KEARNEY

Futurum

Are CEOs Ready to Seize AI's Potential?

Charting the path to value creation.
Not value destruction.

JANUARY 2025

Table of Contents

Foreword for Kearney & Futurum CEO Study

Optimism is the only free stimulus in this world. artificial intelligence is not only a generational technological shift. It is our single greatest opportunity to stimulate a new century of innovation, progress, and growth.

We are in the early days of this renaissance. From an economic perspective, AI will have a nearly $20 trillion global impact by 2030. Every $1 spent on AI solutions and services will generate nearly $5 in value to the global economy.

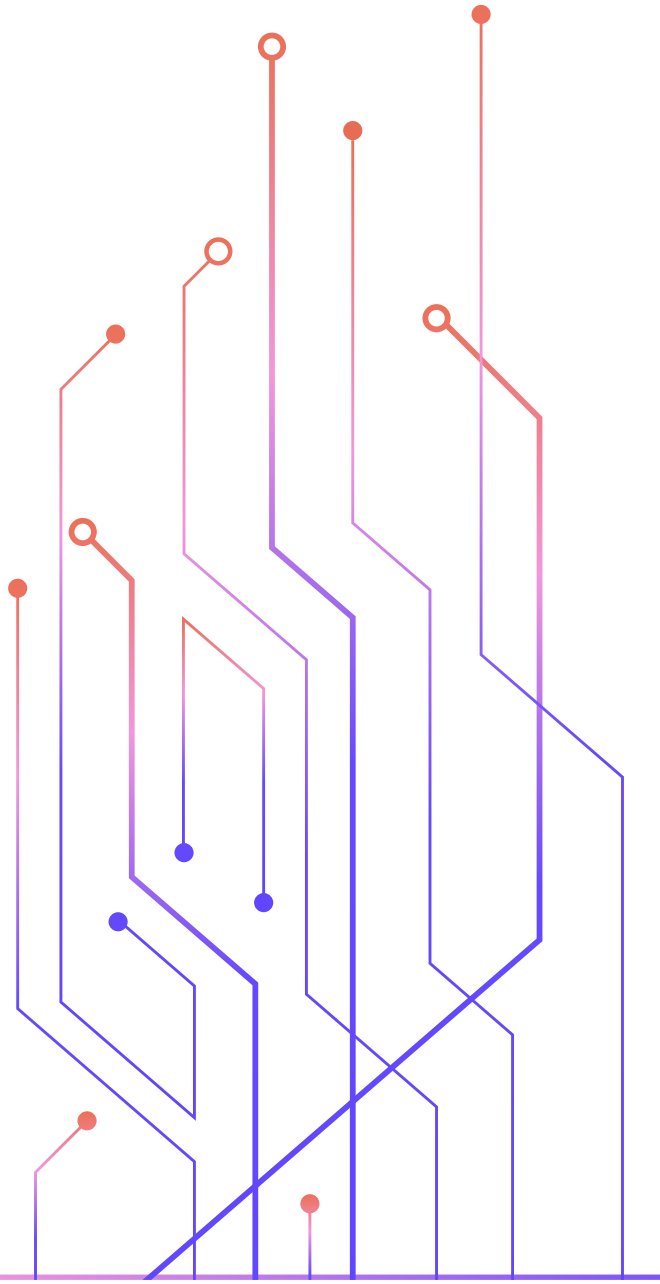
In terms of human productivity, AI will unlock nearly one billion hours of productivity this year for ServiceNow's customers alone. Think of what people will do with one billion hours. Imagine the scientific advances, the more responsive citizen services, the more sustainable supply chains. If linear thinking is what limits the world's potential, human and artificial intelligence together will move us from linear to exponential.

In my book, *Winners Dream*, I wrote that our destiny is defined by our dreams. This is the lens that focuses the tenacity, audacity, and courage needed to lead great enterprises. To lead in the age of AI requires us to dream big so that people are inspired by the art of the possible. We also need to deliver a new business logic, one that marks a clean break from the tactics and technologies of the 20th century.

This research from Kearney and Futurum gives CEOs a compass to chart the opportunities with AI. It also looks at the cultural and environmental impacts that will be among the biggest measures of our success.

This is not a time for incrementalism. It's a time for exponential thinking and the courage to lead. If we choose to embrace it together, the ceiling on our dreams has no limits.

Bill McDermott
Chairman and CEO, ServiceNow



Executive summary

Organizations worldwide are navigating the complexities of deploying AI responsibly, profitably, and at scale. This global study uncovers eight major takeaways from CEOs, emphasizing the need to avoid inflated optimism, maintain ROI focus, address cultural concerns, build a robust data foundation, and prioritize measured rollouts over all-or-nothing leaps.

The confidence paradox

While 78% of CEOs say they feel confident about capturing value from AI, success rates are higher in organizations where executive leaders relinquish day-to-day control. In high-performing firms, only 59% of CEOs maintain direct oversight, compared to 92% among less successful ones. Delegating operational execution to specialized teams allows for more effective implementation and stronger results.

The ROI blind spot

Despite widespread acknowledgement of AI's game-changing potential to create business value, rigorous tracking of returns is still not the norm. In organizations with high-achieving initiatives, 48% prioritize rigorous ROI measurement versus only 17% in organizations reporting underwhelming results.

Anchoring AI projects in measurable returns early on ensures sustained momentum and leadership buy-in, justifies the investment case (initial and ongoing), and supports strategic pivots when needed as projects advance.

Myopic ambition

Although CEOs tout AI's transformative possibilities, 95% of companies focus on quick gains through immediate problem-solving rather than higher-value opportunities like workforce transformation or business model innovation. This short-term mindset risks forfeiting the competitive advantage that comes from a steady investment in next-generation AI skills and capabilities.

Failed AI initiatives linked to aggressive strategies

Firms reporting minimal AI success are more prone to adopt a rushed, aggressive approach going after 100s of use cases, with 58% taking a "catch-up" approach compared to 45% of more successful peers. Speed without sufficient pilots, governance, or ROI safeguards commonly leads to oversights and shortfalls. Gradual, proof-of-value rollouts backed by change management often yield more lasting results.

Bridging the AI culture chasm

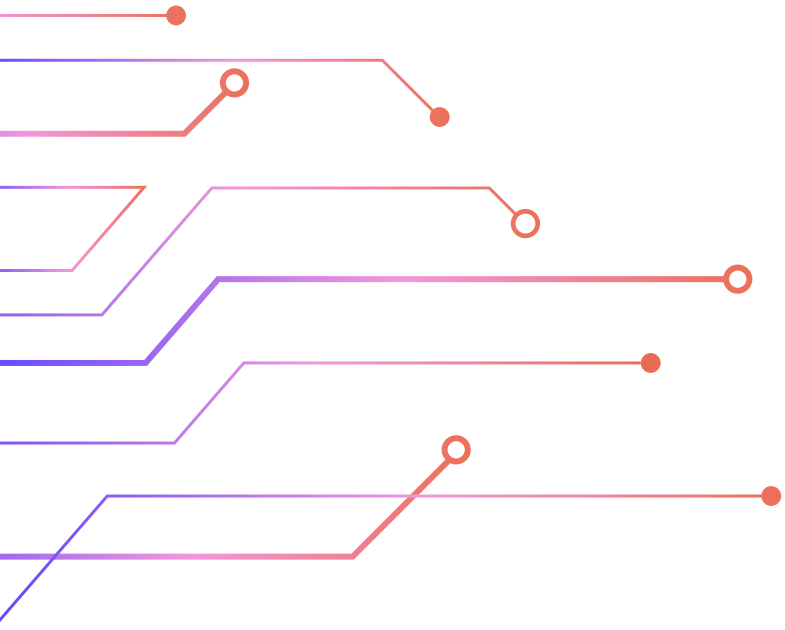
Despite AI's promise of performance gains, many CEOs list workforce concerns about job security and evolving roles as a leading barrier—second only to data hurdles. Proactive communication, targeted training, and inclusive change management can turn apprehension into support, reframing AI as a tool to enhance human potential.

Making the shift from data deficit to data dividend

Excessive focus on algorithms often comes at the expense of ensuring data quality and integration. Over 60% of executives with stalled or ineffective AI cite fragmented data and outdated infrastructure as main culprits. Unified data architecture, rigorous governance, and consistent standards are vital to unlocking AI's full value, ensuring reliable returns.

The fast-follower advantage

Over half of the surveyed CEOs prefer a "fast-follower" model rather than being first movers, learning from others' successes and failures before scaling AI. This careful strategy helps refine governance, strengthen data readiness, and build organizational trust, enabling early wins to expand seamlessly across the enterprise.



Our analysis reveals a striking disconnect: The most successful companies are those where top leadership deliberately steps back from hands-on AI strategy.

Introduction

No other technology in the last 30 years holds the potential to disrupt and radically change a broad base of businesses than artificial intelligence.

AI will not only shape the design and development of new products and services, but also the programs and processes with which organizations operate.

Our study of over 200 CEOs operating globally across industries as diverse as finance, manufacturing, retail, and healthcare with over $1 billion USD in annual revenues establishes a benchmark for CEO readiness and effectiveness during disruptive times. Conducted through surveys and in-person, in-depth interviews, it captures actionable insights into leadership strategies, innovation priorities, and AI-driven decision-making. We explore CEOs' strategies as they experiment with, and integrate, AI to drive efficiencies, boost competitive advantage, and ensure long-term sustainability and impact.

These discussions reveal how operational transformation, the scaling of AI initiatives, and talent development intersect with cultural and ethical considerations to shape success. Leaders emphasize balancing short-term gains with long-term value, underlining the importance of change management, clear governance frameworks, and a well-defined strategic roadmap. By examining both the data-driven metrics and the human element behind AI integration, this study provides a comprehensive view of how top executives navigate the complexities of AI adoption across industries.

By pairing the breadth of survey findings with the depth of senior leadership experiences, this research identifies key success factors—such as building internal capabilities, engaging the right external partners, and aligning AI initiatives with overarching business objectives. It aims to serve not only as a benchmark of CEO readiness but also as a roadmap for those striving to capture AI's potential in a rapidly evolving, highly competitive landscape.

.

What CEOs see: The big picture of AI

Five emerging themes emerge from our CEO engagements that provide critical insights into how successful organizations approach AI adoption, their challenges, and the opportunities that lie ahead. By understanding these key areas, CEOs, board members, IT leaders, and business stakeholders can better navigate the complexities of AI and position their organizations for long-term success.

1. Strategic alignment: Set up to scale up

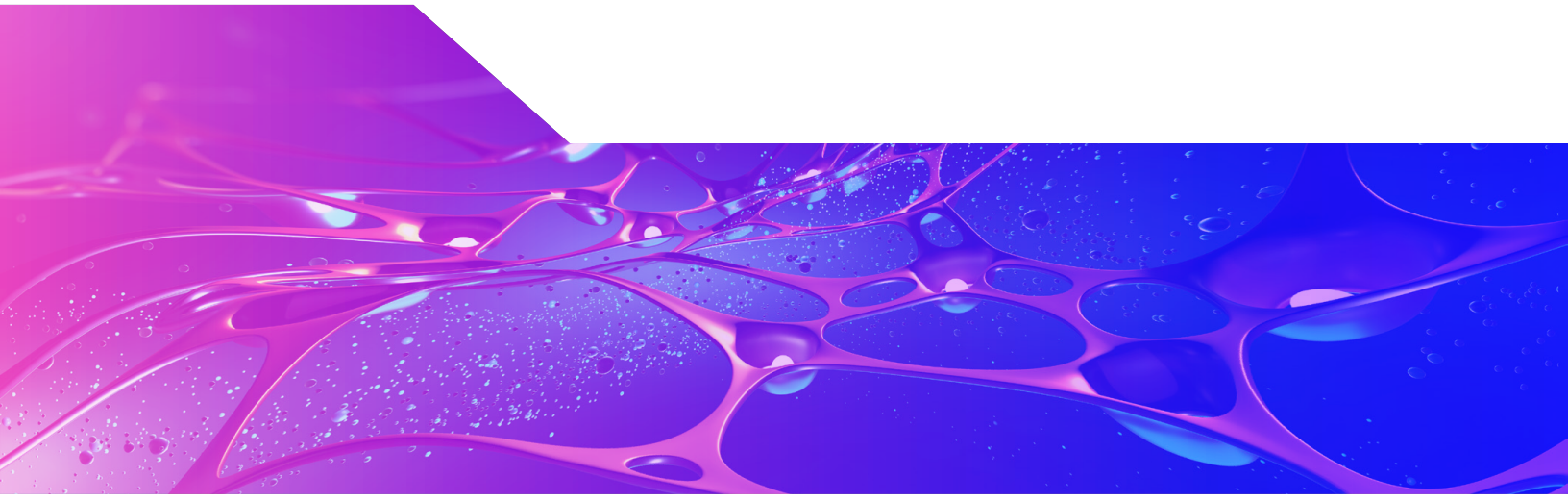
A striking 64% of leaders without a formal AI roadmap report minimal returns from their initial pilots, underscoring the need to tightly anchor AI efforts to core business objectives and lead the strategic direction with a tomorrow-back lens. Rather than treating AI as a standalone technology, CEOs link it directly to both near-term gains and tomorrow's breakthroughs. This measured approach helps leadership double down on high-growth areas, weed out low-impact projects, and preempt potential value erosion if AI threatens an existing advantage.

