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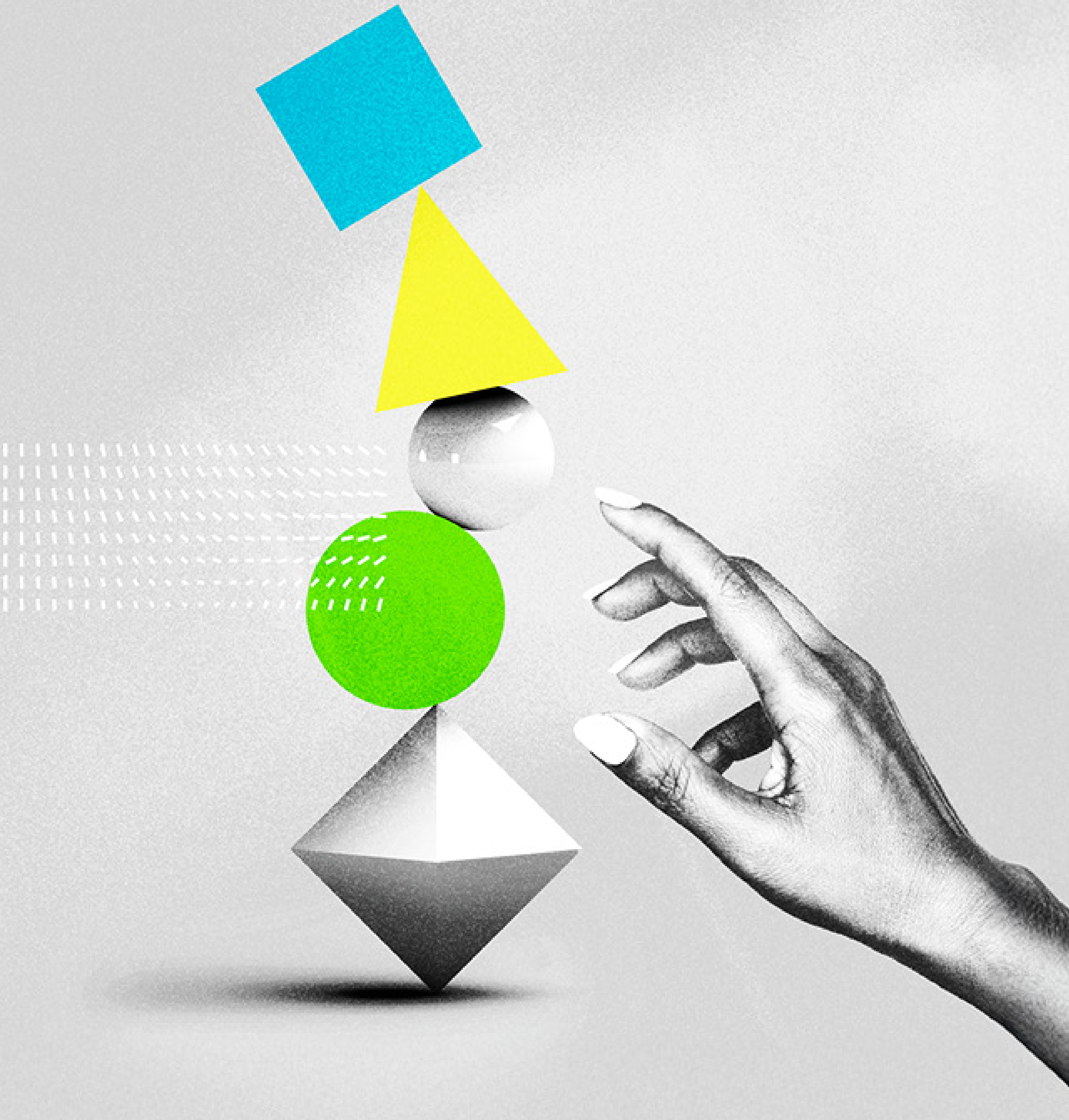


Middle East Human Capital Trends 2026

Dealing with AI's cultural debt

Why the greatest barrier to AI success may not be technological—it may be cultural

—By Mahdi Hussein

For much of the past, organizations have primarily worried about technical debt. As systems age and technology evolves, shortcuts accumulate. Processes become inefficient, platforms become outdated, and complexity grows faster than organizations can manage it. Over time, this debt slows innovation, increases costs, and constrains performance.

