

Beyond AI Optimism:

Closing the Ambition Gap



Welcome from Google

A year ago, we published the first [Beyond AI Optimism](#) report with a finding we thought was important enough to name: leaders were markedly more optimistic about AI's impact than the people doing the work every day. We called it the disconnect—and said it was the thing to watch.

So, we watched it. A year later, the clearest finding is also the most consequential: **optimism is up, but the gap has not moved.**

Adoption is no longer the constraint. Nearly every organization in this study has adopted AI, nine in ten say they have an AI-first goal, and more leaders than ever call it a top priority. **The harder question is readiness:** whether organizations have built the systems, structures, and operating models needed to turn adoption into results.

The 10% that have broken through are using AI differently. They have integrated it into how people already operate, redesigned work around it, and built the foundations needed to scale. The result: speed, innovation, and more enthusiastic employees.

Our research also shows that **redesigning work requires support at every level:** helping employees build the skills to use AI confidently, giving leaders clearer ways to plan for cost and scale, and creating the trust and safeguards needed as more autonomous tools enter the workplace.

“How much AI are we using?” no longer separates the leaders from everyone else. What matters now is whether the organization around it has changed enough for AI to deliver what we are asking of it.



Derek Snyder

Director of Product Marketing, Google Cloud

Introduction

AI is no longer a distant ambition or isolated experiment. It is now a part of how almost all organizations plan, collaborate, make decisions, and deliver work. But as adoption accelerates, a different question is coming into focus: how can I prepare my organization for AI to deliver on its promise?

This year's research explores that question. It looks beyond whether companies are using AI and examines whether they have the strategy, systems, workflows, skills, and trust needed to make AI work at scale.

In line with our work in 2025, Google partnered with [Hypothesis Group](#) to conduct a global, multi-phase study with 2,638 participants including executive decision-makers and knowledge workers across the United States, the United Kingdom, France, Brazil, India, and Japan. [See the full methodology for details.](#)

We also continued our conversations with last year's experts, Nirit Cohen and Dr. Terri Horton, while inviting another AI and future of work expert, Dan Turchin, to share his perspective.



Nirit Cohen

Future of Work Strategist & Keynote Speaker,
Forbes Contributor, Host of *The Future of Less Work* podcast



Dr. Terri Horton

AI Strategy & Workforce Transformation Consultant,
Work Futurist, Microsoft/LinkedIn Learning Global AI Skills
Initiative Course Author, Instructor UCLA Extension



Dan Turchin

CEO of PeopleReign, Host of *AI and the Future of Work* podcast

Key Findings

1

Optimism went up. The gap didn't move. →

Leaders and employees are both more positive about AI, but leaders continue to see more progress than employees experience.

2

AI adoption is no longer the question. Readiness is. →

For most, AI ambition is outstripping enterprise readiness.

3

Stuck at scaling. →

Organizations are moving out of the earliest stages of AI adoption, but few are breaking through beyond Scaling.

4

Transformation takes hold when organizations redesign the work. →

Organizations that move beyond Scaling are more likely to change processes, modernize systems, and align AI around real team and user needs.

5

Employees are ready, but they need help. →

AI is a great collaborator and a quiet divider. Without thoughtful investment in the employee experience, silos emerge.

6

Nobody can predict the bill. →

AI ambitions are growing, but shifting costs and usage make it harder for organizations to plan confidently for the long term.

7

Agent adoption is accelerating. Trust must keep up. →

Organizations are moving quickly on agents, but greater autonomy without clear guidelines can dampen progress and trust.

Optimism went up. The gap didn't move.

Leaders and employees are both more positive about AI, but leaders continue to see more progress than employees experience.

2026 VS. 2025



AI is a top
strategic priority



Confidence in
company adoption

+10pp

+7pp

EXECUTIVES VS. KNOWLEDGE WORKERS



AI greatly
improving work



AI is a top
strategic priority

+13pp

+11pp

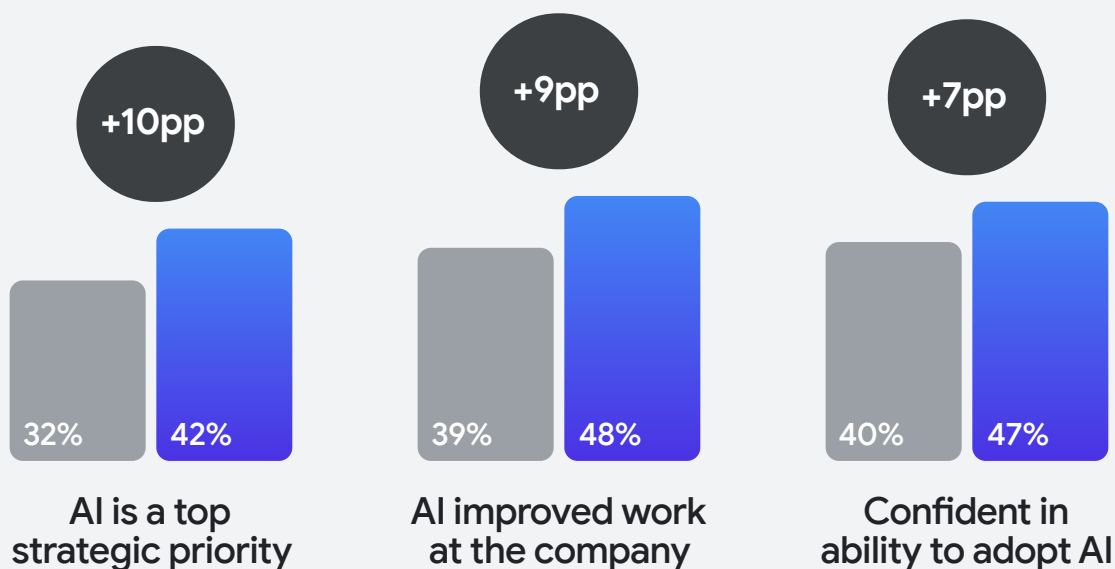
AI optimism continues to rise.

A year after our 2025 report, confidence in AI is noticeably stronger.

More organizations see AI as a strategic priority, and more organizations believe it is improving how work gets done.

● 2025

● 2026



**“AI is no longer optional.
There’s at least one use case
in just about every enterprise
that is a model for how
to use AI and what
the value might be.”**

Dan Turchin

PEOPLEREIGN CEO,
AI AND THE FUTURE OF WORK PODCAST HOST

But one year of AI progress has not resolved the employee disconnect.

