Navigating uncertainty: Boardroom insights on agile AI governance

Deloitte.

Foreword

Few forces have the power to shape the business world as profoundly as artificial intelligence (AI). For board members, the challenge is to keep pace while providing informed, agile, and steady oversight in an environment defined by change. Yet even in times of disruption, core board oversight principles such as open dialogue, critical inquiry, and sound judgment remain paramount. They are the guideposts for navigating emerging opportunities and risks—and for truly governing at scale.

These principles are vital as boards balance responsibilities across the dual imperatives of overseeing current operations and scanning the landscape for possibilities and complexities that may be over the horizon. No board member can claim to have all the answers. But every board member can commit to consistently and thoughtfully asking the consequential questions.

As you'll see in this report: one size does not fit all. Each organization will need to define and chart its own path for success, shaped by its distinct values, capabilities, and strategic ambitions. While compliance remains essential, it is not enough. Board oversight of AI should extend beyond monitoring and compliance; it should evaluate AI as a transformative force—one that could unlock new opportunities, reinvent business models, or demand new approaches to organizational priorities.

As we navigate uncertainties and complexities in our business world and beyond, it's critical boards remain grounded in the organization's purpose, the brand it aspires to build, and how AI may shape that vision. With this at the forefront, boards are uniquely positioned to guide strategic direction, challenge assumptions, and bring outside perspectives to safeguard the organization while preparing for what's next.

This report provides tangible guidance for AI governance based on candid insights from nine seasoned board members across a range of industries. We trust these perspectives will empower meaningful dialogue in your boardrooms and with your management teams—dialogue that will guide your organizations forward.

Lara Abrash
Chair
Deloitte US

*"**Board conversation needs to change.** I think we spend far too much time looking in the rearview mirror about [what has] happened in the past and not enough time talking about where we are headed."*

— Director C

Deloitte recently conducted a series of in-depth interviews with nine experienced board members who, collectively, **serve on more than 25 boards across a wide range of industries.**[1] Building upon key considerations outlined in the AI Governance Roadmap, we have summarized their firsthand perspectives into actionable guidance to bring back to your own boardrooms.

[1] SEE METHODOLOGY

One size does not fit *all*

In today's highly digital world, there's a popular saying that "every company is a tech company." And while that statement is undeniably catchy, the reality is more nuanced. While it's true that most companies across industries will need to adapt to the technology-driven world in some way, there remains a distinct difference between using technology as a tool and making it the core of an organization's business model.

Similarly, not every company is an AI company. Yes, one way or another, every company will likely be significantly affected by AI in the future, and in many cases, the future is *now*. However, along the continuum of companies—from those where AI is at the core of their business strategy to those where AI is a tool for strategy—the board's approach to their roles and responsibilities related to AI may vary. There's no ready-made playbook for navigating this complex landscape. For boards, the challenge lies in advising management as they chart a unique path shaped by the distinct business priorities, brand values, and broader environment in which the company operates.

One director, who currently serves on four separate boards, noted that the adoption of AI can vary widely by industry. *"My consumer services company, they totally get it. They're utilizing [AI] because we've got call centers [etc.] ... Manufacturing companies ... they're not quite there yet and they don't need to be there as quickly as others ... But it's starting to come into the conversation." — Director C*

Read on for actionable insights to help you navigate the complexities and opportunities of AI—no matter the company or industry you're serving.

Assessing the *current* state of AI in the organization

Board's role:

Stay informed amid a rapidly evolving landscape. Understand the company's current AI maturity.

What we heard:

- **Stay alert to AI's accelerating impact:** Incorporate agile, flexible oversight practices that can enable the organization to adapt as the technology quickly evolves.
- **Anticipate transformation:** Leverage lessons from past technology shifts and engage early to evaluate potential disruption and opportunity that AI may bring to the organization's existing business models.
- **Cultivate balanced oversight:** Regularly examine whether the board's approach to AI oversight appropriately weighs both the risks of underestimating and overhyping AI.
- **Harness the outside-in view:** Draw on the board's cross-sector and external experience to help the organization identify emerging industry trends or evolving stakeholder expectations.

