

Pearl Meyer

While AI Is Advancing, Leadership Systems Are Not: Q1 2026 Leadership Quick Poll

Executive Summary

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Introduction

Organizations are investing in AI while struggling to define and execute on leadership strategy, according to Pearl Meyer's most recent quick poll. The data shows that technology is not the issue—it is leadership. Gaps in alignment, decision-making, and talent development are already constraining performance, and AI is making those weaknesses more visible and more consequential.

This quick poll assesses leadership effectiveness across senior teams, strategy execution, organizational design, and readiness for AI. The objective was to understand whether leadership systems are keeping pace with rising complexity, and where they are falling short. The findings point to a consistent pattern:

Leadership systems are not evolving fast enough to support either strategy or AI.

Senior teams are not consistently operating as enterprise leaders, critical talent development is lagging long-term needs, and cross-functional coordination and decision clarity continue to constrain execution. These gaps are reflected in three consistent themes: talent development of leaders and teams is lagging, strategic decisions are often made without effective internal collaboration, and AI preparedness is limited. Perception gaps between boards and management further compound these challenges.

At the same time, most organizations are early in their AI journey, focused on productivity and efficiency rather than growth, and are only moderately prepared to manage broader implications.

AI is amplifying—not solving—these leadership and execution challenges.

Stronger alignment across leadership, governance, and operating model design is needed for AI investment to translate into sustained performance.



Survey Detail

- + This survey was conducted in February and March 2026
- + 108 respondents from 40 public companies, 58 private companies, and 12 not-for-profit / government entities provided data
- + While board member participation was limited (n=11), responses were directionally consistent and offer relevant insight into board perspectives and alignment with management

Key Highlights



Talent Development Is Lagging Future Needs

- + Confidence in current leadership capability is only moderate, and many organizations are not fully confident they are developing senior leaders at the pace needed to support long-term strategy.
- + C-suite teams do not consistently see themselves as effective enterprise teams or prioritize time to improve how they work together.
- + Boards review succession plans annually, but involvement in successor development appears more limited and less aligned with C-suite views.



Strategic Decisions Lack Internal Alignment

- + Effective cross-functional collaboration and related talent capabilities are important yet are the areas of most concern for executives.
- + Strategy execution is being limited primarily by internal friction: too many priorities, legacy processes, and slow or unclear decisions.
- + Boards and C-suite leaders are confident in how they set priorities, but far less confident those priorities are effectively communicated across the organization.



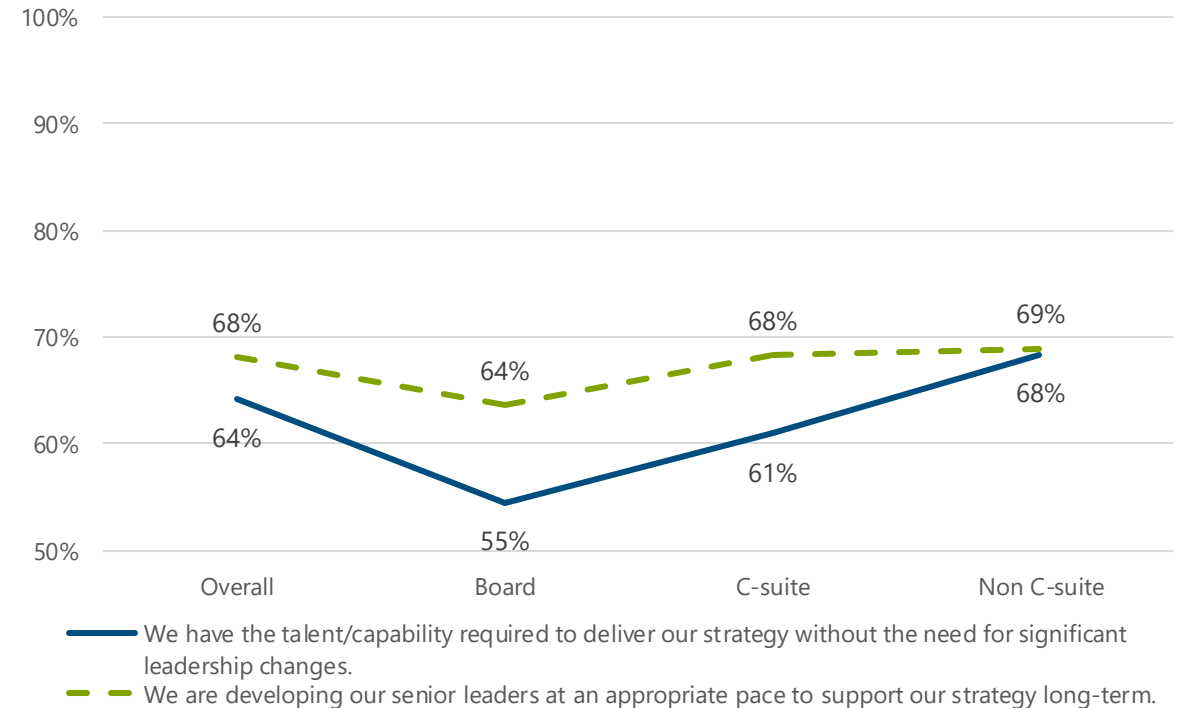
AI Readiness Is Limited

- + AI is currently expected to improve efficiency and productivity more than drive growth.
- + Most organizations are only minimally or moderately prepared for the impact of AI, with strategy alignment, senior leader understanding, and data quality being key factors considered.
- + AI implementation has not scaled to enterprise-level, with many organizations still deciding where to focus.
- + AI leadership remains an open question, even as ownership and decision rights appear important to preparedness.