In [2025](#), we found that leaders were more optimistic about AI than the employees experiencing its impact day to day. A year later, in 2026, optimism has grown across the organization, but a critical disconnect persists.

Today, leaders still see more progress than employees experience. Employees are less likely to see that optimism fully reflected in day-to-day operations and ways of working.

The disconnect increasingly points to an uneven translation of strategy into reality.

“A year later, the gap between leadership optimism and employee reality is still where I see the most friction. It was never a communication problem. Optimism went up; the structure people work inside didn’t move.”

Nirit Cohen
FUTURE OF WORK STRATEGIST

● EXECUTIVES
● KNOWLEDGE WORKERS

AI has greatly improved how my work is done

65%

+13pp

52%

Adopting AI is a top strategic priority

50%

+11pp

39%

Confident my company can effectively adopt AI

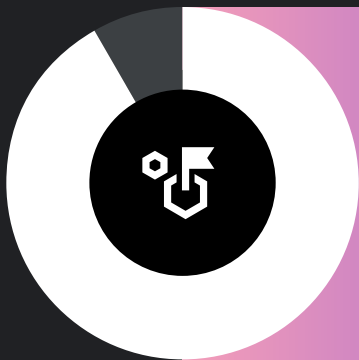
52%

+9pp

43%

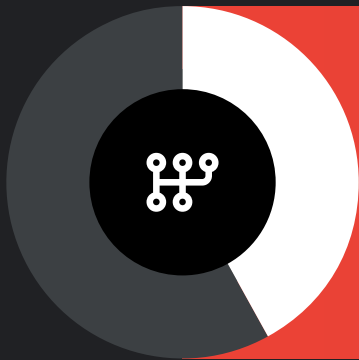
AI adoption is no longer the question. Readiness is.

Strong AI ambitions are not always translating into clear ways of working.



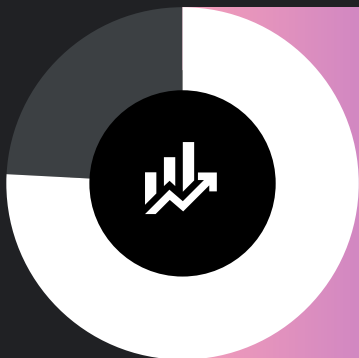
91%

of organizations have an AI-first strategy or goal



But only 42%

say AI-first is clearly translated into specific ways of working



76%

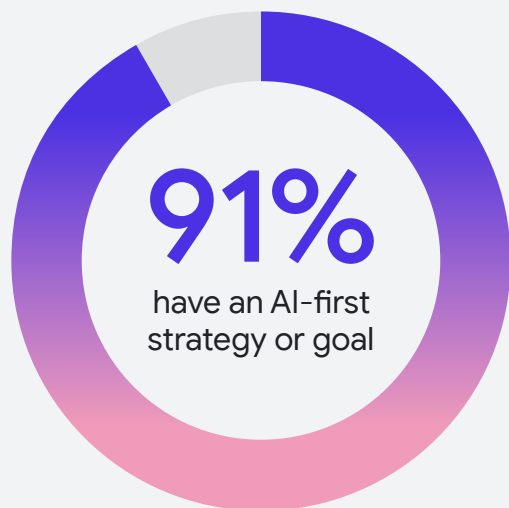
of executives say there's pressure to show measurable AI impact before the company is fully ready to deliver it

Ambition is widespread, clarity is not.

Though AI is now a core organizational priority for almost all organizations, fewer have embedded it deeply enough to change how work gets done day to day.

Readiness, then, is not simply about having a strategy, but putting the structure in place to execute against it. That means building AI-ready workflows, governance, and the capacity to deliver.

AI ambition is firmly established



Action is where organizations are getting stuck



“Organizations are still struggling to define what ‘AI-first’ actually means. It is not just about adopting more AI. It is about rethinking how work gets done, how decisions are made, and how the business creates value with AI embedded from the ground up.”

Dr. Terri Horton

AI STRATEGY & WORKFORCE TRANSFORMATION CONSULTANT

Expectations are rising faster than execution can deliver

As organizations move toward scaling AI, execution increasingly depends on whether the work around it is ready to change. Yet many are being asked to prove AI's value before the workflows, systems, and structures needed to support that change are fully in place.

Leaders, in particular, are feeling this pressure. Expectations are rising faster than organizations can adapt, helping explain why adoption can accelerate, but transformation can stall.

“Organizations mature more slowly than technology. We’re in a period where the technology is way ahead of organizational readiness.”

Dan Turchin

PEOPLEREIGN CEO,
AI AND THE FUTURE OF WORK PODCAST HOST

87%

of executive decision-makers say they are being asked to show productivity gains before workflows are redesigned for AI

78%

of executive decision-makers say expectations around AI impact are moving faster than can be implemented

76%

of executive decision-makers say there is pressure to show measurable AI impact before my company is fully ready to deliver it

“The productivity pressure is a sign that organizations are implementing AI like any other technology. They want the results now, before they’ve done the work of redesign.”

