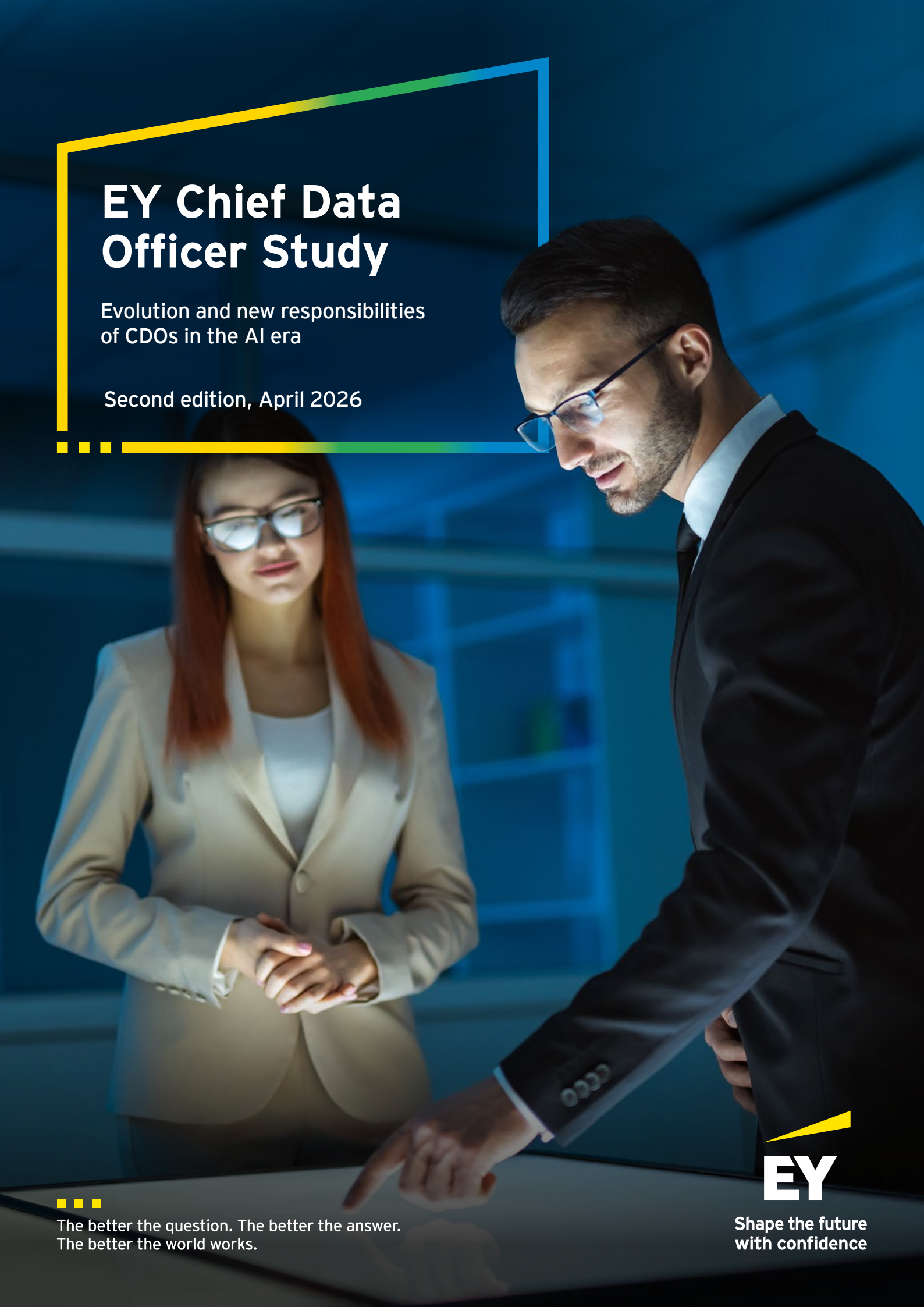
EY Chief Data Officer Study

Evolution and new responsibilities of CDOs in the AI era

Second edition, April 2026



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Introduction

It is a privilege to introduce this study and, above all, to express my sincere gratitude to the many leaders and organizations who made it possible.

First and foremost, I would like to thank the Chief Data Officers, Chief Data & AI Officers, and Data, Analytics and AI leaders who generously shared their time, their experience, and—most importantly—their candor. The quality of this study is a direct reflection of the openness with which you spoke about what is working, what remains unresolved, and what truly keeps you awake at night. Your willingness to go beyond polished narratives and engage in honest, peer-level conversations is what gives this work its depth and credibility.

I am equally grateful to the EY teams who led and supported the development of this study across geographies. This has been a genuinely global effort, driven by a shared conviction: that the data and AI leadership community deserves research that captures reality, not just maturity scores. The rigor, commitment, and collaboration shown by our teams have been exemplary, and I am proud of what we have built together.

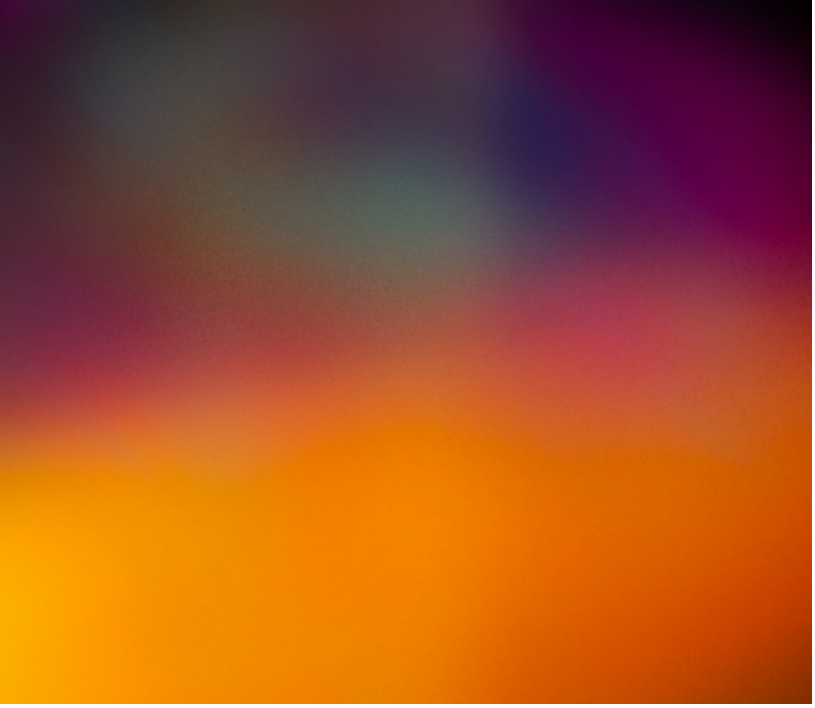
"The strength of this study comes from leaders willing to move beyond polished narratives and speak with candor about what truly works and what remains unresolved."

A special thank-you goes to Douglas Laney, not only as a co-lead, but as a true global partner. Doug's perspective, intellectual generosity, and relentless focus on substance over hype have elevated this study well beyond a traditional benchmark. This work is stronger because of his contribution—and because of the shared belief that global challenges require global dialogue.

Finally, I would like to thank all collaborators who supported, challenged, and enriched this work along the way. This study is the result of a collective effort, shaped by many voices and viewpoints.

My hope is that these pages serve not only as insight, but as reassurance: that while the challenges facing data and AI leaders are complex, they are shared—and that progress is already being made by those willing to confront them with clarity, humility, and purpose.

Enrique Manso Nerín,
Partner – Data & AI, EY Spain
Global Coordinator of the Study



> “Organizations winning with AI aren’t winning because of their models — they are winning because their data is better, more trusted, and more purposefully integrated into their business.”

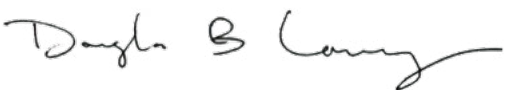
Something remarkable happens when you pull together the collective insights and experience from data, analytics and AI leaders around the world. This study is unique in combining in-depth interviews with practitioners across industries and geographies alongside a rigorous peer survey, and what emerges from that combination is both clarifying and, frankly, a little unsettling. As one leader put it: "We've spent 20 years building data for eyeballs; we now have 20 months to rebuild it for AI." That urgency runs through this report’s findings. And the organizations that feel it most acutely are, perhaps counterintuitively, the ones already ahead.

What excites me most about this work is not any single finding but the full picture it reveals. The peer-to-peer honesty captured here, from leaders willing to say what the surveys alone cannot, produces insights you will not find elsewhere.

A clear bifurcation is underway between organizations treating data, analytics and AI as a strategic capability and those still negotiating its legitimacy internally. AI has raised the stakes for that distinction considerably. The organizations winning with AI are not winning because of their models or their compute. They are winning because their data is better, more trusted, more governed, and more purposefully integrated into their business.

I am deeply grateful to EY for the opportunity to partner with them on this study, and for their conviction that the CDO/CDAO/CDAIO community deserves research that goes beyond surface-level benchmarking. This report should serve as a source of inspiration, perspective, and strategic clarity for every data, analytics and AI leader who reads it. It is for those ready to have serious conversations with boards, executive teams, and business partners—the ones that will define which organizations emerge from the AI era thriving, not just surviving.

Douglas Laney, Co-Lead,
EY CDO Study



Executive Summary

CDO Study 2026, Data leadership at a turning point

Data and AI leadership has reached a defining moment. Only two years after the first edition of this study helped establish the CDO role as a legitimate executive function, expectations have accelerated far beyond the initial mandate. What began as a role focused on building foundational data capabilities now sits at the intersection of strategic decision-making, AI-driven transformation and enterprise-wide accountability. The rise of GenAI has not simply added new demands; it has reshaped the scale, speed and visibility of the CDO's agenda. The second edition of this study reflects this shift: we're no longer merely examining the traditional role of the CDO, rather we're observing how the role is evolving under the challenges and opportunities of AI.

A more specialized and anchored leadership profile

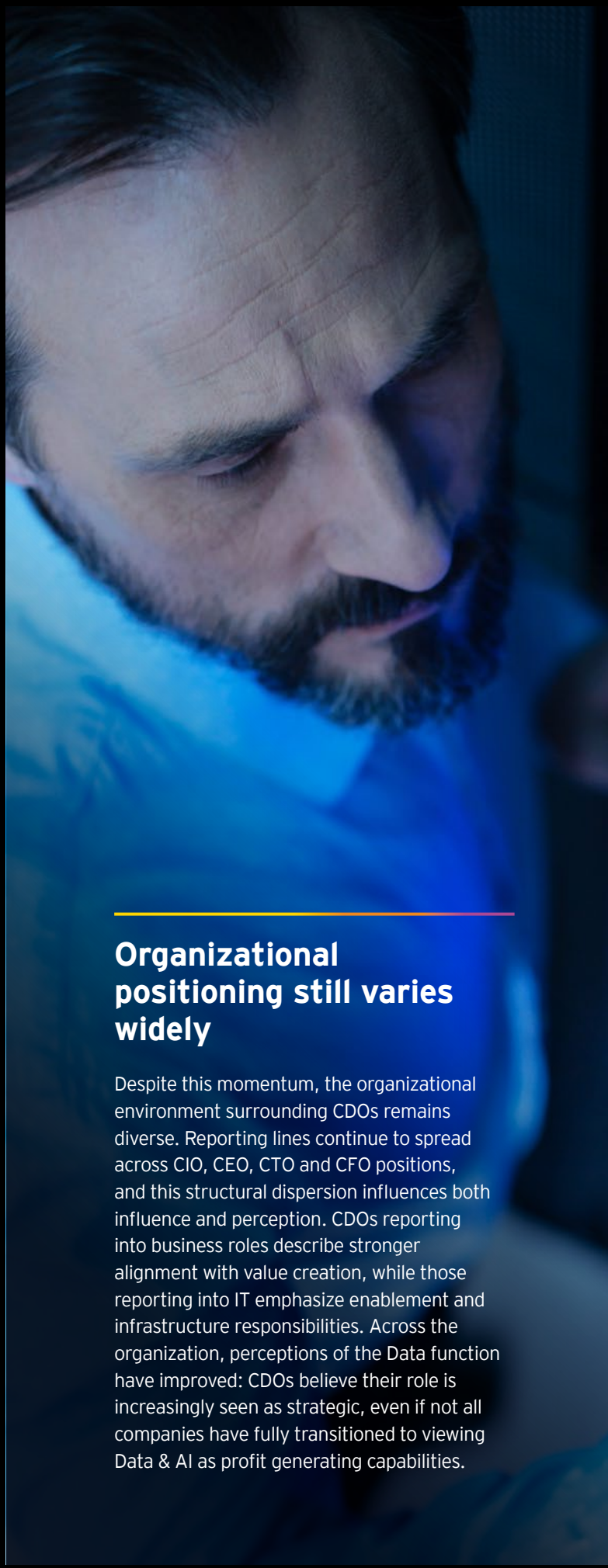
This year's expanded global scope, spanning Europe, LATAM, the US and APAC, provides a broader and more nuanced view of how organizations are responding to these pressures. Conversations with CDOs and senior data, analytics and AI leaders reveal an environment where progress is real but uneven, and where AI is exposing capability gaps that require organizations to revisit long-standing assumptions about data ownership, investment and operating models. Backgrounds continue to be diverse, but the proportion of leaders who have built their entire careers in data disciplines has increased notably, signaling a shift toward deeper specialization. Technology-oriented profiles remain especially prevalent among newer CDOs, underscoring the technical demands created by AI initiatives.

The convergence of Data and AI reshapes the mandate

Changes in role naming reinforce this transition. Almost a third of job titles now explicitly include "AI", a shift nearly absent in the first edition. This trend is not superficial: it reflects a structural convergence between data and AI leadership. The delivery of AI initiatives depends fundamentally on the strength of data foundations, and organizations are converging toward integrated leadership models. Even in environments where Data and AI responsibilities remain split, CDOs describe rising interdependence, with misalignment around ownership or decision rights increasingly seen as a source of friction and delivery risk.

A Data Office expanding to support AI-driven scale

These shifts are mirrored in the evolution of the Data Office. Average team size has grown by 19%, driven by the expansion of AI related responsibilities and the renewed centrality of Data Management in enabling AI outcomes. The strongest growth after AI is concentrated in governance, quality and metadata related functions. Architecture and platforms remain more stable, while BI & Reporting is being reframed as part of broader decision science capabilities. Organizations with up to 10,000 employees show the most pronounced growth, indicating a deliberate investment in scaling data capabilities to support AI ambitions.



Budget momentum strengthens under business and AI pressures

Budget dynamics reveal a similar trend. More than 80% of CDOs report budget increases over the last 12 months, and expectations for the next year are even more optimistic, with 86% anticipating further growth and more than half expecting double-digit increases. Business priorities, such as improving margins, accelerating time to market, enabling product development and driving efficiencies, are the dominant drivers. AI also plays a central role: organizations increasingly link AI ambition with the need to strengthen data foundations, recognizing that quality, governance and ownership issues can limit the scalability of AI initiatives if left unresolved.

Organizational positioning still varies widely

Despite this momentum, the organizational environment surrounding CDOs remains diverse. Reporting lines continue to spread across CIO, CEO, CTO and CFO positions, and this structural dispersion influences both influence and perception. CDOs reporting into business roles describe stronger alignment with value creation, while those reporting into IT emphasize enablement and infrastructure responsibilities. Across the organization, perceptions of the Data function have improved: CDOs believe their role is increasingly seen as strategic, even if not all companies have fully transitioned to viewing Data & AI as profit generating capabilities.

Maturity evolves but remains uneven across sectors and sizes

Maturity in Data, Analytics and AI capabilities has progressed, though not uniformly. The study's maturity framework, centered on Data Management Fundamentals and Business Analytics Activation, shows that sectors such as Life Sciences, TMT and digital public administration have advanced more strongly than traditionally data leading industries like Banking or Energy. Larger organizations not only maintain the highest maturity levels but also show the greatest relative progress, likely reflecting earlier investments in modern data platforms. While organizations move at different speeds, the findings highlight that cultural alignment, leadership engagement and business technology coherence play a critical role in shaping perceived progress.

A role increasingly defined by impact, not definition

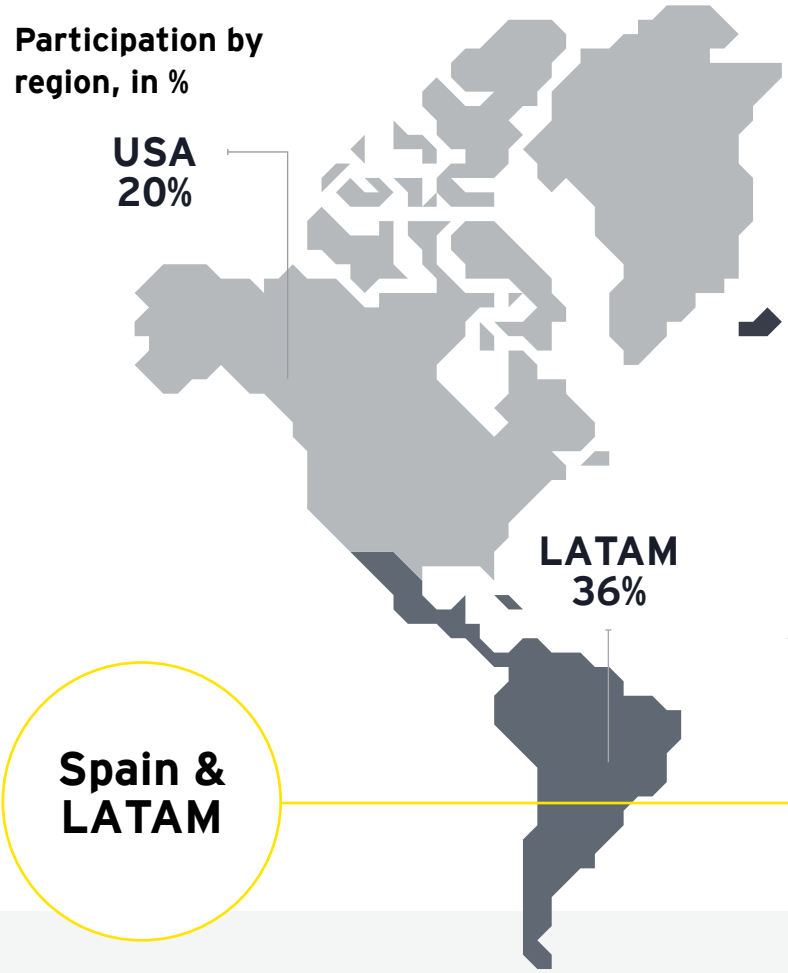
Taken together, the insights from this edition present a clear narrative: the CDO role has moved to the center of enterprise strategy. It is more established, more visible and more accountable than ever, but also more exposed to the pressures that accompany AI. The challenge is shifting from defining the function to equipping it with the operating discipline, decision rights and organizational integration required to deliver sustainable impact. CDOs are no longer simply the steward of data foundations; in many organizations, they are becoming the leader responsible for ensuring that the promise of AI is matched with the readiness, integrity and coherence of the data that underpins it.

