



— EXECUTIVE BRIEFING DOCUMENT

# The AI Strategy Gap: Why Most Companies Stall at Pilot Stage

May 2026

## - EXECUTIVE SUMMARY

# Executive Summary

**Artificial intelligence is now a board-level priority.**

Most organizations are actively investing in AI through pilots, tools, and experimentation. Yet despite this activity, very few are successfully scaling AI into measurable business outcomes.

- The issue is not technology.
- The issue is alignment.

Across mid-market organizations, AI initiatives stall because leadership teams are not aligned on:

- what AI is expected to achieve
- where value will be created
- who owns outcomes
- how risk will be managed

**This creates a critical gap between "doing AI" and "scaling AI."**

**The Result**

- fragmented investments
- rising costs without return
- increased operational and regulatory risk
- missed competitive opportunities

AI success requires a shift.

Executives must move from viewing AI as a set of experiments to treating it as a business operating model transformation.

**This briefing outlines:**

- where AI strategies fail
- why execution breaks down
- what leadership must do differently
- the first 90 days required to move forward

SECTION 1

# The Illusion of AI Progress

Most organizations believe they are making progress in AI.

**They point to:**

- pilot programs
- new tools and platforms
- early use case success
- growing internal interest

However, these signals often create a false sense of advancement. Activity is not the same as progress.

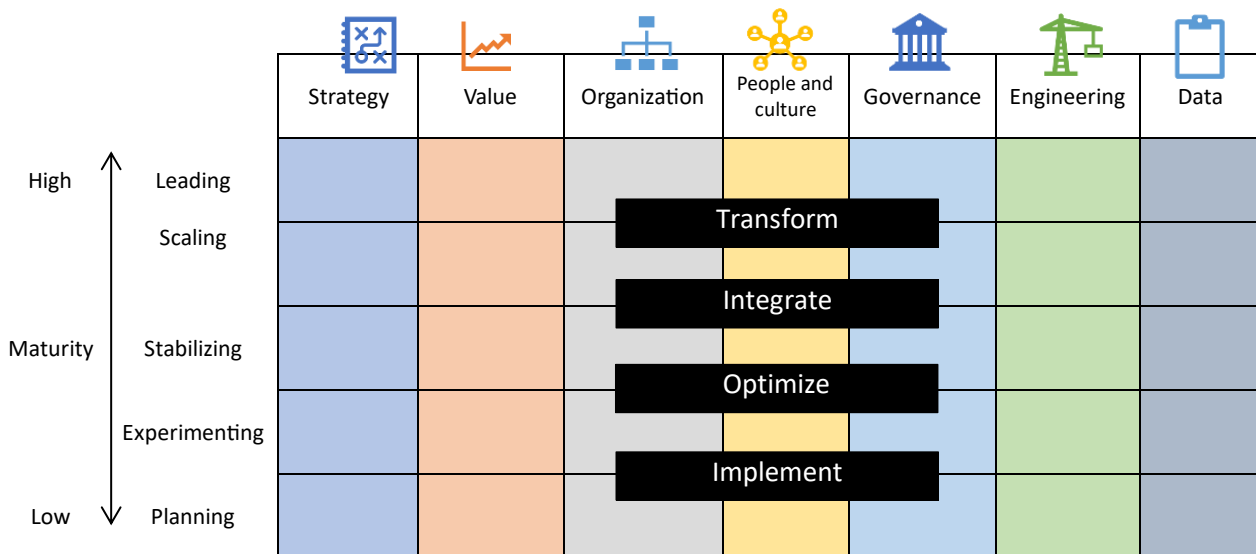
Across organizations, AI initiatives consistently stall at the same point: between experimentation and operational scale.

What appears to be momentum is often fragmentation.

- Different departments pursue AI independently.
- Use cases are not prioritized against business value.
- Investments are made without a shared strategy.

Without alignment, AI becomes a collection of isolated efforts rather than a coordinated transformation.