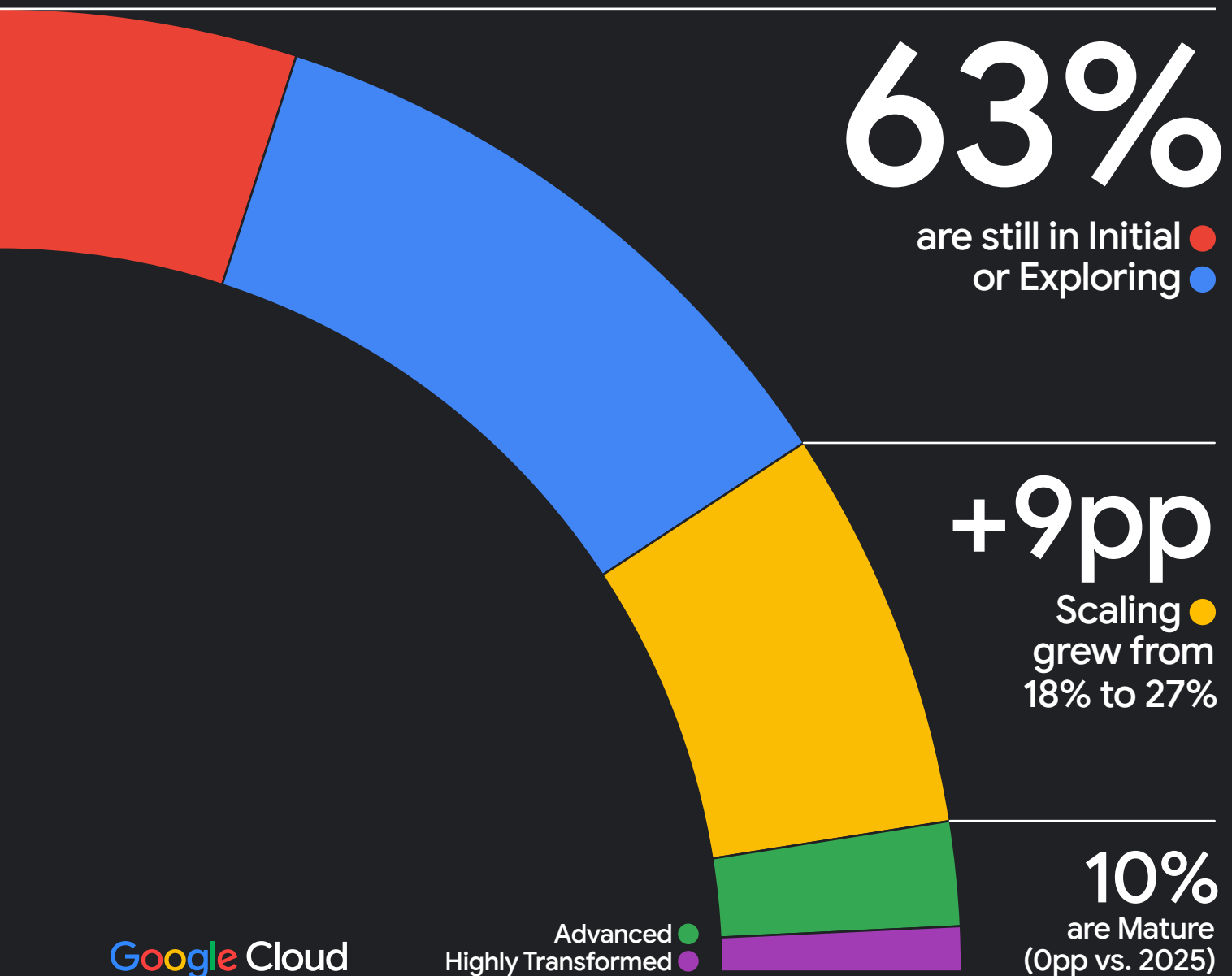
Nirit Cohen

FUTURE OF WORK STRATEGIST

Stuck at Scaling.

Organizations are moving out of the earliest stages of AI adoption, but few are breaking through beyond Scaling.

2026 AI Transformation Spectrum



More organizations are reaching scale. Few are moving beyond it.

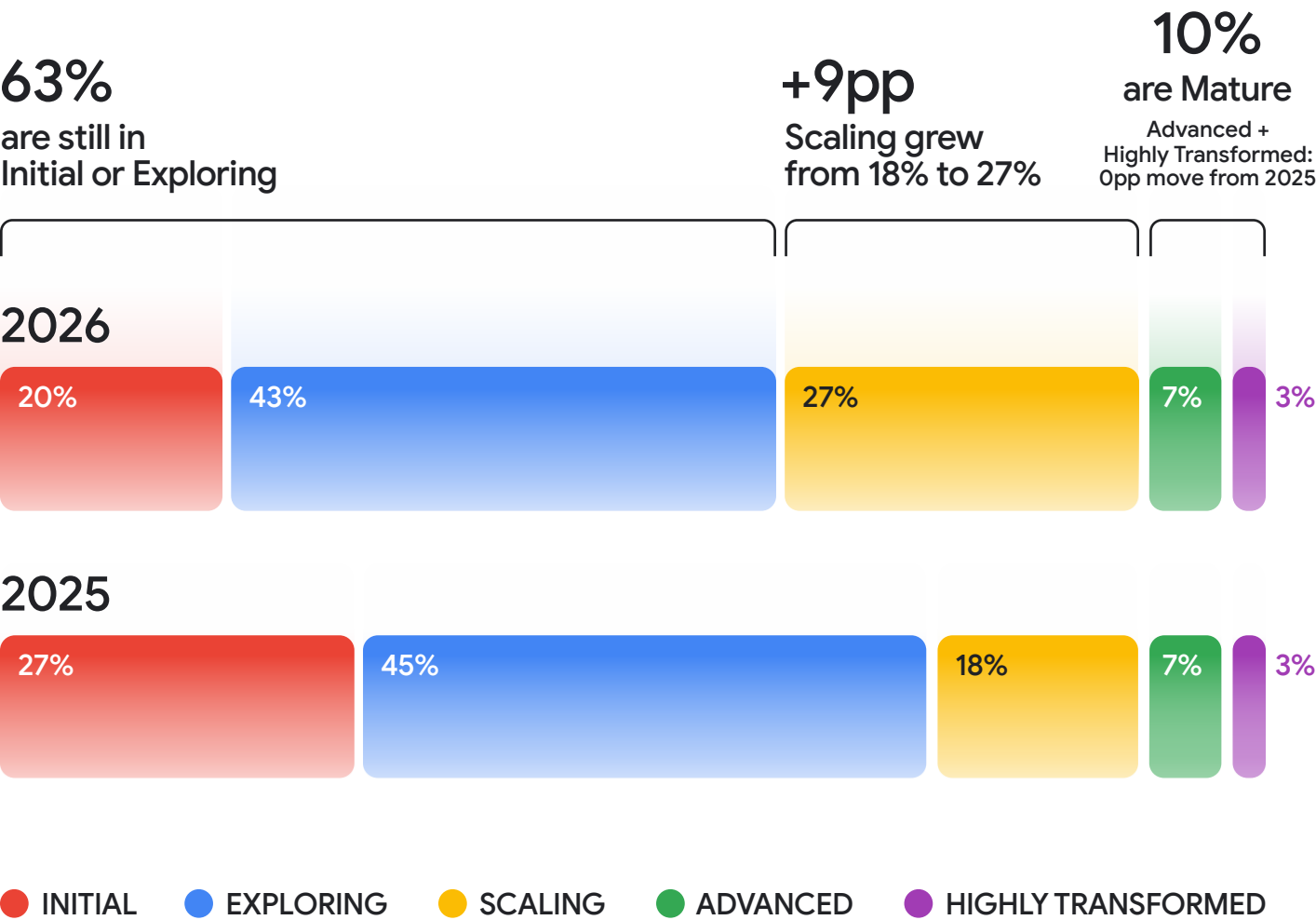
The market is moving. Fewer organizations remain in the earliest stages of AI adoption, and many more have reached Scaling.

