Transforming the Enterprise: Risk

From oversight to enterprise enablement in the age of AI

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Foreword

Organizations are investing billions to accelerate transformation. Yet for many, technology is no longer the primary constraint on progress. Confidence is.

The ability to adopt AI, automate decisions and move at greater speed increasingly depends on something less tangible but equally important: confidence in the governance that guides them and confidence that intelligent systems will perform as intended. Organizations can only move as fast as the confidence they have in their technology, governance and decision-making.

That reality is changing the role of risk.

Risk is no longer simply about helping organizations understand what could go wrong. Increasingly, it is about creating the conditions that allow them to move forward with confidence. In doing so, the function is evolving from a governance and control capability into a strategic enabler of enterprise performance. The organizations making the greatest progress are embedding governance into technology, integrating risk into decision-making from the onset and treating trust not simply as the outcome of good governance, but as a strategic capability that enables innovation, transformation and growth.

Our research suggests many organizations have begun this transition, but relatively few have fully realized it. Governance frameworks continue to mature, yet weaknesses in data, fragmented operating models and rapidly evolving AI capabilities continue to limit progress. At the same time, expectations of the risk function are expanding. Leaders are increasingly looking to risk not only to reduce exposure, but also to improve decision quality, strengthen resilience and help navigate an increasingly complex and interconnected environment.

This report, part of KPMG's flagship Transforming the Enterprise thought leadership series, explores how leading organizations are responding to this risk challenge. More importantly, it challenges a long-held assumption about the role of risk itself. In an era of intelligent systems and continuous transformation, competitive advantage will likely depend not only on how effectively organizations manage risk, but on how effectively risk enables the business to move with confidence.

The future of risk may not be defined by stronger controls alone. It will likely be defined by the confidence organizations create to make better decisions.

Samantha Gloede
Global Head of Risk Services and Global Trusted AI Leader
KPMG International

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About the research

This report is based on a global survey of more than 1,750 senior transformation leaders across 20 countries, 13 industries and organizations ranging from $100M to over $50B in annual revenue.

Geography:

40%
Americas

38%
Europe, Middle East and Africa (EMEA)

22%
Asia-Pacific (ASPAC)

Respondents:

18%
C-suite and executive leadership

82%
Functional leaders across Finance, Front Office, HR, Supply Chain, Risk and Technology

Organization type:

34%
Public firm

44%
Private firm

13%
Private-equity-backed

9%
Private equity firm

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Sectors included:

26%
Technology and telecom

23%
Financial services

12%
Consumer and retail

10%
Healthcare and life sciences

8%
Automotive

7%
Industrial manufacturing

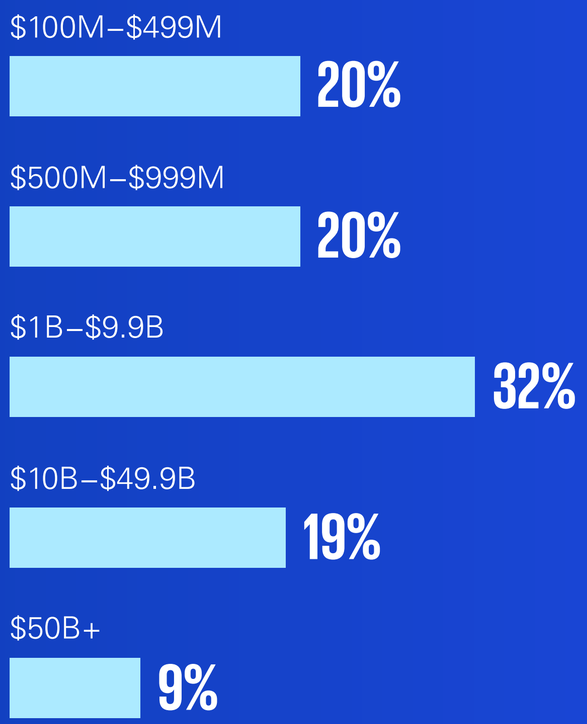
6%
Infrastructure, construction and transportation

5%
Energy, natural resources and chemicals

3%
Government and public sector

As part of KPMG's broader **Transforming the Enterprise** flagship thought leadership program, this report explores how risk leaders are responding to accelerating AI adoption, increasing organizational complexity and the growing need to build trust, resilience and effective governance in increasingly interconnected operating environments. The research was fielded in February 2026.

Company annual revenue (USD equivalent):



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Risk as a strategic capability

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Organizations are transforming faster than traditional risk models can adapt

Organizations are accelerating investment in AI, automation, digital technologies and new operating models to build more intelligent, adaptive and resilient enterprises. Yet despite significant investment, relatively few organizations are translating transformation activity into sustained performance gains. Nearly three-quarters of respondents report managing three or more concurrent transformation initiatives, while only 14 percent consider themselves top performers relative to their peers.

The challenge is not simply the volume of change underway. It is the growing complexity of the environment in which that change occurs. Decisions that were once confined to individual functions now create consequences that ripple across technology, operations, customers, regulators and external partners. New technologies create new forms of opportunity and exposure, ecosystems introduce new dependencies, data flows across organizational boundaries and AI influences decisions at scale.

In this environment, competitive advantage depends not only on an organization's ability to initiate change, but on its ability to govern it with confidence. Organizations require greater confidence in the decisions they make, the technologies they deploy and the risks they choose to accept. As a result, capabilities that support trust, governance, resilience and decision quality are becoming critical determinants of enterprise performance. This shift is elevating the strategic importance of risk management across the enterprise.

