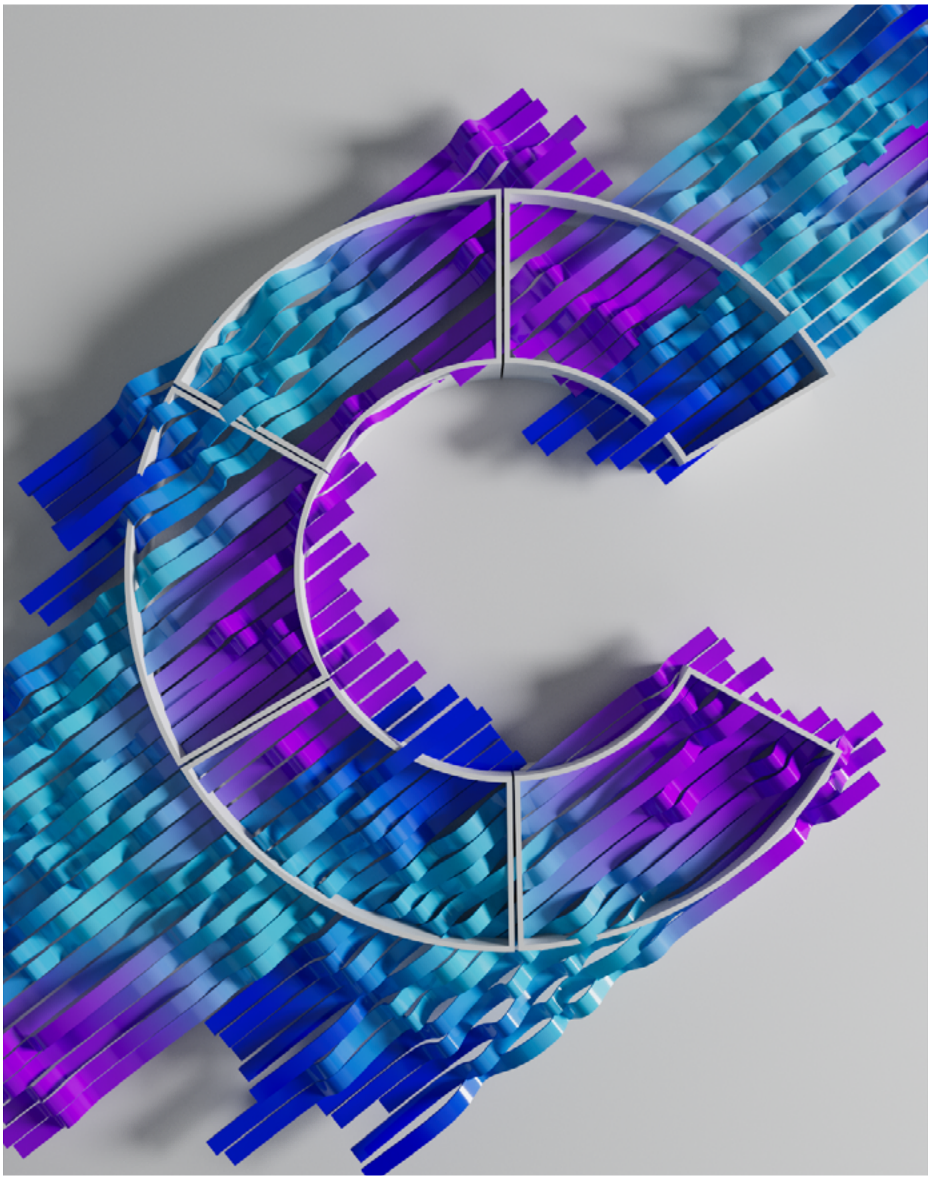

Solving the AI ROI puzzle

How Chief AI Officers cut through complexity to create new paths to value

مؤسسة دبي للمستقبل
DUBAI FUTURE FOUNDATION

IBM

How IBM can help

IBM has been providing expertise to help organizations win in the marketplace for more than a century. Clients can realize the potential of AI using IBM's deep industry, functional, and technical expertise; enterprise-grade technology solutions; and science-based research innovations.

For more information about AI services from IBM Consulting, visit ibm.com/services/artificial-intelligence

For more information about AI solutions from IBM Software, visit ibm.com/watson

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Chief AI Officers:
Turning vision into velocity

Artificial Intelligence isn't just a prompt bar for users; it's a force multiplier for nations. It's reshaping how countries compete, how companies run, and how citizens live. It holds the promise of unlimited progress, but only if it's steered with precision.

Around the world, organizations have poured billions into AI. Yet many still find themselves in pilot phase. The technology is there. The talent is there. What's missing is the translation from proof-of-concept to full-scale deployment.

That's where the Chief AI Officer (CAIO) comes in.

More than a technologist, the CAIO is a translator between vision and execution, a bridge between strategy and science, and a steward of value across the enterprise.

In the UAE, we've embedded CAIOs across government as functional leaders, tasked with shaping AI strategy, aligning teams, and ensuring that every dirham invested in AI delivers tangible real-world results.

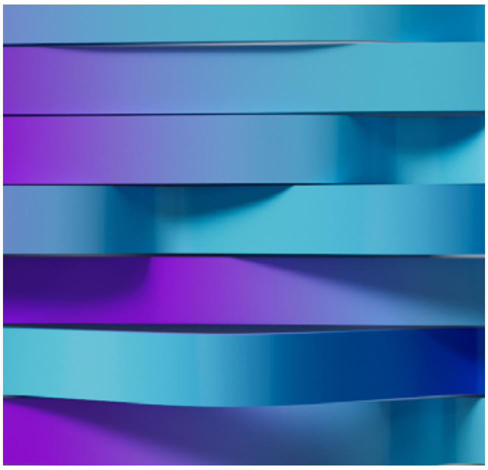
Because AI is not a singular breakthrough, it's ten thousand small shifts. It's cultural. It's institutional. It's a habit. The CAIO will be the one pushing that habit forward—across public administration, healthcare, education, and logistics.

This is how the UAE plans to reshape the public sector approach to AI. Through systems that learn, adapt, and scale to improve quality of life and spur economic growth.

In a volatile world, this approach gives us something rare: control and flexibility. Rather than reacting to issues as they arise, we will transform our economy into one for the future. But the work must be done today.

H.E. Omar Sultan Al Olama

Minister of State for Artificial Intelligence,
Digital Economy, and Remote Work Application
United Arab Emirates



Key takeaways

> "My job is not just to tell a good AI story. My job is to make sure we are objectively, measurably better than our competitors."