About this study

This second edition of the CDO Study is based on an expanded global sample that includes Data, Analytics, and AI leaders from Europe, LATAM, the US, and APAC. The study encompasses organizations of varying sizes, extending beyond large enterprises with established CDO roles to provide a broader and more representative view of the data and AI leadership landscape.

For benchmarking and comparative analysis, respondents are segmented across thirteen industry sectors. The study also analyzes participation by company size and region, allowing for cross-industry and cross-organizational comparisons. Notably, the subset corresponding to Spain and LATAM, the geographic scope of the first edition, is almost equivalent in size to the entire sample of the original study, highlighting the scale and increased depth of this new edition.

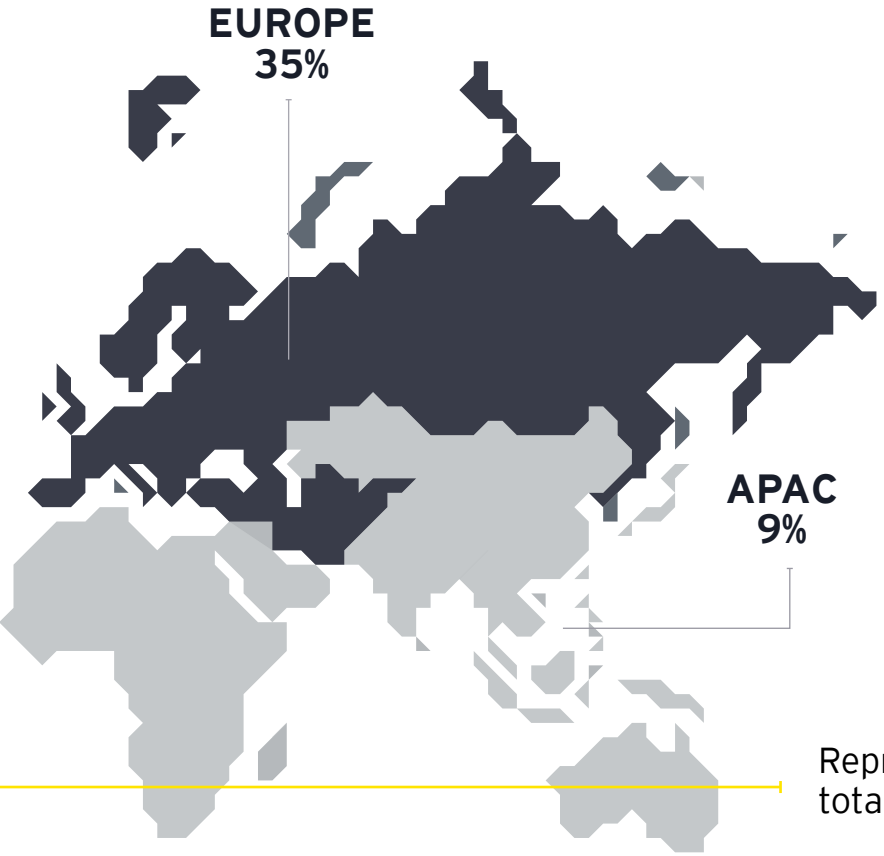
Participation by region, in %



2024 to 2026 shift on the Role:

2024
Building the Data Office

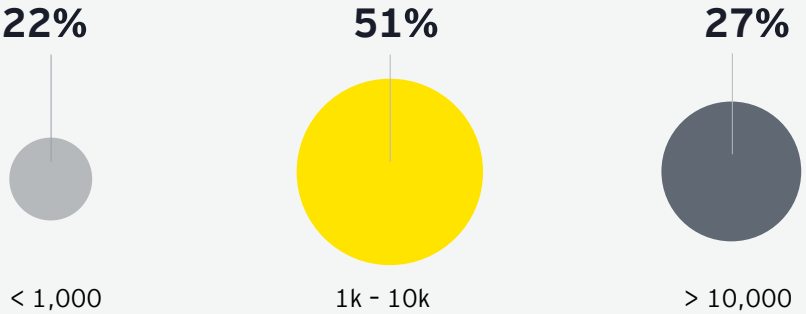
2026
Governing the impact of AI



Wordcloud taking into consideration responses by sector:

Represent the same share as the total sample in the 1st edition.

Participation by company size, in %



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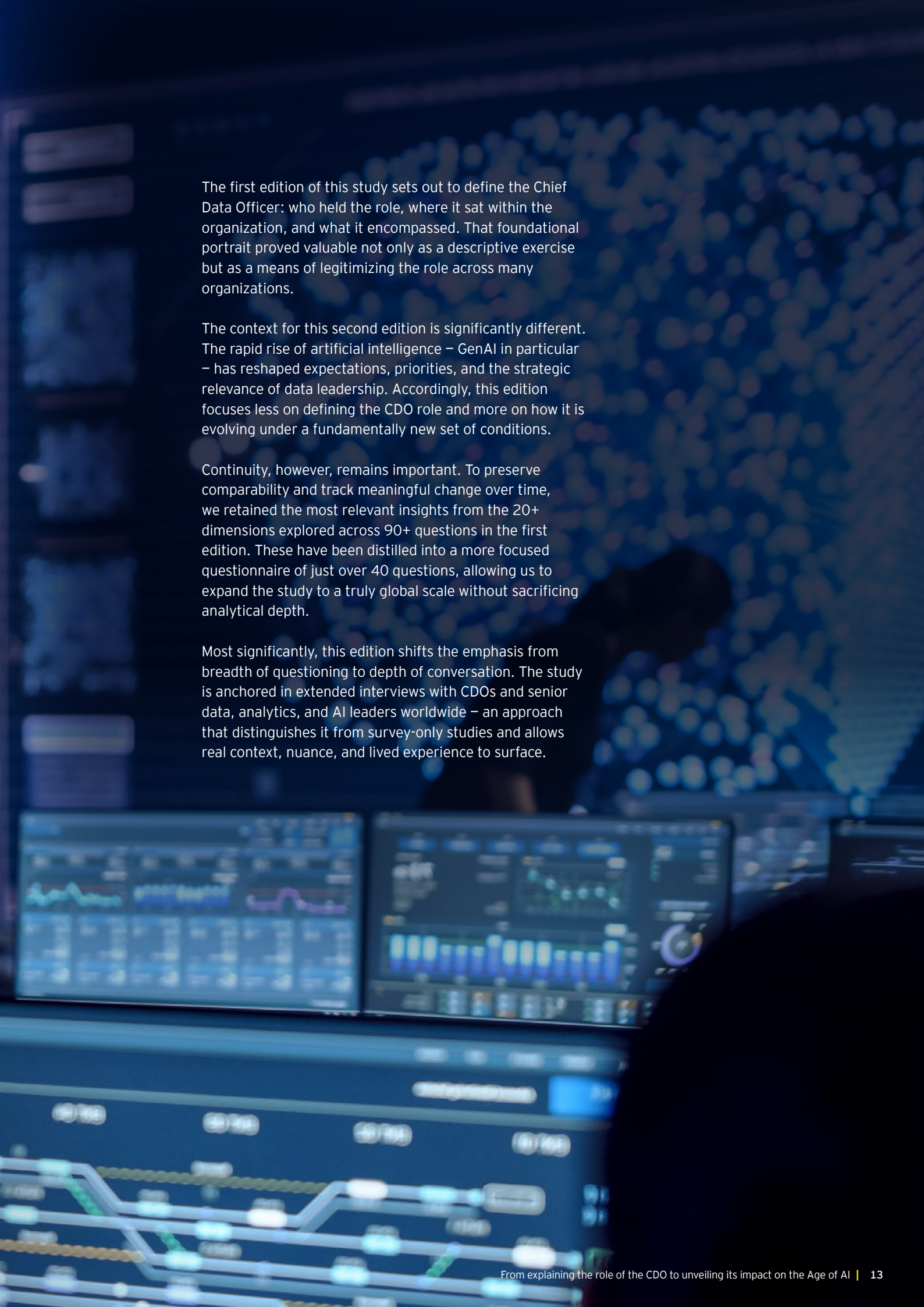
From explaining the role of the CDO to unveiling its impact on the Age of AI



The first edition of this study sets out to define the Chief Data Officer: who held the role, where it sat within the organization, and what it encompassed. That foundational portrait proved valuable not only as a descriptive exercise but as a means of legitimizing the role across many organizations.

The context for this second edition is significantly different. The rapid rise of artificial intelligence — GenAI in particular — has reshaped expectations, priorities, and the strategic relevance of data leadership. Accordingly, this edition focuses less on defining the CDO role and more on how it is evolving under a fundamentally new set of conditions.

Continuity, however, remains important. To preserve comparability and track meaningful change over time, we retained the most relevant insights from the 20+ dimensions explored across 90+ questions in the first edition. These have been distilled into a more focused questionnaire of just over 40 questions, allowing us to expand the study to a truly global scale without sacrificing analytical depth.

Most significantly, this edition shifts the emphasis from breadth of questioning to depth of conversation. The study is anchored in extended interviews with CDOs and senior data, analytics, and AI leaders worldwide — an approach that distinguishes it from survey-only studies and allows real context, nuance, and lived experience to surface.

1.1. Naming the role

The first edition of this study was deliberately titled "*The Study on the Role of the CDO*" for a reason: understanding how organizations named—and therefore framed—their data leader was central to grasping the essence of the role itself. At that time, the focus was primarily on data and analytics, with artificial intelligence playing a much smaller part. This question remains deeply relevant today, and the findings confirm that role titling remains far from standardized.

Chart 1

The role's name continues to show a high level of dispersion.

When visualizing the wide range of role denominations through a word cloud, one shift stands out clearly in this second edition. **The term "AI" now appears in more than 31% of role titles**—a pattern that was largely absent in the first edition. Beyond a naming trend, this signals a broader change in context: artificial intelligence has become an explicit and defining ingredient of the role, reshaping both expectations and scope.

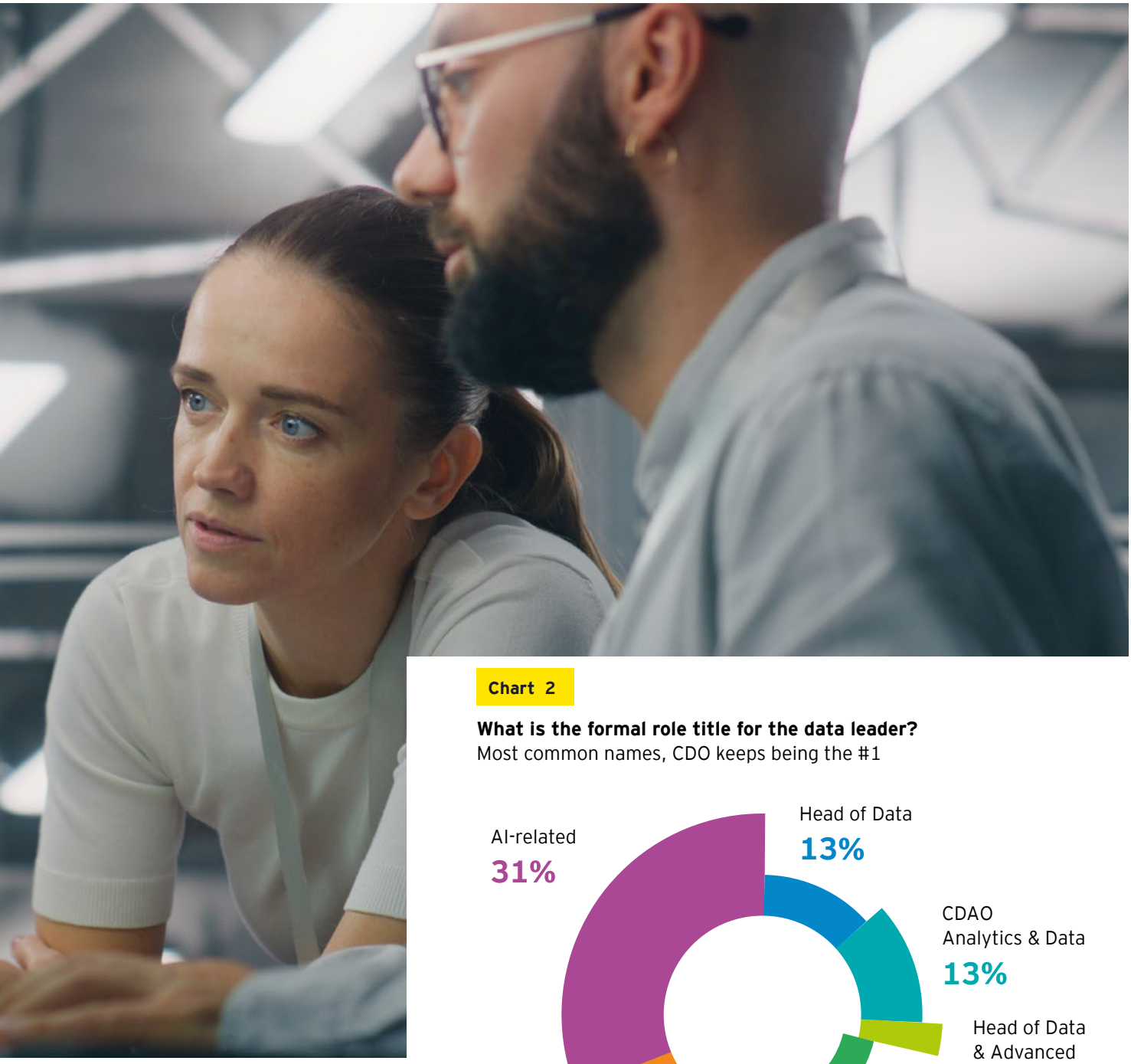
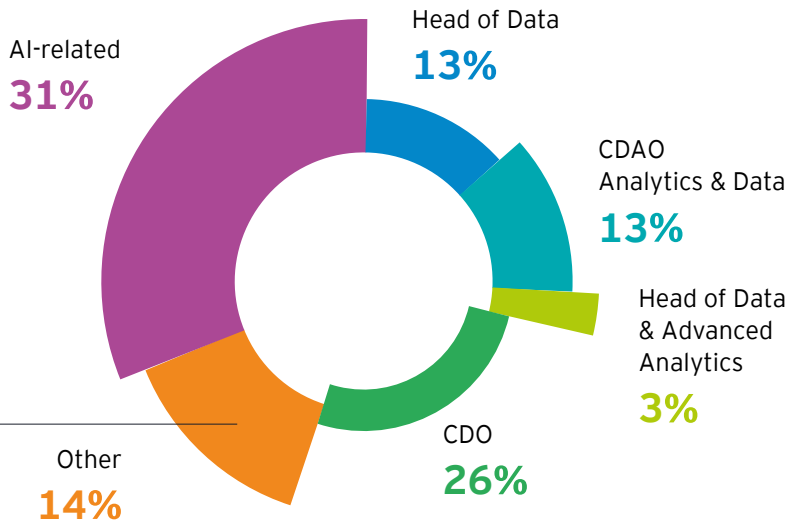


Chart 2

What is the formal role title for the data leader?
Most common names, CDO keeps being the #1



- Chief Digital Officer
- Chief Information Officer
- Data Audit Manager
- Data Governance Lead
- Head of IT
- VP Operation

Despite this diversity, **Chief Data Officer remains the most common designation, representing over 25%** of responses. At the same time, the Chief Data & AI Officer (CDAIO) title has gained strong traction, reflecting the growing convergence of data and AI leadership. In contrast, Head of Data & Advanced Analytics has declined sharply—from 16% in the first edition to just 3%—suggesting a clear shift toward more executive-level positioning of the role.

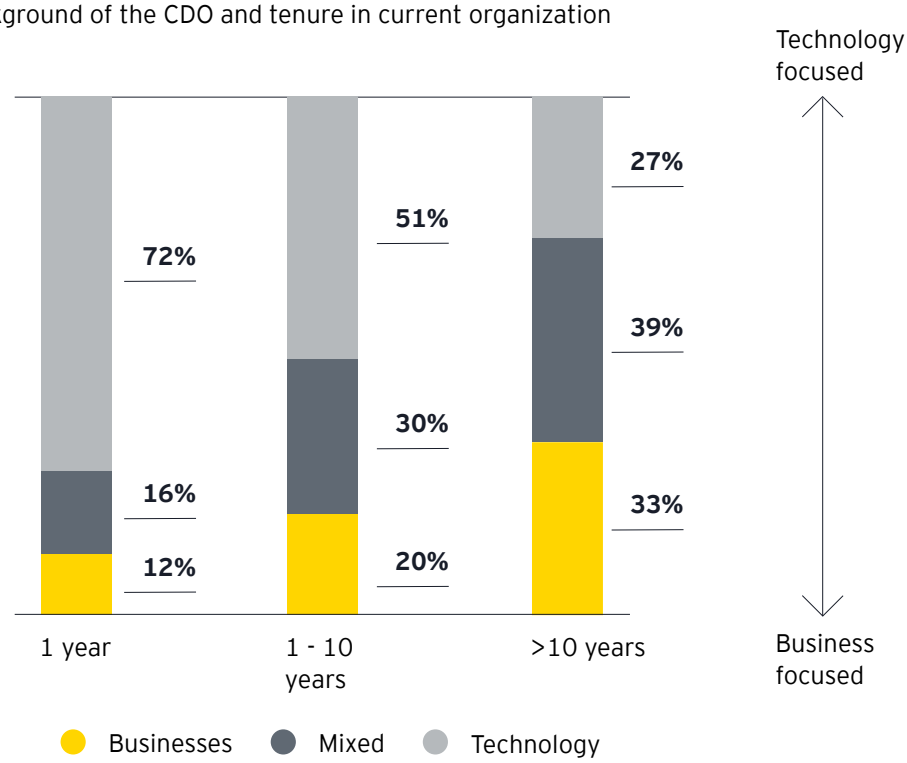
1.2. Background and tenure of the CDOs in-company

In the first edition, one of the most revealing findings was that a CDO's total professional experience was not necessarily rooted in data and analytics. Backgrounds varied widely, reflecting a role largely built through non-linear career paths. Many CDOs had little formal or "canonical" training in data disciplines, and a significant share came from business roles rather than technical ones—reinforcing the idea of the CDO as a largely self-made role.

