Trinity College Dublin
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AI Economy in Ireland 2026

AI Adoption Index: Benchmarking and Impact

A Report from

Trinity Centre for Digital Business and Analytics

Trinity Business School

Trinity College Dublin

In Association with

Microsoft Ireland

Executive Summary

Artificial intelligence is now firmly embedded in Irish workplaces. Based on a survey of organisations in the Republic of Ireland (n=250), our analysis shows that AI adoption in Ireland is above the EU average. In the private sector, approximately 43% of organisations report that AI tools are already implemented and in active use, compared with around 36% in the public sector. While the day-to-day use of AI tools, particularly generative AI, has become widespread, many organisations remain in the early stages of translating these gains into sustained operational, workforce, and strategic transformation. The results suggest that the next phase of AI value creation in Ireland will not be driven solely by adoption. Instead, it will depend on organisations' ability to invest in AI skills, mature their governance frameworks, and redesign how work gets done, translating individual productivity gains into durable, organisation-wide impact.

The findings point to the following defining characteristics of Ireland's current AI moment.

- Clear evidence of AI-driven productivity that could free up employees' space for more productive work.
- A widening gap between individual productivity and organisational impact, as employees adopt AI faster than organisations redesign workflows, processes, and decision-making structures.
- AI implementation rates are broadly similar across organisation sizes, with approximately 42% of Micro, Small and Medium enterprises (MSMEs) and 44% of large organisations reporting active use.
- A governance lag, where AI usage is widespread but formal policies, controls, and oversight mechanisms remain uneven. It is also worrying that, though large organisations significantly lead MSMEs in AI implementation, they do not show the same leadership in AI policy development or governance maturity.
- A worrying trend we found in our report is around oversight of AI implementations, with most organisations in Ireland reporting minimal oversight and a very small percentage reporting a mature oversight mechanism.
- A workforce transition, driven primarily by role rebalancing and skills shifts rather than outright job losses, signalling augmentation rather than replacement as the dominant near-term effect of AI. We see a clear indication of AI-enabled employment in organisations at the graduate level and overall. We are finding evidence of organizations having a recruitment strategy focusing on AI enabled skills with about 60% of organisations claiming a modified graduate recruitment strategy, and 30% moving towards AI skills. This represents an evolution of the skills profile being sought rather than an elimination of graduate opportunity, with new AI-related roles emerging alongside the shift
- A growing maturity gap between organisations that treat AI as a strategic asset and those approaching it tactically – the former are significantly more likely to report advanced deployment and measurable value creation.

Purpose of the Report

As artificial intelligence, particularly generative AI, becomes increasingly embedded in everyday business activity, it is essential to understand how Irish organisations are adopting, governing, and deriving value from these technologies, and where challenges and gaps remain. This applies not only to organisations themselves, but also to their customers, clients, suppliers, and the broader economic ecosystem in which they operate.

Trinity Centre for Digital Business and Analytics (CDBA) and Microsoft Ireland are committed to supporting Irish businesses, policymakers, and other stakeholders in developing a clear, evidence-based understanding of AI adoption and its implications. This report forms part of an ongoing annual research programme designed to track how AI usage, organisational readiness, and economic impact evolve over time across Ireland.

The first study in this series was conducted in 2023-24 and published in February 2024[1], establishing an initial snapshot of AI adoption in Irish organisations at an early stage of maturity. A second report followed in 2025, reflecting a sharp acceleration in AI usage and early signs of organisational adaptation[2].

This third report builds on prior studies, enabling year-on-year comparison across three consecutive periods. For consistency, all trend analysis is based on the Republic of Ireland sample, ensuring comparability over time. The findings capture a more advanced phase of AI adoption, characterised by increased regulatory scrutiny, deeper organisational experience, and a widening gap between organisations that have moved to advanced deployment and those that remain at earlier stages.

The purpose of this report is threefold:

- To track changes over time in AI adoption, sentiment, and preparedness among Irish organisations, with particular attention to differences across sectors, organisation sizes, and ownership types.
- To identify emerging challenges and tensions, including the gap between individual productivity gains and organisational impact, the pace of AI governance development, and the nature of workforce transformation.
- To inform decision-making by business leaders and policymakers by grounding discussions of AI opportunity, risk, and regulation in robust empirical evidence.

The report is structured in two parts.

Part 1 provides an updated snapshot of AI adoption in Ireland, drawing explicit comparisons with the 2024 study to highlight what has changed and what has not over the past year.

This forward-looking analysis reflects the growing importance of AI as a driver of national economic performance.

The report aims to move the conversation beyond whether AI is being adopted, toward how effectively it is being translated into sustainable organisational and economic value, and what actions are required to ensure Ireland remains competitive, resilient, and well-governed in an increasingly AI-driven economy.

Baidyanath Biswas and Ashish Kumar Jha
Trinity CDBA

[1] https://pulse.microsoft.com/en-ie/work-productivity-en-ie/na/fa1-generative-ai-adoption-rates-are-on-the-rise-in-workplaces-according-to-our-latest-report-supported-by-trinity-college-dublin/
[2] https://www.tcd.ie/media/tcd/business/pdfs/research/Microsoft-Report.pdf

Data collection

To create a comprehensive report on the state of AI adoption in Ireland, we collaborated with a market research organisation and gathered insights from senior technology decision-makers. Data collection was conducted in partnership **with 3GEM**.

A total of 250 senior leaders from various organisations across Ireland participated in the survey, ensuring both the breadth and depth of the analysis presented in this report. The survey was designed by the research team at Trinity CDBA, following best practices in survey design and knowledge extraction. It was carefully structured to minimise respondent fatigue, enable cross-validation of responses, and ensure that the findings could be meaningfully connected to broader research frameworks. We collected robust and representative data from organisations across all industries and sectors in Ireland.

Demographics

Figure 1 – Distribution of respondents based on the number of employees**Figure 1** and **Figure 2** shows that our data come from a diverse set of organisations, including both MSMEs and large firms.

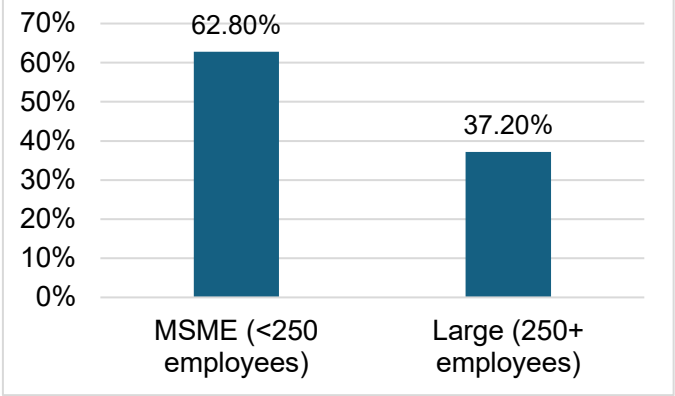


***Figure 1** – Distribution of respondents based on the number of employees*

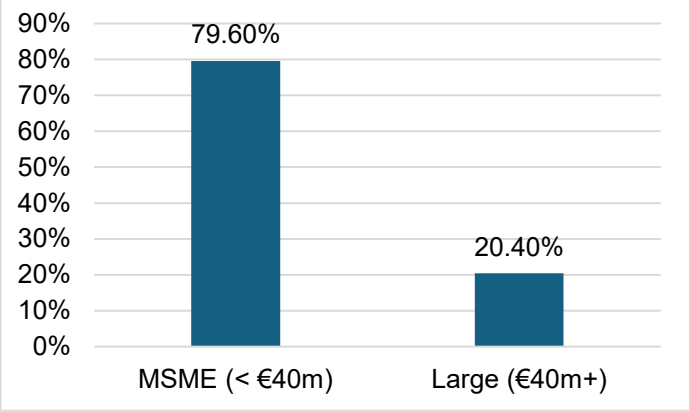


***Figure 2** - Distribution of respondents by organisational turnover*

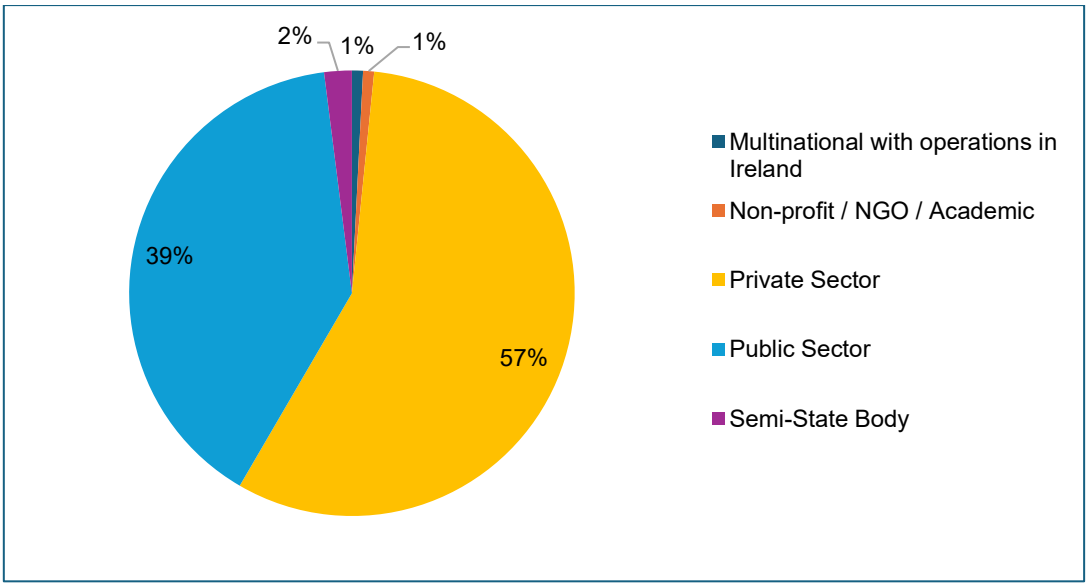


***Figure 3** - Distribution of respondents by organisational sector*

Part 1- AI Adoption in Ireland: 2026 Snapshot

AI-Adoption and Usage

Summary

Over the past two years, industry and policy reports consistently show that AI adoption has shifted from experimental pilots to more embedded, operational use, particularly in organisations with clear strategic ownership of AI decision-making[3,4]. While early adoption remains widespread, the defining differentiator is no longer access to AI technologies, but the organisational capability to govern, integrate, and scale them effectively.

Recent evidence highlights a growing maturity gap between organisations that treat AI as a strategic asset and those that approach it tactically, with the former more likely to report advanced deployment, measurable value creation, and cross-functional integration[4]. At the same time, many organisations remain constrained by skills, data readiness, and governance structures, resulting in uneven adoption trajectories across sectors and firm sizes. Against this backdrop, understanding how AI is used within organisations, rather than simply whether it is adopted, has become central to assessing AI maturity and impact.

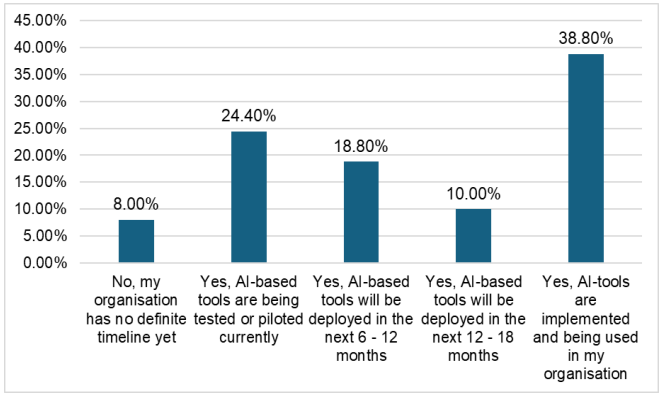
2026 Findings

- The current survey findings indicate that AI adoption has moved decisively from intention to execution across the respondent base. As shown in **Figure 4,** many organisations (38.8%) report that AI tools are already implemented and actively used within their operations, signalling that AI is no longer confined to exploratory or experimental phases but has become embedded in day-to-day organisational activity.
- A further 24.4% indicate that AI-based tools are currently being tested or piloted. Almost 92% of organisations either have AI in active use or have a clearly defined deployment timeline, closely aligning with external benchmarks that place Ireland in the top fourth of nations globally for AI uptake [5]. In comparative terms, Ireland continues to outperform the EU average on reported AI adoption and workforce use, with adoption remaining more uneven across Member States [6].
- Only a small minority (8%) reports having no definite timeline for AI implementation, reinforcing the conclusion that organisational resistance to AI adoption continues to decline.
- We also observe differences in the distribution of AI adoption stages, with MSMEs more concentrated in earlier stages of implementation compared with larger organisations.
- In the private sector, 43% of organisations report that AI tools are already implemented and in active use, with a further 19% indicating planned deployment within the next 6-12 months, signalling strong near-term momentum and increasing operational maturity. In the public sector, 36% report that AI tools are already in use, while a substantial share remains at earlier stages.

[3] https://hai.stanford.edu/ai-index/2025-ai-index-report
[4] https://www.mckinsey.com/capabilities/growth-marketing-and-sales/our-insights/past-forward-the-modern-rethinking-of-marketings-core
[5] https://www.microsoft.com/en-us/research/group/aiei/ai-diffusion/
[6] https://ec.europa.eu/eurostat/web/products-eurostat-news/w/ddn-20250123-3

Trends from previous years

- We see continued leadership of multinational and private sectors in AI adoption. Similar results were found in the 2024 and 2025 reports, showing that the public and NGO/Non-profit sectors have significant catching up to do to achieve AI leadership.
- In the 2025 report, approximately 60% of organisations expressed confidence in their employees' AI skills. This year, that figure has risen to 71.6%, suggesting meaningful progress in individual AI literacy. However, organisational-level AI literacy has not kept pace at 70.8%, indicating the institutional gap remains.
- The sectoral comparison presented in **Figure 5** reinforces the maturity gradient observed in the previous survey wave. While AI adoption has advanced across all sectors over the past year, the pace and depth of integration continue to vary significantly.



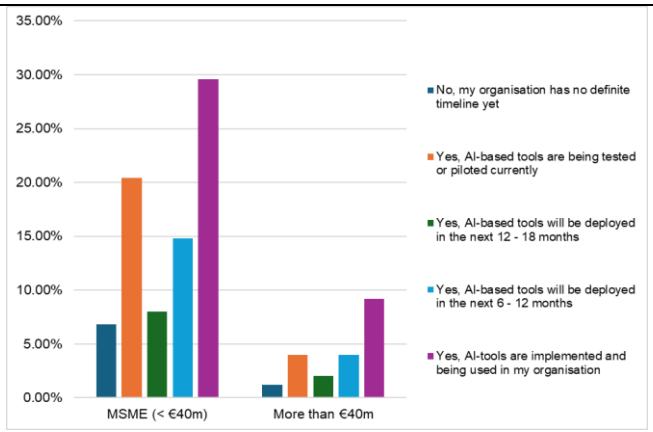


Figure 4-Current and planned implementation of AI tools within respondent organisations

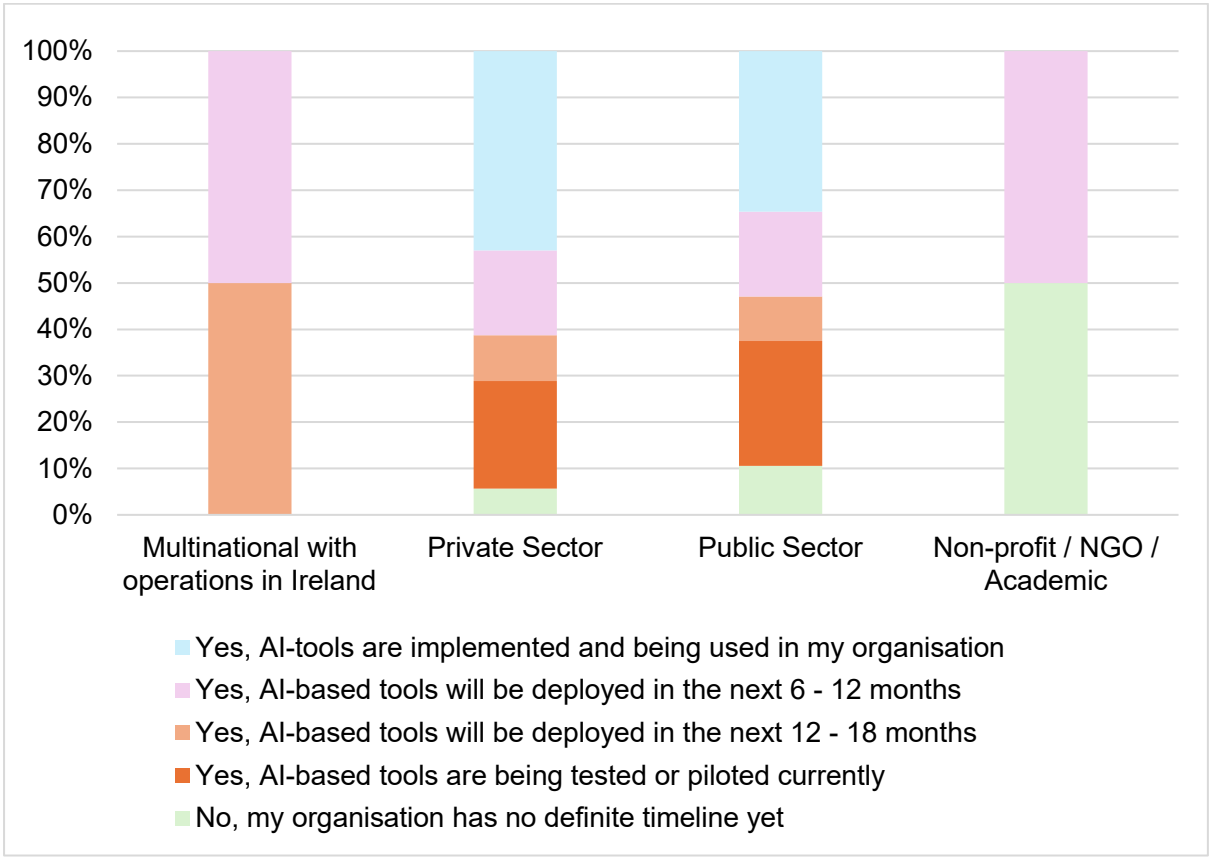


***Figure 5**- Distribution of AI adoption stages across organisational sectors*

Impact Assessment

These findings point to further consolidation of trends observed over the past two years. Last year's results highlighted a sharp reduction in outright non-adoption and a rapid increase in early-stage and software-embedded AI use[7]. The current data suggests that this momentum has continued, with a growing proportion of organisations progressing beyond pilots and timelines into sustained, operational deployment, supported by emerging governance frameworks.

