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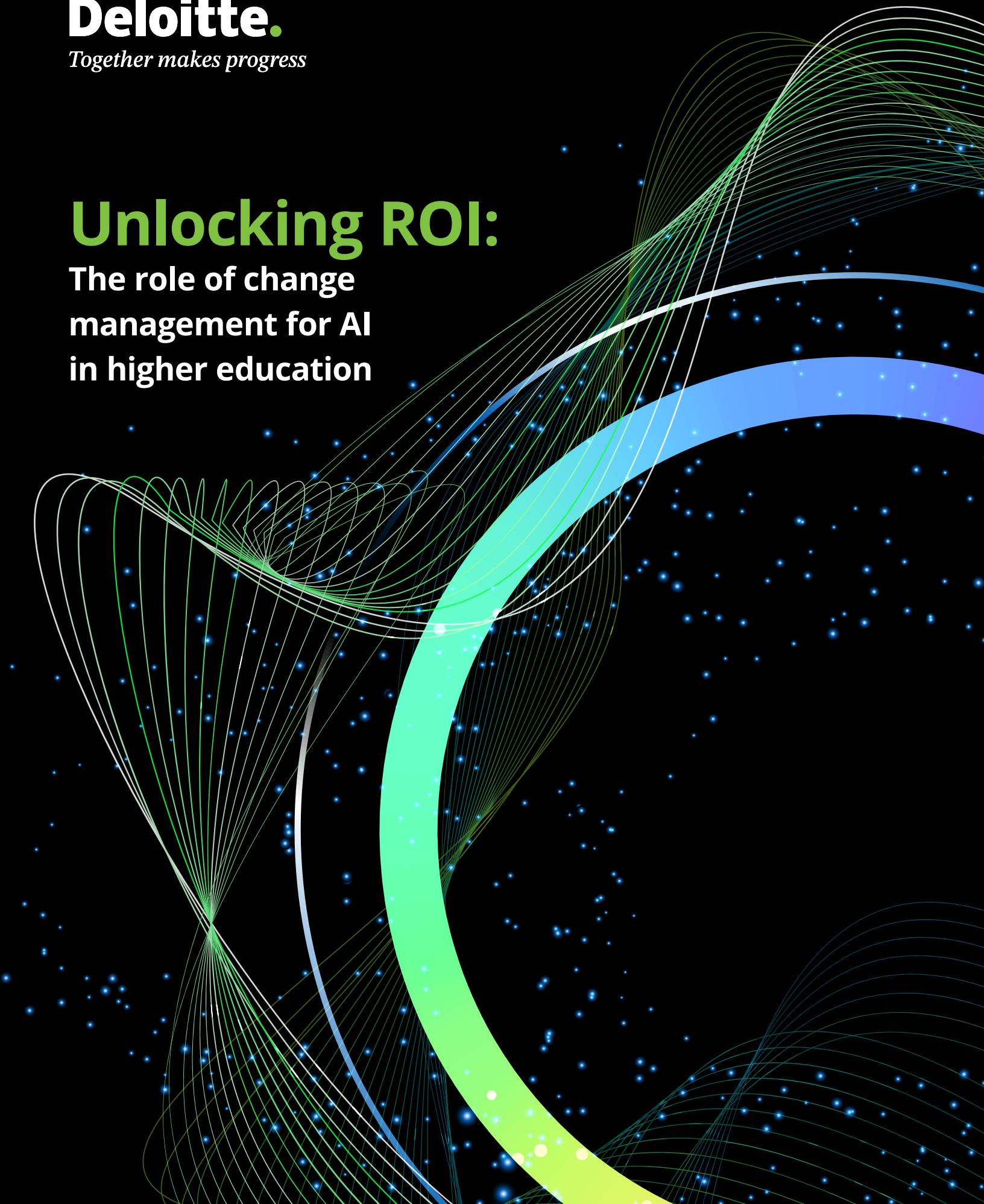
Unlocking ROI:

The role of change management for AI in higher education



Higher education leaders are navigating a fluid and unpredictable environment—but one constant is clear: Artificial intelligence (AI) is becoming increasingly integrated into the fabric of institutions. While many leaders face significant challenges in managing the human aspects of AI adoption, those who recognize that AI necessitates a fundamentally new approach to change management hold a strategic advantage. As Dr. James P. Frazee, CIO and VP for IT at San Diego State University, observes, "AI is not the next calculator. This is the next internet."[1] Institutions should rethink their approach to change management, focusing on how they prepare their people, processes, and cultures to adapt to the AI era. The opportunity presented by AI is immense—but realizing its potential depends on getting both the technology and the change management right. The mechanism to unlocking faster, more sustainable value from AI investments lies in a new approach to change management that future-proofs workforce capabilities and builds lasting readiness for this transformative business initiative.