Risk transformation is emerging as a performance differentiator

Only 32 percent of organizations report undertaking risk transformation initiatives. Yet among all transformation types measured, organizations undertaking risk transformation report the strongest self-reported performance advantage relative to peers — a 14 percentage point difference compared with organizations not undertaking risk transformation.

The findings suggest that organizations undertaking risk transformation are doing more than strengthening governance. They also report stronger enterprise performance, indicating that leading organizations increasingly view risk transformation as a broader organizational capability rather than solely a governance or compliance initiative.

In increasingly interconnected operating environments, performance depends on decision quality. Leaders must navigate a growing range of technological, operational, regulatory and ecosystem risks while continuing to innovate, adapt and execute amid uncertainty.

When leaders trust their data, their models and their governance processes, they can make decisions faster and with greater confidence. Effective risk and data management is becoming less about preventing isolated failures and more about enabling better decisions across the enterprise. In an increasingly intelligent and interconnected operating environment, that capability is becoming a meaningful source of competitive advantage.

Not all transformation efforts deliver the same outcomes

Risk transformation is associated with the strongest self-reported performance gains of any transformation type, outperforming digital transformation, business model transformation and performance improvement initiatives.

Performance gains vary across different types of transformation

Average self-reported performance improvement associated with each transformation type:

+14%
Risk transformation

+8%
Regulatory transformation

+9%
Digital/technology transformation

+5%
Functional transformation

+8%
Business model transformation

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From regulatory compliance to strategic trust

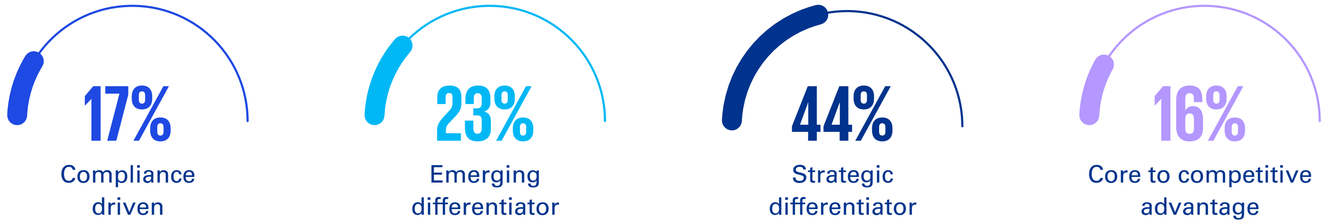
Economic volatility, geopolitical instability, cybersecurity threats, supply chain disruptions and emerging technologies have made uncertainty a permanent feature of the operating environment. Organizations today are expected not only to withstand disruption, but also to adapt, respond and recover quickly as conditions change. This reality is expanding the focus of risk management.

While governance, controls and regulatory compliance remain essential, organizations are placing greater emphasis on building the confidence required to operate effectively amid uncertainty. Confidence that decisions are informed by trusted data. Confidence that technologies are functioning as intended. Confidence that risks are understood, governed and managed appropriately.

Many organizations are already beginning to view risk and trust through a more strategic lens. Six in ten respondents describe AI risk and trust as either a strategic differentiator (44 percent) or a core source of competitive advantage (16 percent), while only 17 percent continue to approach it primarily as a compliance requirement.

Figure 1. Organizations increasingly view AI risk and trust as a source of competitive advantage

Which best describes your organization's approach to AI risk and trust as a source of competitive differentiation in the market?



The findings suggest that organizations increasingly view trust as a strategic capability rather than simply a governance requirement. As AI becomes more deeply embedded in business operations, trust is emerging as a source of competitive differentiation that enables innovation, strengthens stakeholder confidence and supports long-term growth.

Risk functions are now being asked not only to reduce exposure, but also to strengthen resilience, support continuity and enable organizations to move forward with greater confidence. In this context, resilience becomes one component of a broader objective: enabling organizations to pursue transformation, innovation and growth with confidence.

> **Organizations often think of trust as something they earn after transformation. Increasingly, we're seeing the opposite. Trust is what makes transformation possible. Strong governance, trusted data and responsible AI create the confidence organizations need to make decisions faster, scale innovation and unlock greater value across the enterprise.**
>
> **Samantha Gloede**
> Global Head of Risk Services and Global Trusted AI Leader
> KPMG International

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The forces reshaping risk

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The role of risk and compliance is evolving as organizations navigate a more complex and dynamic operating environment.

Continuous disruption is redefining enterprise risk. AI is changing both the nature of risk and how it is managed. Data is becoming foundational to governance, decision-making, resilience and the effective use of AI. Trust is emerging as a critical enabler of transformation.

Together, these forces are reshaping the mandate of risk and compliance and redefining how organizations manage risk.

Force 1: Continuous disruption is redefining enterprise risk

Organizations have always faced uncertainty. What is changing is its speed, scale and interconnectedness.

Economic volatility, geopolitical instability, cyber threats, regulatory change and technology disruption increasingly occur simultaneously rather than independently. Risks now interact across functions, technologies and ecosystems, making them harder to predict, contain and recover from.

As disruption becomes more interconnected, organizations need stronger data foundations, better visibility and more adaptive risk capabilities to respond with greater speed and confidence.