This evolution aligns closely with insights from recent industry and policy reports published over the past two years, which consistently emphasise that the central challenge facing organisations is no longer whether to adopt AI, but how effectively to integrate it into existing workflows, governance structures, and decision-making processes.

However, the impact of MSMEs lagging behind could be significant for the economy, as MSMEs account for 69.2% of all employment in Ireland and contribute over 40% of gross value added to the Irish economy — and represent approximately 98% of all enterprises in Ireland[8]. As such, a 25% difference would be a significant roadblock in enhancing productivity and growth in the country.

AI Maturity and Frontier Firms

Summary

This sectoral pattern is consistent with findings from the previous survey wave, conducted in 2024 and 2025, which identified multinational and private sector organisations as early leaders in AI maturity, with the public and non-profit sectors lagging.

2026 Findings

- The private sector similarly demonstrates strong and sustained momentum across the AI maturity spectrum at established (19%) or advanced (38%) stages of AI deployment. Across the whole sample, 57% of organisations report established or leading deployment.
- Public sector organisations continue to follow a more incremental adoption pathway, broadly in line with last year's findings.
- Multinational organisations continue to exhibit the high level of AI maturity. AI usage among multinationals is concentrated almost entirely in established and advanced stages.

As shown in **Figure 6**, AI maturity in the public sector is weighted toward early-stage adoption (38%) and Pilot activity (18%) together accounting for 56% of public sector firms. However, the interesting finding is that a notable share (38%) of public sector organisations report advanced AI deployment as well. This suggests steady progress since the previous survey, but at a slower pace, reflecting ongoing governance, procurement, and risk management constraints rather than a lack of strategic intent.

This concentration of AI maturity among multinationals and leading private firms aligns with McKinsey [9] and OECD findings[10] that AI-driven productivity gains are disproportionately captured by a relatively small group of frontier firms. This is creating a widening gap between a small group of organisations – primarily multinationals and large private firms – that have moved to advanced AI deployment, and the majority that remain at pilot or early stage. The gap is driven not by access to AI technology, but by differences in governance maturity, skills investment, and strategic integration.

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[7] Hua, Y., Li, K., Wang, R., Liu, Y., Leng, J., Wang, G., & Yan, Y. Towards Proactive and Collaborative Industrial AI Agents within the Human-Agent Interaction (HAI): A Review and Perspective. *Harvard Business Review.* *https://hbr.org/2025/11/overcoming-the-organizational-barriers-to-ai-adoption*

[8] https://www.cso.ie/en/releasesandpublications/ep/p-biidr/businessinireland2021detailedresults/smallandmediumenterprises/

[9] https://www.mckinsey.com/capabilities/quantumblack/our-insights/the-state-of-ai-how-organizations-are-rewiring-to-capture-value

[10] OECD/BCG/INSEAD (2025), *The Adoption of Artificial Intelligence in Firms: New Evidence for Policymaking*, OECD Publishing, Paris, https://doi.org/10.1787/f9ef33c3-en

Across the whole sample, only around 10% of organisations describe their AI deployment as advanced or frontier-level — operating AI tools at scale and, in some cases, deploying AI agents. While adoption is now widespread, deep integration remains concentrated among a small group of leading firms.

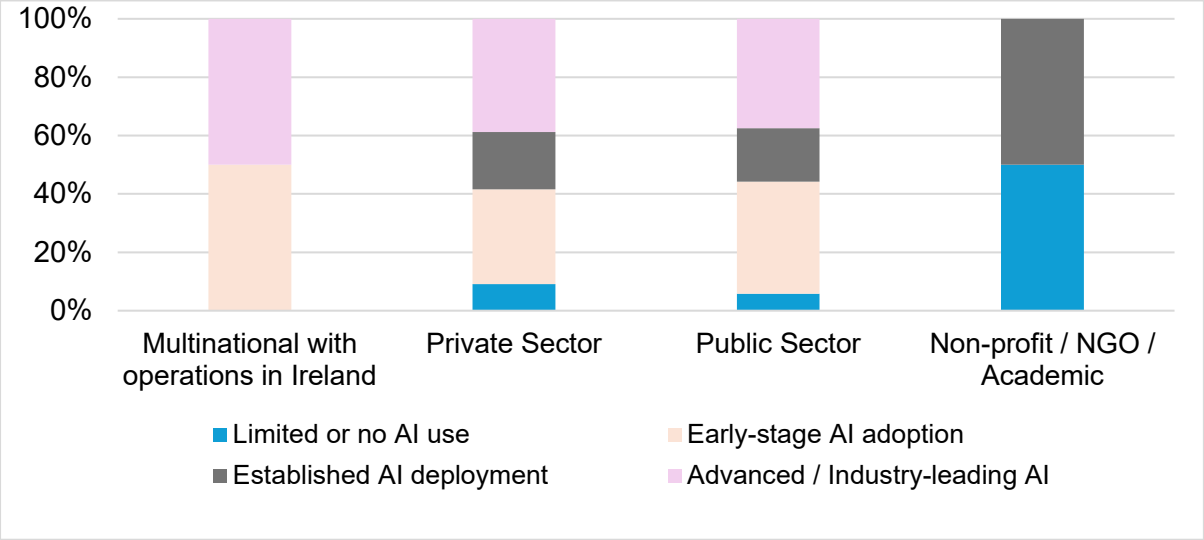

***Figure 6** - Distribution of AI maturity stages across organisational sectors*

Trends from previous years

- Findings reinforce last year's conclusion that multinational organisations have moved beyond experimentation, embedding AI as a core operational and strategic capability.
- This represents a clear progression from the previous survey wave, in which private sector adoption was already accelerating but remained more heavily weighted toward early-stage and software-embedded use.

Presented in **Table 1**, we also find very high AI usage by respondents across the industry spectrum. The public sector has the lowest AI usage amongst all industries, and only 17% respondents report using AI tools less than once a month or never. Overall, only about 12% of respondents across Ireland report using AI less than once a month, indicating that over 80% of employees use AI tools quite frequently, suggesting a very mature and high level of comfort with AI in Irish organisations.

***Table 1** - Distribution of employee AI tool usage frequency across industry sectors*[11]

Industry	Never	Less than once a month	A few times a month	Once a week	Several times a week	Once a day	More than once a day
BFSI	0.00%	6.68%	25.36%	2.66%	21.32%	2.66%	41.31%
Health	5.12%	7.69%	21.79%	7.69%	33.34%	2.56%	20.53%
Professional Services	0.00%	0.00%	40.01%	20.02%	39.97%	0.00%	0.00%
Public Services	10.79%	6.16%	13.85%	10.75%	30.80%	12.30%	15.35%
Retail	5.50%	6.84%	16.45%	15.09%	25.99%	5.50%	21.90%
Technology	0.00%	0.00%	66.66%	0.00%	33.34%	0.00%	0.00%

[11] Given the sample size and our attempts to understand this at sectoral level, it must be highlighted here that sample sizes for some industry clusters were smaller than 10 and hence the interpretations should be inferred accordingly. These sectors are technology, professional Services. This caveat applies to all subsequent figures/tables where industry level analysis is done.

	5.03%	**6.69%**	**20.40%**	**9.03%**	**28.09%**	**5.36%**	**24.40%**

AI Usage and Shadow AI Culture

Summary

This has been a consistent trend in our report over the last 2 years, indicating that employees are using AI tools despite organisational policy prohibiting their use.

2026 Findings

As shown in **Figure 7**, most organisations (92.65%) explicitly allow employees to use free or public AI tools, for work-related purposes. However, a non-trivial minority either prohibit such use (5.71%) or report having no clear policy or awareness of one (1.63%).

As illustrated in **Figure 8**,

- 82.00% of respondents report that employees in their organisation use free or public AI tools for work,
- compared with 11.20% who report no use and
- 6.80% who are unsure.

From a security and governance perspective, this has important implications: The widespread use of public AI tools increases the risk of sensitive organisational data being shared externally, particularly where usage is not governed by clear policies or controls. It also raises concerns about data privacy, confidentiality, and regulatory compliance, especially in sectors that handle personal or commercially sensitive information. In addition, high usage combined with any lack of visibility (as reflected in the "don't know" responses) suggests the persistence of shadow AI, where employees adopt tools outside formal oversight frameworks.

In **Figure 9**, where organisations explicitly allow the use of public AI tools, policy and practice are strongly aligned:

- a very high share of respondents report employee usage (over 90%),
- only 5.71% reporting non-use, and
- 1.63% indicating uncertainty.

In these organisations, permissive policy translates directly into everyday behaviour.

However, significant misalignment is evident in organisations that prohibit the use of public AI tools.

Among organisations that report a "No" policy,

- 38.71% of respondents indicate that employees are still using public AI tools, despite restrictions,
- while 51.61% report non-use and
- 9.68% are unsure.

This provides clear evidence that shadow AI remains prevalent even where usage is formally discouraged or prohibited, exposing organisations to unmanaged operational, security, and compliance risks.

The governance gap is most pronounced in organisations with no clear policy or where respondents are unsure of policy status.

In these cases,

- 41.67% report that employees use public AI tools,
- while 45.83% indicate they do not know whether such tools are being used.

This combination of high usage and low visibility points to a governance vacuum with potential security implications in which AI is actively shaping work practices without adequate oversight or accountability.

Persistence of Shadow AI

The current findings reinforce and extend patterns observed over the past two survey waves, in which the use of free or public AI tools has remained widespread across organisations. As shown in the figures, public AI tools continue to play a central role in day-to-day work practices, with 82.00% of organisations reporting active employee use (**Figure 8**), broadly consistent with last year's finding that approximately 80% of organisations were using at least one public or free AI tool.

Similar dynamics are reported internationally. McKinsey's State of AI research[12] finds that a significant share of employees use generative AI tools without formal approval or clear governance, particularly where organisational policies are unclear or overly restrictive. Microsoft's AI Diffusion research[13] further notes that countries with high AI adoption rates, such as Ireland which is currently fourth globally, often experience an initial phase where usage normalises faster than governance frameworks mature. Such high AI adoption rates are also corroborated by other surveys like Indeed's 2026jobs and hiring trend survey[14].

However, the nature of this usage is evolving. In the previous survey (published in early 2025), one of the most notable findings was the prevalence of shadow AI, where employees continued to use public AI tools even in organisations that formally discouraged or prohibited such use. The current data suggests that, while outright prohibition has declined, shadow AI remains a material issue.

As shown in **Figure 7**,

- 92.65% of organisations now explicitly allow the use of free or public AI tools for work, indicating a shift toward more permissive and pragmatic policy approaches. Nevertheless, misalignment between policy and practice persists.

Figure 9 shows that among organisations that prohibit public AI tools,

- 38.71% still report employee usage, providing clear evidence that shadow AI has not disappeared, even as formal policies evolve.

The governance gap is most pronounced in organisations without a clear policy.

Among organisations reporting no policy or uncertainty,

- 41.67% report employee use of public AI tools,
- while 45.83% indicate that they do not know whether such tools are being used (**Figure 9**).

This combination of high usage and low visibility mirrors patterns identified in last year's report and underscores that the absence of clear guidance does not prevent AI use; rather, it obscures it.

These findings suggest that:

- Shadow AI has shifted from primarily a function of restrictive policies to one increasingly driven by governance ambiguity and uneven policy maturity.
- As in previous years, the evidence points to a consistent conclusion - organisations are likely to be better served by explicitly governing and enabling responsible AI use,

[12] https://www.mckinsey.com/capabilities/quantumblack/our-insights/the-state-of-ai-how-organizations-are-rewiring-to-capture-value
[13] https://www.microsoft.com/en-us/research/group/aiei/ai-diffusion/
[14] https://www.hiringlab.org/2025/12/29/two-workforces-whos-using-ai-and-whos-getting-left-behind/

- Rather than attempting to restrict tools that employees are already embedding into their daily workflows.

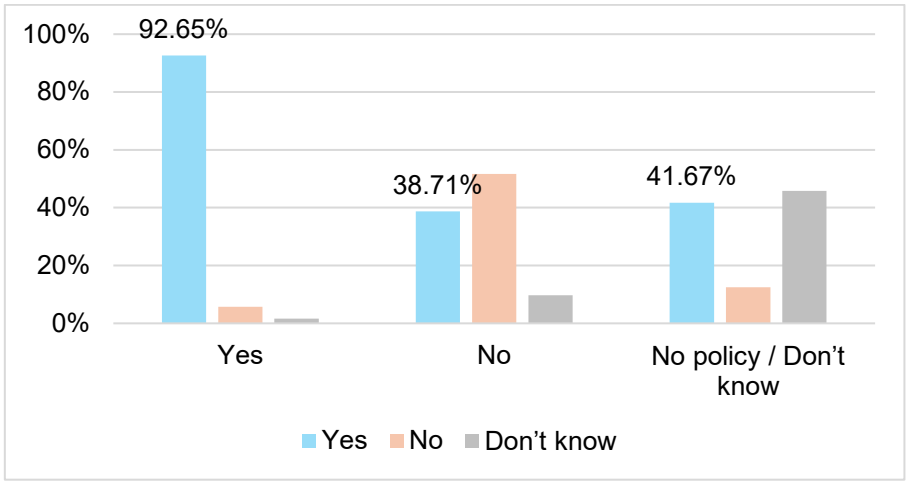

Figure 7 *- Organisational policies on employee use of free or public AI tools for work*

