Teneo

Vision 2025: In Depth

Everything is About to Change with AI in 2025

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CEOs have spent the past two years reimagining their businesses and creating new growth opportunities enabled by AI. But in 2025, the rise of AI agents and ultra-efficient AI models originating from China signals a need for CEOs to rethink both their AI strategies and their own roles in driving AI transformation.

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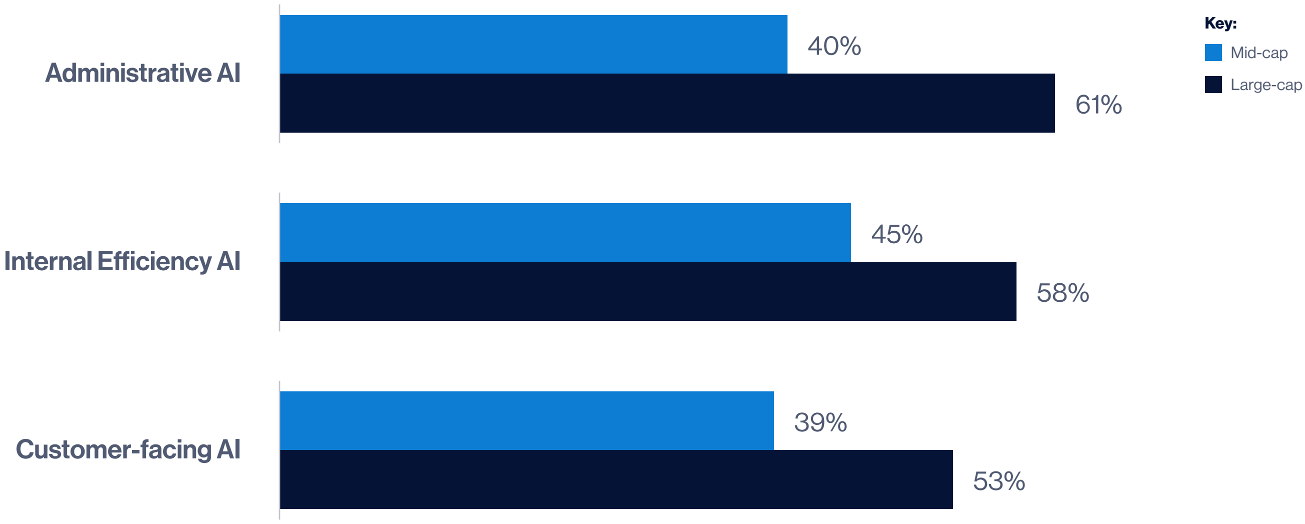
When generative AI transitioned from niche applications to a transformative force across industries, many leaders were caught flat-footed. According to Vision 2023, Teneo's annual CEO & Investor Outlook Survey, fewer than half of publicly traded CEOs (48%) had adopted AI in their companies and only 58% had plans to invest in the technology.

Fast forward to our latest Vision 2025 survey and nearly every CEO (99%) is now investing in AI.

These investments are beginning to yield results – albeit unevenly. Large enterprises are significantly outpacing smaller companies in realizing returns, with more than half of large-company AI initiatives proving ROI-positive. Their ability to rapidly move from concept to pilot to scale demonstrates unexpected agility. However, the focus remains largely on internal efficiency – such as automating administrative tasks – rather than customer-facing applications, where ROI remains inconsistent (see Figure 1). This means that many companies, regardless of size, are leaving significant revenue opportunities on the table by prioritizing operational improvements over full-scale go-to-market transformation.

Figure 1: Percentage of ROI-positive AI efforts



Compounding this challenge, a sense of complacency has emerged. According to Vision 2025, while 70% of CEOs are involved in shaping their organization's AI strategy, their engagement significantly decreases in key areas such as identifying use cases (32%), evaluating technologies (26%), developing tools (18%) and reskilling workers (13%).

In just the first month of 2025, we've seen:

- **OpenAI launch Operator and Deep Research**
  Agentic capabilities designed to complete tasks and conduct in-depth analysis of complex problems with minimal user intervention, potentially disrupting entry-level knowledge work.

- **Anthropic raise $2 billion at a $60 billion valuation**
  The company projects annual revenue of up to $34.5 billion by 2027, compared to OpenAI's reported $3.7 billion revenue for 2024.

- **DeepSeek release R1 model**
  An open-source AI breakthrough that disrupts the tech sector and erases trillions in market cap.

CEOs who set strategies and governance but remain disconnected from AI's rapid advances and expanding use cases risk falling far behind.

As AI shifts from today's human-assistant paradigm to a future where it amplifies – or even replaces – human roles, companies will require fresh strategies and deeper engagement from leadership.

At the same time, CEOs must maintain their ability to motivate and lead teams. Employee anxiety around AI, though currently waning, could resurge as the technology's capabilities advance and job displacement risks become more apparent. To navigate this, CEOs must prioritize transparent communication and implement robust upskilling programs to prepare their workforce for an AI-driven future.

To stay ahead in 2025, CEOs must prioritize these five behaviors:

1. **Admit you have a lot to learn and take action:** AI is evolving at a pace that demands continuous learning. Leaders must dedicate time each week to stay informed on the latest advancements. Doing so will prevent them from falling behind and spark new ideas for enterprise-wide transformation.

2. **Avoid the perpetual pilot trap:** Our Vision 2025 study found that 48% of large-cap CEOs allow AI pilots to run for 12 months or longer to prove value – compared to just 19% of mid-cap CEOs. While AI experimentation has been rampant, 2025 must be the year CEOs cull dead-end pilots, prioritize business-critical applications and scale successful initiatives.

3. **Drive an AI-ready culture:** AI's impact on the workforce will be uneven, creating new opportunities at both the entry level, where raw knowledge is increasingly commoditized, and at the high end, where specialized expertise is needed to oversee AI systems. Meanwhile, middle-management may face downward pressure, leading to cultural challenges. CEOs must proactively assess their organization's cultural dynamics and address friction points before they escalate.

4. **Communicate your AI vision clearly:** Both internal teams and external stakeholders need to understand and align with the company's AI strategy. While CEOs may have the patience for AI experimentation, investors do not. Our Vision 2025 survey found that nearly half of investors (48%) expect AI investments to deliver returns within just six months.

5. **Tear up your current AI strategy and prepare to do it again:** The AI strategy that worked in 2024 is unlikely to be effective in 2025, let alone in 2030. With AI breakthroughs emerging weekly, the most successful companies will be those that remain agile, build strong partnerships and cultivate an ecosystem of AI innovators.

In 2025, AI will become both more affordable and vastly more powerful – thanks to efficiency – driven innovations from DeepSeek and breakthroughs from companies like OpenAI and Anthropic. While this will create turmoil in the tech sector, it presents an inflection point for CEOs. Those who remain engaged, adaptive and willing to rethink their AI strategies will be best positioned to seize new opportunities in the evolving landscape.

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