Force 2: Risk management is becoming intelligent and continuous

Artificial intelligence is transforming both how organizations manage risk and what they must govern.

Organizations are embedding AI across core risk and compliance activities to automate processes, augment decision-making and improve operational performance. At the same time, AI introduces new governance challenges around accountability, transparency, explainability, bias and trust.

Increasingly, organizations must govern AI while also using AI to strengthen how risk is identified, monitored and managed. Extensive or fully embedded AI use now exceeds 50% across most major risk and compliance activities, highlighting how quickly AI is becoming part of day-to-day risk operations.

Figure 2. Most organizations have moved beyond experimentation with AI across core risk and compliance functions

To what extent has AI been embedded in the following areas of risk and compliance?

The next phase of transformation will not be defined by AI adoption. It will be defined by how effectively organizations govern AI-enabled decisions and integrate risk intelligence into the flow of business operations.

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Force 3: Data quality is becoming a governance imperative

For many organizations, weaknesses in data quality, governance and lineage have existed for years. What is changing is the organization's ability to work around them. As AI becomes more deeply embedded in business processes, data issues that once created inefficiencies can now influence decisions, model outputs and business outcomes.

This shift is elevating data from a technology and compliance concern to a strategic business and risk imperative. Organizations are discovering that their ability to govern AI, automate decisions, strengthen resilience and build stakeholder trust depends on the integrity of the data that supports those activities.

Growing regulatory expectations and expanding use of AI are increasing the importance of data lineage, transparency and governance. Organizations need greater visibility into where data originates, how it moves through systems and how it influences decisions.

Data is becoming foundational infrastructure for modern risk management.

Force 4: Trust is becoming a prerequisite for transformation

Trust was once viewed as the outcome of effective governance. Today, it has become a prerequisite for scaling AI, accelerating transformation and enabling organizations to move forward with confidence.

Organizations seeking to accelerate innovation require confidence that their data is trustworthy, their governance is effective and their intelligent systems are operating as intended. Without that assurance, adoption slows, decision-making becomes more cautious and the value of transformation becomes more difficult to realize.

Trust is becoming a strategic capability that enables organizations to innovate with confidence, automate decisions and realize greater value from new technologies. Without trusted data, effective governance and confidence in decision-making, transformation efforts become more difficult to scale.

This shift is expanding the role of risk and compliance. Beyond managing exposure, the function increasingly helps create the trust that enables organizations to scale transformation, accelerate AI adoption and make better decisions.

> **The challenge is no longer managing individual risks. Every major decision now sits at the intersection of technology, data, regulation, operations and trust. As those connections become more complex, risk management must become more integrated, more intelligent and driven by truly trusted data.**

Ulrike Heyken
Partner, Data Management and AI
KPMG in Germany

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Why is risk struggling to evolve

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Organizations recognize that effective risk management is critical to resilience, trust and long-term performance. Many have invested heavily in governance frameworks, compliance programs, controls and oversight structures. Yet despite these investments, relatively few have fundamentally transformed how risk is managed across the enterprise.

Governance maturity continues to improve. However, many organizations continue to manage risk through operating models designed for a different era. As AI adoption accelerates and decision-making becomes more automated, risk functions often remain constrained by fragmented processes, weak data foundations and governance approaches that are disconnected from the flow of work.

Risk governance is advancing faster than risk integration

Organizations have made significant progress in establishing governance structures for AI and emerging technologies. Most have moved beyond ad-hoc governance practices and adopted more formal approaches to AI governance.

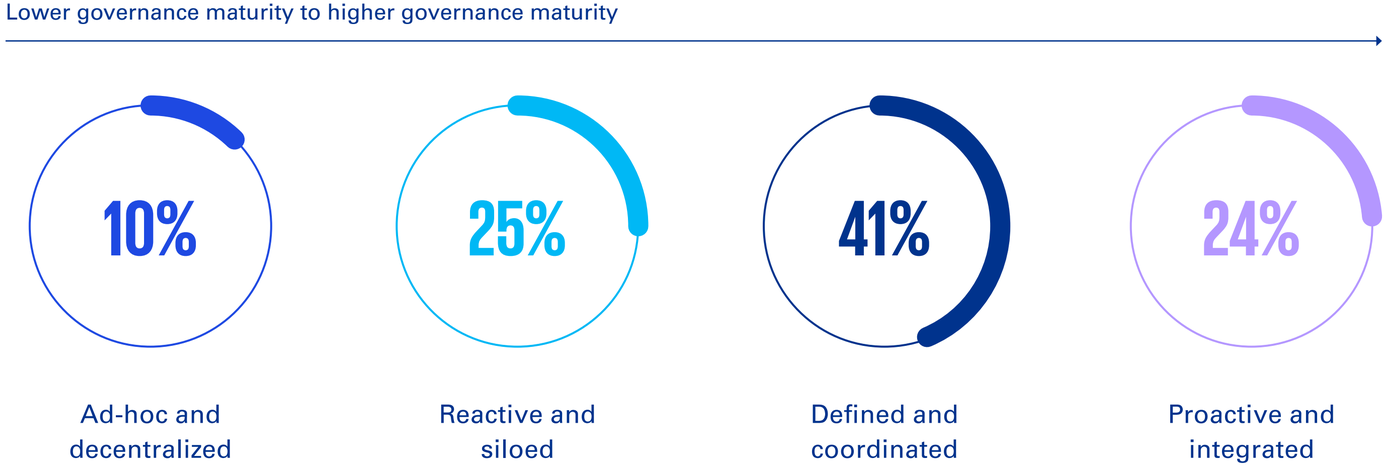
Nearly two-thirds of organizations report either a defined and coordinated governance framework (41 percent) or a proactive and integrated approach to AI risk management (24 percent). Only 10 percent continue to rely primarily on decentralized approaches.

