

IBM Study: CEOs Embrace Generative AI as Productivity Jumps to the Top of their Agendas

Half (50%) of CEOs surveyed report they are already integrating generative AI into digital products and services, but more than half (57%) of CEO respondents are concerned about data security and 48% worry about bias or data accuracy

Fewer than one in three CEOs (28%) surveyed have assessed the potential impact of generative AI on their workforces, and 36% say they plan to do so in the next 12 months



ARMONK, N.Y., June 27, 2023 /PRNewswire/ -- A new global study by the IBM (NYSE:IBM) Institute for Business Value found that nearly half of CEOs surveyed identify productivity as their highest business priority—up from sixth place in 2022. They recognize technology modernization is key to achieving their productivity goals, ranking it as second highest priority. Yet, CEOs can face key barriers as they race to modernize and adopt new technologies like generative AI.

The annual CEO study*, [CEO decision-making in the age of AI, Act with intention](#), found three-quarters of CEO respondents believe that competitive advantage will depend on who has the most advanced generative AI. However, executives are also weighing potential risks or barriers of the technology such as bias, ethics and security. More than half (57%) of CEOs surveyed are concerned about data security and 48% worry about bias or data accuracy.

There is also a disconnect between CEOs and their teams when it comes to AI readiness. Half (50%) of CEOs surveyed report they are already integrating generative AI into products and services, and 43% say they are using generative AI to inform strategic decisions. Yet, just 29% of their executive teams agree they have the in-house expertise to adopt generative AI; only 30% of non-CEO senior executives surveyed say that their organization is ready to adopt generative AI responsibly.

"Generative AI can reduce the barriers to AI adoption and half of CEOs interviewed are actively exploring it to drive a new wave of productivity, efficiency and quality of service across industries," said Jesus Mantas, Global Managing Partner, IBM Consulting. "CEOs need to assess their company requirements around data privacy, intellectual property protection, security, algorithmic accountability and governance in order to plan their deployment of emerging use cases of generative AI at scale."

Key study findings include:

CEOs say productivity – and the technology that will help deliver it – is a pressing priority

- Almost half (48%) of CEOs surveyed pinpoint productivity as a top priority for their organization – up from sixth place in 2022; technology modernization follows as their second highest priority (45%) but CEOs also indicate this is among their top challenges.
- For the fourth consecutive year, CEOs surveyed say technology factors remain the top external force impacting their organization over the next three years.

CEOs are increasingly looking toward operational, technology and data leaders as strategic decision makers

Additional data gathered during the survey indicates the following:

- When asked which C-Suite members will make the most crucial decisions over the next three years, CEO respondents identify COOs (62%) and CFOs (52%).
- The influence of technology leaders on decision making is growing – 38% of surveyed CEOs point to CIOs (up from 19% a year ago), followed by Chief Technology or Chief Digital Officer (30%) as making the most crucial decisions in their organization.

CEOs indicate they are ready to adopt generative AI, but other executives have reservations

- Three out of four (75%) CEOs surveyed believe the organization with the most advanced generative AI will have competitive advantage.
- Half (50%) of CEOs report they are already integrating generative AI into products and services; 43% say they are using generative AI to inform strategic decisions, with 36% using the technology for operational decisions.
- While 69% of CEO respondents see broad benefits of generative AI across their organization, just 29% of their executive teams agree they have the in-house expertise to adopt generative AI.
- Only 30% of non-CEO senior executives surveyed say that their organization is ready to adopt generative AI responsibly.

Generative AI is fueling workforce changes, but broader assessments of its impact on the workforce are lagging

- About 43% of surveyed CEOs say they have reduced or redeployed their workforce due to generative AI, with an additional 28% indicating they plan to do so in the next 12 months.
- At the same time, 46% of CEOs surveyed have hired additional workers because of generative AI, with 26% saying they have plans for more hiring ahead.
- Yet, fewer than one in three CEOs (28%) surveyed have assessed the potential impact of generative AI on their workforces, and 36% say they plan to do so in the next 12 months.

To view the full study, visit: <https://ibm.co/c-suite-study-ceo>.

To learn more about the top trends and strategic bets business leaders are making to boost productivity, visit <https://www.ibm.com/thought-leadership/institute-business-value/en-us/report/seven-bets>.

***Study Methodology**

The IBM Institute for Business Value, in cooperation with Oxford Economics, interviewed 3,000 CEOs from over 30 countries and 24 industries as part of the 28th edition of the IBM C-Suite Study series. These conversations focused on executives' perspectives on leadership and business; their changing roles and responsibilities; and CEO decision making today, including key challenges and opportunities, their use of technology, data and metrics, and their visions for the future. The IBM Institute for Business Value also conducted a survey of 200 CEOs in the United States on their responses to generative AI.

The IBM Institute for Business Value, IBM's thought leadership think tank, combines global research and performance data with expertise from industry thinkers and leading academics to deliver insights that make business leaders smarter. For more world-class thought leadership, visit: www.ibm.com/ibv.

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