

THE AI REALITY CHECK: 5 INSIGHTS FROM COMPANY DIRECTORS

COMPANY DIRECTOR SURVEY FINDINGS

Accountancy Europe and ecoDa carried out a small-scale, qualitative online survey of European company directors across various industry sectors to understand how the respondents view AI's strategic significance, organisational readiness, governance and their own preparedness to oversee AI.

The findings below are based on up to

87 RESPONSES FROM COMPANY
BOARD MEMBERS

As response numbers vary slightly by question, percentages are calculated using the number of respondents to each question.

This survey is based on a limited sample of European company director respondents, whose input was dependent on strict anonymity as to their background and sectors for sensitive competition reasons. Its findings are strictly indicative of the views and experiences of the individual respondents, and thus not providing a 'scientific' or comprehensive view across company boards'

experiences. Its findings therefore should not be used to inform public policy or major organisational decisions.

Below is a summary of the main insights and conclusions that can be drawn from the responses. They paint an indicative picture of the state of play, challenges and opportunities of AI adoption in companies.

1. AI IS WIDELY RECOGNISED AS STRATEGICALLY SIGNIFICANT

The survey findings suggest that AI has firmly established itself as a strategic issue for boards.

92%

**OF RESPONDENTS BELIEVE THAT AI WILL
HAVE A HIGH, VERY HIGH OR CRITICAL
IMPACT ON THEIR ORGANISATION'S
STRATEGY OVER THE NEXT THREE TO
FIVE YEARS.**



22% selected the highest level of strategic relevance, indicating that they expect AI to be a defining factor in their organisation's long-term survival and success. Only 1% consider AI to have low strategic relevance, while a further 7% expect it to deliver primarily incremental improvements.

Overall, the findings suggest broad recognition that AI is no longer viewed merely as a technology initiative, but as an increasingly important factor in future competitiveness, innovation and long-term value creation.

of their organisation's AI strategy, while 4% consider AI not currently relevant to their organisation's strategy (Fig.1).

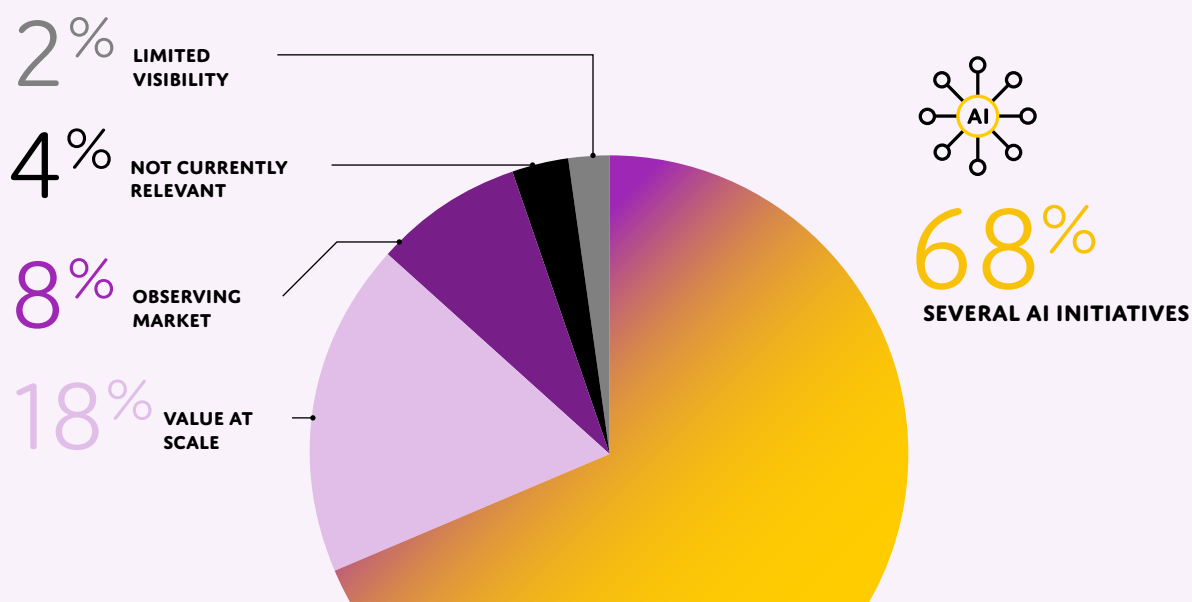
Board engagement is also evolving. Just over half (55%) of respondents indicate that AI is discussed regularly or is a standing agenda item (43% recurring discussion and 12% standing agenda item). However, 45% report that discussions remain occasional or that AI is not yet actively considered by the board.