While this is meaningful progress, the top of the transformation curve has not moved.

This transformation plateau pinpoints that broader AI use alone is not enough. Moving beyond Scaling requires organizations to do more than increase adoption; they must redesign work around AI.

“One of the biggest shifts I have observed is that leaders are beginning to differentiate between AI usage and AI transformation. It’s about moving from simple AI productivity gains to measurable business impact.”

Dr. Terri Horton
AI STRATEGY & WORKFORCE TRANSFORMATION CONSULTANT



The wall is steep, but the payoff is clear: transformation shows up in better business outcomes.

As organizations mature, the payoff extends far beyond efficiency. AI reshapes how employees engage, innovate, and change the business itself.

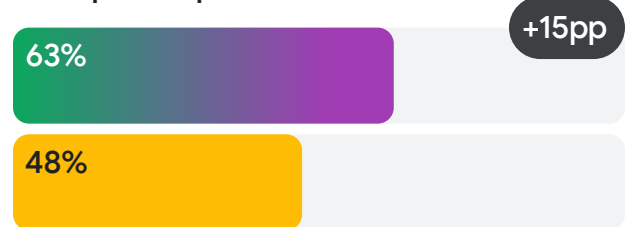
“What do you do with the time that’s been freed up? If you are really redesigning business processes, it means you’re asking, ‘What can you do with this?’ as opposed to, ‘How do you do more of the same?’ It’s the difference between keeping people in their lanes and letting them fulfill their full potential — which also usually makes them a lot happier.”

