



JILL RICHARDS
AI INSIGHTS

AI RISK & READINESS QUIZ



Introduction

UNDERSTANDING AND MITIGATING TECHNICAL RISKS IS CRUCIAL FOR LONG-TERM SUCCESS WITH AI

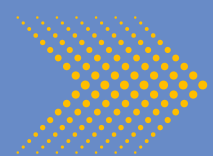
In today's rapidly evolving technology landscape, artificial intelligence (AI) has become a game-changer for businesses across industries. As we navigate the AI revolution, understanding and mitigating related technical risks is crucial for long-term success.

Consider these eye-opening statistics:

- 70% of enterprise AI projects fail due to inadequate preparation and assessment (1)
- Less than half of companies are seeing positive ROI from their AI investments (1)
- The market for AI model risk management is projected to reach \$10.5 billion by 2029 (2)

By identifying potential gaps and areas for improvement, you can pave the way for responsible and effective AI adoption.

This quiz is designed to help you quickly evaluate your organization's AI readiness and risk management practices.



SOURCES

1. <https://www.virtasant.com/ai-today/ai-readiness-assessment>

2. Scherlis, Bill . "Weaknesses and Vulnerabilities in Modern AI: AI Risk, Cyber Risk, and Planning for Test and Evaluation." Carnegie Mellon University, Software Engineering Institute's Insights (blog). Carnegie Mellon's Software Engineering Institute, August 12, 2024. <https://doi.org/10.58012/9esz-9x30>.

AI Risk & Readiness

Take this **5-question quiz** to quickly gauge your readiness for the AI revolution. Your answers will give you a reading on how prepared your organization is to manage AI risks across key areas.

Data Quality Control

How do you ensure the data used to train your AI models is accurate and unbiased?

- A. Regular audits and manual checks
- B. Automated tools for data cleansing
- C. We rely on vendor-provided data
- D. Not a priority

AI Transparency

How transparent is your AI decision-making process to stakeholders?

- A. Fully transparent with explainable models
- B. Somewhat transparent with some explainability
- C. Not transparent but working on it
- D. Not a concern

Legacy System Integration

How well do your AI systems integrate with existing legacy systems?

- A. Seamless integration with no issues
- B. Mostly integrated but some challenges
- C. Partially integrated with significant challenges
- D. Not integrated at all

Ethical AI Governance

Do you have a formal AI ethics framework in place?

- A. Yes, fully implemented
- B. Yes, partially implemented
- C. In development
- D. No framework

Risk Assessment Frequency

How often do you conduct AI risk assessments?

- A. Regularly (every quarter)
- B. Occasionally (every year)
- C. Rarely (every few years)
- D. Never

Scoring

Total the points associated with each answer to determine your risk category

A answers: 3 points each

B answers: 2 points each

C answers: 1 point each

D answers: 0 points each

Risk Score Categories (15 points max)

12-15 points: Low risk, well-prepared

8-11 points: Moderate risk, some improvements needed

0-7 points: High risk, significant action required



Recommendations

12-15 points: Low risk, well-prepared

- Maintain your current best practices and stay updated on emerging AI trends and regulations.
- Consider becoming an industry leader by sharing your AI governance strategies at conferences or in publications.
- Explore advanced AI applications that could give your organization a competitive edge.
- Implement a continuous improvement cycle for your AI systems and processes.
- Mentor other organizations or departments on AI risk management and ethical AI practices.

8-11 points: Moderate risk, some improvements needed

- Conduct a thorough audit of your AI systems, focusing on areas where you scored lower in the quiz.
- Develop a roadmap for improving AI transparency and explainability in your organization.
- Invest in training programs to enhance your team's AI literacy and risk management skills.
- Consider partnering with AI ethics consultants or academic institutions to strengthen your governance framework.
- Implement regular stakeholder feedback sessions to address concerns and improve trust in your AI systems.

0-7 points: High risk, significant action required

- Prioritize the development of a comprehensive AI ethics and governance framework.
- Conduct an immediate risk assessment of all current AI applications in your organization.
- Invest in data quality and integration tools to address fundamental AI implementation issues.
- Establish a cross-functional AI task force to oversee risk management and ethical considerations.
- Consider pausing or scaling back high-risk AI projects until proper safeguards are in place.

General Advice

- Join AI ethics and governance forums or industry groups to stay informed about best practices.
- Regularly reassess your AI risk score (e.g., quarterly) to track progress and identify new challenges.
- Develop an AI incident response plan to quickly address any unforeseen issues or failures.
- Foster a culture of responsible AI use throughout your organization through ongoing education and communication.
- Stay informed about evolving AI regulations and proactively align your practices with upcoming requirements.

Contact



Strategy + Marketing for Fearless Companies
www.jilljrichards.com