

The AI Problem is culture, not technology

Is AI Killing Your Organisation? AI is rewriting the very fabric of life; altering how we think, decide, and create value. The organisations that treat AI as another system to deploy will be overtaken by those that embrace it as a new culture.



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Adoption without understanding

Since the launch of OpenAI's Chat GPT to the public domain in November 2022 Generative AI has spread like wildfire. Almost overnight AI has evolved from an experiment to an essential part of daily operations across industries. But there's a catch: adoption has outpaced understanding.

For example: In Gaza, artificial intelligence now sits inside the chain of command. The Israel Defence Forces use systems such as Habsora and Lavender to process surveillance and communications data to generate target lists at extraordinary speed. These systems don't launch weapons, they influence decisions about when and whom to strike. Human operators still approve and execute each attack, but the process is now driven by machine-generated intelligence that can compress a life-or-death choice into seconds. The result is new warfare; faster, less accountable, and harder to control. AI embedded in operations improves efficiency and rewrites how decisions are influenced. The challenge is no longer whether to integrate AI. It's ensuring human judgement and culture can keep up.

Warfare offers an extreme example, but the shift applies everywhere. AI is permeating businesses, governments, and daily life far behind the battlefield. Presently, 78% of organisations report using AI in at least one business function¹.

The productivity paradox

Despite the gross increase in uptake, productivity gains remain elusive.

Administrative workloads haven't disappeared; they've shifted. Staff are busier than ever, but they spend their time maintaining, integrating, and supervising a growing constellation of digital tools. The technology that promised acceleration added layer upon layer of configuration, compliance, and oversight complexity. Complicating simple tasks instead of simplifying work. Badly integrated AI multiplies this phenomenon exponentially.

Has our obsession with AI started to hurt productivity? When focus shifts from solving problems to managing tools, and working weeks are lost learning systems instead of using them, even simple tasks become a maze of logins, prompts, and security blocks where pen and paper would have done the job in seconds.

As staff roles become lost to data slavery, their sense of purpose gives way to chasing new features, and real progress grinds to a halt. The challenge isn't to bolt on more tech, but to rethink what meaningful progress looks like in an AI-saturated workplace.

Shockingly only 5% of custom AI projects actually make it out of pilot phase into full production use.² Most likely because of a lack of full system integration and cultural by-in due to change fatigue.

In other words, few companies becoming distracted with AI have succeeded in weaving it into the fabric of how they run. This gap between experimentation and integration is a cultural chokepoint.

Too often AI is implemented as little more than enhanced Ctrl+F, bolted-on to enhance search and speeds up analysis, without much thought to wider policy,

process, or organisational mindset required to collect and sanitise the input data. Such surface-level "AI-powered" apps might deliver capability, but they rarely prompt retirement of older processes. Resulting in increased workload, as employees juggle legacy procedures with the new burden of cleaning input data to support the new AI tools that were never integrated.

In short, treating AI as just a shiny new software package misses the point.

Many organisations do adopt the *language* of AI; talking confidently about "humans in the loop" and "responsible oversight" but few truly understand what those phrases entail. AI buzzwords have become shorthand for safety without a real plan behind it. Most companies cannot explain *who* the human in the loop actually is, *what* they're supposed to do, or how they fit into systems that operate at machine speed. In practice, "the loop" is poorly defined because modern operations generate more data, alerts, and automated outputs than any human can reasonably track, let alone govern in real time. So, while the concept sounds reassuring, the implementation is often superficial.

Building an AI-ready culture

Using AI effectively means recognising its role in the chain. AI is an active part of the decision flow, filtering and prioritising information so humans focus only on what matters. This relationship lets decisions scale and move at a manageable speed. Autonomy doesn't replace authority, humans still set direction, but the "loop" model no longer fits and in practice never did.



Chris Dodd and Peter Spayne consulting with 'Spot' after speaking at the Military Aviation Authority conference hosted at IBM's head offices in London.

Decision frameworks built for AI-native operations, where machines are trusted to act within defined bounds require total organisational reform to implement. Until organisations lead with AI, place it centrally and rebuild everything around it they are not transforming - they're tinkering.

Placing AI centrally requires trust. Building trust in AI is a cultural challenge that cannot be implemented by an IT rollout. To embed AI into decision-chains, organisations must be confident the systems will behave reliably and transparently. In the UK, for example, the Department for Science, Innovation & Technology (DSIT) has published guidance and a roadmap for AI assurance that emphasise continual monitoring and third-party verification.³ Companies are now recommended to document limitations, stress-test AI models under realistic conditions, and build oversight into the interfaces, not just tick a checkbox at launch for the benefit of auditors. Assurance is not a one-time step; it is a continuous cycle of evaluation, refinement and validation so that humans can confidently trust the machine.

To prevent data slavery, before creating another policy or form, leaders should ask whether AI could capture or generate the information automatically, or even handle the workflow end-to-end. In many cases, it can. An AI-centric culture starts by designing systems with machines in mind, not people filling gaps.

AI should free employees from tedium, not turn them into operators of yet another system. Instead of forcing people to type, file, and upload, AI can capture data passively, by observing inputs and acting on intuition, updating records automatically, and only involving humans when judgement is needed. The goal isn't more digital paperwork; it's to let people focus on decisions, not data entry.

The result of this redesign is organisations that run on autopilot. Administrative load drops sharply, and people can focus on what actually matters; care, judgement, creativity, relationships. This is a glimpse of what's possible when AI handles the routine and humans handle the exceptional. Now scale that across an organisation: HR systems that surface staffing risks before they bite, operations platforms that propose and test options before presenting them for approval, maintenance tools that log issues, predict failures, and order parts automatically. In each case, AI owns the repetition, humans own the reasoning.

The biggest failures come not from the technology, but from cultures still designed for a pre-AI world.

In conclusion

Without fostering a culture of AI literate people, even the most powerful AI will just be digital window dressing. If your people don't understand AI as a strategic partner, if they can't conceptualise working in tandem with the system, distributing cognitive work, and trusting

autonomous systems with appropriate tasks, then no amount of investment will move you forward. Money can buy software, but it cannot buy mindset. Retaining a competitive edge in the coming years means cultivating AI-literate mindsets, AI-ready organisational structures, and AI-led operations. Until you achieve that, all the PowerPoint decks and innovation workshops in the world won't save you from stagnation.

The technology is ready, but are you? Leading with AI requires champions who cut through silos and integrate the technology into strategy and culture. At R2AI, we work with organisations to design AI-first strategy, train teams to think with AI, and build the structures that make trust and accountability real. We're not about buying or selling tools; we're about rewiring how decisions are made. The gap is not technical anymore – it's cultural.

References

¹ Rafalski K (2025). AI Adoption Statistics in 2025, *netguru*. Available at: www.netguru.com/blog/ai-adoption-statistics

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³ Department of Science, Innovation and Technology (2024). *Introduction to AI Assurance*. Available at: www.gov.uk/government/publications/introduction-to-ai-assurance