Just over half of CEOs also embrace a fast-follower stance—using focused pilots to validate ROI before scaling—while staying ready to pivot quickly as market forces evolve. By fusing strategy with adaptability, leaders optimize AI's business impact and protect their competitive edge. This balanced blueprint sets them up to capture immediate ROI and cultivate the breakthroughs that drive future growth.

2. Data readiness and integration: Overcome foundational AI hurdles

Nearly two-thirds of CEOs cite disconnected or low-quality data as the main barrier preventing AI solutions from scaling beyond pilot phases, underscoring how critical robust data readiness is to any AI initiative. Siloed infrastructures, fragmented technology stacks, and inconsistent governance all limit AI's capacity to deliver meaningful insights. By tackling these foundational issues, CEOs can drive both immediate returns and long-term opportunities, focusing on high-growth areas ripe for data-driven innovation while also avoiding the potential erosion of competitive advantages in domains with weaker data support.

Piloting AI in carefully selected use cases helps test whether existing data processes can support broader deployment and ensures leaders can measure outcomes before committing major resources. This measured approach balances today's impact with readiness for tomorrow's breakthroughs, allowing organizations to sidestep low-probability ventures and maximize the value of robust data environments.



3. The Talent equation: AI (artificial intelligence) + HI (human intelligence) = Impact

Despite active recruitment efforts, 57% of surveyed companies still lack sufficient internal expertise to meet current AI needs. This talent shortfall makes it harder to seize both immediate and longer-term AI opportunities—whether doubling down on high-growth applications or warding off competitors where AI might erode an existing advantage. To bridge the gap, organizations blend external recruitment, consulting partnerships, and targeted internal training.

Several CEOs note a preference for cultivating "data-savvy generalists" who can leverage off-the-shelf AI tools and quickly scale up skills in tandem with early pilots. This incremental method delivers tangible ROI while preparing the workforce for more sophisticated deployments. By concentrating on near-term wins yet staying flexible enough to pivot toward breakthrough projects, leaders ensure AI's benefits extend well into the future.

4. Effective AI governance: Mitigate risks from day one

Only 22% of organizations with AI governance councils consistently trackbias-detection metrics, signaling that oversight is still evolving. While many firms rely on existing committees or compliance teams, formal governance frameworks—complete with cross-functional councils—prove more adept at curbing risks like bias, regulatory pitfalls, and ethical missteps. This foresight enables leaders to secure steady, near-term payoffs without jeopardizing future credibility or competitive standing.

Moreover, CEOs who invest in governance early can avoid eroding value in areas vulnerable to AI-driven disruption. By enforcing clear guidelines and continual risk assessments, they set a sturdy foundation for AI initiatives that scale responsibly. Over time, these structures will grow in parallel with AI expansion, ensuring boards and executives remain informed and agile as regulatory and ethical landscapes shift.

5. Change management: Take the team with you

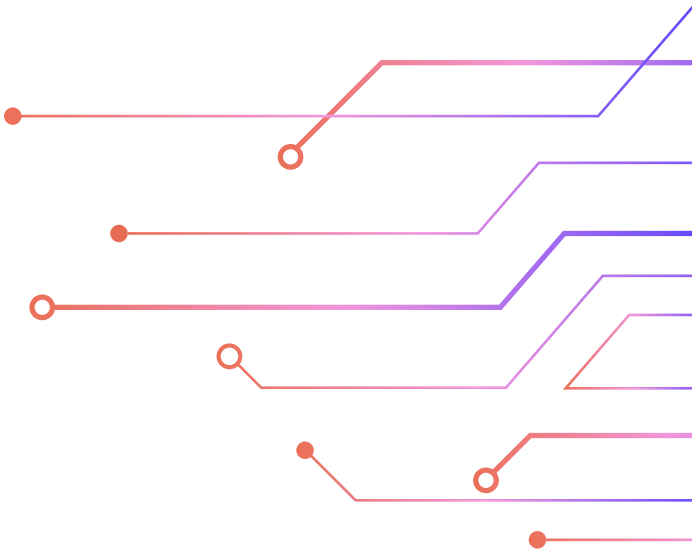
Despite only 39% of high-performing AI adopters citing dedicated change management frameworks as a key success factor, leaders who invest in this area see smoother rollouts and stronger adoption. By proactively addressing job-security fears and skill gaps, CEOs can uphold near-term performance while preparing employees for future AI use cases. Failing to do so often triggers cultural friction, stalled pilots, and missed opportunities.

Interviews show that many frontline and senior staff fear displacements, especially in labor-intensive roles. Transparency and focused upskilling assuage these worries, aligning AI with immediate productivity gains and longer-term workforce transformation. This measured approach helps leaders avoid misallocated resources on low-impact changes and protects current advantages against AI-driven shifts in the market.

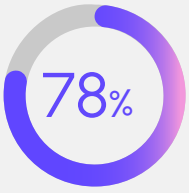
Perception vs. reality: How AI ready are CEOs?

The shift to AI is no longer speculative—89% of surveyed CEOs acknowledge the strategic importance of leveraging AI for business transformation, yet only one in four CEOs feel fully prepared to integrate it across their organizations.

The gap between recognition and readiness highlights a profound challenge: AI demands not just technological adoption but a reimagining of decision-making, culture, and competitive strategy. CEOs perceive these challenges and their preparedness as being where AI is both a differentiator and a disruptor.

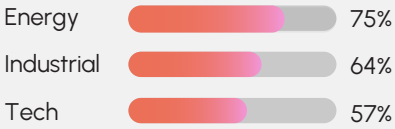


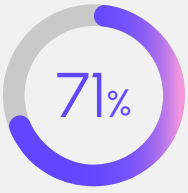
CEO Perceptions and Preparedness



of CEOs have measurable confidence in extracting value from AI

AI Success Rate

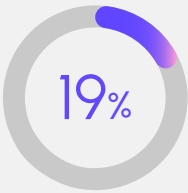




of traditional incumbent companies incorporate total cost of ownership in AI business cases

Digital Native Firms Have a Different AI Focus Than Traditional Incumbent Firms

Traditional Incumbent (10+years)	Digital Native (<10 years)
Customer Satisfaction 76%	Revenue Growth, Cost Reduction
Supply Chain Resilience 42%	Initial Capital Costs 35%
Factor TCO in Feasibility	More Agile But Less Structured Governance



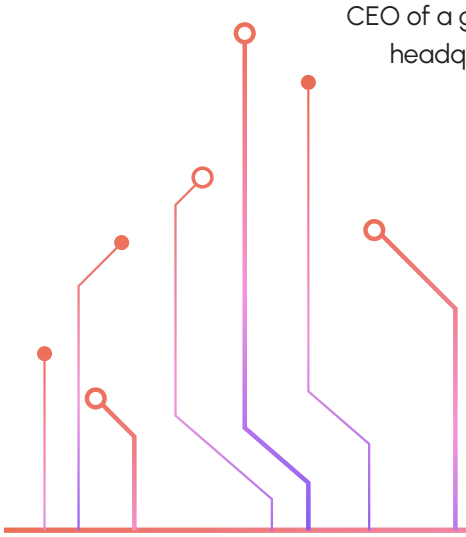
specifically aiming at next-gen AI innovation

CEO perspectives on the transformative potential of AI

The incorporation of generative AI into business strategy has become a defining challenge and opportunity for modern CEOs. Across industries, leaders are recognizing AI's potential to transform operations, drive innovation, and redefine competitive dynamics. From initial exploratory applications to long-term transformative visions, the journey of AI adoption reveals a mix of optimism, strategic caution, and profound insights into the evolving role of technology in business. This section explores the perspectives of global CEOs on AI's transformative potential, shedding light on their priorities, challenges, and aspirations.

"In three years' time, things will drastically change when it comes to the impact of AI. We know that in a few years, we won't need people to do the job. It will be AI-driven."

CEO of a global staffing firm, headquartered in Europe



For many CEOs, the journey begins with incremental adoption, focusing on manageable use cases that deliver immediate value. The CEO of a North American financial services company articulated this approach by noting, ***"We are starting with pedestrian applications like customer statement generation and regulatory processes."*** These initial steps are critical not only for demonstrating value but also for building organizational confidence in AI capabilities. Similarly, the CEO of a global retail refrigeration solutions company emphasized the importance of test cases, stating, ***"2025 is our target year for significant AI investments, and we're focusing on learning from small-scale experiences to inform broader applications."*** These early wins establish a foundation for trust and readiness, paving the way for more ambitious AI initiatives.

As organizations progress, the focus shifts to leveraging AI for transformative applications that reshape industries. The CEO of a South American security firm has a vision for the security industry that illustrates this trajectory. He described a shift from manpower-intensive operations to hybrid solutions integrating AI and human expertise: ***"The goal is to use AI to provide proactive security solutions, such as identifying patterns and predicting potential threats."*** This shift from reactive to proactive strategies demonstrates how AI can fundamentally alter the value proposition within an industry, driving efficiency while enhancing outcomes. Similar advancements are seen in industries like healthcare, where predictive analytics can identify high-risk patients before serious conditions develop.

Central to these transformations is the strategic value of data, a theme echoed by many CEOs. The CEO of a North American financial services company highlighted this by stating, ***"The high valuation of data companies is a testament to the power of leveraging data effectively."*** AI's ability to process vast datasets enables organizations to uncover actionable insights, whether through predictive analytics in healthcare,

as noted by the CEO of a North American insurance company, or through personalized marketing in the fashion industry, as outlined by the CEO of a European retail clothing manufacturer.

These data-driven applications not only optimize current operations but also unlock new revenue streams and competitive advantages. As the European clothing manufacturing company's CEO explained, ***"We are outlining a long-term plan for AI, including innovation in fabric and machine development, which is a five-year goal."*** This level of strategic planning can transform industries traditionally reliant on humans in the process.

CEO overconfidence can mask organizational under confidence

Although 78% of CEOs strongly believe in their ability to guide AI, only 28% of mid-level managers share this optimism about their firm's overall readiness. This mismatch points to a hidden cultural hurdle: Top-down enthusiasm for AI can overlook lingering anxieties about job security, skill gaps, or insufficient governance at the operational level. Executives who recognize and address this internal under confidence—through transparent communication, structured upskilling, and clear metrics—tend to unlock deeper adoption and more resilient AI outcomes.

Incumbent organizations tend to prioritize long-term goals

Compared to digital natives (less than 10 years in operation), traditional incumbents (more than 10 years in operation) place heavier emphasis on improving customer satisfaction (76%) and shoring up supply chain resilience (42%) when deploying AI. In addition, 71% weigh total cost of ownership (TCO) over mere upfront spend—underscoring a multi-year view of AI investments. Yet interviews reveal that legacy infrastructures in these organizations often come with deeply siloed data and complex governance hurdles, slowing down early pilots despite their commitment to robust, long-range returns. Once they address data unification, however, incumbent organizations typically see pilot wins as stepping stones to broader, enterprise-wide AI transformations—further cementing their propensity to plan and invest for the long haul.

