

# What Questions Should Board Directors Ask About AI?

*50 questions which C-level executives should be able to answer about AI*

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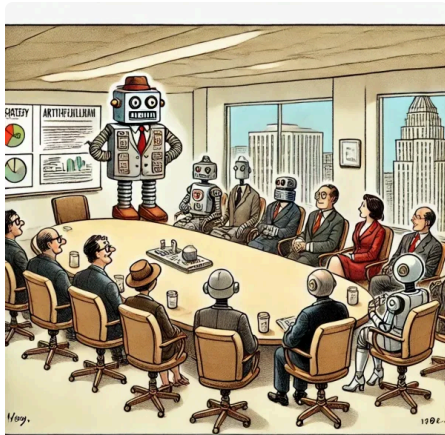
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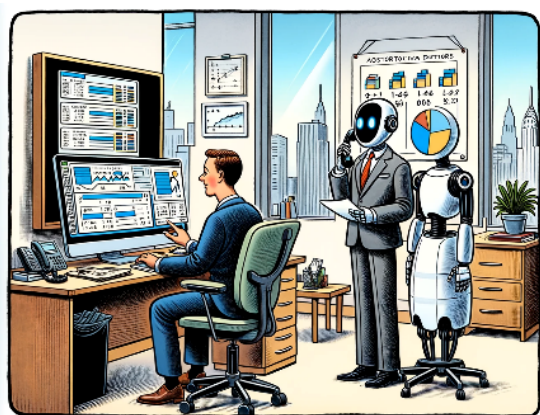


**Stephen Smith**

AI Transformations

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## What Questions Should Board Directors Ask About AI?

50 questions which C-level executives should be able to answer about AI.

by Stephen J. Smith and Kenneth P. Morse

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**Abstract:** There has never been a technology as potentially disruptive to long-term business strategies as AI. It is pervasive, and it is powerful, and corporate boards of directors are worried. They are the ones responsible for holding their CEOs accountable for the business's long-term strategy and AI is the most important disruption they've ever faced. It is a scary place to be for both directors and denizens of the C-suite. But it does not have to be. With proper planning and some well-asked questions, all companies can be prepared to stay ahead of the competition in the AI race. This paper provides a checklist of fifty or so of those key questions that board directors should pose to the C-suite. If they are thoughtfully answered, the board, the CEO, and the company will be ready to drive the AI disruption, rather than being driven and disrupted by it.

**Audience:** Board members, CEOs, C-level senior management, departmental senior management.

## **You gave your CEO an AI mandate. Now what?**

You know that your company needs to "Do AI" and you told your CEO that they need to "Do AI in the right way", but what does that mean? And why is there resistance?

Perhaps the answer is FUD. Fear, Uncertainty, and Doubt create resistance whenever there is any disruption to the status quo. And AI is not just any disruption. Many CEOs and board members are uniquely uncomfortable with the concept of AI, not only because it is a powerful new technology, but also because

—like a killer virus—it is morphing rapidly and infecting everything. AI affects every aspect of production and operations within a company. Its potential impact extends far beyond IT and R&D.

In the hands of a determined adversary, AI can quickly deliver significant competitive threats with large financial impact; it cannot be ignored. The adage “no one ever got fired for buying IBM” doesn’t have any analog in AI. The phrase “no one ever got fired for playing it safe with AI” is simply not going to be true. If you ignore AI, you will get fired ... or replaced.

There is also a personal factor in the fear of AI. Underneath the conversation about the technology and business, is an unstated, but fundamental personal concern that AI might just be smarter than you (in a very measurable sense) and fully capable of taking over your job and doing it better. (Yes, even board members’ jobs will be both enhanced and threatened by AI).

But not to worry, as a director your job is to guide, not micro-manage your C-suite executives. You don’t actually need to do anything beyond asking penetratingly insightful and intelligent-sounding questions!

For this reason, and to be most helpful to you as a board member, we have collected a list of some of the most important questions to be asked. The questions will cut across industries and markets, but the answers will, of necessity, be very specific to the situation of your company, your industry, and your customers. There will be no cookie-cutter solutions. The devil is in the details.

In some ways, the answers are easier than the questions. After all, you know your business and your customers. Your risk does not derive from inability to act, but rather from failing to consider these issues and plan properly in advance. The answers may not be hard, but there can be serious consequences if you don’t ask all of the right questions.