Traditional change management methods, like those shown in Figure 1, were built to help people accept specific, one-time changes, such as the rollout of a new system. However, these approaches do not fully capture the unique benefits and challenges that come with adopting AI. Unlike a single system upgrade, using AI is an ongoing journey that requires organizations to constantly adapt and learn. To thrive with AI, organizations need a new kind of change management, one that encourages experimentation, helps people make sense of new developments, and supports continuous learning.

> "AI is not the next calculator. This is the next internet. [The AI era] requires a really deep rethinking of what it means to be educated, employable, and ethically engaged in this new world we find ourselves in."
>
> **Dr. James Frazee, CIO and VP of IT at San Diego State University[1]**

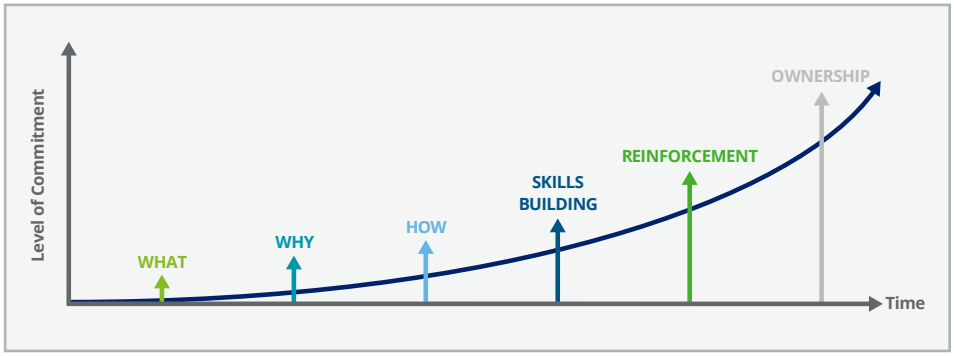


Figure 1. Traditional change management model—The change curve

Source: Deloitte analysis

Deloitte's AI for Higher Education capability convened a panel in August 2025 of senior higher education leaders to discuss their experience leading through AI-driven change. The resulting webinar featured Manuel Cuevas-Trisán, Vice President for Human Resources at Harvard University; Cheryl Reardon, Chief Human Resource Officer and Associate Vice President of the University of Iowa; Dr. James P. Frazee, CIO and Vice President for Information Technology at San Diego State University; and Dr. James Coker, Director of the Center of Biotechnology Education at Johns Hopkins University. This article highlights the strategies they are finding success in and growing trends of resistance and adoption.

Barriers to AI adoption in higher education

While many institutions recognize AI's transformative potential, six powerful headwinds challenge the sustainable adoption of AI across higher education.

AI EXPOSURE PRECEDES INSTITUTIONAL GUIDANCE

*Students, faculty, and staff often encounter AI tools **at home before** institutions provide formal guidance or policies.*

Creates inconsistency, risk, and a sense of "learning in the dark."

FRAGMENTED NARRATIVES AND CONFLICTING INFORMATION

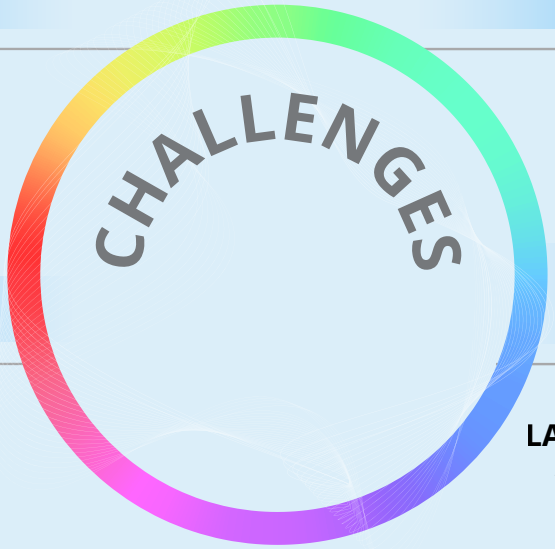
*Faculty may fear academic **dishonesty**. Students may view AI as a **shortcut**. Admins may see it as a **cost-saver**.*

Competing perceptions make unified adoption difficult.

HIGH CURIOSITY, LOW CLARITY

*There is strong interest in AI across roles, but there is little **shared understanding** of what it means for teaching, learning, and operations.*

The "desire" to adopt outpaces the "awareness" of how and why.



LEARNING CURVE OVERLOAD

*Many stakeholders are still building digital fluency and now must **also adopt** AI fluency.*

Creates cognitive load and tension across existing systems.