However, today organizations face a different kind of debt. Governments and businesses are embedding AI into everything from customer service and workforce management to strategic planning and operational decision-making. Yet while technology is evolving rapidly, organizational culture is struggling to keep pace.

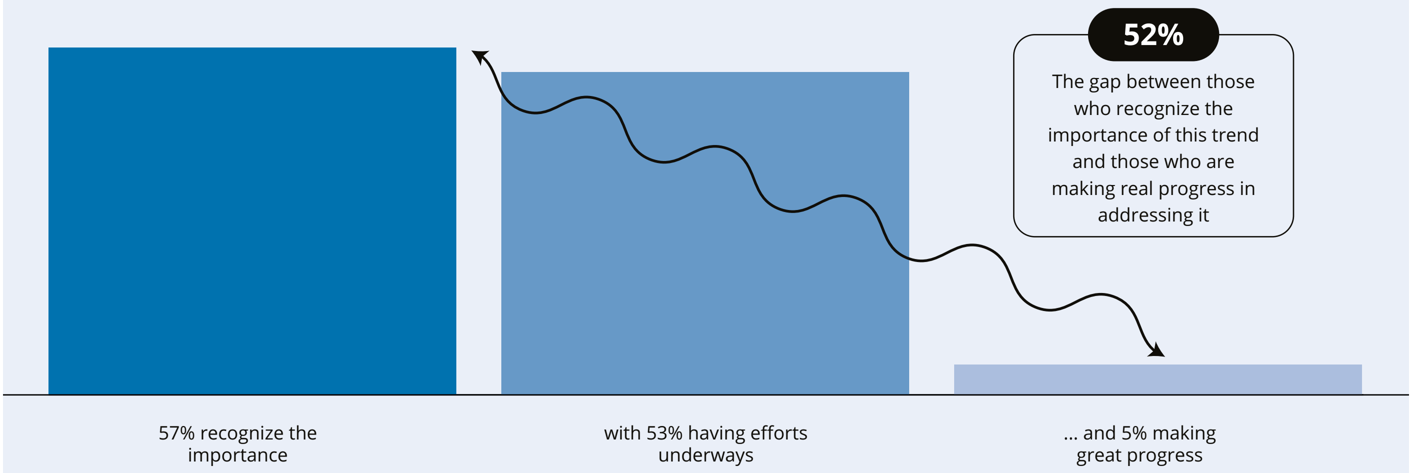
Leadership behaviors, workforce norms, governance practices, and ways of working are adapting far more slowly than the technologies reshaping them. The result is a growing form of organizational liability: **AI cultural debt**.

'Cultural debt' can be defined as the unintended consequences that emerge when AI adoption outpaces the evolution of culture, leadership, governance, and workforce practices.[1] Left unmanaged, this debt accumulates over time, creating friction, eroding trust, and limiting the value organizations can realize from AI.

This challenge is already becoming more and more visible. Globally, 57% of organizations recognize the importance of managing AI's impact on organizational culture, yet only 5% report making substantial progress toward doing so.[1] The gap is striking. Organizations understand the issue but very few are actively addressing it.

Organizations say it's important to understand and manage AI's impact on organizational culture, but only 5% are making great progress toward doing so

Percentage of respondents answering the questions, "How important is understanding and managing how AI affects human relationships in your organization, including effects on culture, trust, and collaboration?" and "Where is your organization on its journey to address this issue?"



Source: Analysis of Deloitte's 2026 Global Human Capital Trends survey data.

For the Middle East, the implications are significant. Across the region, AI sits at the heart of ambitious transformation agendas, from Saudi Arabia's National Strategy for Data and Artificial Intelligence and Vision 2030, to the UAE National Artificial Intelligence Strategy 2031 and Qatar's digital transformation ambitions.[4,5,6]

The challenge goes beyond simply adopting AI and revolves around ensuring that people, behaviors, and organizational norms evolve quickly enough to unlock its value.

From technical debt to cultural debt

Technical debt is a familiar concept to most leaders: It occurs when technology evolves faster than the systems supporting it. Cultural debt follows a similar pattern: It emerges when organizations invest in new technologies without investing equally in the cultural changes required to support them.

Every AI implementation changes more than processes: it changes expectations, behaviors, relationships and increasingly, it changes how people experience work itself.

