SHAPE TALENT®

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

Dr Priscila Pereira, Dr Holly Andrews and Sharon Peake
Shape Talent | 25 November 2026

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Sharon is a co-author of this research and was a co-author of our first paper, *The Leadership Leap*. She is a chartered psychologist and an experienced talent management leader with over 20 years' experience in global FTSE 20 businesses. She is a LinkedIn Top Voice and her views have been cited in the Guardian, BBC, Psychologies magazine, Metro, Business Leader, and more.



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Holly is a quantitative researcher whose specialisms include psychometrics and the evaluation of coaching effectiveness. Her work spans academic research, organisational consultancy and coaching practice, with particular expertise in quantitative research design and analysis. She focuses on translating robust evidence into meaningful, actionable insights.

AI leadership readiness

The extent to which people managers are prepared to lead others through the adoption of AI, by:

1. Turning AI plans into everyday practice
2. Checking AI rather than trusting it automatically
3. Experimenting with AI while results are uncertain
4. Looking after people through AI-driven change

Preface

The value organisations gain from AI depends on how managers bring their people through the change. Most organisations now expect their managers to lead the adoption of AI, yet few know whether those managers are ready. In a 2026 Gallup survey, half of the 102 Chief HR Officers of global Fortune 500 companies surveyed said they were not very or not at all confident in their managers' ability to guide employees in using AI at work.[1]

This paper is the second in our AI Leadership research programme. The first, *The Leadership Leap*, set out seven capabilities that leaders need to realise value from AI.[2] In this follow-up paper, we turn that model into a measure. In September 2026, we surveyed 1,000 people managers in large UK and German organisations. Based on what these managers report doing, the seven capabilities group into four factors of AI leadership readiness: Critical AI judgement, Human-centred AI change, Adaptive AI implementation and Exploratory courage.

Only one in five managers (20%) is AI leadership ready, meaning they are strong on all four factors. Behind that headline sit two tensions. The first is that managers' strengths and their results do not align. Managers rate themselves highest on checking AI (Critical AI judgement) and looking after people (Human-centred AI change). Yet the factor most closely linked to the AI adoption outcomes we measured is turning AI plans into practice (Adaptive AI implementation), and that is where they rate themselves lower.

> **Only 1 in 5 managers surveyed is AI leadership ready.**

The second tension concerns equity. Managers look after people in general far more than they ask who might be adversely impacted by AI. Around nine in ten say they make it safe to raise concerns and attend to how AI change affects people, yet only two in three consider who might be disadvantaged, and neither training nor AI use increases attention to fairness. An AI change that works for most people can still disadvantage some groups.

The organisations that gain most from AI will equip every manager to lead it, with equity built in from the start. This report gives you a way to measure where your managers stand and where to act first. I hope you will use it to make AI leadership readiness part of every AI programme in your organisation.



Sharon Peake
Founder and CEO, Shape Talent

1 M. Meinen and M. Mulherin (2026) 'AI's Effect on Workplace Culture', Gallup, 16 August 2026, https://www.gallup.com/workplace/712976/ai-effect-workplace-culture.aspx

2 P. Pereira, S. Peake and R. Jones (2026) 'The Leadership Leap: What Artificial Intelligence Means for Leadership Capability', Shape Talent https://shapetalent.com/wp-content/uploads/2026/05/Shape-Talent-Rethinking-leadership-for-an-AI-age.pdf



Acknowledgements

We thank Dr Priscila Pereira, who conceived the vision for this research and powerfully brought it to life; Dr Holly Andrews, who validated the AI Leadership Readiness Diagnostic and ran the quantitative analysis for this report; Rebecca Badgley, who project-managed this research campaign; Simon Jones and Cameron Glass at Prolific, for the professionalism and rigour, in line with academic good practice, that they brought to recruiting participants; and the participants themselves who responded to the survey.

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

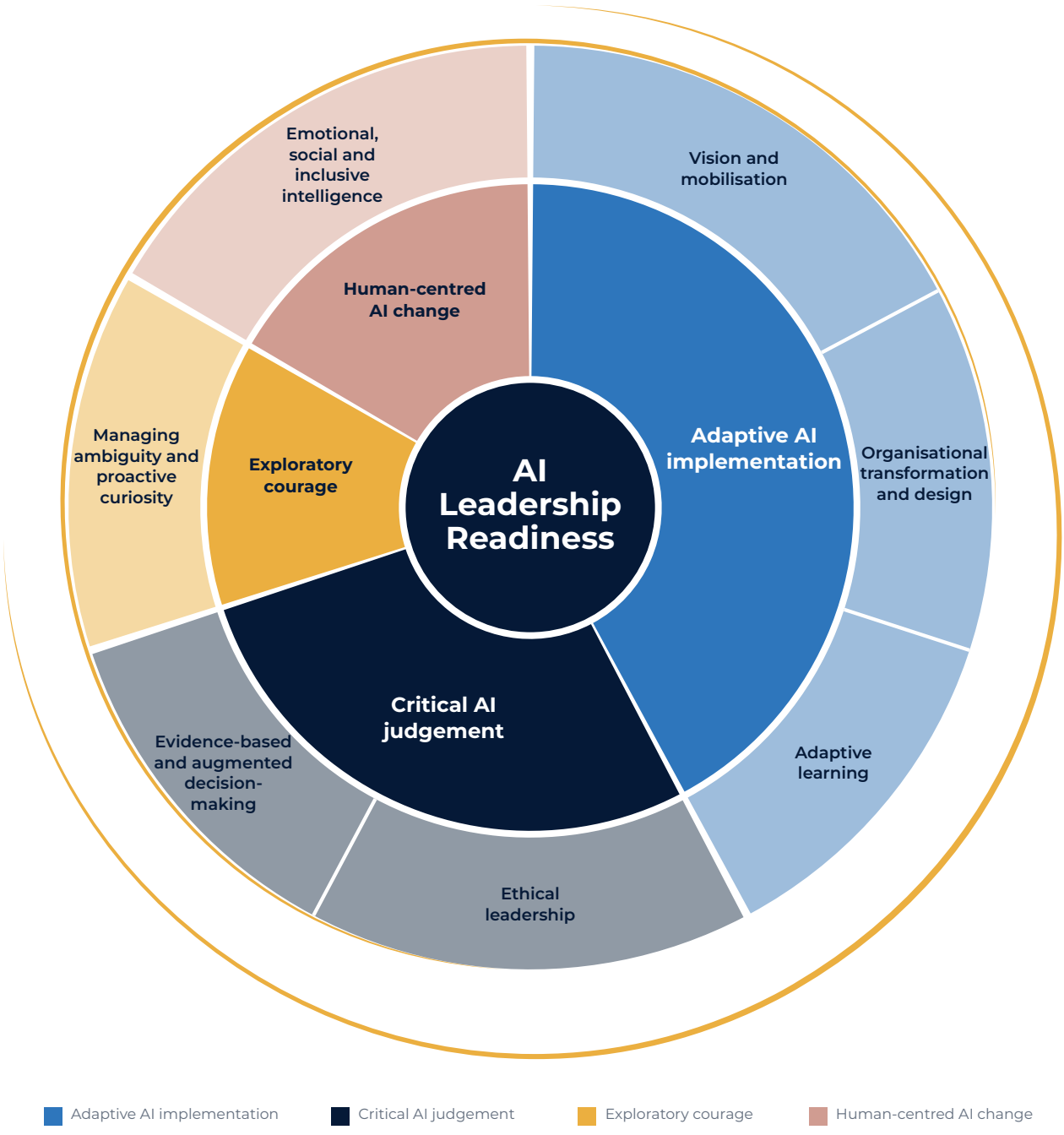
- Run the AI Leadership Readiness Diagnostic with first-line and middle managers in one business area and report the results by area
- Agree two or three bounded AI pilots with named senior sponsors, and record who is invited to take part.
- Add one fairness question and one decision-quality measure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





Core findings

Our research shows that most managers do not rate themselves as ready to lead AI well. Managers are strong at checking AI (Critical AI judgement) and at looking after people (Human-centred AI change), weaker at turning AI plans into practice (Adaptive AI implementation) and weakest at experimenting (Exploratory courage), and only one in five is strong on all four factors. The sections below start with this overall picture, then look at what is associated with better AI adoption outcomes, how training, AI use and support matter, how readiness differs by gender, leadership level and country, and whether training and AI use build attention to fairness.

