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Shaping Leadership



RESEARCH REPORT

Are your managers ready to lead through AI?

AI leadership readiness among people managers in the UK and Germany

Evidence from 1,000 managers in large organisations
Paper 2 of the AI Leadership research programme

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Shape Talent | 25 November 2026

Executive summary

KEY FINDINGS AT A GLANCE

RESEARCH SCOPE

In a September 2026 survey of 1,000 people managers in large UK and German organisations, we measured how ready managers are to lead with AI across four factors of AI leadership readiness.

AI LEADERSHIP READINESS IS UNEVEN

Managers are strong on two factors, checking AI (Critical AI judgement, 4.22 out of 5) and looking after people (Human-centred AI change, 4.12), and weaker in experimenting (Exploratory courage, 3.34). Turning AI plans into practice (Adaptive AI implementation, 3.75) sits in between. Only one in five managers (20%) is strong on all four factors, and 8% are not yet strong on any.

MANAGERS ARE USING AI CAUTIOUSLY

One in three managers (33%) checks AI and looks after people well, but is not yet strong on experimenting, a pattern we call the Readiness Gap. Only about half (51%) keep moving forward with AI when outcomes are uncertain.

IMPLEMENTATION IS MOST CLOSELY LINKED TO AI ADOPTION OUTCOMES

Managers who are stronger at turning AI plans into practice report better AI adoption outcomes, after allowing for their AI use, training, understanding, seniority and country.

TRAINING BUILDS IMPLEMENTATION HABITS, BUT NOT JUDGEMENT OR EQUITY

Trained managers are more likely to build AI learning into everyday work (77% against 59% of untrained managers), yet 59% of managers have had no formal AI training. Attention to fairness does not rise with training: only 67% consider who might be disadvantaged by AI-related changes, trained or not.

AI LEADERSHIP READINESS DIFFERS ACROSS GENDER, LEVEL AND COUNTRY

Women and men are similarly ready overall, but women rate themselves higher on looking after people and lower on experimenting, so more of them have a Readiness Gap (42% against 25%). Only 13% of first-line managers are AI leadership ready, against 31% of senior managers and above, and only 13% of German managers, against 24% of UK managers.

Note: The German sample is younger and has more men than the UK sample, so country comparisons need to be treated with caution.

Only
20%
of managers are AI leadership ready

Only
51%
keep moving forward with AI adoption when outcomes are uncertain

Notably
59%
have had no formal AI training

Only
67%
consider who might be disadvantaged by AI-related changes

AI adoption is now a leadership question as much as a technology one. Most organisations have invested in the tools, yet many are unsure whether their managers can lead people through the change, and the evidence suggests they are right to ask.

Why does AI leadership readiness matter now?

Organisations have invested in AI, yet the value they realise depends on how managers lead people through the change, and many employers doubt that their managers are ready.

Half of the 102 Chief Human Resources Officers of global Fortune 500 companies surveyed by Gallup in 2026 said they were not very or not at all confident in their managers' ability to guide employees in using AI at work.[3] In a 2026 survey of nearly 12,000 frontline employees, managers and leaders, only a third of frontline employees found leadership communications about AI clear.[4]

The stakes run in both directions. Organisations that build AI leadership capabilities into their AI adoption are better placed to avoid costly missteps, see a return on their AI investment and lift workforce productivity, as their people understand the change and use the tools with confidence. Organisations that skip this step risk wasted investment, stalled adoption and changes that disadvantage some groups. For Chief People Officers and Heads of Talent, the practical questions to ask are: where are managers ready, where are they not, and where should development start?

3 Meinen and Mulherin (2026) *op. cit.*

4 V. Beauchene *et al.* (2026) 'AI at Work: Strategy Matters More Than Tools', Boston Consulting Group, 3 June 2026, https://www.bcg.com/publications/2026/ai-at-work-why-strategy-matters-more-than-tools

What was the research scope?

We surveyed 1,000 people managers (662 in the UK and 338 in Germany) in organisations with 1,000 or more employees in September 2026, using a 16-statement diagnostic developed and validated for this research.