Daniel Hulme
CAIO, WPP

Chief AI Officers move the needle on AI ROI.

Organizations with a CAIO see 10% greater ROI on AI spend. But today, only 26% of organizations have CAIOs.

Accountability, authority, and influence drive impact.

57% of CAIOs report directly to either the CEO or the Board of Directors—and 76% of CAIOs say other CxOs consult them on important AI decisions.

Centralized decision-making leads to greater AI value realization.

CAIOs spearheading hub-and-spoke or centralized AI operating models see 36% higher AI ROI than those managing decentralized operating models.

Measuring true AI impact demands a broader definition of success.

72% of CAIOs say their organizations risk falling behind without AI impact measurement. But 68% initiate AI projects even if they can't assess their impact—because the most promising AI opportunities are often the most difficult to measure.

A new **AI equation**

Expectations for enterprise AI are sky high. Executives have already seen it make teams faster, smarter, and more creative. And they know competitors are pushing ahead fast. They're asking their people to adapt quickly and are setting big goals for AI at scale. Value has taken center stage—and the spotlight is on ROI.

C-suites are no longer satisfied with experimentation. They want measurable results—and they want them now. Eight out of 10 CEOs are pushing to scale both AI-fueled cost savings and AI-powered growth within 18 months.[1]

But many organizations are far from that target. 60% are still primarily investing in pilots. Yet, small-scale, disconnected initiatives continue to struggle to produce real value. Since 2023, only 25% of AI initiatives have delivered expected ROI.[2]

Organizations know they need to do better as spending skyrockets. After increasing AI spending 62% as a percentage of IT spend between 2022 and 2025, CEOs project annual increases of 31% over the next two years.[3] To get more value for their money, many organizations are rethinking how they manage their AI portfolio.

> "AI transformation is not just about transforming systems and business processes. It's also about transforming the mindset and skillset of business people. If we manage to do that, they will become AI advocates."

Juma Al Ghaith, CAIO, Dubai Customs

Welcoming **the CAIO**

A growing number of organizations have created the CAIO role to accelerate and direct AI business outcomes. And many CAIOs are already driving incremental value and measurable success.

To learn more about this emerging role, the IBM Institute for Business Value (IBM IBV), in collaboration with Dubai Future Foundation (DFF) and Oxford Economics, surveyed more than 600 CAIOs across 22 geographies and 21 industries in the first quarter of 2025.

Overall, we reached out to more than 2,300 organizations, but only 26% said they currently have a CAIO. This is up from 11% in 2023.[4] 57% of these CAIOs were appointed from the organization's internal talent pool—and 66% expect most organizations will have a CAIO within the next two years.

CAIOs have a mandate to drive real progress. They're tasked with defining their organization's AI strategy, directing AI implementation, managing AI budgets, and developing change management strategies for AI adoption.

It's a high-impact job—with the potential to deliver big dividends (see Figure 1). Organizations with CAIOs see 10% greater ROI on AI spend and are 24% more likely to say they outperform their peers on innovation.

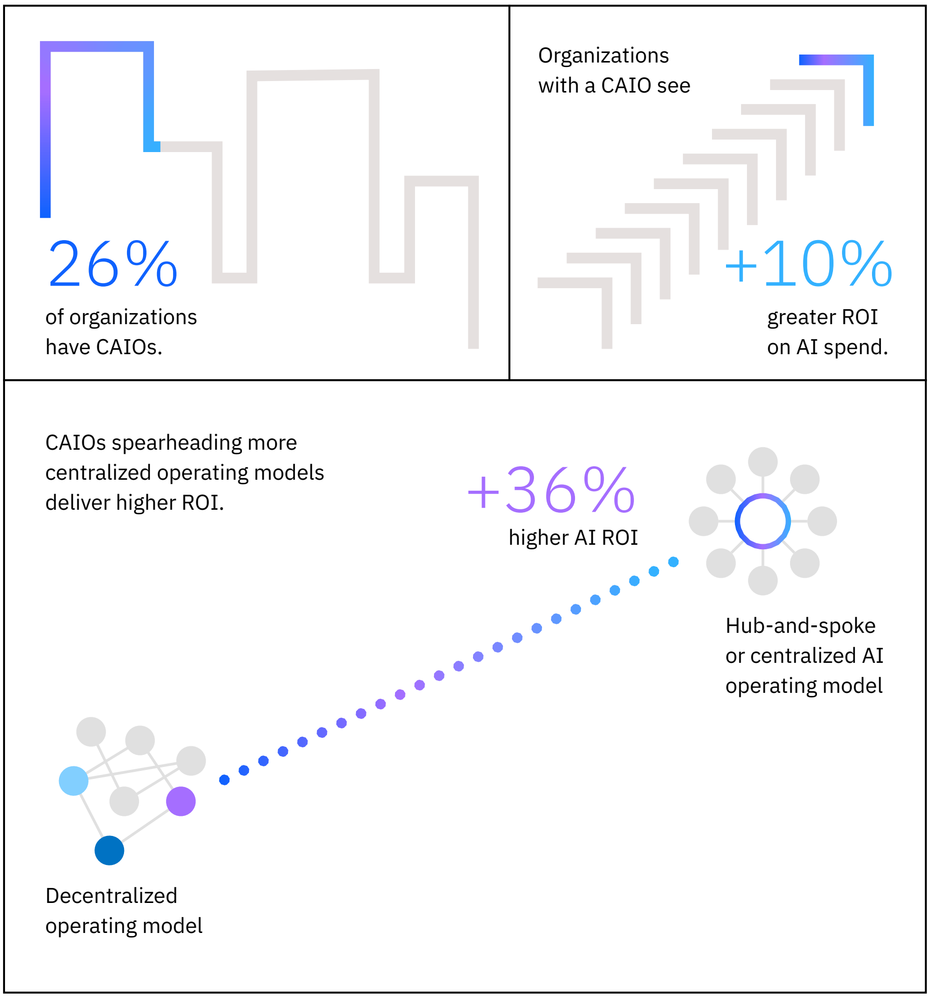
In this report, we'll answer three big questions:

- When does an organization need a CAIO?
- What do CAIOs need to succeed?
- How can CAIOs deliver higher AI ROI?

We'll also outline the next steps specific leaders within the C-suite can take to deliver more business value with AI.

Figure 1

CAIOs help organizations deliver higher AI ROI.



> "When its industry is being disrupted by AI, a company needs someone with their finger on the pulse to make sure they've placed the right bets."

Daniel Hulme, CAIO, WPP

Section 1

When does an organization **need a CAIO?**

CEOs need the right people in the C-suite—and more isn't always better. So, when does it make sense to add another chair?

