DESIGN EXECUTIVE COUNCIL

Building with *Intelligence*

How AI is reshaping the ways product development teams operate

FIELD REPORT • ISSUE 02 • Q1 2026

Navigating *vectors of change*

AI has reset the playing field. The rules that governed how enterprises build, staff, and measure value are being rethought simultaneously. This is not a cycle. It is a new era that demands a new playbook, and every player is back at the drawing board.

Organizational operating models are being rewritten in real time. Not reformed, not optimized. Rewritten. The cost logic that funded teams has shifted from labor to compute. The handoff model that organized how products got built has been bypassed from the bottom up. And the workforce is being restructured with reduction and reinvestment happening at the same time.

What makes this moment different from previous disruptions is the scope of what is up for grabs. How the organization gets from strategy to market, how it measures whether that worked, and whether the current structure can keep pace with the rate of change. None of that has settled.

At the operating level, the questions are just as open: who sets the problem, who builds the solution, who judges what ships, and how value gets measured. And the leaders who bring human-centered judgment to how organizations restructure their entire approach to building are shaping the next operating model, not just responding to it.

The ground is open. What follows is what Council members are navigating: what has shifted, what is breaking, what is emerging, and what remains genuinely unresolved.

The story *behind the report*

This Field Report is a synthesis of Council conversations across DXC events from Q4 2025 and Q1 2026 as a unique and proprietary pool of research data. It aims to capture and distill our "member intelligence" into actionable insights members can use to address their own challenges of the moment.

Why it was created

This report is the result of the Council's first experiment in AI-driven synthesis of member intelligence and report writing. The aim was to create something in the style of a McKinsey report: practical, concise, and structured in a way that makes it easy to consume.

It was also a learning journey across four iterations during which we got closer to a repeatable editorial framework. While a significant portion of the writing was AI generated, we applied a copy-editor's lens to the report and rewrote parts as needed.

What we set out to learn

The insights within this report emerged from AI prompts aimed at uncovering deeper insights into what leadership looks like in the AI era. Specific included:

- How is the shift from labor-based to compute-based cost structures showing up at the board level, and what does it mean for the terms on which design justifies its headcount?
- What is actually changing in the PDLC model, what structural elements endure, and what replacement models are members beginning to experiment with?
- What happens to experience quality when the tools to build are democratized but the governance of what ships has not been reassigned, and how are members positioning to respond?
- Where is design's value becoming harder to measure, and what early signals point toward durable replacement models?
- What evidence exists that aptitude-based team models work, and what are the known barriers to replicating them at enterprise scale?

What it draws from

This report synthesizes insights from thirteen source documents spanning six Council events. Including the Q4 2025 and Q1 2026 Roundtables, DXC Summit 2025, and the 2026 Pulse Conversations on new opportunities for experience leadership.

Types of insights

To address the questions, we looked for:

- **Confirmed learnings:** Patterns that appeared consistently across multiple events and member accounts; well-evidenced and actionable now.
- **Emerging signals:** Visible patterns in the data but not yet broadly corroborated; directionally meaningful, but warrants monitoring.
- **Hypotheses:** Observed in limited instances; trend is plausible, but evidence is still forming.
- **Recurring themes** that frequently appeared across conversations.
- **New questions** to further pursue in subsequent round tables.
- **Quotes and member stories** that demonstrate what the learnings look like in practice.

CAVEAT AND INVITATION

As this was our first experiment with AI-generated long-form reports, there may be inaccuracies that were missed in the copy-editing cycle. Please let us know if you spot anything!

We consider this report a living document that can be expanded and enriched as we further probe emerging questions. Please also let us know if you would like to contribute your own stories or personal experiences to any of the sections.

Members cited

Thanks to the our members who attended our events and shared stories cited in this report.