Each section opens with a question that a Chief People Officer is likely to ask and the insight that answers it, followed by the evidence. Unless stated otherwise, a percentage is the share of the group named that agrees or strongly agrees with a statement.

How ready are people managers to lead with AI?

Readiness is uneven, and most managers are not yet ready to lead AI well: only one in five (20%) is AI leadership ready, meaning they are strong on all four factors, and one in three (33%) has a Readiness Gap, that is, they are strong at checking AI and looking after people but not at experimenting.

Managers are strongest at checking AI (Critical AI judgement, 4.22 out of 5) and looking after people (Human-centred AI change, 4.12), and weakest at experimenting (Exploratory courage, 3.34), with turning AI plans into practice (Adaptive AI implementation, 3.75) scoring in between. Only 20% of the 1,000 managers are strong on all four factors, and 8% are not yet strong on any of them. Further, only about half of managers enjoy exploring unproven AI applications (54%), which leaves many managers needing support to experiment. Experimenting is also the factor on which managers differ most from one another, so the average score hides a wide spread of experience.

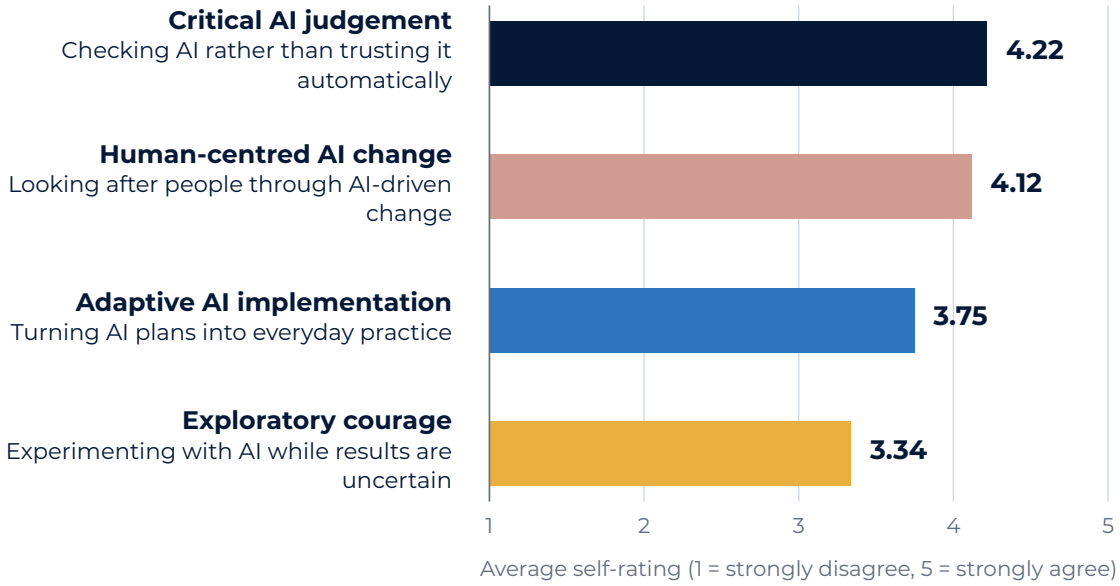


Figure 1. Managers rate themselves highest on checking AI and lowest on experimenting

Shape Talent AI Leadership Readiness Diagnostic, September 2026, n = 1,000. Scale 1 to 5.

At a more granular level, around nine in ten managers agree that they keep AI decisions consistent with values (90%) and make it safe to raise concerns about AI (91%). Only about half agree that they enjoy exploring unproven AI applications (54%) or keep moving forward when outcomes are unpredictable (51%), and more than one in four disagree with each (27% and 28%).

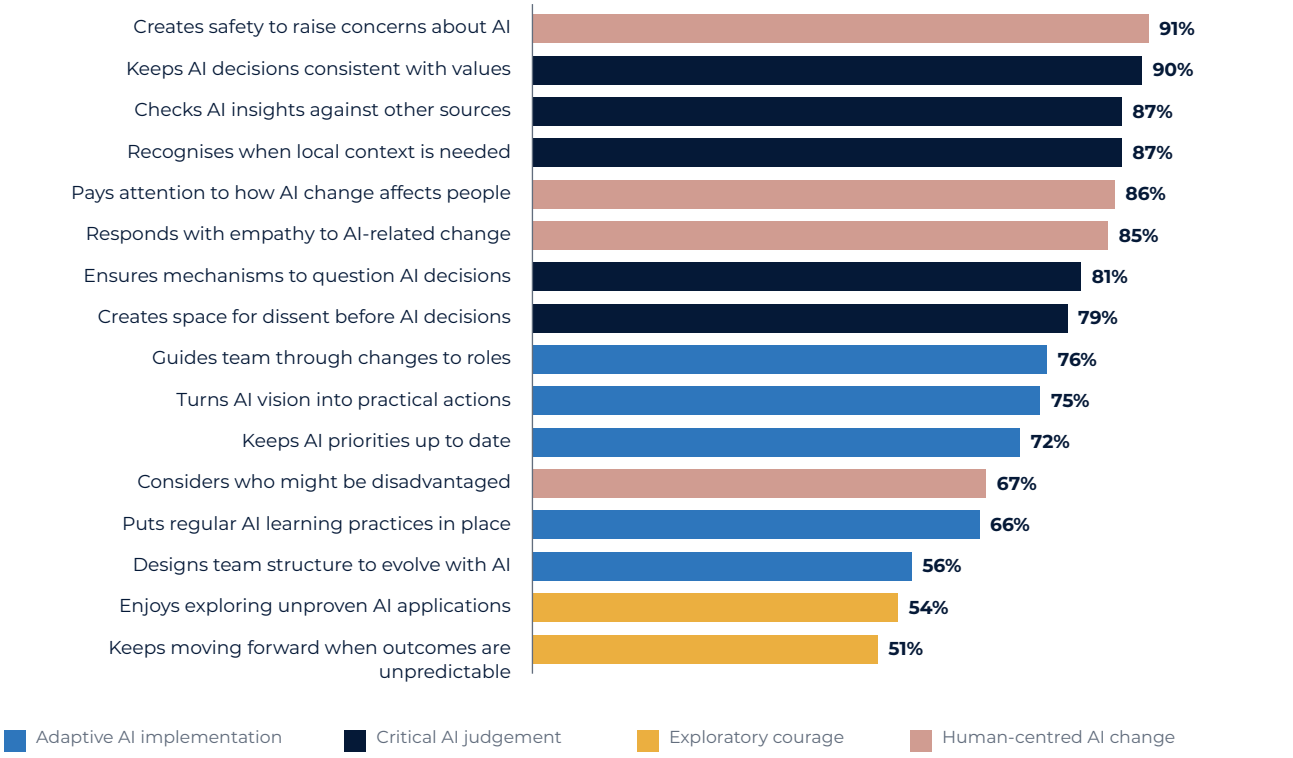


Figure 2. Agreement is highest on checking AI and looking after people, and lowest on experimenting

Shape Talent AI Leadership Readiness Diagnostic, September 2026, n = 1,000. Share agreeing or strongly agreeing.

