

Tech leaders suffering from GenAI 'FOMO' with 75% believing they are behind competitors

New risks of GenAI are being underestimated

Wavestone, a leading transformation consultancy, unveils today the results of its "2024 Global Technology & Data Leaders Survey". It surveyed 600 CIO/CDO/CTO/CISO based predominantly in Europe, the US and Asia in late 2023. The study reveals that 75% believe they are behind their competitors when it comes to using GenAI. The survey also finds technology leaders are overly confident that they can mitigate the risks associated with this technology – not only the HR impact and new threats such as hallucinations, bias, and IP infringement, but also the possibility of enhanced data and privacy risks with much greater consequences.

"With companies around the world rushing out press releases proclaiming their 'GenAI firsts', it is perhaps unsurprising that this has induced a corporate FOMO (Fear of Missing Out) among many technology leaders" said **Chadi Hantouche**, Partner, Wavestone. "However, such highly specific, short-term GenAI projects should not be mistaken for real progress."

'New' risks of GenAI are being overlooked

The **Wavestone Global Technology & Data Leaders Survey 2024** shows that respondents still view the dangers of GenAI in terms of their existing technology stack. The survey reveals that 'new' risks specific to GenAI are being worryingly overlooked, with the lowest number of respondents selecting them as 'risks associated with adopting GenAI at their organization'. These are: Impacts of any problems on Employee/Consumer trust (30%), Protecting Intellectual Property (27%), Hallucinations (26%), Bias (23%) and Ethics (17%). Indeed, 14% state that they do not see Hallucination as a risk at all.

"The survey indicates that technology leaders are looking at GenAI through a 'traditional' technology lens and have not yet grasped the unique nature and gravity of its risks." said **Cecilia Edwards, Partner, Wavestone US.**

Further Key Takeaways

Technology leaders must accept that GenAI is a game-changer for their business.

Technology leaders such as CIOs (57%), CTOs (34%), CDO and CISOs (20%) were all listed as more likely to lead or fund GenAI adoption. However, 16% believe that CEOs should take the lead, a far higher figure than for previous generations of AI. Yet, the need for technology leaders to align strongly with CEOs' core goals for GenAI are non-negotiable. In this high-stakes game, there is no room for misalignment or ambiguity.

GenAI's perceived environmental impact needs a reality check.

46% of respondents said the environmental impact of Gen AI was taken into account for all projects and strategies while a further 40% said this was true for some projects. This finding does not tally with our

experience 'in the field' and suggests undue optimism or a lack of data regarding the actual impact of GenAI.

The importance of change management is still underestimated.

82% state they are confident they can mitigate the risk of the HR impact of GenAI. For our part, we are convinced that we should not underestimate the power of GenAI and the efforts required to realize its full potential. *"The full value of GenAI will only be obtained through profound business and process transformations, which can only occur when it is fully embraced by users, the wider employee base and company leaders"* said **Shakti Mohapatra, Associate Partner, Wavestone UK**.

No data quality, no Gen AI – period.

Reliability or quality of data (31%) was given as the biggest barrier to implementing GenAI projects. The quality of your data will determine the success or failure of your GenAI initiative, yet many organizations have struggled for decades with data quality issues. They now have a good opportunity to fix these issues in-depth.

To read the full **2024 Global Technology & Data Leaders Survey**, please click [here](#).

About the survey

Wavestone surveyed 600 Technology leaders (CIOs, CDOs, CTOs, CISOs, etc.) in late 2023.

- 22,4% based in **France**, 19.0% in the **United Kingdom**, 17.3% in **Germany**, 22.4% in **the United States** and 17% in **Singapore** and **Hong Kong**
- Respondent organizations' global annual revenues were: 53% in the 1.1 billion - 5 billion USD category; 23% in the 5.1 - 10 billion USD category, 6% in the 500.1 million - 1 billion USD category and the remaining respondents were spread between 50 million and more than 50 billion USD revenues.
- 39% were Board / CXO level positions and 60% were Senior Management positions.
- 18% of respondents were in the Manufacturing sector, 17% in Financial Services, 16% in Consumer Goods, Retail & Luxury, 15% in Energy, Utilities & Renewables, 11% in Transport & Distribution Services, with remaining respondents spread between Life Sciences, Government & International Institutions, Technology, Media & Communications & 'Other' sectors.

About Wavestone

Wavestone, a leading independent consultancy headquartered in France, and Q_PERIOR, a consulting leader in the Germany-Switzerland-Austria region, joined forces in 2023 to become the most trusted partner for critical transformations. Drawing on more than 5,500 employees across Europe, North America and Asia, the firm combines seamlessly first-class sector expertise with a 360° transformation portfolio of high-value consulting services. Wavestone is listed on Euronext Paris and recognized as a Great Place to Work®. Further information on www.wavestone.com // [@wavestoneFR](https://twitter.com/wavestoneFR)

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