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# ACCOUNTABLE ACCELERATION: GEN AI FAST-TRACKS INTO THE ENTERPRISE

## Year Three Full Report

Wharton
University of Pennsylvania
Human-AI Research

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## Jeremy Korst, WG'03

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Jeremy is a seasoned technology executive with leadership roles at Microsoft, T-Mobile and Avalara. He has been at the forefront of major technology trends, including the evolution from packaged software to cloud services, the rise of mobile computing, the permeation of connected ecosystems, and the advent of Gen AI.

At GBK Collective, Jeremy leads the firm's strategic engagements with global brands, focused on innovative product and Go-To-Market strategies. Jeremy is also founder of Mindspan Labs—a forward-thinking AI consultancy and incubator. As an active investor and advisor in the startup ecosystem, he supports a dynamic portfolio of early-stage ventures, including Mint Mobile (acquired by T-Mobile) and Oleria, a cybersecurity startup backed by Salesforce.

He earned his MBA from the Wharton School and now serves on its executive board. His thought leadership has appeared in top-tier outlets such as Harvard Business Review, Fast Company, Entrepreneur, and Forbes.

## Stefano Puntoni, PhD

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Stefano Puntoni is the Sebastian S. Kresge Professor of Marketing at the Wharton School, University of Pennsylvania, and Faculty Co-Director of Wharton Human-AI Research, a cross-disciplinary initiative that promotes research and education on artificial intelligence. His research applies behavioral science insights to understand how automation and algorithms affect consumers and society. He has published his findings in many prestigious academic journals as well as popular media outlets such as Harvard Business Review and the Wall Street Journal.

Stefano teaches courses on artificial intelligence and marketing strategy to undergraduates, MBAs, and executives. He is currently an Associate Editor at the Journal of Consumer Research and the Journal of Marketing, and President Elect of the Society for Consumer Psychology. Stefano earned his PhD in marketing from London Business School and his graduate degree in statistics and economics from the University of Padova, in his native Italy.

## Prasanna Tambe, PhD

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Prasanna (Sonny) Tambe is a Professor of Operations, Information and Decisions (OID) at the Wharton School, University of Pennsylvania, and serves as Faculty Co-Director of Wharton Human-AI Research. His research focuses on the economics of technical labor markets, AI and the future of work, and the use of algorithms in human resources.

His research leverages Internet-scale datasets from online job platforms, career networks, and labor market intermediaries to capture detailed information about worker skills, career trajectories, and employer requirements. His findings have been published in leading academic journals, including Management Science, Review of Financial Studies, Information Systems Research, MIS Quarterly, California Management Review, Communications of the ACM, and Information Economics and Policy. He holds an S.B. and M.Eng. in Electrical Engineering and Computer Science from MIT, and a PhD in Managerial Science and Applied Economics from the Wharton School, University of Pennsylvania.

## Insights & Strategy Team GBK Collective

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# Context

It is the intent of Wharton to annually produce an outlook on AI Industry adoption. GBK Collective led the inaugural study in 2023 alongside Wharton Professor Stefano Puntoni. In 2024, we began our joint study. Now in its third year, this repeated cross-sectional study is sponsored by **Wharton Human-AI Research,** part of the **Wharton AI & Analytics Initiative** at the Wharton School, University of Pennsylvania; GBK Collective performed research and analysis.

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# EXECUTIVE SUMMARY

# Study Objectives and Methodology

Three years ago, in the wake of ChatGPT's debut, we launched our initial study to push past the headlines—asking business leaders how they were actually using Gen AI and soliciting their expectations around the technology's future applications in their businesses.

As Gen AI fast-tracks into budgets, processes, and training, executives need benchmarks, not anecdotes. Our unique, year-over-year, repeated cross-sectional lens now shows where the common use cases are, where returns are emerging, and which people-and-process levers could convert mainstream use into durable ROI. We will track these shifts each year in this ongoing research initiative.

## Objectives

- Take a pulse on enterprise leaders' adoption of Gen AI, building on results from our previous studies in 2023 and 2024.
- Usage & perceptions: familiarity, frequency of use, leaders vs. laggards, use cases
- Impact & benefits: where value shows up in real work.
- Investment & ROI: budgets, allocations, measurement, outcomes.
- Human capital: job enhancement vs. replacement, leadership/CAIO ownership, training & skills.
- Double-clicks: industry, function, company size, seniority, usage cohort.

## Method

- 15-minute online quantitative tracking survey.
- United States, with a mix across regions
- Interviews conducted between June 26 and July 11, 2025.
- Total number of respondents.
  - 2025: ~800
  - 2024: ~800
  - 2023: ~670

## Audience Criteria

- Roles: Senior Decision Maker in HR, IT, Legal, Marketing/Sales, Operations, Product/Engineering, Purchasing/Procurement, Finance/Accounting, or General Management.
- U.S.-based enterprise commercial organization (1000+ employees and >$50 million revenue).
- Age 18+.

# Tracking the Rapid Acceleration of Gen AI in the Enterprise

Now in its third year, our study uniquely tracks Gen AI's shift from exploration to pilots to more disciplined, enterprise-level adoption.

## Wave 1 (2023): Exploration

*Testing, exploration, and trial by early adopters. Sentiment was "fascinated but cautious," with optimism centered on simple office tasks.*

- 37% reported using Gen AI at least weekly.
- Gen AI users were Optimistic, Excited, and many were Impressed but Cautious. Non-Users were mostly Curious and Cautious.
- Strong optimism with 78% likelihood of integrating Gen AI across business functions.
- Top use cases in Data Analysis, Content Creation, and Research & Insights.

## Wave 2 (2024): Experimentation

*More formal experimentation. Use and spend jumped as pilots spread across functions. Enthusiasm matured while scrutiny increased, pointing the way from excitement to a search for ROI.*

- 72% (+35pp YoY) reported using Gen AI at least weekly.
- Spending increased by 130%.
- After a year of usage, users reported being still Pleased and Excited, but less Amazed and Curious; most negative perceptions softened.
- 55% used across business functions; of those, 58% rated the performance as 'Great.'

## Wave 3 (2025) Current: Accountable Acceleration

*Regular usage is now integrated into core operations, leading to skill enhancement but also fears of proficiency declines. Leaders embed ROI metrics, invest significantly in internal R&D efforts, and tighten guardrails.*

- 82% use Gen AI at least weekly (+10pp YoY), and 46% (+17pp YoY) daily.
- 89% agree that Gen AI enhances employees' skills (+18% vs. replaces some skills).
- As usage climbs, 43% see risk of declines in skill proficiency.
- 72% formally measuring Gen AI ROI, focusing on productivity gains and incremental profit.
- Three out of four leaders see positive returns on Gen AI investments.

## Wave 3 (2025) Predictions for 2026+: An Inflection Point?

*2026 could be the turn from accountable acceleration to performance at scale—where today's ROI metrics, playbooks, and guardrails let enterprises rewire core workflows, deploy agentic systems, and reallocate budgets toward proven returns.*

- Increasingly optimistic, as four out of five see Gen AI investments paying off in about two to three years.
- 88% anticipate Gen AI budget increases in the next 12 months; 62% anticipate increases of 10% or more.
- About one-third of Gen AI technology budgets are being allocated to internal R&D, an indication that many enterprises are building custom capabilities for the future.
- Training, hiring, and rollout approaches are key human capital aspects that need to be addressed to increase chances of success.

# Accountable Acceleration: Gen AI Fast-Tracks Into the Enterprise

Three years in, the story is clear: from exploration to experimentation to everyday use. ROI is now measured, and people, not tools, set the pace. Our key findings are laid out in three key themes:

## 1 Everyday AI

Gen AI usage has become mainstream. Daily use is common, with IT and Purchasing/Procurement out front while Marketing/Sales and Operations trail. Adoption is strongest in repeatable tasks, with specialized applications on the rise. Large enterprises are closing the gap. The divide that remains is cultural. Open access, faster rollout, and clearer guardrails are what put leaders ahead of laggards.

## 2 Proving Value

This is the year enterprises re-assert accountability. Most firms now measure ROI, and roughly three in four already see positive returns. Budgets still back Gen AI investment, but dollars are shifting from pilots to performance-proven programs, with growing investment in internal R&D. Tech/Telecom, Banking/Finance, and Professional Services lead; while Retail and Manufacturing are still catching up.

## 3 The Human Capital Lever

Leadership commitment is growing, with C-suite ownership rising. However, people and processes are the new constraint. Training budgets and confidence in training are slipping, and advanced talent is hard to hire. Most leaders view Gen AI as skill-enhancing, yet culture and workforce shifts (including uncertainty about hiring in the next few years) could slow momentum. Those pulling ahead are aligning talent, training, and trust with their investments.

**Read the rest of the executive summary to learn more about the three key themes and find much more depth in the main report that follows.**

# 1. Everyday AI: Usage Is Now Mainstream

**Enterprise leaders' Gen AI workplace usage has surged** over the course of this study—now in its third year—moving decisively from novelty and tentative experimentation to being ingrained in daily work. 46% of business leaders now leverage Gen AI daily (a +17pp leap YoY) with 80%+ engaging at least weekly.

**Familiarity has deepened.** More business leaders self-identify as competent or expert, fueled by double-digit gains in Operations (+24pp), IT (+13pp), and Legal (+17pp).

**Adoption is broad** in the practical, repeatable use cases supporting employee productivity across functions. The most used are also the highest rated in performance (e.g., data analysis, document summarization, and document editing/writing). Particular functions are also adopting specific use cases (e.g., code writing for IT, employee recruitment/onboarding for HR, and legal contract generation for Legal).

This is all evidence that teams are seeing tangible wins folding Gen AI into existing workflows.

*Click here for more details on Everyday AI*

# 1. Everyday AI: Usage Is Now Mainstream (Cont.)

**The pattern is not uniform.** IT and Purchasing/Procurement lead on both frequency of use and confidence, while Marketing/Sales and Operations lag behind on adoption (a trend seen since our initial 2023 study). Large enterprises have closed last year's usage gap with smaller firms. Industry differences persist. Tech/Telecom, Professional Services, and Banking/Finance sectors outpace Manufacturing and Retail—with the latter being somewhat surprising, given the number of potential use cases around customer experience, workforce management, marketing, supply chain, and pricing. Seniority also matters. Those with titles of "Vice President" or higher have more optimistic views on Gen AI contrasted with mid-management, with twice as many believing their organizations are adopting much faster than other organizations (56% VP+ vs. 28% managers).

So, while most leaders' usage is now mainstream, depth still varies by department, industry, company size, and seniority. For the 16% of **decision makers who are "lagging"** behind their peers (use less than weekly), constraints include tighter workplace usage restrictions, slow-adopting industries, budget pressures, and low trust. This group risks being left behind as Gen AI proves itself as a force multiplier for human capital. Agreement is stronger that it enhances skills (89%) than it replaces them (71%). If current trends continue, these gaps could magnify, creating a sharper divide between empowered, AI-enabled employees and companies and those struggling to keep pace.

*Click here for more details on Everyday AI*

# 2. Proving Value: Measuring Investment, Impact & ROI

**Accountability is now the lens.** While experimentation, excitement, and FOMO (fear of missing out) may have driven significant early Gen AI investments discussed in our previous studies, measuring returns is now becoming standard practice. Nearly three-quarters (72%) of business leaders report tracking **structured, business-linked ROI metrics** (profitability, throughput, workforce productivity), optimizing not just for adoption but for measurable outcomes.

**Impact is rising** and conviction is building. Leaders anticipate that Gen AI will have a strong impact on their industry in the coming years (70% expect a major or revolutionary impact). **Long-term optimism about Gen AI is increasingly strong.** Most (88%) expect increased spend in the next 12 months (+16pp YoY), and 62% anticipate >10% growth over the next two to five years.

Budgets are pivoting from one-off pilots to **performance-justified investments**, and although budget reallocation is not currently the norm, some leaders are beginning to fund AI by cutting elsewhere (11%, +7pp YoY), with reallocation most often cited from legacy IT and HR & Workforce programs.

*Click here for more details on Proving Value*

# 2. Proving Value: Measuring Investment, Impact & ROI (Cont.)

**Returns are emerging, with scale as the next test.** Nearly three-quarters already see **positive ROI**, and four in five expect positive returns within two to three years. VP+ feel the most optimistic, having more positive ROI perceptions than mid-managers (81% believe ROI is positive vs. 69% for mid-managers).

Tier 1 enterprises ($2B+ annual revenue) are more likely to report “too early” outcomes today as they navigate integration complexity. Midsized Tier 2 ($250M–$2B) and smaller Tier 3 (<$250M) firms report quicker ROI realization.

By industry, early adopters of Gen AI—Tech/Telecom, Banking/Finance, and Professional Services—report stronger returns, while Manufacturing and Retail sectors with more complex physical operations see slower growth. Heavy investment in internal R&D (30% of Gen AI technology budgets on average, according to those in IT functions) indicates that firms are seeking customized solutions to further enhance ROI.

The net: **budget discipline + ROI rigor** are becoming the operating model for Gen AI investment.

*Click here for more details on Proving Value*

# 3. The Human Capital Lever: Aligning Talent, Training & Trust

**People now set the pace.** As Gen AI matures in the enterprise, **organizational readiness is paramount:** leadership alignment, workforce skills, governance, and change management—not just technical capacity.

**Executive leadership in Gen AI adoption** has surged (67%, +16pp YoY), and CAIO roles are now present in 60% of enterprises. These are clear signals that strategy and accountability are moving into the C-Suite.

Guardrails are tightening (64%, +9pp YoY, have adopted data security policies, and 61%, +7pp YoY, are implementing employee training and awareness programs), while access broadens.

Teams increasingly use AI to help govern (e.g., 62%, +7pp YoY, for fraud detection, and 59%, +5pp YoY, for risk management), which are evidence of a maturing operating model.

But **capability building is falling short** of ambition. Despite nearly half of organizations reporting technical skill gaps, **investment in training has softened** (-8pp), and **confidence in training as the primary path to fluency** is down (-14pp). Some firms are pivoting to hiring new talent, yet recruiting advanced Gen AI skills remains a top challenge (49%).

*Click here for more details on The Human Capital Lever*

# 3. The Human Capital Lever: Aligning Talent, Training & Trust (Cont.)

Senior leaders are split on whether Gen AI will generate more or fewer hires within their departments in the next few years. Similar to recent media coverage, leaders predict that Gen AI will have the greatest impact on junior roles—though not all leaders anticipate a negative impact (17% expect *fewer* intern hires vs. ~10% for mid-level+, though 49% expect *more* intern hires vs. ~40% for mid-level+). This mismatch between capability needs, workforce strategy, and budget priority risks creating long-term skill shortfalls and slowing the conversion of usage into ROI.

**The human side remains the bottleneck and a key potential accelerant.** Morale, change management, and cross-functional coordination remain persistent barriers. Without deliberate role design, coaching, and time to practice, 43% of leaders warn of skill atrophy, even as 89% believe Gen AI tools augment work.

Role seniority impacts POV on the way forward: compared to VP+, mid-managers lean more toward an employee-led approach to rolling out Gen AI, reporting higher rates of investment in employee training programs (+12pp) and allowing employees to innovate (+11pp) vs. VP+.

The bottom line is that the human capital factors of talent, training, and trusted guardrails directly impact the speed and efficacy of Gen AI adoption and its ultimate ROI.

*Click here for more details on The Human Capital Lever*

# DETAILED FINDINGS

# EVERYDAY AI: USAGE IS NOW MAINSTREAM

# Key Findings on Everyday AI

## Gen AI Goes Mainstream

Gen AI has shifted from experimentation and pilots to the daily norm, with nearly half of decision-makers now using it every day and expertise levels steadily rising. Adoption is broad; however, it remains uneven across industries and functions, and laggards risk being left behind.

**From Pilots to Daily Work; From Curiosity to Competence:**

Usage is now embedded into everyday workflows, with nearly half of decision-makers now using Gen AI daily (46%, +17pp YoY). Those identifying as "Expert" are also rising (+8pp YoY), signaling a more skilled and confident user base. Older audiences (55+) are starting to catch up to their younger digitally-native counterparts (61%, +19pp—at least weekly usage).

**Large Enterprises Are Catching Up:**

Tier 1 enterprises ($2B+ revenue) closed much of last year's adoption gap with smaller enterprises (+22pp—at least weekly usage). That said, smaller enterprises continue to lead on weekly usage and see themselves as more agile, showing steeper gains than Tier 1 enterprises on "much quicker" organizational adoption (Tier 2 +13pp, and Tier 3 +14pp).

# Key Findings on Everyday AI (Cont.)

**Uneven Gains, Rising Stakes:**

Enterprise decision-makers see Gen AI reshaping their work. Yet the impact isn't uniform. Across industries, Tech/Telecom, Banking/Finance, and Professional Services lead (≥90% use at least weekly), while Retail and Manufacturing lag. Expertise in functional areas is growing fastest in Legal (+23pp vs. 2024), Procurement (+14pp), and IT (+11pp), while Marketing/Sales (-6pp) and Management (-5pp) are leveling off. VP+ are far more optimistic than the more grounded and realistic mid-managers on organizational adoption speed (56% vs. 28% "much quicker").

**Core Workflows Lead Adoption:**

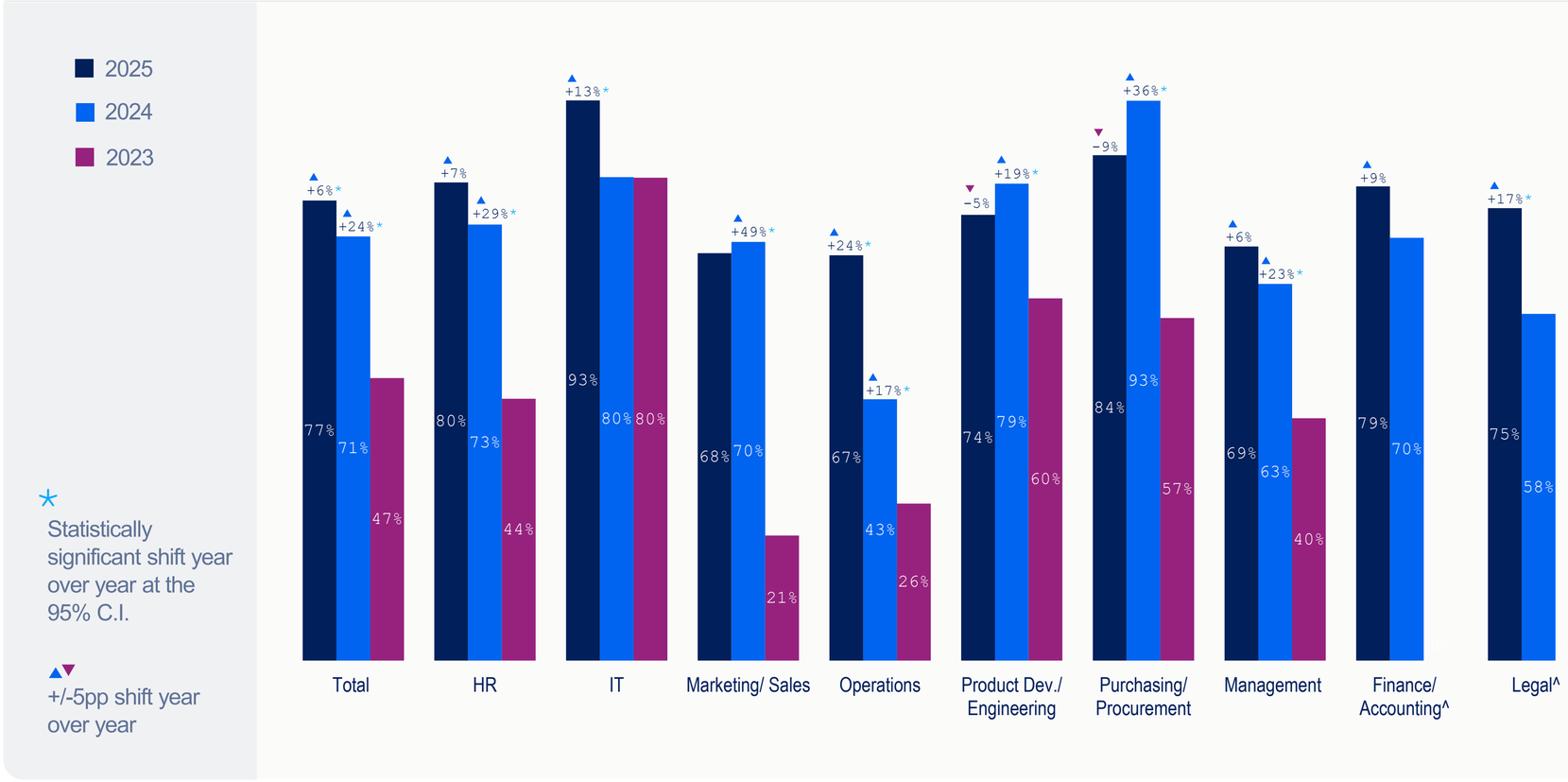
Gen AI is moving from novelty to practical productivity utility. Adoption is solidifying around day-to-day office tasks supporting employee productivity across functional areas—data analysis (73%), document/meeting summarization (70%), and document editing/writing (68%)—and more specialized tasks like coding and report creation for IT (~124 index value vs. total), employee recruitment for HR (129), and developing contracts for Legal (133).

**Laggards Risk Falling Behind:**

Roughly one in six decision-makers remain "laggards," using Gen AI weekly or less, concentrated in industry laggards Retail and Manufacturing. They face higher organizational restrictions, more skepticism, and slower integration, suggesting a widening divide between leaders who embed Gen AI and those who risk being left behind.

# Knowledge and Familiarity With Gen AI Rises, Though Not All Functions Keep Pace

**Knowledge and Familiarity with Gen AI by Functional Area** (Among Total, Showing "Expert/At Least Somewhat Familiar")



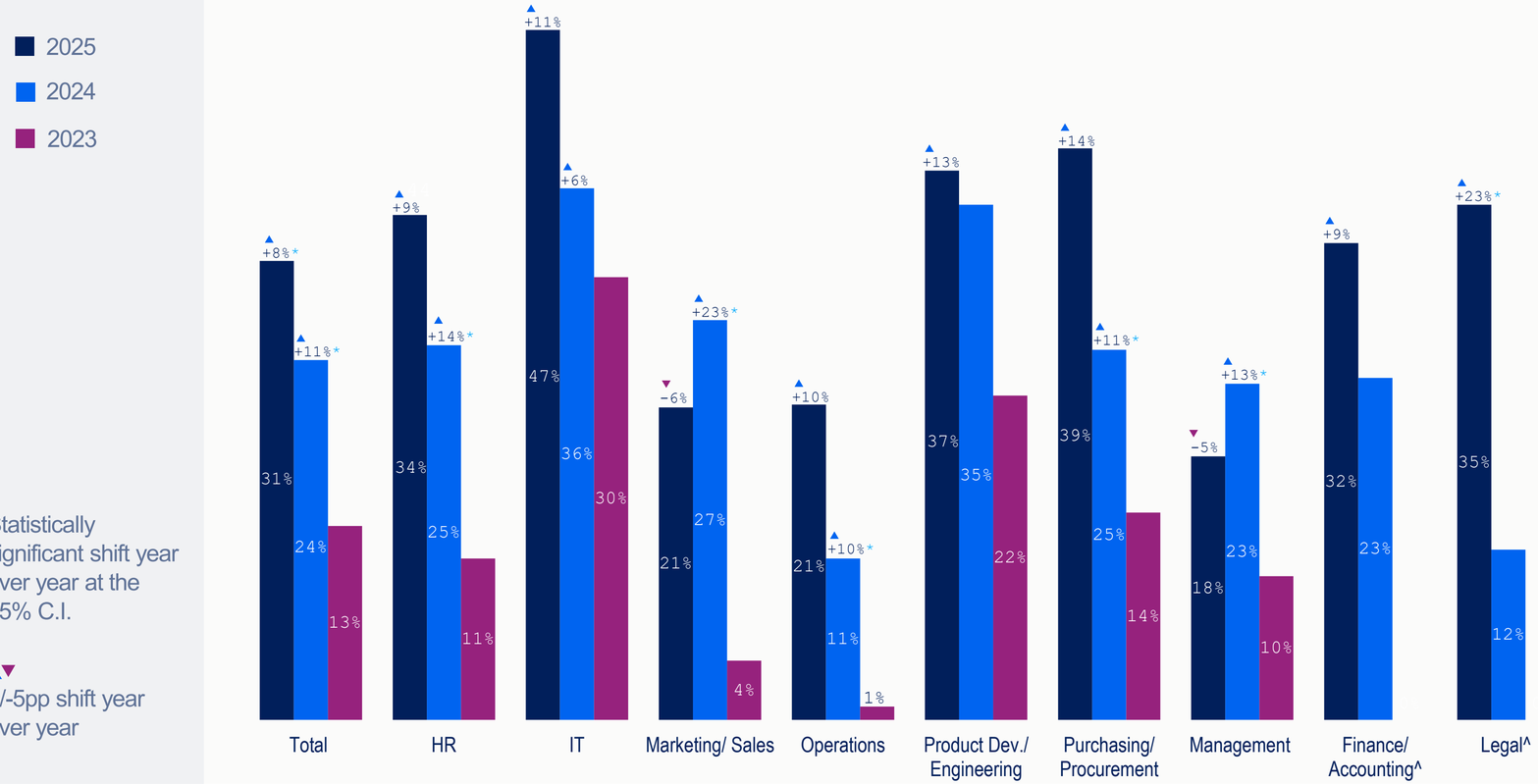

Broad overall lift: 77% report being at least somewhat familiar with Gen AI (+6pp YoY), with large and significant gains in IT (94%, +13pp), Operations (+24pp), Legal (+17pp), and Finance (+9pp).

Plateaus elsewhere: For other functional areas familiarity has plateaued after dramatic increases in 2024 (vs. 2023).

Q1. Which best describes your personal knowledge and familiarity with Gen AI?)
(^Note: Functional areas added to 2024 Survey)
Total: 2025 (n=801), 2024 (n=802), 2023 (n=672)

# Expertise Rising Broadly, Yet Weak Spots Remain in Marketing and Management

**Knowledge and Familiarity with Gen AI by Functional Area** (Among Total, Showing "Expert")




Overall: For most departments, the share identifying as "Experts" rose to 32% (+8pp vs. 2024, +19pp vs. 2023).

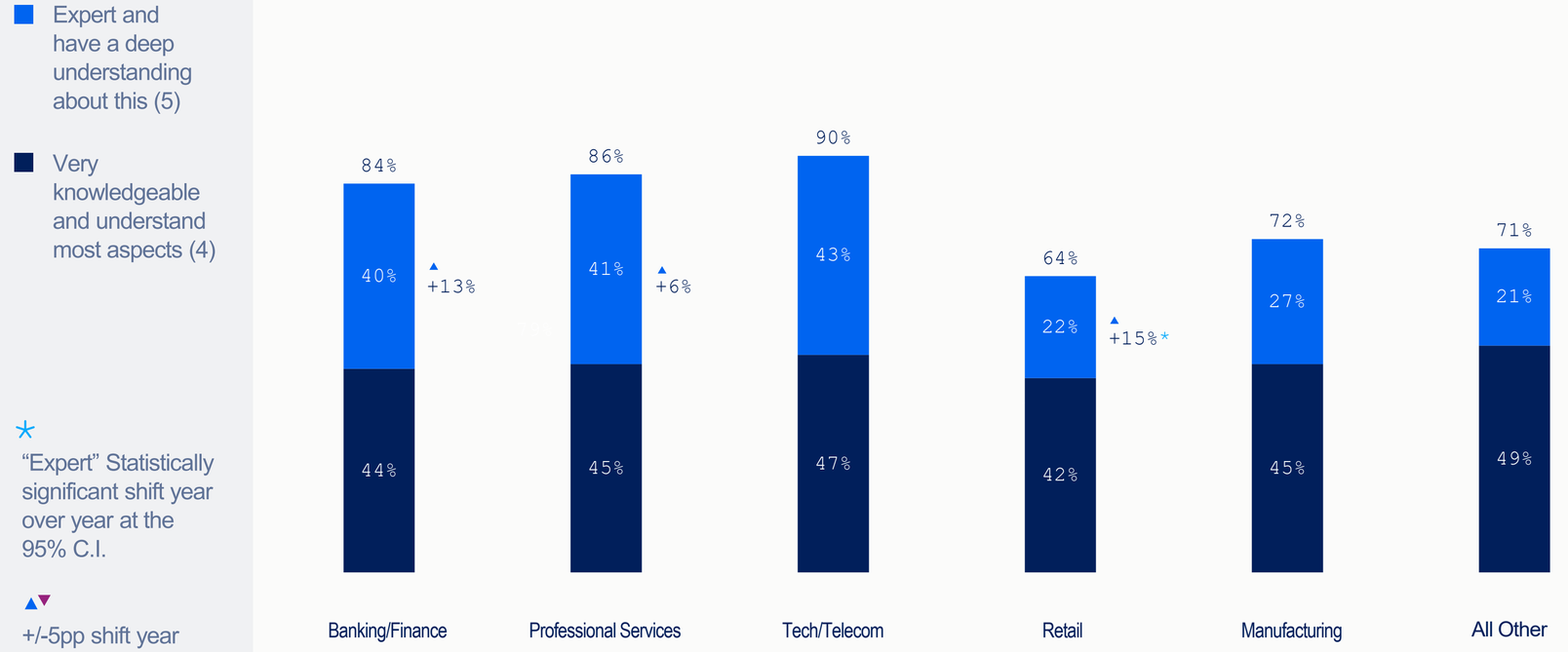
Fastest Growth: Largest YoY increase in Legal (+23pp vs. 2024), Purchasing/Procurement (+14pp vs. 2024, +25pp vs. 2023), and IT (+11pp vs. 2024, +17pp vs. 2023).

