



Leadership, decision-making & the role of technology: Business survey 2024

Research Report by
Board Agenda &
Diligent





Foreword

By Keith Fenner, SVP & GM International, Diligent

Clarity from complexity: how boards can leverage emerging technology and data to drive confident strategic decision-making

Corporate boards and executive leaders face a unique set of challenges as they strive to build successful, sustainable companies. The pace of business accelerates daily; opportunities and risks emerge almost hourly. Only an agile, resilient business can thrive in an environment defined by constant change.

At the same time, external scrutiny has never been higher. Companies must not only make the right moves at the right time, but they must also make them in the right way, complying with evolving regulations to meet rising stakeholder expectations around ethics and accountability. Strategic decisions must be based on accurate data that reflects the company's compliance position, accounts for its risk

environment, and assures leaders that they can implement change with confidence.

The scope and scale of board oversight has never been greater, and the penalties for failure are severe. Boards need to know more than ever before, and they must prove that they have a clear picture of what is happening in the business, because they are increasingly liable for it.

In this environment, technology solutions and the data they generate play an integral role. But how much is technology and data helping boards and senior leaders as they guide businesses through turbulent times, and how much is it holding them back?

Certainly, the problem isn't a lack of data. A typical corporate technology stack has evolved over time, as tools are developed to tackle the latest challenges, until the environment has grown as complex as the commercial landscape itself. Each separate point solution generates vast quantities of data, acting as an exponentially growing – but increasingly chaotic – digital record of the organisation.

Somewhere in all that data is the governance, risk and compliance (GRC) intelligence boards and senior leaders need to inform strategic decisions. The challenge is how to find the signals amongst the noise created by tools that rarely talk to each other and frequently link back into manual processes that can introduce errors and inaccuracies.

As a specialist governance, risk, and compliance technology provider, Diligent is acutely aware of the challenges businesses face in today's environment. As they seek to lay strong foundations for a resilient future, the technology businesses choose and how they use it is becoming increasingly central to success.

This study aims to shed light on how board directors and senior leaders in the UK and Europe view emerging AI technology and data in the context of strategic decision-making. It finds that there is optimism and concern in almost equal measure. There is evidence that boards now receive more data than before and are increasingly relying on it in decision-making, with plans to invest in tools and strategies in the short term. There is also recognition that organisations need to manage data better – in terms of both volume and quality – and equip decision-makers with the right skills to interpret what they see.

It is clear that technology choices should target connecting key data (not all data) sources automatically to make them accessible and digestible. Technology should remove the need for manual collation, analysis, and what can amount to guesswork. Intelligently automated analytics and processes, tailored to the needs and obligations of the business, can bring clarity to complex data sets and narratives. This will help decision makers to tell the story of the business the way they want to tell it, supported by appropriate evidence, and enable leaders to provide effective risk oversight.

As an unpredictable future unfolds, we believe senior leaders need tools that allow them to cut through the noise and distil clarity from complexity. A solution that draws accurate data from all those siloed parts of the business and leverages AI-enabled data analytics tools helps executives establish a holistic view of their organisation's performance in real-time, delivering assurance that translates into confident board decision-making.

The way businesses collect, analyse, and act on data will be critical to their response to growing GRC requirements and to achieving success in an uncertain climate. This study indicates some of the challenges and opportunities that exist along the way.

We hope you find this report interesting and valuable.

“Technology should remove the need for manual collation, analysis, and what can amount to guesswork.”

— Keith Fenner, SVP & GM International, Diligent

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Executive Summary

Board Agenda and Diligent asked chief executive officers, chief finance officers, board chairs, executive and non-executive directors and company secretaries about their experiences with technology and decision making in the boardroom, as well as among senior leadership groups.

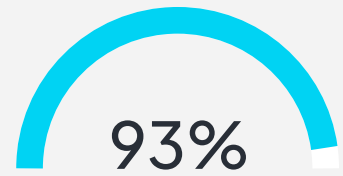
We aimed to gauge the level of adoption of digital technologies, the use and accuracy of data and also the perceived benefits of AI in decision making.