So, rather than us doing your job for you, let us do the more helpful task of providing the questions (you can always look up the answers on ChatGPT!). Please use this paper as a working guide and view these suggested questions as a checklist for issues that your C-suite needs to address.

You should consider each question initially and then determine the amount of effort you need to invest in answering it based on your own internal needs. Prioritization will be important. Better to touch every question lightly than to focus all your efforts on just a few as the list has been collected from feedback from many board members and CEOs. It is a long list but it is not exhaustive. Skip a question at your peril!

When you are done grilling yourself and your CEO, you will discover the weak spots in your company as they relate to AI. It will be like your annual physical with your doctor, it will be uncomfortable and intrusive, but when it is completed, you will find benefits and inspiration from the process.

## **Think of AI like a bear, not a tsunami**

Due to the impact and disruptive nature of AI, you could visualize it as a “technology tsunami”. But a tsunami engenders images of undifferentiated destruction and little chance of escape. A better analogy might be to visualize AI as a large, fast moving, grizzly bear. Both tsunamis and bears are dangerous, but you can save yourself from a bear if you are fast enough (and get a good head start on your fellow hikers).

As the old joke goes: “If you are hiking with friends in the woods, and you see a grizzly bear coming at you, take the time to put on your running shoes and securely tie the laces. You only need to run faster than the slowest hiker.”

Staying ahead of the AI bear may not take as much effort as you think. Your company doesn’t necessarily need to invent new AI algorithms or build an AI research lab. You’ll just need your leadership to calmly and thoughtfully keep track of the latest advances and be aware of what cultural and technical changes need to be made internally. The trick is that these changes may not be big, but they will be pervasive.

The good news is that AI is going to dramatically ‘grow the pie’ and increase production, efficiency, and even GDP (it may even help us to grow our way out of government debt and inflation). The bad news is that it will also have characteristics of a winner-take-all and zero-sum game where someone has to lose when someone else wins. So even though the overall pie may be growing, not every company will benefit in the same ways.

To succeed in the AI race, you just need to stay ahead of your competition. Go get those sneakers laced up!

## **The easiest way to do something complicated? A checklist!**

In 2009 Atul Gawande wrote a wonderful book: “The Checklist Manifesto”. Gawande is a physician (and deep thinker) and in his book he shows how simple mistakes caused by complexity have caused great harm in medicine. He further shows that similar types of problems occur in many other professions, such as airline pilot.

Gawande found that very important, dangerous, and complex problems were being addressed with equally complicated instructions that were aimed at reducing the likelihood of a bad outcome (e.g. losing your patient or crashing your plane). The problem was that fighting complexity with complexity was resulting in mistakes being made from confusion and from forgetting to abide by these complex best practices.

These solutions were correct, but they had become so complex that they were causing new problems or were being ignored because they were unwieldy.

Gawande came up with a new solution by repurposing a very old solution: checklists.

Yes! The same breakthrough technology that you use to remember to buy the right groceries or track the completion of the renovation of your bathroom, turns out to be the superior solution in much more complex domains such as healthcare, aviation, and ... any novel disruptive technology like AI.

Gawande showed that serious and complex problems can be best addressed by a simple series of steps that can be checked off. This simple procedure has several advantages over more complex and more perfect solutions. For example, checklists are great at highlighting when an important step is missed and, unlike complex plans and standard operating procedures, checklists are easy to modify and improve. They are a powerful way to encourage and enforce compliance with known best practices.

For this reason, we believe that a checklist would be a perfect match for the very complex problem of guiding a large company in its quest to become AI competent. A simple solution to a big scary problem. (Atul would be very proud of us!)

So here we have a problem (the AI grizzly) which is not always life-threatening to an agile human but is deadly serious to the health of your company. So, to prevent the AI grizzly bear from catching you first and making you its lunch, here is a checklist of questions to ask your CEO. At the end of the paper, there are two pages that you can print out and check off at your leisure.

Don't feel you need to ask all of these questions at your very next board meeting. First, go through the list with your fellow board members and select the questions that are highest priority first. Then ask away.

Your CEO may not be super happy you have asked him or her to put on their running shoes, but they will certainly be glad you did so four years from now.

