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## MARKET IMPACT REPORT

# GenAI unplugged

Candid insights from GenAI trailblazers in their own words

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# Introduction

Generative AI (GenAI) is poised to revolutionize business operations, promising transformative benefits across various industries. Yet, behind the impressive headlines and glossy marketing, the journey to successfully deploying GenAI is riddled with unseen challenges and complexities.

HFS research, in collaboration with Cognizant, conducted in-depth interviews with executive leaders who have navigated the treacherous waters of GenAI implementation to cut through the hype. These leaders shared their struggles and triumphs through frank and revealing interviews, showing the hard-earned lessons that can guide others on a similar path. Their insights underscore the indispensable roles of training, governance, data quality, leadership support, cross-functional collaboration, and proactive cost management in pursuit of successful GenAI initiatives.

**The result is the gritty realities of GenAI, distilling hard-earned lessons in trailblazing executives' own words to guide your GenAI journey beyond the hype.**





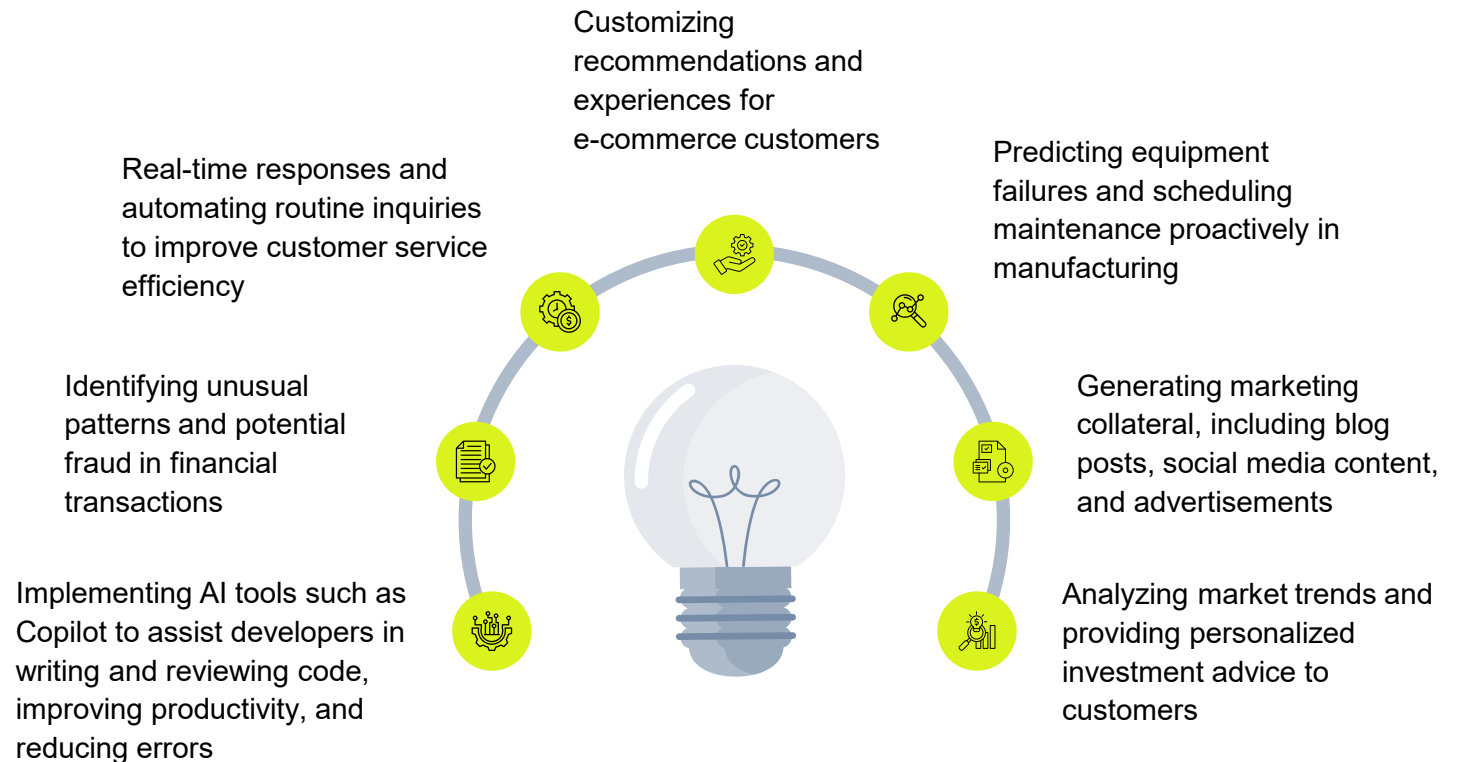
# About Trailblazers

AI Trailblazers are leaders and organizations at the forefront of implementing and leveraging GenAI to drive changes within their industries.

By deploying GenAI across multiple functions, departments, and use cases (see Exhibit 1), they set benchmarks for success and revealed AI's real-world applications and impacts.

Their experiences and insights, gained through navigating uncharted territories and overcoming challenges, are a treasure trove for others, offering a clear path to success and establishing best practices in the GenAI landscape.

## Exhibit 1: Trailblazers applications and use cases for GenAI



# What are your key hindsight takeaways? What would you do differently?

Embarking on the GenAI journey has been a path laden with valuable lessons. Trailblazers emphasized the need for rapid adoption, effective stakeholder management to ease implementation, and aggressive training programs to speed up the process.

## In their own words:

“

I would have pushed for faster adoption and less hesitation in the early stages.

— Chief technology officer at a multinational financial company

“

In hindsight, a more aggressive training program would have accelerated adoption.

— Head of collaboration technology at a leading HR and finance software provider

“

