# softserve

# THE GREAT DATA DIVIDE

How to bridge the gap between
data capabilities and strategic initiatives

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# Foreword

**Alex Chubay**

Chief Technology Officer, SoftServe

It's been said that ambition is the path to success, but reality is the road you must travel. In our experience serving clients, we often find a disconnect between leadership's ambitions and the ability to deliver successful outcomes due to technological realities on the operational side. Nowhere more acutely felt than in the proper leveraging of data.

To understand the realities on the ground and be better able to serve our clients, we commissioned Wakefield Research to conduct a study of 750 business and IT leaders representing companies with $1 billion or more in annual revenue to discover how this gap has evolved and how firms can overcome it.

The study, which touched eight countries and eight industries, shows that this gap is no longer unusual and has become an endemic global phenomenon. Practically all companies agreed that they struggle to consistently tie their data initiatives to business goals. Most agreed they also regularly make decisions without a strong data foundation. On the other hand, those with more mature data strategies have seen stronger growth from new revenue streams and internal efficiencies.

Dig into the results to better understand how your organization matches up with peers and the wider market. You will find insights into the state of data readiness in enterprises today, what it can mean to you, and what you can do to build a sound data foundation for growth and innovation with this critical asset.

Synchronizing your data initiatives with your strategic objectives will enable you to target your investments with greater precision for more robust and reliable results. Finally, we will explore how you can rely on SoftServe for world-class support to become a data leader and execute those projects to deliver the success you deserve.

# Executive Summary: Prioritizing a Strong Data Foundation for Innovation

The link between strong data management and business success is becoming clearer. Our research shows that businesses that prioritize effective data practices reap significant benefits, such as deploying new technologies more effectively, enhancing efficiency, and creating new revenue streams by monetizing their data assets.

However, many companies continue to struggle with basic challenges like data organization and governance. A majority also continue to make business-critical decisions based on inaccurate or incomplete data.

For many firms, it is time to do data differently. VPs and directors point to an often-limited understanding in the C-suite of the value that data initiatives bring as creating a negative impact on how firms are prioritizing their investments. Many were also concerned about misplaced priorities.

These often saw resources diverted towards initiatives like Gen AI. In addition, many jumped into AI initiatives without clear objectives and before essential preparatory work was undertaken. They had not prepared the data raw material foundations essential for them to succeed.

Most importantly, firms that had not developed the data maturity to properly harness these advanced technologies were more likely to embark on projects without business alignment.

## Position for advantage

To take full advantage of potential innovations like AI, organizations must refine their data strategies and align them with identifiable business needs to ensure they are well-positioned to drive sustainable success.

Our research shows that data-mature businesses are the best prepared — and most inclined — to take these steps. By aligning an understanding of the potential ROI of data initiatives, they will then be able to deliberately increase investments in data management with more confidence in the outcomes.

Further, by expanding efforts to align with revenue-generating initiatives, they can pave the way for the critical role data strategies play in long-term growth and innovation. But, as the study shows, there remains a lack of clarity on which aspects of a data strategy should be prioritized. This will vary considerably from firm to firm and emphasizes the benefits of external expert support from digital strategy advisors to make it happen.
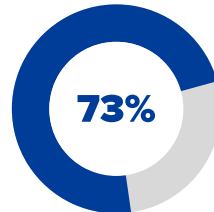
# Key Findings

## The benefits of data maturity are clear.

**44%**
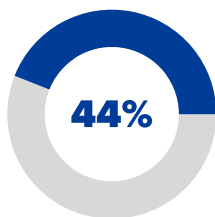
**44%** opened **new revenue streams** and **38%** were able to **monetize their data** as a result of having strong data management.

## Poor prioritization has misallocated data investment.

**73%**

**73%** of business tech leaders believe their company has **allocated funds or talent** to the latest Gen AI trends at the expense of **more valuable data and analytics initiatives**.

## Most still struggle with data-driven decision-making.
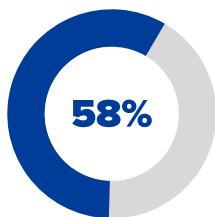
**58%**

**58%** saw strategic **business decisions** being made based on **inaccurate or inconsistent data** most of the time — if not always.

## Need to prioritize data strategy and business alignment.

**98%**
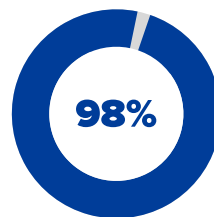
Nearly all **98%** respondents believe a **data-strategy update** would be required before being able to gain the full advantages of initiatives like AI.

## A lack of targeted data investment is blamed on leadership ignorance.

**78%**
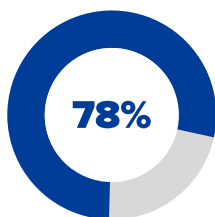
**78%** of VPs and **61%** of directors — but just **44%** of those at C-level — believe their organization's **investment priorities are negatively impacted** by leaders not fully understanding how data can generate value.

## Data-mature companies will lead data investment in 2025.

**85%**
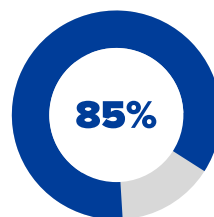
Of all companies, companies with a fully mature data strategy show the highest percentage (42%) **planning to increase investment** significantly in 2025. Furthermore, **85%** said they will increase it at least somewhat.

# The Business Case for Data Maturity

Strong data management is not just a technical necessity; it is a key driver of revenue growth. Relative levels of data maturity, or proficiency, emphasize the need for alignment between business needs and data strategy. By deploying the correct infrastructure (cloud strategy, tools, and technologies) with adequate data management and governance (cataloging, quality assurance, lineage, and modeling), data-mature companies see strong improvements in revenue.

Wakefield Research conducted a survey for SoftServe of 750 leaders who oversee data management and AI use at global companies with $1 billion or more in annual revenue, followed by a series of five in-depth interviews with global leaders to gain additional insights on the survey findings. The results show robust, mature data management practices enabled 44% of business leaders to establish new revenue streams, while 38% successfully monetized their data assets — transforming information into a vital source of income.

> *An impactful data strategy is not about perfection, but prioritization. It's about gaining data maturity to unlock measurable business value, step by step, through practical prioritization and execution.*

**Rodion Myronov**
AVP of Technology, SoftServe

The degree of a company's data maturity can also have an indirect effect on revenue. Organizations report that strong data management led to substantial operational and strategic benefits, **including enhanced efficiency and productivity (54%) and improved decision-making and forecasting capabilities (49%)**. If the upside opportunities of harnessing data are clear, why have so many companies failed to do so?

## In which of these ways has your organization benefited from having strong data management?

| | |
|---|---|
| Improving or enhancing our operational performance (efficiency, productivity, etc.) | 54% |
| Enhancing our services or products | 52% |
| Improving customer service | 51% |
| Improving decision-making and forecasting | 49% |
| Supporting our marketing and sales | 48% |
| Opening new revenue streams | 44% |
| Monetizing our data | 38% |
| Enhanced products/services, new revenue streams or monetized data | 87% |
| Operational performance, customer service, marketing/sales, or decision-making | 97% |
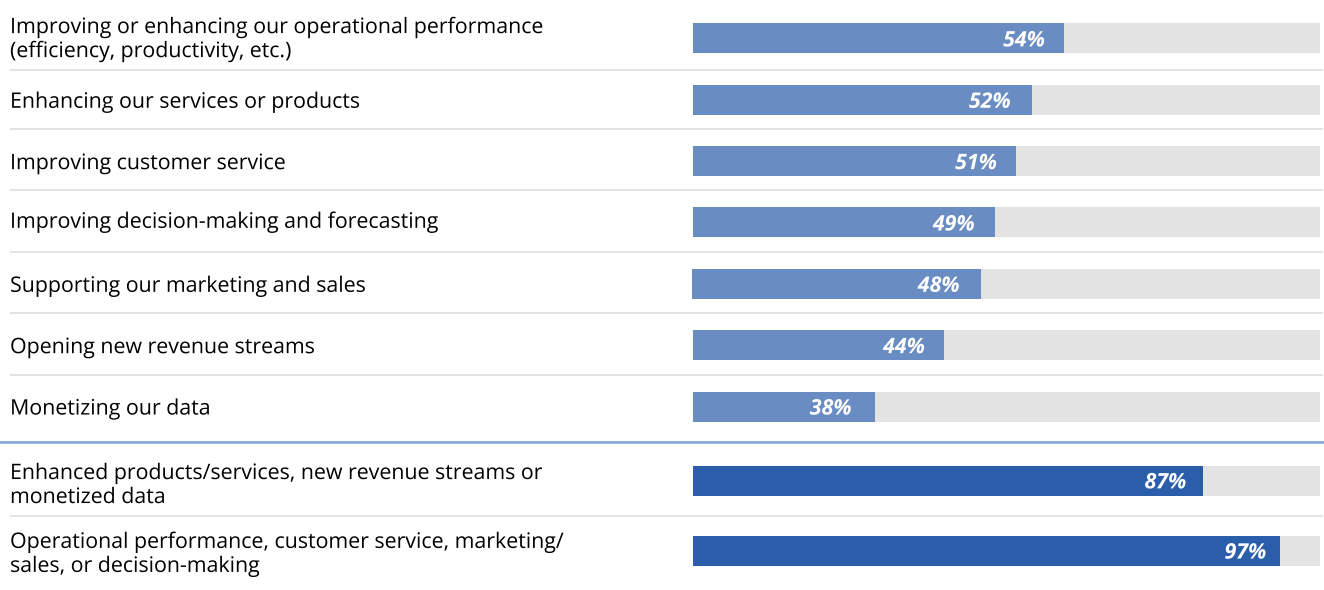
*Responses to:* "In which of these ways has your organization benefited from having strong data management?"
*Base:* 750 leaders who oversee data management and AI use at global companies with $1 billion or more in annual revenue
*Note:* Multiple responses accepted
*Source:* SoftServe AI Survey, Wakefield Research, November 2024

# Decision-Making Still Needs More Accurate Data

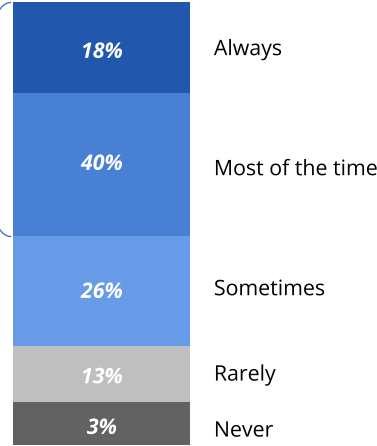Despite clear benefits, our survey shows there remains a dearth of knowledge about how to guarantee data accuracy and completeness. **This gap is real, as 58% saw strategic business decisions being made based on inaccurate or inconsistent data most, if not all the time.**

" *By the time employees get access to the data they need, it takes about two days. Access should take no more than an hour for something critical.*

**Senior Director of Analytics**
Energy Company

**How often does your organization make key business decisions based on inaccurate or inconsistent data?**

**58%**
Most of the time or always

| | |
|---|---|
| 18% | Always |
| 40% | Most of the time |
| 26% | Sometimes |
| 13% | Rarely |
| 3% | Never |