The Talent Development Gap

- + Confidence in current leadership capability is moderate, with 64% saying their organization has the talent needed to deliver strategy and Boards least convinced (55%).
- + Confidence in the pace of senior leader development is somewhat stronger overall (68%), though Boards again report the lowest confidence (64%).
- + Non-C-suite leaders are more positive on both current capability (69%) and development pace (68%) than Boards, pointing to a possible perception gap across organizational levels.
- + Together, these findings suggest an opportunity to strengthen how leadership capability is assessed, developed, and communicated across the organization.

Current leadership capability does not support the strategy, with limited talent development to fill the gap

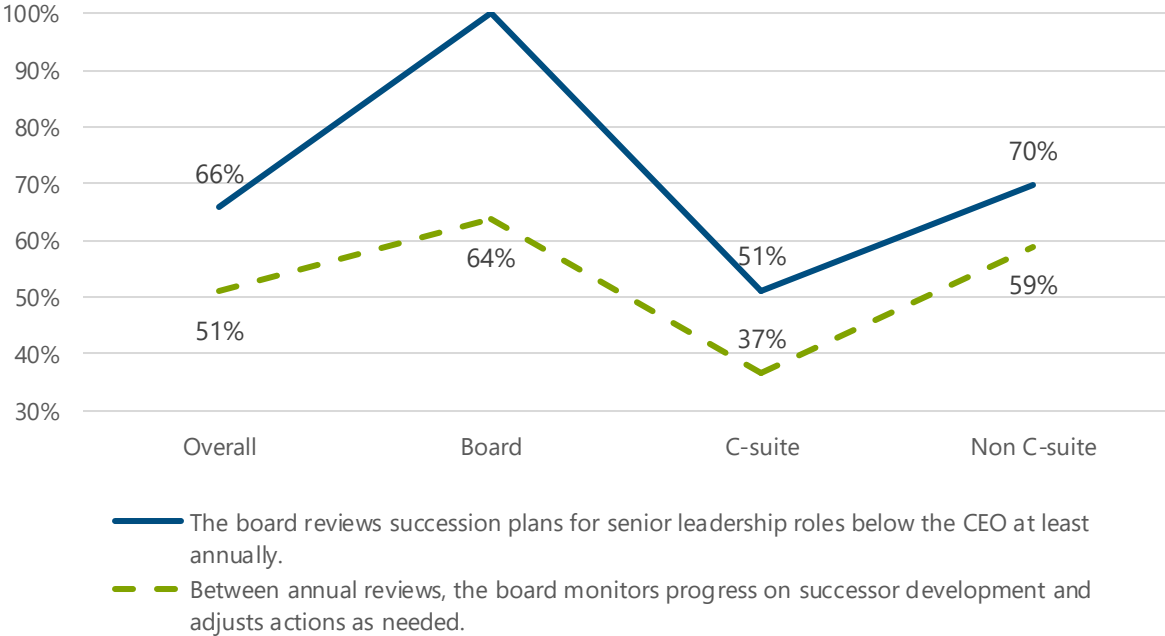


Note: Values represent the percentage of favorable responses (Strongly Agree, Agree)

Boards Review Succession Plans, but Rarely Stay Involved with Successor Development

- + The most effective boards take an active role in succession planning and the development of candidates for critical roles, even if their formal requirements are limited to annual reviews.
- + In our survey, only 37% of C-suite executives felt the board was involved in monitoring the development of succession candidates, and only 51% said the Board reviewed plans annually.
- + Conversely, 64% of Directors said they were involved in development, with 100% saying they reviewed plans annually.
- + These results reveal very little alignment between Board and C-suite collaboration on developing the next generation of senior leaders.

Annual Board succession plan reviews will not close the development gap

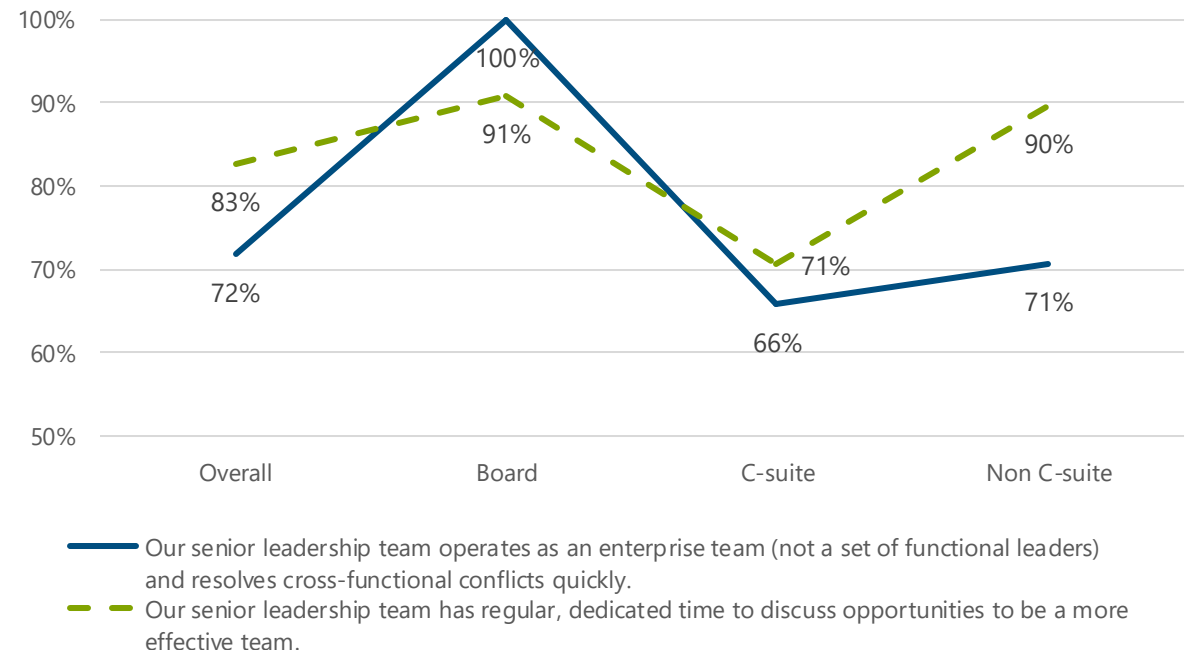


Note: Values represent the percentage of favorable responses (Strongly Agree, Agree)