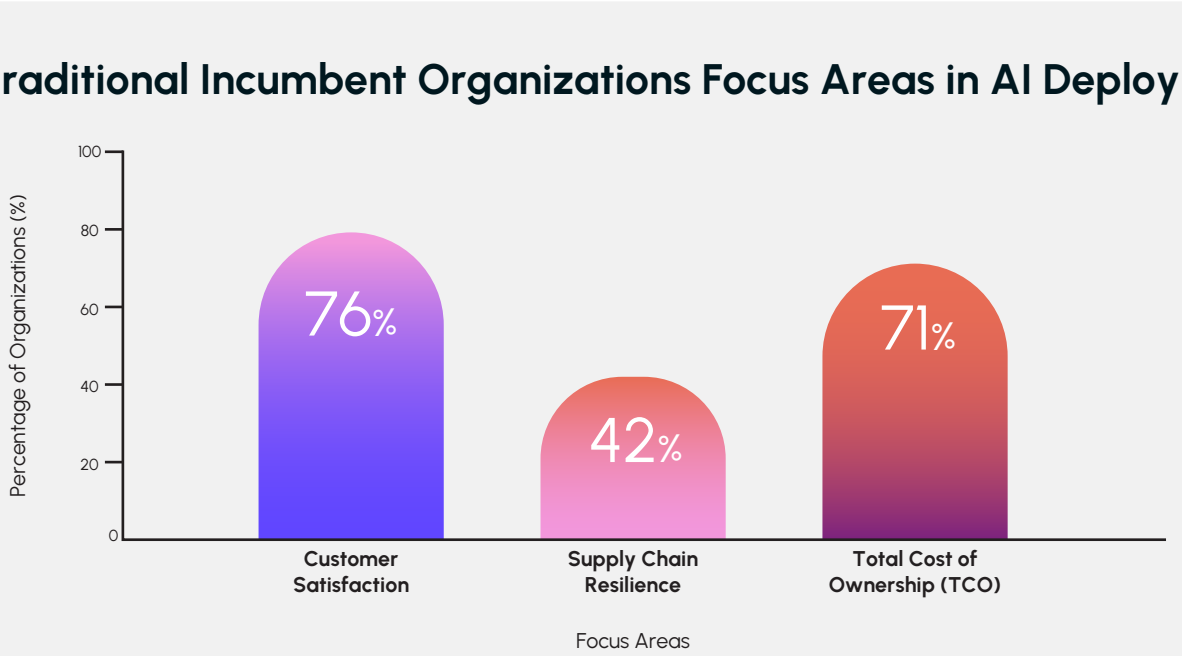


Figure 1: *Incumbent firms emphasize TCO, customer satisfaction, supply chain with AI*

CEOs confident in AI's value creation ability

Across the board, 80% of surveyed firms report at least moderate confidence in extracting measurable value from AI—yet only 19% say they actively position AI for transformative growth rather than near-term gains. This paradox emerged clearly in CEO interviews: while most leaders see AI as a game-changer for operational efficiencies or cost reduction, few have fully mapped out how to leverage advanced capabilities for higher-impact use cases. That gap partially explains why industries like energy, manufacturing, and technology report the highest rates of AI success—each nearing or exceeding 60%—as they integrate AI into complex workflows more readily such as predictive maintenance and automated quality checks.

But this isn't always the case. Sectors facing fewer competitive pressures or immediate customer demands, such as hospitality suppliers or B2B manufacturing, often invest in AI pilots to build confidence and demonstrate "quick wins," with the intention of scaling once they have concrete proof of ROI. Regardless of industry, the consensus remains that AI is poised to deliver strategic advantages if organizations can bridge the divide between strong initial optimism and structured, long-term adoption.

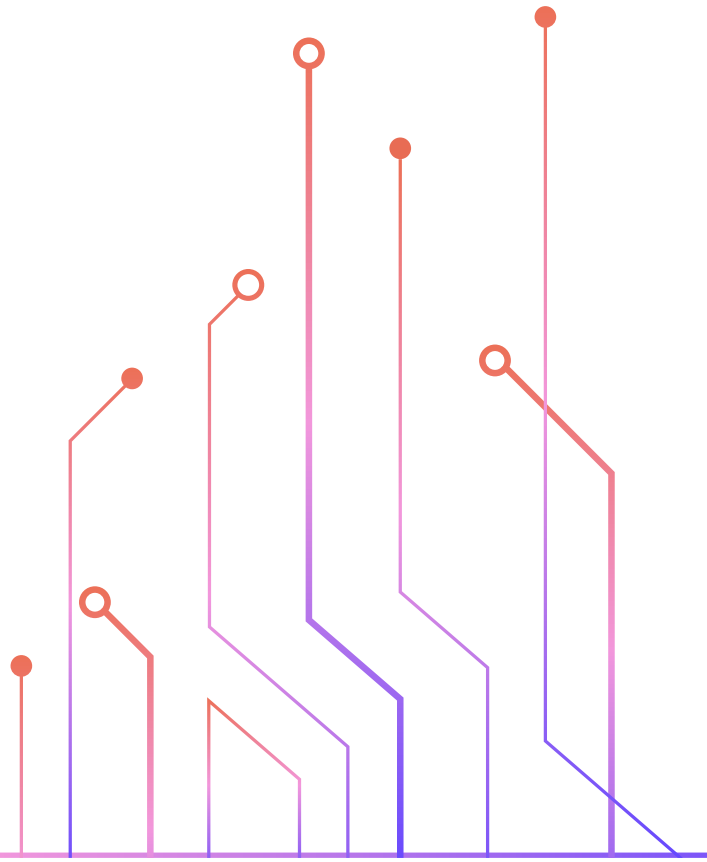
Sustained focus outperforms a more frenzied catch-up approach

Organizations struggling to show AI results are more likely to employ highly aggressive strategies—58% of companies with no measurable AI outcomes pursue "catch-up" style rollouts, compared to just 45% among those reporting success. Contrary to expectations, CEO interviews reveal that a rush to achieve immediate market parity often bypasses key preparatory steps like thorough data readiness, pilot validation, or structured change management.

By contrast, firms that methodically plan for iterative deployments, ensure cross-functional buy-in, and tie AI initiatives to well-defined long-term metrics see more consistent gains. Many leaders note that a slower, more deliberate approach—one which balances near-term wins with infrastructure and cultural readiness—ultimately fuels broader and more sustainable AI impact.

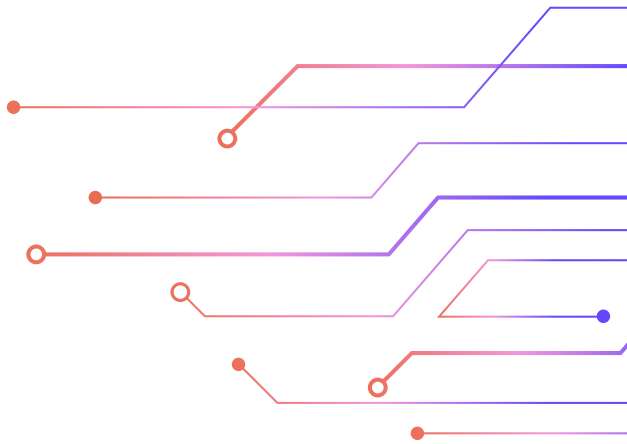
The collective edge: Distributed leadership strengthens AI outcomes

Data shows that 92% of CEOs not seeing tangible AI results insist on leading AI strategy themselves, compared to only 59% in organizations achieving measurable success. This gap suggests that centralized, top-down control can hamper domain-level expertise and hinder cross-functional collaboration—both critical enablers of sustainable AI. Interviews further reveal that when the CEO remains a strategic guide rather than a hands-on manager, resource allocation and ROI measurement (49% vs. 17% among unsuccessful peers) become more effectively embedded in everyday business practices.



Impact of centralized, top-down management

In these winning organizations, AI initiatives are championed by specialized teams and middle managers—those who proactively integrate technology insights with operational realities—enabling a nimbler, results-focused approach. Leaders of high-performing AI initiatives often encourage "AI champions" in middle management to identify use cases and partner with IT on proof-of-concept projects, fostering ongoing peer-to-peer learning. This democratized approach lowers the risk of top-down mandates imposing ill-fitting solutions, ensuring AI adoption progresses organically while sustaining broader organizational buy-in.



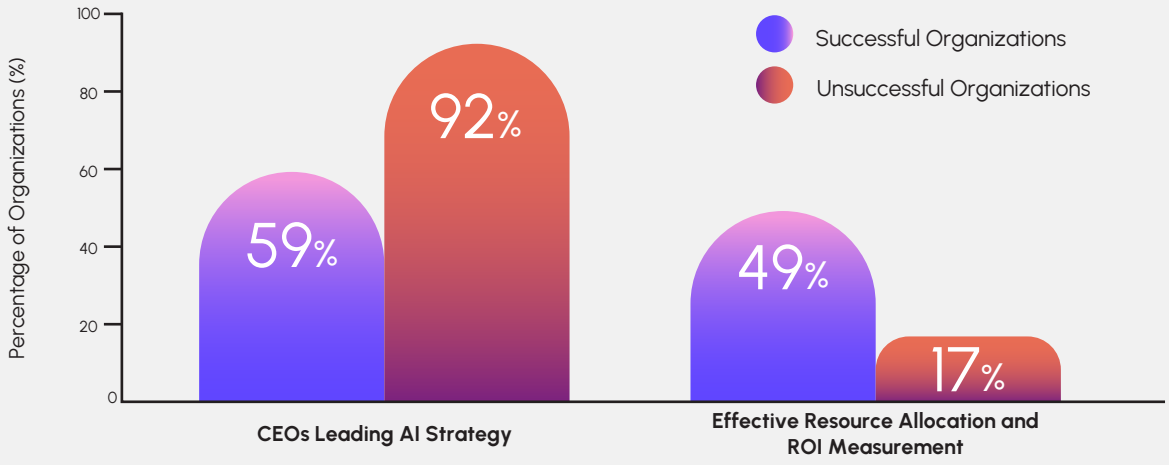


Figure 2: *The counterintuitive leadership effect: Less is often more with AI.*

Limited immediate customer demand, yet a growing internal push

Many CEOs report minimal direct pressure from customers to adopt AI—only 24% cite explicit client requests for AI-based solutions—yet over half acknowledge feeling a strong internal imperative to prepare for AI-driven disruption. This paradox emerged in interviews, where leaders stressed that waiting for external demands could leave their organizations behind the curve once consumer expectations shift, which they broadly expected them to do soon. Consequently, despite customer silence, 59% of firms say they are actively investing in "foundational" AI pilots to build up data readiness and upskill teams, aiming to be prepared when market pressures inevitably rise.

`Fast-follower' strategies outperform 'aggressive followers'

Data shows that organizations taking a measured, "fast-follower" approach—53% of the sample—achieve more consistent AI outcomes than those attempting immediate, large-scale rollouts. The discrepancy is especially pronounced in firms that struggled to produce results, 58% of which pursued highly aggressive adoption. Interviews confirm that rapid expansion often exposes data fragmentation and cultural resistance before robust pilots can validate ROI. By contrast, methodical followers who fine-tune smaller AI deployments first report smoother scaling and higher confidence among stakeholders.

Incumbent organizations' legacy tech: Both burden and advantage

Ironically, legacy IT infrastructure—cited by 44% of incumbent organizations as the top obstacle to early AI pilots—can evolve into a long-term differentiator once data pipelines are modernized. Traditional incumbents often possess massive archives of historical data: a rich resource for training advanced predictive models or automating complex workflows. In contrast, digital natives may enjoy "cleaner" but less voluminous datasets, limiting the breadth of potential AI insights. Leaders who systematically tackle outdated systems while extracting value from extensive data repositories stand to create a formidable competitive moat.

AI-driven innovation: The need for speed

The urgency for AI-driven innovation has never been more evident, as CEOs recognize its transformative potential across industries. With 80% highlighting AI's role in enhancing operational efficiency and 66% prioritizing AI to drive processes like storage and application migration to the cloud, the focus is on tangible improvements and measurable gains. This urgency reflects a profound shift in leadership priorities: leveraging AI not only as a tool for optimization but as a strategic differentiator in a competitive landscape. The next section delves into how CEOs are channeling this urgency into actionable strategies, fostering innovation while navigating the complexities of AI integration.

