

The intentionality gap

Why gut-feel decisions are leaving AI transformations at risk of failure



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I. Foreword

As leaders, we are expected to know our organization better than anyone. We hold ourselves responsible to have oversight of everything from the smallest day-to-day details through to the central vision that sets us on the path to success.



We're expected to know the past, present, and future of the organization; to be the person or team that can best guide it through times of economic turbulence, radical market shifts, and societal sea change.

And through this knowledge we have the duty to make decisions that lead our organization to long-term success and continual growth.

But it's easy to fall short. In fact, most organizations do. Incredibly, around 88% of business transformations fail.

We believe this happens because organizations rarely know themselves as well as they think they do. The overwhelming complexity of modern businesses together with the speed of change makes keeping up near-impossible.

Organizations end up developing blindspots in their self-knowledge. These lead to unintentional decision-making that not only undermines organizational change but forces leaders into a vicious cycle of costly, disruptive, and painful transformations.

This report is not always easy reading. But it is vital.

I would urge every business leader, regardless of size and sector, to read our findings as we explore how the lack of intentionality is holding back business growth and to consider your own experience.

Ask yourself: are these the traps we're falling into? Do any of these challenges sound familiar? If they do, rest assured that you're not alone.

The journey to becoming an Intentional Enterprise starts with an honest, unblinkered awareness of the challenges you face. You can't predict the future, but you can be future-ready. In reading this, you're taking the first step.

Oliver Shaw, CEO, Orgvue

II. Executive summary

The complexity and speed of modern organizations are creating blindspots that lead organizations into unintentional decisions. Despite the best efforts of leaders, these decisions result in lost productivity, organizational ineffectiveness, and ultimately in reactive transformation projects that are costly, disruptive, and painful.

Orgvue's research reveals that nine in ten (89%) leaders admit to making "instinctive" decisions, and only one in three consistently use data to support their choices. This unintentional decision-making pushes organizations into a vicious cycle of transformation that focuses on short-term outcomes at the expense of long-term planning. Being on this "transformation treadmill" limits growth and delays return on investment.

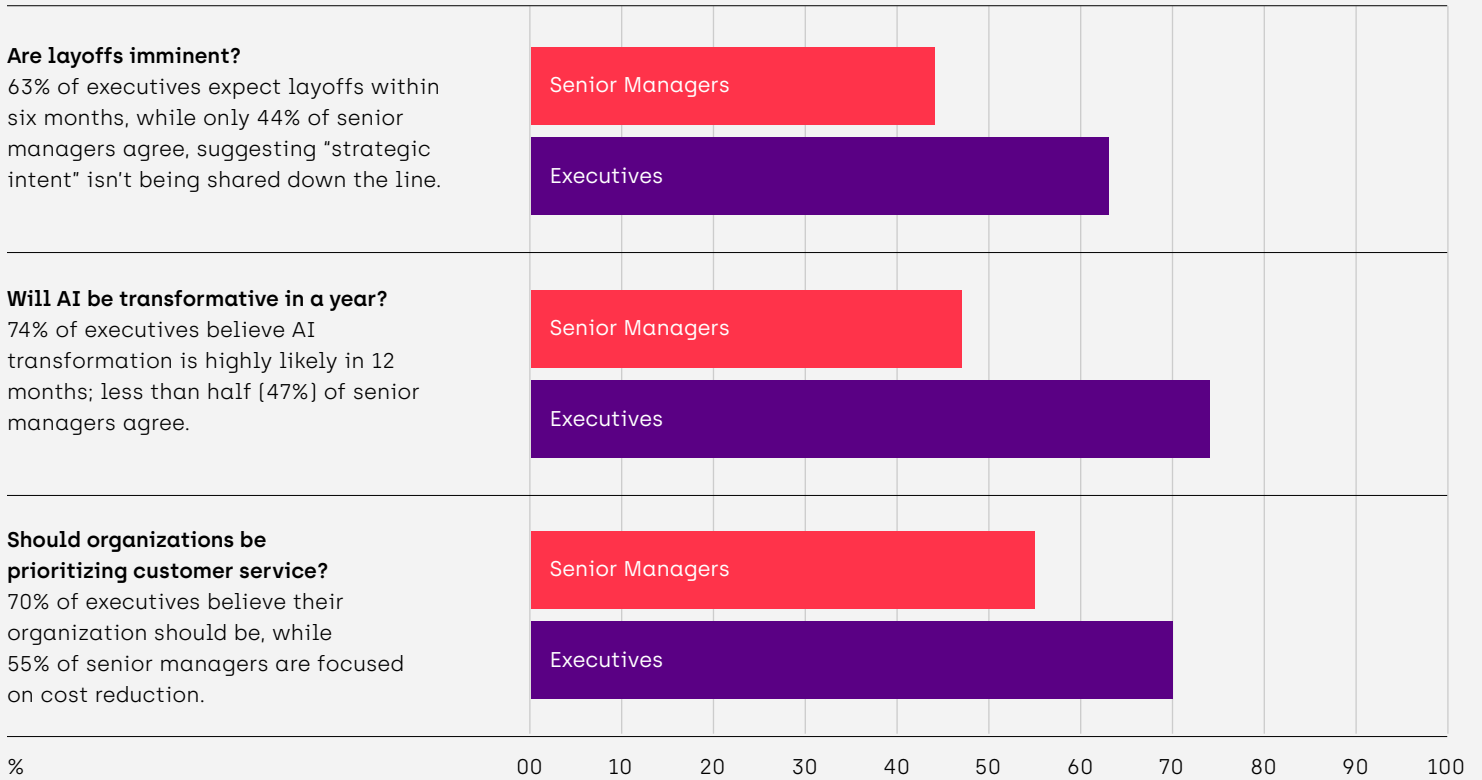
This report sets out the findings of our latest research, which highlights an Intentionality Gap stemming from three critical factors: limited executive vision [Vision Gap], inadequate technology [Technology Gap], and structural execution barriers [Execution Gap].