Taken together, readiness is concentrated in a minority of managers, with most strong in only two or three of the four factors.

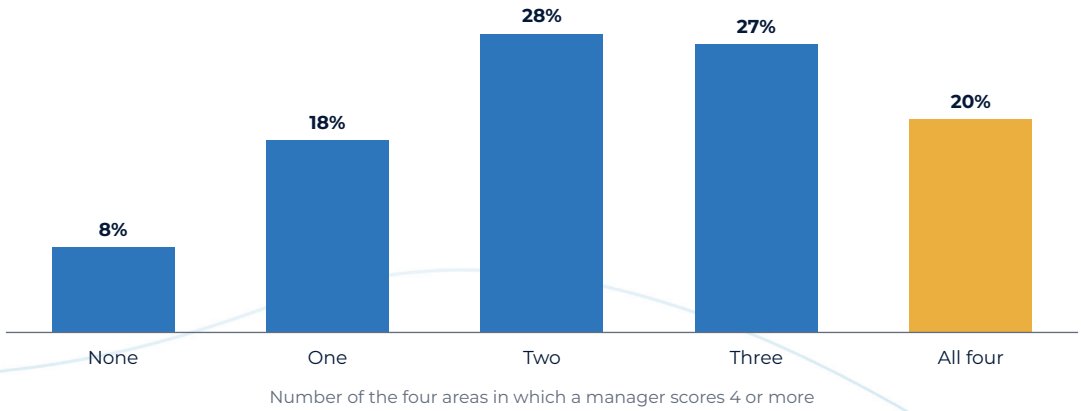


Figure 3. Only one in five managers is strong on all four factors

Shape Talent AI Leadership Readiness Diagnostic, September 2026, n = 1,000. Strong on a factor means an average score of 4 or more on its statements.

While 20% of managers in the diagnostic assessed themselves as strong on all four factors, 8% rated themselves as strong on none.

The Readiness Gap

One in three managers (33%) scores 4 or more on both checking AI and looking after people but below 4 on experimenting. This is a pattern we call the Readiness Gap. Experimenting with AI is a distinct skill that needs its own development: the statistical link between experimenting and the other two factors is close to zero, so strength in checking AI and looking after people does not translate to experimenting.

In effect, managers are acting as risk owners more than as test-and-learn leaders. That protects the organisation, and it leaves the discovery of where AI adds value, to fewer managers.

Reality Check

These are self-ratings, rather than independently verified skills, and the highest-rated statements describe behaviour that managers would expect to endorse, so part of the strong scores may reflect what managers believe they should do, and may therefore be overstated. Other evidence supports this: in a global study of more than 48,000 people, 66% of employees who use AI at work said they rely on its output without evaluating its accuracy.[6] A field experiment with 758 knowledge workers found that highly skilled consultants using AI were 19 percentage points less likely to produce correct solutions on a complex task outside the technology's capabilities.[7] Strong judgement is important to test in practice rather than relying solely on manager self-assessment.

6 N. Gillespie *et al.* (2025) 'Trust, Attitudes and Use of Artificial Intelligence: A Global Study 2025', The University of Melbourne and KPMG, https://doi.org/10.26188/28822919

7 F. Dell'Acqua *et al.* (2026) 'Navigating the Jagged Technological Frontier: Field Experimental Evidence of the Effects of Artificial Intelligence on Knowledge Worker Productivity and Quality', *Organization Science* 37(2): 403–23, https://doi.org/10.1287/orsc.2025.21838

What is associated with better AI adoption outcomes?

Turning AI plans into practice, through new roles, routines and team structures, is the only factor linked to better outcomes on five adoption measures.

Managers who rate themselves higher on turning AI plans into practice (Adaptive AI implementation) report better outcomes on five adoption measures. The link is moderate in size (Figure 4) and holds after allowing for how often managers use AI, whether they have had training, how well they understand AI, their seniority and their country. We asked managers to rate five outcomes: progress with AI adoption in their organisation, their team's use of AI, measurable impact on team performance, readiness to scale AI over the next 12 months, and their own effectiveness in leading AI-enabled change.

FACTOR	ADOPTION PROGRESS	TEAM USE OF AI	MEASURABLE TEAM IMPACT	READINESS TO SCALE	OWN EFFECTIVENESS
Turning AI plans into practice (Adaptive AI implementation)	**.40**	**.36**	**.37**	**.41**	**.41**
Checking AI (Critical AI judgement)	.00	.00	−.05	−.01	.02
Experimenting with AI (Exploratory courage)	.03	−.03	**.07**	.03	**.07**
Looking after people (Human-centred AI change)	.00	−.02	−.02	−.05	.03

Figure 4. Turning AI plans into practice is the only factor linked to all five adoption outcomes

Shape Talent AI Leadership Readiness Diagnostic, September 2026, regression on 969 managers. Standardised coefficients after allowing for AI use, training, understanding of AI, seniority and country. Figures in bold are statistically significant ($p < .05$).

Together, the four factors explain 8 to 15 percentage points more of why some managers achieve better outcomes than others, even after allowing for AI use, training, understanding, seniority and country. Regular AI use and a clear understanding of AI also remain linked to better outcomes, so the profile these findings point to is a manager who uses AI regularly and knows how to embed it in team routines and roles. These are associations based on managers' own views, and the diagnostic cannot show whether being strong at turning AI plans into practice produces better outcomes.

What interventions support AI leadership readiness?

AI training and AI use are associated with managers' turning AI plans into practice and experimenting, but not with checking AI or looking after people. Yet most managers (59%) have had no formal AI training.

Trained managers rate themselves higher on turning AI plans into practice (Adaptive AI implementation: 3.97 against 3.59 for untrained managers, a medium difference) and on experimenting (Exploratory courage: 3.50 against 3.22, a small difference). They rate themselves much the same as untrained managers on checking AI (Critical AI judgement) and looking after people (Human-centred AI change), which might suggest that current training is not yet building these two factors. Most managers have not had training: 59% of the 1,000 report no formal training to use AI or digital tools in their role.

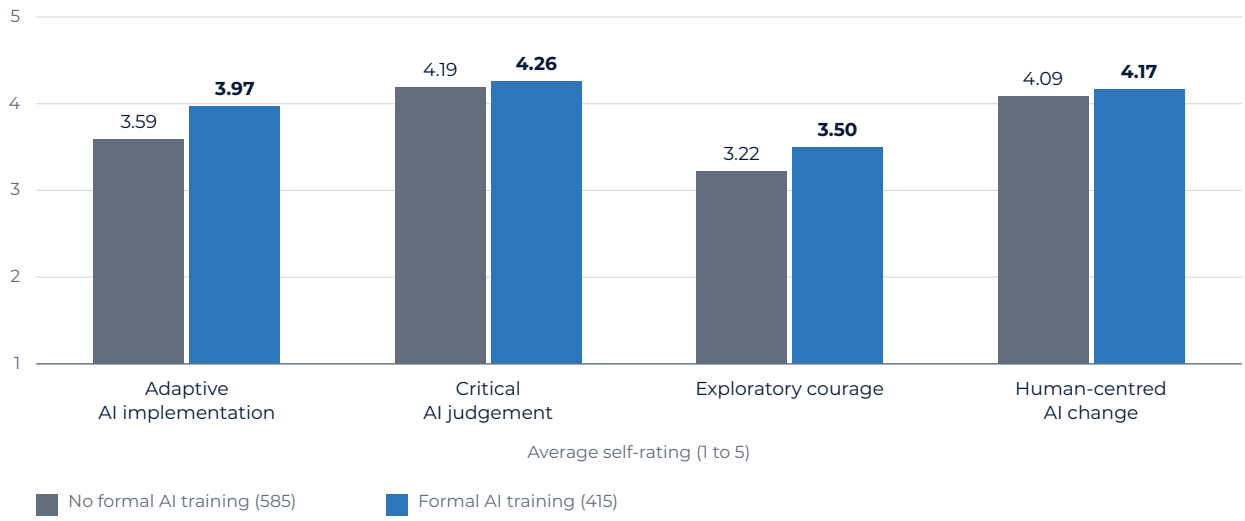


Figure 5. Training is associated with turning AI plans into practice and experimenting, but not with checking AI or looking after people

Shape Talent AI Leadership Readiness Diagnostic, September 2026, n = 1,000. Average self-rating, scale 1 to 5.

