

AI Pulse Survey: Why agentic AI is a revolution stuck in an evolution

Why isn't rising AI spend translating into enterprise-scale gains?



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97%

of senior leaders whose organizations are investing in AI are experiencing positive ROI from AI across business functions

EXECUTIVE SUMMARY

It's the buzzword on everyone's lips in the C-suite; agentic artificial intelligence (AI). But what is agentic AI? Are you ready for it – or are you using it already? The EY US AI Pulse Survey reveals a complex mix of viewpoints in contrast to the hype: broader adoption in narrowly defined contexts, often challenged by familiar barriers. Meanwhile, investments are shifting to custom AI solutions.

Positive ROI: 97% of senior leaders whose organizations are investing in AI are experiencing positive ROI from AI across business functions, with a significant gap in ROI outcomes between those allocating 5% or more of their budget to AI vs. those spending less.

Agentic AI barriers: While 34% of leaders have started implementing agentic AI, only 14% report full implementation, and use cases largely fall within assisting/managing processes. And 87% of senior leaders identify barriers to agentic AI adoption in their organizations, including cybersecurity and data privacy concerns. Many senior leaders (64%) say that fear of replacement by AI also contributes to hesitancy in adoption.

Investment in AI: As of today, 21% of senior leaders whose organizations are investing in AI report their organizations currently have \$10 million or more invested in AI, with 35% planning to do so next year, reflecting growing confidence in AI's transformative potential.

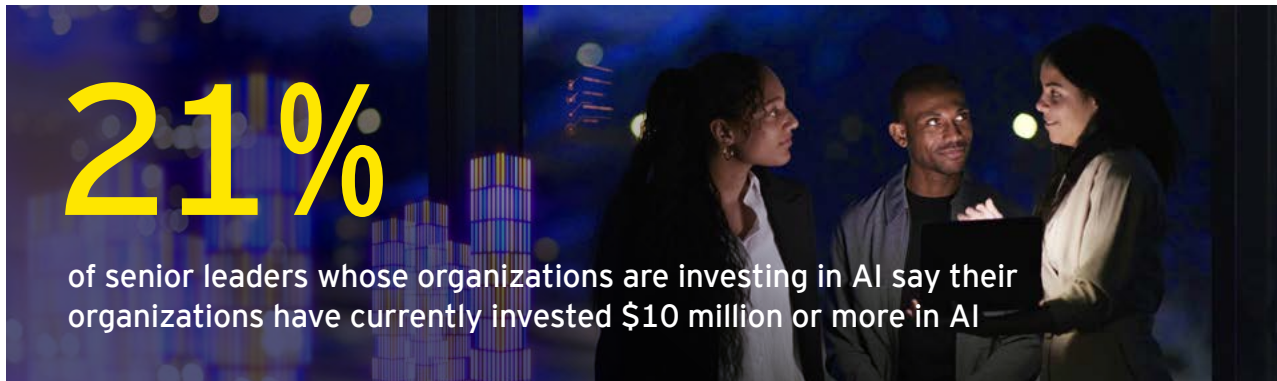
Shifting investment priorities: Organizations are increasingly focusing on building custom AI solutions in-house rather than acquiring AI firms, indicating a shift toward strengthening internal capabilities.