AI Leadership Development and Skill Gaps

Regionally Divergent AI Journeys

North America

72% are AI upskilling

75% face AI talent challenges

39% have formal pilot projects

Latin America

90% focusing on AI tech

Europe

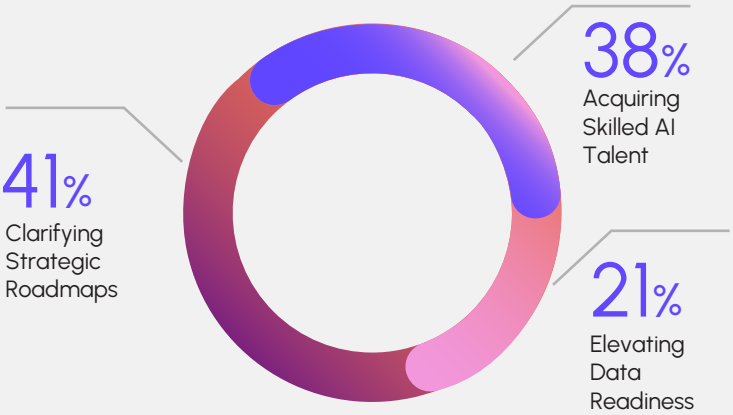
63% hiring specialized AI talent

45% of traditional incumbent organizations more than 10 years old emphasize sustained strategic roadmaps (vs. 27%)

71% of industrials and tech firms prioritize embedding AI talent in core teams

80% of CEOs value AI's role in enhancing operational efficiency

Digital Native Companies: AI Priorities



Regionally diverse AI journeys

North American organizations report making more sustained progress in AI investments than other regions, with 72% focusing on workforce upskilling, 75% grappling with the availability of specialized talent, and 39% engaged in formal pilot projects. Latin American companies, by contrast, rank a "robust infrastructure and technological foundation" highest (90%), reflecting interviews where leaders stress the need to modernize core systems before taking on advanced AI deployments.

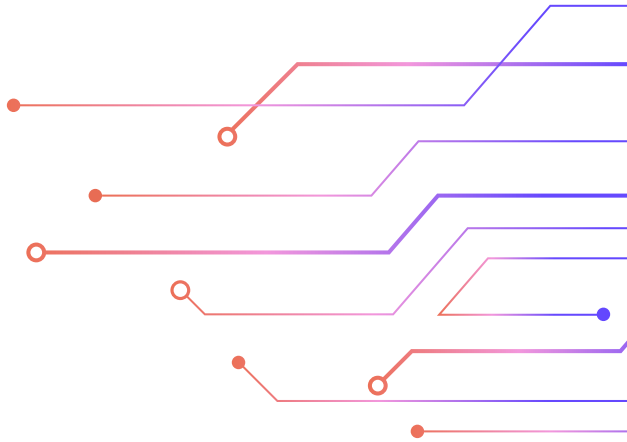
Europe also shows elevated interest in specialized AI hiring (63%), particularly in sectors like manufacturing and financial services, where legacy processes require domain-specific expertise. Across these varied geographies, the data underscores how local market pressures and infrastructure constraints shape whether organizations prioritize people, technology fundamentals, or use-case experimentation first. The Middle East and Africa are still very early with AI adoption, but CEOs cite using AI to evaluate CVs as one of the first major uses in the region. Notably, APAC also does not see AI as a major revenue generator (47%) as much as the global average (63%).

"Managing warehouses, stock levels, sales, optimum invoice size, and SKU composition by outlet, by channel, and by geography. We know that in two to three years max, this will be totally driven by AI."

Divisional CEO of a global food & beverage company, based in Africa

Startups and stalwarts diverge

Digital natives appear focused on clarifying strategic roadmaps (71%), elevating data readiness (37% vs. 29% for traditional incumbent peers), and acquiring skilled AI talent (67%) to maintain competitive momentum. This mirrors interview findings, where startup CEOs often describe a fast-follower mindset—running lightweight pilots to validate AI solutions and investing heavily in analytics-savvy hires. By contrast, incumbent organizations are more likely to emphasize "sustained viability" (45% vs. 27% for digital natives) and stronger internal alignment (38% vs. 25%), reflecting a longer-term lens that includes TCO considerations and historical data migrations. Moreover, interviews show that 73% of traditional incumbent firms engage AI-focused consultancies, often to modernize entrenched technology stacks and unite siloed data before scaling any disruptive AI initiatives.



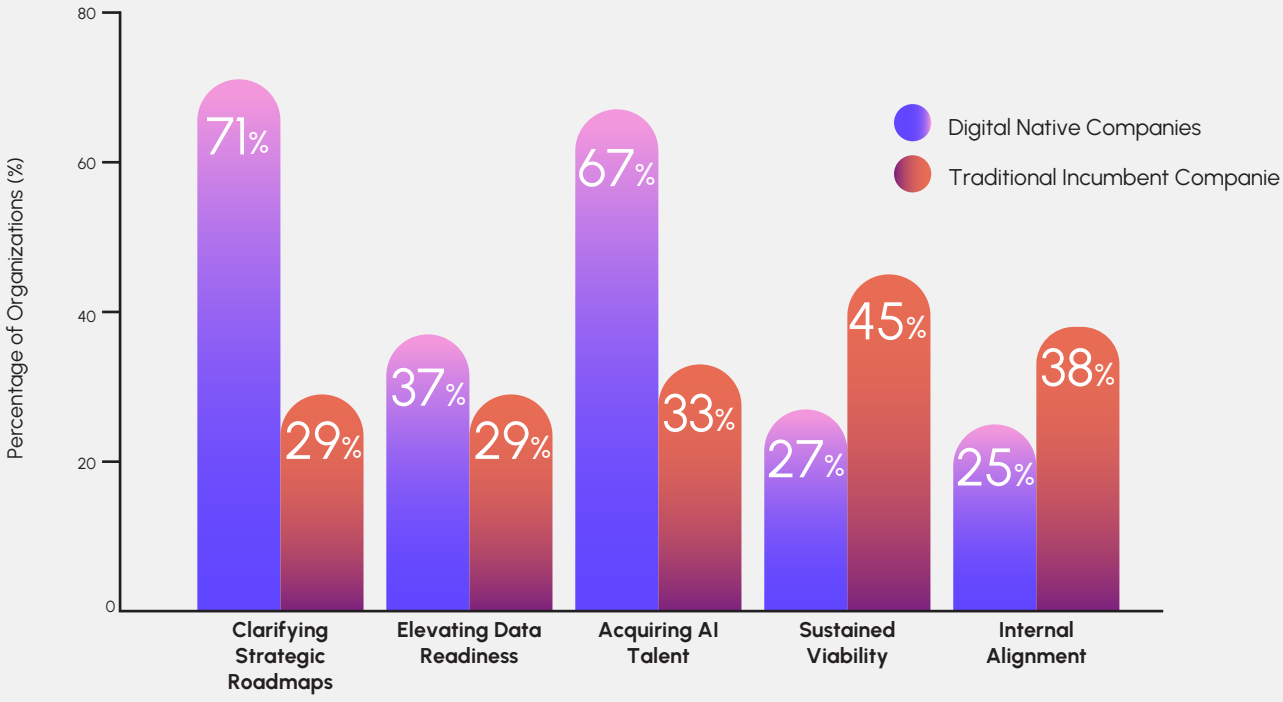


Figure 3: *The key ways established enterprises and new startups differ on AI priorities*

Sector snapshots: AI in action

Certain industries exhibit distinct levels of comfort and self-sufficiency in AI strategy. Healthcare, for instance, shows a pronounced reliance on AI-focused consultancies (100% in this dataset) but reports lower demand for specialized AI hiring (40%), suggesting that many providers prefer to outsource advanced modeling and data science work.

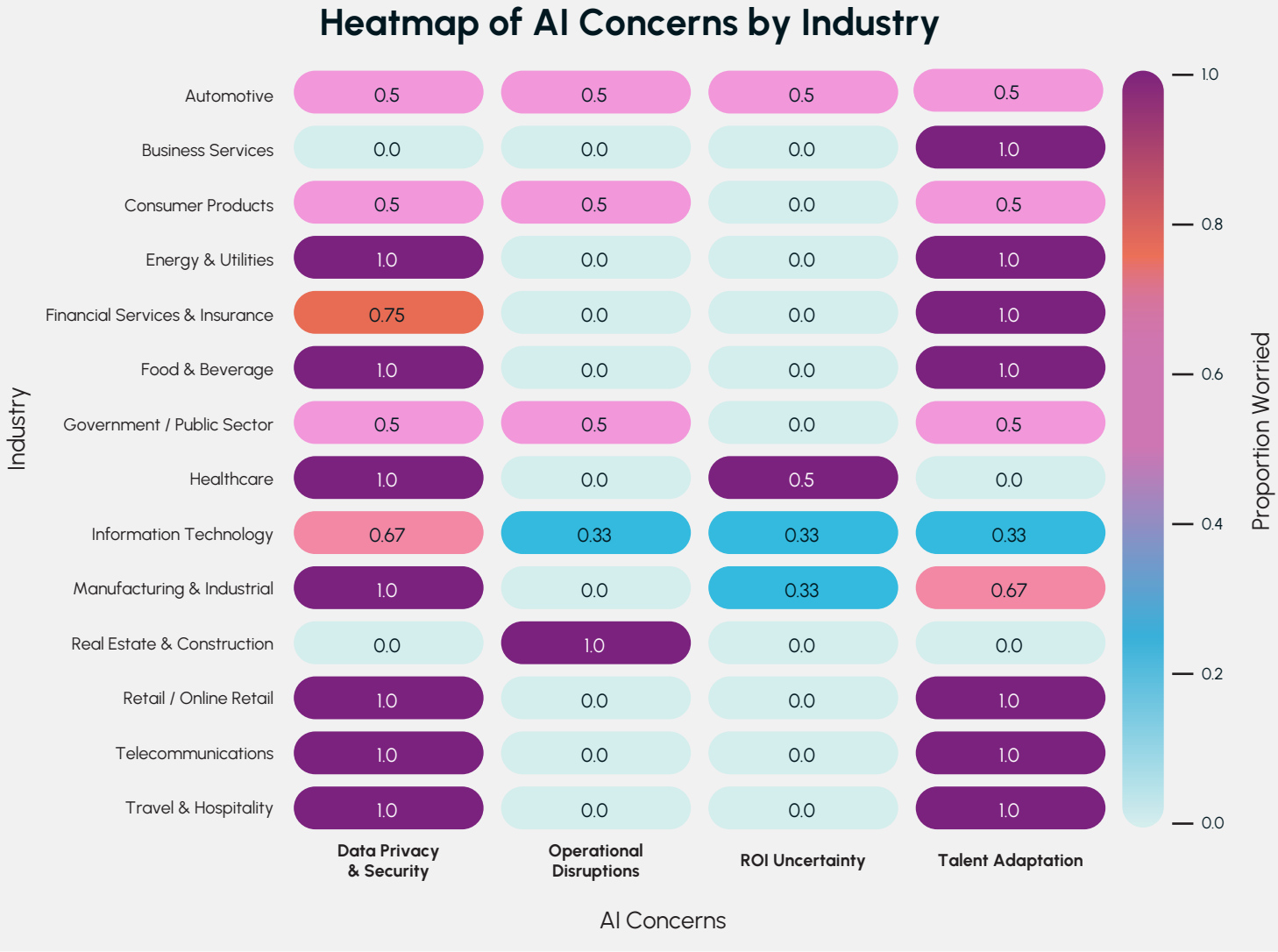


Figure 4: *Heatmap of CEO concerns about AI*

Energy organizations prioritize well-defined governance policies (63%) and robust infrastructure (88%), leveraging AI primarily for predictive maintenance and real-time optimization while dedicating fewer resources to talent acquisition (38%) or internal training (25%). Finance respondents show relatively low concern about data accessibility (38%) yet are more advanced in automated compliance and risk analytics—an observation corroborated by CEOs who speak of stable, well-governed data practices in financial institutions.

Partnerships power progress

Industries diverge widely in how they collaborate with external parties to close AI capability gaps. In finance, 88% of respondents are building internal training programs, potentially leveraging AI solutions for transaction monitoring or fraud detection without wholly relying on technology vendors. By contrast, sectors like consumer packaged goods (75%), industrials (71%), and technology (71%) emphasize recruiting specialized AI talent, aiming to embed data science know-how in core product and operational teams. It was also clear in interviews that the so-called big tech firms such as Microsoft are leading in tech partnering.