## **The top 50 questions that a board should ask its CEO about AI**

As directors, your responsibility is to ensure the long-term success of your company for the shareholders. Your ability to set credible and valued strategy roadmaps is key. AI now poses an existential and systemic threat to your company as well as an unprecedented opportunity to dramatically increase profit margins, take market share from competitors, and grow your total addressable market.

However, you will not be alone in your quest. Your competitors are surely doing the same thing, and AI represents a disruption that will allow relatively small newcomers to enter and perhaps disrupt your markets.

Here are the questions you should consider asking:

### **Strategy (Chief Executive Officer - CEO)**

The CEO has the most important role in preparing an adequate defense against the risks of AI and rallying the troops to pose an inspired offense to exploit the opportunities presented by AI. These are not easy decisions to make, but once made, they must be implemented boldly as they will disrupt (subtly or seismically) all aspects of the company. At a minimum the CEO must make it clear that there

is a top to bottom AI strategy that involves significant change for all levels of the company. Here are some of the questions with which to challenge your CEO:

- What are the top 10 'Jobs to be Done' within our company that will be affected by AI?
- What are the top 10 'Jobs to be Done' for our customers that will be affected by AI?
- What is the expected ROI on our AI investments? How will you make that calculation?
- Could reliance on AI lead to unforeseen vulnerabilities in our operations or decision-making processes?
- Have we executed a basic SWOT analysis (Strengths, Weaknesses, Opportunities, Threats) detailing our current and future readiness for AI?
- What is our AI strategy? Does it align with our particular business goals/strategy?
- What risks do we face if we lose control or understanding of complex AI decision-making processes?
- Do you, as CEO, have the right resources to make good decisions about AI?
- Should we build a centralized AI team of experts across functional departments and divisions, or should we let each division develop its own strategy?
- Do we have a strategic 10-year vision of how AI will impact our industry and customers? 5-year? 1-year?
- What new product or revenue opportunities can be ushered in by using AI?
- What is the one-liner message that you will announce to all members of our company that shows our goals and level of commitment to AI?

### **Legal (General Counsel - GC)**

The legal implications of AI are far from clear. The technology is moving too fast for new regulation and laws to keep pace. The stakes are high when you consider that AI chatbots have already been found to be legal representatives of their

companies and their promises are binding (like when an Air Canada chatbot promised a bereavement discount that didn't exist, and the airline had to make good on the chatbot's promise). There is also the risk that use of a model may expose underlying deleterious biases in your corporate data or that a model might use copyrighted content or expose secret information from within your own organization.

Here is a checklist of questions your GC should have answers for:

- What are the risks of IP usage in the AI model? How could we be sued for copyright infringement?
- What is our IP strategy for securing any inventions that we might make in AI research or applications?
- How are we preparing for AI-related regulatory changes that could impact our business? Who is surveying this regularly?
- How do we ensure that our AI systems do not introduce biases that could damage our reputation or lead to legal consequences?
- What new governance is needed for different departments of the company? Board, IT, research, development, HR, marketing, sales, finance, legal, consulting, operations?

## **Sales (Chief Revenue Officer - CRO)**

Sales may seem like a strange place to worry about AI. Because sales involves so much communication with customers and prospects, it is an ideal area for the application of an AI large language model and other nascent AI technologies.

A significant number of sales processes can now be fully automated, for example, lead generation, or sales processes that are mostly automated already, such as e-commerce.

AI automation is a double-edged sword; it can increase sales and also introduce new risks.

Will your bot make promises that your product team can't keep? It wouldn't be the first time; human salespeople sometimes do as well. This has famously already happened, in 2023, when a customer convinced a chatbot on a Chevrolet website

to sell him a new \$76,000 Tahoe SUV for \$1 (the dealership didn't honor the chatbot's offer).

Will you lose market share because your competition moved faster, streamlined, and automated their sales process with AI?

These are surprisingly important questions for a part of your company that might not typically be the first to embrace new technologies. Here are suggested questions to ask your CRO:

- Where could we (further) automate our sales processes with AI sales agents?
- Is there a risk that AI could introduce ethical challenges or conflicts that could undermine stakeholder trust?
- Could AI sales agents, delivered through a CRM, erode customer engagement or engender bad feelings because a human is no longer involved in the sales process?
- Could our AI sales agents be too persuasive and entice customers to buy the wrong thing or too much of one of our products?
- How much are we willing to pay for a bot versus a human salesperson? Some providers, like Salesforce, are beginning to charge for 'Service as Software' rather than 'Software as a Service' (SaaS). Will your sales bots eventually be asking for a commission? ;-)

## **Data (Chief Data Officer - CDO)**

Data represents both your greatest risk as well as your greatest opportunity to achieve and enhance your competitive advantage when leveraged by AI. Using your data for AI presents risks because it can contain bias and wrong answers that can inadvertently become baked into an AI model. Internal data could also be reverse-engineered out of an AI model and stolen or used to reveal corporate secrets.