Better stakeholder management would have smoothed some of the bumps we experienced.

— Director of innovation at a top-tier retail company

“

We should have involved end users earlier in the design and testing phases.

— Head of software engineering & automation at a leading banking institution

# How did you decide to act versus wait?

The choice to act versus wait in deploying GenAI hinged on business needs, tech readiness, and leadership vision. Leaders stressed the urgency of seizing the competitive edge while ensuring a robust foundation in infrastructure and data quality.



## In their own words:

“

We conducted a thorough initial round of ideation to set a high-quality bar, ensuring the product is ready to launch without causing embarrassment or inaccuracies.

— Global director of intelligent automation at a prominent automation solutions company

“

We had to act quickly due to the chip shortages impacting our manufacturing lines. Waiting was not an option.

— VP of IT at a multinational manufacturing corporation

“

We considered competitive pressures and the speed of technology evolution as key indicators.

— Chief technology officer at a renowned financial institution

“

Immediate business needs and the potential for competitive advantage dictated our pace.

- Head of software engineering & automation at a leading banking institution

“

Regulatory changes in our industry prompted us to act sooner rather than later.

— Chief operating officer at a global telecommunications company



# How did you fund GenAI/AI implementation?

Securing funding for GenAI implementation was a critical step for early adopters. Their strategies varied, but all were underpinned by a clear understanding of the expected return on investment and the strategic importance of GenAI to their business. Many leaders opted to centralize the initial funding to ensure consistency and control, while others reallocated existing budgets from less critical projects. This approach provided the necessary resources and demonstrated a commitment to innovation and strategic alignment.

## In their own words:

“ \_\_\_\_\_

We leveraged savings from other automation efficiencies to fund AI projects.

— Head of collaboration technology at a leading HR and finance software provider

“ \_\_\_\_\_

We initiated a special innovation fund specifically for AI and other emerging technologies.

— Chief operating officer at a global telecommunications company

“ \_\_\_\_\_

I found cost savings in my own budget, and it was the right thing to do as kind of a global citizen of my company to make this work for everybody else.