Chart 3

CDO background orientation by tenure in current organization

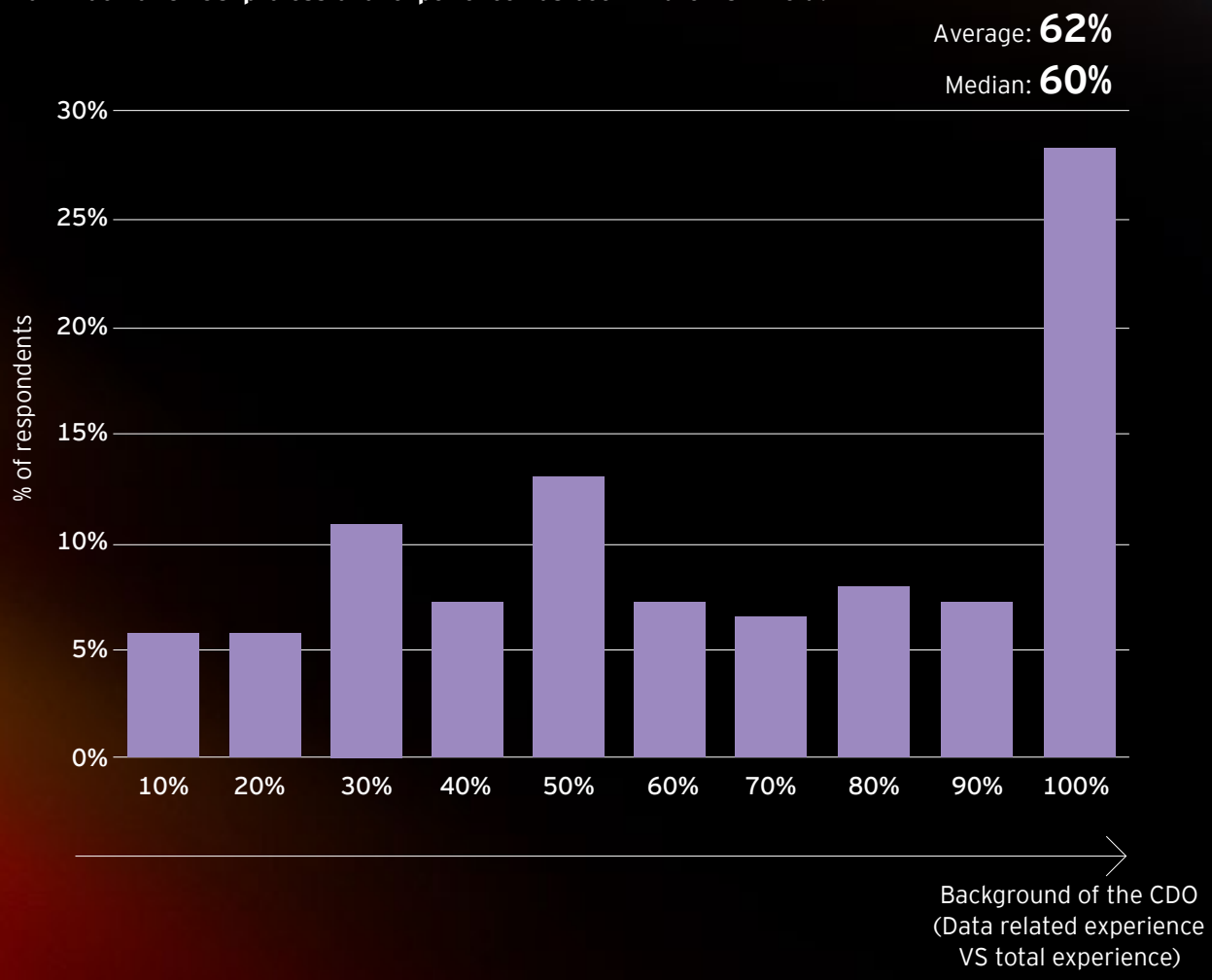
Background of the CDO and tenure in current organization



The chart showing experience across Technology, Business, or a mix of both highlights a clear pattern: CDOs with fewer years in the organization, and less overall experience, display a significantly higher share of technology-focused backgrounds, exceeding 70%. This is almost three times higher than for longer-tenured profiles. Beyond tenure, this suggests that as the role becomes more established, it is also becoming more professionalized.

Chart 4

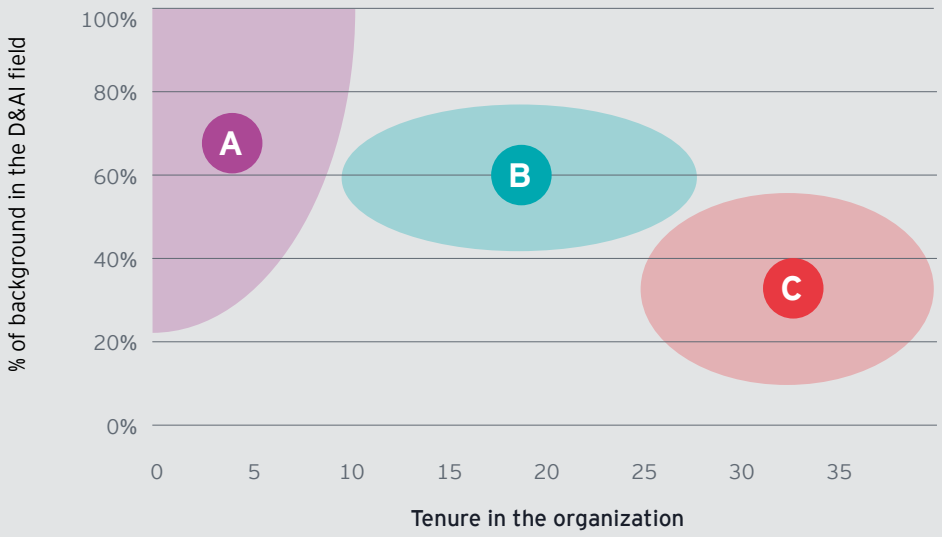
How much of CDOs' professional experience has been in the D&A field?



Looking at the distribution of how much of a CDO's career has been spent in data related roles, another shift emerges. Nearly one third of respondents now report having spent 100% of their professional experience in data. This group is already larger than those with less than 50% data experience, signaling a growing presence of deeply specialized CDOs.

Chart 5

CDO profiles by time in the role and tenure in the organization
3 archetypes remain when comparing tenure and Data-related experience



Zone A (~50%)

The Hired Expert CDO: Expert CDOs who join the company with the primary goal of leading the data function.

Zone B (~30%)

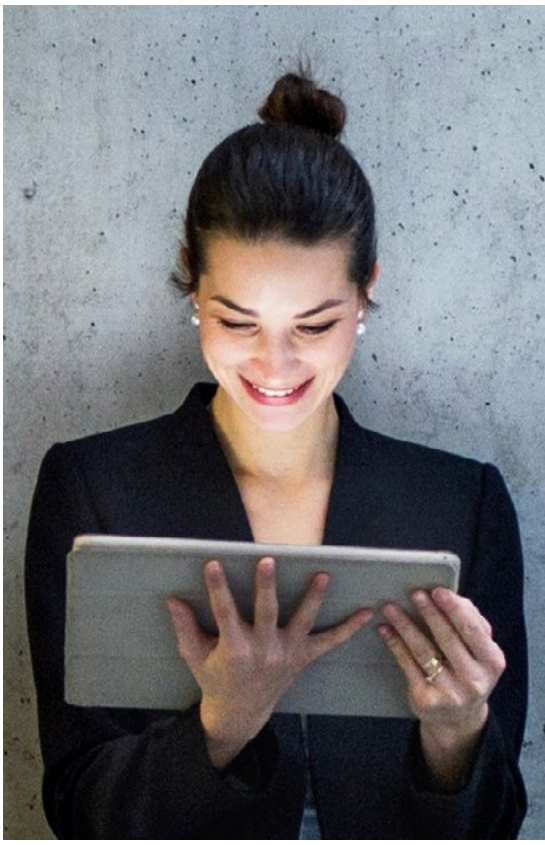
The Evolved Internal CDO: Those CDOs coming from technology roles who, after some time within the company, transition into this position.

Zone C (~20%)

The "Homegrown" CDO: Those who, after many years in the company, take the step to lead the organization's data strategy. These are individuals with deep knowledge of the business and the organization, who take on this new challenge after years in the company.

When revisiting the three CDO archetypes identified in the first edition—the Expert, the Evolved, and the Homegrown—these profiles once again appear clearly differentiated. Notably, the latter two now sit higher on the vertical axis, suggesting longer tenure within their organizations. This reinforces the idea that the role is becoming more anchored over time, although it remains unclear whether this reflects reduced rotation or simply a statistical effect.

1.3. Data Office functions and size

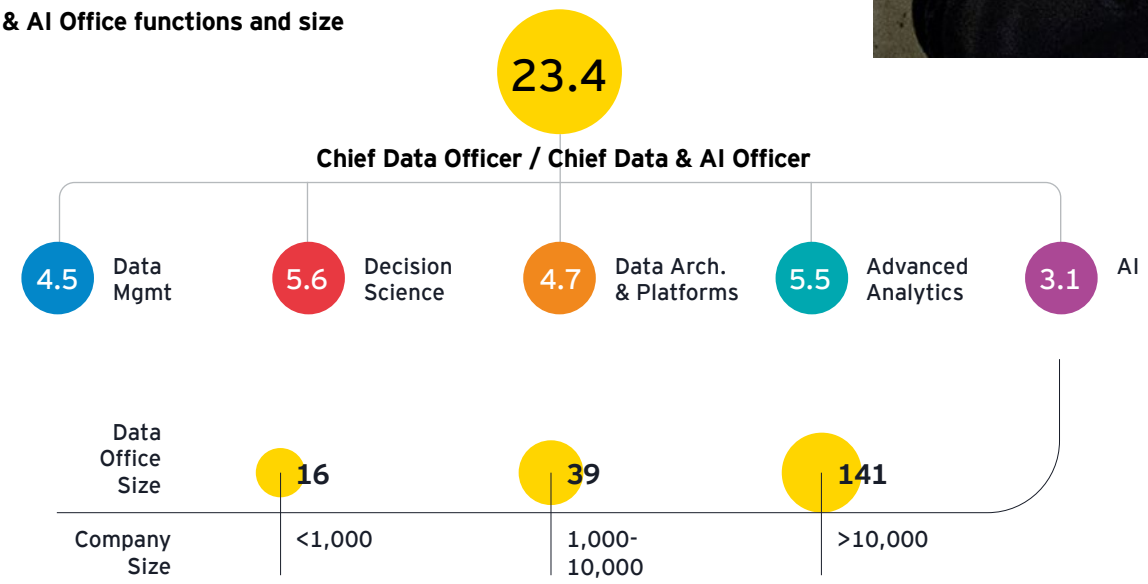


The most significant shift in the CDO role over the past two years will surprise no one: the rise of AI – GenAI in particular. What was once a nascent capability within the CDO's portfolio has become a core responsibility.

The canonical structure of the Data Office remains largely intact compared to the first edition. What has changed significantly is the eruption of artificial intelligence within both the scope and the teams reporting to the CDO. While AI appeared only incidentally in the previous study, it now emerges as a central function. As several CDOs had anticipated, expectations of growth over the next two years have materialized: the average team size has increased, and individual functions have also evolved in scale, seemingly in response to more demanding and complex organizational needs.

Chart 6

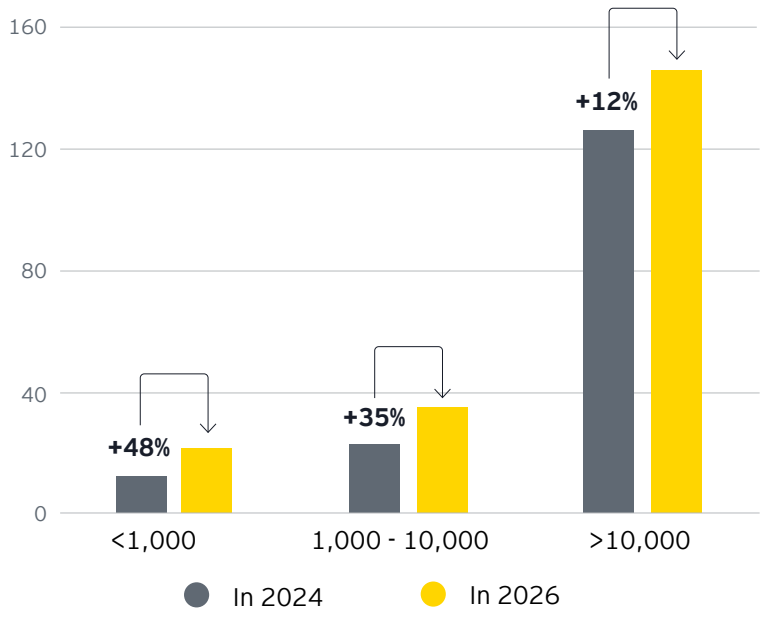
Data & AI Office functions and size



When looking at the canonical structure alongside average team sizes, both overall and by company size, a clear growth pattern emerges. On average, the **Data Office has expanded by 19%**, reflecting a broad reinforcement of the function. Following the strong incorporation of AI, Data Management stands out as the second fastest growing area in relative terms, likely driven by its renewed importance in an AI enabled context. Advanced Analytics continues to grow, though more moderately. Architecture and platforms remain largely flat, while BI & Reporting is the only function not growing, increasingly reframed as part of broader decision science capabilities.

Chart 7

Data office growth in the last two years across company sizes



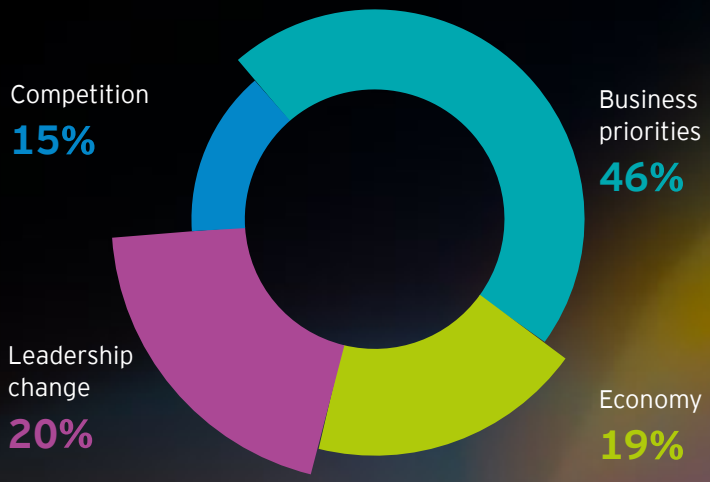
Analyzing growth by company size provides additional context. As expected, very large organizations show lower relative growth percentages, reflecting their already mature structures. The most significant expansion of CDO teams (ranging from 35% to nearly 50%) is observed in organizations with up to 10,000 employees. This pattern points to a clear and deliberate commitment by these companies to **strengthen the Data Office, positioning it as a core capability** rather than a supporting function.

1.4. Growth is not only in terms of FTEs, but also in terms of budget

In the first edition of this study, we identified the main drivers behind the creation and consolidation of Data functions, with Digital Transformation clearly leading the way, cited by nearly 45% of respondents. In this second edition, the focus shifts from structural drivers to economic ones. We asked CDOs what is now truly moving the needle in budget terms—what is driving investment decisions and shaping how resources are allocated to data, analytics, and AI capabilities.

Chart 8

Drivers of Data & AI budget

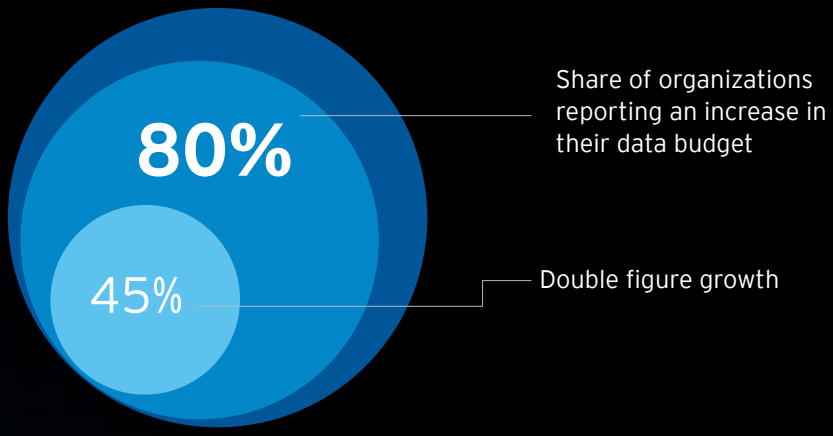


In this second edition, budget allocation emerges as a reflection of strategic intent, revealing how organizations are prioritizing data, analytics, and AI in response to business pressures rather than technical ambition alone

When looking at the distribution of budget motivators, business priorities clearly emerge as the leading factor, representing over 46% of responses. While broad in nature, these priorities are strongly rooted in economic and financial objectives: improving margins, accelerating time to market, enabling faster or better product launches through R&D, as well as driving organizational efficiency and cost savings across the enterprise.