Meanwhile, media organizations lead the use of managed AI services from technology providers (69%), a pattern that emerged in interviews with leaders who value rapid deployment and lower in-house overhead for high-volume content analytics. These differences illustrate how AI partnerships are shaped by each sector's readiness, strategic goals, and capacity to nurture internal expertise, with a number of CEOs saying they are primarily working with partners who are already experts in their industry.

Yet AI expertise isn't everything

Although technology and consumer packaged goods firms report an above-average focus on hiring specialized AI talent (at or above 70%), interviews reveal a recurring gap: nearly half of these same organizations cite incomplete data governance or inconsistent data pipelines as barriers to scaling beyond pilot phases. In several cases, well-funded recruitment efforts outpace the foundational infrastructure needed to deploy advanced analytics reliably. Leaders caution that without parallel investments in data readiness and robust project oversight, newly hired data scientists may struggle to deliver the strategic and operational gains executives anticipate. For many, the lesson is that meaningful AI impact hinges not just on expertise but on aligning that expertise with enterprise-wide data integrity.

External experts as catalysts instead of crutches

While 73% of traditional incumbent organizations and 100% of healthcare respondents rely on specialized, AI-focused consultancies, recent interviews suggest an emerging shift: leaders now aim to transition from full outsourcing toward co-development arrangements. Under this model, domain experts within the company partner closely with external specialists to shape AI solutions that reflect both technical rigor and real-world operational nuances.

Nearly 60% of CEOs in these collaborative efforts highlight the importance of skill transfer during the engagement, ensuring internal teams gradually build up the capacity to manage—and ultimately innovate upon—AI systems themselves. This blend of outside expertise and insider perspective has yielded faster pilot successes and reduced long-term consultancy dependency.

Equipping leaders for the AI-enabled era

Overall, the data suggests that region-specific constraints strongly shape whether organizations zero in on data foundations, skilled workforce, or real-time analytics support as their most urgent leadership development priority.

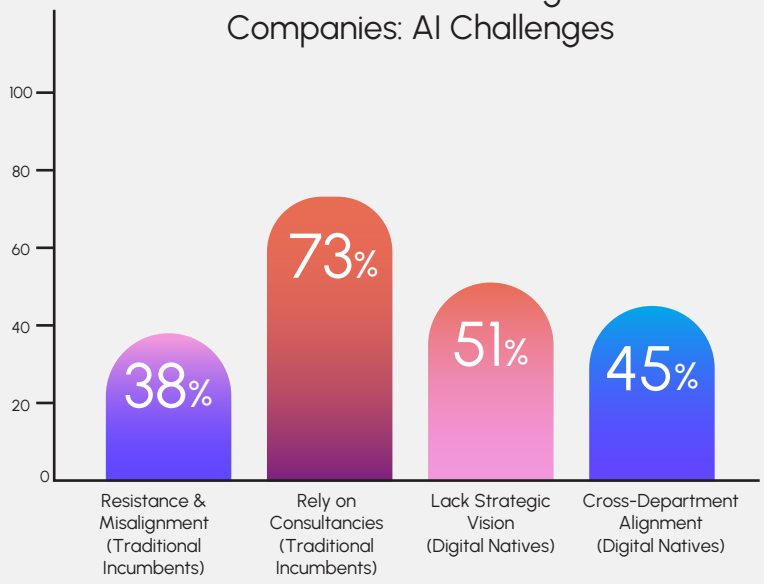
Across the board, AI leadership readiness has emerged as a critical factor for success. Our survey reveals that 89% of CEOs actively leverage AI for strategic improvements, but only a fraction feel their leadership teams are adequately prepared to guide these efforts. This disconnect underscores a pressing need for upskilling, with a particular focus on fostering a deeper understanding of AI's capabilities, risks, and ethical considerations. Developing these skills at the leadership level will be paramount, enabling organizations to implement AI effectively and navigate its complexities with confidence and foresight. The following section explores CEOs' strategies to bridge these gaps and cultivate leadership that can thrive in an AI-driven world.

Innovation and Urgent Need for AI

89% will leverage AI for strategic transformation

63% cite a need for expert guidance on AI project management

Traditional Incumbent vs. Digital Native Companies: AI Challenges



Regional Imperatives

North America

19% cite data readiness as a pressing challenge

Success driven by "pilot squads" and internal AI champions

Latin America

70% struggle with talent and skills, especially in advanced analytics

Europe

77% seek AI project guidance

Strong R&D collaborations

"We are trying to free up time for tech-skilled employees to work on AI projects. This approach allows employees to focus on new AI projects, creating a self-sustaining cycle of innovation."

CEO of a media and entertainment company, based in Europe

North America and Europe: Fewer "building block" obstacles

North American and European organizations generally report fewer core dependencies blocking AI adoption, with only 19% of North American firms flagging data readiness as a pressing challenge. In Europe, 77% of CEOs want advice on AI project management and implementation—the highest among surveyed regions—suggesting a desire to better understand how best to structure successful AI efforts. By contrast, Latin America struggles significantly with talent and skill availability (70%), especially in advanced analytics and data science. Asia, meanwhile, exhibits an elevated need for guidance on real-time decision support (50%), a gap often traced back to siloed infrastructures and underfunded change management.

In interviews, CEOs from North America highlight that smaller "pilot squads" and internal AI champions drive successful rollouts, whereas leaders in Latin America frequently seek external partnerships or vendor-provided training. Europe's comparative advantage also correlates with well-established R&D collaborations—often university-led—that yield practical frameworks for evaluating AI ROI.

Traditional incumbents' internal hurdles vs. digital natives' strategic vision gap

Traditional incumbents report encountering more resistance and misalignment among internal stakeholders, with 38% marking it as a major barrier, compared to 25% in digital natives. Paradoxically, these same older organizations typically enjoy richer historical datasets, enabling them to test AI initiatives at scale once they secure executive-level buy-in. Digital natives, on the other hand, appear more agile but often lack a cohesive, meaningful strategic vision (51%)—a discrepancy echoed in CEO interviews, where startups race to integrate AI yet scramble to define a roadmap that resonates across departments.

Across all age groups, 63% of companies cite the need for expert guidance on AI project management and implementation, revealing a widespread skills gap in orchestrating AI initiatives from pilot to production. Some incumbent firms bring in specialized consultancies to navigate legacy systems and entrenched processes, while digital natives attempt to recruit cross-functional "AI champions" who can bridge technical and strategic objectives. Ultimately, aligning

internal forces remains an intricate, high-stakes leadership challenge for both mature corporations and nimble startups alike.

Industries wrestling with different challenges

Disparities in AI strategy and governance vary by sector. Industrials and technology struggle with clear roadmaps (57%), even with tech expertise, while 50% of operations teams cite gaps in AI ethics and governance, critical in manufacturing, logistics, and supply chains. Interviews reveal tech leaders excel at pilots but lack unified ethical frameworks, often seeking external guidance. Finance prioritizes advanced risk analytics within compliance structures over data accessibility. These nuances highlight the need for tailored leadership development, aligning AI strategies with sector-specific operational challenges and priorities for effective implementation and long-term success.

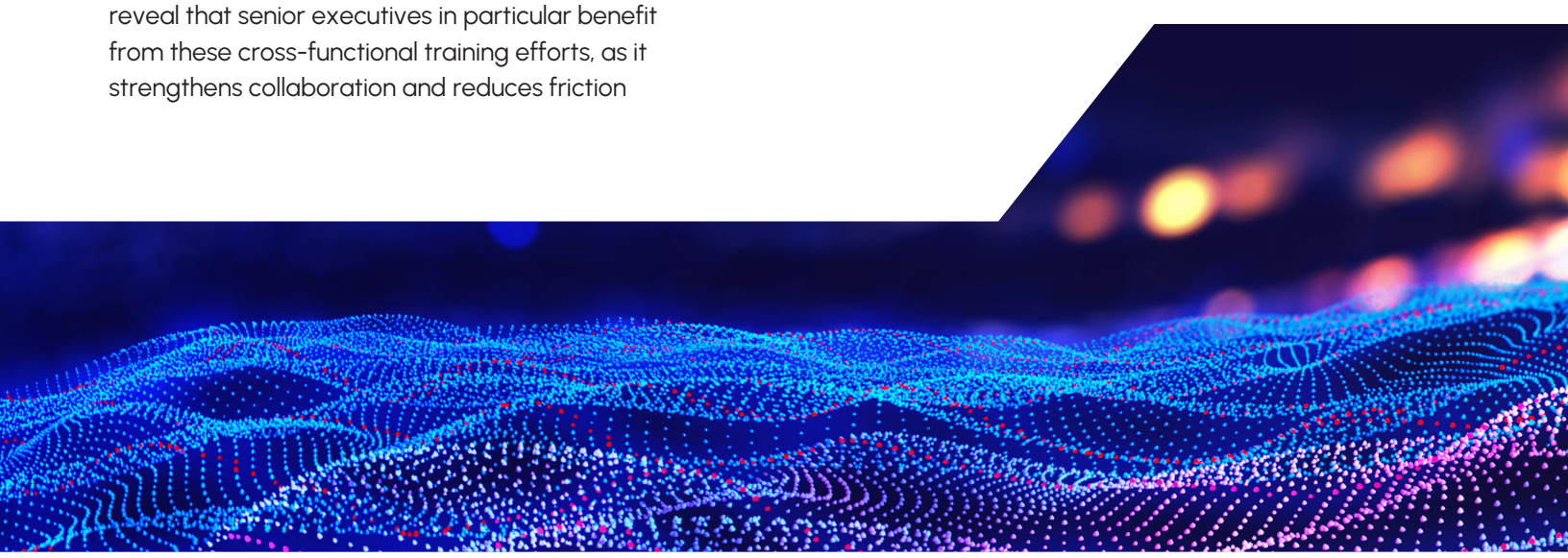
Cross-functional training for AI takes center stage

An emerging insight in both traditional incumbents and digital natives is the recognition that AI leadership cannot reside solely within IT or specialized data-science teams. Close to 45% of all firms surveyed plan to institute organization-wide AI literacy programs within the next 12 months, aiming to equip department heads in marketing, operations, and finance with baseline technical fluency. Interviews reveal that senior executives in particular benefit from these cross-functional training efforts, as it strengthens collaboration and reduces friction when scoping AI projects.

In several success stories, line-of-business managers—newly trained in the fundamentals of analytics and machine learning—become highly effective AI "champions," bridging the gap between data experts and frontline employees. This more inclusive approach accelerates pilot approvals and speeds up proof-of-concept validation, further reinforcing that AI adoption hinges on a concerted, holistic upskilling strategy.

Pragmatic ROI goals obscure responsible AI leadership

Both ethics and governance challenges stall AI initiatives for 37% of leaders, with operations leaders particularly emphasizing the need for algorithmic accountability. CEOs often prioritize early ROI demonstration, leaving less focus on ethical standards. In response, industries like healthcare and finance are piloting ethics committees or AI review boards to address compliance and strategically allocate AI resources. By treating governance and ROI as complementary, executives can mitigate risks, from ethical to technical, while fostering trust. A proactive approach—combining data security, ROI strategies, workforce training, and transparent governance—positions organizations to harness AI's transformative potential confidently and responsibly.



AI governance and ethical considerations

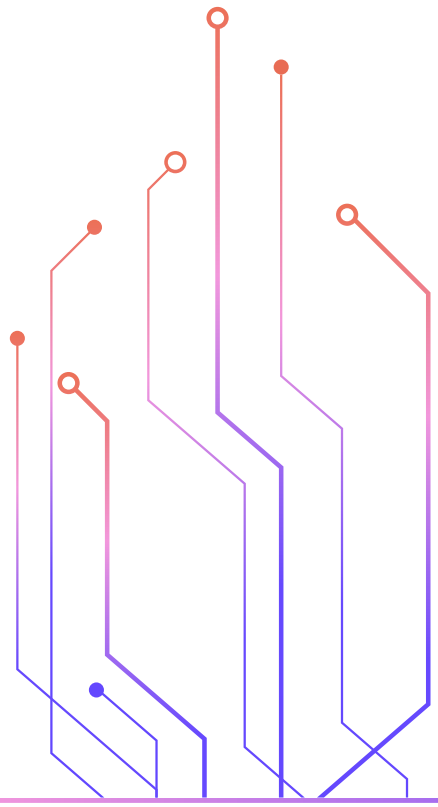
As AI redefines industries, governance and ethical considerations become business imperatives for CEOs. Eighty percent of CEOs view ethical risks—such as biased decision-making, privacy violations, and accountability gaps—as significant barriers to AI adoption. Despite this, fewer than half report having a formal AI governance framework. This disparity suggests an urgent need to embed governance and ethical oversight into AI strategies. Establishing clear accountability, building diverse datasets, and prioritizing transparency will be critical to mitigate risks and foster trust among stakeholders. This section delves into the steps organizations take to align AI innovation with responsible practices.

