



University of Phoenix
Workforce Solutions

The background of the cover is a dark blue field filled with numerous curved, overlapping lines and dotted patterns. The colors of these lines range from light blue and purple to bright yellow and orange, creating a sense of motion and digital connectivity.

The C-Suite AI Impact Report: Getting Value from AI

Contents

Seven Key Findings from Research with 150 C-Suite Leaders

AI Adoption: Move from Experimenting with AI to Scaling Itpage 4

- #1: While 63% of C-Suite leaders have deployed at least one AI use case, less than one third are using AI to transform work processes and workflows.
- #2: By the end of 2026, 56% of C-Suite leaders predict their team members will use AI as a proactive human capital tool rather than a reviewer of data.
- #3: 92% of C-Suite leaders identify learning & development as the top use case for AI in HR.

The Skills-Based Organization: Adopt a Skills-Focused Workforce Model

- #4: Close to 60% of C-Suite executives are adopting a skills-based workforce approach, but responsibility for this is fragmented across various departments.
- #5: 75% of C-Suite leaders report it's unlikely HR and IT will merge into one function, but they will partner more closely.

The Human Side of AI: Understand the Capabilities Needed to Become Strategic Architects of AI

- #6 More than six out of ten C-Suite leaders see enhancing productivity and achieving competitive advantage to be benefits of AI, with the top barrier being employee fear/distrust of AI.
- #7: All C-Suite leaders interviewed cite critical thinking and role-modeling AI literacy as top human capabilities needed to lead an AI-powered workplace.

Recommendations and Takeawayspage 15

Conclusionpage 17

Introduction

As organizations increase their investment in AI, leaders are challenged to deliver value on their expenditures, which are projected by Gartner to be \$2.25 trillion worldwide in 2026. (1)

Yet despite this investment there's a gap between the promise of the technology and the reality of scaling AI deployment. Our research with 150 C-Suite leaders, ranging from CEOs to Chief Human Resource Officers, Chief Learning Officers, Chief Financial Officers, Chief Technology Officers, and other C-Suite leaders, finds that many organizations are struggling to translate their investment in AI into meaningful business impact. As a result, they're stuck at an operational stage of deployment, with 63% saying they have deployed at least one AI use case, but less than one third are using AI to transform work processes and workflows. Only 3% describe AI as central to their competitive advantage.

At the same time, 73% of C-Suite leaders see AI literacy as a baseline skill for current and future employees, and by the end of 2026, 69% predict they will embed AI literacy into their performance management process across all roles. To do this, leaders must define the capabilities needed to be AI literate and go beyond AI literacy training to embed AI into how work is performed, learned, and applied across the organization. Successful results require that leaders use AI themselves and share their work broadly throughout the enterprise. In fact, 100% of respondents say role modeling AI literacy is a very or somewhat important human capability to scale AI.

This is a pivotal moment for C-Suite leaders as they must shift from experimenting with one-off AI pilots to strategically integrating AI into the workflow of the organization. Our research bears this out. More than six out of ten C-Suite leaders say they are embedding AI-powered learning into daily work and measuring this against business priorities.

Our research, entitled **The C-Suite AI Impact Report: Getting Value from AI**, identifies seven findings on the current state of AI deployment and five recommendations C-Suite leaders and their teams should address to move from piloting AI experiments to becoming strategic architects scaling AI deployment.

Seven Key Findings

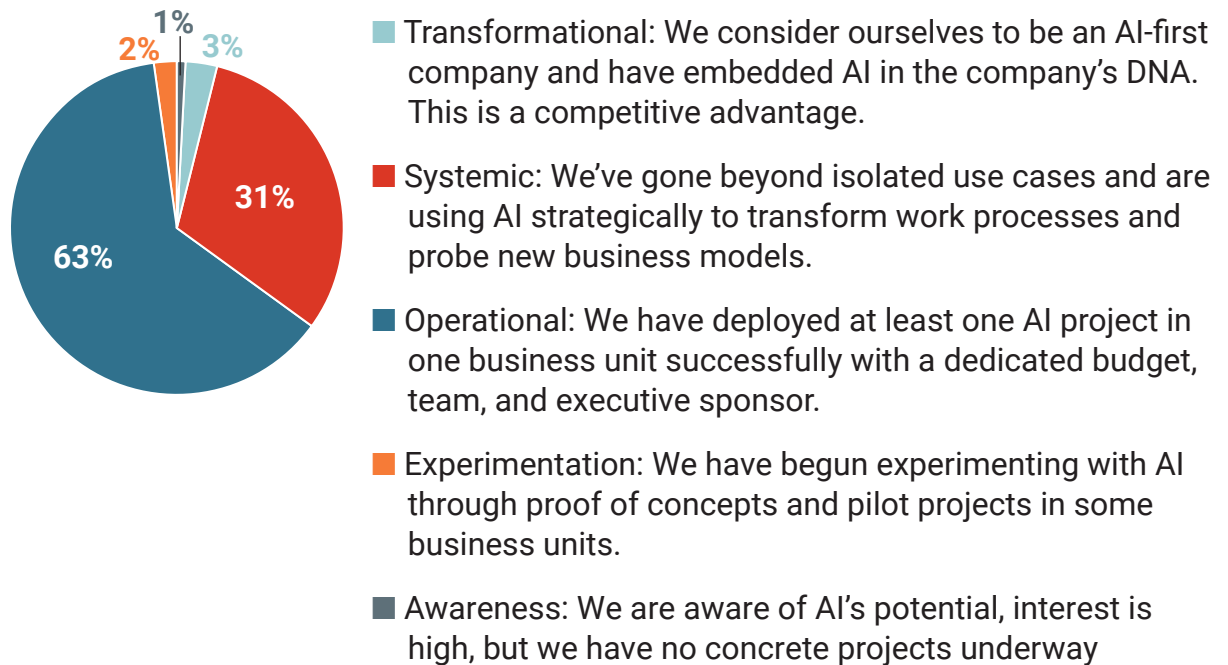
AI Adoption: Move from Experimenting with AI to Scaling It

AI investment demands an understanding of what is needed to scale the technology. While many organizations start with piloting at least one AI use case, success lies in continuous iterations and shifting from experimenting with AI to scaling the technology.