CAIOs we surveyed say their role was created for two main reasons: to drive AI strategy and to accelerate AI adoption. They spur and lead AI conversations at the highest levels while transforming the work happening on the ground. They're the visionaries directing AI-powered change—and the glue that holds AI portfolios together.

61% of CAIOs control their organization's AI budget.

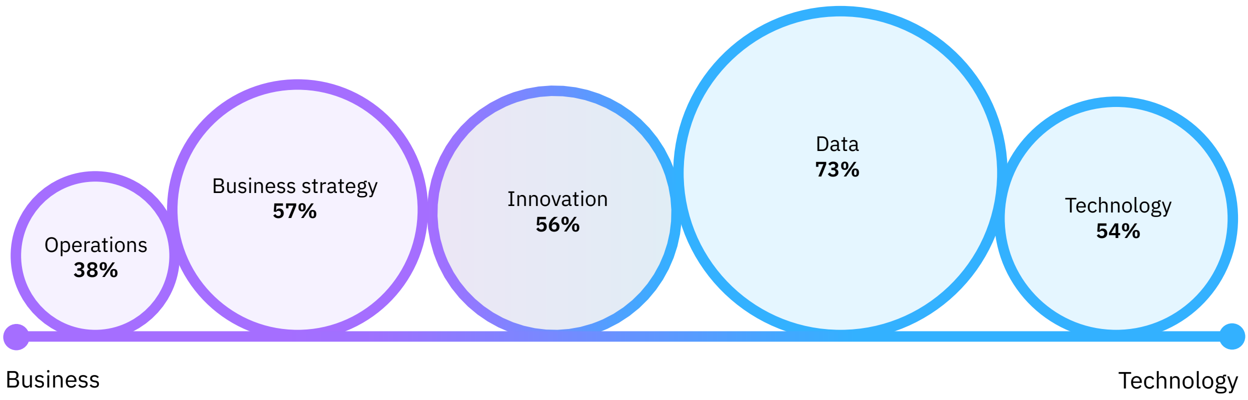
When organizations are piloting AI, this glue is less critical. But when it's time to turn pilots into enterprise programs, someone needs to define a clear direction and keep teams focused on shared goals. CAIOs can speak the language of business and technology, and should have the AI expertise to shape AI strategy and orchestrate transformation at scale.

They come to the table with a data-first skillset: 73% of CAIOs say they've focused on data in their career. But most also have a strong background in business strategy, innovation, enterprise technology, and operations (see Figure 2). As AI becomes more transformative, it also becomes more targeted, with use cases and applications focusing on core industry-specific workflows. Consequently, CAIOs must also possess deep industry expertise or ensure they have access to it through their team and colleagues. This helps them spot high-value AI opportunities and collaborate with other C-suite leaders to drive transformation from multiple angles.

One critical CAIO responsibility is navigating complexity. Today, a typical organization uses 11 generative AI models—and plans to use at least 16 by the end of 2026,[5] as AI models extend beyond text and language to work with visual, geospatial, and other types of data.

Figure 2

CAIOs say their careers have spanned business and technology functions.



Survey question: Thinking about your career as a whole, in which of the following areas have you focused?

The explosion of AI assistants and agents complicates matters further. A typical executive has been offered more than 30 different generative AI use cases from each of their vendors.[6] Some organizations already have tens of thousands of AI assets, which creates a massive integration and interoperability challenge. But while proprietary data is key to unlocking gen AI value, half of organizations say they have disconnected technology that limits how they can use their data.[7]

If an organization finds their AI strategies stalled by these issues, a dedicated CAIO can help them gain traction. From a centralized position in the organization, they can identify opportunities and invest in AI models, tools, and capabilities more strategically—and measure the broad business value they deliver. CAIOs can help others in the C-suite find cost efficiencies, prevent model lock-in, and optimize the AI portfolio to meet the organization's specific business needs, all of which can contribute to a higher AI ROI.

Section 2

What do CAIOs **need to succeed?**

No leader is an island—and this is especially true for CAIOs. They exist to bridge business and technology, funneling time and energy toward a shared goal: delivering value with AI.

When we look at the responsibilities CAIOs deem most important, we see tasks that span the org chart: defining strategy, directing technical implementation, managing budgets, upskilling talent.

But CAIOs can't deliver on their broad mandate alone. In fact, partnering with other C-suite leaders is the only way they can get their job done. Eight out of 10 CAIOs say they get sufficient support from the CEO and the broader C-suite. Similarly, CAIOs should be a resource for the rest of the C-suite—76% say other CxOs consult with them on AI decisions.

However, some of the most difficult AI-related tasks an organization must tackle are at the bottom of the CAIO's list of priorities, highlighting where stronger collaboration—and clear delineation of roles—will be essential (see Figure 3).

