

# Quick Answer: Do Enterprises Need a Chief AI Officer?

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Initiatives: [Artificial Intelligence](#)

AI and generative AI fervor has many asking: is a chief AI officer needed? For most organizations the answer is no; however, organizations must have an orchestrator role for enabled, empowered and enforced execution of a business strategy infused with AI. Forget the job title; focus on AI's value.

## Quick Answer

### Do enterprises need a chief AI officer?

- **Unwarranted C-Suite Seat:** Gartner's position is that each time there is a disruption or new era of technology, another C-suite role is not necessarily warranted — at least not right away. A seat at the C-suite level takes years to build up to, embrace and justify. As such, most enterprises do not need a chief of AI.
- **Critical Success Factors:** The C-suite must ensure empowered, enforced and enabled organizational constructs to drive success. This entails several critical success factors, namely aligned business strategy, orchestration, and multidisciplinary governance. All this often includes a head of AI, but this person does not need to be at the altitude of the C-suite.
- **Synergistic Multidisciplinary Iterative Approach:** Given the speed of AI updates and changes, it is imperative that the organization operates in a dynamic, iterative, risk-adjusted, repeatable approach. The key is a synergistic multidisciplinary approach to measurement, AI-ready data strategy, security, risk, governance, talent shifts, and regulatory, ethics and compliance.

## More Detail

### Head of AI Rather Than C-Suite Seat

Most enterprises do not need a chief of AI. Gartner's position is that each time there is a disruption or new era of technology, another C-suite role is not necessarily warranted — at least not right away. A seat at the C-suite level takes years to build up to, embrace and justify.

There are many examples of hasty role creation with mixed results, such as the chief digital officer and diversity, equity and inclusion (DEI) officer. Leaders that were justified and are now mainstream involved over a decade of evolution. Examples include chief information security officers (CISOs) and CIOs.

*Is there a need for a holistic or integrated approach to AI and generative AI (GenAI)?* The answer here is an unequivocal yes. AI and GenAI are complex and far-reaching and touch every job, activity and strategic conversation in the organization. However, this does not mean that the people or team responsible for orchestrating AI at a company have to have a title at the altitude of the C-suite.

C-suite members take direction from their board of directors. Currently, most boards do *not* want to expand the C-suite; however, both boards and CEOs do want a responsible leader. Therefore, organizations have already appointed a head of AI — a single person responsible for AI orchestration. Gartner's research shows that the head of AI must combine business and technology leadership. Gartner estimates that the spending on AI and GenAI will reach "material" levels (call-worthy earnings) for over 80% of organizations. This is the primary reason that AI and GenAI have reached so many CEO- and boardroom-level agendas. <sup>1</sup> Clearly, business leadership is of paramount importance. This is closely coupled with technology prowess regarding the possibilities, power and peril of AI and GenAI.

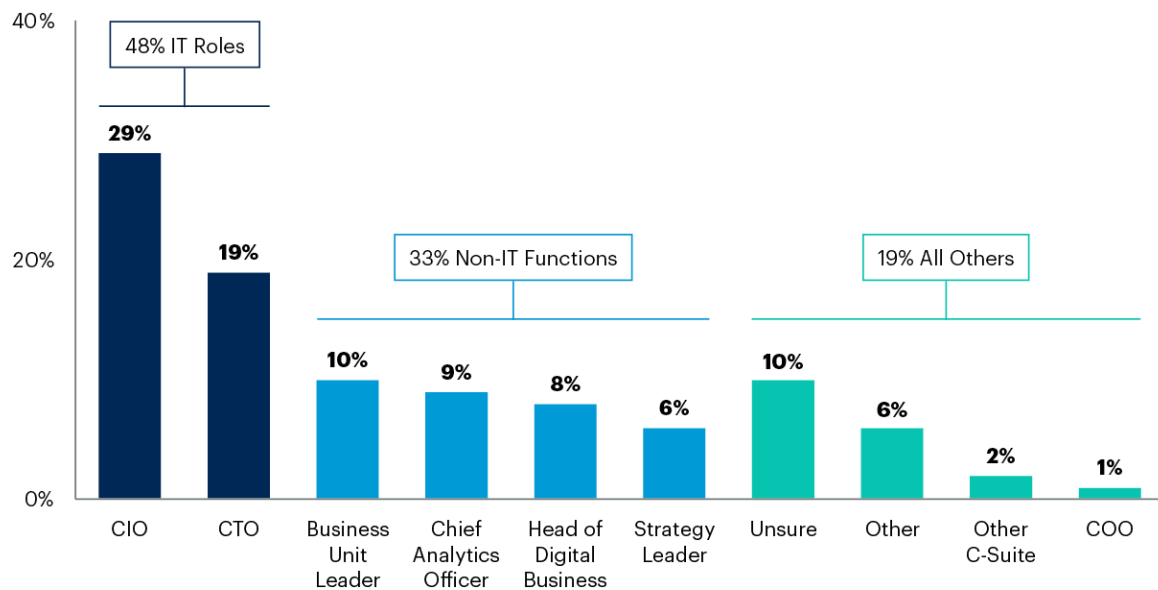
One exception is U.S. government agencies. As part of the recent White House executive order, all agencies, excluding intelligence agencies, were mandated to appoint a chief AI officer (CAIO). However, the approach and mandate of this role for these government agencies is very different in its goal, scope, scale and impact than enterprise requirements (see [The Impact of the "US Executive Order on AI" on IT Leaders](#)).

