THE INTELLIGENCE CIRCLE

QUARTERLY INTELLIGENCE REPORT

THE STATE OF AI READINESS 2026

A Comparative Perspective Across the United Kingdom, the GCC and Pakistan

QUARTERLY INTELLIGENCE REPORT · ISSUE 001

PREPARED BY THE INTELLIGENCE CIRCLE

Founder & Convener: **Usman Riaz Qazi**

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The Intelligence Circle

WHERE AI LEADERS THINK TOGETHER

OUR MISSION

Advancing AI Readiness, Intelligent Leadership and Organisational Transformation Worldwide.

CORE INTELLECTUAL PROPERTY

FACTOR™
Prompt Engineering Framework

IMI™
Intelligence Maturity Index

ALIGN™
AI Adoption & Transformation Framework

Intelligent Organisation™
Operating Model for Future Enterprises

SECTION 01

Research Governance

Editorial board, leadership & review panel

The Intelligence Circle is an international executive community and emerging research institute. This report was produced under the institute's own editorial and advisory structure. The panels below comprise members of The Intelligence Circle; the report was not reviewed or endorsed by any external organisation, and the third-party research it cites is acknowledged solely through the references.

1.1 Editorial Board & Research Leadership

Role	Member	Remit
Founder & Convener; Editor-in-Chief	Usman Riaz Qazi	Research direction, framework authorship, final editorial authority
Academic Fellow	Positions currently under appointment.	Academic framing and methodological review
Curator, Knowledge & Insights	The Intelligence Circle	Evidence curation and synthesis
Curator, Digital & Content	Positions currently under appointment.	Visual system and publication design

1.2 Advisory Review Panel

Advisor	Standing	Contribution
Positions currently under appointment.	Advisory Council	Practitioner review, HR transformation lens
Positions currently under appointment.	Advisory Council	Regional and GCC perspective

A note on independence. *Members of the Advisory Review Panel provide critical reading and perspective; responsibility for the analysis, the proprietary frameworks and any errors rests with the Editor-in-Chief and The Intelligence Circle.*

SECTION 02

Methodology

How this report was built and assured

This report synthesises primary research from leading institutions and applies four proprietary analytical frameworks developed by The Intelligence Circle. It is an executive intelligence publication: evidence-led, decision-oriented, and transparent about the boundary between external data and the institute's own analysis.

2.1 Evidence base

Quantitative findings are drawn from Tier-1 institutional research, principally the Stanford AI Index (Stanford HAI, 2025), the World Economic Forum's Future of Jobs report (WEF, 2025), McKinsey/QuantumBlack's global and GCC AI surveys (Singla et al., 2025) (Alatovic et al., 2025), the OECD's AI and skills programme (OECD, 2025a) (OECD, 2025b), the CIPD Good Work Index (Young and Tong, 2025), the UK Department for Science, Innovation and Technology (DSIT, 2026a), and IDC's spending forecasts (IDC, 2024). Regional analysis additionally draws on government and institutional sources for the UK, the GCC states and Pakistan.

2.2 Analytical frameworks

Four frameworks structure the analysis: the Intelligence Maturity Index (IMI), the ALIGN transformation journey, the FACTOR prompt engineering framework, and the Intelligent Organisation operating model. These are intellectual property of The Intelligence Circle, informed by the cited evidence but not derived from any single source.

2.3 The IMI composite

The IMI regional scores are an analytical assessment developed by The Intelligence Circle using publicly available evidence. They rate each region from 1 (nascent) to 5 (leading) across five readiness dimensions. **They are interpretive estimates for executive discussion and should not be interpreted as official national rankings or as a substitute for an empirical index.**

2.4 Referencing

Harvard (author–date) referencing is used throughout. Every in-text citation corresponds to one reference, and every reference is cited at least once. Sources were verified for author, title, year and publisher; preference was given to material published within the previous twenty-four months.

SECTION 03

Foreword

I have spent my career inside the machinery of human capital, leading people functions through restructures, transformations and, latterly, the arrival of artificial intelligence on the executive agenda. The pattern I now see across boardrooms in London, Riyadh, Dubai and Lahore is consistent, and it is the reason this report exists.

Leaders have stopped asking whether AI matters. They are spending on it, talking about it, and appointing people to own it. Yet when I sit with them, the same quiet admission surfaces: the tools are everywhere, but the organisation has not changed. Pilots multiply and stall. Enthusiasm meets a wall of unready data, unredesigned processes and a workforce that was never brought along. The technology arrived; the readiness did not.

My own discipline, human resources, is closer to this problem than any other function, and too often the slowest to claim it. AI readiness is not a procurement decision. It is a leadership, culture and capability question, which is to say it is a people question. The organisations I have watched pull ahead are not those with the most licences. They are those whose leaders understood the technology well enough to redesign work around it, who invested in their people ahead of demand, and who governed what they deployed.

This is also why I have come to believe that prompting, of all things, is becoming a leadership capability rather than a technical one, and why The Intelligence Circle has built frameworks, not courses. A framework travels into an organisation and changes how people think. That is the contribution we intend to make: practical instruments, grounded in evidence, for leaders who mean to act.

This inaugural report compares three economies that are rarely studied together, a mature market, a fast-moving one, and an emerging frontier, because the lessons are sharper in contrast than in isolation. I offer it not as the last word, but as the start of a conversation among the practitioners who are living this challenge.

Usman Riaz Qazi
Founder & Convener, The Intelligence Circle

4

SECTION 04

Executive Summary

SECTION 04

Executive Summary

Across the global economy, AI adoption has become near universal while AI value remains rare. This is the defining paradox of 2026.

