



NEW ZEALAND
CIO INNOVATION
SUMMIT & AWARDS

New Zealand's AI Productivity Paradox: The Gap Between Deployment & Redesign

AUTHORED BY

Louise Francis

Country Manager, New Zealand

PUBLISHED

June 2026





New Zealand is under economic pressure, productivity is flat, and AI has become the default answer. But there's a catch: most organisations are deploying AI into workflows that were never redesigned to use it, preserving the very challenges that kept productivity flat in the first place. More tools, same system. That's the gap between adoption and outcomes.





Why AI Gets Bolted On, Not Designed In

1.

Productivity pressure creates urgency for visible action

Organisations are incentivised to show quick progress rather than structural change.

2.

Reliance on global AI platforms shapes workflow design externally

Tool design increasingly influences how work is structured internally.

3.

Tight labour markets encourage substitution over redesign

AI is used to fill capability gaps rather than rethink how work is done.

4.

High trust enables faster deployment into existing processes

Systems are adopted with less friction but not always reworked.

Assumptions Limiting Productivity Gains



AI equals productivity

Adding AI to inefficient processes often speeds up the work, not the outcome.



Work can be automated without redesign

Many tasks depend on context, judgement, and decision structures.



Adoption equals productivity transformation

Implementation activity is often mistaken for productivity change.

AI risks reinforcing existing ways of working rather than transforming them. Outputs become faster but may not add value or structure.



Building the Foundations for AI-Driven Productivity

Redesign work before applying AI

Productivity gains depend on changing how work is structured, not just how it is executed.

Treat data as shared infrastructure

Consistent, connected data is required for scalable and reliable AI use.

Define human-AI operating models upfront

Clear division of roles prevents duplication and inefficiency.

Strengthen trust and transparency in use

Clarity on how AI is used is critical for sustained adoption.

Revisit headcount decisions after redesign, not before

Capability should be shaped by work design, not removed in advance.



Ecosystem Opinion



Louise Francis

Country Manager, New Zealand

Real productivity in New Zealand will come from redesigning work, data, roles, and governance rather than from cutting headcount or layering AI onto existing systems. The countries moving ahead are demonstrating that productivity is shaped by design choices, not efficiency drives, and that AI only delivers value when the operating environment is ready for it.



NEW ZEALAND

**CIO INNOVATION
SUMMIT & AWARDS**