> *"[AI is] going faster than you think. That doesn't mean we're making money with it. It doesn't mean it's going to be the solution or salvation or the disaster of all problems, but it's happening very, very fast. That's the part people have to get their head around."* — *Director A*

Want more insights?
Read exactly what board members had to say about the current state of AI →

Board's role:

Evaluate the integration of the company's AI approach to its broader corporate strategy. Oversee strategy execution and help management identify when and how the strategy may need to be adapted in response to AI risks and opportunities.

What we heard:

- **Anchor strategy discussions in long-term vision:** Evaluate AI strategy as part of broader business strategy beyond the immediate horizon, considering how technology will impact the organization over decades—not just years.
- **Embrace a growth narrative:** Consider broadening the board's dialogue from efficiency and cost reduction to opportunities for revenue growth, product innovation, and enhanced customer experience.
- **Contextualize AI within wider industry trends:** Weigh AI opportunities and risks alongside influences like demographic shifts, workforce changes, and other macro trends to guide strategy with a broader, multi-factor landscape.
- **Balance investment decisions:** Assess whether capital allocation is in alignment with the organization's innovation agenda and evolving strategic priorities.
- **Benchmark maturity and competitive position:** Proactively compare progress against other organizations to guide both operational improvements and strategic opportunities.

> *"[Board strategy is] about making sure that your AI decisions, and the risk you're taking with them, are tied to your business strategy—not just shiny object technology discussions." — Director H*

Want more insights?
Read exactly what board members had to say about strategy

Risk

Board's role:

Understand and oversee the risks AI poses (strategic, functional, and external) to the company's overall strategy. Consider these risks within the organization's enterprise risk program, and monitor how AI can impact existing enterprise risks.

What we heard:

- **Balance risks of action and inaction:** Engage in proactive oversight to capture opportunities and manage exposures by weighing the risks associated with AI deployment against the risks of falling behind.
- **Align AI risk management with strategy and ethics:** Understand how AI risks fit within the organization's broader risk appetite and ethical standards to help ensure governance keeps pace while allowing for exploration and learning.
- **Explore the value of external evaluation:** Consider if periodic external assessments of AI practices could provide an objective perspective to help the organization monitor regulatory and public expectations.
- **Prioritize information protection:** Establish clear guidelines to safeguard proprietary data, algorithms, and digital assets.
- **Weigh AI's potential with current limitations:** Maintain cautious oversight of AI's promise alongside its constraints and risks—including the potential for reputational harm—especially for complex tasks where accuracy and reliability vary.

> *"If you use AI, there are risks, and if you don't use AI, there are risks. ... A board's role is more important now than ever before, especially because there is so much happening on the technology front." — Director G*

Want more insights?
Read exactly what board members had to say about risk

Governance: Board governance structure

Board's role:

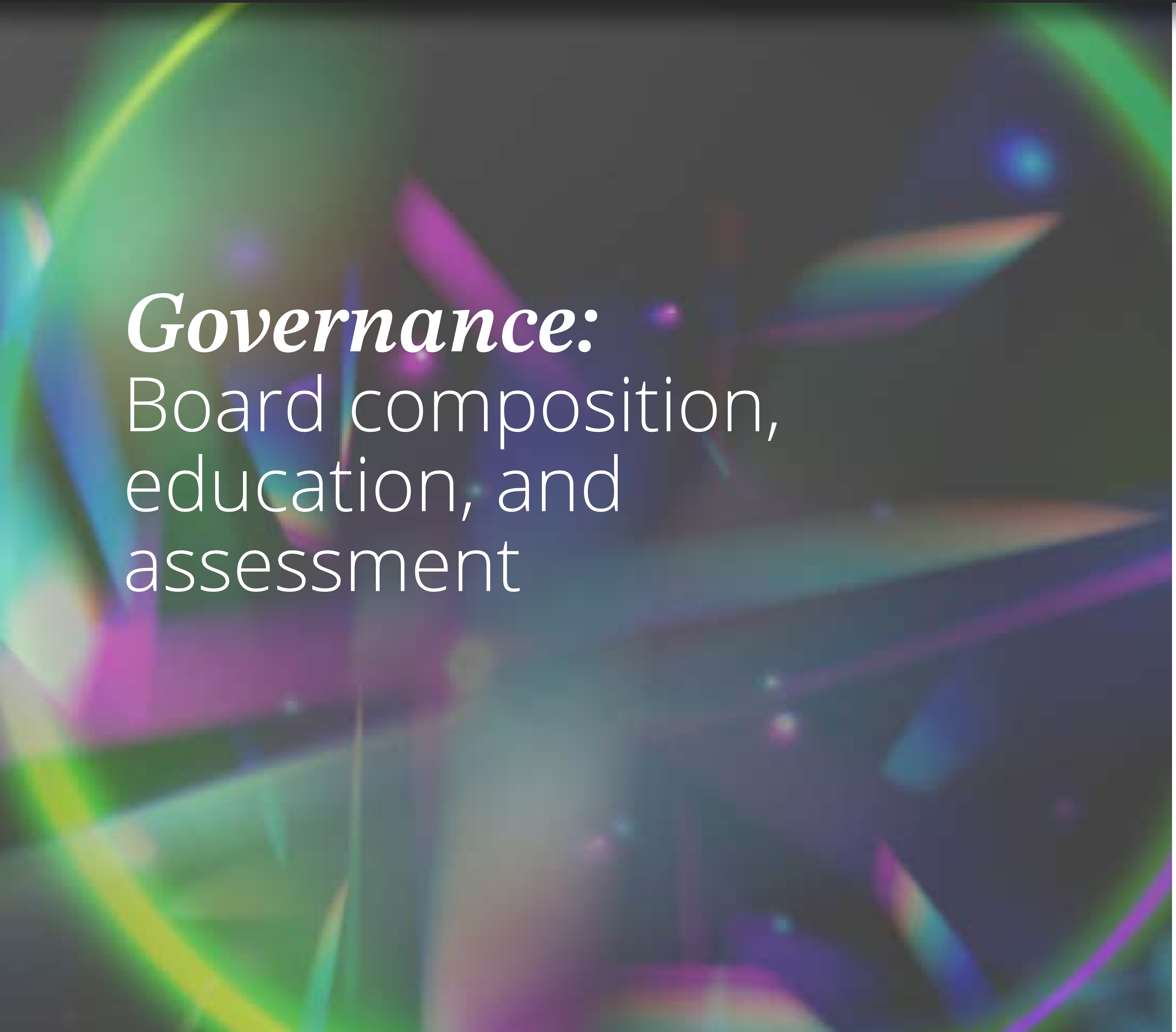
Understand the significance of AI for the organization—now and into the future. Define ownership of AI oversight at the board (e.g., the full board, an existing committee, a new committee, or a subcommittee).

What we heard:

- **Evaluate AI's role and relevance on the board agenda:** Regularly assess how AI topics are prioritized and embedded in board discussions to help ensure the agenda reflects the organization's evolving strategy and direction as well as industry trends.
- **Tailor structure to organizational needs and maturity:** Evaluate whether AI governance belongs at the full board level, within a specific committee, or some hybrid, given AI's level of significance and integration within the organization.
- **Balance risk, compliance, and strategic value:** Reflect on whether existing governance structures adequately capture both risk and compliance aspects (e.g., data use, security, ethics) and strategic opportunities (e.g., innovation, market leadership).
- **Integrate AI into broader transformation governance:** Consider how to structure AI oversight in alignment with the organization's overall digital and technology transformation to avoid siloed governance.

> *"For a technology company, [AI] comes up in every board meeting. You're in the business—there's just no way to not talk about it. ... The problem is boards have to deal with a lot of things ... It's not the only thing that's going on." — Director A*

Want more insights?
Read exactly what board members had to say about board governance structure



Governance: Board composition, education, and assessment

Board's role:

Stay informed on AI developments relevant to the industry and the company specifically. Consider the best means of providing the board access to expertise depending on the company's needs.