Nirit Cohen
FUTURE OF WORK STRATEGIST

● MATURE ● SCALING

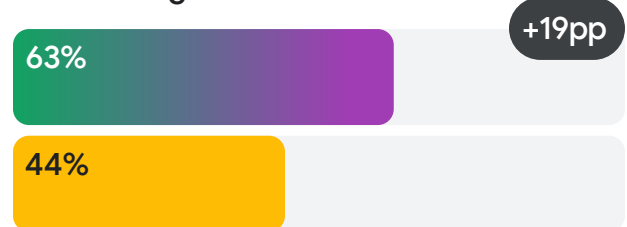
Productivity

AI helps complete tasks faster



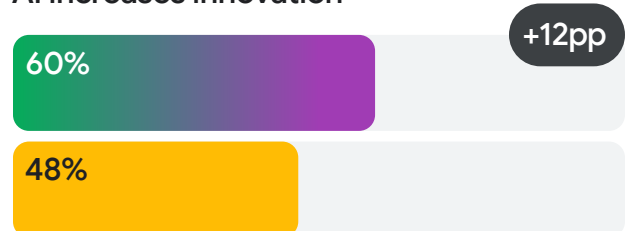
Employee enthusiasm

Employees are enthusiastic about being asked to use AI



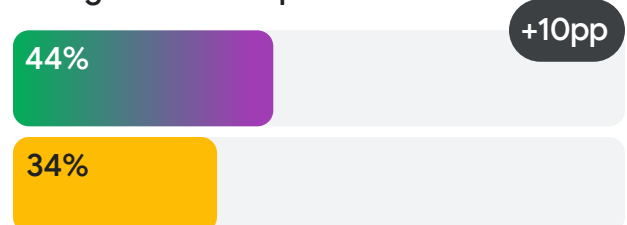
Innovation

AI increases innovation



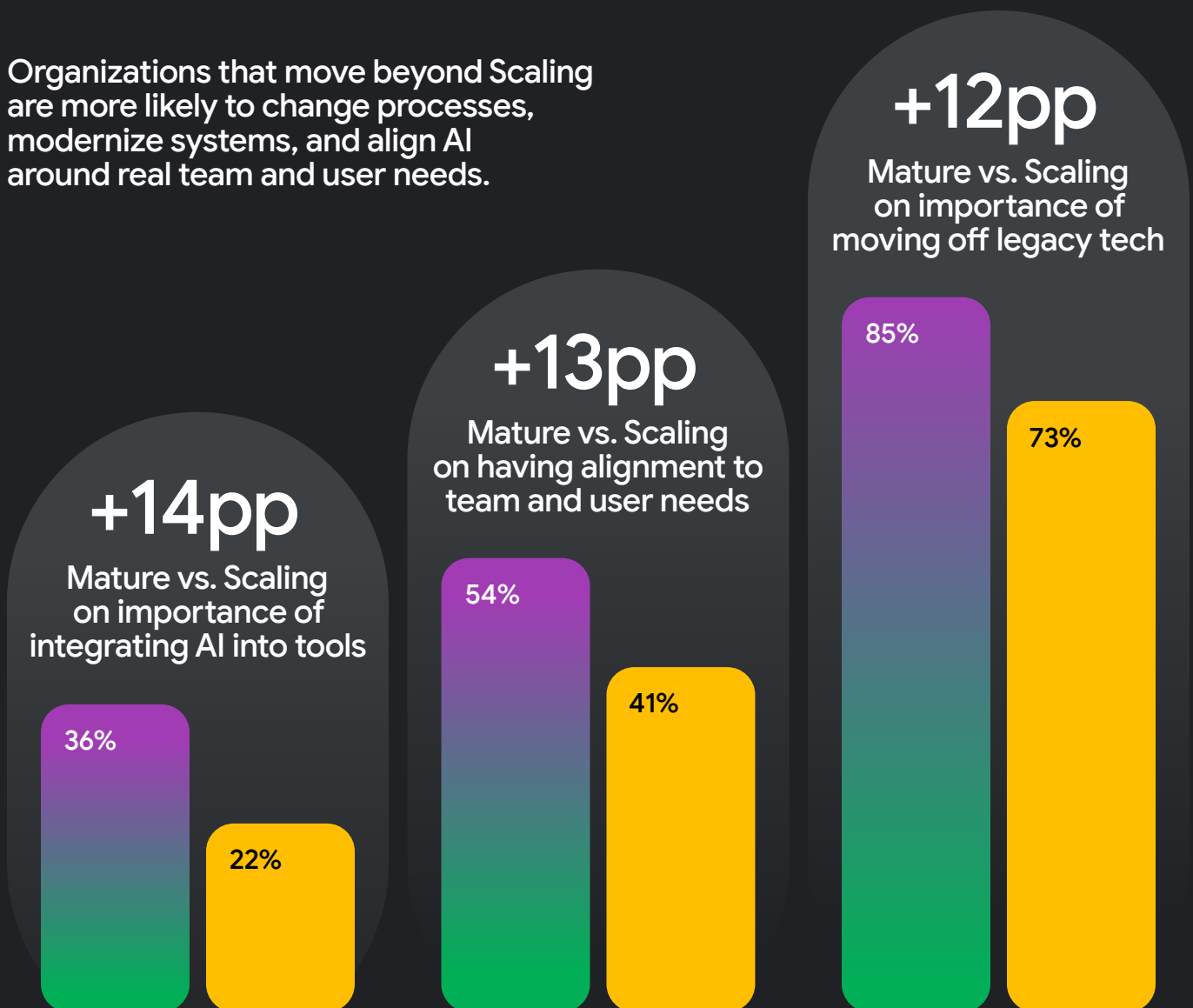
Business change

AI has fundamentally changed business processes



Transformation takes hold when organizations redesign the work.

Organizations that move beyond Scaling are more likely to change processes, modernize systems, and align AI around real team and user needs.



Modernizing systems changes what AI—and organizations—can do.

Most organizations are adding AI to systems built for a different way of working. Mature organizations are more likely to go further: moving off legacy technology and integrating AI directly into the tools where work already happens.

The result is less friction around the technology itself—and more room for AI to change how work gets done.



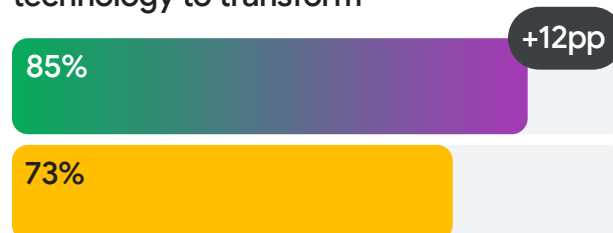
“As technology and our customers’ needs evolved, we recognized that our legacy on-premises solution was a costly nightmare to manage and it limited our ability to collaborate efficiently.”

Matt Price
CIO, GOLD BOND, INC.

● MATURE ● SCALING

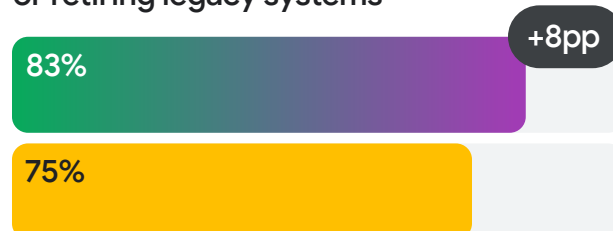
Move off legacy

Companies move off legacy technology to transform



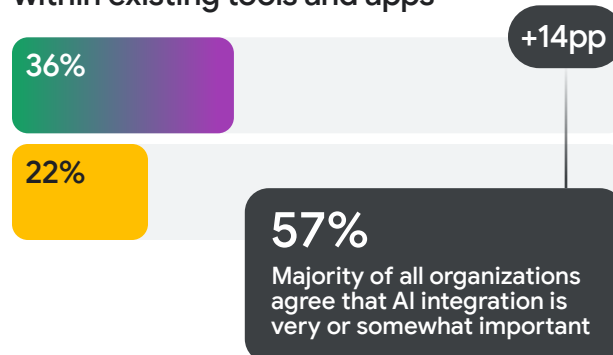
Consolidated systems

AI reduces costs by consolidating or retiring legacy systems



Integrate tools

It's important to have AI fully integrated within existing tools and apps



Real transformation shows up in how work gets done.

Modern technology creates the foundation, but transformation happens when organizations use it to rethink the work itself.

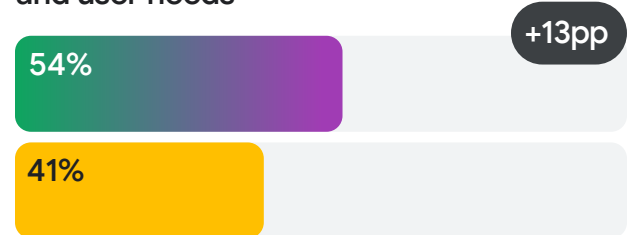
Mature organizations are more likely to say AI has fundamentally changed their business processes—and that their AI approach is aligned with the needs of teams and users.

That alignment matters: redesign works best when it starts with the work people need to accomplish, rather than simply adding AI to the process they already have.

● MATURE ● SCALING

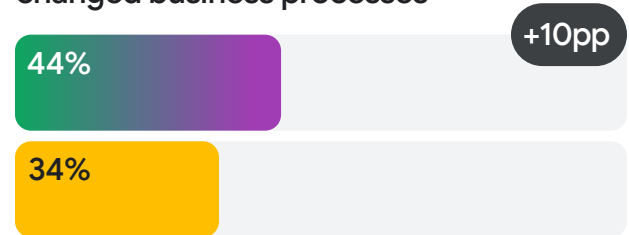
AI alignment

AI is aligned with team and user needs



Process change

AI has fundamentally changed business processes



“To get to the next level of transformation, look across the work, not across the functions. The redesign has to happen in how work moves between functions, jobs, and silos.”

Nirit Cohen
FUTURE OF WORK STRATEGIST



Employees are ready, but they need help.

AI is a great collaborator and a quiet divider. Without thoughtful investment in the employee experience, silos emerge.

91% feel confident they can adapt to AI-driven change

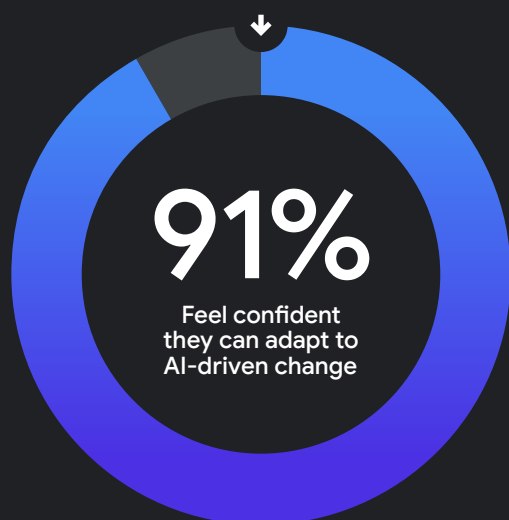
63% feel pressure to keep up with the rapid pace of AI developments

84% say AI helps employees collaborate and communicate more effectively with each other

66% say AI creates new silos between employees

People are ready for change. They shouldn't have to navigate it alone.