Importantly, a lack of intentionality prevents many organizations from deploying AI systems effectively, disrupting plans for productivity improvements, cost reduction, and workforce efficiency.



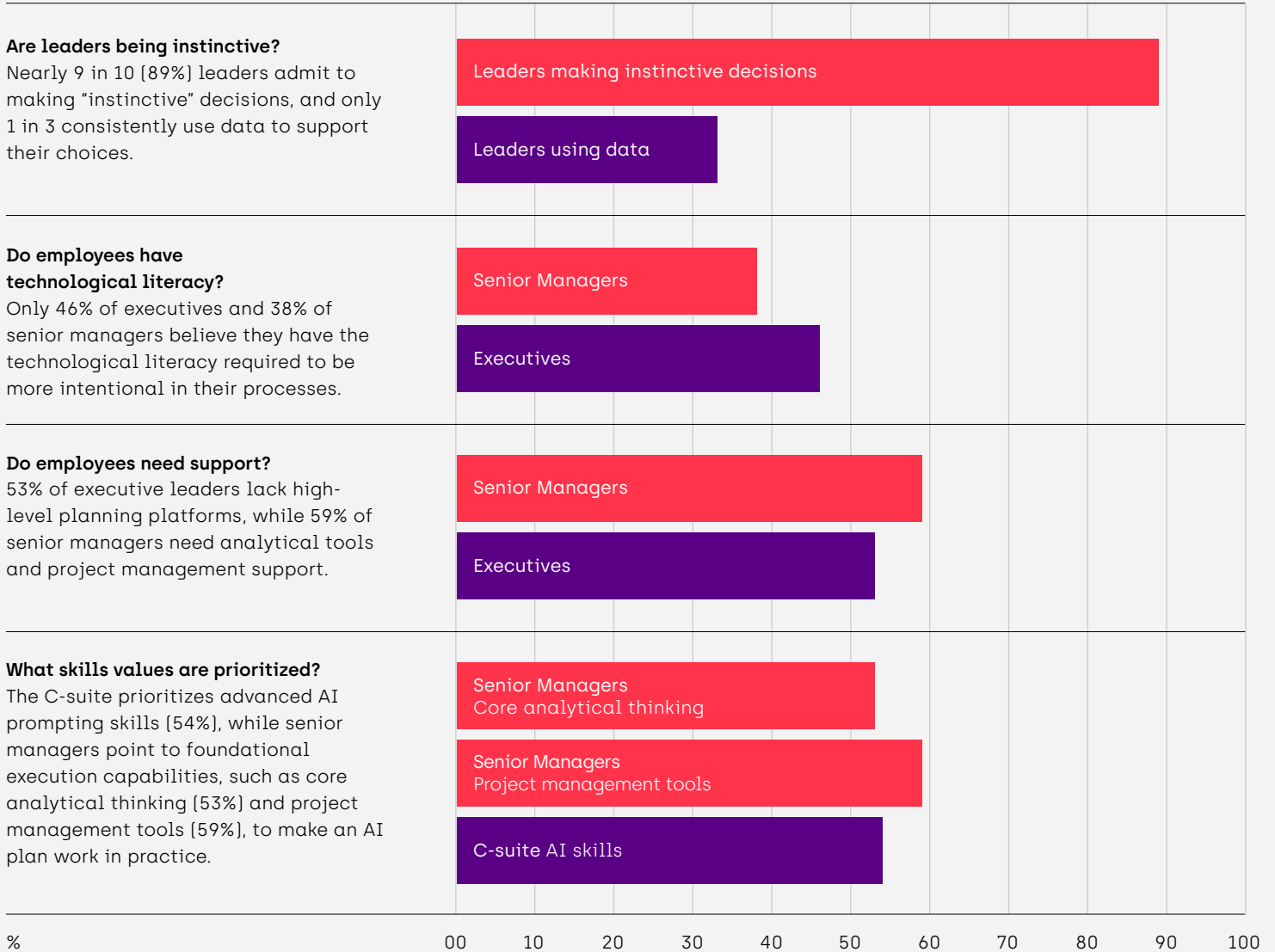
Read more about how a lack of intentionality impacts AI deployment on page 13.