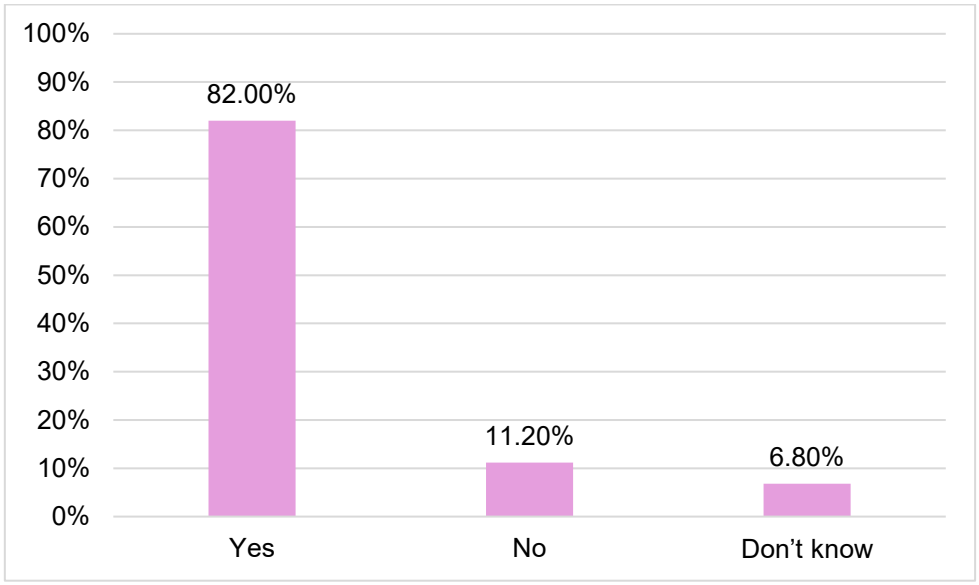

Figure 8 *- Reported employee use of free or public AI tools for work*

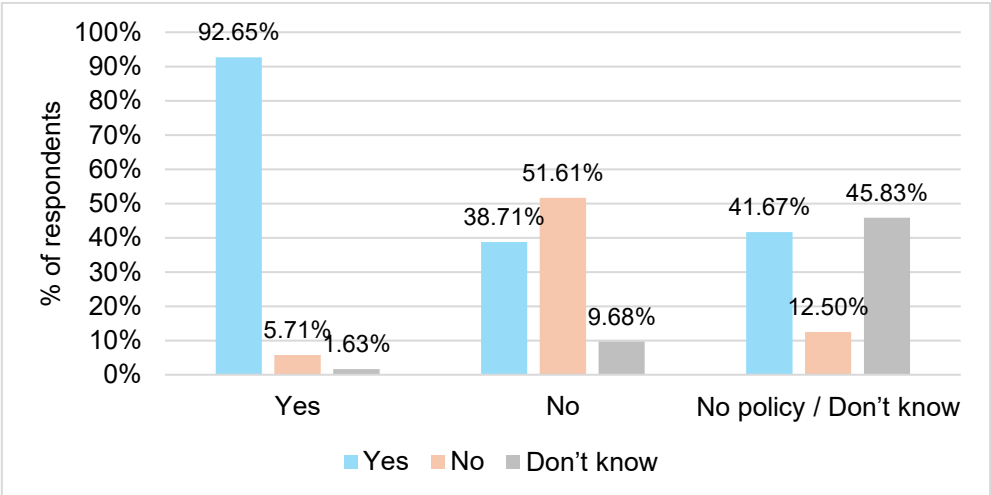

Figure 9 *- Alignment between org. policy on free or public AI tools and reported employee usage*

AI Governance and Policy Readiness

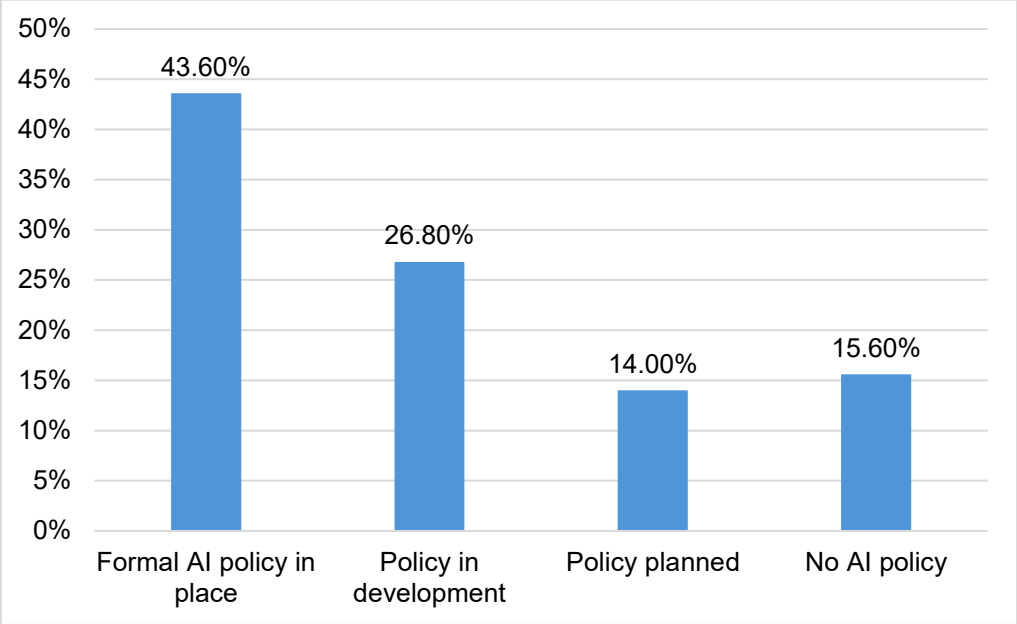

Figure 10 *- Current state of AI policy maturity across respondent organisations.*

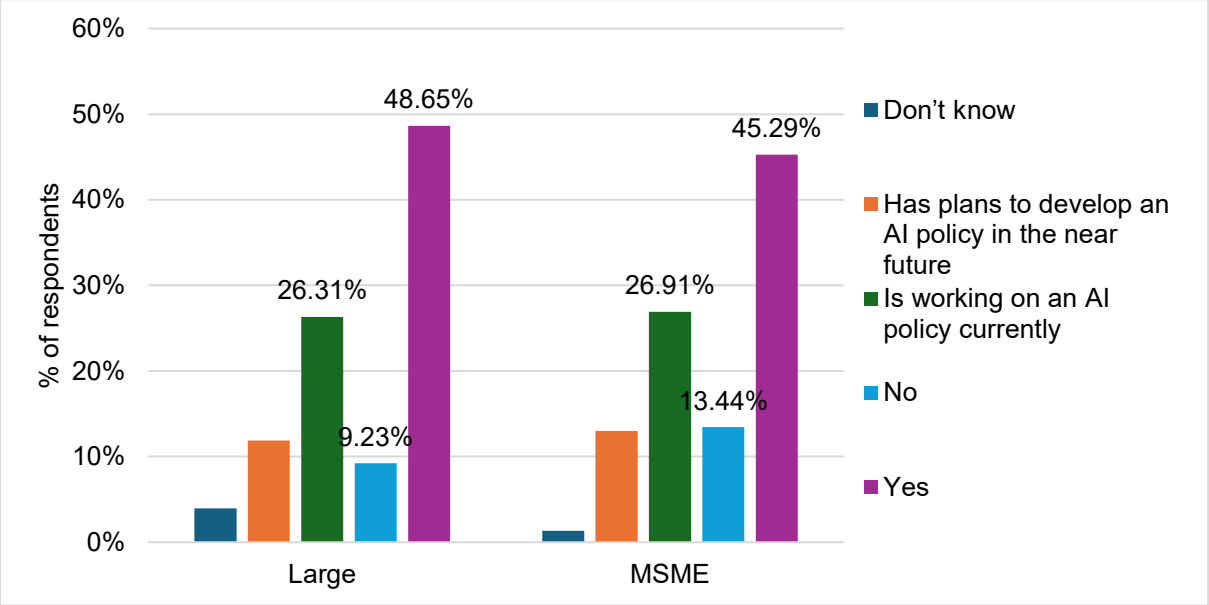

Figure 11*-Comparison of AI policy maturity between MSMEs and large organisations*

As shown in **Figure 10**,

- Just under half of organisations (43.6%) report having a formal AI policy in place,
  - indicating that AI governance frameworks are already established for a substantial share of the sample.
- A further 26.8% are actively developing an AI policy,
  - signalling strong near-term momentum toward more formalised governance arrangements.
- An additional 14% report that an AI policy is planned but not yet underway.
- However, 15.6% of organisations report having no AI policy.

It can also imply that:

- Over 50% of organisations do not yet have a formal AI policy in place, despite widespread AI adoption observed elsewhere in the survey.

This highlights a persistent governance gap at a time when regulatory expectations are rising under the EU AI Act. Organisations deploying AI systems, especially those classified as higher-risk are expected to implement clear risk management and accountability frameworks; human oversight mechanisms to monitor and intervene in AI decision-making; appropriate data governance and documentation of how AI systems are developed and used; and transparency obligations, including informing users when AI systems are in use. For many organisations, the absence of a formal AI policy suggests that these requirements are not yet systematically addressed. This creates potential exposure to compliance risks, as well as operational risks related to inconsistent AI use, insufficient oversight, and unclear accountability.

Figure 11 shows that:

- AI policy maturity is broadly converging across organisation sizes, with approximately half of both large organisations (48.7%) and
- MSMEs (45.3%) report that a formal AI policy is already in place.
- In addition, 27% of organisations in each group indicate they are actively working on an AI policy, suggesting that governance development is progressing in parallel across firm sizes.
- Only a small share of respondents in both groups report having no AI policy or no awareness of policy development.

This contrasts with last year's findings, where smaller organisations lagged more noticeably behind larger enterprises in policy preparedness. The current results indicate a degree of convergence, with MSMEs increasingly engaging in AI governance alongside deployment.

Governance maturity lags adoption:

Figure 10 and **Figure 11** reinforce a consistent theme across the survey:

- While AI adoption is already widespread, governance maturity remains uneven.
- A sizeable proportion of organisations are still developing policies or have yet to formalise governance structures, suggesting that AI governance often follows rather than leads AI adoption.
- With regulatory obligations such as the EU AI Act, this lag between usage and policy readiness represents a growing strategic and compliance risk for organisations of all sizes.

This pattern is further reinforced by **Figure 12**, which shows that the presence of an AI policy does not eliminate employee use of free or public AI tools, but it is associated with greater organisational awareness and visibility of that usage.

- Even among organisations with a formal AI policy in place,
    - 92.03% report that employees are using public AI tools, confirming that AI use is now normalised rather than experimental.
- By contrast, organisations with planned but not yet implemented policies exhibit substantially higher uncertainty,
    - with 28.95% reporting that they do not know whether employees are using public AI tools. This suggests that the primary gap in less mature governance environments is not adoption, but oversight.

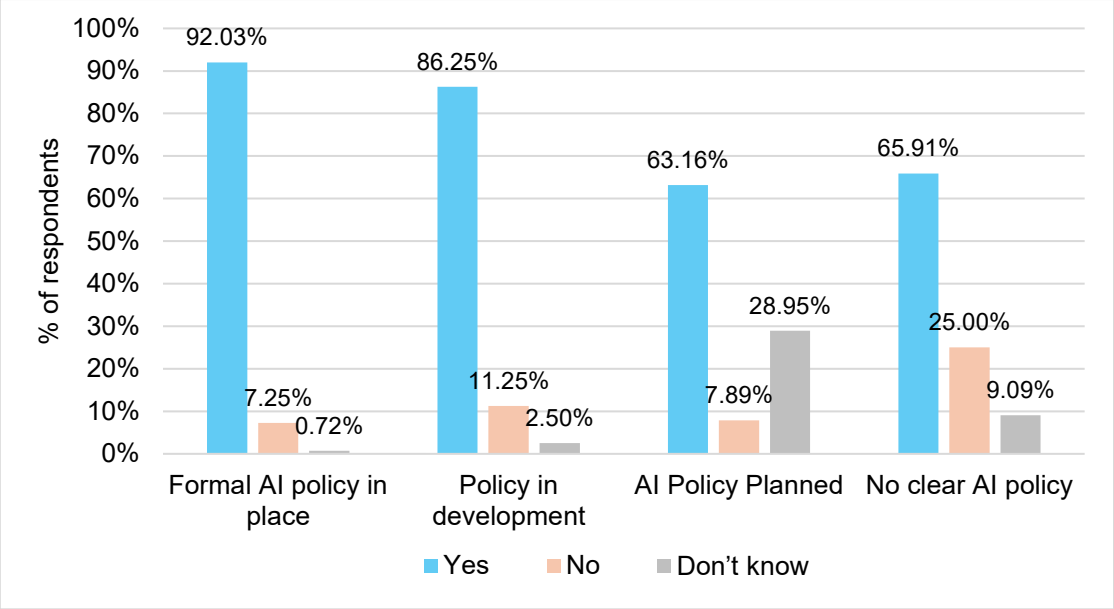

Figure 12 *- Relationship between AI policy maturity and reported employee use of free/public AI tools*

To understand how formal AI governance translates into practice, the analysis next examines the relationship between organisational size, policy permissiveness, and actual employee behaviour.

Figure 13 shows how organisational size relates to formal policies on the use of free or public AI tools for work.

- Among MSMEs (turnover below €40m), 63.00% report that employees are allowed to use public AI tools,
    - while 5.67% explicitly prohibit their use, and 6.00% report having no policy or are unsure.
- In contrast, a smaller share of the overall sample of large organisations report permissive policies,
    - with only 18.67% reporting permissive policies.
    - A further 4.67% report that public AI tools are not allowed,
    - while 2.00% report having no policy or being unsure (**Figure 13**).

Although the absolute shares of restrictive or unclear policies remain relatively small, the gap between MSMEs and larger organisations is pronounced.

Therefore, **Figure 13** indicates that:

- Organisational size influences the formality and permissiveness of AI governance.
- Smaller organisations are more likely to adopt clear, permissive approaches, while larger organisations tend to adopt more restrictive, controlled policies toward public AI tools.

Despite differences in formal policy, employee behaviour remains widespread across both groups. **Figure 14** shows that among MSMEs:

- 63.67% of respondents report that employees are using free or public AI tools,
- compared with 6.33% reporting non-use and
- 4.67% indicating uncertainty.

Looking at the gender level Ai usage from Figure 15, we find that about 70.3% female workforce is hesitant to use AI at work as against 52.3% of male workforce. This indicates a need for more targeted training exercises for female workforce to enable them to use AI more confidently. In terms of our respondents feeling AI literate, we find that 78% male feel AI literate as against 62% for females.

A similar pattern emerges by organisational size: 62% of MSME leaders report hesitancy in using AI at work, compared with 43% in large organisations. This points to a confidence gap that compounds the structural maturity gap — smaller firms face both lower deployment maturity and lower individual confidence in using AI tools, reinforcing the case for targeted skills and confidence-building interventions in the SME segment.

In larger organisations:

- 19.33% of respondents report that employees use public AI tools,
- 4.67% report that employees do not use such tools, and
- 1.33% report that they do not know (**Figure 14**).

While reported usage remains high, low levels of "don't know" responses across both groups suggest generally good visibility into employee use of public AI tools.

Jointly, **Figure 13** and **Figure 14** show that:

- Although larger organisations are more likely to adopt restrictive or controlled policies, employee use of public AI tools remains widespread.
- The findings reinforce a consistent theme across the survey: differences by organisational size relate more to governance and visibility than to actual AI adoption.
- Highlights the persistence of shadow AI risks even in larger, more structured organisations.