On the other hand, your data can potentially provide the most value when utilized and amplified by AI. It is a hidden and extremely valuable asset that AI can discover and unlock.

This hidden data currently can't be seen or utilized by conventional business intelligence because it is unstructured, dirty, and opaque. We call it 'dark data' and it has an analog in astrophysics!

Did you know that more than 80% of the mass of the universe is supposedly made up of matter that cannot be seen? This is called 'dark matter' by the astrophysicists. Dark data is a similar idea as it consists of all the messy, unstructured data that doesn't find its way into your databases, your spreadsheets or your CRM. It is the unedited emails, zoom transcripts, meeting memos, purchase patterns, etc. that have been generated by (and owned by) your company. Data that only your company has but has heretofore been invisible, untapped, and kept in the dark.

AI can embrace, analyze, and enhance this data, transform it into an AI model, and then answer your questions with it. Because it is your unique proprietary data, it can be more powerful in providing a significant competitive advantage over your competitors.

Here are the questions to ask your CDO:

- What are the risks to data privacy from AI usage? What is our company's policy?
- What is the lineage and provenance of the data that trained the models we use?
- Do we have data agreements with our vendors, customers, and partners that reduce or eliminate our liabilities for data that we use from them or that they use from us? What are our risks?
- What steps should we be taking to safeguard customer data in our AI systems, and how do we handle potential breaches?
- Have we conducted a study of sources of "dark data" both within and outside our company? Do we know the opportunities?
- Do our competitors have unique "dark data" that might be a threat to our existing business models? For instance, Tesla, X, Facebook, YouTube, and other social media giants have dark data that no one else has access to.
- Could we combat any threats or take advantage of new opportunities by building partnerships with third-party data providers?

## **Human Resources (Chief Human Resources Officer - CHRO)**

Because AI affects humans in such deep ways that are unprecedented in other technologies, it is not surprising that the human resource challenges in AI are as vast as any job function. AI is both underwhelming in its ability to do certain tasks and yet monstrously scary when we contemplate its possible impact on people, society, and culture.

A function that falls under human resources that is critically impacted by AI is executive education, training, and organizational knowledge retention.

Maintaining institutional memory, key corporate knowledge assets, even wisdom, within human beings may still be important even though AI-based systems can store and retrieve this knowledge more efficiently. At a minimum, humans need to remain as backup knowledge sources for when AI systems fail. Smart managers also need to be capable of providing the creative energy for new ideas that move into new directions. We cannot cede the future to AI no matter how capable AI may become.

But, for humans to be creative they also need to retain basic foundational knowledge (even if it is redundant with AI systems). You don't get to express the creativity of an Einstein for new ideas in physics if you don't understand calculus, and you don't get to create the next Bach fugue if you don't know how to play the harpsichord. So, while creativity and imagination are the goal, we cannot cede the foundational skills to our AI accomplices. How companies navigate this tradeoff between human-stored and AI-stored knowledge is an open question.

Here are some key questions to consider asking your CHRO about AI:

- What is the potential for AI to displace significant portions of our workforce, and how are we planning to address that?
- What are the personnel and PR impacts of any decrease in workforce due to AI automating some jobs?
- Will we need different types of people and skills in order to leverage the power of AI faster than our adversaries (running shoes, again).
- What training do we need for our employees concerning AI?
- What training do we need for employees as their jobs change because of AI?

- What skills are we lacking regarding AI?
- Could AI-driven automation lead to a loss of key institutional knowledge or skills within the company?
- Do we have a policy for all staff on how they can use AI and what are the limitations on their use of AI for different job functions?
- Do we have a culture that can accommodate the rapid changes that AI will create? Should we change our culture? How do we change our culture?
- Do we have the right in-house talent to develop AI? What skills are we missing?
- Which skills can be gained via consultants? Which skills need to become a core competency of our company?
- Are there disincentives for employees not to utilize AI as they may believe it puts their jobs at risk? Is there a way that we could reassure them and incent them to become more efficient by using AI?
- How can we ensure that our employees will not blindly use ChatGPT to write reports for senior management, without checking for accuracy?