Lagging: Marketing/Sales (-6pp vs. 2024), and Management (-5pp vs. 2024).

Q1. Which best describes your personal knowledge and familiarity with Gen AI?
(^Note: Functional areas added to 2024 Survey)
Total: 2025 (n=801), 2024 (n=802), 2023 (n=672)

# Gen AI Skills Surge, Yet Gaps Persist by Industry

**Knowledge and Familiarity with Gen AI by Industry Area** (Among Total, Showing “Expert/Very knowledgeable”)



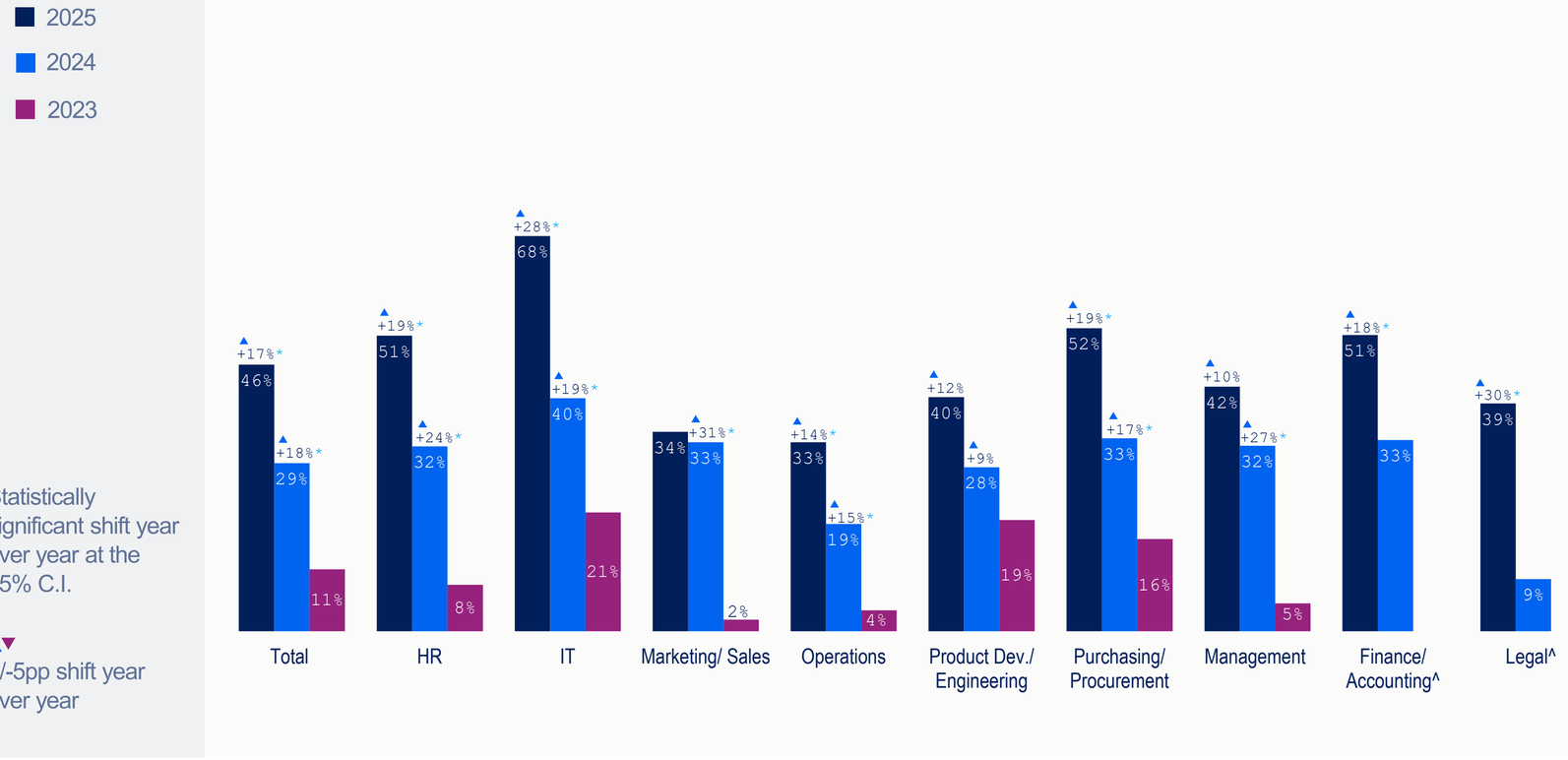

Leaders: Banking/Finance (84%), Professional Services (86%), and Tech/Telecom (90%) report highest Expert/Very Knowledgeable nets.

Laggards: Although Retail (64%) and Manufacturing (72%) trail, these human-capital-intensive industries may require additional resources to upskill and integrate Gen AI. Retail may be closing the gap, with its “Expertise” growing +15pp YoY.

Q1. Which best describes your personal knowledge and familiarity with Gen AI?
2025: Banking/Finance: (n=126), Professional Services (n=114), Tech/Telecom (n=168), Retail (n=107), Manufacturing(n=197), Other (n=184)

# Gen AI Moves From Dabbling to Daily Productivity

**Usage in Workplace – Using Gen AI Daily by Functional Area** (Among Total, Showing "Daily")




Almost half of decision-makers report using Gen AI daily (46%, +17pp vs. 2024, +35pp vs. 2023).

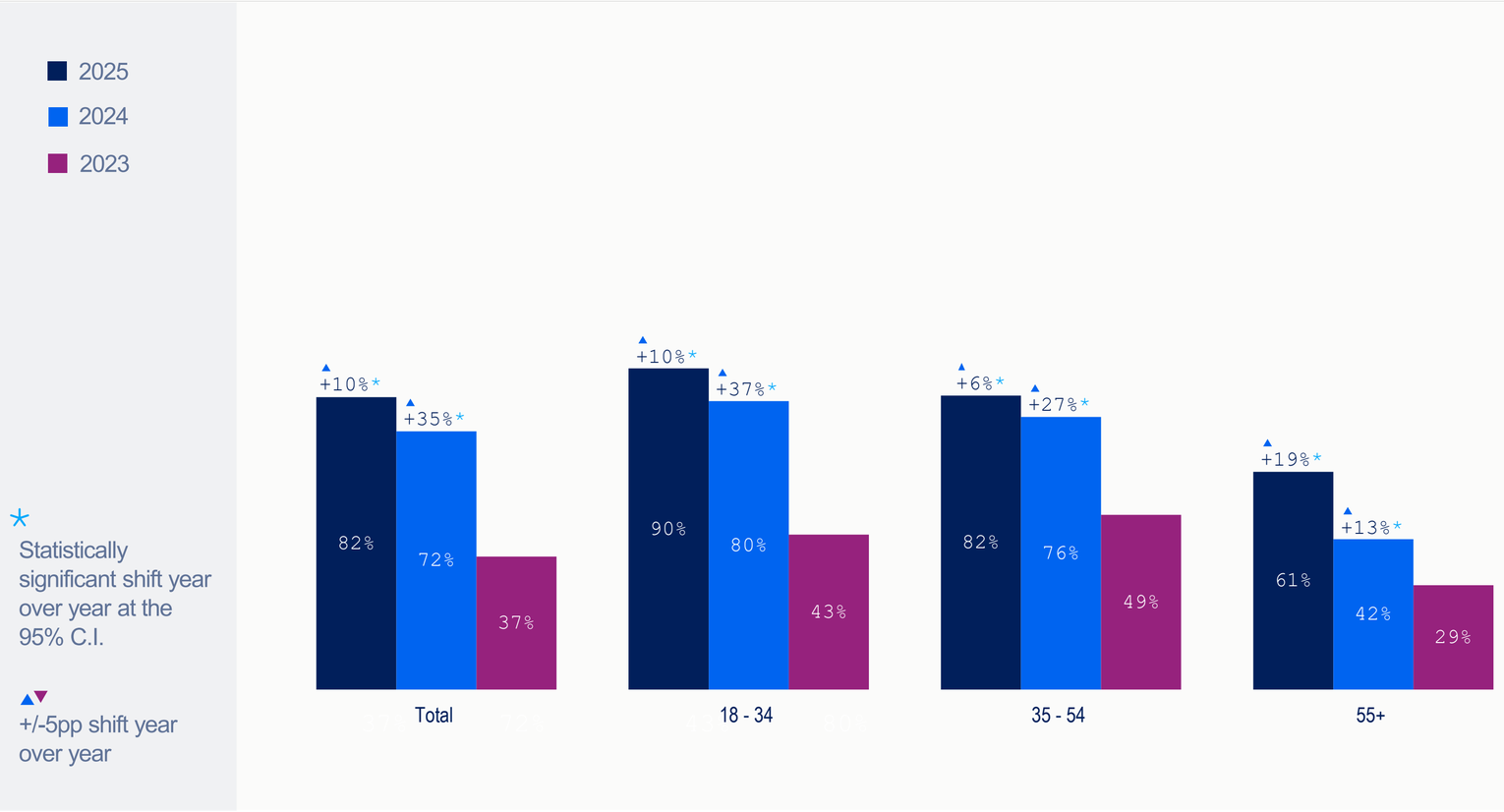
The increase in daily usage highlights the increasing importance of Gen AI in everyday workflows in as little as three years.

***"Gen AI has transformed my role by automating routine tasks like data analysis and report generation, allowing me to focus more on strategic decision-making and creative problem-solving."***
**—C-Suite, Tech/Telecom, Tier 2**

Q2. What is your experience using Gen AI for work purposes? (Note: Question wording updated in 2024)
Total: 2025 (n=801), 2024 (n=802), 2023 (n=672)
(^Note: Functional areas added to 2024 Survey)

# Decision-Makers 55+ Are Closing the Gen AI Gap

**Usage in Workplace – Using Gen AI at Least Once a Week by Age** (Among Total)

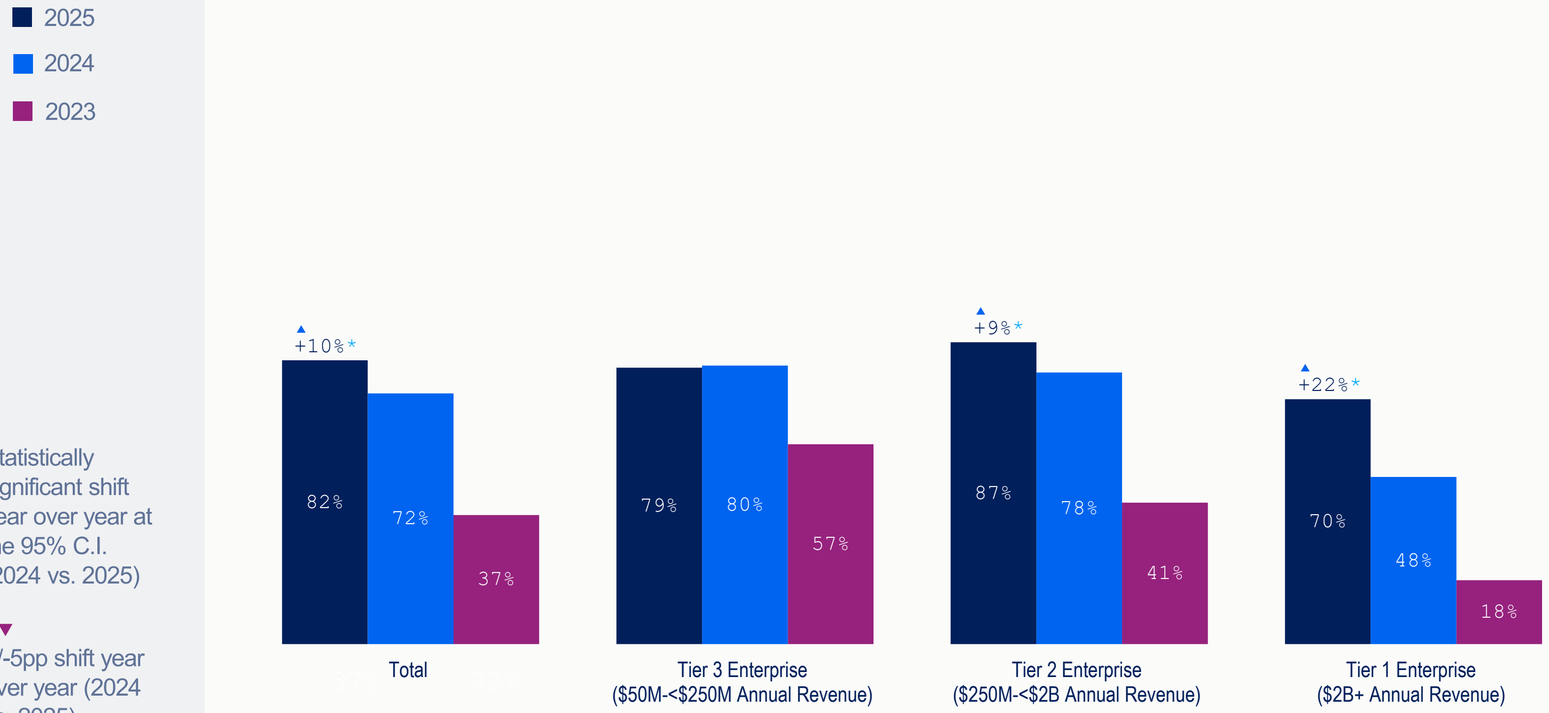



However, 12% of those aged 55+ reported they "never have used" Gen AI or do not use it currently (-8pp vs. 2024).

Q2. What is your experience using Gen AI for work purposes? (Note: Question wording updated in 2024)
Total: 2025 (n=801), 2024 (n=802), 2023 (n=672)

# Gen AI Usage Gap Narrows as Tier 1 Firms Accelerate

**Usage in Workplace – Using Gen AI at Least Once a Week by Company Size (Revenue in USD)** (Among Total)



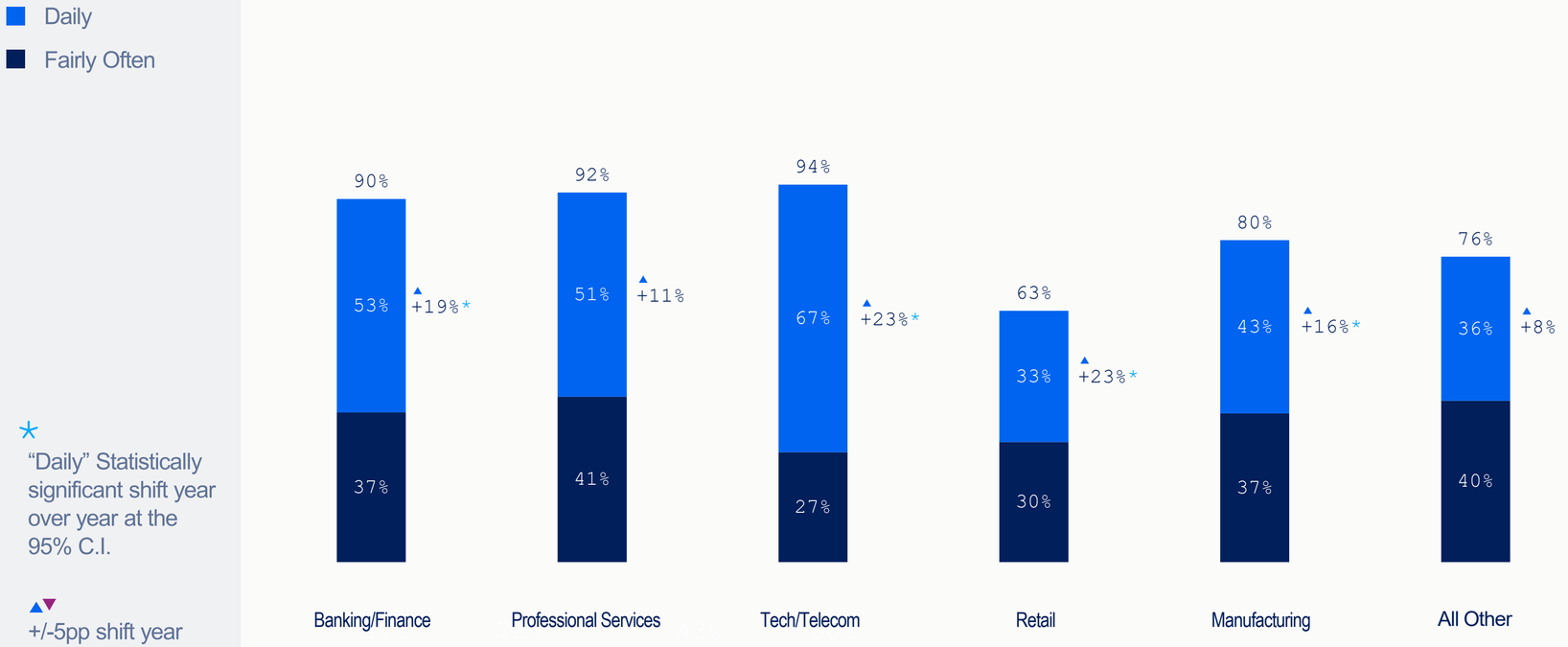

Across company sizes, Tier 2 now leads in using Gen AI **at least once a week** (+9pp vs. 2024), while Tier 1 enterprises made significant gains (+22pp).

**Daily usage** has increased significantly across the board compared to 2024: Tier 3 (+17pp), Tier 2 (+18pp), Tier 1 (+13pp).

Q2. What is your experience using Gen AI for work purposes? (Note: Question wording updated in 2024)
Total: 2025 (n=801), 2024 (n=802), 2023 (n=672)

# Most Industries See Rapid Uptake of Gen AI, Except Retail

**Usage in Workplace – Using Gen AI at Least Once a Week by Industry** (Among Total)



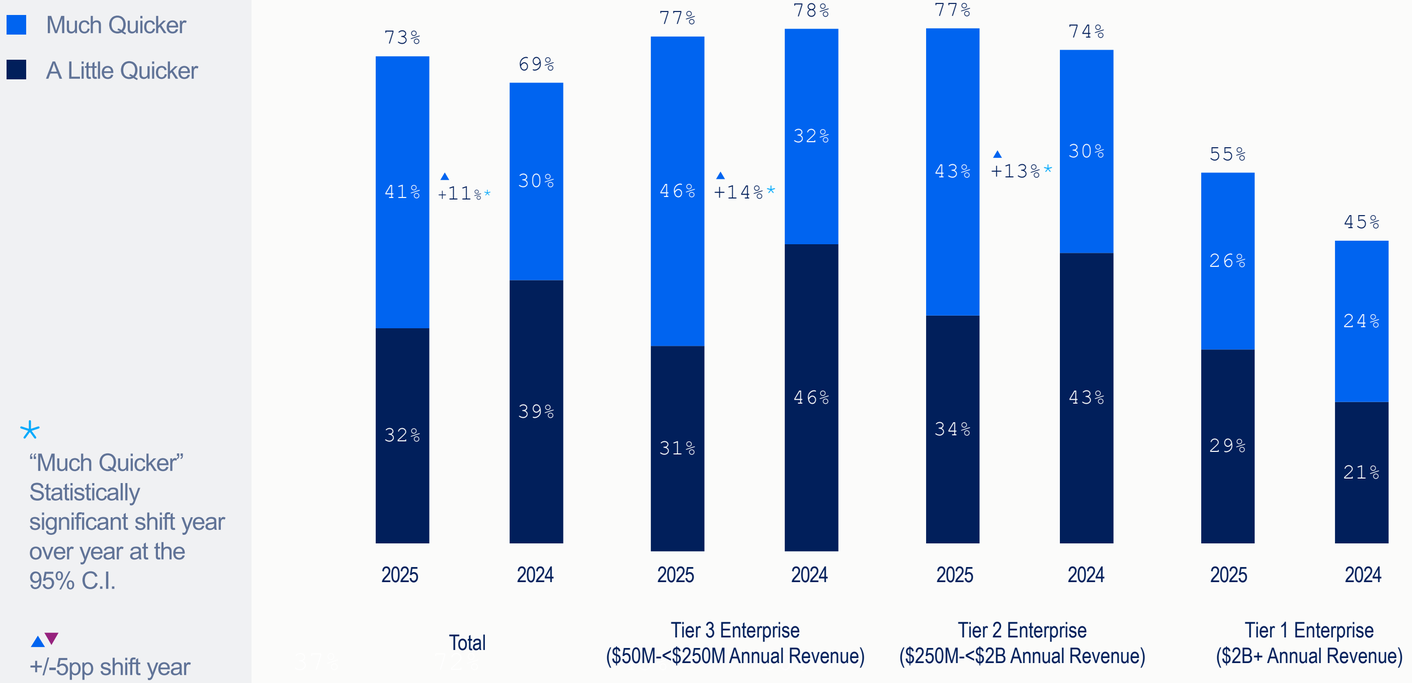

Daily Gen AI usage is higher across industries compared to 2024. The leading sector (Tech/Telecom) and the slowest adopter (Retail) saw the same +23pp gain.

Gen AI has been cemented in Tech/Telecom workflows, with two in three using it daily (compared to half of those in Banking/Finance and Professional Services).

Q2. What is your experience using Gen AI for work purposes? (Note: Question wording updated in 2024) 2025: Banking/Finance: (n=126), Professional Services (n=114), Tech/Telecom (n=168), Retail (n=107), Manufacturing(n=197), Other (n=184)

# Smaller Enterprises See Themselves as More Agile in Gen AI Adoption

**Speed of Adoption by Company Size (Revenue in USD)** (Among Total, Showing "Much/ A Little Quicker")



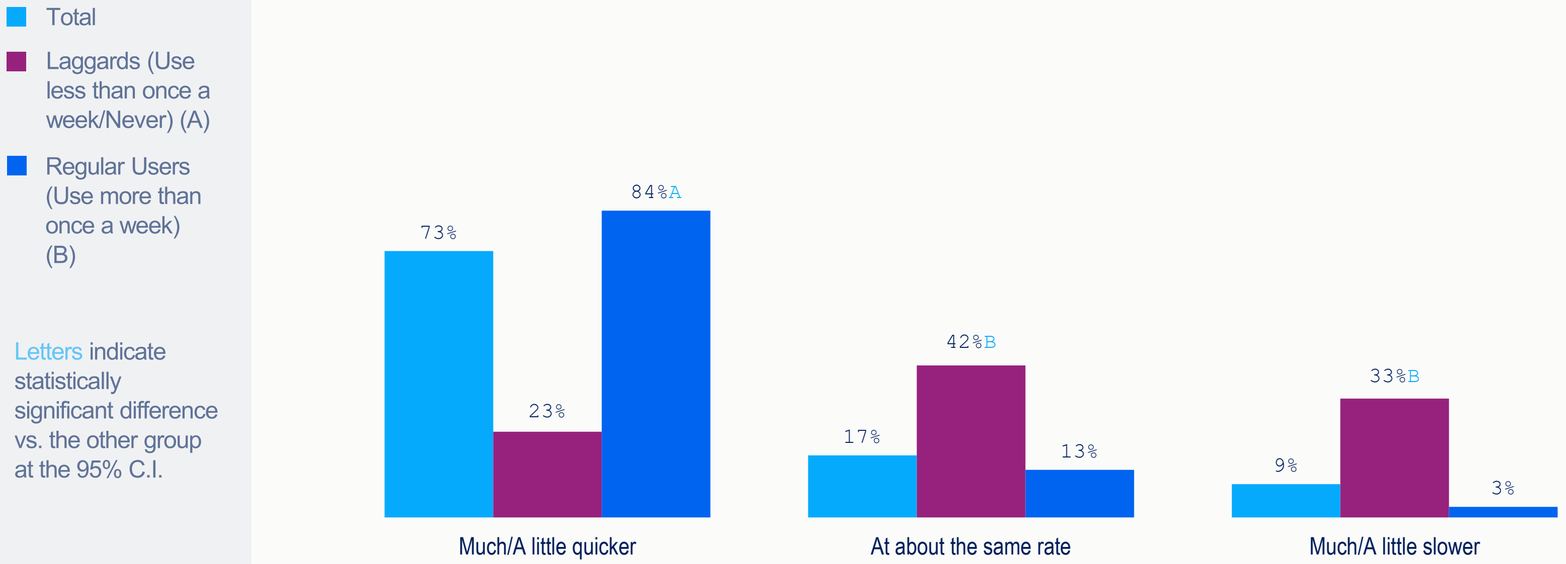

For those that described their organization's adoption as "much quicker," like Tier 2 (+13pp) and Tier 3 (+14pp) enterprises, adoption rose more dramatically since 2024.

As observed in 2024, this may be due to Tier 2 and Tier 3 enterprises' greater agility to change tools and processes, or that they may face greater pressure to realize the efficiency gains available with Gen AI.

Q3. Which best describes your organization's speed of adoption of Gen AI?
Total: 2025 (n=801), $50 Million - less than $250 Million (n=218), $250 Million - less than $2 Billion (n=428), $2 Billion or more (n=155)
Total: 2024 (n=802), $50 Million - less than $250 Million (n=211), $250 Million - less than $2 Billion (n=421), $2 Billion or more (n=170)

# Time to Catch Up: The Gen AI Laggards

**Organization Speed of Adoption by Usage Group** (Among Total, Showing “Much/ A Little Quicker”)



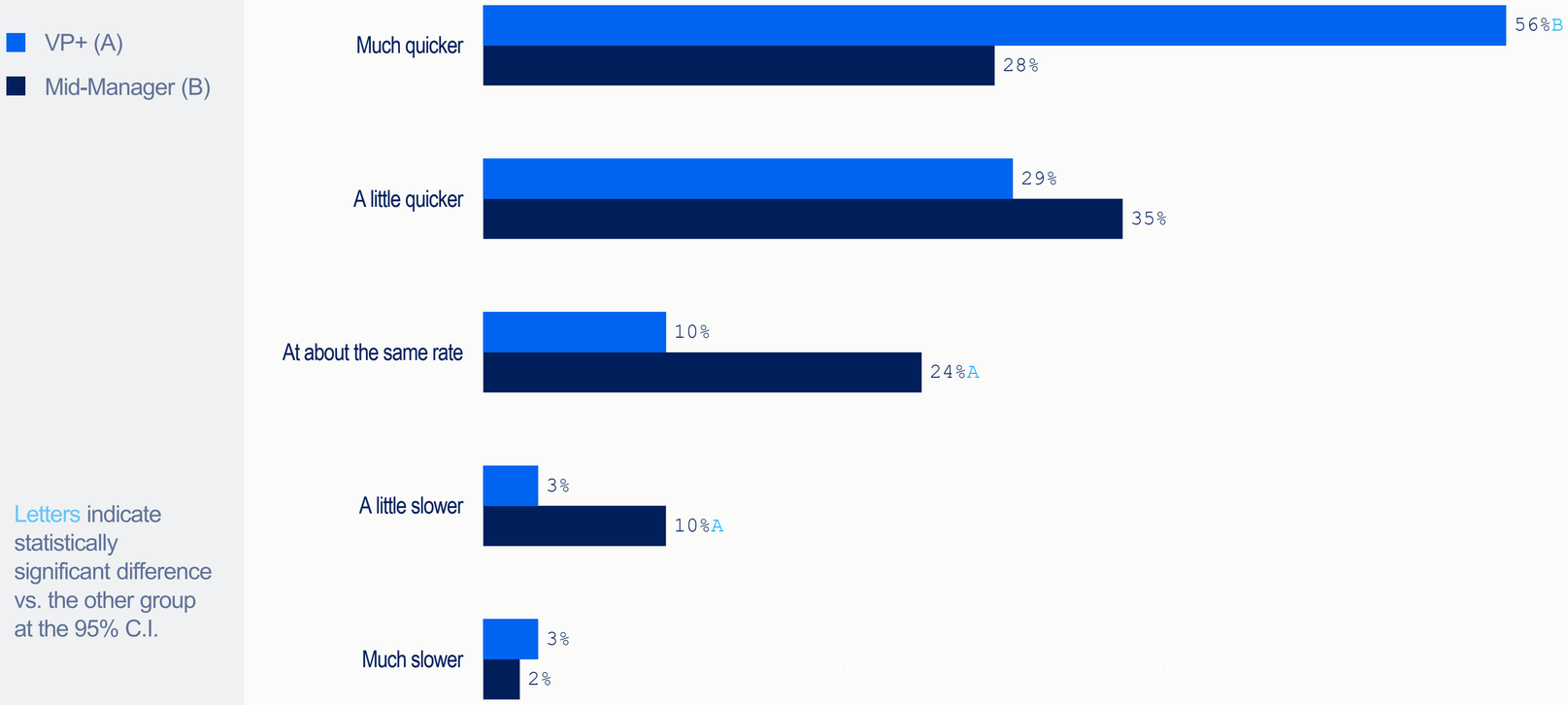

Unsurprisingly, those not using Gen AI on a regular basis correspond to enterprises where they are slow to adopt.