**Responses to:** "In which of these ways has your organization benefited from having strong data management?"
**Base:** 750 leaders who oversee data management and AI use at global companies with $1 billion or more in annual revenue
**Note:** Multiple responses accepted
**Source:** SoftServe AI Survey, Wakefield Research, November 2024
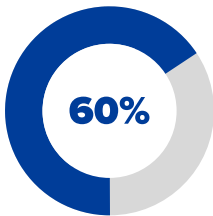
**60%** Decision-makers don't have the data they require when they need it. **60% describe this as a challenge.**

## How much of a challenge is it for decision-makers to get access to the data they need, when they need it?

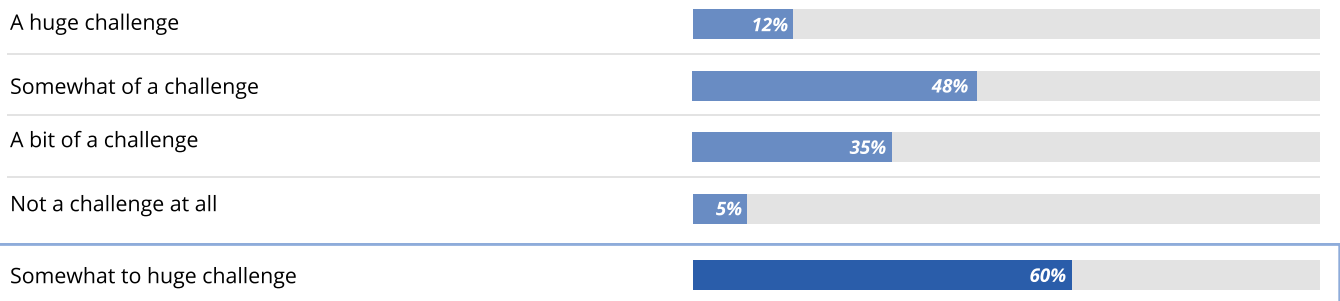| | |
|---|---|
| A huge challenge | 12% |
| Somewhat of a challenge | 48% |
| A bit of a challenge | 35% |
| Not a challenge at all | 5% |
| Somewhat to huge challenge | 60% |

**Responses to:** "In which of these ways has your organization benefited from having strong data management?"
**Base:** 750 leaders who oversee data management and AI use at global companies with $1 billion or more in annual revenue
**Note:** Multiple responses accepted
**Source:** SoftServe AI Survey, Wakefield Research, November 2024

# More Investment Needed for Immature Data Strategies

**21%**
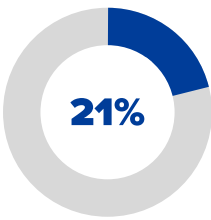
The percentage of companies viewing significant data management investment as a requirement to meeting their goals for data initiatives decreases to 21% in organizations where questionable decision-making is a less-common occurrence.

## My organization needs to invest significantly more in data management to realize its goals for data initiatives

**My company makes decisions based on inaccurate or incomplete data...**

| | |
|---|---|
| Most or all of the time | 51% |
| Sometimes or less | 21% |
| All respondents | 39% |

*Responses to:* "How much more does your organization need to invest in data management to realize its goals for data initiatives?"
*Base:* 750 leaders who oversee data management and AI use at global companies with $1 billion or more in annual revenue
*Note:* Multiple responses accepted
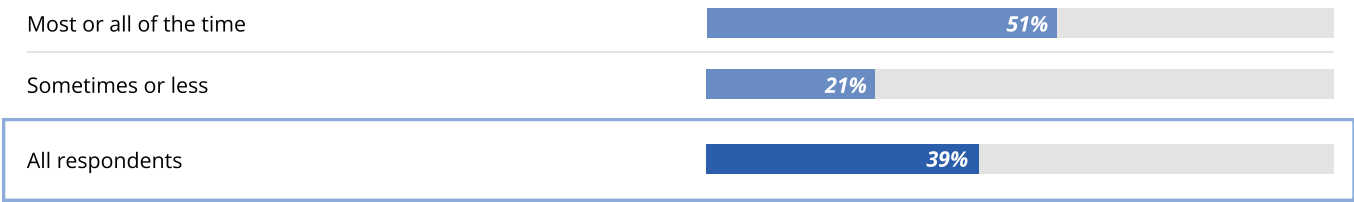*Source:* SoftServe AI Survey, Wakefield Research, November 2024

# Build Purpose Into Data Strategy

## Rodion Myronov

AVP of Technology

Modern businesses strive to build the perfect data infrastructure that enables seamless enterprise-wide data utilization. But this approach often leads to wasted effort and capital as an ideal data platform — without clear, value-driven applications and purpose — risks becoming an underutilized asset.

Successful data strategies prioritize use cases over data initiatives. Instead of creating expensive architectures with an uncertain purpose, organizations should begin by asking, "What business problems are we solving with our data?"

The identification of specific initiatives — such as optimizing supply chain efficiency or personalizing customer experiences — is essential to shape meaningful outcomes.

The next step is to evaluate the feasibility of those initiatives against their business value. Projects that deliver the highest return or unlock additional opportunities across departments should take priority. For instance, investing in a data lake can make sense if it supports multiple high-value cases. On the other hand, pursuing marginal improvements that require increasingly higher effort may not justify the cost.

## Unlock value

Strategically navigating data initiatives also demands careful consideration of organizational blockers. These could range from fragmented data in disjointed systems to a lack of expertise in bridging business needs and technical execution. A smart approach would be to address the biggest hurdles that limit value realization, whether through implementing data catalogs, enabling data democratization, or restructuring teams for more efficient data governance.

A truly impactful data strategy isn't about building an ideal framework — it's about unlocking measurable business value, step by step, through practical prioritization and execution.

If you want to learn more about how to prioritize your data projects to match the use cases most beneficial to your business, **download our white paper**.

# Data Immaturity Undermines Informed Decisions

Problems of accessibility and weak data-driven decision-making are particularly pronounced for companies with immature data strategies. They face significant challenges when attempting to access valuable insight, enhance products, and build new revenue streams. **Companies requiring a complete overhaul of their data strategy struggle to access their data and make informed decisions with it.**

*There was no single source of truth for identifying all our customers across different segments. No one could answer that question definitively.*

**Senior Director of Analytics and AI**
Global Energy Company

**50%**
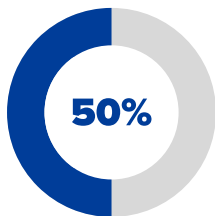
**Reliance on flawed data: 50%** of companies report that key business decisions are consistently based on inaccurate or incomplete data if they require a data strategy overhaul. **This is a stark contrast to just 12% for companies requiring less extensive data strategy updates.**

## How often does your organization make key business decisions based on inaccurate or inconsistent data?

**Required data strategy updates**

**Complete overhaul**

**Minor updates or no updates**

| | Complete overhaul | Minor updates or no updates |
|---|---|---|
| Always | 50% | 12% |
| Most of the time | | 39% |
| Sometimes | 32% | 29% |
| Rarely | 10% | 18% |
| Never | 6% | |
| | 2% | 2% |

**82%** Most of the time or always

**51%** Most of the time or always

*Responses to:* "How often does your organization make key business decisions based on inaccurate or inconsistent data?"
*Base:* 750 leaders who oversee data management and AI use at global companies with $1 billion or more in annual revenue
*Note:* Multiple responses accepted
*Source:* SoftServe AI Survey, Wakefield Research, November 2024

**33%**
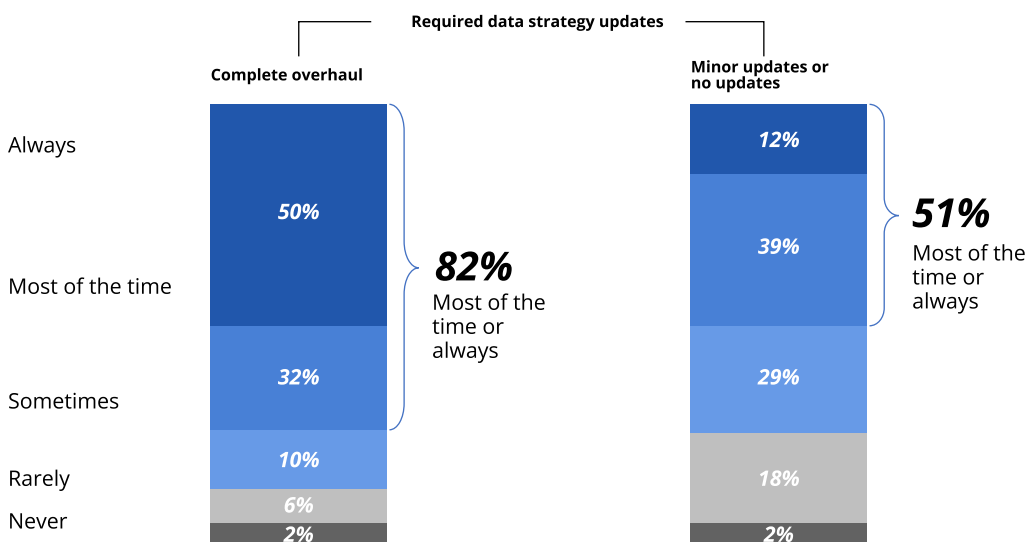
**Challenges in data accessibility: 33%** of companies requiring an overhaul report having major challenges enabling decision-makers to access critical data when needed. Comparatively, only **10%** of companies needing major updates and **3%** of those with no or minor updates face similar challenges.
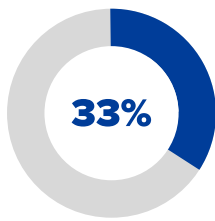
*A lack of internal knowledge about the data is a challenge. Very few people understand where a specific piece of data is stored, which systems house it, and how they interact.*

**CEO**
Global Manufacturing Company

## Respondents reporting that decision-makers accessing the data they need, when they need it, is a huge challenge

**Required data strategy updates:**

| | |
|---|---|
| Complete overhaul | 33% |
| Major updates | 10% |
| Minor updates or no updates | 3% |
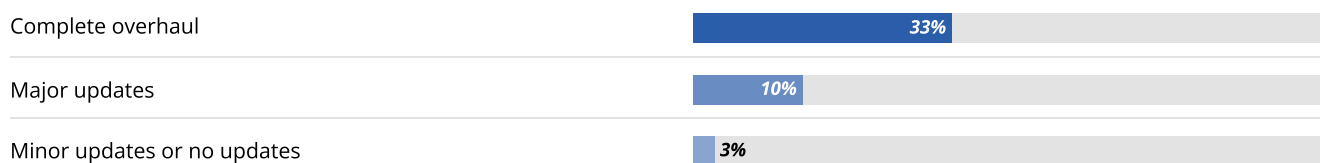
*Responses to: "How much of a challenge is it for decision-makers to get access to the data they need, when they need it?"*
*Base: 750 leaders who oversee data management and AI use at global companies with $1 billion or more in annual revenue*
*Note: Multiple responses accepted*
*Source: SoftServe AI Survey, Wakefield Research, November 2024*

