Female Leadership in the Age of AI
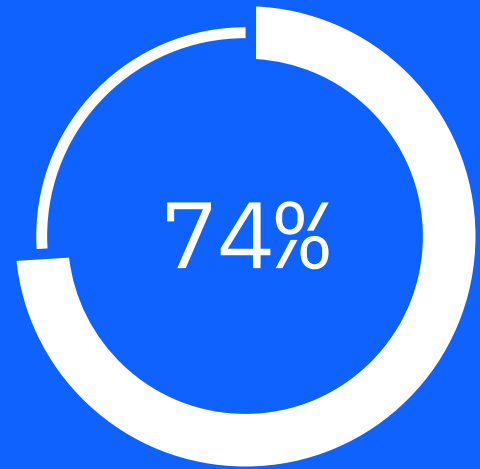
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73%

73% of business leaders believe that increased female leadership in the sector is important for mitigating gender bias in AI

74%

69% of UK business leaders believe it's important that female leaders are involved in decision-making on AI

74% of respondents see increased female leadership as important for ensuring that the economic benefits of AI are equally felt across society

46% of female respondents were strongly confident in their leadership abilities in the age of AI, compared to 61% of male respondents

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Foreword

Dr Nicola Hodson
Chief Executive, IBM UK & Ireland

Advances in Artificial Intelligence have brought a wave of excitement and new ideas, propelling us into a new era: the Age of AI. Whilst the term 'generative AI' was new to many of us just a year ago, we are already seeing its benefits in everyday areas of our lives, such as how we can more smoothly interact online with our banking providers. From boosting business and public sector productivity to accelerating scientific discoveries and transforming customer experiences, it is undeniable that AI - when used responsibly - has the potential to deliver real value.

Many business leaders in the UK have been quick to seize these opportunities. The latest IBM Global AI Adoption Index revealed that 37% of large UK enterprises have already deployed AI and a further 41% are exploring AI applications.

Amidst the rush to embrace the exciting possibilities of this technology, business leaders must consider human needs, and design a trustworthy, human-centric AI system – with governance at its core – that is aligned with the values and principles of the society or community it serves. This is of critical importance as leaders have considerable influence over how this technology is developed and used – both in their own organisations and those of their customers. In addition, ensuring that diverse teams develop and deploy AI makes the output of those systems more likely to represent all parts of society and limit bias.

This IBM research reveals important insights into the gap between intention and action in diversity when it comes to female representation. We found that 69% of UK business leaders believe it is important that female leaders are involved in decision-making on AI to avoid male bias in outcomes. Yet, only 37% of respondents said that advancing more women into leadership roles is a top priority within their organisations. **This is the lowest figure among all markets surveyed in Europe, the Middle East and Africa (EMEA) and notably lower than the EMEA region average of 51%**.

Ensuring female leaders have a seat at the table in the age of AI is not about ticking a diversity box, it is a strategic imperative. Clearly, UK business leaders recognise the importance of this. But progress is still needed to equip women with the skills and confidence to position themselves at the forefront of this revolution - steering it towards a future that is inclusive, ethical, and enabling for all.

At IBM, we are excited to embark on this journey with our clients so that everyone in our society can access the full potential benefits of AI.

I hope this report sparks important conversations and collective action that will move us towards this vision, feeling empowered and optimistic about what we can achieve together.

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Introduction

A Watershed Moment for Female Leaders

The age of AI is a watershed moment for female leaders. It is an opportunity for women to take a pivotal leadership role in a technological revolution and shape the business and economic landscapes of the future.

The implications of including female leaders will be significant: not only for the development and deployment of AI itself, but for female leaders themselves, who stand to benefit on a personal level from the opportunities that AI is creating.

Our research found that 69% of UK business leaders believe increased female leadership in the sector is important for mitigating against gender bias in AI, with an equal number of those polled viewing it as important towards ensuring that the economic benefits of the technology are equally felt.

Beyond macroeconomic and ethical benefits, individual rewards are there to be reaped for women who seize the opportunity. 41% of UK respondents said that experience with AI would open the doors to innovation focused roles, while 40% stated that experience in AI would increase their competitive advantage in the labour market. Accelerated career progression and improved leadership skills were also identified as potential benefits.

As the AI revolution gathers pace, are female leaders ready to rise to the occasion, and what do they need to ensure they thrive?

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The State of Play

Despite a consensus that women will be integral to the success of AI, just 32% of business leaders surveyed have a female leader in charge of making decisions on AI strategy in their organisations. This varies significantly across EMEA markets, dropping down to 23% in France and rising to 41% in UAE, for example.

In the UK, 37% of respondents state that advancing more women into leadership roles is a top, formal business priority within their organisations. The UK percentage was the lowest amongst all regional markets surveyed and notably lower than the EMEA average of 51%. Just over half (52%) of those surveyed in the UK stated it was not a formal priority, but their organisations did strive to do it when they could, suggesting a lack of prioritisation is a barrier to progress.

