

Omdia Chief Analyst Roy Illsley Speaks Out on The Hidden Cost of AI Readiness on The Savvy CIO Podcast

Explains why enterprises are spending millions on AI they can't see, govern, or value

CLEVELAND, Ohio — September 2, 2026 — [Park Place Technologies](#) released the fourth episode of The Savvy CIO podcast, "The Hidden Cost of AI Readiness," in which host and former National CIO of the Year Bradd Busick and Omdia Chief Analyst Roy Illsley confront a problem surfacing across enterprise IT – organizations pour millions into AI pilots, platforms, and consultants, then discover months later that little has changed.

According to Illsley, who brings more than 40 years of experience across industries including defense, utilities, automotive, retail, and consumer goods, the most significant AI expense is often the one organizations never track.

"The biggest thing with AI that people just really do not understand is, where is it in the organization?" Illsley said. "If we don't monitor and measure it, we can't then understand the costs and then we can't work out what the value is."

He points to companies paying roughly \$20 per employee per month for assistants like Microsoft Copilot with no visibility into whether adoption is 80 percent or 5 percent.

"Are you paying millions of dollars to Microsoft for something that is not used, or used by 5%?," said Illsley who indicates scale compounds the problem. *"You might start AI and find this brilliant use case which costs X, but as soon as you scale it, the scaling costs may actually outweigh the benefits... We haven't done the maths. We don't know how it works."*

Illsley names three requirements: literacy at both the C-suite and end-user level, so teams understand what AI can and cannot do – data quality and security. The CEO of Farmers Insurance told him her organization spent seven years sorting out its data first; and governance with a named owner, a role a growing number of organizations, including U.S. state governments, now fill with a chief AI officer.

Without guardrails, the failure mode is leakage. Illsley described employees uploading corporate data to public models, pleased with the results, only later learning the data had been absorbed and exposed.

The stakes are strategic. *"If everybody's got access to the same tools, how do you compete in the future?" Illsley said. "Your competition is based on the quality of your data that you put into those models and the quality of your people to extract the value out of those."*

The 20-to-50-percent productivity gains most organizations discuss amounts to tinkering, Illsley argues. The larger prize (300 to 600 percent) requires rethinking the business itself, because agentic AI doesn't replace a job; it absorbs functions distributed across many roles.

"To get that level of benefit out of it, effectively you're going to have to redesign the organization and have a completely different business model," he said. *"Nobody yet has done that, because as humans we are very slow to adopt to change."*

Busick framed the takeaway, *"The pace of the technology is actually running faster than your business today. So how do you actually measure value in a way that keeps you on the path to know that you're winning, but also, once you scale to a certain level, going back to check on that ROI to say, is it still returning what we thought it would return?"*

Illsley's closing assessment was blunt: *"The brave, if they succeed, will be the leaders. Those that are slower will find that they are too far behind to even catch up."*

The full episode explores how CIOs can measure AI adoption, govern emerging technologies, and align investments with business outcomes.

Episode 4, "The Hidden Cost of AI Readiness," is available now on [Apple Podcasts](#), [Spotify](#) and [YouTube](#).

About Park Place Technologies

[Park Place Technologies](#) is a leading global IT infrastructure services firm with \$1.2 billion in annual revenue and 3,000+ employees. We help 25,000+ organizations in 180 countries – including half the Fortune 500 – fuel innovation and accelerate AI transformation by dramatically reducing time and money spent on IT infrastructure management, while boosting performance and uptime.

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