Executive Teams Appear Collaborative, Yet Struggle to Achieve True Enterprise Leadership

- + Senior management teams often struggle to collaborate and make enterprise-first decisions. Having climbed the career ladder by performing as individuals, these leaders have difficulty making the proper trade-offs required to be an effective team.
- + Differing perspectives illustrate a common issue: while executive teams look cohesive and collaborative to others, internally they struggle to consistently work with an enterprise mindset.
 - 66% of C-suite executives felt they were not functioning as an effective enterprise team and only 71% said they dedicated time to develop as a team.
 - On the other hand, 100% of Directors felt their organization had an effective enterprise leadership team and 91% said the team prioritized further development.

C-suite leaders often say they struggle to work as a cohesive team, yet do not prioritize team development

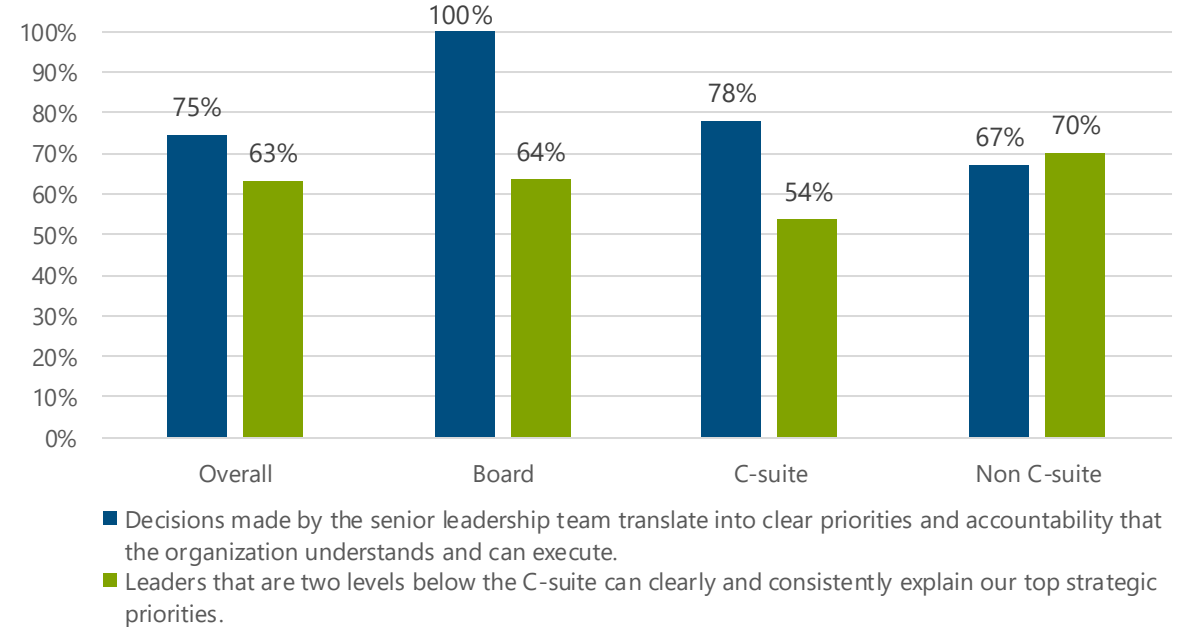


Note: Values represent the percentage of favorable responses (Strongly Agree, Agree)

Strategic Decision-Making Outpaces Clear Communication and Understanding by the Rest of the Organization

- + Strategic decision-making appears clearer at the top than it is consistently communicated across the broader organization.
- + While most respondents say senior leaders translate decisions into priorities and accountabilities (75%), fewer say C-suite leaders clearly and consistently explain top strategic priorities (63%).
- + The disconnect is greatest among Board (100% vs. 64%) and C-suite respondents (78% vs. 54%), suggesting confidence in decision-making exceeds confidence in enterprise-wide communication.
- + Non-C-suite respondents are the exception, reporting similarly positive views on both measures (67% and 70%), which may indicate stronger clarity lower in the organization or different visibility into how priorities are communicated.

Clarity at the top, but not lower in the organization

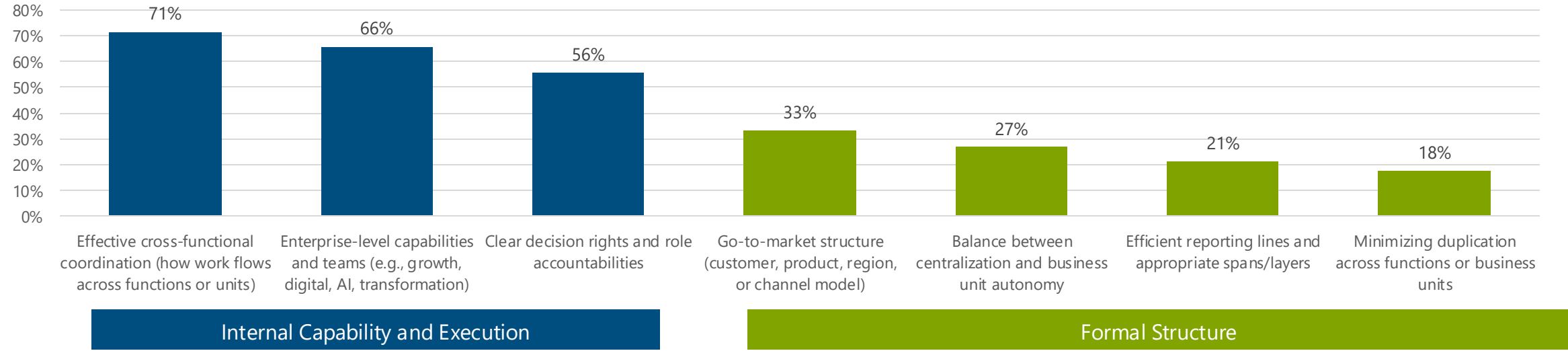


Note: Values represent the percentage of favorable responses (Strongly Agree, Agree)

