

Governance Researcher Kailash Nath Sadangi Highlights Growing Gap Between AI Adoption and Board Oversight

Analysis points to widening disconnect between how quickly boards are approving AI-informed decisions and their capacity to scrutinise them

MELBOURNE, VICTORIA, AUSTRALIA, September 21, 2026 /EINPresswire.com/ -- Analysis points

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AI can accelerate decision-making, but it does not replace human accountability. Boards need clear visibility into how AI-informed decisions are generated and who remains accountable for the outcome.”

Kailash Nath Sadangi

to widening disconnect between how quickly boards are approving [AI-informed decisions](#) and their capacity to scrutinise them

New analysis from finance governance researcher [Kailash Nath Sadangi](#) points to a widening gap between the pace at which corporate boards are approving AI-informed financial and strategic decisions and their capacity to scrutinise how those decisions are generated.

According to Deloitte's 2025 Global Boardroom Program survey of nearly 700 directors and executives across 56 countries, almost half of respondents said artificial intelligence is not yet formally on their board's agenda.

Separate industry research has found that a majority of directors and executives describe their own knowledge of AI as limited to non-existent, even as most of their organisations are actively deploying the technology. PwC's 2025 Annual Corporate Directors Survey found that only around a third of directors said their boards had meaningfully incorporated AI into oversight roles, despite two-thirds agreeing that boards should be spending more time on it. A review by ISS-STOXX of thousands of Russell 3000 and S&P 500 companies found that only a small fraction disclosed having even one director with specialised AI skills.

Sadangi's research draws on corporate governance literature, including the "upper echelons" framework established by Hambrick and Mason (1984), which holds that senior executives' judgement, experience and discretion materially influence strategic outcomes. His analysis argues that AI does not remove that discretion but complicates it: when a forecasting model, credit-risk engine or capital-allocation tool sits between a CFO's judgement and a board's approval, the chain of accountability becomes longer and less visible.

The research identifies four questions used to assess whether a board has genuine oversight of AI-informed decisions, rather than approving them on trust: whether directors can explain in plain terms how a material AI-informed recommendation was generated; whether a named owner exists for cases where human judgement and a model's output diverge; whether the audit or risk committee tests AI-driven outputs directly rather than only the reports built on top of them; and whether AI oversight appears on the board's formal governance calendar as a standing item, rather than surfacing only after an incident.

"When a board cannot articulate who is responsible if a model's recommendation turns out to be wrong, it has already lost part of its oversight function, whether or not anyone has noticed yet," said Sadangi. "Closing that gap does not require boards to become technical experts. It requires clearer decision rights between executives and the systems advising them, assurance frameworks that extend to model-driven outputs, and honest conversations at board level about where AI currently sits in the decision chain."

[Sadangi is a senior finance executive](#) with Group CFO experience across Australia, the GCC and international markets, and a doctoral researcher examining CFO-centred governance of AI-enabled decision-making.

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