

Change Management in the Chaotic AI Environment: Turn Chaos into Clarity

John W. Moran, Ph.D.

Senior AI and Quality Advisor, Public Health Foundation

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Introduction

Artificial Intelligence (AI) has introduced unprecedented change requirements that organizations must cope with. AI is changing so rapidly that your traditional change management process may not be up to speed in the AI environment. In the past, changes typically occurred in a somewhat stable environment. But with AI, what you change today may be out of date tomorrow. AI is everywhere, introducing chaos into our work and personal lives, with both positive and negative effects.

Many people are experiencing change fatigue and fear of the unknown, as AI-driven change is constant. Every day we see or hear about new AI advances, and skills learned yesterday may now be obsolete. We regularly read about large firms laying off workers because AI took their jobs. These changes introduce more fear into our workforce, raising the uneasy question – *Am I Next?*

According to Peter Drucker, people do not resist change, they resist how it's introduced.¹ AI changes are being introduced in a chaotic way and we need to tame the chaos. By controlling and directing the chaos, we can better introduce AI into the workplace and ease the uncertainty that permeates the workplace.

In the past, organizations could follow the *Kübler-Ross Change Curve*² when introducing change, as shown in **Figure 1**. Workers had seven stages they could work through to accept a new change. Today, with AI's rapid pace of introduction, workers may be shocked by its presence. However, to survive and thrive workers may benefit by skipping the first four stages of the *Kübler-Ross Change Curve* and beginning to accept AI changes. This can result in leveraging AI more quickly to benefit the organization. Ignoring these benefits may risk programs and even some workers being perceived as less vital to the organization's performance and success.

¹ <https://www.corporatelearningnetwork.com/talent-management-2/articles/8-reasons-change-efforts-fail-how-to-avoid-them>, Accessed 12/01/2025

² <https://www.ekrfoundation.org/5-stages-of-grief/change-curve/>, Accessed 12/01/2025

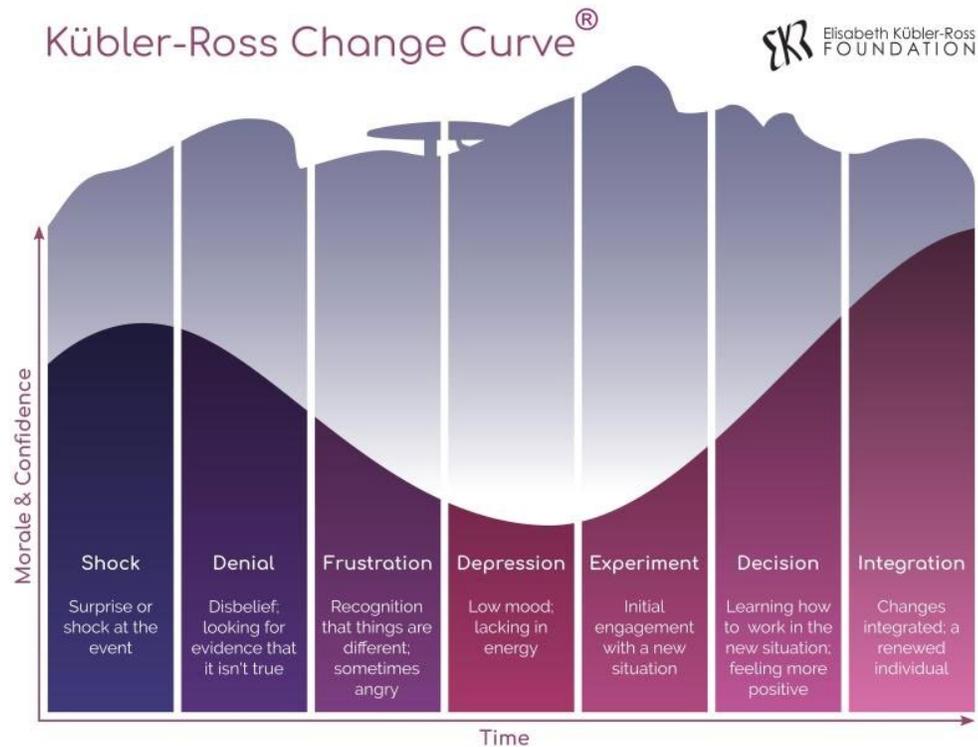


Figure 1

AI Change Agility

Organizations and workers need to develop AI Change Agility, the skill to adopt AI quickly with a clear understanding of what it will impact and disrupt. AI's impact goes beyond just the technology itself. It is revolutionizing how managers drive user adoption. AI Change Agility is a focused approach that enables organizations to address the unique concerns related to AI integration and manage it in a manner that aligns with their strategic objectives and risk tolerance levels.