#1: While 63% of C-Suite leaders have deployed at least one AI use case, less than one third are using AI to transform work processes and workflows.

Organizations are stalled at the operational level of deploying AI, with only one third of C-Suite leaders saying they use AI to transform their work processes. More companies need to identify key business problems AI will solve and then work to transform workflows and scale their AI deployments. (Figure 1)

Figure 1: Only 31% of Organizations Are Using AI to Transform Work Processes



Q: Which of the following best describes the current status of your company when it comes to implementing AI?

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Scaling AI requires leaders to think past *what* individual AI agents can do and instead focus on *how* AI can enhance organizational processes for areas, such as customer support, learning & development, and performance management. This requires a systems thinking approach that connects AI deployment to skills development, workflow design, and measurable outcomes.

Scaling AI by Integrating It into the Workflow



The biggest opportunity I see for the finance function is using AI to identify key business problems where AI can be leveraged and then train AI on the data to solve this problem, understand the context behind the data, and ultimately integrate AI into the enterprise workflow. This allows finance professionals to add greater value to the business and move beyond reconciling data and transactions.”

ROSS GRAINGER

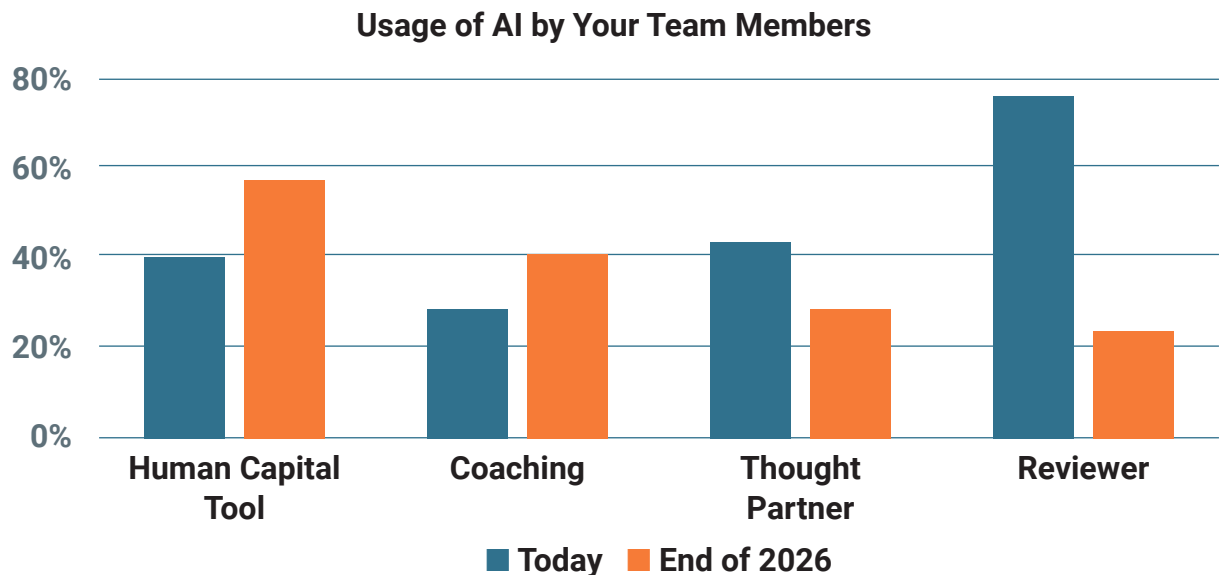
CHIEF FINANCIAL OFFICER, NASUNI, UNIVERSITY OF PHOENIX ALUMNUS (MBA, 2015)

#2: By the end of 2026, 56% of C-Suite leaders predict their team members will use AI as a proactive human capital tool rather than a reviewer of data.

As AI is embedded into workflows and processes, C-Suite leaders expect an evolution in how AI will be used by team members—less as a passive reviewer of data and analysis and more as a proactive human capital tool to close skill gaps and enhance the employee experience. (Figure 2)

This is especially true for companies in the pharmaceutical, technology, and retail sectors. These C-Suite leaders also predict a sizable increase in their use of AI to coach employees on the job.

Figure 2: C-Suite Leaders Foresee a More Proactive Role for AI



Q: Thinking about your role as a leader, how do you expect your team to use AI today and how will you expect your team to use AI at the end of 2026?

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AI as Human Capital Tool



We have implemented AI as the front-door to transform our employee experience, shifting how we get our human capital work done –increasingly connecting across enterprise systems to complete tasks directly, from resolving PTO requests to supporting talent acquisition, learning and development, performance management, and coaching for our 95,000 employees worldwide. Across areas where it’s already in use, processes that once took days now take seconds, while driving greater consistency across regions and enabling our employees to focus on higher-value work.”