Employees believe
they can adapt



But keeping pace
creates pressure



Confidence does not eliminate the need for support. As AI tools and ways of working continue to change, organizations have to help employees keep their skills current—not just ask them to keep up.

Training is
becoming a priority



And organizations need
help making it happen



As AI does more, the human layer matters more.

Readiness is not only about giving people access to AI. It is also about strengthening the distinctly human capabilities that help teams use it well: collaboration, judgment, and the ability to make work more meaningful.

AI can strengthen collaboration
— and create new divides

84%

say AI helps employees
collaborate and communicate
more effectively with each other

66%

say AI creates new silos between
people who use AI effectively
and people who do not

“As AI recalibrates and
drives work redesign,
it requires more cross-
functional collaboration,
not only for innovation,
but as a lever for
mitigating downstream
risk and errors.”

Dr. Terri Horton

AI STRATEGY & WORKFORCE
TRANSFORMATION CONSULTANT

Human judgment becomes
more valuable as AI expands

80%

agree AI is making human
judgment more important,
not less important

66%

+18pp vs. Total

of mature orgs believe
AI can make work more
meaningful and impactful

Robinhood 

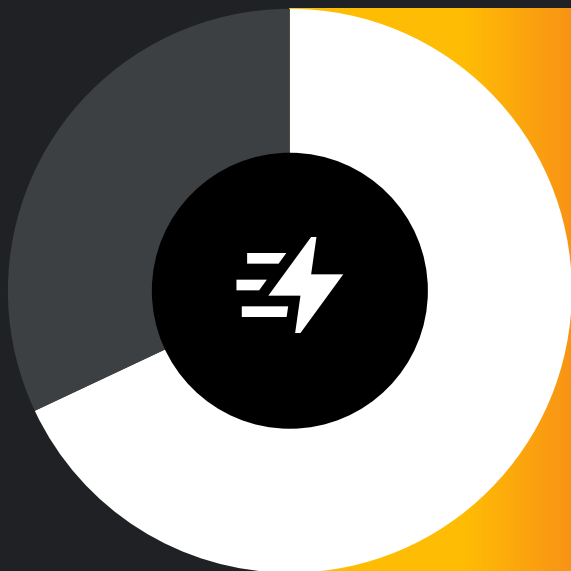
“Being able to have that
automated means that they’re
focused much more on what
are the decisions that need to
be made as an outcome of this
information, rather than having
to go and glue all of those
pieces together beforehand.”

Mike Meakin

DIRECTOR OF ENGINEERING, ROBINHOOD

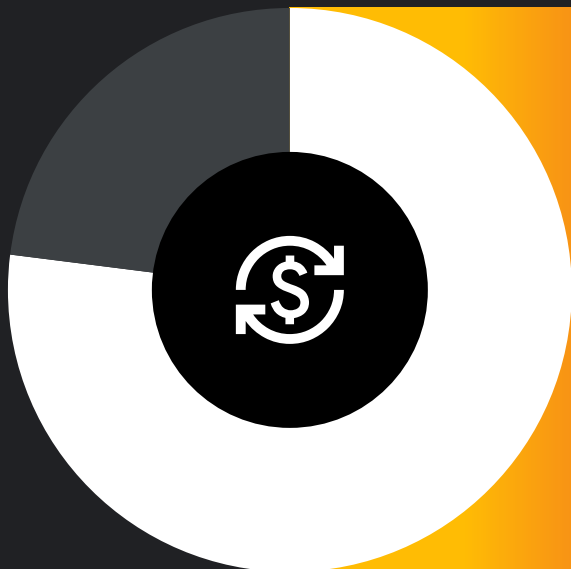
Nobody can predict the bill.

AI ambitions are growing, but shifting costs and usage make it harder for organizations to plan confidently for the long term.



68%

are concerned AI usage costs could increase faster than expected



77%

are still learning to manage AI costs at scale

AI goals are moving faster than the budgets behind them.

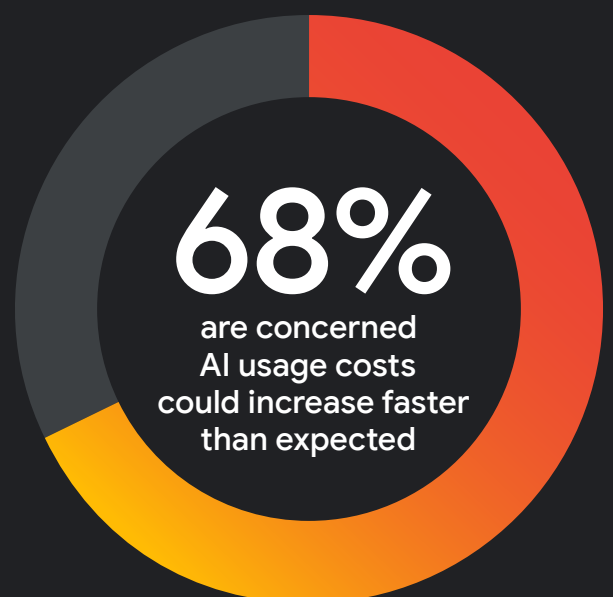
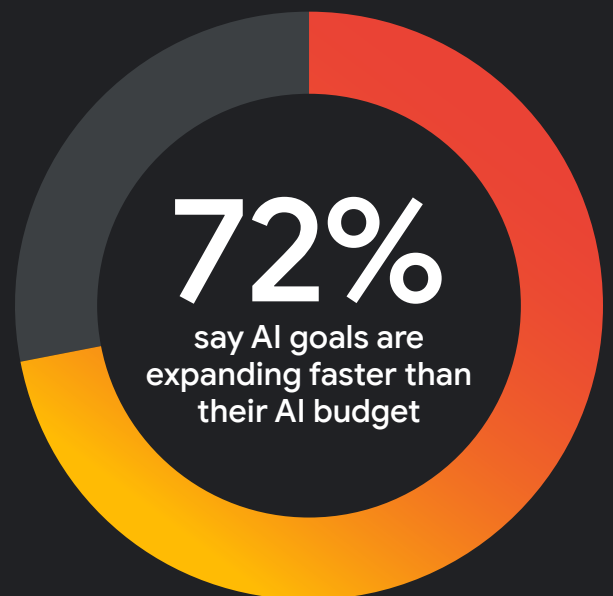
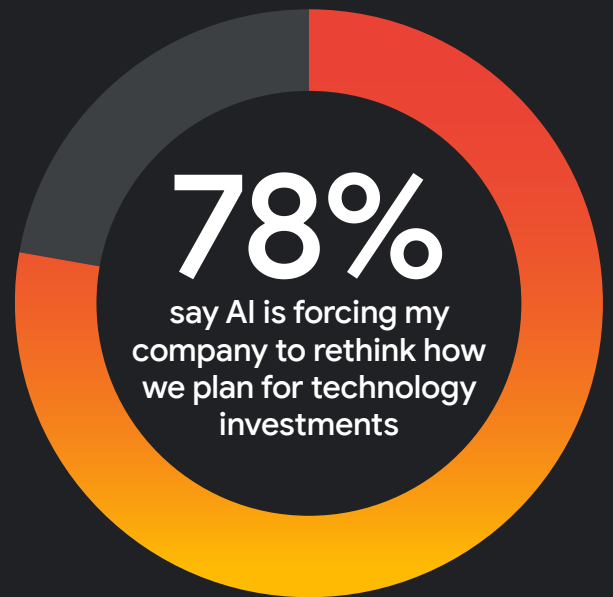
As AI scales, cost becomes harder to treat as a fixed technology expense. Usage, models, capabilities, and pricing are all changing at once—making it difficult to predict what today's AI ambitions will cost tomorrow.

