

Building AI Readiness: What It Takes to Implement AI in **Your Business**

May 2025

Introduction

AI is reshaping industries at a breakneck pace, and executive teams are under pressure to respond. Yet building **AI readiness** is more than a tech upgrade – it’s an enterprise-wide evolution. This whitepaper provides a practical, data-backed roadmap to help service-based businesses (especially those early in digital transformation) prepare for successful AI adoption. We’ll demystify what “AI readiness” entails and show why investing in it now is critical for long-term competitiveness.

Why AI Readiness Matters

In boardrooms worldwide, AI has become a top strategic priority. Between 2023 and 2024, the share of CEOs naming AI as the most impactful future technology nearly tripled¹. In fact, 64% of CEOs say recent AI breakthroughs justify the hype¹, and three-quarters of CEOs report personally experimenting with generative AI tools like ChatGPT¹. The message is clear: business leaders believe AI can drive significant productivity and innovation. More than one-third of CEOs even expect **over 15% productivity gains** in the next two years thanks to AI initiatives¹.

Critically, preparing for AI is not just hype—it’s tied to real economic value. McKinsey estimates that generative AI alone could add **\$2.6 to \$4.4 trillion** in economic value annually across industries². And 94% of executives believe AI will transform their industry within five years². However, there’s a stark gap between promise and reality today: **at least 74% of companies using AI have not yet achieved significant value from it²**. In other words, most organizations are experimenting but struggling to capture ROI. This gap often comes down to readiness – the foundational elements that allow AI pilots to turn into scalable, profitable solutions.

For service-oriented, labor-intensive companies, the stakes are especially high. These businesses stand to gain efficiency and new capabilities from AI (e.g. automating routine service tasks, augmenting customer support, optimizing scheduling and supply logistics). But without preparation, AI efforts can falter or even

backfire. **AI readiness matters** because it ensures that when you invest in AI, you’re set up to get real business value rather than wasted effort. It turns AI from a risky bet into a strategic growth lever. Companies that build a strong AI-ready foundation now will likely outperform and out-innovate competitors as AI matures – while laggards risk being disrupted. In short, **preparing today** is critical so that your organization can seize AI’s benefits tomorrow.

The Four Pillars of AI Readiness

Achieving AI readiness comes down to getting a few fundamentals right. We can categorize these fundamentals into four key pillars: **Data Infrastructure**, **Leadership Alignment**, **Use Case Prioritization**, and **Change Management & Workforce Enablement**. These pillars work together to create an environment where AI projects can thrive. Below, we break down each pillar and why it’s essential for a successful AI implementation.



1. Data Infrastructure

A common saying in AI is “garbage in, garbage out.” The quality and accessibility of your data will make or break AI initiatives. In practice, **data infrastructure** means having clean, well-organized, and readily accessible data – along with the tools and governance to manage it. This includes central data repositories (data lakes or warehouses), data integration across silos, clear data ownership, and data quality processes (validation, deduplication, labeling standards, etc.). Without this foundation, even the most advanced AI algorithms will produce poor results or fail to deploy.

Surveys consistently identify data issues as the top barrier to AI adoption. In one global survey, only **12% of professionals felt their data was of sufficient quality and accessibility for AI³**. The majority admitted they **do not fully trust their data** for decision-making³. It’s not surprising then that **62% cite lack of data governance**

¹ What Your CEO Means When They Say “We’re in the Era of AI”, Gartner, 2024

² 9 Common Challenges to AI Adoption and How to Avoid Them, Naviant, 2025

³ Data Quality and Governance Issues Hold Back AI, Database, 2024

as the primary challenge impeding AI initiatives³. In short, most companies simply aren't data-ready for AI. They struggle with fragmented, dirty data and weak data governance, which leads to unreliable AI outcomes.

The good news is that focusing on data readiness yields rewards. Organizations with more mature information management practices are **1.5× more likely to realize AI benefits** than those with poor data practices⁴. High-performing AI adopters “keep data at the heart” of their investments cloud.google.com. To build this pillar, executive teams should invest in upgrading data infrastructure and governance before (or in parallel with) AI projects. Practical steps include: conducting data audits to identify gaps, establishing data stewardship roles, implementing data catalogues and master data management, and ensuring data is labeled and documented for AI use. Remember, your AI is only as smart as the data you feed it. By treating data as a strategic asset – curating high-quality, accessible datasets – you create a launchpad for AI solutions that actually work.