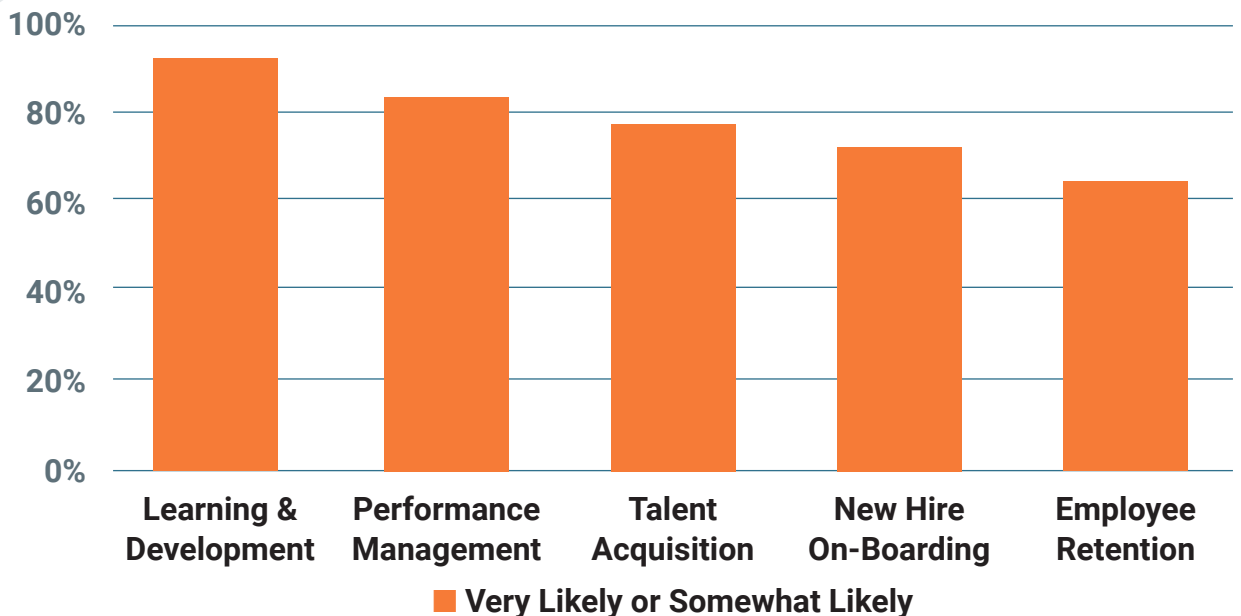
MATT WALTER

SVP, HUMAN RESOURCES, IT, GLOBAL COMMUNICATIONS & CORPORATE MARKETING, MEDTRONIC

#3: Nine out of ten C-Suite leaders identify learning & development as the top use case for AI in HR.

When we asked C-Suite leaders to identify key use cases of AI in HR, nine out of ten selected learning & development. Specifically, this includes using AI to personalize the learning experience and deliver AI-powered role plays, thereby highlighting AI as a driver of skill development, not just productivity. (Figure 3)

Figure 3: Nine out of Ten C-Suite Leaders Identify L&D as the Top AI Use Case in HR



Q: Thinking about your HR function, please select your likelihood of using AI for these use cases.

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Learning & development as a use case for HR has increased from 40% in 2024, according to research conducted by University of Phoenix, to 74% in 2025 and now to 90%. This focus on learning & development has targeted individual AI literacy, but forward-looking organizations are moving to team deployment of AI.

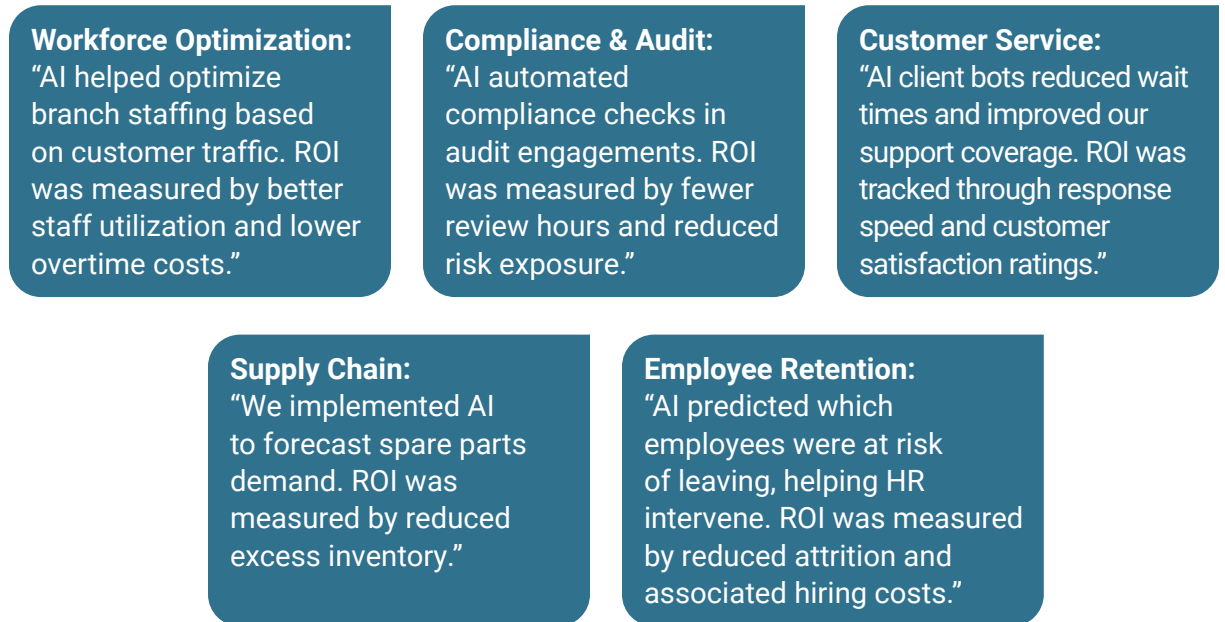
Move the Focus from Individual AI Adoption to Team Deployment

“ We’re focused on building an AI-fluent workforce. In addition to building role-specific AI skills, we’re embedding AI at the team level to solve real problems – to unlock innovation and meaningfully improve how work gets done. To do this, we’ve identified specific business cases where teams experiment, pilot, and embed AI into workflows. We also pay close attention to AI Super Users within our teams, who become our AI champions – running workshops, building playbooks, and sharing practical lessons that lift our teams’ collective capability.”