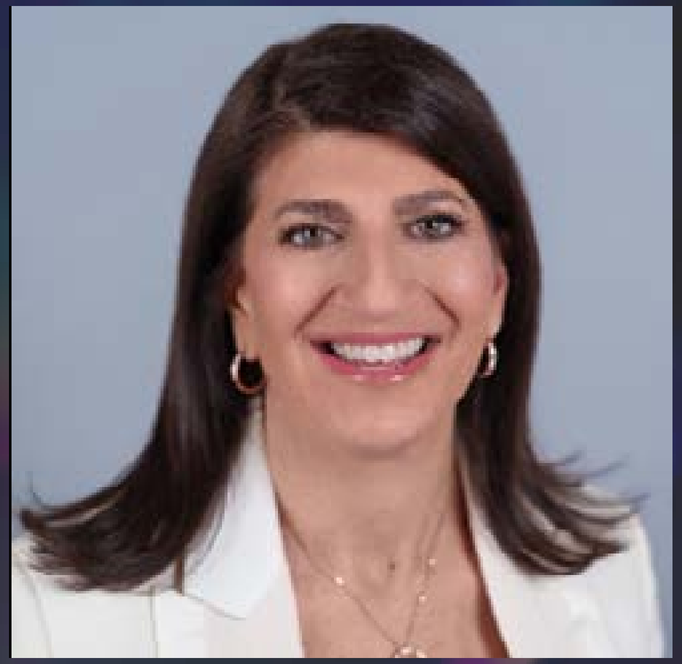
What we heard:

- **Identify proactive voices:** Consider whether there are board members who feel equipped to discuss AI, and if not, explore how to bring outside perspectives to enrich conversation.
- **Invest in continuous, multifaceted board education:** Evaluate a mix of learning strategies such as ongoing education sessions, expert briefings, self-study courses, or immersive experiences.
- **Thoughtfully assess board composition and skills:** Reflect on your organization's strategy and maturity to determine the best means to broaden the board's overall skills matrix, as needed.
- **Foster a culture of shared ownership and ongoing dialogue:** Encourage board members to actively share insights, take personal responsibility for staying current, and make AI an ongoing conversation—not just a quarterly agenda item.

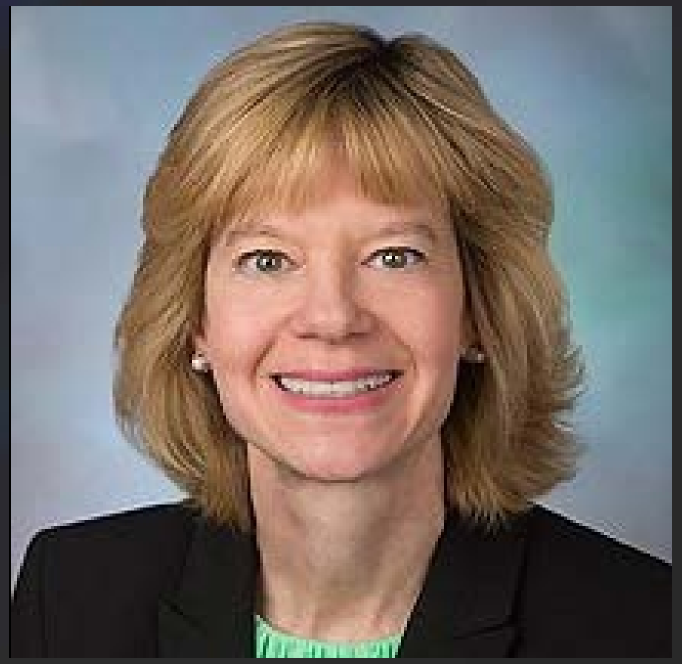
"I think how [AI] is being managed really depends on the voices in the room and who is pushing it or whether there's anyone pushing it."
— Director C

Want more insights?
Read exactly what board members had to say about board composition, education, and assessment