88%
of organisations now use AI in at least one function

33%
have scaled AI across the enterprise

6%
are high performers capturing real value

Independent studies place organisational AI adoption between 78 per cent and 88 per cent (Stanford HAI, 2025) and 88 per cent (Singla et al., 2025). The two figures are complementary rather than contradictory: the lower reflects calendar-year 2024 and the higher a mid-2025 survey, so together they describe a steep, continuing rise rather than a discrepancy. Yet only about one third of organisations have scaled AI across the enterprise and just 6 per cent qualify as high performers attributing more than 5 per cent of EBIT to AI (Singla et al., 2025). The barrier is not technology but readiness, and the skills gap is cited by 63 per cent of employers as the single largest obstacle to transformation (WEF, 2025).

Read across three contrasting economies, the message is consistent. The United Kingdom leads on governance and skills institutions but converts slowly (DSIT, 2026a); the GCC leads on adoption velocity and sovereign capital, with regional adoption rising from 62 to 84 per cent between 2023 and 2025 (Alatovic et al., 2025); and Pakistan leads on demographic potential while trailing on infrastructure and institutional readiness (IGC, 2025). All three are bounded by the same ceiling: workforce capability.

To close that gap, The Intelligence Circle applies four proprietary instruments introduced in this report. The **Intelligence Maturity Index (IMI)** diagnoses where an organisation or region stands across five readiness dimensions; **ALIGN** maps the six-stage journey from AI curiosity to enterprise transformation; **FACTOR** reframes prompting as a measurable workforce capability; and the **Intelligent Organisation** describes the destination, an enterprise where human and machine intelligence combine by design. These frameworks, not the external data alone, are the contribution this report is built around, and they structure the analysis that follows.

> *Adoption is now table stakes. Readiness is the differentiator, and readiness is a leadership discipline before it is a technical one.*
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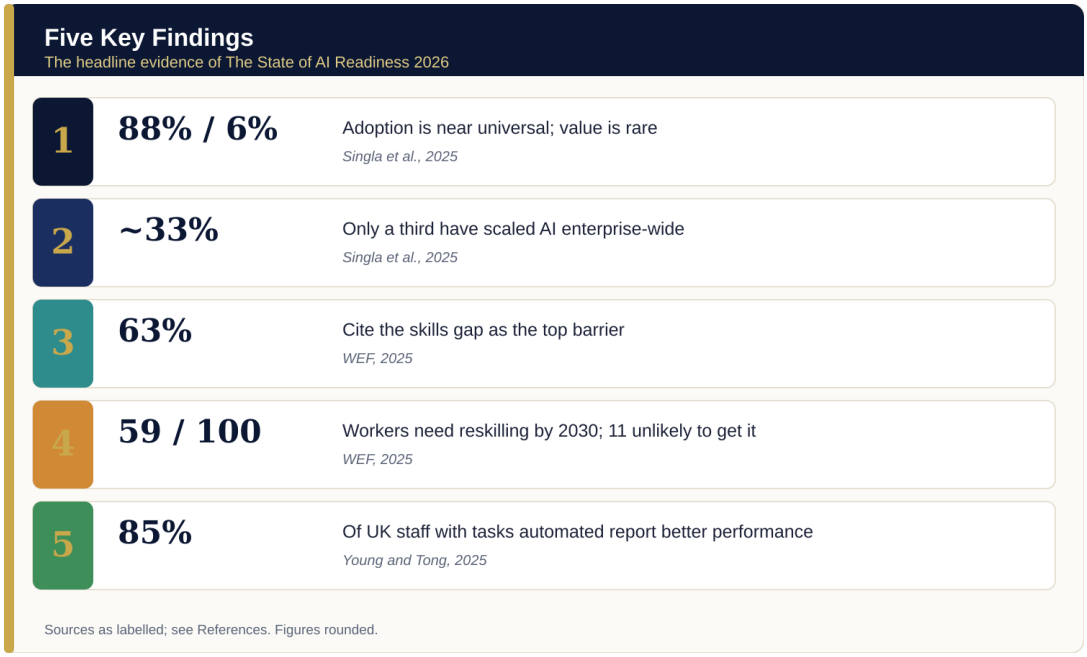

Five Key Findings of The State of AI Readiness 2026 (sources as labelled).

SECTION 05

Global AI Landscape

Adoption is nearly universal, scaling is the exception, and value is concentrated among a small group of leaders.

Every general-purpose technology passes through a phase in which access outruns understanding, and artificial intelligence is in that phase now, compressed into a far shorter span than electricity or the computer. Worldwide AI spending is forecast to reach roughly US$307 billion in 2025 and US$632 billion by 2028 (IDC, 2024), and adoption has followed the money (Stanford HAI, 2025). But capability has not kept pace: this is the signature of a capability gap, not an access gap, and capability is precisely what readiness measures.