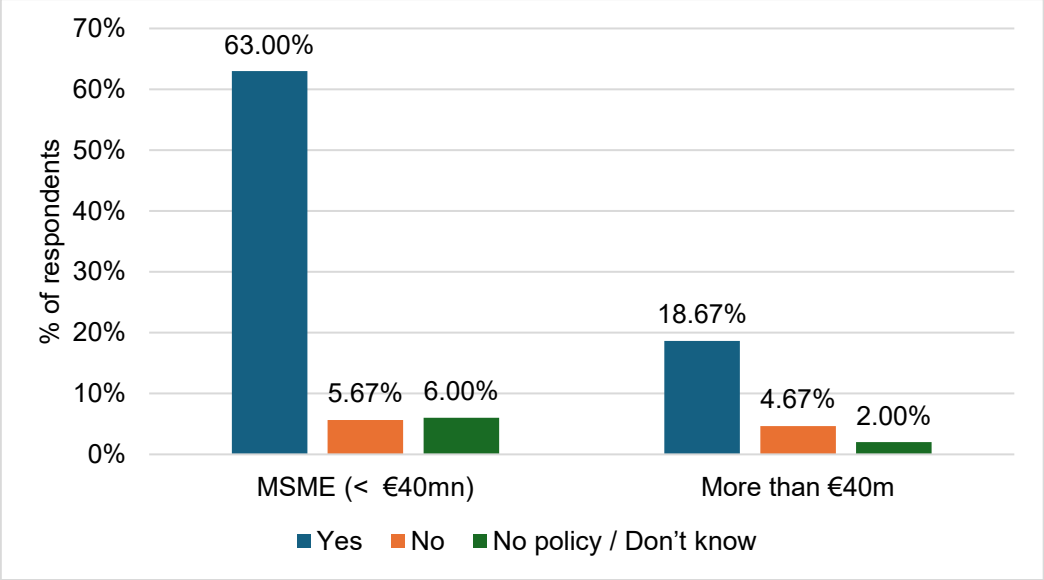

***Figure 13** - Organisational size and policies on free/public AI tools*

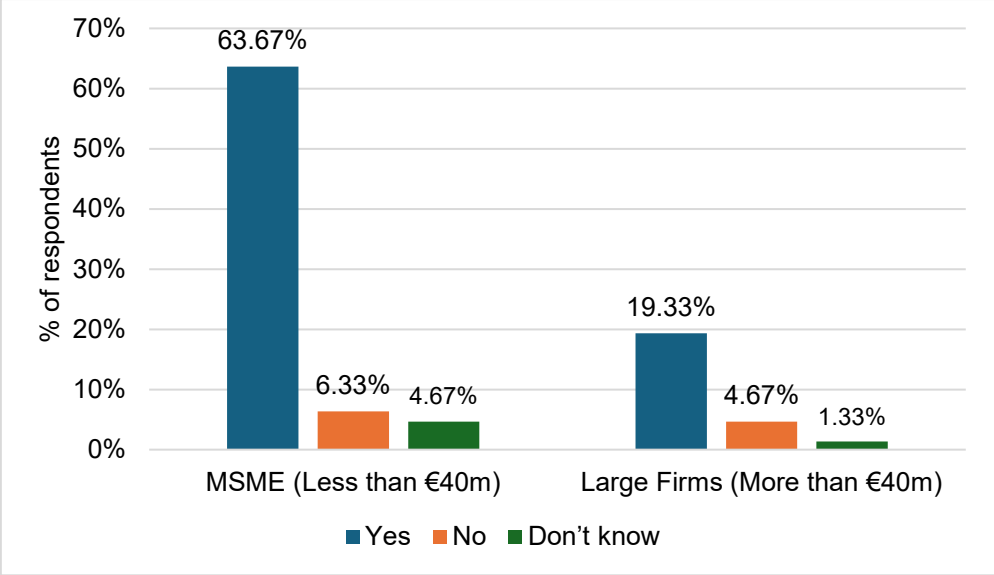

Figure 14 *- Employee use of free/public AI tools by organisation size*

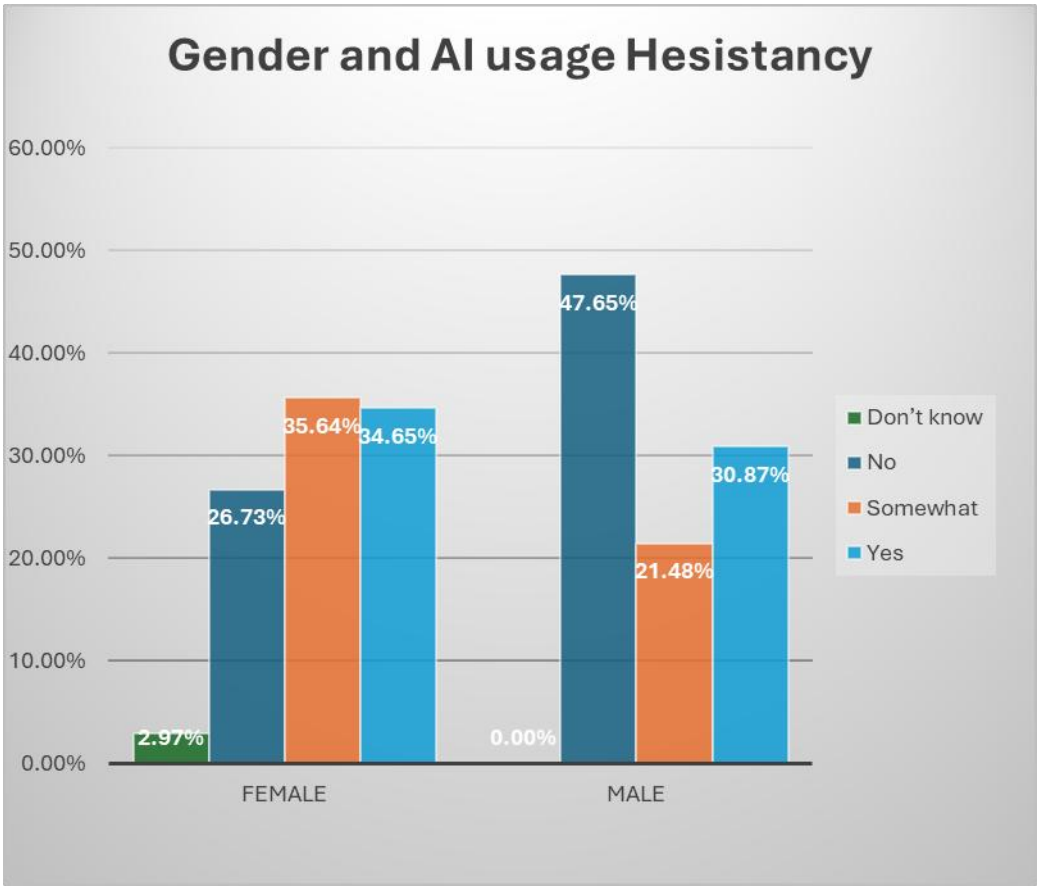

Figure 15 *- Employee use of free/public AI tools by organisation size*

AI Oversight mechanisms

Figure 16 illustrates the types of AI oversight mechanisms reported by respondent organisations.

- Human oversight of important AI decisions is the most reported form of oversight (47%), followed by:
- Testing of AI systems prior to deployment (42%);
- Ongoing monitoring of AI usage (32%);
- Documentation of how AI systems work or are applied in practice (32%);
- Formal AI policies are reported by a smaller share of organisations (25%);
- In contrast, a small minority of respondents (4%) indicates uncertainty regarding how AI oversight is implemented within their organisation.

Therefore, the pattern suggests a strong emphasis on operational and procedural controls, alongside a substantial reliance on human oversight. However, the relatively lower prevalence of formal policies suggests that these mechanisms are not yet fully embedded within coordinated governance frameworks. This mirrors findings from previous survey waves, where technical controls tended to precede the formalisation of governance roles and responsibilities.

Figure 17 shows the distribution of AI oversight maturity across organisations, measured as the number of distinct oversight mechanisms in place. Organisations are grouped into three categories:

- minimal oversight,
- moderate oversight, and
- mature oversight.

Most organisations exhibit low levels of AI oversight maturity:

- Just over half (53%) fall into the minimal oversight category, reporting zero or one oversight mechanism.
- A further 40% are classified as having moderate oversight, with two or three mechanisms in place.
- Only 7% of organisations demonstrate mature oversight, reporting four or more oversight mechanisms.

These findings indicate that:

- While AI oversight is present in many organisations, it is often implemented in a fragmented manner.
- Oversight tends to rely on individual operational controls rather than coordinated, organisation-wide governance frameworks with clearly defined human accountability.
- This pattern highlights a gap between the growing use of AI technologies and the maturity of governance structures designed to oversee them.

Figure 18 compares AI oversight maturity across organisation size. The findings indicate that oversight maturity does not increase consistently with organisation size and remains limited across both groups.

- Minimal AI oversight is the dominant model across both groups, accounting for 51% of MSMEs and 61% of large organisations.
- Mature AI oversight remains rare across all organisations, reported by approximately 7% of MSMEs and 6% of large organisations.
- Moderate oversight is more prevalent among MSMEs (42%) than large organisations (33%), suggesting that some smaller firms are progressing toward more structured governance arrangements.

Therefore, the findings indicate that:

- AI adoption is outpacing governance maturity, particularly among SMEs.

- Even as AI becomes embedded in business operations, most organisations, regardless of size, continue to operate without comprehensive oversight frameworks, highlighting a clear governance gap as AI use scales.

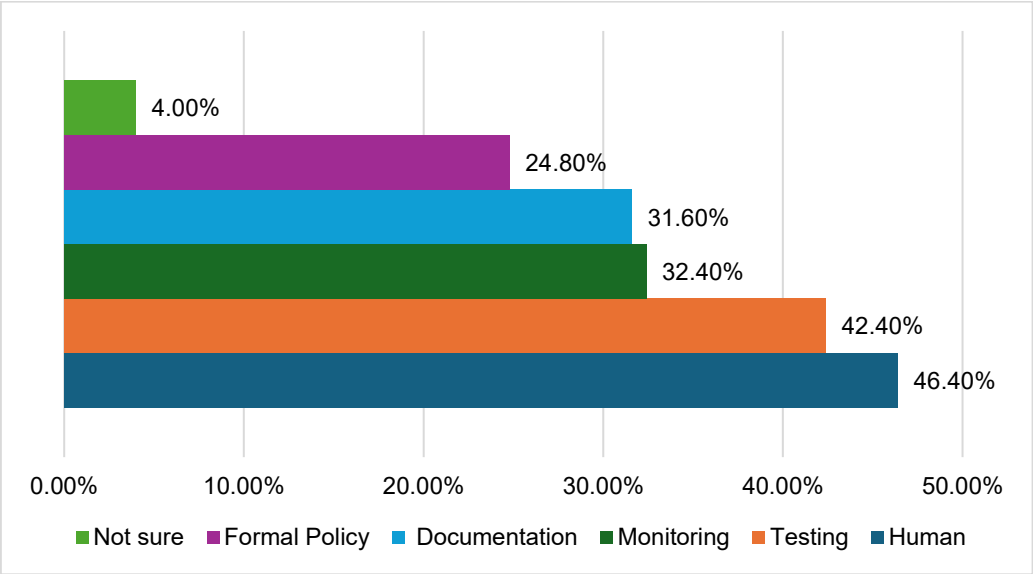

Figure 16 *- Types of AI oversight mechanisms reported by respondent organisations*

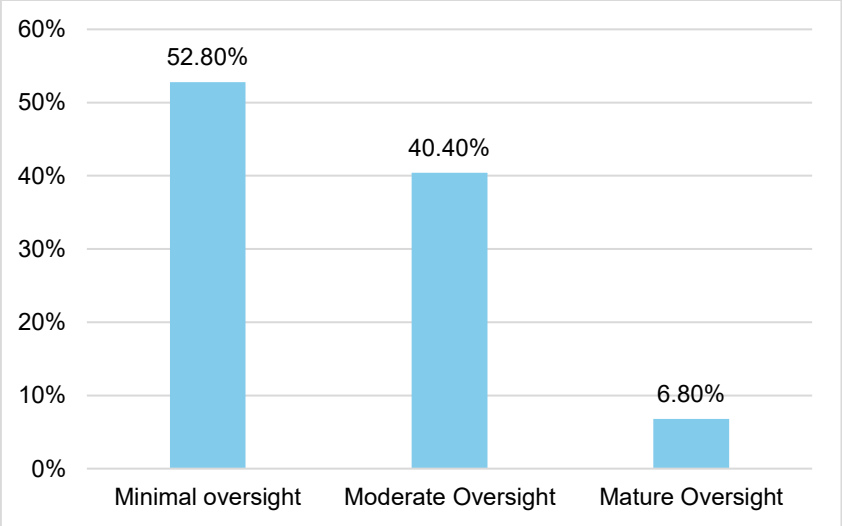

Figure 17 *- Distribution of organisations by AI oversight maturity level*

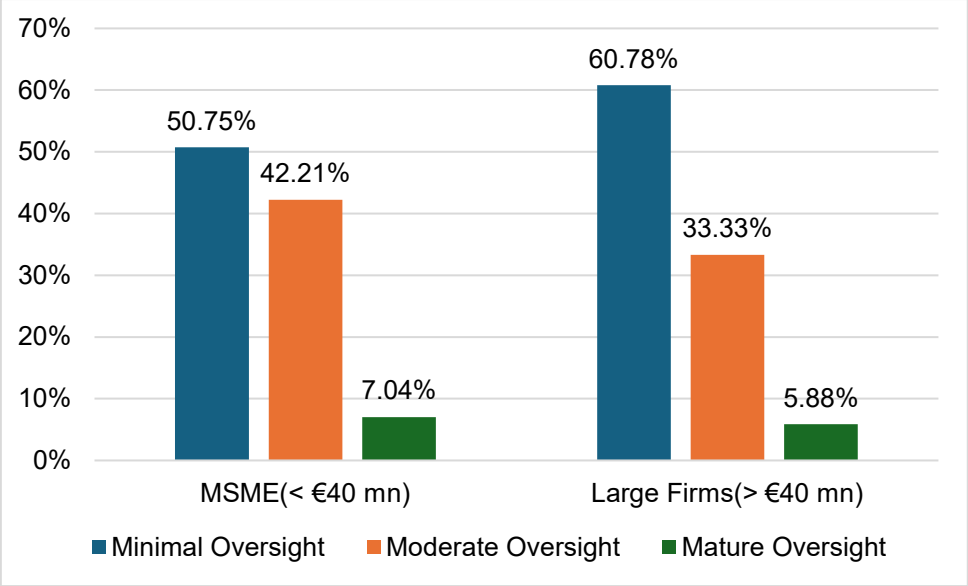

***Figure 18** - Comparison of AI oversight maturity between MSMEs and large organisations*

Impact of AI on organisational productivity

Figure 19 shows organisations' self-reported assessment of the productivity impact of AI to date:

- Most organisations report some level of productivity improvement, with moderate improvements being the most common outcome.
- A further substantial share reports small improvement, indicating incremental gains across specific processes or teams.
- A smaller number of organisations report significant productivity improvements, suggesting that transformative gains are currently concentrated among a minority of respondents.
- At the same time, a notable proportion of organisations indicate no measurable improvement yet or that it is too early to assess impacts, reflecting the early stage of AI adoption for many organisations.
- Overall, approximately 77% of organisations report some level of productivity improvement from AI adoption, highlighting the broad-based but uneven impact of AI on organisational performance.

Therefore, the findings suggest that while AI is beginning to deliver productivity benefits across a broad range of organisations, these benefits are more often incremental rather than transformational at this stage.

Figure 20 shows whether AI adoption has led to the creation of new AI-related roles or teams within organisations. The results indicate that:

- Most organisations have not yet translated AI adoption into formal workforce expansion.
- Only 10% of organisations report having created new AI-related roles or teams,
- While the vast majority (90%) indicate that no such roles have been established.

From **Figure 21**, we also find that a higher proportion of firms with a formal AI policy in place report moderate to significant productivity gains (29.6%) as against firms with no AI policy in place[15] (2.8%) an approximately 10x ratio.

Notably, where MSMEs do invest in AI capability, the returns can be disproportionate: 18% of MSMEs report significant productivity gains from AI, compared with 8% of large organisations. This

[15] The number of firms reporting no AI policy was small at n=33.

suggests that smaller firms with strategic AI commitment can outperform larger peers in realised value, even as fewer SMEs make that commitment overall.

This suggests that, for most organisations, AI-enabled innovation is being absorbed into existing roles and organisational structures rather than driving the formation of dedicated AI teams or specialist hiring.

Combining with earlier findings on productivity and innovation outcomes, this pattern indicates that:

- AI adoption is currently delivering operational and competitive benefits primarily through augmentation of existing work rather than through large-scale organisational restructuring or workforce transformation.
- As AI use matures and governance and oversight requirements increase, the creation of more specialised AI roles may emerge over time, but at present, such changes remain limited across the sample.

OECD evidence shows that early AI productivity gains are often incremental and concentrated among leading adopters, before broader transformational impact emerges[16]. OECD analysis[17] finds that incremental productivity improvements from AI are far more common than transformational gains, reflecting how AI augments daily tasks before reshaping entire business models.