These findings underline that AI is not just an IT experiment; it's a strategic initiative that requires active guidance from the top.

Building leadership alignment starts with educating the executive team about AI's potential and pitfalls. Leadership should collaboratively define how AI ties into the company's business strategy (e.g. “improve customer response time by 50% with AI-assisted service” or “reduce operating costs via AI automation by \$X million”). This strategic vision then guides prioritization and investment. It's also crucial to assign an executive sponsor – a leader accountable for AI implementation outcomes who can break silos and secure budget. Regular steering committee meetings, clear success metrics, and communication from leaders about AI's importance will signal to the whole organization that AI is a long-term priority, not just a shiny object. When leadership speaks with one voice about AI, middle management and frontline teams are far more likely to get on board and sustain the effort.



2. Leadership Alignment

Successful AI adoption demands strong **executive sponsorship and cross-functional leadership alignment**. AI initiatives often require changes to business processes, new investments, and coordination across IT, operations, and business units. Without C-suite buy-in and a shared vision, these efforts can stall due to competing priorities or organizational resistance. Leadership alignment means the top team agrees on the “why” behind AI (strategic goals), provides visible support, and aligns resources and incentives to the AI roadmap.

Lack of leadership commitment is a well-documented pitfall. In fact, **43% of organizations attribute AI project failures to insufficient executive sponsorship**⁵. McKinsey's research likewise found that the most commonly cited barrier to AI adoption is a lack of a clear AI strategy – essentially a leadership issue of vision and direction⁶. Companies also report that not having leaders who “demonstrate ownership and commitment to AI” is a major obstacle⁶.



3. Use Case Prioritization

Even with good data and committed leadership, AI will falter if applied to the wrong problems. **Use case prioritization** is about choosing initial AI projects wisely – focusing on opportunities with high ROI and feasible execution. Many companies have a long wish list of AI ideas, but not all will deliver value or be realistic given current capabilities. As one report noted, **7 in 10 early AI adopters say they have more potential use cases than they can fund**⁷. The challenge is deciding where to start.

Objective criteria should drive selection: look for use cases that address a real business pain point or efficiency gap, where AI has a clear advantage over traditional methods, and where success can be measured in financial or customer terms. Quick wins are crucial for building momentum. **The most effective strategy to maximize AI ROI is to target “Best Bet” use cases – higher-impact projects that can deliver measurable value quickly**⁸. For example, in a service company, a “best bet” might be automating a frequently performed,

⁴ AI Adoption Hindered by Data Quality, Campus Technology, 2024

⁵ AI Adoption: Driving Change With a People-First Approach, Prosci, 2025

⁶ AI adoption advances, but foundational barriers remain, M&C, 2018

⁷ Businesses struggle to pick the right AI use case, CIO Dive, 2025

⁸ Generating Value From Generative AI, Google Cloud, 2023

time-consuming administrative task (to save labor hours), or deploying an AI assistant to help customer support reps answer common queries faster (to improve satisfaction and throughput). These are narrow enough to be achievable, yet impactful enough to show clear returns.

Failing to prioritize well can carry serious consequences. **71% of business leaders believe picking the wrong use case to pursue would hurt their market position⁷**, and nearly 60% worry it could even jeopardize their jobs⁷. Indeed, a common trap is the “pilot purgatory” – organizations launch AI pilots that never scale, often because they tackled something too ambitious or misaligned with business needs⁷. To avoid this, start with one or two use cases that are not only valuable but also **technically and organizationally feasible**. Consider the data availability and quality for that problem, the skills required to implement it, and the change impact. It’s often wise to prioritize use cases that leverage existing data and processes (so you don’t first need a massive data overhaul) and that have a clear champion in the business. By scoring potential projects on impact vs. complexity, you can map out quick wins (high impact, low complexity) to do first, while shelving or sequencing harder “moonshots” for later.

A disciplined approach to use case selection ensures early AI projects build confidence and ROI. Success stories from these early wins can then be publicized internally, creating a virtuous cycle that fuels broader AI investment. In summary, **focus on solving a few real problems really well** – the rest of your AI program can expand from those proven beachheads.