Continue the *conversation*

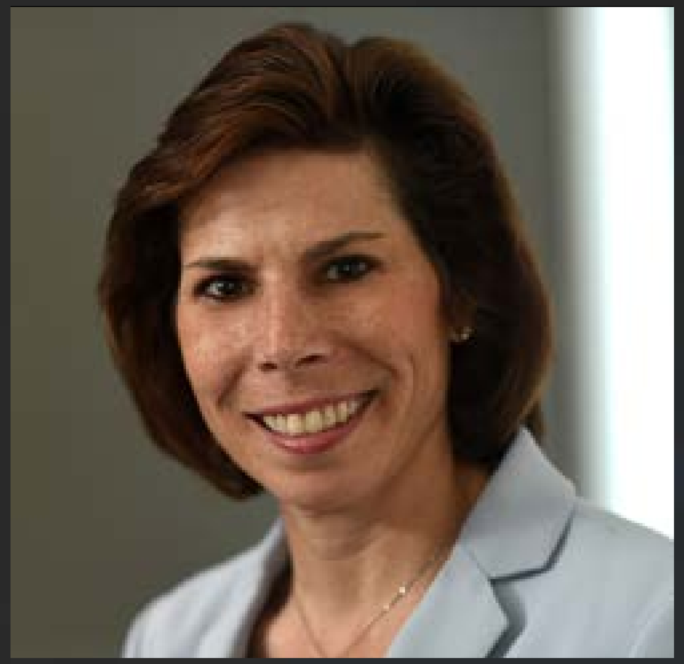


Lara Abrash
Chair
Deloitte US
labrash@deloitte.com

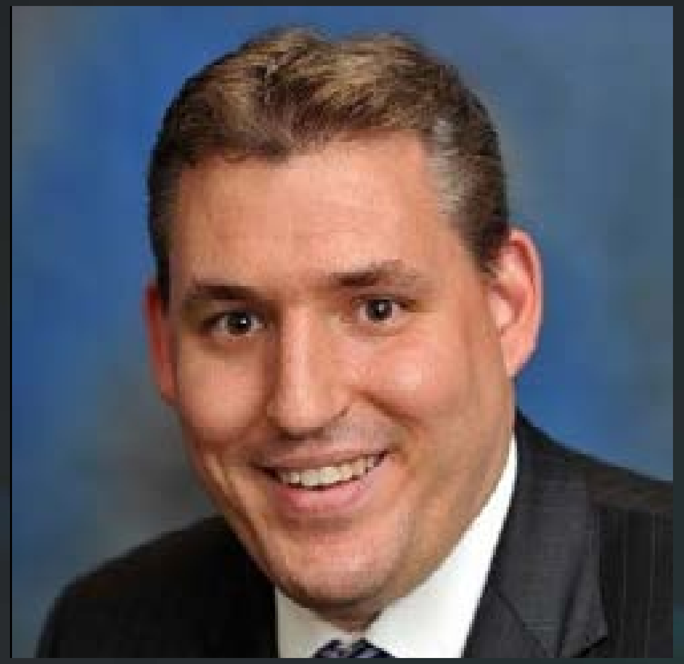


Christine Davine
Managing Partner
Center for Board Effectiveness
Deloitte & Touche LLP
cdavine@deloitte.com

Beena Ammanath
Executive Director
Deloitte Global AI Institute
bammanath@deloitte.com



Maureen Bujno
Managing Director
Audit & Assurance Governance Services Leader
Center for Board Effectiveness
Deloitte & Touche LLP
mbujno@deloitte.com



Brian Cassidy
Partner
US Audit & Assurance Trustworthy AI Leader
Deloitte & Touche LLP
bcassidy@deloitte.com

Take a deeper look at what leading board members had to *say*

"I've been around for a while. ***I've not seen anything that's moving quite as fast as this is.*** *And sometimes I think it feels fast because I'm old. No, it's fast. … you almost can't be as up to date as you want to be about it. So, the cadence of talking about [AI] is time well spent, however often it is.* ***Boards have to be comfortable that they're not putting something else important off just to discuss the latest AI developments for the fun of it.****"* — Director F

*"****The move from the introduction of the iPhone to the full integration of it in all businesses and society probably took about 2–3 years. … The people who figured out that mobile data consumption was a [valuable] thing had a huge competitive advantage*** *… That happened really, really, really fast. It's just now it's so embedded that we forget about it."* — Director B

"We tend to think literally, not either logarithmically or asymptotically. Our brains don't work that way. ***So, it's hard for us to comprehend why [AI] is such an important shift.****"* — Director A

*"****Board members provide the outside view.*** *Sometimes I talk to the CEOs I work with or the management team, and they're just so focused on the day-to-day. [They are] very busy with the executional and operational pieces and* ***sometimes might not step back and realize there's a big change [happening] or a different set of customer expectations****. … I think it is absolutely helpful for a board to be able to influence these types of conversations because they bring so many insights and experiences from other boards, other companies, or their own experiences."* — Director G

"[AI is] going faster than you think. That doesn't mean we're making money with it. ***It doesn't mean it's going to be the solution or salvation or the disaster of all problems, but it's happening very, very fast.*** *That's the part people have to get their head around."* — Director A