AVANI SOLANKI PRABHAKAR
CHIEF PEOPLE AND AI ENABLEMENT OFFICER, ATLISSIAN

Our research of C-Suite leaders identified a range of AI use cases where they are starting to experience some return on investment (ROI), and these include: **(Figure 4)**

Figure 4: Five AI Use Cases Reaping Results for Companies



Q: Can you briefly describe one AI usage case where you have achieved a return on investment (ROI)?

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The Skills-Based Organization: Adopt a Skills-Focused Workforce Model

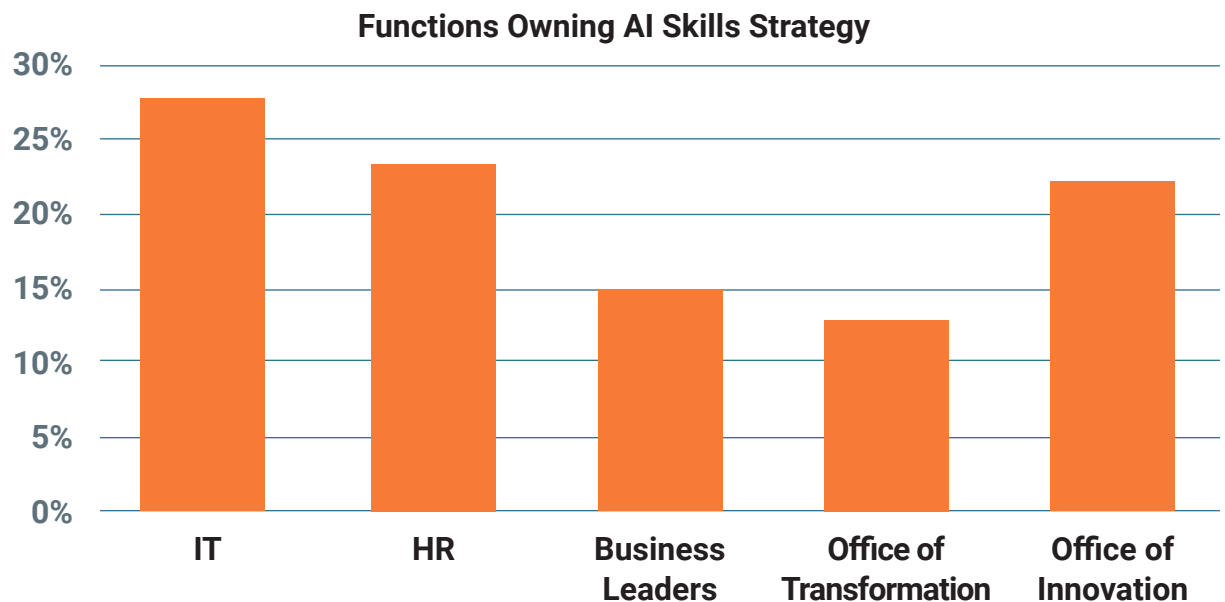
Skills are the new currency of work. Organizations that shift their focus from jobs to skills can better adapt to the changes in marketplace demands and deploy AI to close skill gaps and develop new capabilities.

#4: Close to 60% of C-Suite executives are adopting a skills-based workforce model, but responsibility for this is fragmented across various departments.

The percentage of C-Suite leaders adopting a skills-based workforce model is nearly 60% and jumps to approximately 70% for those employed in the professional services and retail industry sectors. According to the World Economic Forum, six in ten workers will require some form of re-training by 2027 to adapt to changing role and skill demands. (2)

While developing a skills-based approach to workforce development is critical, our research revealed many organizations are fragmented in their approach with 27% of C-Suite leaders saying IT owns the skills strategy and 24% observing that HR oversees it, but 15% indicating this is in the purview of business leaders. In addition, 12% point to transformation leaders and over 20% cite Innovation Officers as leading the skills strategy for the organization. This type of fragmentation can lead to inefficiencies and confusion across the enterprise. (Figure 5)

Figure 5: The Skills Strategy is Fragmented



Q: Who owns the AI skills strategy today and what percentage is owned by key stakeholders?

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Some organizations are addressing fragmentation by establishing a centralized transformation office that partners with cross-functional stakeholders to design and manage a skills-based organization. However, there is no one-size-fits-all model, the structure and approach must align with the company's culture and its commitment to embedding a skills-based workforce as a core part of its DNA.

Deploying AI Is Business Transformation

“ At Indeed, we created a central transformation office to lead the expansion of AI in the workplace. We now focus on how to help our people use AI effectively, less as a tool, and more as an augmentation to their human judgement and creativity.”

