outcomes is moving closer to the core of executive decision-making. Transformation is no longer adjacent to the business; it is inseparable from how value is defined and delivered.

Executive Alignment as the Mechanism

Transformation struggles when pushed by one leader or function without sustained executive alignment

> "Transformation doesn't work unless leaders are aligned. Every year, our executive team debates and commits to a shared set of strategic priorities. We're then incentivized collectively against those priorities, with a common bonus across functions. That's what gives transformation real executive attention and makes it an enterprise priority."
>
> — *John Durocher, Chief Operating Officer, Calix*

In this environment, executive alignment is not a cultural aspiration. It is the mechanism through which transformation gains traction.

Questions for Executive Teams

- Are we naming problems that are crisp enough to focus investment and action?
- Do we have shared agreement on what positive impact looks like and how we'll measure it?
- Have we made transformation a collective executive priority, or are we expecting one leader or team to carry it?

Pattern 2

Workforce Readiness Is Becoming a More Significant Barrier to Transformation Success

Workforce readiness has always mattered in transformation. That is why change management has existed as a discipline for decades. What leaders described is not a new problem, but a problem growing in intensity.

As the pace and volume of change increase, organizations are finding that the ability of leaders and employees to adapt is becoming a more significant barrier to success. The same dynamics that could once be managed through periodic initiatives are now unfolding continuously, leaving less time for people to adjust between waves of change.

External research reinforces what leaders are experiencing. Gartner reports that **only about one-third of business leaders say their most recent change effort achieved "healthy change adoption,"** meaning employees acted on the change on time & without negative impact to performance or engagement. Even when strategies and technologies are sound, organizations are struggling with the human side of change.

What Leaders Are Seeing

Under the increasing pace and complexity of change, leaders consistently described mindset as a real and material derailer of transformation.

But "mindset" meant more than attitude alone. Across interviews, executives pointed to a cluster of related challenges: discomfort with ambiguity, difficulty working across organizational boundaries, limited skills in influencing without authority and a lack of shared practices for collaborating under pressure.

Mindset issues show up as practical obstacles: how they prioritize, make decisions, collaborate and handle the inevitable conflict that arises as pace increases and ownership is ambiguous.

> "We have good technology. So we have to focus on changing mindset and how we come to the table. First, we need to help people learn to quantify value. Then we need to help leaders build trust and psychological safety … and help everyone learn how to work more collaboratively."
>
> — *Andrea Le, Chief Digital Officer, FMC Corporation*

> "For an engineering leader, delivery is foundational. But that alone is not enough. It is also about how you form teams, how you delegate, how you ensure people are working on the right priorities, and the impact and influence you have beyond your own department. The best leaders also foster an environment of continuous learning, for themselves and their teams."
>
> *— Sunith Ravindran, Senior Vice President, World Fuel Services*

Together, these perspectives highlight that mindset challenges are tightly connected to capability gaps. In faster, more cross-functional organizations, technical expertise alone is no longer sufficient. People must also know how to collaborate, prioritize, influence and adapt in conditions that feel less stable than before.

It is important to distinguish between lack of will and lack of readiness. In many cases, what appears as resistance is better understood as people trying to keep up with demands that are arriving faster and with less clarity than ever before.

Addressing mindset requires more than encouragement. It requires deliberate investment in skills, practical approaches and a shared understanding of how people experience and navigate change.

How Organizations Are Responding

Because transformation is no longer episodic, the need to support people through change has increased in scale and urgency. Leaders described a more intentional focus on building capability so that people can adapt while change is happening, not only after it is complete.

Three practical responses emerged consistently.

Hiring for adaptability and readiness
Organizations are paying closer attention to how candidates learn, adjust and perform under uncertain and shifting conditions, recognizing that technical expertise alone is no longer sufficient.

Building skills for modern transformation environments
Leaders are investing in capabilities such as decision-making with incomplete information, influencing without authority, prioritization across competing demands and collaboration across complex systems.

Training leaders and employees to navigate ongoing uncertainty
Rather than assuming people will "figure it out," organizations are helping employees understand how continuous change affects them and equipping them with practical tools and habits that make adaptation easier.

> "Change management is a skill. We should never underestimate the skill and process needed to drive change . Along with your transformation, we must take people through classes and deep learning on change management and acceleration. You have to carry people along while we're doing the transformation."
>
> *— Pamela Hall, Vice President, Enovis*

These responses closely mirror broader external research. Gartner has found that **when leaders are equipped to routinize change,** making it a normal part of how work happens rather than an episodic disruption, organizations are up to three times more likely to achieve healthy change adoption. This reinforces what leaders in our interviews described: in a world of continuous transformation, building change capability is no longer optional; it is a core leadership requirement.

3x
More Likely to Achieve Healthy Change Adoption

Questions for Executive Teams

1. Where are we interpreting friction as resistance when it may actually be a readiness or skills gap?
2. Are we equipping leaders and employees to operate confidently amid constant reprioritization and uncertainty?
3. Are we investing in change capability with the same rigor we invest in technology capability?

Pattern 3

Collective Alignment Around Transformation Is Essential, Yet How to Structure Ownership, Funding and Accountability Is in Flux

Leaders emphasized the importance of executive alignment for transformation success, though not all had achieved it in practice. Priorities need to be shared, incentives need to be consistent and accountability needs to be felt across the senior team.