The current reality is that organizations are still debating where the responsibility for AI and GenAI initiatives lies (see Figure 1). Additionally, In our midyear CEO and Senior Business Executive Survey update, 51% of CEOs responded that they expect their CIO or tech leader to unlock the value of generative AI to the business. <sup>2</sup>

Figure 1: Accountability for Artificial Intelligence Delivery

**Accountability for Artificial Intelligence Delivery**

Percentage of Respondents



n = 1,129

Q. Who is primarily accountable for AI (Artificial Intelligence) Initiatives (delivery)?

Source: Gartner

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**Critical Success Factors**

**Organizations must have a business strategy infused with AI, rather than an AI technology roadmap masquerading as a strategy.**

The C-suite must ensure empowered, enforced and enabled organizational constructs to drive success. This entails several critical success factors for successful concurrent AI and GenAI initiatives. These include the following:

- **Aligned Business Strategy** — The impact of AI and GenAI is proportional to your willingness to rethink and recalibrate your business. The key focus is on building a value story tied to an organization's business strategy. A value story is a narrative that illustrates progress toward business outcomes.

- **Orchestration** — A unique issue of AI and GenAI is that the learning curve is incompressible and consequences can often be outside the walls of the organization — highly visible and unforgiving. There is also limited “history” (years of experience) in the talent arena: it’s all new for everyone. As such, orchestration, alignment, and effective communication at a high caliber is critical.
  
- **Multidisciplinary Governance** — Executive leaders must facilitate governance across increasingly interconnected, fast-changing terrains to support business outcomes. Aligning different governance domains along common pillars helps enterprises identify gaps, overlaps, conflicts and synergies among different governance efforts. Decisions regarding assets, behaviors and risks in one area of the business increasingly impact other parts. One-size-fits-all models of governance are too restrictive, while siloed governance limits coordination and leads to inconsistent behavioral standards throughout the organization.

A *seemingly* technology-oriented decision (about AI or GenAI) is not just a technology decision. It’s a simultaneous business/technology/economic/social/ethical decision. Treating any one of these domains in exclusion of the others is dangerous. Ethical decisions commonly masquerade as IT decisions. They look like reorganization decisions, vendor decisions, outsourcing decisions, or innovation decisions.

A prominent example of a discipline and functional area that traverses both business and technology is data and analytics (D&A). The D&A function is a combination of **data** (the “fuel” for a select number of AI and GenAI initiatives) and **analytics**, which provides one of the key ingredients for data-driven decision-making enablement. The critical linchpin for decision intelligence has been the function and leadership of D&A. This accentuates the challenge of high-value, high-impact areas that demand a blend of business, functional and technology depth.

Moreover, each component represents extensive scope and depth. A discussion of data hygiene, quality, availability and virtualization gives rise to a host of issues on funding and use. The data strategy has always been important but it is now thrust into another stratosphere: Gartner research indicates only 4% of organizations reported that their data is AI ready. In other words, 96% of organizations are *not* ready. This demonstrates a dire demand for rigor and discipline in the areas of strategy, leadership, organization and talent to deliver business results.