Take a deeper look at what leading board members had to *say*

"[Board strategy is] about making sure that your AI decisions, and the risk you're taking with them, are tied to your business strategy—not just shiny object technology discussions. … You have a strategy as a company; think about how you can use [AI] to accomplish that strategy. ***It should be about asking, 'How does [AI] advance our strategy?' as opposed to showing up to the boardroom and saying, 'AI! What are we doing with it?'"*** — Director H

"I think it's very important when you're thinking about AI specifically to ***contextualize it in [a] larger environment, so you're not thinking about the pace, promise, or risks of AI—or the uncertainty around what AI can and cannot do—in a vacuum****. Instead, you should think about it in a matrix of other trends … It really helps you contextualize the risk-rewards of a technology like AI and why you might want to lean into it a bit more in a particular industry."* — Director H

"There's a lot of questions that companies are looking for the board to answer ***… What strategic changes do we need to make now to ensure we are not just responding to AI disruption, but that we're leading AI disruption?*** *How are we balancing AI investments against defending our current position? Does our AI investment portfolio match our risk tolerance, our innovation goals, and our strategic priorities?"* — Director E

"The [AI] conversation hasn't advanced to strategic positioning. I think it's still more around the operational and performance dialogue. … ***It's high on the performance slice of the pie and low on the strategy slice of the pie.****"* — Director I

*"****Competitive benchmarking is important.*** *When you think about [AI] maturity, the expectation should be that companies are* ***pretty far down the line*** *on thinking about how the technology can make their internal* ***operations more effective and efficient.*** *… The other side of the equation, of course, is* ***how do you use [AI] to build the business and drive revenues and customer relationships****."* — Director B

*"****This is not about a five-year plan; this is about a 20-year plan. … What does this company or industry look like down the road?*** *I don't think enough companies have conversations around that. … And I think that part of it is, especially when you're a public company, you have to balance what currently brings you EBITDA … with what the future looks like. … Legacy companies very seldomly disrupt themselves, which is why disruption most often happens from the outside, because the outside doesn't worry about track record."* — Director C

Take a deeper look at what leading board members had to *say*

*"**There's definitely risk with inaction.** And so, that's why you [want to] be costly on the competitive intelligence front, trying to **understand with your direct competitors, with people in your ecosystem—what are they doing?** ... You want to try to get a feel for what's the minimum I really need to be focused on, which is what your direct competitors are doing, and what are the possibilities if I choose to be an innovator or fast follower, given what people on the frontier are doing."* — Director B

*"**If you use AI, there are risks, and if you don't use AI, there are risks.** ... A board's role is more important now than ever before, especially because there is so much happening on the technology front."* — Director G

*"**I believe just as we've moved towards external reviews on cyber, and just like we have external auditors, I believe we're going to move to external reviews on AI.** Because if you have a framework, **how are you going to assess if you're meeting the framework**, particularly if you're going to attest to it in public statements?"* — Director D

*"**None of these large language models are accurate on complex problems.** If you want to write a limerick for your kid's high school graduation, they're brilliant. But if you're going to solve an important problem where the source data and answers [require significant integration], you can't rely on them today. ... [In industries like] aerospace and defense, there are big moral questions about unguided systems where you take the human beings out. Companies are going to have to feel awfully **confident that these things are working incredibly accurately before they let it issue order-to-cash and never touch a human being**."* — Director A

*"**The first thing that comes to mind [with AI risks] is protecting your digital assets, your IP, and your information.** How do we contain our IP around the algorithms, particularly when we're ... leveraging models from other places? And how do we protect the data associated with driving these algorithms? On one of my boards, we're actively trying to figure out how to put some fence posts around our data and keep it in-house so we don't lose our IP."* — Director I

*"AI might be a new technology or tool, but it's not like we haven't dealt with new tools and risks before. ... The starting point is to **understand the degree of risk, how it fits with your existing risks and risk appetite, and where you can do some experimentation and learn ... [without] risking the enterprise**."* — Director F

Take a deeper look at what leading board members had to *say*

"For a technology company, [AI] comes up in every board meeting. You're in the business—there's just no way to not talk about it. ... The problem is boards have to deal with a lot of things. ... It's not the only thing that's going on. Some of [my boards] are setting up ***separate AI subcommittees*** *[as a way] to make sure the management team* ***doesn't let the urgent overwhelm the important.****" — Director A*