Further, 77% of trained managers agree that they build AI learning into normal work, against 59% of untrained managers, and 66% of trained managers agree that they design team structures that can evolve with AI, against 48% of untrained managers. By contrast, 90% of both trained and untrained managers agree that they keep AI decisions consistent with values.

Regular AI use shows an even steeper pattern, with frequent users unsurprisingly scoring higher in AI leadership readiness. Across managers who use AI occasionally, frequently and daily, the average rating for turning AI plans into practice rises from 3.34 to 3.75 to 4.00, and for experimenting from 2.89 to 3.35 to 3.63 (Figure 6). Further, 85% of daily users agree that they turn the AI vision into practical actions, against 57% of occasional users, a medium-sized difference and one of the largest in the study.

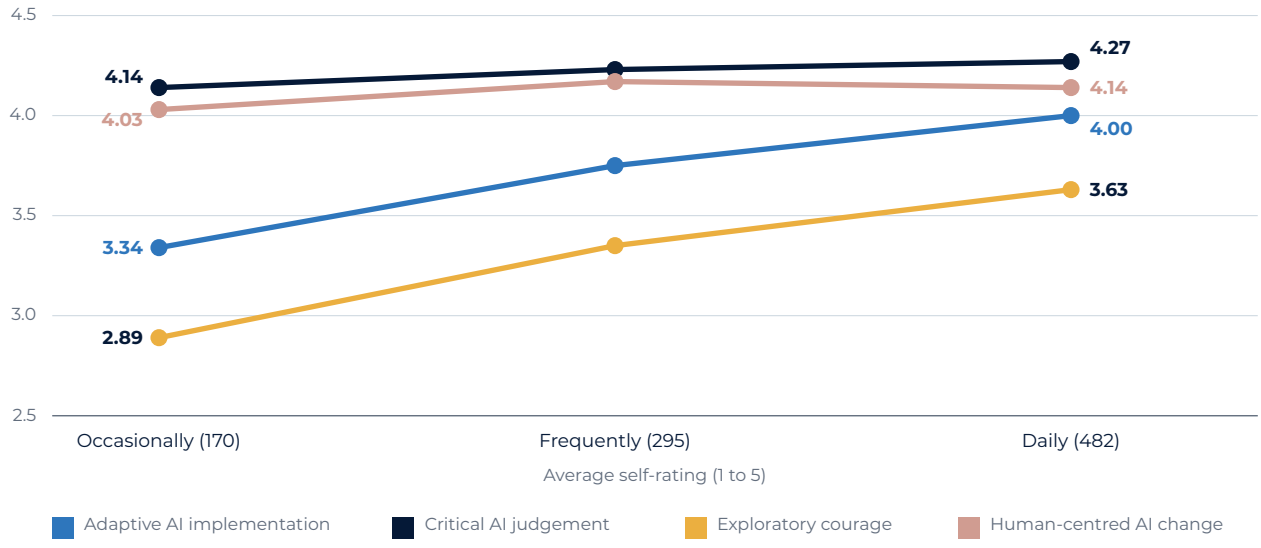


Figure 6. More frequent AI use is associated with higher scores on turning AI plans into practice and experimenting

Shape Talent AI Leadership Readiness Diagnostic, September 2026. Average self-rating, scale 1 to 5. Descriptive comparison; groups of 100 or fewer (rarely and never using AI) are not shown.

Training alone may not change behaviour. A meta-analysis of 89 studies, not specific to AI, found that trainee motivation and a supportive work environment were positively related to the transfer of learning to the job,[8] and a 2026 survey of 5,074 UK employees found that only 13% had received training in using AI for their job and that training made no difference to whether they trusted the accuracy of generative AI output.[9] Managers themselves ask for AI training more than for anything else, with 46% of survey respondents requesting it, which is consistent with a 2026 survey of 1,019 UK managers in which 52% cited a need for foundational technical AI skills training.[10]

8 B.D. Blume *et al.* (2010) 'Transfer of Training: A Meta-Analytic Review', *Journal of Management* 36(4): 1065–105, https://doi.org/10.1177/0149206309352880

9 Chartered Institute of Personnel and Development (CIPD) (2026) 'CIPD Good Work Index 2026: Survey Report', July 2026, https://prod.cipd.org/globalassets/media/comms/news/2026/good-work-index-2026.pdf

10 Chartered Management Institute (CMI) (2026) 'Artificial Intelligence; Real Leadership Report', June 2026, https://www.managers.org.uk/knowledge-and-insights/research/ai-real-leadership-report/

What would help managers lead with AI?

Managers say training would help most (46%), followed by a clearer AI strategy and better data or tools (30% each). Few choose psychological safety to experiment (13%) or senior sponsorship (12%), even though experimenting is their weakest factor.

Training is the first choice in every group, chosen by 50% of UK managers and 39% of German managers. German managers put better data, tools or technical resources almost level with training (37%), against 26% of UK managers. Across both countries, first-line managers chose clearer strategy more often (35%) than middle managers (27%), and senior managers and above chose time and capacity most often (29%).

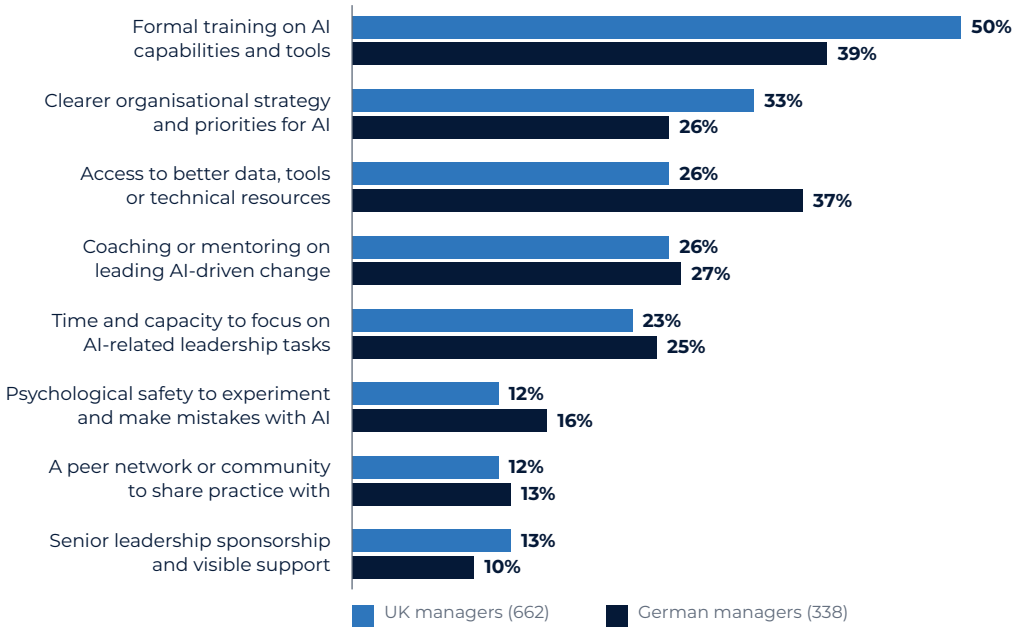


Figure 7. Managers ask for training and tools far more often than for safety to experiment

Shape Talent AI Leadership Readiness Diagnostic, September 2026, n = 1,000 (UK n=662 and Germany n=338). Each manager could choose up to two options. Descriptive; no tests run.