Tame the Chaos

Using the Public Health Foundation's (PHF's) *Nine Step Approach to Implementing AI*³ can reduce confusion and introduce clarity on how AI is being adopted within your organization. This approach helps an organization plan how to roll out AI changes gradually, plan for unexpected outcomes, and maintain flexible leadership to adjust strategies as AI technologies and business priorities evolve.

³ <https://phf.org/tools-resources/phfs-approach-to-implementing-ai/>, Accessed 12/01/2025

PHF's Nine Step Approach:

- 1. Determine Your Current AI Position** – Where are you starting from? It is important to understand how AI is currently being used in your organization.
- 2. Develop AI Governance** – Establish clear guidelines on AI usage. Define what type of AI will be used, when and where it will be used, and who will be accountable for its proper use.
- 3. Develop AI Strategic Goals** – AI strategic goals need to be developed for your organization and should define a clear AI vision that aligns with your business objectives and sets the stage for building a well-defined AI culture.
- 4. Establish an AI Adoption Team** – Create an internal group of experts that helps your organization develop, implement, and integrate AI technologies by providing strategic guidance, training, and support.
- 5. Determine and Minimize Potential AI Disruptions** – AI can be a disruptive force when introduced into any organization. It has many positives and negatives that will impact workflow and culture, and cause short-term disruptions. PHF developed a book called *Modular kaizen*⁴ to address the need for continuous improvement within public health's highly interruptive environment, where many small acts (micro moves) equal major impacts.
- 6. Develop the AI Message** – Communicate clearly with staff about how AI will be used and implemented. Organizations must have consistent, clear, and timely communications both internally and externally about how they are using AI.
- 7. Improve AI Quality Improvement (QI) Problem Solving Skills** – AI, just like QI, runs on data. AI does not fix a bad process, it amplifies it. Before installing AI, use your QI skills to ensure the process is correct.
- 8. Prepare Your Workforce** – Invest in AI overview training programs for all employees. We do not recommend mass in-depth trainings since knowledge retention does not last unless trainees can put the knowledge to work with practical and immediate application. The best approach is just-in-time training, delivered as AI is being integrated into a process.
- 9. Monitor the AI Implementation through your Performance Management System** – Develop a series of measures that will help you track the impact of AI on your organization. This should be a mixture of operational gains, technical performance, and organizational transformation.

⁴ https://phf.org/wp-content/uploads/2025/04/Modular_kaizen.pdf, Accessed 12/01/2025

AI Implementation Approach for Minimal Disruption

Steps number four and five of PHF's approach are key to minimizing chaos during AI implementation. With step four, an AI Adoption Team needs to be formed. When starting any internal or external AI adoption project, it is a good idea to develop a matrix that lists and analyzes what talent is available to staff the AI adoption project. Assess each potential individual or partner to determine what skills and resources they bring to help achieve the organization's goals. This matrix will help you get the best mix of individual or community partners to achieve the desired impact. This will help simplify who should be invited based on their ability to contribute sufficiently to the AI adoption goal(s). An AI Adoption Team focuses on targeted AI initiatives, implemented by a small, hand selected talented team, delivering faster results and with less risk than massive transformations. You can control how much you want to automate with these targeted teams.

Once the AI Adoption Team is in place, they should start with the **check** phase of the Modular *kaizen* cycle, as shown in **Figure 2**, to investigate and understand what the current position of AI is in an organization – define your AI surface. One critical task of the AI Adoption Team is to make change relevant to the people who will be using it. Part of the AI Adoption Team's job is to make sure people involved in the change know where the organization is headed and why. Building employee trust in the adoption can reduce resistance to the change.