ADDRESSING FEAR, CLARIFYING AI'S ROLE IN WORKFORCE EVOLUTION

*AI's capability to "teach" or "advise" raises **existential concerns**.*

Emotional responses can stall progress if not addressed early.

LACK OF SHARED LANGUAGE AND LITERACY

*Terms like "predictive," "generative," and "prescriptive" are used **inconsistently**, or not at all.*

Without a common vocabulary, AI efforts stay siloed.

Figure 2. Six AI adoption headwinds

Source: Deloitte analysis

Colleges and universities face a unique set of challenges that extend beyond the implementation of technology—concerns about academic integrity, staff readiness, and role evolution surface alongside uncertainty about strategy and governance. Across campuses nationwide, six common headwinds are shaping the pace and success of AI adoption (Figure 2).[2]

1. **AI exposure often precedes institutional guidance:** Many people encounter AI at home before their workplace or school offers any official guidance, leading faculty, staff, and students to experiment with AI in various ways without formal training. This "learning as you go" approach can create a false sense of confidence. As organizations scramble to catch up with clear usage policies and training, inconsistent practices and potential risks emerge, making it clear that proper guidance and instruction are still essential, even for experienced users.

2. **High curiosity, low clarity:** Curiosity and enthusiasm for AI are high, but understanding how and what to use remains low.[2] While 87% of educators and 93% of students reported using AI at least once within an academic context, only 44% and 41%, respectively, say they have a lot of knowledge about it.[3] Without shared guidance, students may use AI in ways that conflict with academic integrity standards, and faculty express concerns about dishonesty and the erosion of traditional norms.

3. **Addressing fear, clarifying AI's role in workforce evolution:** Faculty and staff often feel uncertain or resistant toward AI because its real impact on their roles isn't clearly understood. Mixed messages about whether AI will help or harm their work creates anxiety, especially when there is worry about being replaced instead of supported and reskilled. This uncertainty is compounded by a lack of clear strategies for developing new skills or evolving roles. Without transparent communication and support, concerns about AI's necessity and value can slow adoption and deepen resistance amongst educators and staff.

4. **Fragmented narratives and conflicting information:** When the purpose and potential of AI are not clearly communicated, gaps quickly fill with a wide range of perceptions, some based on fact, while others are on assumptions or incorrect information. This leads to a natural split: some faculty, staff and students eagerly experiment with AI, while others feel anxious or frankly skeptical, fearing negative impacts or unexpected consequences. These differing narratives, shaped by everything from concerns about academic integrity to hopes for efficiency, make it difficult for institutions to move forward in a coordinated way. Inconsistent messaging and unrealistic expectations further fuel confusion, hampering progress and trust around AI adoption.

5. **Learning curve overload:** At first, learning the basics of AI tools can feel manageable, in fact many tools are designed to be user-friendly with a shallow learning curve. But as faculty and staff try to use AI more effectively or integrate it meaningfully into their work, the learning curve quickly becomes much steeper. Developing true digital fluency and the right mindset requires ongoing time and energy, adding stress to people who are already balancing many demands. As the University of Iowa CHRO Cheryl Reardon observes, "[With] so much is going on in higher ed right now, we are certainly seeing change fatigue… Maybe it's not resisting what we're trying to do with AI, but it's unleashed a tender spot."[1] Without intentional pacing, flexible learning, and on-going support, the resulting fatigue and cognitive overload can hinder sustained adoption.

6. **Lack of shared language and literacy:** Inconsistent terminology and the absence of a shared vocabulary hinder collaboration across departments, slowing an institution's ability to establish a governance structure. Without common definitions, even aligned intentions can become siloed, slowing momentum and reinforcing misunderstanding across institutional boundaries.

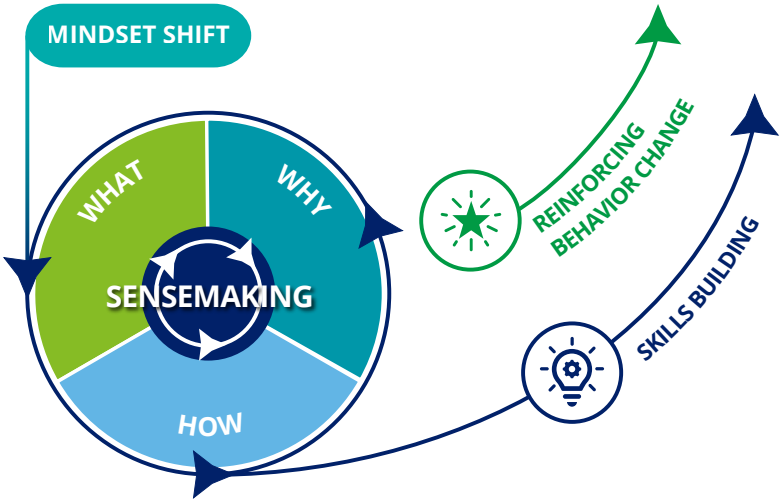
"The risk to employability does not come from the technology itself but from lack of familiarity and lack of fluency in the technology. That message is starting to resonate, but it's something that we're going to have to as part of change management continue to reiterate and repeat ad nauseum until people get it."