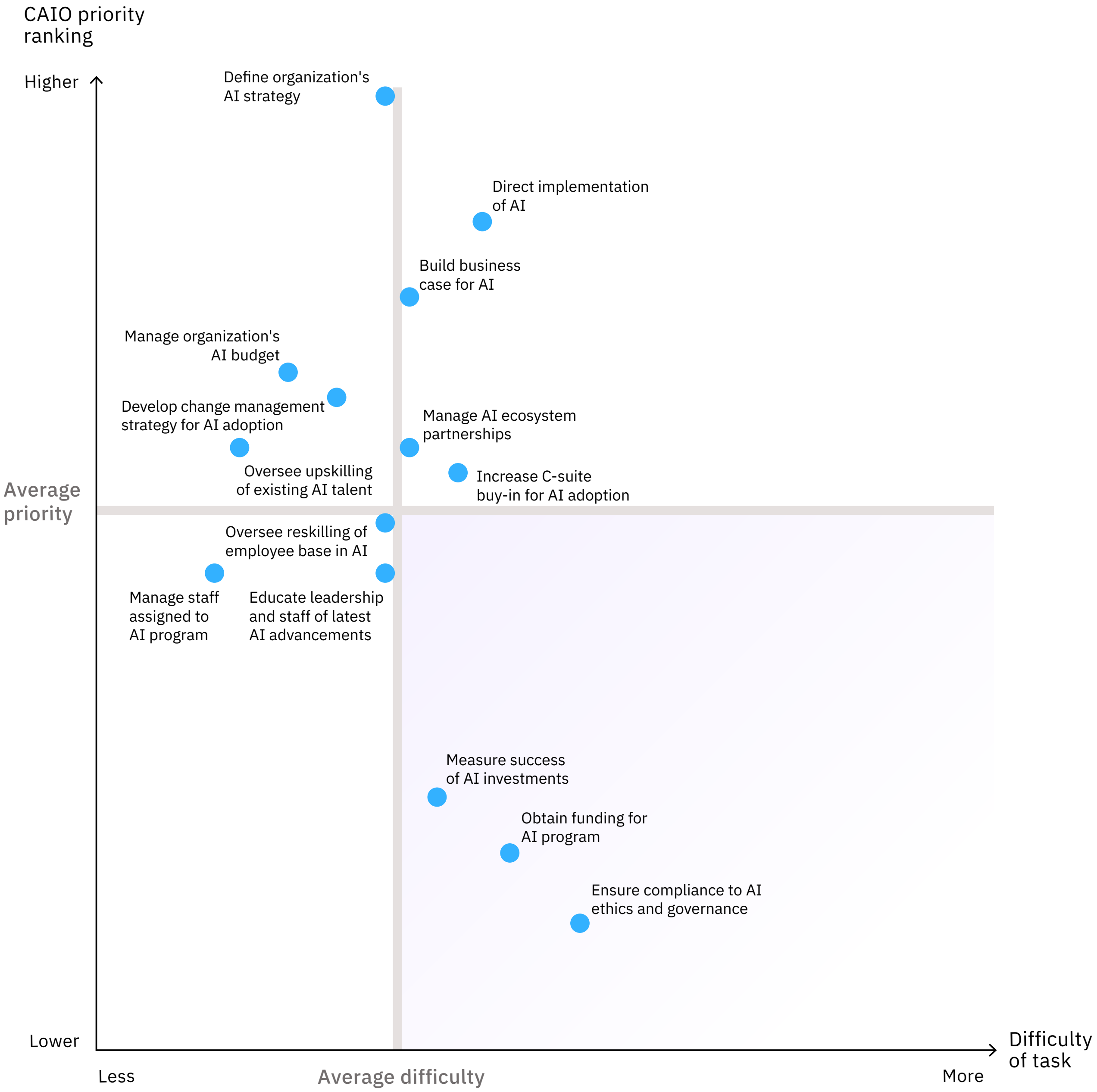
> "The CAIO must take a holistic approach. They need to understand the regulatory and compliance context, then define organizational goals and activities, then establish whether the quality of their data is sufficient to deliver on the goals. Only once these questions are answered should a strategy be defined."

Mario Nobile, Director General, Agency for Digital Italy

Figure 3

Falling through the cracks?

There are several critical AI-related tasks that don't seem to be top priorities for CAIOs.



Here's what our research reveals about how CAIOs should collaborate with their C-suite colleagues to boost their AI ROI:

CEO: The supportive sponsor
57% of CAIOs report directly to either the CEO or the Board of Directors, rather than the more technical C-suite leaders. The CEO defines the CAIO's mandate, giving the CAIO the authority to break down obstacles, spur AI adoption, and spearhead change. By co-creating and vocally supporting the AI strategy, the CEO provides a clear vision that teams across the organization can get behind. To this end, the CAIO should also align closely with Chief Financial Officers and Chief Strategy Officers where relevant. These leaders can help the CAIO team brainstorm new ways to measure the value AI delivers—and track a broader set of business metrics that influence ROI.

COO/CSCO: The transformation scalers
The Chief Operating Officer (COO) should be both an advocate and an active partner in integrating AI into strategy and the operating model. The CAIO cannot facilitate productivity gains and process innovation without the COO's support. Through the COO, the CAIO can work with the CSCO to drive the integration of AI capabilities beyond the boundaries of the enterprise and into the supply chain. In addition, the CSCO and CAIO must manage the digital supply chain and ensure the enterprise has access to the required IT and AI solutions and capabilities.

CDO: The data engine
Because data is at the heart of any successful AI initiative, the Chief Data Officer (CDO) and CAIO collaborate on data strategy, data quality, governance, and analytics. They must work together to ensure data can flow to the right places across the enterprise to drive value with AI. Their collaboration is essential for organizations to convert their enterprise data into greater value through AI.

CIO/CTO: The technology integrators
Keeping AI, enterprise IT, and technology strategies aligned is critical. The Chief Technology Officer (CTO) and CAIO work together on a roadmap for AI implementation, based on the CTO's assessment of the technical feasibility of AI initiatives. The Chief Information Officer (CIO) ensures enterprise IT—including cloud, infrastructure, and security—is AI-ready.

CISO: The security and risk manager
The Chief Information Security Officer (CISO) and the CAIO are close partners in fostering a culture of AI security by design, where security is incorporated into AI from the outset, rather than as an afterthought. This is crucial, as more than a quarter of AI initiatives have been cancelled or postponed or failed to scale due to security concerns.[8]

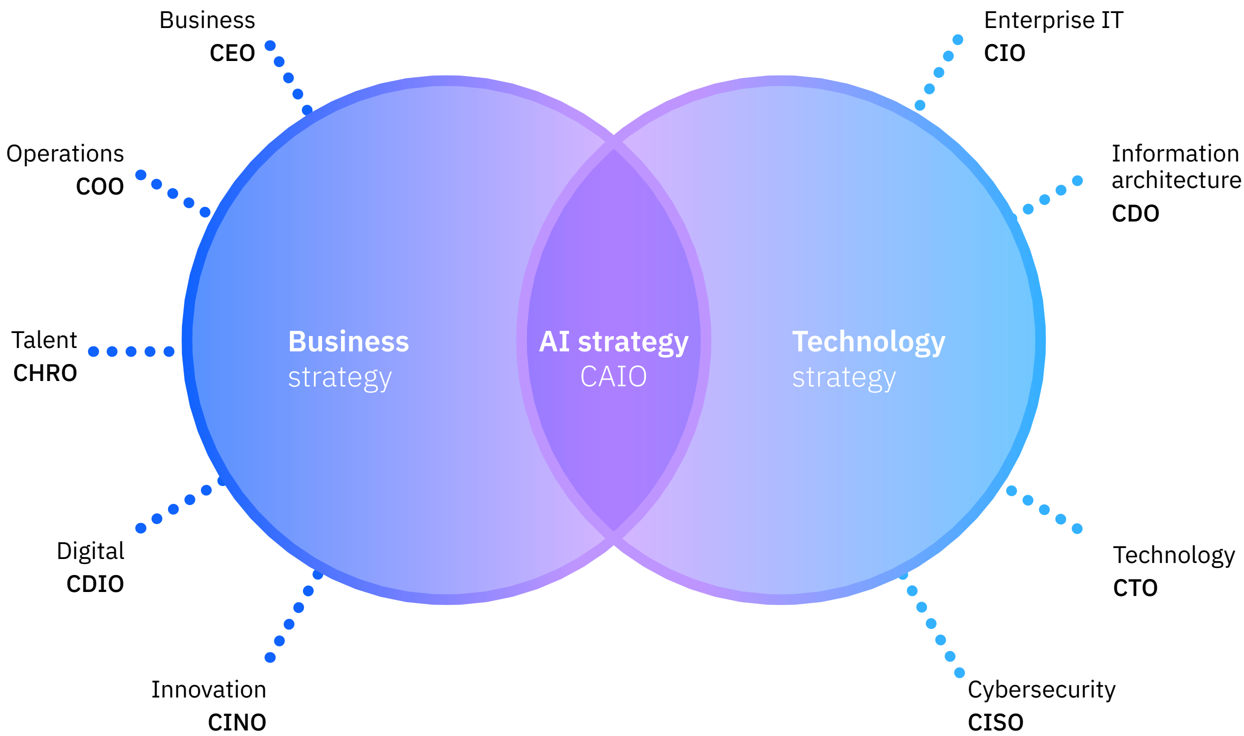
CINO/CDIO: The innovation catalysts
Tasked with finding new growth and productivity opportunities, the Chief Innovation Officer (CINO) and Chief Digital Officer (CDIO) should be core AI allies. The CINO and CAIO can partner to design AI-centric solutions that streamline operations, evolve products and services, and improve the customer experience.
The CDIO and CAIO can work to execute AI-enabled digital transformation efforts.