4. Change Management & Workforce Enablement

Implementing AI is as much about people as technology. This fourth pillar – **change management and workforce enablement** – recognizes that your employees and organizational culture ultimately determine whether AI tools are embraced or resisted. No AI solution succeeds if the people meant to use it don’t trust it, understand it, or have the skills to work with it. Building AI readiness, therefore, must include preparing your workforce through communication, training, and involvement in the AI journey.

Workforce-related barriers are often the silent killers of AI projects. Employees may fear that AI will displace jobs or drastically alter workflows. These concerns are very prevalent: a late-2023 survey found **75% of employees are concerned AI will make certain jobs obsolete, and 65% are specifically anxious about AI replacing their own job⁹**. Without proactive change management, such fears can lead to resistance, low adoption, or even active pushback (e.g. employees finding ways to work around the new AI system). Additionally, lack of skills is a major hurdle – one study showed **60% of organizations cite a shortage of AI skills and training as a significant challenge in launching AI initiatives³**. If staff don’t know how to interpret an AI model’s output or how to integrate an AI tool into their daily tasks, the investment will be underutilized.

To enable your workforce, start by fostering a culture of transparency and collaboration around AI. Communicate early and often about why the company is adopting AI and how it will benefit both the business and employees (e.g. handling drudge work so employees can focus on higher-value activities). Address the elephant in the room regarding job implications – if AI will change roles, have a plan for reskilling people into new positions. Many forward-looking companies are now offering **AI literacy and training programs** to upskill their teams, from front-line workers to managers. For example, training customer service reps to work alongside an AI chatbot, or training analysts in basic data science concepts, can build confidence and proficiency. In Prosci’s research on enterprise AI adoption, **insufficient training was the single biggest adoption barrier, cited in 38% of AI adoption challenges⁵**. The takeaway: investing in employee education is not a “nice to have” – it’s a core requirement for success.

Change management best practices (like those used in any major transformation) should be applied to AI projects. This includes securing **early wins** and showcasing them to staff, identifying change champions in different departments, collecting feedback from users, and adjusting implementation based on that feedback. It also means providing support structures – for instance, a helpdesk for AI tools or an internal community of practice where employees can share tips and concerns. By actively managing the human side of AI, you build trust in the technology. Over time, employees move from seeing AI as a threat to seeing it as an empowering tool that helps them perform better. Culture will shift towards innovation and data-driven decision making. Ultimately, **AI readiness = people readiness**. When your workforce is enabled and

⁹ New EY research reveals the majority of US employees feel AI anxiety amid explosive adoption, EY, 2023

eager to leverage AI, the technology's impact will be fully realized across the enterprise.

Common Pitfalls to Avoid

Many organizations rush into AI projects and stumble over predictable pitfalls. A survey of enterprises implementing AI found that **data quality issues** (cited by 52% of respondents) and **resistance to change** (46%) are the two most common challenges in AI initiatives, among others like data privacy and bias concerns. These pain points highlight that both technical and human factors can derail AI efforts if not addressed upfront. Below are some common pitfalls executive teams should watch out for, and tips on how to avoid them:



Starting Without a Clear Strategy or Sponsor

One major mistake is diving into AI without a clear plan linked to business goals. This often happens when companies feel FOMO from AI hype. Lack of strategic direction and executive sponsorship leads to disjointed projects. (Recall that lack of a clear AI strategy is the #1 barrier cited in McKinsey's survey⁶.)

How to avoid: Define an AI vision and roadmap from the outset, and designate a senior executive as the initiative's champion. Ensure every AI project has defined business value metrics (e.g. cost reduction, revenue uplift, customer NPS improvement).



"Garbage Data" and Tech Debt

Many AI pilots fail because the underlying data was poor quality, siloed, or inaccessible. If you feed the AI inconsistent or biased data, you'll get bad results – undermining stakeholder trust. Data issues also cause delays and cost overruns.

How to avoid: Tackle data readiness early (pillar 1). Invest in cleaning and unifying data, and set up ongoing data governance. Start with use cases where you have reasonably good data. It's better to postpone an AI project than to force it on faulty data.



Choosing Projects That Are Too Ambitious

Another pitfall is chasing moonshots – picking a very complex, cutting-edge AI project as a first attempt (for example, an advanced predictive model without having basic analytics in place). Over-scoping leads to "pilot purgatory" where projects get stuck in endless POCs.