$632bn
forecast worldwide AI spending by 2028

78M
net new jobs projected by 2030

39%
of core skills expected to change by 2030

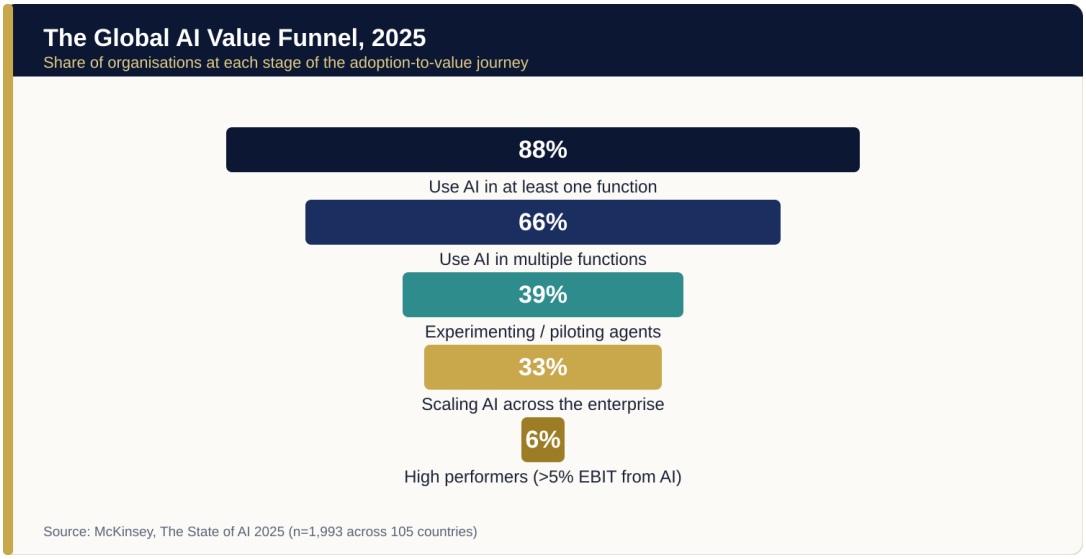

Figure 1 · The global AI value funnel narrows sharply from adoption to realised value (Singla et al., 2025).

Roughly two thirds of organisations use AI in more than one function, 39 per cent are experimenting with agents and 23 per cent are scaling at least one agentic system, but only about a third have scaled enterprise-wide (Singla et al., 2025). Structural transformation is expected to

affect 22 per cent of jobs by 2030, creating about 170 million roles and displacing about 92 million, a net gain of 78 million; 39 per cent of core skills are expected to change, and 85 per cent of employers plan to upskill their workforce (WEF, 2025). The OECD reaches the same conclusion from the policy side: the lack of appropriate skills remains the major barrier to AI adoption (OECD, 2025a). The binding constraint on AI value is human and organisational readiness, not the availability of models.

> **THE INTELLIGENCE CIRCLE PERSPECTIVE**
> Read through the IMI, the global picture is a Workforce and Data readiness problem wearing a technology disguise. The economies and organisations that pull ahead will be those that treat the skills gap as the primary AI investment, not a downstream consequence of it.

SECTION 06

United Kingdom

Mature governance, uneven adoption

The United Kingdom enters 2026 with one of the most developed AI-readiness debates in the world, combining an explicit national plan, an active governance discussion, deep professional-skills institutions, and unusually rich evidence on how AI affects the experience of work. Its challenge is conversion: turning policy into adoption that reaches beyond a handful of advanced sectors.

38 / 50
UK action-plan commitments met in year one

16%
of UK staff have had tasks automated by AI

85%
of those report improved performance

6.1 Policy, governance and adoption

The AI Opportunities Action Plan set out fifty recommendations, of which 38 were met in the first year (DSIT, 2026a). Adoption, however, is concentrated: by late 2025, 43.4 per cent of professional and business services firms reported using AI, up from 31.4 per cent a year earlier (GOV.UK, 2026), while depth remained shallow and only 12 per cent of adopters reported a revenue increase despite 75 per cent reporting productivity gains (DSIT, 2026b).

6.2 The human evidence: augmentation done well

Drawing on more than 5,000 UK employees, only 16 per cent had had tasks automated by AI, yet 85 per cent of those reported improved performance, with higher job satisfaction and a more positive impact on mental health (Young and Tong, 2025). The tasks automated were predominantly repetitive. This is the empirical case for augmentation over blunt replacement.

> *Only 16 per cent of UK employees have had tasks automated by AI, yet 85 per cent of those report it improved their performance.*
>
> YOUNG AND TONG, 2025

Readiness is nonetheless constrained by skills under-use: three in ten employees consider themselves overqualified, and only around six in ten managers feel they have the training or time to manage people well (Young and Tong, 2025). Since adoption is mediated by managers, this is also an AI-readiness gap.

Leadership implication. For UK leaders, the binding constraint is not capability but diffusion. The advantage lies in converting world-class governance and skills institutions into broad, manager-enabled adoption, rather than concentrating it in a few advanced functions.

6.3 United Kingdom SWOT

STRENGTHS	WEAKNESSES
• Mature governance and a national AI plan • World-class professional skills institutions • Rich evidence on the human impact of AI • Strong services and technology clusters	• Adoption shallow beyond advanced sectors • Persistent overqualification and skills under-use • Management capacity and time constraints • Productivity gains not converting to revenue
OPPORTUNITIES	**THREATS**
• Public-service transformation at scale • Agentic AI in professional services • Exporting governance and assurance expertise • Redesigning entry-level roles around judgement	• Erosion of entry-level career pathways • Trust damage from poor early deployments • Talent and compute competition • Uneven regional and sectoral diffusion

SECTION 07

GCC

Velocity, capital & the scaling gap

Where the United Kingdom's story is one of mature debate, the Gulf Cooperation Council's is one of velocity. National ambition and sovereign capital have driven AI from concept to deployment at a pace few regions can match, with adoption rising from 62 to 84 per cent between 2023 and 2025, though only about 31 per cent of organisations have scaled enterprise-wide (Alatovic et al., 2025).

7.1 Saudi Arabia: capital and the public sector

Saudi Arabia has paired Vision 2030 with sovereign-scale investment, announcing US$14.9 billion of AI and digital-infrastructure commitments on the opening day of LEAP 2025 (MCIT, 2025). Across the region, GCC states had committed more than US$30 billion to AI projects by early 2025 (Precedence Research, 2026), and generative AI is projected to add over US$23 billion annually by 2030 (ResearchAndMarkets, 2025). Saudi Arabia also leads the world on public-sector AI adoption, with roughly two thirds of public servants using AI tools daily (Public First, 2026). The OECD identifies exactly this public-workforce capability, distinguishing the needs of general employees from those of leaders, as the determinant of whether such adoption produces value (OECD, 2025b).

7.2 United Arab Emirates: a national AI mandate

The UAE was the first nation to appoint a Minister of State for Artificial Intelligence and has embedded AI in national strategy. In KPMG and University of Melbourne research, 97 per cent of UAE respondents reported using AI for work, study or personal purposes (KPMG and University of Melbourne, 2025), and IBM research found 77 per cent of UAE senior leaders reporting significant productivity improvements, above the EMEA average of 66 per cent (IBM, 2026).