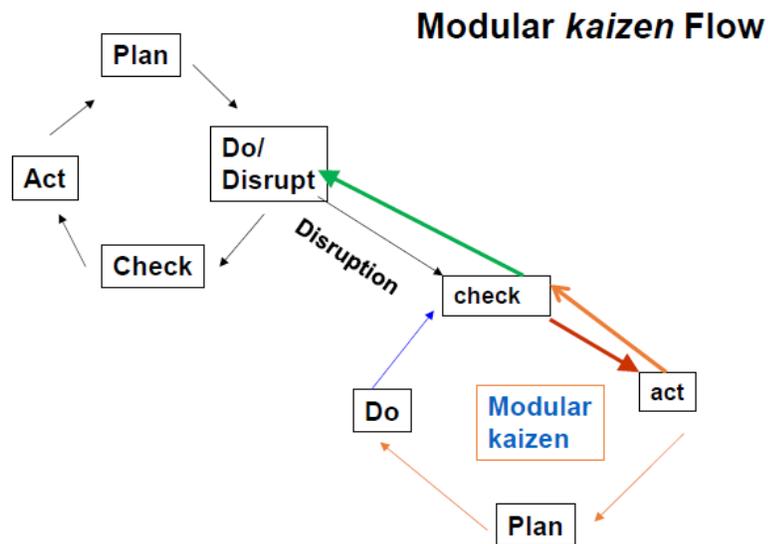


Figure 2

Some key questions the AI Adoption Team needs to address when communicating to those being impacted by AI are:

- Why are we doing this?
- What goals do we hope to achieve?
- What are the benefits?
- What qualitative and quantitative metrics will be used to measure success?
- What is in it for them?
- Why does this change matter? Explain why the change matters. Don't just say, "We have to change this process." Make it compelling.
- What will change in terms of peoples' job functions?
- What new skills will need to be developed and how what opportunities will be provided to develop the new skills?

Step 5 uses the Modular *kaizen* approach to minimize disruptions. Modular *kaizen* helps an organization plan for unexpected outcomes when introducing AI into a process. Since every AI introduction is different, the disruptions can vary. **Figure 3** shows a Mk Disruptions Matrix for logging potential disruptions, the potential severity, and how to overcome them. The AI Adoption Team should brainstorm a list of potential disruptions before starting the AI introduction process and develop ways to minimize them in advance. As new disruptions occur, log them in the matrix along with how they were overcome, their severity, and their effect on the AI adoption process.

Mk Disruption Matrix

<u>List Potential Disruptions</u>	<u>High</u>	<u>Medium</u>	<u>Low</u>	<u>NA</u>	<u>How To Overcome</u>	<u>Status</u>
1.						✓ - Ready
2.						X - Not Ready
3.						☆ - Good Progress
4.						
5.						
6.						
7.						
8.						
9.						
10.						
11.						

Figure 3

Some common potential AI disruptions are:

- Process needs to be stabilized before AI is introduced. AI does not fix bad processes, it amplifies the problems in them.
- Data quality is poor.
- Employees may not have the appropriate skills.
- Organizational disruption – jobs and reporting relationships may have to be rearranged.
- Fear of Job loss.
- Task disruption.

Figure 4 shows a completed Mk Disruption Matrix with strategies for overcoming disruptions. This matrix should be saved so when future AI adoption is undertaken, there will be a historical record of what went smoothly and what was disruptive in previous AI adoptions.

Mk Disruption Matrix

<u>Potential Failure Examples</u>	<u>High</u>	<u>Medium</u>	<u>Low</u>	<u>NA</u>	<u>How To Overcome</u>	<u>Status</u>
1. No Governance Policy	X				Develop one	✓ - Ready
2. Change to the Organization structure		X			Define the new roles and responsibilities	X - Not Ready
3. Job disruption	X				Develop a guiding coalition	⚙️ - Good Progress
4. Task disruption	X				Define the new task flow and show the comparison to the old flow	
5. No Training		X			Provide training and pilot the skills before going live	
6. Lack of a Communication Plan	X				Describe the Transformation Vision and expected New Culture	
7. Employee uncertainty		X			Meet with those impacted by the AI introduction and listen to them	
8. Process is not stable	X				Use QI techniques to stabilize the process before using AI	
9. No success metrics	X				Define What We Gain From the Transformation in quantitative terms	
10. Others						
11. Others						

Figure 4

Summary:

AI Change Agility is important for organizations and employees. This will help people successfully adapt to and thrive in new and uncertain situations.⁵

The 30% rule suggests that about one-third of tasks can be automated with AI. The remaining work requires human expertise, context, and oversight. Striking the right balance between AI and human involvement is paramount for organizations to succeed in the future.

⁵ <https://link.springer.com/article/10.1007/s11301-024-00422-3>, Accessed 12/01/2025