Chart 9

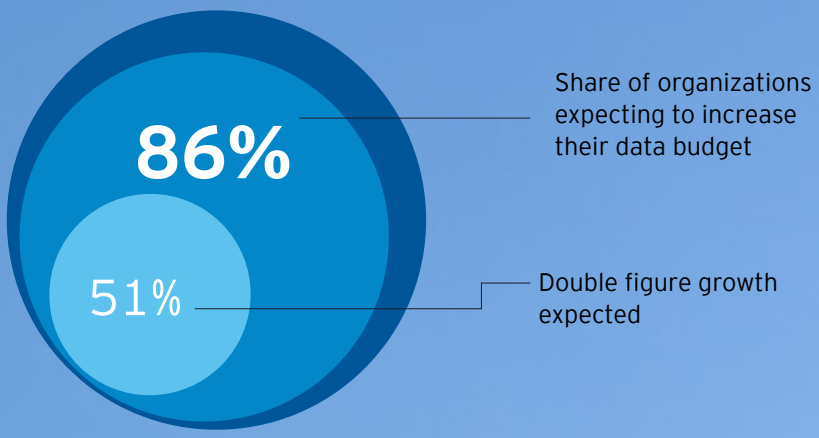
How data budgets have grown in the last 12 months



Once again, a strong majority of CDOs report budget growth over the past 12 months. More than 80% indicate that their budget has increased during this period, and notably, over half of them—representing 45% of the total sample—experienced double digit growth, signaling sustained organizational commitment to the function.

Chart 10

Expected data budget growth for the next 12 months



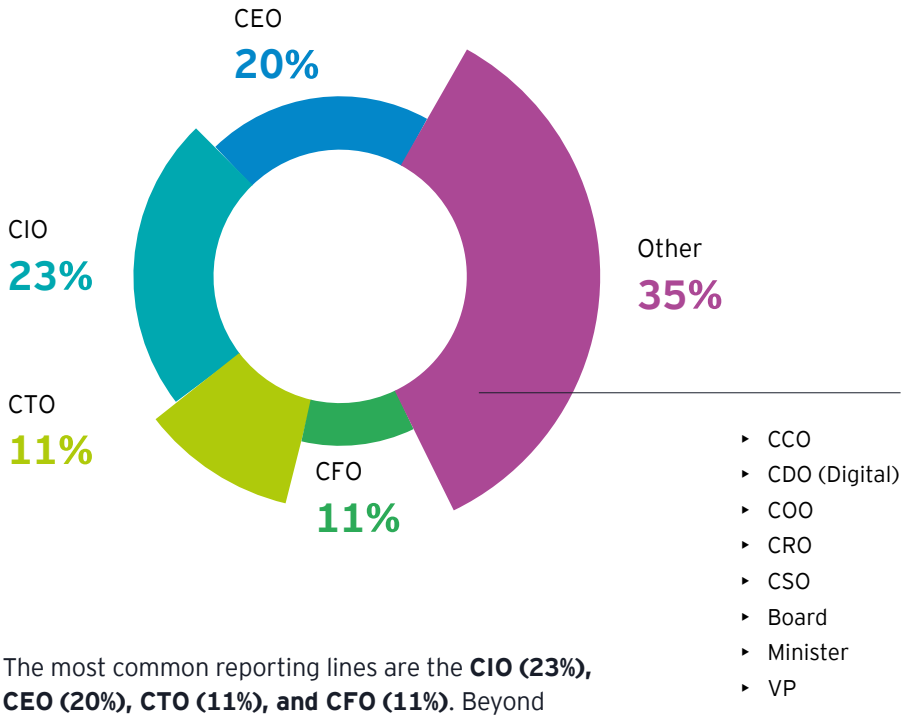
The outlook for the coming 12 months appears even more optimistic. An overwhelming 86% of respondents expect their budgets to continue growing, with 51% confident that this growth will once again reach double digit levels. These figures point not only to continuity, but to acceleration in investment momentum. **Is this sustained growth also being driven by the impact, and rising expectations, around artificial intelligence?**

1.5. Who does the CDO report to?

In the first edition of the study, we did not develop a detailed view of who the CDO reported to directly, although we did analyze impact through different leadership models. In this second edition, we have explicitly addressed this gap, incorporating a clearer and more structured view of reporting lines to better understand how organizational positioning may influence the role's effectiveness and reach.

Chart 11

Who does the CDO report to?



The most common reporting lines are the **CIO (23%), CEO (20%), CTO (11%), and CFO (11%)**. Beyond these four, a substantial share of respondents report outside the traditional C-suite structure, reflecting a wide range of alternative organizational placements. That dispersion signals ongoing experimentation: organizations are still determining where data and AI leadership should sit, and the choice carries real consequences — shaping whether the function is positioned as enablement and infrastructure or as a strategic value-creation capability.

Additionally, data-related executives reporting into business leadership roles more frequently described data and AI as drivers of value creation, while those reporting into IT functions more often emphasized enablement and infrastructure responsibilities.

1.6. How is the Data Function across the organization perceived?

In the first edition of the study, we asked CDOs how they perceived themselves—whether they saw their role as more strategic and offensive, or more tactical and defensive. In this second edition, the lens shifts outward. Rather than self-assessment, we asked CDOs how they believe the Data function is actually perceived across their organizations.

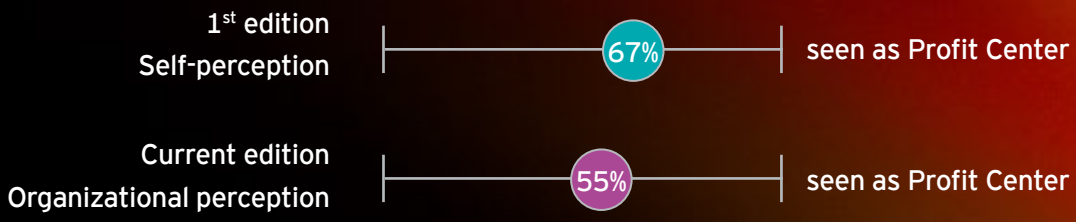
Chart 12

How strategic the D&AI function is perceived by leadership?

The results show a clear shift. According to respondents, the Data function is perceived as significantly more strategic than tactical, with a gap of over 10% points in favor of strategic contribution versus operational support—signaling growing recognition of its role beyond execution.

Chart 13

Is the CDO function seen as a cost or a profit center?
Cost center vs. Profit Center perception (external)



This difference is expected: the first edition captured how CDOs saw themselves, while the current edition reflects leadership's view instead.

This perspective becomes even more interesting when revisiting the long-standing discussion of Cost Center versus Profit Center. In the first edition, CDOs were asked how they personally viewed their function, with **over two-thirds seeing it as a Profit Center**. This time, the question focused on organizational perception. While the result is slightly lower, the direction remains the same: respondents still believe their organizations are more likely to view Data, Analytics, and AI as value-generating functions. This suggests that the value narrative remains positive, even if it is less firmly established beyond the data office itself.

CDOs who report into IT were the most likely to describe challenges with being perceived as profit-center leaders, often accompanied by tighter budgets and weaker direct alignment to business priorities. While the CDO role is gradually moving out of what many describe as the IT basement, functional ownership and day-to-day framing remain anchored under the CIO in a significant number of organizations. By contrast, when the role reports into a business unit or a business-led executive, participants consistently described a shift toward value creation – positioning data, analytics, and AI as levers for growth rather than primarily as operational enablement.

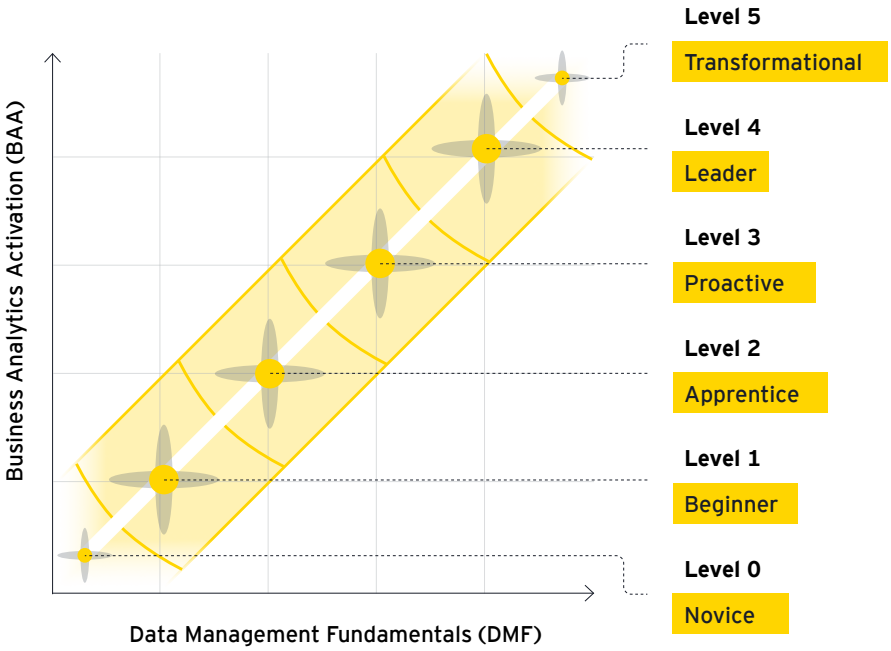
Conversely, leaders who described their data function as contributing to growth and revenue outcomes were more likely to report stronger alignment with business priorities than those emphasizing risk, compliance, or cost control alone.

1.7. Has Data, Analytics and AI maturity evolved?

There are multiple ways to assess and benchmark the progress and current state of organizations across different areas or functions. One of the most widely used approaches is to examine an organization's level of *maturity* in a given domain. At EY, however, we have deliberately moved away from the traditional view that contrasts organizational maturity with technological maturity from a purely theoretical standpoint. Instead, we have developed an alternative approach to assess progress and impact in data management—one grounded in concrete evidence that is directly reflected in business performance.

Chart 14

Data Maturity formula



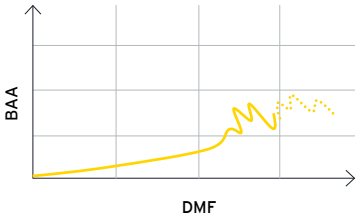
This maturity framework is illustrated in the chart below. Our analysis is built around two fundamental axes:

- **Data Management Fundamentals:** This axis assesses an organization's capability to effectively manage data, covering all core elements of Data Management such as governance, data quality, metadata management, data policies, and related disciplines.
- **Business Analytics Activation:** This axis evaluates the extent to which the organization is translating data into value. It spans analytics initiatives and use cases, the deployment of Artificial Intelligence and GenAI, as well as the effectiveness of information consumption and reporting.

Paths toward analytical maturity

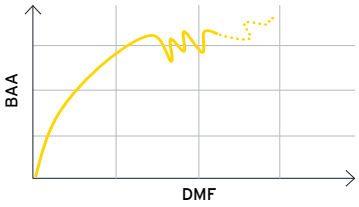
Defensive

Focuses on "Data Management" and regulatory compliance, without considering business impact and ROI



OFFENSIVE

Delivers excellent results from the start, but if "Data Governance" is not working, scalability becomes difficult



Our methodology incorporates the analysis of twelve dimensions and considers a set of enablers that we view as catalysts for strengthening organizational culture and accelerating effective data usage. These enabling factors include:

- A data-driven organizational culture
- Forward-looking leadership in data management
- Strong business–technology alignment (BizTech relationship)

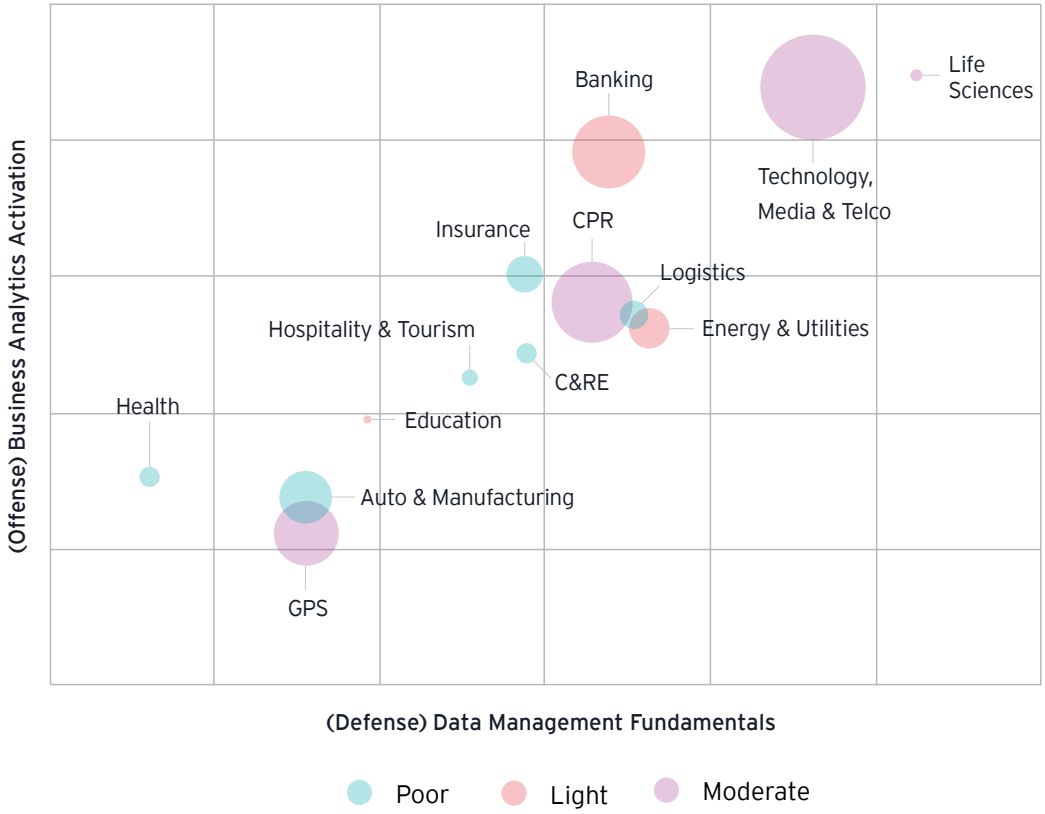
With this conceptual framework in mind—and aligned with the eight data maturity dimensions that Douglas Laney developed and has been refining for years—we asked CDOs to assess their current maturity level and organizational situation, enabling us to understand both the evolution and the present state of the function.

One of the most recurring expectations expressed by CDOs during this study was the ability to observe a comparative view of progress—both across industries and by company size.

We asked CDOs to share their perception of advancement across the dimensions of our methodology, assuming a perspective that is realistic yet demanding. We acknowledge that the results do not provide a perfectly precise representation of reality; however, they do offer a reasonable and approximate comparison that will undoubtedly stimulate constructive and enriching debate.

Chart 15

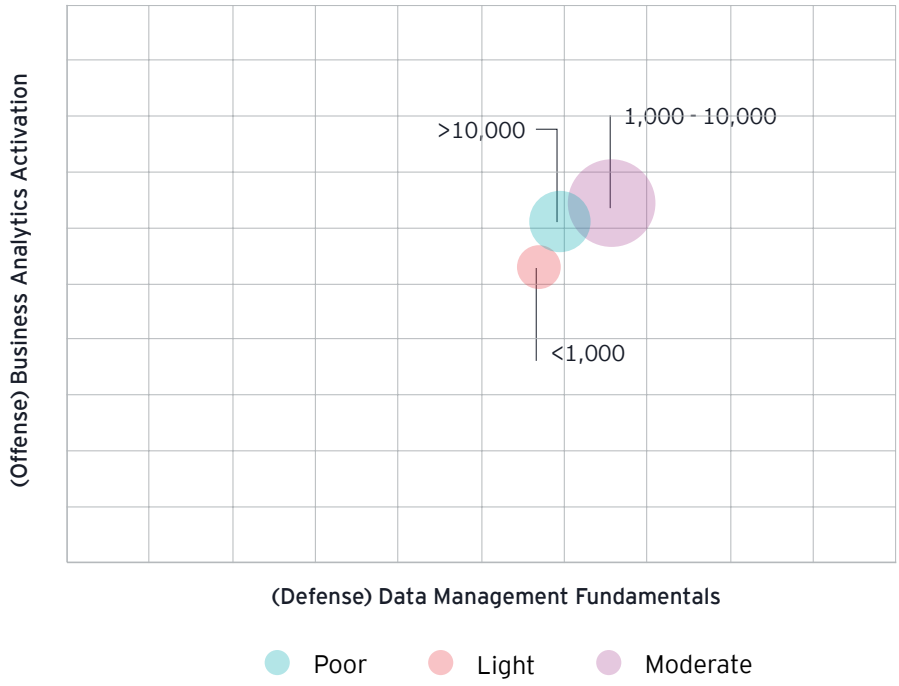
How sector maturity has evolved over the last two years



At a sector level, the maturity matrix has been refreshed to provide additional context. In this edition, the size of each data point reflects the number of responses received per sector, while color indicates relative movement compared to previous results and our internal historical benchmarks. Some patterns may be surprising: traditionally leading sectors such as Banking and Energy—both top three in the previous edition—now appear to be progressing at a more moderate pace relative to the average. At the same time, sectors such as Life Sciences, TMT, and even GPS (digital public administration) show a noticeable push forward. To ensure comparability, sectors have been normalized. These results should be read as relative, not exhaustive, offering a directional snapshot of how maturity has evolved over the past two years.

Chart 16

How sector maturity has evolved over the last two years
Data & AI Maturity by company size



When maturity is analyzed by company size, the picture remains broadly stable. What does stand out—though it is understandable—is that very large organizations (over 10,000 employees) not only continue to show the highest maturity levels, but also appear to be the ones that have progressed the most in relative terms over this period. **Could this be because they were the organizations that successfully established a modern data platform two years ago?**

Taken together, this section paints a clear picture: the CDO role is becoming more established, more visible, and more deeply embedded in organizational decision-making, while also facing growing expectations, scale, and complexity. If the first edition focused on defining who the CDO was, this second edition shifts the lens to how the role is lived day to day: how teams are built, how value is perceived, how budgets evolve, and how data and AI are shaping real impact. In short, the focus moves from describing the role to understanding its influence, and its challenges, in practice.

2

The CDO role in the age of AI

AI has transformed the professional landscape broadly, but its impact on the CDO role has been particularly profound.

2.1. The CDO at the Data-AI Crossroads

As AI initiatives multiply, organizations are experimenting with different leadership models to oversee Data and AI responsibilities.

Integrated leadership models vs. split ownership

The title landscape alone tells the story: respondents reported twelve distinct titles, with no clear naming consensus. CDO remains the most common designation at 25%, but the growing prevalence of titles such as VP or Head of AI, Chief AI Officer, and CDAO reflects active experimentation with split and hybrid leadership models.