Laggards (16% of total) are most represented in industries such as Retail (21%) and Manufacturing (23%).

Does not include “Not sure”, hence displayed data does not sum to 100%.
Q3. Which best describes your organization's speed of adoption of Gen AI? (Note: New question in 2024)
Total: 2025 (n=801)
Laggards: 2025 (n=132)
Regular Users: 2025 (n=653)

# Adoption Speed: VP+ See Acceleration, Mid-Managers Less So

**Speed of Adoption by Seniority** (Among Total, Showing “Much/ A Little Quicker”)



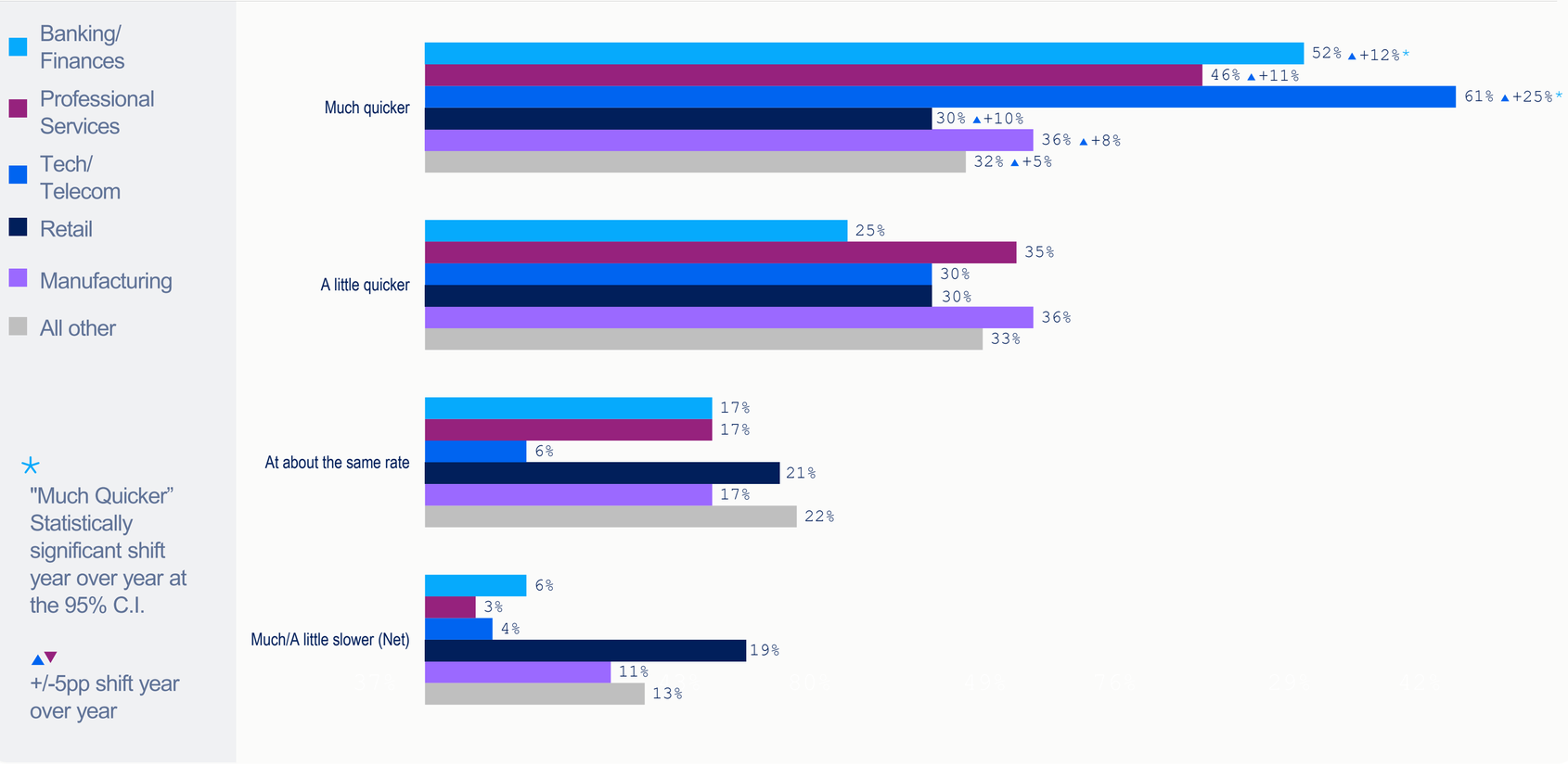

Letters indicate statistically significant difference vs. the other group at the 95% C.I.

This disagreement points to differences between more optimistic VP+ and more realistic mid-managers, who have greater visibility on the day-to-day impact (VP+ 56% “much quicker” vs. 28% Mgr /Director).

Does not include “Not sure”, hence displayed data does not sum to 100%.
Q3. Which best describes your organization's speed of adoption of Gen AI? (Note: New question in 2024)
VP+(n=372)
Mid-Manager(n=429)

# Retail and Manufacturing Leaders More Likely to See Themselves as Slow Adopters

**Speed of Adoption by Industry** (Among Total)




* "Much Quicker" Statistically significant shift year over year at the 95% C.I.

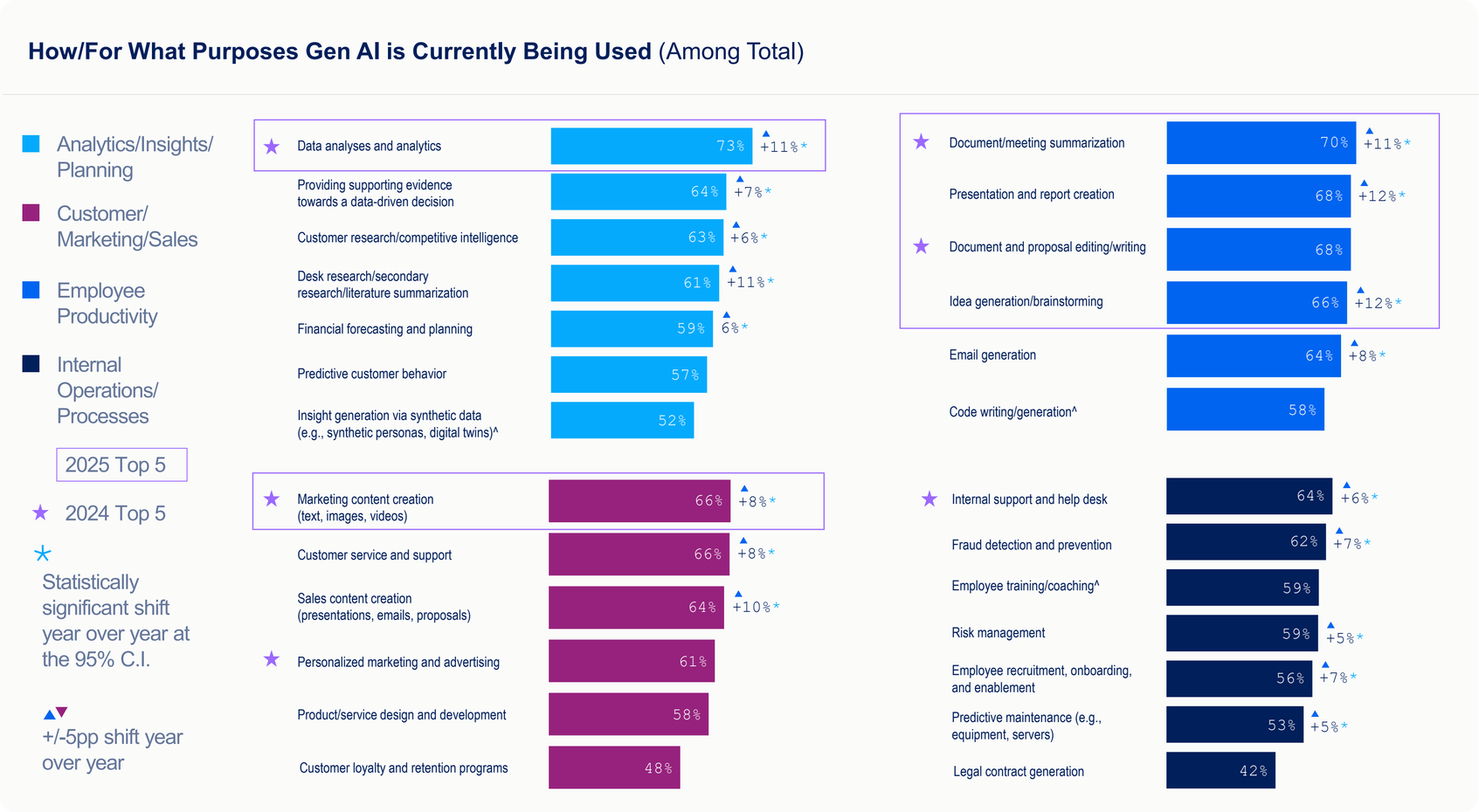
▲▼ +/-5pp shift year over year

19% of those in Retail and 11% of those in Manufacturing feel that their organizations have been slower to adopt Gen AI.

Those in Tech/Telecom perceive their organizations as quick adopters (61%), a feeling that has accelerated over the past year (+25pp vs. 2024).

Does not include "Not sure", hence displayed data does not sum to 100%.
Q3. Which best describes your organization's speed of adoption of Gen AI?
2025: Banking/Finance: (n=126), Professional Services (n=114), Tech/Telecom (n=168), Retail (n=107), Manufacturing(n=197), Other (n=184)

# Key Business Tasks See Higher Gen AI Adoption




The largest jumps vs. 2024 are in use cases like Presentation and Report Creation (+12pp) and Idea Generation/Brainstorming (+12pp).

***"Over the past year, one of the coolest ways we've used Gen AI is in speeding up our product design. It helps generate fresh ideas and visual concepts based on what customers are really looking for, so we can get new products out faster and more aligned with market trends… All in all, Gen AI has made our work more efficient and customer-focused, which feels like a big win for the team."***
***—Manager, Tech/Telecom, Tier 2***

Q8. Please indicate whether your organization uses or intends to use Gen AI for the following areas. - Currently use (^Note: Response options updated in 2025)
2025 (n=801)

# Half of Top 10 Gen AI Use Cases Directly Boost Employee Productivity

**How/For What Purposes Gen AI is Currently Being Used Top 10** (Among Total, by Rank)

| Category | Use Case | Total | |
|---|---|---|---|
| | | 2025 Rank | Rank Diff. vs. 2024 |
| Analytics / Insights / Planning | Data analyses and analytics | 1 (73%) | +1 |
| Employee Productivity | Document/meeting summarization | 2 (70%) | +1 |
| Employee Productivity | Document and proposal editing/writing | 3 (68%) | -2 |
| Employee Productivity | Presentation and report creation | 3 (68%) | +7 |
| Employee Productivity | Idea generation/brainstorming | 5 (66%) | +9 |
| Customer / Marketing / Sales | Marketing content creation (text, images, videos) | 6 (66%) | -2 |
| Customer / Marketing / Sales | Customer service and support | 7 (66%) | - |
| Employee Productivity | Email generation | 8 (64%) | +2 |
| Internal Operations / Processes | Internal support and help desk | 9 (64%) | -3 |
| Customer / Marketing / Sales | Sales content creation (presentations, emails, proposals) | 10 (64%) | +6 |

As in 2024, **Employee Productivity** made up the majority of top use cases. This emphasizes Gen AI's established value in repeatable office tasks.

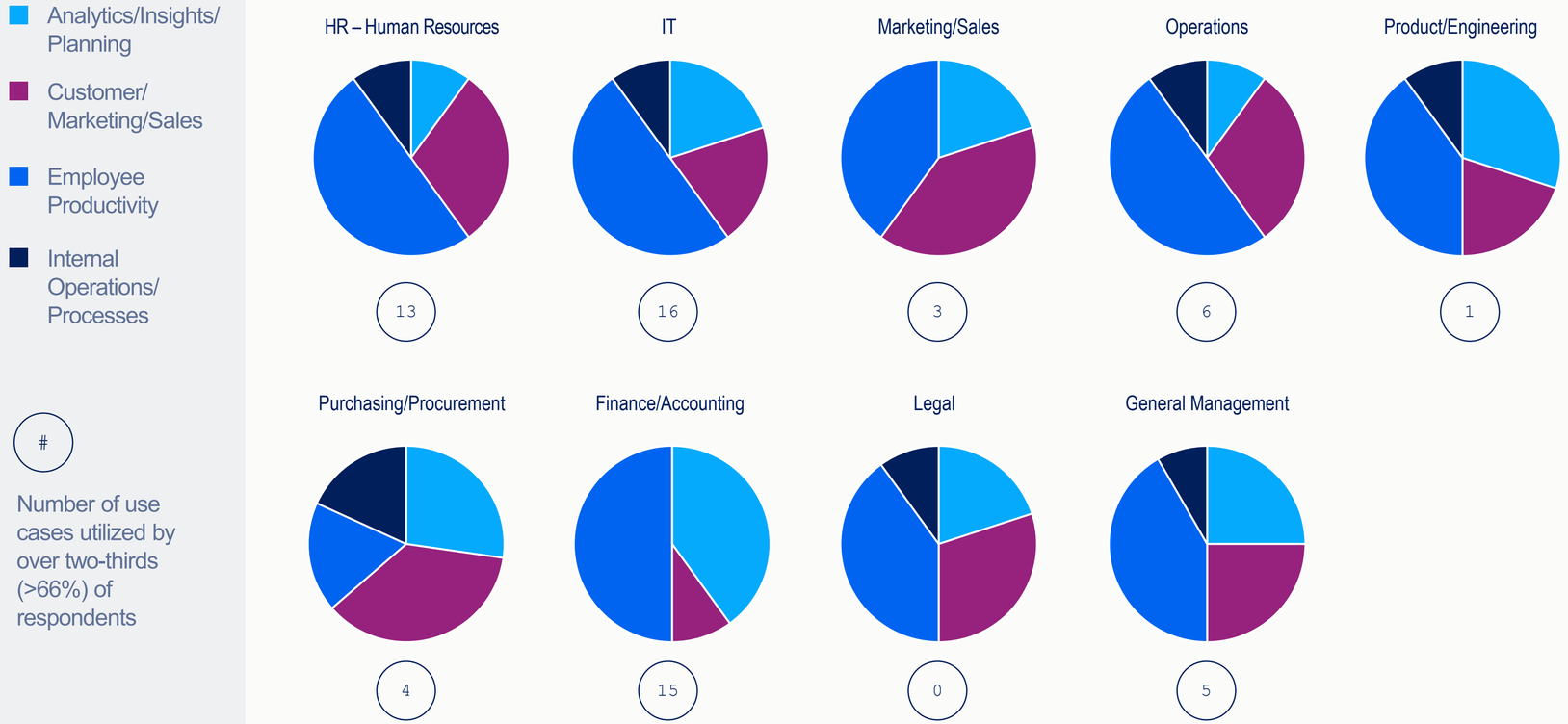
**Analytic** and **Internal Operations** use cases, such as "data analysis" and "internal support," are important supplements to employee productivity.

Whereas **Customer/Marketing/Sales** use cases, such as "customer service," "sales content creation," and "marketing content creation," are the top consumer-facing applications.

Q8. Please indicate whether your organization uses or intends to use Gen AI for the following areas. - Currently use (Note: Response options updated in 2025) 2025 (n=801)

# Gen AI Drives Productivity—But Functions Differ in Breadth vs. Focus

**How/For What Purposes Gen AI is Currently Being Used - Top 10 by Function** (Among Total, by Category)




Overall, IT, HR, and Finance functions are leveraging Gen AI for a wide variety of tasks, while Product/Engineering, Marketing/Sales, and Legal focus on fewer core use cases.

Functions like Finance/Accounting rely more heavily on analytic use cases, whereas areas like Legal—although lighter in overall adoption—use Gen AI in more varied ways.

Q8. Please indicate whether your organization uses or intends to use Gen AI for the following areas. - Currently use (Note: Response options updated in 2025) 2025 (n=801)

# Functions Find Their Fit With Gen AI

**How/For What Purposes Gen AI is Currently Being Used** (Among Total) – Index >120 vs. Total

| HR - Human Resources | IT | Legal |
|---|---|---|
| Employee recruitment, onboarding, and enablement<br>72% ▲+16%*<br>Index 129 | Code writing/generation<br>72% (new 2025)<br>Index 123 | Legal contract generation<br>56% ▲+19%*<br>Index 133 |
| | Presentation and report creation<br>84% ▲+26%*<br>Index 124 | |
| | Data analyses and analytics<br>88% ▲+20%*<br>Index 120 | |

* Statistically significant shift year over year at the 95% C.I.

▲▼ +/-5pp shift year over year

Certain functions—particularly IT, HR, and Legal—have found the right Gen AI use cases that meet key business needs.

***"The biggest impact Gen AI has had within our organization is in streamlining software development and boosting productivity. By integrating generative AI tools into our development workflows, we've been able to automate code generation, quickly debug errors, and generate documentation more efficiently."***

**—Director, Tech/Telecom, Tier 2**

Q8. Please indicate whether your organization uses or intends to use Gen AI for the following areas. - Currently use (Note: Response options updated in 2025) 2025 (n=801)

Note: Index scores are calculated relative to the total audience.

# Top Use Cases Are Also Top Performers

**Gen AI Use Case Performance by Great Performance** (Among Organizations Currently Using Gen AI)

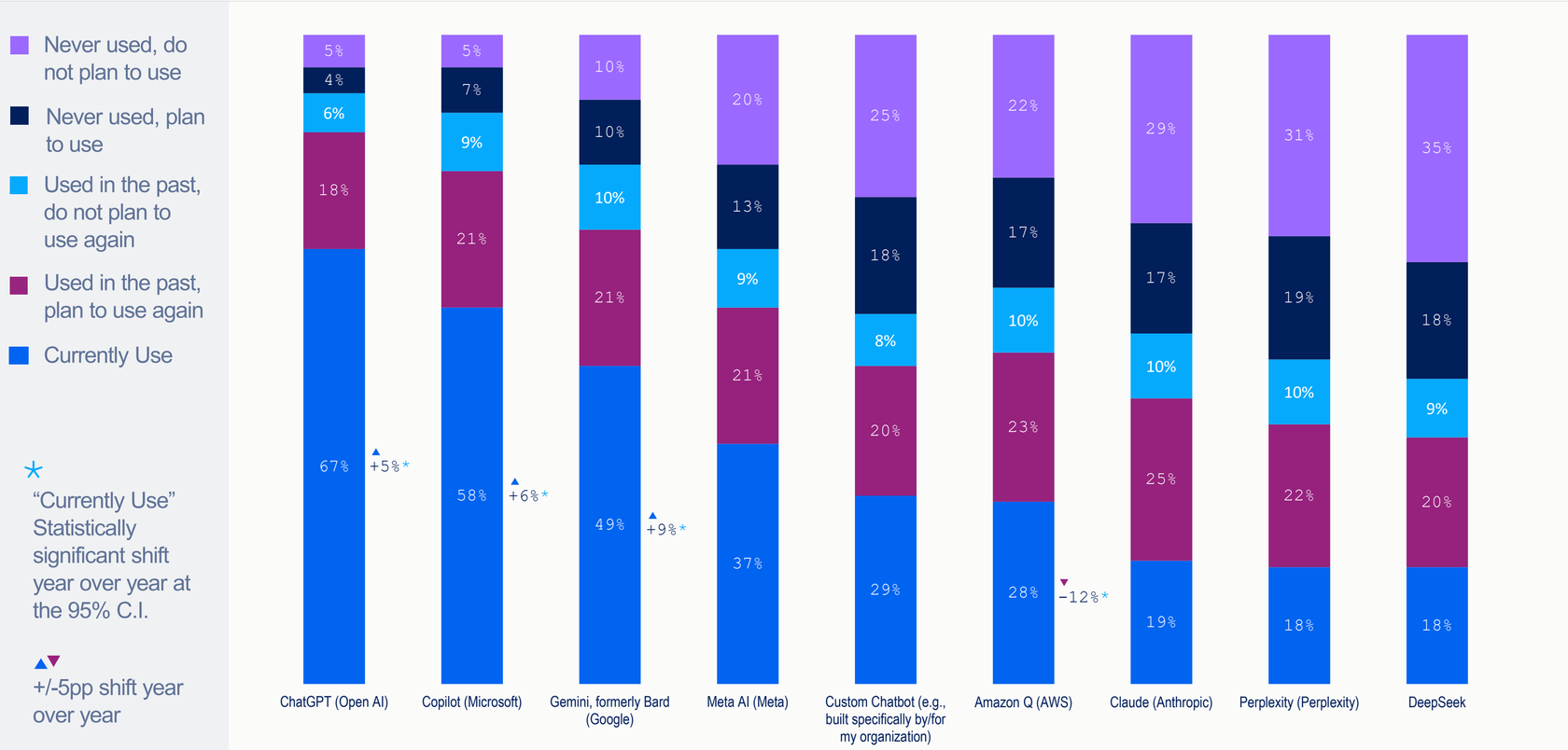

In 2024, not all the top use cases were top performers; however, this year, performance and usage share a more linear relationship.

Enterprises are getting the most out of Gen AI's ability in important daily office tasks.

Q8A. How well do you feel Gen AI has performed in each of these areas? (^Note: Response options updated in 2025) Organization currently uses Gen AI 2025 and 2024 (n=Bases Varies)

# ChatGPT and Copilot Dominate Usage, Other Tools Lag Behind

**Top Used Tools** (Among Total)



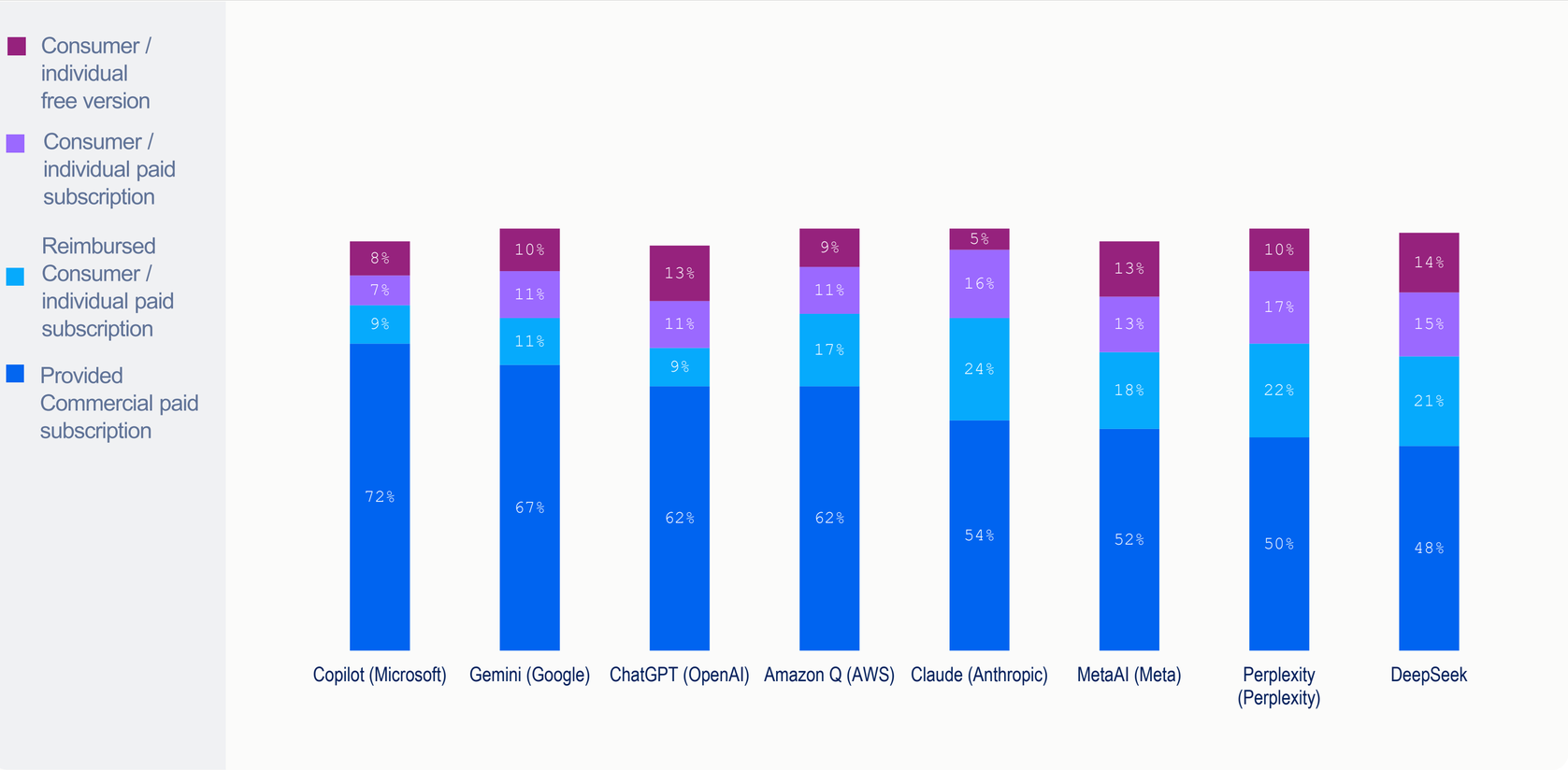

Usage for the top three Chatbots is up since 2024.

ChatGPT (+5pp vs. 2024, +18pp vs. 2023)
Copilot (+6pp vs. 2024, +31pp vs. 2023)
Gemini (+9pp vs. 2024, +25pp vs. 2023)

Q14. Please indicate your organization's use of the specific Gen AI tools listed below. (Note: Updated list of Gen AI tools in 2024)
Total: 2025 (n=801)

# Overwhelming Majority of Gen AI Subscriptions Paid by Employer

**Chatbot Subscription Type** (Among Current Users of Each Chatbot)




Aside from ChatGPT, top employer-paid subscriptions align with top primary cloud providers: Microsoft Azure (31%), Google Cloud (23%), AWS (21%).

Seamless integration with current cloud providers is a top-10 consideration among those in IT functions (ranked #4).

Does not include "I'm not sure/NA", hence displayed data does not sum to 100%.
Q15. You said you are using <Gen AI Chatbot> in your organization. Which specific subscription model are you using?
(Note: Response options updated in 2025)
2025: Total (n= Base Size Varies)

# Early Directional Findings Show AI Agent Pilots Prioritize Efficiency Before Autonomy

**How are organizations adopting AI agents*?**
*Findings based on open end responses (Among Total):*

- **What is the adoption rate:**
  - 58% of enterprise decision makers say their organizations are using AI agents in some way
- **What the agents do:**
  - Process Related: Process automation and finding workflow efficiencies (14%), integrating into internal operations or workflow management (10%), inter-department workflow management (10%)
  - Frontline services or customer service support (8%)
  - Simplifying daily tasks (7%)
  - Performing analytics (7%)
- **Main benefits** reported include (but are not limited to): improving customer service, boosting productivity, simplifying daily tasks, or coordinating workflows across departments

**AI Agents are intelligent systems designed to autonomously handle complex business tasks—such as analyzing data, coordinating across departments, or optimizing operations—by making decisions, adapting to new information, and pursuing goals with minimal human input.*

"**[We are] adopting AI agents… where routine tasks can be automated and scaled…**
- Triaging **internal support** tickets, gathering context, and suggesting solutions
- **DevOps** monitoring and auto-remediation
- **Finance Ops** for invoice matching, fraud flagging, and reporting

While still human-supervised, they're already freeing up valuable time and accelerating decision-making across departments."
*—C-Suite, Tech/Telecom, Tier 2*

".. **Data analysis and supply chain management,** to interpret data, predict trends, and make decisions

Improved efficiency, reduced manual effort, and enabled faster, smarter operations across departments"
*—Director, Banking, Tier 2*

"**Automate contract lifecycle management (CLM)** to draft, review, and flag risks 24/7 with 92% accuracy."
*—VP, Finance, Tier 1*

"**IT operations and business process automation** to monitor infrastructure health, automatically trigger remediation actions, and escalate issues based on impact severity"
*—Manager, Tech/Telecom, Tier 3*

"**Workflow automation and internal analytics to** gather and summarize key metrics daily, which saves time and improves decision-making."
*—C-Suite, Tech/Telecom, Tier 2*

Q16. How, if at all, is your organization adopting AI Agents?
[Open End Response]
(Note: New question in 2025)
Total: 2025 (n=801)

# DETAILED FINDINGS

# PROVING VALUE: MEASURING INVESTMENT, IMPACT & ROI

# Key Findings on Proving Value

## Measuring Investment, Impact & ROI

Enterprises are moving from broad exploration to more disciplined growth. ROI measurements are now standard, and early returns are seen as broadly positive. Confidence remains strong, with most anticipating continued budget growth, but future gains must now be justified by clear performance outcomes.