The Vision Gap is defined as misalignment across leadership levels, with no singular understanding of their organization's operational reality.



Organizational truth #1 You can't lead what you can't see. Organizational complexity creates blindspots. And blindspots lead to unintentional decisions.

The Technology Gap reveals a systemic lack of access to understandable and usable organizational data.



The Execution Gap demonstrates how rigid and outdated working structures act as a ceiling to progress.

33%

33% of leaders admit that rigid hierarchies rather than strategic intent dictate how decisions are made.

25%

1 in 4 senior managers identify departmental silos as the main barrier stopping their companies from acting with intention.

30%

30% of senior managers acknowledge that unintentional decision-making results in a loss of employee trust.

Addressing and closing these gaps is not easy, but organizations can begin to do so by focusing on three key actions:

01

Ensure the leadership team has a clear and unified view of their organizational reality

02

Implement the technology needed for data-backed decision-making

03

Design an organizational structure that can respond quickly to change, enabling faster reallocation of resources and talent where they're needed most

Organizations that work to close the intentionality gap can begin to build for the future, securing operational control and putting in place foundations for a long-term strategic roadmap. But if they're not able to do this, organizations will be bound to the transformation treadmill indefinitely, structurally incapable of the very transformation they need to survive.

III. Understanding the Intentionality Gap

Today's organizations must be built for continuous transformation, imbued with the capability to absorb changes as they happen.

The gap between strategy and execution is almost always an organizational design problem. If organizations can fix their structure, execution will follow.

But this requires purposeful action. Organizational design isn't an administrative exercise. It carries real weight for real people and deserves rigor and care. It needs "intentionality".

Defining "organizational intentionality"

The practice of aligning an organization's daily decisions with its long-term strategy with a high degree of self-awareness. Decisions must be made proactively, strategically, and with a good understanding of the current organizational reality. And they must always be backed by data.

There's a place for instinctive decision-making; after all, data isn't insight. But decisions made on gut feel alone are too high risk in today's constantly changing world.

Naturally, our research found that across all leadership levels of an organization, from board executives and the C-suite to senior managers, there was universal agreement for the importance of an intentional mindset.

But in practice, it seems intentionality is far harder to achieve. Decision-making is too often compromised by a requirement to deliver short-term commercial results over long-term planning. This pushes organizations into reactive measures taken to address current challenges but which fail to consider the long-term impact. As a result, organizational effectiveness is eroded and operational costs inflated, while talent and headcount are distributed and deployed suboptimally.

This brings the inevitable slide into an unending cycle of costly, disruptive, and painful transformations, none of which can solve the underlying issues. The damage caused by this lack of intentionality is significant, ranging from lost productivity and wasted resources to operational inefficiency and workforce instability.

30%

of senior managers acknowledge that unintentional decision-making results in a loss of employee trust.

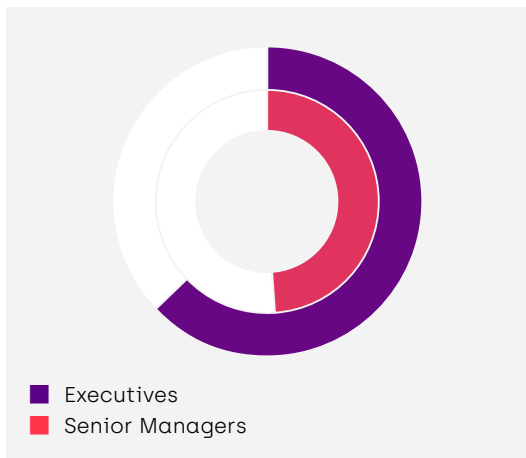
So, how can organizations address this intentionality gap? Our research points to three main causes on the following pages.

The Vision Gap

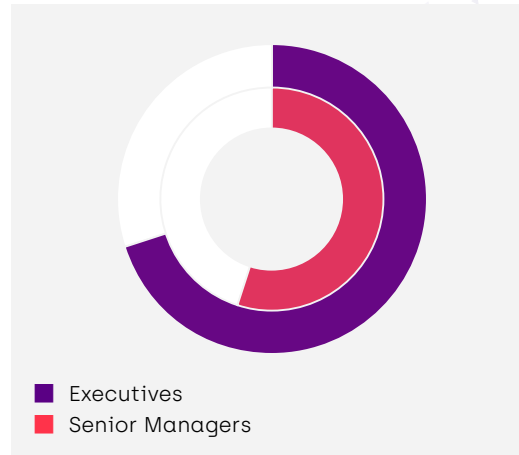
Across leadership teams, there's a lack of shared understanding of the current operational reality of the organization.

