AGENDA

AI Is the Ultimate Leadership Test: Why Leadership in the AI Era Is a Test of Learning, Not Certainty

The old playbook of clarity, predictability and linear planning no longer applies

By **Taylor Griffin** | December 19, 2025

Amid the rapid reshaping of markets and organizations and with the artificial intelligence narrative swinging from transformational promise to questions about a potential bubble, the CEO agenda is being fundamentally redefined.

Taylor Griffin
Taylor Griffin is managing partner of TMG, part of Council Advisors.

For years, leadership was defined by certainty: the steady forecast, the unflinching strategy, the consistent message to markets and teams alike. These standards built confidence and predictability. But in the age of AI, certainty is no longer the leadership currency. Today, the leaders who stand out are those who demonstrate transparency, humility and a willingness to learn in public. The old playbook of predictability and linear planning no longer applies.

AI is the ultimate leadership test because it forces CEOs to lead with both conviction and curiosity at once. The pressure is no longer to have all the answers. It is to acknowledge what is unknowable, frame ambiguity honestly and show stakeholders how learning will shape the path forward. Strong leadership today is less about projecting control and more about creating the conditions for rapid, shared learning.

Those leaders succeed in building trust not by having all the answers but by enabling their organizations to learn with them. In the era of AI, they share a common pattern of practice: they lead with confidence and candor, model disciplined curiosity, make learning visible and anchor decisions in principles that hold when things inevitably change.

Confidence in Direction, Candor in Process

AI has compressed decision cycles and magnified visibility. Every pilot, experiment and public statement is under scrutiny. The leaders we work with who are navigating this successfully understand a simple truth: certainty is no longer credible — clarity is. When velocity increases and the cost of coordination rises, effective leaders respond not by tightening control but by amplifying context. They define how decisions are made, communicate the "why" as much as the "what," and show that confidence and candor are interdependent, not opposing forces.

Rather than foreseeing every outcome, leaders can focus on defining the guardrails that guide judgment: metrics that matter most, how ethical trade-offs are made, and what values remain constant as technology evolves. When these foundations are in place, organizations can move with speed and coherence, even in uncertain times.

Transparency brings these principles to life. The most credible leaders narrate the journey and make learning visible: what is being tested, what has been learned and what still requires validation. They signal steadiness not by claiming certainty but by showing their method. This kind of candor creates a sense of psychological safety that sustains transformation — especially when the outcomes are unpredictable.

The shifting market narrative, from transformational returns to questions about inflated expectations, only underscores how fluid this moment is and how essential transparent leadership has become.

Managing Expectations and Complexity Across Stakeholders

AI adoption has surfaced the asymmetry of stakeholder expectations. As with all business management and transformation, the C-suite's stakeholders have priorities. Boards want clear direction, and investors want returns. Teams want reassurance, and customers want reliability.

The CEOs who maintain credibility establish clear rhythms for how their organizations experiment, learn and move forward. In our work with executive teams, we notice that governance in the AI era is about cadence rather than control. The most effective leaders make their decisions visible in how things are evaluated, how learnings are shared and how progress is measured. This clarity connects curiosity to accountability. When experimentation, strategy and governance move at the same pace, momentum is sustained.

Modeling Intellectual Curiosity

In a moment when markets, regulators and technologists themselves disagree on what comes next, curiosity becomes a more credible leadership posture than prediction. Curiosity is emerging as the decisive leadership capability in the AI era, especially in a moment when no one knows exactly how AI will play out or which innovations will endure. But this curiosity cannot be free-floating. It must be disciplined.

The CEOs who model curiosity well treat it as a performance variable. They engage directly with technology, assess its limits and make their learning public. Discovery is part of the work, not a side project.

Effective intellectual curiosity has three traits:

- It is **visible:** leaders ask questions that matter in the open.
- It is **structured:** learning loops are short, specific and linked to operational goals.
- It is **anchored in principle:** experiments are bounded by values like customer trust, equity and ethical use.

Curiosity at the CEO level is what transforms a know-it-all culture into a learn-it-all one. As **Satya Nadella** demonstrated at **Microsoft**, when leaders turn learning into a shared, visible act, curiosity becomes a performance driver across the enterprise. Purposeful curiosity travels fast, shaping behavior more quickly than any policy.

In our work with C-suite leaders, we see that, when curiosity is modeled with structure and purpose, it becomes contagious. The most effective teams balance curiosity with clarity — humility to learn paired with discipline to align.

Unfreezing the Middle

Curiosity changes performance only when it travels. But many transformations freeze in the middle.

In our work with CEOs, we see that transformation rarely fails because of strategy; it fails because it stalls in the "permafrost layer" between leadership intent and execution.

The issue isn't misalignment but translation. The best leaders focus less on cascading messages and more on cascading meaning, ensuring that every layer understands not just what's changing but also why and how to act on it.

When the middle unfreezes, alignment becomes the multiplier for scale.

Culture as the Control System

Technology may change how work gets done, but culture determines how people engage with that change and whether it endures.

Culture, in this context, is the operating system that determines how information flows, how safely issues are surfaced and how effectively the organization learns and adapts.

The most adaptive cultures make it safe to test but not optional to learn. They replace performance rituals with learning rhythms — short cycles focused on what failed, what was learned and what will change. As our new AI Playbook, "Leading in the Age of AI: Practices for the New Era" argues, these rhythms "convert experimentation into enterprise impact."

When CEOs model this cadence by asking what they learned rather than what went right, they reinforce that credibility comes not from certainty but from disciplined curiosity.

The Principle of Credibility

The ultimate leadership test in the AI era is credibility under uncertainty. What is new is not volatility itself but its velocity. In this new environment, leadership is defined less by perfect foresight than by disciplined judgment: how decisions are made, trade-offs are balanced and purpose is held steady as conditions shift.

AI accelerates everything except judgment. The CEOs who master this moment will be the ones whose leadership systems — how they align, learn and build trust — move as dynamically as technology itself.

In a moment defined by uncertainty, humility and transparency are not signs of weakness. They are the new standards of strong, credible leadership.