Experimenting is the weakest factor, yet few managers ask for the conditions that support it, perhaps not recognising the importance of environmental context in their learning. Research on teams finds that psychological safety, the shared belief that it is safe to take interpersonal risks, is associated with learning behaviours such as experimenting and discussing mistakes.[11] A 2026 Microsoft study of 1,800 workers reported up to 20 points higher AI readiness and value among employees whose managers fostered psychological safety around experimentation, an association rather than a demonstrated effect.[12]

11 A. Edmondson (1999) 'Psychological Safety and Learning Behavior in Work Teams', *Administrative Science Quarterly* 44(2): 350–83, https://doi.org/10.2307/2666999

12 Microsoft (2026) '2026 Work Trend Index Annual Report: Agents, Human Agency, and the Opportunity for Every Organization', 5 May 2026, https://www.microsoft.com/en-us/worklab/work-trend-index/agents-human-agency-and-the-opportunity-for-every-organization

In a 2026 survey of 1,019 UK managers, 64% agreed that senior leaders encouraged staff to experiment with AI tools, yet only 13% strongly agreed that senior leaders experimented with the tools themselves.[13] Managers may see experimenting mainly as a skills gap that training can close.

Training is what managers ask for first, and it is a sound starting point, because trained managers rate themselves higher on turning AI plans into practice. Training alone may not close the experimenting gap, though. What managers ask for does not match where their readiness is lowest, so support built only on their requests may leave experimentation untouched, and leaders may need to create the conditions for it rather than wait to be asked.

Options to test include visible experimentation by senior leaders, small bounded pilots with named sponsors, and clear AI priorities that first-line managers can turn into action. Support should be tailored to the different needs of different groups.

Do women and men differ in AI leadership readiness?

Yes, in their strengths rather than in their overall readiness: women are more likely than men to have a Readiness Gap (42% against 25%), rating themselves higher on looking after people and lower on experimenting.

Women are more likely than men to be strong at looking after people (Human-centred AI change) but rate themselves lower on experimenting with AI (Exploratory courage), even though overall readiness is similar, with 19% of women and 22% of men strong on all four factors. Both differences are small, and the gap in experimenting remains after allowing for AI use and training, so it is not simply a training gap. Figure 8 shows the statements on which women and men differ most.

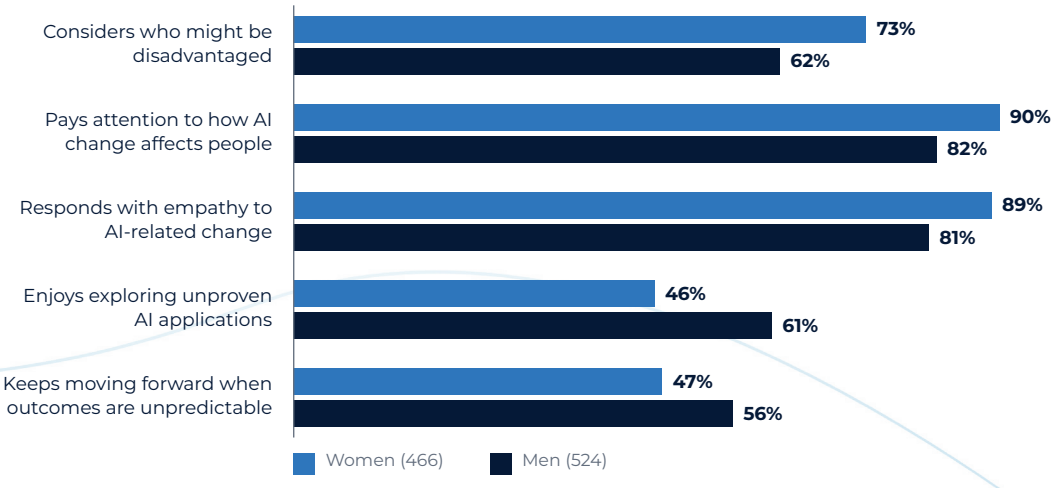


Figure 8. Women rate themselves higher than men on looking after people and lower on experimenting

Shape Talent AI Leadership Readiness Diagnostic, September 2026. Share agreeing or strongly agreeing.

13 CMI (2026) *op. cit.*

More specifically, 47% of women agree that they keep moving forward with AI adoption when outcomes are unpredictable, against 56% of men. Fewer women than men have had formal AI training (38% against 45%). These gender gaps are broadly similar across country, leadership level and degree of training. Wider evidence shows similar gaps in AI use: a study of about 18,000 Danish workers in 11 occupations exposed to ChatGPT found that women were 16 percentage points less likely than men to have used ChatGPT for work,[14] and in a US survey of 1,015 adults, 37% of men and 30% of women said their managers encouraged them to use AI.[15] Whether encouragement and access explain the gap among the managers we surveyed is a question for further research.

Does AI leadership readiness differ by leadership level and country?

Yes. Only 13% of first-line managers, who turn AI strategy into daily team practice, are AI leadership ready, compared with more than double that share of senior managers and above (31%). Only 13% of German managers are AI leadership ready, against 24% of UK managers. The differences on individual factors are small, and German managers differ mainly in looking after people, though part of the country gap may reflect the younger, more male German sample.

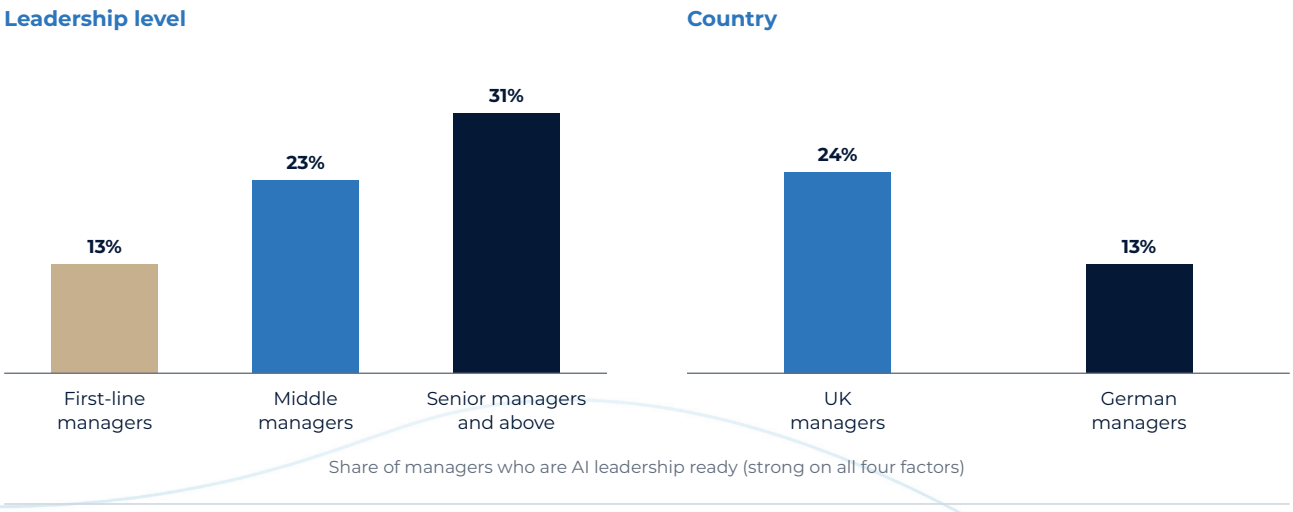


Figure 9. First-line and German managers are the least likely to be AI leadership ready

Shape Talent AI Leadership Readiness Diagnostic, September 2026. AI leadership ready = an average score of 4 or more on all four factors. First-line n = 348, middle n = 447, senior and above n = 174 (31 managers who did not state their level are excluded); UK n = 662, Germany n = 338.