Caleb Schmidt, U.S. Bank
Christian Rohrer, TD Bank Group
Christina Vallery, The Cigna Group
Dan Makoski, Fmr. UnitedHealth Group
Dom Propati, Clover
Eric Kabisch, Deel
Heather Cassano, Autodesk
Heidi Munc, Nationwide
Issa Breibish, Bentley Systems
Jae Park, Ford Motor Company
Jeff Gelfuso, Qualtrics
Janaki Kumar, JPMorgan Chase
Jason Broughton, LexisNexis & Elsevier
Jennifer Darmour, Oracle
Mary Piontkowski, Cisco Networking
Matthew Holloway, Snaplogic
Matthew Menz, AWS Amazon
Purvi Shah, Target
Rachel Been, Expedia Group
Suzanne Pellican, Fmr. Google
Tom Gebauer, Dow Jones

What the *evidence shows*

Enterprise AI investment is accelerating. Organizational structures are in flux. The decisions leaders make in 2026 about how to position themselves, and their organizations, will shape what comes next.

This report examines how AI-driven change is playing out across three interconnected domains:

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01 The cost structure has shifted from labor to compute

The unit economics of building have changed. Organizations are scaling output by buying compute instead of hiring people. The CAPEX-OPEX reclassification is an active board-level conversation. At the same time, external pricing logic and internal value metrics are losing coherence. The measurement infrastructure that justified design's contribution is breaking before a replacement has been identified.

02 The product development lifecycle is being rebuilt

The sequential handoff model has been bypassed through individual tool adoption, not organizational decision. What has not arrived is any agreement on who owns the quality decisions the old gates used to enforce.

03 Workforce restructuring is happening in real time

Organizations are reallocating talent toward the competencies the new operating environment demands, reducing headcount and rehiring for different capability profiles simultaneously.

The conditions design executives are *stepping into*

Economic and Budget *Pressures*

The economics of how enterprises justify and fund their workforce are being rewritten. Organizations that once scaled by adding people are now scaling by adding compute.

GPU clusters, API inference, and agentic pipelines are replacing cognitive labor as line items on the balance sheet. For design executives, this shift changes the terms of every budget conversation they are part of, and determines whether they are part of it at all.

What makes this moment distinct from previous cost pressures is that it is not a cyclical downturn or a rebalancing exercise. It is a structural reclassification of how organizations think about the relationship between investment and output.

01

The cost structure has already changed

The shift from human-scaled output to compute-scaled output is not speculative. It is already present in board-level conversations across member organizations.

Jae Park (Ford Motor Company) shared about this structural dynamic at the DXC Summit 2025. Using his framing of converging CAPEX and OPEX, he argued that every time an organization installs more GPUs, there is less need for a cognitive OPEX workforce.

> "CAPEX and OPEX are converging. Every time someone installs more GPUs, there's just less need for an OPEX cognitive workforce. That is the shift. Let's not kid ourselves. It's happening."
>
> Jae Park, Ford Motor Company

The signal was confirmed across multiple member organizations. **Issa Breibish** (Bentley Systems) reported the same conversation already underway at his board level. **Tom Gebauer** (Dow Jones) described active budget discussions for fiscal year 2027, weighing human investment against AI infrastructure investment. The pattern is consistent: compute is a budget line alongside payroll, and the question of what justifies the headcount is now on every CFO's desk.

Gordon Ching raised a strategic question that sits at the center of this shift: if development is the largest cost center, and those costs are compressing, where do the freed-up resources flow? "Even a small margin of the development budget is substantial. So what's that gain potentially for UX to have a more strategic edge in this climate?"

That question remains open. But it only becomes answerable if design can articulate its value in the new cost logic. And that is where the second fracture appears.

The measurement infrastructure is breaking

Once the cost structures changes at the board level, it cascades into every system that was built to express and justify value in the old logic. That is what members described across Q1: not a single model failing, but an entire measurement infrastructure losing coherence at the same time.

The fracture extends beyond just one pricing model, industry, or go-to-market strategy. It is transforming both external commercial models and internal design value systems simultaneously. Design functions are encountering the same fundamental challenge: if value can no longer be reliably expressed through billable hours, justified headcounts, or sustained activities, then the very concept of design value must be redefined.