**ROI Measurement Is Now Standard:**

Enterprises are no longer content with usage metrics alone—ROI measurement is now standard practice, with 72% reporting formal ROI tracking. Functions with established metrics cultures, such as HR and Finance, are ahead, and the trend is spreading across the enterprise, evidence of the pivot from exploration to accountability.

**Early Returns Are Positive, But Scale Adds Complexity:**
Many enterprises are already seeing tangible benefits in productivity and performance. Most already report positive ROI (74%), particularly smaller players who move faster to integrate Gen AI into workflows. Tier 1 enterprises, despite bigger budgets, more often report "neutral/too early" outcomes (34%) as they work through scale and complexity. Industries in the digital realm are seeing more positive returns—Tech/Telecom (88% positive) and Banking/Finance and Professional Services (83%)—while Retail (54%) and Manufacturing (75%) industries with physical goods are still proving value. VP+ executives have more positive ROI perceptions than more realistic mid-managers (45% report that their company's ROI is significantly positive vs. 27% for mid-managers).

# Key Findings on Proving Value (Cont.)

**Gen AI's Impact Is Growing, But Uneven:**

Perceptions of high impact rise sharply in Legal (+24pp vs. 2024), Procurement (+15pp), and Customer Service (+16pp) while other functions are flatter—showing that momentum is real, but the next wave of value isn't universal yet. Industry leaders on adoption (Banking/Finance, Tech/Telecom, Professional Services) predict more 'revolutionary' impact while "laggards" (Retail, Manufacturing) have more tempered expectations.

**Productivity Gains Are Clear, With Some Friction:**

For the third year running, employee efficiency and productivity remain the top benefit (ranked #1), with quality (ranked #2), creativity (ranked #8), and security (ranked #9) also climbing. At the same time, security risks, operational complexity, and data inaccuracy remain the most cited barriers—underscoring that enterprises are realizing value, but not without friction. Lack of training resources emerges in the top-10 barriers (added to the survey in 2025). For "laggards," employee resistance and lack of trust are bigger concerns (+10pp vs. Regular Users).

# Key Findings on Proving Value (Cont.)

**Growing Budgets Are Back and Moving to the Core:**

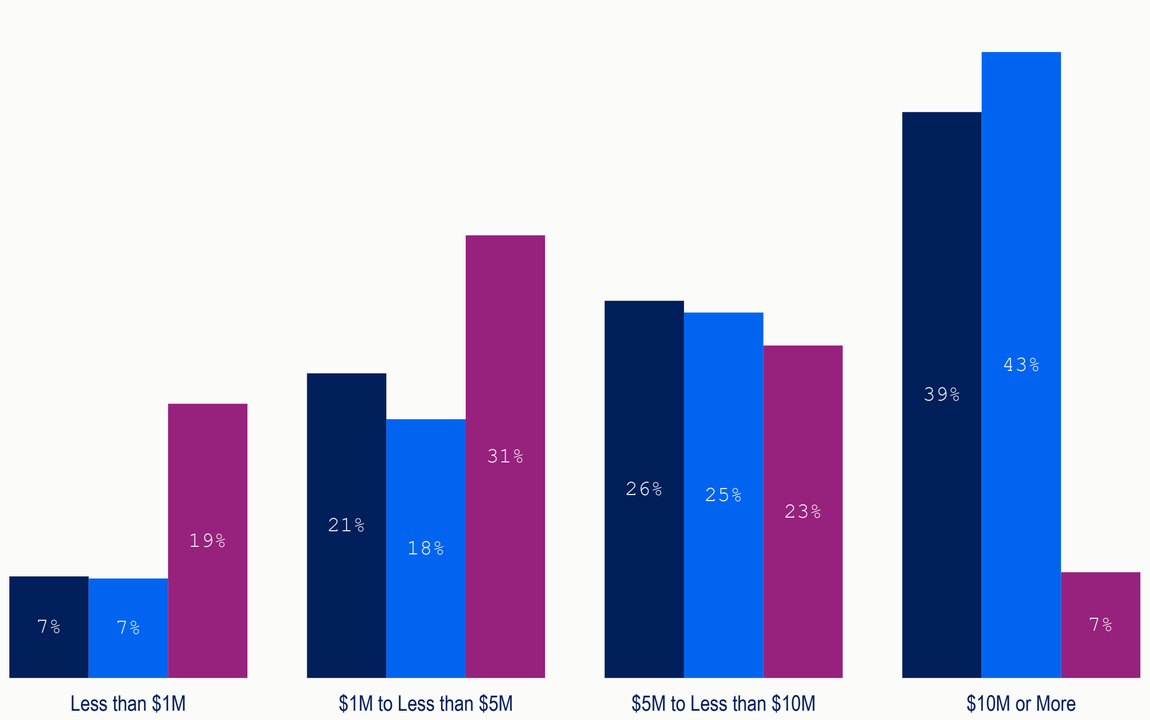
After cautious 2024 outlook, 2025 spend increases are back on the agenda and growth is projected again. Budgets for 2025 remain robust, with nearly two-thirds of enterprises budgeting $5M or more, led by Tier 1 organizations. Investments in new and current technology make up over a third of 2025 budgets, reflecting confidence in Gen AI's long-term role in enterprise operations and processes. Another 30% of technology budgets now go to internal R&D, according to those in IT functions, signaling that customized solutions are being developed.

**Budgets Rise Ahead, and Reallocation Increasing:**

Looking forward, 87% of leaders remain confident that returns will accelerate over the next two to five years, and 88% expect budgets to increase in the next year—with technology and R&D leading the increases. This underscores the belief that Gen AI's value is apparent and is becoming an essential driver of day-to-day efficiency, innovation, and growth. Though most investments are coming from net-new budgets, leaders are increasingly funding AI by cutting elsewhere (+7pp YoY) (e.g., legacy IT, outside services), reinforcing the discipline behind growth.

# Two-Thirds of Enterprises Are Investing $5M+

**Organizational Gen AI Budgets** (Among Total)




* Statistically significant shift year over year at the 95% C.I. (2024 vs. 2025)

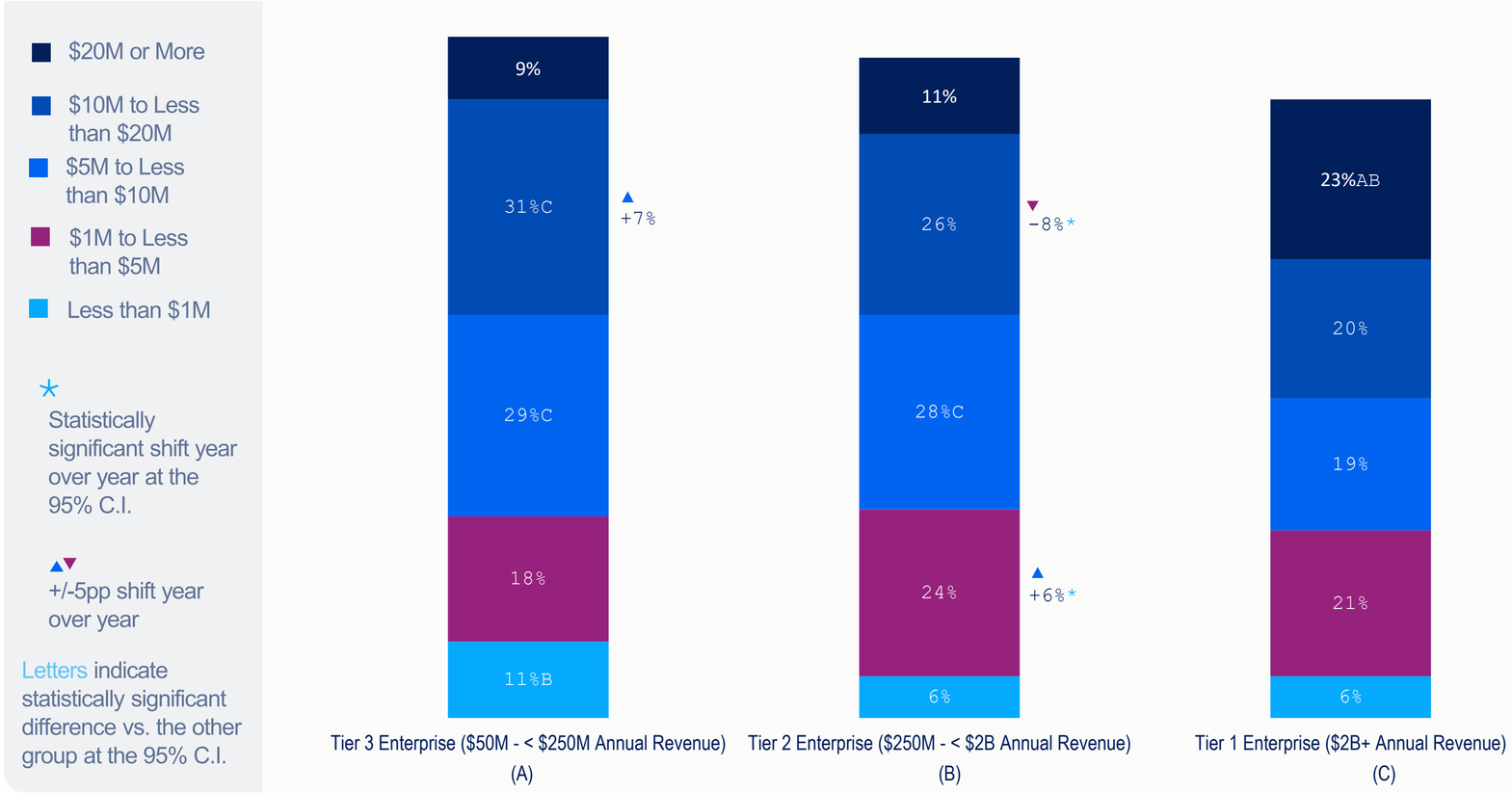
▲▼ +/-5pp shift year over year (2024 vs. 2025)

Compared to other functions, **Product Dev./Engineering, Legal** and **IT** have the highest budgets **($5+M).**

Does not include "Don't know", hence displayed data does not sum to 100%.
No statistical differences for 2025 vs. 2024.
QSP1. What is your organization's approximate budget for Gen AI solutions and related services?
(Note: Question wording updated in 2024)
Total: 2025 (n=801), 2024 (n=802), 2023 (n=672)

# Big Spenders: Tier 1 Tops Gen AI Budgets, Tier 2 & 3 Still Invest Heavily

**Organizational Gen AI Budgets** (Among Total)




23% of Tier 1 enterprises are investing $20M or more – significantly higher than smaller firms.

The top average investments (+$10M) among industries are in Banking/ Finance, Technology/Telecom, and Professional Services.

Does not include "I'm not sure/NA", hence displayed data does not sum to 100%.
QSP1. What is your organization's approximate budget for Gen AI solutions and related services? (Note: Question wording updated in 2024)
Total: 2025 (n=801), Tier 3 Enterprise (n=218), Tier 2 Enterprise (n=428), Tier 1 Enterprise (n=155)

# Tech and Internal R&D Take Priority in Gen AI Spending

**Budget Breakout** (Among Total)

| | Total | Tier 3 Enterprise ($50M - <$250M Annual Revenue) (A) | Tier 2 Enterprise ($250M - <$2B Annual Revenue) (B) | Tier 1 Enterprise ($2B+ Annual Revenue) (C) |
|---|---|---|---|---|
| New Technology/ Tools/ Systems | 21% | 20% | 21% | 22% |
| Existing Technology/ Tools/ Systems | 17% | 18% | 17% | 19%B |
| Internal Research & Development | 17% | 16% | 17% | 16% |
| Employee Training | 16% | 16% | 17% | 17% |
| Hiring/Onboarding | 15% | 15% | 14% | 14% |
| Consultants | 13% | 15%BC | 13% | 12% |

Note: Shading is applied to the entire table.

Letters indicate statistically significant difference vs. the other group at the 95% C.I.

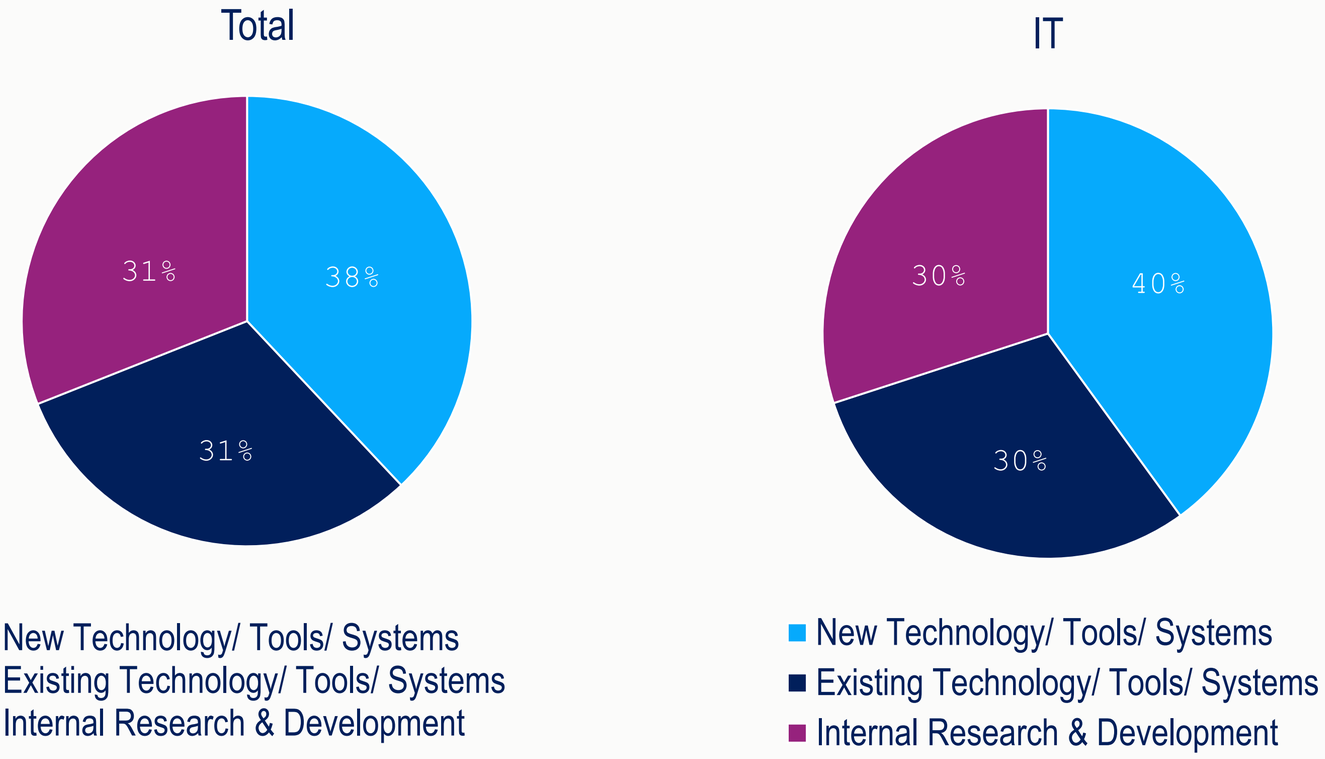
Investments in technology, both new and current systems, make up over a third of 2025 budgets for enterprises of all sizes.

Investment in these areas may underscore enterprises' faith in the productivity and efficiency gains from Gen AI.

Does not include "Other", hence displayed data does not sum to 100%.
QSP2. How do you budget for Gen AI across the below areas? - Mean (Including Zero)
(Note: Response options updated in 2025)
Total: 2025 (n=801), Tier 3 Enterprise (n=218), Tier 2 Enterprise (n=428), Tier 1 Enterprise (n=155)

# Customized Gen AI Solutions May be Coming as Internal R&D Reaches One-Third of Tech Budgets

**Technology Budget Breakout** (Among Total)




***"The biggest impact generative AI has had at [my company] is undoubtedly in accelerating our product design and prototyping phase.***

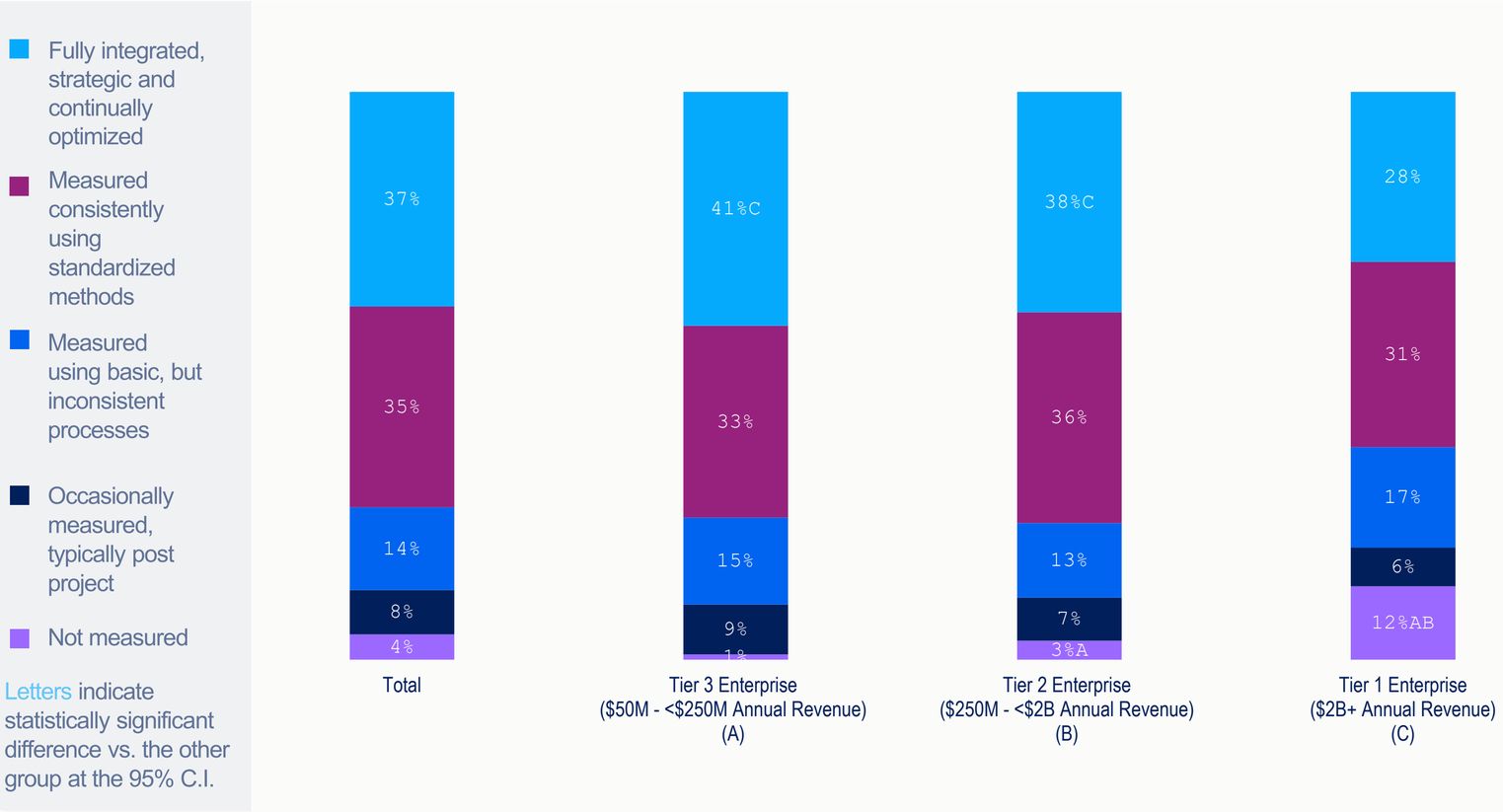
***What used to take weeks or even months of manual iterations can now be achieved in a fraction of the time by feeding the AI our design parameters and material constraints. It can rapidly generate hundreds of optimized variations, suggesting novel approaches we might not have considered. This ability to quickly explore and refine designs means we're bringing innovative products to market much faster, maintaining our competitive edge, and ultimately delivering better solutions to our customers."***

**—Director, Manufacturing, Tier 2**

QSP2. How do you budget for Gen AI across the below areas? - Mean (Including Zero)
(Note: Response options updated in 2025)
Total: 2025 (n=801), 2024 (n=802)

# ROI Measurement Becomes Standard in Gen AI Investment

**ROI Measurement by Company Size (Revenue in USD)** (Among Total)




About three-fourths of enterprises integrate formal ROI measurement into their business.

Tier 2 and Tier 3 enterprises report above-average consistent/fully-integrated measurements. Among functions, HR (84%) and Finance (80%) report the highest ROI measurement.

These insights demonstrate the nimbleness of Tier 2 and Tier 3 enterprises to adopt new systems, while HR and Finance have higher regulation standards that would require quicker integration.

Does not include "Don't know", hence displayed data does not sum to 100%.
QSP2A. To what degree, if at all, does your organization measure the ROI of Gen AI technology investments? (Note: New question in 2025)
Total: 2025 (n=801), Tier 3 Enterprise (n=218), Tier 2 Enterprise (n=428), Tier 1 Enterprise (n=155)

# ROI Focus: Performance and Profit, With Some Functions Leading the Way

**Specific ROI Measurement by Function** (Among Organization Measures the ROI of Gen AI Technology Investments)

| | Total | HR | IT | Marketing/ Sales | Operations | Product Dev./ Engineering | Purchasing / Procurement | Management | Finance/ Accounting | Legal |
|---|---|---|---|---|---|---|---|---|---|---|
| Assessing employee engagement/productivity (e.g., clicks, hours used) | 47% | 54% | 48% | 44% | 53% | 44% | 47% | 52% | 51% | 26% |
| Tracking profitability/losses specific to Gen AI | 46% | 45% | 56% | 48% | 44% | 48% | 46% | 49% | 45% | 32% |
| Tracking changes in employee performance post-training | 42% | 47% | 50% | 42% | 44% | 30% | 40% | 54% | 46% | 26% |
| Measuring strategic or operational impact of consultant recommendations | 42% | 45% | 44% | 35% | 55% | 35% | 31% | 44% | 53% | 34% |
| Assessing operational throughput/efficiencies gains | 42% | 41% | 43% | 30% | 57% | 39% | 33% | 56% | 48% | 27% |
| Measuring time-to-productivity for new hires | 37% | 42% | 35% | 44% | 45% | 27% | 36% | 36% | 34% | 31% |
| Linking spend to KPIs aligned with business goals | 36% | 41% | 49% | 38% | 35% | 26% | 36% | 33% | 34% | 28% |
| Tracking retention rates of new employees after onboarding | 35% | 39% | 37% | 25% | 45% | 30% | 35% | 39% | 43% | 24% |
| Benchmarking Gen AI usage across our peer group | 33% | 25% | 42% | 23% | 32% | 49% | 33% | 30% | 38% | 27% |
| Average Selected | 3.6 | 3.8 | 4 | 3.3 | 4.1 | 3.3 | 3.4 | 4 | 3.9 | 2.5 |

Note: Shading is applied across each row.

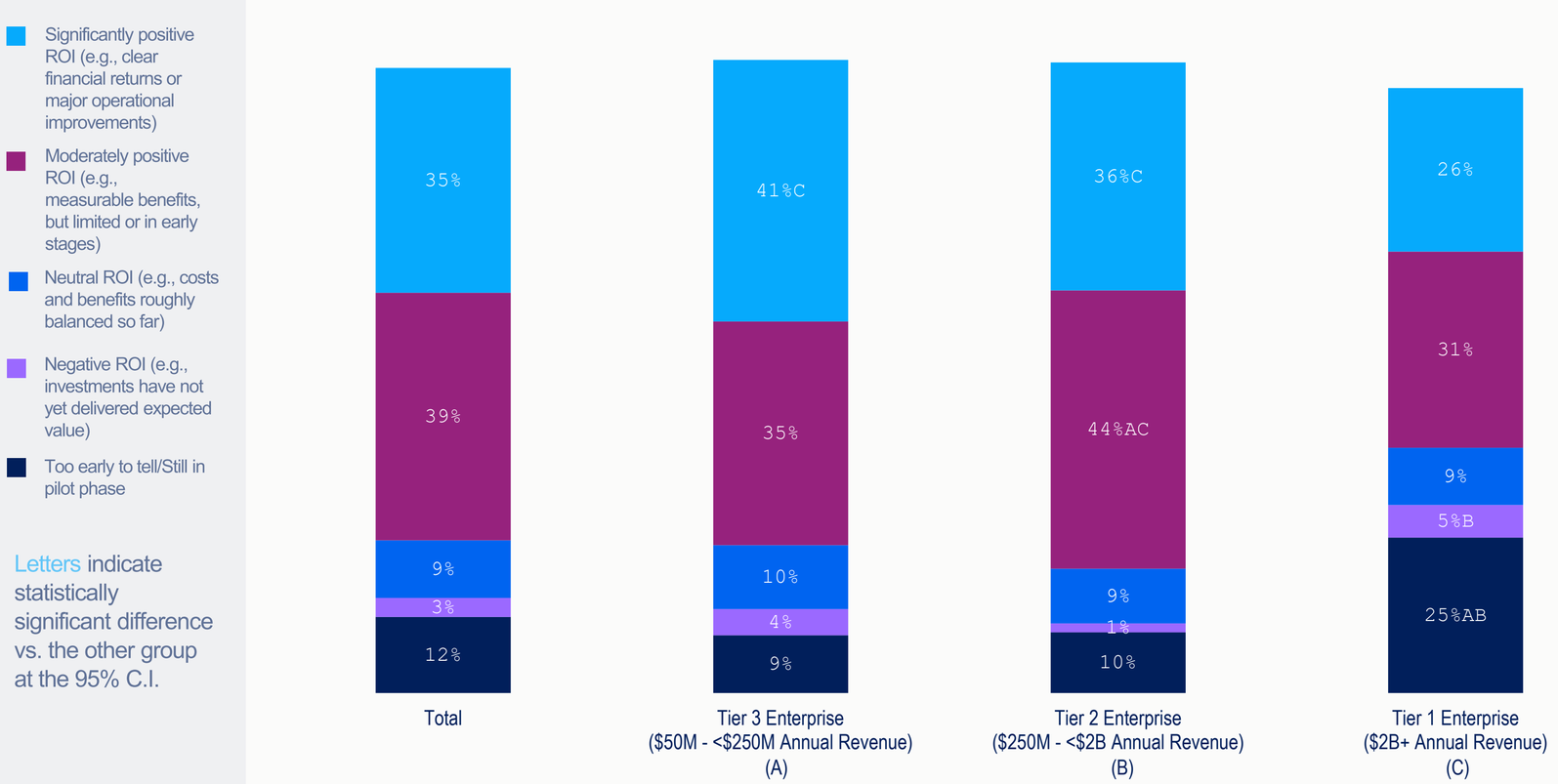
Operations, IT, General Management, HR, and Finance/Accounting have a higher average number of specific ROI metrics reported, while Legal lags behind in measurement.

The implication of this finding may not purely correlate with higher usage but may also be impacted by functions that historically measure more things (e.g., KPIs, highly regulated industries).