AN AI INVESTMENT PARADOX

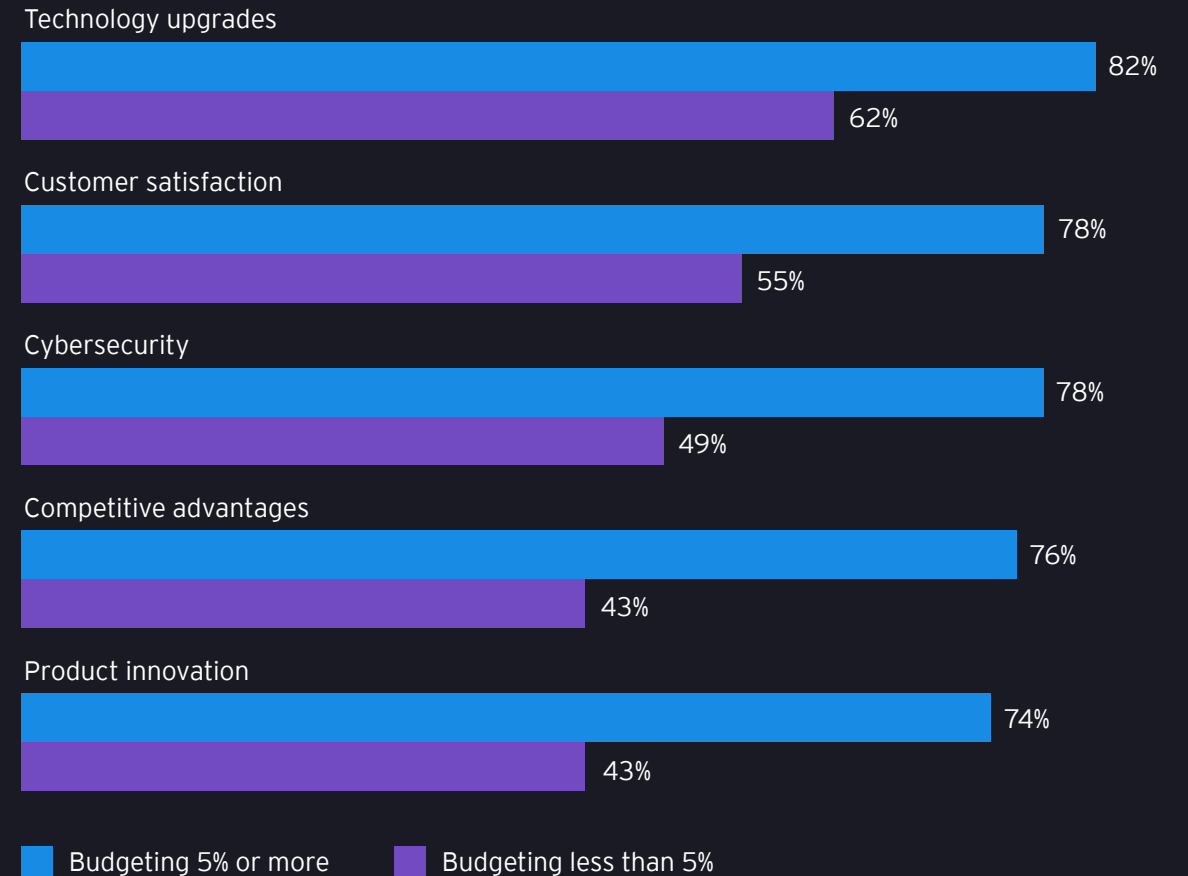
With agentic AI promising to make or break companies in the years ahead, but so much uncertainty flowing from every direction in today's economy, can we expect executives to advance cautiously around familiar roadblocks on AI – or hit the accelerator for a first-mover advantage? The latest EY US AI Pulse Survey reveals that leaders are ready to spend, with about half of respondents saying, perhaps dubiously, that their organization is currently leveraging agentic AI, a term that now encompasses almost everything.

About 21% of senior leaders whose organizations are investing in AI say their organizations have currently invested \$10 million or more in AI, jumping up from 16% just a year ago. But 35% say they expect to spend that much on AI next year – a massive vote of confidence in the technology's ability to deliver transformative value.

Our most recent survey reveals that 97% of senior leaders whose organizations are investing in AI are seeing positive ROI from AI across business functions. And the ROI gap is more pronounced when comparing those who allocate 5% or more of their total budget to AI against those spending under 5%.



Positive ROI based on amount of total budget allocated to AI



Positive ROI from AI investments

(Among senior leaders whose organization is investing in AI)

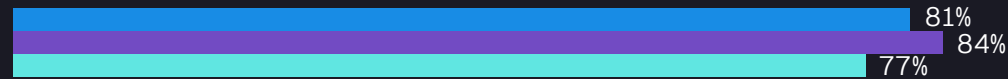
All responses



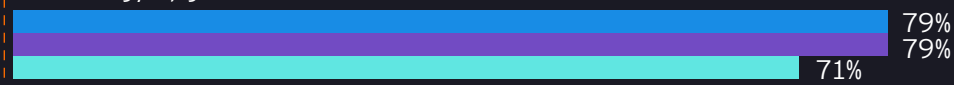
Employee productivity



Operational efficiencies



Technology upgrades



Customer satisfaction



Cybersecurity



Competitive advantages



Product innovation



Wave 3 Wave 2 Wave 1

But a closer look reveals nuances that call into question companies' tactics and whether they can fully maximize the growing potential. For instance, although rates of positive ROI among all seniors leaders whose organization is investing in AI have climbed in most of our polled categories in the last year (from wave 1 to wave 2) – such as operational efficiencies, competitive advantages and product innovation – today they have stagnated or directionally declined from the results of six months ago. Organizations are likely trending away from a baseline level of AI integration and toward specialized, transformative applications that require more advanced capabilities and greater alignment.

