

THE EXECUTIVE BRIEFING

The Board's AI Briefing Book

What Every Executive Needs to Know About AI in 20 Minutes or Less

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THE BOARD'S DILEMMA

**84% of boards say AI is a top priority.
Only 12% feel equipped to govern it.**



"The technology moves faster than our quarterly meetings."

— Fortune 500 Board Member, 2024

What You'll Know After This

1 The AI landscape without the jargon

2 What AI can and cannot do (the truth)

3 5 questions every board should be asking

4 Risk governance framework for AI

5 How to evaluate AI investments and initiatives

AI in 60 Seconds: What You Need to Know

Generative AI

Creates new content
(ChatGPT, Midjourney)



Predictive AI

Forecasts outcomes
(fraud detection, churn)



Automation AI

Replaces repetitive tasks
(RPA, document processing)



Agents & Reasoning

Takes autonomous actions
(agentic workflows)



Most enterprise value today: Predictive + Automation. Watch: Agents.

What AI Can and Cannot Do

✓ AI Excels At

- Processing data at massive scale
- Finding patterns humans miss
- Automating repetitive tasks
- Operating 24/7 without fatigue
- Generating first drafts quickly

✗ AI Struggles With

- Genuine reasoning & common sense
- Novel situations outside training
- Explaining its decisions clearly
- Knowing what it doesn't know
- Ethical judgment calls



The Key Insight

AI is a power tool, not a replacement for judgment. It amplifies capability but requires human oversight.

MARKET REALITY

The Numbers That Matter

\$4.4T

PROJECTED AI MARKET BY 2030

72%

COMPANIES EXPERIMENTING WITH
AI

13%

HAVE AI IN PRODUCTION AT SCALE

28%

REPORT MEASURABLE ROI

Huge market. Massive experimentation. Limited proven results (so far).

BOARD GOVERNANCE

5 Questions Every Board Should Ask

1. Strategy Alignment
2. Risk Exposure
3. Talent Readiness
4. Ethical Guardrails
5. ROI Measurement

If your team can't answer these clearly, they're not ready to scale AI.

QUESTION 1

How Does AI Connect to Our Strategy?

WEAK ANSWER

"We're exploring AI opportunities"

"Competitors are using AI"

"Our CDO is building a roadmap"

"It's a top priority"

STRONG ANSWER

"AI reduces customer churn by 15%"

"AI drives \$4M in cost savings"

"3 AI initiatives tied to OKRs"

"Here's our 18-month delivery plan"

🎯 What to Probe

Ask for specific P&L impact, not technology excitement. If they can't quantify it, it's not strategic.

QUESTION 2

What Are Our AI Risk Exposures?

RISK CATEGORY	BOARD QUESTION	PRIORITY
Data Privacy	Where does training data come from?	HIGH
Model Bias	How do we test for discriminatory outcomes?	HIGH
IP Exposure	Is proprietary data leaving our systems?	HIGH
Regulatory	Are we compliant with EU AI Act, state laws?	MEDIUM
Vendor Lock-in	Can we switch providers if needed?	MONITOR

QUESTION 3

Do We Have the Talent to Execute?

AI/ML Engineering Capacity

Target: 50+ | Current: ?

30%

Data Science Maturity

Target: Level 4 | Current: ?

L2

Data Infrastructure Ready

Target: 100% | Current: ?

55%

Executive AI Literacy

Target: High | Current: ?

Low

Key insight: Most companies have a bigger talent gap than they admit. Ask for honest assessments, not aspirational ones.

QUESTION 4

What Ethical Guardrails Are in Place?

- AI ethics policy published and enforced
- Bias testing protocol for all customer-facing AI
- Human-in-the-loop for high-stakes decisions
- Clear disclosure when customers interact with AI
- Regular third-party audits of AI systems
- Escalation path for AI-related concerns

If fewer than 4 boxes are checked, governance is not mature enough.

QUESTION 5

How Do We Measure AI ROI?

1

Define Baseline Metrics First

What's the cost/performance before AI? Document it.

2

Isolate AI Impact

Can you attribute improvement to AI vs. other factors?

3

Include Total Cost

Compute, talent, maintenance—not just the tool subscription.

4

Set Time Horizons

Short-term wins vs. long-term strategic value—track both.

GOVERNANCE FRAMEWORK

AI Risk Oversight Model

LEVEL	RESPONSIBILITY	FREQUENCY
Board	Strategic risk oversight, policy approval	Quarterly
Audit Committee	AI controls, regulatory compliance	Quarterly
Executive Team	Resource allocation, initiative approval	Monthly
AI Steering Committee	Prioritization, cross-functional coordination	Bi-weekly
Delivery Teams	Build, deploy, monitor AI systems	Daily

How to Evaluate AI Initiatives

The 3V Framework

- Value:** Is the business case quantified and realistic?
- Velocity:** Can we show results in 6-12 months?
- Viability:** Do we have data, talent, and sponsorship?