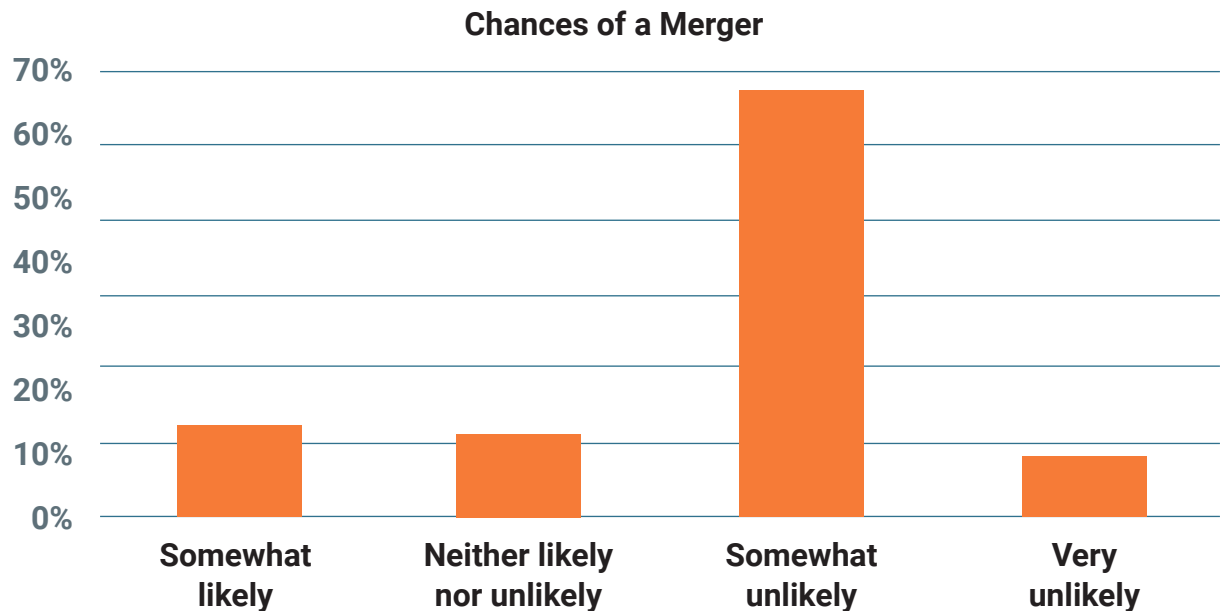
HANNAH CALHOON

VICE PRESIDENT, AI & HEAD OF AI INNOVATION, INDEED

#5: 75% of C-Suite leaders report it's unlikely HR and IT will merge into one function, but they will partner more closely.

The future of HR is intertwined with AI and data analytics, to deliver a personalized customer and employee experience. While HR and IT have often worked separately, now they must forge a partnership. But 75% of C-Suite leaders report it is either very unlikely or somewhat unlikely that HR will merge with IT. (Figure 6)

Figure 6: The Likelihood that HR and IT Will Merge



Q: By the end of 2026, what is the likelihood that your HR and IT departments will merge into one function focused on both people management and deployment of AI across the company?

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While a full merger of HR and IT is not viewed as likely by those interviewed, a tighter day-to-day collaboration between the two is seen as mission critical to align workforce planning with the company AI roadmap and capital investments. Ultimately, the new era calls for an end to HR and IT operating in silos and instead designing work holistically rather than layering AI onto legacy processes.

The New Power Couple: CHRO & CTO Building An AI-Augmented Workforce



Rather than merging HR and IT, Pearson is forging a closer partnership between the two functions. Speaking at the World Economic Forum, Pearson's CHRO and CTO shared how they are forging a deep partnership and see this as an opportunity to intentionally map AI augmentation within human workflows, so technology elevates rather than replaces how we work. But this power couple will likely expand over time to include the CFO, CMO, and key C-Suite leaders. The future of AI is *teamship* as much as leadership." (3)

ALLISON BEBO CHIEF HUMAN RESOURCE OFFICER, PEARSON
DAVID TREAT CHIEF TECHNOLOGY OFFICER, PEARSON

What C-Suite Leaders Have to Say About HR-IT Collaboration:

"HR and IT will work closely to identify skills gaps and ensure employees are trained to use AI tools safely and effectively."

"HR and IT will jointly create AI usage guidelines to ensure consistency across the organization. This will help employees feel confident using AI in client-facing work."

"HR and IT will collaborate to identify roles that are well-suited for automation while clearly defining areas where human judgment and expertise remain critical."

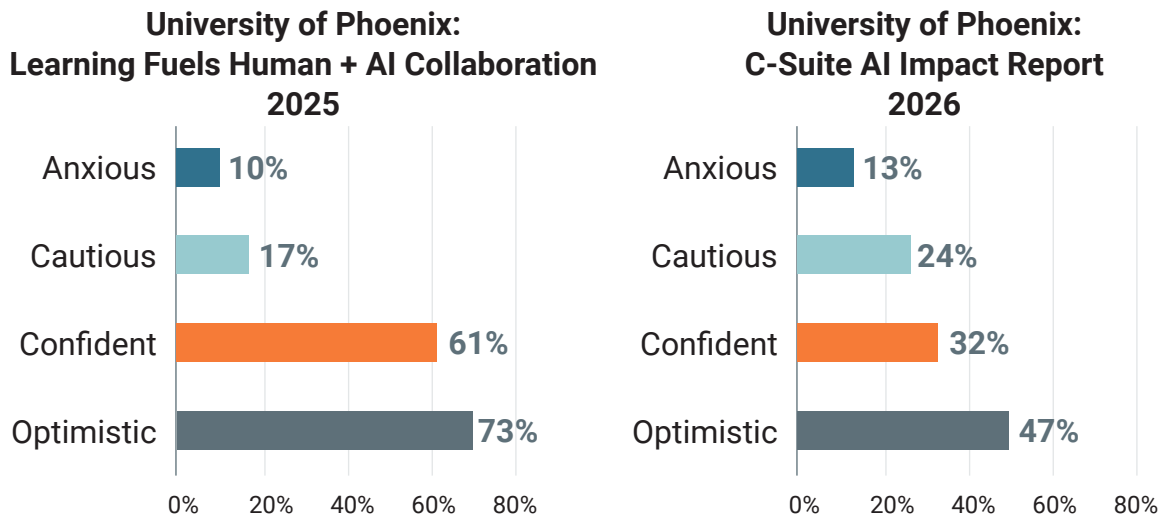
Source: Open-ended responses from 150 C-Suite leaders