Our research found that the executive, C-suite, and senior management levels of leadership don't share a singular view of some of the most fundamental business planning issues. This leads to misalignment concerning the operational reality of the organization, the workforce, and opportunities open to the business.

For example, when it comes to headcount, while 63% of executives expect to see layoffs within the next six months, only 44% of senior managers share this expectation. It suggests strategic intent is not being communicated down the line, with a fifth [19%] of senior managers being asked to plan without an accurate view of the workforce.



There's further misalignment in transformation planning. While 70% of executives think organizational change initiatives should focus on customer service improvements, only 57% of C-suite leaders and 54% of senior managers agree.



In contrast, 55% of senior managers say cost reduction is the main driver of their transformation efforts, a figure that dropped to 46% for executives.

The Vision Gap is perhaps best illustrated by the leadership approach to AI: while enthusiasm remains high, leaders are split on how quickly meaningful transformation can happen. Almost three quarters [74%] of executives believe AI transformation is "highly likely" in the next 12 months while only 47% of senior managers think the same.

Similarly, 56% of executives say AI deployment is a top three priority for 2026 but only 42% of senior managers agree, suggesting that the pace and scale of AI change being discussed at the top is not landing consistently across leadership levels.

Organizational truth #2

Planning is a continuous discipline. The annual planning cycle is an outdated concept, designed for a world that changed slowly. That world is gone and planning needs to change.

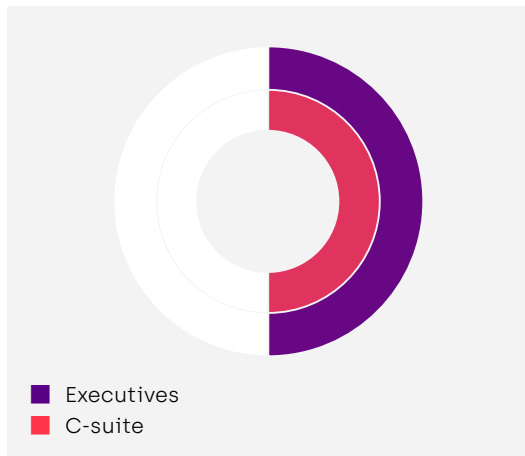
In summary

The Vision Gap exposes a lack of unified views among leaders on key decisions that need to be made. Different perspectives mean consensus is difficult to reach, leading to disconnected and incongruent decision-making.

The Technology Gap

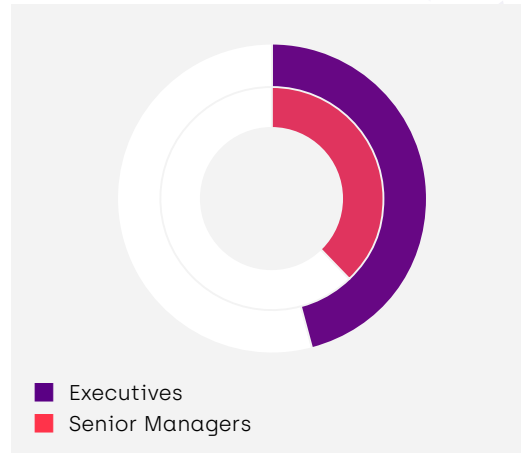
Within organizational decision-making processes, there's inadequate technology provision to enable leaders to make use of data to inform high-quality decisions.

Our research shows a systemic lack of the tools and talent needed to deliver organizational intentionality. Perhaps the issue comes down to data access: half of executives [50%] complained about a lack of business planning platforms. Additionally, 50% of the C-suite were concerned about a lack of technology literacy in their organization.



Senior managers also complained that a lack of project management tools was holding them back from being more intentional in their everyday processes.

This lack of accessible and usable data is undoubtedly a tough challenge: a third of leaders [31%] say it's the main barrier to their organization acting with intention. It seems to be a significant problem for the executive level, where the number rises to 38%.

