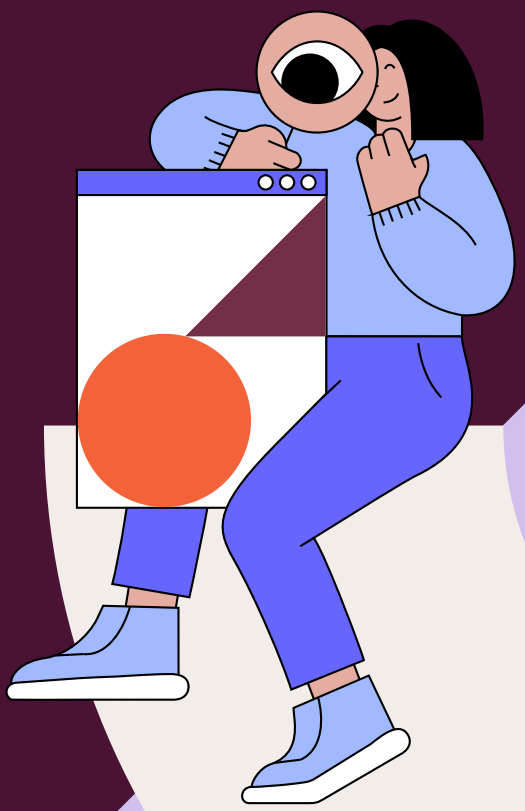
The Transformation Trap

Rethinking workforce transformation for change that lasts



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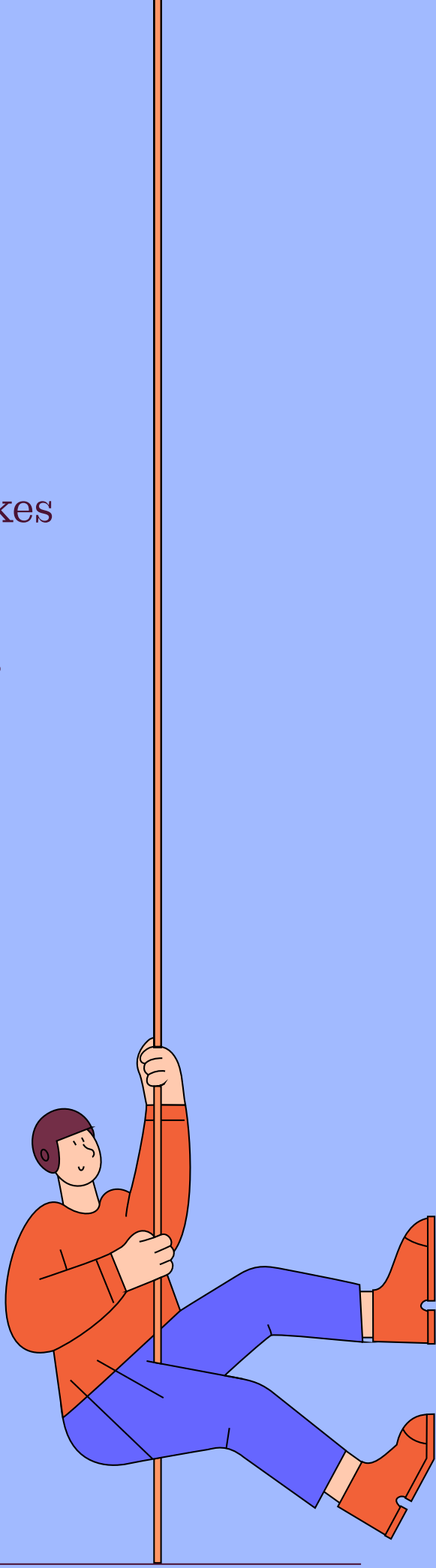
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Introduction

Workforce transformation is high on the agenda for most executive teams. Across Australia, boards are asking leaders to rethink how their organisations are shaped and how work gets done, often at pace. Yet many transformation efforts either don't deliver what they set out to or stall completely, and business leaders carry much of the pressure along the way.

There's plenty of research and commentary about what's changing in the world of work. This guide focuses on something different: what it takes to make workforce transformation land in practice. It draws on our experience designing and delivering transformation alongside Australian business leaders, from enterprise-wide programs to complex site consolidations.