The Human Side of AI: Understand the Capabilities Needed to Become Strategic Architects of AI

Most organizations treat the implementation of AI as a technical challenge. What many overlook is the human side of AI, understanding the fears, concerns, and uncertainties employees have about using the technology.

A comparison between the 2025 survey of HR leaders and the 2026 survey of C-Suite leaders, **Figure 7**, shows increased anxiety and caution currently among top leaders. In addition, this year's research shows an "AI hopefulness gap" emerging among young leaders. The younger the leader, the less hopeful they are about the impact of AI in the workplace. Seventy-five percent of Boomers are hopeful, compared to 59% of Gen X and 47% of Millennial leaders. Senior leaders need to take note that the younger generation most exposed to AI, is least hopeful about its impact.

Figure 7: Leader AI Sentiment Turns Cautious



Q: How do you personally feel about the impact of AI in the workplace?

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C-Suite leaders must understand and monitor the human side of AI, as this will impact the readiness and confidence of employees and teams to leverage the full potential of AI.

#6: More than six out of ten C-Suite leaders see enhancing productivity and achieving competitive advantage to be benefits of AI with the top barrier being employee fear/distrust of AI.

While C-Suite leaders say the most important benefits of using AI include productivity improvements and better competitive advantage, their assessment of the top barriers focus on the “human side of AI,” namely employee fears and a general distrust of AI usage in work. (Figure 8)

Figure 8: The Top Five Benefits and Barriers of Using Artificial Intelligence

Benefits	% C-Suite	Benefits	% C-Suite
Increased productivity	73%	Employee fear & distrust of AI	87%
Competitive advantage	68%	Ethical & security risks	55%
Data driven decision-making	63%	Loss of critical thinking / overreliance on AI	38%
Personalize employee experience	57%	Lack of understanding how to partner with AI	37%
Augment human workforce	56%	Lack of governance of AI	33%

Q: What benefits from AI do you expect to see at your organization in 2026? What barriers do you see for effective workforce deployment of AI in 2026?

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As C-Suite leaders embed AI into day-to-day operations, they see multiple challenges, ranging from distrusting AI output and concerns about ethical and security risks of the technology to a potentially more damaging long-term impact—the loss of critical thinking skills due to overreliance on AI, known as cognitive surrender.

When we asked C-Suite leaders in an open-ended question, what keeps you up at night as it relates to the expansion of AI in the workplace, **Figure 9** shows an array of personal fears, including the loss of human connection, the elimination of jobs, and the need for job redesign.

While C-Suite leaders welcome the possibility of increased productivity and competitive advantage, they also express concerns about how AI will reshape roles.

Figure 9: What Keeps You Up at Night Related to AI?



Q: What is one issue that keeps you up at night as you think about the impact of AI on the workforce?

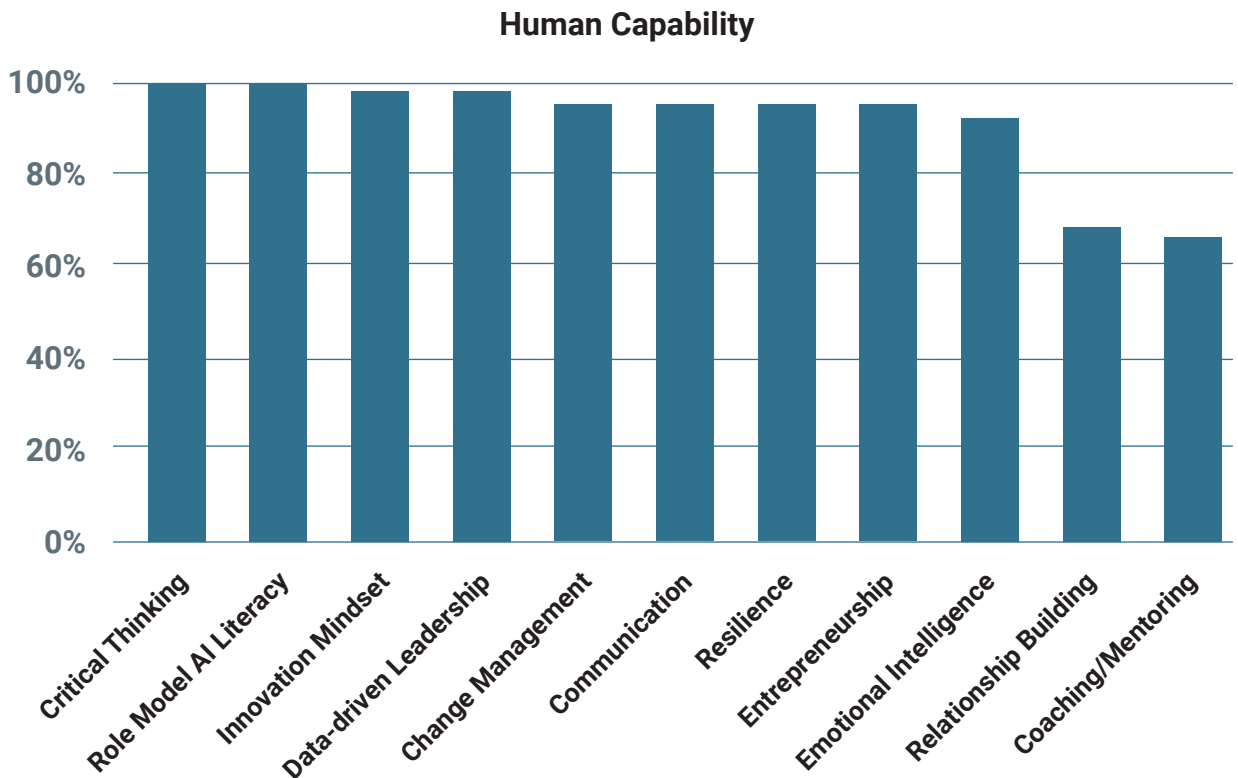
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#7: Nearly all C-Suite leaders cite critical thinking and role-modeling AI literacy as key human capabilities to lead an AI-powered workplace.