## Synergistic, Multidisciplinary, Iterative Approach

The strategy, orchestration and governance that must occur traverse many areas (see list below). Moreover, establishing these is not a one-time task. It requires multidisciplinary teams to iteratively revisit each item, dynamically adjusting using a risk-adjusted, repeatable approach. Areas of strategy, orchestration and governance include:

- Strategic business goals and alignment
- Operation execution
- Measurement
- AI-ready data strategy and ongoing curation
- Security
- Governance
- Risk and regulatory
- Talent shifts and dexterity (inclusive of AI literacy and trust program)
- Trust level and behavioral shifts in decision making
- Ethics and compliance

AI and GenAI are unlike other technology disruptions. The level of ubiquity coupled with the capacity and capabilities are so extensive and complex that it is difficult to scope efforts as well as capture the risks and unintended consequences. And the ability to identify and manage the risks demands an unprecedented level of ongoing diligence.

The reality is that AI and GenAI are extensions of an enterprise technology roadmap and toolbox of options to solve business problems. The difference is that AI and GenAI are much more powerful than other tools; they transcend the arena of technology as entire products, services and business models and can be built in a way that at times has not been fully understood and tested. However, the bottom line is that they are fundamentally still focused on addressing business problems and demands and delivering value to customers or constituents.

## Recommendations

## Forget the job title; focus on the value of AI.

- **Prioritize Substance Over Form.** The long-standing quote that explains that substance is enduring while form is ephemeral is applicable here. Gartner encourages organizations to ensure the work is done by a competent leader and a high-quality, multidisciplinary team. It's not important what they are called or who they report to. More specifically, focus on a business strategy that is infused with AI rather than an AI technology roadmap masquerading as a strategy. The impact of AI and GenAI is proportional to your willingness to rethink or recalibrate your business.
- **Orchestrate to Ensure Success.** A conductor of an orchestra doesn't make a sound. This leader's success depends on the ability to make other people powerful as a collective group. The primary responsibilities of the conductor are to unify performers, set the tempo, execute clear preparations and beats, listen critically, shape the sound of the ensemble, and control the interpretation and pacing of the music. This is the mandate of the head of AI: *go forth and orchestrate*. There will be many concurrent AI and GenAI initiatives that require functional, technical, security, D&A, and many other organizational resources. All of them need to be orchestrated together for success.
- **Demand Rigor to Ensure Synergies.** We should no longer treat AI as just a technology. AI is now in a place where it shapes our society and impacts what it means to be human. Therefore, we must extend existing governance practices with AI-specific considerations along common pillars. Moreover, it's critical that the focus is on a synergistic multidisciplinary approach to shapeshifting the organization's future. The relevant quote is: "We shape our tools and thereafter they shape us." <sup>3</sup>

## Evidence

<sup>1</sup> Each year, Gartner conducts an extensive study of CEOs. In recent years, Gartner has asked CEOs the same simple open-response question about technology: Which new tech do they think will most significantly impact their industry over the next three years? The results and analysis were sourced from the 2023 Gartner CEO and Senior Business Executive Survey. The leading response for several years has been AI. In the 2023 survey, the specific result was that 21% of CEOs say AI is the top disruptive technology. Using this data along with client inquiries and interviews, Gartner estimates that the spending on AI and GenAI will be large in a majority of organizations — so much so that it will continue to be an important recurring agenda item for CFOs as well as CEOs and boardrooms.

<sup>2</sup> **Mid-2023 Update Gartner CEO and Senior Business Executive Survey.** Gartner conducted this research from June through July 2023. In total, 109 actively employed CEOs and other senior executive business leaders qualified and participated. All respondents were screened for active employment in organizations greater than \$50 million in annual revenue. The sample mix by role was CEOs (n = 95); CFOs (n = 10); COOs or other C-level executives (n = 3); and chairs, presidents or board directors (n = 1). The sample mix by location was North America (n = 41), Europe (n = 30), Asia/Pacific (n = 32), Latin America (n = 2), the Middle East (n = 2) and South Africa (n = 2). The sample mix by size was \$50 million to less than \$250 million (n = 21), \$250 million to less than \$1 billion (n = 23), \$1 billion to less than \$10 billion (n = 49) and \$10 billion or more (n = 16). The results of this study are representative of the respondent base and not necessarily business as a whole.

<sup>3</sup> [A Schoolman's Guide to Marshall McLuhan](#), *The Saturday Review*.

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## Recommended by the Authors

Some documents may not be available as part of your current Gartner subscription.

[Executive Pulse: GenAI Initiatives Take Shape Across the Enterprise](#)

[Reconcile Disparate Governance Initiatives Using a Common Governance Framework](#)

[4 AI Governance Actions to Make a Swift Business Impact](#)

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