7.3 Qatar: strategy, governance and talent

Qatar was an early mover, establishing a national AI strategy in 2019 and, in 2024, publishing national guidelines for the secure adoption of AI alongside a National Cybersecurity Strategy that emphasises workforce and talent development under Qatar National Vision 2030 (ITA, 2024). The Gulf is thus converging on a shared template: strategy at head-of-state level, governance institutions, and workforce capability as state policy.

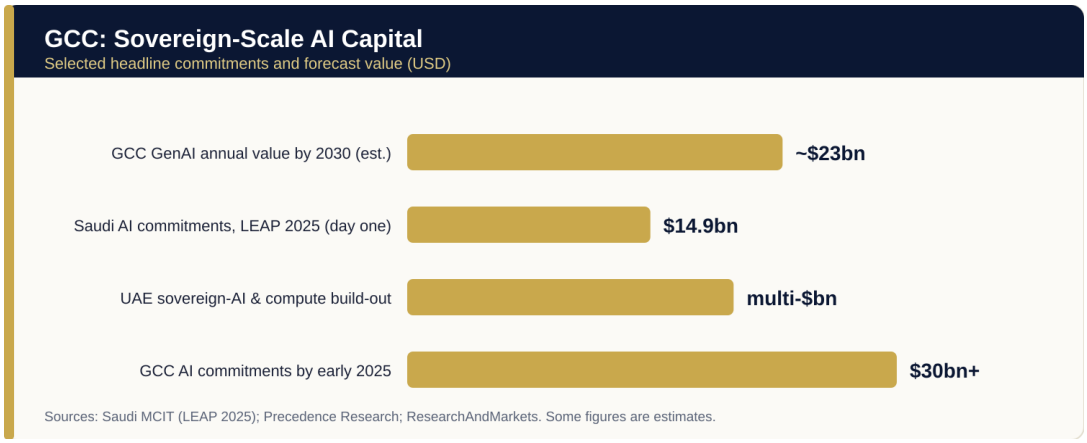

Figure 2 · GCC AI commitments operate at sovereign scale (MCIT, 2025; Precedence Research, 2026).

7.4 The scaling and data gap

Velocity has exposed the same fault line visible globally. While roughly four in five GCC organisations have an AI strategy, only 34 per cent have an enterprise-wide data foundation able to support scaling (Roland Berger, 2026). The region leads on adoption and capital; its frontier is the move from deployment to durable, governed value.

Leadership implication. For GCC leaders, capital and adoption are no longer the constraint; data foundations, governance and workforce capability are. The advantage now lies in converting sovereign-scale deployment into scaled, governed value before the readiness gap hardens.

7.5 GCC Readiness Assessment

STRENGTHS	WEAKNESSES
• Sovereign capital and head-of-state sponsorship • World-leading public-sector adoption • Hyperscale compute and sovereign-cloud build-out • Workforce capability entering national policy	• Enterprise data foundations lag ambition • Scaling from pilots still incomplete • Dependence on imported talent and platforms • Arabic-first product and data gaps
OPPORTUNITIES	**THREATS**
• Global sovereign-AI and compute hub • Agentic AI leadership in government • Arabic-language model ecosystems • Regional knowledge export across MENA	• Capital outpacing capability and governance • Talent-cost and concentration risk • Project-overrun risk • Over-reliance on a narrow set of vendors

SECTION 08

Pakistan

The demographic frontier

Pakistan occupies the developmental frontier of AI readiness, combining an exceptional demographic asset with significant constraints in infrastructure, skills and institutional capacity. Its federal cabinet approved the National AI Policy 2025 on 30 July 2025 (Dawn, 2025), built on six pillars and including a National AI Fund, Centres of Excellence, and a target of training one million AI professionals by 2030 (Government of Pakistan, 2025).

Independent appraisal credits the policy with predictable financing and time-bound targets while cautioning that delivery depends on resolving funding, infrastructure and enforcement (INNOVAPATH, 2025). Government-linked modelling suggests AI could lift GDP growth by between 7 and 15 per cent by 2030 depending on the depth of adoption (PIDE, 2025).

> *Pakistan's demographic dividend is real, but a dividend requires investment to be paid out.*
>
> THE INTELLIGENCE CIRCLE

The constraints are clear. Only a small minority of the existing IT workforce is AI-skilled, and on Oxford Insights' Government AI Readiness Index, Pakistan ranks eighth of seventeen countries in South and Central Asia and around 97th of 133 on digital infrastructure, skills and usage (IGC, 2025) (Oxford Insights, 2025). The most immediate lever is leadership readiness: enterprise value will depend on leaders who prioritise AI, invest in people ahead of demand, and build the data and governance foundations scaling requires.

Leadership implication. For Pakistani leaders, the demographic dividend will not pay itself. The advantage lies in pairing the national policy's skilling ambition with enterprise-level leadership that invests in people and data ahead of demand, turning potential into measurable capability.

SECTION 09

The AI Readiness Gap

The recurring theme across every region and dataset is a gap, between adoption and value, ambition and capability, and the organisations pulling ahead and those falling behind. At the top of the funnel, adoption is near universal; in the middle, only a third have scaled; at the bottom, a small minority capture meaningful value (Singla et al., 2025). The distance is growing, because high performers compound their advantage while laggards remain in pilot loops.

The reframing that matters is this: the readiness gap is a leadership and operating-model gap, not a technology gap. The blockers are consistent, data not fit to scale on, workflows bolted onto AI rather than redesigned around it, silos, and the absence of outcome metrics (Singla et al., 2025), and every one is a leadership responsibility. The remainder of this report sets out the instruments to close it.