As AI literacy becomes a baseline expectation for employment, C-Suite leaders continue to view human capabilities as critical to success.

C-Suite leaders identified the following human capabilities as either very important or somewhat important as AI expands across the organization. (Figure 10)

Figure 10: Human Capabilities Are Seen as Important to Lead in Age of AI



Q: Considering the impact AI could have on your company in 2026, how important will each of the following capabilities be for your leaders in 2026 on a five-point scale?

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In addition to critical thinking, all C-Suite leaders interviewed for this research identified a new capability required of leaders, role modeling their own AI literacy. This requires actively demonstrating how they use AI in their workflow, decision-making, and skill development. Leaders must stop issuing AI mandates and instead use AI themselves and be a role model for their team members to do the same. This type of leadership behavior is critical to translating investments in AI into business impact for the organization.

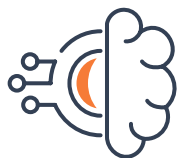
Leader Role Modeling AI Literacy



I recently created a strategy and innovation AI agent to assist my team in developing a new learning and development operating model. I shared this with my team and challenged them to use it, break it, report back on the flaws, and create the next iteration. Successful adoption of AI will require us to be both users and builders of AI and seek out ways to use AI to disrupt our workflows and create new work processes.”

ALEX LAURS
CHIEF LEARNING OFFICER, EY AMERICAS (4)

Recommendations and Takeaways



#1 Build AI fluency for all workers including C-Suite leaders

AI fluency is a baseline capability required across all levels, roles, and functions. Companies across a range of industries expect all employees to work effectively with AI tools. This shift begins with C-Suite leaders.

Organizations must also define what AI fluency means by identifying a core set of capabilities and reexamining key HR processes—from hiring and career development to performance management—to embed these capabilities into ongoing talent practices.

To make this happen, companies need to move beyond one-time AI literacy training and create learning experiences that connect business problems with AI usage. This can include launching AI hackathons and sharing feedback, so employees become “AI natives,” using the technology in their workflows.



#2 Move beyond AI adoption to focus on team deployment

Despite increased investments in AI, organizations are being held back from unlocking the transformative potential of the technology by several factors, such as focusing AI literacy training at the individual employee level rather than the team level to impact business outcomes.

The focus on AI needs to be on the readiness of the workforce to integrate AI into their workflows and achieve measurable business results. This requires C-Suite leaders to be intentional in creating business use cases for teams to embed AI into how they work and to share lessons in using AI to drive business results.



#3 Develop a skills strategy that is unified across all functions of the organization

Organizations are moving from a job-based to a skills-based approach where skills rather than job titles drive talent decisions. But our research revealed many organizations are fragmented in their approach to becoming a skills-based organization. Some companies are merging HR and IT to drive one consistent view of a skills-based organization. Others are committed to building a closer partnership between HR, IT, and key business stakeholders. In any case, organizations must focus on aligning their skills strategy to their culture, while keeping in mind the need to create clear accountability frameworks across the enterprise. Without a clear vision of the skills strategy, organizations risk producing suboptimal outcomes that no one owns.



#4 Understand the human side of AI, including worker fears and the emerging AI gender gap

The human side of AI is often overlooked by leaders. Our research uncovered worker distrust of AI as a key barrier to usage. Trust, more than capability, will drive AI adoption. There is also an “AI hopefulness gap” emerging where the younger the leader, the less hopeful they are about the impact of AI in the workplace. Senior leaders need to take note that the younger generation most exposed to AI is least hopeful about working with AI in the workplace.

Fears about using AI are also showing up as leaders worry about possibly reducing the development of their critical thinking skills, as they continue to leverage AI for large parts of their job. This is known as cognitive surrender and should be addressed as a growing concern as leaders expand their personal use of AI and manage the performance of human and AI contributors.



#5 Redesign career pathways for entry-level and middle managers

AI is redesigning jobs faster than most organizations are reshaping opportunities for employees. Nearly a third (31%) of HR and learning leaders expect to create entirely new entry-level jobs where humans collaborate with AI as part of their role. (5) While there has been much focus on the decreased number of entry-level jobs in fields most impacted by AI, such as software development and customer service, the real issue for organizations is to identify how entry-level and middle manager jobs will be redesigned. Early-career workers will no longer be defined by repetitive tasks and instead they will need to understand the *why* behind the work and *how* to interpret the output of AI. Similarly, middle managers must learn how to manage a workforce composed of both humans and AI agents. Embedding AI at scale will require both job redesign and cultural adaptation as much as technical implementation.

