# UK firms push digital transformation despite skills and infrastructure gaps



British businesses are pressing ahead with digital transformation despite economic headwinds and a tightening labour market, with technology and artificial intelligence at the heart of their strategies.

CGI’s 2025 *Voice of Our Clients* survey, based on interviews with 157 UK executives among 1,800 globally, found nearly three-quarters of UK leaders view technology as the primary driver of industry change. The study highlights a strong shift from planning to implementation, with organisations modernising legacy IT and embedding AI to build resilience and growth.

Concerns about political, fiscal and regulatory pressures remain, but UK leaders are relatively more confident than their global peers: 60 per cent report feeling pressure from these factors, compared with 67 per cent worldwide.

The biggest obstacle is ageing infrastructure, cited by 63 per cent of UK executives versus 46 per cent globally. Talent shortages compound the problem, with 76 per cent struggling to recruit and retain IT professionals, rising to 86 per cent in the public sector. Even so, two-thirds of organisations plan to maintain or increase IT investment in 2026.

“AI is no longer theoretical. It’s moving into production, and fast. The winners will be those who modernise their foundations now to scale adoption safely and effectively,” said Tara McGeehan, President of CGI UK and Australia. She added that emerging fields such as quantum and neuromorphic computing will demand vigilance and experimentation.

UK firms lag behind global peers in AI rollout. Only 21 per cent have deployed traditional AI compared with 35 per cent worldwide, while generative AI adoption stands at 21 per cent against 26 per cent globally. A Microsoft survey found more than half of UK executives say their organisations lack an official AI plan, leaving some “stuck in neutral” despite productivity benefits.

Still, urgency is mounting. EY research shows 74 per cent of UK CEOs feel compelled to adopt generative AI immediately, though 68 per cent admit uncertainty about how to proceed. Sector studies reveal faster uptake in areas such as communications and media, where 66 per cent of executives report using generative AI in operations.

Confidence in AI leadership is shifting. An Akkodis survey shows the share of CEOs “very confident” in their AI strategies has fallen from 82 per cent in 2024 to 49 per cent in 2025, citing scalability concerns. By contrast, HR and operations leaders express growing confidence, suggesting they may prove pivotal to sustaining progress.

UK firms are also leaning heavily on managed services and cloud migration, with 20 per cent relying on fully managed IT for applications compared with 15 per cent globally. This reliance reflects a drive to overcome legacy barriers and unlock AI’s full potential.

The research portrays a business community committed to technological reinvention, balancing eagerness with caution. While infrastructure and skills gaps remain, UK organisations’ relative confidence and investment point to a promising path toward responsible AI adoption and long-term competitiveness.

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## Bibliography

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2. <https://www.cgi.com/uk/en-gb/communications-media/voice-of-our-clients> - CGI's 2025 Voice of Our Clients report for the communications and media sector highlights that 81% of executives view technology and digital acceleration as impactful macro trends. The report also notes that 78% of these executives face challenges in hiring IT talent, leading to efforts in retention, offshore hiring, and global hub expansion. Additionally, 66% are applying generative AI to enhance production and operations, and 27% plan to invest in digital customer experience through automation over the next three years. ([cgi.com](https://www.cgi.com/uk/en-gb/communications-media/voice-of-our-clients?utm_source=openai))
3. <https://www.computing.co.uk/news/2025/ai/executives-losing-faith-in-ai> - A global survey by consultancy Akkodis reveals a significant decline in confidence among C-suite leaders regarding corporate AI strategies. The proportion of CEOs who describe themselves as 'very confident' in their AI implementation strategies plummeted from 82% in 2024 to just 49% in 2025. This decline is attributed to delays, disappointing outcomes, and concerns around scalability. However, Chief Human Resource Officers (CHROs) and Chief Operating Officers (COOs) have grown more optimistic, with confidence levels rising from 53% to 63% for HR leaders and 54% to 58% for COOs over the same period. ([computing.co.uk](https://www.computing.co.uk/news/2025/ai/executives-losing-faith-in-ai?utm_source=openai))
4. <https://www.ey.com/en_uk/newsroom/2023/11/uk-ceos-are-ramping-up-investment-in-ai-technology> - EY's latest CEO Outlook Pulse survey indicates that 74% of UK CEOs believe their organisation must act now on generative AI (GenAI) to avoid giving competitors a strategic advantage. Despite this urgency, 68% of CEOs report that uncertainty around GenAI is creating challenges for adoption. The survey also highlights that 98% of respondents plan to pursue a strategic transaction in the next 12 months, reflecting a proactive approach to leveraging AI for business growth. ([ey.com](https://www.ey.com/en_uk/newsroom/2023/11/uk-ceos-are-ramping-up-investment-in-ai-technology?utm_source=openai))
5. <https://www.theguardian.com/technology/2025/mar/05/uk-firms-ai-microsoft-uk-boss> - A Microsoft survey of nearly 1,500 UK senior leaders across public and private sectors found that more than half of executives feel their organisation has no official AI plan. Roughly the same proportion report a growing gap in productivity between employees who use AI and those who do not. Darren Hardman, Microsoft's UK chief executive, noted that some organisations appear to be 'stuck in neutral,' caught in the experimentation phase rather than deploying AI effectively. ([theguardian.com](https://www.theguardian.com/technology/2025/mar/05/uk-firms-ai-microsoft-uk-boss?utm_source=openai))
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7. <https://www.theguardian.com/technology/2025/mar/05/uk-firms-ai-microsoft-uk-boss> - A Microsoft survey of nearly 1,500 UK senior leaders across public and private sectors found that more than half of executives feel their organisation has no official AI plan. Roughly the same proportion report a growing gap in productivity between employees who use AI and those who do not. Darren Hardman, Microsoft's UK chief executive, noted that some organisations appear to be 'stuck in neutral,' caught in the experimentation phase rather than deploying AI effectively. ([theguardian.com](https://www.theguardian.com/technology/2025/mar/05/uk-firms-ai-microsoft-uk-boss?utm_source=openai))