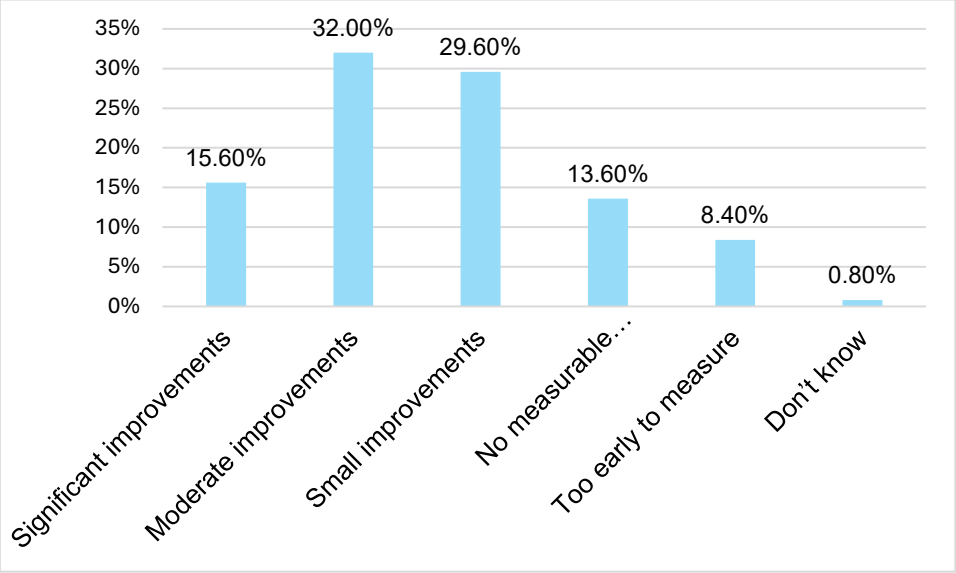

Figure 19 *- Perceived impact of AI adoption on organisational performance*

[16] https://www.oecd.org/en/topics/digital.html
[17] OECD/BCG/INSEAD (2025), *The Adoption of Artificial Intelligence in Firms: New Evidence for Policymaking*, OECD Publishing, Paris, https://doi.org/10.1787/f9ef33c3-en

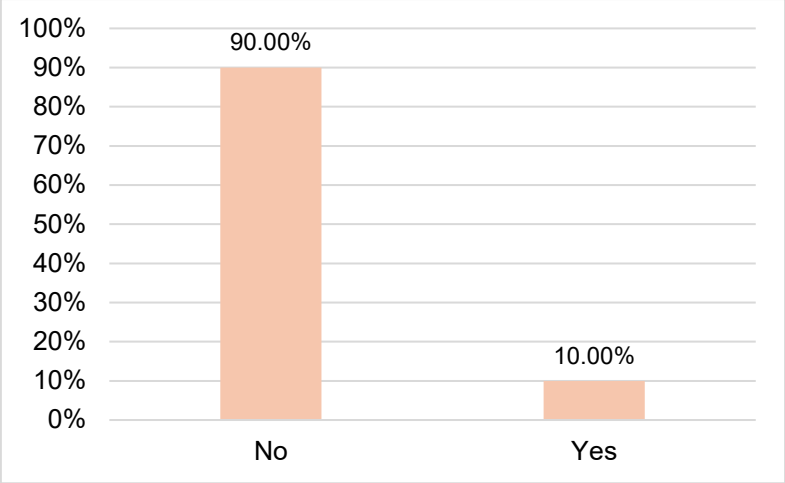

Figure 20 *- Share of organisations reporting the creation of new AI-related roles or teams*

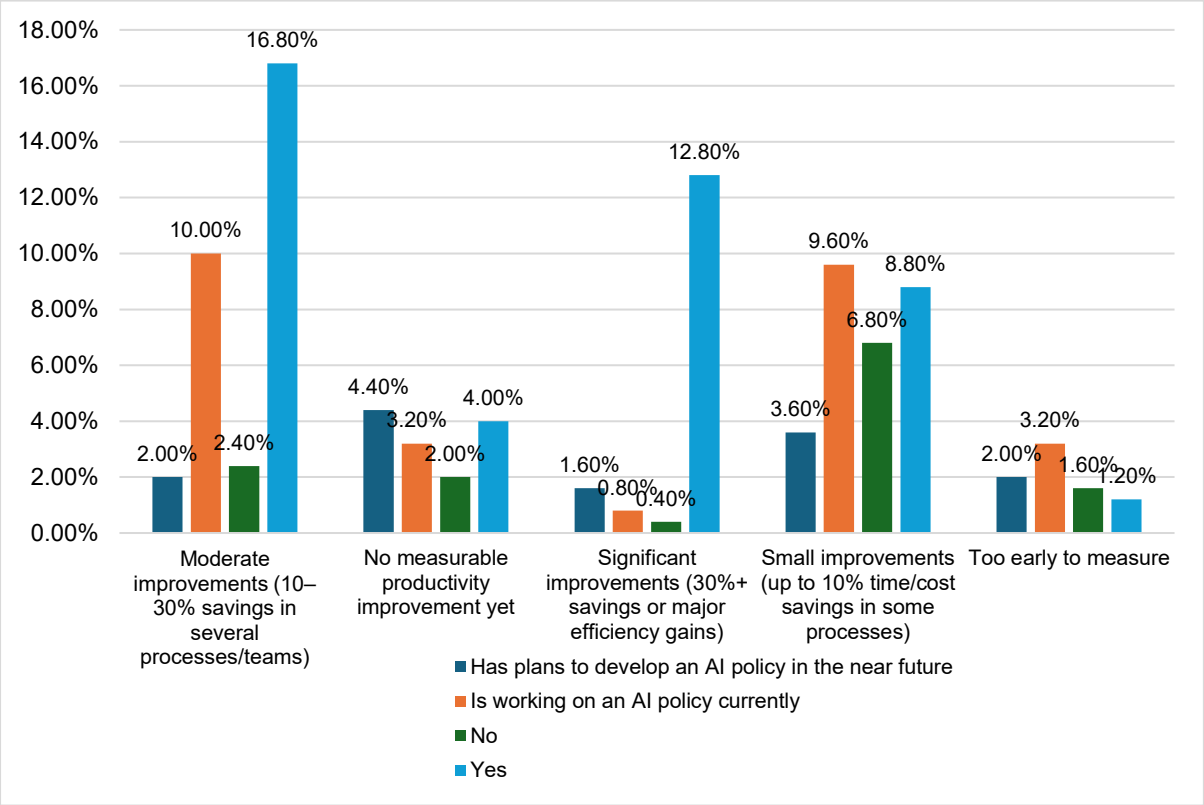

Figure 21 *– Productivity versus AI policy*

Time, Skills and AI Readiness

Figure 22 explores the reported impacts of AI on drivers of the “infinite workday.” Around 72% of respondents report a reduction in meeting-related tasks, while 66% report reductions in email-related work. Improvements in focus and task management are reported by 48% of respondents, while reductions in messaging and interruptions are reported by 34%. Finally, 17% report no clear impact or uncertainty. Among AI users (n=220), 26% report reduced evening or weekend work, and 32% (79/250) say AI makes it easier to meaningfully ‘switch off’.

AI is also widely reported to reduce overall workload, with 70% of respondents indicating a reduction in total work demands.

- This suggests that AI-driven productivity gains are extending beyond individual tasks and are increasingly perceived at a broader level of work intensity.
- Improvements in focus and task management are reported by 48% of respondents, indicating that AI is beginning to support more structured and intentional work patterns.
- However, reductions in messaging and interruptions (such as instant messaging and context switching) are reported by a smaller share (34%), suggesting that AI has had a more limited impact on real-time communication overload. This suggests that AI's productivity benefits are currently most effective at the task and preparation level – helping with document drafting, meeting preparation, and information synthesis – rather than reducing the volume of real-time communication demands, which remain structurally embedded in modern work patterns.
- This indicates that while AI may reduce workload and improve efficiency, it does not yet fully address the fragmentation of work caused by constant interruptions.
- Finally, 17% of respondents report no clear impact or uncertainty, indicating that AI benefits are not yet universal and may depend on role, usage maturity, and the level of organisational support provided.

Figure 23 shows respondents' perceptions of the extent to which AI has reduced the "infinite workday," defined as extended working hours, constant connectivity, and work spilling beyond formal boundaries. Most respondents report some degree of reduction, although the impact is generally incremental rather than transformational. Overall, approximately 94% of respondents (among AI users) report some degree of reduction in the "infinite workday," highlighting the widespread perceived impact of AI on working patterns. Here it must be noted that impact of AI is visible but most reductions are in small-to-moderate range.

- The most common outcome is a moderate reduction of 10-30%, reported by 45.89% of respondents.
- A further 38.16% report a small reduction of up to 10%, suggesting that AI is helping to alleviate workload pressures at the margins rather than fundamentally reshaping work patterns for many employees.
- Larger reductions are less common:
    - 9.66% report a large reduction of 30-50%,
    - while very significant reductions (50% or more) are rare, reported by just 0.48% of respondents.
    - Only 5.80% of respondents report no noticeable change, indicating that outright lack of impact is relatively uncommon among organisations using AI.

These findings align closely with organisational AI readiness research, which shows that AI delivers value first through incremental efficiency gains in coordination, communication, and routine tasks, with deeper productivity and work redesign benefits emerging only as data, skills, and governance maturity improve[18].

[18] Jöhnk, J., Weißert, M., & Wyrtki, K. (2021). Ready or not, AI comes—an interview study of organizational AI readiness factors. *Business & Information Systems Engineering*, *63*(1), 5-20.

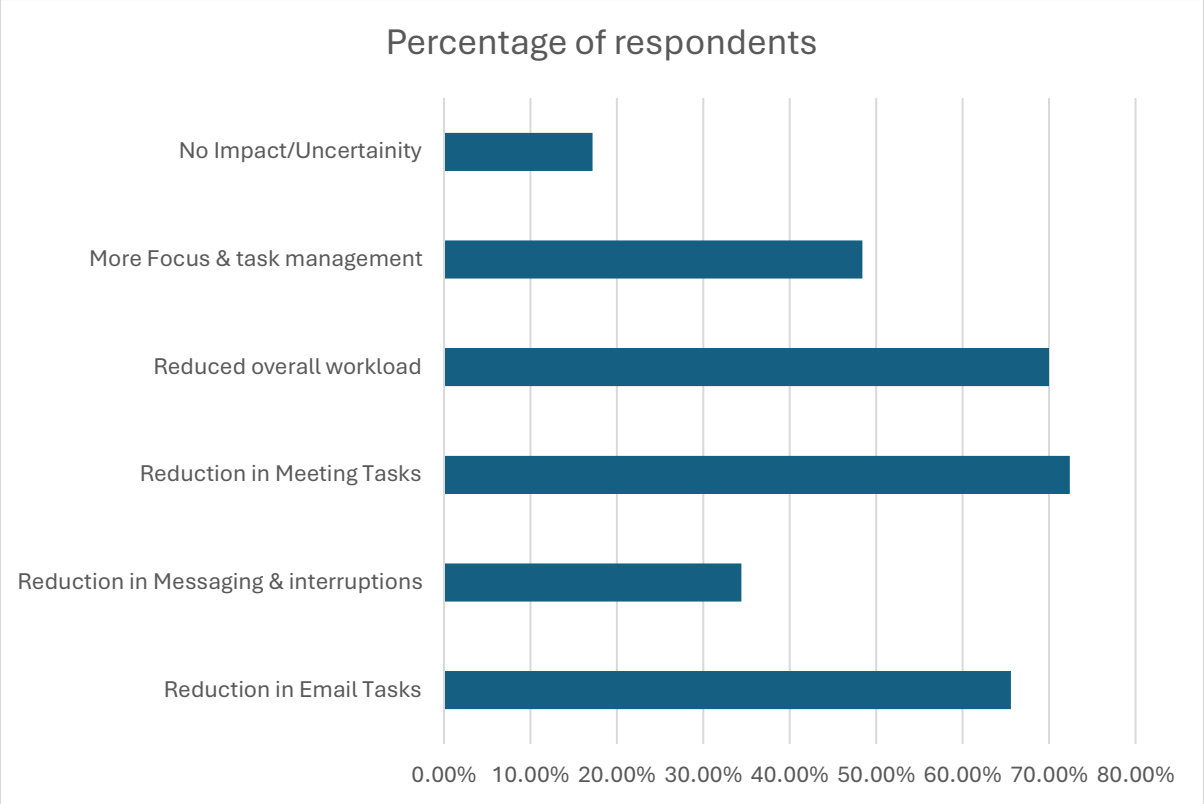

Figure 22 *- Reported ways in which AI has changed day-to-day work patterns for employees*

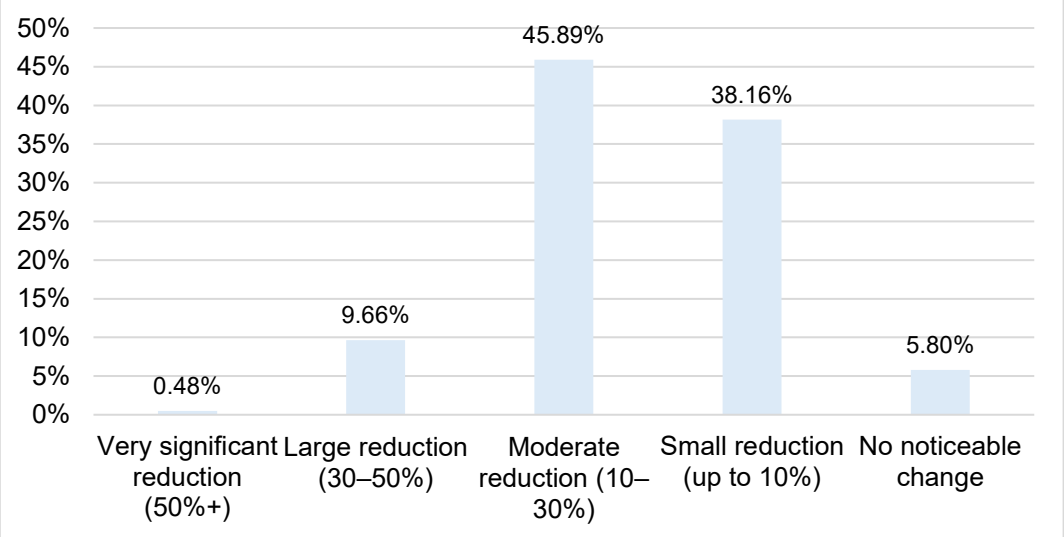

Figure 23 *- Degree of reduction in the "infinite workday"*

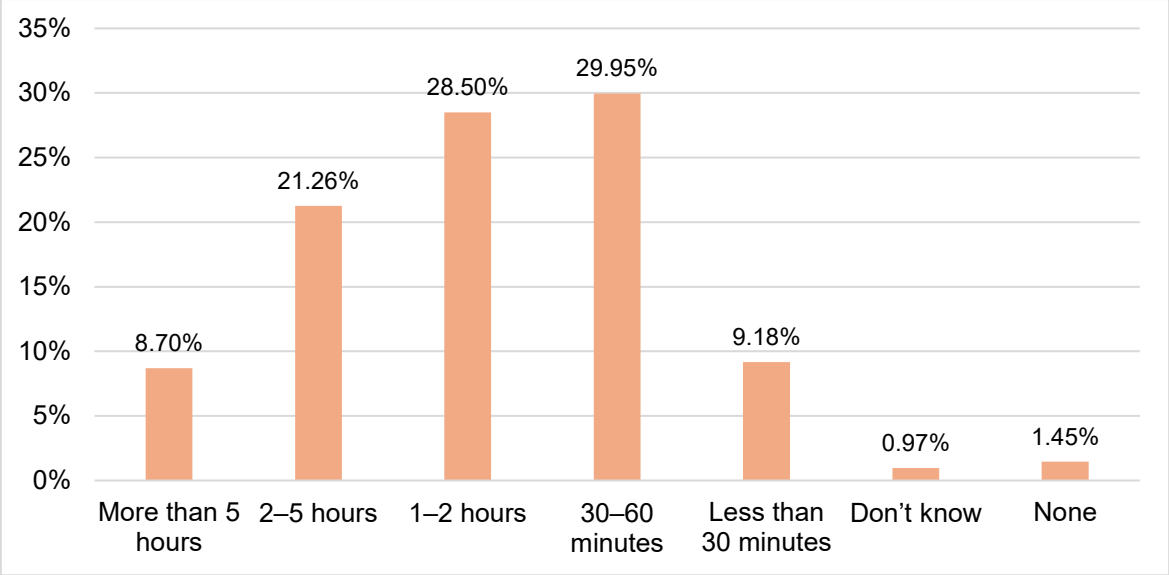

Figure 24 *- Estimated time saved per week through AI*

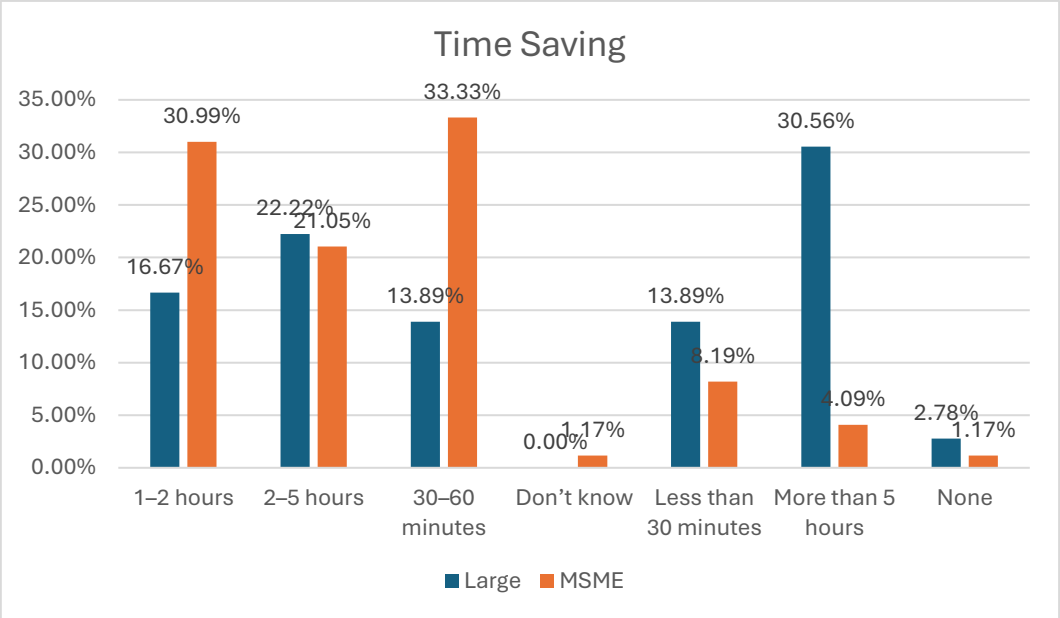

Figure 25 *- Estimated weekly time savings from AI by organisation size (computed on the number of RoI respondents answering the question, n=207)*

Figure 24 shows respondents' estimates of how much time AI saves them each week. A substantial share of large organisations reports higher levels of time savings: 22.86% save 2-5 hours per week, while 31.43% report saving more than 5 hours, indicating deeper integration of AI in certain roles or functions. Therefore, the findings indicate that AI is delivering meaningful but generally modest time savings for most employees, reinforcing the broader picture of incremental productivity gains rather than radical transformation.

