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THE TRUE COST OF AI ADOPTION

What Global Leaders Revealed at Davos 2026

And What It Means for Your ROI

A Research Report by Jeeni

Based on Davos 2026 Research & Executive Insights

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Stop asking what AI can do.

Start asking what it costs and what it earns.

Executive Summary

At the World Economic Forum in Davos 2026, business leaders reached a striking consensus: the era of AI pilots is over. Companies are now obsessed with one question: ROI.

Yet according to PwC research presented at Davos, 56% of companies report getting nothing out of AI adoption. Cognizant's "New Work, New World 2026" analysis reveals why: while current AI technology could unlock $4.5 trillion in U.S. labor productivity, most organizations haven't done the hard work of restructuring their businesses or reskilling their workforces to capture that value.

This whitepaper synthesizes insights from Davos 2026 speakers including executives from Microsoft, Nvidia, Salesforce, Celonis, and leading consulting firms to reveal what determines AI success. The verdict: success depends on three things emphasized repeatedly: (1) strong CEO commitment, (2) centers of excellence for AI deployment, and (3) ruthless focus on measuring ROI from day one.

Organizations that establish centers of excellence achieve 8x better ROI than those that don't. Those that ignore ROI measurement join the 56% crisis.

Key Findings from Davos 2026

- 56% of companies report getting 'nothing' from AI adoption (PwC Global Survey)
- Center of Excellence delivers 8x better ROI than no structured approach (Celonis)
- $4.5 trillion in U.S. labor productivity available through AI, requiring business reinvention (Cognizant)
- 93% of jobs now impacted by AI, up from earlier projections (Cognizant analysis)
- Bottom up AI adoption abandoned; CEO led strategic initiatives now essential
- Global data center power usage growing from 55 to 84 gigawatts in two years (Goldman Sachs)

1. The 56% Crisis: Why Most AI Adoptions Fail

PwC's global chairman Mohamed Kande presented research showing 56% of companies getting 'nothing' from AI adoption. His diagnosis: companies have forgotten the basics clean data, documented processes, and proper governance. Without these fundamentals, AI technology cannot deliver value.

The true cost isn't just software licenses. It's the unglamorous work of preparing your organization: cleaning data, documenting workflows, establishing governance, and building internal capability.

2. The Cognizant Paradox: $4.5 Trillion Available

Cognizant's research shows AI could unlock $4.5 trillion in U.S. labor productivity. But CEO Ravi Kumar told Davos: 'Turning that investment into results takes more than technology power.' It requires contextual intelligence, flexible operating models, and extensive workforce reskilling.

'Skilling is no longer a side thing. It has to be part of the infrastructure story,' Kumar emphasized. This translates to significant costs for workforce development, change management, and organizational restructuring.

Bottom line: substantial value lies between the theoretical $4.5T and what your organization actually captures.

3. The Three Pillars of AI Success

Pillar 1: CEO Led Strategic Initiatives

Siemens Chairman Jim Hagemann Snabe told Davos that CEOs must be 'dictators' in identifying where AI deploys and pushing initiatives forward. Bottom up adoption is dead. Board and CEO sponsorship is essential.

Pillar 2: Centers of Excellence (8x ROI Multiplier)

Celonis research showed that companies establishing centers of excellence achieve 8x better ROI. This requires dedicated teams, senior practitioners, and knowledge transfer mechanisms. Cost: $200K $500K+ annually.

Pillar 3: Data as Foundation

Having clean data in the right place is essential. Without it, AI has nothing to learn from. Data preparation, integration, governance, and ongoing management cost $100K $500K+.

4. The Infrastructure Reality: Trillions Required

Nvidia CEO Jensen Huang stated that AI development will require 'trillions of dollars' the largest infrastructure build out in history. Microsoft CEO Satya Nadella emphasized: 'Energy and infrastructure costs will be the key driver of who wins the AI race.'

Global data center power demand is growing from 55 to 84 gigawatts in just two years. Competition for compute capacity will intensify, driving up costs. But Huang warned: 'Infrastructure spending is sensible only if the application layer generates revenue to match the Capex.'

Translation: over invest in infrastructure without clear software ROI, and face a significant hangover in 2026.

5. Job Transformation, Not Disappearance

Despite job loss concerns, Jensen Huang noted AI will create a boom in specialized trades: electricians, plumbers, cooling system experts. 'We're seeing a significant boom and salaries have gone up,' he said.

Cognizant's research shows 93% of jobs are impacted by AI, but not all are eliminated. Upwards of 40% of management and administrative tasks cannot be fully automated. 'Human expertise remains indispensable,' Cognizant concludes.