Across our conversations, a consistent theme emerged: respondents were roughly twice as likely to advocate for a unified role as for split Data & AI ownership. The underlying rationale was to ensure that data remains a first-order strategic priority rather than a secondary support function. Several CDOs expressed concern that when ownership is divided, data teams risk falling into what they describe as a new IT trap — becoming ticket-driven service organizations that react to requests rather than shape outcomes. In organizations with split ownership, this dynamic also manifests in delivery: AI initiatives can move quickly through proofs of concept and demonstrations, but long-term impact depends on data readiness. Without strong data fundamentals, even the most promising pilots struggle to translate into sustained production outcomes.

Behind the role-design debate is a practical reality: Data and AI move at different speeds. Data work tends to be slower because it depends on quality, regulation, and legacy architecture. AI work is more visible and experimental and often expected to show progress quickly. That creates tension between the pace of experimentation and the pace of the foundations needed to support it.

A recurring pattern among respondents was this tension between the slower, foundational nature of data work and the faster, more visible pace of AI initiatives. Higher-performing organizations acknowledged and managed this asymmetry explicitly, while others experienced resource imbalances between the two.

Authority is usually shared, not absolute

Few CDOs exercise unilateral control over data, analytics, and AI. In many cases, respondents described shared responsibility for these domains rather than full ownership. A CDO might set data strategy, for example, while sharing analytics governance with business units. This suggests that the CDO's effectiveness depends less on top-down command than on influence and collaboration across functions — aligning multiple stakeholders around a common agenda. The authority profiles reinforce this picture. CDOs report full authority over data 61% of the time, but only 33% over AI. VP and Head of AI roles show the inverse pattern, with 71% claiming full authority over AI and just 14% over data.

Notably, even among **respondents with full authority over data, more than 80% reported shared or total responsibility for AI,** reinforcing the idea that AI leadership is frequently distributed, even when data ownership is centralized.

Some organizations adopt an expanded CDO model encompassing both data and AI, reducing handoffs and placing foundations and delivery under a single accountable leader — ensuring clear, undivided ownership. Others separate the roles but maintain coordination under a shared umbrella through common governance and a single roadmap, pairing the CDO with a closely aligned AI leader. A third approach places AI outside the CDO's remit entirely, often within an innovation function. This model tends to be the most fragile when alignment is lacking, as rapid front-end development can outpace data readiness and governance, making it significantly harder to scale.

Early signs of friction where roles are unclear

Two friction patterns emerge from the data.

First, 33% of respondents hold **stronger authority over Data than over AI** — the structural mismatch where the data leader becomes advisory on the very foundation AI depends on.

Second, **authority fragmentation** (variance across the three domains) correlates positively with performance — Top Performers tend to own some domains strongly rather than holding diffuse, equal influence across all three. Organizations where authority is evenly shallow appear to underperform those with clearer domain ownership, even if that means some imbalance. This reinforces the idea that the tension between Data and AI is better managed when decision cycles are separated, priorities are clear, and fast-moving AI delivery does not outpace the slower capabilities needed to sustain it.

The tension between Data and AI is better managed when decision cycles are separated, priorities are clear, and fast-moving AI delivery does not outpace the slower capabilities needed to sustain it.

2.2. Managing expectations in an AI-driven narrative

AI has amplified expectations at executive level, often outpacing organizational readiness.

Pressure for speed and visible results

AI dominates the current agenda, and with that visibility comes pressure to move quickly and deliver tangible results. It is frequently used as a signal that the organization is innovating and keeping pace with the market. That urgency can be energizing, but it can also push teams toward a technology-first mindset. Data leaders are responding by matching the pace — determined not to fall behind — while working to steer conversations toward measurable business impact.

Several higher-performing organizations described reframing foundational data initiatives as prerequisites for AI delivery, which correlated with stronger executive support and more stable funding. Similarly, several respondents highlighted a pattern in which early AI initiatives failed due to data quality issues, leading to a loss of executive confidence and slower subsequent investment.

Budget behavior reflects this shift. AI investment is expanding, driven in part by vendor pressure and external hype, even where incremental value has yet to be fully demonstrated. In practice, some pilots fail to outperform existing approaches, particularly when the baseline solution is already strong or when the underlying data foundation is not yet mature enough to support them.

One practical approach exposed by one CDO is the "oxygen tank" logic: deliver a small set of credible wins early to build confidence, then use that trust to fund the larger foundations required for scale. Small wins create the oxygen—time, credibility, and budget—to invest in the data fundamentals that keep AI initiatives durable beyond the demo.

CDO translator between ambition and feasibility

The most effective leaders reframe the conversation toward outcomes: the goal is not "doing AI," but delivering business impact that can be sustained beyond a demo.

A recurring starting point is simply getting everyone on the same page about the data that actually exists. In some board-level conversations, there is limited visibility into what data is available, where it sits, how usable it is, and what the quality looks like. Before debating models or use cases, the first step becomes a grounding discussion: what data do we truly have at hand, what condition is it in, and what can we realistically deliver with it today.

In practice, this starts with disciplined sequencing, define the problem, clarify the expected outcomes and success metrics, and only then select the most appropriate solution (which may or may not be AI). The guiding principle is consistent: prioritize business use cases powered by AI, not AI use cases searching for a business home.

When AI is — and is not — the right answer

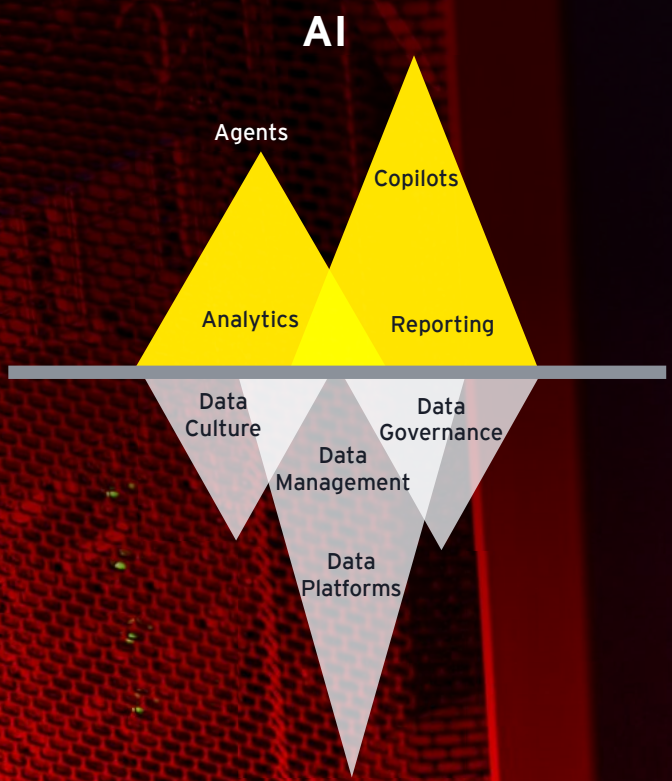
As AI becomes more visible across the enterprise, the decision challenge is less about whether AI can be used and more about whether it should be used for a specific problem.

In practice, two communication styles show up when deciding on the right approach:

- The problem is defined, success criteria are agreed, and then the team explains which solution type is most appropriate: GenAI, classical analytics, rules-based automation, process redesign, or a combination
- The conversation stays at the level of the business outcome and the delivered product, not the underlying technique, without specifying whether it is strictly AI or other technology.

Chart 17

AI brings data fundamentals back to the surface



2.3. Data Management returns to the center (the AI paradox)

Paradoxically, the rise of AI has brought renewed attention to data fundamentals that were often taken for granted.

Data Management Fundamentals

AI is often treated as a universal solution, but it is only as reliable as the data it consumes. Quality gaps that may be tolerable in traditional reporting — missing values, inconsistent fields, outdated records — are amplified significantly when AI is embedded into workflows and decision-making. Enterprise data environments were built for human consumption (e.g., dashboards), but they are increasingly being asked to serve AI systems and agents as primary consumers of data. Organizations are therefore moving from **human-ready data to machine-ready data**. And while the adoption of AI for data management is widespread, deeper integration of AI into core data operations was more commonly reported among organizations further along in maturity.

When asked about the primary challenges to AI deployment, respondents pointed overwhelmingly not to the technology itself but to **change management, data governance, and data quality**. 85% of CDOs rank data as a major challenge in deploying AI.

A second critical requirement is **semantic clarity**. Models do not fill in the blanks the way people do; what feels obvious to a human must be explicitly defined for a system to apply it consistently. Scaling AI therefore depends on shared definitions across teams — what key entities mean, how metrics are calculated, and which sources are considered authoritative. Without aligned semantics, outputs may be technically correct but operationally inconsistent, and that inconsistency erodes trust quickly.

Finally, clear **ownership** becomes non-negotiable. Ownership is the practical mechanism that converts governance into execution: it establishes who can make decisions, prioritize remediation, approve changes, and ensure data remains fit for purpose over time. Without it, issues persist, workarounds proliferate, and AI initiatives absorb the cost downstream.

The consequence of getting these fundamentals wrong is not limited to one underperforming use case. Several CDOs point to a more damaging pattern: when early AI initiatives fail because of poor data quality, inconsistent definitions, or weak ownership, the result is often a broader erosion of executive confidence. What begins as a technical shortfall becomes a trust problem. Once trust is lost, funding becomes harder to justify and organizational patience starts to wear thin.

Using AI for improved Data Management itself

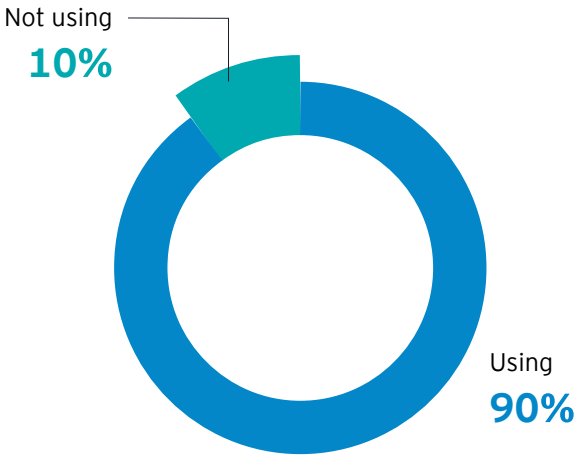
The pace required to prepare and manage the volume of data needed for AI is pushing teams beyond what manual processes can realistically handle. That is driving a clear shift: organizations are increasingly turning to AI to improve data management itself, not just to build AI products on top of data. AI is being applied to metadata, lineage, and data quality in ways that move governance closer to a self-healing model. This is no longer just optional experimentation. As data volumes, complexity, and speed increase, AI is becoming the only governance mechanism that can scale with them.

Survey results reflect this shift. More than **90% of CDOs report using AI for data management** in some capacity. Yet most are still experimenting. Only 25% of organizations have integrated AI deeply across data management. This gap is less a contradiction than a signal of maturity: usage is widespread, but many implementations are still in an early adoption phase—testing tools, building confidence, and integrating them into day-to-day workflows rather than running at full industrial scale.

Chart 18

Companies using AI at least for one purpose in data management

9/10 companies are using AI for improving their Data Management capabilities



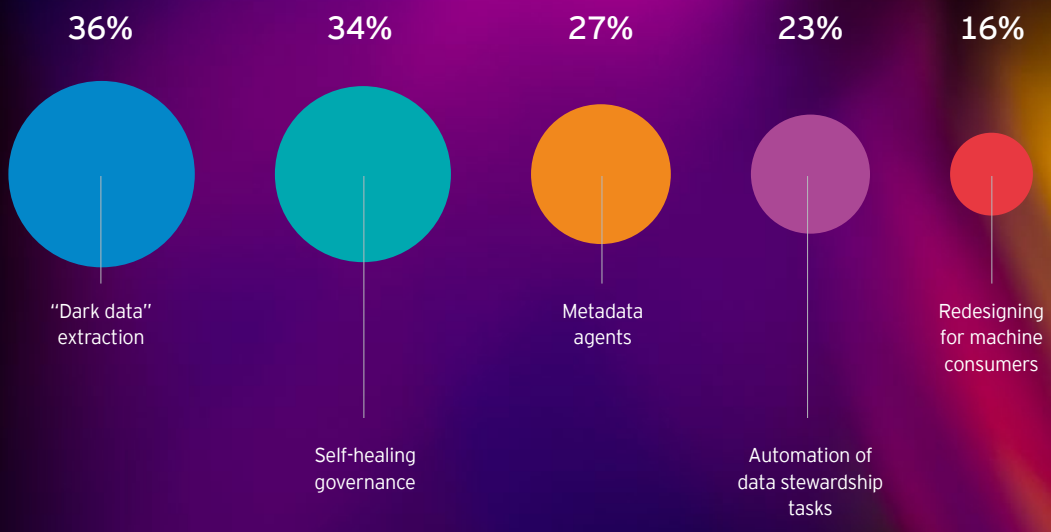
While the tool landscape is still evolving, five recurring uses of AI in data management are beginning to stand out.

- Dark data extraction, turning contracts, PDFs, emails, and legacy files into usable data assets.
- Adaptive governance, with AI supporting anomaly detection, real-time quality monitoring, and more self-correcting processes.
- Metadata and catalog management, including the generation of descriptions, tags, glossaries, and documentation with human oversight.
- Automation of repetitive tasks, especially tagging, lineage mapping, quality monitoring, and documentation.
- Machine-ready data design, as data environments increasingly need to serve AI agents, not only human users.

Chart 19

Most common uses of AI for Data Management today, % CDOs using AI for Data Management

Even without a clear consensus, five recurring AI uses in data management are beginning to emerge



2.4. Value and ROI: from narrative to pragmatism

Organizations are increasingly pragmatic in how they define and communicate value from data and AI initiatives.

Moving beyond purely financial ROI in early stages

As highlighted by an experienced transformation leader, most organizations go through a **"double spend" period** when launching a new strategy. The legacy environment must continue running while new data and AI capabilities are being built. This overlap is unavoidable, and it creates difficult trade-offs for executives. In this phase, a narrow financial ROI lens can be misleading because costs are immediate while benefits take time to come through. Building the budget with this transition phase in mind is crucial to set realistic expectations and avoid underfunding.

Moreover, higher-performing organizations more frequently describe data in economic terms (e.g., value creation, asset utilization), while lower-performing organizations frame it primarily in operational or compliance terms.

That transition period also shapes how value is perceived, especially at scale. When spend increases before benefits fully materialize, data and AI can start to look overhead rather than a value engine. This is consistent with our survey results: as organizations grow, data and AI are increasingly viewed as a cost center.

Emphasis on productivity, efficiency and risk reduction

As a response, many organizations are becoming more pragmatic in how they define value. Instead of obsessing over perfect ROI models or immediate monetization, the focus shifts to outcomes that can be delivered, observed, and repeated: productivity, efficiency, and risk reduction.

This also changes how GenAI is positioned. Instead of leading with headcount reduction, many teams position AI as a way to scale the business by making existing teams dramatically more effective. In board conversations, the idea is to scale the results with the same teams by reducing time spent on burdens and freeing up experts to focus on building value.

Chart 20

Expected business benefits of AI deployment by company sizes

	Revenue Growth	Customer Experience	Risk & Compliance	Savings	Operational efficiency	Quality services
<1,000	63%	73%	62%	63%	81%	67%
1,000-10,000	72%	77%	59%	75%	85%	71%
>10,000	66%	62%	59%	72%	84%	64%
Overall Average	67%	70%	60%	70%	84%	67%

Percent of respondents

The survey data aligns with this shift. Operational efficiency emerges as the strongest expected benefit, with over 80% of respondents rating it as priority outcome. Those teams using AI for automation of stewardship tasks report materially higher perceived impact on data management, roughly 46% versus 25% for those not using it.

Building credibility through observable impact

The days of building credibility on broad promises of "data-driven transformation" are fading. Credibility now comes from measurable outcomes and clear links to business priorities. That is why many organizations measure value through observable signals such as hours saved, faster decision-making, and fewer errors, rather than relying only on direct revenue attribution, especially early on.

At the same time, they are becoming more selective about where the team invests time, shifting away from a long tail of low-impact reporting and toward a smaller set of high-value initiatives that can be delivered well and scaled.

Just as importantly, credibility is not built only through executive updates. It is earned through visible improvements in day-to-day work, business unit by business unit. By focusing on practical use cases that solve real problems for specific teams, data and AI leaders create momentum and trust where it matters most. Over time, those teams become allies since they have experienced the operational benefits firsthand. This internal support helps reinforce the value of the data function and closes the gap between platform work and business outcomes.

In parallel, some organizations are beginning to treat data not only as a support capability, but as an economic asset that requires active investment, stewardship, and return discipline. This is a materially different framing—one consistent with the principles of infonomics. When leaders quantify the cost of poor-quality data in terms of manual reconciliation, decision delays, duplicated effort, or missed commercial opportunities, the issue stops being technical hygiene and becomes a form of financial leakage. In that context, investment in data quality, architecture, and ownership is easier to position not as overhead, but as asset protection and value creation.

This distinction matters especially in executive conversations. A productivity narrative may secure short-term support, but an asset narrative changes the level of the discussion. It allows CDOs to engage CFOs and boards not only on efficiency gains, but on capital allocation, risk exposure, and the economic contribution of trusted data domains to growth, resilience, and reuse across the enterprise.

2.5. People, culture and literacy

Technical capability alone is no longer sufficient to sustain momentum in data and AI initiatives.

"Hype vs. reality" pressure is on the CDO

Many CDOs find themselves educating leaders on what's realistic. One chief data officer mentioned having to temper the expectation that AI's surge (ChatGPT et al) would immediately yield dividends, by highlighting data quality and governance work still required. The data backs this pragmatism: a significant share of organizations are still building foundational data capabilities (data catalogs, lineage, quality controls) and are not yet in a position to unleash AI everywhere. The CDO often becomes the translator between the exciting vision of AI and the practical timeline to implement it – managing hype internally so that stakeholders stay committed for the long run.

A consistent theme is the gap between externally visible AI capabilities and internal readiness. Higher-performing organizations appear more effective at aligning expectations with data reality, particularly at executive levels. Additionally, organizations with more coordinated approaches to data and AI leadership reported fewer instances of fragmented or duplicative initiatives, while less coordinated environments described a proliferation of disconnected efforts.