Internal Capability Drives Strategy Execution, Not Formal Structure

- + There is strong alignment that collaboration and enterprise-level capabilities are critical for executing strategy.
- + In comparison, participants felt structural elements were going to be less critical in the short-term.
- + These results suggest organizations, despite rapidly changing marketplace dynamics and increasing geopolitical uncertainty, expect the efficiency of their internal processes to be the differentiator in the short-term.

Which aspects of your organization's structure are most critical to executing strategy over the next 12–18 months? (Select top 3)



Strategy Execution Remains Dependent on Internal Coordination and Processes

- + Strategy execution challenges appear to stem more from internal organizational friction than from strategic intent itself.
- + The most-cited barriers to execution are too many priorities (59%), legacy processes (56%), and limited decision clarity (37%).
- + C-suite leaders are especially likely to cite too many priorities (68%) and legacy processes (59%) as barriers.
- + Non-C-suite leaders are more likely to point to poor cross-functional coordination (46%) than either Directors (18%) or C-suite leaders (24%).

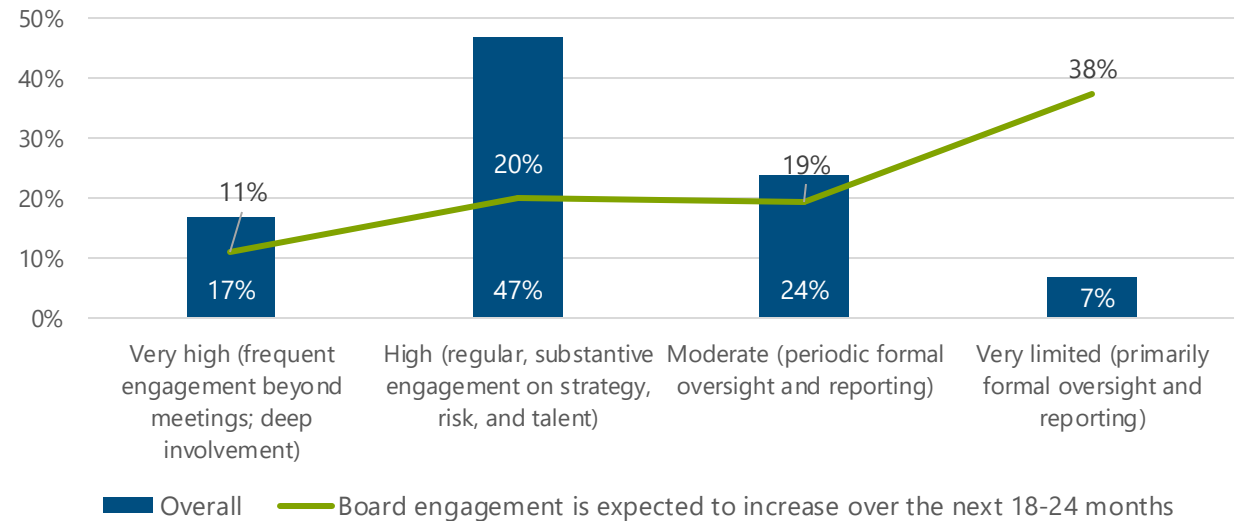
If strategy execution is falling short, what most limits progress? (Select top 3)

	Overall	Board	C-suite	Non C-suite
Too many priorities/lack of focus	59%	64%	68%	51%
Legacy processes persist/bureaucracy	56%	55%	59%	54%
Lack of decision clarity/slow decision-making	37%	18%	37%	40%
Poor cross-functional coordination	35%	18%	24%	46%
Insufficient capabilities in key roles	29%	55%	29%	25%
Culture/behaviors misaligned	29%	18%	27%	33%
Organization structure not fit for purpose	18%	9%	27%	14%
Not applicable/Not sure	16%	45%	7%	16%

Board Engagement Varies Across Organizations and Expectations of Deeper Engagement Are Rising