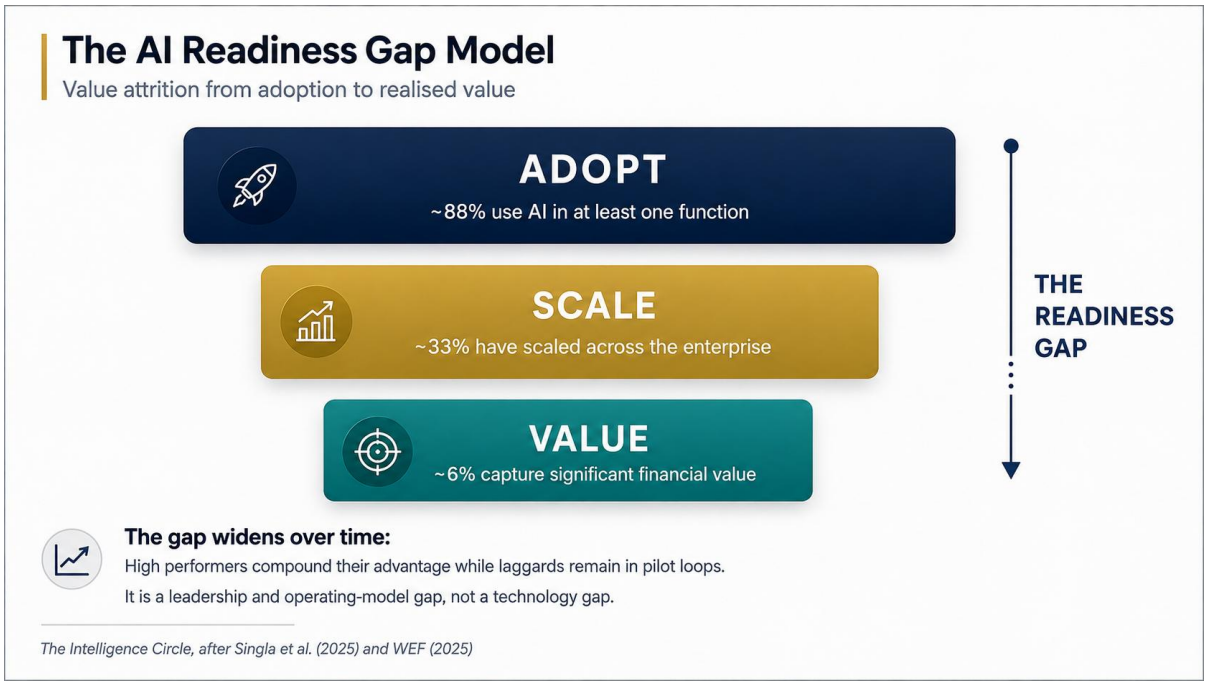

Figure 3 · The AI Readiness Gap Model: value attrition from adoption to realised value (The Intelligence Circle, after Singla et al., 2025 and WEF, 2025).

> *The AI adoption gap is not a technology problem. It is a leadership and operating-model problem, and it is therefore solvable by leaders who choose to solve it.*

SYNTHESIS OF SINGLA ET AL. (2025) AND WEF (2025)

12

SECTION 12

Intelligence Maturity Index

The signature TIC diagnostic

SECTION 10

The Intelligence Maturity Index (IMI™)

The IMI is the signature contribution of this report: a five-dimension diagnostic that locates an organisation, or a nation, on the path from nascent awareness to leading intelligence.

The Intelligence Maturity Index is a proprietary framework of The Intelligence Circle. It assesses readiness across five interdependent dimensions, Leadership, Workforce, Governance, Data and Cultural readiness, each scored from 1 (nascent) to 5 (leading). It is deliberately behavioural: organisations advance not by buying tools but by changing how they lead, organise, govern, manage data and behave.

10.1 The five dimensions

Dimension	What it measures
Leadership Readiness	Executive understanding, ownership and direction-setting for AI
Workforce Readiness	Skills, confidence and capacity to work alongside AI
Governance Readiness	Policy, ethics, assurance and responsible-AI controls
Data Readiness	Quality, integration and governance of the data AI runs on
Cultural Readiness	Psychological safety, experimentation and openness to change

10.2 IMI methodology

Dimensions. The IMI assesses five dimensions, Leadership, Workforce, Governance, Data and Cultural readiness, chosen because they are the conditions the evidence repeatedly identifies as determining whether AI produces value rather than expense.

Scoring approach. Each dimension is rated on a five-point scale from 1 (nascent) to 5 (leading) through structured expert judgement by The Intelligence Circle, anchored to the public evidence cited in this report. A score reflects observed maturity signals, for example the presence of a national strategy and assurance regime for Governance, or measured adoption and scaling rates for Workforce and Data, rather than a single underlying statistic.

Weighting. The five dimensions are weighted equally; the composite score reported in the dashboard is the simple mean of the five. Equal weighting is a deliberate, transparent default that avoids implying a precision the underlying evidence does not support.

Limitations. The IMI is an analytical assessment, not an empirical index. Scores are interpretive, draw on sources whose definitions and timing differ across regions, and should not be read as

official national rankings or as directly comparable to single-number indices. They are intended to structure executive discussion and to be refined as evidence improves.

