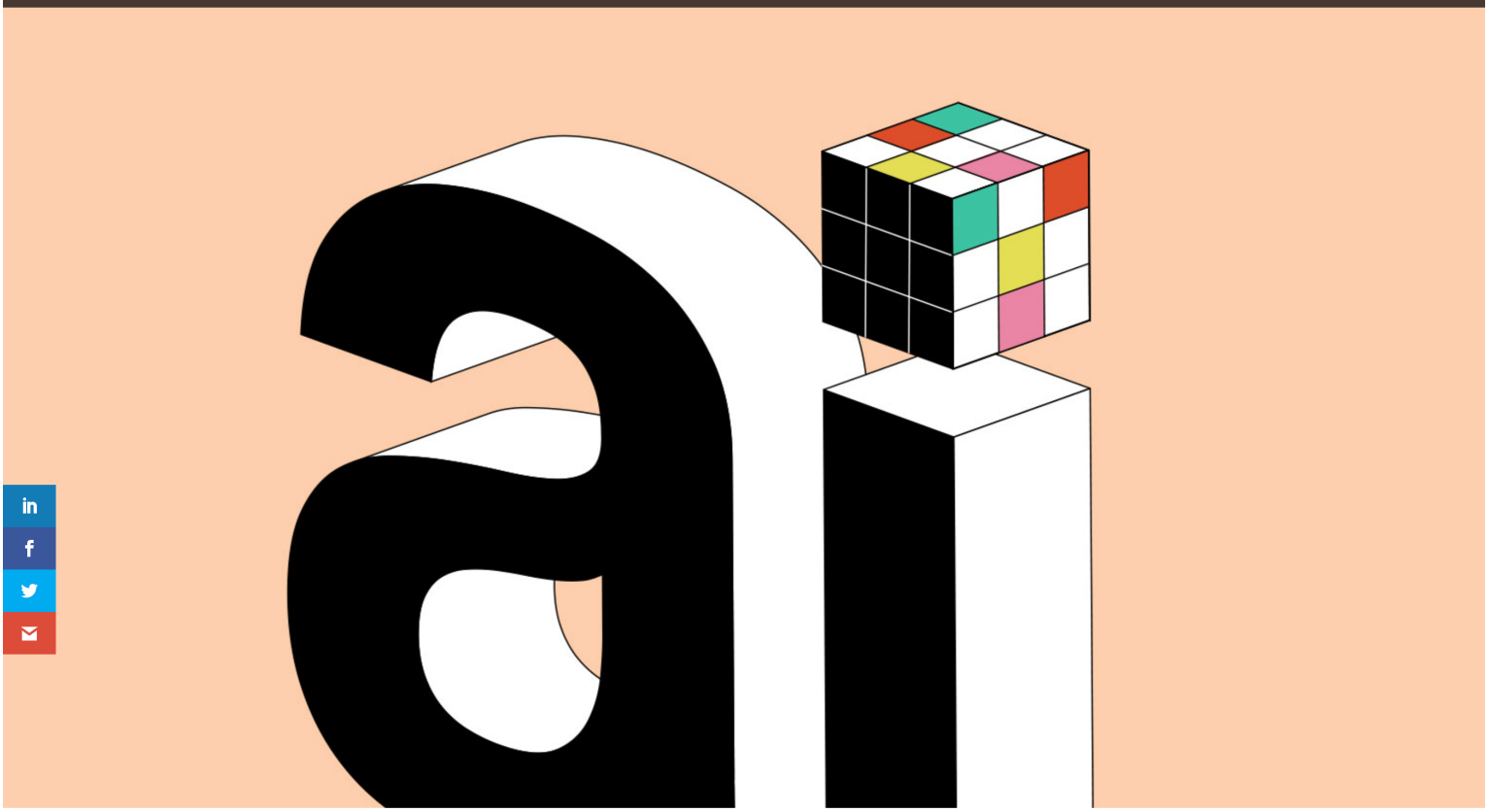


Solving the AI Puzzle

Whether we are in another hype cycle or not, artificial intelligence (AI) is here to stay. Businesses must plan a path forward to take full advantage of AI without sinking valuable time and money into the wrong pursuits.