**The Seven Elements of AI Maturity**



Most organizations remain here despite ongoing investment

## SECTION 2

# The Leadership Alignment Gap

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The primary barrier to AI success is not technical capability.

**It is leadership alignment.**

Most executive teams believe they are aligned on AI. In reality, alignment breaks down across critical areas:

- Strategy is not clearly defined or shared
- Value is not consistently measured
- Ownership is not assigned across functions
- Governance is incomplete or reactive

<b>Leadership believes:</b>	"We are investing in AI."
<b>The organization experiences:</b>	"We are not aligned on how AI creates value."

This gap introduces friction into every decision:

- which use cases to prioritize
- how much to invest
- who is accountable
- how risk is managed

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**"Without alignment, scaling AI is not possible."**

## SECTION 3

# Where AI Strategies Break Down

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AI success depends on alignment across seven critical elements:

- Strategy
- Value
- Organization
- People and Culture
- Governance
- Engineering
- Data

Most organizations are only aligned in a subset of these areas.

**For example:**

- Strategy may exist, but governance is undefined
- Use cases may be identified, but value is unclear
- Data investments may be underway, but ownership is fragmented

These gaps compound quickly.

- AI initiatives begin to compete with each other.
- Resources are spread thin.
- Decision-making slows.

What begins as innovation becomes inefficiency.

## SECTION 4

# The AI Strategy Test

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A simple test reveals whether an organization truly has an AI strategy.

**Can leadership clearly answer the following:**

- What business outcomes will AI drive?
- Where will value be created first?
- Who owns results across the organization?
- How will risk and compliance be managed?

**If these answers are unclear or inconsistent, the organization does not have a strategy. It has activity.**

The purpose of an AI strategy is not documentation.

**It is alignment.**

As emphasized in Gartner's approach, the one-page strategy is intended to **guide decisions, foster alignment, and drive measurable progress**, not serve as a detailed execution plan.

# AI Strategy Title

Vision summary

## Value

Summary		Notes
<ul style="list-style-type: none"> <li>• Cut costs</li> <li>• Grow Revenue</li> <li>• Optimize</li> <li>• Reduce Risk</li> </ul>	<ul style="list-style-type: none"> <li>• Transform</li> <li>• Other</li> <li>• Other</li> <li>• Other</li> </ul>	Note priority and intended additions

## People and Culture

Summary	Notes
Empowerment Augmentation Embedding Automation	Where to start and where to evolve Which approach for which departments

## Governance

Summary	Notes
Quick Matters Most: All Triage Risk-Averse: Check Everything Edge Ownership: Delegate Much Innovate!	Who will own negative outcomes / address mistakes? Regional, departmental variations Internal/external view RACI stringency

Summary	Notes
Deeply Structured Implementation Priority Order Taker Unmanaged (for now)	Does the charter enforce or coax good behavior? Assigned AI Leadership roles (e.g. CAIO, CIO, CTO, CDAO, new role) Regions, departments Indicate where budget authority resides Intended evolution direction

## Engineering

Summary 1	Summary 2
<p><b>Buy-preferred:</b> AI that comes embedded or off-the-shelf</p> <p><b>Blend-preferred:</b> public models plus secure "wrappers" and interfaces</p> <p><b>Build-first:</b> We build bespoke models from scratch when we can to meet specific needs, security or compliance</p>	<p>We invest in skills for all AI development as it core, product, and we are AI-first</p> <p>We outsource for low-value projects retain high value</p> <p>We outsource for high value projects and retain low value</p> <p>We outsource for skills entirely</p>

## Data

Summary	Notes
Wait-and-See Ad Hoc Super caution AI-Centric	Describe investments in data availability Indicate future direction in data accessibility Describe intended data governance policy evolution

## SECTION 5

# Where Execution Breaks Down

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Many organizations move too quickly into execution.