The overriding image is of boardrooms inundated with data and lacking AI knowledge. Understandably, this leads to uncertainty, especially in how the latest technologies can help to augment decision-making processes, as well as manage increased risks. And yet a considerable number of organisations (93%) claim that access to data and business intelligence tools in the boardroom has increased dramatically over the past five years.

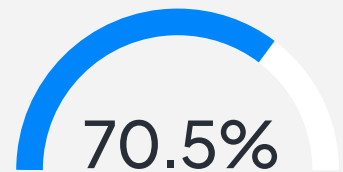
The recognition of data-driven intelligence as a key weapon in the decision-making armoury is undermined by a lack of faith in boards' data knowledge. This is also reflected in a lack of faith in decision-makers' understanding of how AI can make a difference to their task. Despite this, organisations recognise the impact of data and business intelligence tools in driving decision making and this is shaping investment plans.

Most organisations (70.5%) believe they will continue to invest in business intelligence capabilities, with 48% expecting AI to increasingly automate decision making. Are these organisations ready for such a technological leap? What does this mean in terms of organisational ability to manage risk? Integrated data and systems are key to ensuring data quality and consistency and 66% agree that data is integrated across the organisation and is accessible to the board and enterprise leaders. But has this led to improved decision-making processes? Are organisations ready to advance intelligence in the boardroom?

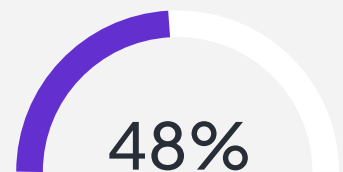
Technology and decision making in numbers:



claim that access to data and business intelligence has increased dramatically

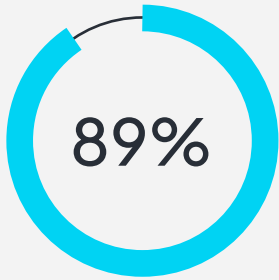


of organisations believe they will continue to invest in business intelligence capabilities

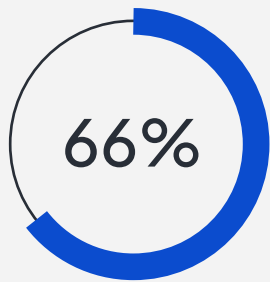


expect AI to increasingly automate decision making by leaders in their organisation

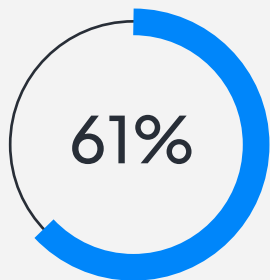
Technology and decision making in numbers:



agree that data is more critical to decision making for business leaders in the organisation than it was five years ago



agree that data is integrated across the organisation and is accessible to the board and enterprise leaders



believe their investment in technology, data or AI has improved the processes by which business leaders in the organisation arrive at decisions

76%

agree the business is currently using or planning to use data analytics, visualisation, or AI to support leadership decision-making processes

61%

disagree that there is an over-reliance on big data and predictive analytics by senior management in relation to strategic decision making

