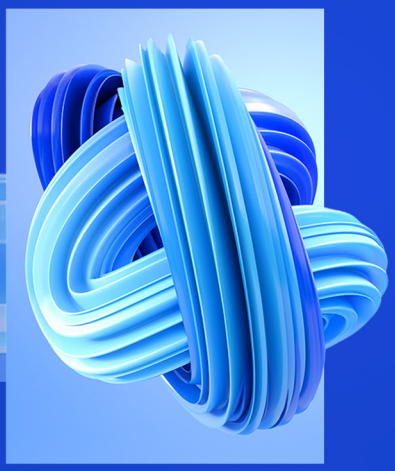
Board leadership in the Intelligence Age

10 recommendations for board directors

KPMG Middle East Board Leadership Centre

KPMG. Make the Difference.



AI is changing how organizations produce analysis, make decisions and assign work. As intelligent systems take on greater responsibility for execution, the quality of human judgement becomes more consequential. Boards need to understand how AI shapes the recommendations they receive and whether the organization can challenge its outputs and remain accountable for the resulting decisions.

Strategy, governance, culture and stakeholder accountability remain central to leadership. Exercising those responsibilities now requires closer attention to how human and machine capabilities work together. Drawing on Lead first: The human playbook for the Intelligence Age, the following recommendations highlight where boards should focus their attention.

01

Rethink how the organization works with AI

Many organizations are introducing AI into workflows and structures built around human execution. This can produce efficiency gains while leaving the assumptions behind the operating model untouched.

Boards should press management on what needs to change across workflows, decision rights and workforce responsibilities. A useful question is whether a critical function would look the same if it were designed today around what AI can already do. The answer should inform the board's assessment of the transformation strategy and the investment supporting it.

02

Make it clear who is accountable for AI-assisted decisions

AI can contribute substantially to a decision without being capable of bearing responsibility for its consequences. As execution becomes more distributed, accountability can become harder to locate.

Directors should ask management to identify the organization's highest-stakes AI-assisted decisions and name the individual accountable for each outcome. The boundary between an agent's recommendation and a human decision needs to be explicit. Where management cannot explain who exercises judgement at that boundary, the board has a governance gap to address.

© 2026 KPMG Middle East LLP, a Jersey limited liability partnership, and a member firm of the KPMG global organization of independent member firms affiliated with KPMG International Limited, a private English company limited by guarantee. The KPMG name and logo are trademarks used under license by the independent member firms of the KPMG global organization.

03

Question AI outputs before acting on them

AI can improve the completeness and timeliness of information available to decision-makers. Its outputs can also appear convincing when the underlying analysis is inaccurate or incomplete.

Directors should bring the same discipline to AI-assisted recommendations that they expect management to exercise. What context is missing and which assumptions need challenging? The ability to recognize where an output falls short becomes increasingly valuable as sophisticated analysis becomes widely available. Under time pressure, a confident presentation should prompt careful scrutiny of the reasoning behind it.

04

Make AI governance visible in everyday decisions

Responsible AI frameworks and ethics structures have limited value unless they influence how decisions are made. The paper warns that governance can become procedural without providing meaningful scrutiny.

Boards should ask how AI outputs are questioned and overridden in practice. They should also examine whether those reviewing the systems have the technical capability to assess them meaningfully. Management should be able to explain how governance operates within critical workflows and where human intervention occurs. That explanation gives directors a firmer basis for evaluating whether oversight is effective.

05

Measure the value AI delivers

Deployment numbers and usage levels provide an incomplete account of progress. Organizations need to connect AI investment to business outcomes and understand the costs of operating it.

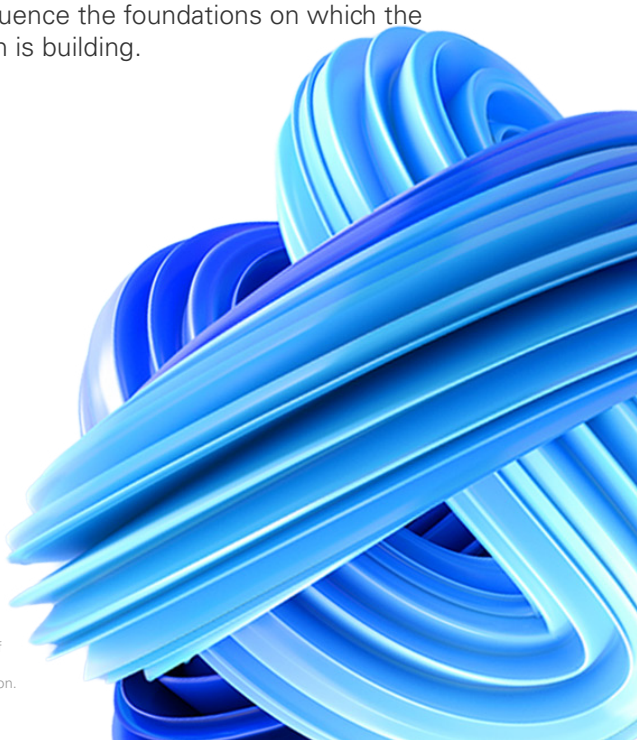
Directors should expect management to explain the value being achieved and how that assessment informs continued investment. Decision quality also deserves attention. One question proposed in the paper is where the organization over-trusted AI during the quarter and what it cost. This brings the consequences of human judgement into the review alongside financial returns and operational performance.

06

Understand your dependence on AI providers

AI infrastructure choices carry implications for data control, sovereignty and exposure to geopolitical developments. These dependencies warrant direct board attention.

