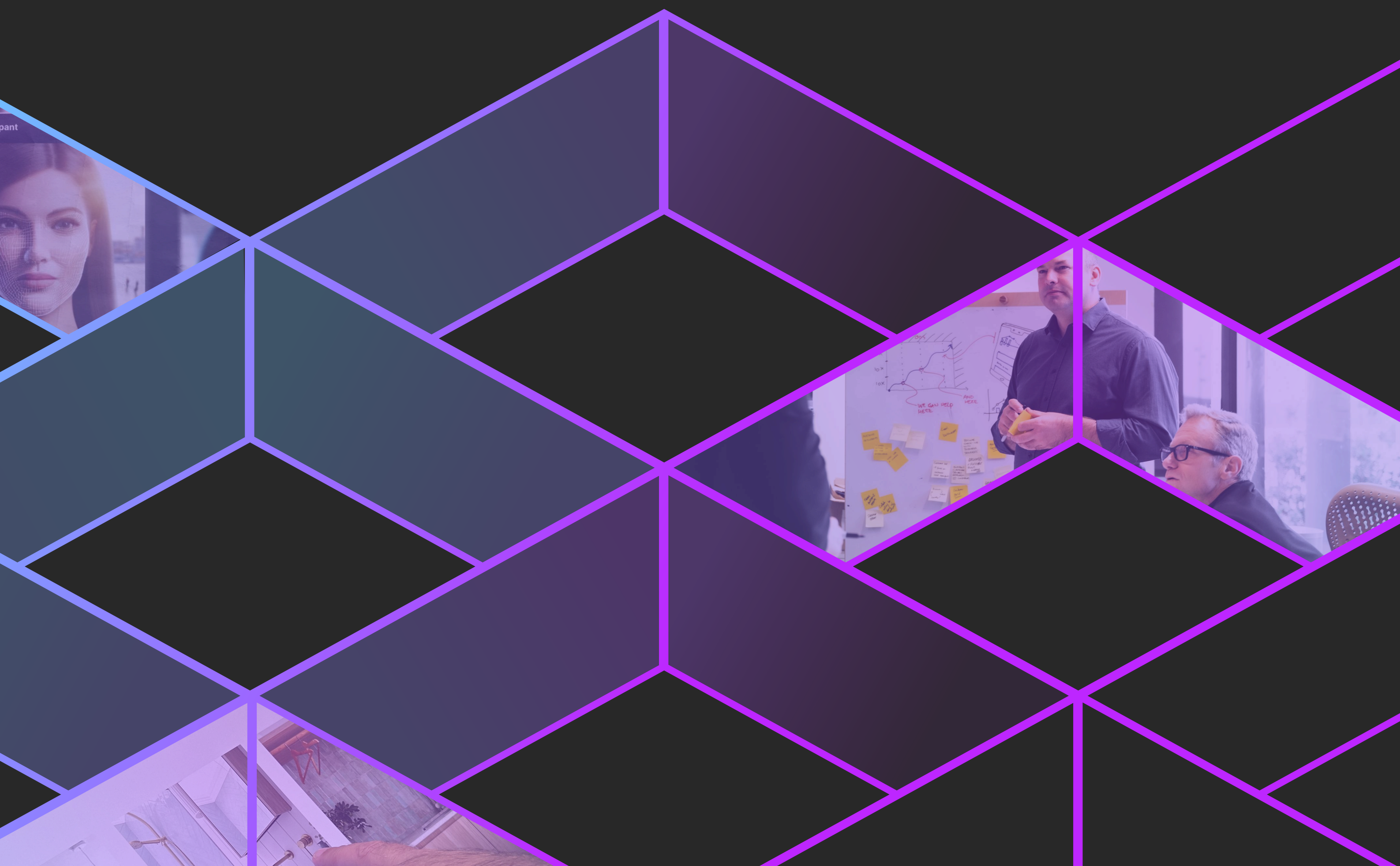
Purple Shirt

Maximising AI's Business Impact



Introduction

AI has become a major focus for organisations looking to improve efficiency, enhance decision-making, and gain a competitive edge. However, despite its potential, many businesses struggle to move beyond a technology-led implementation and to deliver real-business impact. Challenges such as unclear AI strategy, lack of measurable ROI, and technology-led rather than business-driven initiatives often result in fragmented efforts and underwhelming results.

At Purple Shirt, we believe that AI should be a strategic enabler of business goals, not just a technology trend. To help organisations unlock AI's full value, we have developed a structured approach to identifying and prioritising AI opportunities in ways that are aligned with your business strategy.

This paper explores the common challenges of AI adoption and outlines a structured approach to AI implementation. Finally, we share how businesses can turn strategy into impact by ensuring AI initiatives are aligned, measurable, and scalable. By following this approach, organisations can move beyond a reactive and technology led approach and embed AI as a long-term driver of productivity, innovation, and growth.

Our observations

As AI continues to dominate business conversations, many organisations feel increasing pressure to adopt it. However, despite the enthusiasm, we see a common set of challenges that hinder AI's ability to deliver real business value.