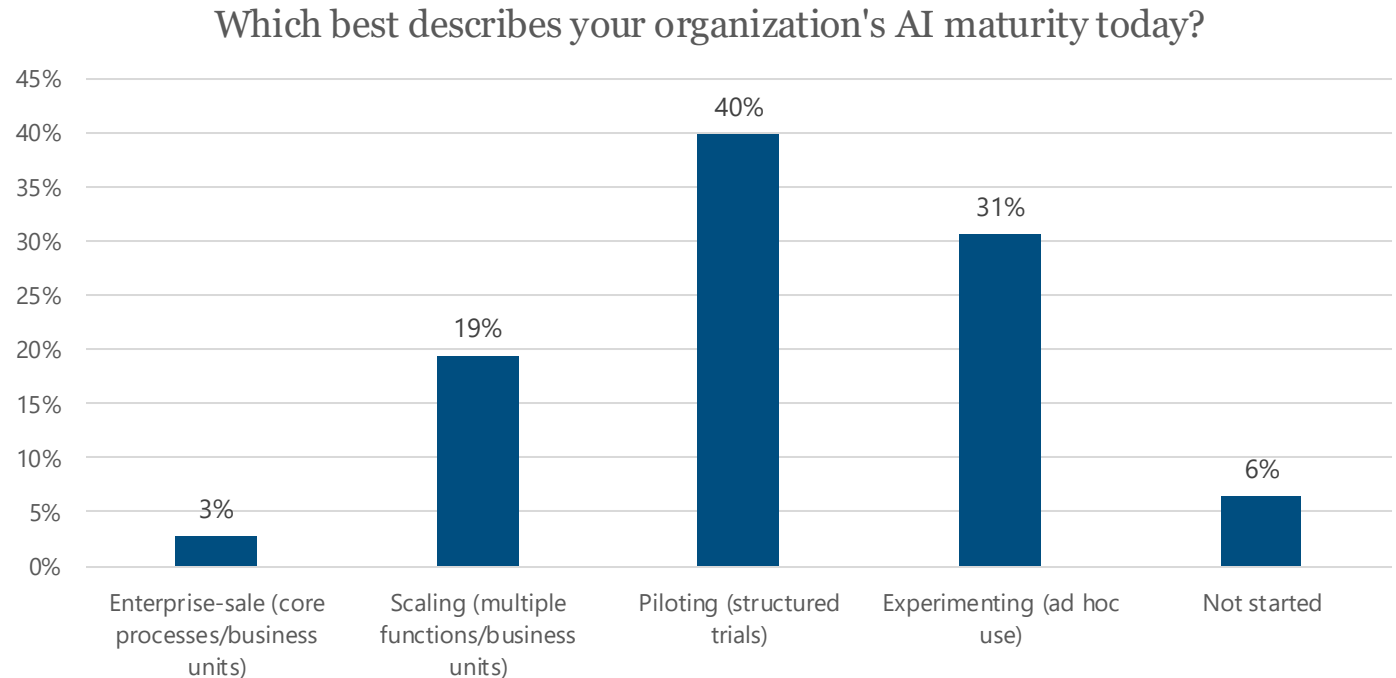
- + Over 90% of participants said their Board was engaged beyond formal oversight and reporting duties.
- + Participants with the least engaged Boards expected the Board increase their involvement with management in the future (38%).
- + Increased Board engagement was expected by even some participants who had very high (11%) or high (20%) engagement with their Board already.
- + Overall, given the rapidly evolving external environment and other factors, expectations of Board engagement are likely to increase further.

How would you describe the board's current level of engagement with management on strategic and enterprise-level issues (not day-to-day operations)?



Most Organizations Are Still Early in the AI Implementation Journey

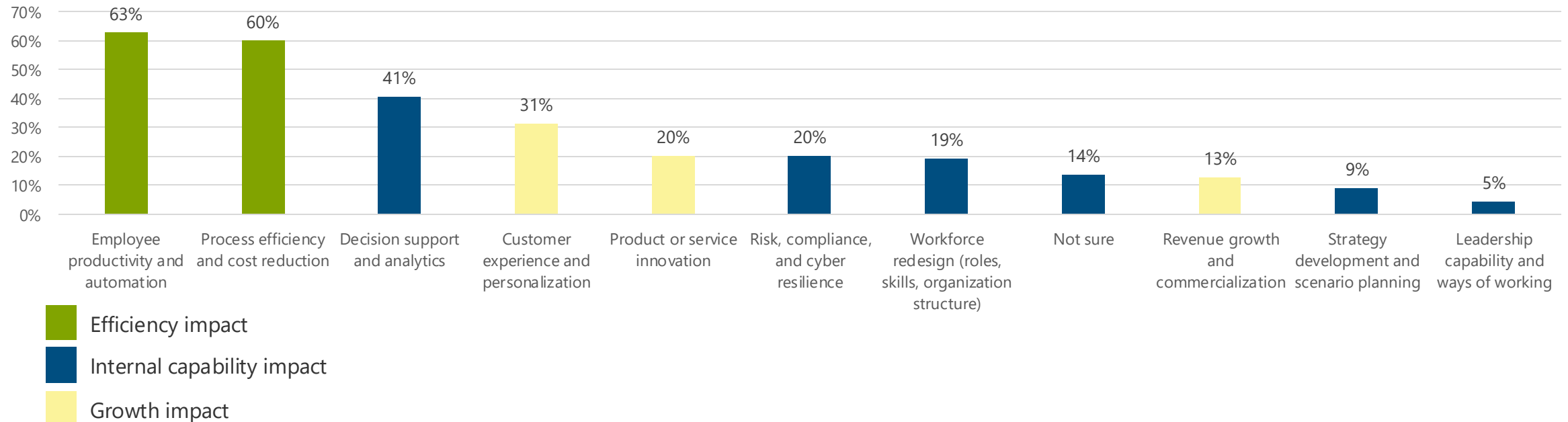
- + 77% of participants stated their organization had not yet moved to scaling AI usage across the enterprise or multiple business units.
- + These findings reveal that most organizations are still trying to understand where to implement AI.
- + Organizations may also be hesitant to implement AI at-large until they are sure of the ROI and the impacts it will have.



AI Is Currently About Efficiency, Not Growth

- + By far the most anticipated AI impacts participants cited were opportunities for productivity and automation (63%) and efficiency and cost reduction (60%).
- + Participants also identified decision support and analytics (41%) as a meaningful area of anticipated AI impact, while other internal capability areas were cited less often.
- + In contrast, growth opportunities were selected much less often, including revenue growth and commercialization (13%), product or service innovation (20%), and customer experience and personalization (31%).