BY SCOTT GARDNER AND MATT SYRETT

Have we hit peak AI-hype yet? This is the question we ask every time we read a new article about artificial intelligence or about the mountains of money tech giants are pouring into start-ups searching for the home-run use case for AI. Well, whether we've hit the peak of fascination with AI or not, one thing is certain: artificial intelligence is changing the way we work and live forever.

We see that most executives fall into one of the three categories below:

In a company/organization that wants to take advantage of artificial intelligence
Right now, everyone is touting ways in which artificial intelligence is going to change our work and lives. Some of this is hype and some of this is real. However, you may be asking yourself which is which. How can we find the right ways to take advantage of AI without sinking valuable time and money into the wrong pursuits?

In a company/organization that doesn't want to be left behind by competitors who are able to take advantage of AI
You want to remain competitive in the market and reap the cost savings that AI can bring. You want to enable your workforce to be even more productive than they currently are, or you want to be able to add more capabilities to your business that can be provided by AI.

In a company/organization that doesn't know where to start or how to implement AI in its business

Making wise investment decisions with your company's valuable resources is hard enough with technologies that are mature. It's even harder when it's a brand-new technology where there is still a lot to be proven. What problems do we want to solve? What solutions are relevant to those problems? How do we prioritize how those solutions are funded, staffed, and implemented?

Over the course of this article, we're going to examine these cases and make straightforward, common-sense recommendations about how to make sense of AI and make the right decisions for your business.



Questions to Ask Before Starting

Before starting any new project, a company should perform some self-reflection to understand how prepared the company might be to implement any new AI endeavors. Not only must a company have the talent and resources to take on projects with a new technology, but it must also be prepared culturally in order to adopt the technology and reap the expected benefits.

1. Is leadership willing to support and adopt the new technology?

Consider your leadership. Is your organization fully on board with AI? Does your leadership have a good track record of working with technology teams to understand needs, design solutions, and implement them? If the answer to any of these questions is no, the company should enter any new project with some level of caution and have plans in place to mitigate risk. This means that a certain level of stakeholder management may be required to build trust in the organization. Additionally, communicating with and educating leaders about new technologies like AI can help them understand the benefits and ease the process of implementation.

2. Does the company have the right talent in place?

Assuming the above, companies stand no chance of implementing AI effectively without having the right talent. The first category of talent to consider is AI-specific talent. This is the category of talent that has experience working with AI technologies and has the ability to develop solutions. If this category of talent does not currently exist in your organization, you will need to have a plan to either hire new talent or grow the talent from within.

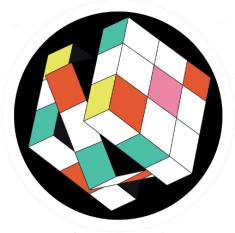
If the choice is made to utilize existing talent with no previous experience, the company will likely require a learning and development plan to upskill these employees. This may require deprioritizing current duties to give them space to learn. The company may also need to consider that project timelines may be longer due to teams' lack of familiarity with the technology.

Hiring from the outside has its own set of challenges. If seeking full-time hires, companies should plan on potentially lengthy recruiting processes for in-demand talent. If the company chooses to contract with another firm, the company should be ready to investigate and plan out the scope of work prior to signing contracts to ensure that it is getting the services and deliverables it requires.

3. Have reasonable expectations been set?

Finally, companies should understand that artificial intelligence is not a silver bullet. Despite what marketing and our imaginations may tell us, AI is not going to be a great candidate as a solution for every business problem. To avoid costly mistakes and going down the wrong path, it's helpful to review what types of problems AI is well suited for and which ones it is not.