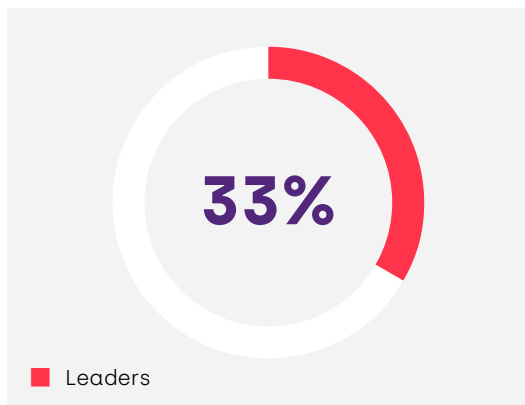


In summary
Organizations face a Technology Gap driven by a lack of analytical tools and data-led insights. A systemic deficiency in technology and literacy means that the balance between instinctive and data-backed decisions has been skewed heavily towards instinct, preventing the high-quality, intentional decision-making necessary for strategic growth.

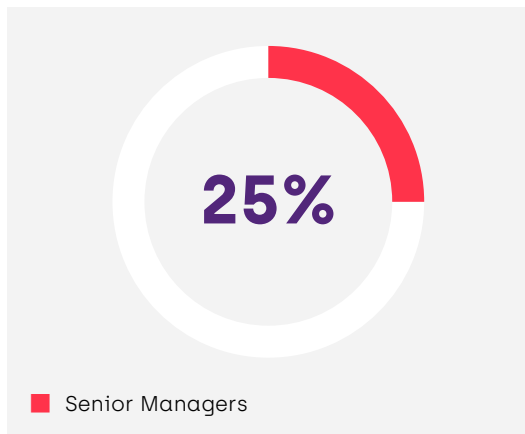
The Execution Gap

Even when good business decisions are made, there's an execution gap created by siloed structures and rigid ways of working that prevent intentional actions.

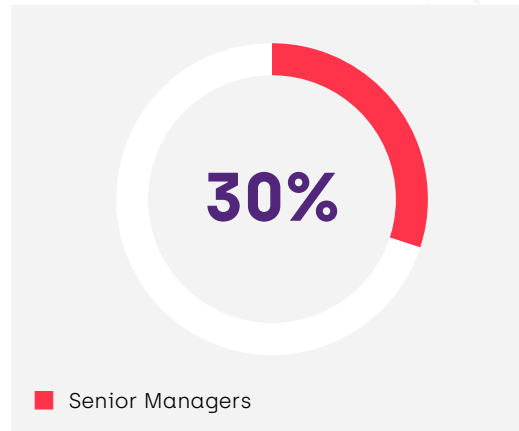
Over a third of leaders [33%] told us that rigid hierarchies, rather than strategic intent, dictate how decisions are made. The research also found that, alongside constrained organizational structures, a lack of leadership transparency affects the workforce's ability to make decisions in support of the company vision.



Interestingly, 90% of leaders advocate for transparency, with 60% linking it directly to stability and productivity. However, this ideal is being crushed by siloed thinking: **a quarter of senior managers [25%] identified departmental silos as the main barrier stopping their organization from acting with intention.**



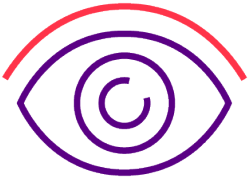
When information is trapped in departments, it can have long-lasting consequences: **30% of senior managers (those closest to the workforce) explicitly identify loss of employee trust as a consequence of unintentional decisions.**



This suggests that instinctive leadership isn't just a strategy issue; it's a cultural liability that actively devalues the organization's human capital. Yet over a quarter [28%] of executives and C-suite leaders believe that employees generally follow decisions from senior leaders without questioning them.

In summary
The Execution Gap is being caused by rigid structures that act as a ceiling for growth, leading to lengthy delays where strategy is sacrificed for immediate commercial wins or is never executed at all.

Organizational truth #3
Disconnects between strategy and execution are almost always organizational design problems. Most transformation failures aren't failures of vision; they're failures of structure. Fix the structure and execution will follow.



Orgvue commentary

Collectively, these three gaps mean that any effort to transform an organization is set to fail. The primary obstacle isn't a lack of strategy but a work culture that prioritizes quarterly wins over long-term organizational health.

Understanding these gaps is an essential first step for any organization that wants to escape the transformation treadmill and become one that acts with intention. We call companies that behave this way "Intentional Enterprises".

IV. The Intentionality Gap in action

While the consequences of the Intentionality Gap span all areas of business transformation, they're most visible in two specific areas:

- Deploying emerging technologies, including AI
- Navigating periods of economic uncertainty

The drift into unintentional decision-making, together with a sense of urgency and fear of missing out, pushes organizations into a series of knee-jerk reactions that undermine long-term productivity.

The [Closed] Road to AI

The challenges and failures of early AI deployments are a perfect illustration of the importance of organizational intentionality. And of the risks that the three factors that the Intentionality Gap comprises [Vision, Technology, and Execution] pose to organizational success. While 82% of leaders view AI as a significant opportunity, a lack of intentionality has turned potential growth into a source of friction.

The AI Vision Gap

Leadership's disconnect from organizational reality means AI is rarely deployed effectively.