Manuel Cuevas-Trisán, VP for HR at Harvard University[1]

The role of change management in AI-driven transformation

AI-powered change is more than a technical upgrade, it's a fundamental business transformation that reaches across every part of an institution, from administration to research, teaching and learning. The true impact of AI comes not from the technology alone, but rather from aligning its adoption with core institutional goals and business needs. As with any major transformation, concerted change management is essential—engaging stakeholders early, addressing cultural shifts and supporting new ways of working. Organizations unlock AI's potential when its integration is treated as a strategic evolution, pairing people with technology and guiding the transition with the same rigor and intention as any significant organizational change.

Given the unique scope and pace of AI-driven transformation, institutions cannot rely on traditional, one-time change management tactics. The journey with AI requires flexibility and ongoing engagement, as both people and processes adapt in real time alongside new technologies. While conventional change management often follows a linear progression along a change curve, recent research[2] suggests that both individuals and organizations engage with AI through a continuous, dynamic cycle of sensemaking, learning, and adaptation (Figure 3).



MINDSET SHIFT	Enabling stakeholders to **view AI and their work differently** from the beginning.
WHAT	Contextualizing how AI can be used—what are its use cases.
HOW	Educating on **how AI works** to understand potential and limitations.
WHY	Understanding why stakeholders should **care** and the **implications** it has on their lives.
SENSEMAKING	Interpreting, contextualizing, and understanding complex or **ambiguous information**.
SKILLS BUILDING	Developing necessary competencies for employees to implement and **sustain changes**.
REINFORCING BEHAVIOR CHANGE	Preventing reversion to old habits and **ingraining new behaviors in the culture**.

Figure 3. Reimagined change management model—The change loop[2]

Traditional change management typically starts by building awareness and then cultivating desire, the underlying "why" for change. However, when it comes to AI adoption, this process looks very different. As illustrated in Figure 3[2], the model is flipped: most stakeholders already have strong opinions about the "why"; they know AI is important and sense its potential impact. The real challenge is making sense of the "what" and the "how." Rather than a traditional, sequential change progression, one where people move to the next step when they hit the one before it, people are diving in at different points, cycling through ongoing sensemaking, learning and adaptation.

This dynamic "AI change loop" echoes what's unfolding in higher education—readiness and resistance ebb and flow as understanding deepens and users experiment with AI in real-world contexts.[2] The journey isn't linear, it's iterative, reflecting how mindsets shift, skills build, and behavior change must be reinforced to sustain lasting transformation. Recognizing this shift from linear change to an ongoing, cyclical process raises a crucial question: what helps individuals and institutions navigate this complexity? At the heart of the AI change loop—and the mechanism to effective adaptation—is sensemaking. More than just a skill, ***sensemaking*** represents a fundamental mindset shift: the ability to interpret, contextualize, and continually reframe evolving information as both opportunities and challenges emerge.

So, what is sensemaking?

Sensemaking is the process of making sense of new, often confusing, or ambiguous information. Put simply, it means pausing to reflect, connect the dots, and make informed decisions as change unfolds, instead of just reacting automatically. In practice, it's about figuring out what AI means for your role, your work, and your institution, then sharing those insights to help everyone move forward together.

In the context of AI adoption, sensemaking goes beyond just acquiring new technical skills. As illustrated in the AI Change Loop diagram, it is a fundamental mindset shift that guides institutions through AI-driven change by helping people interpret and contextualize complex, evolving information.[2] By harnessing shared awareness and collective learning, and by channeling the excitement that AI brings, institutions set the stage for sustainable transformations even before introducing specific tools. As Dr. Frazee explains, "At SDSU, AI is not being done to faculty and staff; it's being done with faculty and staff. They are catalyzing shifts in what it means to be educated, employed, and ethically engaged in the workforce of tomorrow."[1]

Sensemaking is a fundamental mindset shift, rather than just a skillset shift, that guides institutions through AI-driven change[2]

Sensemaking is foundational to effective AI change management because it helps individuals and organizations navigate ambiguity and adapt to continuous technological evolution. It transforms change from a one-time event into an ongoing process of collective learning, reflection, and refinement. This iterative feedback loop strengthens the overall impact of the transformation by fostering continuous improvement.