- The most common response is 1-2 hours saved per week, reported by 28.50% of respondents. This suggests that AI is most often used to streamline routine, repetitive, or coordination-heavy tasks rather than to eliminate entire blocks of work.
- A further 30% report saving 30-60 minutes per week, indicating that light-touch efficiency gains are widespread across roles and organisations.

- A smaller but still notable share of respondents reports more substantial savings. Around 21.26% indicate saving 2-5 hours per week, pointing to deeper integration of AI into workflows for certain functions or use cases.
- Only 8.70% report saving more than 5 hours per week, suggesting that transformative time savings remain limited to a minority of users.

Taken together, 58.5% of respondents report time savings of one hour or more per week (28.5% saving 1–2 hours, 21.3% saving 2–5 hours, and 8.7% saving more than 5 hours). This indicates that meaningful productivity gains are now broadly distributed across the workforce, even where transformational savings remain concentrated.

These results suggest that:

- AI is most commonly experienced as a supportive efficiency tool, shaving time off everyday activities such as email handling, meetings, and task coordination.
- While significant time savings do occur for some users, the dominant pattern is one of accumulated small gains, which aligns closely with the moderate reductions in the "infinite workday" reported in **Figure 23**.

Next, we look at the estimated weekly time savings from AI. **Figure 25** compares estimated weekly time savings from AI between MSMEs (turnover below €40m) and large organisations (turnover above €40m). The results show clear differences in both the scale and distribution of reported time savings.

Among MSMEs, time savings are concentrated in the moderate range.

- The most common outcomes are savings of 30-60 minutes (33.33%) and 1-2 hours (30.99%) per week, indicating that AI is primarily used to streamline routine tasks and coordination activities.
- A further 21.05% of MSMEs report saving 2-5 hours, suggesting that a meaningful minority have begun to integrate AI more systematically into workflows.
- Only 4.09% of MSMEs report saving more than five hours per week, reinforcing the view that transformational gains remain rare in smaller organisations.

By contrast, large organisations display a more polarised pattern of outcomes.

- A substantial share reports significant gains: 22.22% save 2-5 hours per week, and 30.56% report saving more than 5 hours, indicating deeper integration of AI in certain roles or functions.
- At the same time, fewer large firms report savings in the 30-60 minute range (13.89%), suggesting that AI use in larger organisations is less concentrated in incremental gains and more unevenly distributed.

This pattern is echoed in real-world organisational practice, such as a UK Government case[19] where developers using AI reported saving an average of **28 days per year** in productivity through routine automation and coding assistance, illustrating how AI often delivers measurable time savings in coordination and routine tasks before broader transformation occurs.

[19] https://www.gov.uk/government/news/government-coders-using-ai-to-each-save-28-days-a-year-and-build-more-tech

AI Adoption and Time Savings

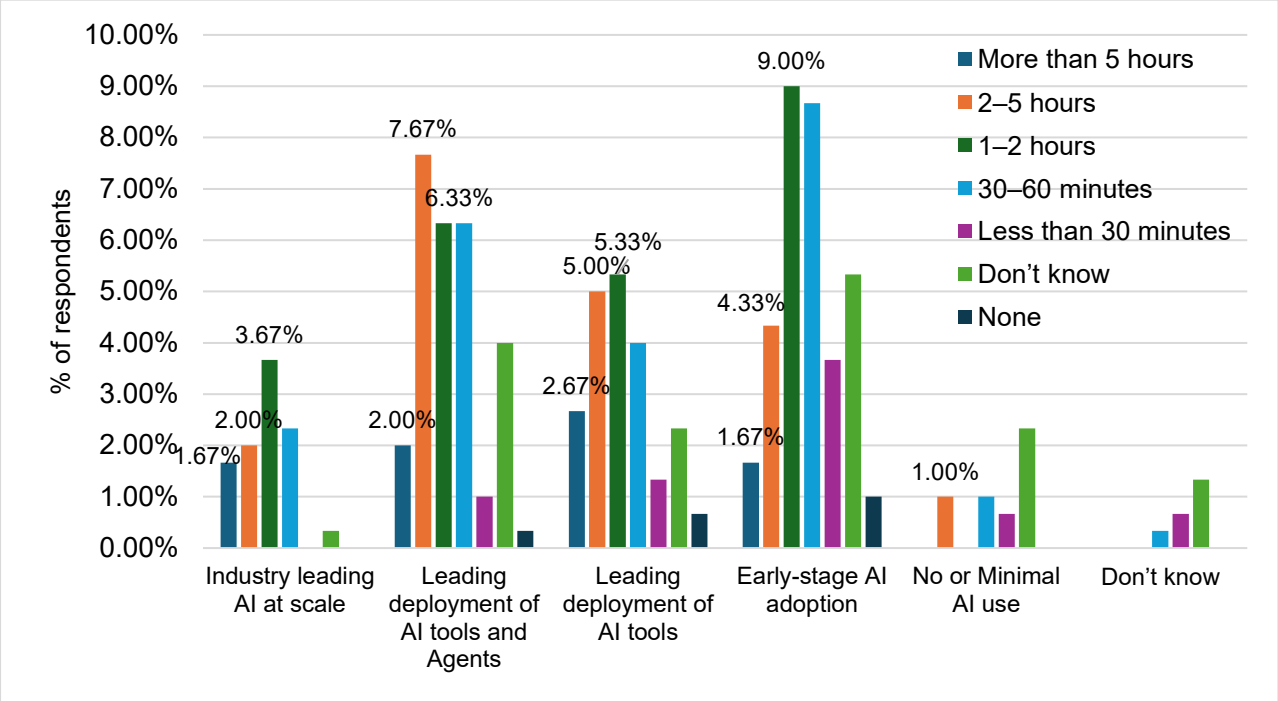

***Figure 26** - Relationship between organisational AI adoption maturity and weekly time savings from AI use*

Figure 26 links organisations' AI adoption stage to self-reported time saved per week, providing direct evidence that productivity gains accrue primarily to organisations that have moved beyond early or minimal AI use.

A general pattern emerges across adoption stages:

- **Industry leaders deploying AI tools and agents at scale show relatively stronger representation in higher time-saving categories**.
    - Respondents in this group are disproportionately represented in the higher time-saving categories (2–5 hours and more than 5 hours per week).This suggests that advanced, integrated AI use delivers meaningful time savings beyond marginal efficiency gains.
- **Organisations leading in AI deployment (with or without agents) also report substantial productivity benefits.**
    - A significant share of respondents in these categories report saving between 1-2 hours and 2–5 hours per week.
    - Suggesting that even without full agentic or at-scale deployment, mature operational use of AI is already translating into tangible efficiency improvements.
- **Early-stage adopters report more modest and uneven gains.**
    - While many still report saving time, responses are concentrated in the 30-60 minutes and 1-2 hours ranges, with fewer organisations achieving higher-order time savings.
    - This reflects experimentation and partial integration rather than systematic redesign of workflows.
- **Organisations with no or minimal AI use show the weakest productivity outcomes**.
    - Time savings in this group are limited, sporadic, or absent, reinforcing the finding that productivity gains are not automatic but depend on deliberate adoption and use of AI tools.

- "Don't know" responses are small across all categories and do not materially affect the overall pattern, suggesting respondents generally have good visibility into AI's impact on their work.

Therefore, summarising the findings, AI is already delivering productivity benefits, but transformational time savings are primarily realised by organisations that move beyond early adoption toward mature, embedded, and operational AI use.
Looking ahead, organisations using AI project an average operational cost saving of approximately 15% over the next 12 months, with nearly three in ten respondents (~30%) expecting savings of 20% or more. These projections suggest growing business confidence that AI's impact will extend beyond time savings into measurable financial returns, consistent with broader productivity research that highlights the next phase of AI value creation as one of translating efficiency into bottom-line economic gains.

AI Literacy

Figure 27 shows respondents' self-reported AI literacy at the individual level.

- Overall, perceived individual AI literacy is high. Nearly three-quarters of respondents (71.6%) either strongly agree (17.60%) or agree (54%) that they have sufficient AI literacy to engage with AI tools in their work. Breaking down by gender we see 77.9% male and 62.4% female feel AI literate.
- A further 20.40% report a neutral stance, while only 8% express disagreement (6.00% disagree; 2% strongly disagree).

This suggests that, at the individual level, confidence in understanding and using AI is widespread.

By contrast, **Figure 28** indicates a more cautious assessment of AI literacy at the organisational level.

- While a majority still report positive perceptions, the share is lower than at the individual level.
- Around 70.80% of respondents either strongly agree (18.00%) or agree (52.00%) that their organisation has sufficient AI literacy.
- However, a larger proportion report neutrality (23.60%) compared with individual self-assessments, and 5.60% express disagreement (5.20% disagree; 0.40% strongly disagree).

Therefore, a consistent gap exists between individual capability and organisational readiness.

- While employees generally feel confident in their own AI literacy, organisations are perceived as less uniformly equipped to support, govern, and scale AI use.
- This aligns with earlier findings on governance maturity and oversight, reinforcing the view that skills and awareness are often developing faster at the individual level than through formal organisational processes.

This individual-organisational AI literacy gap reflects concerns raised in recent global research, which warns that uneven AI literacy risks creating a new digital divide within organisations, where individuals adopt AI faster than institutions can support or govern it[20]. Similar patterns are observed in workforce studies, which show that while employees, particularly younger cohorts, are increasingly confident using AI tools, organisations often lag in providing structured training, guidance, and governance frameworks[21].

[20] https://www.unesco.org/ethics-ai/en/articles/ai-literacy-and-new-digital-divide-global-call-action
[21] https://www.ey.com/en_gl/newsroom/2024/12/new-ey-survey-reveals-crucial-ai-literacy-training-needs-among-gen-z-workforce

Comparison with Previous Reports

This gap between individual capability and organisational readiness is consistent with, yet also builds on, last year's findings. The previous reports identified skills and training as a key constraint on AI adoption, noting that organisations faced difficulty recruiting suitably trained staff and lacked sufficient internal and external training mechanisms.
It also found that awareness of available AI resources within organisations was low, suggesting that even where capability existed, it was not effectively communicated or embedded.

In the 2025 follow-on study, while organisational support improved (e.g., more firms allocating resources and leadership backing AI), only around 55% of organisations had dedicated AI roles and ~60% had defined business cases, indicating that structured capability-building was still catching up with adoption.

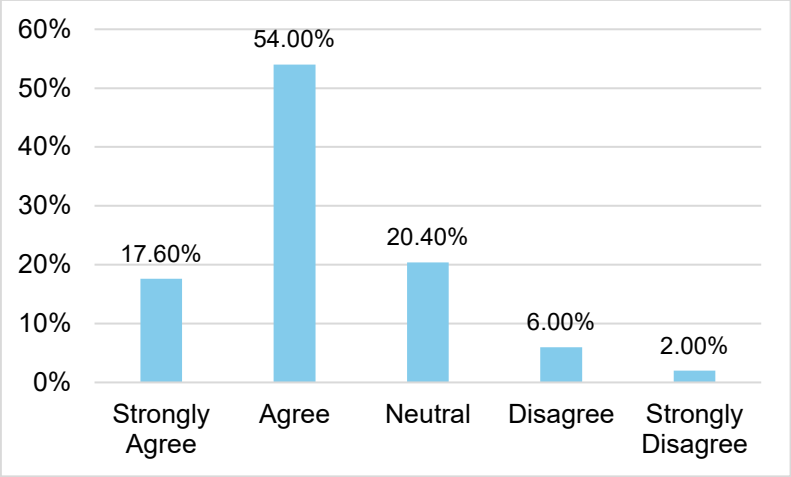

***Figure 27** - Self-reported AI literacy at the individual level*

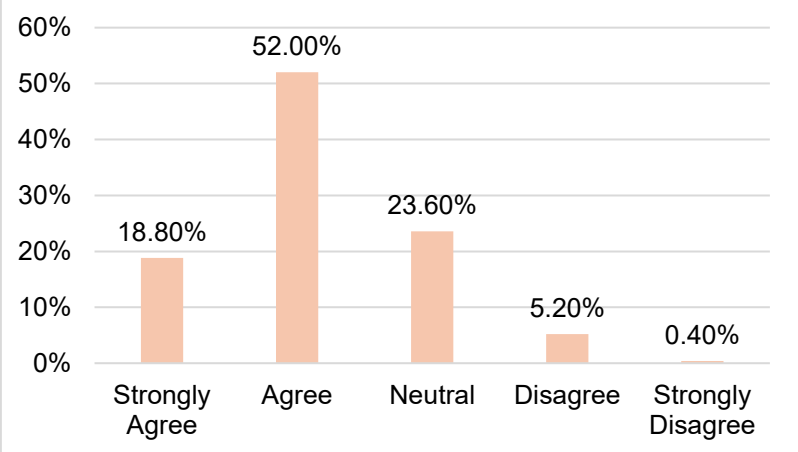

***Figure 28** - Perceived AI literacy at organisational level*

AI training and reshilling

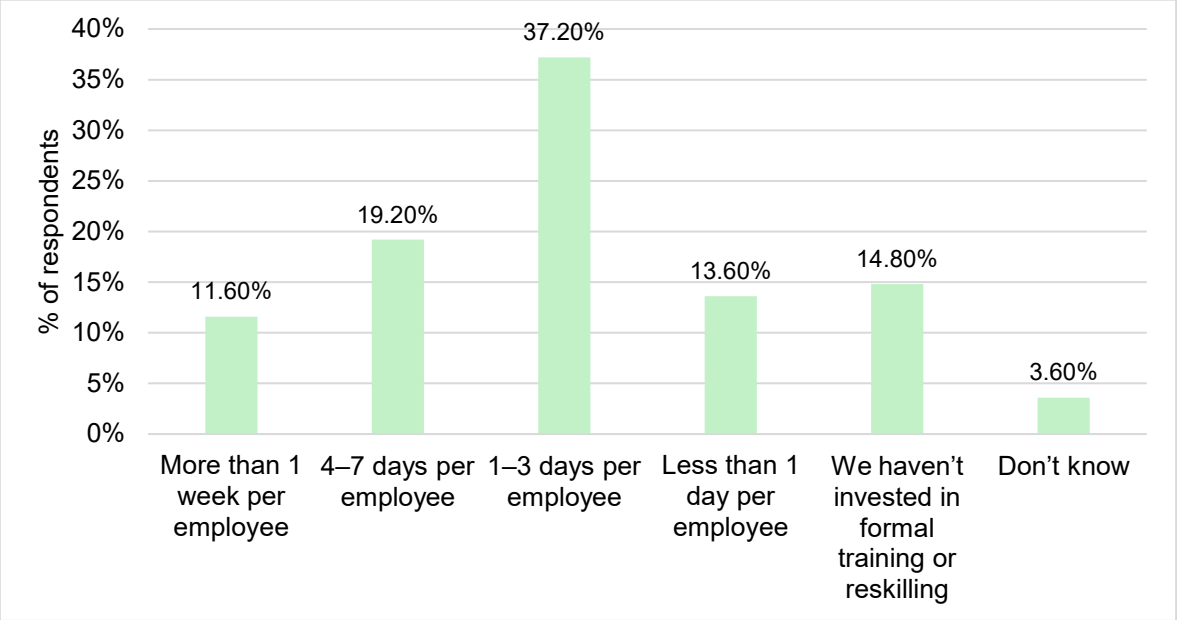

Figure 29 *– Time investment in AI training and reskilling (past 12 months)*

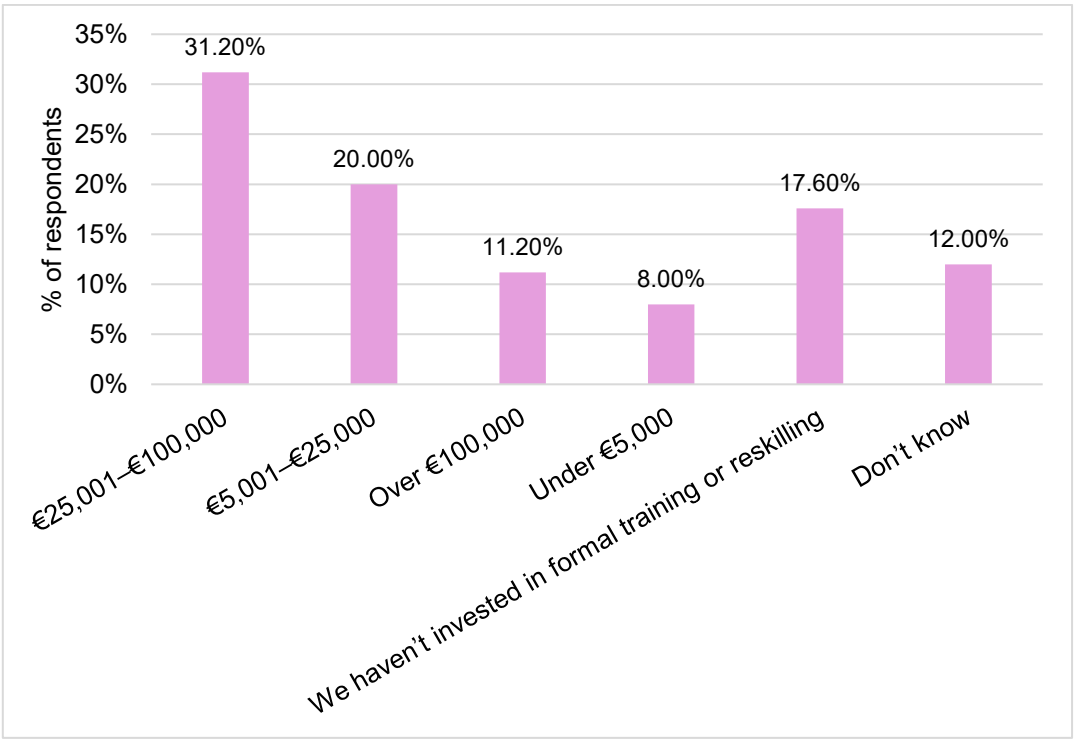

Figure 30 *- Financial investment in AI training and reskilling (past 12 months)*