As discussed in "Understanding The Intentionality Gap" (above), the appetite for AI is being suppressed by a lack of consensus among leaders about the pace and effectiveness of deployment. Although executives view AI as a strategic pivot for growth, those closer to operations see rapid deployment as a reaction to market hype or as an excuse for cost cutting. In a recent US market study, Orgvue found that in the rush to take advantage of AI's potential, organizations are deploying the technology without fully understanding the work they want to transform.

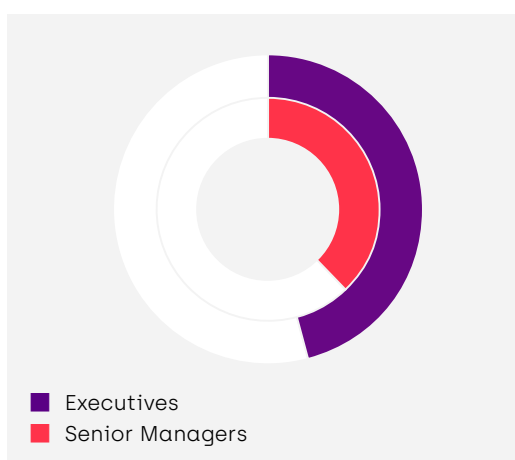
As a result, 32% of organizations that made redundancies on the cost-saving promise of AI have been forced to rehire staff.



The AI Technology Gap

While enthusiasm for AI is high, decisions about deployment are not data-led, which increases the risk of failure.

Orgvue's study found that nearly a quarter [23%] of companies made layoffs based on general assumptions about AI rather than role-specific analysis. Separately, our latest research has uncovered concerns over technological literacy, **with 46% of executives and 38% of senior managers saying it's a limiting factor in intentional thinking.**

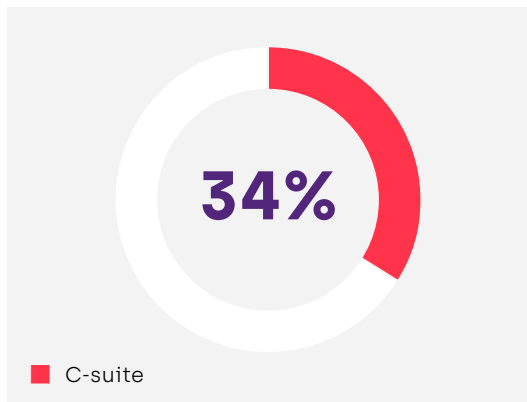


Over half of C-suite leaders also voiced concern that their organization lacked advanced AI prompting skills, while senior managers felt they were missing basic project management tools. Without a data-led understanding of where AI can add value, deployments remain ineffectual. Instead of enhancing the workforce, AI becomes a clunky add-on that fails to deliver return on investment because the organization didn't intentionally design the roles or processes to support it.

The AI Execution Gap

Rigid organizational structures prevent AI from becoming a tool for strategic growth.

According to our research, this gap is defined by restrictive structural hierarchies and a split-personality leadership style. With leaders divided 50/50 between mandating oversight and checks versus those that encourage employees to "act first," organizations are confused by conflicting signals. This generates inertia, demonstrably slowing down the pace of AI deployment as teams wait for clear, unified direction that doesn't arrive. **A legacy mindset also persists in that 34% of the C-suite sees the workforce as a passive execution engine.**



By treating employees as followers of direction rather than active participants in AI innovation, leaders stifle the bottom-up agility required for modern transformation.

Additionally, nearly a third (30%) of senior managers believe that the main consequence of unintentional decision-making is loss of employee trust.



Nowhere is this more evident than in AI deployment. Lack of leadership transparency and failure to fully understand AI's role in the workforce turns what should be a strategic advantage into a reactive, ill-considered misstep. This can damage employee confidence and diminish productivity.

Orgvue Commentary



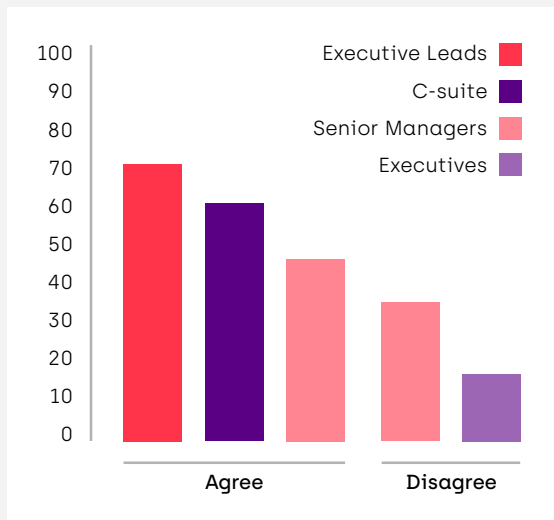
AI is a perfect illustration of how the Intentionality Gap can derail a promising transformation project. How well leaders understand their organizational reality and how it can be enhanced with AI can make the difference between deployments that fail and those that succeed. Without data-led analysis, organizations are running blind and will have no clear metrics for effective deployment and return on investment.

