

# My Top 5 Most Remarkable Changes in GenAI in 2025

by Jeff McMillan

*Head of Firmwide AI @*

*Morgan Stanley*

1

**Quality content retrieval has become the new battleground for organizations:** As foundational models edge toward relative parity, differentiation now depends on how effectively firms can harness their own intellectual capital to generate insights and value. This shift has accelerated interest in dynamic retrieval, hybrid semantic and structured search, metadata-aware retrieval, and alternatives to traditional vector databases.

# My Top 5 Most Remarkable Changes in GenAI in 2025

by Jeff McMillan

*Head of Firmwide AI @*

*Morgan Stanley*

2

**“Trust layers” are maturing and becoming mandatory:** Across 2025, enterprises adopted robust governance frameworks, risk-based scoring methodologies, sophisticated evaluation techniques, operational guardrails, and comprehensive monitoring infrastructures. Organizations are coming to recognize that AI cannot scale without a strong trust foundation; trust architecture is becoming as essential as the models themselves.

# My Top 5 Most Remarkable Changes in GenAI in 2025

by Jeff McMillan

*Head of Firmwide AI @  
Morgan Stanley*

3

**The agents are coming:** AI is transitioning from simple Q&A chatbots to autonomous, multi-step agents capable of filing tickets, writing and validating code, summarizing meetings and initiating follow-up actions, conducting research, and orchestrating complex business workflows. This is the point at which genuine productivity gains began to materialize.

# My Top 5 Most Remarkable Changes in GenAI in 2025

by Jeff McMillan

*Head of Firmwide AI @*

*Morgan Stanley*

4

## **AI is emerging as a coordination technology:**

2025 revealed something unexpected: AI did more than automate tasks—it improved the way people collaborate. AI began to function as a meeting participant, a project manager, an arbiter of conflicting information, and a translator across teams. The result was a meaningful reduction in organizational friction, not just individual workload.

# My Top 5 Most Remarkable Changes in GenAI in 2025

by Jeff McMillan

*Head of Firmwide AI @*

*Morgan Stanley*

5

**And perhaps most importantly, enterprises have realized that “AI literacy” is the new digital literacy:** The competitive gap widened sharply between organizations that invested in AI fluency for their employees and those that did not. The ability of the workforce to understand, oversee, and creatively leverage AI has become a defining differentiator.