CHRO: The change agent
Our research shows that 32% of CAIOs say the Chief Human Resources Officer (CHRO) is one of AI's biggest detractors. Yet AI-driven change relies on employee support. To help enable high-ROI AI, the CHRO and CAIO need to align on talent strategies, identify the skills the AI strategy requires, and develop training and development programs that spur adoption.

By actively collaborating across the C-suite, the CAIO can align the AI strategy with business, technology, innovation, security, and talent strategies, focusing enterprise efforts on a shared set of AI-driven outcomes (see Figure 4). Moreover, they can work to address the difficult AI ethics and governance issues that any enterprise must deal with, even if these are not viewed as the direct responsibility of the CAIO.

Figure 4

CAIOs align C-suite strategies to amplify AI impact.



CAIOs can’t deliver on their broad mandate alone. Partnering with other C-suite leaders is the only way they can get their job done.

Perspective

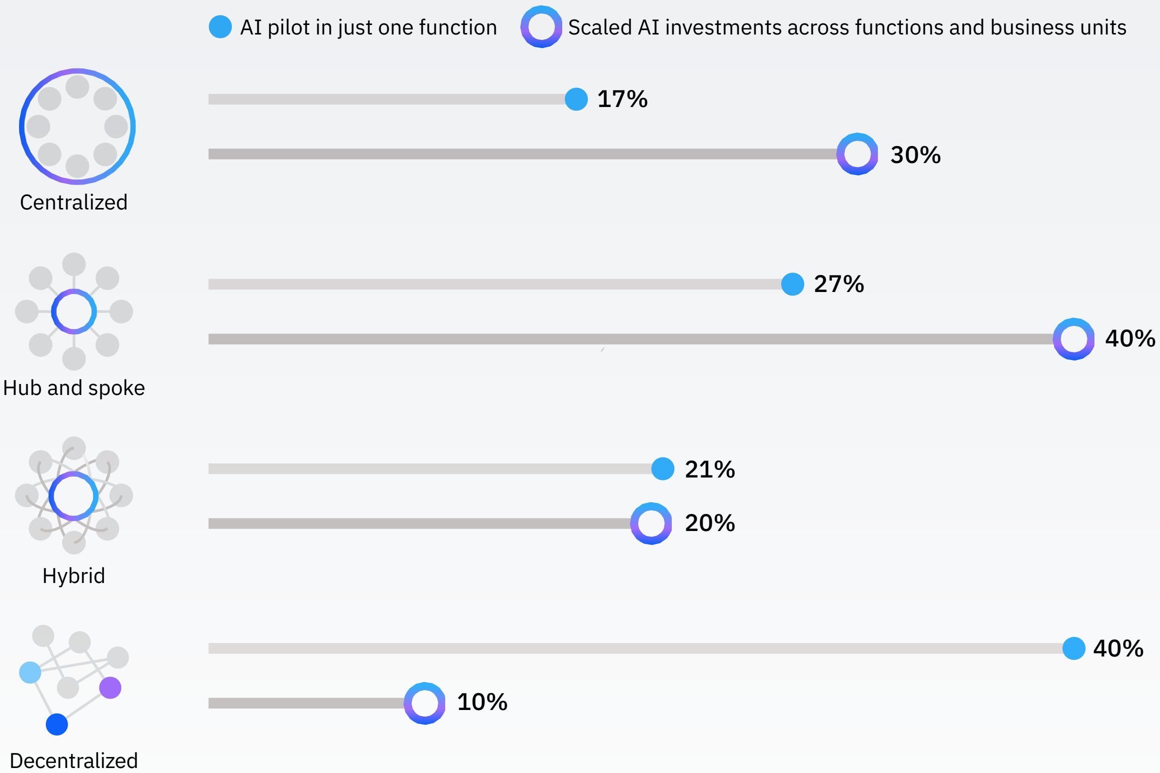
The evolving CAIO role: **From AI advocate to growth accelerator**

As organizations scale AI, we see that they generally move from decentralized operating models to centralized or hub-and-spoke models (see Figure 5).

Hub-and-spoke models let the CAIO more efficiently direct resources toward priority initiatives. And the resulting focus and flexibility deliver better results. CAIOs leading hub-and-spoke or centralized operating models move twice as many AI pilots into production—and see 36% higher ROI on AI investments. With the right operating model, organizations can build on the baseline 10% ROI premium they get from having a CAIO.

Figure 5

More centralized operating models help organizations scale AI.



Survey questions: What is the best description of the AI operating model in your organization today?; What is the best description of AI adoption in your organization?

Connecting the dots

As organizations scale AI, CAIOs focus less on strategy and more on implementation.