Surprisingly, digital natives are more worried about AI risks

Digital natives rank the reliability of AI systems (39%) among their top concerns, reflecting fear of technical failures or unanticipated outcomes during early-phase deployments. By contrast, incumbent organizations are more focused on aligning AI initiatives with recognized industry standards (49%) and achieving tangible ROI (49%). Interviews confirm that these mature organizations, often juggling legacy infrastructure and larger datasets, want robust guidance from regulatory bodies and professional associations before fully embedding AI into core operations. Meanwhile, digital natives exhibit leaner decision-making structures, allowing them to experiment with AI prototypes more quickly but also leaving them more vulnerable to reliability hiccups that can erode stakeholder confidence.

"We are not well-prepared for handling AI failures and ethical issues. Regular crisis management procedures are probably not sufficient for AI-related incidents."

CEO of a food, beverage, and pharmaceutical equipment supplier, based in Europe



AI breaching borders: Regional priorities hindering global convergence

Firms in North America place a premium on data privacy and security (72%), citing concerns about breaches and the reputational damage of mishandled data—often driven by high regulatory visibility in areas such as finance and healthcare.

Despite this security-first mindset, North America shows relatively low adoption of explicit ethical guidelines (42%) and bias-detection measures (36%), underscoring a gap between technical safeguards and broader governance frameworks. In contrast, where 41% express concern over transparent governance and accountability, Asia prioritizes internal AI ethics committees and expands board-level oversight. At 40%, Latin America highlights compliance with evolving regulations as a key worry, driven in part by uncertain local and regional policy environments. Interviews reinforce these findings: while North American and European markets emphasize technical controls, many APAC and Latin American leaders view transparent accountability and regulatory clarity as essential to long-term AI viability. By contrast, European CEOs cite they are relatively unprepared for risk compared to their North American peers.

Industries vary in governance and ethics approaches to AI

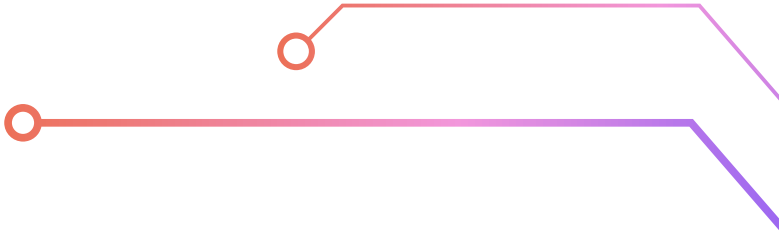
Sectors also diverge in how they embed AI governance. Consumer packaged goods (CPG) companies lead in conducting regular audits and assessments (83%), though only 25% report collaborating frequently with external experts on ethics. Health-related organizations, conversely, post the lowest levels of data privacy concerns (20%), suggesting that existing patient confidentiality norms already guide internal data practices, though interviews reveal that these same healthcare firms rarely implement staff training or awareness programs for AI—a potential blind spot if frontline medical professionals and administrators remain unaware of algorithmic risks. Meanwhile, a strong minority of industrial and technology CEOs highlight cross-functional task forces tasked with aligning AI innovation strategies to legal and regulatory frameworks—a model that ensures new AI solutions undergo a rigorous review cycle before deployment.

Stronger governance equals better AI outcomes

Only 17% of CEOs in underperforming organizations list AI governance, ethics, and risk management as explicit C-suite or Board responsibilities, compared to 45% among those with meaningful AI success. A similar pattern emerges around industry standards: just 16% of less successful firms engage with external best practices, whereas 51% of higher-performing peers do so, reinforcing that clearer, more consistent oversight yields more reliable results. Several interviewees indicate that thorough governance prevents ballooning risks, such as undiscovered algorithmic bias or brand-damaging compliance failures, thereby accelerating user adoption and stakeholder confidence. For many, adopting recognized standards—or crafting internal equivalents—bridges the trust gap between senior leadership, frontline staff, and regulators, enabling AI projects to transition more smoothly from pilot to production.

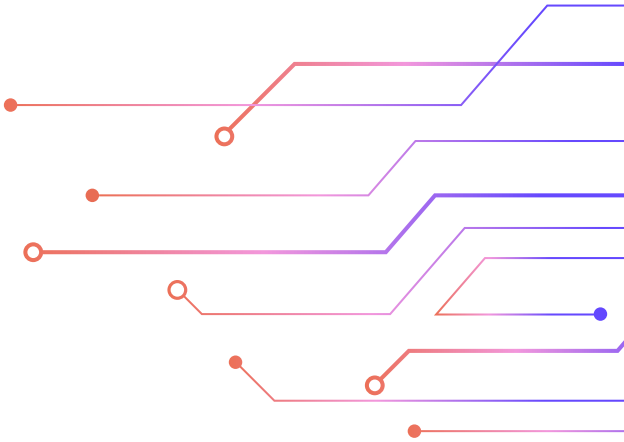
The rise of internal ethics review boards: An early signal

A subset of industrial and healthcare firms say they are establishing dedicated AI ethics boards composed of IT, legal, and operational leaders. Although under 20% of organizations surveyed currently use such boards, these committees highlight a likely key opportunity for a proactive approach to resolving ethical "gray areas" before AI models go live.



AI security loopholes likely in non-financial sectors

While financial institutions commonly embed security reviews into every phase of AI deployment, industries like CPG and media appear more exposed. Interviews suggest that only half incorporate robust cybersecurity frameworks into AI rollouts, leaving potential vulnerabilities unchecked. As AI permeates more functions, bridging that security-ethics gap may become a vital strategic step for boards and C-suite executives.



A Blueprint for Success: Top Governance Action Items Cited by CEOs

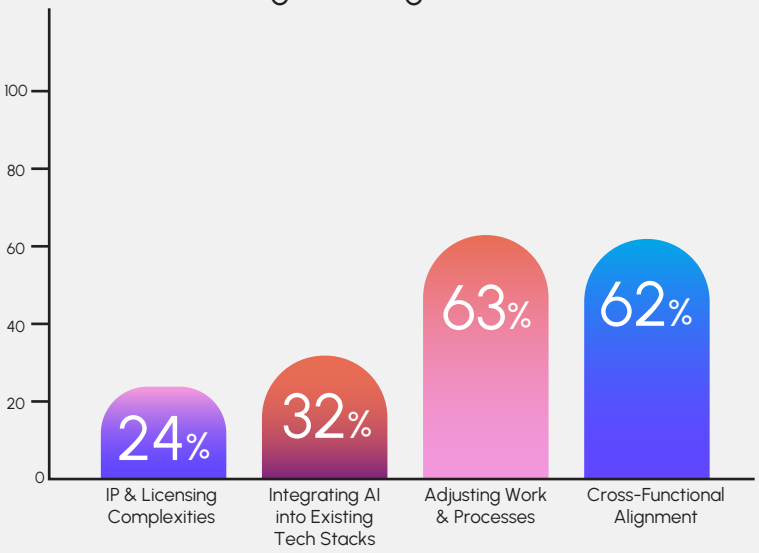
- Ensure clean, connected data for effective AI functionality.
- Implement safeguards to prevent discrimination and promote transparency in AI decisions.
- Protect intellectual property when using AI systems, especially public models.
- Navigate AI regulations while maintaining competitiveness.
- Develop special crisis management processes for potential AI failures or mistakes.
- Acquire and develop expertise to implement and manage AI initiatives.
- Protect sensitive data, particularly when using external AI services.
- Maintain ownership and control over AI systems instead of relying solely on external providers.
- Ensure AI decisions are explainable and transparent, especially in regulated industries.
- Align cross-functional teams on AI strategy to bridge departmental gaps.

Strategic agility, change management, and decision-making enhanced by AI

As organizations increasingly integrate AI into their core operations, leaders are redefining how strategies are set, how teams adapt, and how decisions are made in real time. Whether focusing on near-term process optimization or far-reaching digital transformation, the interplay between C-suite guidance, change management capabilities, and technology integration emerges as a decisive factor in achieving meaningful AI outcomes. Below, we examine how strategic leadership, regional priorities, cross-departmental collaboration, and emerging obstacles shape the path from AI experimentation to tangible success—underscored by interviews and survey data insights.

Strategic Leadership and AI Vision

Change Management Hurdles



75% of CEOs not seeing significant AI success believe the C-suite must set the strategic AI vision

63% that believe the C-suite is key to measurable gains

Regional Insights

North America

47% of North American companies emphasize effective communication for cross-functional alignment.

Asia Pacific

64% of APAC organizations prioritize rigorous ROI and impact evaluations, reflecting limited risk tolerance.

Europe

Focus on short-cycle planning and proof-of-concept validation to mitigate compliance risks.

Should the C-suite be setting the strategic vision?

Data indicates a nuanced relationship between top-level oversight and AI success: 75% of CEOs not seeing significant AI results believe the C-suite must set the strategic AI vision, compared to 67% among leaders who do report measurable gains. Interestingly, the discrepancy is narrower in certain sectors: 93% of industrial companies and 92% of CPG companies affirm the importance of having executives set high-level AI goals. Interviews confirm that while top-down leadership can provide resource clarity and enterprise-wide alignment, excessive CEO involvement occasionally stifles domain experts who might otherwise champion localized, high-impact use cases. Striking the right balance—where C-suite leaders define a coherent roadmap yet empower specialized teams to innovate—proves critical for sustainable AI-driven growth.

"We're finding lots of opportunities with AI for operational efficiencies, but not so much in ways to re-invent our business yet."

CEO of a global printing and packaging supplier, based in North America

Geography shapes the AI game plan

Regional differences also influence how AI-based strategies and decision-making processes evolve. North American organizations are most concerned about effective communication (47%), suggesting the need for consistent cross-functional messaging and stakeholder engagement. Meanwhile, 64% of Asian companies emphasize rigorous impact and ROI evaluations—likely reflecting limited risk tolerance in markets where regulatory landscapes are evolving. Latin American leaders, consistently navigating high regulatory ambiguity, report significantly more energy devoted to short-cycle planning and proof-of-concept validation to mitigate compliance and operational risks. These nuances indicate that the locus of AI decision-making—be it around communication, impact measurement, or compliance—can shift dramatically based on local market pressures and cultural expectations.

Adapt to endure: The old guard's priority

Data shows that companies seeing no AI results are more likely to cite cross-departmental change management support as pivotal (58% vs. 26% among successful peers), suggesting that those struggling often realize too late how crucial organizational alignment is to adoption. Interviews confirm that traditional incumbent organizations—often encumbered by legacy processes—need systematic change strategies to navigate entrenched silos and unify different teams around an AI roadmap. Conversely, digital natives can move faster but may lack the structured governance or managerial experience necessary to handle large-scale rollouts. Overall, the ability to socialize AI initiatives internally—through pilot successes, ongoing training, and open channels of feedback—emerges as a force multiplier for both near-term productivity gains and longer-range transformation.

Bulldoze barriers to unleash AI

Companies point to building cross-functional alignment (62%) and adjusting workflows and processes (63%) as their leading hurdles when integrating AI into daily operations. Beyond cultural resistance, practical challenges like integrating with existing tech stacks (32%) or navigating IP and licensing complexities (24%) often delay or derail promising initiatives. This strain is especially visible in the operations sector, where 71% cite workflow reconfiguration as a top concern, overshadowing other change management obstacles that remain below 51%. Observational data from interviews reinforces that a thoughtful approach to technology retrofitting—paired with robust project oversight—can preempt many of these friction points, thereby allowing AI projects to scale without repeatedly getting entangled in legacy-system intricacies or ownership disputes.

Pilots the prime catalyst for dynamic decision-making

One key emergent trend is using small-scale AI pilots to refine decision-making processes on the fly. Around 42% of interviewed CEOs from industrial and manufacturing backgrounds report assigning limited cross-functional teams to test AI-driven quality checks or predictive maintenance modules. These controlled pilots enable leadership to make data-backed judgments on where to expand AI's footprint, exposing gaps in data hygiene or team skill sets. By reviewing pilot outcomes in real time—often weeks rather than months—senior managers can rapidly pivot resources or reshape project scopes, demonstrating a more agile approach to AI governance and budgeting.