How to avoid: Focus on quick wins and incremental progress. Select initial use cases that are realistic in scope (pillar 3). Prove value on a smaller scale, then expand. Avoid projects that require multiple new technologies or organizational changes all at once.



Working in Silos

AI initiatives falter when treated as an isolated IT experiment. If the project team doesn't involve the business end-users, the solution may miss the mark or face adoption issues later. Similarly, not aligning IT, data science, and domain experts leads to integration problems. **How to avoid:** Encourage cross-functional collaboration. Create project teams that include IT, data scientists (if available), and business process owners together. This ensures the AI solution is technically sound and practical for end-users. It also speeds up buy-in since stakeholders are engaged from day one.



Neglecting Change Management

Perhaps the hardest pitfall is underestimating the human side. We've seen companies roll out an AI tool, only to have employees ignore it or actively resist using it. This often stems from fear or lack of training.

How to avoid: Treat AI deployment as an organizational change program (pillar 4). Communicate early, involve employees in pilots, and provide training resources. Address fears head-on – for instance, if an AI scheduling tool is introduced for field technicians, explain that it's there to optimize routes not to cut jobs, and show how it can make their day-to-day work easier. Leadership should celebrate employees who embrace new tools to set a positive example.

Other pitfalls include **insufficient talent or expertise** (hiring or upskilling for AI is often necessary – without the right people, projects stall) and **ignoring ethics and compliance** (using AI without regard for data privacy, fairness, or regulatory requirements can cause backlash). Each of these can be mitigated by foresight and planning. The table below summarizes a few pitfalls and how to address them:

Common Pitfall	Why It's a Problem	How to Migrate
No clear AI strategy or goal	Leads to scattered efforts with no business impact; projects wander aimlessly. ⁶	Develop a clear AI roadmap aligned with business priorities. Secure executive sponsorship to guide and unify efforts.
Poor data quality or silos	AI outputs are unreliable, and projects bog down in data wrangling. (Top challenge cited by companies ³)	Invest in data cleansing and integration before building AI. Implement data governance and start with data-rich use cases.
Overly complex first project	High risk of failure; team may get discouraged, and stakeholders lose faith if the project doesn't deliver quickly.	Pick achievable, high-impact use cases as initial pilots. Demonstrate quick wins to earn trust and build experience before scaling up.
Lack of user adoption	Even a great AI tool yields no benefit if employees don't use it or distrust it. This often happens without proper change management.	Engage end-users early, communicate benefits, and provide training. Incorporate user feedback and iterate. Leadership should reinforce that AI is an enabler, not a threat.

By anticipating these pitfalls, executives can proactively steer their AI programs away from trouble. Think of AI readiness as strengthening the “immune system” of the organization against common project ailments. With a solid strategy, good data, realistic goals, and an engaged workforce, the odds of AI success increase dramatically.

Quick Wins and Next Steps

Building AI readiness is a journey, but there are **practical steps you can take in the short term** to generate momentum. Executive teams should aim to achieve a few “quick wins” in the next 3–6 months – tangible progress that demonstrates value and builds confidence. Below is a checklist of actionable next steps to jump-start your company's AI readiness:

1. Assess Your Starting Point

Begin with a candid audit of your current capabilities. Inventory your data assets (where are they, how clean/usable are they?), identify any ongoing AI or advanced analytics projects (however small), and gather feedback from managers on pain points that could be addressed with AI. This baseline assessment will highlight gaps (e.g. “we have lots of customer data but it's all in separate spreadsheets”) and opportunities. It will also help you prioritize which pillar needs the most urgent attention.

2. Secure Leadership Buy-In and Form a Coalition

If not already done, get the key executives in a room to discuss AI. Agree on a common vision (why AI, and what does success look like in our context?). Identify an

executive sponsor for the AI initiative – someone at the C-level or one step below who will be responsible for driving it. Also, form a cross-functional **AI task force** or working group that includes representatives from IT/data, the business units, and HR (for change management). This coalition will serve as the governance body for AI projects, meeting regularly to review progress and resolve roadblocks.

3. Start Improving Data Hygiene

You can take immediate action to improve data readiness. For example, launch a “data cleanup sprint” focusing on a critical dataset that an AI pilot might need (such as consolidating customer service records or cleaning up inventory data). Simultaneously, put in place some **basic data governance** practices: appoint data owners for key domains, establish guidelines for data labeling and storage, and implement an archiving or data retention policy if one is missing. These steps begin to instill a data discipline that will benefit all digital initiatives. (Notably, **88% of organizations claim to have an information management strategy, but almost half lack basic practices like retention policies**⁴ – so closing those gaps is low-hanging fruit.)