AI is particularly good at supporting repetitive and routine tasks like data entry and customer support. It can also be a good solution for higher-order tasks like data analysis due to its ability to perform predictive analytics and process very large data sets. On the other hand, organizations should steer clear of tasks that require lots of unstructured, creative, and strategic thinking. In addition, companies would be wise to avoid putting AI and automation in the decision chain for any items that require moral or ethical judgments.



The Discovery Process

Some truths: Every organization has problems and people want to tell you about them. Every organization could be performing just a little bit better. Every department has challenges and they regularly look outside for solutions. The role often tapped to listen to problems is the product manager for whichever tool the user deems the solution to all their problems.

The challenge with this is that businesses, departments, and people are rarely good at articulating their problems in a way that invites collaboration with product managers to address the underlying root issue. More often the case is that a department head will reach out and say, "I need XYZ," and that's the end of the story. Rarely is XYZ the actual thing that will help solve the problem, and this is where having a strong discovery process in place can help an organization avoid spending valuable resources delivering solutions that never work or solve problems. The role of product management in this process is to field the request, help the organization understand the underlying problem in the request, and collaborate with the business to define a solution that is feasible and viable.

1. Fielding the Request

Intake is the first and most critical activity an organization can undertake in order to ensure that it is focusing on the highest-value work. In the Fall 2022 *Jabian Journal* article, "Five Tips for Managing Demands on Your Product and Delivery Organizations," we outlined strategies an organization can use to better manage that intake.

One of the most critical strategies is stakeholder management. Having regular cadenced meetings with the stakeholders with the highest interest in AI and the greatest influence in the organization helps teams become more proactive about incoming requests. This provides the opportunity to hear ideas directly from the source, rather than reactively when those ideas are submitted as a request on an intake form that goes into a noisy backlog. Interfacing directly with stakeholders affords the opportunity to ask direct questions about the business problem, develop hypotheses on the spot about business value, and avoids missing out on key details when the request is submitted up and down the chain of leadership.

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2. Understanding the Problem

Stakeholders will often frame their ideas as a solution. "What I really need in order to achieve goals is a widget that does x, y, and z…" is a statement every product manager has heard. However, one of the challenges with this statement is it makes a lot of assumptions without vetting. Is that widget really the correct answer? Is building that widget even viable? Will that widget help achieve the business value desired? When receiving asks like this, whichever team oversees intake should seek to reframe the ask as a business problem rather than as a predetermined solution.

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3. Defining the Solution

Having a problem statement in hand provides delivery teams with a much wider solution space

Having a problem statement in hand provides delivery teams with a much wider solution space, one where they can identify ways to fulfill the request that meets both business value and time/cost/capacity constraints. One of the fastest ways to perform solution design is to get everyone in the room to workshop the problem. There are numerous methodologies to perform this activity, but all of them rely on a few key components:

Have the Right Mix of People in the Room

Whenever we are solutioning, we want to cut down on the communication time between steps, so having stakeholders, subject-matter experts, and decision rights holders can ensure that the process isn't held up by questions or waiting for missing team members.

Investigate the Problem

Breaking down a problem into root causes and capturing additional details will ensure that we are not missing vital components required by the solution.

Brainstorm and Narrow Solutions

With a decomposed problem in hand, we can, as a team, identify potential solutions. Take these solutions and go through an elimination process to find the most likely candidates, and then identify the "most likely" candidate.

Prototype

With delivery team members involved in the solution design, we can quickly validate feasibility and even potentially prototype and test solutions without unnecessary lead times. Prototyping could be as simple as mock-ups on a whiteboard all the way to testing code to prove viability.

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4. Prioritization

In a product-centric organization, especially one evaluating and prioritizing AI initiative ideas, effective prioritization is crucial for aligning resources with strategic objectives. Here are best practices to help streamline this process:

Develop Standardized Scoring Criteria

Establish a set of clear, quantifiable metrics for scoring requests with a consistent scoring scale (e.g., 1 to 5) for objective comparison. Common criteria include strategic alignment, potential impact, feasibility, resource requirements, and risk.