**38%**
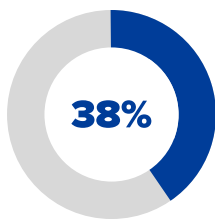
**Limited outcomes from data strategies:** Of organizations requiring data strategy overhauls, **only 38% saw benefits such as enhanced services or products**. Similarly, just 39% report improved support for marketing and sales. **In comparison, 91% of companies requiring minor or no updates were able to either enhance services, add new revenue streams, or monetize their data.**

## In which of these ways has your organization benefited from having strong data management?

| | |
|---|---|
| Improving or enhancing our operational performance (efficiency, productivity, etc.) | 38% |
| | 56% |
| | 53% |
| Supporting our marketing and sales | 39% |
| | 51% |
| | 47% |
| Enhanced products/services, new revenue streams or monetized data | 83% |
| | 87% |
| | 91% |

**Required data strategy updates:**

● Complete overhaul ● Major updates ● Minor updates or no updates

*Responses to: "In which of these ways has your organization benefited from having strong data management?"*
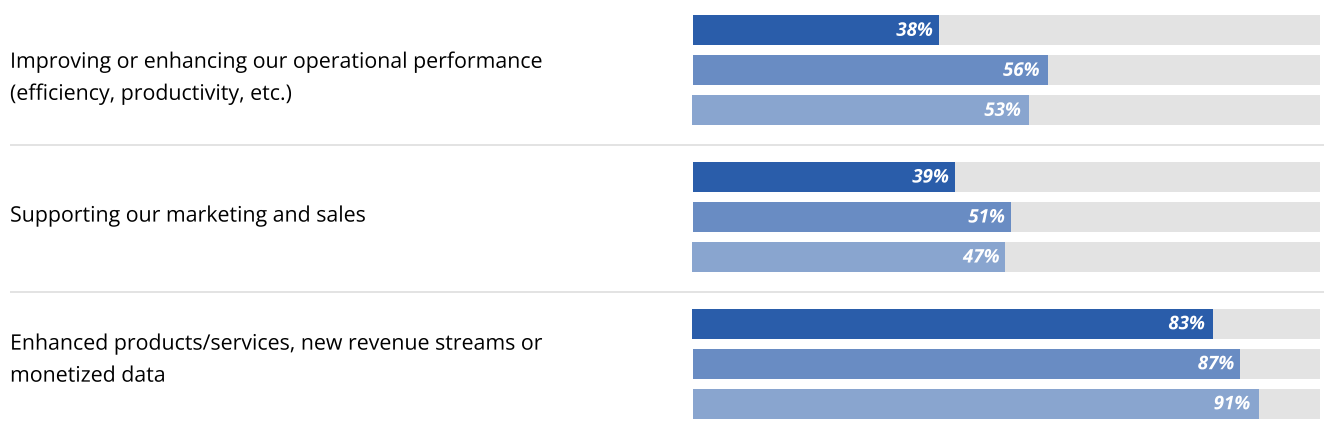*Base: 750 leaders who oversee data management and AI use at global companies with $1 billion or more in annual revenue*
*Note: Multiple responses accepted*
*Source: SoftServe AI Survey, Wakefield Research, November 2024*

# Stronger Data Strategies Underpin Benefit Awareness

*If no one takes a deliberate approach — analyzing, refining, and following up on data — the data asset loses its value because nothing is done with it.*

**Chief Data Officer**
Healthcare Company

In addition to differences in their ability to harness their data for business results, another notable gap between data-mature and immature companies is that those with stronger data strategies tend to understand their data better and have greater awareness of the benefits that data can bring. **This suggests the degree of leadership's awareness of data's potential ROI and the value of their data correlates to stronger data strategies.**

**77%**
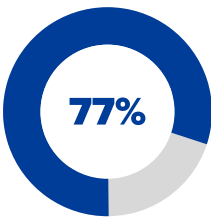
**Poor understanding of data organization:** Of companies requiring a complete data overhaul, **77% report that no one in their organization has a comprehensive understanding of the data collected or how to access it**, compared to just 61% of companies requiring minor or no updates.

## No one at my organization has a full understanding of all the data we collect and how to access it.

**Required data strategy updates:**
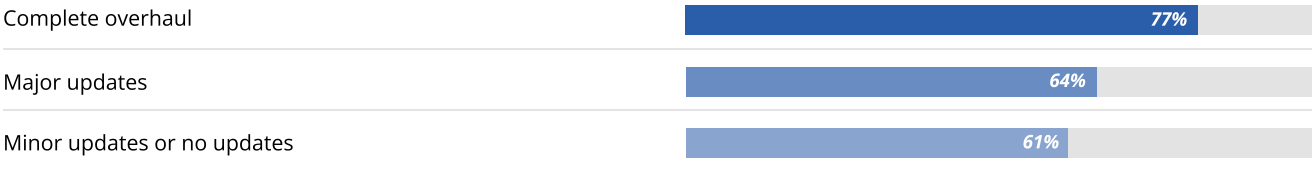
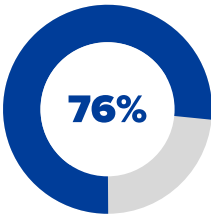| | |
|---|---|
| Complete overhaul | 77% |
| Major updates | 64% |
| Minor updates or no updates | 61% |

*Responses to:* "How strongly do you agree or disagree with the following statement? No one at my organization has a full understanding of all the data we collect and how to access it."
*Base:* 750 leaders who oversee data management and AI use at global companies with $1 billion or more in annual revenue
*Note:* Multiple responses accepted
*Source:* SoftServe AI Survey, Wakefield Research, November 2024

**76%**

**Leadership lacks understanding:** If companies need a complete overhaul of their data, **76% say their leadership does not fully grasp how to generate value from data**, which negatively impacts prioritization and investment in data initiatives. This is significantly higher than for companies needing major and/or minor or no updates to data strategy.

## Leaders in my organization don't fully understand how to generate value from data, which negatively impacts their investment priorities.

**Required data strategy updates:**

| | |
|---|---|
| Complete overhaul | 76% |
| Major updates | 64% |
| Minor updates or no updates | 62% |

*Responses to:* "How strongly do you agree or disagree with the following statement? Leaders in my organization don't fully understand how to generate value from data, which negatively impacts their investment priorities."
*Base:* 750 leaders who oversee data management and AI use at global companies with $1 billion or more in annual revenue
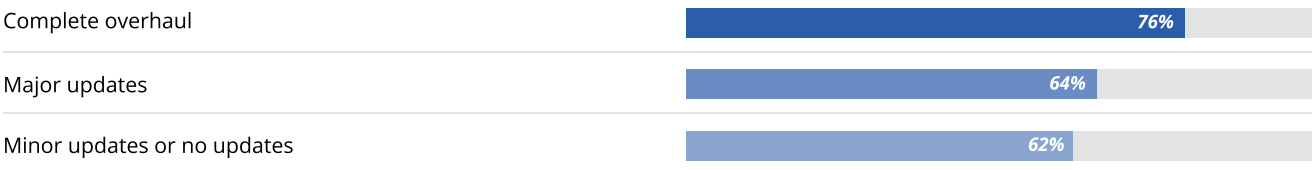*Note:* Multiple responses accepted
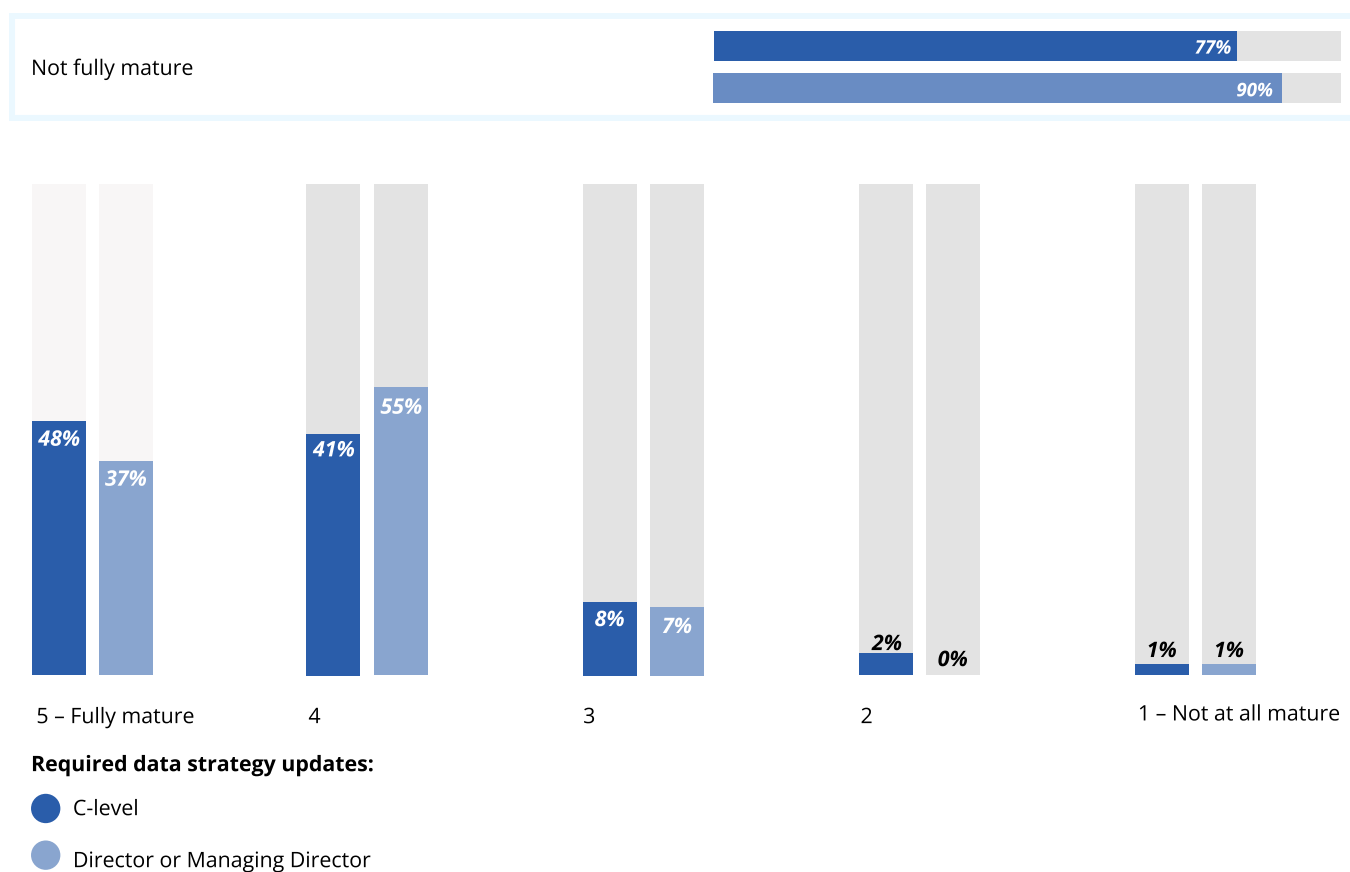*Source:* SoftServe AI Survey, Wakefield Research, November 2024

# Could the C-Suite Be More Aware of the Data Problem?

Survey results show that leadership is divided on the seriousness of the data problem. A split appears between the evaluation of companies' data maturity, with C-suite executives and VPs tending to be more sanguine, while directors are more concerned by their companies' data immaturity.