Over the next 12–18 months, where will AI have the greatest impact on your organization? (Select top 3)



AI Readiness Is Less About Oversight and More About Leadership and Data

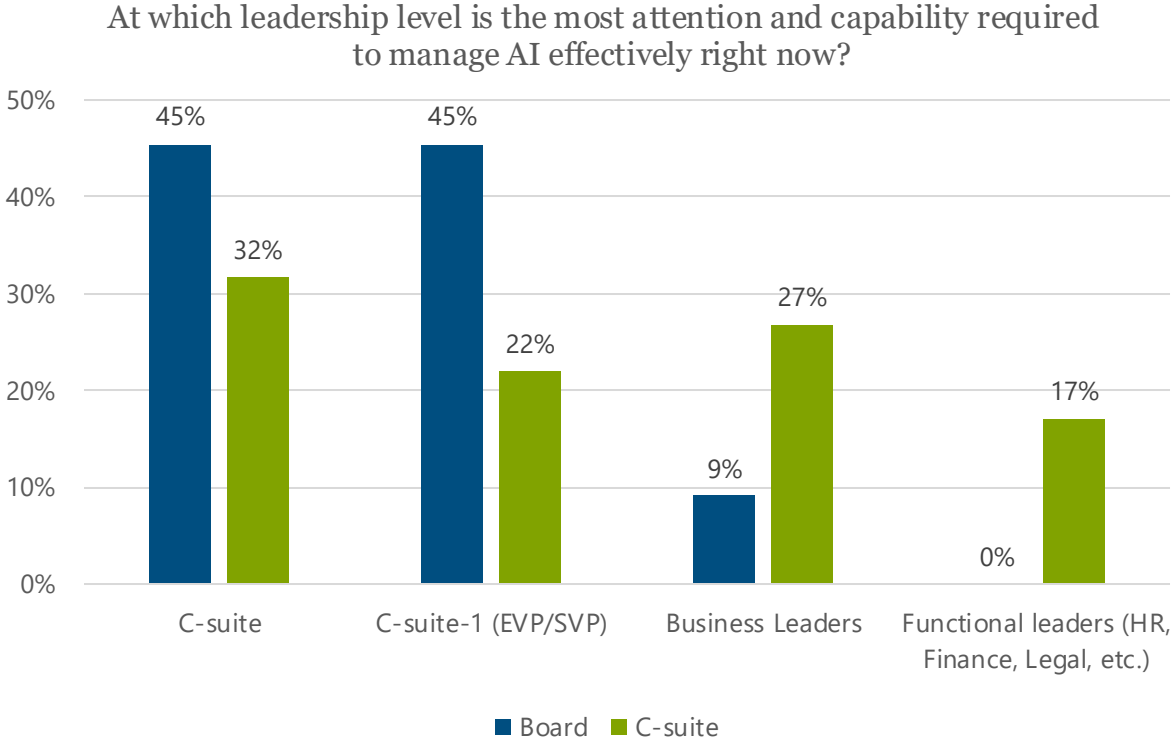
- + AI preparedness appears to depend more on leadership alignment and data readiness than on oversight alone, though Boards place greater emphasis on clear executive ownership and decision rights.
- + The most-cited factors shaping preparedness are alignment between AI initiatives and business strategy (49%), senior leaders' understanding of AI's business implications (48%), and data quality, infrastructure, and security (43%).
- + C-suite respondents place greater emphasis on operational enablers such as data/infrastructure (49%), talent availability (39%), and investment/resources (34%).

What are the most important factors that affect your preparedness for the impact of AI?
(Select top 3)

	Overall	Board	C-suite	Non C-suite
Alignment between AI and business strategy	49%	55%	46%	50%
Senior leadership understanding of AI's impact	48%	45%	44%	52%
Data quality, infrastructure, and security	43%	18%	49%	43%
Cross-functional execution capability	31%	27%	27%	34%
Availability of AI, data, and digital talent	29%	36%	39%	20%
Clear executive ownership and decision rights	28%	45%	22%	29%
Change management capability	24%	27%	24%	23%
Sufficient investment and resources	24%	9%	34%	20%
Board-level attention and oversight of AI	7%	9%	5%	9%
Leadership capability and ways of working	7%	9%	5%	9%

Who Owns AI? That's an Open Question

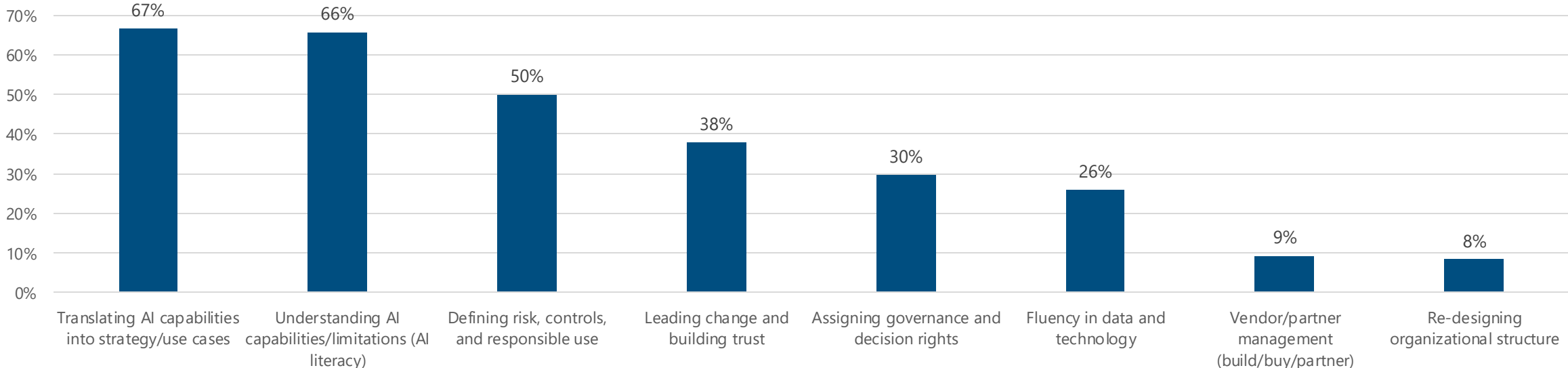
- + Directors feel AI is a top-of-house issue, likely demonstrating the strategic nature of AI implementation from their perspective.
- + 90% of Directors say the management of AI should rest with C-suite or C-suite-1 leadership.
- + Conversely, C-suite participants were split on who should have responsibility of AI.
- + Despite the strategic importance of AI for future performance, the essential decision of leadership accountability remains an open question.