AI offers dramatic possibilities in all these fields, particularly as the buzz swells around agentic AI, which are systems designed to autonomously make decisions and act, possessing the ability to pursue complex goals with limited supervision. The EY US AI Pulse Survey questioned senior leaders on agentic AI for the first time, because – with so much money on the line – organizations should expect to accelerate toward their AI future, not eventually catch up to it. But are they looking backward more than forward?

AI enthusiasm
may outpace
execution.

Has agentic AI really arrived, or is it a mirage?

WHAT AGENTIC AI DOES

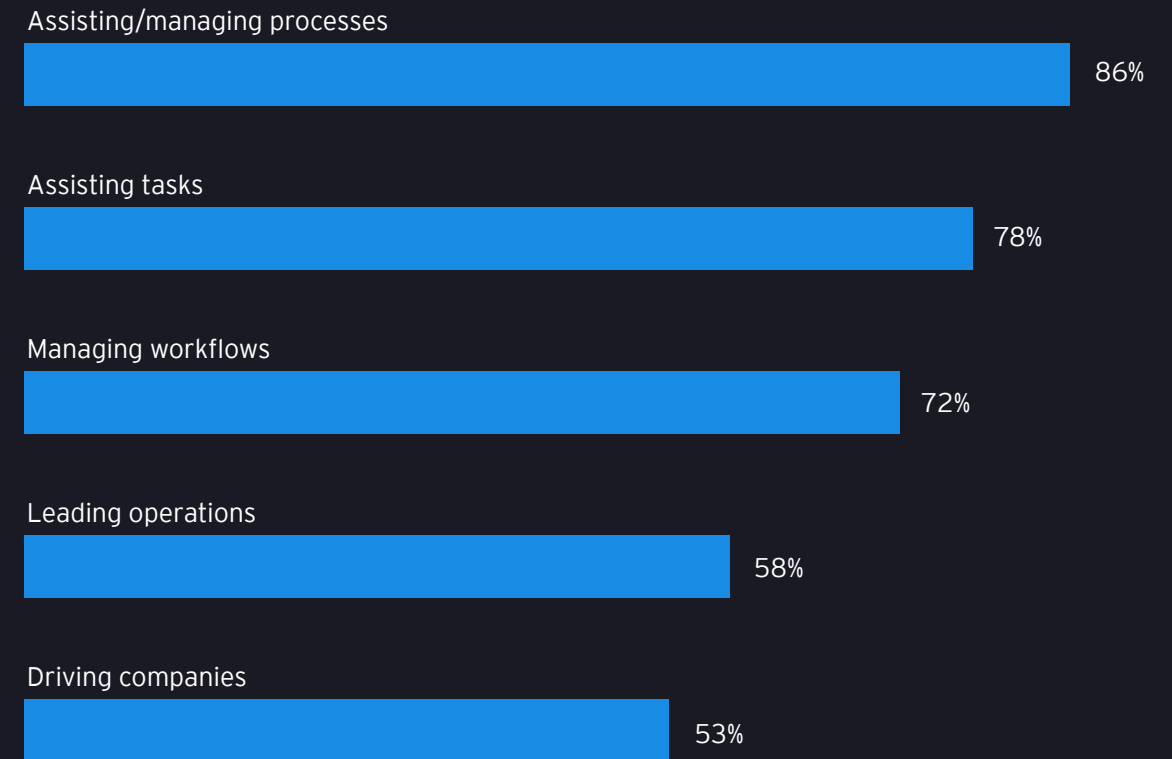
- Acts autonomously
- Understands context
- Makes decisions and acts on them
- Pursues complex goals, step by step
- Requires only limited supervision, if at all

While 34% of senior leaders say their organization has already started to implement agentic AI technology, only 14% say the tech has been fully implemented. But our results reflect some discomfort about what agents are intended to do and the potential impact on organizations. Specifically, senior leaders say their organization is currently leveraging agentic AI for assisting/managing processes (86%), specifically enhancing marketing/customer support (55%), improving IT efficiency (55%) and improving cybersecurity (51%), among other tasks.

