



THE  | Connect.
BOARD | Create.
Certify_

Level 4 Diploma in
AI Business

Contents Page

About The AI Board	4
Qualifications in this specification	5
Overview	5
The qualification purposes	5
The qualification level	5
Regulation dates	5
AI Board policies	5
Support for this qualification	6
Progression opportunities for learners	6
Teaching and learning resources	6
Modes of delivery	6
Recognition of prior learning	6
Direct claims status	6
Centre requirements	6
Qualification Structure	7
Qualification - total qualification time, guided learning hours and credit	7
Entry requirements	7
Rules of combination	7
Grading Structure	8
Resubmission Policy	9
Guidance on assessment and grading	9
The method(s) of assessment	9
Recording assessment judgements	9
Grading	10
Quality Assurance	10
Malpractice	10
Unit Structure	11
Units	13



Unit 1: Applied AI in Business Functions	13
Unit Content:	14
Essential Teaching Content:	20
Unit 2: Assurance of AI Regulation and Ethics in Practice	22
Unit Content:	23
Essential Teaching Content:	27
Unit 3: AI in Marketing and Customer Insight	30
Unit Content:	31
Essential Teaching Content	36
Unit 4: AI for Operations, Process and Productivity Improvement	40
Unit Content:	41
Essential Teaching Content:	47
Unit 5: AI in Finance, Forecasting and Cost Analysis	51
Unit Content:	52
Essential Teaching Content:	59
Unit 6: AI in People, HR and Compliance Functions	62
Unit Content:	63
Essential Teaching Content:	69
Unit 7: AI-Enabled Business Model and Value Innovation	71
Unit Content:	72
Essential Teaching Content:	78
Unit 8: AI, Value Chains and Commercial Performance	81
Unit Content:	82
Essential Teaching Content:	88



Level 4 Diploma in AI – Business

610/7673/9

About The AI Board

AI Board is an institution specialising in artificial intelligence, data and their related fields. We provide qualifications for educational institutions, employers, practitioners and learners.

We believe that artificial intelligence, in all its diverse forms, is critical in shaping developments in the 21st century and beyond. From industry to governments to the third sector, AI provides opportunities for individuals, organisations and society to flourish.

We understand that for this to happen there needs to be wider dissemination of knowledge, understanding and the development of skills to support the ethical development and responsible roll out of AI.

We are committed, therefore, to make access to this information, knowledge and skills readily available to a wider range of society than is currently the case. The provision of contemporary qualifications and pathways to employment in the fields of AI, data sciences and related occupations will be a primary part of the services we offer.

For further information about AI Board please refer to our website www.theaiboard.orgW



Qualifications in this specification

AI Board Level 4 Diploma in AI – Business

Overview

The qualification purposes

The Level 4 Diploma in AI – Business is designed to develop learners' ability to apply and evaluate the use of artificial intelligence (AI) within business contexts. It builds on foundational knowledge to support more analytical and commercially informed decision-making across functions such as marketing, operations, finance and customer insight

The qualification is suitable for individuals progressing from Level 3 study, preparing for higher-level study, or working in business roles where AI is increasingly influencing decision-making and performance. It supports progression by developing skills in analysing AI opportunities, evaluating risks and benefits, and applying AI tools in a structured and responsible way. Learners will gain the confidence to assess the suitability of AI in different contexts and contribute to informed, evidence-based business decisions.

This qualification is part of a suite of qualifications made up of:

- Level 3 Diploma in AI – Business
- Level 4 Diploma in AI – Business
- Level 5 Diploma in AI – Business

The suite is intended for non-technical roles and focuses on the operational, ethical, and strategic implications of AI adoption across functions such as administration, customer service, marketing, and decision support.

The qualification level

RQF level 4

Regulation dates

This qualification is regulated by the following regulatory bodies:

- Ofqual from 22/6/2026 for delivery by centres from 22/6/2026

AI Board policies

The AI Board has a range of policies with which centres need to familiarise themselves.

These are available on The AI Board website



Support for this qualification

This qualification was developed with support from AI experts and educational establishments.

Progression opportunities for learners

Learners who complete this qualification can:

- Use it as part of their application for advanced standing onto year 2 of a higher education qualification such as a bachelor's degree.
- Use it as part of a job application where knowledge and understanding of AI needs to be demonstrated.
- Progress to a higher-level qualification such as The AI Board Level 5 Diploma in AI - Business

Teaching and learning resources

The AI Board provides a range of resources to support in the delivery of this qualification including:

- Centre Handbook
- Developing Assessment Materials – Guidance for Centres
- Command Verb Requirements
- The AI Board Marking Template
- The AI Board IQA Template

These are available via The AI Board Portal for recognised The AI Board Centres.

Modes of delivery

The qualification can be delivered online, in person or in a blended learning format; this is at the discretion of the Centre but must be agreed, in advance, with The AI Board as part of the Centre approval process.

