

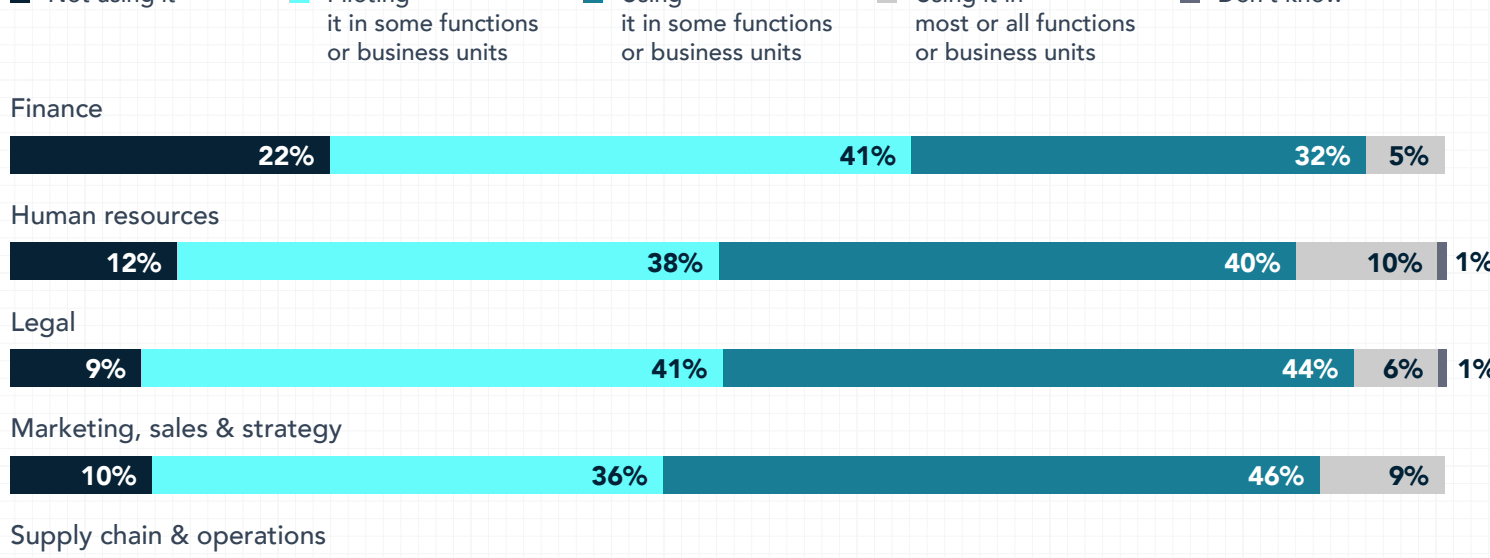
# How functional leaders are using AI—and barriers to progress

A recent survey of nearly 2,000 leaders in five key functions—finance; human resources; legal and compliance; marketing, sales, and strategy; and supply chain and operations—shows that they are, on the whole, **aligned on priorities for AI use and the challenges it presents.** This suggests that **leadership teams are pulling together** to address a technology moving with unprecedented speed.