Managers rated how far each statement describes what they actually do as they lead AI-related change, from 1 (strongly disagree) to 5 (strongly agree). The diagnostic builds on the seven capabilities in our first paper[5] and groups them into four factors of AI leadership readiness. Readiness is inferred from reported behaviour, and an average score of 4 or more marks a manager as strong on a factor, a reporting convention rather than a validated pass mark. We describe managers who are strong on all four factors as AI leadership ready.

Adaptive AI implementation

Turning AI plans into everyday practice

WHAT THIS MEANS IN PRACTICE

Change management and work redesign: new roles, routines, team structures and learning habits

Critical AI judgement

Checking AI rather than trusting it automatically

WHAT THIS MEANS IN PRACTICE

Governance and decision quality: challenge, review and consistency with values

Exploratory courage

Experimenting with AI while results are uncertain

WHAT THIS MEANS IN PRACTICE

Test-and-learn appetite: piloting and experimenting

Human-centred AI change

Looking after people through AI-driven change

WHAT THIS MEANS IN PRACTICE

Change impact, psychological safety and inclusion

5 Pereira, Peake and Jones (2026) *op. cit.*

What the findings mean

Managers are strong at checking AI and looking after people but many are not yet experimenting with AI. Turning AI plans into practice is the factor most linked to AI adoption outcomes, yet managers rate themselves lower on this factor. Training and fairness are the gaps to close, since most managers have no formal AI training and only two in three consider who might be disadvantaged by AI.

- **Managers safeguard, but few experiment.** They check AI and look after their people, yet only about half experiment with AI. Strength on the first two factors does not reliably bring experimentation, so leaders need to develop a habit around experimentation.
- **Turning AI plans into practice is most closely linked to adoption outcomes.** Turning AI plans into everyday practice, through new roles, routines and team structures, is the factor most consistently linked to better adoption outcomes.
- **Training is linked to stronger implementation, but not checking AI or attention to fairness.** Training and regular AI use are associated with stronger implementation habits, yet most managers have had no formal training. Trained managers rate themselves no higher on checking AI or on considering who might be disadvantaged, so training alone may not be enough to build these skills.
- **Readiness differs across the manager population.** Women, first-line managers, UK and German managers show different readiness profiles, so a single development programme for all managers is unlikely to meet every group's needs. Also, attention to fairness does not grow with formal training or AI use, so it needs to be built in deliberately.

> **"Most managers say they look after people through AI change, but one in three appear not to actively consider who might be disadvantaged, and training and regular AI use make little difference to close this gap. Fairness will not develop on its own as AI spreads. It needs a deliberate place in how organisations develop their managers."**

SHARON PEAKE, FOUNDER AND CEO, SHAPE TALENT



What should Chief People Officers and Heads of Talent do?

Diagnose readiness by factor, build practical implementation skills starting with first-line managers, create the conditions to experiment, check who gets the opportunity to experiment, and build fairness into the process.

We recommend five key actions for organisations:

1. **Diagnose before you design development**
2. **Build practical implementation skills, starting with first-line managers**
3. **Create the conditions to experiment**
4. **Check who gets the opportunity to experiment, and address any inequity**
5. **Build fairness into AI training and adoption practices, and measure decision quality and trust, not just adoption**