Yet governance frameworks alone do not ensure that risk is embedded in how decisions are made. While many organizations have formalized governance, far fewer have redesigned technology development, decision-making processes and workflows to incorporate risk from the outset.

The challenge is no longer establishing governance frameworks. It is operationalizing them. Governance must become part of how decisions are designed, executed and monitored.

Figure 3. Most organizations have established AI governance frameworks

Which best describes your organization's current approach to governing the risks associated with enterprise-wide AI adoption?



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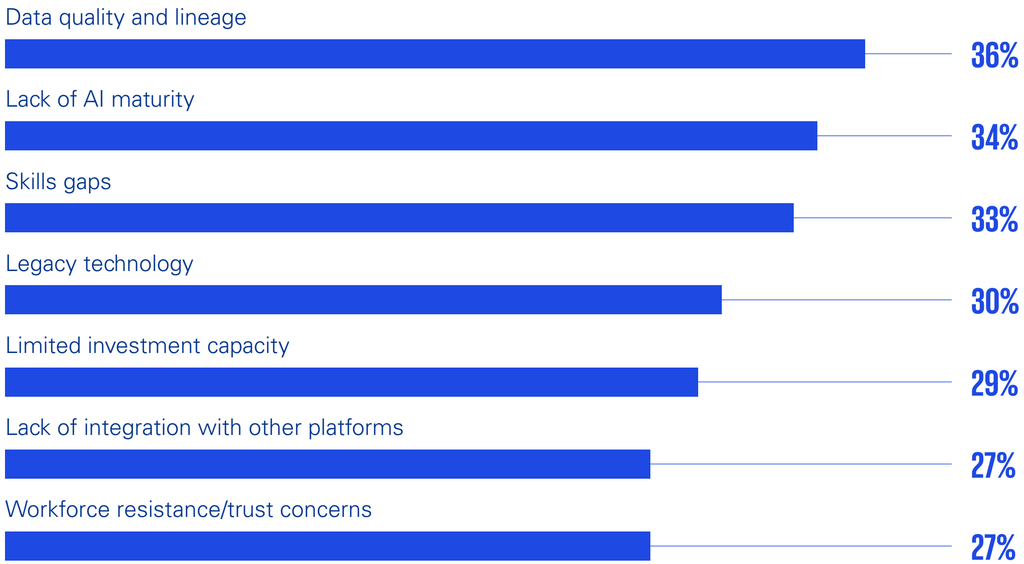
Data foundations are weaker than many organizations realize

Data has become one of the primary barriers to risk transformation. In AI-enabled environments, weaknesses in data quality, governance and lineage can directly affect model outputs, business decisions and organizational outcomes.

The research highlights the scale of the challenge. Data quality and lineage are identified as the single largest barrier to embedding AI more fully, cited by 36 percent of organizations. Other leading barriers include lack of AI maturity (34 percent), skills gaps (33 percent), legacy technology (30 percent) and limited investment capacity (29 percent).

Figure 4. Data quality remains the leading barrier to scaling AI

What are the greatest barriers to embedding AI more fully?



Not all leaders view data readiness the same way

While data quality is a widely recognized challenge, perceptions of organizational readiness vary significantly across leadership groups.

Figure 5. Risk leaders have significantly less confidence in data readiness

Percent agreeing they have access to good quality data to support AI initiatives

Risk leaders report substantially lower confidence in data readiness than executive leaders. The gap suggests a meaningful difference in perspective between those responsible for driving transformation and those responsible for governing it. In many organizations, this perception gap can create a false sense of readiness, allowing AI adoption and automation to advance faster than the underlying data and governance foundations can support.

The challenge is no longer recognizing the importance of data. It is establishing the quality, governance and transparency required to support increasingly intelligent and automated decision-making.

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Organizations are still developing the capabilities required to govern AI at scale