Conclusion

C-Suite leaders must be prepared to answer a host of new questions related to AI, starting with how are we delivering value from our investment in AI? How will we redesign jobs for early-career hires and middle managers so they can orchestrate AI and not compete with it? And importantly, how are we preparing our workers, both professionally and emotionally, for this transformation?

A Dataiku/Harris poll finds that 74% of CEOs believe their jobs are on the line if they fail to deliver measurable business results from AI. At the same time, Boston Consulting Group reports that corporate investments in AI are expected to double in 2026 from 0.8% to about 1.7% of revenues. (6) But our research finds less than one third of companies interviewed are using AI to transform work processes and workflows.

The focus on AI is no longer on individual employee adoption of AI, but instead on the readiness of teams to integrate AI into workflows and achieve measurable business results. AI adoption is accelerating, but unlocking its full potential requires C-Suite leaders to grapple with the readiness of the workforce to partner with AI as a collaborator, amplifying their human potential, rather than just enhancing their productivity.

As CEOs are under pressure to realize value from their AI investment, C-Suite leaders must define what it means to be AI literate and ensure AI fluency first for themselves and then for their team members. Organizations that treat AI as a skills and cultural transformation—not just a technology investment—will be best positioned to realize its full value.

Footnotes

1. “Gartner Says AI Investment Spending Will Be \$2.25 Trillion in 2026,” January 15, 2026
2. “The 2020s will be a decade of upskilling. Employers should take notice,” World Economic Forum, January 10, 2024
3. “The New Power Couple: CHRO & CTO Building An AI-Augmented Workforce,” World Economic Forum discussion, January 21, 2026
4. “How Companies Are Using AI As a New Team Member,” Jeanne Meister, Forbes, July 23, 2025
5. “Learning Fuels Human and AI Collaboration,” University of Phoenix, 2025
6. “As AI Investments Surge, CEOs Take the Lead,” Boston Consulting Group, Jessica Apotheker, Sylvain Duranton, Vladimir Lukic, Nicolas de Bellefonds, and Christoph Schweizer, January 15, 2026.

Survey Methodology

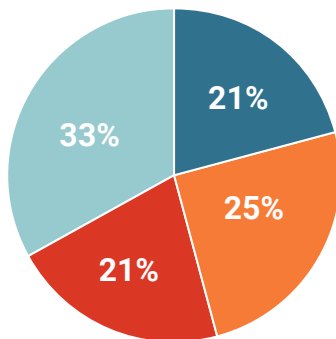
This research was conducted by an independent third-party research firm, with 150 C-Suite business leaders across North America. Participants included executives holding titles such as CEO/COO, CIO or Head of Technology, CHRO or Head of Corporate Learning, as well as a mix of other C-Suite leaders, including CFOs, CMOs, and Heads of R&D.

The study was administered in English via an online survey platform, with an average completion time of approximately 18 minutes. Data collection was completed in February 2026. In addition, a series of in-depth individual interviews were also conducted with select C-Suite leaders in March 2026.

Survey Demographics

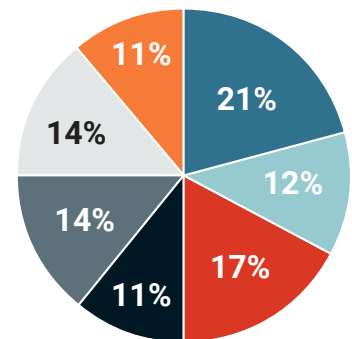
Total Sample Size: 150 C-Suite Leaders

Titles of Respondents



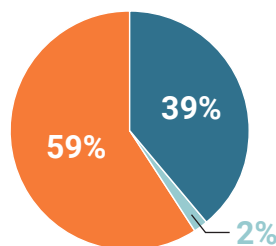
- CIO/Head of Technology/Chief AI Officer
- CEO/COO
- Other C-Suite Titles
- CHRO/CPO/CLO/Head of Talent/Transformation/Innovation

Industry Sectors



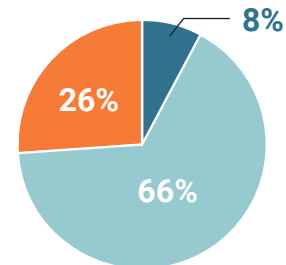
- Technology
- Retail
- Professional Services
- Pharmaceuticals
- Manufacturing
- Healthcare
- Financial, Banking, & Insurance

Company Size



- 1,000 - 2,999 Employees
- 3,000 - 5,000 Employees
- Over 5,000 Employees

Generation Breakdown



- Boomers
- Generation X
- Millennials



CONTRIBUTORS

Jeanne Meister is a Workplace Strategist and independent HR consultant working with companies and institutions of higher education to understand how the adoption of AI impacts the workforce and the workplace. Jeanne has authored numerous books and writes for business publications such as *Forbes*, *Harvard Business Review* and *Financial Times*.

Earlier in her career, Jeanne founded and successfully exited two companies, Corporate University Xchange, (Corpu) and Future Workplace, where she built a senior HR peer network of leaders from Fortune 500 companies. She has received awards honoring her contribution to workplace learning from the Association of Talent Development (ATD) and Learning & Performance Institute (LPI). Jeanne was recently recognized among the Top 25 HR & People Leaders shaping the profession.

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