Pacing Yourself in the AI Races: 2024 IT Symposium/Xpo Keynote Insights

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Initiatives:CIO Innovation Leadership

As a CIO, you are in a race to deliver AI outcomes safely and at scale. This recap of the 2024 IT Symposium/Xpo Keynote helps you set the right pace for your AI race, so you can achieve the desired business, technology and behavioral outcomes for your organization.

Overview

Key Findings

With AI and data coming from everywhere, CIOs must deliver safe AI outcomes. Depending on your organization's ambitions, you will move at either an AI-steady or AI-accelerated pace to deliver:

- **Business outcomes.** CIOs want to use AI to improve employee productivity, streamline business processes and deliver game-changing improvements to their business models — all at an acceptable cost.
- **Technology outcomes.** CIOs want to protect their organization's data and govern AI outputs while still providing enough flexibility to capitalize on new opportunities.
- **Behavioral outcomes.** As AI changes their employees' tasks, roles and lives, CIOs want to use AI in a way that encourages positive behaviors and intentionally manage its impact on employees.

Recommendations

- Deliver business outcomes by finding your deep productivity zone, where employees will get the biggest productivity benefit from using generative AI (GenAI). More advanced enterprises should seek benefits well beyond productivity, such as revenue generation.
- Prepare for volatility in AI costs by understanding your AI bill. More advanced enterprises should create proofs of concept that test how costs will scale and perform real-time AI cost monitoring.
- Achieve technology outcomes with an AI technology framework that harnesses data and AI coming from everywhere, and that incorporates trust, risk and security management (TRiSM) practices. More advanced enterprises should use TRiSM technologies to mechanize AI policies.
- Manage behavioral outcomes by clearly defining who owns which outcomes, and by co-creating new roles with your employees. More advanced enterprises should add human behavior experts to their teams, especially when experimenting with agentic AI.

Strategic Planning Assumption

By 2026, more than 80% of independent software vendors will have embedded generative AI capabilities in their enterprise applications, up from less than 5% in 2024.

Introduction

Two AI races have begun.

In one race, tech vendors are relentlessly innovating and flooding the market with highly hyped AI-embedded technologies. A new GenAI frontier model is released every 2.5 days on average. [1]

As a CIO, you're not in that tech vendor race. You don't have to adopt all the latest AI to get ahead. But you are in the second race: a race to deliver AI outcomes safely and at scale.

The stakes of your AI outcomes race are high, because CEOs believe the AI hype is justified. In the Mid-2024 Update Gartner CEO and Senior Business Executive Survey, 74% of CEOs said AI is the technology that will most impact their industry. This is a significant leap from 59% in early 2024, and 21% in 2023. [2]

And CEOs are largely relying on their CIOs to deliver AI outcomes. In the 2024 Gartner AI Survey, 57% of CIOs said that they are tasked with leading the AI strategy in their organization. [3]

But CIOs are realizing that delivering AI outcomes is tough. In the 2024 Gartner AI Survey, 47% of CIOs said that AI has not met their ROI expectations. [3] The highly touted productivity and business benefits of using AI don't always materialize, and AI can create serious risks, unpredictable costs and negative behaviors that harm your organization.

GenAI is teetering on the edge of the Peak of Inflated Expectations in Gartner's Hype Cycles, and it will soon slide into the Trough of Disillusionment (see Hype Cycle for Emerging Technologies, 2024).

As a CIO, you experience the nonstop hype from AI vendors and the sobering reality of how tough it is to deliver AI outcomes. It can feel like you're at the peak and in the trough at the same time!

Whether you have explicit ownership of AI or not, you are in a race to deliver three types of outcomes (use the links below to navigate to each section):

- Business outcomes
- Technology outcomes
- Behavioral outcomes

Fortunately, you get to set the pace in this race. In this research, we will focus on the two paces that CIOs can take:

- **AI-steady pace.** If you have modest AI ambitions and your industry is not yet being disrupted by AI, you will go at a more measured pace. This pace is suitable for risk-averse organizations, such as those in the public sector or in highly regulated industries; as well as small and midsize organizations with limited resources to spend on AI.

- **AI-accelerated pace.** If you have bigger AI ambitions or your industry is being reinvented by AI, you will go at a faster pace. Larger organizations or innovative enterprises that are seeking to gain a competitive edge with AI will likely favor an accelerated pace.

Let's examine how you should deliver business, technology and behavioral AI outcomes in your organization based on your pace.