And should good decisions happen by circumstance, there's every chance that the lack of transparency and siloed structures will slow down AI adoption to a crawl.

The Redundancy Riddle

The problems continue when it comes to how organizations respond to economic uncertainty. Organizational intentionality is being undermined by an executive leadership layer that sees workforce reduction as a quick fix to moments of market volatility.

The research found that 70% of executive leads and 60% of C-suite teams agree that redundancies are the easiest solution. But this dropped to 46% for senior managers, with 35% disagreeing outright compared to just 17% of executives.



It seems that the further a leader is from the daily workload, the more they see the workforce as disposable assets rather than essential capacity. This view has a trickle-down effect. When layoffs are seen as unintentional or reactive, the human cost extends beyond those who leave the organization. Indeed, 30% of senior managers identify a loss of employee trust as a direct consequence of unintentional decision-making.

This erodes stability and diminishes the sense of workforce pride and enthusiasm among employees, which can undermine productivity in an era of quiet quitting. It can also trigger "fire-to-hire" cycles, where a lack of strategic planning in the redundancy phase results in vital skills being lost from the organization.

Orgvue Commentary



It's disheartening to see redundancies being used continually as a quick fix for market uncertainty with little regard for long-term planning. The choice to simply cut numbers during a market dip is one of the quickest ways organizations put themselves on the transformation treadmill.

It conveys a lack of understanding not only around the organization's structure and operations, but also its long-term future. And while layoffs may have an immediate financial impact, it's the opposite of acting like an intentional enterprise.

Organizational truth #4

Structural decisions are human decisions. Organizational design isn't an administrative exercise. It carries real weight for real people and deserves rigor and care.

V. Closing the Intentionality Gap

To escape the cycle of transformation failure, organizations must find a way to close the intentionality gap. Crucially, closing the gap requires a fundamental change in how leadership teams oversee, discuss, and shape all aspects of their organization, including its size, cost, composition, and structure.

01 **Action one**
Gaining workforce oversight and establishing a shared reality

02 **Action two**
Tracking and predicting organizational change

03 **Action three**
Building a case for intentional change

Organizational truth #5

Don't just survive, thrive.

Transformation isn't something that happens to an organization. It's something an organization must be able to do continuously. The goal isn't just to survive change, but to build the capability to absorb every change that happens and thrive as a result.

Action one Gaining workforce oversight and establishing a shared reality

Perhaps the first and most important step towards intentionality is to unite fragmented organizational data to create a single, unified view of the workforce. This single source of truth provides an accurate picture of the organization's current state across departments and functions.

By definition, this single source must be accessible to all, understandable to all, and it must be specific and unambiguous. As ever, the devil is in the detail. Workforce visualization is just people and positions filled; it's also vacant positions, roles that are not yet filled, are newly created, or roles that may be required in future. And it's the structural shape across the spans and layers of the organization.

This gives a clear view on structural inefficiencies and gaps in the current and future states of the workforce, whether that relates to reporting lines, team size, role design, or duplication of work. These inefficiencies can only be addressed when they are identified, analyzed, and tracked.

Action two Responding to change quickly and becoming more future-ready

Next, organizations need to be able to plan and adapt against a backdrop of workforce fluctuations, fluid client lists, and uncertain supply chain costs.

The default mode for planning today is to make decisions based on static snapshots of data, shared on a weekly or monthly basis. Given that organizations can change from one day to the next, not having real-time visibility is very limiting. Instead, organizations should aim to build motion and change into the planning process, monitoring how the organization changes across quarterly rather than annual cycles. This more rigorous monitoring means that leaders can spot any drift into unintentional decision-making much earlier, intervene, and course correct before disruptive transformation becomes a necessity.

A real-time view of the organization also allows for a better understanding of work, the workforce, and the skills needed to perform.

It can also support planning in anticipation of new technologies, economic variability, or changing customer demands.

Action three Building a case for intentional change

Finally, leaders need to build and share the case for an intentional approach to organizational change. First, they should honestly evaluate the impact of reactive transformations, assessing the full cost, waste, and disruptive effect on the business. Leaders should take accountability for decisions and push for incremental changes so that the organization adapts gently to new conditions.

The crucial mindset shift is to move away from inflexible, periodic planning methods and be comfortable planning in real-time, focusing on the impact of small decisions on the longer-term outcomes. A simple example is redeploying people rather than losing valuable talent through badly planned workforce reduction.

