Hey! What's New? 2025-37

How Boards Can Confidently Steer an AI-enabled Future

A recent EY Insights article says that artificial intelligence (AI) presents a quandary for organizations — they feel pressure to move quickly to remain competitive, even as they are constrained by risks and capability gaps that hamper quick action. "Indeed, AI's breakthrough capabilities and promise have fueled considerable excitement and investment. The EY CEO Imperative Survey finds an astounding 99% of CEOs are investing in Gen AI, driven by the fear of falling behind and 70% of CEOs think they need to act immediately on AI to prevent competitors gaining a strategic edge."

Despite this urgency, organizations face significant challenges in achieving their ambitions. EY's CEO Imperative survey found 68% of organizations agree that the uncertainty around GenAI makes it challenging to move quickly. Meanwhile, the EY AI Anxiety in Business survey (via EY US) found that 77% of respondents are concerned about AI's legal risks, and 75% about its cybersecurity risks. Another EY survey (via EY US) found 61% of organizations facing difficulties in sourcing the top tech talent needed for implementation. Boards sit at the crux of this tension, thanks to their unique dual role.

"While on one hand boards have to look after the legalities and the regulatory compliance aspects, they also have responsibility to look at strategy and technology shifts and innovation," says Alan Triggs, Chief Digital Officer at Nokia. "Sometimes, [these responsibilities] conflict with each other in terms of priorities."

According to the article, "building confidence in AI is critical for boosting adoption and mitigating risk. This includes both compliance with existing regulations such as the EU AI Act, as well as proactively developing an effective organizational governance model."

As well, it said, "creating value with AI requires a culture of innovation and learning."

Data and behavior are key AI value drivers, the article says, noting the importance of data readiness, including ensuring cleanliness and data governance. "Data cleanliness helps ensure that models are trained on accurate data, which improves the accuracy and fidelity of outputs. Data governance helps mitigate risks such as bias, privacy violations and regulatory non-compliance."

But, the article notes, "organizations also face increasing scrutiny around the cost and ROI of AI investments — particularly amid high implementation costs and an inflationary climate — making it critical to identify the use cases that will drive the biggest value pools and outcomes. From use cases, organizations can move to trials to demonstrate proof-of-concept, and then into production and scaling up."

AI has the potential to fundamentally reshape organizational operating and business models, EY says. Organizations can use using AI to drive organizational transformation, which then leads to business transformation. "While most will start with use cases that make existing business processes more efficient and productive, the bigger opportunity is to rethink business processes, functions and models from the ground up, and optimize them in an AI-first way.

Ultimately, AI will create value by reshaping talent and work across the organization. The article points out that 60% of today's job titles did not exist in 1940, and that AI will similarly reshape work and redistribute the workforce.

While AI will reshape work across the enterprise, it also has the potential to augment human potential within the boardroom. "It is critical for boards to develop expertise in AI to effectively oversee and use it…. As overseeing AI requires diverse skill sets and involves diverse value drivers, boards will need to assess their composition. Organizations need technologists on their boards, regardless of whether they are in the tech sector or not. Advisory councils can also attract the perspectives of younger tech-savvy professionals, who may be less interested in becoming full time board members."

The article concluded that "AI will be a critical growth driver in the years ahead, as it reshapes talent within organizations and disrupts business and operating models. Achieving this potential will require organizations to mitigate AI's risks and build confidence in its use. To guide organizations through these transitions, boards need to focus on expanding their competencies and boosting diversity."

For more, check out [How boards can confidently steer an AI-enabled future | EY - Global](#).