As a CIO, you are in a race to deliver AI outcomes. Regardless of the pace you choose, you must deliver business, technology and behavioral AI outcomes that lead your organization to success.

Analysis

Deliver Business Outcomes of AI

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Depending on your organization's ambitions for delivering business outcomes from AI, you can set the appropriate pace:

- Move at an **AI-steady pace** if you're focused on using GenAI to **maximize productivity gains** for individual employees.
- Move at an **AI-accelerated pace** if you're aiming to use GenAI to **deliver additional business outcomes** beyond individual productivity.

Maximize Employee Productivity Gains From GenAI (AI-Steady Pace)

Achieving productivity gains from GenAI is harder than it looks. In the 2024 Gartner Impact of GenAI in the Digital Workplace Survey, 98% of technology leaders said that employees were keen to try using GenAI tools. But 72% of employees had a hard time integrating GenAI into their daily work. [4]

To boost productivity with GenAI, you have to get people to consistently use GenAI tools. In the 2024 Gartner Digital Worker Survey, digital workers who used everyday AI tools or applications for work purposes at least once a week saved an average of 3.6 hours per week. [5]

However, not all employees benefit equally from using GenAI. Productivity gains from AI vary based on the complexity of the role and the experience level of the employee (see Who Benefits Most From Generative AI Productivity?).

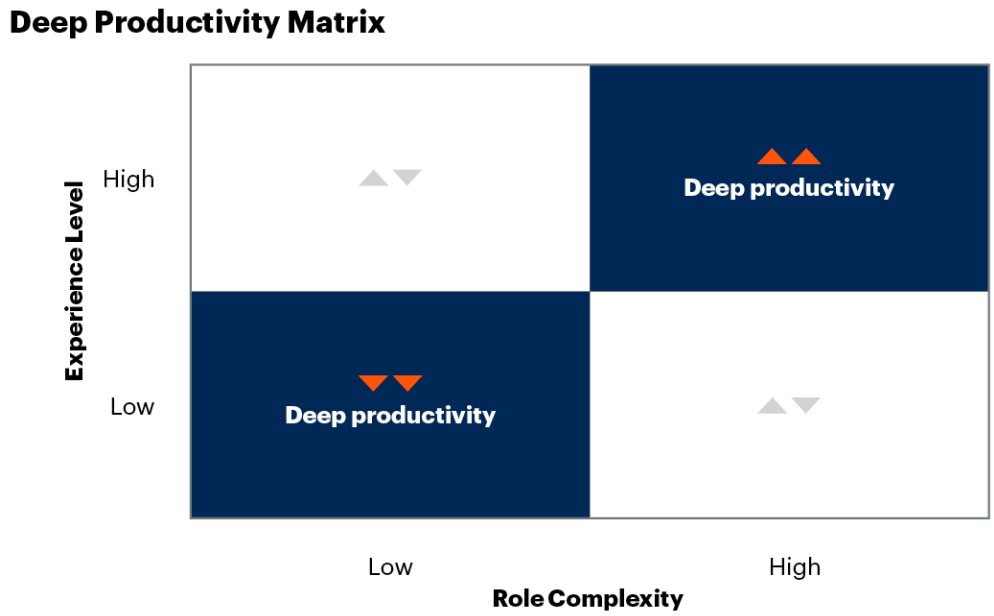
For low-complexity roles, focus on augmenting less experienced employees with GenAI. For roles such as call center agents, less experienced employees get the biggest productivity gain from GenAI because they are less adept at performing routine tasks. Highly experienced employees in these roles get little benefit because they already know the nuances of the job.

For high-complexity roles, focus on augmenting more experienced employees with GenAI. For roles such as software engineers or lawyers, highly experienced employees get the biggest productivity gain because they know what good looks like and can validate GenAI outputs effectively. Less experienced employees are still learning what good looks like and struggle to get much value from GenAI.

> **Find the "zone of deep productivity" in your organization, where employees will get the biggest benefit from using GenAI.**

Strategically deploy GenAI within this zone (see Figure 1).

Figure 1: The Zone of Deep Productivity



Source: Gartner
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Manage Numerous GenAI Benefits Like a Portfolio (AI-Accelerated Pace)

As a CIO moving at an AI-accelerated pace, you will want to use GenAI to go beyond productivity and pursue a wider range of benefits: new revenue, reduced losses, improved customer experience and increased sustainability, to name a few.