2. EMBEDDING AI INTO BUSINESS STRATEGY REMAINS WORK IN PROGRESS

While the strategic significance of AI is widely recognised, organisations remain at different stages of implementation and governance maturity. Nearly 68% of respondents indicate that their organisations have launched several AI initiatives or use cases, but that AI has not yet become core to business strategy. Only 18% report that AI is already addressing the core business and delivering value at scale. A further 8% are observing market developments before committing, 2% do not have sufficient visibility

These findings suggest that while AI has become a regular topic of board discussion in many organisations, it has not yet become fully embedded in board governance and strategic oversight across companies.

FIG.1 AI IMPLEMENTATION AND STRATEGIC INTEGRATION



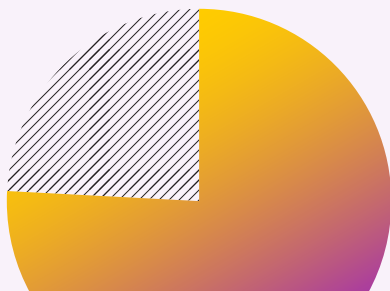
3.

SCALING AI REQUIRES STRONGER ORGANISATIONAL FOUNDATIONS

AROUND

76%

OF RESPONDENTS DESCRIBE THEIR ORGANISATIONS AS BEING AT AN EARLY STAGE OF PREPAREDNESS, BUILDING THE NECESSARY FOUNDATIONS OR ONLY MODERATELY PREPARED TO DEPLOY AND SCALE AI RESPONSIBLY.



By contrast, fewer than one quarter (24%) consider their organisations well or highly prepared. This suggests that, while AI is recognised as strategically important, many organisations are still developing the governance, data, skills, policies and operating processes needed to realise its full potential.

Respondents could select up to three barriers to AI adoption. Internal capability and implementation challenges were identified more frequently than regulatory complexity.

55%



OF RESPONDENTS IDENTIFIED THE LACK OF SKILLS, KNOWLEDGE AND TRAINING WITHIN THE ORGANISATION AS BARRIERS TO AI ADOPTION

This was followed by data quality, infrastructure or technology limitations (52%). In third position was an unclear business case, return on investment or prioritisation of AI use cases (43%). Other frequently identified barriers included legacy systems and processes that are difficult to modernise (30%), cultural resistance, risk aversion or a lack of change readiness (27%), and concerns about ethics, trust and reputational risk (26%). Regulatory complexity and uncertainty were selected by 23% of respondents.

Together, these findings suggest that successful AI adoption depends on much more than technology alone. Realising value from AI requires organisations to combine technological capabilities with reliable data, appropriate skills, a compelling business case, effective change management and strong governance arrangements.

4.

BOARDS ARE MOST CONCERNED ABOUT RESILIENCE, SECURITY, AND CONTROL

When asked to identify up to three AI risks that concern them most, respondents most frequently selected cybersecurity, privacy and data misuse (74%), followed by accuracy and reliability failures (53%). Governance, compliance and trust-related risks, including reputational impacts, loss of organisational control and accountability, and regulatory compliance, were also identified by around one-third of respondents.

Overall, the findings suggest that boards currently place greatest emphasis on operational resilience, data security, reliability, organisational control and stakeholder trust as AI adoption expands.

Confidence that boards receive a complete and accurate picture of AI risks and performance is concentrated at a moderate-to-high level. 47% of respondents report moderate confidence, while 26% report high or very high confidence and 23% low or no confidence. The remaining respondents selected 'not applicable' (Fig.3).