That uncertainty matters because organizations are still being asked to make long-term decisions about tools, workflows, and access, even as the economics continue to shift.

“Within the last few months, I’ve seen a much sharper focus on the economics of AI. As usage costs become more visible, organizations are having to rethink where they deploy AI, how they scale it, and how they demonstrate that the business value justifies the investment.”

Dr. Terri Horton

AI STRATEGY & WORKFORCE
TRANSFORMATION CONSULTANT



Cost planning is still a learning curve—and organizations know they need help.

Organizations are not ignoring AI economics; they are actively trying to get better at managing them. But the pace and variability of AI usage make planning difficult, and most still need support forecasting costs, setting budgets, and understanding what scale will require.

More mature organizations offer a glimpse of what stronger readiness looks like. They are more likely to say they understand AI costs well enough to plan for the long term.

“The cost components are changing in real time. Nobody feels like they have the right inputs or equations to confidently make these decisions.”

Dan Turchin

PEOPLEREIGN CEO,
AI AND THE FUTURE OF WORK PODCAST HOST

77%

are still learning to manage AI costs at scale

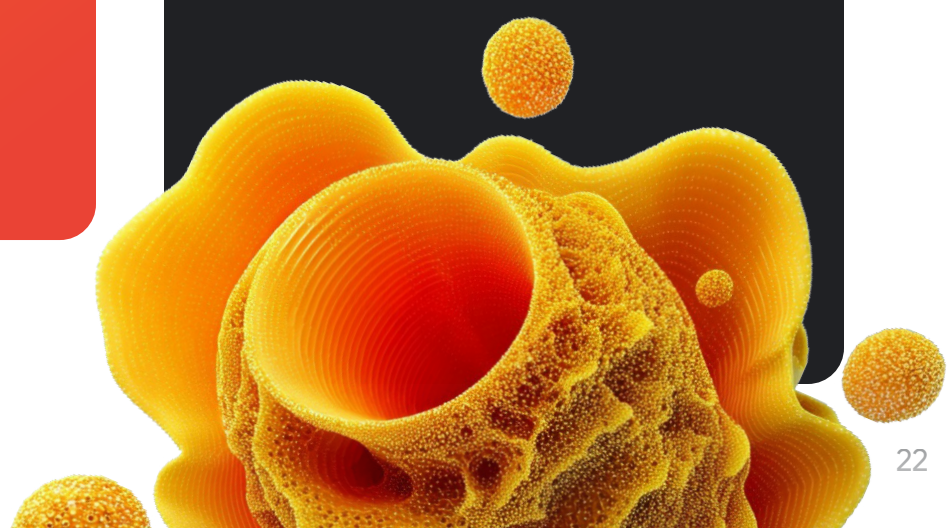
92%

need help with AI cost/usage planning

+15pp

of mature organizations say my company understands the cost of using AI enough to plan long term

(50% vs. Scaling 35%)



97%

are using or planning
to use AI agents

65%

are cautious about
applying AI agents
to more tasks

58%

need help building
and deploying
AI agents

Agent adoption is
accelerating.
Trust must keep up.

Organizations are moving quickly on agents,
but greater autonomy without clear
guidelines can dampen progress and trust.

What makes agents powerful is also what makes them difficult to trust.

Organizations want to use agents, but the unknowns surrounding them are creating real hesitation. They are still working through where agents fit, what they should be allowed to do independently, and where people need to remain involved.

Those unknowns carry real fears about risk, control, and workforce impact. Organizations will need a clearer understanding of their own use cases, operating boundaries, and lines of accountability before they can expand agents with confidence.

“Innovation can never move faster than the speed of trust. So, one of the things that constrains agentic adoption is just lack of trust.”