Our 2024 Gartner AI Survey found that CIOs are pursuing three types of business outcomes with enterprise GenAI initiatives:

1. Productivity improvements at the individual level (50% of initiatives), such as augmenting employees with GenAI productivity tools.

2. Operations and process-level improvements (30% of initiatives), such as automating key business processes or redesigning roles to work with chatbots.

3. Business-level, game-changing improvements (20% of initiatives), such as outcomes that create new revenue streams or redesign the enterprise value proposition. [3]

To deliver these improvements, **manage GenAI benefits like a portfolio.** Direct some GenAI initiatives at employee augmentation; some at classic ROI improvements, such as redesigning business processes around GenAI; and some at business model innovation centered on GenAI.

Determine the size of your bet for each benefit category, and manage risks and rewards across this portfolio.

Prepare for AI Cost Volatility

It's easy to waste money on GenAI, because costs can be unpredictable. If you don't understand how your GenAI costs will scale, Gartner estimates that you could make a 500%-1,000% error in your cost calculations (see Toolkit: AI and GenAI Cost Calculator).

> **In the near term, Gartner believes that the cost of AI is as big of a risk as hallucinations or security vulnerabilities.**

CIOs are already investing heavily in AI. In the 2023 Gartner AI in the Enterprise Survey, organizations that had already deployed GenAI reported spending an average of $2.3 million in fiscal year 2023 — just in the proof of concept phase. Small enterprises reported spending an average of $300,000, while large global enterprises reported spending $2.9 million. [6]

These costs will continue to rise. Vendors are raising prices by up to 30%. [7] By 2027, Gartner predicts that the cost of most enterprise applications will increase by at least 40% due to GenAI product pricing and packaging.

Regardless of your pace in the AI outcomes race, understand your AI bill. This includes understanding the cost components. You also need to know how to reduce these costs and negotiate with vendors (see Negotiate AI and Generative AI Pricing to Avoid Skyrocketing Costs).

If you're moving at an AI-accelerated pace, continuously monitor your AI costs. This includes understanding your pricing model options. For example, you may find that using an API with your own web front end could be far more cost-effective than buying a packaged GenAI product.

To discover potential benefits and effectively manage costs, **use proofs of concept to understand how your costs will scale.** It's not enough to prove that the tech works and that employees like it. Use the proof of concept as a proof of value — in other words, weigh the benefits achieved against the AI costs incurred.

Achieve Technology Outcomes of AI

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As a CIO, you have to manage costs and deliver business benefits by creating a technology environment that supports AI. But achieving the right technology outcomes is more difficult than ever, because AI and data are proliferating everywhere across your organization. They are no longer just centralized assets that IT directly controls.

AI and data are distributed everywhere in your organization. You need new approaches to effectively manage data and govern AI.

Harness Your Data — Everywhere and Every Kind

GenAI uses data from everywhere in your organization, whether it is structured or unstructured.

Organizations with structured, centralized data in data lakes can use GenAI to derive value from these sources. But GenAI will also unlock new value from your emails, recordings, presentations and other unstructured data. This is a huge opportunity, as unstructured data represents an estimated 70%-90% of all enterprise data. [8]

Of course, GenAI creates new challenges, too. One key challenge is that GenAI models will use any data they can access, including sensitive data and personally identifiable information. **Regardless of your AI pace, you must focus on managing data access rights for your unstructured data.**

Also, while GenAI may reduce the need to move, transform and structure all your data using traditional approaches, CIOs still need sophisticated data management to unify structured and unstructured data into data pipelines and orchestrations (see A Journey Guide to Delivering AI Success Through 'AI-Ready' Data).

> #### How Allstate Technology Solutions Harnesses Data Everywhere
>
> Allstate
>
> When you have a car accident, you immediately call your insurance company. You describe the accident over the phone or in the app. You take photos or videos. There are police reports.
>
> Allstate Technology Solutions used to take all this data and move it, clean it, tag it and structure it. This data formed the basis for the machine learning models that properly classified the accident, so you could get your claim check.
>
> But now, Allstate does the opposite. Zulfi Jeevanjee, the EVP and CIO at Allstate, now talks about leaving the data in its place — at the source. Allstate points its GenAI to the location of call recordings, photos and other accident data. The GenAI models interpret this raw data and combine it with structured policy data to classify the accident.
>
> To ensure more precision, employees also get involved. They ask questions of the GenAI to find answers in the data, in the same way that they ask you questions about your accident.

> Allstate applies AI to manage unstructured data where it is, uses GenAI to interpret it and then combines it with structured data to get the insight that Allstate needs.