The rise of AI literacy as a leadership capability

A key issue is whether senior leaders have a clear, shared understanding of what AI needs to work well at scale. Interviews repeatedly point to a familiar pattern: leadership asks for GenAI to "maximize business value," but the organization has not aligned on the data prerequisites and operating discipline required to deliver reliable outcomes. In this context, educating leadership on boundaries, risks, and what "good" looks like in production becomes a core part of the data and AI leadership role, not a side activity.

CDOs report that leadership and culture are the weaker areas on the maturity scale, reinforcing that many organizations experience scaling as a people and adoption challenge, not only a capability challenge.

Education as a strategic, not auxiliary, activity

Many responses describe growing literacy, early democratization and a shared data language emerging. This indicates that the cultural story is not static; it is uneven, transitional and often ahead in pockets rather than enterprise-wide. In that context, leading organizations are reshaping how they approach upskilling. Education is no longer treated as a part-time HR task. In some cases, it has evolved into a dedicated role (AI Transformation Directors or Change Management leads) with a clear mandate to build data literacy and support enterprise AI adoption.

Safe experimentation as a learning mechanism

Many teams adopt a "fail fast, fail cheap" approach, using short, time-boxed PoCs with small budgets to test value and learn quickly. In some cases, CDOs allow board-requested PoCs to run even when success is unlikely. Instead of labeling an unsuccessful pilot as a failure, they use it to create clarity. This way it confirms where AI is genuinely differentiated, and they provide credible evidence when a simpler or more established approach is the better fit.

There is also a risk in many small, uncoordinated deployments. As GenAI becomes easier to access, citizen development can accelerate faster than standards and readiness. This can create "AI silos," meaning disconnected solutions that cannot be scaled and that increase operational and compliance exposure. In one organization, an internal review surfaced more than 170 independent AI tools in use across the company, illustrating how quickly fragmentation can happen when experimentation outpaces coordination.

Education is no longer treated as a part-time HR task... it has evolved into a dedicated role with a clear mandate to build data literacy and support enterprise AI adoption.

3

The voice of the CDO

"These conversations were reassuring," one CDO told us at the end of the interview. "It's a complex journey—but it's good to know we're not navigating it alone."

As we did in the first edition of this study, we have once again engaged in deep conversations with Chief Data Officers and Data, Analytics, and AI leaders. This time, however, we spoke with more than twice as many leaders as before, spanning organizations across all five continents. Our goal was simple: to understand how the role is evolving and how CDOs are navigating the realities, tensions, and expectations shaping their agendas today.

Unsurprisingly, several themes surfaced repeatedly and consistently across interviews. What was more revealing, however, was the diversity of perspectives on how to address these shared challenges. Even when facing the same issues, CDOs approach them in markedly different ways—often complementary, sometimes contrasting, and always shaped by their unique organizational contexts. There is no single "right" answer, only thoughtful and valid ones.

From the many topics discussed, we have distilled six that sit at the very heart of these conversations. Our hope is that, beyond recognizing familiar situations, most readers will find themselves reflected in more than one of the perspectives shared throughout this section.

3.1. CDO or CDAIO? Combined or separate roles?

Data and AI functions under the same role:

> Separating Data and AI leadership is like hiring one person to grow the wheat and another to bake the bread, then wondering why the bakery is empty.

CDO Retail sector

> The CDAIO isn't a new role; it's the realization that data without AI is a library, and AI without data is a hallucination.

CDO Oil & Gas sector

> Data is the fuel of AI. Whoever governs data must also govern AI. There must be a single organizational owner.

CDO Public sector

> Data governance represents 80% of data programs. Separating AI from data risks losing coordination. AI is a product of data — it shouldn't be split.

CDO Real Estate sector

Data and AI functions split into different roles:

> Data and AI operate at different speeds. They require different strategies, even if they must stay very close to each other.

CDO Infrastructures sector

> AI hype consumes enormous attention. When the CDO also owns AI, there's a real risk of losing focus on core data fundamentals.

CDO Banking sector

> Analytics is about delivery; the CDO role is about governance. Separating responsibilities can reduce confusion, as long as AI stays strongly connected to data foundations.

CDO Education sector

Interviewees described the combined role as a "unicorn" – nearly impossible to staff because the skills for rigorous governance (meticulous, regulated, slow) and AI innovation (experimental, rapid, high-risk) rarely exist in one person.

Having a single person responsible – "one head to appoint" – eliminates the political friction where the CDO claims the data is fine but the AI lead says it's unusable.

"The CDO vs. CDAIO debate is not about titles – it's about whether organizations are mature enough to run Data and AI as one system, regardless of how many boxes appear on the org chart."

The two-speed conflict was described repeatedly: "AI Speed often starves Data Speed of resources because AI has better optics with the Board." – and the reverse, where a data-focused leader strangles AI innovation through over-governance.

The split model was defended as a valid transitional phase – allowing an AI leader to focus on use case delivery "without getting bogged down in 20 years of legacy Data Warehouse debt.

3.2. Have organizations forgotten about data while focusing on AI?

Yes, maybe we have forgotten:

> AI hype is a high tide that hides all the rocks in your data foundation. When the tide goes out, you're going to see exactly how messy your infrastructure really is.

CDO Fashion sector

> We are treating AI like a skyscraper while the foundation is still a swamp.

CDO Manufacturing sector

Leaders warned that because AI outputs are immediate and impressive, "stakeholders assume the data is 'just there'" – treating data management as reactive rather than proactive.

The risk of AI amplifying bad data was framed starkly: "It's no longer just a wrong report – it's a wrong autonomous decision that can happen at scale".

When early AI pilots fail due to data quality, the result is a "Trust Gap" – stakeholders may withdraw support for the entire DAI roadmap.

No, we haven't:

> We've spent 20 years building data for eyes; we now have 24 months to rebuild it for brains.

CDO Banking sector

> Boards are bored by governance but excited by AI.

CDO Insurance sector

> One leader called AI "the Trojan Horse for Data Maturity.

CDO Retail Sector

Savvy CDOs are exploiting the AI moment, so foundational data work is now being funded as "AI Enablement" rather than governance.

AI is now being used to fix the very data problems it depends on – automated metadata, self-healing pipelines, generative governance documentation.

3.3. Groundhog Day – has the culture shifted, or are we still beating the drum?

Same old story:

> In the AI era, the quality of your data is the only unfair advantage you have left.

CDO Mobility sector

> In retail, it's Groundhog Day every single day. Governance exists on paper — owners, stewards, frameworks — but it's not operationalized in reality.

CDO Automotive sector

> It often feels like Groundhog Day with data governance: the same discussions, the same problems, and very little progress, while AI keeps getting budget approval.

CDO Infrastructures sector

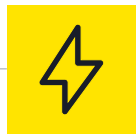
> We were asked to 'bring AI' without data, governance, or consistency. Data quality was a daily fight, and without foundations, even basic analytics broke operations.

CDO Manufacturing sector

Seeing real change:

> Stop treating data as a byproduct of a transaction and start treating it as the primary asset of the enterprise.

CDO Energy sector



> Assigning financial value to data projects changed everything. Once governance and remediation were tied to real euros, accountability and execution improved dramatically.

CDO Banking sector

> When we arrived, governance was purely technical. We rebuilt it around business users, ownership, and consumption — and only then did AI acceleration become possible.

CDO Consumer Goods sector

The rebranding strategy is working where it's been tried – leaders are no longer asking for "Governance budget," they're asking for "AI Enablement budget," and getting it.

Machine consumers (AI agents) are imposing quality standards that human dashboard consumers were willing to tolerate – creating external pressure for data precision that internal governance never achieved.

3.4. Managing top exec expectations – successes and ongoing challenges

Leadership gets it:

> AI expectations are managed because the CEO is deeply AI-literate. That makes conversations pragmatic: use cases are mandatory, value is discussed every two weeks, and AI is treated as execution — not magic.

CDO Retail sector

> We constantly remind the board that AI is not a silver bullet. Our role is to show real business cases, explain what needs to scale, and be honest about what still requires strong data foundations.

CDO Real Estate sector

> AI isn't causing problems; it's exposing existing problems in data infrastructure. Once executives understand that, expectations become much more realistic.

CDO Technology sector

> The higher the cost, the higher the bar for usage and value. We scale expectations with economics, not with hype.

CDO Manufacturing sector

Still managing expectations:

> The hardest part of the job isn't the technology; it's being the only one in the room willing to say 'no' to a miracle that doesn't exist yet.

CDO Automotive sector

> Leadership often expects AI to deliver perfect answers, without realizing how immature the data foundations still are. That gap makes expectation management extremely difficult.

CDO Education sector

> Managing AI hype is one of our biggest challenges. Expectations at the C-level are very hard to control, and many initiatives never scale because governance isn't ready.

CDO Banking sector

The "Velocity Trap" remains: executives expect AI outcomes that mirror public-facing GenAI tools, creating pressure to deliver "at a speed that ignores foundational data stability.

Using AI to manage data is the only way to win the war of velocity. We can't have human stewards at the speed of light.

3.5. The Grinch feeling

We often have to push back:

“I love the Ferrari, but we are X-company; X-company chooses a Fiat — there’s no room for whims.

CDO Manufacturing sector

“A significant portion of the time, what people call ‘GenAI’ is really just automation — a better ‘if-this-then-that’ engine.

CDO Technology sector

“Sometimes the board arrives with ‘AI ideas’ they saw online — but many are just bots or automations. Our job is to reframe the conversation: first define the real problem, then pick the right tool.

CDO Education sector

“If a CDO says no too often, the business will start Shadow AI projects without them.

CDO Retail sector

“Business wants magic; I am here to explain the plumbing. My success depends on making the plumbing feel like magic.

CDO Mobility sector

We don't really need to:

> I never see that — I always say AI is the solution, and then I make whatever I want because that's what they expect. People don't care about the names; they just want the result.

CDO Retail sector

> Our philosophy is: 'Help a lot, bother little.' We start from the business problem and gently redirect when needed — without imposing technology choices.

CDO Consumer Goods sector

> We don't experience big tensions: they ask for solutions and may suggest GenAI, but they don't force it. That makes it easier to guide them without playing the 'bad guy'.

CDO Infrastructures sector

> It hasn't really happened to me in this role — we're still early. If you keep the conversation on data quality and safety, you don't need to 'burst bubbles'; the bubble never fully forms.

CDO Public sector

Sometimes the cultural pressure to "use GenAI" overrides the technical argument.

Executives want GenAI not because it's the best solution, but because they need to tell the board they are "using GenAI" to maintain their own political standing – a dynamic that is nearly impossible to argue against on technical grounds alone.

3.6. Using AI for Data management

Still exploring:

> Within three years, I want 50% of data-related FTEs using AI intensively — pipeline management, governance support, data quality monitoring, and master data management.

CDO Banking sector

> We're exploring GenAI for business-term definitions, ontology generation, and business-driven quality rules — but the built-in GenAI features in our tooling haven't been very useful so far.

CDO Infrastructures sector

> We're exploring GenAI to automate parts of governance — like generating a business glossary, matching glossaries to sources, and monitoring data quality — but we're using it less than we'd like because the data office is saturated.

CDO Consumer Goods sector

AI is being used in 9/10 companies for Data Management.

Not clear 'use' of AI for Data Management (still testing and trying).

Already using it:

> We built AI agents specifically for data cleansing and for detecting data quality issues — plus agents that gather metadata so teams can ask about lineage and orchestration without digging through documentation.

CDO Infrastructures sector

> We're using VENDOR capabilities to democratize access and improve governance: natural-language querying with VENDOR-Tool, cataloging with VENDOR-Tool2, and cleaning unused tables so the platform stays healthy.

CDO Retail sector

> Our most successful GenAI pilots so far are in data management: using LLMs to automate data lineage documentation for regulatory controls, and pairing that with remediation automation that pushes corrections back into source systems.

CDO Banking sector

> We're using AI to build lineage automatically from transformation logs, and to flag inconsistencies in metadata descriptions — catching errors like mismatched ownership or misleading definitions before they affect risk or decisions.

CDO Financial Services sector

4

Habits of top performers

Across the findings, one pattern is clear: the barriers to scaling data and AI are more often foundational than aspirational. This section turns to the organizations that appear to be managing these pressures most effectively. Using a peer-relative performance benchmark, we define the leader group as the top quartile and examine the patterns that consistently set them apart.

The first finding is that top performers operate in the same environment as everyone else. They contend with the same tensions described throughout this study. What distinguishes them is not a different set of challenges but a stronger set of mechanisms for absorbing those challenges without losing organizational coherence. Their edge is less about vision and more about operating discipline.

The real divide opens in deployment, not strategy

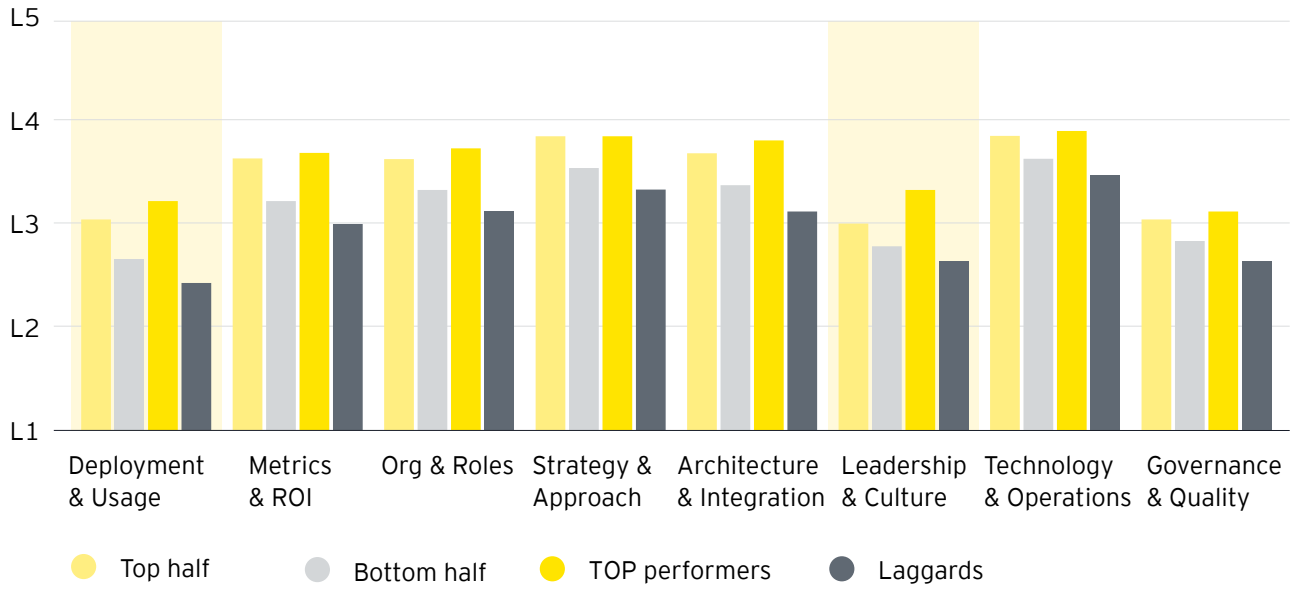
The clearest maturity separation between top performing organizations and others is in Deployment & Usage. Despite being one of the lowest-maturity dimensions overall – alongside Leadership & Culture – it shows the largest maturity gap between higher- and lower-performing organizations of any dimension measured. This is a telling combination: the dimension where organizations struggle most is also the one where top performers have pulled furthest ahead. Organizations that have moved beyond centralized analytics teams to achieve broad-based deployment of analytics and AI are opening a widening gap over those that have not.

Chart 21

Current maturity levels - top vs bottom half
Mean level (1-5) per dimension, sorted by performance gap

Deployment and leadership maturity remain the weakest dimensions

TOP performers: score > 81 (top quartile)
Top half: score > 70
Bottom half: score ≤ 70
Laggards: score ≤ 60 (bottom quartile)

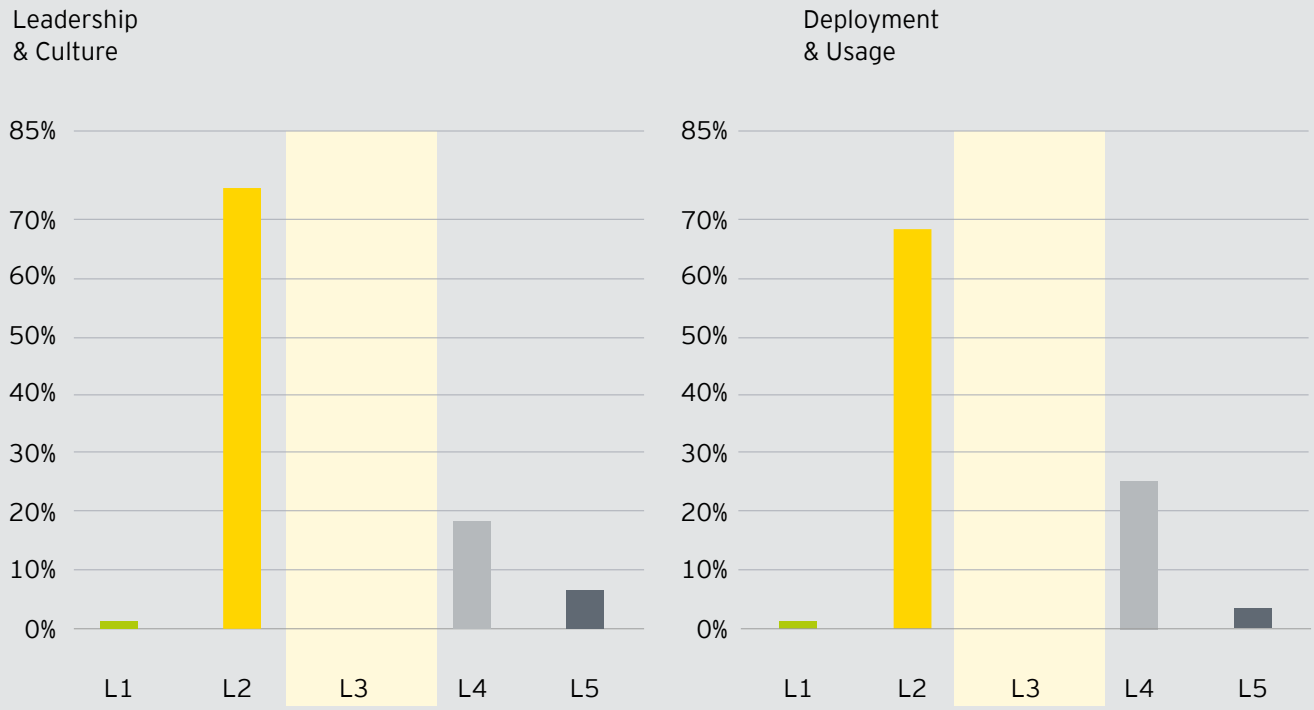


The pattern becomes more striking when you look at how progress is distributed. In both Deployment & Usage and Leadership & Culture, virtually no organizations sit at the midpoint of the maturity scale. This suggests these are not capabilities that improve gradually through incremental effort. They behave more like threshold conditions — organizations either make a sufficient commitment to cross the gap, or they remain stuck in a low-maturity state longer than expected. That chasm dynamic is one of the most structurally distinctive findings in the data, and it helps explain why broad adoption separates so sharply across the performance spectrum.