<u>Time investment in AI training</u> (**Figure 29**)
AI training is occurring at scale, but the intensity of investment varies considerably across organisations. The most common level of engagement is:

- 1-3 days of AI training per employee, reported by 37.2% of organisations, indicating a widespread but moderate commitment to skills development;
- A further 19.20% invest 4-7 days per employee;

- 11.60% report investing more than one week per employee, signalling deeper capability-building among a smaller group of organisations.
- At the lower end of the spectrum, 13.60% of organisations invest less than one day per employee, suggesting limited or introductory exposure to AI skills.
- Notably, 14.80% report that they have not invested in formal AI training or reskilling at all, highlighting a persistent skills gap as AI adoption accelerates.

When examined by organisational size (turnover), the gap is more pronounced: 14.8% of MSMEs report no formal AI training, compared with 5.9% of large organisations — more than a twofold difference, signalling that the skills gap is concentrated in smaller firms even as their AI use accelerates.

- A small minority (3.60%) remain unsure about their level of training investment.

Financial investment in AI training (**Figure 30**)

Spending patterns broadly reinforce this uneven picture. Over half of organisations report a measurable financial commitment to AI training in the past 12 months:

- 31.2% invested €25,001-€100,000
- 20.00% invested €5,001-€25,000
- 11.20% invested more than €100,000. Together, these figures indicate that a substantial share of organisations are treating skills development as a strategic investment rather than a discretionary cost.
- At the same time, 8.00% report spending under €5,000, suggesting only minimal engagement,
- 17.60% report no financial investment in AI training or reskilling.
- A further 12% are unsure about training expenditure, pointing to gaps in visibility or ownership of AI capability-building efforts.

AI-driven changes in organisation

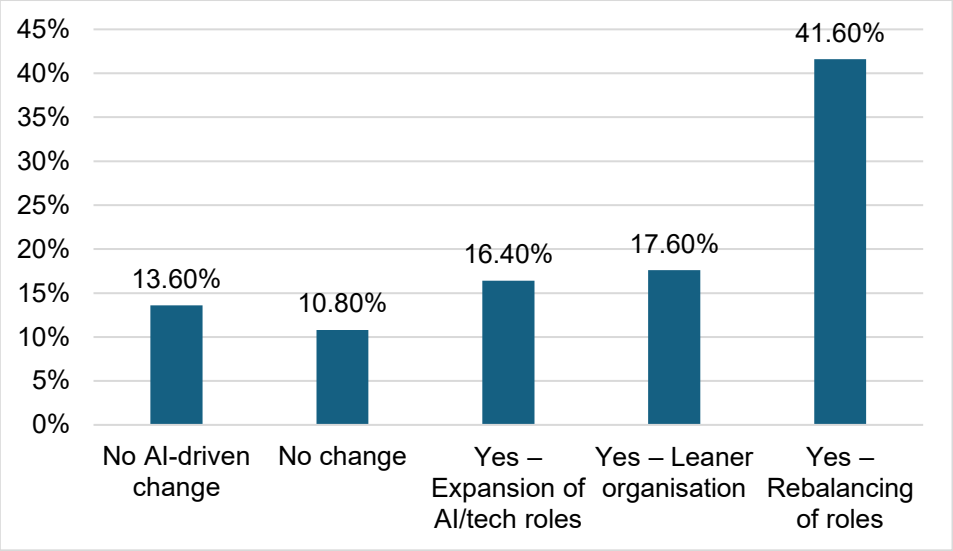

Figure 31 *- AI-driven changes in organisational employee mix*

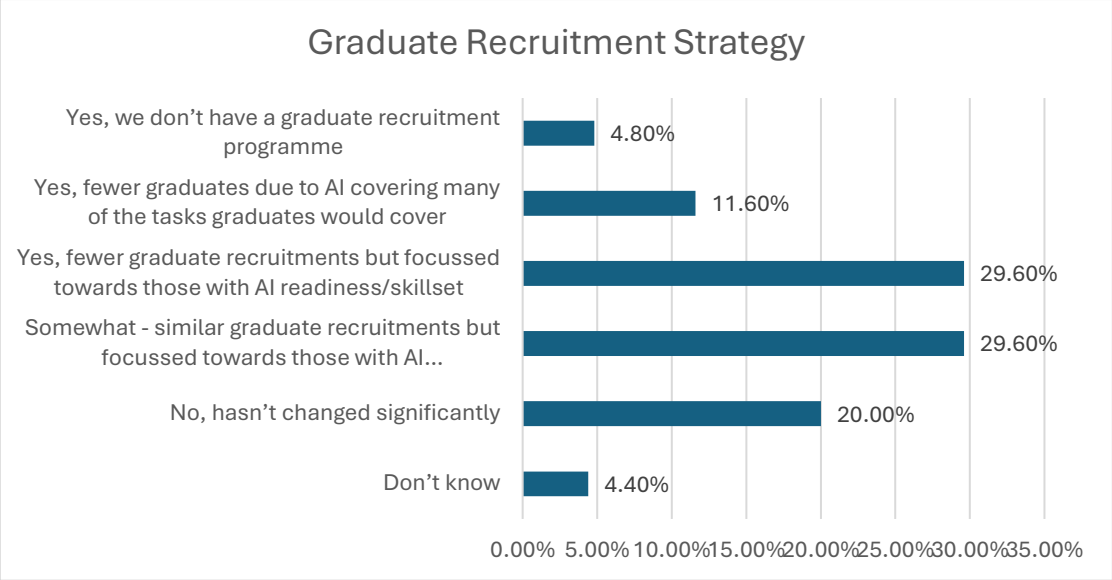

***Figure 32** - Graduate Recruitment Strategy as an outcome of AI*

Figure 31 shows that AI is already reshaping workforce structures, primarily through role redesign rather than net job creation or reduction.

- The most common outcome, reported by 41.6% of respondents, is a rebalancing of roles, indicating that AI is being integrated into existing teams and workflows rather than driving wholesale organisational restructuring.
- A further 34% report more substantive structural change,
    - split between organisations becoming leaner and more efficient (17.6%) and
    - those expanding AI or technology roles (16.4%).
- This suggests that while AI is not uniformly driving workforce growth, it is increasingly influencing how work is organised and where new capability is being built.
- By contrast, 24.4% report little or no AI-driven change:
    - 13.6% no AI-driven change;
    - 10.8% no change,
- Indicating that for a minority of organisations, AI has yet to materially affect workforce composition.

Therefore, the balance of responses confirms that AI is moving beyond experimentation and actively shaping job design, with an emphasis on task augmentation and redistribution rather than displacement.

Figure 32 shows how these internal changes are translating into recruitment strategies, particularly at the graduate level.

- Around 60% of organisations report:
    - Either similar graduate recruitment with a stronger focus on AI skills (30.00%) or
    - Reduced recruitment combined with a greater emphasis on AI readiness (30.33%).

  This points to a clear shift in the skills profile being sought, rather than a broad reduction in early-career hiring.
- At the same time, 20% report no significant change to graduate recruitment, and
- Only 11.6% indicate reduced recruitment primarily due to AI task substitution.
- Very few organisations report having no graduate recruitment programme at all (4.8%), suggesting that AI is not eliminating graduate pathways but reshaping expectations around digital and AI capability.

Finally, awareness of AI agents is high, but the depth of understanding varies. **Figure 33** shows that:

- Nearly 82% of respondents report at least some familiarity,
    - with 42.4% describing themselves as “somewhat familiar” and
    - a further 24.4% as “familiar.”

  This suggests AI agents are widely recognised, but often at a conceptual rather than hands-on level.
- A smaller group (15.20%) report deeper familiarity, with 8.0% “very familiar” and 7.20% “extremely familiar.
- At the same time, 18.00% report being not at all familiar, highlighting a notable awareness gap.

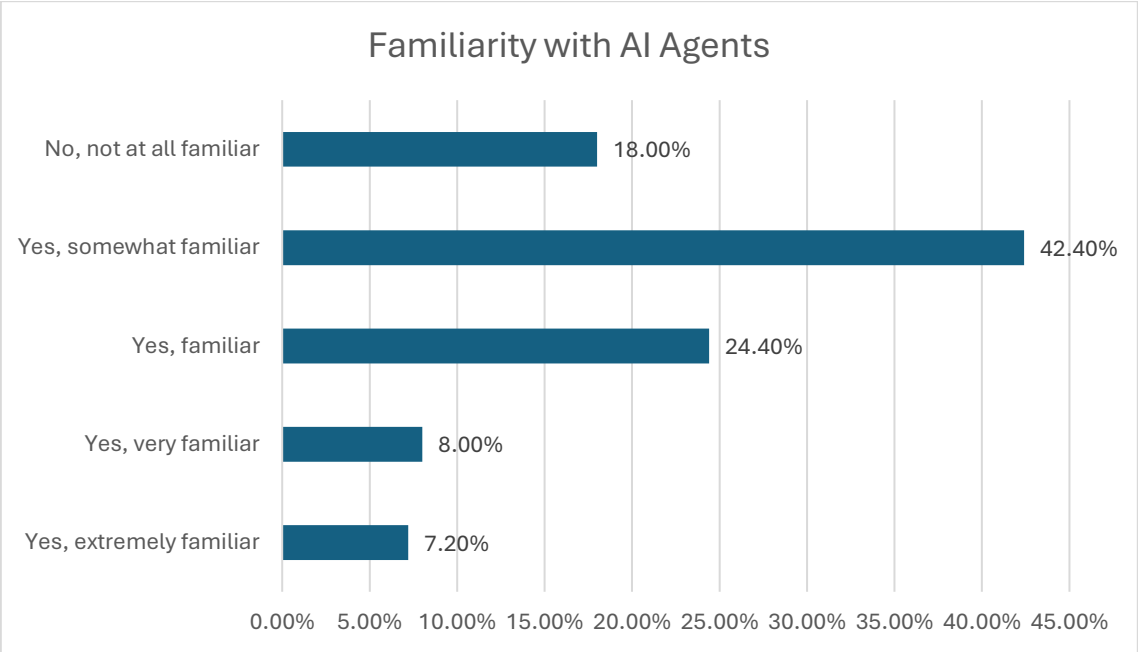

***Figure 33** - Familiarity with AI Agents*

Organisational AI usage and adoption

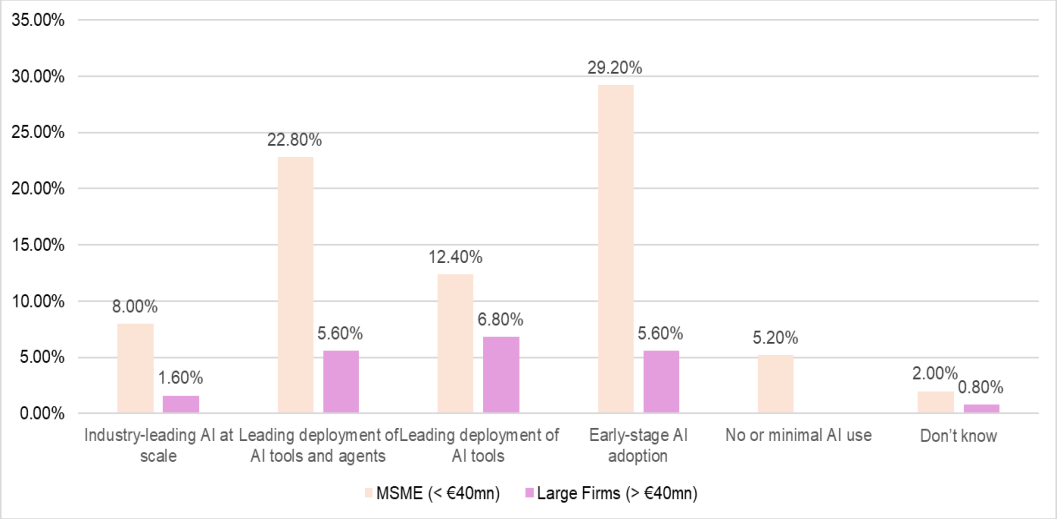

***Figure 34** - AI Adoption across MSME and Large firms*

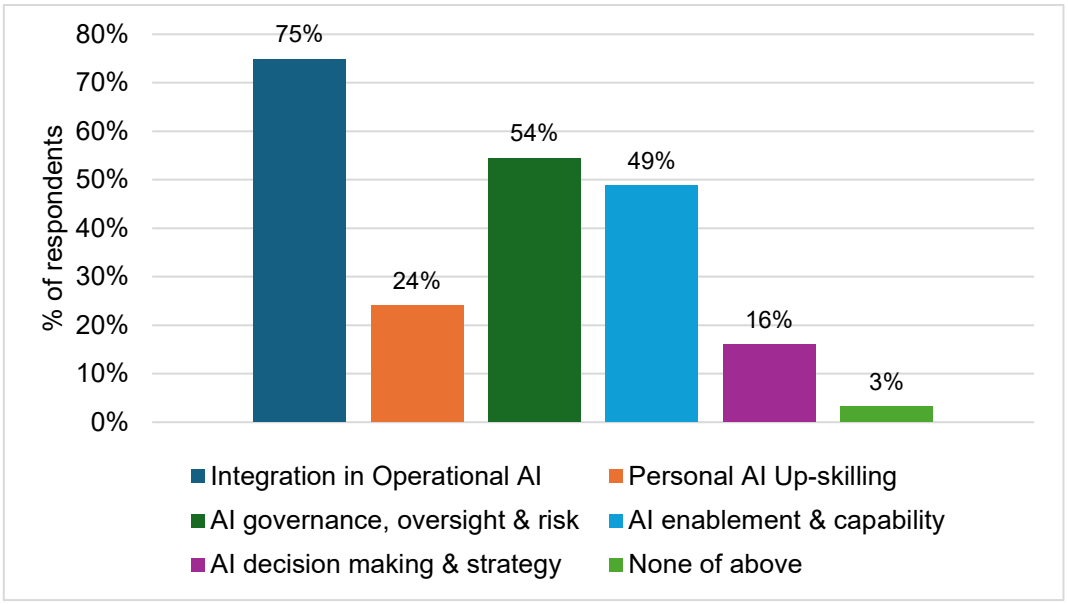

***Figure 35** - Anticipated future AI-related role responsibilities (next five years)*

Figure 34 shows clear differences in AI adoption maturity between MSMEs and large firms. MSMEs are more heavily concentrated in early-stage AI adoption (29.2%),

- compared with 5.6% of large firms, indicating that many smaller organisations are still in the exploratory or initial implementation phase.
- At the same time, a meaningful share of MSMEs report more advanced use cases,
    - 22.8% reporting leading deployment of AI tools and agents, and
    - 8% describing industry-leading AI at scale.