QSP2B. How specifically is your organization measuring the ROI of Gen AI technology investments?
(Note: New question in 2025)
2025 Organizations Measuring ROI (n=748)

# Three-Fourths of Enterprises Report Positive Return on Investments

**Return on Investment (ROI) by Company Size (Revenue in USD)** (Among Total)



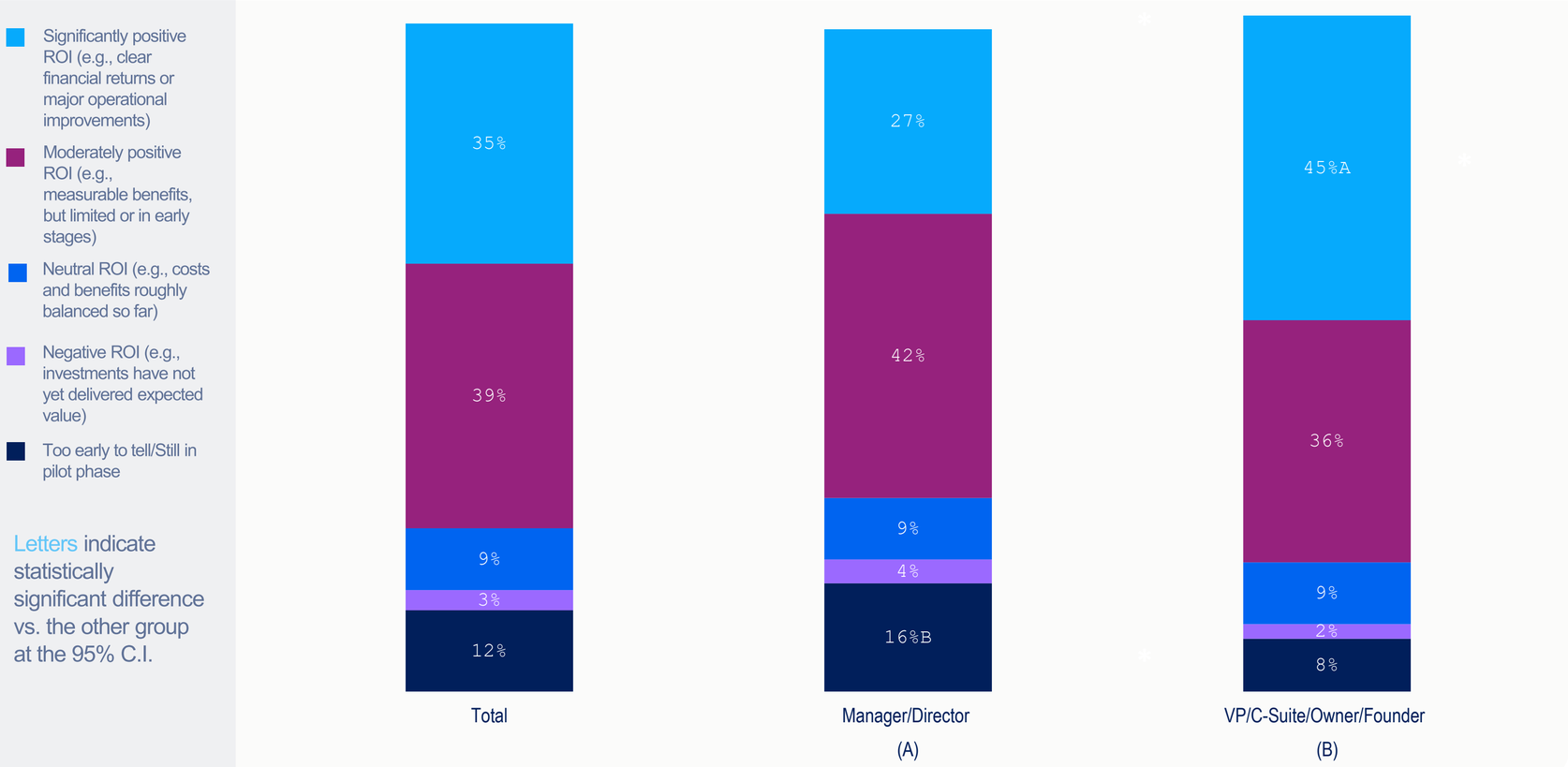

Tier 2 and Tier 3 enterprises lead the way in positive ROI, showing that along with measuring ROI, the investments in Gen AI are paying off.

A quarter of Tier 1 enterprises report too-early-to-tell ROI.

Does not include "Not applicable" so data does not add up to 100%.
QSP3A. Based on internal conversations with colleagues and senior leadership, what has been the return on investment (ROI) from your organization's Gen AI initiatives to date?
(Note: New question in 2025)
Total: 2025 (n=801), Tier 3 Enterprise (n=218), Tier 2 Enterprise (n=428), Tier 1 Enterprise (n=155)

# Seniority Drives ROI Perception

**Return on Investment (ROI) by Seniority** (Among Total)



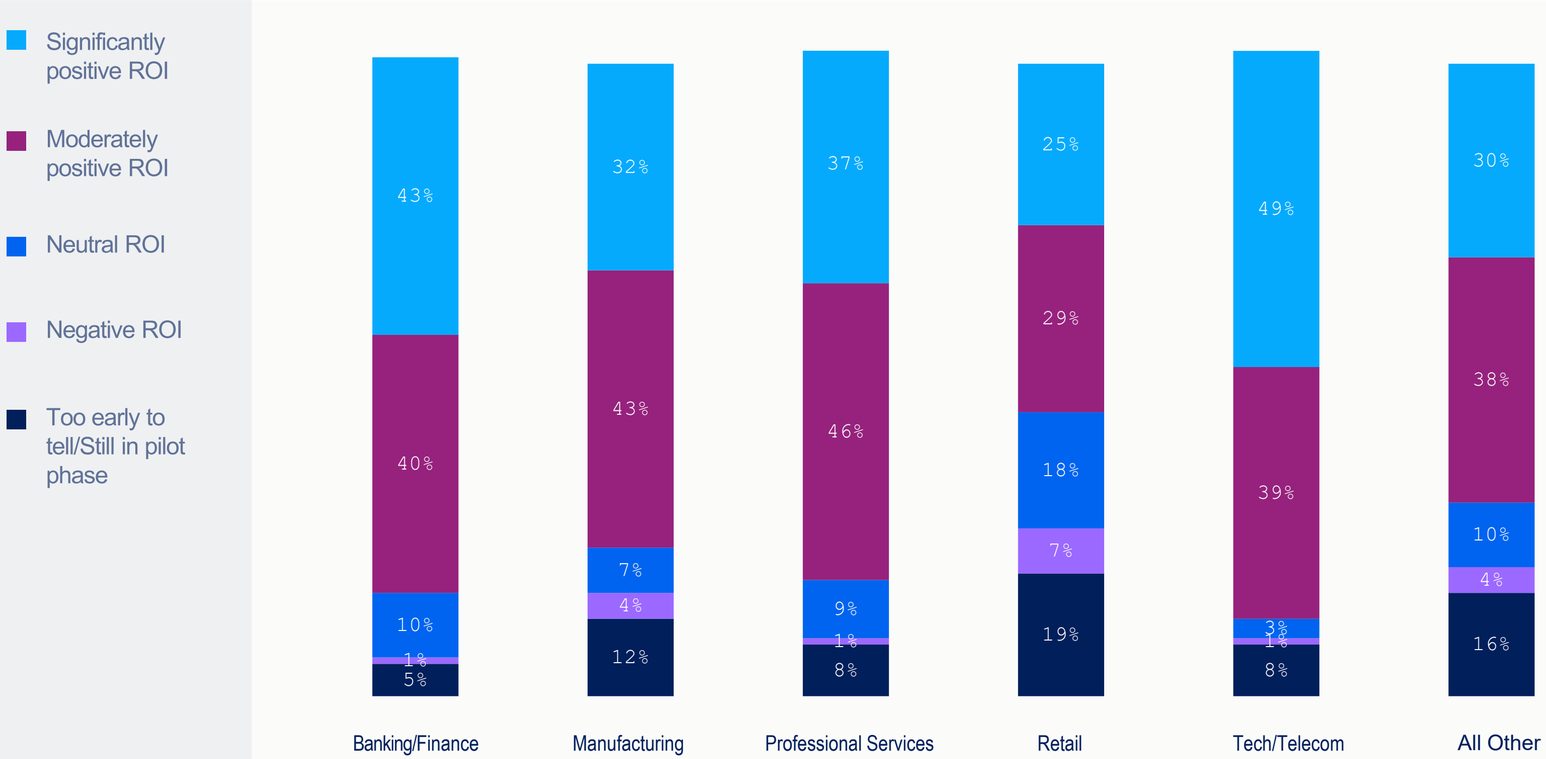

VP+ are much more optimistic about ROI compared to mid-managers. Almost half think they are seeing significantly positive ROI (45%).

Mid-managers are a bit more cautious: in fact, they are twice as likely to say it is "too early to tell/still in pilot phase" (16% vs. 8%).

Does not include "Not applicable" so data does not add up to 100%.
QSP3A. Based on internal conversations with colleagues and senior leadership, what has been the return on investment (ROI) from your organization's Gen AI initiatives to date?
(Note: New question in 2025)
Total: 2025 (n=801), VP/C-Suite/Owner/Founder (n=372), Manager/Director (n=429)

# Most Enterprises See Positive ROI—Faster in Digital, Slower in Physical Ops

**Return on Investment (ROI) by Industry** (Among Total)




Majorities report positive ROI today in every sector—peaking in Tech/Telecom (88% positive) and Banking/Finance and Professional Services (~83% positive).

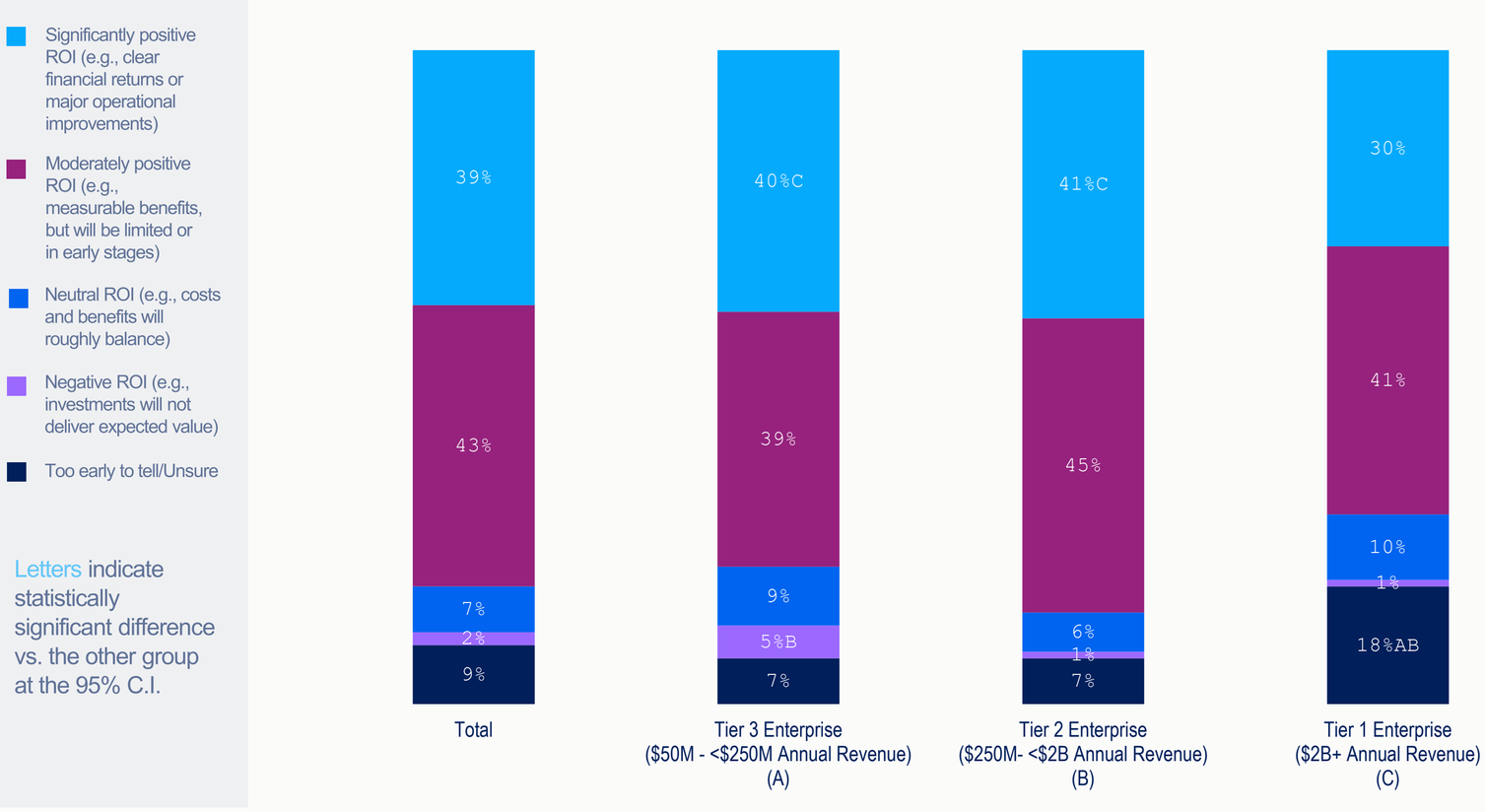
**Still Proving:** Manufacturing has 75% positive ROI with 32% as significant; Retail shows 54% positive ROI but has longer runways to show returns.
**Risk Check:** Negative ROI is rare (<7%), suggesting most programs are at least self-funding as they scale.

Returns are arriving first where work is digital and process-heavy; sectors with complex physical operations are still validating and scaling.

Does not include "Not applicable" so data does not add up to 100%.
QSP3A. Based on internal conversations with colleagues and senior leadership, what has been the return on investment (ROI) Significantly positive ROI (e.g., clear financial returns or major operational improvements)
Significantly positive ROI (e.g., clear financial returns or major operational improvements)
from your organization's Gen AI initiatives to date?
(Note: New question in 2025)
2025: Banking/Finance: (n=126), Professional Services (n=114), Tech/Telecom (n=168), Retail (n=107), Manufacturing(n=197), Other (n=184)

# Enterprise Leaders Confident in Future ROI

**Future ROI Achievement by Company Size (Revenue in USD)** (Among Total)



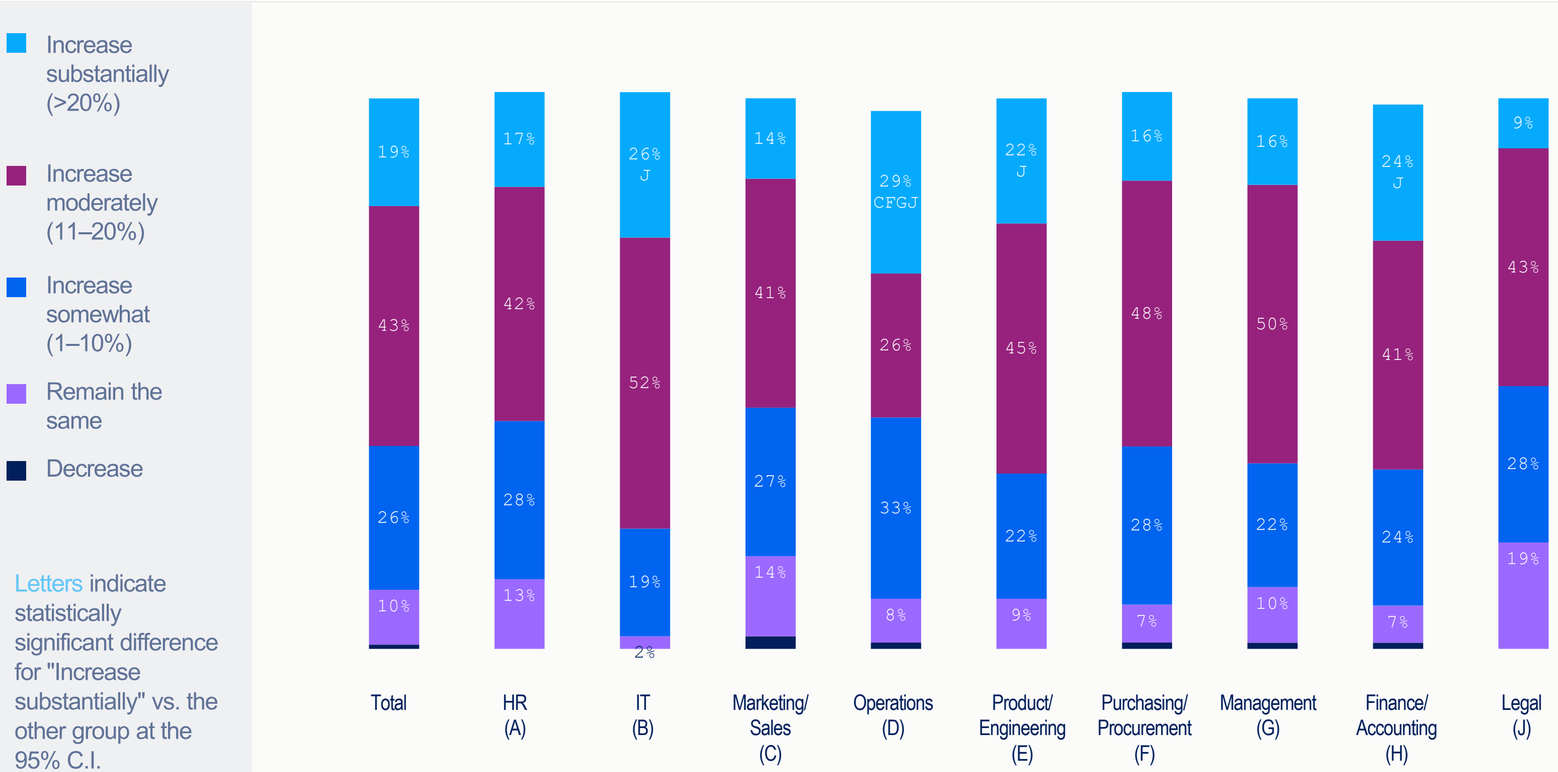

Four out of five enterprises see their Gen AI investments paying off in the next two to three years.

Tier 3 (79%) and Tier 2 (86%) enterprises are most bullish, whereas Tier 1 enterprises (71%) are more conservative—with almost a third taking a neutral or "too soon to tell" stance.

QSP3B. Based on your perspective, what level of ROI do you believe your organization is likely to achieve from Gen AI investments within the next 2-3 years?
(Note: New question in 2025)
Total: 2025 (n=801), Tier 3 Enterprise (n=218), Tier 2 Enterprise (n=428), Tier 1 Enterprise (n=155)

# Gen AI Budgets Expected to Grow Over the Next 12 Months

**Gen AI Budget Investment Next 12 Months – by Functional Area** (Among Total)




In 2025, 88% of enterprise decision-makers report anticipated budget increases (+16pp vs. 2024).

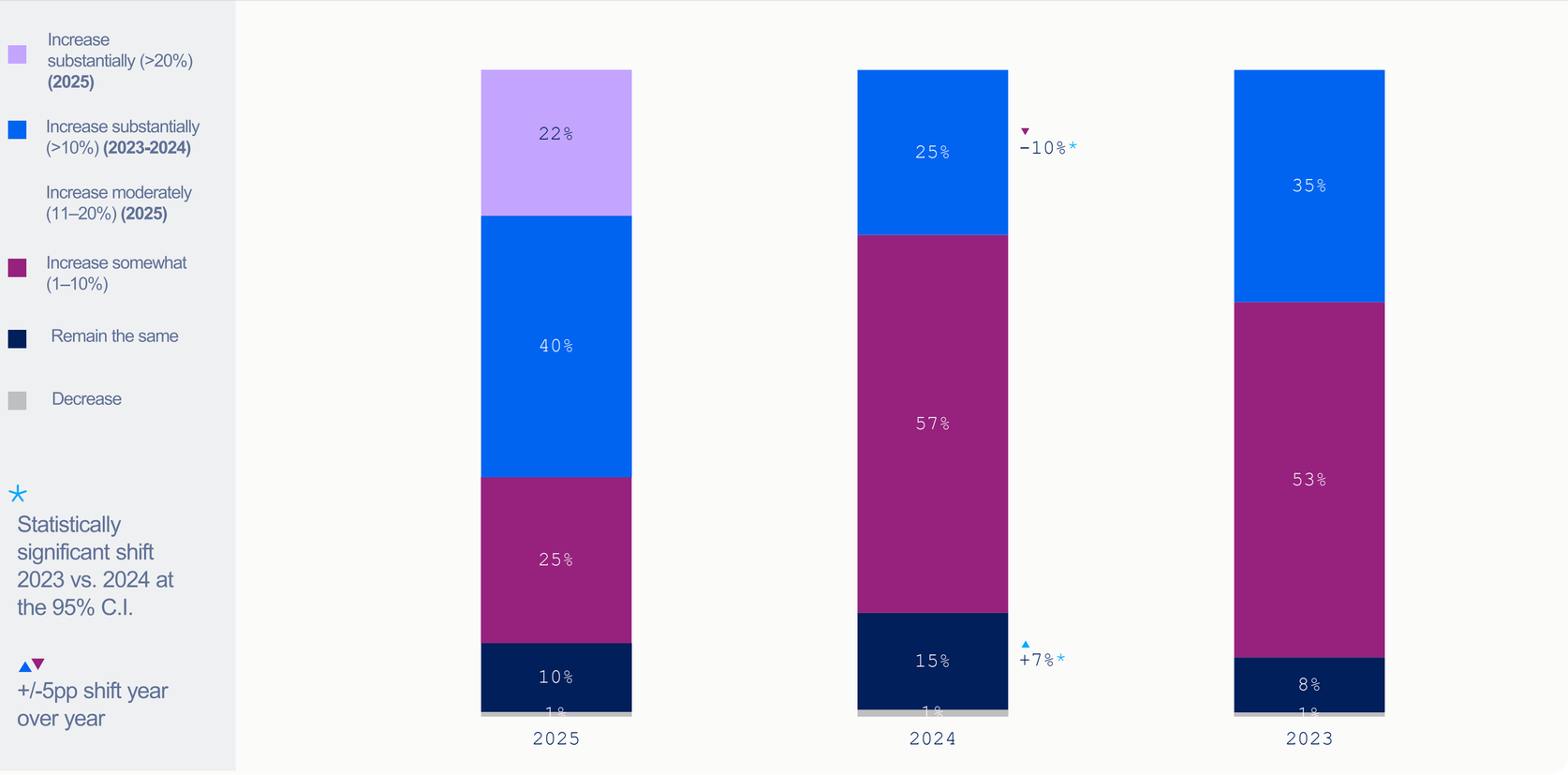
Decision-makers in Operations (29%), IT (26%), Finance/Accounting (24%), and Product Development/Engineering (22%) anticipate substantial increases in their Gen AI investments over the next 12 months.

Among VP+, 69% (+13pp) predict moderate/substantial increases (>11%) in budgets compared to more conservative mid-managers, who are more likely (32%, +13pp vs. 2024) to say budgets will increase somewhat (1–10% increases).

Does not include "I'm not sure/NA", hence displayed data does not sum to 100%.
QSP4A. Do you anticipate your organization's spending on Gen AI, **in the next 12 months**, to increase, decrease, or remain the same? (Note: Question wording updated in 2025)
Total: 2025 (n=801)

# Substantial Investment Is Projected Over the Next Two to Five Years

**Gen AI Budget Investment Next Two to Five Years** (Among Total)



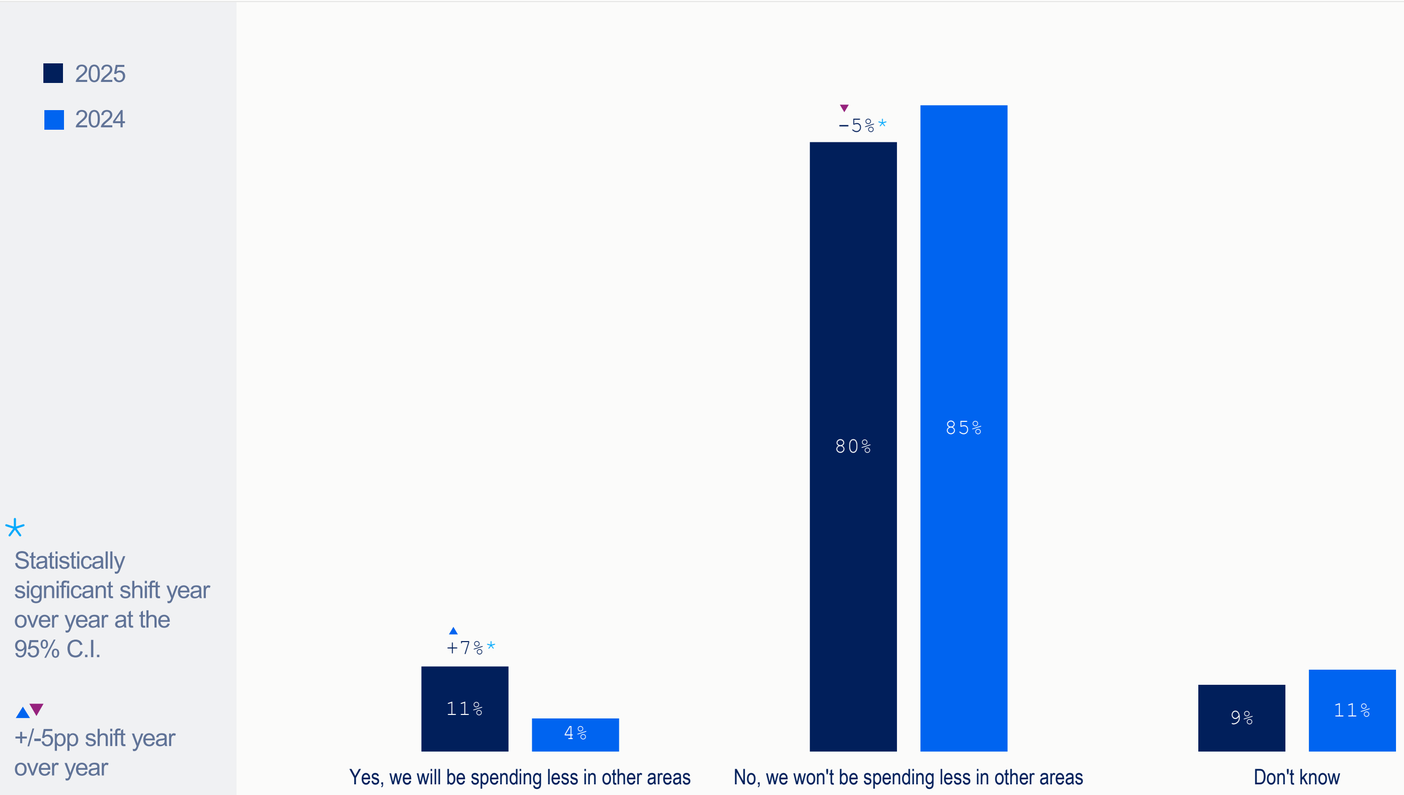

In 2024 and 2025, near-term budget increases slowed; however, projected budgets are anticipated to increase moderately/significantly (>11%) in the coming years.

These types of increased investments will be seen most substantially in functional areas like IT (75%, +53pp vs. 2024), Product Development/Engineering (73%, +50pp vs. 2024), Finance/Accounting (64%, +42pp vs. 2024), and Management (62%, +28pp vs. 2024), and among industries like Banking/Finance (68%) and Tech/Telecom (67%) and lagging industries like Manufacturing (72%).

Does not include "I'm not sure/NA", hence displayed data does not sum to 100%.
QSP5. Do you anticipate your organization's spending on Gen AI, 2-5 years from now, to increase, decrease, or remain the same?
(Note: Question revised in 2025 from 'increase substantially >10%' to 'increase moderately 11-20%' and 'increase substantially >20%')
Total: 2025 (n=801), 2024, (n=802), 2023 (n=672)

# Most Gen AI Spend Is Net New, but Budget Cuts Elsewhere Are Rising

**Budget Redistribution** (Among Gen AI Budgets Increasing in the Next 12 Months)




As more organizations report spending less in other areas (+7pp vs. 2024), budget redistribution is impacting areas like IT & Legacy Systems and HR & Workforce.

