IBM UK Newsroom

IBM Report: Two-Thirds of UK Firms Gain from AI - Reskilling Key to Unlocking Greater Productivity

• 66% of UK enterprises are already experiencing significant AI-driven productivity improvements

• UK organisations outperforming wider EMEA businesses in AI-driven operational efficiency gains

• Only 38% of UK organisations are prioritising AI upskilling opportunities, stalling the rollout of pilot AI projects

LONDON (UK) 28 Oct 2025 – A new IBM study reveals that 66% of UK enterprises are experiencing significant AI-driven productivity improvements, with 63% of senior leaders citing increased operational efficiency. However, nearly two-thirds (62%) of organisations are yet to tap into the full potential of AI, highlighting a critical need for a greater focus on workforce transformation and AI skills training.

The Race for ROI study—based on insights from 3,500 business leaders across EMEA, including 500 in the UK, spanning Banking, Public Sector, Retail, Telco, and Energy—reveals AI's growing role in boosting workforce productivity. UK senior leaders say AI and automation are freeing up time for high-impact work—such as driving innovation and new ideas (41%), engaging in creative work (41%), strategic decision-making and planning (39%), strengthening client and stakeholder relationships (35%), and advancing sustainability initiatives (35%). These findings underscore how AI is enhancing workforce capabilities and enabling a shift toward value-driven activities that accelerate growth.

Lack of investment in workforce development

While AI holds strong potential to boost productivity, 67% of the UK business leaders say internal resistance and cultural barriers are stalling the rollout of pilot AI projects. A key driver of this hesitation may be the lack of investment in workforce development: only 45% of UK enterprises currently offer company-wide or role-specific AI training. Even fewer—just 38%—are prioritising inclusive workforce transformation to ensure upskilling opportunities reach employees across all roles, ages, and levels of technical expertise.

To help close this gap and prepare the UK workforce for the AI jobs of the future, initiatives like the UK government's drive to deliver AI skills training to 7.5 million UK workers is a step in the right direction. Boosting technology skills across the economy is key to the UK maintaining its leadership position in AI.

Still, there are signs of productivity momentum. Over a quarter (27%) of UK senior leaders say their organisations are already seeing financial or cost-saving returns from AI-driven productivity initiatives, with another 34% expecting similar outcomes within the next year.

UK Consumer Expectations and the Demand for AI

As consumers increasingly expect seamless and intelligent experiences, businesses must invest in AI technologies and workforce development to stay ahead of the curve. A recent IBM survey of over 2000 UK consumers highlighted that 74% of respondents are comfortable with AI-powered assistants playing a role in their decision-making - ranging from offering personalised suggestions to making household financial selections on their behalf. This emerging behaviour presents potential opportunities for companies to use AI agents to power customer-led growth – if based on transparent and trusted technology.

The demand for AI-powered services is clear. Seventy nine percent of consumers surveyed said they trust interactive AI experiences like chatbots to deliver reliable results, while 72% reported enjoying their use. To meet this demand, businesses must prioritise convenience, speed, and security, as these are the key factors driving consumer adoption, with 40% citing convenience and speed, 37% prioritising robust data security and privacy, and 35% valuing 24/7 support. By investing in AI solutions and equipping their workforce with the necessary skills, businesses can build trust with their customers, drive growth and innovation, and establish a competitive edge in the market.

Overcoming Challenges and Barriers

While business leaders recognise the benefits, businesses also face challenges in quantifying ROI from AI adoption. According to the UK senior leaders who contributed to *The Race for ROI* study, high upfront investment costs which distort short-term ROI (37%), the difficulty in attributing business outcomes solely to AI efforts (35%) and lack of skills or expertise (31%) are the biggest challenges their organisations face when measuring the ROI of AI implementations. To address these barriers, businesses must ensure AI investments are tightly aligned with core objectives—focusing on cost efficiency, revenue growth, and enhanced customer experience.

Rising consumer trust and enjoyment of AI indicate new potential areas for business – from improving interactions with customers to internal productivity gains. Companies across industries, from retail and financial services to public sector and more, could benefit by embedding AI into core operations, evolving from single chatbots to managing multiple connected agents that work together to share information and handle complex, multi-step activities.

Leon Butler, Chief Executive, IBM UK and Ireland, said:

“UK businesses are clearly seeing the productivity benefits of AI, with two-thirds already reporting significant gains. But the real opportunity lies ahead—unlocking even greater value through workforce transformation and upskilling. By investing in AI skills training across all levels, organisations can not only outperform their peers but build a future-ready workforce that drives innovation and resilience.”

Sue Daley OBE, Director of Tech and Innovation at techUK, said:

“Adoption and use of AI within organisations of all size and sector presents both opportunities and challenge. While AI offers immense benefits, businesses can only realise its full potential when their workforce is equipped with the right knowledge."

“IBM’s Race for ROI study highlights the importance of skills in the face of this issue. To succeed in the long-term, businesses must make AI reskilling a key part of their employee development strategy. This will empower employees to embrace and leverage AI’s potential, unlocking its full value across the whole business."

To accelerate ROI from AI, the report recommends five priorities for enterprise leaders:

- **Establish an effective operating model for AI:** Establishing a common and universally understood approach for AI transformation across the organisation, such as a federated or hub-and-spoke model, along with clear ownership, is crucial for delivering return on investment.
- **Cultivate AI literacy and a culture of innovation, from the Board to entry-level:** In the coming years, AI tools will become increasingly embedded in every interaction. Knowledge of how and why to use these tools across teams and functions will help the organisation to adapt and thrive as AI capabilities and the opportunities they create continue to evolve.
- **Get comfortable with uncertainty and rapid change:** We are moving into a world of AI everywhere. AI tools will be embedded and procured into every interaction layer we have - whether it is the search engine we use, the device we interact with or the companies we engage with. Success in this era means developing a culture that embraces change and uncertainty, and enables rapid, purposeful innovation.
- **Understand the risks around AI deployment:** As with any technology, AI must be applied with caution and a detailed understanding of regulatory, reputational and operational risks. Enterprises should apply AI governance tooling to monitor and mitigate potential risks, such as unauthorised data sharing and unwanted bias.
- **Establish a cross company "AI Board" to mitigate risk:** The AI Board's role is to define ethical principles and risk appetite and review higher risk AI use cases before they are implemented. This, combined with increased AI literacy, will give business units a high level of autonomy to implement AI use cases with confidence.

To discover more about how AI is helping unlock opportunities for growth and innovation across EMEA, including across major industry sectors, download the 'The Race for ROI" report here: The Race for ROI: How AI is transforming enterprise productivity in EMEA

Methodology

The Race for ROI: The study surveyed 3,500 business leaders aged 25 and over from organisations currently using AI tools across multiple countries, including 500 from the UK. The research was conducted by Censuswide, 8 - 12 September 2025.

Consumer AI Study: The study surveyed 2,257 UK and Ireland consumers aged 18+ that are aware when they are interacting with AI. The research was conducted by Censuswide, 9 - 11 September 2025.

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