It's worth assessing how "agentic AI" is defined here. "By their nature, agents are intended to autonomously complete tasks and even work with other agents, not merely assist or manage," says Dan Diasio, EY Global Consulting AI Leader. "These activities are all useful, but they only scratch the surface of what's possible. We're talking about a step change in how work is done, not going a couple of steps beyond robotic process automation (RPA)-level tasks."

Senior leaders themselves talk about the struggle to pin down the precise nature of agentic AI. Many note that senior leaders in their industry (57%) and in their own organization (54%) fail to understand the benefits of agentic AI. Most (73%) recognize the power of agents, believing that one day they will manage entire business units. Meanwhile, 89% say that while they are optimistic about agentic AI's benefits, built-in human intervention will always be crucial.

How agentic AI is being deployed today



89%

of senior leaders say that while they are optimistic about agentic AI's benefits, built-in human intervention will always be crucial

“These statistics seem to contradict each other,” Diasio says. “Our respondents believe agents will manage business units yet also that they will never be able to do it without human assistance. This speaks to how we are both impressed with and intimidated by what we’re seeing from AI – how the technology forces us to reassess our own futures in the workplace and in society – as well as how many challenges on adoption persist, including just our own mindsets.”

Indeed, 87% of senior leaders say there are barriers to agentic AI adoption in their organization – essentially every respondent who says they haven’t fully implemented the technology already.

Another complex set of data points reveals more cracks in how we think about AI: 64% of senior leaders agree that the fear of replacement, as opposed to augmentation, will stifle agentic AI adoption, yet only 24% say employee resistance is one of the biggest barriers to adoption.

Organizations should devote more effort toward defining what they want from agents and how they fit in with company values and strategies:

- What level of comfort do leaders have with their autonomous potential?
- Are you limiting your organization to merely cutting costs within what’s done today instead of building a new tomorrow?
- What should human talent be allocated to do?
- What metrics are used to guide performance?

“Agents present an opportunity to achieve more – what was never believed possible,” Diasio says. “The right organizations will seize the additive power of both agents and humans and channel cost savings into innovation.”

Barriers to agentic AI adoption

Cybersecurity concerns



Data privacy concerns



Lack of regulations over agentic AI usage



Lack of company policies around agentic AI



Lack of organizational strategy for agentic AI adoption



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Dan Diasio, EY Global Consulting AI Leader



Investments – making a turn inward

INVESTMENTS SHIFT INWARD

With their eye on agentic AI, organizations are continuing to invest in AI, but investment priorities are shifting. From wave 1 to wave 3 – a span of one year – more senior leaders say their organization is building custom AI solutions in-house and focusing less on acquiring AI firms outright, signaling that organizations are strengthening their internal, bespoke AI capabilities.

Senior leaders whose organization is focusing its AI investments on buying solutions off the shelf – as in, not specifically designed for their company – report reduced investment in the next year: an average of 32% of AI investment is allocated for buying AI solutions off the shelf, down from 38% six months ago.

“This may signal saturation in the market around how many popular platforms are adding AI functionality natively – truly ‘agentic’ or otherwise,” said Traci Gusher, EY Americas AI and Data Leader. “The big tech players, including those that make ERP (enterprise resource planning) and CRM (customer relationship management) systems, have made enormous bets on the technology. Buying a separate solution in the market off the shelf may seem unnecessary – and building a custom tool, to differentiate from the sea of sameness, may in turn feel imperative.”

It is a good impulse to determine where exactly your organization can stand out with AI and where you will accept a leading solution that anyone can access. But do not underestimate the time, effort and cost involved to develop and maintain a custom solution and how external alliances can get you from ideas to reality faster, especially with AI talent scarce in the market.