→ **Jason Broughton** (LexisNexis) shared: the engagement metric that once anchored his business, time-on-site, has lost its meaning. When AI delivers insights in seconds rather than hours, the old metric becomes perverse. His organization has moved to a compute-based transactional model, but the design implications of that shift are still forming.

→ **Issa Breibish** (Bentley Systems) shared that his company's commercial models, built on seat-based entitlements and subscription pricing, are losing coherence. When AI tools allow users to produce the same results in 25% of the time, the old value proposition collapses. But the problem extends further: his clients, engineering firms, price their own work on time-and-materials. So Bentley and its customers are simultaneously trying to figure out how to commercialize value when the unit that used to anchor pricing has evaporated. "We're collectively with our users trying to redetermine how you commercialize a sense of value in the products that you're delivering."

→ **Rachel Been** described a reconsideration of success metrics at Expedia, driven by their new CEO. The old metrics were incremental and siloed. Advertising spend hit its target in one area while causing a drop in another, and nobody was measuring across the journey. "Our entire analytics team, our entire leadership team is completely changing our success metrics right now." They are moving to journey-based metrics that span the entire customer experience. Her conclusion: "Design having an independent metric is not going to be so successful."

The core difficulty is that much of what design executives do leaves no legible trace in current measurement systems. Talking stakeholders out of bad ideas, filtering bad solutions before they reach production, and upholding customer-centricity when the business lens pulls in a different direction. These interventions are often the most valuable thing a design executive does. But they produce no metric, no artifact, no line item. The measurement infrastructure was not built to capture them, and it is breaking before a replacement has been identified.

Executives are seeing a 12-month ROI expectation

The change in cost structure and the breakdown of measurements results in additional pressure: design executives are no longer just contributing to in AI initiatives. They are now being expected to take responsibility for outcomes with strict deadlines enforced.

→ **Heidi Munc** (Nationwide) described that her UX team is a formal gate in the AI funding process: no investment clears without design's sign-off on risk and value. The explicit mandate is ROI within 12 months. Her team created an artifact called an "opportunity blueprint," a front-end filter to separate viable AI ideas from bad ones before they reach the investment stage. When her team presented an agentic solution for insurance agents, and leadership rated it an 8 out of 10 on a transformation scale, the response was that anything below a 6 is unacceptable, given the level of investment.

  The problem is that this standard outpaces the broader market's demonstrated capacity. Deloitte reports that only 13% of even the most successful AI projects achieve satisfactory ROI within 12 months, with most organizations requiring 2 to 4 years. Design executives are being held to a standard the market has not yet met.

→ **Caleb Schmidt** (U.S. Bank) described a parallel gating structure at his organization. Regulation forces the same logic: agentic tools for both internal workforce and external clients, with UX folded into the approval flow. "We've been forced into that kind of flow, similar to Heidi's. A large part of it is that we're highly regulated. You can't not have that experience element be thought about."

→ **Heather Cassano** (Autodesk) described being held accountable for business outcomes in a fundamentally new way. Her expanded role now includes product management, engineering, and go-to-market for Autodesk's agentic product platform. She is defining success metrics in real time. "We are being held accountable for the business outcome now as opposed to someone else owning it without our contributing." The challenge she shared: when part of the experience is generated by an agent and part is deterministic, traditional design metrics do not apply cleanly. "It's harder to define when you're talking about an LLM AI-based solution."

That gap between the mandate and the market reality is both a risk and a positioning opportunity. The members who recognize the unrealism of the timeline and can make the case for realistic expectations are building a form of strategic credibility. Naming what is actually achievable, grounded in evidence rather than aspiration, is itself a contribution to the organization's AI maturity.

Key takeaways

01

The cost-structure conversation has already moved to the board level.

Design executives without a position on compute-versus-headcount tradeoffs are being excluded from decisions that can directly impact their functions' future.

02

The measurement infrastructure for design's value is breaking.

Neither external pricing models nor internal value metrics are keeping pace - the strongest positions go to those building new measurement arguments rather than defending legacy ones.