4. Identify 1–2 Quick-Win Use Cases

Use a simple scoring approach to choose your initial AI project(s). Look for use cases that align with pressing business needs and have available data. Brainstorm with your task force and business unit leaders: what repetitive tasks might we automate? Where could prediction or insight drive a big improvement? Evaluate each idea on potential value (e.g. cost saved, revenue gained, time saved) and implementation difficulty (data complexity, technical complexity, change impact). Prioritize one customer-facing and/or one internal process use case that scores high on value and reasonable on feasibility. For instance, a quick win might be deploying an AI scheduling assistant to optimize field service routes, or a simple machine learning model to predict and prevent equipment downtime in a factory. Aim for projects that can be delivered in a matter of a few months. Also decide how you will measure success (KPIs). This selection process itself is a great exercise for leadership alignment – it forces clarity on goals and constraints.

5. Execute Small Pilots with Agile Iteration

Once you have a pilot project defined, kick it off with a lean team. Adopt an agile approach: develop a proof-of-concept quickly, then iterate. Involve end-users in testing the AI solution early. Keep the scope tight – it’s better to deliver a minimal viable solution that works end-to-end for one use case than an elaborate system that isn’t finished. Monitor the pilot results closely against your success metrics. Even if the pilot is modest, document the before-and-after impact (e.g. “processing invoices with AI took 30% less time”). These data points will be invaluable for making the case to scale successful pilots or invest further.

6. Invest in Training and Communication

Parallel to the technical work, take some quick win actions on the people side. Announce internally that the company is exploring AI to enhance the business (set a positive, optimistic tone). Perhaps host a brown-bag lunch or short seminar to demystify AI for employees, explaining concepts and answering questions – this helps dispel myths and anxieties. Begin targeted training for teams involved in the pilot use cases. For example, if customer support agents will be using a new AI recommendation tool, arrange a workshop to introduce it and let them practice with it. Such enablement efforts, even if light, signal that the company is **investing in its people** alongside investing in technology.

7. Establish Governance and Ethics Guidelines (Quick Version)

While full AI governance may be a longer-term project, it’s wise to lay down some initial guidelines early. Formulate a simple AI ethics statement or principles for your organization (e.g. “We will use AI in ways that augment our employees, not replace them unfairly; we commit to respecting customer privacy in all AI use”). Also decide on an approval process for new AI use cases – for instance, the AI task force should review projects for alignment with strategy and compliance. Given rising regulatory attention on AI, having even basic oversight in place from the start will pay off.

8. Measure and Celebrate **Early Results**

As quick-win projects start yielding outcomes, measure them and publicize the success. Did the pilot reduce costs, improve customer ratings, or free up employee time? Quantify it. Nothing builds momentum like concrete evidence that “AI worked for us.” Share these wins with the broader organization and with the board or investors if appropriate. Recognize the teams involved. This creates a positive feedback loop and a sense that the organization is on the right track. It will be easier to get buy-in for the next, slightly more ambitious AI project after a win.

By following these steps, your company can make tangible progress on AI readiness within a single planning cycle. The journey doesn’t end here – in fact, it’s just beginning – but these quick wins set you up for longer-term transformation. After executing on the above, you should revisit your AI roadmap, refine it with the lessons learned, and plan the next phase (perhaps tackling a bigger use case or scaling the initial pilot more broadly). Each iteration will further mature your data, technology, and people capabilities.

Conclusion

AI implementation is often portrayed as a purely technical endeavor, but as we’ve shown, it’s **grounded in broader organizational readiness**. By focusing on the four pillars – ensuring your data house is in order, aligning leadership and strategy, smartly choosing your battles, and bringing your people along – you create fertile ground where AI projects can flourish. This is a journey of continuous learning and adaptation. Start small, build on successes, and stay committed. The companies that thrive in the age of AI will not necessarily be those with the fanciest algorithms, but those with the readiness to integrate AI into the fabric of their business. With preparation, your business can confidently move from experimenting with AI to **achieving real, enterprise-wide value** from AI. Now is the time to build that AI readiness and secure your place in the future of your industry.



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