Institutions like Harvard University are already bringing this approach to life. Through communities of practice, faculty and staff co-create understanding and share insights in collaborative, non-hierarchical settings. As Manuel Cuevas-Trisán, VP for HR at Harvard University, explains, "The technology is moving and developing at a pace that is faster than the typical ability to absorb it and learn it. Therefore, the only way we feel we can learn it is not in a fully structured way but by learning by doing."[1]

The AI Change Loop diagram, figure 3, highlights components of the AI change process:

- **Mindset Shift:** Enabling stakeholders to view AI—and their work—differently from the outset.
- **What:** Contextualizing how AI can be used by identifying its relevant use cases.
- **How:** Educating on how AI works to clarify capabilities and limitations.
- **Why:** Articulating why stakeholders should care and what the implications are.
- **Sensemaking:** Interpreting and understanding complex or ambiguous information together.
- **Skills Building:** Developing competencies to enable implementation and sustain changes.
- **Reinforcing Behavior Change:** Making new behaviors stick and preventing regression.

Together, these elements create a broad, flexible framework for managing AI-driven transformation, anchored by a culture of sensemaking and continuous collaboration.

Building agility and fluency: Accelerators for AI-driven change

Beyond sensemaking, effective AI change management demands a shift from static, step-by-step thinking to a more flexible, adaptive mindset. This means adopting a "looped approach," where teams continuously revisit and refine their understanding as technology evolves. As Reardon notes, "You need to have a good change management strategy... and you have to stay agile in your projects as the technology changes."[1] This kind of agility allows leaders to experiment thoughtfully, while also maintaining enough structure to keep projects moving forward.

Another powerful accelerator is building **faculty fluency** with AI. At Harvard University, leaders are positioning AI as a tool that augments, rather than replaces, human work. They emphasize that technological fluency is essential for future job security. At San Diego State University, faculty are empowered to become AI champions through structured time and stipends that encourage experimentation, reflection, and shared learning. This low-friction model not only builds digital fluency but also sparks a ripple effect of practical AI adoption across departments. As Dr. Frazee describes, faculty fluency is another catalyst for sustainable change—turning ***early adopters into advocates*** who model how AI can enhance both teaching and learning.[1]

> "Nobody can do this on their own. We need to partner. We need to leverage one another and learn from the efforts of one another and get out of our inner segmental silos."
>
> **Dr. James Frazee, CIO and VP for IT at San Diego State University[1]**

Turning vision into impact: Unlocking value through change management

While AI's potential is clear, the path to realizing its benefits can be riddled with challenges ranging from technical complexity and ethical concerns to cultural resistance and fragmented implementation.

Realizing AI's full potential requires addressing the headwinds that slow its progress (see inset, Key barriers to AI adoption in higher education). The same challenges that hinder adoption—lack of guidance, low clarity, fear of replacement, conflicting information, mixed learning curves, and fragmented language—can become catalysts for transformation when viewed through the lens of change management. Colleges and universities can address these challenges by embracing the following people-centered strategies.

1. Co-create: Building buy-in through collaboration

Because AI exposure often outpaces institutional policy, co-creation enables governance to evolve in tandem with usage. Inviting faculty, students, and staff to co-design pilots and policies transforms uncertainty into shared ownership and trust.

An EDUCAUSE survey found that 68% of faculty and 74% of students reported engaging in informal, peer-led discussions about AI tools outside formal classroom settings.[4] Leaders who build on this existing curiosity—through online channels, open forums, or cross-functional workshops—convert grassroots enthusiasm into institutional strategy.

Reardon describes how the University of Iowa adopted this mindset: "We invited our HR community to help build an internal-facing HR bot. The investment was strong, but more importantly, staff members had buy-in. Community acceptance followed because they were part of the process." This participatory approach keeps AI strategy grounded in the needs and experiences of those who use it most.[1]

2. Create environments for experimentation

High curiosity with low clarity can stall progress unless faculty and staff have opportunities to learn through hands-on experiences. Creating sandboxes for experimentation transforms curiosity into capability, helping people explore AI without fear of failure or repercussions. Perhaps consider appointing "Chief Experimentation Lead (CXL)" for each function, to break down barriers, conduct "innovation sprints," and identify proof of concept ("POC") to production candidates.

Dr. James Coker, Director of the Center of Biotechnology Education and leader of the AI Lab at Johns Hopkins University (JHU), describes JHU's approach: "We've built an environment where faculty and students can play—where they can use ChatGPT, Claude, and Llama free of charge, without fear of repercussions. It's a sandbox for innovation."[1]

This model has ripple effects. Institutions that provided sandbox environments for AI experimentation saw faculty engagement rates with AI tools increase by 35% compared to those without such spaces, according to an EDUCAUSE QuickPoll survey of 1,200 higher education professionals.[4] A sandbox lowers barriers, encourages risk-taking, and signals institutional support for innovation.