Pilot	Scaled
1 Define organization's AI strategy	1 **Increase C-suite buy-in for AI adoption**
2 Manage AI ecosystem partnerships	2 **Direct implementation of AI**
3 Oversee upskilling of existing AI talent	3 **Manage organization's AI budget**
4 Build business case for AI	4 Develop change management strategy for AI adoption
5 **Direct implementation of AI**	5 Oversee reskilling of employee base in AI
6 Develop change management strategy for AI adoption	6 Define organization's AI strategy
7 Educate leadership and staff of latest AI advancements	7 Build business case for AI
8 Manage staff assigned to AI program	8 Manage staff assigned to AI program
9 Oversee reskilling of employee base in AI	9 Manage AI ecosystem partnerships
10 **Increase C-suite buy-in for AI adoption**	10 Oversee upskilling of existing AI talent
11 **Manage organization's AI budget**	11 Educate leadership and staff of latest AI advancements

Survey question: What are your most important responsibilities as CAIO?

> "When it comes to the operating model, I am a big believer in centralization, because without it there is no clear ownership."

Mohammed AlMudharreb, Executive Director, Corporate Technical Support Services Sector, and CAIO, Road and Transport Authority, Dubai Government

Section 3

How can CAIOs **deliver higher AI ROI?**

CAIOs are at the center of the organization's AI nervous system. From this vantage point, the CAIO can accelerate AI transformation, keep efforts aligned to strategy, and help prioritize the AI initiatives most likely to give the organization a competitive edge.

However, this system only works when technology is fully integrated—and only 25% of executives strongly agree that their organization's IT infrastructure can support scaling AI enterprise-wide.[9] What's more, organizations need to connect the dots around shared business objectives.

CAIOs can address these challenges by breaking silos and barriers and backing key AI initiatives. In fact, our research points to three key areas where CAIOs who deliver greater measurable business impact with AI focus their attention: measurement, teamwork, and authority.[10]

Measurement: Success can't be defined in the abstract. The C-suite needs to specify how impact will be measured—and what business results they expect to achieve—for the CAIO to deliver the most meaningful outcomes. That means well-defined objectives and clear AI KPIs. These KPIs should go beyond project-specific ROI and include metrics that capture the more transformative business impact of the AI initiatives, such as improvements in revenue, profit, customer satisfaction, and employee productivity. As AI becomes less of an emerging technology and more of a basic tool, these broader benefits will become more valuable—and more important to measure—than the narrow ROI of individual AI initiatives.

72% of CAIOs in our survey say their organizations risk falling behind without AI impact measurement. Yet the value created by the most promising AI opportunities can be hard to predict with existing metrics. Today, 68% of CAIOs agree they initiate AI projects even if they can't measure their effects.

A dashboard with the right KPIs—visible to all relevant AI decision-makers—is a central tool to deliver meaningful business outcomes and value realization. Organizations may also have to consider a broader range of success metrics, such as the creation of new revenue streams and accelerated innovation, to assess the full business impact of AI as it scales.

Teamwork: The CAIO should not be an army of one. The average size of the CAIO team is five, regardless of AI maturity, and our research shows that smaller CAIO teams are less successful. Team composition can also influence results. On average, CAIO teams that prioritize AI specialists, machine learning engineers, and business strategists deliver greater measurable business impact with AI.[11]

It's important to build a CAIO team that complements—not duplicates—the existing technology workforce. If you create a shadow IT department that just focuses on AI, integration will become even more complex. Better to embed AI experts across the organization. People who understand what the business needs, the industry the organization operates in, what is feasible with AI, and how to enable IT will make the biggest difference.

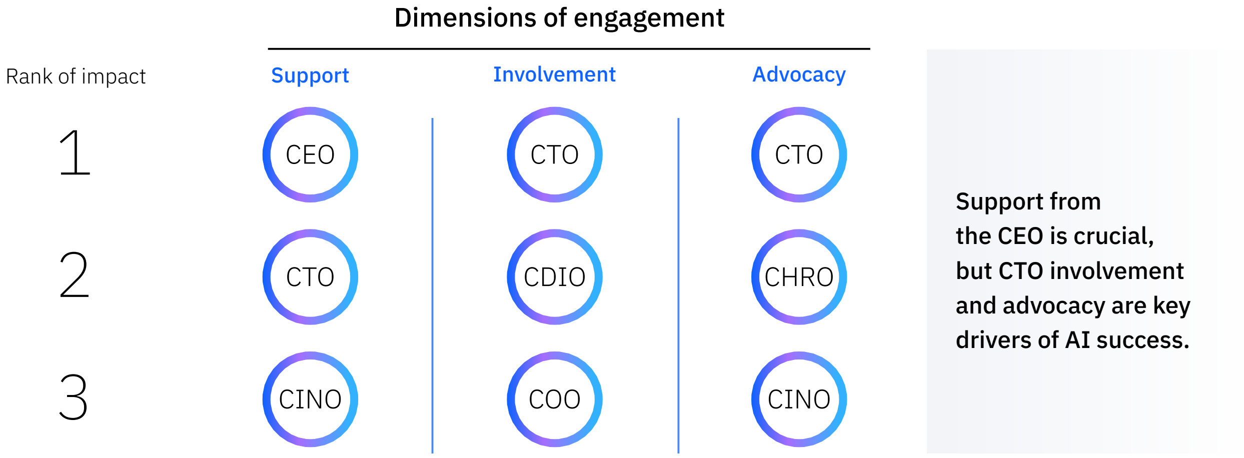
Authority: CAIOs need a clear mandate to be successful, based on visible support from other C-suite leaders. But not all engagement is equal. Our research shows that the active involvement of some CxOs helps CAIOs spur progress more than others (see Figure 6).

The support, involvement, and advocacy of the CEO is, of course, the bedrock. But the CTO is another crucial backer, as they lead the teams that will need to design, build, and implement AI solutions.

Then there's the CHRO. If these leaders are on board with the AI strategy, they can be one of the CAIO's most effective advocates. They can streamline and strengthen AI adoption by showing employees why AI is good for their careers. However, 32% of CAIOs say the CHRO is one of AI's biggest detractors—highlighting the need for more meaningful collaboration.

Figure 6

In each dimension of engagement—support, involvement, and advocacy—certain C-suite members positively impact AI outcomes more than others.



Ranking based on structural equation model analyzing relationship between degree of engagement (by dimension) and the percentage of AI initiatives that result in measurable business outcomes.

Action guide
What to do

Successful scaling looks different depending on where you sit on the org chart. Learn what steps you should take based on which strategic role you play.

CEO

Give the CAIO the authority to lead. Empower the CAIO with a clear mandate, reporting line, and C-suite visibility. Make the CAIO accountable for ethical and secure AI, collaborating with security and ethics leads.

Demand measurable business outcomes. Build AI dashboards to track business impact, risks, and ethical implications. Empower the CAIO to explore and evaluate emerging, less quantifiable AI opportunities—and creative ways to measure their impact.