60%

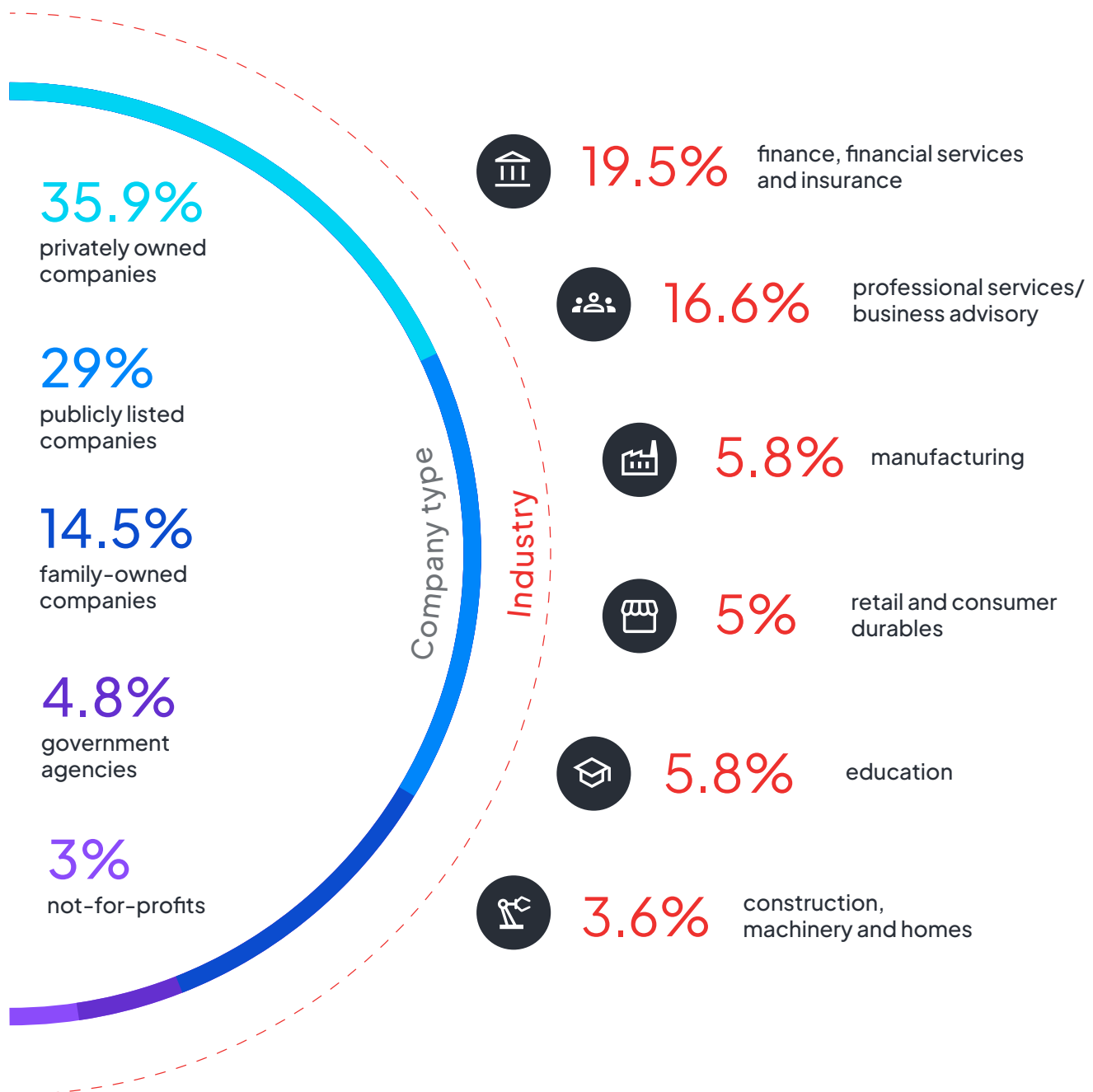
claim the board and enterprise leaders lack understanding about how data or AI can be applied to improve decision-making processes

67%

of respondents **either agreed, or were undecided**, when it came to evaluating whether their boards are overwhelmed by the amount of data in the business

Methodology

The Leadership in Technology survey was carried out by Diligent and Board Agenda between August and September 2023, among 85 EMEA senior business leaders, including chief executive officers, chief finance officers, board chairs, executive and non-executive directors, and company secretaries. The online survey was powered by SurveyMonkey.



Key findings

“Big data has never been about quantity but quality. Prioritising data sources and asking the right questions are key to business intelligence. Big data can be overwhelming and lead to inaccuracies in decision making – a key reason why organisations employ automation in data analytics.”

Boards are overwhelmed by data

A significant 67% of respondents either agreed, or were undecided, when it came to evaluating whether their boards are overwhelmed by the amount of data in the business. Just 33% disagreed with the statement.

This reflects other industry findings where statistics widely illustrate the rapid growth of big data in business. For example, one report¹ from an IT infrastructure specialist claims that, on average, large organisations hold approximately 35 petabytes of data (about 35 million gigabytes) across IT systems – and this is expected to double by 2025.

This is a significant business challenge. Big data has never been about quantity but always about quality. Prioritising data sources and asking the right questions are key to business intelligence. Big data can be overwhelming and lead to inaccuracies in decision making – a key reason why organisations employ automation in data analytics. However, as McKinsey suggests in its report *The data-driven enterprise of 2025*², the deployment of automation has been sporadic within businesses and has therefore left value on the table and created inefficiencies.