Use AI Coming From Everywhere

We've quickly moved from AI scarcity to AI excess. AI models and apps are showing up everywhere.

In the 2024 Gartner AI Survey, CIOs said that their AI capabilities will, on average, be spread across three main categories: [9]

- **Embedded AI (43%).** These are the AI capabilities that software vendors are adding to the enterprise applications in your portfolio. Embedded AI is the largest and fastest-growing segment of AI capabilities. By 2026, Gartner predicts that more than 80% of independent software vendors will have embedded GenAI capabilities in their enterprise applications, up from less than 5% in 2024.
- **Built AI (35%).** These are the centrally owned AI capabilities that your in-house software engineering and data and analytics (D&A) teams are building.
- **Bring your own (BYO) AI (22%).** These are the packaged AI software and capabilities that departments within your organization are procuring and using.

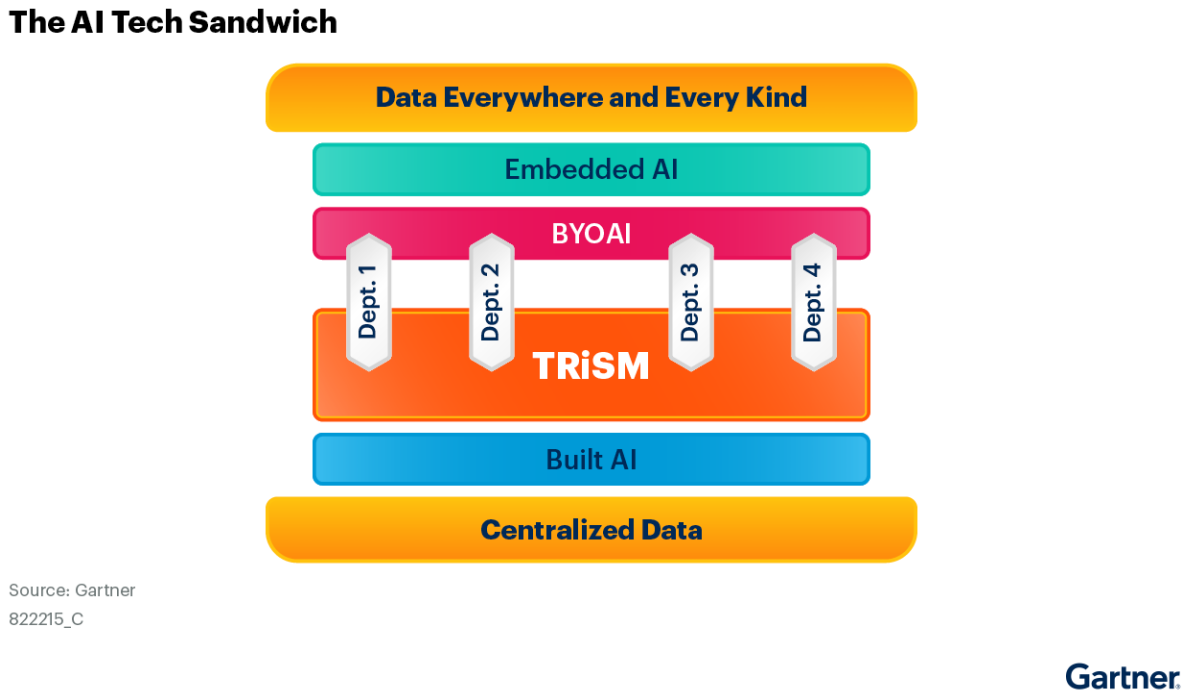
As a CIO, you need a multilayered technology approach that supports both centralized and decentralized ownership.

Like always, you still need a bottom layer of centralized data and AI that come from IT and D&A — your traditional, bottom-up tech stack. But now, you also need a top layer that harnesses data and AI coming from everywhere, such as your marketing or HR departments.

In other words, **you need to build an AI tech sandwich.**

Figure 2 shows how you can assemble these key ingredients to start building your AI tech sandwich. For more details, see AI Technology Sandwich: A Conceptual Framework for Executing AI.

Figure 2: The AI Tech Sandwich



Build a TRiSM Layer at the Center of Your AI Tech Sandwich

To deliver AI outcomes safely and reliably, **build a trust, risk and security management (TRiSM) layer**. The TRiSM layer at the center of your AI tech sandwich is the "special sauce" that provides governance and oversight of GenAI. All AI, regardless of source, must go through the TRiSM layer.