AI on the fly: Real-time operational adjustments

Another key insight from both data and interviews is the growing reliance on AI for reactive, near-real-time decision-making—particularly in supply chain and logistics. Over half (52%) of CEOs overseeing complex global distribution networks say AI-based dashboards have improved on-the-spot choices about inventory movement, capacity planning, and route optimization. Although these capabilities demand advanced analytics, transparent governance, and consistent data flows, they also enhance agility in volatile markets, enabling line-of-business managers to course-correct operations without waiting for quarterly reviews. When combined with structured change management and well-defined strategic goals, such real-time feedback loops can significantly increase an organization's resilience and competitive edge.

Ignition to innovation: The CEO playbook for AI

The Five-Point CEO Playbook for Breakthrough AI Outcomes

1. **Set the North Star, Empower the Trailblazers**
   - Push vision from C-suite, delegate execution to the expert.
   - Flatten and decentralize hierarchies for faster results.
2. **Pilot, Prove, and Propagate**
   - Start small with big impact with discrete, high-value, lower-risk use cases.
   - Scale only after proof-of-value. Resist the "catch-up" trap.
3. **Data Is the Oxygen, People Are the Engine**
   - Modernize infrastructure relentlessly with unified, high-quality data engine.
   - Invest in holistic AI talent. Upskill your entire workforce.
4. **Cultivate a Fearless AI Culture**
   - Quell job-security fears with transparency. Communicate early and often on AI strategy.
   - Reward experimentation and cross-functional collabs that bring together teams.
5. **Oversee AI with Integrity, Evolve with the Times**
   - Install non-negotiable ethical guardrails from day one. Establish authoritative AI governance.
   - Adapt and refine policies to stay credible and instill stakeholder trust.

As CEOs grapple with integrating AI into their organizations, a clear set of priorities and practices is vital for driving efficiencies, unlocking innovation, and accelerating growth. Drawing on survey data and in-depth interviews, these five recommendations blend strategic guidance with practical execution tips, offering both a blueprint and playbook that separate tomorrow's market leaders from today's followers.

1. Set the North Star, Empower the Trailblazers

Stop micromanaging AI. Establish a bold, top-level vision for AI but delegate day-to-day execution to specialized teams. High-performing firms see greater success when CEOs focus on strategic oversight—ensuring AI aligns with product roadmaps or market-entry decisions—while functional experts target low-complexity, high-impact wins (like automating repetitive tasks) to quickly demonstrate ROI. By training senior leadership to interpret AI insights and tying near-term efficiency gains to long-term objectives, you set the course for sustainable growth.

2. Pilot, Prove, and Propagate

Speed often kills AI projects. Smaller, focused pilots—backed by structured metrics—consistently outperform rushed, large-scale initiatives. Launch a few carefully scoped AI efforts to validate data readiness, confirm ROI potential, and build organizational trust. These early proofs minimize risk, cultivate alignment across departments, and fine-tune processes for replication. Once pilot results prove their worth, scale methodically to multiply AI's impact while avoiding overextension or wasted resources.

3. Data Is the Oxygen, People Are the Engine

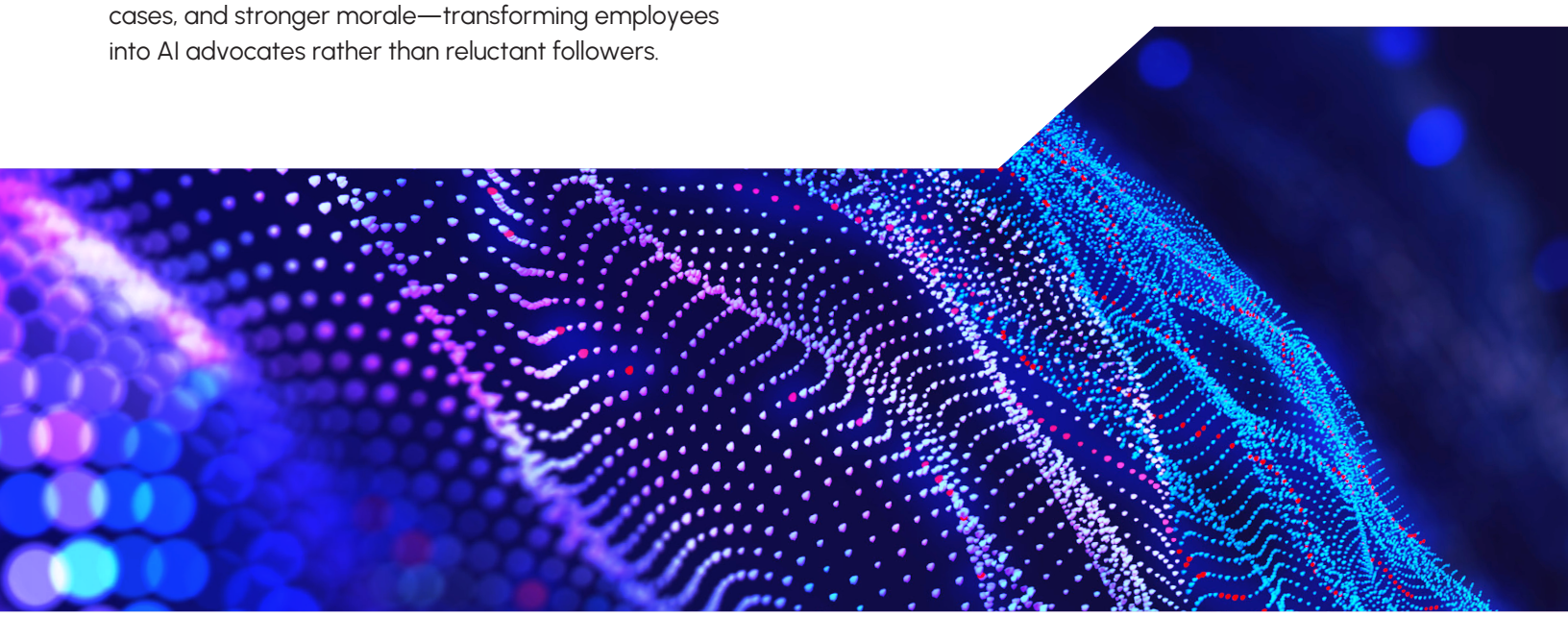
AI hinges on two essentials: high-quality data and skilled teams. Eighty percent of leaders cite a well-organized data environment—often powered by platforms like Snowflake—as critical for fueling reliable insights. Clean, centralized data pipelines streamline pilot rollouts, reduce integration challenges, and yield stronger outcomes. In parallel, 90% of CEOs identify talent gaps as a major AI hurdle, underscoring the need to train current staff and recruit domain-specific experts. Formal AI courses, academic partnerships, and targeted advisory engagements help teams convert raw data into real innovation—creating a foundation for both near-term efficiencies and long-term competitive edge.

4. Cultivate a Fearless AI Culture

AI is ultimately about people, and cultural resistance can be the biggest barrier. Sixty-three percent of CEOs cite fear of job displacement or change as a major hurdle. Counter this by fostering transparency and active participation; run AI literacy programs, host cross-functional pilot teams, and invite employees to propose ideas that address real-world pain points. Frame AI as an asset that augments human potential rather than replacing it. Leaders who champion open dialogue see accelerated adoption, creative new use cases, and stronger morale—transforming employees into AI advocates rather than reluctant followers.

5. Oversee AI with Integrity, Evolve with the Times

Governance matters more than algorithms. Bias, privacy, and regulatory compliance rank among CEOs' top concerns, yet too few organizations formally track bias metrics or appoint dedicated ethics officers. By forming an AI governance council, integrating risk assessments, and regularly reviewing frameworks, CEOs can head off reputational threats and ensure scalability. Proactive oversight safeguards credibility, upholds stakeholder trust, and keeps AI aligned with business imperatives—even as regulations and technologies evolve. This forward-looking structure lets organizations adapt swiftly, maintaining both ethical rigor and the agility to seize new AI opportunities.



The rise of agentic AI

The next frontier in enterprise automation is "agentic AI"—where intelligent systems not only automate tasks but make autonomous decisions. By sidestepping the rigid workflows of traditional robotic process automation (RPA), these AI agents possess reasoning capabilities to handle complex, unstructured tasks and make strategic choices. From orchestrating complex logistics decisions to autonomously negotiating supplier terms, agentic AI represents a fundamental shift in business process automation. Traditional incumbents recognize agent-based AI as the next transformative wave following generative AI, moving beyond mere process automation to true cognitive decision-making. What's more, CEOs appear to be ready for it.

In the interviews, CEOs from diverse sectors highlighted just how far and fast they plan to push AI-based automation. An audit firm CEO believes AI will replace their entire core business. Staffing firms spoke of tripling digital staff, while the security industry described a proactive AI model that merges technology and personnel to outpace threats. Retail CEOs anticipate self-service stores, and fashion leaders see AI cutting development time through automated fitting and grading. Others prefer AI as an enhancer rather than a wholesale replacement, while consumer packaged goods CEOs focus on optimizing core processes. While implementation approaches vary, most CEOs foresee agentic AI reshaping how business decisions are made rather than just automating processes. Leaders that master the playbook above won't just survive the agentic revolution—they'll define it.

AI is a business capability first and a technology second

CEOs almost universally believe that generative AI presents a genuinely transformative opportunity for organizations across virtually all industries. The success of AI is less about the technology and more about its broader integration into the business. However, its successful adoption requires strategic focus and careful planning. Our research highlights the importance of aligning AI priorities with organizational objectives, fostering a culture of innovation, and investing in the necessary infrastructure and talent.

From vision to victory

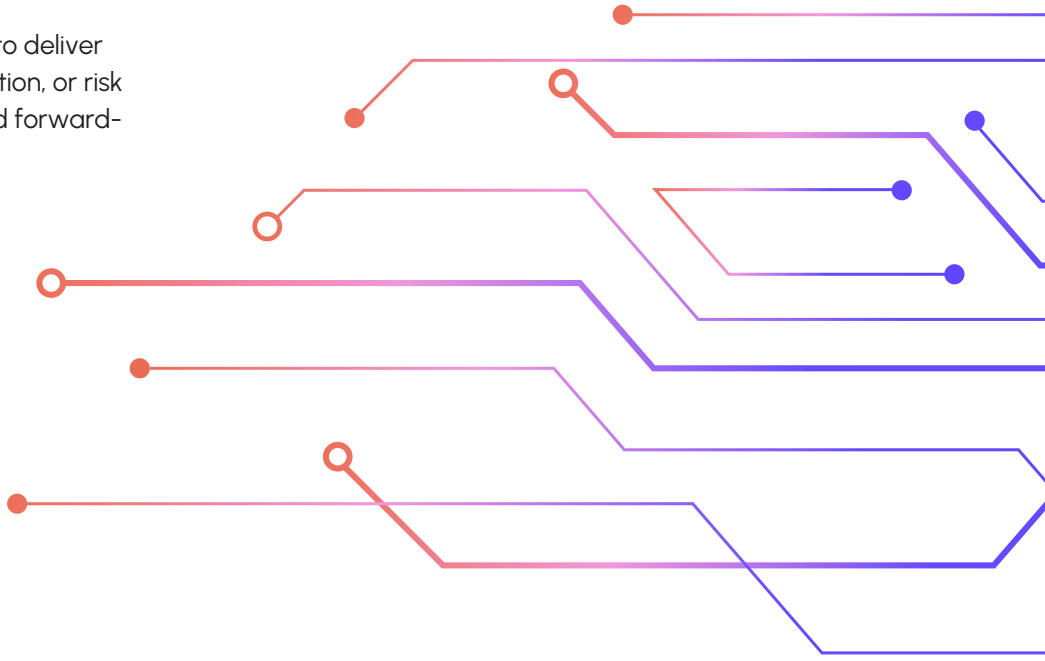
Winners in the AI era share a common playbook: ruthless focus on operations—from targeting operational efficiency to building ethical governance. As CEOs navigate this era of disruption, their ability to lead with vision, adaptability, and a commitment to responsible AI in order to protect employees, customers, and the brand will determine their organizations' ultimate success in harnessing this game-changing technology.