Interestingly, McKinsey adds that, as a result of being overwhelmed by data, “many business problems still get solved through traditional approaches and take months or years to resolve”.

Many organisations are pinning hopes on AI to manage risks by solving complex data problems – 48% of respondents in our survey claim that AI will increasingly automate decision making. However, unless organisations solve their data management issues, no amount of AI is going to help businesses make better GRC decisions.

Leaders across the organisation are overwhelmed by the **amount of data** made available to them.



67%

agreed or were
undecided

33%

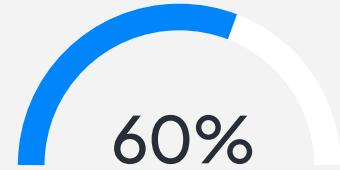
disagreed with the
statement

A lack of data literacy is undermining investment plans

When asked if the board and enterprise leaders lacked an understanding of how data or AI can be applied to improve decision-making processes, 60% said 'yes'. To a certain extent, boards can be forgiven: the rapid development of AI in the last 12 months has opened a world of new possibilities. Generative AI (GenAI), through large language models (LLMs) such as ChatGPT, have accelerated thinking around automation. As one report³ says, 60% of companies are currently looking at using GenAI tools. How much of this is a knee-jerk reaction and how much of it is part of a proactive, transformational strategy is unclear.

Given that over 70% of respondents in our survey claim their organisations will invest heavily in new technology over the next five years, the lack of faith in boardroom knowledge of data and business intelligence is concerning. How many boardrooms have chief data officers (CDOs) and, if they do, how much authority do they have?

As a Deloitte survey⁴ discovered, 71% of CDOs do not have a direct reporting line to a board member, while 54% stated the level of data literacy in their organisation as one of their top three challenges. Any board that wants to maximise its use of data – and ensure investments in technologies such as AI are not wasted – needs a data strategy. The CDO is key to making this happen but the need for the business to make accurate, trusted GRC decisions should surely be the driver.



agree that the board and enterprise leaders lacked an understanding of how data or AI can be applied to improve decision-making processes

“Unless organisations **solve their data management issues**, no amount of AI is going to help businesses make better GRC decisions.”

¹ <https://www.hitachivantara.com/en-us/news/in-the-press/2023/gl230713.html>

² <https://www.mckinsey.com/capabilities/quantumblack/our-insights/the-data-driven-enterprise-of-2025>

³ <https://www.kinandcarta.com/en/insights/2023/08/genai-in-the-enterprise/>

⁴ <https://www.techuk.org/resource/20230223-guest-blog-deloitte.html>

Facing up to a data and business intelligence explosion

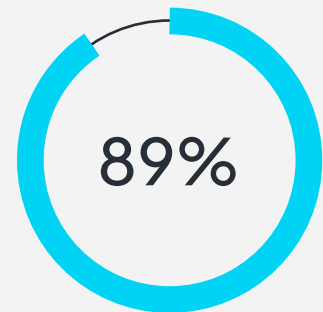
The data and business intelligence (BI) available to the board and leadership teams have dramatically increased across organisations over the last five years.

According to our survey, 93% of organisations have seen an increase during this period. This surge in BI tools is fuelled by an explosion in data from the use of multiple digital devices, online customer interactions, the internet of things (IoT), supply chains and so on. Each industry has its mix of sources and has had to come to terms with trying to make sense of it all.

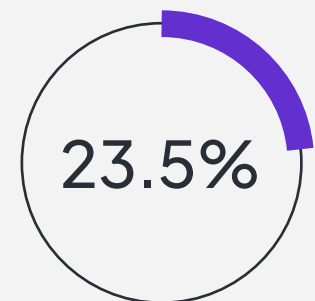
Understandably, the majority of organisations (89%) believe that data is more critical to decision making for business leaders today than it was five years ago. It is this belief, certainly at boardroom level, together with GRC decision-making needs, which has prompted the proliferation of BI tools. That is not about to stop. We found that 76% of respondents claimed they were currently using or planning to use data analytics, visualisation, and AI to support leadership decision-making processes.