Assign weights to each criterion based on its importance and impact on your organization's strategic goals. For example, strategic alignment may carry more weight than feasibility if the organization values innovation over ease of implementation.

Periodically review and adjust scoring criteria and weighting based on changes in your organization's priorities and market conditions.

Establish Process Governance

Create a governance framework that defines roles, responsibilities, and decision-making processes for prioritizing AI initiatives to provide transparency and accountability.

Involve cross-functional teams in the evaluation process, including those upstream and downstream of the initiative, to bring diverse perspectives and expertise.

Schedule regular prioritization meetings to review new requests and reassess ongoing projects. Don't hesitate to split off the review of ongoing projects if meetings become a status readout.

Document, centrally store, and communicate all decisions made in the prioritization process and monitor the progress of approved initiatives. This audit trail will help evaluate the effectiveness of the prioritization process.

Evaluate Requests

Understand Strategic Alignment: AI initiatives should support the broader vision of the company, whether it's enhancing customer experience, optimizing operations, or driving innovation.

Assess Impact and Value: Evaluate the potential impact of each AI initiative on key business

Assess Impact and Value: Evaluate the potential impact of each AI initiative on key business metrics. This includes revenue growth, cost savings, market share, and customer satisfaction. High-impact projects should be prioritized over those with minimal or uncertain benefits.

Feasibility Analysis: Evaluate the availability of data, technical infrastructure, and skills required to execute the project. Projects that are feasible and have readily available resources should be given priority.

Risk Assessment: Analyze the risks associated with each initiative, including technical, operational, and market risks. Projects with high risks should be evaluated carefully, with mitigation strategies in place before proceeding.

Communicate

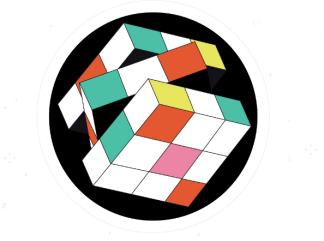
Clearly communicate the prioritization process and criteria to all stakeholders. Explain why certain projects may be prioritized over others and ensure that decision-making is transparent. Prioritized initiatives won't progress effectively without buy-in.

Engage stakeholders early and often in the prioritization process. Solicit feedback both inside and outside of formal cadences to ensure that their needs and concerns are addressed.

Provide regular updates on the status of AI initiatives, including those in the backlog, to keep stakeholders informed and engaged.

Establish a feedback loop to continuously improve the prioritization process. This makes stakeholders a part of the change and helps secure their continued buy-in and active engagement.

By adhering to these best practices, organizations can align their AI initiatives with strategic goals, optimize resource allocation, and drive successful outcomes.



Governance

Given the nascent nature of AI technology, companies should consider how they will keep tabs on all the potential risks and issues that may arise. This is where a strong governance committee can help support teams and departments through the discovery, solutioning, and implementation processes. This committee or AI council should strike a balance between centralizing key decisions and not creating a bottleneck for creativity across the company. That said, there are critical items that an organization may want to keep in mind.

First and foremost, an AI council would take ownership of AI ethics and safety. Given the rate of advancement in technology, these areas may require additional oversight to ensure that ethical and safety questions can be given due consideration. The AI council would be responsible for creating standards and guidelines for the rest of the organization, leading the AI council to also be responsible for managing compliance and other risks the organization may face. Strong centralization at the start of an organization's AI journey can also ensure that initiatives are aligned to the *business*'s overall strategy and resources are not spent in areas of lower value. As part of this role, the AI council can also support collaboration across organizations and promote transparency around what the organization is working on and who has decision rights around it. As the organization's AI practices grow in maturity, this centralization can be decreased over time.

Conclusion

While it can seem intimidating to get started, the above represents relatively simple and familiar steps an organization can take to begin its AI journey. Whether we are in another hype cycle or not,

artificial intelligence is here to stay in some regard or another. By getting started now, understanding what AI can/cannot do, and focusing resources, businesses can position themselves to generate the most value from the technology with minimal risk.

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