## **Technology (Chief Technology Officer - CTO)**

Since AI is a novel technology, it is not surprising that your CTO will be very involved with developing and implementing your AI strategy. Most CTOs are comfortable learning about new technologies, and despite its potentially world-changing impact, the fundamentals of AI are not rocket science. Expect your CTO to be able to make intelligent decisions and advise your CEO. What she or he might not be doing is taking AI seriously enough. Here are some probing questions to consider asking your CTO:

- What steps are we taking to protect our AI systems from being manipulated or compromised through cyberattacks? For example, there are techniques for corrupting AI models by feeding them compromised data.
- What AI technology should we / must we create ourselves, and which AI applications should we undertake using outsourced tools?
- Which capabilities should we secure through strategic partnerships?
- Can AI be used to write more of our code? What are the risks?

- Should we pursue an open-source approach to AI, such as Facebook, or a proprietary approach like OpenAI?
- Can you rank the top ten AI technologies and applications that will have the largest impact on our company?
- What is our AI technology stack currently? What should it be?
- What are the risks and benefits of relying on nimble AI startups who may not yet have proven their business model, and might disappear?

## **Customer Success (Chief Customer Officer - CCO)**

Because customer success provides the interface between your company and your customers, it is a rich area for taking advantage of AI. AI is already taking over many tasks that were handled by human operators, and doing them better, faster, and much more cheaply. Consider that the “InsureTech” startup insurance company, Lemonade, uses AI to settle 50% of its claims and cut a check to a policy holder in under two minutes. AI writes 98% of its policies and 30% of its email tickets are handled by AI.

Your company may not be as ripe for digital disruption of the customer experience as Lemonade, but you should be challenging your CCO with tough questions about how much could be improved or automated with AI. Here are some great questions for your CCO:

- To what extent (100%?) can AI be used for our inbound customer support? For our outbound customer support?
- Where can AI be used to improve our customer experience?
- What measures will we put in place to make sure that we have not gone too far with AI? (e.g. Degrading the customer experience by wasting their time with a chatbot.)
- What risks do we incur when AI makes incorrect recommendations to the customer?
- In addition to insisting on top quality systems, how can we mitigate those risks with legal disclaimers and warnings to the customer?
- Beyond redeploying our employees, what challenges will we have with our existing workforce if many lose their jobs to AI bots?

- What are the long-term implications of using AI since it typically learns from existing usage patterns created by actual humans? (i.e. Will the models degrade when they no longer learn directly from humans but from other AI bots?)

## **Operations (Chief Operating Officer - COO)**

AI is fundamentally about optimization. Even the chatbots that are writing performance reviews so eloquently for you are actually just algorithms that optimize the prediction of the next word that is written (one word after another eventually ends up with a complete performance review or novel!).

This core ability of AI for optimization can be used within your organization to automate and optimize many routine jobs. When we look back on AI's impact ten years from now, we may say, "Wow! The AI revolution was really amazing. Not only did it solve cold fusion and poverty, but also it made everybody write shorter and better memos!".

Here are some questions to ask your COO about how AI can help to improve efficiencies of some pedestrian but important tasks at your company:

- Where can AI help us decrease costs?
- Could errors or flaws in our AI algorithms lead to catastrophic failures or critical operational disruptions?
- How do we ensure that third-party AI tools are reliable and secure?
- How could AI-based systems affect our supply chain, and what contingency plans do we have for disruptions?

## **Marketing (Chief Marketing Officer - CMO)**

There are two important areas where AI will affect marketing:

1. Strategy
2. Persuasion

AI can help with building marketing strategy and predicting or modeling future market behavior. One company, GetWhy, has been applying AI to predicting customer experience for the last eight years, ensuring that new product launches avoid mistakes and are much more successful.

AI can also be a tremendous aid in brainstorming new ideas. But its most powerful attribute may well be its ability to persuade.