**They prioritize:**

- launching pilots
- selecting vendors
- experimenting with tools

**While skipping foundational steps:**

- defining vision
- assessing maturity
- aligning leadership

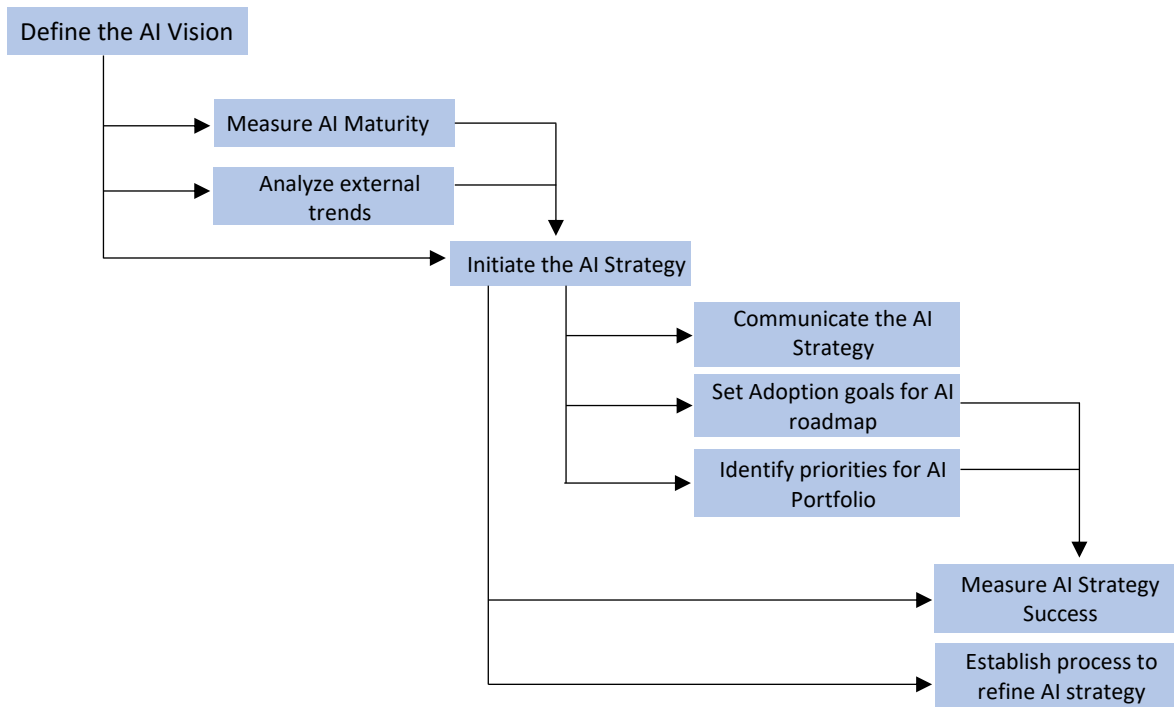
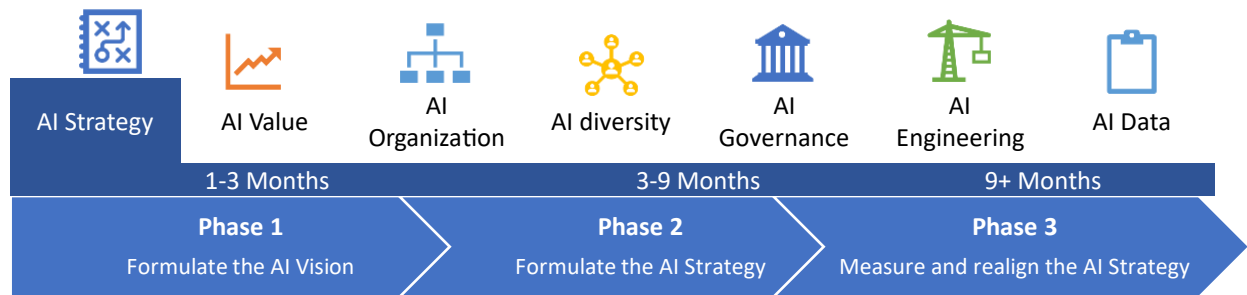
This creates immediate momentum. But it introduces long-term instability.