Give the CAIO the resources to succeed. Allocate a dedicated AI budget and empower the CAIO with ownership tied to ROI. Build a CAIO team with the right mix of technical and business expertise.

Build smart, secure AI partnerships. Choose strategic partners that unlock broader capabilities while aligning with your core AI goals. Embed governance, ethics, and data-sharing standards as nonnegotiables in all partner engagements.

Inspire employees with your vision for AI. Clearly communicate how the AI strategy will help the organization meet its business objectives. Encourage people to ask questions and be transparent with your answers. Make employees comfortable sharing issues and opportunities, even if they aren't AI experts, to accelerate adoption.

Encourage a growth mindset. Give employees an opportunity to experiment with AI through corporate challenges and hands-on training programs. Celebrate progress, not just success, to reinforce that learning is valued and scaling AI is a journey.

CAIO

Get clarity on your role and responsibilities. Actively seek a clear mandate, responsibilities, and tasks for your role together with the CEO. Delineate your role from that of other C-suite members and avoid unnecessary overlap.

Create—and measure—clearly defined KPIs. Build an AI dashboard to track AI business impact, risks, and ethical implications. Tap analytics to identify levers that move the needle on key outcome metrics. Track the different ways AI value is being realized across the enterprise in addition to quantifying a clearly defined ROI.

Engage your C-suite colleagues—even if they disagree with you. Strengthen your C-suite network. Understand who to connect with when, for what, and how. Engage partners in the business who may be reluctant, in particular on important topics that need input from teams across the organization, such as AI ethics and governance. Learn everyone's agenda and speak their language as you align AI strategy with their objectives.

Scale the impact of your team. Blend business, industry, and technical skills to strike the right mix for your organization. Amplify your reach and connect your team with critical partners in IT, corporate strategy, operations, compliance, and beyond.

Spearhead the AI operating model. Lead the charge to centralize the AI operating model. Set guidelines and put frameworks and processes in place. Act as the AI ecosystem orchestrator for your organization and ensure partners work in support of your business objectives.

Develop a roadmap for AI-enabled digital transformation. Identify areas where AI can drive business value, assess the organization's AI readiness, and develop a plan for AI adoption and deployment. Ensure that AI initiatives are properly prioritized, resourced, and integrated into the organization's overall digital transformation strategy. Work with HR to facilitate cultural transformation by promoting data literacy, encouraging experimentation, and fostering a culture of innovation.

COO

Supercharge enterprise workflows. Partner with the CAIO team to identify specific places to integrate AI into workflows and where workflows need to be redesigned. This could include optimizing operational processes, improving customer experiences, or developing new products and services. Consider areas where AI can deliver short-term gains and long-term strategic advantages.

Build the bridges that support AI at scale. Facilitate collaboration between technology teams, the CAIO office, business units, and core functions to ensure AI capabilities align with business needs and are effectively implemented across the organization.

Operationalize AI. Help design and implement AI capabilities that support operational needs, augment core functions, and improve business processes. Identify bottlenecks in processes and determine where AI can be used to streamline these, such as using predictive analytics to forecast demand, automating testing procedures, or enhancing supply chain management.

Test, re-test, then test again. Develop quality assurance protocols that keep AI-powered products and internal tools in line with quality standards and operational requirements. This includes testing for accuracy, reliability, scalability, and user experience.

Spot risks bubbling under the surface. Identify and mitigate the operational risks associated with integrating AI into daily work. Outline the implications of data security and privacy issues, regulatory compliance, and potential job displacement due to automation—and work with the CAIO to make sure these risks are proactively addressed.

CTO/CIO/CDO/CISO

Tech leaders

Build a solid AI foundation. Align CAIO and CIO teams to create a flexible, modular, and hybrid-by-design AI architecture. Leverage open-source tools to accelerate development and adapt proven assets.

Remove tech bottlenecks. Work closely with the CAIO to ensure the full tech stack is ready for AI at scale. Anticipate infrastructure and cloud needs. Treat AI as a central part of the tech portfolio—not just another add-on.

Make AI secure by design. The CISO and CAIO should align to modernize the security posture for AI everywhere. Establish common governance and support processes to accelerate secure AI adoption.

Get your data AI-ready. Feed AI with your enterprise data. Create an enterprise-wide modern data architecture that makes the right information available where it's needed to make the greatest business impact. Break down functional data silos for AI impact at scale.

Co-create an AI governance framework. Work with the CAIO to outline roles, responsibilities, and decision-making processes for AI initiatives. This includes establishing guidelines for data management and model development, deployment, and maintenance, as well as ensuring compliance with regulatory requirements.

Foster a culture of innovation across tech teams. Connect AI, data science, and IT teams by providing opportunities for cross-functional training, encouraging experimentation, and recognizing and rewarding employees who develop and deploy successful AI projects.

CHRO

Bring the human perspective to the tech conversation. Collaborate closely with the CAIO to ensure AI initiatives align with business goals and HR strategies. Work with the CAIO to integrate AI into HR processes and decision-making, leveraging data analytics to optimize workforce management.