The right strategy for building your TRiSM layer depends on your desired pace.

Use Governance Committees to Write and Enforce TRiSM Practices (AI-Steady Pace)

You should create:

- A responsible AI and ethics team to ensure AI safety
- A central AI committee to manage demand (who wants AI, and where is it coming from?)
- Communities of practice to share knowledge and resources

Using these TRiSM practices is effective if you intend to scale out 10 or fewer AI initiatives.

If you have more than 10 AI initiatives, TRiSM practices are insufficient. Human governance committees will not be fast enough or reliable enough to safely deliver AI outcomes in real time. You need a way to programmatically enforce your TRiSM practices (see Applying AI — Governance and Risk Management).

Use TRiSM Technologies to Mechanize Your AI Policies (AI-Accelerated Pace)

TRiSM technologies serve as "guardian agents." They can prevent AI from accessing sensitive data; and they can check outputs and filter out inappropriate language hallucinations or any noncompliant or ethically sensitive content.

Every piece of AI in your organization must go through these TRiSM technologies. This approach will enable you to safely scale AI outcomes.

The market for TRiSM technologies is moving rapidly, and it will become more sophisticated (see Innovation Guide for Generative AI in Trust, Risk and Security Management). As profiled below, we're already seeing the emergence of AI agents that are trained to keep AI behavior in check.

Guardian Agents at Pacific Northwest National Laboratory

Brian Abrahamson, Chief Digital Officer of Pacific Northwest National Laboratory, told us how they created an AI agent that is trained to be a research assistant. For example, when other AI tools generate content for researchers, this AI-based guardian agent checks every footnote for accuracy, appropriateness and compliance.

How to Build Your AI Tech Sandwich

As a CIO, your job is to handle the messiness of AI while still keeping you open to new opportunities.

If you're moving at an AI-steady pace, you will take longer to build your AI tech sandwich. You'll start by using AI vendor recommendations and packaged solutions, and you'll gradually refine your sandwich.

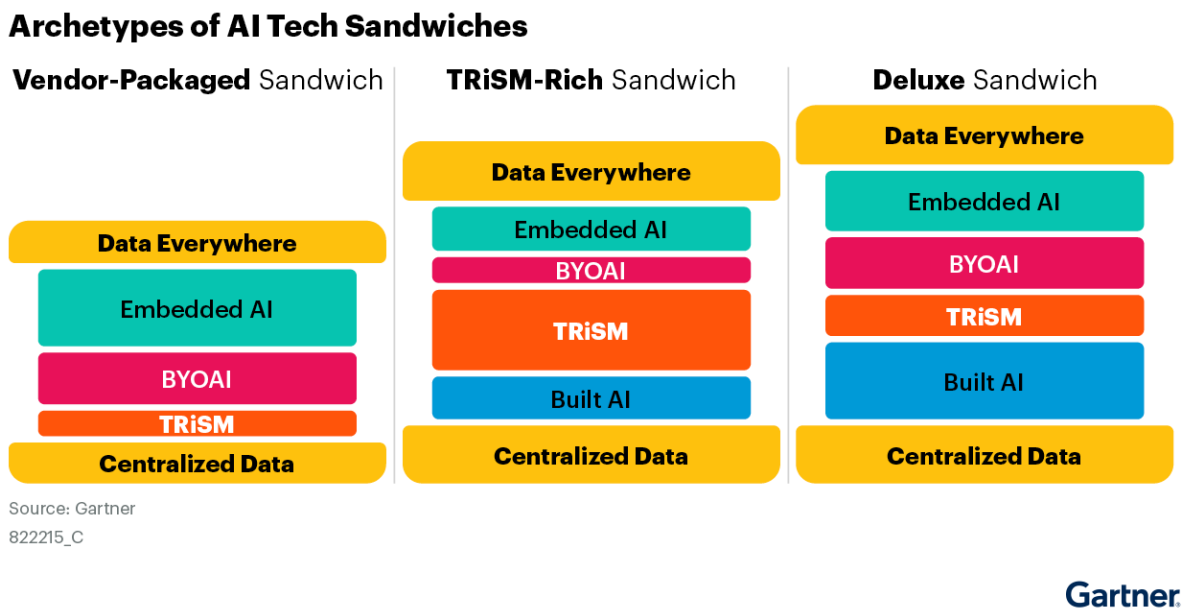
But if you're moving at an AI-accelerated pace, you'll need to customize an AI tech sandwich right now so you can start delivering ambitious outcomes. Although you'll rely on AI vendors for some capabilities, you'll have to expand beyond that vendor ecosystem to fulfill your organization's AI ambitions.