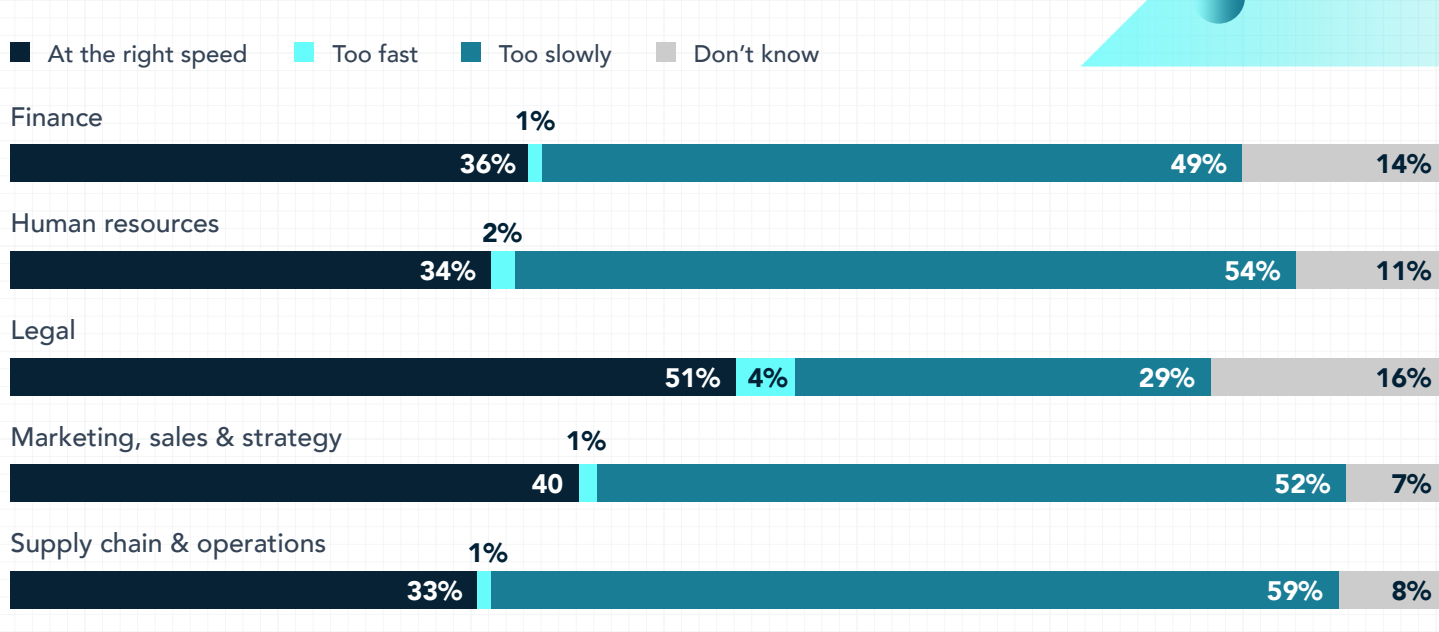
Separate surveys explored the perspectives of chief people officers; chief marketing officers; chief legal officers; chief sales officers; chief strategy officers; chief supply chain and operating officers; chief digital, technology, or information officers; and chief AI officers. Other survey reports and other insights on leadership and AI can be found on [heidrick.com](https://heidrick.com).

## Usage is growing—but most leaders want to move even faster

**Most companies are using AI in some capacity**, though few leaders say their company is using it across most or all of the organization yet.

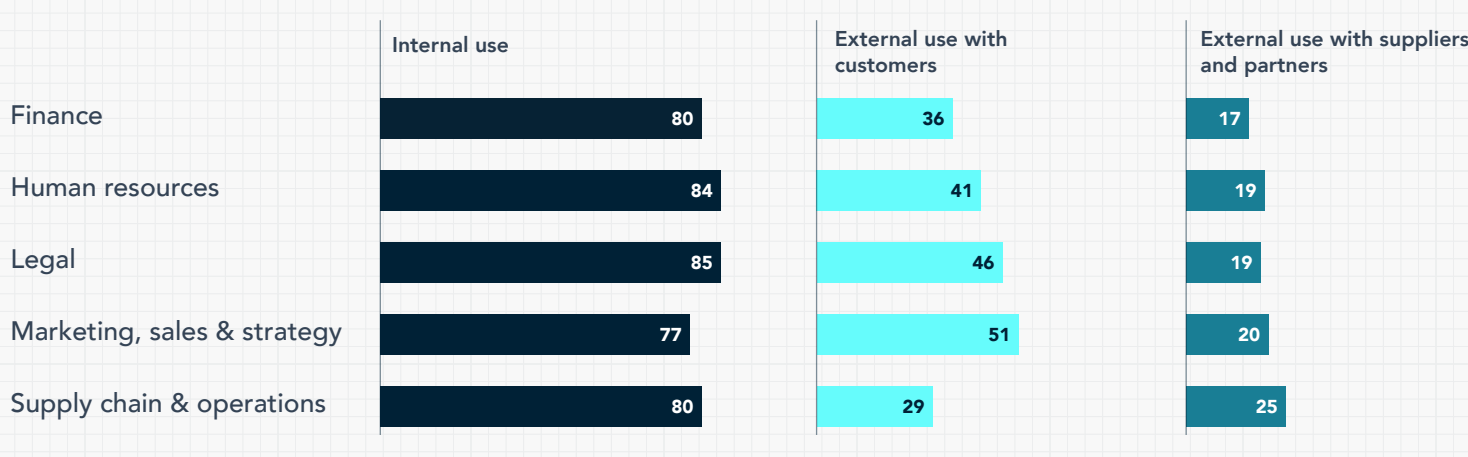


In most functions, **around half of respondents say their companies are adopting AI too slowly**—though half of the lawyers think the pace is right.