Consider how AI is already influencing daily work across many organizations. Employees use generative AI to draft reports, summarize meetings, analyze data, and generate recommendations. Leaders increasingly rely on AI-driven insights to inform decisions on workforce planning, performance management, and resource allocation. While these tools create significant opportunities for productivity and efficiency, they also introduce new questions around accountability, transparency, trust, and decision-making.[2]

In many organizations, employees are still determining how AI fits into their daily work. Some embrace it enthusiastically, while others remain cautious. Some use AI extensively to enhance productivity and creativity, conversely others avoid it altogether because they lack confidence in the technology or fear its implications.

When organizations fail to establish clear expectations, shared norms begin to fragment. Different teams develop different approaches to AI use. Informal rules emerge and employees are left to interpret the role of AI for themselves. Over time, inconsistency becomes embedded into the culture and trust becomes particularly vulnerable in this environment.

When employees do not understand how AI influences decisions, whether in hiring, performance evaluations, promotions, or resource allocation, uncertainty grows. And when uncertainty grows, trust often declines. Research consistently shows that trust, transparency, and organizational alignment remain among the most significant barriers to successful AI adoption.[3]

The good news is that cultural debt is not inevitable. Unlike technical debt, which often remains hidden until systems begin to fail, cultural debt can be identified and addressed early. Organizations that proactively invest in trust, governance, workforce capability, and leadership behaviors can transform AI from a source of cultural friction into a catalyst for cultural renewal. The first step is recognizing the warning signs before the debt becomes too costly to ignore.

Three signs cultural debt is accumulating

Cultural debt rarely appears overnight. Unlike a failed technology implementation or a cybersecurity breach, it often accumulates gradually and quietly. The signs are subtle at first. Teams continue to perform. Productivity may even improve. AI adoption metrics appear positive. Yet beneath the surface, the culture begins to shift in ways that organizations may not have intended. Across industries and geographies, three warning signs are beginning to emerge.

Trust begins to erode

Trust is often one of the first casualties when AI adoption outpaces organizational understanding. Employees increasingly want to know how AI influences decisions that affect them. How is performance being assessed? How are candidates being screened? How are recommendations generated? Who ultimately remains accountable when AI informs a decision?

When organizations cannot answer these questions clearly, uncertainty fills the gap. And where uncertainty exists, trust often weakens.

This challenge becomes particularly acute when employees perceive AI as something that is happening to them rather than with them. Decisions may become faster and more data-driven, but if the process behind those decisions feels opaque, confidence in both the technology and the organization can begin to decline.

Ways of working become fragmented

A second sign of cultural debt emerges when different parts of the organization begin operating according to different assumptions about AI. In many workplaces, AI adoption is happening organically rather than strategically and the result is inconsistency.

Different teams develop different norms. Employees receive mixed signals about what is acceptable. Expectations become unclear. Informal workarounds emerge to fill the gaps left by formal guidance. Over time, organizations risk creating multiple cultures within the same workforce—some highly AI-enabled, others largely untouched by technological change.

Human connection weakens

Perhaps the most overlooked form of cultural debt relates to human connection. Many organizations adopt AI to increase efficiency, automate routine tasks, and streamline workflows. These are important benefits. Yet work serves purposes beyond productivity alone.

Workplaces are also environments where people learn, collaborate, build relationships, and develop professional judgment. As AI becomes more embedded into everyday activities, some of these interactions risk becoming increasingly transactional.

Informal conversations that once helped employees learn from one another may occur less frequently. Opportunities for mentoring, coaching, and knowledge-sharing may diminish. New employees may find fewer opportunities to observe experienced colleagues at work. Teams may become more efficient while becoming less connected.

Together, these warning signs point to a broader reality: Cultural debt is not primarily about technology. It is about what happens when organizations transform their systems faster than they transform the human experience of work.

The good news is that leading organizations across the Middle East are already beginning to address this challenge—and in doing so, are turning cultural debt into a source of competitive advantage.

Turning debt into a differentiator

The encouraging news is that cultural debt is not inevitable. Around the region, many organizations are beginning to recognize that successful AI transformation requires more than technology deployment. It requires deliberate investment in the cultural foundations that enable people to adopt, trust, and benefit from new technologies.

While their approaches differ, the most forward-thinking organizations are increasingly focusing on three priorities: building capability, strengthening governance, and creating responsible pathways for adoption.

Build capability alongside technology

One of the most effective ways to prevent cultural debt is to ensure that workforce readiness evolves alongside technological capability. When organizations invest heavily in AI tools without helping employees understand how to use them, uncertainty and resistance often follow. Employees may fear being replaced, struggle to adapt their ways of working, or simply lack confidence in engaging with new technologies.