14 A. Humlum and E. Vestergaard (2025) 'The unequal adoption of ChatGPT exacerbates existing inequalities among workers', *Proceedings of the National Academy of Sciences* 122(1): e2414972121, https://doi.org/10.1073/pnas.2414972121

15 M. Noble-Tolla (2026) 'New research: Women use AI less often at work and get less credit', LeanIn.Org, https://leanin.org/research/ai-women-gender-gap-data

Leadership level

Readiness to turn AI plans into practice and to experiment rises with seniority. Only 13% of first-line managers are strong on all four factors, against 23% of middle managers and 31% of senior managers and above. First-line managers rate themselves lowest on turning AI plans into practice (Adaptive AI implementation: 3.62, against 3.80 for middle managers and 3.89 for senior managers and above) and on experimenting (Exploratory courage: 3.17, against 3.41 and 3.57). These differences are small, and the gap in experimenting remains after allowing for AI use and training.

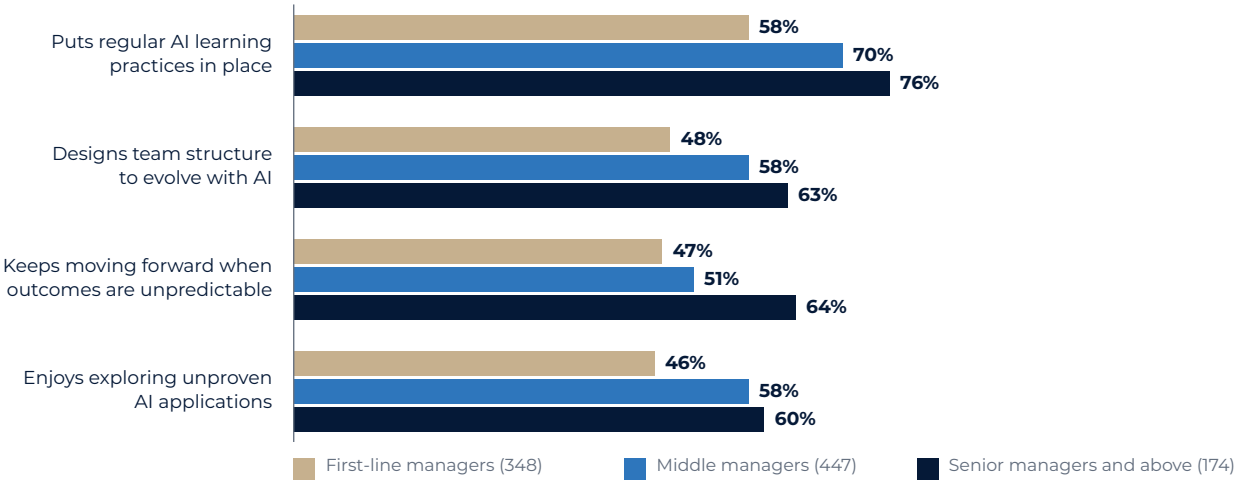


Figure 10. First-line managers are least likely to report turning AI plans into practice and experimenting

Shape Talent AI Leadership Readiness Diagnostic, September 2026. Share agreeing or strongly agreeing.

More specifically, 58% of first-line managers agree that they put regular AI learning practices in place, against 76% of senior managers and above, and 47% agree that they keep moving forward when outcomes are unpredictable, against 64%. First-line managers are also more likely than middle managers to ask for a clearer AI strategy (35% against 27%), so the managers expected to turn strategy into daily practice may be the ones least sure of the direction. A 2026 Gallup survey found a similar gradient in AI use, with 51% of those classed as leaders using AI frequently, against 36% of managers and 26% of individual contributors.[16]

Country

Fewer German managers are strong on all four factors (13%, against 24% of UK managers), and the only significant difference is in looking after people. UK managers rate themselves higher than German managers on looking after people (Human-centred AI change: 4.19 against 3.99, a small difference), with no significant difference on the other three factors. Of UK managers, 94% agree that they make it safe to raise concerns about AI, compared with 85% of German managers.

16 Gallup (2026) 'AI and Workplace Productivity: What Leaders Need to Know', 27 July 2026, https://www.gallup.com/workplace/713063/ai-workplace-productivity.aspx

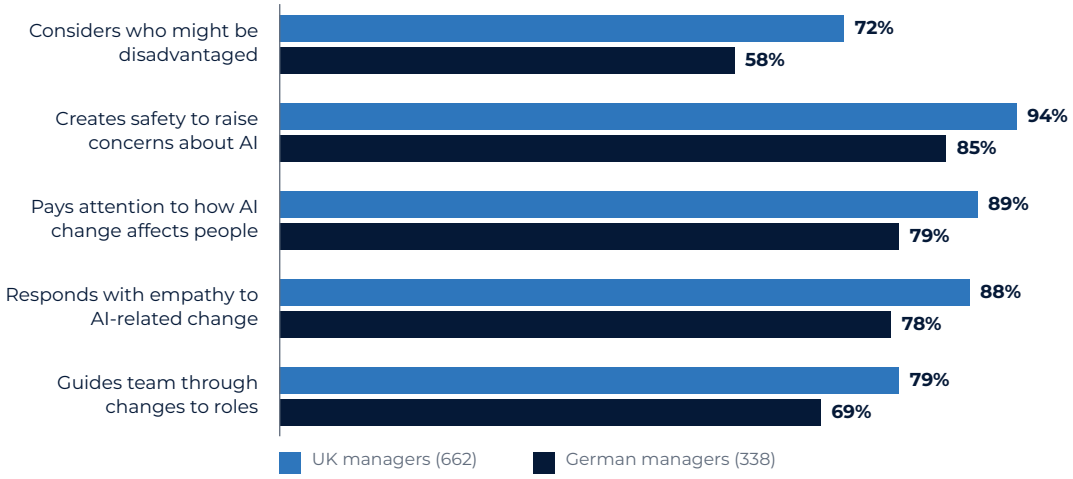


Figure 11. UK managers rate themselves higher than German managers on looking after people

Shape Talent AI Leadership Readiness Diagnostic, September 2026. Share agreeing or strongly agreeing.

Note: The German sample is younger (49% aged 25 to 34, against 26% in the UK) and has more men (58% against 49%), so country comparisons need to be treated with caution.

CONTEXT: AI AT WORK IN THE UK AND GERMANY

Managers in the two countries work under different rules. In Germany, as in the rest of the EU, the AI Act requires providers and deployers of AI systems to support the AI literacy of their staff, an obligation that has applied since 2 February 2025.[17] The UK has taken a principles-based approach, in which existing regulators apply principles such as fairness, accountability and contestability.[18]

This makes one finding notable: despite stronger formal obligations, German managers rate themselves lower on looking after people, and fewer consider who might be disadvantaged (58% against 72%), which raises the question of whether formal rules alone are enough to build this attention at manager level.

Notes: Regulation as at October 2026. The diagnostic did not measure how managers experience these frameworks, so it cannot show whether they explain the differences. The German sample is younger and has more men, so country comparisons need to be treated with caution.