Are you disrupting or being disrupted?

The choice for CEOs is clear: harness AI to deliver concrete results and spark future innovation, or risk being outmaneuvered by more agile and forward-thinking competitors. Beyond the hype lies a stark reality—AI success demands relentless execution, rapid stakeholder wins, and an unshakeable focus on long-term transformation.

Seize the AI advantage now

For traditional incumbents and digital natives alike, AI isn't an IT project—it's the new operating model. Market leaders are already embedding AI into their DNA, sparking unprecedented collaboration and innovation. Those who act decisively unlock unprecedented growth, adaptability, and impact. Seizing the AI advantage is not just a technological pursuit—it is a strategic imperative for shaping the future of global business.



Authors

Ben Smith
Partner & Global Lead, Digital & Analytics, Kearney
ben.smith@kearney.com

Daniel Newman
CEO, The Futurum Group
dnewman@futurumgroup.com

Ramyani Basu
Partner & Global Lead, Data & AI, Kearney
ramyani.basu@kearney.com

Dion Hinchcliffe
Vice President of Practice, CIO, The Futurum Group
dhinchcliffe@futurumgroup.com

Bharath Thota
Partner, Data & AI, Kearney
bharath.thota@kearney.com

Tiffani Bova
Chief Strategy & Research Officer, The Futurum Group
tbova@futurumgroup.com

Khalid Khan
Partner & Americas Lead, Digital & Analytics, Kearney
khalid.khan@kearney.com

Michael Roemer
Partner, Digital & Analytics, Kearney
michael.roemer@kearney.com

Bharat Kapoor
Partner & Global Managing Director, PERLab, Kearney
bharat.kapoor@kearney.com

Dieter Gerdemann
Partner & European Lead, Digital & Analytics, Kearney
dieter.gerdemann@kearney.com

Appendices

Appendix #1

Research methodology

This study is based on a combination of quantitative survey data and qualitative insights from in-depth CEO interviews, offering a comprehensive view of how business leaders are navigating AI adoption. The dual approach ensures both breadth and depth, capturing overarching trends while delving into nuanced leadership perspectives that bring the data to life. **All participant CEOs came from companies with annual revenue exceeding $1 billion.**

Survey – 213 CEOs

Respondents were screened to ensure they held significant leadership roles, such as regional or global CEO positions, reflecting a strategic level of decision-making authority. The survey covered a wide range of industries, including financial services, manufacturing, retail, and healthcare, and was designed to explore AI adoption across various functional areas and challenges. Latin America and other regions were included to provide a global perspective. The survey employed a structured questionnaire with Likert-scale, multiple-choice, and open-ended questions, generating statistically significant data across key themes.

In-Depth Interviews – 20 CEOs

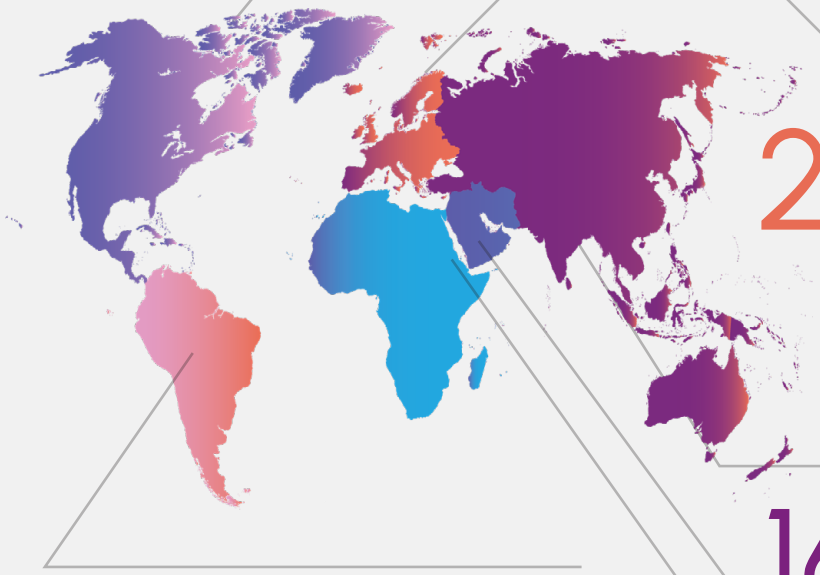
These 30-minute interviews, conducted during November and December 2024, offered an opportunity to explore individual experiences, challenges, and strategies in greater detail. The interviews were structured around core themes such as AI governance, change management, integration challenges, and talent acquisition. Insights from these discussions were qualitatively analyzed to uncover emerging patterns, specific examples, and unique perspectives that enriched the broader survey findings.

By combining the quantitative scale of the survey with the qualitative richness of CEO interviews, this study provides a balanced and actionable analysis of how leaders are approaching AI. The methodology ensures that the results are both statistically robust and contextually grounded, offering valuable insights for organizations navigating AI's complex and transformative landscape.

Appendix #2

Geographic demographics of surveyed CEOs

The CEOs Surveyed in This Study Represent a Global Perspective:



32% based in North America

Continues to lead in AI development and adoption, driven by its strong tech ecosystem and early investments in digital innovation. Organizations in this region often benefit from access to cutting-edge AI technologies, mature venture capital markets, and a workforce skilled in emerging technologies. This aligns with North America's position as a global leader in AI-driven industries such as healthcare, finance, and retail.

28% based in Europe

Reflects Europe's increasing focus on AI adoption amid evolving regulations, innovation hubs, and government-led initiatives to drive digital transformation. As AI becomes a critical factor in competitive differentiation, leaders in Europe are aligning their strategies with global trends while addressing region-specific challenges such as regulatory compliance and diverse market dynamics.

16% based in Asia Pacific

Demonstrates the region's growing prominence as an AI powerhouse. Countries like China, India, and Japan are investing heavily in AI research, infrastructure, and talent development. Despite these advancements, challenges such as fragmented markets and varied levels of digital readiness across the region may account for the smaller proportion of surveyed CEOs.

12% based in Latin America

A region where AI adoption is steadily gaining traction. Leaders here are exploring AI's potential in industries like agriculture, manufacturing, and logistics, while also addressing barriers such as resource constraints and infrastructure development. This proportion underscores Latin America's emerging role in the global AI landscape, particularly as governments and businesses prioritize digital transformation.

This geographic diversity underscores the varied contexts in which CEOs are navigating AI adoption. Each region presents unique opportunities and challenges, offering a comprehensive view of how AI is shaping leadership strategies across the globe.

6% based in Middle East

6% based in Africa

Appendix #3

Industries

The CEOs surveyed in this study represent a diverse array of industries, reflecting the broad impact of AI across different sectors. Major players include:

Industries Represented in this Study

12% Both financial services and insurance and information technology

lead in representation, highlighting these industries' advanced adoption of AI for areas such as risk analysis, customer experience, and operational efficiency.

8% Both manufacturing and industrial and retail/online retail

showcase AI's role in optimizing supply chains, personalizing customer experiences, and driving automation.

13% between automative (7%) and energy and utilities (6%)

further demonstrates how AI is being leveraged for innovations such as autonomous systems and sustainable energy management.

Smaller but critical representations include industries like healthcare (4%), where AI is transforming diagnostics and patient care, and government/public sector (3%), where leaders are exploring AI for public service efficiency. While another industry not listed accounted for 0%, the diversity within the surveyed group underscores the universal interest in AI as a driver of strategic transformation across both traditional incumbents and digital natives.

What Industry Is Your Organization In?

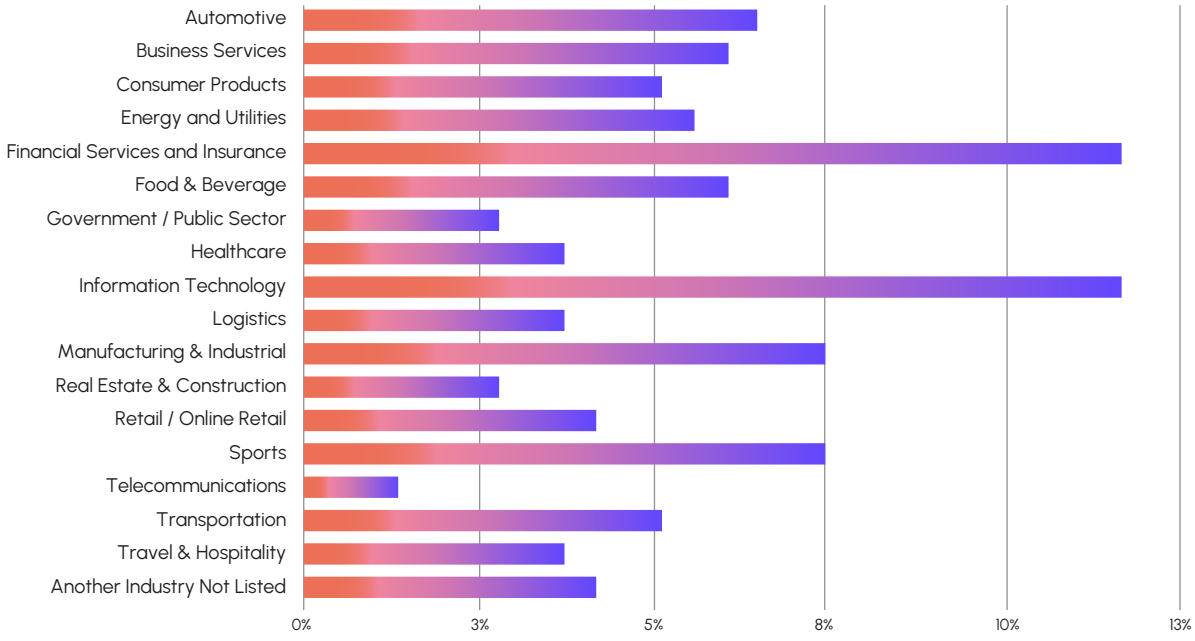


Figure: *Industries represented in this AI study*

Appendix #4

Demographics: Company size and age

Collectively, the organizations represented in this study reported annual revenues of $1 billion or more, underscoring the focus on large enterprises that are well-positioned to invest in and scale AI initiatives. These companies span a range of organizational ages, providing insights into how businesses at different stages of maturity approach AI adoption and integration.

53%

more than 10 years old

These companies often bring extensive resources, robust data ecosystems, and mature governance structures to their AI efforts, enabling them to adopt transformative technologies at scale.

29%

8-10 years old

These businesses are likely balancing the agility of newer firms with the growing complexity of scaling AI initiatives across enterprise operations.

14%

6-7 years old

These organizations are typically early adopters of AI, leveraging it to gain competitive advantages in dynamic markets.

4%

3-5 years old

While these companies may lack the long-standing infrastructure of their older counterparts, they bring the advantage of flexibility and fewer legacy constraints, allowing them to integrate AI more seamlessly.

0%

1-2 years old

The focus of this study was on established businesses with the capacity to make significant investments in AI.

The range of company ages provides a comprehensive view of how both traditional incumbents and high-growth digital natives are navigating the challenges and opportunities of AI adoption.

Important Information About This Report

PUBLISHER

Daniel Newman
CEO | The Futurum Group

INQUIRIES

Contact us if you would like to discuss this report and The Futurum Group will respond promptly.

CITATIONS

This paper can be cited by accredited press and analysts, but must be cited in context, displaying author's name, author's title, and "The Futurum Group." Non-press and non-analysts must receive prior written permission by The Futurum Group for any citations.

LICENSING

DISCLOSURES

The Futurum Group provides research, analysis, advising, and consulting to many high-tech companies, including those mentioned in this paper. No employees at the firm hold any equity positions with any companies cited in this document.

KEARNEY

ABOUT KEARNEY

Kearney is a leading global management consulting firm. For nearly 100 years, we have been a trusted advisor to C-suites, government bodies, and nonprofit organizations. Our people make us who we are. Driven to be the difference between a big idea and making it happen, we work alongside our clients to regenerate their businesses to create a future that works for everyone.

Futurum

ABOUT THE FUTURUM GROUP

The Futurum Group is an independent research, analysis, and advisory firm, focused on digital innovation and market-disrupting technologies and trends. Every day our analysts, researchers, and advisors help business leaders from around the world anticipate tectonic shifts in their industries and leverage disruptive innovation to either gain or maintain a competitive advantage in their markets.