



# The Myth of the Central AI Team

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The AI Operating Model Playbook

Manoj Tavarajoo

January 2026

A decorative graphic consisting of multiple thin, light blue lines that flow and curve across the bottom right portion of the cover, creating a sense of motion and depth.

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## Opening context

When AI initiatives struggle inside traditional organisational structures, many organisations reach for what appears to be a sensible solution. They create a central AI team. Talent is consolidated. Standards are defined. Platforms are shared. Governance feels simpler.

For a time, this approach delivers visible progress. Early use cases move faster. Technical quality improves. Leadership gains a single point of contact for AI activity.

Yet despite these early gains, central AI teams rarely deliver sustained, enterprise-wide impact.

## Why this fails in most organisations

The appeal of a central AI team lies in control. It promises consistency, efficiency, and risk management in an unfamiliar domain. However, concentration of capability introduces structural tensions that intensify as AI moves closer to the core of the business.

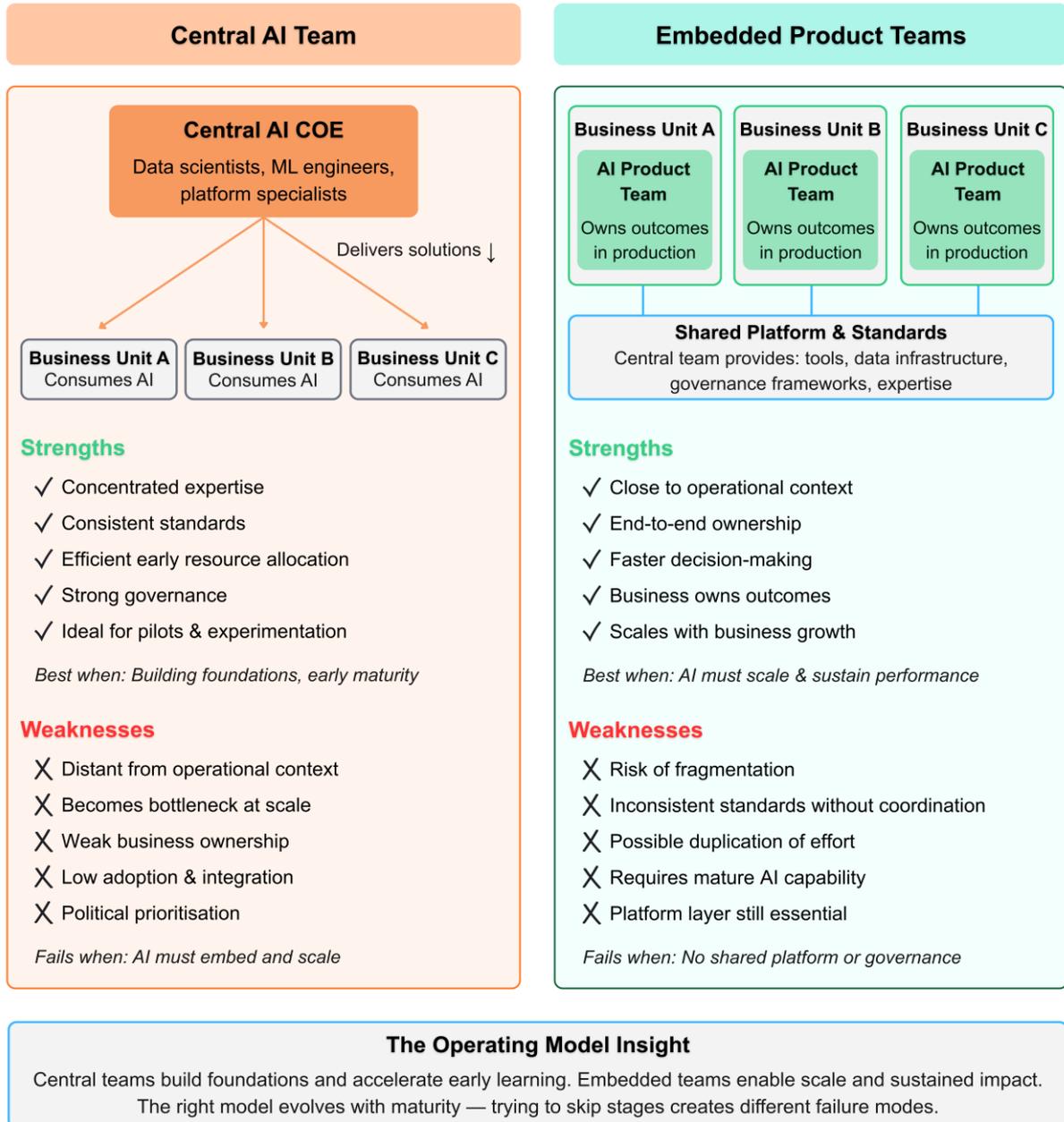
Central teams are distant from operational context. They build models and platforms but do not own day-to-day decisions or outcomes. As a result, solutions are technically sound but poorly integrated into real workflows. Adoption depends on persuasion rather than ownership.

Demand also scales faster than capacity. As interest spreads, central teams become overwhelmed. Prioritisation becomes political. Delivery slows. Business units begin to work around the centre, recreating fragmentation.

Most critically, centralisation weakens accountability. When AI is owned by the centre, responsibility for outcomes in the business becomes ambiguous. No one owns the end-to-end system in practice.

## Central AI Team vs Embedded Product Teams

The right model evolves with AI maturity — neither is universally better



#### The Operating Model Insight

Central teams build foundations and accelerate early learning. Embedded teams enable scale and sustained impact.  
The right model evolves with maturity — trying to skip stages creates different failure modes.

Figure 1: Central AI Team vs Embedded Product Teams

## **The operating model insight**

A central AI team can accelerate learning early, but it cannot be the operating model for AI at scale.

AI creates value when embedded in decisions, processes, and products owned by the business. That embedding requires proximity to context, authority to act, and accountability over time. Central teams, by design, sit outside these conditions.

The insight is not that central teams are unnecessary, but that their role must be constrained. They are enablers, not owners.

## **What this looks like in practice**

Organisations overly reliant on central AI teams exhibit predictable patterns. Models are delivered but not used. Business units defer ownership. Innovation slows as prioritisation moves upward.

Leaders often respond by expanding the centre. More specialists are hired. Governance becomes heavier. Impact plateaus.

By contrast, organisations that treat central AI teams as enabling functions behave differently. The centre focuses on platforms, standards, tooling, and capability uplift. Delivery ownership shifts to teams embedded in the business.

## **Common mistakes to avoid**

Assuming centralisation is the safest long-term option.

Dissolving the centre entirely in reaction to its limitations.

Allowing central teams to retain ownership indefinitely.

Pushing delivery outward without shared infrastructure or standards.

## **What leaders must do differently**

Leaders must define what the centre owns, what it enables, and what it must let go. Delivery accountability must sit in the business, supported by central stewardship.

True control comes from ownership at the point of impact, not from distance.

## **Conclusion**

The central AI team is not a destination. It is a phase.

When treated as permanent, it constrains adoption and diffuses accountability. When designed as an enabling layer, it accelerates capability without creating dependency.



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