Confidence in organisations' ability to detect and escalate a serious AI-related failure or incident follows a broadly similar pattern: 42% report moderate confidence, 33% high or very high confidence, and 23% low or no confidence, with the remaining respondents selecting 'not applicable'. These findings suggest that many organisations are still developing the reporting, escalation, control and assurance arrangements needed to give boards comprehensive visibility over AI performance, risk and resilience.

5. BOARD CAPABILITY AND OVERSIGHT ARE STILL EVOLVING

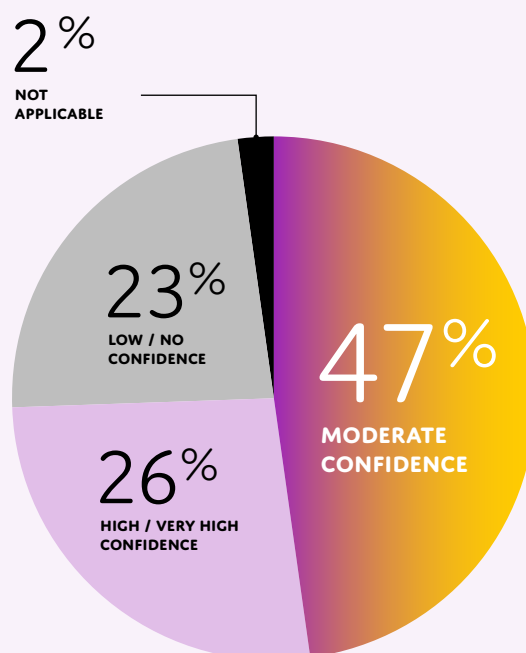
45%



OF RESPONDENTS ASSESS
THEIR BOARDS' AI LITERACY AS
MODERATE

Around one-third (33%) rate it as low or very low, while only 21% consider their boards to have high or very high AI literacy. This suggests that many boards can engage constructively with AI-related matters, but are still building the confidence and expertise needed to provide effective strategic challenge and oversight of AI.

FIG.2 CONFIDENCE IN DETECTING AND ESCALATING SERIOUS AI INCIDENTS



The survey also highlights opportunities for boards to strengthen oversight of AI-enabled organisational transformation. Although AI is expected to have a significant impact on workforce skills, roles and ways of working, only 12% of respondents indicate that these implications have been discussed in depth and followed by clear actions or plans. More than half (55%) report that workforce implications are discussed only occasionally or not at all.

Board oversight of AI investment performance also remains relatively immature. Only 12% of respondents report reviewing AI investments against defined key performance indicators and business outcomes or integrating this review into broader board performance and strategy monitoring.

More than half (53%) rely on informal, ad hoc or no structured review, while 25% conduct periodic reviews against selected metrics. 11% report that their organisation has not yet made material investments in AI.

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The use of AI to support board discussions and strategic decision-making also remains relatively limited. 40% of respondents report that AI is not currently used for board discussions or decision-making, while a further 30% indicate that it is used only occasionally to provide information or insights.

17% use it periodically to analyse strategic options or scenarios. Only 13% report that AI is used regularly or integrated into board-level strategic planning and scenario analysis.

These findings suggest considerable scope for boards not only to strengthen oversight of AI across the organisation but also to explore how AI can enhance their own effectiveness, provided its use is appropriately governed, transparent, and supported by professional judgement.

ABOUT ACCOUNTANCY EUROPE

Accountancy Europe unites 49 professional organisations from 35 countries that represent close to 1 million professional accountants, auditors and advisors. Accountancy Europe translates their daily experience to inform the public policy debate in Europe and beyond.

Accountancy Europe is in the EU Transparency Register (No 4713568401-18).

ABOUT ECODA

ecoDa is an independent and unique umbrella organization representing the main national institutes of directors across Europe. Our member institutes collectively encompass around 55,000 individual board members from 26 countries, serving on the boards of companies of all sizes and sectors.

Our main focus is corporate governance. All our member institutes are each recognised as the leading institute for directors and governance in their respective country.

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