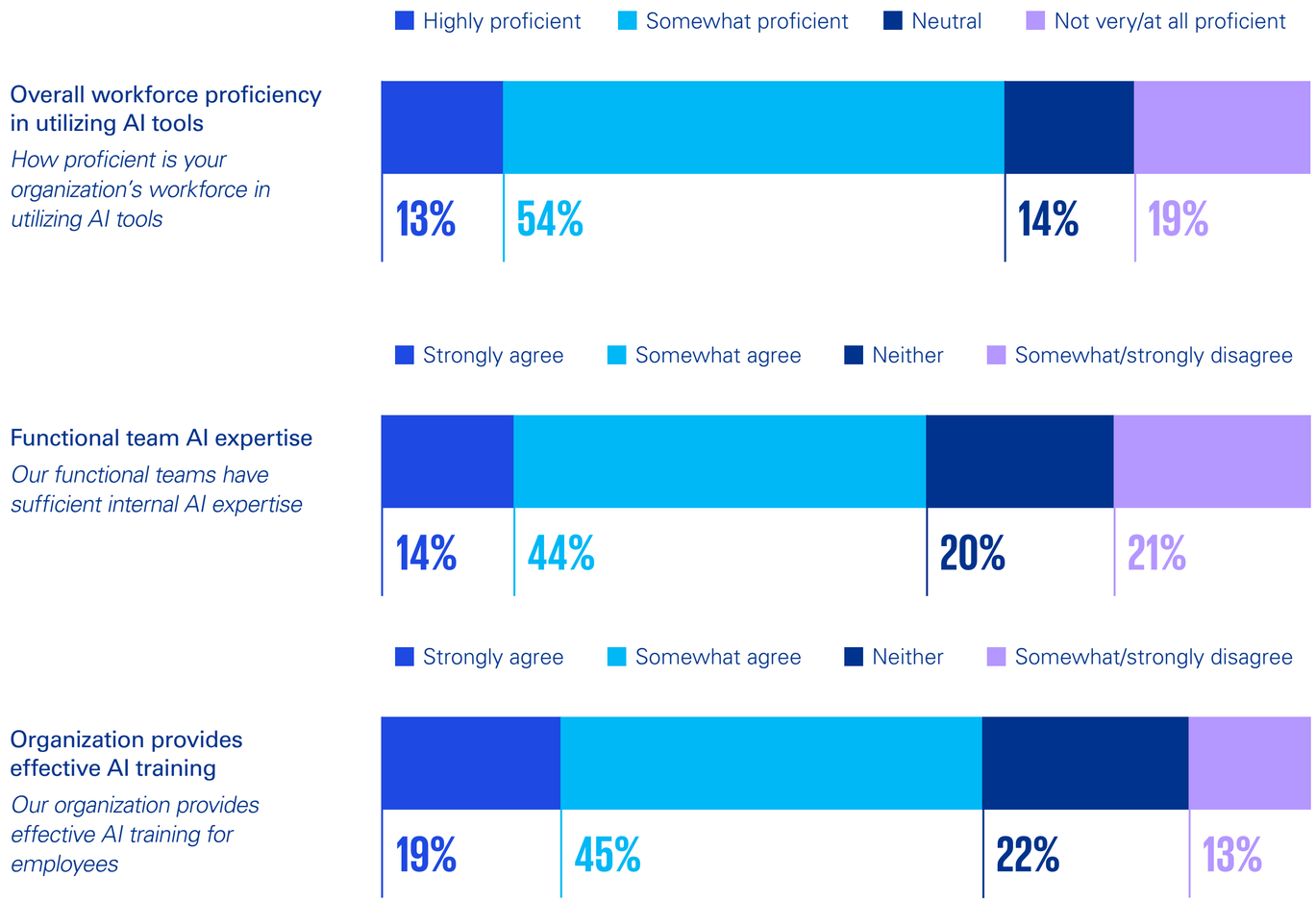
AI adoption is advancing rapidly across the enterprise. Yet the capabilities required to govern intelligent systems continue to evolve.

Most risk leaders report at least moderate confidence in their organization's AI capabilities. Sixty-six percent describe their organization's workforce as somewhat or highly proficient in utilizing AI tools, while 59 percent believe functional teams possess sufficient internal AI expertise. Similarly, 64 percent report that their organization provides effective AI training.

However, relatively few organizations report the levels of capability typically associated with mature AI governance. Only 13 percent describe their workforce as highly proficient in utilizing AI tools. Similarly, just 14 percent strongly agree that their teams possess sufficient AI expertise, while only 19 percent strongly agree that their organization provides effective AI training.

Managing intelligent systems at scale requires more than basic familiarity with AI tools. Organizations need the expertise, governance capabilities and operating disciplines necessary to translate AI adoption into trusted and sustainable business outcomes.

Figure 6. Many organizations are still developing the capabilities required to govern AI at scale



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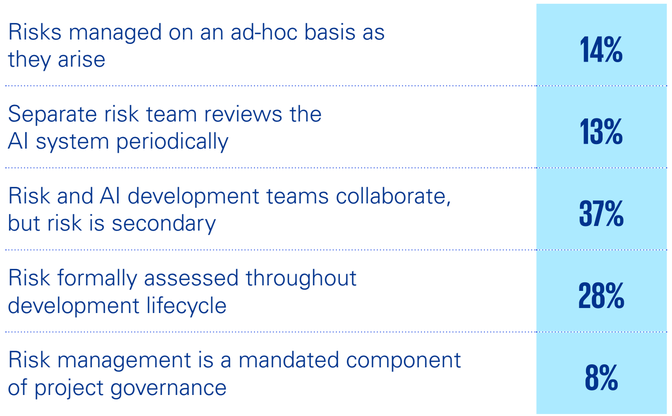
Risk remains focused on oversight more than execution

Perhaps the most significant challenge facing organizations is embedding risk management into AI-enabled business processes rather than relying primarily on oversight after key decisions have been made. Despite widespread investment in governance frameworks, only 8 percent of organizations report that risk management is a mandated component of project governance from the outset.

Many organizations are incorporating risk management into AI development, but often through review and challenge rather than continuous participation throughout delivery. While 37 percent report that risk and AI development teams collaborate, risk frequently remains a secondary consideration. Only 28 percent formally assess and document risk throughout the development lifecycle.

Figure 7. Risk management remains only partially embedded in AI development

Thinking about your most critical AI-driven business process, which best describes how risk is managed?