Where to start in the next 90 days

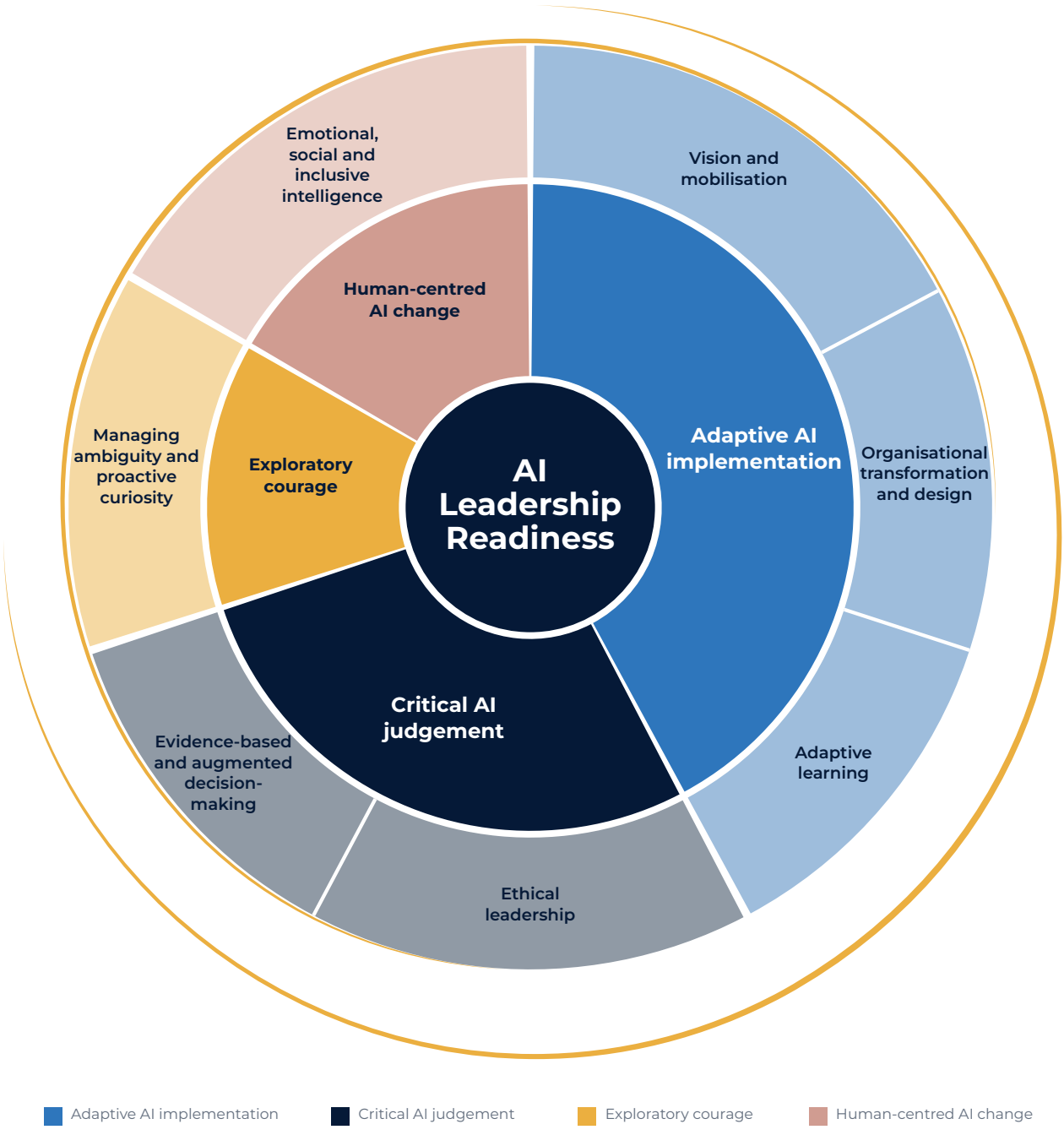
- Run the AI Leadership Readiness Diagnostic with first-line and middle managers in one business area and report the results by area
- Agree two or three bounded AI pilots with named senior sponsors, and record who is invited to take part.
- Add one fairness question and one decision-quality measure to the next AI programme review.

Request a free AI Leadership Readiness Diagnostic with your leaders

The AI Leadership Readiness Model

Our first paper identified seven capabilities that leaders need in AI-enabled organisations. This research study has identified four overarching factors that comprise AI leadership readiness, which we review in this paper.

The seven capabilities reflected in the items of each factor



SHAPE TALENT®
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How ready are your leaders to lead through AI?

By running the Shape Talent AI Leadership Readiness Diagnostic with first-line and middle managers, you will discover whether the people closest to your teams can turn your AI strategy into everyday practice. It shows where readiness varies across levels, functions and demographics, giving you evidence to act on before those gaps become a drag on performance and retention.

Click here to request a free AI Leadership Readiness Diagnostic*

Want to talk? Click here to book a call

About Shape Talent

Shape Talent is the Talent and Leadership Partner for multinational organisations serious about progressing all their talent and removing the barriers to exceptional leadership.

Our programmes have supported more than 1,800 people across more than 45 countries, and our research is used by organisations committed to lasting, systemic change.

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**Shape Talent offers the AI Leadership Readiness Diagnostic at no cost to selected organisations. In return, participating organisations agree to contribute anonymised or aggregated data to Shape Talent's wider research. The research helps build a broader evidence base and generate insights into organisational challenges and trends.*