Chart 22

The bimodal dimensions - two dimensions skip Level 3 entirely
% of respondents at each level. Leadership & Culture and Deployment & Usage show a hard "chasm" at L3

For leadership and deployment, organizations either exceed the benchmark or fall clearly below it, with no real middle ground



The dimension where organizations struggle most is also the one where top performers have pulled furthest ahead.

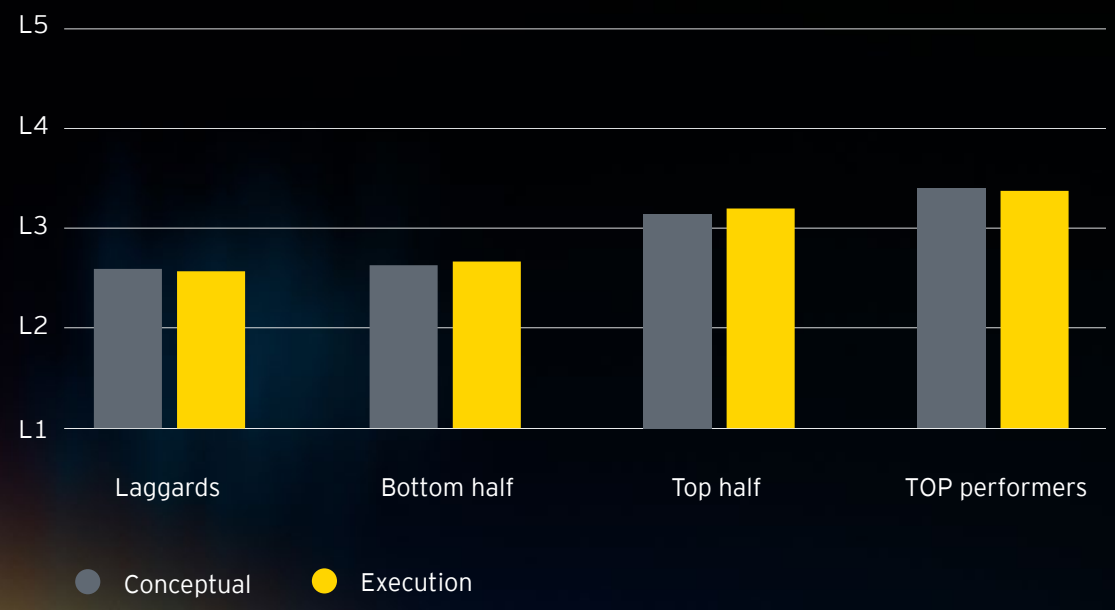
Strategy and execution rise together

A common assumption is that lagging organizations have a sound strategy but struggle with execution. The maturity data offers little support for that view. Across all performance groups, conceptual maturity and execution maturity track almost in lockstep. There is no meaningful segment that is strategically mature but operationally weak, or operationally capable without a coherent strategic foundation. The two rise together — which suggests there is no shortcut through strategy alone. Execution capability has to be built in parallel, not treated as something that follows once the strategy is in place.

Chart 23

Conceptual vs execution maturity
Conceptual = Strategy, Leadership, Org & Roles. Execution = Metrics, Architecture, Deployment. By performance group

Strategy and execution maturity rise together across all performance groups



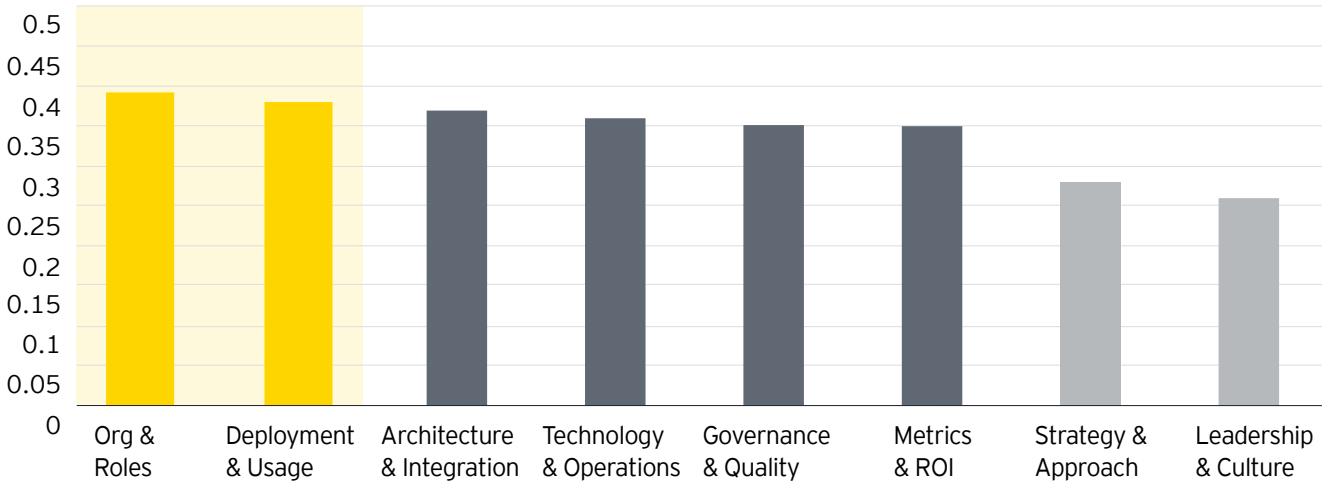
Reporting lines support performance

Across all maturity dimensions, Organization & Roles shows the strongest correlation with performance — a position one might expect to be held by Metrics & ROI or Deployment & Usage, since both appear more directly tied to outcomes. But role clarity, centers of excellence, coordinated data product ownership, and clear decision rights are not administrative details. They are the connective tissue that allows strategy, governance, and deployment to function together.

Chart 24

Dimension correlations with organizational performance
Pearson r. All significant at p<0.01 . Higher = stronger relationship with performance

Organizational structure and role clarity show the strongest correlation with overall performance



This structural point gains additional weight when linked to the authority findings from earlier sections. Top performers who report to the CIO still score significantly higher on strategy influence than laggards in the same reporting structure. The reporting line may set a ceiling, but performance determines whether leaders actually reach it. A similar pattern appears in authority over AI: the drop in authority from Data to AI is noticeably steeper for laggards than for top performers. The takeaway is not that any single org chart guarantees success, but that structural clarity makes it far easier to convert influence into coordinated action.

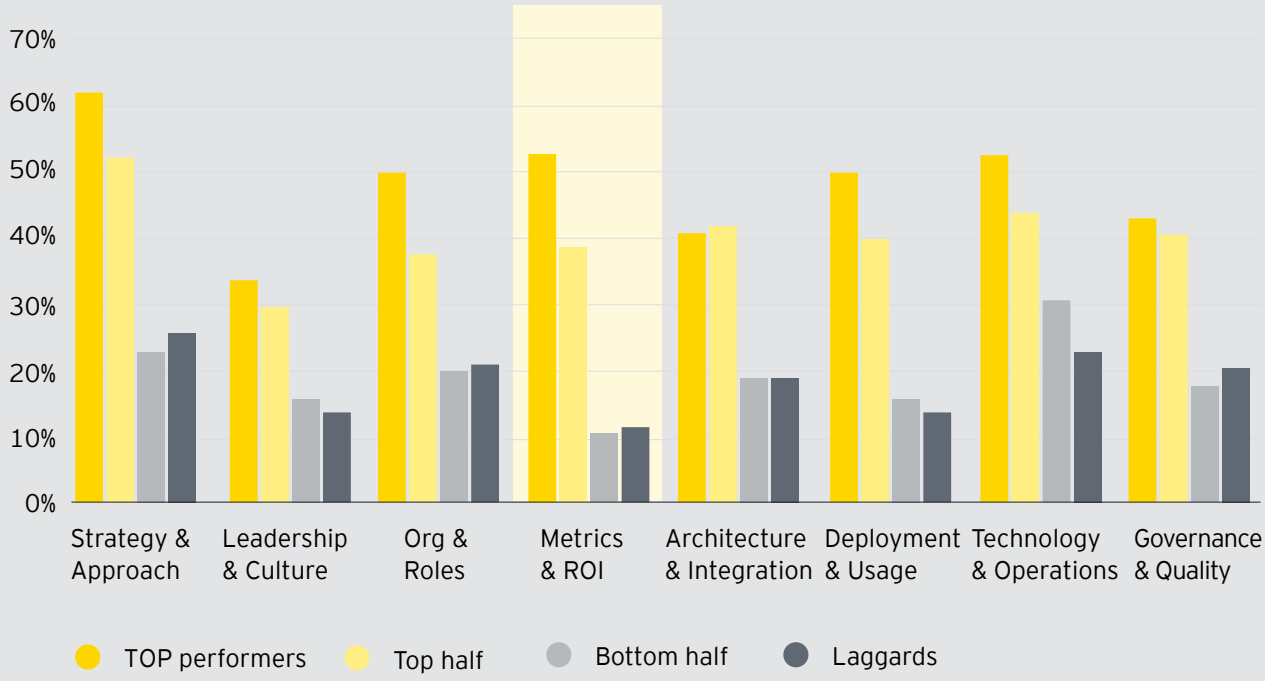
Measurement makes progress visible

A second major differentiator is the ability to make the value of data, analytics, and AI visible in a way the business trusts. Metrics & ROI shows one of the clearest maturity gaps between top and lower performers. Organizations in the top quartile are more than four times as likely to have a trusted measurement framework that is integrated with the business.

Chart 25

Who reaches Level 4+
% of each performance group achieving Level 4 or 5. The gap widens dramatically at the extremes

The largest gap between leaders and laggards lies in how they measure outcomes and ROI



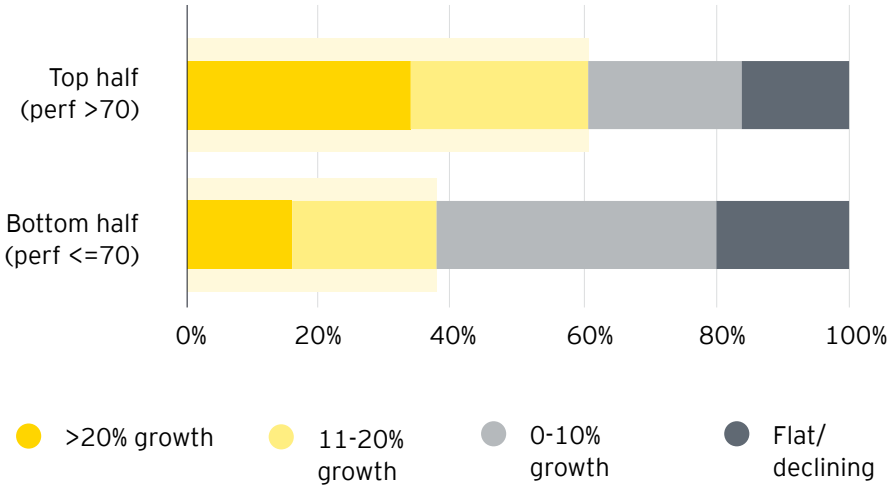
This matters because measurement changes the nature of the investment conversation. It turns ROI from a retrospective justification exercise into a forward-looking management tool — the mechanism that helps organizations escape the recurring "didn't we already fund this?" debate. That shift is especially important in environments where data and AI investment often involves transition costs, parallel spending, and benefits that surface first as efficiency gains, freed capacity, or improved decision quality before they appear as clean financial returns. Top performers appear better able to make those early gains visible in time to sustain organizational commitment.

The budget data illustrates how this advantage compounds. Top performers are significantly more likely to receive double-digit budget growth, and their most common outcome is growth above 20% – while for laggards, the most common outcome is single-digit growth or flat funding. When an organization can demonstrate value in terms the business trusts, continued investment becomes easier to secure. That additional funding then widens the maturity gap further. The advantage is not static – it builds over time. Measurement supports momentum, and momentum creates more room to invest.

Chart 26

Budget growth - past 12 months
Distribution of budget change bands. Compounding advantage in motion

Growth for the bottom half is nearly half the pace achieved by the top performers



Literacy acts as a shield against unrealistic expectations

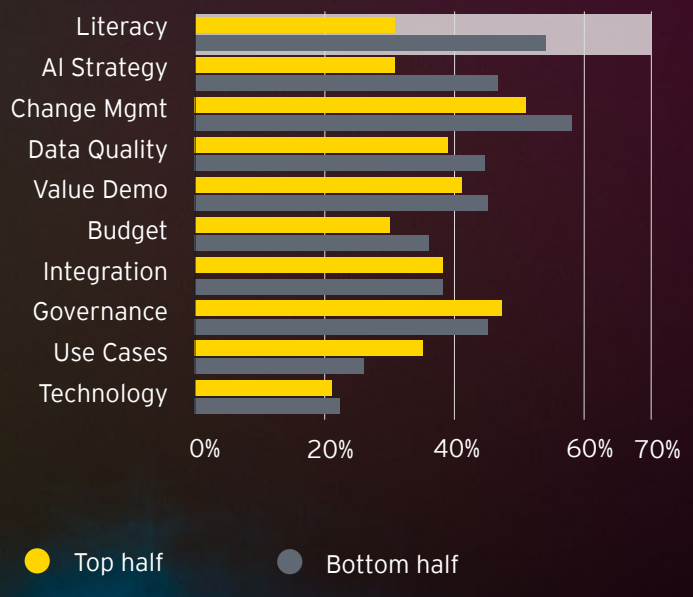
The next differentiator is literacy. Laggards are nearly twice as likely as top performers to rate AI literacy as a high-severity challenge. Literacy programs are often described as a shield: when non-technical stakeholders understand implementation effort, total cost of ownership, and model risk, they are more likely to set realistic expectations. Laggards are operating without that shield. A parallel gap in collaboration reinforces the pattern — top performers appear to have built the cross-functional trust needed for expectation-setting conversations, while laggards are working in an environment where that trust has not yet taken hold.

Chart 27

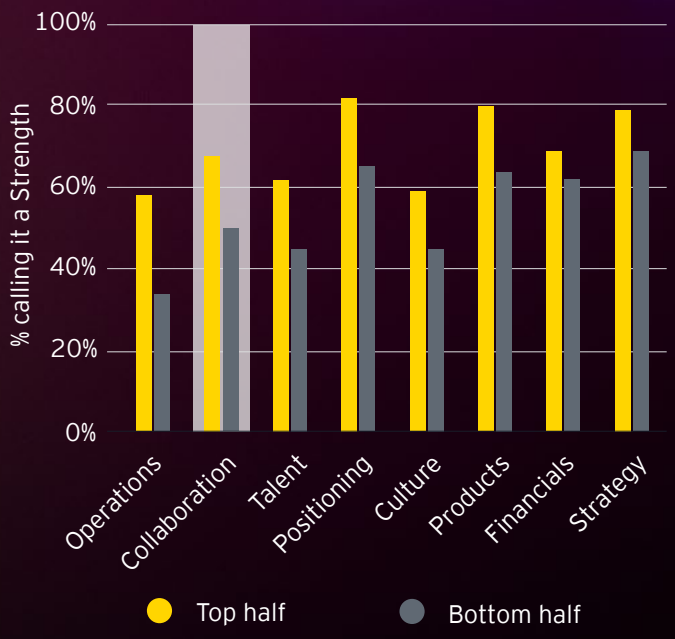
Managing top exec expectations
Laggards face harder AI challenges of a human nature - and report weaker organizational conditions for managing the expectation gap

Low literacy and weak cross-functional collaboration are the two barriers that most differentiate laggards from top performers

AI deployment challenges rated High severity
% rating each challenge as High - top vs bottom half - sorted by gap



Organizational conditions for expectation management
% calling each a Strength



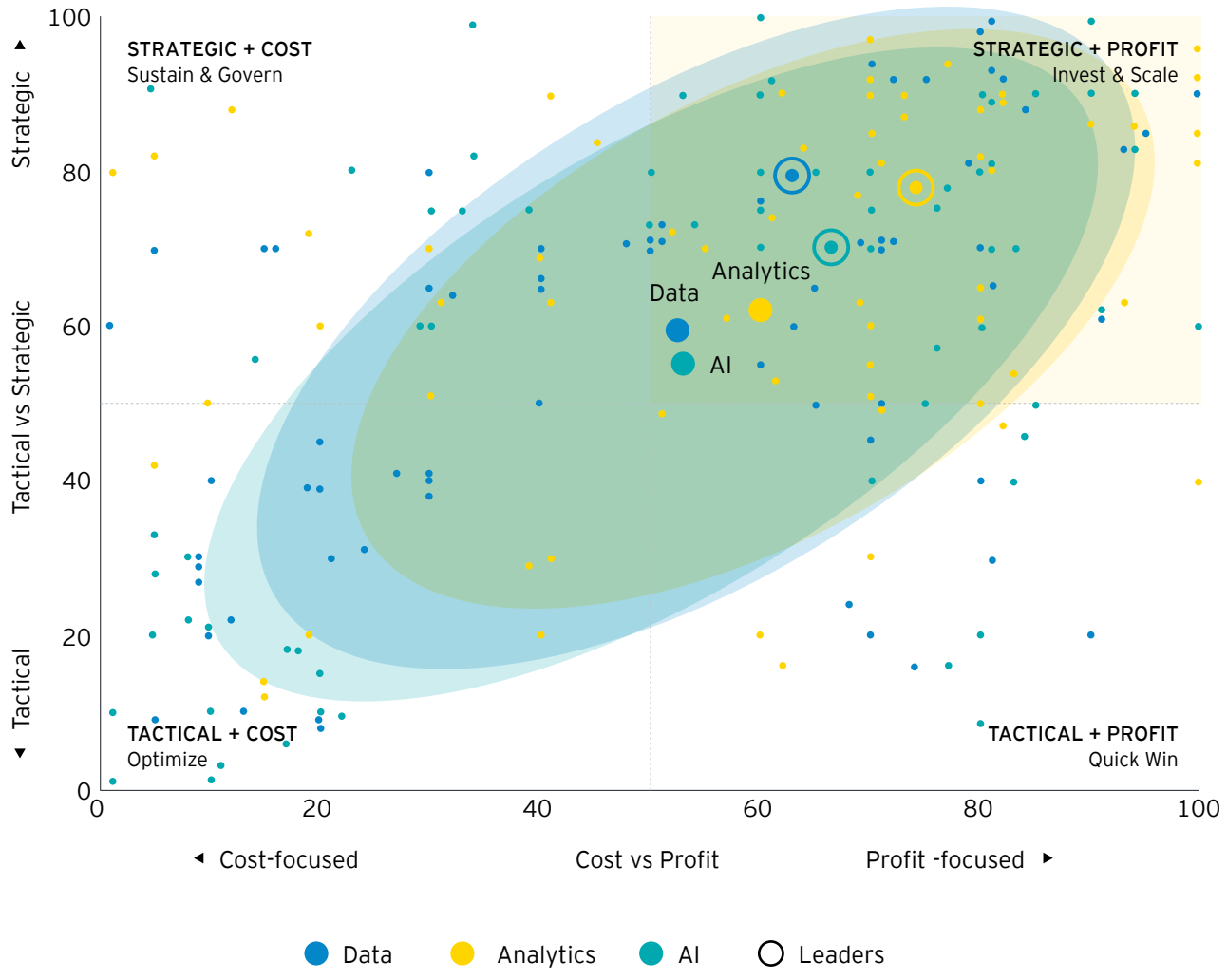
The perceived role of the data office

How an organization performs is closely tied to how it perceives the data office and its functions. Across all performance groups, data is rated as more strategic than AI – but the overall level differs markedly. Top performers assign significantly higher strategic importance to both data and AI than laggards do. The gap is not about which domain is seen as more strategic; it is about how strategically the organization views the entire portfolio.