What was far less clear was how to translate that alignment into formal ownership and operating structure when transformation is faster, more continuous and more cross-functional than ever before.

While leaders agreed that transformation must be owned at the executive level, the conversations revealed recurring uncertainty about practical questions such as:

- Where should transformation formally live in the organization?
- Who should control transformation funding and prioritization?
- Should transformation be led by a dedicated executive or embedded across roles?
- How can organizations ensure both coordination and shared accountability?

These are not philosophical issues. They determine who has the mandate to act, who sets priorities and how quickly and effectively change efforts move from strategy to execution.

The Rise, and Questions, of the CTrO Model

Over the past decade, many organizations have answered these questions by creating centralized transformation roles and offices, most notably the Chief Transformation Officer (CTrO).

External research suggests this model is gaining momentum. **Deloitte's 2025 Chief Transformation Officer study reports that:**

- Budgets and resources dedicated to transformation are increasing
- Programs are increasingly led by dedicated CTrOs rather than leaders balancing dual roles
- Nearly half of CTrOs are now fully focused on transformation, a sharp increase from just two years ago
- The scale and complexity of transformation are driving demand for leaders who can operate as strategist, integrator and operator simultaneously
- From Deloitte's vantage point, this trend reflects the reality that transformation has become too demanding and cross-cutting to be managed as a side responsibility.

Yet within our interviews, leaders described a more nuanced picture.

Some spoke positively about centralized models, noting that dedicated transformation leadership can:

- Create focus and urgency
- Coordinate priorities across functions
- Protect funding and momentum
- Provide a single point of accountability

Others, however, expressed concerns that highly centralized models can unintentionally:

- Reduce shared ownership across the executive team
- Distance transformation from day-to-day business leaders
- Frame transformation as a program rather than an enterprise responsibility

The result is not a clear verdict, but a live organizational design question: how much centralization is helpful, and at what point does it undermine collective accountability?

Why Sensing Now Raises the Stakes on Ownership Structure

The growing importance of sensing is one of the main reasons the question of ownership structure has become so urgent.

In a slower-moving world, organizations could notice shifts late and still recover. That margin has largely disappeared. Markets change faster. Technologies evolve faster. Customer expectations move faster. The risk of irrelevance is now much higher for organizations that fail to detect signals early.

This perspective is reinforced by external research. Authors of a January 2026 **Harvard Business Review article noted:**

> "Research and case studies show that the most successful leaders avoid chronic upheaval by continuously strengthening their business systems. These leaders sense emerging realities before crises force radical change and foster agility to keep problems small."

This need for earlier sensing is colliding with a second dynamic: the belief that AI should make transformation easier and faster.

> "Expectations around speed have shifted. AI can create the impression that transformation can happen overnight. In reality, it still requires problem framing, coordination and sustained organizational work."
>
> *— Bill Fraser, Senior Vice President, DP World*

The assumption that leaders can 'throw AI' at a problem trivializes the organizational alignment, prioritization and human change required to deliver real results. And it raises the stakes on ownership decisions.

If transformation is decentralized and sensing is assumed to be a shared executive responsibility, what happens when individual leaders are not skilled at noticing weak signals or translating them into action, How do organizations ensure that emerging risks and opportunities are surfaced at the speed the market now demands?

Conversely, if transformation is centralized within a dedicated role or office to strengthen sensing and coordination, can that structure generate enough buy-in and momentum to drive rapid execution across the enterprise?

This creates a fundamental tension:

- Centralized models may improve sensing and coherence
- Distributed models may strengthen ownership and execution
- But few organizations have explicitly solved how to do both at once

How organizations navigate this tradeoff, between early detection and broad-based ownership, may become one of the defining challenges of the next era of transformation.

Questions for Executive Teams

1. Are our funding and governance processes designed for continuous adaptation or for one-time initiatives?
2. Who is explicitly accountable in our organization for sensing emerging needs and translating them into transformation priorities?

Conclusion

Executives are navigating a fundamental shift: transformation is no longer episodic. It's continuous, cross-functional and moving faster than most organizational structures were designed to handle.

Three imperatives emerged consistently:

1. **Transformation must be bounded by clear business problems,** measured by early impact, and owned collectively by the executive team. Broad agendas without crisp definition and shared accountability stall.

2. **Workforce readiness is now a material constraint,** not a change management afterthought. Organizations that underinvest in building this capacity will struggle to execute even sound strategies.

3. **How organizations structure transformation ownership is a high-stakes design decision.** As the need for continuous sensing and rapid activation intensifies, the gap between early detection and late reaction widens.

These patterns raise questions our next research will explore: How are organizations structuring accountability for sensing and driving transformation? What does effective workforce preparation for continuous change actually look like in practice?

Success depends not only on what you change, but on how quickly you align, activate and support your organization through continuous change.

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About the Author

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CATALYST CONSTELLATIONS

Transformation at Speed Requires Capacity at Scale

Technology can be purchased. Strategy can be designed.

But the capacity to align leaders, mobilize people and move with speed under uncertainty must be built.

Catalyst Constellations works with organizations to develop the leadership systems, cultural habits and shared practices that turn transformation from a one-time event into a competitive advantage.

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