— Global director of intelligent automation at a prominent automation solutions company

“ \_\_\_\_\_

I fund all the prototype or sandbox environments just for that reason. I don't want every person in every business unit in every part of the world to have to beg for funding on something where their boss says, 'Well, how do I know this funding is being well used?' I want them to have a very good economy of scale and the cost efficiency of saying, 'Look, I can prove to you whether it works or doesn't work, and that's an investment across the organization, and I pay for it.' And then once they get beyond prototype and pilot, when they've gone to the production stage, they must fund those environments because it makes sense. They can justify it as well.

— Global director of intelligent automation at a prominent automation solutions company

# How did you decide where to place your big bets?

Our interviews revealed that big bets on GenAI are calculated moves based on business needs and potential high returns. Leaders focused on areas where GenAI could make the most significant impact, driven by urgency and opportunity.



## In their own words:

“

We focused on identifying the use cases that could bring immediate value with low effort.

— Group product manager at a renowned technology giant

“

We prioritized no-regret moves such as cloud migration, which were essential irrespective of AI.

— Head of software engineering & automation at a leading banking institution

“

We bet on areas with the highest data readiness and potential for measurable impact.

— Head of collaboration technology at a leading HR and finance software provider

“

We strategically chose fields where AI could accelerate our long-term strategic goals.

— VP of IT at a multinational manufacturing corporation

“

We prioritized departments that were most eager and prepared for transformation.

— Chief operating officer at a global telecommunications company

# What do you wish someone had told you before you started with GenAI?

Embarking on the GenAI journey is as exhilarating as it is daunting. Our interviews with leaders revealed that clearer foresight in critical areas, including governance, security implications, and managing expectations, could have smoothed many bumps along their GenAI implementation paths.

## In their own words:

“ \_\_\_\_\_

Set realistic expectations with the management team regarding AI's ROI and long-term benefits.

— Global director of intelligent automation at a prominent automation solutions company

“ \_\_\_\_\_

Understanding the full scope of the regulatory environment would have saved us some headaches.

— Managing director, global head of cloud-native integration and data at a leading financial firm

“ \_\_\_\_\_

The importance of managing expectations; AI is not a magic bullet and needs careful implementation.

— Group product manager at a renowned technology giant

“ \_\_\_\_\_

How complex generative AI can be. I've never had to dive into a specific product category so much. Learning all the ins and outs, the security implications, data quality, data integrity, data compromise—it's turning into a whole new field. I'm convinced my field will have cyber AI specialists in the next couple of years because of how specialized it's becoming.

— US security operations lead at a major professional services firm



# How are you dealing with data privacy and regulations?

Navigating data privacy and regulatory compliance is a major challenge for GenAI implementation. Leaders stressed the need for robust compliance frameworks, proactive legal collaboration, regular audits, and extensive training programs to maintain the highest data privacy standards.



## In their own words:

“

Handling data privacy and regulations has been harder than expected, especially dealing with GDPR.

— Global director of intelligent automation at a prominent automation solutions company

“

We've had to invest more in compliance frameworks than anticipated. The regulatory landscape is constantly evolving, and keeping up with these changes has required significant resources. This was an area we initially underestimated but have since prioritized heavily to avoid any legal pitfalls.

— US security operations lead at a major professional services firm

“

Navigating global data privacy laws requires constant attention and has been quite challenging.

— Managing director, global head of cloud-native integration and data at a leading financial firm

“

It's been a steep learning curve, but aligning with industry standards has helped manage these challenges.

— Group product manager at a renowned technology giant

## What did you underestimate initially but later became a bigger focus point/issue?

“We underestimated the limitations of the large language models. Our engineers and software developers, within the first three months, said, 'Hey, I've actually reached the limitations of what GenAI can do. It's not going to help me.'”

- Global director of intelligent automation at a prominent automation solutions company

“The scale of data cleansing required was far greater than we initially thought.”