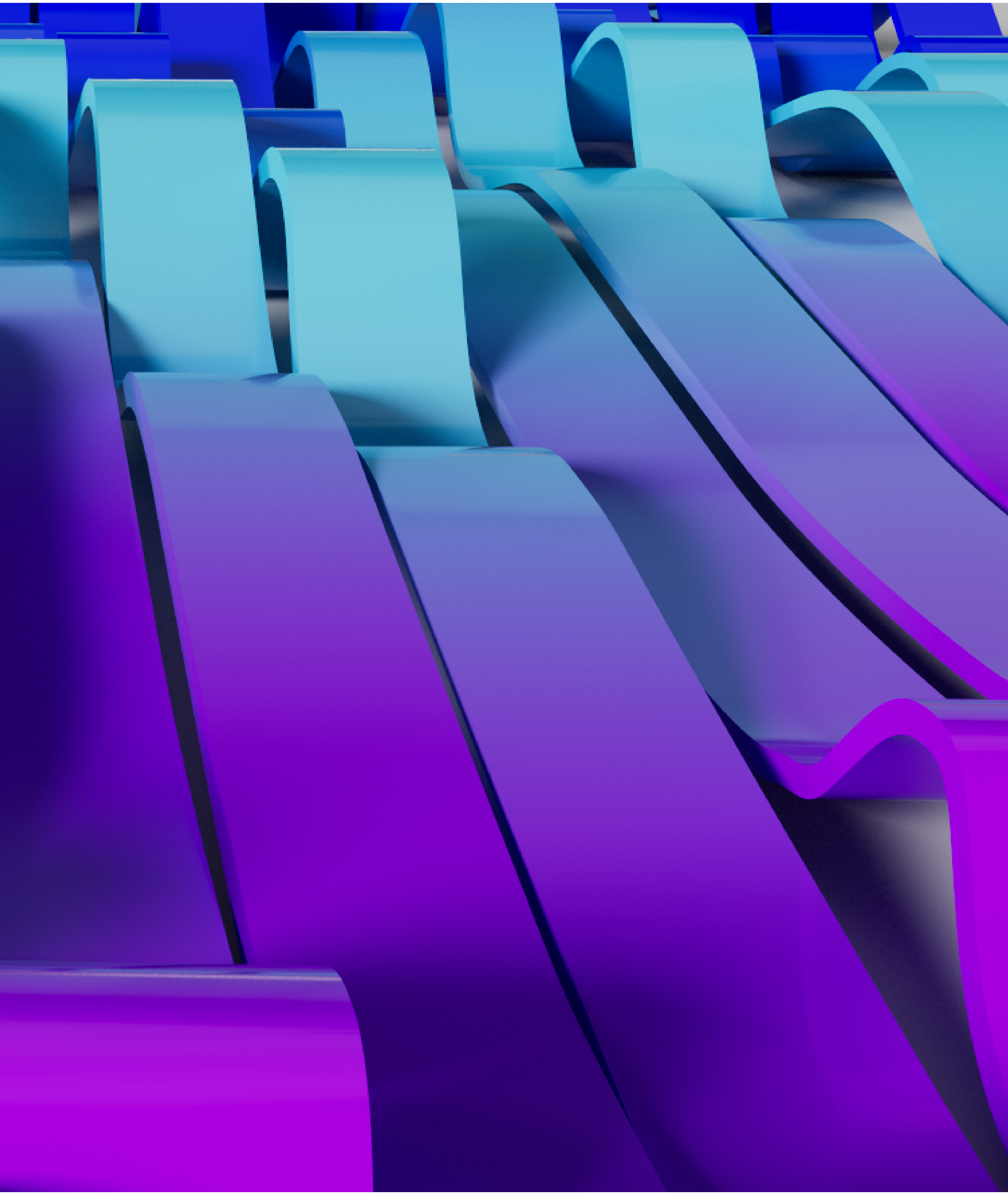
Build AI literacy across the organization. Collaborate with the CAIO to design learning and development programs. Train employees to use the right AI model, assistant, or agent for the right job as you integrate AI tools across the enterprise.

Co-create AI-enabled workflows. Convert AI strategy and initiatives into redesigned workflows for agility, employee well-being, and workplace satisfaction. Facilitate collaboration between the CAIO team and other departments to ensure AI initiatives are well-integrated across the organization.

Elevate current roles—and invent new ones. Work with the CAIO to proactively redesign job roles and processes to integrate AI capabilities while preparing employees for changes in their day-to-day work. Redefine which tasks are associated with different job roles—and which tasks will be automated or augmented—to increase the impact of AI and provide opportunities for employees to do higher-value work.

Build a culture that embraces AI innovation. Address ethical concerns and employee apprehensions about AI adoption. Create alignment between employee direction and the strategic goals of your organization—to the benefit of both.

Partner with the CAIO to lead change management efforts. Ensure a smooth transition as AI is integrated into business processes. The CHRO is ideally positioned to clarify how AI can support the workforce and get their buy in. They must use their insight to optimize opportunities and mitigate potential disappointments.



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Creative Director

Research methodology

The IBM Institute for Business Value, in cooperation with Oxford Economics and the Dubai Future Foundation, conducted a global survey in the first quarter of 2025 to examine the emerging role of CAIOs. The study employed a cross-sectional survey design, collecting responses from 624 professionals across various industries and geographic regions. The sample was purposively selected to ensure representation from enterprises, business units, and geographies, providing insights into the distribution of AI leadership roles.

The survey captured key demographic variables, including respondents' geographic locations and their organizations' primary industries. Participants were drawn from 22 countries, with notable representation from the United States, the UAE, Japan, and several European and Asian markets. Additionally, the study classified respondents into 21 industry sectors across a broad spectrum, including banking, retail, technology, healthcare, and government.

To assess the scope of AI leadership roles, respondents indicated whether they served as CAIOs (or equivalents) at the enterprise level, within a business unit, or for a specific geographic region. The survey examined the role, responsibilities, and challenges faced by CAIOs across organizations, covering the origins of the position, career backgrounds, perceptions of influence and challenges, team structure, and key responsibilities. It also assessed AI initiative performance, impact measurement, organizational strengths in AI governance, and areas for improvement.

Our analytical approach began with foundational data preparation and descriptive statistics to ensure data quality and uncover preliminary insights. Building on this base, we deployed advanced analytical techniques to examine different dimensions of AI initiatives' success. Neural networks were used to identify the underlying structural and collaborative elements driving successful outcomes. To assess critical aspects of management engagement, including executive support, active involvement, and vocal advocacy, we applied structural equation modeling (SEM), validating relationships between these factors and AI initiatives' success. Finally, we utilized ordinary least squares (OLS) regression to determine the optimal team structure associated with measurable business impact. This multi-method approach provided granular and holistic insights into the key drivers of successful AI implementation.

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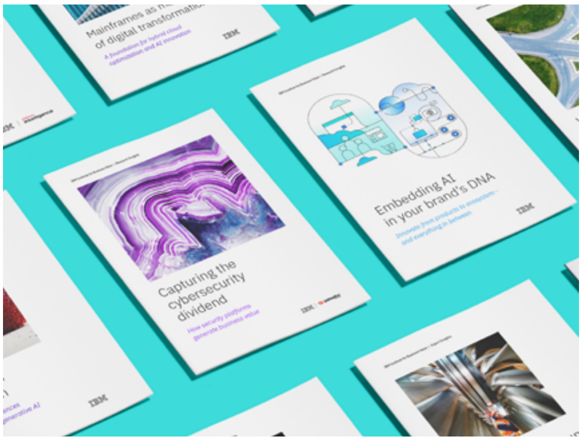

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Notes and sources

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10 Success is defined by the percentage of AI initiatives delivering measurable business impact. Findings based on multivariate neural network analysis of factors impacting successful business impact with AI. Total predictive power of model with all variables is approximately 40%.

11 Based on multivariate regression analysis of team composition and percent of AI initiatives that deliver measurable business impact.

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