17 Regulation (EU) 2024/1689 of the European Parliament and of the Council of 13 June 2024 laying down harmonised rules on artificial intelligence (Artificial Intelligence Act), Article 4, https://eur-lex.europa.eu/eli/reg/2024/1689/oj/eng, as amended by Regulation (EU) 2026/1744 of 8 July 2026 (Digital Omnibus on AI), https://eur-lex.europa.eu/eli/reg/2026/1744/oj/eng

18 Department for Science, Innovation and Technology (DSIT) (2023) 'A Pro-innovation Approach to AI Regulation', CP 815, London: HM Government, 29 March 2023, https://www.gov.uk/government/publications/ai-regulation-a-pro-innovation-approach

Do training and AI use build greater fairness?

No. Only 67% of managers consider who might be disadvantaged by AI-related changes, the weakest of the four statements about people, and the figure does not rise with training or AI use.

Of all managers, 67% agree that they actively consider who might be disadvantaged by AI-related changes, 20% neither agree nor disagree, and 13% disagree. The other three statements about people draw agreement from a large majority of managers (85% to 91%). Managers look after people in general far more often than they consider whether AI-related change affects some groups differently, so the high score on looking after people (4.12) can disguise this gap. Agreement is 66% among untrained and 70% among trained managers, and 69%, 71% and 65% respectively among occasional, frequent and daily AI users (Figure 12).

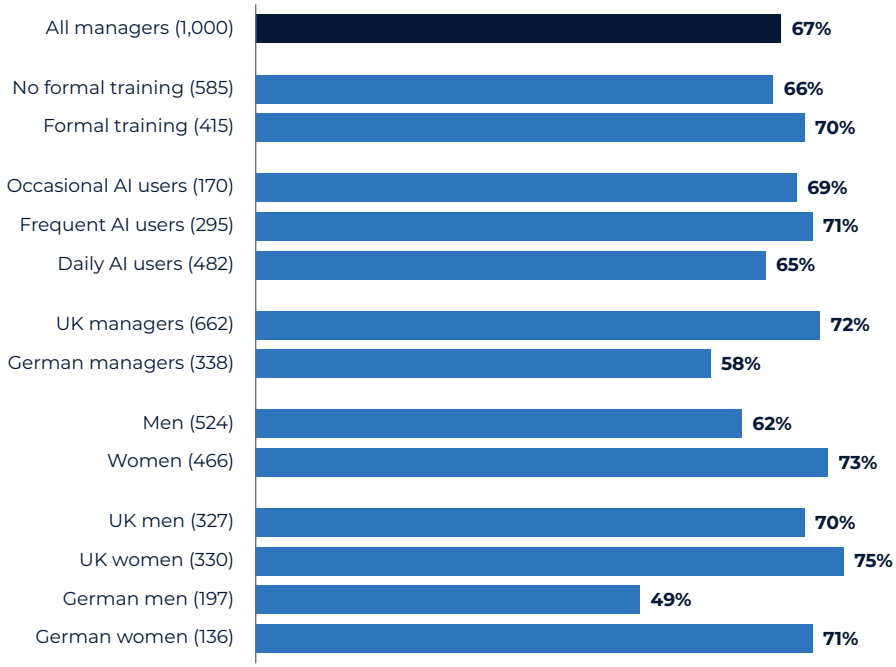


Figure 12. Attention to fairness does not rise with training or AI use, and differs by country and gender

Shape Talent AI Leadership Readiness Diagnostic, September 2026. Share agreeing with: "I actively consider who might be disadvantaged by AI-related changes."

Attention to who might be disadvantaged differs by country and by gender. In the UK, 72% of managers say they actively consider this, against 58% in Germany, and 73% of women say they actively consider this, against 62% of men. The gender gap is wide in Germany, where 71% of women and 49% of men agree, and narrow in the UK, where 75% of women and 70% of men agree. Women are also less likely than men to keep moving forward with AI adoption when outcomes are uncertain (47% against 56%). AI experimentation that relies on volunteers may therefore under-represent the managers most alert to fairness risks.

Two interpretations are possible. Exposure to AI may simply not build the habit of considering fairness. Alternatively, some managers may see fairness as the job of specialist functions rather than part of their own role. The data cannot separate the two; however, both possibilities point to the same direction: we need to build the question of who gains and who loses in AI adoption and outcomes into manager development and into the review of AI-informed decisions. DEI, compliance and risk leaders will recognise this as an impact assessment applied to AI-driven change.





What should Chief People Officers and Heads of Talent do?

Treat AI leadership readiness as four different factors rather than one, and start with the managers who translate strategy into daily practice.

HR leaders are advised to consider AI leadership readiness as distinct development challenges, and not a one-size-fits-all approach in designing interventions.

1 Diagnose before you design development

WHAT THE EVIDENCE SHOWS

Only 20% of managers are strong on all four factors. Experimenting is almost unrelated to checking AI or looking after people.

EQUITY IMPACTS

A single average hides different profiles by gender, level and country, so gaps stay invisible unless results are broken down.

ACTIONS TO CONSIDER

Use the AI Leadership Readiness Diagnostic to ascertain manager capability. Report by factor and by group (gender, level, function, country), to identify different needs. Replace one generic AI leadership programme with targeted development according to need.

2 Build practical implementation skills, starting with first-line managers

WHAT THE EVIDENCE SHOWS

Turning AI plans into practice has the strongest link to adoption outcomes. Only 13% of first-line managers are strong on all four factors, against 31% of senior managers and above.

EQUITY IMPACTS

Investment that starts with senior leaders may widen the gap with first-line managers, who have the lowest readiness.

ACTIONS TO CONSIDER

Develop practice in redesigning roles, workflows and learning routines, paired with clear AI priorities from senior leaders. Combine training with real opportunities to apply it.

3 Create the conditions to experiment

WHAT THE EVIDENCE SHOWS

What managers say would help them does not match where their readiness is lowest.

Experimenting is the lowest-rated factor (3.34), yet managers chose training (46%) far more often than psychological safety to experiment (13%).

EQUITY IMPACTS

If development follows what managers ask for, the experimenting gap may stay largest for the groups who rate themselves lowest on it: women and first-line managers.

ACTIONS TO CONSIDER

Test conditions that make it safer to fail: small, bounded pilots, senior leaders experimenting visibly and permission to make mistakes. Do not rely on training alone. Measure readiness rather than relying on what managers ask for, because their requests do not match where readiness is lowest.

4 Check who gets the opportunity to experiment, and address any inequity

WHAT THE EVIDENCE SHOWS
Women are less likely than men to keep moving forward when outcomes are uncertain (47% against 56%) and fewer have had formal training (38%, against 45% of men). The gap remains after allowing for AI use and training.

EQUITY IMPACTS
Women's lower scores on experimenting may reflect fewer opportunities or less encouragement to experiment, so access matters as much as development.

ACTIONS TO CONSIDER
Track access to AI tools, training, pilots, stretch opportunities and encouragement by gender, level and country, working with DEI colleagues. Treat a gap in experimenting as a possible opportunity gap until the data show otherwise.

5 Build fairness into AI training and adoption practices, and measure decision quality and fairness, not just adoption

WHAT THE EVIDENCE SHOWS
Only 67% of managers consider who might be disadvantaged, and the figure does not rise with formal training and AI use.

EQUITY IMPACTS
Without a deliberate check, AI-related change may be planned around the majority. German men are the least likely to consider who might be disadvantaged (49%).

ACTIONS TO CONSIDER
Add an impact assessment of who gains and who loses to AI change plans and decision reviews. Track decision quality, trust and employee experience alongside adoption, and use practice-based checks to test managers' judgement of this.

How will you know it is working?