Chart 28

Where does each domain sit strategically?

Top performers benefit from a significantly more favorable perception of their data office



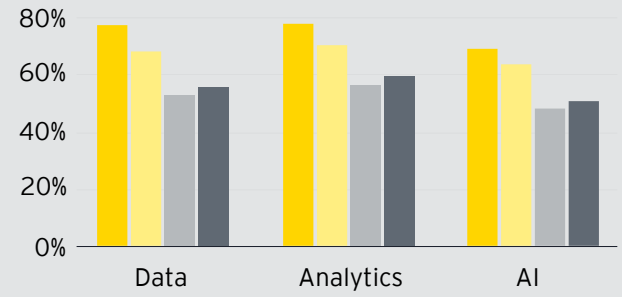
This pattern becomes even clearer when the focus shifts from strategic importance to commercial positioning. The sharpest gap between top performers and laggards does not appear in AI but in analytics, where the difference on the profit-center axis is the widest of any domain. This suggests that top performers have been more successful in making the commercial case for analytics, even if the broader value story for data and AI is still developing. The competitive advantage results point in the same direction — analytics generates considerably more perceived advantage than AI across the full sample.

Chart 29

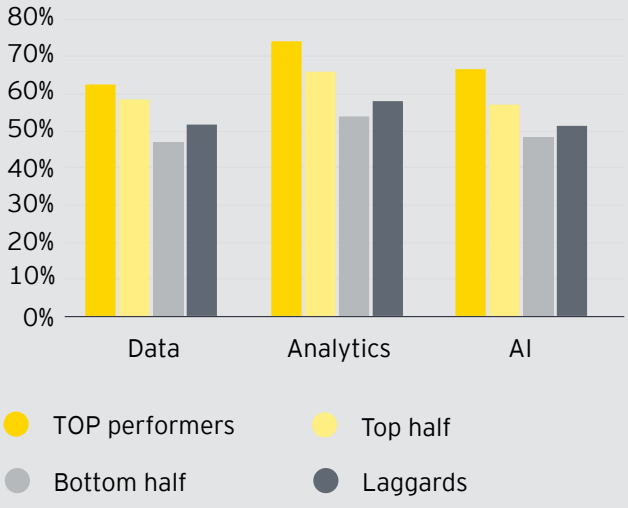
Have we forgotten about data while focusing on AI
Leaders and laggards share the same data-AI perception gap - but differ sharply in how commercially they frame both domains

Analytics helps top performers make the Data Office look more strategic and more commercially valuable

Tactical - strategic perception (0-100)
How leadership perceives each domain - all four performance group



Cost center - profit perception center (0-100)
Economic framing of each domain Q4 vs Q1 contrast sharpest



Taken together, these patterns suggest that in top-performing organizations, the data office is not viewed primarily as an enabling function — it is seen as both more strategic and more commercially relevant. Analytics appears to play a central role in that shift, offering the clearest link between data work and measurable business value.

Where top performers place their bets

Top performers also place greater emphasis on using AI within data management itself, investing roughly half again as much as the rest of the sample. They also invest slightly more in defensive capabilities — governance, control, and foundational data work. This is an important signal. Leading organizations do not treat these activities as a tax on innovation. They treat them as enablers of scale.

5

Looking ahead

The intention is to surface shared considerations and open space for thoughtful dialogue around how data and AI leadership may continue to evolve in the years to come.

Building on the study's key insights, the voices of data and AI leaders, and the patterns observed among top performers, this chapter looks to the horizon. It brings together a set of reflections that we believe are likely to shape the path ahead for CDOs and their organizations—touching on focus, balance, pace, and leadership in an increasingly AI-driven context.

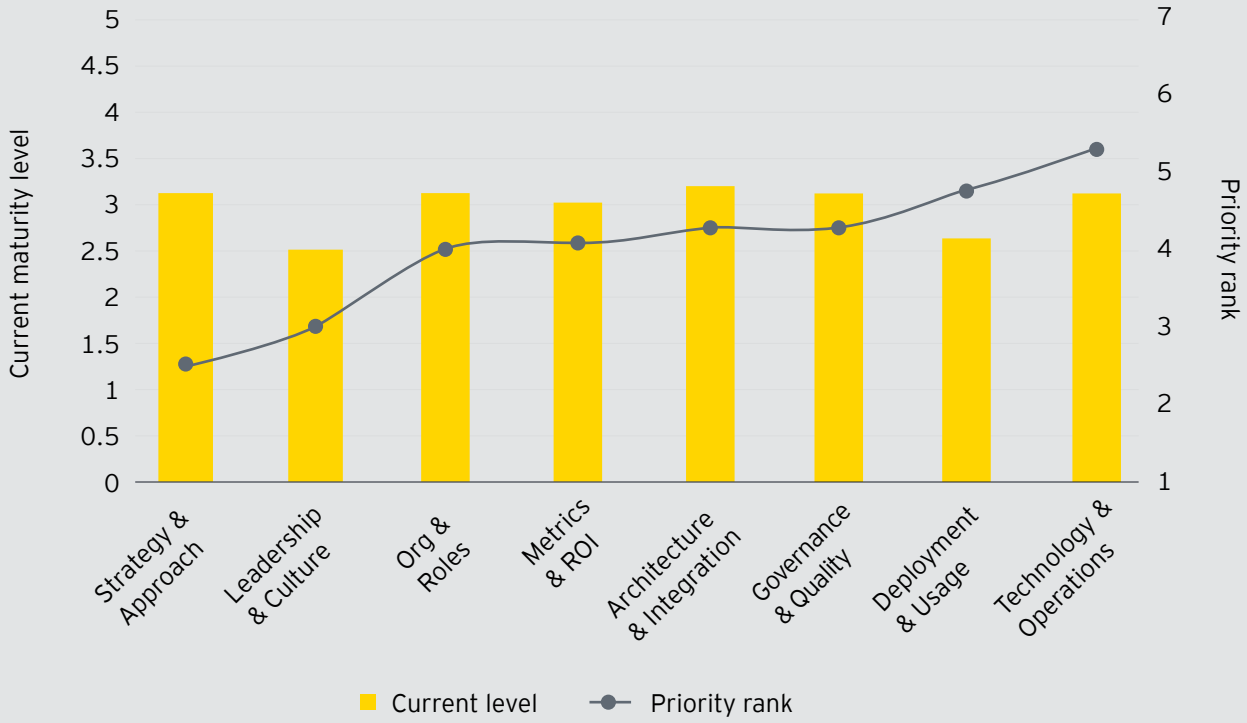
The attention paradox

If the largest performance gap is in deployment, the next question is why so many organizations struggle to close it. One answer lies in where leaders are directing their attention. Strategy & Approach is the most mature dimension in the dataset, yet it is still ranked as the top priority for the next twelve months. Deployment & Usage, by contrast, is among the least mature dimensions and is strongly tied to performance — yet it ranks only sixth in stated priority. Technology & Operations shows the reverse pattern: relatively high maturity but the lowest level of attention. The implication is that leaders are investing attention where they feel least confident, not necessarily where it would have the most impact.

Chart 30

The attention paradox - priority vs. current maturity
Where organizations say they focus next 12 months (priority ranks) vs. where they actually stand (mean level) lower priority rank= higher attention

Leaders focus attention where they feel least confident — not where it would create the most impact



Positioning before capability

Investing in data platforms, AI tools, or governance frameworks may deliver limited returns if the data and AI function remains structurally downstream of enterprise strategy. Before prioritizing capability-building, it is worth examining honestly whether the function has genuine access to the conversations where investment decisions, business priorities, and operating model choices are made — and if not, what would need to change structurally to create that access.

Measurement credibility as a precondition, not a byproduct

Most organizations assume that measurement maturity follows program maturity. The evidence suggests the reverse: organizations that build trusted, business-connected measurement frameworks early earn the credibility and budget continuity that fuel further growth. Organizations still caught in the annual cycle of re-justifying their investment should ask whether the inability to demonstrate value in terms finance leadership recognizes is itself the binding constraint — and treat measurement as a foundation to build rather than a trailing indicator to wait for.

Reframing the funding conversation

Boards tend to be disengaged by governance and energized by AI. Several leaders have found traction by reframing foundational data work — quality, architecture, lineage — as AI enablement rather than governance. One described AI as "the Trojan Horse for Data Maturity." This is not misrepresentation; it is recognizing that the economic case for data infrastructure is more persuasive when connected to something the organization already wants to fund. Some leaders go further and frame these investments as a form of AI insurance, protecting AI spend from failure, reputational damage, and loss of trust. Organizations facing budget resistance on foundational work may find the framing more effective than the underlying argument alone.

Resolving the authority question before it resolves itself

When AI authority is diffuse or merely advisory, the data function becomes a commentator on decisions made elsewhere. The "broken bridge" dynamic — where the data leader insists the data is sound while the AI team calls it unusable — becomes structurally inevitable. Clarifying who owns what and replacing shared ownership without clear accountability with genuine decision rights, is worth addressing before AI deployment scales further. In practice, this means putting in place a formal decision-rights matrix, especially for AI versus data investments, and separating budgets more explicitly between offense and defense. Without that governance clarity, fragmentation and silos are likely to persist.

Treating Deployment & Usage as a commitment, not a capability

The survey data reveals a striking pattern: improvement in deployment maturity and leadership culture does not appear to be gradual. Organizations either make a sufficient organizational commitment to cross the threshold, or they remain stuck. For organizations where analytics and AI are still largely contained within a central team, incremental investment is unlikely to close the gap. The more useful question is whether the organization has made — or is willing to make — the structural commitment to enterprise-wide adoption that would change how the business actually uses data day to day.

Addressing the human barriers before the technical ones

Across the survey, AI literacy and change management consistently rank as the most severe deployment challenges — and the gap between leaders and laggards on these dimensions is larger than on any technical barrier. Technology, by contrast, ranks last. The practical consideration is that the primary obstacles to AI value realization are organizational and human, not technical. For interviewees who have the literacy "shield", it is easier for stakeholders understand AI's real costs, limitations, and risk profile, they self-moderate expectations and make better requests. Building that literacy before deploying AI on a scale is likely more effective than building it in response to failed pilots.

Managing expectations as a structural practice, not a political skill

The tendency for data leaders to be perceived as blocking innovation is more pronounced where cross-functional collaboration is weak and the function's organizational positioning is unclear. Several interviewees noted that the solution is not personal political skill but structural tools: a framework that lets leaders say "yes, but later" rather than no; dual-track budgets that protect foundational work from AI budget pressure; and A/B comparisons that let cost and accuracy data make the case rather than the CDO. Considering whether these tools exist — or could be formalized — is more durable than depending on any individual's relationship management.

A note on sequencing

The survey confirms one structural reality that cuts across all of the above: conceptual and execution maturity rise together, not sequentially. There is no evidence of organizations with strong strategy and culture but weak execution — or vice versa. Organizations planning to "get the strategy right first" before investing in deployment, measurement, or architecture may be deferring the very capabilities that would validate the strategy. The considerations above are not a sequence — they are interconnected conditions that tend to move together and reinforce or constrain each other.

The survey data reveals a striking pattern: improvement in deployment maturity and leadership culture does not appear to be gradual. Organizations either make a sufficient organizational commitment to cross the threshold, or they remain stuck.

6

Final messages

The preceding analysis examined what distinguishes top-performing organizations across dozens of variables. Four themes cut across all of them and deserve explicit attention as the study's central takeaways.

Data remains the asset

Across both the survey data and the interviews, one theme persists: regardless of how much attention AI commands, data remains the foundational asset.

Top performers rate data as more strategic than AI, invest more heavily in defensive capabilities like governance and quality, and dedicate significantly more AI capacity to managing data itself. The interviews reinforce the point from a different angle — as AI agents become primary consumers of enterprise data, the quality, structure, and accessibility of that data increasingly determine whether AI initiatives deliver value or stall.

Organizations that have reframed foundational data work not as a prerequisite to be completed but as a continuously compounding asset appear to sustain performance advantages that widen over time. The irony is that the current wave of AI enthusiasm may do more to elevate the importance of data than any prior governance mandate ever did — not because the conversation has changed, but because the consequences of poor data are now immediate, visible, and impossible to work around.

AI has changed the rules of the game

AI has fundamentally altered the operating environment for data executives. The interviews make clear that the CDO role is no longer defined by stewardship alone — it now carries expectations around AI strategy, use case prioritization, and enterprise-wide deployment that did not exist even a few years ago.

The survey data confirms the shift: organizations increasingly expect their data leaders to hold authority over AI, yet that authority remains the weakest of the three domains, creating a gap between expectation and mandate. At the same time, AI has introduced a new kind of visibility problem. When a governance shortfall or a data quality issue causes an AI model to fail publicly, the consequences surface faster and more visibly than they ever did in a reporting dashboard. This has made the CDO's foundational work simultaneously more valued and more exposed.

The leaders navigating this shift most effectively are the ones who have stopped treating AI as a separate agenda item and started using it as the lens through which the entire data function is funded, structured, and measured — rebranding governance as AI enablement, deploying AI internally to accelerate their own operations, and positioning the data office not as a support function but as the infrastructure layer on which the organization's AI ambitions depend.

The CDO is the one who must help organizations play the game well

The CDOs who are helping their organizations play and win the AI race share a common approach: they have stopped waiting for permission and started shaping the terms of engagement. Rather than positioning the data office as a service desk that responds to requests, they are actively steering where AI gets applied, how value gets measured, and what governance looks like in practice.

The most effective leaders are using literacy programs to set realistic expectations before projects begin, building measurement frameworks that make early wins visible to finance, and deploying AI within their own teams to demonstrate speed and credibility before asking the business to adopt it. They are reframing the governance conversation — not as a constraint on innovation but as the mechanism that allows innovation to scale safely.

For those who have not yet made this shift, the study points to a clear starting position: secure authority over AI before deployment outpaces oversight, invest in the organizational and cultural dimensions that actually correlate with performance rather than defaulting to strategy refreshes, and treat the ability to demonstrate value as a capability to be built now rather than an outcome to be reported later.

The most persistent barriers to progress with data and AI are human, not technical.

The difference between CDOs who are leading and those who are reacting is not resources or mandate — it is the willingness to operate as a business leader who happens to run data, rather than a data leader who happens to serve the business.

It's most about people rather than technology (the challenge about AI and Data)

Both the quantitative and qualitative evidence point to the same conclusion: the most persistent barriers to progress with data and AI are human, not technical. The challenges rated most severe across all performance groups are change management, literacy, and governance.

Infrastructure and tooling maturity, the dimension most directly tied to technology, shows the weakest correlation with performance of any dimension measured. On the ground, CDOs describe spending the majority of their time navigating organizational politics, building cross-functional trust, and managing expectations rather than selecting platforms or tuning models. The disconnect between data and AI teams traces back to accountability and ownership, not systems integration.

The literacy gap comes down to whether non-technical leaders understand enough to set realistic expectations and make informed trade-offs. Even governance, which presents as a process problem, operates in practice as a negotiation over decision rights, ownership, and organizational willingness to accept constraints. The technology works but the organizations around it have not yet been built to use it well.

7

Acknowledgements

We would like to extend our sincere thanks to the associations and professional communities of Data, Analytics, and AI leaders who supported this study from its very early stages. Your openness, encouragement, and willingness to collaborate—and to help share this work across your networks—have been instrumental. This study is stronger thanks to your commitment to fostering dialogue, learning, and connection within the global data and AI leadership community.

We warmly invite you to continue this journey with us: to share the study, spark discussion, and encourage thoughtful debate within your communities. The conversations this work generates will be essential in shaping future editions—when the time is right—and in ensuring that this study remains a living reflection of the challenges and ambitions of data and AI leaders worldwide.

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