10.3 IMI Regional Comparison

Applying the IMI to the three regions produces the comparison below. **These are analytical assessments developed by The Intelligence Circle using publicly available evidence and should not be interpreted as official national rankings.**

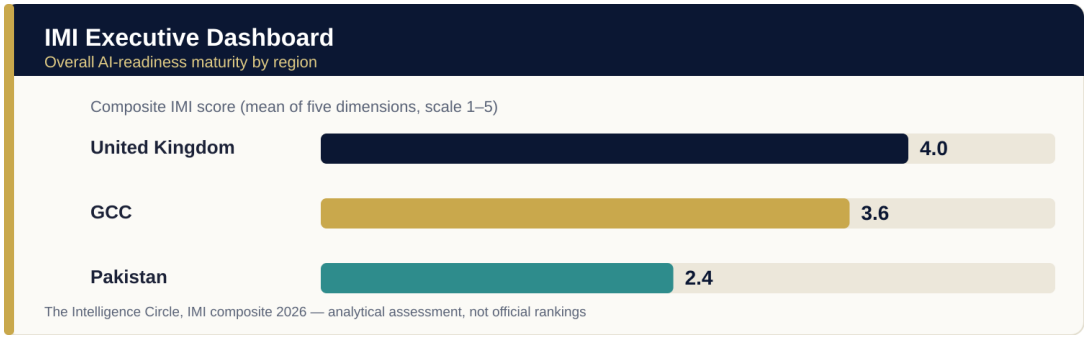

Figure 4 · IMI Executive Dashboard: composite readiness by region (TIC analytical assessment).

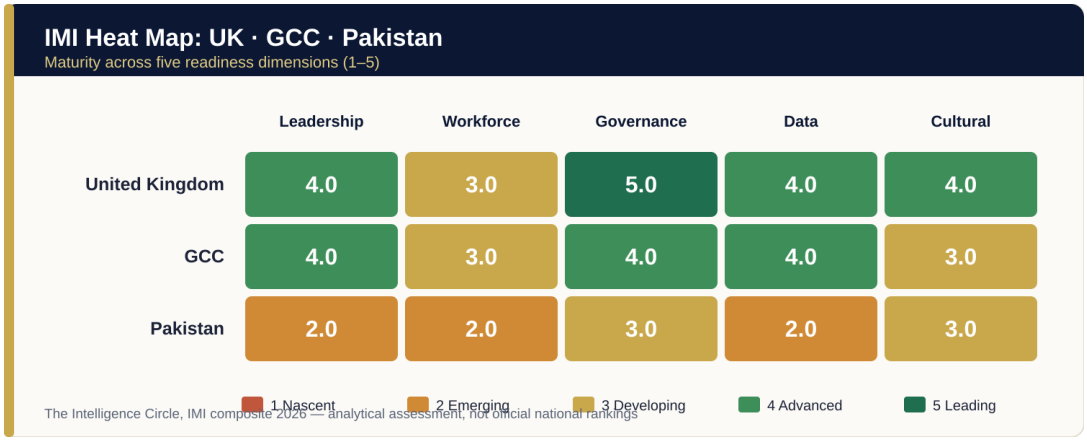

Figure 5 · IMI Heat Map across five dimensions (TIC analytical assessment, not official rankings).

Figure 6 · IMI Regional Readiness Profile (TIC analytical assessment).

10.4 Regional Readiness Scorecard

Placed side by side, the three regions reveal that AI readiness is a set of distinct trade-offs rather than a single race. The scorecard below summarises each region's position across the five IMI dimensions.

Region	Leadership	Workforce	Governance	Data	Cultural
United Kingdom	Advanced	Developing	Leading	Advanced	Advanced
GCC	Advanced	Developing	Advanced	Advanced	Developing
Pakistan	Emerging	Emerging	Developing	Emerging	Developing

10.5 Reading the comparison

The United Kingdom leads on governance and skills (DSIT, 2026a); the GCC on adoption and infrastructure (Alatovic et al., 2025); Pakistan on demographic potential (IGC, 2025). Three patterns recur. Governance and adoption do not move together: the UK's governance maturity has not produced the fastest adoption (DSIT, 2026b), while the GCC's adoption has outrun its data foundations (Roland Berger, 2026). Workforce readiness is the common ceiling across all three, consistent with the global finding that the skills gap is the largest barrier (WEF, 2025). And the regions are complements rather than competitors: no region scores uniformly, and each distinct shape points to a different next move.

10.6 The IMI Maturity Matrix

Level	State	Leadership priority
1 · Nascent	Isolated, ad hoc use; no strategy	Establish ownership and a basic use policy
2 · Emerging	Deliberate pilots; forming strategy	Create a council; define value metrics

Level	State	Leadership priority
3 · Developing	Multi-function use; emerging governance	Build data foundations; redesign workflows
4 · Advanced	Enterprise scaling, governed and measured	Strengthen assurance; embed reskilling
5 · Leading	Human–machine intelligence by design	Govern for resilience; protect human judgement

THE INTELLIGENCE CIRCLE PERSPECTIVE

The Intelligence Circle's role is to bridge these contexts, connecting a developed AI economy, a fast-scaling one and an emerging frontier, so that each learns from the others rather than repeating their mistakes.

SECTION 11

The Human Side of AI

Readiness is ultimately about people. When AI is introduced well, the human response is positive; when introduced badly, the damage is also human.

59
of 100 workers need reskilling by 2030

11
of them unlikely to receive it

85%
of employers plan to upskill their workforce

Among UK employees who had tasks automated by AI, 85 per cent reported improved performance and higher wellbeing, the tasks automated being predominantly repetitive (Young and Tong, 2025). The design principle follows: target AI at the boring, repetitive and dangerous, and free people for higher-value work. Globally, if the workforce were 100 people, 59 would need reskilling by 2030, of whom 11 are unlikely to receive it (WEF, 2025).

> *If the world's workforce were 100 people, 59 would need reskilling by 2030, and 11 are unlikely to receive it. Readiness is, before anything else, a commitment to those 59.*
>
> WEF, 2025

The fastest-growing skills combine the technical with the durably human, analytical thinking, resilience and leadership (WEF, 2025), and the OECD finds that firms consistently under-invest in the training required to close the gap (OECD, 2025a). Human capabilities are not being made redundant by AI; they are being made more valuable. This is the bridge to the two workforce frameworks that follow.