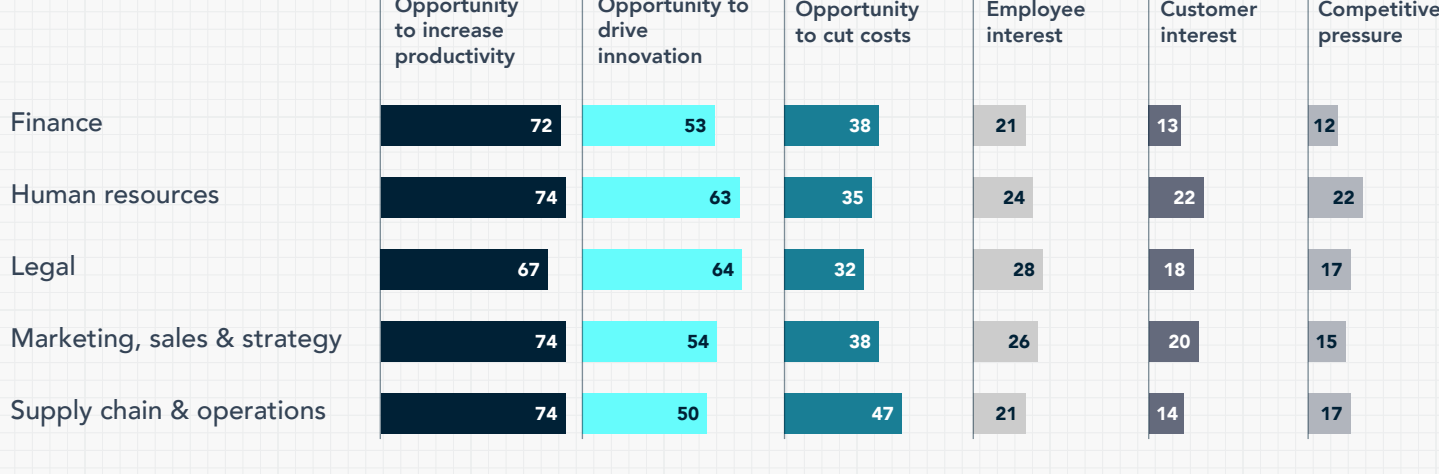


## A focus on internal use and productivity gains

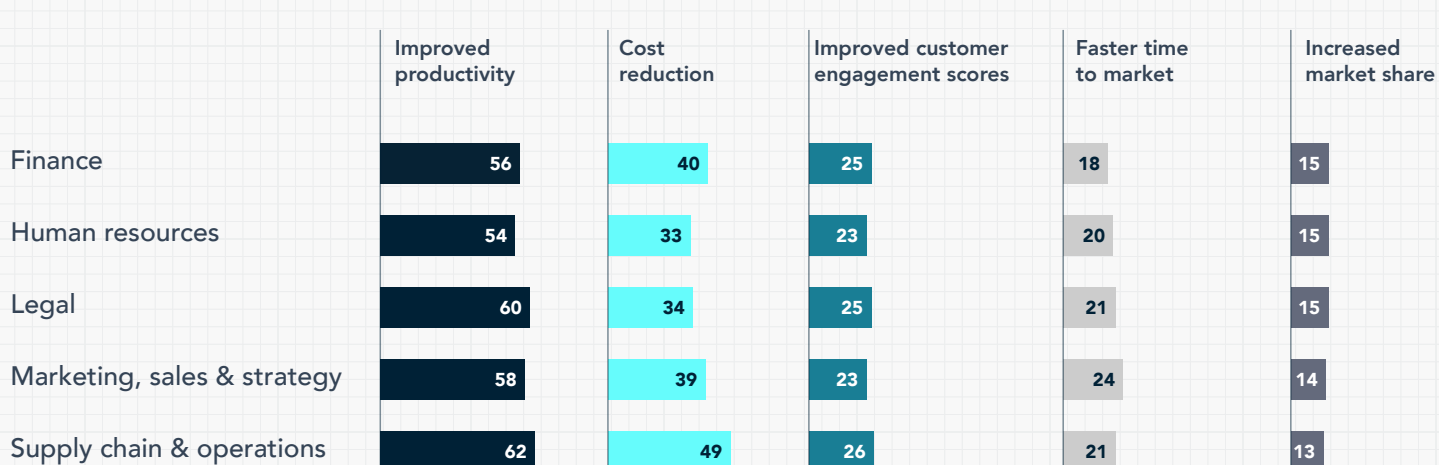
Strong majorities of leaders say they are **focused on AI for internal use**...



...with more **seeking opportunities to increase productivity** than any other use, followed by opportunities to drive innovation.

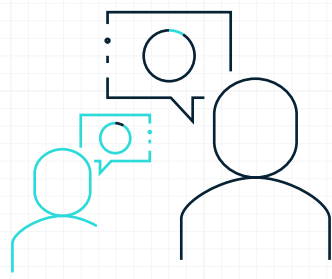


Despite the hype about AI and how quickly companies are adopting it, leaders indicate that their companies aren't investing just to keep up with peers: **they are measuring success based on their goals**, as they would any other investment.