When it came to identifying the obstacles to improving diversity and inclusion in the AI sector, 28% of UK respondents believe that a lack of digital education at school-age level was the biggest barrier. A further 21% of those polled believe that low representation of female leadership in the C-Suite was the main barrier, and 20% pointed to a lack of interest in diversity and inclusion from technology companies themselves.

With 79% of UK respondents already deploying generative AI or planning to do so in the next year1, there is a real urgency for businesses to accelerate efforts to ensure a representative number of female leaders take up a central position in the journey.

Leadership for an Automated Future

From technical skills to regulatory expertise, effective and successful AI leadership will rely on many factors. It will require business leaders to expand their skill sets and continuously educate themselves on the latest developments in a fast-moving landscape.

There was a marked difference between male and female respondents in identifying the most important qualities of a business leader in the age of AI.

Female respondents said knowing which roles can offer the best strategic advice was critical, with 23% believing it to be the most important leadership quality. Having technical expertise of AI (20%) and having a good understanding of the AI supplier landscape (20%) came in joint second in terms of key leadership qualities needed.

However, for male respondents, technical expertise was ranked as the top quality (25%) required from a leader in the age of AI, followed by a good understanding of the AI supplier landscape (19%) and commitment to ethical and fair deployment of AI (17%).

This was in contrast to the EMEA average, which saw both men and women ranking technical expertise as the most important leadership quality.

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A Confidence Disparity

When asked whether respondents were confident in their business leadership abilities in the age of AI, 48% of male respondents strongly agreed, compared with just 43% of female respondents.

While there is a gender confidence gap here, this is smaller compared to the EMEA average, which saw 61% of male respondents strongly agreeing, versus 46% of women. However, on the whole, the data reveals that UK business leaders are less confident in their leadership abilities than those in other markets.

Promisingly, our research found that female respondents are taking proactive action to boost their confidence in AI, with 48% actively upskilling and improving their technical skills, on a par with their male peers (47%).

Further key actions taken by women in preparing for AI deployment are being pursued at the same rate at their male counterparts, including preparing their teams for upcoming changes (43%), actively educating themselves on the shifting regulatory landscape (43%) and participating in the creation of governance and regulatory frameworks (40%).

These findings signal that despite the current confidence gap, female leaders are displaying a keen proactivity in improving their skills and knowledge for the future of AI deployment.

Beyond the Boardroom

The importance of equipping leaders with the required confidence and skills to thrive in this new AI era goes beyond the boardroom, with AI poised to alter the job landscape at every level.

Over the next three years, 83% of UK business leaders surveyed expect at least 25% of their workforce will be required to re-skill in response to generative AI and automation, with 38% predicting that over half will need to re-skill.

While a third of respondents expect that the IT department will be most affected by the shift, the changes will not be exclusive to this area. Finance and Customer Services were both identified as departments which will require a considerable proportion of their staff to re-skill.