THE INTELLIGENCE CIRCLE PERSPECTIVE

In IMI terms, the human evidence is decisive for the Workforce and Cultural dimensions. The organisations that win the human side will be those that redesign roles around judgement and treat reskilling as a permanent operating discipline, which is precisely what the ALIGN journey and the FACTOR capability are built to enable.

14

SECTION 14

The ALIGN Framework

From curiosity to transformation

SECTION 12

The ALIGN™ Transformation Journey

ALIGN describes how an organisation moves from AI curiosity to enterprise transformation, in six deliberate stages.

ALIGN is a proprietary framework of The Intelligence Circle. Where the IMI diagnoses where an organisation stands, ALIGN describes how it moves, mapping the journey from first awareness to the Intelligent Organisation. It complements the maturity evidence in the global data, in which most organisations remain between exploration and adoption (Singla et al., 2025).

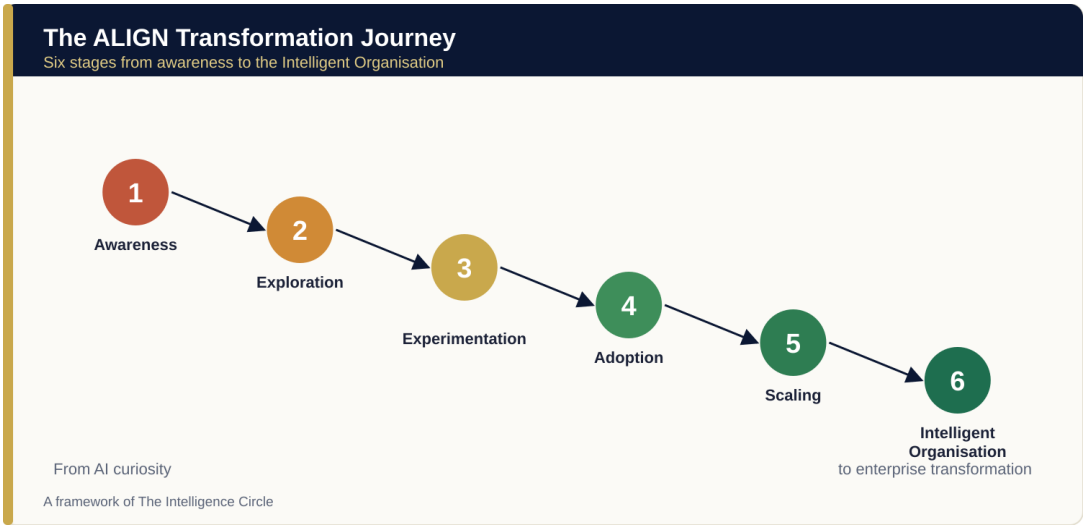

Figure 7 · The ALIGN transformation journey (a framework of The Intelligence Circle).

12.1 The six stages

Stage	Marker	What unlocks the next stage
1 Awareness	AI on the agenda; ad hoc use	Executive ownership and a use policy
2 Exploration	Deliberate pilots begin	A council and pre-defined value metrics
3 Experimentation	Multi-function pilots; learning	Data foundations and workflow redesign
4 Adoption	Production use in priority domains	Governance and management capability
5 Scaling	Enterprise-wide, governed, measured	Continuous reskilling and assurance
6 Intelligent Organisation	Human–machine intelligence by design	Resilience, ethics and reinvestment

12.2 Executive checklist

- Is there a single named executive owner of AI transformation?
- Are value metrics defined before pilots launch, not after?
- Are data foundations and governance treated as prerequisites to scaling?
- Is reskilling a permanent operating discipline rather than a one-off?
- Does every initiative tie to a business outcome and graduate only on evidence?

15

SECTION 15

Prompt Capability & FACTOR

Prompting as a leadership capability

SECTION 13

Prompt Capability and the FACTOR™ Framework

Prompting is no longer a technical skill. It is becoming a leadership capability, and a measurable dimension of workforce readiness.

As AI moves into the flow of work, the quality of the instruction increasingly determines the quality of the output. The OECD's public-workforce analysis makes the same point in capability terms: general employees must be able to interact with AI tools effectively and responsibly, while leaders need the judgement to direct them (OECD, 2025b). Prompting sits precisely at that intersection, which is why The Intelligence Circle treats it as a leadership and workforce capability rather than a technical trick.

FACTOR is a proprietary framework of The Intelligence Circle that makes high-quality prompting teachable and assessable. Its six elements turn a vague request into a precise, reviewable instruction.

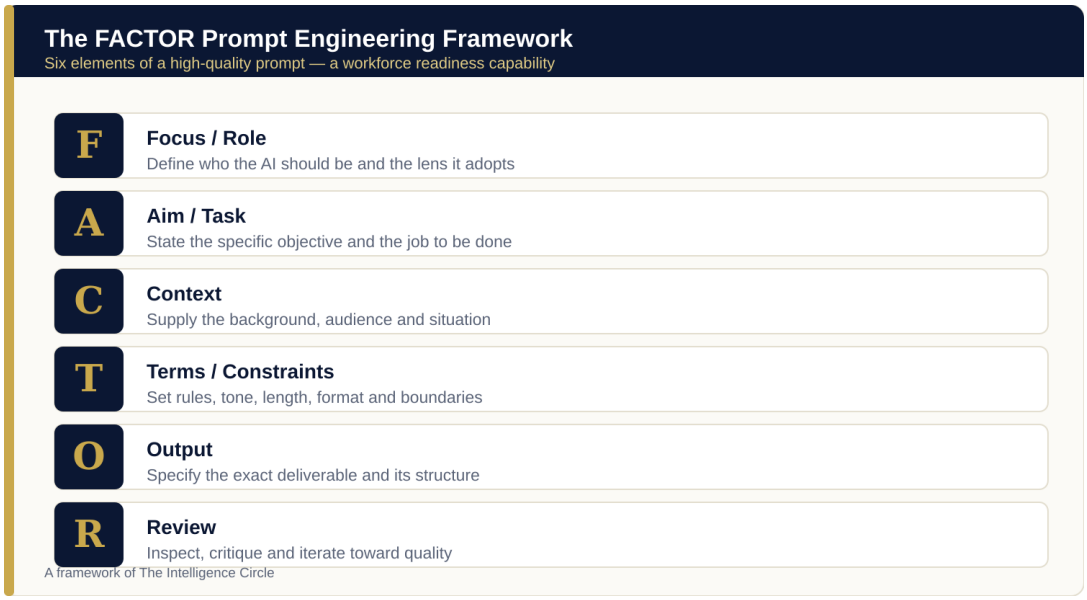

Figure 8 · The FACTOR prompt engineering framework (a framework of The Intelligence Circle).