It's written for CEOs, MDs and People leaders who are planning significant change and want it to last. I hope you find it an insightful resource that bridges the gulf between strategy and reality.

Jessica Trumble
CEO & Founder
We Are Charlotte



01

The executive disconnect

Businesses want change. But many aren't set up for it to succeed.

Digital transformation is the #1 priority but only 2% of business leaders are prioritising change management.

Workforce adaptability is a top priority for 85% of organisations, yet only 7% are leading in this area.

The transformation mandate

Across Australia, boards and businesses are pursuing transformation mandates. Staffbase research from 2026 shows digital transformation is the top priority for Australian executives over the next 12–18 months, followed by revenue growth and innovation. Similarly, a global Deloitte survey found that 85% of respondents say it's critical for their organisation and workforce to be able to adapt at the speed of today's world.

The pressure behind this transformation ambition is complex. Leaders are simultaneously expected to deliver productivity gains, with the primary metrics of revenue growth, cost reduction and customer satisfaction, while at the same time building a flexible operating model and the capability to sustain performance long term (McKinsey).

It's a lot to deliver at once.

01

Setting change up to succeed

Despite transformation being a clear priority, the reality is that most businesses aren't prioritising what it takes to make it happen.

Only 2% of Australian business leaders rank change management as a priority (Staffbase). In Deloitte's global research, just 7% of organisations say they're leading on adaptability, and only 27% of respondents believe their organisations manage change effectively.

Looking at AI alone, 95% of generative AI projects have failed to deliver their intended value (MIT). Meanwhile, global employee engagement fell to 20% last year, its lowest level since 2020, costing the world economy an estimated $10 trillion in lost productivity (Gallup). The stats continue to pile up but the net result is the same - transformation is consistently not set up to succeed.

Recognising the pressure on leaders

Boards and executive teams are right to pursue meaningful change. What's missing is often a shared understanding of what it takes to embed change that lasts. This isn't just causing transformation projects to stall or fail, it's placing immense pressure on leaders too. As a business leader, you're often stuck between balancing expectations from above with uncertainty across your teams. It's a lot to navigate, especially as the business and technology landscape continues to change with no sign of abatement.

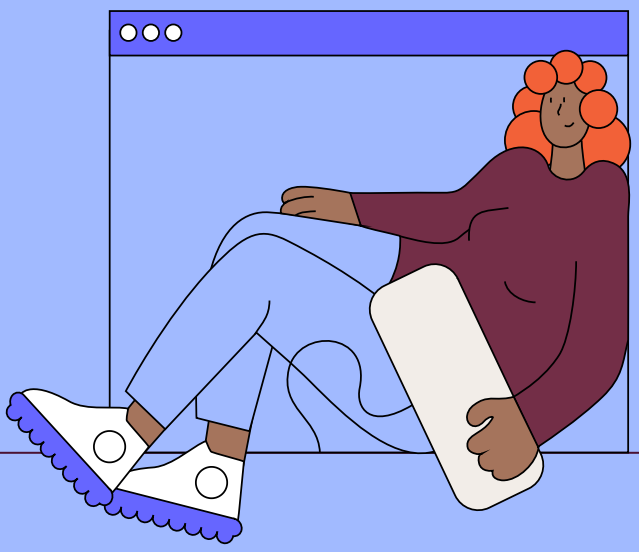
02

The transformation trap

Transformation doesn’t often stall for lack of ambition. Usually, it’s because the capability, capacity or delivery plan isn’t in place. We call this the “transformation trap”, and in our experience it shows up in a few recognisable ways.

Common traps

- **Starting without a delivery plan:** The case for change is agreed, but how it will be delivered isn't yet clear: who delivers it, in what sequence and with what resourcing.
- **Designing what can't be implemented:** A new structure looks good on paper but hasn't accounted for employment obligations, operational realities or how work actually flows.
- **Announcing but not delivering:** The vision is shared through a town hall and staff communication channels, but then BAU inevitably takes over again, priorities are blurred and human nature leads teams to revert back to what they know.
- **Stepping back too soon:** Support winds down once the new structure is in place, before new ways of working have had time to be re-defined and properly take hold.