*"****AI is a listed risk for us and in our tech committee charter.*** *... We don't necessarily have a subcommittee on AI per se, because quite frankly, I think a lot of our organizations are in this place where it's moving too fast.* ***It needs to be almost a board-level conversation on a regular basis.****" — Director F*

"I could see [topics like attestation and risk mitigation] moving to a technology and cyber subcommittee and rolling up to the audit and risk committee. ... But you're not moving AI strategy. ***I think AI strategy stays with the entire board.****" — Director D*

*"****I think if [the audit committee] is the only place it ever resides, we're missing out on a huge part of what AI can do.*** *... I think audit committees spend* ***a lot of time talking about what can go wrong and not enough time talking about what happens if things don't go right****. So, it's a flip side of the risk conversation, which is if we don't utilize AI, what are we missing out on? ... I think that [discussion] rarely happens in an audit committee environment." — Director C*

"With some of my boards, AI is a big part of what the company is doing or looking at, but it also fits into a broader digital strategy for the company. So, ***maybe AI is a specific topic, but it's part of a broader technology or digital transformation*** *topic. That's something the* ***full board and audit*** *committee look at* ***pretty frequently****." — Director G*

Take a deeper look at what leading board members had to *say*

"I've found that ***[AI governance] does vary quite a bit by industry. I've been pushing quite a bit to figure out how to get AI into the conversation in each particular industry*** ... I think how [AI] is being managed ***really depends on the voices in the room and who is pushing it or whether there's anyone pushing it***." — Director C

"***I could see an expansion of the [board member] skills matrix and changes in board composition*** as a result [of AI]. But not dramatic. I think some boards will realize they need a deep [technical AI] visionary because that's what they do. Other boards might say 'We don't need a deep visionary, we need someone who knows how to commercialize this.' ... ***There will be different approaches depending on the enterprise***." — Director D

"The education burden for boards is high, as is the need to keep your board current with your strategy. ***Just like you would make sure your team and brand match your strategy and that everything is in [alignment], you need to be sure your board is too. That doesn't [necessarily] mean you have to replace your board;*** it means you have to get your board educated. That might require asking more of your board and increasing your education budget to get the board up to speed. It might mean adding some additional board members. ***But you don't want to add someone who is a one-trick pony.*** You want to add a well-rounded board member who brings a lot more than just AI." — Director H

"An important part of [integrating AI strategy] is to start with a good foundation of education for board members. ***I don't think it's a one-and-done [task] because this is such a fast-moving and changing topic.*** ... As an example, our board has had multiple experts come in and speak, providing us with 'AI 101' in the early days, then '201' and '301' as we advanced." — Director F

"I think ***AI needs to be an ongoing conversation***. Even though I meet with my boards once a quarter, my good boards constantly send information out. ***We also share information on other things we've come across*** and say, 'Hey, I just read this; we need to think about how this impacts our meetings.'" — Director C

"***I created something I call an 'AI moment.' I want every board member to come in and have some learning they want to share with the rest of the board*** every time we meet. Because I don't want the board members sitting there pointing at the management team and saying, 'You all know everything.' ... I want the board members to start owning it a lot more." — Director E

Deloitte.

About the Center for Board Effectiveness

Deloitte's Center for Board Effectiveness helps directors deliver value to the organizations they serve through a portfolio of high-quality, innovative experiences throughout their tenures as board members. Whether individuals aspire to board participation or have extensive board experience, the Center's programs enable them to contribute effectively and provide focus in the areas of governance and audit, strategy, risk, innovation, compensation, and succession.

Methodology BACK TO INTRO

From June through August 2025, Deloitte interviewed nine board members, of which 78% serve as board chairs or committee chairs. Collectively, they serve on more than 25 company boards. Primary industries represented include technology, media, and telecommunications (35%); consumer (23%); energy and industrials (19%); financial services (15%); and life sciences and health care (8%). Most organizations (73%) are publicly traded while 27% are privately owned. Organizations served by interviewees vary in size, with annual revenues ranging from less than $100 million to more than $100 billion reported in their last fiscal year.