The strategic point is not the mnemonic but the reframing. When prompting is treated as a capability, it becomes part of the Workforce Readiness dimension of the IMI: something an organisation can teach, measure and improve, rather than something it leaves to chance. In a

labour market where 39 per cent of core skills are expected to change by 2030 (WEF, 2025), the ability to direct AI well is among the most portable and durable of the new skills.

SECTION 14

Building the Intelligent Organisation™

TIC's signature operating model

The destination of the readiness journey is what The Intelligence Circle calls the Intelligent Organisation: an enterprise in which human and machine intelligence are combined by design to create value, learn continuously and adapt at speed. It is a signature operating model of The Intelligence Circle, and it is where the IMI, ALIGN and FACTOR converge.

At its core is intelligent leadership, the judgement that decides where machine capability applies and where human judgement must remain. Around it sit eight interdependent capabilities; intelligence emerges from their integration, mirroring the workflow-redesign and operating-model practices that distinguish high performers in the global evidence (Singla et al., 2025).

Figure 9 · The Intelligent Organisation capability wheel (a framework of The Intelligence Circle).

14.1 Operating principles

- Lead the transformation; do not delegate it.
- Redesign work; do not merely automate it.
- Build on data and govern by design.

- Invest in people ahead of demand.
- Measure value relentlessly, and graduate only what works.

SECTION 15

Leadership Imperatives for 2027

Seven imperatives, drawn from the evidence across all three regions, for leaders who intend to be on the right side of the readiness gap by 2027.

1. **Treat readiness as a board-level agenda.** Govern AI as a transformation, not a project (Singla et al., 2025).
2. **Close the data and governance foundations first.** Scaling fails on weak data (Roland Berger, 2026).
3. **Redesign work, do not merely automate it.** Rebuild workflows, then roles, around judgement (Young and Tong, 2025).
4. **Commit to the 59.** Make continuous reskilling permanent (WEF, 2025).
5. **Build prompt capability deliberately.** Treat directing AI as a measurable workforce skill (OECD, 2025b).
6. **Lead with measurement.** Graduate only what works from pilot to scale (Singla et al., 2025).
7. **Protect the human core.** Judgement, ethics, trust and relationships are the defensible assets (Young and Tong, 2025).

18

SECTION 18

Conclusion

SECTION 16

Conclusion

Adoption is no longer the question; nearly everyone has adopted (Stanford HAI, 2025). Readiness is the question, and readiness is unevenly distributed, deliberately built, and decisive. The United Kingdom shows that governance is necessary but not sufficient without diffusion (DSIT, 2026b); the GCC shows that capital achieves velocity, but velocity outruns value without data and capability (Roland Berger, 2026); Pakistan shows that demographic potential is real but only a dividend if invested in (IGC, 2025).

The frameworks introduced here, the IMI as a diagnostic, ALIGN as a journey, FACTOR as a capability and the Intelligent Organisation as a destination, exist to make leadership work concrete. The Intelligence Circle offers them as a bridge across developed, scaling and emerging AI economies, and as the start of a conversation among the practitioners who will close the readiness gap rather than widen it.

> *Adoption was the easy part. Readiness is the work, and the work belongs to leaders.*
>
> THE INTELLIGENCE CIRCLE · STATE OF AI READINESS 2026

SECTION 17

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Harvard (author–date) style. Every reference below is cited in the text, and every in-text citation corresponds to an entry here. Readiness scores are analytical estimates of The Intelligence Circle and are not attributed to any external source.

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SECTION 18

Limitations

- **Comparability.** Survey instruments differ in sampling, definitions and timing across regions; for example, Stanford reports 78 per cent organisational adoption for 2024 while McKinsey reports 88 per cent for mid-2025, reflecting different fields rather than a contradiction. Cross-regional comparisons are therefore directional.
- **Composite scores.** The IMI regional scores are analytical estimates of The Intelligence Circle using publicly available evidence, not an empirical index or official national ranking.
- **Source strength.** A small number of GCC market figures rest on industry-research reporting where a primary instrument could not be located, and are labelled accordingly.
- **Currency.** Figures are current to mid-2026; forward figures are projections from their originating bodies, not predictions of The Intelligence Circle.

SECTION 19

Confidence Assessment

Each section is rated High, Medium or Low confidence, reflecting the strength and directness of the underlying evidence.

Section	Confidence	Basis
Executive Summary	**High Confidence**	Aggregates primary-source findings
Global AI Landscape	**High Confidence**	Stanford, McKinsey, WEF, OECD
United Kingdom	**High Confidence**	DSIT and CIPD primary sources
GCC	**Medium Confidence**	Strong primaries; some industry figures
Pakistan	**Medium Confidence**	Policy primary; readiness via Oxford/IGC
Comparative & IMI	**Medium Confidence**	Composite scores are interpretive
ALIGN / FACTOR / Intelligent Org	**Medium Confidence**	Proprietary frameworks, evidence-informed
Human Side of AI	**High Confidence**	CIPD, WEF and OECD data
Imperatives & Conclusion	**High Confidence**	Derived from cited evidence

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