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The impact

For MDs, CEOs, CPOs and executive teams, transformation usually sits on top of your day job. You're assessing the opportunity, managing expectations and trying to implement change while supporting your people and keeping the business running, usually with limited bandwidth across everything.

And, when transformation stalls, the responsibility lies with you and the effects are felt across the organisation.

For people, the experience of change matters. Workers are twice as likely to feel negatively about change imposed by their employer as about change they choose themselves. Ongoing organisational change has also been linked to decreased wellbeing (68%), increased workload (60%) and people feeling less relevant or left behind (58%) (Deloitte).

For the business, a stalled program means investment that doesn't deliver its expected return, and future change efforts that start from a place of much lower trust.

Is your organisation at risk?

- Could your teams explain what's changing, why and what it means for their role?
- Does your transformation have dedicated resourcing or is it running alongside business as usual?
- Who is carrying the weight of the change and who is supporting them?
- Do you have a baseline to measure progress against?
- When did you last ask the people doing the work what needs to change?

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What true transformation takes

As you'd expect, there's no single playbook for workforce transformation because it depends on where you're starting and what you want to achieve. But across the programs we've supported, there are definitely key stages that need to be covered in order to embed change that sticks and evolves positively.

Change readiness

The foundations for effective transformation start well before any design work begins. There's often an assumption that an organisation is ready for change because everyone seems to be talking about and aware of it, but there's usually some essential work that needs to be done here.

If you're a few months out from being ready to kick off a change project, this is good news because you can spend the time making sure you're actually ready rather than having to do this work when the time pressure is already on. Change readiness work includes:

- **Gaining clarity across leadership levels:** Have the tough conversations at executive and middle management level to gain shared clarity on what change is needed and when the organisation should aim for it. Importantly, be clear on the role they will play, and how they will be held to account to ensure the change sticks.

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- **Setting resource expectations:** Discuss what you and your leadership team expect to commit to the project from a resourcing perspective. Expectations often vary widely here so it's good to air them and have a budget guide in mind.
- **Gathering essential data:** Make sure you have the data foundations needed to size the opportunity and establish a baseline to measure against, including workforce size, cost and productivity.

The four key transformation stages

In our experience, successful workforce transformation projects involve four distinct stages, each with defined outputs and a clear decision point before moving on to the next. Each decision point gives you the chance to confirm direction, check readiness and adjust before committing to the next stage.

Stage 1: Diagnose

A balanced data- and sentiment-informed review of workforce size, cost, performance, effectiveness and capability that sizes the opportunity, flags operating model implications and builds the case for change.

Stage 2: Design

Detailed organisational design that turns enterprise strategy into a compliant, sequenced plan that can actually be implemented.

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Stage 3: Implement

Communication, role impact planning, consultation and employment relations advice, carried through with care and rigour.

Stage 4: Embed

Ways of working, rituals, performance measures and leadership effectiveness, so the new model becomes how the organisation operates.

Preparing for the less visible work

Some of the most important parts of transformation are also the easiest to underestimate, often because they're less visible. This includes the following.

Operational detail

Behind every structural change sits a large amount of planning, documentation, coordination and administration. When this is underestimated and consequently, under resourced, it's either done poorly leading to problems down the track or pulls you away from the important work of consultation, engagement and testing the proposed new operating model.

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Employment obligations

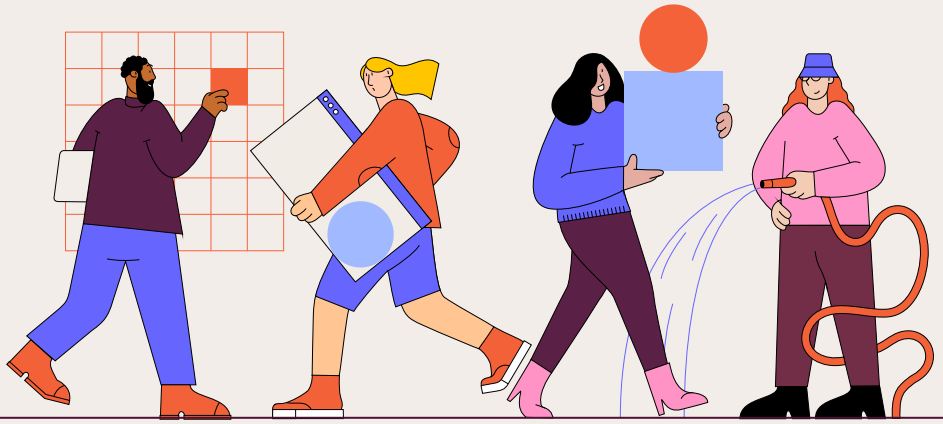
Consultation requirements and employment relations are often well thought out, but sometimes the mechanical nature of these processes can reduce care and is at odds with the culture you've worked hard to build. Treating humans in a non-humane way is the fastest path to disengagement and toxic sentiment around change. Balancing obligations with good practice is the art that large scale change programs often get wrong.