Another significant gap exists between C-suite executives and senior leaders like VPs when it comes to understanding and addressing data challenges. For example, 68% of VPs report that key business decisions are often or always based on inaccurate or inconsistent data.

However, the C-Suite appears less aware, with only 47% identifying this as a frequent issue. **This disconnect highlights a potentially fundamental issue where leadership at the highest level underestimates the true scope of their organization's data challenges.**

### How would you describe your organization's data strategy, using a scale of 1 to 5, where 1 means not at all mature and 5 means fully mature?

Not fully mature
- 77%
- 90%

| 5 – Fully mature | 4 | 3 | 2 | 1 – Not at all mature |
|---|---|---|---|---|
| 48% / 37% | 41% / 55% | 8% / 7% | 2% / 0% | 1% / 1% |

**Required data strategy updates:**

● C-level

● Director or Managing Director

*Responses to:* "How would you describe your organization's data strategy, using a scale of 1 to 5, where 1 means not at all mature and 5 means fully mature?"
*Base:* 750 leaders who oversee data management and AI use at global companies with $1 billion or more in annual revenue
*Note:* Multiple responses accepted
*Source:* SoftServe AI Survey, Wakefield Research, November 2024

## How often does your organization make key business decisions based on inaccurate or inconsistent data?

**Most of the time or always**

C-Level: 47%
Vice president or Senior VP: 68%

**At least sometimes**

C-Level: 77%
Vice president or Senior VP: 90%

Percent agreeing

● C-Level
● Vice president or Senior VP

**Responses to:** "How often does your organization make key business decisions based on inaccurate or inconsistent data?"
**Base:** 750 leaders who oversee data management and AI use at global companies with $1 billion or more in annual revenue
**Source:** SoftServe AI Survey, Wakefield Research, November 2024
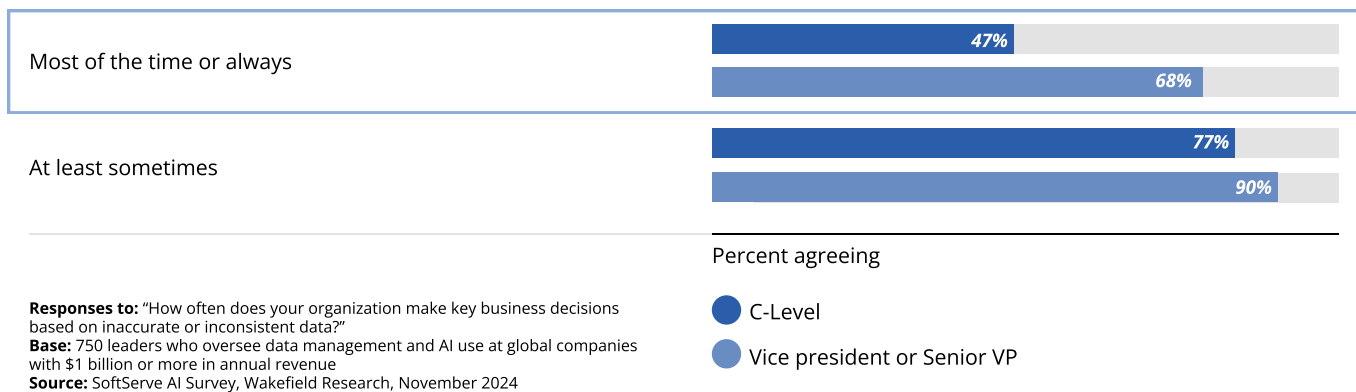
## No one at my organization has a full understanding of all the data we collect and how to access it.

**AGREE**

Total: 65%

C-Level: 45%

Vice president or Senior VP: 79%

Percent agreeing

*Responses to: "How strongly do you agree or disagree with the following statement? No one at my organization has a full understanding of all the data we collect and how to access it."*
*Base: 750 leaders who oversee data management and AI use at global companies with $1 billion or more in annual revenue*
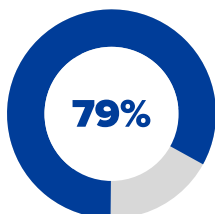*Note: Multiple responses accepted*
*Source: SoftServe AI Survey, Wakefield Research, November 2024*

**79%**

**Top executives may lack visibility into the extent of data mismanagement.** While **79%** of VPs believe that no one in their company fully understands the entirety of the data they collect or how to effectively access it, only **45%** of C-suite executives share this concern.

# Bridging the Gap: Aligning Leadership and Operations for Data Projects
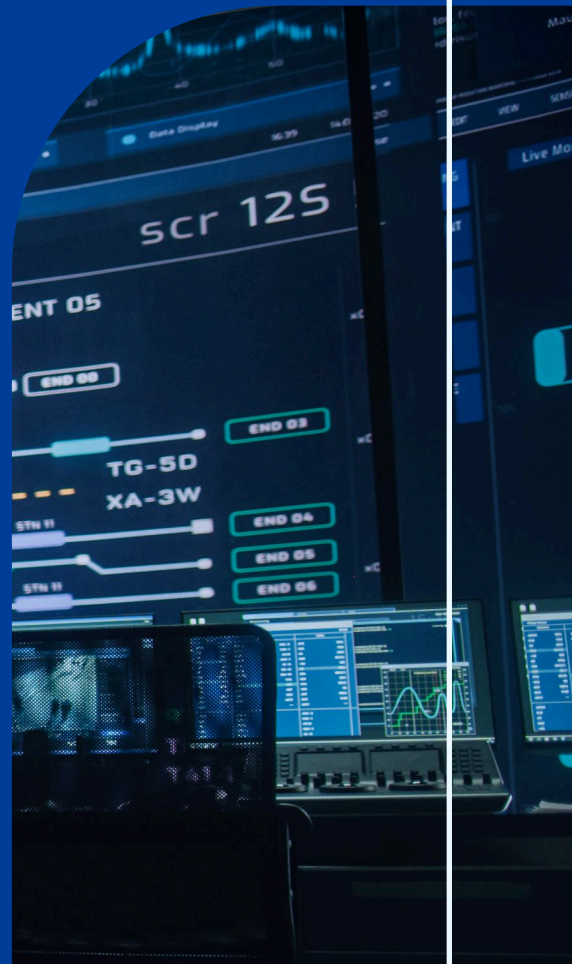
## Dmytro Ivanov

VP of Solutions and Chief Technologist EMEA, SoftServe

The advent of data-driven technologies has created opportunities for enhanced efficiency and increased revenue across industries. Simultaneously, it has illuminated the need for a bridge over the gap in data understanding between leadership and operations.

As we have seen, leadership often lacks insight into the hurdles and potential benefits of data technology, while technology-focused employees often struggle to articulate the importance of data for their projects to a business-centric audience. Companies seeking to build their competitiveness in data-driven markets must introduce a designated role, committee, or communications structure to bridge this gap.

This approach can better evaluate data projects for alignment with top-level leadership priorities and technical feasibility. This committee — or digital advantage lobby group — should consist of a variety of business functions and expertise and, at a minimum, include:

- Solution architects
- Business analysts
- Project managers

This digital lobby group will require an independent mandate, meaning that it must be outfitted with a budget to independently assess, fund, and pursue data projects. It will make decisions based on input from both business analysts and architects. Ideally, the head of the task force will be the ultimate arbiter in selecting and pursuing projects based on informed reports from operations and a thorough understanding of business priorities. This will require a new structural enterprise function that will be critical to leveraging data more constructively for revenue-generating projects. Moreover, as the emphasis on data-driven decision-making increases, this advisory group will be necessary to ensure that leaders are not left with incomplete or inaccurate data and are empowered with better facts when making decisions.

Do you want to learn more about why companies need to establish a digital agency to remain competitive — and how they can do it? **Read our proposal to understand the full picture!**

# Better Executive Alignment Strengthens Data Strategy

*We always start with desirability — do we have a need or a problem to solve? Next, we assess doability — does it make sense, and can it be done? Finally, we evaluate ROI. This process is always done in collaboration with the business.*
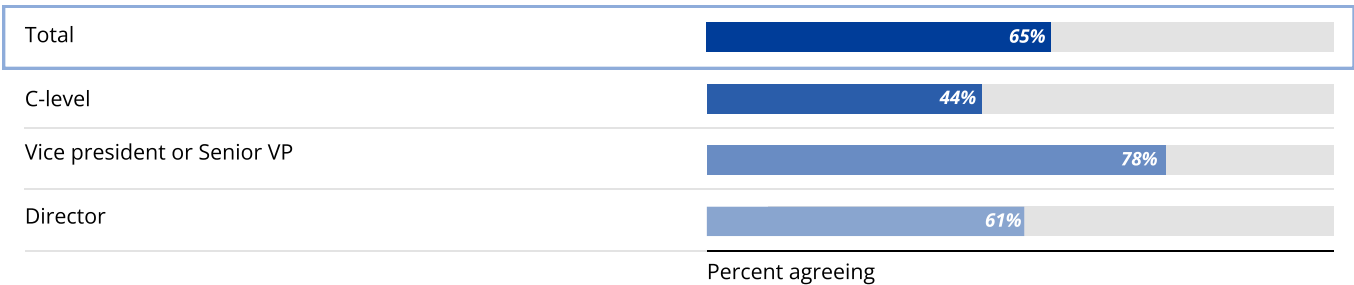
**CIO**
Global Insurance Company

The lack of alignment as to the root of the data decision-making problem plays out in how different levels of leadership perceive the core blockers to be for firms developing a stronger data strategy.

**Some 49% of directors said leadership setting a strategic direction without stakeholder input was an obstacle, but only 39% of the C-suite and 42% of VPs saw a problem.** Simultaneously, among all levels surveyed, 44% identified leadership failing to see the value of enhanced data strategies as a significant barrier.
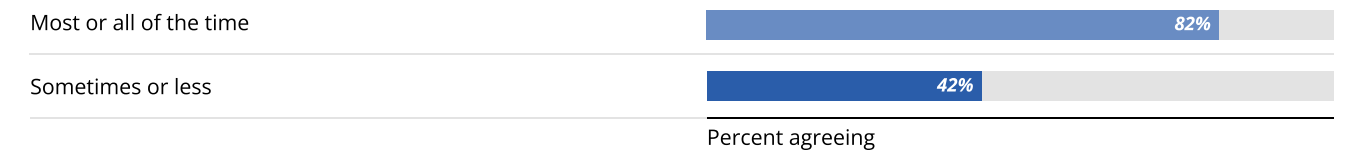
The lack of adequate guidance from leadership not only has deleterious effects on company budgets. It also reveals another split in management. **Nearly two-thirds (65%), including 78% of VPs and 61% of directors but just 44% of those at the C-level, believe their organization's investment priorities are negatively impacted by leaders not fully understanding how to generate value from data.**

**Leaders in my organization don't fully understand how to generate value from data, which negatively impacts their investment priorities.**

| | |
|---|---|
| Total | 65% |
| C-level | 44% |
| Vice president or Senior VP | 78% |
| Director | 61% |

Percent agreeing

*Responses to:* "How strongly do you agree or disagree with the following statement? Leaders in my organization don't fully understand how to generate value from data, which negatively impacts their investment priorities."
*Base:* 750 leaders who oversee data management and AI use at global companies with $1 billion or more in annual revenue
*Note:* Multiple responses accepted
*Source:* SoftServe AI Survey, Wakefield Research, November 2024

**Leaders in my organization don't fully understand how to generate value from data, which negatively impacts their investment priorities.**

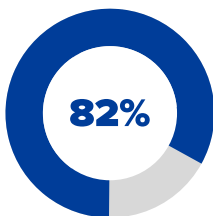| | |
|---|---|
| Most or all of the time | 82% |
| Sometimes or less | 42% |

Percent agreeing

*Responses to:* "How strongly do you agree or disagree with the following statement? Leaders in my organization don't fully understand how to generate value from data, which negatively impacts their investment priorities."
*Base:* 750 leaders who oversee data management and AI use at global companies with $1 billion or more in annual revenue
*Note:* Multiple responses accepted
*Source:* SoftServe AI Survey, Wakefield Research, November 2024

**82%**

**82%** of those at companies that make business decisions based on inaccurate or inconsistent data most or all the time agree with this statement, compared to 42% of those at companies that less frequently make these decisions based on inaccurate or incomplete data. Furthermore, of those who think their company's data strategy needs a complete overhaul, 76% see this as a barrier to making the required investments.