BREADTH

The share of managers strong on all four factors rises, and the gap between first-line and senior managers narrows, against your baseline.

BEHAVIOUR

More managers agree that they put regular AI learning practices in place and keep moving forward when outcomes are uncertain, against your baseline.

EQUITY

Gaps by gender, level and country in access to training, pilots and encouragement shrink, and the proportion of managers considering fairness rises above your baseline.

OUTCOMES

AI adoption outcomes, such as team use of AI and measurable impact on team performance, improve alongside readiness, against your baseline.

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.

Readiness is uneven rather than uniformly low, so targeted action is more likely to move the numbers than a general one-size-fits-all programme.

Request a free AI Leadership Readiness Diagnostic with your leaders



> “Start with evidence before you design any programme. Assessing readiness by capability and by group will tell you exactly what each group needs. For example, which managers need help turning AI plans into practice, who feels they need permission to experiment, and where there may be gaps in noticing equity and fairness impacts in AI usage. First-line managers are the natural starting point: they translate AI strategy into daily work and report the lowest readiness.”

DR PRISCILA PEREIRA, DIRECTOR OF RESEARCH AND CONSULTING, SHAPE TALENT

Appendix A. Methodology

A.1 Design and participants

We tested the model from *The Leadership Leap*[19] with 1,000 people managers in organisations with 1,000 or more employees (662 in the UK and 338 in Germany) and found that the original seven capabilities group into four factors. Participants were recruited through the online research platform Prolific between 14 and 24 September 2026 and screened for a management role. The German sample is younger (49% aged 25 to 34, against 26% in the UK) and has more men (58% against 49%). Because this is an online panel rather than a random sample, a margin of error does not apply.

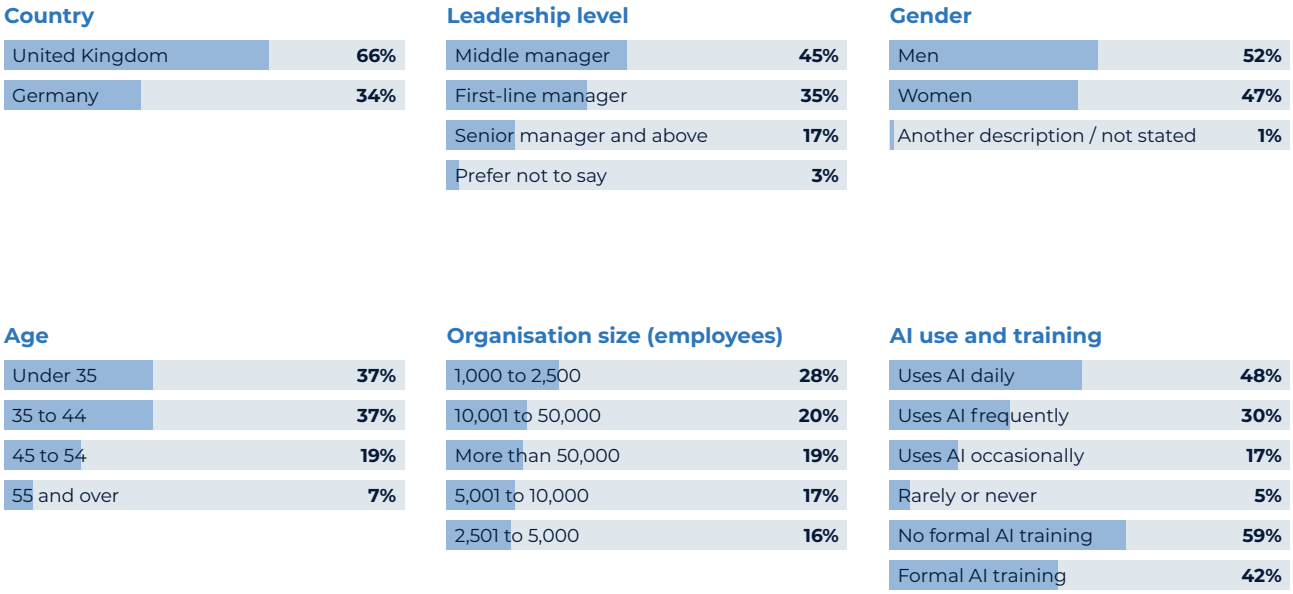


Figure A1. Who took part: a profile of the 1,000 managers

Shape Talent AI Leadership Readiness Diagnostic, September 2026, n = 1,000. Percentages are rounded and may not sum to 100.

A.2 Measures and analysis

The AI Leadership Readiness Diagnostic has 16 statements rated from 1 (strongly disagree) to 5 (strongly agree), forming four factors. The diagnostic was developed on 60% of the sample and its structure was confirmed on the remaining 40%.[20] Reliability in the full sample, which the results in this report use, ranges from .69 to .81. A manager is strong on a factor with an average score of 4 or more, and is AI leadership ready when strong on all four factors. The survey also measured five AI adoption outcomes, each with a single statement: what would help managers lead with AI (up to two choices from eight options), AI use, formal AI training and understanding of AI. Group differences in the four factors were tested with t-tests and analysis of variance. A difference was treated as significant only if it passed a stricter threshold ($p < .0018$) that allows for the number of tests run, and its size was described as small, medium or large using standard conventions.[21]

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

20 H. Andrews (2026) 'Shape Talent AI Leadership Readiness Diagnostic Development Report', Shape Talent, https://shapetalent.com/wp-content/uploads/pdf/Shape_Talent_AI_Leadership_Readiness_Scale_Development_Report.pdf

21 J. Cohen (1988) *Statistical Power Analysis for the Behavioral Sciences*, 2nd edn, Lawrence Erlbaum Associates.

Readiness profiles were compared with chi-square tests and statement-level differences with z-tests, each with its own correction for multiple tests. Regressions on 969 managers allowed for AI use, training, understanding, seniority and country.

A.3 Ethics, limitations and checks

Participation was voluntary with informed consent; participants could withdraw their data until 26 September 2026, and no names or contact details were collected. The findings are associations rather than causes, rest on self-reported data from one point in time, and come from an online panel. Exploratory courage has only two statements, and the five adoption outcomes are single statements affected by common method variance.[22]

22 P.M. Podsakoff *et al.* (2003) 'Common method biases in behavioral research: A critical review of the literature and recommended remedies', *Journal of Applied Psychology* 88(5): 879–903, https://doi.org/10.1037/0021-9010.88.5.879



Appendix B. The Leadership Leap programme

Leadership capability for an AI-driven world.

How will your leaders know when to trust an AI-supported recommendation, and when to challenge it?

The Leadership Leap is Shape Talent's research-led development programme for leaders operating in AI-enabled environments.

It is not technical AI training. It is human capability development: judgement, adaptability, curiosity, ethics and systems thinking.

Leaders become better equipped to

- Turn AI ambition into priorities
- Decide with incomplete information
- Challenge AI outputs appropriately
- Lead confidently through uncertainty
- Keep judgement and accountability with people

How it works

- **Seven Leadership Leaps:** one connected capability set from our research
- **Built for application:** two in-person days, five virtual workshops, group and individual coaching
- **Real work:** each leader tests a real change and presents recommendations to senior leaders
- **Format:** around 15 per cohort, 15 weeks, roughly 34 hours, progress measured before, after and at 90 days

THE ORGANISATION GAINS:

Stronger AI adoption.

Better judgement and adaptability.

More responsible decisions.

Higher workforce trust.

Capability for continuous change.

Two ways to begin

Build capability at scale with *The Leadership Leap*, or start with Ground Truth, our half-day immersive experience. A starting point, not a prerequisite.

info@shapetalent.com

www.shapetalent.com

Click here to learn more

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Shaping Leadership

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

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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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