3. Remove the taboo: Open dialogue and normalize failure

Some faculty and staff members may worry about being replaced rather than reskilled. Creating space for open dialogue and normalizing failure helps shift that narrative—positioning AI as a learning companion rather than a threat.

Dr. Coker notes, "There's a certain level of uncomfortableness where you're both learning together and trying to figure all of this out. But it's better to figure it out as a group." By reframing failure as an essential part of progress, institutions cultivate psychological safety and collective resilience.[1]

According to Cuevas-Trisán, normalizing failure has been transformative. "There have been experiments that didn't result in the expected outcomes. Higher education hasn't traditionally celebrated failure, but reading out the failures and root causes to the community has been very helpful. It sets up the organization for continued use and makes people comfortable with learning."[1]

4. Double down on leadership alignment

Fragmented narratives often emerge when institutional messages about AI are inconsistent or disconnected. Sustained leadership alignment provides the antidote—building a unified, trusted voice that fosters clarity and confidence among faculty, staff, and students.

Leadership should be visible, transparent, and aligned throughout the change journey. A structured engagement roadmap—with clear milestones and integrated feedback loops—enables progress and advances strategic objectives. Leaders should clearly articulate a shared vision that reinforces AI's value as both relevant and responsible. This vision should be reinforced consistently and repeatedly through multiple channels: creative campaigns, leader videos, newsletters, and live events.

Maintaining momentum through these touchpoints keeps the message alive and relevant. Consistent, visible leadership reinforces trust, transparency, and alignment among those impacted by the change.

5. Celebrate experimentation and foster engagement

The steep learning curve for AI can quickly lead to fatigue and burnout. Recognition—both formal and informal—keeps enthusiasm alive and reinforces that every contribution matters.

At Harvard University, learning communities have become a mechanism for sustaining momentum. Faculty and staff gather during town halls to showcase their contributions—what worked, what didn't, and what surprised them. This transparent exchange helps normalize the iterative nature of learning new technology and builds collective confidence over time.[1]

Reardon emphasizes the importance of fostering engagement through leadership: "Executive sponsors must be present and visible to drive change." Recognition should be embedded in the culture to motivate continued engagement.[1]

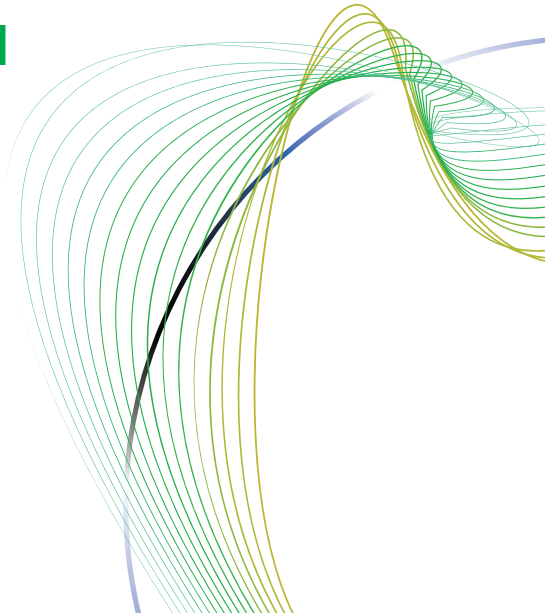
San Diego State University's ***AI in Action*** video series celebrates faculty who experiment with AI by sharing their stories and impact on student learning. Faculty receive stipends and support to retrofit assignments using AI, demonstrating the practical value of innovation. "It sends a message that their time and labor are valued," says Dr. Frazee, "and it's a low-friction on-ramp to innovation."[1]

Similarly, SDSU's ***AI hackathon type of approach*** invites staff to pitch ideas and secure funding to bring their visions to life—turning creativity into implementation and reinforcing a culture where experimentation is not only encouraged but celebrated.[1]

6. Make AI skills visible and accessible

When skill levels and vocabulary vary across departments, progress becomes fragmented. Making AI skills visible and accessible helps build a shared language of innovation.