Every organization's AI tech sandwich will be unique. As a starting point, consider three archetypes:

- **Vendor-packaged sandwich.** In this sandwich, you have two types of AI: embedded AI from software upgrades and add-ons; and BYOAI capabilities from your business units. You'll also add a thin layer of TRiSM technologies to keep your vendors honest. A packaged sandwich appeals to midsize enterprises that don't have the luxury of big AI teams.
- **TRiSM-rich sandwich.** In this sandwich, a robust layer of TRiSM technologies and practices is the defining feature. You'll also rely more heavily on centralized data. You'll include built and embedded AI capabilities but will limit the amount of BYOAI because it might introduce unnecessary risks. A trust-rich sandwich is best suited to public-sector organizations or enterprises in highly regulated industries.
- **Deluxe sandwich.** In this sandwich, you have everything: a large layer of AI built by your data science and engineering teams; a significant amount of BYOAI and embedded AI; a generous helping of TRiSM technologies; and the ability to leverage all kinds of data from everywhere. A deluxe sandwich is for the largest enterprises that have the resources to include everything and believe that AI drives their competitive edge.

Figure 3 illustrates these archetypes.

Figure 3: Archetypes of AI Tech Sandwiches



Manage Behavioral Outcomes of AI

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As AI goes from being a tool to becoming our teammate, humans are bound to have intense reactions.

Some employees may feel a strong affinity for AI. Others may feel threatened or resentful. In the 2023 Gartner HR Technology Employee Experience Survey, only 39% of employees reported that they believe AI solutions in their organization will produce fair outcomes. [10]

These deeply human, emotional reactions to AI can lead to unintended behavioral outcomes that negatively impact your employees' work performance, such as jealousy of those using AI, overdependence on AI tools and forming emotional attachments to AI chatbots.

But in many organizations, no one is managing these behavioral outcomes well. In the 2024 Gartner AI Survey, only 21% of CIOs said they focus on mitigating the potential negative impacts of AI on employee work, and only 20% said they focus on mitigating the potential negative impacts of AI on employee well-being. [3]

You must manage behavioral outcomes with the same rigor as you do technology and business outcomes.

If you're moving at an AI-steady pace, you need to adapt your change management approaches to focus on employee behaviors. **Be intentional about who owns which behavioral outcomes.** Otherwise, you will often get accidental ownership of these outcomes.

As part of your new change management approach, collaborate with your employees to redesign their roles. Co-create the AI employee experience with the people whose lives are most directly impacted.

How Vizient Manages the Behavioral Outcomes of AI

vizient.

As the largest member-owned healthcare services company in the U.S., Vizient's ambition is to be AI-first. Vizient understands that, to achieve this ambition, it needs its employees to come along on the AI journey. Therefore, it created a position to **collaborate with employees to determine how AI will impact their tasks, role and life.**

Consider Sam, a Vizient software engineer. Sam's work is augmented by using GitHub Copilot. Vizient asked Sam how this might affect him. He recognized that his job might shift to be more about problem solving and quality control than actually writing code.

Sam realized that his identity might shift from coder to enhancer. Is that a job he wants? Does he have the skills for that? Grappling with these questions is essential as Vizient works with Sam and other employees to codesign new roles.

For more details, see Case Study: Human-Centric Generative AI Strategy.

As you redesign employee roles, **focus on using AI to remove drudgery** from the lives of your employees. By removing tedious tasks from an employee's role, you'll see more than just productivity increases. You'll also see an improvement in employee engagement, product quality and customer experience.

But the opposite is also true. If you don't explicitly focus on behavioral outcomes, you may end up using AI to do the creative work that employees are passionate about, while leaving the drudgery to the employees.

> **How natura Uses AI to Remove Drudgery**
>
> Renata Marques, the Latin America CIO of natura, told us that the company created an AI-enabled application for its 3.5 million beauty consultants in Latin America. Consultants can use natural language prompts in the app to increase their credit limits, process payments or ask about the status of their orders, instead of having to call a high-traffic call center.
>
> As a result, 80% of those interactions required no human intervention, costs were reduced by 30% and Net Promoter Score rose to above 80% in Brazil.
>
> **AI has freed the natura consultants from administrative drudgery**, so they can spend their time on what matters most — using their passion and charisma to build trusted relationships with clients.