Senior Leaders Need to Understand the “Why” of AI

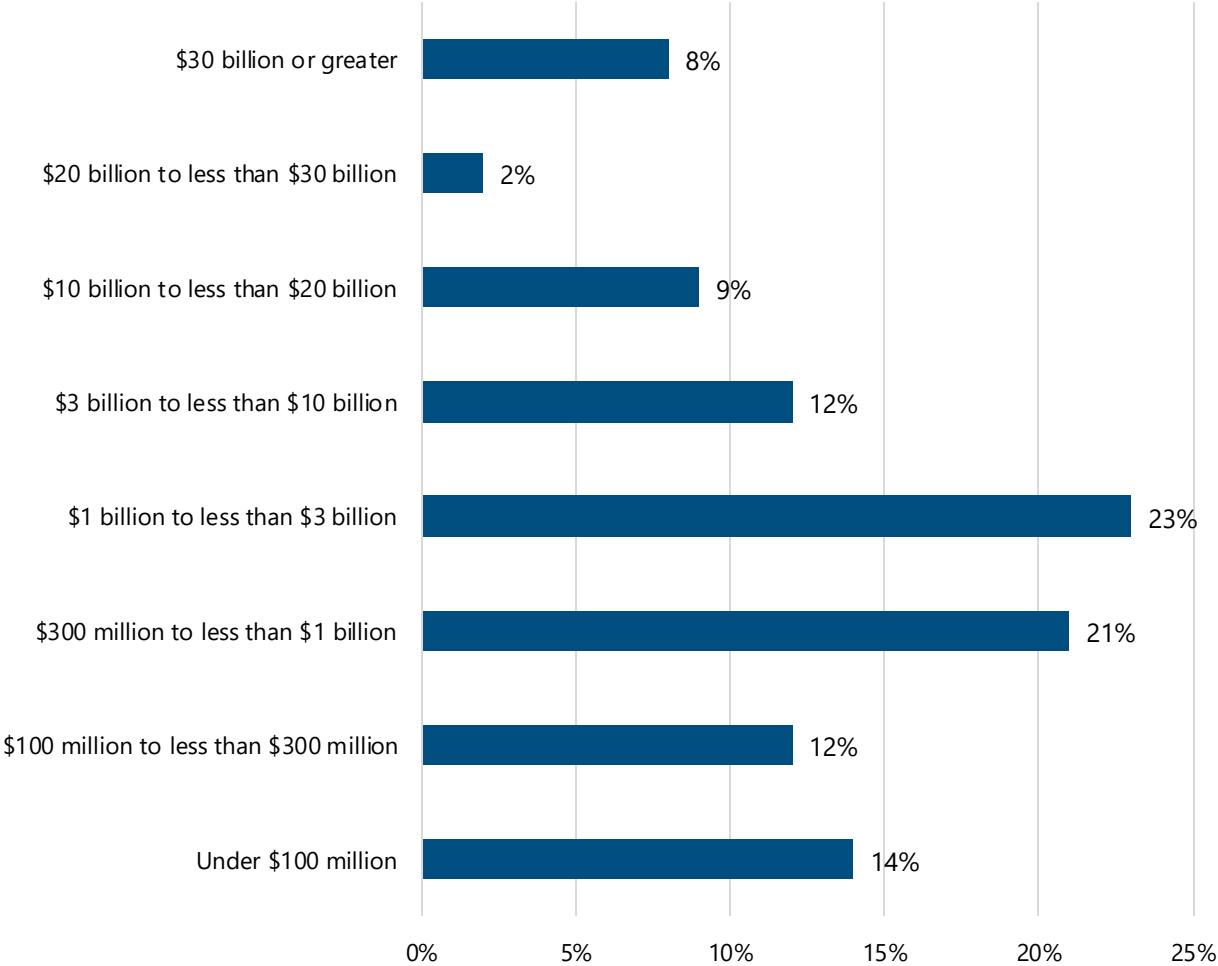
- + Most participants said senior leaders need to pair AI with strategy and use cases (67%) and have enough AI knowledge to understand the opportunities and the limitations (66%).
- + In other words, leaders need to approach AI implementation by asking and answering “why?” and being knowledgeable enough to navigate the conversation.
- + Capability for “how” was seen as less important: defining risk, controls, and responsible usage (50%), leading change (38%), and assigning governance (30%) were selected much less often.

What are the most important senior leadership capabilities needed to effectively manage AI's impact on the organization? (Select top 3)