Following the money on AI

Building custom AI solutions in-house



Acquiring a company/companies with AI capabilities



Wave 3 Wave 2 Wave 1

32%

of AI investment is allocated for buying AI solutions off the shelf, down from 38% six months ago

Data and responsible AI remain persistent areas of focus

POOR DATA IN, CASCADE OF ERRORS OUT

Six months from our last survey, two other issues remain top of mind: data and responsible AI. But the conversation around agentic AI has raised the stakes, highlighting how senior leaders must grapple with risks from both the inputs and outputs of agents and AI more broadly.

For instance, 70% of senior leaders recognize that organizations' failure to understand the need for data readiness will stifle agentic AI adoption, and 20% acknowledge that their organization's lack of data readiness is one of the biggest barriers to adopting agentic AI.

"Data underpins every facet of AI and becomes even more important for AI agents if they are to effectively operate autonomously to scale work, orchestrate workflows and complete complex tasks," Gusher said. "Hallucinations can magnify and snowball when data readiness is weak, particularly when agents work with other agents. But we also find that AI can play an important role in data cleansing and other data management tactics to build a better foundation for agentic AI."

Responsible AI is also core to the debate on AI agents because agents can amplify bias or harm data privacy if data inputs are poor. As such, more senior leaders whose organization is investing in AI say the time their organization has spent on training employees on how to use AI responsibly has increased over the past year (59% in wave 3 vs. 49% in wave 1) – and it will also increase even more over the next year (64% in wave 3 vs. 49% in wave 1).

"As a concept, responsible AI is easy to understand, but it's operationally fuzzy to truly implement for many organizations," said Sinclair Schuller, EY Americas Responsible AI Leader. "Each survey, you can simultaneously see more leaders taking it seriously as well as pushing it down the road to next year a bit. The time to operationalize and educate staff on responsible AI is before the tools are unveiled so that they can be used confidently, with AI governance frameworks and controls built into them by design, not layered on after the fact."

Training on responsible AI

The time my organization will spend or has spent to train employees on how to use AI responsibly:

Will increase over the next year



Has increased over the past year



Wave 3 Wave 2 Wave 1

(Among senior leaders whose organization is investing in AI)

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Sinclair Schuller, EY Americas Responsible AI Leader

What's next?

Here are four priorities to help organizations navigate the complexities of the agentic AI era.

1 Gain agentic AI understanding: Amid so much buzz, leaders must scrutinize whether they truly understand the technology – or whether it's being lost in marketing slogans.

2 Reinforce data readiness: Agentic AI further magnifies the need for strong data foundations. Poor-quality or fragmented data will snowball risks like hallucination, especially as agents scale and interact.

3 Be careful with custom solutions: Custom AI can be powerful – but it also requires time, talent and orchestration. Without thoughtful partners, it can become a resource drain.

4 Embed responsible AI early: The winning businesses won't just adopt AI, they'll govern it. Responsible AI must be designed in, not bolted on, with scalable and responsible frameworks from day one.

CONCLUSION

Senior leaders are clearly looking ahead to the next big thing on the horizon – agentic AI – while perhaps losing sight of how to get there and continually bumping up against their own limitations. Amid so much hype, they must scrutinize whether they truly understand the technology – or whether it’s being lost in marketing slogans. Custom solutions can be powerful as well as an enormous drain on scarce resources, dragging down uncertain ROI if not approached with thoughtful collaborators. And foundational elements such as data readiness and responsible AI persist as focus areas that are growing even more important. The winning businesses won’t just adopt AI; they’ll embed it responsibly and scale it, with governance baked in from the start.

AUTHORS



Dan Diasio

EY Global Artificial Intelligence
Consulting Leader



Traci Gusher

Americas AI and Data Leader



Sinclair Schuller

EY Americas Responsible AI Leader

METHODOLOGY

Ernst & Young LLP (EY US) commissioned a third-party vendor to conduct the third wave of the EY US AI Pulse Survey. Each wave of the online survey was conducted among 500 senior business leaders, defined as US-employed decision-makers (at the senior vice president level or above) in these industries: health; life sciences; energy; technology, media and telecommunications; government and public sector; consumer products and retail; advanced manufacturing and mobility; financial services; private equity; and real estate, hospitality and construction (50 per industry). The third wave was fielded between April 17 and 30, 2025; wave two, September 24 to October 6, 2024; and wave one, April 29 to May 6, 2024. The margin of error for the total sample per wave is plus or minus 4 percentage points at the 95% confidence interval.

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