Large firms display a more even but narrower distribution across adoption stages.While fewer report early-stage adoption,

- While fewer report early-stage adoption (5.6%) leading deployment of AI tools and agents (5.6%), shares across more advanced categories remain relatively modest, with:
    - 6.8% reporting leading deployment of AI tools and
    - 5.6% reporting deployment of AI tools and agents.

Figure 35 shows that respondents overwhelmingly expect AI to become embedded in everyday work over the next five years, with the strongest emphasis on operational integration rather than formal leadership or specialist roles.

- 75% of respondents anticipate responsibility for integrating AI into operational workflows, reinforcing earlier findings that AI is increasingly viewed as a general productivity layer rather than a standalone function.
- 54% of respondents expect to take on responsibilities related to AI governance, oversight, and risk management, reflecting growing awareness that human accountability must scale alongside AI deployment.
  This aligns with trends observed in last year's report, which highlighted rising concern around responsible AI use and shadow AI practices.
- A substantial share (49%) anticipates involvement in AI enablement and capability building, such as supporting colleagues in effective AI use.
- In contrast, only 24% expect to focus primarily on personal AI upskilling, indicating that AI competence is increasingly seen as a shared organisational responsibility rather than an individual advantage.

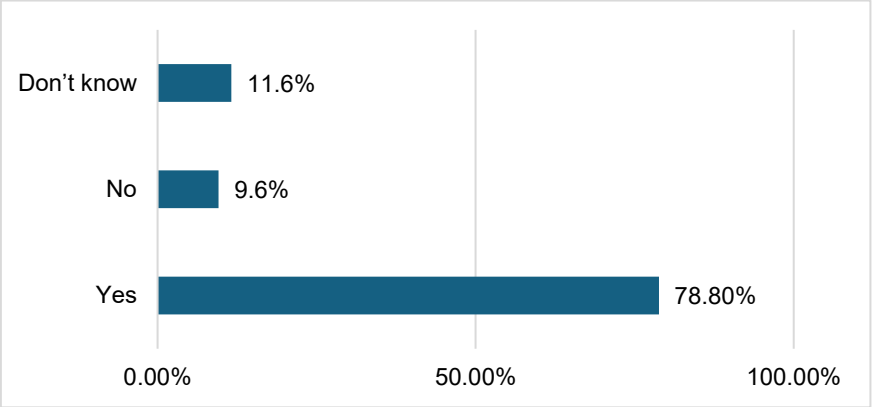

***Figure 36** - Organisational AI implementations are responsible and trustworthy (self-reported)*

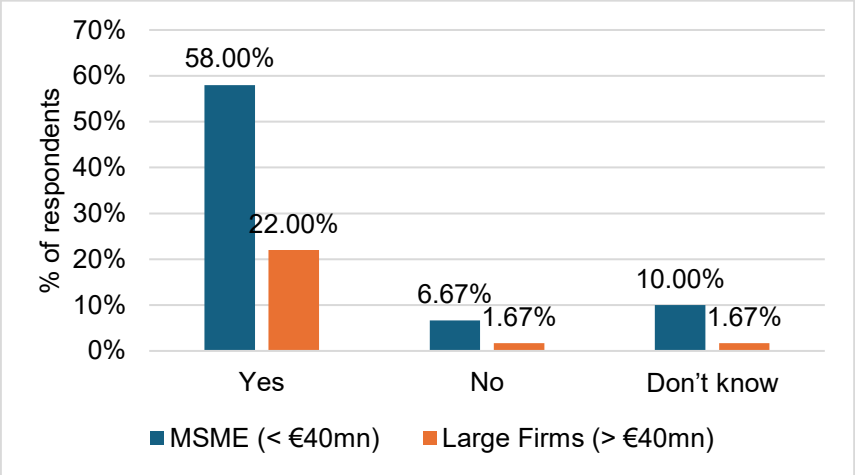

***Figure 37** - Trust in organisational AI implementations across MSME and large firms (self-reported)*

Next, we present the findings from self-reported trust about organisational AI implementations. **Figure 36** indicates strong overall confidence in the responsibility and trustworthiness of organisational AI implementations.

- Four in five respondents (78.8%) report that AI systems used within their organisation are responsible and trustworthy. This suggests that for most organisations, AI is no longer viewed as experimental but as a managed and embedded capability.
- Only a small minority express explicit concern, with 9.6% stating that organisational AI is not trustworthy. While relatively low, this share is non-trivial and highlights that trust cannot be taken for granted as AI use scales.
- In addition, 11.67% of respondents report that they do not know whether AI systems in their organisation are trustworthy, pointing to gaps in visibility and communication around AI governance rather than necessarily weak controls.

Figure 37 shows that reported trust varies significantly by organisation size, with higher levels of confidence among MSMEs than large firms. Given the more rigorous governance structure in large firms, the trust scoring in large firms may be more measured.
Among MSMEs:

- 58.0% of MSME respondents explicitly affirm trust in organisational AI, compared with 22.0% in large firms (please note the different possible governance lenses in large firms that may drive this belief).
- MSMEs also exhibit higher levels of uncertainty:
    - 10.0% report that they do not know whether AI systems are trustworthy, compared with 1.67% in large firms.

Time savings per Industry sector

Table 2 - *Time savings per industry (self-reported)*

	1–2 hours	2–5 hours	30–60 minutes	Don't know	Less than 30 minutes	More than 5 hours	None
BFSI	25.00%	25.00%	33.93%	0.00%	5.36%	8.93%	1.79%
Health	29.82%	19.30%	33.33%	0.00%	10.53%	7.02%	0.00%
Public Services	31.71%	21.95%	21.95%	2.44%	4.88%	12.20%	4.88%
Retail	28.00%	20.00%	28.00%	2.00%	14.00%	8.00%	0.00%

Note:- The figures are based on respondents from RoI that answered the question, n=207

Table 3 - Investment in retraining by sector

	1–3 days per employee	4–7 days per employee	Don't know	Less than 1 day per employee	More than 1 week per employee	No formal training or reskilling
BFSI	42.19%	21.88%	3.13%	20.31%	7.81%	4.69%
Health	30.88%	25.00%	5.88%	10.29%	8.82%	19.12%
Public Services	46.30%	9.26%	3.70%	12.96%	11.11%	16.67%
Retail	31.15%	19.67%	1.64%	9.84%	18.03%	19.67%

Note:- The figures are based on respondents from RoI that answered the question, n=250

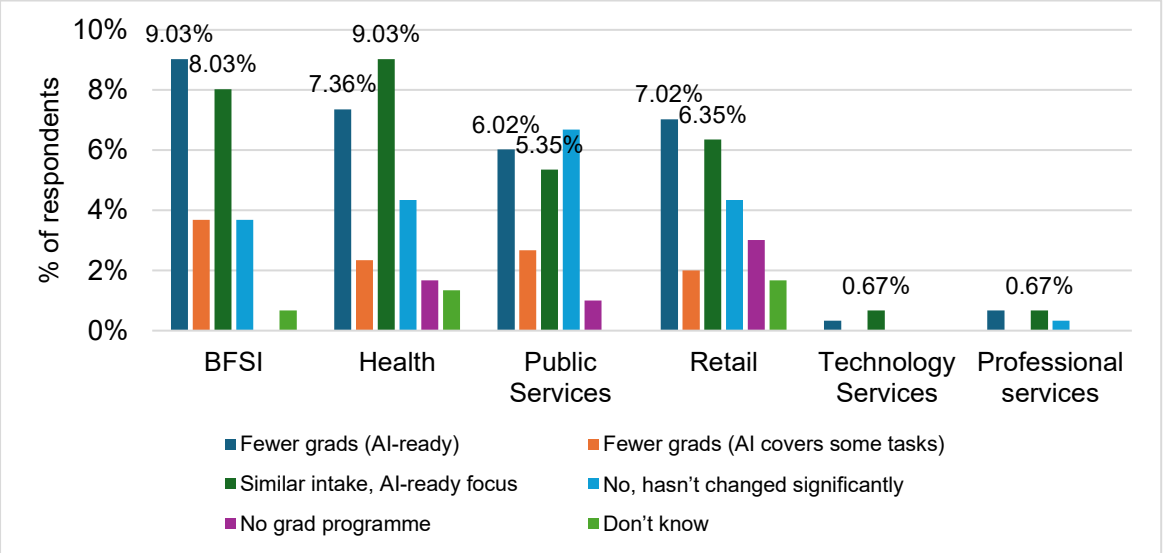

***Figure 38** - Changes in graduate recruitment strategies by sector*

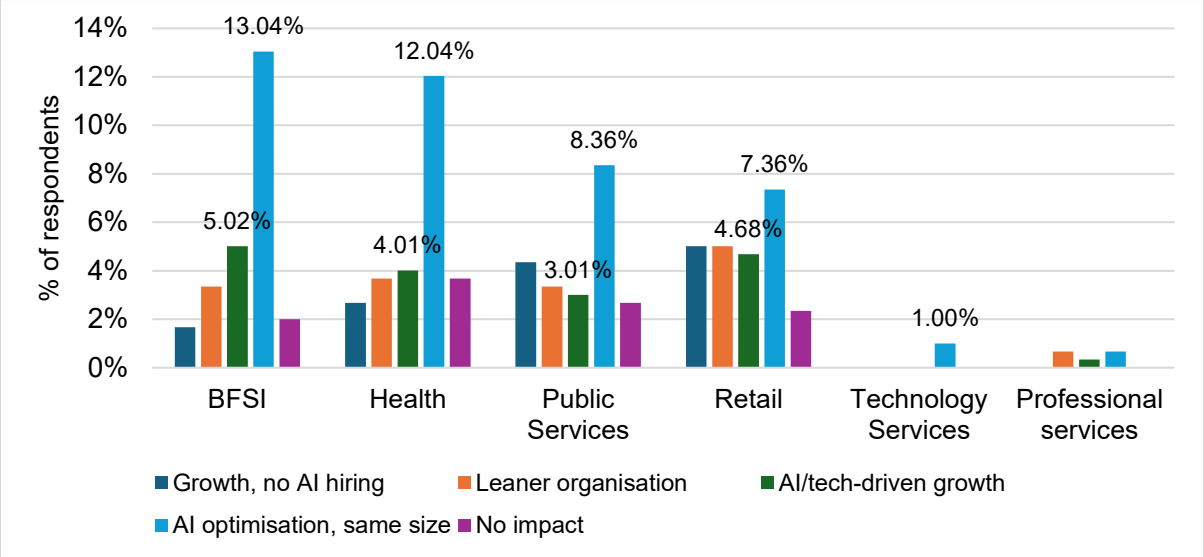

Figure 39 - *Organisational workforce impacts of AI adoption (past two years)*

Figure 38 shows that graduate recruitment strategies are evolving primarily through skills realignment rather than workforce contraction. Across sectors, the dominant pattern is a shift toward AI-ready graduates, rather than a wholesale reduction in graduate hiring.

- **BFSI and Health**:
  - A combined 16-17% of respondents report either fewer graduates hired with a stronger AI-readiness focus or a similar intake with greater emphasis on AI skills.
  - While outright reductions driven by AI replacing graduate tasks remain lower (around 2-4%).
- **Public Services and Retail:**
  - A common response is no significant change in graduate intake, alongside a notable share reporting a skills-focused adjustment toward AI readiness,
  - Suggesting incremental adaptation rather than disruptive change to recruitment pipelines.
- **Technology and Professional Services** report minimal shifts overall:
  - Reflecting either already AI-mature hiring practices or more limited graduate recruitment programmes to begin with.

Therefore, the findings suggest that AI is influencing which organisations hire, rather than how many, with graduate recruitment increasingly shaped by expectations of baseline AI literacy and readiness rather than reduced demand for early-career talent.

Figure 39 shows that the workforce impacts of AI adoption over the past two years are largely characterised by efficiency gains and optimisation rather than outright contraction or expansion.

Across sectors, the most common outcome is:

- AI-enabled optimisation with broadly stable headcount,
  - particularly in BFSI (13.04%) and Health (12.04%), indicating that organisations are using AI to do more with existing teams rather than reduce them.
- At the same time, AI- and tech-driven growth is evident in several sectors,
  - notably Retail (7.36%) and BFSI (5.02%), suggesting that AI adoption is also creating new roles where deployment is more advanced.
- By contrast, reports of organisations becoming leaner due to AI remain relatively limited across all sectors, and “no impact” responses are consistently low, reinforcing the view that AI is already shaping workforce structures in tangible, if incremental ways rather than leaving them unchanged.

Appendix

Encoding for Figure 15

Derived field	What it captures	How it's encoded (rule)
Decision – Strategic	Any strategic decision responsibility	**1** if Q2 text contains *"Strategic Decision Making"*; else **0**
Decision – Technology	Technology decision responsibility	**1** if contains *"Technology"*; else **0**
Decision – Analytics/AI	Analytics / AI decision responsibility	**1** if contains *"Analytics/AI"*; else **0**
Decision – Digital Transformation	Digital transformation decision responsibility	**1** if contains *"Digital Transformation"*; else **0**
Decision – Finance/Marketing	Finance/marketing strategic decision responsibility	**1** if contains *"Finance/Marketing strategic decisions"*; else **0**
Decision – Innovation	Innovation decision responsibility	**1** if contains *"Innovation"*; else **0**
Decision – Information Systems	Information systems decision responsibility	**1** if contains *"Information Systems"*; else **0**
AI Decision Authority	Whether respondent has **any** AI-related decision remit	**AI Decision-maker** if (**Technology=1 OR Analytics/AI=1 OR Digital Transformation=1 OR Information Systems=1 OR Innovation=1**); otherwise **Non-AI Decision-maker**

Encoding for Figure 15

Derived	Rule used (what counts as "1")
Oversight – Human	Text contains **"human"**
Oversight – Testing	Text contains **"Testing AI tools"**
Oversight – Monitoring	Text contains **"Monitoring of AI usage"**
Oversight – Documentation	Text contains **"Documentation of how AI systems work"**
Oversight – Formal Policy	Text contains **"Formal policies or guidelines"**
Oversight – Not sure	Text contains **"Not sure"**
Oversight Count	Sum of the 1/0 oversight flags (optionally exclude "Not sure")

Band	Rule (based on Oversight Count)
Minimal oversight	0–1
Moderate oversight	2–3
Mature oversight	4–5

Encoding for Figure 21

Reduction in Email Tasks	Email Read, Email Write *(optionally also "after-hours email" if you treated it as email-related)*
Reduction in Meeting Tasks	No. of meetings, Short Meetings, Meetings & coordination, Meeting Tasks
Reduction in Messaging & interruptions	Less No. of chat messages, Reduced interruptions, Messaging & interruptions
More Focus & task management	Less Task switching, more focused work time, Focus & task management
Reduction in overall workload	Reduced overall workload
No Impact/Uncertainty	not reduced any of these, Not sure, No Impact/Uncertain

Encoding for Figure 30

Original response	Derived category
No, No impact	No change
No, organisation has grown… with no significant AI/Tech recruitment	No AI-driven change
Yes, organisation has become leaner and more efficient…	Yes – Leaner organisation
Yes, hired significantly more AI/tech staff… organisation bigger	Yes – Expansion of AI/tech roles
Yes, optimised with more AI/tech staff but same size	Yes – Rebalancing of roles

Encoding for Figure 31

Original response	Derived category
"No, hasn't changed significantly"	No significant change
"Somewhat – similar graduate recruitments but focussed towards AI readiness/skillset"	Similar recruitment, greater focus on AI-ready skills
"Yes, fewer graduate recruitments but focussed towards AI readiness/skillset"	Reduced recruitment, greater focus on AI-ready skills
"Yes, fewer graduates due to AI covering many of the tasks…"	Reduced recruitment due to AI task substitution
"Yes, we don't have a graduate recruitment programme"	No graduate recruitment programme
"Don't know"	Don't know

Encoding for Figure 35

Aggregated variable	Encoding rule
Operational AI integration	Encoded as **1** if the respondent selected *either* "reviewing AI-generated content for accuracy/quality" **OR** "improving workflows or processes by integrating AI"; otherwise **0**
AI governance, oversight & risk	Encoded as **1** if the respondent selected *any* of the following: "ensuring AI is used safely, ethically, and responsibly", "managing performance or outputs of automated systems", or "overseeing work produced by AI tools"; otherwise **0**
AI enablement & capability building	Encoded as **1** if the respondent selected *any* of the following: "creating prompts, templates, or best-practice guidance", "teaching or guiding AI tools", or "helping colleagues build confidence using AI tools"; otherwise **0**
AI decision-making & strategy	Encoded as **1** if the respondent selected "contributing to decisions about how AI is adopted in the organisation"; otherwise **0**
Personal AI upskilling	Encoded as **1** if the respondent selected "investing time in learning