Although these responses suggest a disconnect and a need for leadership to adopt more inclusive and informed approaches toward data strategy development, the disparity also suggests that **top executives may lack visibility into the potential ROI** that improved data strategies could generate and of the necessity to invest in data-related initiatives.

*Regarding data, we increasingly see a structural and informational gap between leadership and operations. Companies require an independent committee with budgetary independence to broach this fissure and pursue valuable data projects.*

**Dmytro Ivanov**
VP of Solutions and Chief Technologist EMEA, SoftServe

**When asked if leadership's ignorance of data's ROI potential throttled investment, 82% of those at companies that make business decisions based on inaccurate or inconsistent data most or all the time agree.** That is compared to just 42% of those at companies that less frequently make these decisions based on inaccurate or incomplete data. Furthermore, of those who think their company's data strategy needs a complete overhaul, 76% see this as a barrier to making the required investments.

# Better Data Preparation
# Can Improve (Gen) AI Rollouts

The recent rush to harness Gen AI left many business leaders disappointed as, according to a
2024 commissioned global study conducted by Forrester Consulting on behalf of SoftServe of 750
decision-makers who use Gen AI across various industries, only 22% of organizations have achieved
enterprise-wide Gen AI success.

### How Enterprise Data Is Used In Gen AI Models Today

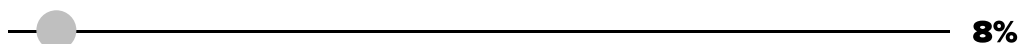My organization is able to embed (fine-tune) enterprise data in its genAI models.

**50%**

**92%**
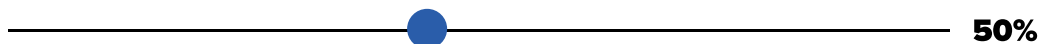
My organization has trained its genAI model on its own data.
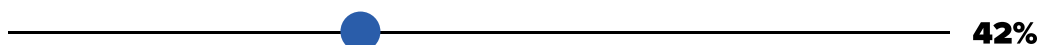
**42%**

My organization does not yet have the ability to incorporate enterprise data.

**8%**

**Base:** 777 global technology purchasing decision-makers involved with genAI
**Source:** A commissioned study conducted by Forrester Consulting on behalf of SoftServe, February 2024

> *We started with skepticism about AI, so we cannot afford major setbacks or failures. Data cleanup is essential before we proceed further. Any failure now would affect future projects and undermine trust in AI.*
>
> **CIO**
> Global Manufacturing Company

The explanations for Gen AI failures given suggest that a key hurdle lies in underdeveloped data strategies. Just 42% said they can train Gen AI models, and 89% struggle to prepare business data. A mere 24% had rolled out a governance policy, and 75% or more face challenges around Gen AI understanding, soft skills and inclinations, hard skills and training, and ethics, risk, and privacy awareness.

Dovetailing with these mediocre results, a strong majority of business and tech leaders (73%) in our study conducted by Wakefield Research believe their company has allocated funds or talent to the latest Gen AI initiatives at the expense of more valuable data and analytics opportunities.

The question of whether a company moved too quickly to invest in Gen AI reveals a further schism in leadership: **only 58% of C-suite executives reported believing this, while directors (70%) and VPs (82%) are more likely to agree**. Furthermore, the various explanations for why AI initiatives stall out indicate a mixture of organizational and technical blockers.

## My organization has allocated funds or talent toward the latest Gen AI trends at the expense of more valuable data and analytics initiatives.



14%

34%

25%

16%

7%

4%

**73%**
Net agreement

- ● Agree 100%
- ● Agree strongly
- ● Agree somewhat
- ● Disagree somewhat
- ● Disagree strongly
- ● Disagree 100%

*Responses to:* "How strongly do you agree or disagree with the following statement? My organization has allocated funds or talent toward the latest Gen AI trends at the expense of more valuable data and analytics initiatives."
*Base:* 750 leaders who oversee data management and AI use at global companies with $1 billion or more in annual revenue
*Note:* Multiple responses accepted
*Source:* SoftServe AI Survey, Wakefield Research, November 2024

## My organization has allocated funds or talent toward the latest Gen AI trends at the expense of more valuable data and analytics initiatives.

C-LEVEL

5%
27%
26%
20%
15%
7%

**58%**
Agree

VICE PRESIDENT OR
SENIOR VP

21%
39%
22%
12%
5%
1%

**81%**
Agree

DIRECTOR OR MANAGING
DIRECTOR

6%
33%
33%
17%
6%
4%

**72%**
Agree

- ● Agree 100%
- ● Agree strongly
- ● Agree somewhat
- ● Disagree somewhat
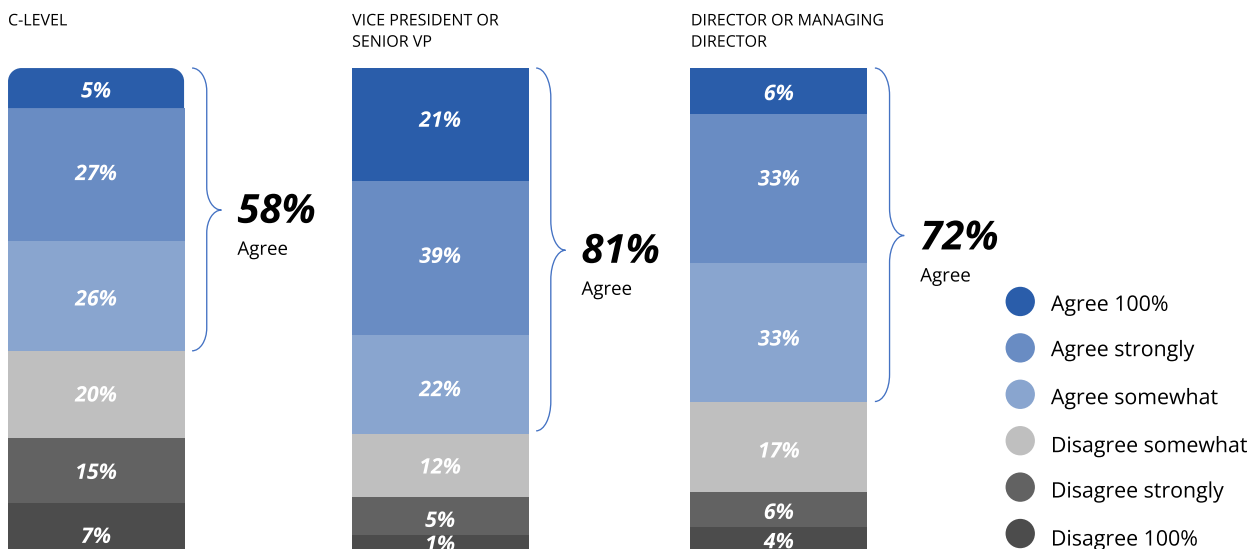- ● Disagree strongly
- ● Disagree 100%

*Responses to:* "How strongly do you agree or disagree with the following statement? My organization has allocated funds or talent toward the latest Gen AI trends at the expense of more valuable data and analytics initiatives."
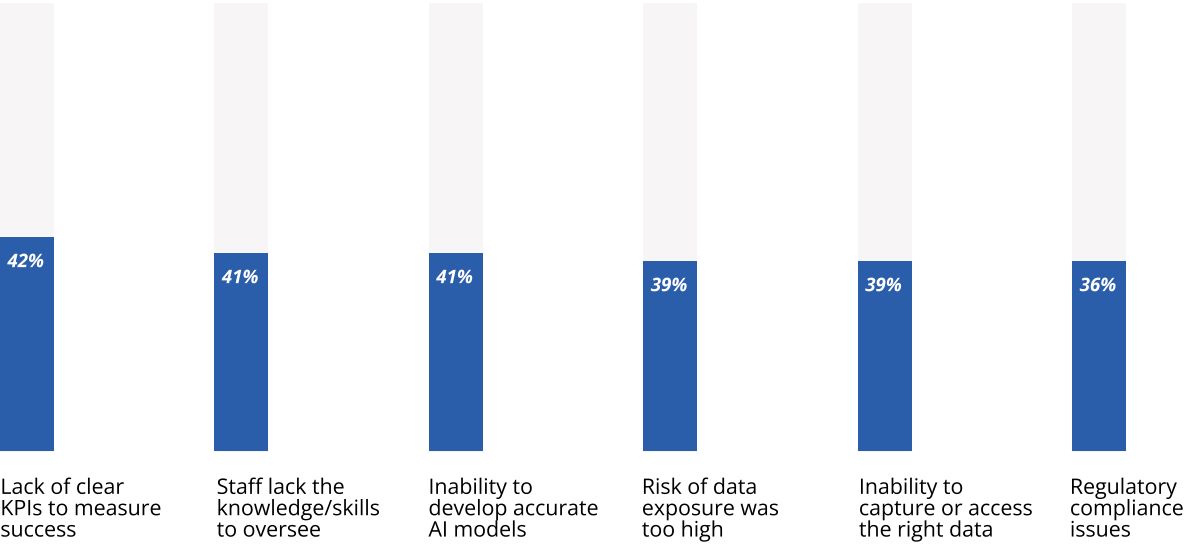*Base:* 750 leaders who oversee data management and AI use at global companies with $1 billion or more in annual revenue
*Note:* Multiple responses accepted
*Source:* SoftServe AI Survey, Wakefield Research, November 2024

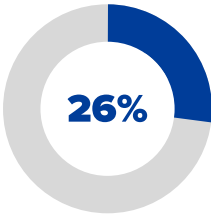## Which of these challenges has ever deterred your organization from moving forward with an AI initiative?

| 42% | 41% | 41% | 39% | 39% | 36% |
|-----|-----|-----|-----|-----|-----|
| Lack of clear KPIs to measure success | Staff lack the knowledge/skills to oversee | Inability to develop accurate AI models | Risk of data exposure was too high | Inability to capture or access the right data | Regulatory compliance issues |

**Responses to:** "Which of these challenges has ever deterred your organization from moving forward with an AI initiative? Select all that apply."
**Base:** 750 leaders who oversee data management and AI use at global companies with $1 billion or more in annual revenue
**Note:** Multiple responses accepted
**Source:** SoftServe AI Survey, Wakefield Research, November 2024

**26%**

**Budget is also a major blocker as the leadership divide illustrates the importance of operational knowledge.** Specifically, C-suite executives have a sanguine view of their budgets, as only **26%** attribute low budgets to stalled AI initiatives. Compared with that, **40%** of directors and **35%** of VPs see budget as a limitation.