The surge in generative AI has undoubtedly helped to reinvigorate interest in data analytics and visualisation. This will come with new expectations about the ability of tools to enable improved decisions. Meeting these expectations will depend on multiple factors (not just the ability of the tools), such as in-house data literacy and skills, data management processes and data quality.

When we asked our respondents whether their boards were overwhelmed by the amount of data in the business, just 33% disagreed. Clearly, there is some concern about data volumes and the impact this can have on efficient and accurate decision making. Data volume issues feed into the major challenges facing all organisations: data quality, data governance and building data cultures.



of organisations believe that **data is more critical to decision making** for business leaders today than it was five years ago



of organisations are **not currently using**, or are undecided about using, data analytics, visualisation or AI tools to support leadership decision-making

As one survey respondent said, “The quality of the input into the data is a concern. The governance of how data is used both in the business and in decision making in the boardroom needs to be explored in more detail, to understand the risks, mitigation, and consequences of making decisions on incorrect information, or whether it provides a competitive advantage.”

It’s worth noting that nearly a quarter of organisations in our survey (23.5%) are not currently using, or are undecided about using, data analytics, visualisation or AI tools to support leadership decision making. Are these businesses missing a trick? While the current use of BI tools and the shift towards predictive forecasting may not be perfect, there is a belief that it remains the best way to go, when it comes to identifying risks and improving decision-making processes.

“We have seen a significant increase in decisions based on data and facts rather than via the interpretation of business outcomes,” said one respondent. “Using data and predicted models has helped the Board to complete discussions and challenge conversations for the majority of business and technology decisions in a rational manner.”

“We have seen a significant increase in decisions based on data and facts rather than via the interpretation of business outcomes.”



Investment in improved data-driven decision making will reduce risks

Are organisations investing in the right technologies to improve data-driven decision making in GRC? Over 60% of respondents in our survey believe that their current investment in technology, data or AI has improved the processes by which their business leaders arrive at decisions.

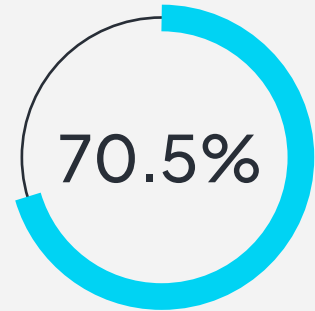
And yet, 60% also believe their boards lack an understanding of how data or AI can be applied to improve decision-making processes.

The problem is that the technology is moving quickly. As boards and leaders look towards ‘hot’ technologies, such as generative AI, uncertainty remains around how this will actually improve processes. The problem, as we have already stated, can come down to data. As Gartner suggested in an article⁵, most companies are concerned with the “quality, context and privacy” of their data for use with LLMs and other forms of AI.

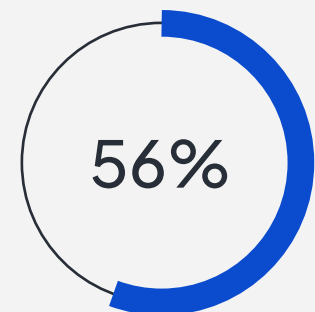
Nearly three-quarters of all respondents (70.5%) said their organisations will be investing in more technology to aid their business intelligence capability over the next five years. While over a quarter of respondents were undecided, this represents a significant growth in technology aimed at improving boardroom decision making.

While many of the major data intelligence tools firms are already looking at how to incorporate generative AI capabilities, as well as machine learning algorithms, the onus will be on customer organisations to address any internal data concerns. Silos, inconsistent or biased data, privacy and data governance will remain constant challenges and could undermine investment in modern intelligence tools.

A little over half of organisations (56%) agree that the use of big data and predictive analytics is being combined with other strategic planning and horizon-scanning techniques as a way to improve the decision-making capabilities of their



of all respondents said their organisations **will be investing in more technology** to aid their business intelligence capability over the next five years



of organisations **agree** that the use of big data is a way to improve decision-making capabilities of their leadership teams

leadership teams. As well as GRC platforms and BI tools, planning tools (such as Integrated Business Planning) and financial budgeting and forecasting tools, are gaining traction. The IT spend focus, according to Gartner⁶, has been on transformations where the optimisation of internal systems and processes is centre stage.