If you are moving at an AI-steady pace, be explicit about the behavioral responses you want to foster — and those you want to avoid — among employees, customers and citizens. Then, augment your change management approach by rigorously tracking and measuring those outcomes, as you would with business and technology outcomes.

Prepare for the Rise of AI Agents (AI-Accelerated Pace)

For AI-accelerated organizations, your ambitions might lead you into AI situations that are just odd.

The rise of "agentic AI" will lead to totally unfamiliar scenarios for humans (see Innovation Insight: AI Agents). AI agents won't just remind you of your meeting; they will attend it for you. And AI agents won't just present you with options; if you let them, they will make decisions for you.

In your business, you might eventually have AI agents creating RFPs and procurement agreements, evaluating responses or taking a host of other actions. For example, AI is starting to harden the soft sciences by triggering and measuring emotions like empathy, anger, trust and frustration.

How Hippocratic AI Is Bringing Agentic AI to Healthcare

Some hospitals are trialing virtual AI agents from a company called Hippocratic AI, based in Palo Alto, California.

These AI agents call patients to help them get ready for their upcoming operations or to follow up after their visits. Hospitals can choose the tone for the AI agents. Sometimes that tone is direct, like when reminding you to take your medicine. Other times it is engaging, like when it's checking up on you while you're recovering.

Patients then rate the AI agents based on the feelings they evoke, with questions like:

- Did you feel listened to?
- Did you feel comfortable confiding in the agent?
- Did the agent get to know you as a person?

With the rise of agentic AI, you have to be as rigorous about introducing humanity as you are about introducing technology. In your organization, you need more than machine experts. You need human experts.

If you are moving at an AI-accelerated pace, add human experts to your team — such as behavioral scientists, ethicists, neuroscientists or social psychologists.

Key Takeaways: Finding the Right AI Pace and Action Items

Most CIOs are already moving at an AI-steady pace. Maintain an AI-steady pace if your industry is not yet being reinvented by AI, your ambition is modest and you have 10 or less AI initiatives.

If you plan to go at an AI-steady pace, you should:

- Seek employee productivity as your main benefit.
- Understand your AI bill.
- Lean on vendors to help you build your tech sandwich.

- Write AI policies as your main governance mechanism.
- Put people at the center of your AI change management.

On the other hand, you'll need to move at an AI-accelerated pace if your industry is being reinvented by AI, your AI ambition is to be AI-first and you have more than 10 initiatives.

If you plan to go at an AI-accelerated pace, do all the AI-steady actions and take it a step further. You should also:

- Seek AI benefits beyond productivity, like better public outcomes or revenue generation.
- Perform real-time cost monitoring and proofs of value.
- Build a custom tech sandwich.
- Use TRiSM technologies to mechanize your AI policies.
- Be bold. Experiment with agentic AI.

If you deliver these outcomes, you'll position your organization to succeed in your AI race.

Evidence

[1] Gartner analysis of Stanford Institute for Human-Centered Artificial Intelligence Ecosystem Graphs Database data downloaded on 25 July 2024, for the period of 1 January 2023 through 25 July 2024.

[2] **Mid-2024 Update Gartner CEO and Senior Business Executive Survey.** This survey was fielded in June through July 2024. In total, 110 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 = 88); CFOs (n = 9); COOs or other C-level executives (n = 7); and chairs, presidents or board directors (n = 6). The sample mix by location was North America (n = 42), Europe (n = 37), Asia/Pacific (n = 24), Latin America (n = 3), the Middle East (n = 1) and South Africa (n = 3). The sample mix by size was $50 million to less than $250 million (n = 10), $250 million to less than $1 billion (n = 25), $1 billion to less than $10 billion (n = 46) and $10 billion or more (n = 29).

[3] **2024 Gartner AI Survey: CIO and Technology Leader View — Wave 2.** This short survey (a follow-up to Wave 1) was conducted to capture CIOs' and technology leaders' views on the focus of their GenAI initiatives, as well as capture current data structure and use for AI/GenAI in their enterprise. The survey was conducted online in July 2024 among CIOs (n = 213) and other technology leaders (n = 94). The total sample was 307 respondents, with representation from North America (n = 133), EMEA (n = 123), Asia/Pacific and Oceania (n = 41), and across all industry sectors.