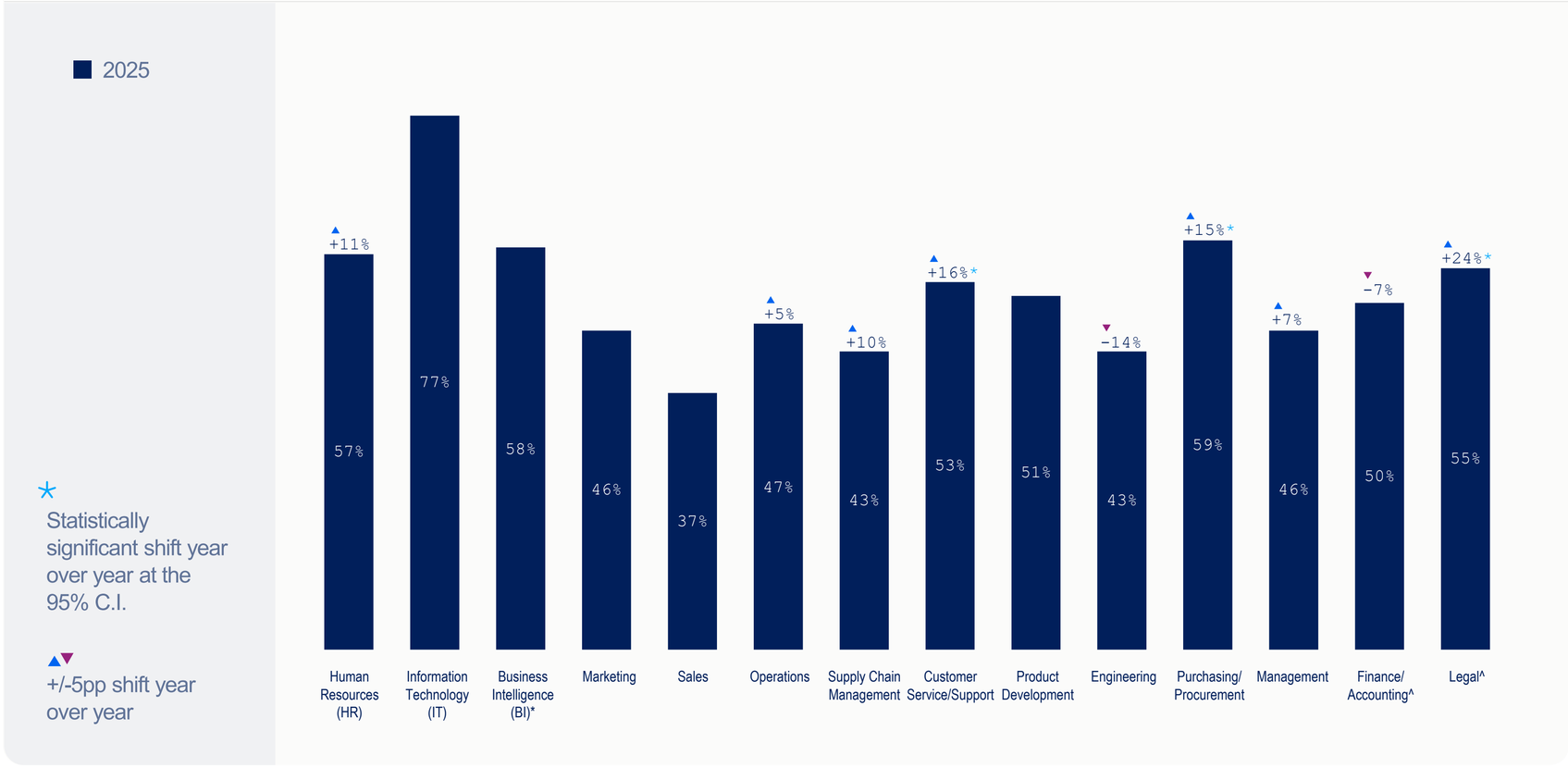
***"...[We redistribute budget on] entry level positions a bit but mostly a lack of outsourcing costs. The biggest job reduction will be in overseas outsourcing hires."***
**—Director, Tech/Telecom, Tier 1**

***"[We'll] reduce spending in legacy systems, traditional IT projects, or less critical innovation initiatives."***
**—Director, Tech/Telecom, Tier 3**

QSP4B. You mentioned that your organization's spending on Gen AI will increase in the next 12 months. In spending more, will your organization redistribute budget (spend less) in other areas? If so, please describe where your organization will be spending less.
Total: 2025 (n=707), 2024 (n=576)

# Unlocking Gen AI's Full Potential Varies by Function

**Expected Impact Across Functional Areas** (Among Functional Areas, Showing "High Impact")



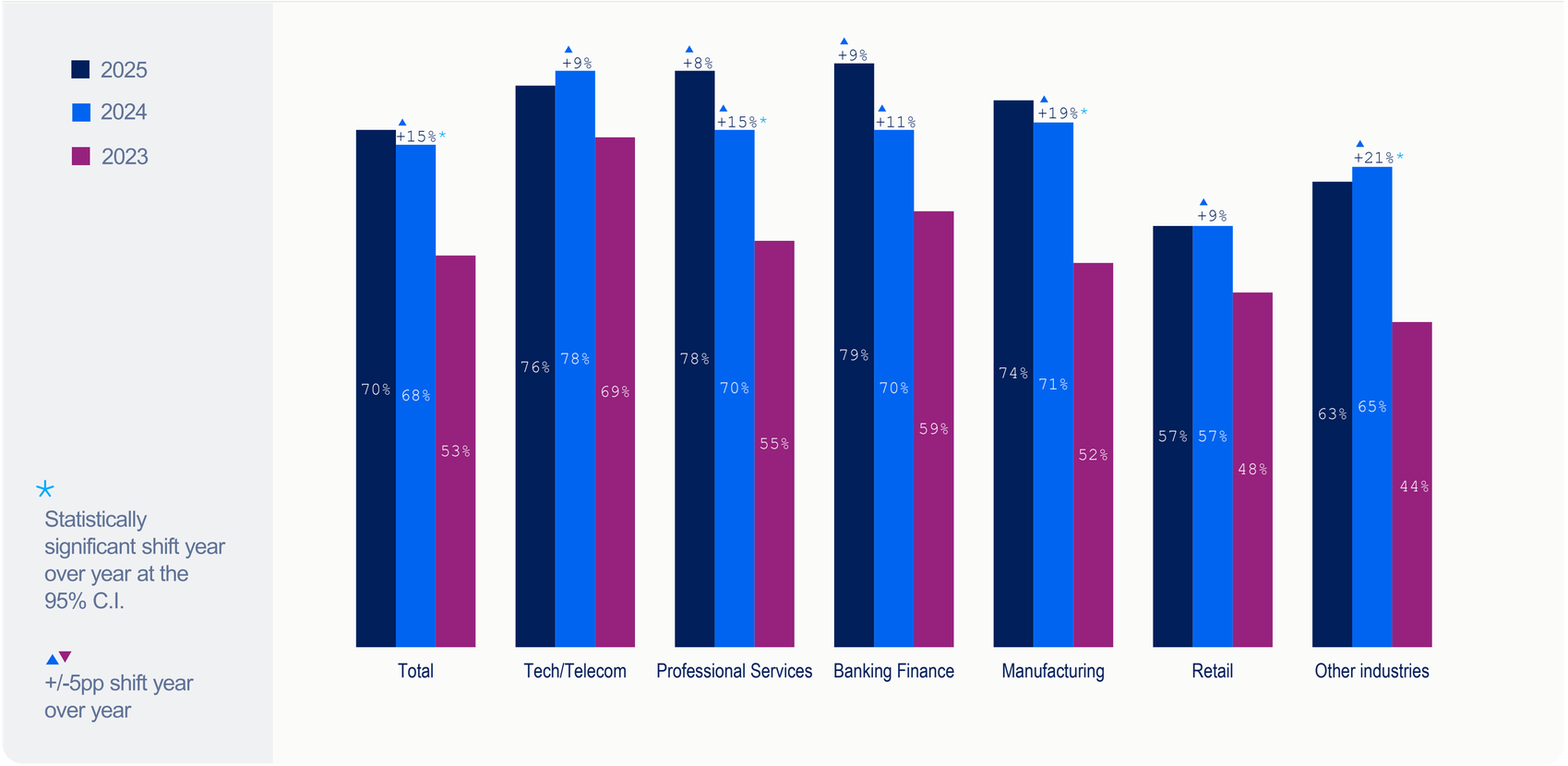

Some functions show strong gains in 'high impact' of Gen AI on their department, including Legal (+24pp vs. 2024), Purchasing/ Procurement (+15pp), Customer Service/Support (+16pp). Other functions such as Engineering (-14pp) and Finance (-7pp) are seeing less impact year-over-year or are continuing to lag behind (Marketing, Sales), implying that either impact gains have plateaued or these functions are waiting for the "next big" innovation.

*Click here to view YoY Impact*

Q5. How strong of an impact is Gen AI having on each of the following functions or departments within your organization? – High Impact
[^Note: New functional areas added in 2024)
Total: 2025 (n=801), 2024(n=802), 2023 (n=672)

# Future Impact Is High—But Uneven by Industry

**Expected Impact by Industry** (Among Total, Showing “Revolutionize/Major Impact on Our Industry”)




Momentum overall: 70% expect a major or revolutionary impact in the next two to five years (+2pp YoY; +17pp vs. 2023).

Leaders: Banking/Finance 79% (+9pp), Professional Services 78% (+8pp), Tech/Telecom 76% (–2pp). Those that predict revolutionary impact in their industries are largest in Tech/Telecom (40%) and Professional Services (33%).

Predicted revolutionary impact is tempered for Retail (12%) and Manufacturing (25%).

Q7. What statement best describes your belief about how much Gen AI will impact your industry over the next 2-5 years? Total 2025 (n=801), 2024 (n=802), 2023 (n= 672)

# Productivity, Efficiency, and Quality Lead Gen AI's Benefits

**Benefits of Using Gen AI – Ranking Top 10**
(Organization Currently Uses or Intends to Use Gen AI)

| | 2025 | 2024 | 2023 |
|---|---|---|---|
| Increase employee efficiency and productivity | 1 | 1 | 1 |
| Increase overall quality | 2 | ▲ 2 | 6 |
| Improve customer experience | ▲ 3 | ▼ 4 | 3 |
| Optimize business operations leading to more efficient outcomes | ▼ 4 | ▼ 3 | 2 |
| Increase our competitive advantage in the marketplace | 5 | ▼ 5 | 4 |
| Support insights generation and decision-making through data analysis | ▲ 6 | ▲ 7 | 8 |
| Improve sales and marketing effectiveness | ▼ 7 | ▼ 6 | 5 |
| Increase employee creativity | ▲ 8 | ▲ 9 | 13 |
| Increase security | ▲ 9 | ▲ 11 | 15 |
| Enhance our customer support | 10 | ▼ 10 | 7 |

▲▼ Rank increase/ decrease year over year

As the top use cases and great performance solidify around routine workloads, Gen AI's efficiency and productivity gains underscore the benefits that enterprises are aiming to realize on a daily basis.

In the office, mid-managers are more likely than VP+ to say Gen AI increases employee efficiency (+10pp vs. VP+), employee creativity (+10pp), overall quality (+7pp), and security (+7pp).

Q10. What are the main benefits your organization is seeking by using Gen AI?
2025 (n=791), 2024 (n=794), 2023 (n=657)

# Security Risk, Operational Complexity, and Data Inaccuracy Remain Top Barriers

**Barriers to Using Gen AI – Ranking Top 10**
(Among Total)

| | 2025 | 2024 | 2023 |
|---|---|---|---|
| Security risks^ | 1 | 2 | N/A |
| Operational complexity^ | 2 | 3 | N/A |
| Inaccuracy of results that are presented | 3 | 5 | 1 |
| Customer data privacy | 4 | 1 | 2 |
| Ethical considerations | 4 | 4 | 4 |
| Compliance with industry-specific regulations | 6 | 11 | 7 |
| Costs of the technology | 7 | 8 | 5 |
| Employee/internal resistance and lack of trust | 8 | 6 | 2 |
| Exposure of my organization's confidential and proprietary information | 9 | 11 | 8 |
| Lack of training resources^ | 10 | N/A | N/A |

**Lack of training resources** enters the top 10 after being added in 2025.

Although less of a concern since 2023 overall and among regular users, for "laggards" **employee resistance and lack of trust** remain a top concern (+10pp vs. Regular Users).

Q11. What are your main challenges or concerns related to using Gen AI within your organization?
Total: 2025 (n=801), 2024 (n=802), 2023 (n=672)
(^Note: Response options changed in 2024 and 2025)

# DETAILED FINDINGS:

# THE HUMAN CAPITAL LEVER: ALIGNING TALENT, TRAINING & TRUST

# Key Findings: The Human Capital Lever

## Aligning Talent, Training & Trust

As Gen AI becomes everyday work, the constraint shifts from tools to people. Optimism and excitement are rising, but caution persists, as gaps in skills, uneven training, uncertainty about hiring, and change management hinder the potential impact. Executive ownership (including CAIOs) is consolidating and guardrails are tightening even as access broadens. But strategies to build capability (e.g., train, hire, or buy) remain fragmented. With talent and skills shortages, cultural resistance, and mixed sentiment across management levels, people and processes remain the unresolved frontier of Gen AI adoption. The bottom line is that human capital is now the decisive lever that converts usage into scalable ROI.

# Key Findings: The Human Capital Lever (Cont.)

## Aligning Talent, Training & Trust

**Positive, With a Dose of Caution:**

As Gen AI becomes a familiar working companion for many, positive sentiment continues to rise, but persistent feelings of caution point to uncertainty about the future. Feelings of being “Impressed” (54%), “Optimistic” (59%), and “Excited” (59%) have continued to rise, while “Caution” remains for a meaningful share of decision-makers (38%)—a reminder that people and process risks remain live.

**Skill Atrophy Risk:**

For three consecutive years, decision-makers have emphasized Gen AI’s role as a supplement to human capital (89% agree), more than a replacement (71% agree). Still, concerns about skill atrophy, or skill drift, are creeping in, pointing to the growing need to protect skill development, particularly with entry-level employees whose skills are nascent (43% strongly/somewhat agree that Gen AI will lead to declines in proficiency).

**Leadership Steps In:**

Gen AI strategy has shifted decisively into the C-suite, with executives taking a larger role and Chief AI Officers (CAIOs) becoming more common (60% of enterprises). Still, most enterprises rely on teams and existing leadership structures, rather than outsourcing, underscoring that strategy is consolidating, not reinventing (97% use internal teams, +6pp vs. 2024, +16pp vs. 2023).

# Key Findings: The Human Capital Lever (Cont.)

## Aligning Talent, Training & Trust

**Guardrails Mature Alongside Access:**

Guardrails are catching up with growth. Larger enterprises are implementing usage policies that emphasize data privacy (53%), ethical use (50%), and human oversight (48%), while rolling out broader access elsewhere. At the same time, 62% of leaders are flipping the tables by using AI for Risk Management itself —in particular, for managing IT security and financial risk among decision-makers in these functional areas.

**Training vs. Hiring—No Single Path:**

Organizations are split on how to build Gen AI fluency, with more than half of decision-makers leaning on internal training or hands-on learning, while 40% are looking outward to new hires or consultants. But shrinking training budgets and constrained hiring pipelines mean neither approach is fully resourced.

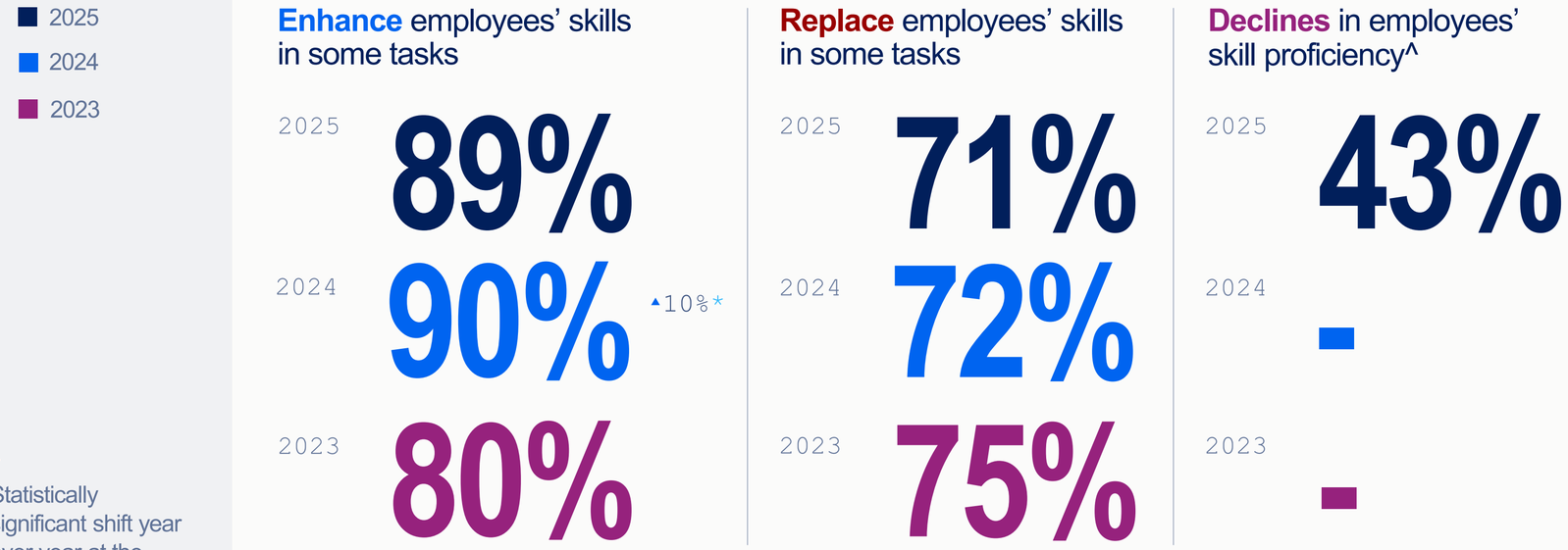
Senior leaders are also split on how Gen AI will impact hiring in the coming years, with junior roles potentially being more impacted than mid-level or senior roles—either positively or negatively (17% anticipate fewer intern hires vs. 10% for executive leadership, but 49% anticipate more intern hires vs. 33% for executive leadership).

**Talent and Culture Are the New Bottleneck:**

The toughest challenges remain addressing the skill gap—recruiting talent with advanced Gen AI skills (49%) and delivering effective training (46%). Beyond skills, enterprises continue to wrestle with morale (43%) and having leadership that can effectively navigate their organization through change management (41%), reminders that adoption is as much about cultural readiness as technical know-how.

# Gen AI Enhances Skills—but Puts Proficiency at Risk

**Perceptions of Employee Impact** (Among Total, Top 2 Box – Strongly/Strongly Agree)



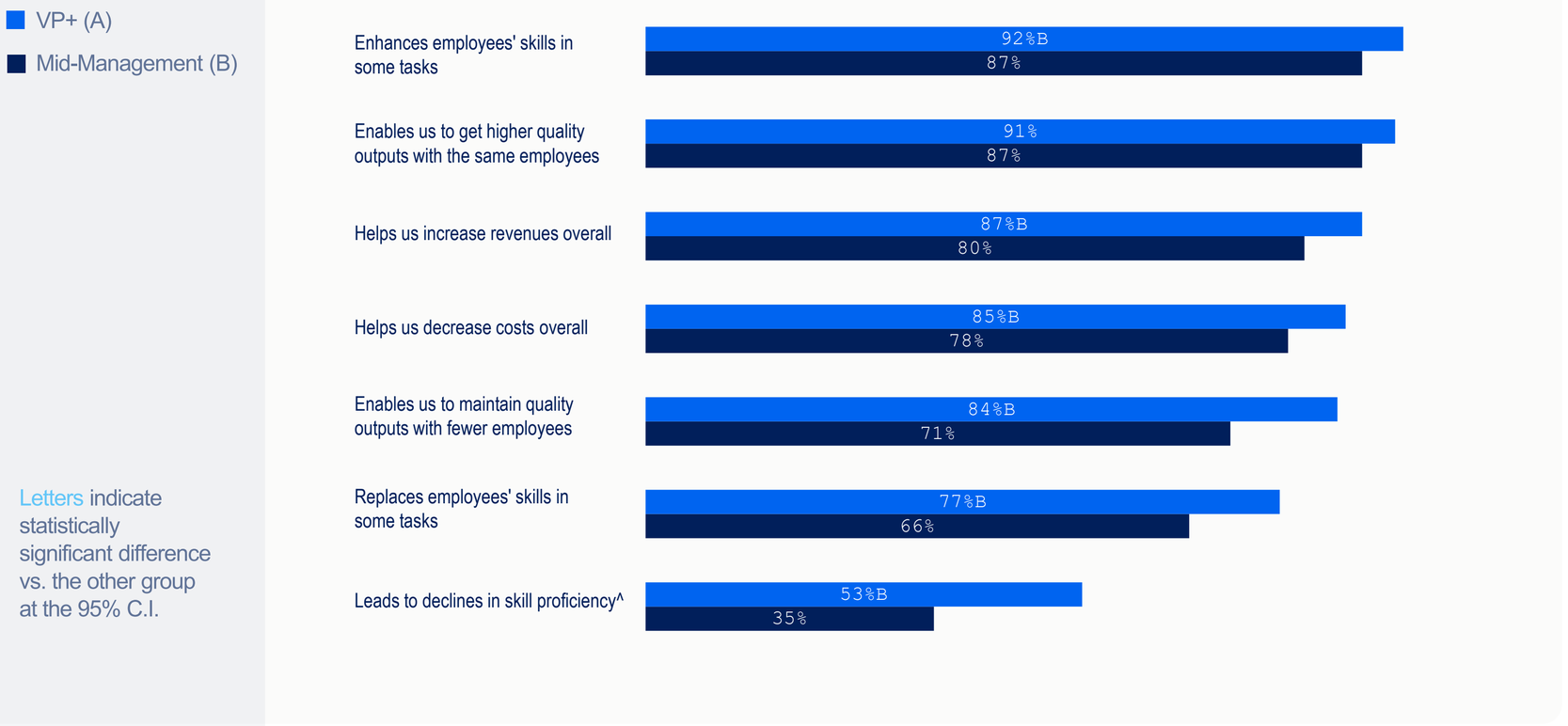

Decision-makers' agreement on skill enhancement is still high—but that agreement may have hit a ceiling.

Decision-makers see risk in skill proficiency declining.

Q6. What is your level of agreement with the following statements regarding the current impact of Gen AI on your organization? - Strongly/somewhat agree: Summary (^Note: added in 2025)
Total: 2025 (n=801), 2024 (n=802), 2023 (n=672)

# VP+ More Confident Than Mid-Managers on Business Impact

**Perceptions of Operations Impact** (Among Seniority Level, Top 2 Box – Strongly/Strongly Agree)



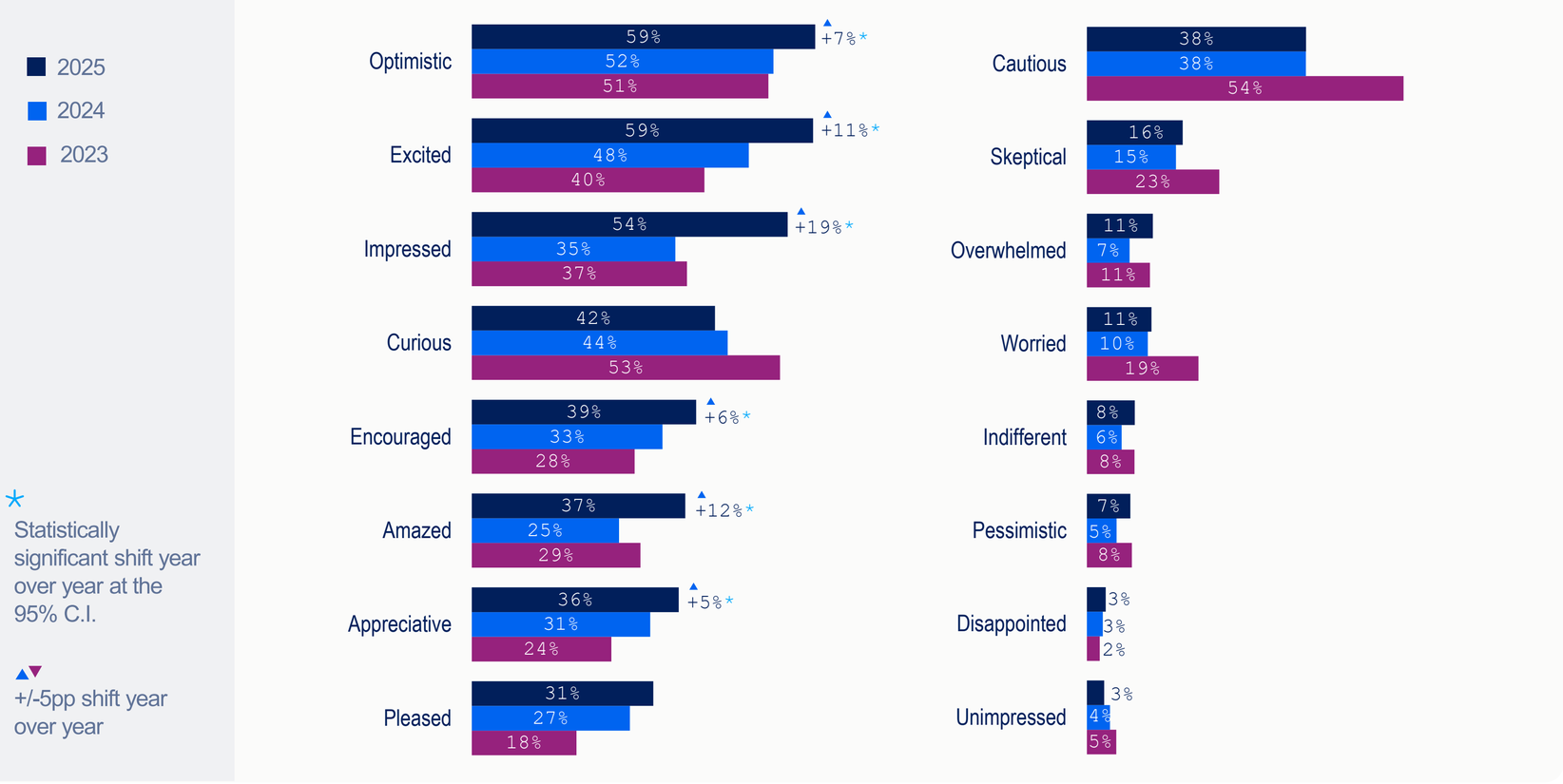

Mid-managers and VP+ diverge on potential trade-offs as well. Mid-managers are less likely than VP+ leaders to believe these quality gains will come with declines in human skill proficiency (-18pp vs. VP+).

Mid-managers (87%) and VP+ (91%) share a confidence that Gen AI leads to higher-quality outputs.

Q6. What is your level of agreement with the following statements regarding the current impact of Gen AI on your organization? - Strongly/somewhat agree :Summary
(^Note: added in 2025)
Total: VP+:(n=372), Mid-Management: (n=429)

# Gen AI Positivity High, Caution Persists

**Emotional Associations with Gen AI** (Among Total)




The vast majority of enterprise decision-makers say they feel more positive about Gen AI over the past year ("Much/A Little More Positive" 85%).

Decision-makers' perceptions of "Impressed" have increased the most in the last year (+19pp), after being flat in 2024.

Q3A. Which (if any) of the words below describes your perception of Gen AI as it stands today?
Q3B. Which (if any) of the below words describes your perception of Gen AI as it stands today?
Q3C. How has your perception of Gen AI changed over the past year? (Note: New question in 2025)
Total: 2025 (n=801), 2024 (n=802), 2023 (n=672)

# Gen AI Positivity Rising, but Laggards Stay Unconvinced

**Emotional Associations with Gen AI by Familiarity and Usage** (Top 3 for Laggards)

| | Total | | Laggards (Use less than once a week/Never) (A) | | Regular Users (Use at least once a week) (B) | |
|---|---|---|---|---|---|---|
| Curious | 42% | | 48% | ▼-6% | 41% | |
| Optimistic | 59% | ▲+7%* | 40% | | 64%A | ▲+9%* |
| Impressed | 54% | ▲+19%* | 36% | ▲+10%* | 59%A | ▲+21%* |

| | Total | | Laggards (Use less than once a week/Never) (A) | | Regular Users (Use at least once a week) (B) | |
|---|---|---|---|---|---|---|
| Cautious | 38% | | 52%B | ▼-10%* | 35% | ▲+6%* |
| Skeptical | 16% | | 28%B | | 14% | |
| Worried | 11% | | 20%B | | 9% | |

Letters indicate statistically significant difference vs. the other group at the 95% C.I.

* Statistically significant shift year over year at the 95% C.I.

▲▼ +/-5pp shift year over year

For "Laggards," perceptions of being "Impressed" are up, but "Curiosity" (-6pp vs. 2024) and "Optimistic" (-4pp vs. 2024) are decreasing. Among negative perceptions, this group also remains the most "Cautious" and "Skeptical."

Overall, these suggest a cooling in perceptions from those not actively using Gen AI.

Although Gen AI continues to create "buzz" and be an awe-inspiring technology, those less willing to engage in the technology risk being further left behind.

Q3A. Which (if any) of the words below describes your perception of Gen AI as it stands today?
Q3B. Which (if any) of the words below describes your perception of Gen AI as it stands today?
Total: 2025 (n=801), Laggards (n=132), Regular Users (n=653)

# VP+ Show More Excitement, Less Caution

**Emotional Associations with Gen AI by Seniority Level** (Among Total)

| | Total | VP+ (A) | Mid-Manager (B) |
|---|---|---|---|
| Optimistic | 59% | 55% | 62%A |
| Excited | 59% | 64%B | 54% |
| Impressed | 54% | 56% | 53% |
| Curious | 42% | 36% | 47%A |
| Encouraged | 39% | 41% | 36% |
| Amazed | 37% | 39% | 35% |
| Appreciative | 36% | 38% | 34% |
| Pleased | 31% | 33% | 30% |

| | Total | VP+ (A) | Mid-Manager (B) |
|---|---|---|---|
| Cautious | 38% | 28% | 46%A |
| Skeptical | 16% | 15% | 18% |
| Overwhelmed | 11% | 13% | 10% |
| Worried | 11% | 12% | 11% |
| Indifferent | 8% | 10% | 7% |
| Pessimistic | 7% | 8% | 7% |
| Disappointed | 3% | 5%B | 2% |
| Unimpressed | 3% | 4% | 2% |

Letters indicate statistically significant difference vs. the other group at the 95% C.I.