Try this experiment: take a one-paragraph description of your product and ask a GPT bot to provide ten great marketing messages. Pretty good, right? Now imagine if you weren't in the loop and your AI could just generate, test, improve, generate, and test rapidly, tirelessly, and forever. How persuasive might that messaging become?

This is the future of marketing with AI. From a social perspective, AI may be so good at persuasion that we need regulations to limit the abilities of AI to influence people's decisions. Until that happens, ask these questions of your CMO to see how they will best leverage AI:

- How could AI disrupt our core business model or make our current offerings obsolete?
- What risks do we face if our competitors adopt AI more effectively or rapidly than we do?
- What are our competitors doing? How do we want to position ourselves against them?
- Do we want to embrace an Apple mentality of "not first but best" or a Facebook philosophy of "move fast and break things"?
- Can we hand off A/B testing to an automated AI bot that systematically and ruthlessly develops and tests marketing messages so that only the most successful are deployed? What are the benefits? What are the risks?

## **AI (Chief AI Officer - CAIO)**

According to recent research (2024) from the Wharton School of the University of Pennsylvania and the GBK Collective, 46% of all companies and 41% of large companies (over \$2B in revenue) now have Chief AI Officers. While we personally find this a bit hard to believe (where would you even find that many competent AI / business leaders?), it does reflect the perceived pervasive impact that AI has throughout the company. So, for those reasons it is at least worth asking the questions:

1. Should we have a CAIO?

2. Should we rent one?
3. Should we grow one?
4. What should be their responsibilities?
5. How do these responsibilities differ from / overlap with existing C-level management?

## **How should you use this list of questions?**

We recommend that you review this article with your fellow board members first. Then, pick 1-3 questions per functional area to discuss at your next board meeting. Have your CEO create reports (by area) answering these questions as well as whatever new questions they can think of. As a final step, please email us any of the great new questions you come up with so we can update this list and more board members can benefit!

## **Where you could be four years from now...**

AI is a challenging new technology to navigate. CEOs will be fired for lack of aggressive action, or for overly aggressive action. Board members will be replaced if they can't provide productive insights, strategy, and connections with the latest developments in AI.

To survive in your current situation, you must recognize that AI is not something we've seen before. It has profound implications. It is not the same as the advent of the word processor that slowly displaced the jobs of many corporate secretaries and typists. AI is already replacing copywriters, marketers, legal staff, coders, and Hollywood actors. AI is disrupting white-collar jobs like nothing that has ever come before it. It is going to create unprecedented business, political, and cultural turmoil.

It will also make some companies 50% faster, smarter, and more profitable. You need to be sure that yours is one of those companies.

No one can predict the full impact of AI but there are some known approaches you can take. Asking the right questions and holding your C-suite accountable is a good first step. If you do this, you will be putting on your sneakers first and be

well-prepared to outrun your competition and stay well in front of the fast, big, relentless bear that is AI.

## **A quick note about how AI was used to write this paper**

We are writing about AI, so... we used AI to help double check what we wrote. But we didn't have AI write the text. We found that asking an AI tool to completely rewrite something can often cause a loss of subtle meaning and our 'voice' in the writing. Using an AI tool to give us ideas, or answer questions, or even tighten up a sentence does, however, help us to come up with improved ideas that we might have otherwise overlooked. We also sought to use at least three different sources for information and ideas. So, we would ask multiple AIs to see if they agreed, or we needed to dig a bit deeper.

We also believe that writing our own articles is important to our own understanding and ability to communicate coherently as human beings. The author Flannery O'Connor once said, "I write because I don't know what I think until I read what I say." We find this is also true for us, so writing things down ourselves is an important part of thinking creatively and deeply understanding a topic. Rest assured, this is us—real humans—who are doing the thinking and the writing, but we have used our AI friends to confirm facts and confirm approaches. We'd like to introduce a new initialism to capture this thinking: AIHW = "AI Inspired. Human Written."

## **About the Authors**

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Steve Smith is the Chief Executive Officer of G7 Research LLC, a provider of AI-powered educational solutions. Steve has been working in the field of artificial intelligence since the 1980s and has published two books with McGraw-Hill on the business applications of AI. He currently advises Fortune 500 companies on how to launch AI Accelerators to quickly build AI competence and deliver improved product.