## Lack of budget prevents my company from moving forward with AI initiatives.

| | |
|---|---|
| Total | 35% |
| C-Level | 26% |
| Vice president or Senior VP | 35% |
| Director or Managing Director | 40% |

Percent agreeing

**Responses to:** "Which of these challenges has ever deterred your organization from moving forward with an AI initiative? Select all that apply."
**Base:** 750 leaders who oversee data management and AI use at global companies with $1 billion or more in annual revenue
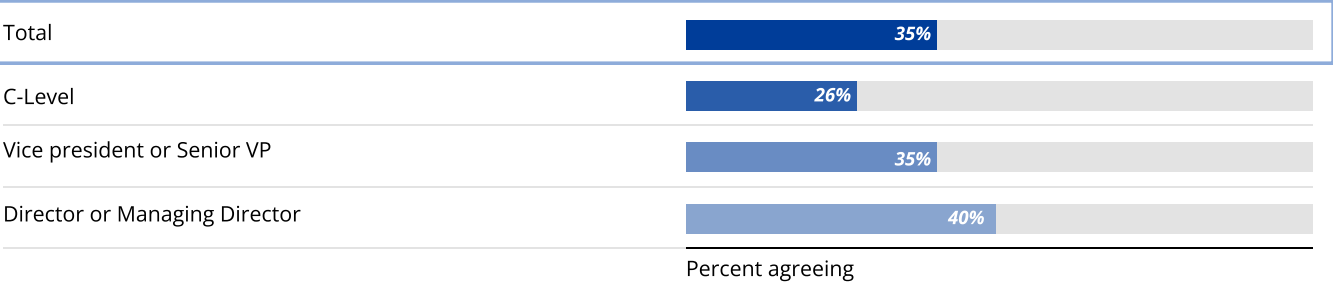**Note:** Multiple responses accepted
**Source:** SoftServe AI Survey, Wakefield Research, November 2024

# Data Maturity Smooths AI Initiatives

*Tools are only as good as the quality of the data. If you feed them bad data, they will produce poor outputs. Right now, I'd say we're only about 40% of the way to having clean, quality data.*

**CEO**
Global Manufacturing Company

Irrespective of other factors, data maturity smooths all AI strategies, while immaturity correlates with negative downstream effects for AI initiatives: **Organizations with robust and well-established data strategies — requiring minimal or no updates (29%) — faced fewer roadblocks from regulatory compliance in their AI initiatives compared to those requiring significant updates.**

## My AI initiatives have been blocked by regulatory compliance issues.

**Data strategy requires [...]**
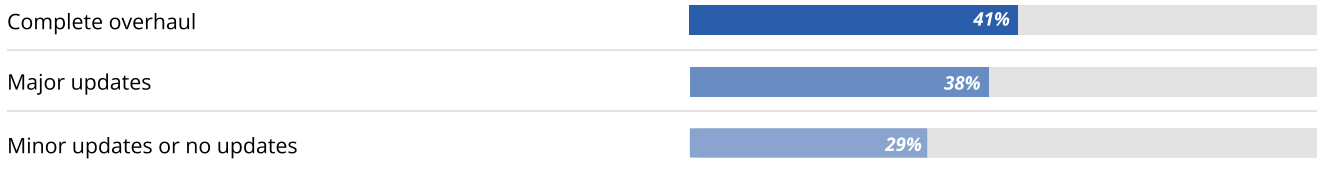
| | |
|---|---|
| Complete overhaul | 41% |
| Major updates | 38% |
| Minor updates or no updates | 29% |

**Responses to:** "Which of these challenges has ever deterred your organization from moving forward with an AI initiative? Select all that apply."
**Base:** 750 leaders who oversee data management and AI use at global companies with $1 billion or more in annual revenue
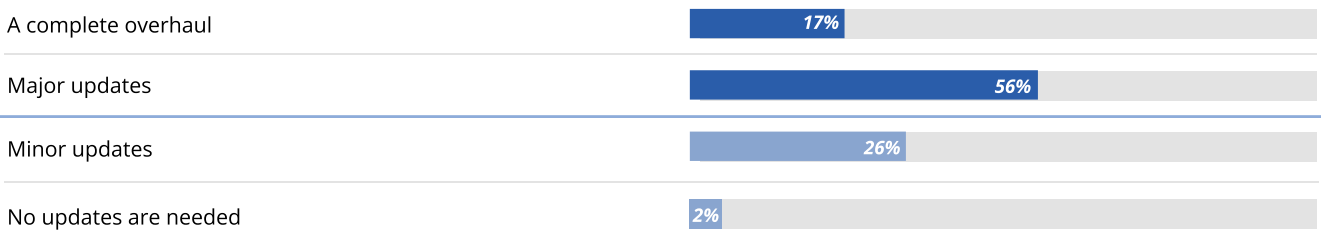**Note:** Multiple responses accepted
**Source:** SoftServe AI Survey, Wakefield Research, November 2024

**73%**
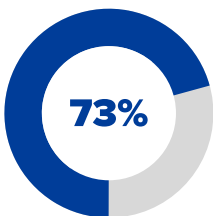
**Before exploring the potential of AI, firms must prioritize revisiting and updating their data strategies**. A staggering 98% agree that changes are essential to unlock AI's capabilities. **Among them, 73% believe this requires either major data-strategy updates or a complete overhaul.** Without these foundational improvements, AI initiatives risk being undermined by outdated or inadequate data frameworks.

## What level of updating does your data strategy need before you could reap the full benefits of new data initiatives like AI?

| | |
|---|---|
| A complete overhaul | 17% |
| Major updates | 56% |
| Minor updates | 26% |
| No updates are needed | 2% |

**Responses to:** "What level of updating does the data strategy for your [organization/business unit or function] need before you could reap the full benefits of new data initiatives like AI?"
**Base:** 750 leaders who oversee data management and AI use at global companies with $1 billion or more in annual revenue
**Note:** Multiple responses accepted
**Source:** SoftServe AI Survey, Wakefield Research, November 2024

# Laying Data Foundations for Gen AI

## Iurii Milovanov

AVP, AI/Data Science, SoftServe

Correctly implementing Gen AI in an enterprise requires more than cutting-edge applications; it demands a strong data foundation. There should not be a conflict between investing in data projects and Gen AI.

Rather, the key is to find the balance between the data supply side (data readiness) and data demand side (business-aligned Gen AI applications).
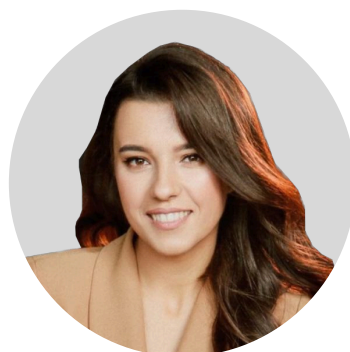
## Zoriana Doshna

AVP of Technology

Over-investing in data without use cases leads to unused assets, while emphasizing Gen AI without quality data diminishes effectiveness.

Determining an optimal investment schedule also requires evaluating Gen AI use cases for both business benefits and data and technical readiness.

### Avoiding wasted efforts

Misalignment can lead to wasted efforts, whereas prioritizing data-supported, ROI-driven applications amplifies growth opportunities through both quick wins and long-term revenue growth. That plays into building data maturity and aligning it with Gen AI use cases to create a virtuous cycle that unlocks revenue potential and enables future projects.

The essential component for this is data governance, with three aspects critical to preparing for Gen AI:

**1.** **Data Availability**
Ensuring the right data sources are integrated and accessible for AI applications.

**2.** **Data Quality**
Avoiding "garbage in, garbage out." High-quality data reduces inaccuracies and duplicates, enabling better outcomes.

**3.** **Data Integration**
Effectively merging varied data types (structured and unstructured) for seamless Gen AI applications.

While guaranteeing data availability, quality, and integration is critical, companies with strong Gen AI applications may still lack the requisite database. They can leverage sampled data, which can provide the jumping-off point for robust solutions, but this will still necessitate strong data governance and a thorough understanding of data origins and quality.

Whatever Gen AI application is right for you, fostering synergy between strong data foundations and impactful AI applications transforms unused data into valuable assets, delivering both efficiency and a competitive advantage.

**Do you want to learn more about the synergies between data strategy and Gen AI?**
**Learn more here!**

# Overhaul Strategy To Secure ROI With Data Maturity

Taken together, these findings underscore the urgent need for organizations with immature data strategies to consider an overhaul. Without action to resolve inefficiencies in accessibility and reliability, or a lack of leadership alignment, companies will continue to struggle with data-driven technologies. But if they act now, they can develop high-level AI-driven solutions and ultimately compete in markets driven by data-centric business models.

> *Gen AI and data have a mutually beneficial relationship. Stronger data results in more robust Gen AI implementations, while business-aligned Gen AI applications convert unused data into valuable assets. The key is finding the balance to create a virtuous cycle.*

**Iurii Milovanov**
AVP, AI/Data Science, SoftServe

The first step to overcoming these blocks lies in understanding the importance and potential ROI of data initiatives. That must lead not only to increased investment but also to a deeper alignment with business needs and plans for larger rollouts. To guarantee the latter point, companies must prioritize the investments they make in data infrastructure.

Data maturity entails precisely that: Building a data infrastructure that aligns with and enables the use cases that will enhance decision-making, lead to greater efficiency, and ultimately increase both short- and long-term revenue. Data-mature companies understand that point. They are most likely to underwrite greater investments in data infrastructure, and least likely to undertake projects without proper planning and infrastructure for rollouts.

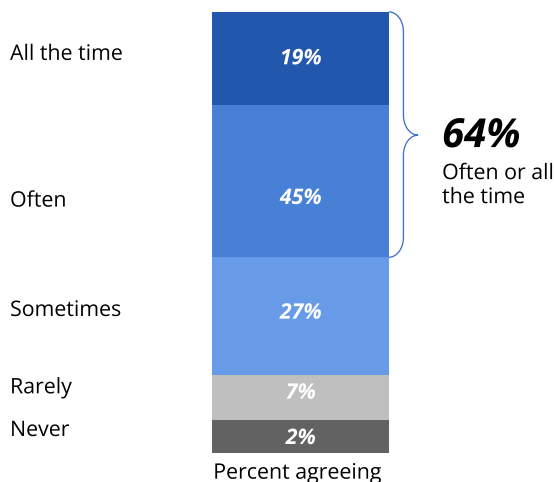# Alignment of ROI and Data Strategy Drives (Gen) AI Projects

*Many companies are rushing to implement AI. Take a step back. Ensure every use case has a clear ROI and implement AI one solution at a time. Accurate, clean data is critical — without it, failure is inevitable.*

**CEO**
Global Manufacturing Company

## How often are AI solutions implemented at your organization without first establishing a firm business use case to guide the initiatives?

