

Beyond the AI hype

What today's AI developments mean for business leaders



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Beyond the AI hype: What today's AI developments mean for business leaders

Artificial intelligence is no longer a future consideration. It is already embedded in how organisations operate. Yet many leadership teams are still approaching it in ways that limit value and increase risk.

Three leadership mistakes appear again and again:

1. Confusing adoption with advantage

Rolling out AI tools does not create an advantage. Advantage comes from redesigning decisions, workflows, and accountability around their use.

2. Treating AI as a technical problem

AI is not an IT issue to be delegated. It raises questions about authority, governance, ethics, and culture. These are leadership responsibilities.

3. Prioritising speed over judgment

Many organisations are using AI to accelerate decisions without examining whether those decisions are sound.

The organisations that succeed with AI will not be those that move fastest. They will be those that move deliberately, building AI as a capability, using it to test thinking rather than replace it, and retaining clear human accountability where it matters most.

This article examines what recent developments in AI mean for business leaders, and why current approaches are falling short, reflecting themes explored in a recent webinar by Mark Bloomfield. "Recent Developments in AI - What They Mean & How to Act"



Dr Mark Bloomfield is a Fellow at Cambridge Judge Business School, who specialises AI Advisory & Transformation



Introduction: The shift leaders are missing

AI now features prominently in strategy discussions, but these conversations are dominated by productivity gains, automation, and efficiency, and that framing is already out of date.

The most common error leaders make is treating AI as another technology rollout: faster emails, cheaper processes, fewer people. These outcomes are visible and measurable, but strategically thin.

A quieter shift is underway. AI is beginning to shape how decisions are framed, how authority is exercised, and how organisations think. In this sense, AI is not just changing work; it is changing leadership.

In a recent webinar by Cambridge Judge Business School Executive Education, Dr Mark Bloomfield argued that the question is no longer "What can AI automate?" but "Which decisions are being redesigned, and who remains accountable when systems act?"

Leaders who avoid this question face two risks: missing genuine strategic value while allowing AI to drift into areas where oversight and responsibility are weak.

From tools to capability

A persistent belief holds that AI success depends on choosing the right model or platform. It is an appealing idea. It turns a leadership challenge into a purchasing decision, but it is also misleading.

Organisations deploying the same tools are seeing very different outcomes.

Treating AI as a capability exposes uncomfortable questions. Can managers challenge AI outputs, or do they defer to them? Are failures examined or quietly buried? Is learning shared or contained?

Bloomfield describes AI as an accelerant. Where data discipline is weak, ownership unclear, or decision-making politicised, AI simply scales the problem. Where purpose, governance, and learning are strong, AI sharpens judgment rather than replacing it.

The implication is direct: when AI produces poor results, the cause is usually organisational, not technical.



Why fixating on large language models is risky

Until recently, AI supported human decisions by offering recommendations. Increasingly, systems are being allowed to execute: approving transactions, reallocating resources, triggering actions without review.

This shift marks a clear inflection point. Once AI acts, traditional assumptions about accountability and oversight are tested.

This is a design problem rather than a technical one. Decisions vary by risk and complexity. Low-risk, routine decisions may be automated safely. High-risk, high-judgment decisions should retain strong human involvement, regardless of system capability.

The danger lies in allowing convenience to dictate design. The question leaders must ask is not “Can AI do this?” but “Are we willing to own the consequences if it does?”

Developments demanding executive attention

Explainability as a leadership requirement

As AI shapes more consequential outcomes, accuracy alone is insufficient. Leaders need to understand why systems reach their conclusions.

This is like “showing your working,” a standard long applied to human decision-making. Without it, organisations risk complying with outputs they cannot properly oversee.

AI as a stakeholder, not an authority

Even cautious adopters are affected by AI through customers, suppliers, regulators, and competitors.

Used well, AI acts as a stakeholder: testing assumptions, surfacing alternatives, and stress-testing plans. Used poorly, it becomes an unchallenged authority that reinforces existing biases.

The rise of AI agents

AI agents differ from chatbots or scripted automation. They pursue goals, plan actions, and operate across systems. Their potential is significant. So is their risk. The challenge is not technical feasibility but deciding how much autonomy to grant and when humans intervene. Most organisations benefit from starting small, with narrow scopes and explicit controls.



Simulation: thinking before acting

One of AI’s most underused applications is simulation. Rather than executing decisions, AI can model responses, explore scenarios, and reveal second-order effects.

Bloomfield suggests how this may be AI’s most valuable near-term use for leaders. Simulation slows decisions in productive ways. It creates space for judgment rather than urgency.

Used this way, AI does not replace leadership. It improves it, by exposing blind spots and challenging overconfidence.



The risk of delegated thinking

As AI becomes easier to use, a subtle risk emerges: outsourcing thought rather than augmenting it. This can mean allowing systems to summarise, conclude, and decide without engagement.

Effective leaders use AI as a sparring partner, not a substitute. They design interactions that surface disagreement and tension. AI should sharpen human thinking, not dull it.

This requires intent. Default settings that reward agreement must be challenged. Accountability for judgment and ethics must remain explicit.

Where value is actually found

Many organisations pursue AI through large, visible transformation programmes. Often, more value lies in addressing everyday friction: repetitive queries, manual hand-offs, and capacity drains.

These efforts carry lower risk and build learning momentum. The strategic benefit often lies less in the individual use case than in the capability developed along the way.

Responsibility, risk, and leadership judgment

Every increase in AI capability introduces new risk. Many of the most serious risks arise not from technology itself but from how it is used, by firms seeking scale, governments seeking advantage, or criminals exploiting speed.

Responsible AI is not a compliance exercise. It is an ongoing governance task involving privacy, security, accountability, and social impact.

The goal is not perfection. It is informed trade-offs, made transparently and revisited regularly.

Conclusion: Leadership in an age of intelligent systems

“All models are wrong; some are useful.” As AI becomes more persuasive and embedded, this reminder matters.

No model will solve every problem. Not every problem requires AI. What is required is leadership.

The leaders who navigate this period well will resist chasing tools and headlines. They will focus on redesigning decisions, clarifying accountability, and building organisations capable of thinking alongside intelligent systems.

They will use AI to ask better questions, not just produce faster answers, and they will remain accountable for outcomes.

The call to action is simple but demanding:

- **Audit where AI is already shaping decisions, formally or informally**
- **Be explicit about where humans remain in control**
- **Invest in leadership capability, not just technology**

AI has already changed how organisations operate. The remaining question is whether leaders are prepared to take responsibility for what it changes next.

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Cambridge Judge Business School

Executive Education

University of Cambridge

Trumpington Street

Cambridge CB2 1AG

United Kingdom

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