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## **About the Journal**

The Journal of Business and Artificial Intelligence (ISSN: 2995-5971) is the leading publication at the nexus of artificial intelligence (AI) and business practices. Our primary goal is to serve as a premier forum for the dissemination of practical, case-study-based insights into how AI can be effectively applied to various business problems. The journal focuses on a wide array of topics, including product development, market research, discovery, sales & marketing, compliance, and manufacturing & supply chain. By providing in-depth analyses

and showcasing innovative applications of AI, we seek to guide businesses in harnessing AI's potential to optimize their operations and strategies.

In addition to these areas, the journal places a significant emphasis on how AI can aid in scaling organizations, enhancing revenue growth, financial forecasting, and all facets of sales, sales operations, and business operations. We cater to a diverse readership that ranges from AI professionals and business executives to academic researchers and policymakers. By presenting well-researched case studies and empirical data, The Journal of Business and Artificial Intelligence is an invaluable resource that not only informs but also inspires new, transformative approaches in the rapidly evolving landscape of business and technology. Our overarching aim is to bridge the gap between theoretical AI advancements and their practical, profitable applications in the business world.

## **Your Board Member AI Strategy Checklist**

### **Strategy (Chief Executive Officer - CEO)**

1. What are the top 10 'Jobs to be Done' within our company that will be affected by AI?
2. What are the top 10 'Jobs to be Done' for our customers that will be affected by AI?
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9. Should we build a centralized AI team of experts across functional departments and divisions, or should we let each division develop its own strategy?
10. Do we have a strategic 10-year vision of how AI will impact our industry and customers? 5-year? 1-year?
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5. What new governance is needed for different departments of the company? Board, IT, research, development, HR, marketing, sales, finance, legal, consulting, operations?

### **Sales (Chief Revenue Officer - CRO)**

1. Will your bot make promises that your product team can't keep? It wouldn't be the first time; human salespersons sometimes do as well.
2. Will you lose market share because your competition moved faster and streamlined and automated their sales process with AI?
3. These are surprisingly important questions for a part of your company that might not typically be the first to embrace new technologies. Here are suggested questions to ask your CRO:
4. Where could we (further) automate our sales processes with AI sales agents?

5. Is there a risk that AI could introduce ethical challenges or conflicts that could undermine stakeholder trust?
6. Could AI sales agents, delivered through a CRM, erode customer engagement or engender bad feelings because a human is no longer involved in the sales process?
7. Could our AI sales agents be too persuasive and entice customers to buy the wrong thing or too much of one of our products?
8. How much are we willing to pay for a bot versus a human salesperson? Some providers, like Salesforce, are beginning to charge for 'Service as Software' rather than 'Software as a Service' (SaaS). Will your sales bots eventually be asking for a commission? ;-)

### **Data (Chief Data Officer - CDO)**

1. What are the risks to data privacy from AI usage? What is our company's policy?
2. What is the lineage and provenance of the data that trained the models we use?
3. Do we have data agreements with our vendors, customers, and partners that reduce or eliminate our liabilities for data that we use from them or that they use from us? What are our risks?
4. What steps should we be taking to safeguard customer data in our AI systems, and how do we handle potential breaches?
5. Have we conducted a study of sources of "dark data" both within and outside our company? Do we know the opportunities?
6. Do our competitors have unique "dark data" that might be a threat to our existing business models? For instance, Tesla, X, Facebook, YouTube, and other social media giants have dark data that no one else has access to.
7. Could we combat any threats or take advantage of new opportunities by building partnerships with third party data providers?

### **Human Resources (Chief Human Resources Officer - CHRO)**

1. What is the potential for AI to displace significant portions of our workforce, and how are we planning to address that?

2. What are the personnel and PR impacts of any decrease in workforce due to AI automating some jobs?
3. Will we need different types of people and skills in order to leverage the power of AI faster than our adversaries (running shoes, again).
4. What training do we need for our employees concerning AI?
5. What training do we need for employees as their jobs change because of AI?
6. What skills are we lacking regarding AI?
7. Could AI-driven automation lead to a loss of key institutional knowledge or skills within the company?
8. Do we have a policy for all staff on how they can use AI and what are the limitations on their use of AI for different job functions?
9. Do we have a culture that can accommodate the rapid changes that AI will create? Should we change our culture? How do we change our culture?
10. Do we have the right in-house talent to develop AI? What skills are we missing?
11. Which skills can be gained via consultants? Which skills need to become a core competency of our company?
12. Are there disincentives for employees not to utilize AI as they may believe it puts their jobs at risk? Is there a way that we could reassure them and incent them to become more efficient by using AI?
13. How can we ensure that our employees will not blindly use ChatGPT to write reports for senior management, without checking for accuracy?