- Managing director, global head of cloud-native integration and data at a  
Leading financial firm

“The resistance to change among staff was stronger than anticipated.”

- US security operations lead at a major professional services firm

“How critical the timing of AI deployment is—too early or too late both have costs.”

- Director of IT at a top-tier automotive technology firm

“The need for continuous training and updates on AI models was something we had to scale up quickly.”

- Group product manager at a renowned technology giant

## What were you too concerned about that turned out not to be as big an issue?

“Getting it to work in a chatbot environment turned out to be a lot easier than I thought it was going to be.”

- Global director of intelligent automation at a prominent automation solutions company

“We were worried about AI replacing jobs, but it actually augmented our workforce's capabilities.”

- Managing director, global head of cloud-native integration and data at a  
leading financial firm

“Data security was a huge concern, but with the right tools and protocols, it's been manageable.”

- US security operations lead at a major professional services firm

“The impact on customer interactions was less disruptive than feared; customers adapted quickly.”

- Director of IT at a top-tier automotive technology firm

“Technical integration was smoother than expected, thanks to advancements in middleware.”

- Group product manager at a renowned technology giant

GenAI implementation revealed underestimated challenges, including model limitations, extensive data cleansing, staff resistance, crucial timing, and rapid training needs. Surprisingly, chatbot integration, job augmentation, data security, customer interactions, and technical integration were easier than expected.

## What cost you more time/money than you expected?

“The integration of AI into existing workflows was more resource-intensive than planned.”

- Global director of intelligent automation at a prominent automation solutions company

“Scaling up the infrastructure to support AI systems was significantly costlier.”

- US security operations lead at a major professional services firm

“Hiring expert talent in AI proved to be more expensive due to high demand in the market.”

- Head of collaboration technology at a leading HR and finance software provider

“Ongoing maintenance and tuning of AI systems were not initially accounted for adequately.”

- Group product manager at a renowned technology giant

## What was surprisingly fast or low cost?

“Adoption of AI-driven analytics was quicker and cheaper due to cloud-based solutions.”

- Global director of intelligent automation at a prominent automation solutions company

“The development of initial prototypes was faster than expected with the use of open-source tools.”

- Managing director, global head of cloud-native integration and data at a leading financial firm

“We managed to leverage existing hardware much more effectively than anticipated.”

- US security operations lead at a major professional services firm

“Automating routine tasks with AI saved more time and money than we initially projected.”

- Head of collaboration technology at a leading HR and finance software provider

“Cloud AI services provided cost-effective scalability options that we hadn't considered.”

- Group product manager at a renowned technology giant

Integrating GenAI into workflows and scaling infrastructure proved more costly and resource-intensive than expected, highlighting the need for meticulous financial planning. Conversely, AI-driven analytics, prototype development, and task automation were faster and more cost-effective, thanks to cloud solutions and open-source tools.

# What should be in the public discourse that people aren't talking about?

While GenAI excites, several critical issues are overlooked in public discourse. Leaders stress understanding AI model limitations, ethical AI governance, societal impacts on jobs, environmental concerns, and data privacy. Addressing these "elephants in the room" is vital for a balanced GenAI perspective.



## In their own words:

“

There is a big lack of understanding about the limitations of GenAI models.

— Head of software engineering & automation at leading banking institution

“

The hype around GenAI can often overshadow the practical challenges and limitations it brings. While the potential is vast, we need to be realistic about what can be achieved and the obstacles we face.

— Group product manager at a renowned technology giant

“

The need for ethical AI governance frameworks is under-discussed but crucial. Without proper governance, we risk deploying AI in ways that are unethical or biased.

— Chief technology officer at a renowned financial institution

“

Public discourse lacks focus on the long-term societal impacts of GenAI and AI, particularly on jobs.