03

The 12-month ROI expectation is an industry-wide mismatch, not a design-specific failure.

Design executives can use this gap as a credibility play: naming what is actually achievable is itself a form of strategic leadership.

Emerging shifts in the product development lifecycle

The significance of this moment is not simply that product development is accelerating. It is that the dependencies that once gave design a structural role in the process that have collapsed.

The product-design-engineering handoff model that governed how most large enterprises built digital products is no longer functioning as a system. It is being bypassed at every step simultaneously, not through any organizational decision, but through the individual capabilities that AI tools have made available to every role in the pipeline.

Beyond the PDE triad, the broader product development lifecycle is under reexamination. **Christian Rohrer** (TD Bank Group) asked the group whether, using a Lean model or an Agile model, the whole premise of Agile may be disappearing in many respects, when you can get to production quality in a very short period of time. His question to the group was explicit: What replaces it? What's our new PDLC?

02

Some parts are breaking, others are evolving

Members are navigating this shift in real time within their organizations. What members consistently described was not a replacement lifecycle with clear phases. It was a set of behaviors that were already happening without a governing framework. The lifecycle is being rewritten from the bottom up, through tool adoption and individual capability, not from the top down through organizational design.

WHAT USED TO BE TRUE	WHAT IS CHANGING
PM writes requirements. Designer designs. Engineer builds. Sequential handoffs were design's protected role in the workflow.	Taking formal accountability for product outcomes, delivery, and quality governance — not as a process input, but as a decision authority.
The Figma file was the bridge between design and engineering. Inspect mode was design's leverage point.	Engineers are shipping features without design involvement. Vibe coding tools like V0, Lovable, and Cursor are producing functional code from prompts, reducing the dependency on design files.
Discovery took weeks. Research was a distinct phase with clear inputs and outputs. Researchers had a protected workflow. The cadence protected quality.	Discovery cycles that once took weeks are compressing to hours. The risk is not that discovery is happening faster. It is that it is being skipped entirely.
Design systems were design's infrastructure contribution. Engineers depended on them.	Design systems may be bypassed by AI-generated UIs.

Members are actively experimenting with new ways of working

→ **Rachel Been** (Expedia) described a new SVP of products who is only hiring PMs who can vibe-code their PRDs. No more written documentation. Rachel sees this as a positive: "You can just immediately see it, get into code in Cursor or whatever we're using, engineering's in there. It's so much better." She is asking her own senior leads to either be able to do much of a PM's traditional job or to talk with engineering and potentially ship production code.

- → **Tom Gebauer** (Dow Jones) described being on the hook to teach his entire technology organization how to connect Figma directly to code production using his company's design system. Engineers told him directly it was "a little bit uncomfortable," but they were open to it if it meant better collaboration. For Tom, it was a new kind of influence at the product development level: design leading on toolchain integration, rather than being downstream of it.

- → **Eric Kabisch** (Deel) shared a model where teams are already doing continuous discovery alongside continuous deployment. The model where discovery runs in parallel with delivery, rather than preceding it, is emerging as the operating rhythm that allows teams to move at AI speed without losing the quality of their questions.

- → **Dom Propati** (Clover) shared that he built four distinct models for his organization: a fire drill model (one to five days, based on existing patterns), a sprint model (six-plus weeks, three two-week diamonds), a longitudinal model (two-plus quarters with full research), and an AI-first model (rapid iteration, customer testing, then feed learnings back into one of the other models). This is the most structured attempt any member has described to formalize the new PDLC rather than simply letting the old one erode.

- → **Jeff Gelfuso** (Qualtrics) reframed the conversation away from tool anxiety: "If the goal of that phase of the PDLC is acceleration of ideas, everyone should be able to do that. If the tool enables us all to do that better, great. But if we're worried about the tool at that phase, we've got the wrong goal." His point was that design's defensible contribution is setting outcomes, not controlling production.

What connects these examples is a shared direction. The members making progress are renegotiating what design contributes at each stage: who sets the problem, who judges quality, and who decides what ships. The answers differ by organization, but the question is consistent.