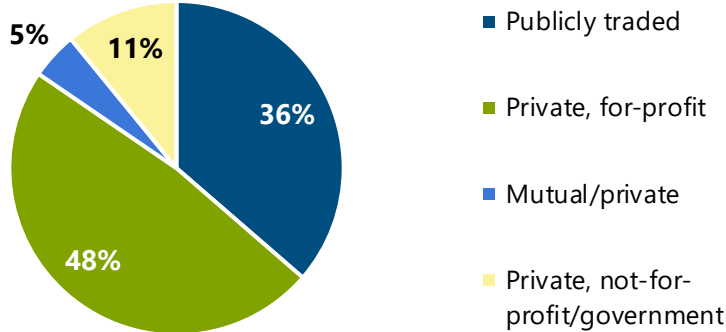


Survey Respondent Demographics

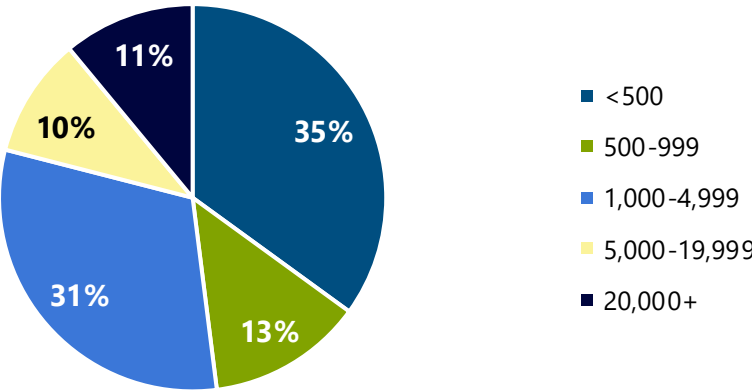
Revenue Range



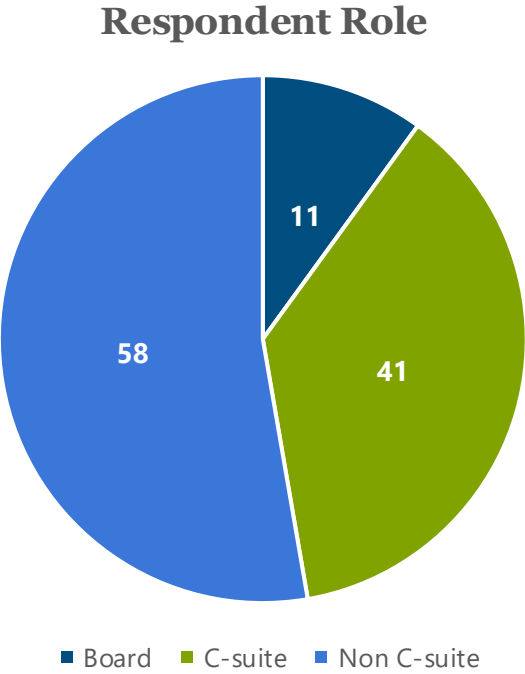
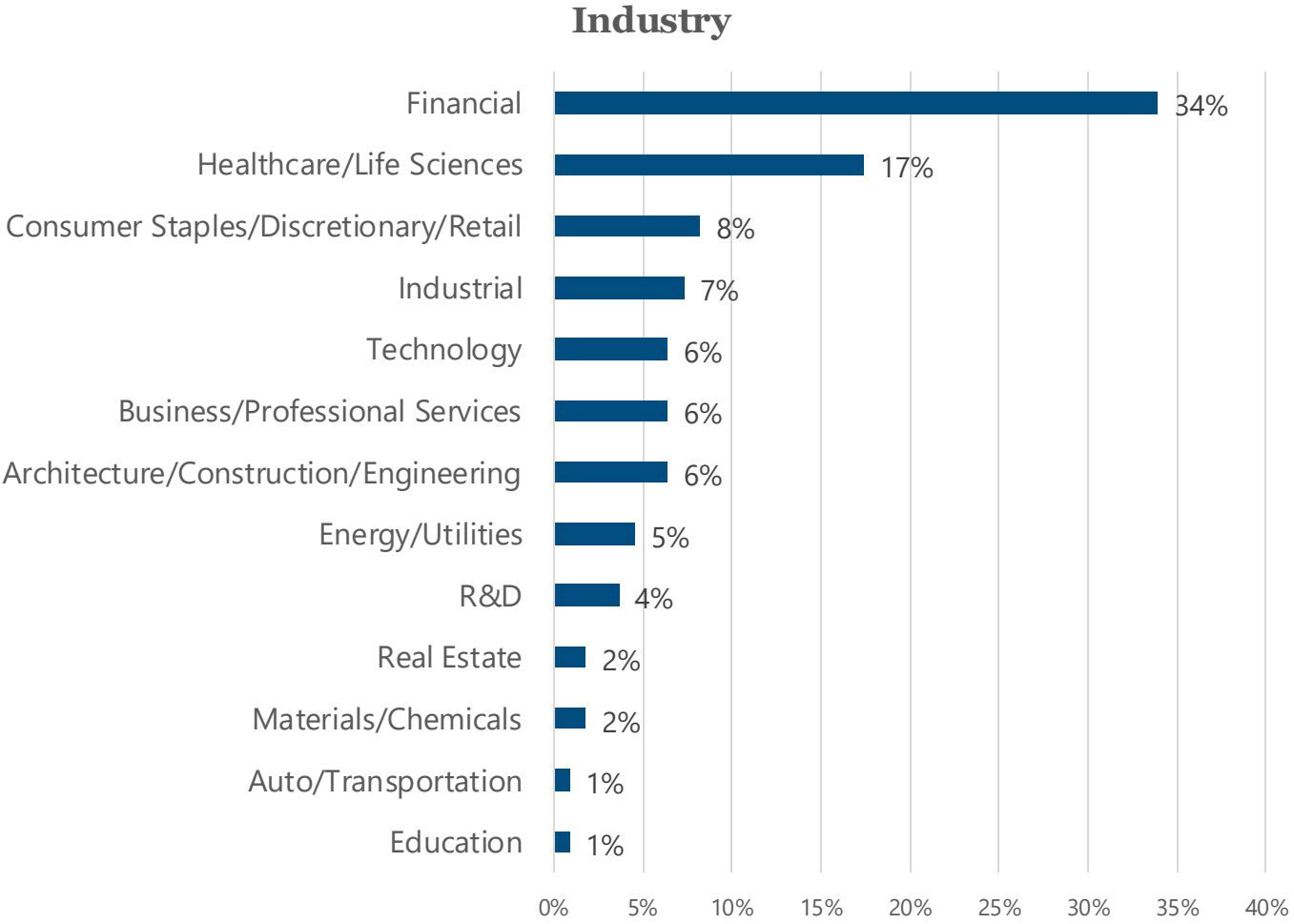
Ownership Status



Number of Employees



Survey Respondent Demographics (cont'd)



Note: Pearl Meyer received 108 completed surveys; answers from two other partially completed surveys, where full demographic details were provided, are also included in applicable question data.

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Thank You

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