All three must be "yes" before significant investment. Two out of three is a pilot, not a program.

RED FLAGS

Warning Signs Your AI Strategy Is Off Track

1 **No business owner.** AI is "owned" by IT or innovation team only.

2 **Metrics are vague.** "Improved efficiency" without numbers.

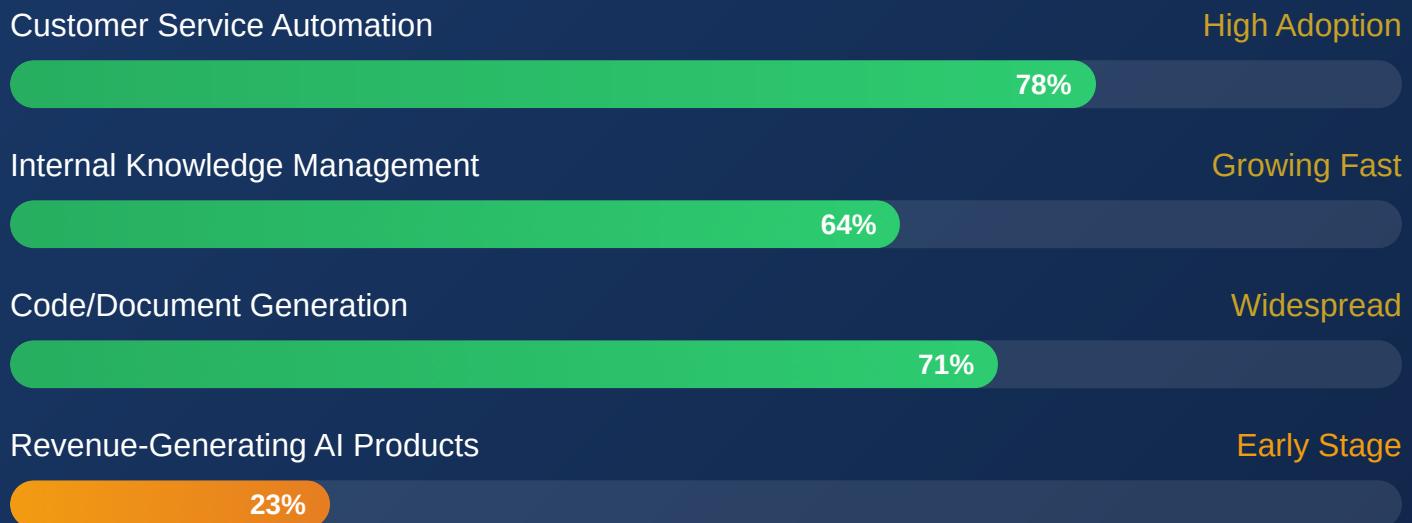
3 **Pilot purgatory.** Same 3 pilots for 18+ months.

4 **Talent attrition.** Key AI hires leaving within a year.

5 **No governance.** No one can explain the ethics framework.

COMPETITIVE CONTEXT

What Your Competitors Are Actually Doing



Translation

Everyone is doing efficiency plays. Few have cracked revenue generation. That's where differentiation lives.

BUDGET GUIDANCE

How Much Should We Spend on AI?

COMPANY STAGE	AI BUDGET	FOCUS AREAS
Exploring	1-2% of IT budget	POCs, training, tool pilots
Building Foundation	3-5% of IT budget	Data infrastructure, initial hires
Scaling	7-10% of IT budget	Production systems, MLOps, governance
AI-First	15%+ of IT budget	AI embedded across products/operations

Benchmark: Leaders spend 3-5x more than laggards—but with clear ROI targets attached.

SAMPLE DASHBOARD

What Your AI Report Should Look Like

12

ACTIVE AI INITIATIVES

\$4.2M

REALIZED SAVINGS YTD

3

IN PRODUCTION

2

RISK ITEMS FLAGGED

Key Metrics to Request Quarterly

- Initiative pipeline and stage distribution
- ROI actuals vs. projections
- Risk register and mitigation status
- Talent metrics (hires, attrition, gaps)
- Competitive positioning assessment

3 Things to Remember

1

AI is a capability, not a strategy.

It should serve business objectives, not define them.

2

Governance before growth.

The risks of ungoverned AI outweigh the benefits of fast AI.

3

Demand proof, not promises.

Quantified outcomes, clear accountability, measurable ROI.

READY TO LEAD ON AI?

Let's Have the Conversation

I translate AI complexity into board-ready insights—because executives shouldn't need a PhD to govern AI.

Connect with me:

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DM me "BRIEFING" for the Board AI Governance Checklist