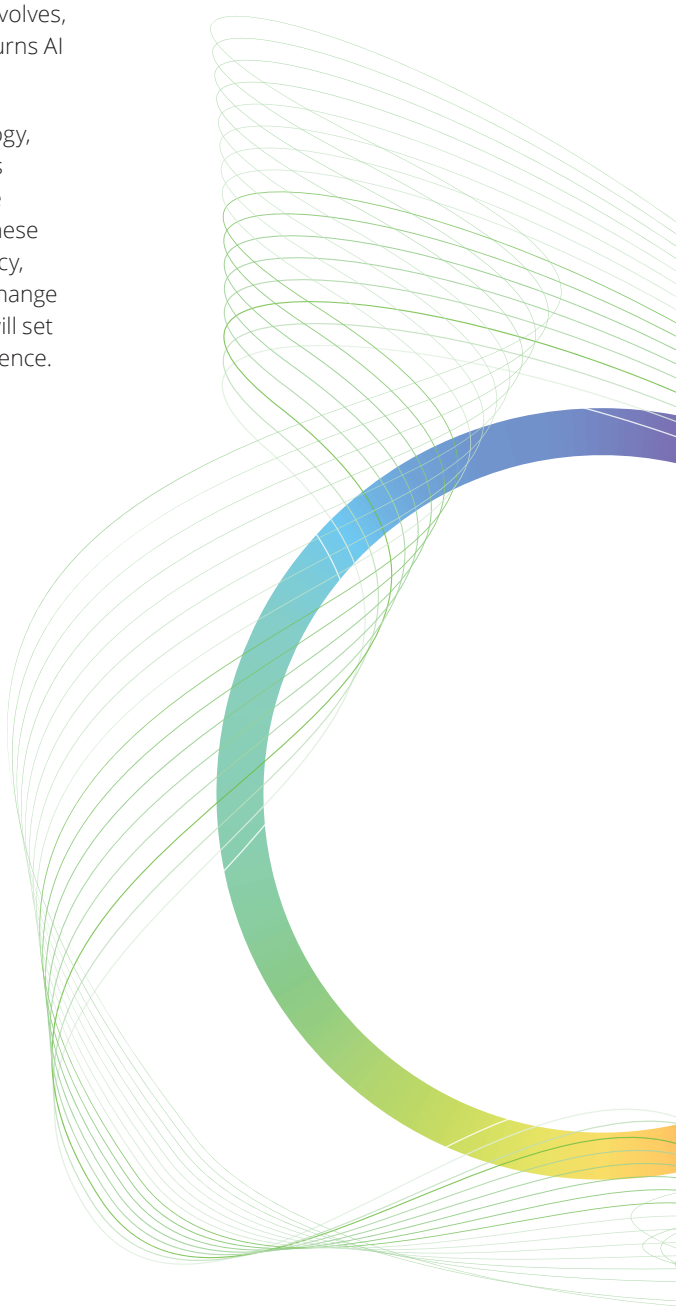
Reardon is leading the charge in democratizing AI skills. Through Hawk AI certificates, students from all backgrounds can gain resume-ready credentials. By integrating engineering alliances and hosting "AI lightning rounds," Reardon is making the technology visible and accessible to all. This approach promotes inclusivity and alignment—making the language and competencies of AI accessible at every level of the institution.[1]



Looking ahead

Ultimately, AI's value in higher education will not be determined by technology alone, but by how boldly institutions place people at the center of their transformation. Those that foster curiosity, champion experimentation, and encourage open dialogue will move beyond incremental progress to set new standards for agility and impact. As the landscape evolves, building a culture of continuous and shared learning alongside adaptive leadership turns AI from a disruptive force into a catalyst for human growth and institutional renewal.

Now is the time for higher education leaders to act, not just as managers of technology, but as champions of adaptive, human-centered change. The AI Change Loop reminds us that real progress comes from collective and continual sensemaking, collaborative learning, and a willingness to rethink old roles and routines. Commit to embedding these principles everywhere: create cross-functional teams, invest in faculty and staff fluency, and make space for experimentation and open conversation. Lead with intentional change management. By doing so, your institution will not only keep pace with change, you will set the pace, inspiring others and shaping a future where AI enhances the human experience. The call is clear, ***we are all building this future, together***.



Let's talk.

Interested in AI and change management? So are we.