**About a quarter of leaders across functions say their board is already overseeing AI as part of their normal oversight**—though just over a third say the board is still spending too little time.

## Who's taking the lead?

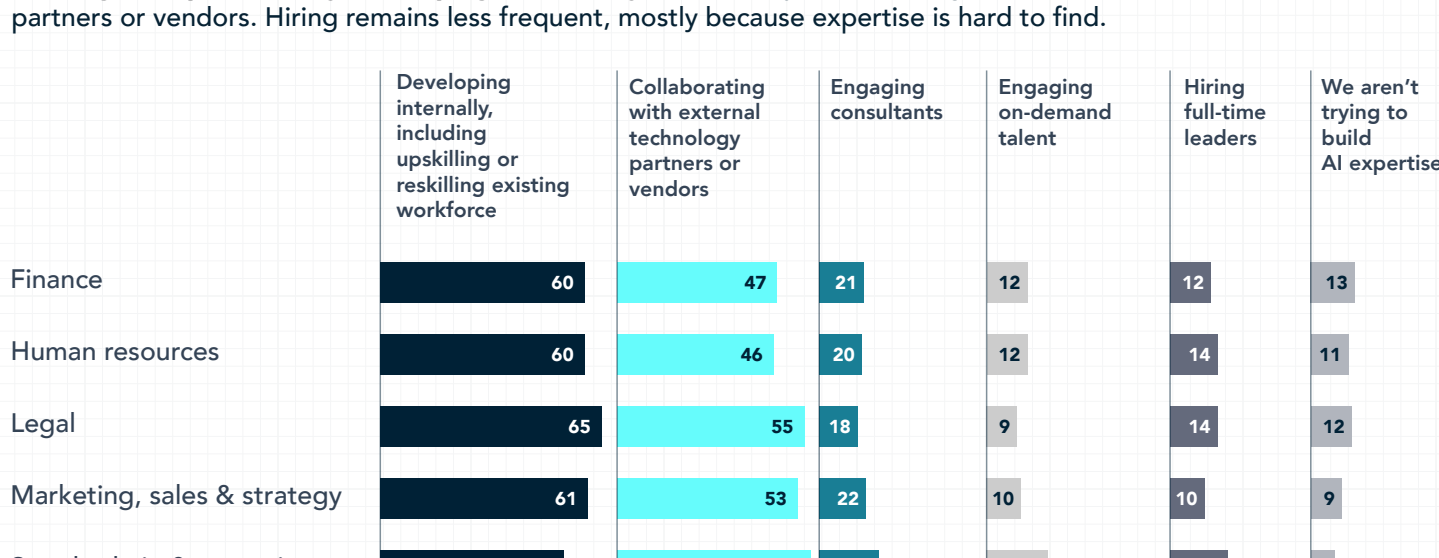


Across functions, the person who is most often cited as owning AI strategy is the **chief information, technology, or digital officer**. About 10% say it's the CEO. And just over 10% say no one.<sup>1</sup>

Forty percent say the CEO is involved in setting AI policies, and just over 60% say the digital leader is involved. There's little consistency among survey respondents in who else is involved, though general counsels and chief information security officers are cited more often than most other leaders by leaders across functions.

## Finding AI expertise across functions

As has been true in surveys we've conducted over the past year, the main way **companies are building AI expertise is by developing it internally**, followed by collaborating with external partners or vendors. Hiring remains frequent, mostly because expertise is hard to find.



### Top 5 challenges in building AI expertise



\* = not a top 5 challenge

## Talent considerations for leaders

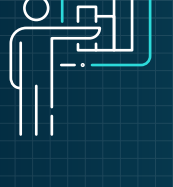


Executives indicate that AI is rapidly becoming a part of daily business and is being measured for its contributions like any other investment.



Across functions, it's still hard for companies to find the AI talent they need.

As leaders seek to use AI for a broadening range of tasks and projects—eventually rewiring business processes across the enterprise—we expect high demand for AI-specific expertise at all levels to continue for three to six years. In the long run, it seems likely demand will follow a pattern similar to that in earlier waves of computing innovation, from personal computing to cloud, in which specific technical expertise was in high demand during the transition, but then declined as the relevant knowledge became a part of every person's role. In other words, we expect that basic working knowledge of AI will be as fundamental an expectation for senior leaders as being digitally savvy is today.



That said, we also expect every enterprise will have a senior leader responsible for the AI strategy and for AI platform tools.

This executive may or may not have a chief AI officer title.

### About the research

In spring 2024, we surveyed 1,894 executives: 518 executives in finance; 401 executives in human resources; 153 executives in legal; 518 executives in marketing, sales, and strategy; and 304 executives in supply chain and operations. This survey had a global reach; respondents represent the full range of industries, company revenue levels, and various company ownership structures.