Directors should ask management to map the providers supporting critical AI capabilities and explain where concentration risk sits. Whose infrastructure does the organization depend on and which jurisdiction governs it? The paper's central lesson is that sovereignty needs to be considered before dependency becomes established. Boards should understand these choices while they can still influence the foundations on which the organization is building.



© 2026 KPMG Middle East LLP, a Jersey limited liability partnership, and a member firm of the KPMG global organization of independent member firms affiliated with KPMG International Limited, a private English company limited by guarantee. The KPMG name and logo are trademarks used under license by the independent member firms of the KPMG global organization.

07

Ensure people remain capable of intervening

Human oversight depends on people retaining the knowledge and confidence to act when AI is wrong. As systems routinely perform analytical and operational work, the capabilities needed to challenge them can weaken through lack of use.

Boards should ask how management maintains human competence in areas where AI supplies the default output. This matters particularly in unfamiliar situations or during system failure. An override mechanism offers limited protection if the people expected to use it can no longer assess the situation independently.

08

Protect the experience that develops future leaders

The analytical and coordination work being compressed by AI also provides experience through which future leaders develop judgement. Removing that work without redesigning development pathways creates a long-term capability risk.

Directors should consider this when reviewing workforce transformation and succession planning. How will emerging leaders gain the experience needed to evaluate difficult choices and take responsibility for outcomes? Middle management deserves particular attention because it translates strategy into execution while developing the people who will eventually lead the organization.

09

Support a culture where people question AI

Employees need to feel able to challenge an AI output, admit uncertainty and discuss how their roles are changing. Fear can discourage experimentation and prevent concerns from reaching those who need to hear them.

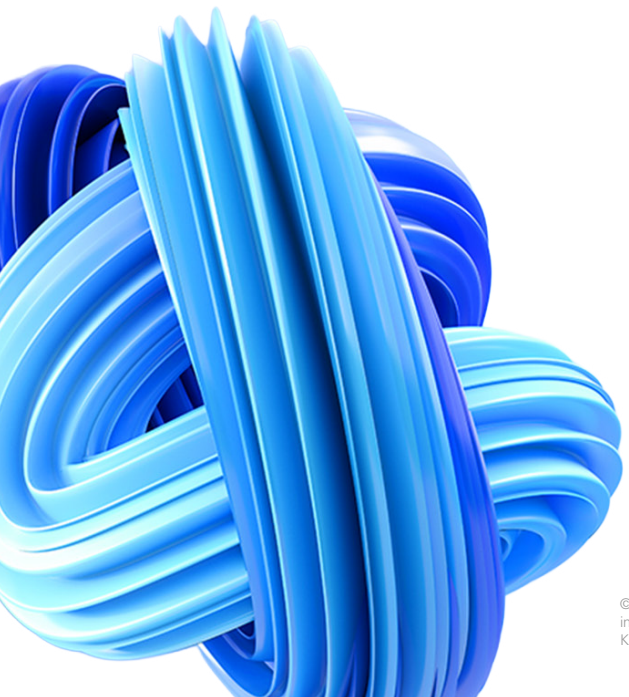
Boards should examine whether leadership behavior supports these conditions. Visible investment in development and protected learning time help demonstrate that people have a place in the transition. Directors should also expect senior leaders to communicate the disruption honestly and take personal responsibility for building the confidence that effective adoption requires.

10

Preserve the knowledge that sets your organization apart

AI's usefulness depends partly on the organizational knowledge available to it. Experience lost when people leave or withheld when knowledge sharing is unrewarded creates gaps that AI can reproduce at greater speed.

Boards should ask whether the organization's data strategy captures its accumulated experience and makes that knowledge available to its AI systems. What does the organization know that others cannot access and how is that knowledge informing decisions? Preserving institutional memory helps leaders apply AI with the context that sound judgement requires.



© 2026 KPMG Middle East LLP, a Jersey limited liability partnership, and a member firm of the KPMG global organization of independent member firms affiliated with KPMG International Limited, a private English company limited by guarantee. The KPMG name and logo are trademarks used under license by the independent member firms of the KPMG global organization.

A closing observation

As AI takes on more analytical and operational work, boards need to maintain a clear view of where human judgement matters and who remains accountable. The quality of oversight will depend on directors' willingness to challenge recommendations and examine whether the organization retains the capability to act when AI falls short. Boards that apply this discipline can help their organizations turn AI capability into lasting value while preserving the trust and leadership needed to sustain it.

This paper is an extract from the recent KPMG publication: Lead first: The human playbook for the Intelligence Age

Contact us



Abdullah Akbar
Partner
Head of Board Leadership Centre
KPMG Middle East
amakbar@kpmg.com



Maz Hussain
Partner
Platforms Leader
KPMG Middle East
mazharhussain@kpmg.com



Robert Ptaszynski
Partner
Head of Technology, Alliances and Digital Innovation
KPMG Middle East
rptaszynski@kpmg.com

The information contained herein is of a general nature and is not intended to address the circumstances of any particular individual or entity. Although we endeavor to provide accurate and timely information, there can be no guarantee that such information is accurate as of the date it is received or that it will continue to be accurate in the future. No one should act on such information without appropriate professional advice after a thorough examination of the particular situation.

© 2026 KPMG Middle East LLP, a Jersey limited liability partnership, and a member firm of the KPMG global organization of independent member firms affiliated with KPMG International Limited, a private English company limited by guarantee. The KPMG name and logo are trademarks used under license by the independent member firms of the KPMG global organization.

The KPMG name and logo are registered trademarks or trademarks of KPMG International. Designed by Creative UAE

Publication name: Board leadership in the Intelligence Age
Publication number: 6894
Publication date: October 2026