Cost implication: Budget heavily for retraining programs and new role recruitment. This is foundational, not optional.

6. ROI Timeline: Phased Over 18+ Months

Davos consensus on phases:

- **Months 0 6:**Heavy investment, minimal returns
- **Months 6 18:**Scaling impact, approaching break even
- **18+ months:**Sustained returns, 200 400% ROI for organizations that did foundational work

Jeeni's Take: The "Novelty" Era is Over

> For the last three years, the market has treated AI as a psychological experiment moving from curiosity to skepticism to denial. That phase is finished.

The data from Davos 2026 makes one thing clear: The 'Magic' phase is dead. We are now in the 'Math' phase.

For three years, organizations asked 'What can AI do?' They were enchanted by the magic the promise, the potential, the transformative hype. Vendors fueled this narrative. Consultants amplified it. Every tech conference celebrated the 'magic' of AI.

But magic doesn't scale. Magic doesn't generate ROI. Magic doesn't survive contact with reality messy data, complex processes, resistant organizations, and the brutal mathematics of cost versus benefit.

That's why 56% of companies are getting nothing from AI. They're still looking for magic. They're still asking 'What can AI do?' The winners aren't. They've moved on.

The Winners Are in the 'Math' Phase

The organizations getting 8x better ROI aren't asking about possibilities. They're asking about specifics: What are the exact workflows? How much does each step cost? Where is the inefficiency? What will it cost to optimize? What will we earn by doing so?

This is the 'Math' phase. It's unglamorous. It requires spreadsheets, not PowerPoint decks. It demands rigor, governance, and accountability not innovation theater.

Celonis proved this: companies with a center of excellence (focused on process math, not AI magic) achieve 8x better ROI. Why? Because a center of excellence doesn't ask 'What can we do?' It asks 'What does this cost? What will we earn?'

The Myth of AI Replacing Humans

The 'magic' narrative includes a dark thread: AI will replace humans. Entire functions will disappear. Jobs will vanish.

The math tells a different story. Cognizant analyzed 18,000 tasks across 1,000 jobs and found that while AI can handle 93% of jobs, upwards of 40% of management and administrative tasks cannot be fully automated. More importantly, the humans doing that work aren't being replaced they're being augmented.

The true ROI isn't AI replacing humans. It's Human + AI executing workflows with ruthless efficiency.

A human analyzing financial statements takes 8 hours. That human + AI analyzing financial statements takes 2 hours. The human isn't gone. They're now 4x more productive. That's where the real ROI lives not in job elimination, but in productivity multiplication.

And that's why organizations investing heavily in workforce development (the human part of Human + AI) are seeing returns, while those betting on AI replacing humans are still in the 56% crisis.

The Time for Curiosity is Over

Davos 2026 delivered a clear message: stop experimenting. Start executing.

This doesn't mean you can't innovate. It means innovation must be coupled with rigor. Every AI initiative must have a sponsor, a timeline, a clear ROI target, and ruthless accountability. The days of 'exploratory pilots' are done. The days of 'let's see what happens' are finished.

It is time to get to work.

Conclusion

Davos 2026 marked the end of the 'Magic' era and the beginning of the 'Math' era. The 56% of companies getting nothing from AI are still chasing magic. The winners have moved on.

The math is clear: AI succeeds when it's integrated into well understood workflows, coupled with human expertise, and measured with ruthless rigor. The winners aren't the ones who adopted AI earliest. They're the ones who adopted it smartest with CEO commitment, centers of excellence, and relentless focus on ROI.

The winners understand that the true cost of AI adoption is the cost of business transformation. And the true ROI is Human + AI executing with efficiency that wasn't possible before.

The magic is over. The math has begun. It is time to get to work.

Methodology & Sources

This whitepaper synthesizes insights from the World Economic Forum 2026 (January 19 23, Davos, Switzerland) from:

- PwC Global Chairman Mohamed Kande (56% AI adoption failure rate)
- Cognizant CEO Ravi Kumar S ("New Work, New World 2026" report, $4.5T productivity potential)
- Nvidia CEO Jensen Huang (infrastructure requirements, energy costs)
- Microsoft CEO Satya Nadella (energy infrastructure, data center economics)
- Siemens Chairman Jim Hagemann Snabe (CEO led AI initiatives)
- Celonis Co founder and Co CEO Bastian Nominacher (Center of Excellence 8x ROI multiplier)
- Additional data: Fortune, World Economic Forum, Euronews, Bloomberg, Yahoo Finance coverage of Davos 2026