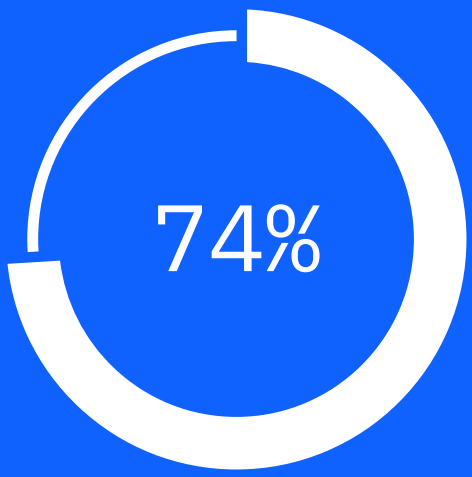
Female Leadership in the Age of AI

73%

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

33% of businesses in EMEA have a female leader in charge of making decisions on AI strategy



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

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

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Foreword

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AI is more than a technological leap. It is a seismic shift which will fundamentally reshape how we live, work, and interact.

Business leaders are already seizing the wealth of opportunities that AI has to offer, using it to transform our future workforces and economies.

And because of the technology's transformative potential, the people leading the AI revolution need to reflect society at large. One area of this is ensuring that women are active participants in its deployment.

Women will play a crucial role in leading this technological revolution. From mitigating biases to fostering greater innovation and inspiring a new generation of leaders, much is at stake. Our research shows that ensuring women are at the center of the AI journey is not about ticking a diversity box; it is a strategic necessity.

Female leaders also stand to gain personally on several fronts. Assuming a central position in businesses' deployment of AI offers women a unique chance to increase their competitive advantage in the labor market and develop their leadership skills.

And while the opportunity is exciting, progress is still needed to ensure that women are equipped with the skills and confidence to position themselves at the forefront of this technological revolution, steering it towards a future that is inclusive, ethical, and empowering for all.

It is a journey that IBM is poised and excited to take with businesses around the world to drive impact and effect lasting, tangible change.

Introduction

A Watershed Moment for Female Leaders

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

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

73% of business leaders believe that increased female leadership in the sector is important for mitigating gender bias in AI, while 74% see it as important for ensuring that the economic benefits of the technology are equally felt.

Beyond macroeconomic and ethical benefits, individual rewards are there to be reaped for women who seize the opportunity. 45% of leaders believe that experience with AI will increase their competitive advantage in the labor market, while career progression, job security, and salary increases are all identified as potential benefits.

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

The State of Play

Despite consensus that women will be integral to the success of AI, only a third (33%) of business leaders surveyed have a female leader in charge of making decisions on AI strategy in their organization. At country level, this figure drops to 23% in France, while in the United Arab Emirates, 41% of AI decision makers are women.

Promisingly, over half of respondents (51%) state advancing more women into leadership roles is a top formal business priority within their organization, while a further 42% say that they strive to do so when possible.

Leaders are split on what the biggest barrier to improving diversity in the AI sector is. 27% believe that a lack of digital education at school-age level is the primary obstacle, while 25% blame a lack of interest in diversity and inclusion from technology companies themselves. A further 23% of leaders cite a lack of representation at C-suite level as the biggest barrier, while 14% think that inadequate family company policies are the biggest issue.

With 82% of leaders already deploying generative AI or planning to do so in the next year[1], there is real urgency for businesses to accelerate efforts to ensure women take up a central position in the journey.

1. IBM EMEA: Leadership in the age of AI. 2023

Leadership for an Automated Future

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

Both men and women identified technical expertise as the most important quality of a business leader in the age of AI, with 28% of male respondents and 21% of female respondents choosing this as the top priority.

However, female leaders displayed a more holistic view of leadership, viewing a good understanding of the AI supplier landscape (20%) and knowing which roles can offer strategic advice (19%) as equally important leadership qualities.

Female respondents also view interpersonal skills and commitment to ethical and fair deployment as more important qualities of a leader compared with male respondents.

A Confidence Disparity

When asked whether respondents were confident in their business leadership abilities in the age of AI, 61% of male respondents strongly agree compared with just 46% of female respondents.

This confidence gap is one that needs addressing. Promisingly, female respondents are taking action to rectify this disparity, with 55% actively upskilling and improving their technical skills, almost on par with male respondents (58%).

Further key actions taken by women in preparing for AI deployment were also being pursued at the same rate as their male counterparts, including preparing their teams for upcoming changes, (49%), actively educating themselves on the shifting regulatory landscape (46%) and participating in the creation of governance and regulatory frameworks (44%).

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

Beyond the Boardroom

The importance of equipping women with the requisite confidence and skills to thrive in the AI age goes beyond the boardroom.

Over the next three years, 87% of business leaders expect at least 25% of their workforce will be required to re-skill in response to generative AI and automation. In fact, almost half (45%) predict that over half will need to reskill.

While a third of respondents predict that the IT department will be most affected by the shift, the changes will not be exclusive to this area. Finance (13%), Customer Service (12%) and Product Development (11%) were all identified by respondents as departments which will require a considerable proportion of their staff to reskill.

Overseeing such a fundamental skills transformation will be a critical responsibility for business leaders over this period.

The Path Forward for Female Leaders in AI

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

For example, half (50%) of both male and female leaders admit to needing more support on skills development and learning and 49% want more opportunities to experience AI in action, while 47% said they would benefit from cross-industry networking events in order to share knowledge.

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

Other solutions which ranked closely behind include supporting more investment in female-founded AI companies (32%), increasing representation at C-suite level (32%), increasing representation at middle management level (30%), and improving digital education in schools (30%). A quarter (24%) of respondents believe that improvements to family company policies would also improve female participation.

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

Be Intentional About Female Leadership in AI

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

Empower Female Leaders through Mentorship

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

Invest in Reskilling

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

Diversify Leadership Skill Sets

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

Address Barriers to Diversity

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

Research Methodology

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

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