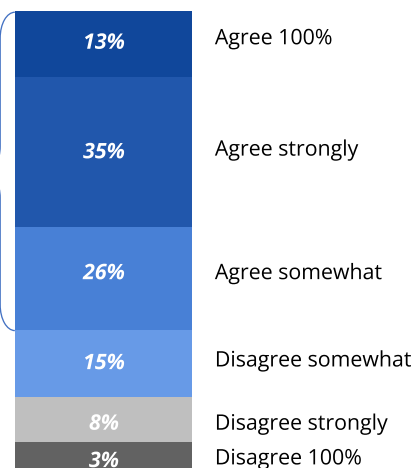| | |
|---|---|
| All the time | 19% |
| Often | 45% |
| Sometimes | 27% |
| Rarely | 7% |
| Never | 2% |

**64%** Often or all the time

Percent agreeing

*Responses to:* "How often are AI solutions implemented at your organization without first establishing a firm business use case to guide the initiatives?"
*Base:* 750 leaders who oversee data management and AI use at global companies with $1 billion or more in annual revenue
*Source:* SoftServe AI Survey, Wakefield Research, November 2024

**Many organizations face challenges due to a lack of alignment between AI initiatives and core business objectives.** This misalignment often results in wasted resources and stalled projects. Our research shows that **64%** of business leaders admit their companies frequently deploy AI solutions without first establishing a viable business use case to justify their efforts.

**Even when projects begin with a viable concept, scalability remains a significant hurdle.** Alarmingly, 74% of organizations report launching AI pilot programs without a comprehensive plan to scale them to achieve meaningful business outcomes.

## My organization often jumps into AI with pilot initiatives that lack a clear plan for scaling to meet business goals.

| | |
|---|---|
| 13% | Agree 100% |
| 35% | Agree strongly |
| 26% | Agree somewhat |
| 15% | Disagree somewhat |
| 8% | Disagree strongly |
| 3% | Disagree 100% |

**74%** Agree

*Responses to:* "How strongly do you agree or disagree with the following statement? My organization often jumps into AI with pilot initiatives that lack a clear plan for scaling to meet business goals."
*Base:* 750 leaders who oversee data management and AI use at global companies with $1 billion or more in annual revenue
*Source:* SoftServe AI Survey, Wakefield Research, November 2024

**83%**
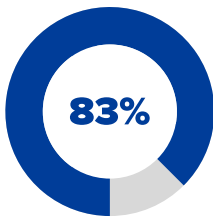
**The good news is that companies with greater data maturity tend to deploy AI solutions less haphazardly.** While 83% of companies requiring a complete data strategy overhaul often or always deploy AI solutions without first identifying well-defined business use cases, the figure decreases substantially for more data-mature companies. The same is true for solutions deployed without plans to scale, though to a lesser extent.

## My company always implements AI solutions without a firm business case.

83%

60%  60%

**Data strategy requires**

● Complete overhaul

● Major updates

● Minor updates or no updates

Often or All the time

*Responses to:* "How often are AI solutions implemented at your organization without first establishing a firm business use case to guide the initiatives?"
***Base:*** 750 leaders who oversee data management and AI use at global companies with $1 billion or more in annual revenue
***Source:*** SoftServe AI Survey, Wakefield Research, November 2024

## My company always jumps into AI pilot initiatives that lack a clear plan for scaling.

80%

72%  73%

**Data strategy requires**

● Complete overhaul

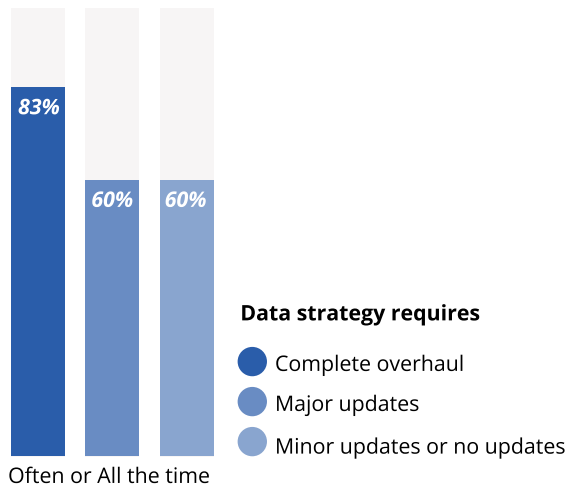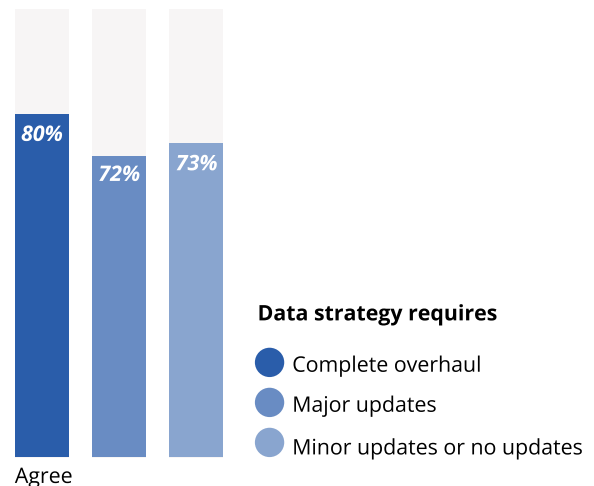● Major updates

● Minor updates or no updates

Agree

*Responses to:* "How strongly do you agree or disagree with the following statement? My organization often jumps into AI with pilot initiatives that lack a clear plan for scaling to meet business goals."
***Base:*** 750 leaders who oversee data management and AI use at global companies with $1 billion or more in annual revenue
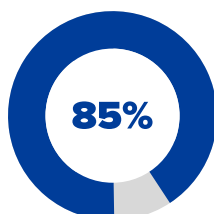***Source:*** SoftServe AI Survey, Wakefield Research, November 2024

# Data-Mature Companies Most Likely To Increase Investment

*Companies need to invest in a data strategy and take steps toward adopting AI and machine learning. These technologies are the future — delay too long, and you'll be left behind.*

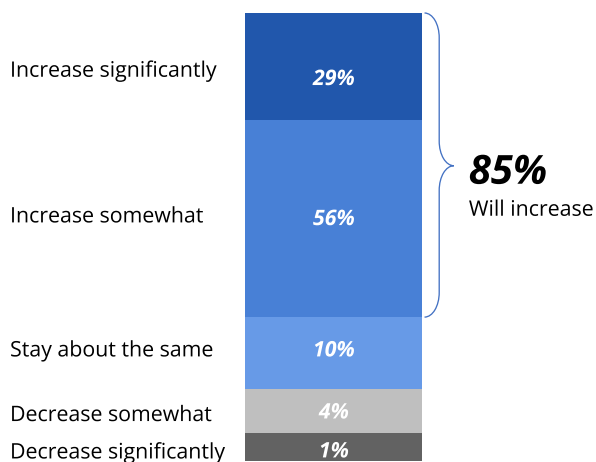**VP of Data Engineering and Software Engineering**
Banking

**85%**

Funding does not appear likely to be the blocker to successful data projects. **Organizations are gearing up to prioritize data management projects, with 85% planning to increase investments in this critical area over the next year.** However, companies with fully mature data strategies are twice as likely to significantly ramp up investments over the next 12 months — 42% versus 19% for those with less developed strategies.

This additional funding could be a strategic enabler, laying the groundwork for adopting advanced AI-driven solutions and strengthening data-driven decision-making across the enterprise. **But without allocating funds to data infrastructure embedded in alignment with the needs of scalability, companies will struggle to make the most of cutting-edge technologies.**

## How much will your organization's investment in data management change over the next 12 months?

| | |
|---|---|
| Increase significantly | 29% |
| Increase somewhat | 56% |
| Stay about the same | 10% |
| Decrease somewhat | 4% |
| Decrease significantly | 1% |

**85%** Will increase

## My organization's investment in data management will increase significantly in the next 12 months.

42%

19%

Percent agreeing

**My company's data strategy is**
- Fully mature
- Less than fully mature

*Responses to:* "How much will your organization's investment in data management change over the next 12 months?"
*Base:* 750 leaders who oversee data management and AI use at global companies with $1 billion or more in annual revenue
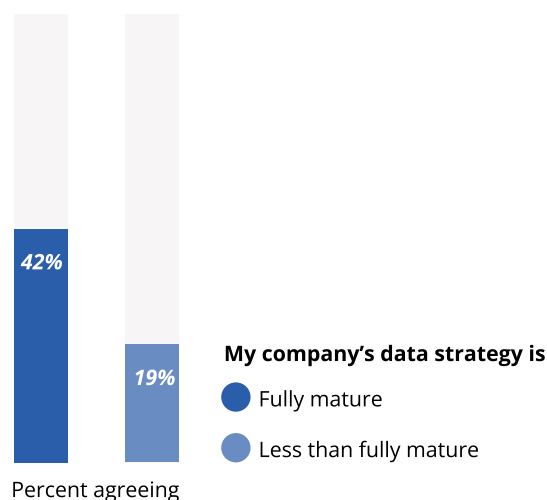*Source:* SoftServe AI Survey, Wakefield Research, November 2024

*Responses to:* "How much will your organization's investment in data management change over the next 12 months?"
*Base:* 750 leaders who oversee data management and AI use at global companies with $1 billion or more in annual revenue
*Source:* SoftServe AI Survey, Wakefield Research, November 2024

# Remove Impediments To Move Forward With Data Initiatives

*We continuously assess our current data capabilities, evolving our strategy through partnerships, collaboration, and change management. This approach is vital for growth in the coming years.*
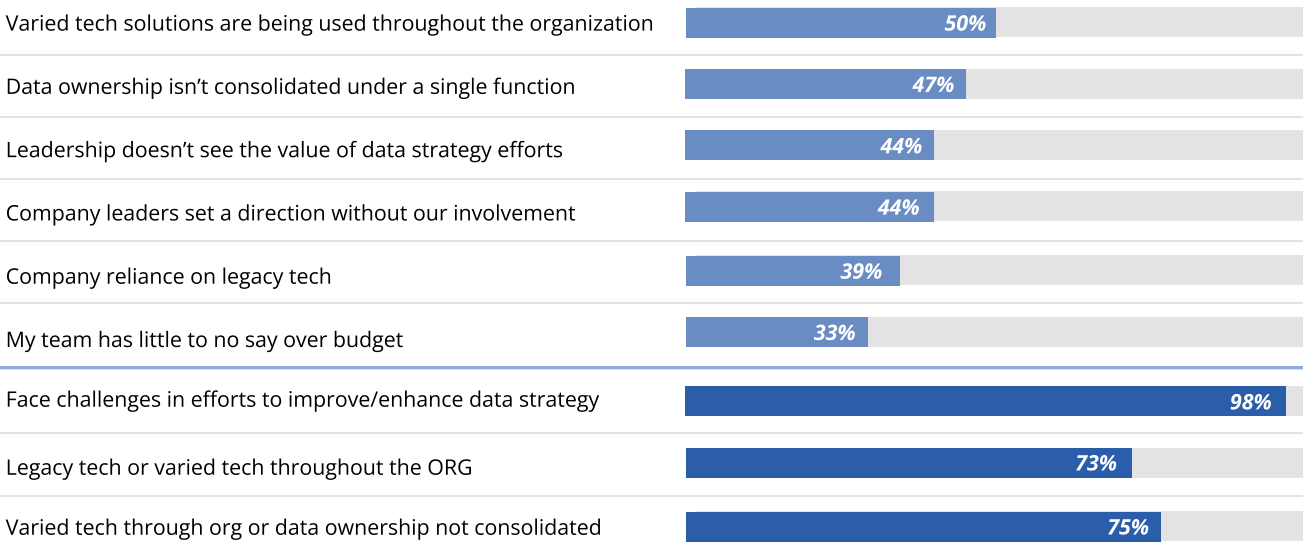
**CIO**
Global Insurance Company

**Where must forward-thinking companies begin?** To create a future-ready data strategy and maximize ROI, organizations must address key challenges impeding progress. **A significant 50% of leaders identify the widespread use of varied technologies across their organization as a top challenge**, while 47% point to fragmented data ownership as a barrier to achieving a unified approach.