INSIGHT

The enduring value of design is not in exclusive ownership of any phase of the process. It is in protecting the integrity of the whole: asking whether the right problem is being solved, whether the user's need is real, and whether the output holds together across the experience. That contribution does not arrive automatically when anyone can build. It must be made visible and structurally embedded.

The ‘judgment’ question is still an unresolved tension

If the lifecycle is being rewritten and execution is being democratized, the question that remains is: who decides what gets built, what gets shipped, and what constitutes quality? This is the judgment question, and it was the single most debated topic across Q1 events.

→ **Jennifer Darmour** (Oracle) framed: "No one agrees on the definition of quality. That's what's democratized. Everyone has a different definition of what's good or good enough. Who has ownership over that judgment? Who makes the call in the organization on what's good and what is quality? You can define criteria, and people will still interpret it differently." Her position was that UX is positioned to own judgment because it already drives a human-centered process. The question is how to claim that ownership and get organizational support for it.

→ **Matthew Menz** (AWS) asked: "Are you governing the experience outcomes? Are you making ship decisions? Are you making P&L-impacting tradeoffs? There are a lot of ways you can take governing, and each one means something hugely different." His point was that the judgment question cannot be answered in the abstract. It depends on which decisions you are claiming authority over.

→ **Suzanne Pellican** (Fmr. Google) pushed back on the governance framing entirely: "I don't understand the framing of governance. We are fundamentally changing the way that we are building products, full stop. Governance is an aspect of product development, but I don't start there."

→ **Caleb Schmidt** from U.S. Bank provided operational evidence that the absence of governance is producing measurable consequences. His digital risk team has been tracking an increase in production defects, and they are tracing those defects directly back to the tools people are using to design and turn things into code. In a regulated industry, the downstream impacts of those defects are substantial: rework, compliance exposure, and operational cost. He also raised the problem of accumulated change velocity for customers: "With all this acceleration now, you're increasing the pace of change for your customer. If 10 of us go in and make 10 small changes, that's 10 small changes that somebody's got to figure out."

INSIGHT

Waiting for organizational clarity on who owns quality judgment is itself a strategic loss. The members gaining ground are those building operational evidence now: defect tracking, rework costs, compliance exposure. In a contested environment where multiple functions could claim the quality role, the one with the data will set the terms.

The context layer: Design's new infrastructure contribution

One net-new signal that emerged across Q1 2026 but was not fully developed in the existing report: as the lifecycle shifts, design's most durable infrastructure contribution may be the context layer, the structured knowledge that makes AI-generated outputs coherent rather than random.

→ **Janaki Kumar** (JPMorgan Chase) described directing her research team to convert user findings into AI-readable formats as fast as possible, ensuring that when anyone in the organization prompts their way to a design, they start from a foundation grounded in actual user context. She introduced the term "spec-driven development" as a possible framing for what is emerging and described loading design systems, user personas, jobs-to-be-done, and business knowledge into vibe coding environments so that anyone prototyping has the right starting inputs. Her framing was direct: "If design doesn't shape the inputs, someone else will."

→ **Matthew Menz** (AWS), describing a fundamental reframing of design's role: "Part of my stated goal for my team is that we need to design for the LLM. You are no longer deterministically designing. You are training the next generation of designers." He described technical documentation as "source code for LLMs" and the designer's role as creating training data, code, and guardrails to inform the outcome.

→ **Rachel Been** described a parallel shift at Expedia. For conversational search and agentic interfaces, the traditional handoff of a design artifact is being replaced by something different: "You're handing off guardrails and rules and content design strategy, and then you're training and training and seeing what's working, what's not."

INSIGHT

The implication is that design's infrastructure contribution is shifting from production artifacts to context architecture. This is a fundamentally different kind of deliverable and requires different skills, but it is also more durable than production-level craft in a world where production is increasingly automated.

Key takeaways

01

The PDLC model has been bypassed, not replaced.

The dependencies that once guaranteed design of a structural role have collapsed. What takes their place is an active organizational negotiation.