Equipping managers

Managers are the make-or-break point for change implementation. They are often the first people team members turn to with questions so they need information, support and confidence to lead those conversations well, sometimes while their own roles are changing too. They are often processing their own change journey simultaneously, so ramping up the care, support and enablement of this cohort is another critical consideration.

Sustaining momentum after go-live

Having the new structure in place can feel like the finish line but it's not - it's the start. Embedding new ways of working takes time, attention and continued support. Importantly, you need to be clear on who's accountable for successfully embedding the change. If your answer is a Change team or HR team, that's the wrong one... ensure the accountability sits at the right points of the organisation so it's an ongoing priority to realise the intended benefits of what has been implemented.



04

How to measure success

Measuring transformation starts well before the work begins.

Setting the baseline

Capture a clear picture of where you're starting from. That includes workforce size and cost, capability, engagement, key operational and productivity measures, and retention of critical talent. With this in place, you can show what has changed and why.

Looking beyond cost

Cost and efficiency are obviously important but they don't tell the whole story of a transformation program's outcomes. A balanced view includes:

- **Commercial outcomes:** productivity, cost, revenue and speed of decision-making.
- **People outcomes:** engagement, wellbeing and regrettable turnover.
- **Adoption:** whether new structures, roles and ways of working are being used as intended.
- **Capability:** whether leaders and teams have the skills the new model needs.
- **Workforce effectiveness**: SLAs, KPI achievement, project roadmap adherence and value realisation on key initiatives.

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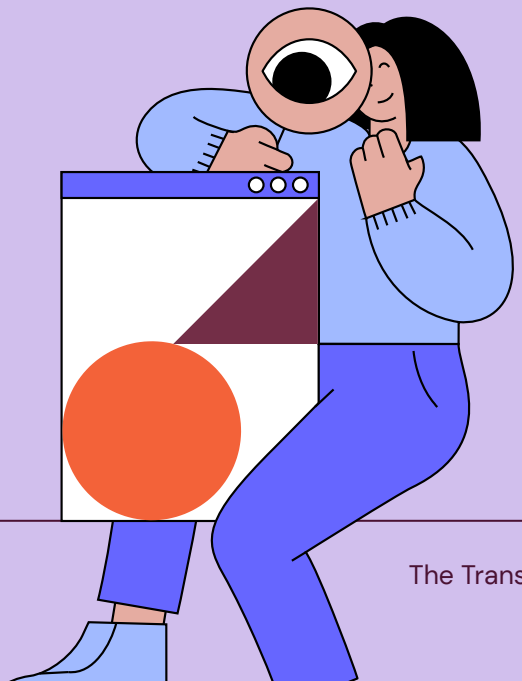
To put the link between people and commercial outcomes into perspective, Staffbase's 2026 research found that companies that exceeded their people and culture targets averaged 17.2% annual revenue growth, nearly three times the index average of 5.7%. Deloitte found that organisations that successfully build an adaptive approach are 2.4 times more likely to report better financial results.

Tracking progress along the way

Rather than waiting until the end of a transformation program, review progress at each decision point. Leading indicators, such as team sentiment, manager confidence and early adoption show whether change is taking hold well before lagging measures like financial results catch up.

Questions to ask before you start

- What will success look like 12 months after implementation?
- What data will we capture before we begin?
- Who is accountable for the key points in the program, and how do we ensure this is not lost or diluted along the way?



05

Creating positive perceptions

How people experience transformation shapes how well it lands.