### **Technology (Chief Technology Officer - CTO)**

1. What steps are we taking to protect our AI systems from being manipulated or compromised through cyberattacks? For example, there are techniques for corrupting AI models by feeding them compromised data.
2. What AI technology should we / must we create ourselves, and which AI applications should we undertake using outsourced tools?
3. Which capabilities should we secure through strategic partnerships?

4. Can AI be used to write more of our code? What are the risks?
5. Should we pursue an open-source approach to AI such as Facebook, or a proprietary approach like OpenAI?
6. Can you rank the top ten AI technologies and applications that will have the largest impact on our company?
7. What is our AI technology stack currently? What should it be?
8. What are the risks and benefits of relying on nimble AI startups who may not yet have proven their business model, and might disappear?

### **Customer Success (Chief Customer Officer - CCO)**

1. To what extent (100%?) can AI be used for our inbound customer support? For our outbound customer support?
2. Where can AI be used to improve our customer experience?
3. What measures will we put in place to make sure that we have not gone too far with AI? (e.g. Degrading the customer experience by wasting their time with a chatbot.)
4. What risks do we incur when AI makes incorrect recommendations to the customer?
5. In addition to insisting on top quality systems, how can we mitigate those risks with legal disclaimers and warnings to the customer?
6. Beyond redeploying our employees, what challenges will we have with our existing workforce if many lose their jobs to AI bots?
7. What are the long-term implications of using AI since it typically learns from existing usage patterns created by actual humans? (i.e. Will the models degrade when they no longer learn directly from humans but from other AI bots?)

### **Operations (Chief Operating Officer - COO)**

1. Where can AI help us decrease costs?
2. Could errors or flaws in our AI algorithms lead to catastrophic failures or critical operational disruptions?
3. How do we ensure that third-party AI tools we use are reliable and secure?

4. How could AI-based systems affect our supply chain, and what contingency plans do we have for disruptions?

### **Marketing (Chief Marketing Officer - CMO)**

1. What risks do we face if our competitors adopt AI more effectively or rapidly than we do?
2. What are our competitors doing? How do we want to position ourselves against them?
3. Do we want to embrace an Apple mentality of “not first but best” or a Facebook philosophy of “move fast and break things”?
4. Can we handoff A/B testing to an automated AI bot that systematically and ruthlessly develops and tests marketing messages so that only the most successful are deployed? What are the benefits? What are the risks?

### **AI (Chief AI Officer - CAIO)**

1. Should we have a CAIO?
2. Should we rent one?
3. Should we grow one?
4. What should their responsibilities be?
5. How do these responsibilities differ from / overlap with existing C-level management?

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## About the Author

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### Stephen Smith

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Stephen Smith is Chief Executive Officer of G7 Research, where he leads initiatives that translate advances in artificial intelligence into actionable insight for business and organizational decision-making. His work emphasizes the strategic and operational implications of AI, including applied analytics, AI-enabled innovation, and the governance considerations required for responsible deployment at scale. In his executive role, he guides multidisciplinary teams that produce research, thought leadership, and evidence-based frameworks for evaluating and implementing emerging AI capabilities. He contributes to scholarly and practitioner-facing discourse on the intersection of technology, management, and organizational performance, with interests spanning AI adoption, data-driven strategy, and risk-aware AI management. Smith is also engaged in professional knowledge-sharing through publications and presentations that connect academic rigor with real-world implementation challenges. Through his leadership at G7 Research, he advances collaborations that strengthen the bridge between research communities and industry stakeholders navigating rapid technological change.

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The Journal of Business and Artificial Intelligence (ISSN: 2995-5971) is the leading publication at the nexus of artificial intelligence (AI) and business practices. Our primary goal is to serve as a premier forum for the dissemination of practical, case-study-based insights into how AI can be effectively applied to various business problems. The journal focuses on a wide array of topics, including product development, market research, discovery, sales & marketing, compliance, and manufacturing & supply chain. By providing in-depth analyses and showcasing innovative applications of AI, we seek to guide businesses in harnessing AI's potential to optimize their operations and strategies.