— Head of collaboration technology at a leading HR and finance software provider

“

There's insufficient discussion on the environmental impact of training large AI models. The energy consumption and carbon footprint of these processes are significant and need to be part of the conversation.

— VP of IT at a multinational manufacturing corporation

“

We need more transparency about data privacy and the use of personal data in GenAI. Users must know how their data is being used and protected.

— Head of software engineering & automation, at a leading banking institution



# How have you handled the human part of the equation?

Addressing the human element in GenAI implementation is as critical as the technology itself. Leaders emphasized the importance of involving people in the process, investing in training, and fostering a supportive culture to ensure a smooth transition.

## In their own words:

“ \_\_\_\_\_ ”

Change management was pivotal, involving clear communication and stakeholder engagement. We held frequent workshops and town halls to ensure everyone was on the same page and addressed concerns proactively.

— Chief technology officer at a renowned financial institution

“ \_\_\_\_\_ ”

We've invested heavily in training and upskilling programs to support our workforce transition. This includes not only technical skills but also understanding the implications of AI in their daily work and fostering a culture of continuous learning.

— Head of collaboration technology at a leading HR and finance software provider

“ \_\_\_\_\_ ”

Focused on a culture shift, promoting an AI-ready mindset across the organization. We encouraged innovation and risk-taking, ensuring that employees felt empowered to experiment with AI tools and solutions.

— VP of IT at a multinational manufacturing corporation

“ \_\_\_\_\_ ”

We set up cross-functional teams to integrate AI smoothly into operational processes. This approach ensured that different perspectives were considered, and the integration was seamless and effective.

— Head of software engineering & automation at a leading banking institution

“ \_\_\_\_\_ ”

Empathy and employee inclusion were our strategies to mitigate resistance and fear. We made sure to listen to employee concerns and involve them in the AI journey, which helped build trust and acceptance.

— Chief operating officer at a global telecommunications company

# What's the key advice for transitioning from PoCs and pilots to full-scale implementation?

For transitioning from PoCs to full-scale GenAI, trailblazers advise establishing a robust, scalable governance framework early. Continuous cross-department collaboration and rigorous oversight are keys to smooth scaling.



## In their own words:

“

Focus on the fundamentals. Sort out your basic infrastructure capabilities, cultural aspects, and change management before you try to scale. If you scale without that, you'll have to address these issues later, consuming more time than if you had addressed them upfront.

— Global chief technology officer at a leading financial services firm

“

Make sure you have enough guardrails in place and do it in a very controlled, gradual, step-by-step process.

— Managing director, global head of cloud-native integration and data at a leading financial firm

“

Establishing a scalable governance framework early on is crucial. It ensures that as you scale, there is a consistent approach to managing risks and aligning with business goals.

— Global director of intelligent automation at a prominent automation solutions company

“

Don't underestimate the importance of cross-functional collaboration. Having all key stakeholders involved from the beginning helps in addressing potential issues before they become major roadblocks.

— Director of IT at a top-tier automotive technology firm

“

Bring in the end users also as part of the testing. We want them to go wild, really wild, on the testing aspects to make sure we're getting what we need. Response-wise, everything seems to align properly.

— VP of IT at a multinational manufacturing corporation

# What are the first three things you would do if you started again?

Reflecting on their GenAI journeys, leaders stress the importance of upfront planning, robust stakeholder engagement, and comprehensive training. They also highlight the need for clear governance, scalable infrastructure, and early executive buy-in. These strategies help avoid pitfalls and accelerate GenAI benefits.

## In their own words:

“

Better upfront planning, stronger focus on data quality from the beginning, and more robust stakeholder engagement.

— Global director of intelligent automation at a prominent automation solutions company

“

Invest more in training, establish clear governance from the outset, and build a more flexible integration architecture.

— Managing director, global head of cloud-native integration and data at a leading financial firm

“

Start with a clearer business case, focus more on change management, and establish a dedicated AI innovation team.