Getting that investment right, however, is not always straightforward. Software is not a sticking plaster for fundamental IT structure and process or data issues. As one respondent told us: “There has been limited impact so far [from intelligence IT investments]. The investments were in specific and isolated business processes aiming to improve operational agility. The bureaucracy is still very high, and the decision-making process is long and insufficiently supported by accurate and relevant data. There is a profound lack of technology literacy and understanding at all decision-making levels.”

This is not necessarily a typical view, but it illustrates the issues that can occur through ill-thought through IT investment strategies. As another respondent said: “Investment in data and technology is vital to understanding customers, markets and improved efficiency.” The challenge is which technologies will actually help provide that intelligence? What are the right technologies for each organisation that will enable boards to gain a clearer picture of governance, risk and compliance issues?

“investment in data and technology is vital to understanding customers, markets and **improving efficiency.**”

What are the right technologies for each organisation that will **enable boards** to gain a clearer picture of governance, risk and compliance issues?

⁵ <https://www.wsj.com/articles/rush-to-use-generative-ai-pushes-companies-to-get-data-in-order-c34a7e13>

⁶ <https://www.gartner.com/en/newsroom/press-releases/2023-07-19-gartner-forecasts-worldwide-it-spending-to-grow-4-percent-in-2023>

Rationalisation: Avoiding decision-making paralysis

Given that growth is a key driver for any board, organisations need alignment to help the board make informed decisions to manage risks, ensure compliance, and drive reputation and growth.

That means addressing data silos by integrating systems and removing obstacles, such as manual processes. When we asked our survey respondents whether data was integrated across their organisations and accessible to the board and enterprise leaders, 66% agreed that it was, while 22% said that it wasn't.

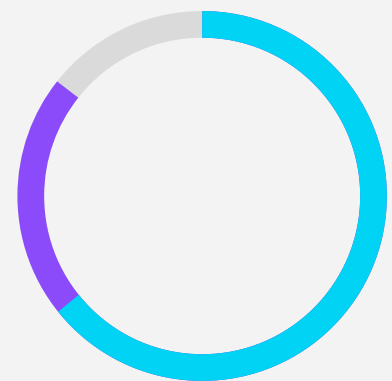
So, is this access to data having a significant positive impact on the quality of decisions or are boards and leaders over-reliant on it? A similar number of respondents (61%) said they did not think their boards over-relied on data. While 20% did think there was an over-reliance, it is interesting to see how many people predicted an AI-driven future in the boardroom.

According to our survey, 48% of respondents said that AI will increasingly automate decision making by leaders in their organisation. As one respondent said, this could actually be a concern for some boards. Success is dependent on the nature of the business but also on the skillset of the leadership team.

“The impact technology has and will continue to have on decision making is only as good as the ability of people to understand and be able to access the benefits and value created through it,” said the respondent. “Investment in tech also requires investment in people.”

Given that over half of respondents did not believe AI would increasingly automate decision making, this idea of addressing skills in tandem with technology is key. As businesses have already seen in other areas, connecting people and machines can overcome big business

Data is **integrated** across the organisation and is **accessible** to the board and enterprise leaders



66% agreed that it was

22% said that it wasn't

challenges. For example, when there are high levels of alignment across marketing, customer experience, and digital, for example, companies report 2.4 times higher revenue growth than those with no alignment⁷.

“Insight comes from better use of data available to management and finding the killer KPIs that reveal what is going on at the sharp end,” said a survey respondent. “For example, our buyers, our products and the efficiency of logistics processing.”

The application of various data sets to boardroom decision making will vary due to incomplete processes or data silos. That is inevitable given that fewer than two-thirds of organisations claim to have integrated data across systems and to make it available to the board. While decision makers may get access to data direct from business units, how far does this go in providing the information required to form a picture of the business and arrive at decisions on compliance risk?

For some, with data literacy, it is possible to generate ideas from data sets; for others, less so. Visualisation goes some way to easing this problem, but visualisation still requires a degree of expertise. A rationalised, structured, integrated organisation will have a better chance of overcoming GRC decision-making challenges, in a fast changing world, than those which rely on a mix of manual and digital processes.