02

The judgment vacuum is producing measurable harm, and three postures for filling it are competing.

The choice must be made deliberately. Defaulting is itself a strategic risk.

03

Design's infrastructure contribution is shifting from artifacts to context.

The members building structured knowledge (AI-readable research, context-loaded design systems, spec-driven development) are creating the new infrastructure layer.

Workforce *disruptions*

Enterprises are shifting from role-based staffing to capability-based workforce design as AI rewires work and introduces new demands for orchestration, validation, and governance.

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03

The keep, train, or let go decision is happening

What makes this moment structurally distinct from previous restructuring cycles is that design executives are actively reducing headcount and rehiring for entirely different capability profiles, often at the same time, often with the same budget, in the same quarter. One member's organization executed a 25% headcount reduction followed immediately by targeted hiring for AI-native profiles. Others described freezing backfills, redirecting the savings to AI tooling, and then discovering that the remaining team needs to be reskilled for work that did not exist six months ago. The pressure is coming from both directions: top-down mandates from boards and CEOs, and bottom-up resistance from teams navigating genuine uncertainty about their own relevance.

> "If all of my design team are not using AI in some meaningful way every day by the end of this year, they're probably not going to work out."
>
> Richard Dalton, Verizon

Gordon Ching asked the council: "How do you start making the call on keep, train, or let go? This is an iceberg coming for every single Council member."

→ **Dom Propati** (Clover) built a formal accountability structure. His documented team goal: a 20% reduction in repetitive tasks across every role, with metrics showing who is engaging and what the impact has been. His candid read on the risk: "I would imagine that once I have that reduction, they're going to ask me to reduce the team by an equal amount." His strategy: redirect the freed-up time into experience enhancements that create a visible backlog of new value, so the case becomes about expanding capacity rather than shrinking headcount.

→ **Purvi Shah** (Target) described the performance management implication: her team is re-architecting job ladders and expectations at every level, and updating them on a quarterly basis rather than annually. At the rate role requirements are changing, annual performance architecture cannot keep up. That cadence shift is itself evidence that the existing structures are not holding.

These decisions carry real human cost, and design leaders are navigating that cost more visibly than their peers in other functions. **Christina Vallery** (The Cigna Group) shared that "The burden of proof is on our teams right now. That's not going to always be the case. But that is a big part of how our job has shifted." She also offered a reframe that several members found useful: "Right now you're back to the front. And that is presenting a really interesting opportunity to revisit our vulnerability in new ways in this environment. Because everybody's learning something new." The posture she described is visible learning alongside the team, not managing from above.

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She also raised another very important question: "What's the end game on all of this? How lean is lean? We don't want to collapse the economy with efficiency. This has to be responsibly addressed." Workforce reduction has downstream consequences that extend beyond individual companies, and the pace of cuts may eventually be moderated by economic reality even if current pressure does not let up.

INSIGHT

Workforce restructuring is an active operating condition. The members making the decisions have built formal accountability structures around AI adoption (documented goals, metrics, HR-aligned cases).

The 'special forces' team model is achieving hard-to-ignore results

Alongside reduction, a different structural experiment is emerging. The new team model is moving away from the old assembly line, eliminating the handoff dependencies, and treats AI as a collaborator rather than a tool. In controlled conditions, the results have been significant enough that they have shifted the conversation from "should we try this" to "how do we scale it."

→ **Jennifer Darmour's** pilot at Oracle Health assembled three to five people around the aptitudes the problem actually requires, not the roles the org chart provides. Her team needed domain expertise, systems judgment, customer voice, technical acumen, and AI as a collaborator. No PM, designer, or engineer title. Just the right people for the right problem, following two years of stalled progress with a larger, conventionally structured team. The result: a production-ready application in five weeks, on a problem that had churned for two years. "We put these people in a room and came up with a solution in one week. It got developed in four weeks. A fully functional, production-ready application, shrinking a year-long process to five weeks with five people."

→ **Jeff Gelfuso** (Qualtrics) drew the structural conclusion: "At some point, it will be harder to move the older organization to the new than it will be to just start the new."The harder question is how to replicate inside large legacy organizations that did not start fresh.