Many organisations lack clarity on where AI should be applied to drive meaningful outcomes. In some cases, leadership directives encourage reactive, piecemeal AI adoption without a structure, leading to scattered initiatives with no clear alignment to business priorities - unstructured innovation on steroids. This results in AI being deployed without a connection to the organisation's overall strategy, making it difficult to measure success or justify further investment.

Another significant challenge is the absence of measurable ROI from early AI investments. Without clear objectives and performance indicators, businesses struggle to assess the impact of their AI efforts, leading to scepticism and stalled initiatives. To address this, organisations must align AI initiatives with business goals, set clear success metrics, and track performance over time. Establishing baselines, using A/B testing, and considering both financial and strategic benefits, can help quantify AI's value and justify further investment.

Compounding this complexity, AI adoption is often technology or partner-led rather than business-driven, with AI initiatives too often focusing on where to deploy a technology capability rather than how to solve a business need.

These challenges highlight the need for a structured approach to AI, one that ensures AI initiatives are strategic, focused, and aligned with business outcomes. Purple Shirt has developed a mechanism for linking business strategy to AI strategy, helping organisations define, prioritise, and implement AI in ways that create measurable value.

From strategy to execution

Successfully integrating AI into an organisation requires a structured, business-led approach that ensures AI initiatives are strategic, prioritised, and results-driven. Our approach guides organisations through five key phases, ensuring AI investments are aligned with business objectives and deliver measurable value.

The process begins with Discovery, where we review the business strategy and get alignment on the key strategic priorities. In Analysis & Opportunity Prioritisation, we use business model analysis and our AI expertise to identify opportunities in the business to leverage AI in ways that will directly impact the strategic priorities. We then go through a prioritisation process to produce a structured roadmap, that takes into account the data-readiness of the organisation, that will focus effort on the optimum risk-reward initiatives.

Once priorities are clear, we move to POC & Pilot, using an iterative test-and-learn approach which also answers the question "should we buy or build or stop". AI concepts are tested in real-world environments to validate feasibility, refine solutions, and optimise performance through continuous feedback while also evaluating models for bias and identifying unintended consequences. Crucially, this is all about learning, POCs that don't achieve expected results still generate valuable insights. From there, we help organisations build a Business Case, securing leadership buy-in with commercial modelling and risk assessment. Finally, in Deployment & Operationalisation, AI solutions are embedded into business processes, supported by experience design, change management, people experience design and performance tracking for long-term success.

This structured approach de-risks AI investments, ensuring organisations focus on high-value opportunities that align with business strategy and deliver measurable impact. By following this process, businesses can move from AI hype to real-world execution, ensuring AI becomes a core driver of productivity, innovation, and growth.

1. Discovery

2. Analysis & Opportunity Prioritisation

3. POC & Pilot

4. Business Case

5. Deploy & Operationalisation

Creating measurable business impact

Rather than viewing AI purely as a technology, an effective approach must help organisations focus on how AI can create business impact, whether it’s improving efficiency, enhancing decision-making, optimising resources, transforming user experiences, mitigating risks, or creating new value streams.

To identify where AI could have the most impact, we first need to develop a holistic view of the whole business. We do this by developing a Business Model Canvas, which provides a structured way of analysing the organisation and the business model. This includes identifying core value propositions, key activities, customer segments, revenue streams, cost structures, and operational challenges.

The Business Model Canvas provides the mechanism for uncovering where opportunities might exist for AI to create value. We leverage the canvas and technical AI expertise to surface opportunities that could create value across the business. Once these opportunities are identified, we assess them against five key dimensions:

- **Strategic alignment**
  How well does the AI initiative align with the organisation’s core strategic goals?
- **Execution risk**
  Is this a tried-and-proven application of AI, or is it novel and untested?
- **Value to the business**
  What is the tangible benefit of this AI initiative? (Revenue growth, cost reduction, efficiency gains, competitive advantage).
- **Business risk**
  What are the potential risks of implementing this AI initiative? (Operational disruption, regulatory risks, reputational risks).
- **Data readiness**
  Does the organisation have the right data (quality, availability, structure) to support the AI initiative?

This structured approach ensures that AI investments are not driven by hype but by real business needs. By prioritising AI opportunities based on strategic alignment, feasibility, and value, businesses can make informed decisions about where to invest their AI efforts. This not only reduces risk but also maximises the potential return on investment, ensuring that AI becomes a driver of productivity, innovation, and growth. This prioritisation process will become increasingly important as AI moves from a technology-push to a business-pull and the business starts to lead the effort in driving AI as a core capability.

These strategic opportunities are then put through our structured AI value creation process, as outlined above, where we rigorously test, refine and validate AI concepts prior to investing significant implementation resources and budget.

Purple Shirt

Ready to make AI work for your business?

If you're looking to integrate AI in a way that's strategic, effective, and aligned with your business goals, we're here to help. Let's talk.

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