“The hypotheses we have about our business, the ‘what ifs’, are the things that drive data analysis done by management,” said one respondent. “This has led to the most insight, rather than trawling over data and asking ‘what is it telling us?’ The board spends less time on financial statements and a lot more time on the business drivers – this is what tells us what to expect in the next three to six months.”

“The impact technology has and will continue to have on decision making is only as good as the ability of people to understand and be able to access the benefits and value created through it. Investment in tech also requires investment in people.”

⁷ <https://www.forrester.com/blogs/customer-obsessed-growth-engine/>

Conclusion:

Prioritisation and next steps

Every business is becoming a data business and every boardroom needs to reflect that trend, especially in the face of diverse risks and increased compliance burdens. The challenge is prioritisation. Connecting and aligning data and processes are fundamental to understanding business drivers but the data itself needs focus. Data management, data quality, governance, privacy, and availability are increasingly fundamental to any organisation's ability to understand performance and recognise organisational compliance needs and risks. Gaps in data, bias and inconsistencies will always skew insights and lead to poor intelligence.

While AI automation is seen as a solution to this, it is no cure-all. It still requires quality data sources and efficient data management to ensure leaders can access the right data needed for GRC intelligence. The need for trust in data will only increase with the reliance on automation, not just in the boardroom but anywhere within the organisation.

If boardrooms are overwhelmed with data, it is not working. If boardrooms are over-reliant on data and automation, there is an argument that decision makers are limited. We still place a lot of credence on the value of human knowledge and the ability to rationalise and recognise opportunities and trends. That ability will of course vary from human to human, but a consistent set of data would at least provide a consistent basis for analysis and prediction.

As McKinsey suggests in its report, *The data-driven enterprise of 2025*⁸, "those able to make the most progress fastest stand to capture the highest value from data-supported capabilities. Companies already seeing 20 per cent of their earnings before interest and taxes contributed by artificial intelligence, for example, are far more likely to engage in data practices that underpin these characteristics."



“The need for trust in data will only increase with the reliance on automation, not just in the boardroom but anywhere within the organisation.”

This is the basis of a data culture: an organisation driven by its understanding of the intelligence it requires to make those key GRC decisions. As this report has illustrated, some organisations believe they are already on that road, while many believe they are not.

“There is resistance,” said one respondent, referring to other board members’ attitudes to technology. “It is a gradual process of introduction, leading on the value to the business of being more informed and being able to analyse success and failure to shape future strategy.”

Most organisations recognise the value of data-driven GRC intelligence but this is still a work in progress. With increased automation capabilities in key software tools, this should help accelerate interest at least. Data will always be a challenge and a focus but it should not deter organisations from moving forward and embracing digital transformation in decision making. Boardrooms can only benefit from increased insight, as long as there is knowledge of limitations. There is no such thing as an infallible GRC decision-making process. However, one that is fed on quality data, with clear and accurate insight into the organisation and its strengths and weaknesses, delivered to the fingertips of key decision makers, goes a long way to making it possible.

Next steps

1.

Determine the state of organisational data – are there data silos, inaccuracies, biases or privacy issues?

2.

Address data literacy across the organisation, including in the boardroom.

3.

Connect and align processes – digitally transform manual processes and link them into centralised data management to minimise errors.

4.

Explore real-time access to data analytics – quick accurate decisions need up-to-the-minute data intelligence.

⁸ <https://www.mckinsey.com/capabilities/quantumblack/our-insights/the-data-driven-enterprise-of-2025>



About Board Agenda

Board Agenda® is a progressive media brand & online intelligence resource dedicated to corporate governance, which provides independent news, analysis, expert insight & actionable advice on key boardroom issues. The aim of Board Agenda® is to support board directors and governance professionals so they gain insight about emerging issues that impact on corporate governance, acquire specific knowledge about board practices, navigate the increasing complexities of their role and embed best practice in their board activities

For more information:

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About Diligent

Diligent is a leading GRC SaaS company that gives organizations the tools and solutions they need to bring clarity to complex risk, elevate impactful insights and get ahead of a world that is constantly changing. With solutions across governance, risk, compliance, audit and ESG, Diligent empowers more than 1 million users and 700,000 board members and leaders to make better decisions, faster. No matter the challenge.

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