→ **Matthew Holloway** (Snaplogic) provided historical evidence that the approach works, but takes patience. At his previous company, SAP, a similar aptitude-and-attitude-oriented transformation was introduced years ago. "We would actually do our homework on these people to make sure they had the right aptitudes but also the right attitude towards change. It definitely can work. But it took years." The pressure most members are under does not allow for years.

CONTINUED →

→ **Rachel Been** (Expedia) described the talent profile that complements this model: "My senior leads, I'm expecting them to either be able to be really strategic thinkers and can actually do much of a PM's traditional job, or they can really talk with engineering and potentially even ship production code in the future." The profile is not a designer who got promoted. It is a hybrid operator who can move across functions. That is the kind of person aptitude-based teams need, and it is not the profile most design organizations have been developing.

Open question: If the model for how work is organized shifts, does the model for how careers progress need to shift with it?

The aptitude-based model and the workforce restructuring happening across member organizations both point toward a longer-term question, but have not yet been examined as a structural problem: what happens to career development when the organizational logic that career ladders were built on is changing underneath them? If work is increasingly organized around fluid, problem-matched groups rather than stable role-based hierarchies, the logic of rising through ranks at a large company over time starts to lose coherence. Judgment and orchestration become the senior skills that matter, not years of accumulated role-based experience. And the pipeline that produces senior talent may be hollowing out precisely when organizations need it most.

→ **Dan Makoski** (Fmr. UnitedHealth Group) posed the question: "I think we're all a little bit under the assumption that the way human beings should work best is by rising through the ranks at big companies. But what if that's wrong?"

→ **Matthew Menz** (AWS) spoke about a more specific risk: "We need super senior talent, and we need teams of five, and they can solve all the problems. Okay, in five years, there's no more people to solve the problems because no one's senior, because we haven't trained anyone. But all the young people have all the good tools." If organizations optimize for small, senior teams today, they may hollow out the pipeline that produces those senior people tomorrow.

→ **Mary Piontkowski** (Cisco Networking) framed it as an identity question: "I kind of wonder if we just need to completely reimagine ourselves. Instead of pushing so hard for what is our role going to be as design leaders, think about what are the leaders of the future? What do they look like? And let's be those."

While the current evidence is compelling, it remains preliminary. These observations warrant further investigation, particularly as an increasing number of members are already experimenting with aptitude-based models.

Key takeaways

01

Workforce restructuring is the highest-stakes, least-resolved priority.

Members are making consequential decisions now, under genuine uncertainty, with no consensus model.

02

The aptitude-based team model is the most promising structural experiment.

Its results in controlled conditions are significant. Replicability at scale is the central workforce question.

03

What happens to career development and progression?

If work is reorganizing around aptitude-based teams, the pipeline that produces senior talent may be hollowing out. The evidence is not yet strong enough for a finding, but the risk is real enough to warrant deliberate examination.

Q2 2026 *follow-up* questions

The questions below are drawn from unresolved tensions and emerging signals from the Q1 2026 discussions. They are framed as inquiry prompts future member events.

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01 **How are design executives actually answering the compute-vs-headcount question in budget conversations? What is working?**

02 **What does a durable, outcome-based value model for design look like? Who is building toward one?**

03 **Which organizations have successfully replicated the aptitude-based team model at scale? What made it possible?**

04 **If design is to own governance of judgment, what does the organizational case look like? Who has made it successfully?**

05 **If the career ladder is breaking, how should design organizations rethink talent development, succession planning, and senior-level preparation?**

06 **What structural support exists for design leaders navigating the human cost of workforce restructuring with high empathy? What should exist?**

Acknowledgments

This is the first manifestation of the DXC Insights Engine. It exists because of what you shared.

Thank you to our contributors and members who participated in our events. The insights in this report belong to the members who surfaced them. Our role was to listen carefully, find the patterns, name the tensions, and make the intelligence useful. Any errors in synthesis are ours, not theirs.

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