Acknowledging uncertainty

As a leader, you're navigating a time of rapid change and increasing uncertainty. Even if you're optimistic about the future, it can be a lot to carry on behalf of your people. Almost 1 in 3 Australian leaders say job security is their employees' top concern about AI and digital transformation (Staffbase). In the US, 18% of employees think it's likely their job will be eliminated within five years because of new technology, rising to 23% in organisations that have implemented AI (Gallup).

Acknowledging these concerns openly is an important step in building trust.

Leading with clarity and transparency

People can usually work with change when they understand it. That means being clear about what's changing, why, what it means for them and what support is available. It also means following up to check the message has landed. Where possible, involve people in shaping how change happens, because it builds understanding and ownership.

Handled with care, even difficult messages can be delivered in a way that respects people's experience.

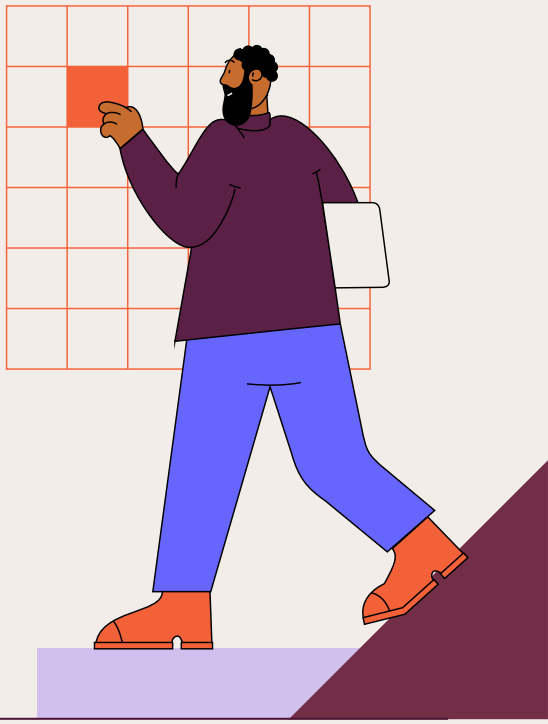
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Exploring the opportunity

Transformation doesn't have to be framed only around what's changing or being lost. When work shifts towards higher-value activity and people build new capability, there's real opportunity for individuals as well as the organisation. Being honest about both the challenges and the opportunities paints a broader picture of change, and can help shift from change exhaustion to genuine interest and engagement.

Making change part of business as usual

Workforce transformation is no longer a one-off event. The key to continual transformation is to treat it as an ongoing capability, rather than a single project. That means avoiding language that suggests that transformation effort is final, completed or no longer a priority in how you communicate, and embedding habits and practices during the implementation phase that will help your organisation and people keep learning, experimenting and adapting.

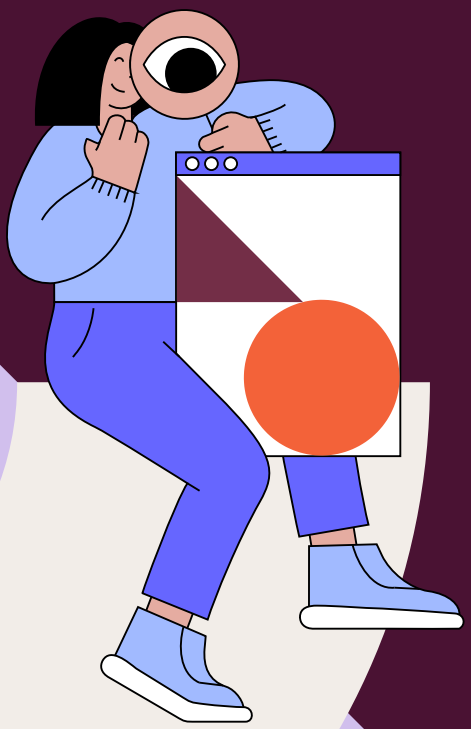


A final word

Transformation asks a lot of organisations and the leaders guiding them. But when it's approached with strong foundations, disciplined delivery and genuine care for people, it can create lasting change and a workforce that's better prepared for what comes next.

At We Are Charlotte, we've seen first-hand how important people's experience of change is in the overall project's success and that of its leaders. That starts well before the change is announced, and lasts long after it too.

If you'd like to discuss how we help organisations with workforce transformation or learn more about our experience in this space, please get in touch.



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