[4] **2024 Gartner Impact of GenAI in the Digital Workplace Survey.** This survey sought to understand the value of GenAI assistants embedded in popular digital workplace productivity applications in the digital workplace, assessing their ability to enhance employee productivity and efficiency. The survey was conducted online from 16 May through 12 June 2024. A total of 152 IT leaders participated, with 61 who were members of Gartner's Research Circle, a Gartner-managed panel, and 91 who were contacted through survey links via LinkedIn posts and outreach to clients. Respondents were from EMEA (n = 94), North America (n = 46), Asia/Pacific (n = 10) and Latin America (n = 2). Of the 152 respondents, 132 were primarily responsible for Copilot for Microsoft 365. They were highly involved in the decision-making process or management of Copilot and were required to be currently piloting or finished with the pilot of Microsoft Copilot in their organizations. The remaining 20 respondents were primarily responsible for GenAI assistants apart from Microsoft Copilot, such as Gemini for Google Workspace, Salesforce Slack AI and Zoom AI Companion.

[5] **2024 Gartner Digital Worker Survey.** This survey sought to understand workers' technological and workplace experience and sentiments. The research was conducted online from April through July 2024 among 5,141 respondents, who were from the U.S. (n = 1,121), Australia (n = 1,086), India (n = 996), the U.K. (n = 973) and China (n = 965). Participants were screened for full-time employment in organizations with 100 or more employees and were required to use digital technology for work purposes. Ages ranged from 18 through 74 years old, with quotas and weighting applied for age, gender, region and income, so that results were representative of countries' working populations. We defined "digital technology" as including any combination of technological devices (such as laptops, smartphones and tablets), applications and web services that people use for communication, information or productivity.

[6] **2023 Gartner AI in the Enterprise Survey.** This study was conducted to understand the keys to successful AI implementations and their impact on the broader AI that has been brought by generative AI. The research was conducted online from 19 October through 21 December 2023 among 703 respondents from organizations in the U.S., Germany and the U.K. The main sample consisted of 645 out of the 703. Organizations were required to have developed or intended to deploy at least two AI initiatives within the next three years. Respondents were required to be part of the organization's corporate leadership or report to corporate leadership roles. Fifty-eight out of 703 were the business intelligence (BI) sample. Organizations were required to have developed or intended to deploy at least one AI initiative within the next three years. Respondents were required to be part of the organization's corporate leadership or report to corporate leadership roles or below (senior manager and above) and to be primarily responsible for BI in their organizations. Both the main sample and the BI sample respondents were required to have a high level of involvement with at least one AI initiative. They were also required to have one of the following responsibilities when related to AI in their organizations: determine AI business objectives, measure the value derived from AI initiatives, or manage AI initiatives development and implementation. Quotas among the main sample were established for company size and for industries to ensure a good representation across the sample. No quotas were established for the BI sample.

[7] SAP SE (NYSE:SAP) Q2 2023 Earnings Call Transcript, Yahoo Finance.

[8] Gartner IT Leaders Webinar Poll, 20 August 2024.

[9] **2024 Gartner AI Survey: CIO and Technology Leader View — Wave 1**. This survey was conducted to capture CIOs' and technology leaders' sentiments toward AI and to better understand what organizations are doing as a result of recent changes and announcements regarding AI. The survey was conducted online in June and July 2024 among CIOs (n = 314) and other technology leaders (n = 394). The total sample was 708 respondents, with representation from North America (n = 329), EMEA (n = 253), Asia/Pacific (n = 89) and Oceania (n = 37) and across all industry sectors.

[10] **2023 Gartner HR Technology Employee Experience Survey.** This survey was conducted to understand employees' ratings of 75 technologies and innovations across seven HR subfunctions based on the level of adoption in their organizations, the impact on current performance and the future importance for employee performance. The research was conducted online from 10 October through 7 November 2023 among 3,477 respondents from various geographies, industries and functions. The survey was designed and developed by Gartner's HR Practice research team.

Disclaimer: Results of the above surveys do not represent global findings or the market as a whole, but reflect the sentiments of the respondents and companies surveyed.

Disclaimer: The organization (or organizations) profiled in this research is (or are) provided for illustrative purposes only, and does (or do) not constitute an exhaustive list of examples in this field nor an endorsement by Gartner of the organization or its offerings.

Recommended by the Authors

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Innovation Guide for Generative AI in Trust, Risk and Security Management

Who Benefits Most From Generative AI Productivity?

Negotiate AI and Generative AI Pricing to Avoid Skyrocketing Costs

Hype Cycle for Emerging Technologies, 2024

Toolkit: AI and GenAI Cost Calculator

Innovation Insight: AI Agents