Risk still arrives too late

Organizations have invested heavily in governance structures, but far fewer have redesigned how risk is integrated into technology development and decision-making. Risk often becomes involved only after key design choices have already been made.

When risk is introduced too late, organizations are often left with two undesirable options: accept greater risk or slow implementation while issues are addressed. Embedding risk earlier preserves flexibility, reduces costly rework and enables governance to shape decisions before they become difficult to change.

As AI systems become more autonomous and decisions occur more rapidly, traditional review-and-approve models become increasingly difficult to sustain. Governance cannot simply sit alongside decision-making. It must become part of how decisions are made.

> **The biggest challenge isn't that organizations lack governance. It's that governance still exists outside the work itself. Until risk becomes part of how technology is designed, decisions are made and AI is deployed, organizations will likely continue to struggle to translate governance into better outcomes.**

Bryan McGowan
Principal and US Trusted AI Leader
KPMG in the US

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The new role of risk

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Traditional approaches to risk management are reaching their limits. Governance frameworks have matured, but many organizations continue to struggle to integrate risk into the decisions, technologies and workflows that drive enterprise performance. At the same time, growing complexity, accelerating AI adoption and continuous disruption are reshaping expectations of the risk function.

Underlying these changes is a broader recognition that effective risk management is no longer defined solely by oversight and compliance. It is defined by an organization's ability to build trust, strengthen resilience and improve decision quality.

Five fundamental shifts are redefining how risk creates value across the enterprise:

FROM		TO
Governance after decisions	→	Governance by design
Risk oversight	→	Decision enablement
Managing individual risks	→	Managing enterprise interdependencies
Periodic review	→	Continuous intelligence
Control function	→	Trust and resilience capability

These shifts are already beginning to reshape how leading organizations manage risk. Rather than operating primarily through reviews and approvals, risk functions are becoming involved earlier in technology development, product design and strategic decision-making. As governance becomes more deeply embedded across the enterprise, organizations are also rethinking ownership, with business, technology and risk leaders increasingly sharing responsibility for AI governance. Governance is becoming embedded within workflows and systems, while cross-functional teams collaborate more closely to manage interconnected risks across the enterprise.

Many organizations remain in transition, but the direction is clear. Risk is moving closer to where decisions are made, technologies are developed and enterprise value is created.

> **"Risk is becoming part of how organizations make decisions, not simply how they review them. The organizations creating the most value are embedding governance into technology, operations and business strategy from the outset rather than treating it as a checkpoint at the end."**

Justin Malta
Global Leader, Regulatory and Risk Advisory
KPMG International

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The future risk operating model

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A future-ready risk operating model

The future of risk will not be defined by a single technology, governance framework or organizational structure. It will be defined by an operating model that enables organizations to make better decisions in complex, dynamic and interconnected environments. As organizations rethink how risk creates value, a new operating model is emerging — one that is more integrated into decision-making, more responsive to change and more closely aligned with enterprise performance.

While organizations will pursue different approaches, six characteristics consistently emerge among those redesigning risk for a more connected, intelligent and dynamic enterprise. Together, they illustrate how leading organizations are embedding risk more deeply into decision-making, technology and enterprise operations.

Building the next generation of risk capability

Organizations will continue to operate across different levels of maturity, face different regulatory environments and pursue different transformation priorities.

Leading organizations are building risk operating models that are more deeply integrated into decision-making, more connected across the enterprise and more capable of supporting trust, resilience and performance.

There is no single blueprint for the future risk function. But the direction is clear. The organizations creating the greatest value are embedding risk into how decisions are made, technologies are developed and enterprise transformation is delivered.

> **“The future of risk won’t be defined by the controls organizations implement. It can be defined by the confidence they create — the confidence to make better decisions, move faster, strengthen resilience, and transform with trust.”**

Samantha Gloede
Global Head of Risk Services and Global Trusted AI Leader
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Six characteristics define the future risk operating model

While organizations will pursue different approaches, six characteristics consistently emerge among organizations redesigning risk for a more connected, intelligent and dynamic enterprise.

Governance becomes embedded by design

Governance is moving closer to where decisions are made.

Rather than relying on reviews and approvals after the fact, leading organizations are embedding governance directly into technology development, business processes and transformation initiatives. Risk considerations become part of how systems are designed, workflows are constructed and decisions are evaluated from the outset, when changes are easier and less costly to make.

The future of governance is not more oversight. It is governance by design.

Risk becomes a decision-enablement capability

Risk is shifting from oversight to decision enablement.

Risk intelligence, scenario analysis and decision support help organizations pursue opportunities, accelerate innovation and respond more effectively to disruption. As decision cycles accelerate, organizations need greater visibility into potential risks and consequences before decisions are made.

Risk can be defined as much by the decisions it improves as the risks it prevents.

Risk operates across enterprise interdependencies

Enterprise risks can no longer be managed in isolation.

Technology decisions shape operational performance. Data quality influences governance outcomes. Third-party dependencies create regulatory, operational and reputational exposure. Managing these interdependencies requires closer collaboration across risk, technology, operations, compliance, legal, finance and business leadership.

The future of risk becomes less siloed and more systemic.

Continuous intelligence becomes the foundation for governance

Risk intelligence is becoming continuous rather than periodic.