In this way, intentionality will begin to seep into strategic and operational aspects of the business. In the near-term, this will benefit AI-enabled workforce transformation. With the operational control that intentional decision-making brings to transformation planning, leaders will be better able to design a future workforce in which people and technology work symbiotically to reach new levels of productivity.

Orgvue Commentary



Make no mistake, closing the intentionality gap is hard to do. For many organizations, it will require a radical rethink in how they approach everything from leadership-level planning to the way they process and share organizational data.

But by grounding every workforce decision in a shared, consensual view of the organization, leaders can be much more future-ready, able to respond to change quickly and effectively, and be less constrained and subject to market conditions. The organizations that will lead in an AI-driven future are building this capability now. Not in the next planning cycle and not after the next restructuring. Through the discipline of continuous organizational awareness, intentional workforce design, and a genuine commitment to the people that make adaptation possible, organizations can close the gap and become an intentional enterprise.

VI. Becoming an “Intentional Enterprise”

The Intentional Enterprise is not a destination; it's a leadership posture. A set of commitments made and renewed continuously by leaders who understand that today's pace of change requires a fundamentally different relationship with organizational self-knowledge.

It requires a deep understanding of the business, with data and instinct working in tandem. It needs a new approach that keeps structure and hierarchy fluid, while anchoring strategy in reality.

We define the Intentional Enterprise through a commitment to the following principles:

We commit to maintain a single, shared, real-time view of our organization. We will make it unambiguous, data-led, and accessible to every leader who needs it.

We commit to treat planning as a continuous discipline. Planning is an ongoing operational heartbeat, not a static annual cycle that's obsolete before it's finished.

We commit to make evidence-based decisions about our workforce. We will act on the basis of objective evidence, rejecting market pressure and the false assumption that cutting costs is synonymous with creating value.

We commit to the “intentional” integration of AI into our organization. We will design for AI intentionally, fully understanding the specific work and roles being transformed before we redesign our structures.

We commit to hold our people's trust as a strategic asset. Trust is vital, so we will communicate structural changes with transparency and provide sufficient time for everyone to adapt.

We commit to build for permanent adaptability. The ability to adapt is a core part of any successful operating model, as it allows for incremental changes rather than cycles of radical crisis response.

We commit to collaborative expertise. External expertise as a multiplier, not a weakness. Data reveals the shape of the problem and experience determines the right response. The Intentional Enterprise builds both and knows when to bring in partners who have been through this before.

VII. Conclusion

It's heartening to see that leaders support the idea of organizational intentionality, but getting there is challenging.

Through unintentional decision-making, workforces become inefficient and ineffective. The intentionality gap is behind many of the important challenges organizations currently face, from AI deployments that underdeliver to transformation failures.

Our research makes one thing undeniably clear: ignoring the gaps that this report highlights will leave organizations structurally incapable of the very transformation they need to survive. Nowhere is this more evident than with AI.

To lift themselves out of this cycle, organizations must prioritize three things:

01

Ensure their leadership team has a clear and unified view of their organizational reality

02

Provide access to the technology needed for data-backed decision-making

03

Create an organizational structure that's agile and responsive, enabling fast reallocation of resources and talent to where they're needed most

Transformation is always a challenge but by addressing the intentionality gap, organizations can give themselves the best chance of achieving effective organizational change that sets up the business for future success.

Visit Orgvue today to learn how our organizational design and planning platform can help your organization on its journey to becoming an Intentional Enterprise.

www.orgvue.com

VIII. Methodology

The research was conducted by Vitreous World using an online methodology.

We spoke to 1,166 senior decision-makers in organizations across the United States, United Kingdom, Ireland, and Canada (2,000+ employees) as well as Australia, Hong Kong, Malaysia, and Singapore (500+ employees).

The study explored the attitudes and beliefs of leaders across three levels:

- **Executive Leads** - defined as Owners / Partners, Managing Directors, CEOs [n-470]
- **C-Suite Team** - Vice Presidents, C-Suite Leaders [n-235]
- **Directors / Department Heads** [HR, Operations, Finance] [n-461]
- **Senior management** - Senior Managers of units, functions and/or departments.

All respondents were guaranteed they would remain anonymous as part of the study.

Fieldwork was carried out between December 2025 and January 2026.

How Orgvue helps

Orgvue is an organizational design and planning platform that empowers your business to transform its workforce by understanding the work people do and the skills they have.

We do this by merging disparate datasets in a schemaless way, then visualizing and modelling current and future states of the organization to enable faster, more informed decisions.

Our platform connects strategy to structure, providing clarity of vision, so you can build a more adaptable, better performing organization that thrives in a constantly changing world of work.

Orgvue is used by the world's largest and best-known enterprises and consulting firms to ensure the right people are doing the right work at the right cost to meet their business objectives.

We operate from offices in the United Kingdom, the United States, Canada, Europe, and Australia.