Overseeing such a fundamental skills transformation is therefore expected to be a top priority for business leaders during this period.
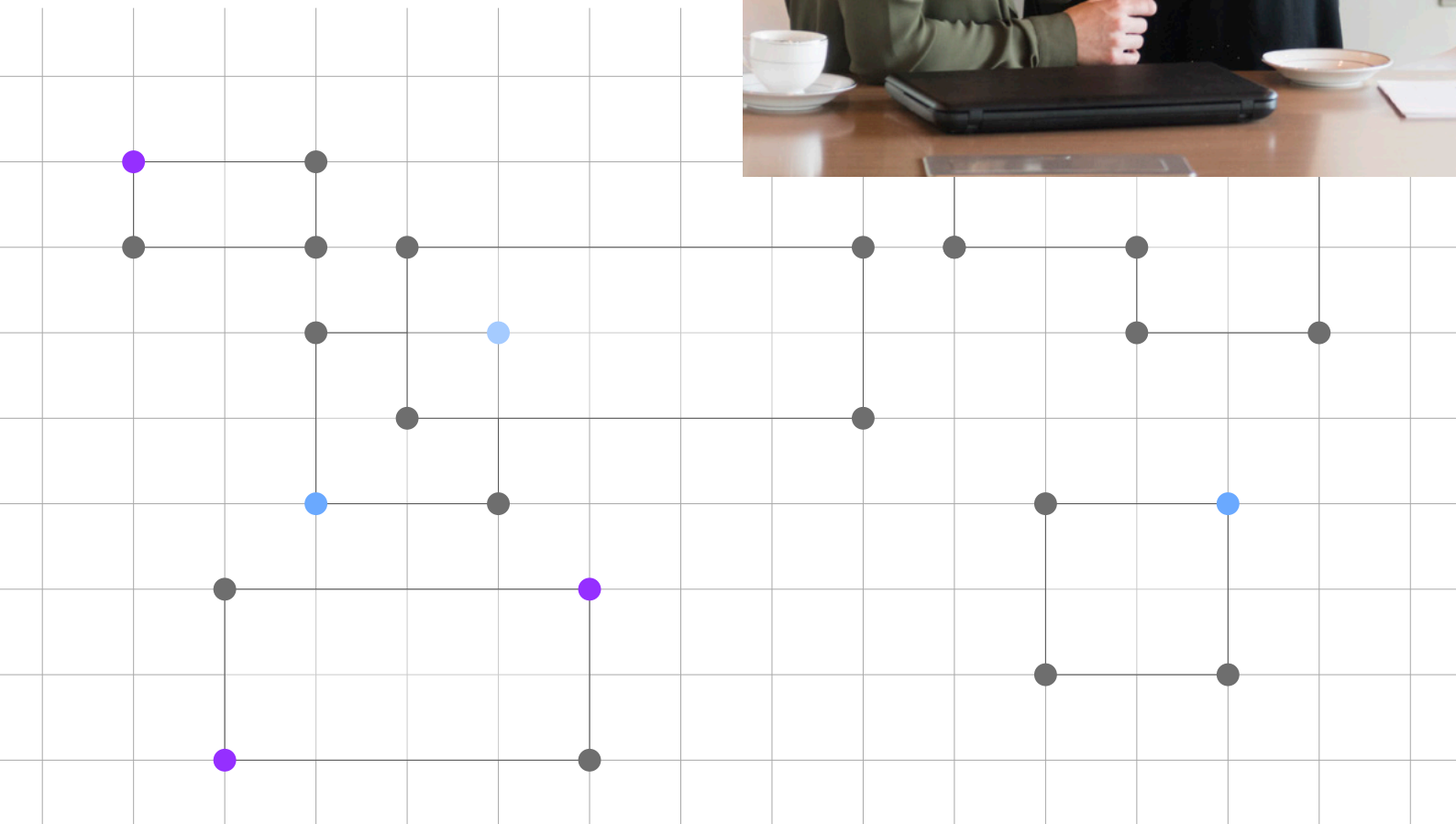
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The Path Forward for Female Leaders in AI

boosting participation. Other solutions ranked highly were improving access to re-skilling programmes and initiatives (31%) and increasing representation at middle-management level (31%).

Our research shows that both men and women believe they need more support when it comes to being an effective and successful leader today.

For example, almost (48%) of UK business leaders admit to needing more support on skills development and learning in AI, with 44% wanting more opportunities to experience AI in action.

When it came to improving female participation in the AI sector specifically, mentoring programmes were identified as the most popular solution, with 36% believing they would be effective in

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To ensure that female leaders play an active role in the AI revolution, we recommend focusing on five key areas:

Be Intentional About Female Leadership in AI

Actively work towards advancing more women into decision-making roles related to AI strategy. Establish clear goals and metrics for female representation in leadership positions, regularly reviewing and reporting progress to ensure accountability.

Empower Female Leaders through Mentorship

Establish mentoring programs specifically tailored to support and empower female leaders. Create opportunities for mentorship from both within and outside an organization. Actively promote and participate in cross-industry networking events that facilitate AI knowledge sharing among female leaders.

Invest in Reskilling

Acknowledge the need for widespread reskilling in response to the advancements in AI and automation. Develop comprehensive reskilling programs for employees across various departments, not just limited to IT. Create a supportive environment which encourages continuous learning, with a particular focus on closing the confidence gap among female leaders through targeted training and upskilling opportunities.

Diversify Leadership Skill Sets

Recognize the diverse skill sets required for effective AI leadership. Encourage a holistic approach by valuing not only technical expertise but also skills such as regulatory expertise, interpersonal skills, and commitment to ethical deployment. Provide training and development opportunities that focus on enhancing leadership skills beyond technical proficiency. Foster an environment that values a variety of skills and experience.

Address Barriers to Diversity

Address the lack of digital education at school-age level by collaborating with educational institutions to promote STEM education for girls. Foster an inclusive culture within companies by raising awareness about the importance of diversity and its positive impact on innovation.

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Research Methodology

In partnership with Censuswide, IBM interviewed 4,008 senior business decision makers in companies with 250+ employees across the UK, France, Germany, Spain, Sweden, UAE, Saudi Arabia and Italy in December 2023. This included 2,005 male leaders and 2,003 female leaders.

This was a minimum of 500 respondents per market, with at least 100 respondents in each market at C-suite level, and from 15+ different industries and sectors including Finance, Healthcare, Manufacturing, Retail, Telecoms and Utilities.

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