- AI initiatives lack direction.
- Value is not clearly defined.
- Governance is reactive rather than proactive.

Over time, this leads to stalled initiatives and abandoned investments.

## AI STRATEGY ROADMAP

# AI Strategy Roadmap



Where most organizations begin prematurely

## SECTION 6

# What Effective Execution Looks Like

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AI success is not achieved through speed.

**It is achieved through sequencing.**

**Effective organizations follow a structured progression:**

- Define AI vision
- Assess current maturity
- Prioritize high-value opportunities
- Establish governance and ownership
- Scale execution and measurement

**The roadmap is not optional. It ensures that each capability is built in the correct order.**

Gartner's roadmap reinforces that AI strategy, value realization, governance, and organizational readiness must evolve together over time.

## SECTION 7

# The Business Impact of Misaligned AI

When AI is not aligned, the impact extends beyond IT.

**Financial Impact**

- Investments fail to generate return
- Costs increase due to duplication and inefficiency

**Risk Exposure**

- Governance gaps increase regulatory and legal risk
- Security and compliance issues emerge

**Operational Impact**

- Systems become fragmented
- Processes become inconsistent

**Competitive Impact**

- Slower decision-making
- Inability to scale innovation
- Loss of market advantage

AI misalignment is not a technical issue. It is a business risk.

## SECTION 8

# The Required Strategic Shift

To succeed, executives must change how they approach AI.

FROM	TO
AI as experimentation	<b>AI as an operating model</b>
AI as an IT initiative	<b>AI as a business strategy</b>
Isolated use cases	<b>A coordinated portfolio of value</b>
Innovation without accountability	<b>Measurable outcomes and ownership</b>

**"This shift is what separates organizations that experiment from those that scale."**

## SECTION 9

# The First 90 Days

The path forward begins with focused action.

0-30 DAYS	30-60 DAYS	60-90 DAYS
<ul style="list-style-type: none"><li>– Define AI vision aligned to business priorities</li><li>– Assess current AI maturity</li><li>– Identify key risks and gaps</li></ul>	<ul style="list-style-type: none"><li>– Align leadership on priorities and outcomes</li><li>– Identify and prioritize high-value use cases</li><li>– Define success metrics</li></ul>	<ul style="list-style-type: none"><li>– Establish governance and decision rights</li><li>– Launch structured pilot initiatives</li><li>– Implement reporting and accountability</li></ul>

**This approach creates clarity, alignment, and forward momentum.**

## SECTION 10

# Where Organizations Should Start

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Most organizations overestimate their AI maturity.

The challenge is not a lack of AI activity.

It is a lack of alignment across strategy, governance, ownership, risk, and execution.

Before organizations scale AI investments, leadership teams must first establish a clear operational baseline.

## Executive Priorities

- Assess current AI maturity
- Identify leadership alignment gaps
- Clarify ownership and governance
- Prioritize high-value opportunities
- Establish measurable outcomes

## SECTION 11

# How Entech Helps Organizations Scale AI

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Entech works with mid-market leadership teams to help transform AI initiatives from disconnected experimentation into structured operational execution.

## Core Areas of Support

### AI Readiness & Alignment Assessments

Evaluate maturity, governance, ownership, and operational readiness.

### Executive AI Strategy Workshops

Align leadership teams around business outcomes, priorities, and decision-making.

### AI Governance & Risk Advisory

Establish policies, accountability, oversight, and risk management frameworks.

### Strategic IT & Cybersecurity Advisory

Ensure AI initiatives align with broader operational, security, and compliance objectives.

## NEXT STEP

Schedule an executive AI briefing to understand where your organization stands and what actions are required to scale AI successfully.

[Start a Strategy Discussion](#)