By contrast, organizations that prioritize capability-building create a sense of participation rather than disruption.

Saudi Arabia provides a compelling example of this approach. Through initiatives linked to Vision 2030 and the National Strategy for Data and Artificial Intelligence, significant emphasis has been placed not only on AI deployment, but also on developing the skills, mindsets, and capabilities required to support an AI-enabled future. Organizations such as Aramco are investing heavily in workforce capability and digital upskilling to prepare employees for increasingly AI-enabled ways of working.[4,7] People are far more likely to embrace transformation when they feel equipped to participate in it.

Strengthen governance before trust is tested

Capability alone is not enough. Organizations must also establish clear guardrails that help employees understand how AI should be used, where accountability sits, and how decisions are made.

Without governance, employees are often left to navigate uncertainty on their own. Different teams develop different interpretations of acceptable AI use. Informal practices emerge. Trust becomes increasingly dependent on individual judgment rather than organizational consistency.

The UAE has taken a proactive approach to addressing this challenge. Through initiatives such as the UAE National Artificial Intelligence Strategy 2031 and associated governance frameworks, significant attention has been given to ensuring that AI adoption is accompanied by principles that promote transparency, accountability, and responsible use.[5] The lesson for organizations is clear: Trust is easier to build before uncertainty emerges rather than after confidence has already been damaged.

Create responsible pathways for adoption

The most successful organizations recognize that AI adoption is not a single event but instead an ongoing process of experimentation, learning, and adaptation.

This requires creating environments where employees can explore new technologies confidently while understanding the boundaries within which they operate. Organizations that move too quickly often create anxiety. Organizations that move too slowly risk stagnation. The challenge is finding a path that balances innovation with confidence.

Qatar's growing focus on responsible AI adoption provides an example of this balanced approach. Through national AI initiatives and digital transformation programs, efforts have focused not only on accelerating technological capability, but also on establishing governance structures, ethical frameworks, and workforce engagement mechanisms that support sustainable adoption. Organizations such as Qatar Airways are also demonstrating how AI can be integrated into customer and employee experiences while maintaining trust and human connection.[6,9] This ensures that adoption strengthens organizational culture rather than undermines it.

Taken together, these examples highlight an important shift in leadership thinking. The most successful organizations are no longer treating culture as something that must adapt to technology after the fact. Encouragingly, they are designing culture and technology together. And in doing so, they are preventing cultural debt from accumulating in the first place.

Rather than becoming a hidden liability, culture becomes an enabler of successful transformation.

Conclusion: Culture is the infrastructure

Ultimately, 'organizations' in abstract do not experience AI transformation, real people do.

While technology can be deployed quickly, culture evolves more slowly. New systems can be implemented in months. New behaviors, norms, and ways of working often take years to develop. This is why so many AI initiatives struggle to deliver their full potential.

The challenge is rarely the technology itself. It is whether employees trust it, understand its role, feel confident using it, and see how it fits within the broader purpose and culture of the organization.

Managing cultural debt successfully requires leaders to:

- **Build trust before scale:** Create transparency around how AI is used, how decisions are made, and where accountability resides.
- **Establish shared norms:** Develop clear expectations for how employees and teams engage with AI across the organization.
- **Preserve human connection:** Ensure that efficiency gains do not come at the expense of collaboration, learning, mentorship, and belonging.

The organizations that succeed in the age of AI will be those that evolve their cultures just as deliberately as they implement this frontier technology. Culture is not a by-product of transformation, it is the infrastructure that makes transformation possible. And the leaders who invest in that infrastructure today will be the ones who unlock the greatest value from AI tomorrow.

Research Methodology

Deloitte' s 2026 Global Human Capital Trends worked in collaboration with Oxford Economics to survey more than 3,000 business and human resources leaders across multiple industries and sectors in 15 countries. In addition to the broad, global survey that provides the foundational data for the 2026 Global Human Capital Trends report, Deloitte supplemented its research with surveys of 6,000 workers, managers and executives to uncover where there may be gaps between leader and manager perception and worker realities. The survey data is complemented by more than 50 interviews with executives and subject matter experts from some of today's leading organizations. These insights helped shape the trends in this report.

Endnotes

1. Deloitte (2026), Global Human Capital Trends Survey, https://www.deloitte.com/us/en/insights/topics/talent/human-capital-trends.html
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