Analytics, automation and AI enable organizations to monitor indicators in near real time, identify emerging issues earlier and respond more quickly as conditions evolve. Rather than simply detecting issues faster, organizations gain the visibility needed to anticipate how risks emerge, evolve and interact.

Human judgment remains essential. AI provides insight; people provide context and judgment.

Trust and resilience become enterprise capabilities

Trust and resilience have become prerequisites for innovation and transformation

Organizations depend on governance, risk intelligence and oversight to adopt new technologies, pursue innovation and respond effectively to uncertainty. Resilience is evolving in a similar way, helping organizations anticipate change, adapt more quickly and maintain performance under a wider range of conditions.

Trust and resilience are becoming foundational enterprise capabilities.

Human judgment becomes a strategic differentiator

As intelligent systems become more capable, human judgment becomes more valuable.

AI excels at monitoring, pattern recognition and information processing, but people remain accountable for challenging outputs, interpreting signals, evaluating trade-offs and determining when human intervention is required. This shift requires stronger data literacy, technology fluency and a broader understanding of enterprise interdependencies.

The most effective risk functions combine intelligent systems with human judgment to deliver better decisions.

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Alliance perspective

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Alliance perspective: ServiceNow

KPMG and ServiceNow collaborate to help organizations build risk-informed enterprises. In this perspective, Vasant Balasubramanian, Group Vice President and General Manager, Risk, AI Control Tower, and ESG at ServiceNow, shares his perspective on how AI is reshaping enterprise risk, where organizations struggle and what leading organizations are doing differently.

Risk is still managed at human speed, even as AI-enabled operating environments move at machine speed

Across organizations, risk is not experienced uniformly; it varies dramatically depending on where you sit. Cyber and technology teams often operate in environments that require continuous monitoring and rapid response. Elsewhere — across legal, operations and enterprise risk — risk is still frequently managed through periodic reviews and governance processes that operate on longer decision cycles.

As AI adoption accelerates and organizations become more interconnected, the gap between these operating models is becoming increasingly difficult to sustain. In highly connected environments, a vulnerability in one domain — whether cyber, third-party or data — may propagate across platforms, processes and physical operations much faster than traditional governance and response models were designed to address.

The relationship between cause and consequence is becoming less linear, and the time available to understand, assess and respond to emerging risks is increasingly compressed. As intelligent systems become more deeply embedded across the enterprise, organizations may need to rethink how quickly risk can emerge, spread and require coordinated action.

The operating impact

A fragmented view of an interconnected system

Risk continues to be managed through functional lenses, each seeing only part of the picture. The result is a series of partial truths across an environment that is increasingly interconnected.

Speed without containment

As agents interact with agents, decisions and actions occur at machine speed. Risk events no longer unfold gradually — they cascade. Most organizations have not fully internalized what that compression of time means for exposure.

Control models that do not scale

Continuous monitoring exists in parts of the enterprise, particularly in technology, but has not extended across the full set of business processes where AI is now embedded.

Where organizations struggle

Risk is still treated as a function, one that is owned, measured and executed within silos, instead of as a foundational capability that underpins how the enterprise operates. In practice, this limits its ability to scale with the speed and complexity of transformation.

What leaders do differently

Risk management only begins to scale with the business when it is treated as an underlying fabric — an operating layer that connects technology, processes, data and third parties. This requires working backward from critical business services, understanding the full ecosystem that enables them and embedding risk into how those systems are designed and run.

In that model, risk doesn't slow the business. It helps define how far and how fast it can move.

> **"Risk can be viewed like the tachometer in a car. The tachometer doesn't slow you down — it lets you push performance. Without it, you either push too hard and risk damage or hold back unnecessarily — sacrificing performance and momentum."**

Vasant Balasubramanian
Group Vice President and General Manager, Risk, AI Control Tower, and ESG
ServiceNow

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Leading the future of risk

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A leadership agenda for the future of risk

Risk functions are entering a period of profound reinvention. The technologies, operating models and governance structures that shaped risk management for decades are being challenged by a world that is more connected, more automated and more dynamic than ever before. The preceding chapters explored how the role of risk is changing and the characteristics defining the future risk operating model. The question now is what leaders should do differently. **The following priorities provide a leadership agenda for building the next generation of risk capability.**

01

Position risk as a strategic capability

Many organizations continue to view risk primarily through the lens of governance, compliance and control. While those responsibilities remain essential, they no longer capture the full value the function can create.

Leaders should reposition risk as a strategic capability that improves decision quality, strengthens resilience and enables the business to pursue opportunities with greater confidence. Success may increasingly be measured not only by the risks prevented, but also by the trust, resilience and decision quality the function enables.

The future of risk is not simply to protect the enterprise. It is to help it perform.

02

Modernize governance for AI-enabled decision-making

Most governance models were built for a world where decisions moved more slowly, systems were easier to monitor and human review could keep pace with organizational activity. That world is disappearing.

Leaders should redesign governance for environments where decisions happen continuously and intelligent systems increasingly influence business outcomes. Governance should become more integrated, more continuous and more adaptive — enabling organizations to move faster without sacrificing accountability or trust.

Future governance must operate at the speed of the business it enables.

03

Build trust before scaling AI

Many organizations focus on scaling AI. The more important challenge may be scaling trust.

Leaders should recognize that trusted data, effective governance and confidence in intelligent systems are prerequisites for transformation. Organizations that move quickly without those foundations often find themselves slowing down later as they address governance gaps, rebuild confidence or scale back adoption.