— US security operations lead at a major professional services firm

“

Ensure a scalable infrastructure, invest in talent development early, and engage with end-users throughout the process.

— Director of IT at a top-tier automotive technology firm

“

Develop a comprehensive data strategy, secure executive buy-in earlier, and focus on quick wins to generate momentum.

— Group product manager at a renowned technology giant

# Where are you focusing next to unlock the next level of value?

Trailblazers are continuously seeking new avenues to unlock additional value from their GenAI initiatives. Their next focus areas include advanced training tools, predictive analytics, customer service enhancement, supply chain optimization, and health and safety monitoring.



## In their own words:

“

Focusing on generative AI training that has very lifelike-looking avatars, but accelerates the ability to build training content. We're also focusing on more accurately extracting data from objects to enhance our training modules.

— Global director of intelligent automation at a prominent automation solutions company

“

Investing in predictive analytics for real-time decision-making. This will allow us to anticipate market trends and make informed decisions swiftly.

— Managing director, global head of cloud-native integration and data at a leading financial firm

“

Expanding AI applications into customer service to personalize interactions. By leveraging AI, we aim to provide more tailored and efficient customer support.

— US security operations lead at a major professional services firm

“

Enhancing our supply chain efficiency through AI-driven logistics optimizations. This involves using AI to streamline our logistics and reduce operational costs.

— Director of IT at a top-tier automotive technology firm

“

Developing AI-driven health and safety monitoring tools in our manufacturing processes. These tools will help us maintain a safer work environment and comply with regulatory standards.

— Group product manager at a renowned technology giant



# The Don'ts and Do's of GenAI

Navigating the complex landscape of GenAI requires a strategic balance of best practices and cautionary measures. To help guide organizations on their AI journey, we have distilled the essential do's and don'ts from our trailblazer interviews.

## Don'ts



Do not overlook the importance of training your team. Even the best AI systems are ineffective if the staff is not equipped to use them.



Avoid implementing GenAI without considering the ethical implications. Ensure your AI use is fair, transparent, and aligned with societal values.



Don't start with solutions that cannot scale. Ensure that your GenAI initiatives are designed to grow with your business needs.



Avoid rushing into large-scale implementations without thorough testing. Start with pilots and iterate based on feedback and performance.



Don't treat GenAI projects as isolated initiatives. Integrate them into your core business processes and ensure they contribute to the overall strategy.

## Do's



Ensure you have the necessary data infrastructure to support GenAI initiatives. Clean, well-structured data is critical for training effective AI models.



Address the talent gap by investing in training and hiring skilled professionals. Encourage continuous learning and development in AI technologies.



Establish comprehensive governance frameworks to manage risks and ensure ethical AI use. This includes addressing bias, transparency, and compliance issues.



Ensure that GenAI initiatives are aligned with the overall business strategy. This helps in securing buy-in from stakeholders and integrating AI solutions into the broader organizational processes.



Recognize and proactively address cultural resistance to AI adoption. Implement comprehensive change management strategies to alleviate fears and build acceptance.

As we delve deeper into the realms of GenAI, it's clear that the road to successful implementation is paved with both promise and pitfalls. Our in-depth conversations with industry trailblazers have revealed a mosaic of insights that cut through the hype, offering a grounded perspective on what it truly takes to integrate GenAI into business operations.

The common thread in these narratives is the indispensable role of leadership, robust training, governance, data integrity, and cross-functional collaboration. These pioneers didn't just leap into the future—they navigated it with foresight, learning, and adaptability. Their hard-earned lessons serve as a roadmap for others embarking on similar journeys, emphasizing that the true value of GenAI lies not in the technology itself but in its strategic and ethical application within the business fabric.

**The Bottom Line:** Integrating GenAI into the corporate ecosystem is more than a technological upgrade; it's a paradigm shift that demands strategic foresight, cultural readiness, and an unwavering commitment to ethical standards.

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## About Cognizant

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