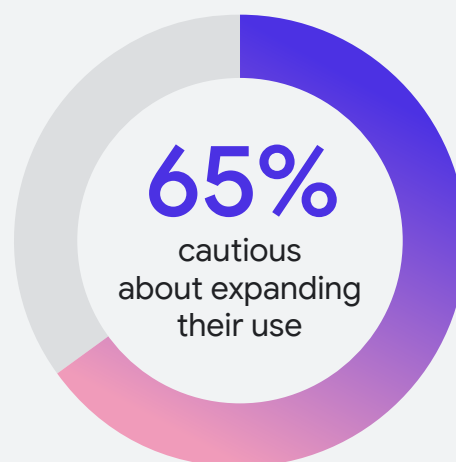
Dan Turchin

PEOPLEREIGN CEO,
AI AND THE FUTURE OF WORK PODCAST HOST

→ Agentic AI is becoming mainstream



→ Confidence has not caught up



→ Operating governance is desired



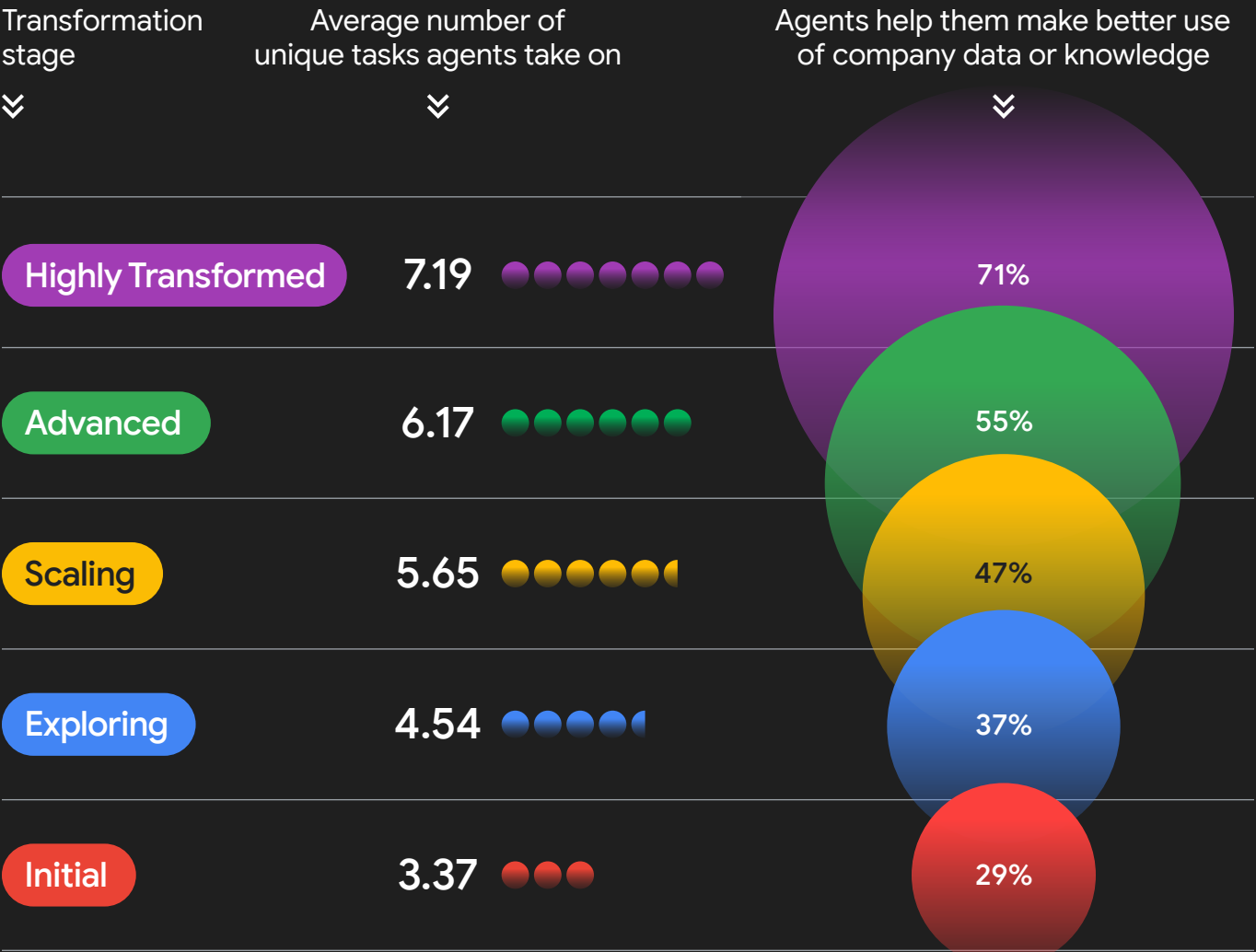
The payoff from agents scales with maturity.

Agent use is a tangible expression of organizational readiness. At mature organizations, agents reflect the foundations already in place: integrated systems, accessible data, and clear operating boundaries.

By giving agents more to work with, mature organizations are getting more from them in return.

The pattern is consistent with the broader transformation story. Greater autonomy creates more value when the organization around the technology is ready for it.

58%
could use help/
guidance building and
deploying agents



Resources to accelerate your AI transformation journey

Moving from AI adoption to readiness takes more than technology. These resources can help organizations modernize how they work, prepare their people, and scale AI with greater confidence.

- ➔ [AI Learning Hub](#)
- ➔ [AI-ready cloud migration guide](#)
- ➔ [Escaping Data Gravity and Infrastructure Debt](#) (Futurum)
- ➔ [From Tokenmaxxing to ROI](#)
- ➔ [Leader's playbook for Gemini at work adoption](#)
- ➔ [Scaling AI agents with trustworthy data](#) (MIT Technology Review Insights)
- ➔ [The Innovation Paradox](#)

Behind the research

Research objectives

Our goals for this research were to understand how AI transformation has evolved since 2025, including:

- Track how organizations have progressed across the AI transformation spectrum and whether the leadership-employee disconnect has changed.
- Understand what separates AI adoption from organizational readiness, including changes to workflows, systems, skills, governance, and planning.
- Explore emerging challenges as AI scales, including workforce change, cost and usage planning, and the adoption and governance of agentic AI.

Where possible, results were compared with the 2025 global study to track changes in attitudes, adoption, and transformation over time.

Expert touchpoints

At key stages of the research, we consulted with three experts on AI and the future of work to provide context and perspective on the findings: Nirit Cohen, Dr. Terri Horton, and Dan Turchin.

Quantitative survey

Similar to 2025 we conducted a 20-minute online survey. The research was fielded in August 2026 among 2,638 decision-makers and knowledge workers at mid-market or enterprise organizations in the United States, United Kingdom, Brazil, France, Japan, and India.

To qualify, respondents need to work full-time at organizations with 300+ employees and be either technology/business decision-makers or knowledge workers. Respondents were familiar with AI tools, and the study maintained key elements of the 2025 methodology to enable year-over-year comparisons.

MARKETS	(n=)	SUBGROUPS	(n=)
United States	528	Mid-market (300-999 employees)	1,332
United Kingdom	416	Enterprise (1,000+ employees)	1,306
France	408	Executives*	219
Brazil	420	Decision-makers	1,297
Japan	426	Knowledge workers**	1,261
India	440	Initial Transformation	255
		Exploring Transformation	552
		Scaling Transformation	351
		Mature Transformation (Advanced/Highly)	139
TOTAL	2,638		

*Executives are included within the decision-makers subgroup and represent C-suite respondents.

**Knowledge workers are referred to as "employees" throughout this report.