Organizations that scale trust will be better positioned to scale AI.

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04

Treat data as a strategic governance asset

Data quality, governance and lineage have become foundational requirements for effective risk management. As organizations automate decisions and deploy AI more broadly, weaknesses in data can directly influence model outputs, governance outcomes and business performance.

Leaders should elevate data from a technical issue to a strategic governance priority. Building trusted data foundations requires coordinated ownership across business, risk and technology teams — not simply greater investment in tools and infrastructure.

The future of AI depends on the quality of the data that supports it.

05

Lead the enterprise, not the function

Many risk functions continue to operate within structures that reflect functional boundaries rather than enterprise realities. Technology, operations, cybersecurity, compliance, third-party ecosystems and business performance are becoming increasingly interconnected. Risks rarely remain confined to a single function, and decisions made in one area frequently create consequences elsewhere.

Leaders should take a broader perspective. They should be able to connect signals across functions, understand interdependencies and help leaders evaluate risks in the context of the broader enterprise.

The future belongs to risk leaders who can see the enterprise as a system rather than a collection of functions.

06

Invest in the capabilities the future requires

The future risk workforce will require capabilities that extend beyond traditional risk expertise.

Leaders should build teams with stronger data literacy, technology fluency, systems thinking and strategic judgment. As intelligent systems assume more routine analytical and monitoring activities, human judgment, contextual understanding and cross-functional leadership will become increasingly valuable differentiators.

The strongest risk functions will combine intelligent systems with human judgment to help organizations innovate, adapt and compete with confidence.

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How KPMG can help

The key to staying competitive is not just moving fast — it's moving forward with confidence. At KPMG, we believe that embedding risk management directly into the fabric of transformation is essential for accelerating growth, driving innovation, and building lasting value. The KPMG Trusted AI framework can help organizations by embedding trust into their AI transformation and AI-agent lifecycle — from design and data to deployment, monitoring and assurance — so you can innovate faster, scale confidently and protect long-term value.

KPMG professionals can help organizations utilize the transformative power of AI, including its ethical and responsible use. Our Trusted AI framework is a wide-ranging methodology combining tools, accelerators and technology solutions designed to deliver the responsible deployment of AI at speed across enterprises.

KPMG professionals can help provide:

A strategic vision for change. KPMG professionals help you define a clear and ambitious transformation journey, aligning your business strategy with a practical roadmap for execution that can build in security, resilience, and trust from day one.

AI-powered execution. KPMG practitioners leverage AI, advanced data analytics, and innovative technology to accelerate each phase of your transformation, from enhancing operations and enhancing customer experiences to modernizing your finance function.

Cross-functional capabilities. KPMG practitioners provide a holistic approach that brings together our deep experience across enterprise risk, financial and operational resilience, cybersecurity, regulatory compliance, data, and AI so that risk management becomes a strategic enabler, not a constraint.

Unwavering commitment to governance. KPMG's focus on compliance, robust governance, and the ethical use of AI can help your organization innovate with confidence and maintain the integrity of your operations and brand.

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Samantha Gloede is the Global Head of Risk Services, based in New York. Samantha leads KPMG's global portfolio of AI-enabled solutions which KPMG firms use to help clients transform their business model and operations around risk and regulatory change, enabling them to build resilience and trust, innovate and grow responsibly, and create enterprise value.

Samantha also serves as the Trusted AI Leader for KPMG International and is at the forefront of KPMG's initiatives to develop and deploy AI solutions that not only drive business efficiency but also uphold the highest standards of trust, ethics and responsibility as defined by KPMG's Trusted AI Framework.

Samantha has over 25 years of experience with KPMG's Technology Risk Management and Risk Services practice, serving clients in the US, Europe, and Asia Pacific.

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Justin is the Global Leader for the Regulatory and Risk Advisory practice, with over 20 years of experience in banking and consulting. As a partner for KPMG UK, he has worked with seven of the leading global investment banks, major financial market infrastructure providers, and the captive financing arms of leading global corporations. Justin specializes in broad regulatory and risk transformations, leading complex, multi-year, international programs focused on aligning business and operating models with regulatory demands.

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As a partner at KPMG, Ulrike is responsible for data management. Ulrike advises financial institutions in Germany and abroad on their transformation and standardization of data management in relation to regulatory requirements. This includes topics such as the implementation of the requirements of BCBS 239 (Principles for Risk Data Aggregation & Reporting), as well as data and reporting requirements. Ulrike's personal ambition is to support financial institutions on their path to a data-driven future — on the basis of technical and regulatory expertise, with a passion for data-driven organizations and an East Frisian straightforwardness.

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Bryan McGowan is a Principal in the KPMG Advisory practice. Bryan spearheads the KPMG Trusted AI initiatives within Consulting, working across diverse sectors to drive AI innovation and implementation. He plays a key role in advancing strategic AI initiatives by integrating AI systems into business processes, and enhancing value delivery for clients globally.

Bryan has over 24 years of experience running large, complex projects across a variety of industries. This includes supporting clients on their automation and analytics journey for the better part of the last decade — from early days of designing and developing bots, RPA, initial AI/ML models, into more recent generative and agentic AI systems.

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At KPMG, every idea starts with human ingenuity. KPMG professionals combine their insight and creativity with AI tools, applying them thoughtfully and responsibly under the KPMG Trusted AI framework to develop imagery and content.

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