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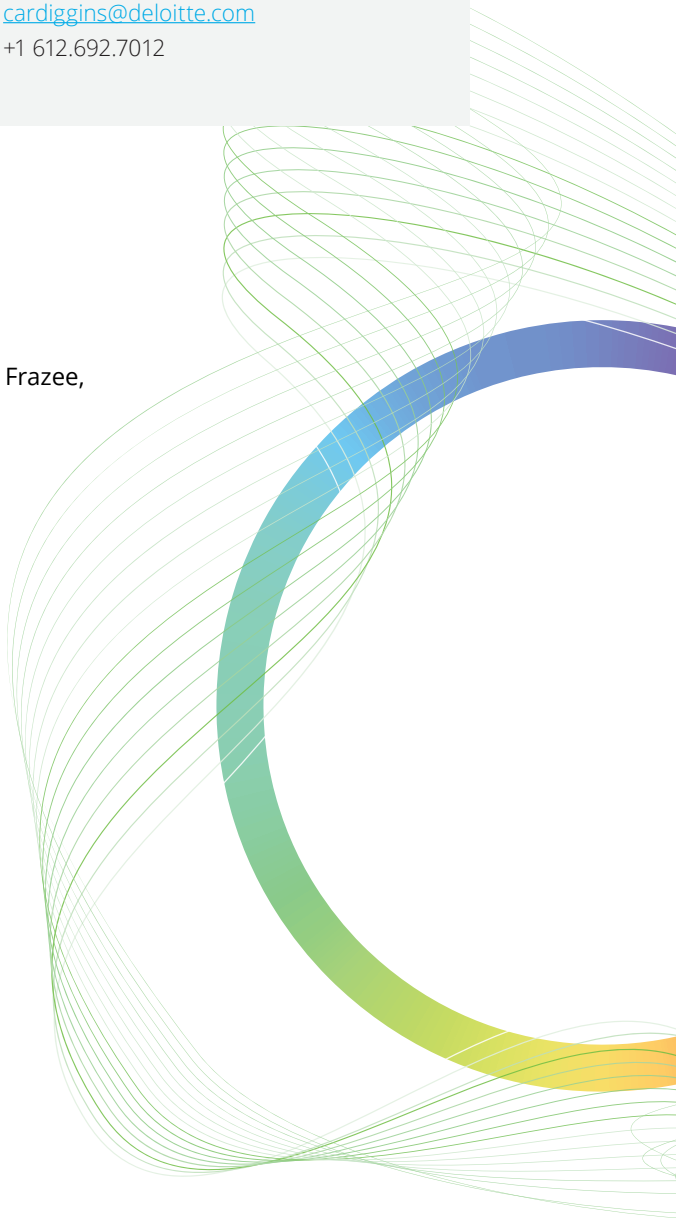

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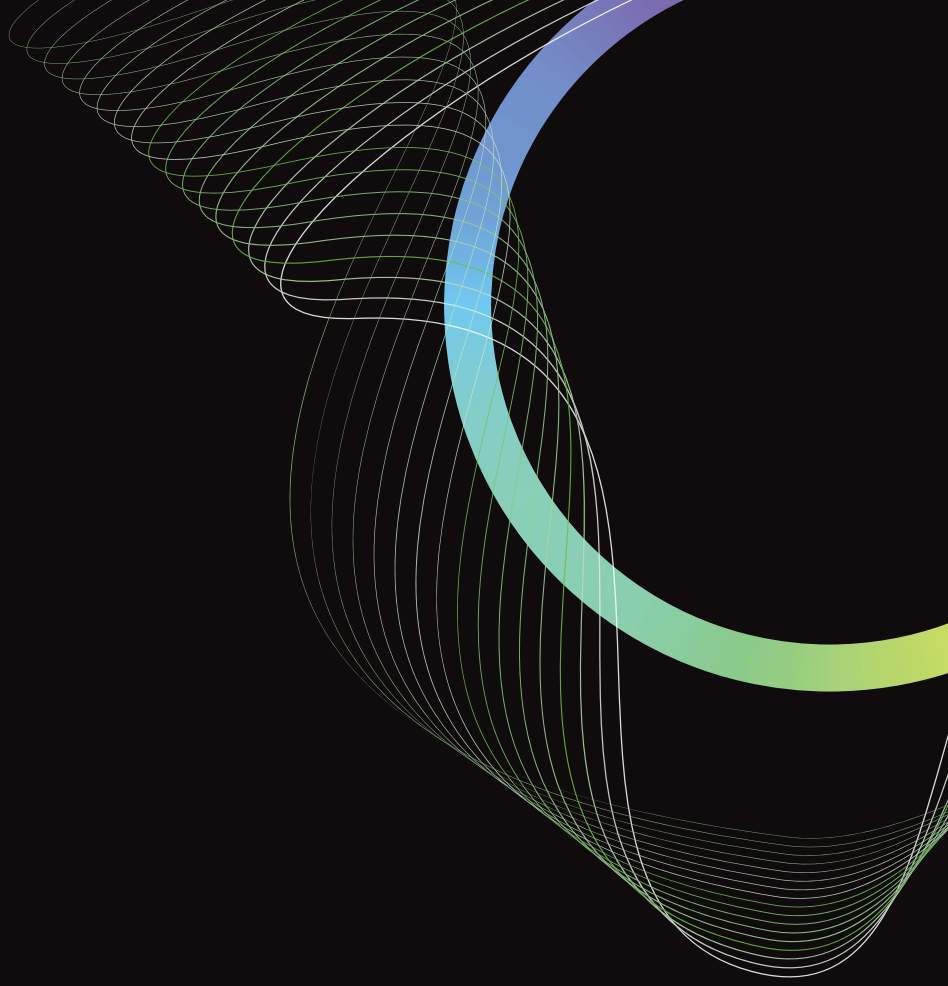

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