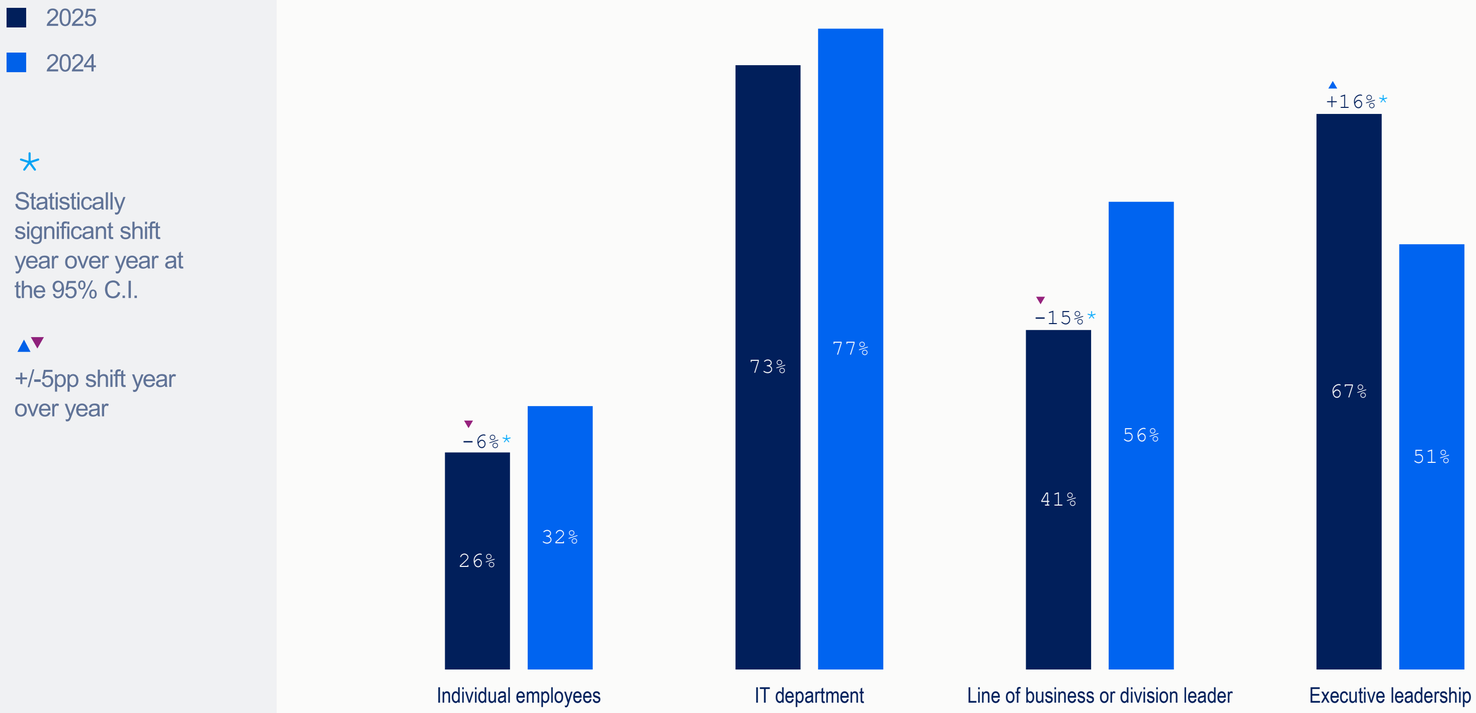
While mid-managers demonstrate more "Caution" than VP+, these decision-makers still hold "Optimism" and "Curiosity" about Gen AI.

This is perhaps a reflection of their closer relationship to usage, versus VP+ excitement from the "buzz".

Q3A. Which (if any) of the words below describes your perception of Gen AI as it stands today?
Q3B. Which (if any) of the words below describes your perception of Gen AI as it stands today?
Total: 2025 (n=801), VP+ (n=372), Mid-Manager(n=429)

# Gen AI Adoption Leadership Moves to the C-Suite

**Organization Gen AI Adoption Leaders** (Among Total)




IT departments (73%) remain pertinent leaders in Gen AI adoption, but adoption is being consolidated within Executive Leadership (+16pp vs. 2024) after being led initially by Individuals (-6pp) and Lines of Business (-15pp).

Q9A. Who in your organization is leading the effort to adopt Gen AI? (Note: New question in 2024)
Total: 2025 (n=801),2024 (n=802)

# Chief AI Officers (CAIOs) Are Now in 60% of Companies

**Organization's CAIO Position Status – by Company Size (Revenue in USD)** (Among Total)

| | Total | Tier 3 Enterprise ($50M- <$250M Annual Revenue) | Tier 2 Enterprise ($250M - <$2B Annual Revenue) | Tier 1 Enterprise ($2B+ Annual Revenue) |
|---|---|---|---|---|
| Yes, and it is a newly designated position^ | 26% | 29% | 27% | 20% |
| Yes, and it is a new responsibility for an existing role^ | 34% | 41% | 34% | 26% |
| Not yet, but we plan to hire for a newly designated position^ | 17% | 15% | 18% | 16% |
| Not yet, but we plan to add new responsibility to an existing role^ | 14% | 11% | 14% | 19% |
| No, and we do not plan to | 7% | 4% | 5% | 15% |

Note: Shading is applied to the entire table.

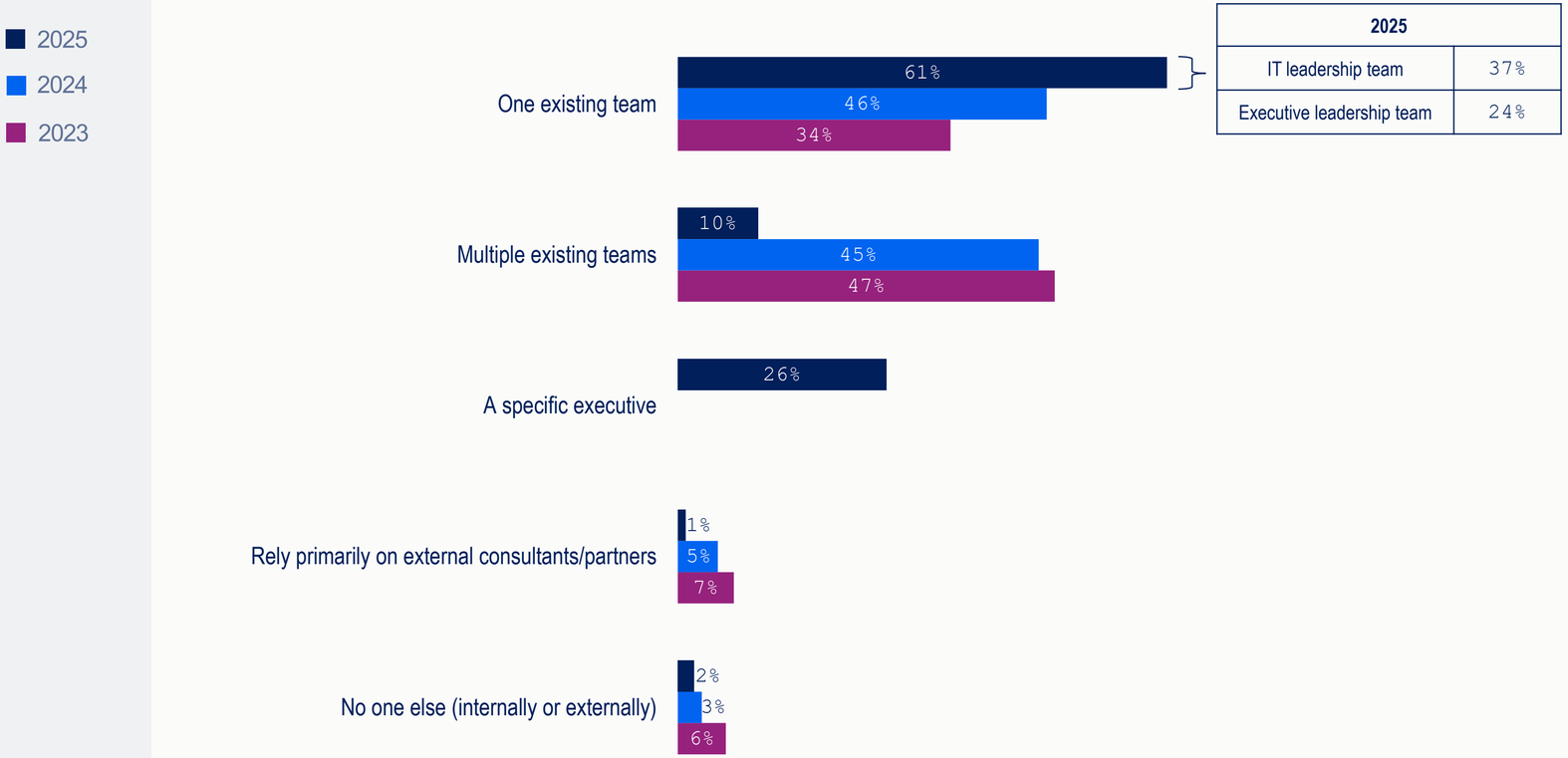
| Yes [Net] vs. 2024 | |
|---|---|
| Total | +14% |
| Tier 3 Enterprise ($50M- <$250M Annual Revenue) | +21% |
| Tier 2 Enterprise ($250M - <$2B Annual Revenue) | +13% |
| Tier 1 Enterprise ($2B+ Annual Revenue) | +5% |

While there is an increase in the total number of CAIO roles, over half are additions to current roles (vs. new roles).

Note: Does not include "Don't know"
Q23B. Does your organization have a Chief AI Officer (CAIO) (or similar role)? Total: 2025 (n=801), $50 million –less than $250 million in annual revenue (n=218), $250 million – less than $2 billion in annual revenue (n=428),$2 billion or more in annual revenue (n=155)
Total: 2024 (n=353), $50 million – less than $250 million in annual revenue (n=98), $250 million – less than $2 billion in annual revenue (n=187), $2 billion or more in annual revenue (n=68)
(^Note: New response options added in 2025)

# Decision-Making Is a Team Effort, Not Just by CAIOs

**Responsibility for Gen AI Strategy** (Among Total)




| 2025 | |
|---|---|
| IT leadership team | 37% |
| Executive leadership team | 24% |

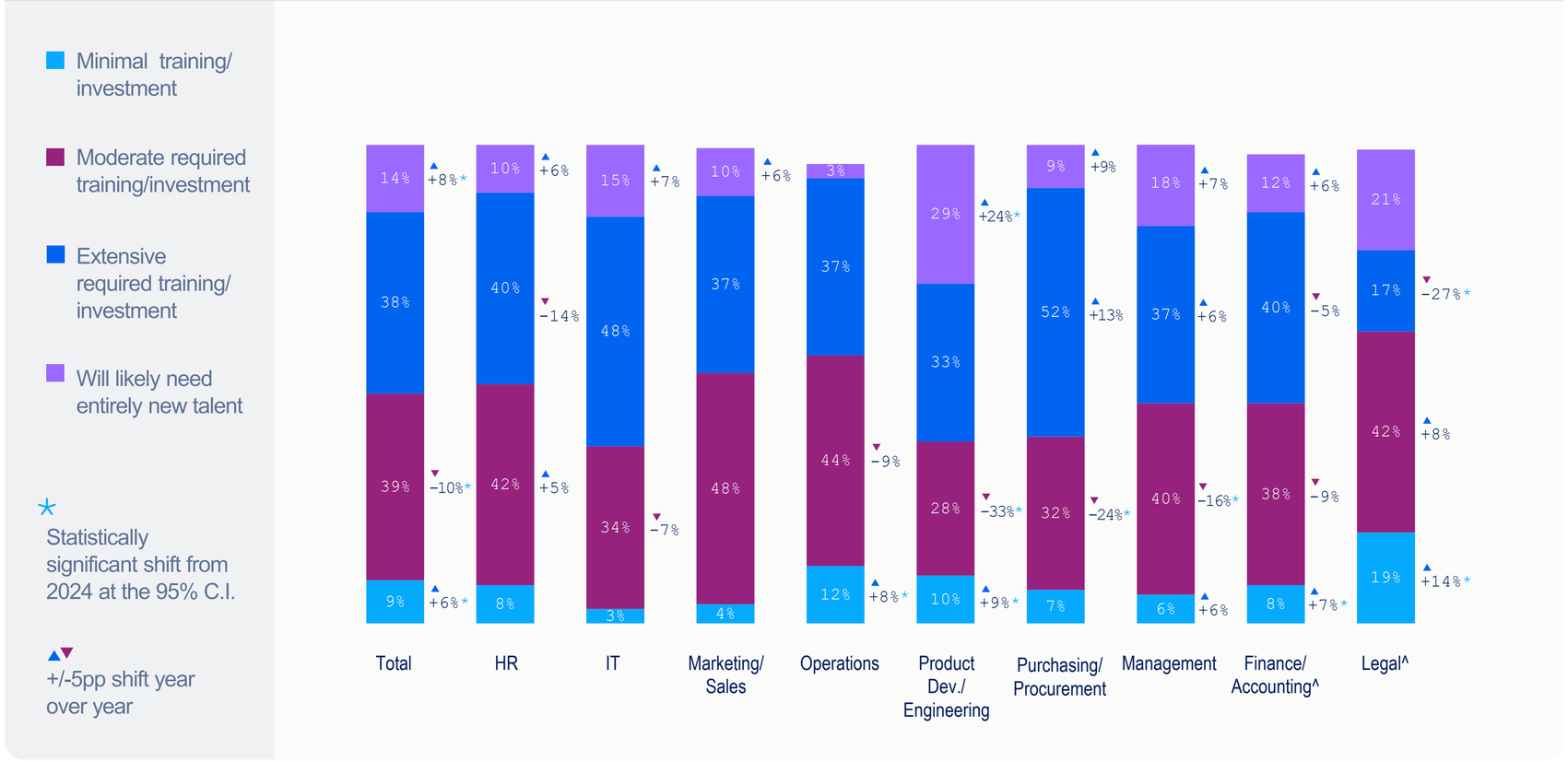
While responsibility increases in executive roles, Gen AI strategy responsibilities are being kept in-house and consolidated into one existing team.

Executive responsibility is strongest in Tier 3 (28%) and Tier 2 (29%) enterprises.

Does not include "Other/Don't know", hence displayed data does not sum to 100%.
Q18. Who in your organization is currently responsible for your Gen AI strategy?
(Note: Question responses updated in 2025 and were grouped to align with 2024 responses where possible – see details in the appendix)
Total: 2025 (n=801), 2024 (n=802),2023 (n=672)

# Training Expectations for Gen AI Fluency Remain Unclear Across Functional Areas

**Training Investment Expectations by Functional Area** (Among Total)




Expectations that moderate/extensive training/investment will lead to additional fluency declined (-14pp vs. 2024) and there was a significant increase in decision-makers who say they'll need to hire entirely new talent (14%, +8pp).

The short- and long-term implications for where Gen AI expertise will be filled (whether internal or external) remain an open question.

Investment in training is softening (-8pp).

Note: Does not include "I'm not sure/NA", hence displayed data does not sum to 100%
Q21. What are your expectations regarding the level of effort and / or investment (in terms of training, time, money, resources) that may be required for your employees to effectively use Gen AI tools or systems?
Total: 2025 (n=801), 2024 (n=802
(^Note: Functional areas added in 2024)

# Enterprises Prioritize Employee-Led Development

**Strategies for Rolling Out Gen AI** (Among Total)

| | 2025 | 2024 |
|---|---|---|
| Invest in training programs for employees | 1 | 1 |
| Allow our employees to test and innovate | 2 | 2 |
| Appoint a team to gather best practices from internal and external sources^ | 3 | N/A |
| Hire management or technology consultants to advise us (e.g., McKinsey, BCG, Accenture) | 4 | 3 |
| Hire new employees who have existing experience and skills | 5 | 3 |
| Hire technology partners or contractors to help us | 6 | 3 |
| Attend industry events or conferences | 7 | 6 |
| Watch and learn from similar companies | 8 | 7 |
| Buy industry analyst reports or consulting hours (e.g., Gartner, Forrester) | 9 | 8 |

Although the most common strategies are **employee programs for training and testing**, and **employee-led innovation**, best practices for Gen AI rollouts are still being determined.

Enterprises still leave a lot of responsibility in the hands of employees, with mid-managers reporting higher rates of **investment in training programs** (+12pp vs. VP+) and **allowing employees to innovate** (+11pp) compared to VP+.

Q22. Which of the following methods has your organization done, or is currently doing, in making decisions on how to use or roll out Gen AI solutions or tools? (^Note: new response options added in 2025)
Total: 2025 (n=801), 2024 (n=802)

# Courses and Training Power Employee-Led Gen AI Adoption

**Investment in Training – by Functional Area** (Among Total)

| | Total | HR | IT | Marketing/ Sales | Operations | Product/ Engineering | Purchasing / Procurement | Management | Finance/ Accounting | Legal |
|---|---|---|---|---|---|---|---|---|---|---|
| Courses on AI (Net) | 68% | 65% | 81% | 71% | 65% | 66% | 68% | 56% | 65% | 76% |
| Providing access to AI tools and software for hands-on learning^ | 64% | 67% | 73% | 60% | 63% | 50% | 65% | 76% | 67% | 43% |
| Implementing AI learning projects or pilot programs for hands-on learning^ | 63% | 63% | 80% | 58% | 63% | 55% | 71% | 53% | 72% | 43% |
| Internal workshops or seminars (Net) | 57% | 47% | 60% | 51% | 55% | 42% | 62% | 78% | 68% | 52% |
| Hiring external consultants or trainers | 40% | 39% | 59% | 27% | 40% | 26% | 48% | 41% | 38% | 37% |
| Offering certification programs in AI (Net) | 39% | 43% | 52% | 29% | 35% | 42% | 35% | 46% | 43% | 20% |
| Partnering with educational institutions to develop custom content^ | 28% | 23% | 24% | 29% | 40% | 29% | 25% | 31% | 21% | 40% |

Note: Shading is applied to the entire table.

Methods involving hands-on learning or pilot programs suggest enterprises are experimenting and still trying to find the winning approach.

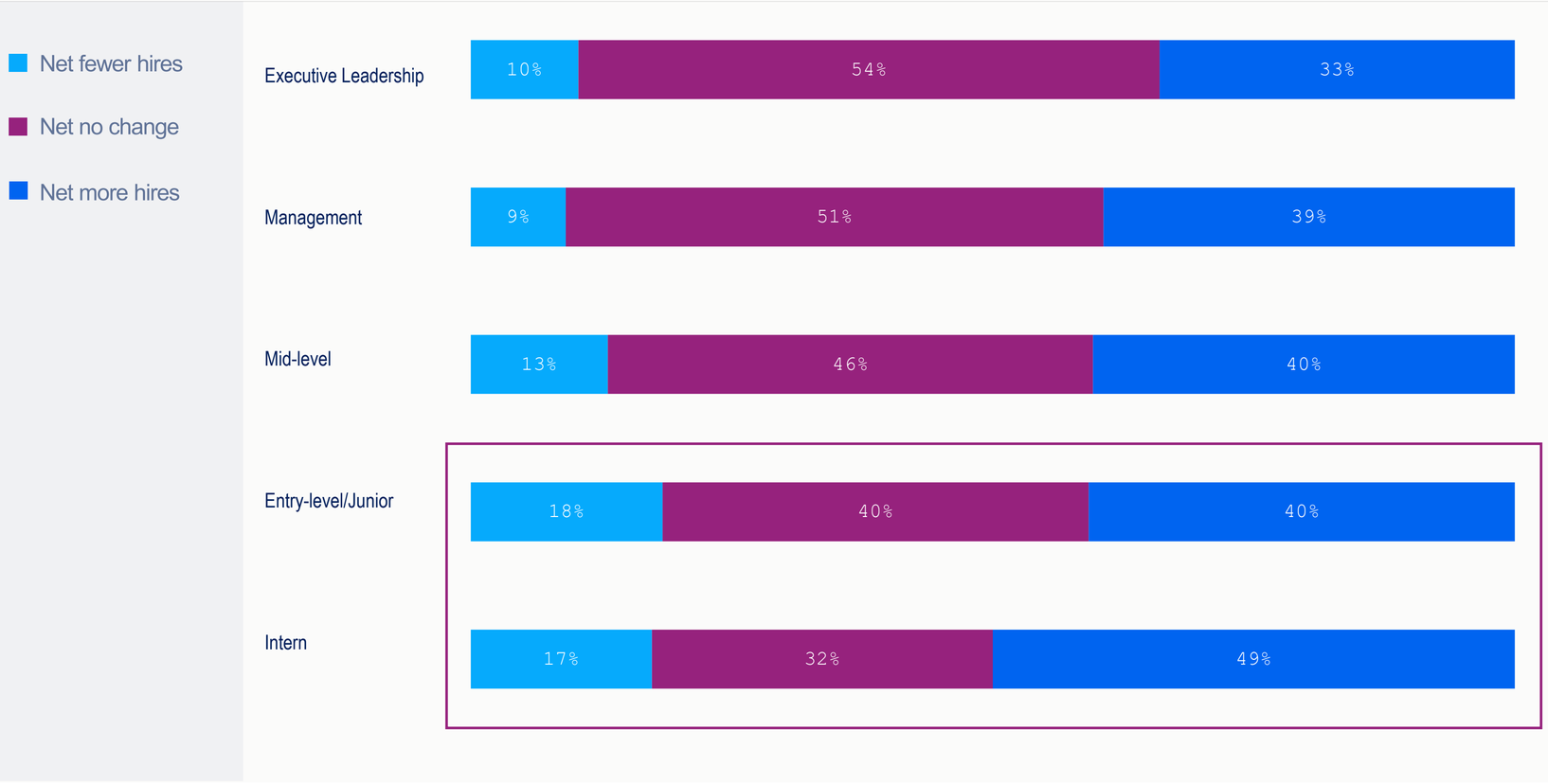
Q23C. Which ways is your organization investing in Gen AI training programs for employees?
(Note: ^Responses updated in 2025)
2025: Total (n=404), HR (n=57), IT/BI (n=51), Marketing/Sales (n=45), Operations (n=43), Product Development/Engineering (n=42), Purchasing (n=48), General Management (n=49), Finance / Accounting (n=39), Legal (n=30)
*Base size <50 interpret directionally

# Among those planning to hire external consultants, 52% (-11pp vs. 2024) say that these consultants will have a substantial role, while 26% indicate they'll play a moderate role. 22% (+14pp) will rely primarily on consultants.

Q23A. How big of a role do you expect management and technology consultants to play in your organization's strategy, planning, and rollout of Gen AI projects?
Total: 2025 (n=326), 2024 (n=354)

# Will Gen AI Mean More Jobs—or Fewer?

**Hiring Impact in the Next 2-5 Years** (Among VP+)




In line with current media coverage that Gen AI is a greater threat to junior roles, more senior leaders expect net fewer hires for these roles (~18% for entry-level/interns vs. ~10% for mid-level and up).

However, interestingly, many also anticipate that Gen AI will create more employment opportunities for junior workers.

Does not include "Don't know", hence displayed data does not sum to 100%.
H1. In the next 2 – 5 years how do you expect Gen AI to impact hiring for your current department in your organization?
(Note: New question in 2025)
Total: 2025 VP/C-Suite/Owner/Founder: (n=372)

# Enterprises Struggle Most With Hiring Gen AI Talent and Training Effectively

**Talent Pipeline Challenges – by Company Size (Revenue in USD)** (Among Total)

| | Total | Tier 3 Enterprise ($50M - <$250M Annual Revenue) | Tier 2 Enterprise ($250M - <$2B Annual Revenue) | Tier 1 Enterprise ($2B+ Annual Revenue) |
|---|---|---|---|---|
| Recruiting talent with advanced Gen AI technical skills | 49% | 46% | 52% | 46% |
| Providing effective training programs for current employees | 46% | 46% | 47% | 43% |
| Recruiting talent with basic Gen AI literacy/understanding | 43% | 41% | 46% | 38% |
| Ensuring existing employees engage in continuous learning | 43% | 46% | 42% | 41% |
| Maintaining employee morale in roles impacted by Gen AI | 43% | 40% | 45% | 44% |
| Having leadership that can lead effective change-management | 41% | 44% | 41% | 36% |
| Addressing loss of relevance for some current job roles | 32% | 29% | 32% | 34% |

Note: Shading is applied to the entire table.

In addition to addressing skill gaps, leaders face challenges with employee morale and the need for leaders who can navigate their organizations through this major transformation.

However, the current challenge of addressing loss of relevance for current employees is seen as somewhat less important.

***"Generative AI has now been a requirement for all of our incoming employees in candidates. This is definitely a skill set that we look for and require now."***
**—Manager, Retail, Tier 2**

H2. In your view, what are the biggest challenges your organization faces in adapting its talent pipeline to keep pace with Gen AI adoption?
(Note: New question in 2025)
Total: 2025 (n=801)

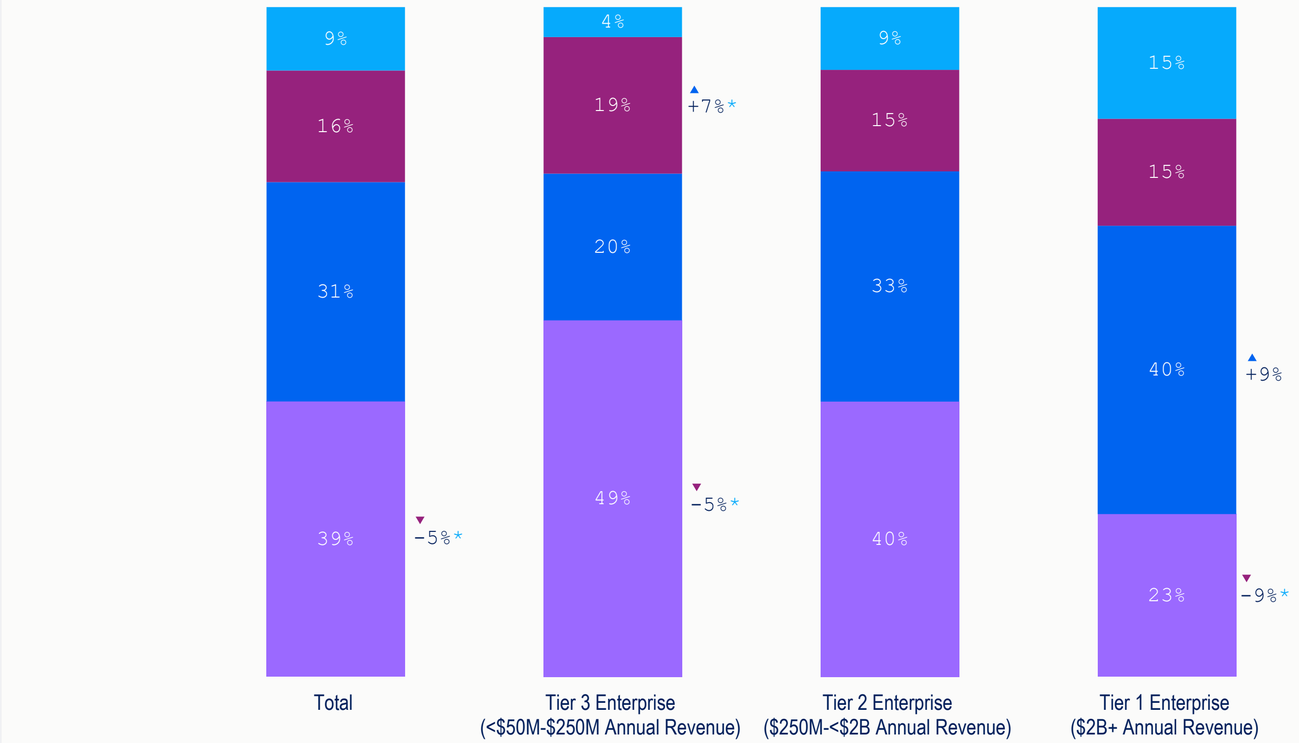
# Tier 2 & 3 Enterprises Embrace "Gen AI for All"

**Usage Restrictions by Company Size (Revenue in USD)** (Among Total)

- Only some employees can use it, with some restrictions
- Only some employees can use it, without any restrictions
- Any employee can use it, with some restrictions
- Any employee can use it without any restrictions

* Statistically significant shift from 2024 at the 95% C.I.