## What are the top three challenges you face to improve or enhance your organization's data strategy?

| | |
|---|---|
| Varied tech solutions are being used throughout the organization | 50% |
| Data ownership isn't consolidated under a single function | 47% |
| Leadership doesn't see the value of data strategy efforts | 44% |
| Company leaders set a direction without our involvement | 44% |
| Company reliance on legacy tech | 39% |
| My team has little to no say over budget | 33% |
| Face challenges in efforts to improve/enhance data strategy | 98% |
| Legacy tech or varied tech throughout the ORG | 73% |
| Varied tech through org or data ownership not consolidated | 75% |

**Responses to:** "What are the top challenges, if any, you face in your role when it comes to efforts to improve or enhance your organization's data strategy?"
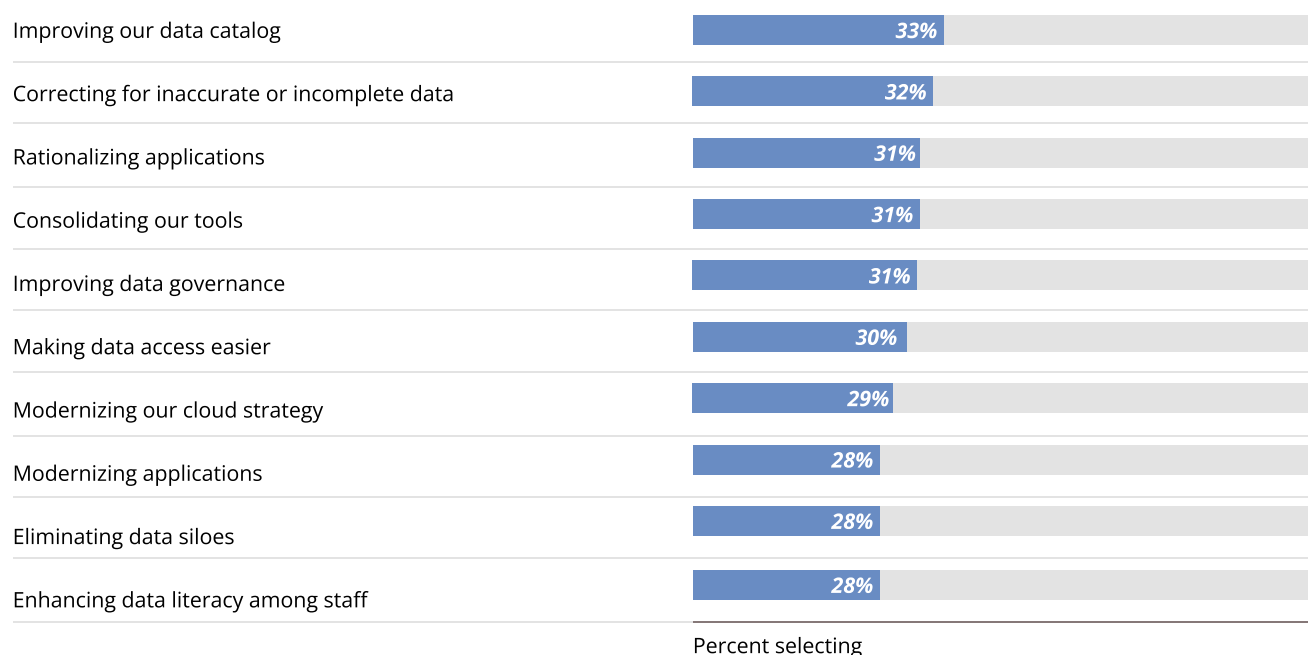**Base:** 750 leaders who oversee data management and AI use at global companies with $1 billion or more in annual revenue
**Note:** Multiple responses accepted
**Source:** SoftServe AI Survey, Wakefield Research, November 2024

Amid these challenges, prioritizing impactful data-strategy initiatives requires a strategic approach. According to our study, many leaders are unclear on where they need to prioritize. When examining areas of their data strategy most in need of improvement, the top responses included improving data catalog systems 33% and rectifying inaccurate or incomplete data 32%. However, no initiatives scored substantially lower, which emphasizes the customized nature of approaches that need to be developed for individual organizations.

## In which areas is your organization most in need of improvement when it comes to your data strategy? Top three responses

| Area | Percent selecting |
|---|---|
| Improving our data catalog | 33% |
| Correcting for inaccurate or incomplete data | 32% |
| Rationalizing applications | 31% |
| Consolidating our tools | 31% |
| Improving data governance | 31% |
| Making data access easier | 30% |
| Modernizing our cloud strategy | 29% |
| Modernizing applications | 28% |
| Eliminating data siloes | 28% |
| Enhancing data literacy among staff | 28% |

Percent selecting

**Responses to:** "In which areas is your organization most in need of improvement when it comes to your data strategy? Drag your responses over to the right and rank them in order. The option you place at the top will be the area most in need of improvement. Please rank the top three areas."
**Base:** 750 leaders who oversee data management and AI use at global companies with $1 billion or more in annual revenue
**Note:** Multiple responses accepted
**Source:** SoftServe AI Survey, Wakefield Research, November 2024

The lack of consensus regarding how to tackle the most important data projects means that, on the road to prioritizing, it will be crucial to take a strategic, but individual approach. Whether that means enhancing data catalog systems, rectifying inaccurate data, consolidating tools, strengthening governance, or building staff data literacy, the key is to focus on the initiatives that promise the most impact for each business.

This becomes a crucial juncture for companies with immature data strategies. Without proactive and prioritized investment, intrinsic inefficiencies in data accessibility, reliability, and lack of leadership alignment will persist. This will obstruct the potential for data-driven innovation, high-level AI integration, and competitiveness in the data-centric market.

The immediate need for businesses is to prioritize their data initiatives. That will not only help them attain maturity but more strategically secure strong ROI. Understanding the challenges that emerge from varied technologies, fragmented ownership of data, outdated tech dependency, and decision-making constraints will be essential to forging ahead — and working with expert partners will make it a lot easier.

# Conclusion

**The survey shows** that the rewards to be gained from a proper data strategy and management are undeniable, despite evident hurdles such as governance. A successful outcome can open numerous opportunities such as new revenue pathways, the ability to fruitfully deploy more advanced technologies, improved efficiency, and the ability to monetize data assets.

However, achieving such gains requires transcending leadership's sometimes limited understanding of the often-complex potential of data initiatives. It also calls for a shift from prioritizing less rewarding initiatives to ones that promise a higher return on investment. The high failure rate of projects like Gen AI in businesses that lack data maturity underlines the importance of this shift.

As we noted in our first Spotlight section, companies seeking sustainable success need to re-engineer their data strategies to align with their business objectives. Our second Spotlight suggests that companies build a dedicated digital lobby group to bridge this gap. Such a group will enable companies to achieve the data availability, quality, and integration required for advanced AI and Gen AI applications, as outlined in our third Spotlight section.

An enhanced focus on revenue-generating initiatives will naturally follow for data-mature businesses. They, in turn, will spearhead the recognition of the crucial role data strategies play in fostering long-term growth and innovation across industries.

However, the road ahead is not without its challenges. The lack of clarity on which aspects of data strategy need to be prioritized underscores the need for guidance from digital strategy advisors, particularly given the varied and often unique situations across individual organizations at varying degrees of data maturity.

**A successful data strategy is more than an ideal framework.** It's about identifying and creating tangible business value, strategically and practically, one step at a time. The time to embrace effective data practices for a prosperous future is now. SoftServe is here to help you discover which pathway is right for you and support you on that journey.

# Methodological Notes

**WAKEFIELD**

The SoftServe AI Survey was conducted by Wakefield Research among 750 business leaders or technology and data analytics executives (Director+) who are familiar with or have responsibilities for data management, data management strategy, or AI use at companies with an annual revenue of $1B or more in 3 regions: N. America: US, Canada; EMEA: UK, Germany, Nordics [Sweden, Denmark]; and APAC: Singapore, Australia, between October 24th and November 3rd, 2024, using an email invitation and an online survey. Qualifying industries include financial services/banking/insurance; healthcare & life sciences; retail/FM consumer goods; high-tech; manufacturing/automotive; energy/oil & gas/utilities; mining & minerals; agriculture & agriculture technologies. Quotas were set for even distribution among region and industries. Aggregated quota for at least 100 select C-Level titles: CEO, COO, CIO, CTO, CDO.

Wakefield Research conducted in-depth interviews with 5 business leaders or technology and data and analytics executives (Director+) with responsibility for data management, data management strategy, or AI use at companies with an annual revenue of $1B or more in North America, EMEA, and APAC. The interviews, lasting up to 45-minute each, were conducted in December 2024 by video conference.

Results of any sample are subject to sampling variation. The magnitude of the variation is measurable and is affected by the number of interviews and the level of the percentages expressing the results. For the interviews conducted in this particular study, the chances are 95 in 100 that a survey result does not vary, plus or minus, by more than 3.6 percentage points for the global sample, and 6.2 percentage points for each region (North America, EMEA, APAC) from the result that would be obtained if interviews had been conducted with all persons in the universe represented by the sample.

# WHY SOFTSERVE

SoftServe is a premier IT consulting and digital services provider. We expand the horizon of new technologies to solve today's complex business challenges and achieve meaningful outcomes for our clients. Our boundless curiosity drives us to explore and reimagine the art of the possible. Clients confidently rely on SoftServe to architect and execute mature and innovative capabilities, such as digital engineering, data and analytics, cloud, and AI/ML.

Our global reputation is gained from more than 30 years of experience delivering superior digital solutions at exceptional speed by top-tier engineering talent to enterprise industries, including high tech, financial services, healthcare, life sciences, retail, energy, and manufacturing.

We partner with major technology players, such as Google Cloud Platform, Amazon Web Services, Microsoft Azure, Salesforce, and NVIDIA, to give clients a competitive advantage in the market.

## LET'S TALK

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