▲▼ +/-5pp shift year over year




The question is no longer, “Can some employees use Gen AI and others cannot?” Now, it is, “What level of restrictions can ***all*** employees use Gen AI?” 70% of firms allow all employees usage access (+7pp vs. 2024), only 31% with restrictions.

More Tier 2 (+8pp) and Tier 3 (+17pp) enterprises now allow “any” employee to use Gen AI.

Q2A. Which best describes your current organization’s policy for Gen AI for work purposes? (Note: New question in 2024)

Total: 2025 (n=801), $50 million - less than $250 million (n=218), $250 million - less than $2 billion (n=428), $2 billion or more(n=155),

Total: 2024 (n=802), $50 million - less than $250 million (n=211), $250 million - less than $2 billion (n=421), $2 billion or more (n=170)
Not shown in chart: Those answering “other,” “don’t know,” or “never used Gen AI”

# Tier 2 Enterprises Outpace Others in Policy Adoption

**Usage Policy Adoption** (Among Total)

| | Total | Tier 3 Enterprise ($50M - <$250M Annual Revenue) | Tier 2 Enterprise ($250M - <$2B Annual Revenue) | Tier 1 Enterprise ($2B+ Annual Revenue) |
|---|---|---|---|---|
| Data security policies | 64% ▲+9%* | 54% ▲+5% | 69% ▲+16%* | 68% |
| Compliance with regulatory standards | 61% | 60% | 61% | 59% |
| Employee training and awareness programs | 61% ▲+7%* | 52% ▼-8% | 66% ▲+16%* | 63% |
| Usage restrictions for sensitive tasks/employees/subject matter | 57% | 54% | 58% | 60% |
| Explicit approval process for usage | 46% ▼-6%* | 47% ▼-7% | 48% ▼-5% | 41% ▼-6% |
| No formal policies in place | 5% | 3% | 4% | 11% |

* Statistically significant shift year over year at the 95% C.I.

▲▼ +/-5pp shift year over year

Note: Shading is applied to the entire table.

Approval processes on usage are decreasing, while data security policies are increasing to match Tier 1 enterprises.

Employee training has increased for Tier 1 and Tier 2 enterprises, while de-emphasized for Tier 3—perhaps a reflection of these enterprises prioritizing budgeting to cover risk.

QAP1. What types of Gen AI usage policies does your organization have in place?
(Note: New question in 2024)
Total: 2025 (n=801), $50 million - less than $250 million (n=218), $250 million - less than $2 billion (n=428), $2 billion or more(n=155)
Total: 2024(n=802), $50 million - less than $250 million (n=211), $250 million - less than $2 billion (n=421), $2 billion or more (n=170)

# IT and Finance Functions Boost Rigor in Gen AI Policies

**Usage Policy Adoption by IT and Finance/Accounting Functions** (Among Total)

| | Total | IT | Finance/ Accounting | Management |
|---|---|---|---|---|
| Data security policies | 64% ▲+9%* | 78% ▲+11% | 70% ▲+11% | 72% |
| Employee training and awareness programs | 61% ▲+7%* | 76% ▲+16% | 69% ▲+25%* | 72% |
| Compliance with regulatory standards | 61% | 70% ▲+8% | 61% ▲+13% | 57% |
| Usage restrictions for sensitive tasks/employees/subject matter | 57% | 69% ▲+17%* | 51% ▼-13% | 61% |
| Explicit approval process for usage | 46% ▼-6%* | 44% ▲+14% | 48% ▼-15%* | 51% ▲+6% |
| No formal policies in place | 5% | 3% ▼-6% | 4% | 6% |

* Statistically significant shift year over year at the 95% C.I.

▲▼ +/-5pp shift year over year

Note: Shading is applied to the entire table.

Specific focus on data security policies, employee training, and regulatory compliance have increased the most.

For IT, additional scrutiny on restrictive measures for sensitive subject matter (+17pp vs. 2024) and explicit usage approval are up (+14pp), while both are down for Finance and Accounting (-13pp, -15pp respectively)—demonstrating standards usage changes among different functions.

QAP1. What types of Gen AI usage policies does your organization have in place? (Note: New question in 2024)
Total: 2025 (n=801), 2024 (n=802)

# AI Governance Focuses on Privacy, Ethics, and Oversight

**Responsible AI Policy Adoption** (Among Total)

| | Total | Tier 3 Enterprise ($50M - <$250M Annual Revenue) | Tier 2 Enterprise ($250M - <$2B Annual Revenue) | Tier 1 Enterprise ($2B+ Annual Revenue) |
|---|---|---|---|---|
| Data privacy preservation | 53% | 45% ▼ -5% | 56% ▲ +6% | 58% ▼ -5% |
| Ethical guidelines for AI usage | 50% ▲ +7%* | 45% ▲ +8% | 50% ▲ +8%* | 56% |
| Human oversight and intervention | 48% | 48% ▲ +5% | 48% | 48% ▲ +7% |
| Transparency and explainability | 45% | 44% | 46% ▲ +6% | 46% ▲ +8% |
| Intellectual property rights | 44% | 43% ▲ +9%* | 42% | 48% ▲ +5% |
| Fairness and bias mitigation | 39% | 41% | 39% | 34% |
| Accountability and governance | 36% | 31% | 38% | 41% |
| Monitoring and auditing AI outputs | 35% ▲ +8%* | 24% | 39% ▲ +14%* | 43% |
| Inclusivity and diversity in AI development | 30% | 25% ▼ -6% | 32% ▲ +7%* | 34% ▲ +8% |
| Sustainability and environmental impact | 26% | 25% | 28% | 22% |
| No formal policies in place | 4% | 2% | 3% | 8% |

* Statistically significant shift year over year at the 95% C.I.

▲▼ +/-5pp shift year over year

Note: Shading is applied to the entire table.

Tier 1 enterprises are more likely to have adopted more policies, including more emphasis on data privacy, ethical usage, and monitoring/auditing.

***"Restrictions include sensitive data, banning external sharing and controlling how you use AI to generate content."***
***—Director, Manufacturing, Tier 1***

QAP2. What types of responsible AI policies does your organization have in place for Gen AI? (Note: New question in 2024)
Total: 2025(n=801), $50 million - less than $250 million (n=218), $250 million - less than $2 billion (n=428), $2 billion or more (n=155)
Total: 2024(n=802), $50 million - less than $250 million (n=211), $250 million - less than $2 billion (n=421), $2 billion or more (n=170)

# Gen AI Risk Management Focuses on IT Security and Financial Risk

**Risk Management Area Usage** (Among Current Users of Gen AI for Risk Management)

| | Total | Tier 3 Enterprise ($50M - <$250M Annual Revenue) | Tier 2 Enterprise ($250M - <$2B Annual Revenue) | Tier 1 Enterprise ($2B+ Annual Revenue) |
|---|---|---|---|---|
| IT Security/cybersecurity | 67% | 59% | 71% | 68% |
| Financial risk | 58% | 53% | 60% | 60% |
| Supply chain risk management | 55% | 45% | 58% | 59% |
| Risk identification | 55% | 43% | 58% | 63% |
| Regulatory compliance documentation & monitoring | 50% | 44% | 50% | 60% |
| Risk training/awareness program development | 44% | 31% | 48% | 51% |
| Risk communication & reporting | 42% | 39% | 43% | 44% |
| Treasury risk management | 32% | 27% | 33% | 36% |
| Physical security | 30% | 29% | 28% | 36% |

Note: Shading is applied to the entire table.

Tier 1 enterprises also use Gen AI more frequently for risk identification and regulatory compliance.

Q8_RM. In what specific areas of risk management is your organization using Gen AI?
(Note: New question in 2025)
Total: 2025 (n=469), $50 million - less than $250 million (n=106), $250 million - less than $2 billion (n=217), $2 billion or more (n=81)
Total: 2024 (n=387), $50 million - less than $250 million (n=82), $250 million - less than $2 billion (n=206), $2 billion or more (n=99)

# High-Risk Functions Require More Risk Management

**Risk Management Area Usage by IT and Finance Functions** (Among Current Users of Gen AI for Risk Management)

| | Total | IT | Finance/ Accounting |
|---|---|---|---|
| IT Security/cybersecurity | 67% | 80% | 61% |
| Risk identification | 55% | 67% | 49% |
| Financial risk | 58% | 67% | 70% |
| Supply chain risk management | 55% | 63% | 49% |
| Regulatory compliance documentation & monitoring | 50% | 55% | 52% |
| Risk communication & reporting | 42% | 53% | 41% |
| Risk training/awareness program development | 44% | 47% | 46% |
| Treasury risk management | 32% | 42% | 36% |
| Physical security | 30% | 23% | 31% |

Note: Shading is applied to the entire table.

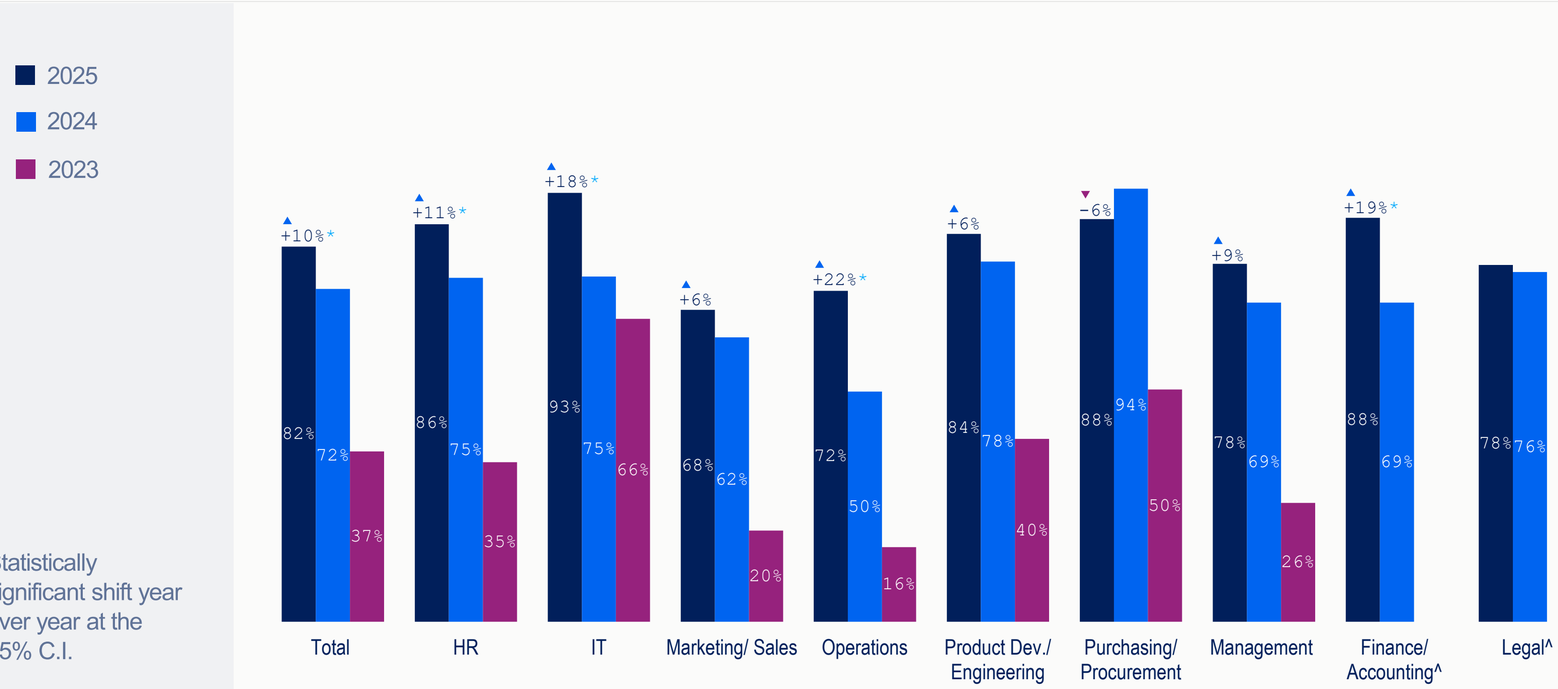
For IT decision-makers, four out of five report using Gen AI in IT Security/ Cybersecurity, while in Finance and Accounting seven out of 10 are using it to assess financial risk.

Q8_RM. In what specific areas of risk management is your organization using Gen AI? (Note: New question in 2025)
Total: (n=469) IT (n=60), Finance/Accounting (n=61)

# APPENDIX

# Regular Usage of Gen AI Becomes a Mainstay

**Usage in Workplace – Using Gen AI Daily/at Least Once a Week** (Among Total)



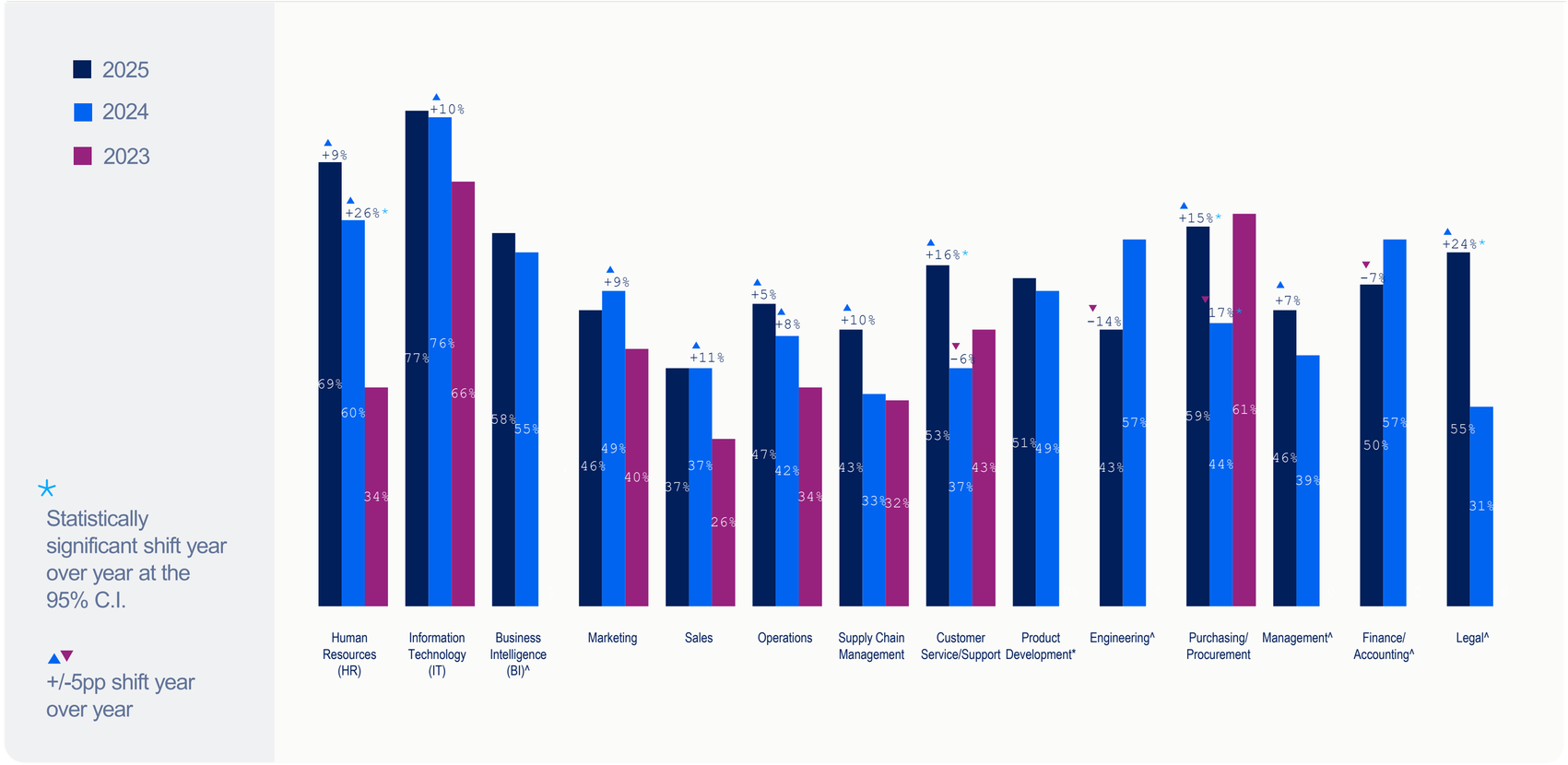

At least eight out of 10 decision-makers across functions are using Gen AI on a regular basis.

In 2023, less than four out of 10 described themselves as regular users.

Q2. What is your experience using Gen AI for work purposes? (Note: Question wording updated in 2024)
Total: 2025 (n=801), 2024 (n=802), 2023 (n=672)
(^Note: Functional areas added to 2024 Survey)

# Unlocking Gen AI's Full Potential Varies by Function

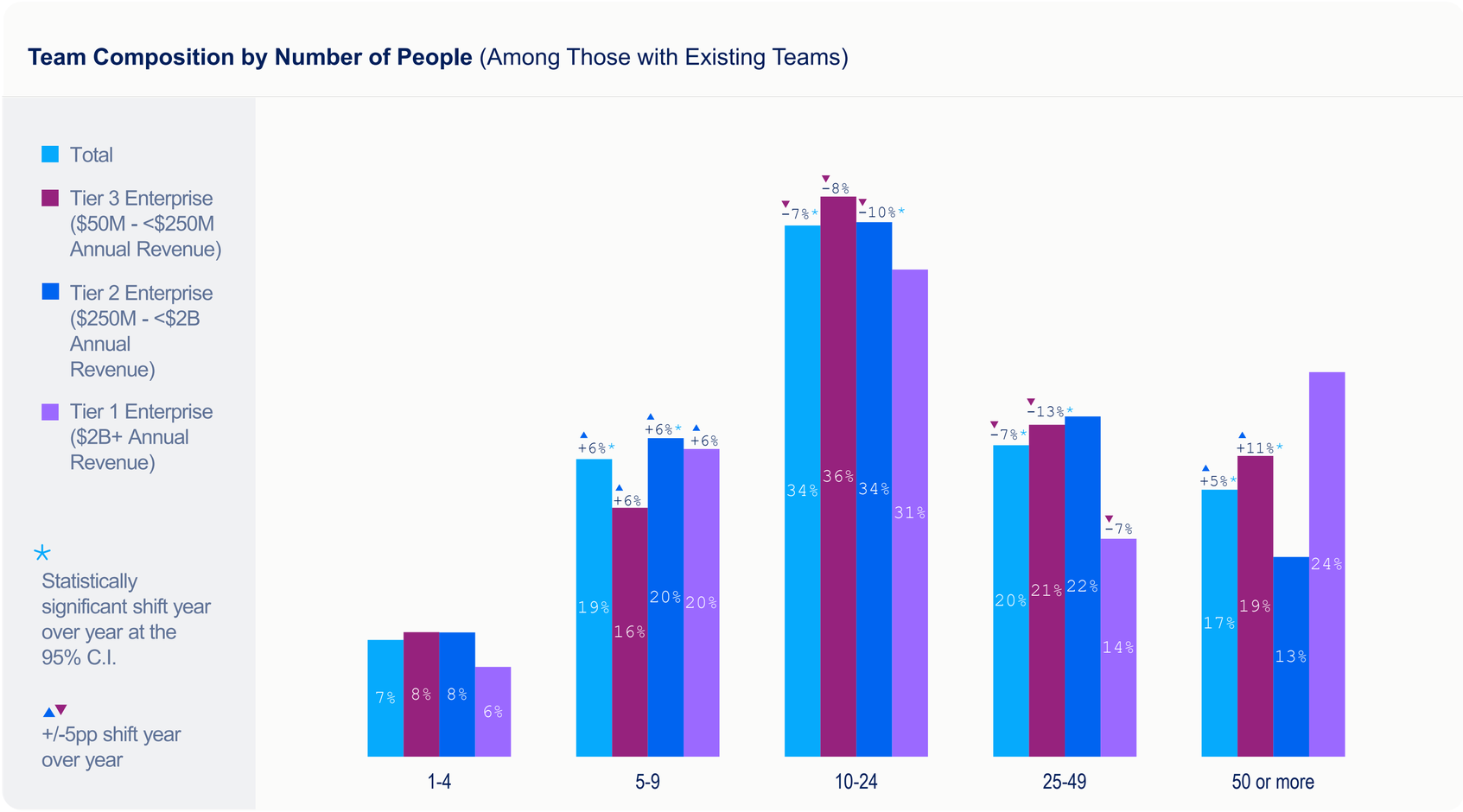
**Expected Impact Across Functional Areas** (Among Functional Areas, Showing "High Impact")




Q5. How strong of an impact is Gen AI having on each of the following functions or departments within your organization? - High Impact
[^Note: New functional areas added in 2024)
Total: 2025 (n=801), 2024(n=802), 2023 (n=672)

# Team Sizes for Gen AI Strategy Are Consistent Across Enterprise Tiers

**Team Composition by Number of People** (Among Those with Existing Teams)




Functions where teams of 50 have grown the most are Purchasing (+16pp vs. 2024), Product Engineering (+13pp vs. 2024), Operations (+12pp vs. 2024), and Finance (+7pp vs. 2024).

For teams smaller than 10, IT (+15pp vs. 2024) and Finance/Accounting (+17pp vs. 2024) have grown the most.

Does not include "Don't know", hence displayed data does not sum to 100%.
Q19. Approximately how many people are specifically focused on your Gen AI strategy?
Total: 2025 (n=567), 2024 (n=731), 2023 (n=541

# Scalability and Security Drive Gen AI Platform Selection

**What is Considered When Selecting a Gen AI Solution / Platform – Ranking Top 10** (Among IT Functions)

| | 2025 | 2024 | 2023 |
|---|---|---|---|
| Scalability and performance capabilities | 1 | 2 | 5 |
| Security of our organization's sensitive data/information | 2 | 1 | 3 |
| Ease of use for our employees | 3 | 7 | 2 |
| Transparency of algorithms and how data are used | 3 | 6 | 7 |
| Seamless integration with current cloud provider^ | 4 | N/A | N/A |
| Ease of operations (e.g., integration and scaling with existing systems and processes, ongoing maintenance) | 5 | 5 | 7 |
| Security/protection of customers' sensitive data/information | 6 | 3 | 4 |
| Appropriate controls for ethical considerations such as potential bias | 7 | 8 | 6 |
| Cost | 7 | 4 | 1 |
| Meets my use case requirements^ | 8 | 9 | N/A |

Among those in IT, **scalability, security, ease of use,** and **algorithm** and **data transparency** are the top factors for consideration of Gen AI.

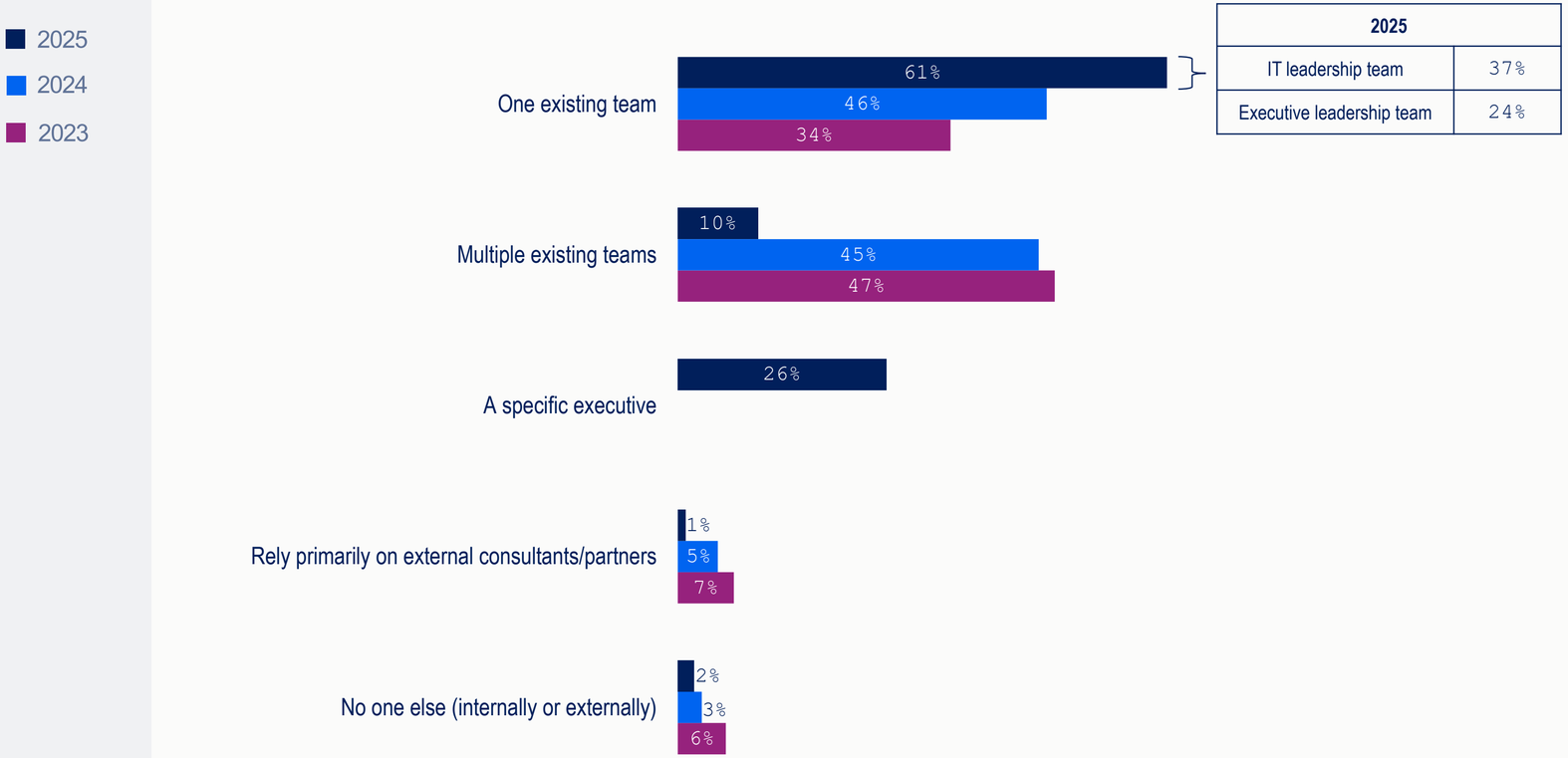
**Cost** was the number one consideration in 2023, yet in 2025 it only cracks the top 10—suggesting a firmer establishment of Gen AI's value to those in IT.

**Adoption by similar companies, vendor reputation,** and **availability of 3P resources** are in the bottom three—suggesting something more than "brand" is guiding Gen AI decisions.

Q12. What are the top factors you would consider when selecting a Gen AI solution or platform for your organization?
IT Function: 2025 (n=88), 2024 (n=92), 2023 (n=117)
(^Note: New response options added in 2025 and 2024)

# Decision-Making Is a Team Effort, Not Just by CAIOs

**Responsibility for Gen AI Strategy** (Among Total)




| 2025 | |
|---|---|
| IT leadership team | 37% |
| Executive leadership team | 24% |

While responsibility increases in executive roles, Gen AI strategy responsibilities are being kept in-house and consolidated into one existing team.

Executive responsibility is strongest in Tier 3 (28%) and Tier 2 (29%) enterprises.

Does not include "Other/Don't know", hence displayed data does not sum to 100%.
Q18. Who in your organization is currently responsible for your Gen AI strategy?
(Note: Question responses updated in 2025 and were grouped to align with 2024 responses where possible - see details below)
Chart label: One existing team
•2024: One existing team
•2025: Our executive leadership team or Our IT leadership team
Chart label: Multiple existing teams
•2024: Multiple existing teams
•2025: A cross-functional team
Chart Label: A specific executive
•2024: N/A
•2025: A specific executive (e.g., Chief AI Officer, CTO, CIO)
Chart Label: Rely primarily on external consultants/partners
•2024: We rely primarily on external consultants or partners to manage this
•2025: External partners/consultants
Chart Label: No one else (internally or externally)
•2024: No one at this time
•2025: No one at this time, but we plan to appoint someone OR No one at this time, and we are not planning on appointing someone
Total: 2025 (n=801), 2024 (n=802),2023 (n=672)

# Notes on Visual Indicators of Differences

The 2025 survey is a follow-up of Gen AI surveys completed in the summers of 2023 and 2024. Visuals are included to demonstrate differences between consecutive years or categories, indicating percent changes between specific pairs (±pp) and statistical significance testing in those changes at a 95% confidence interval (*).

While the 2025 survey builds upon the insights from 2023 and 2024, it also introduces additional questions, revised responses options, and other updates. As a result, certain questions cannot be tracked across each year. Footnotes indicate where year-over-year comparisons are not possible.

+/-5pp shift year over year

Statistically significant shift year over year at the 95% C.I.


Letters indicate statistically significant difference vs. the other group at the 95% C.I.

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