Recognition of prior learning

The AI Board seeks to enable learners to avoid duplication of learning and assessment and has developed a Recognition of Prior Learner policy in order to support that aim. This can be found on The AI Board website.

Direct claims status

The AI Board does not offer direct claims status

Centre requirements

Centres must ensure that:



- They have sufficient and suitably qualified / experienced staff to deliver and assess the qualification, including teaching, assessing and quality assuring.
- All staff involved in assessing and quality assuring have relevant training and maintain appropriate ongoing CPD.
- Staff assessing or quality assuring this qualification have relevant experience and / or qualifications at the same or higher level as the units being assessed.

Learners must have access to suitable AI tools. Learners do not need to be in relevant employment but may draw on work experience where this is the case.

Qualification Structure

Qualification - total qualification time, guided learning hours and credit

Total Qualification Time: 1,200 hours

Guided Learning Hours: 320 hours

Credits: 120 credits

Entry requirements

- There are no formal entry requirements for this qualification. However, as it is set at Level 4 and designed to support progression with advanced standing to the second year of a degree programme, centres are encouraged to consider whether learners have sufficient prior knowledge, skills and experience to engage successfully with study at this level.
- The qualification is aimed at learners aged 18 and above.

Rules of combination

This qualification is made up of 8 mandatory units, each worth 15 credits. Learners must complete all units to complete the qualification.

Unit Title	Unit Code	Level	GLH	Credit
Unit 1 – Applied AI in Business Functions	T/652/2343	4	40	15
Unit 2 – Assurance of AI	Y/652/2344	4	40	15



Regulation and Ethics in Practice				
Unit 3 – AI in Marketing and Customer Insight	A/652/2345	4	40	15
Unit 4 – AI for Operations, Process and Productivity Improvement	D/652/2346	4	40	15
Unit 5 – AI in Finance, Forecasting and Cost Analysis	F/652/2347	4	40	15
Unit 6 – AI in People, HR and Compliance Functions	H/652/2348	4	40	15
Unit 7 - AI-Enabled Business Model and Value Innovation	J/652/2349	4	40	15
Unit 8: AI, Value Chains and Commercial Performance	M/652/2350	4	40	15

Note that Unit 2 – Assurance of AI Regulation and Ethics in Practice is also used in other Level 4 AI Board qualifications. It is expected that all learners on this qualification understand and can comply with localised ethical and governance requirements in relation to AI in order to progress to a bachelor's degree.

Grading Structure

Fail / Pass / Merit / Distinction



Resubmission Policy

This is available via The AI Board portal.

Guidance on assessment and grading

The assessment of this qualification is completed through the submission of internally assessed learner work. To achieve a specified grade for a unit, a learner must have successfully achieved all the assessment criteria (ACs) at that grade for all Learning Outcomes (LOs).

The assessor therefore must judge the grade for the work submitted on the basis of whether the LO has been met at the standard specified by the assessment criteria. Alongside the ACs a sufficiency descriptor is provided for each LO which details what is required to meet the required standard.

The method(s) of assessment

Centres will need to devise assessments that provide learners with the opportunity to evidence all ACs at all available grades. These can be developed to cover a single LO, multiple LOs or a full unit. The AI Board strongly advises the use of integrated tasks where possible as these better reflect realistic workplace contexts, enable holistic and synoptic assessment of learning outcomes, and support more valid judgements about a learner's ability to apply knowledge, skills and behaviours in combination.

These Centre devised assessments are required to be submitted to The AI Board for review and approval prior to issuing to learners.

Example assessments are provided as part of the unit content. These are indicative only and Centres are encouraged to develop assessments that reflect their learners' contexts.

Guidance on writing assessments and The AI Board approval process can be found in the Developing Assessment Tasks – Guidance for Centres.

This qualification must be assessed in English.

Recording assessment judgements

The assessor must record their judgements on a suitable template, stating whether the learner has achieved each AC and providing evidence for the judgements. The internal quality assurer must also use a suitable template and the feedback to the assessor must show whether the assessor has made valid judgements for all the learner work. The AI board provides a grading template and an IQA for Centres to use. Alternatively Centres may design their own templates which must be signed off by their EQA before use.

More guidance on the assessment process and internal quality assurance processes can be found in The AI Board Centre Handbook.



Assessment judgements always require care to ensure that they are reliable and that there is sufficient and specific feedback to the learner to show whether he or she has demonstrated achievement of the LO at the specified standard.

Centres must ensure that all assessment judgements are clearly marked and assessed and retained in a secure place at the centre, for future external quality assurance.

Grading

Unit grading:

- To pass a unit all pass level ACs must be met
- To achieve a merit for a unit all pass and all merit level ACs must be met
- To achieve a distinction for a unit all pass, all merit and all distinction level ACs must be met

Qualification grading:

- To achieve a pass overall, all units must be graded pass or above
- To achieve a merit overall, all units must be graded merit or above
- To achieve a distinction overall, all units must be graded distinction

Quality Assurance

Centres delivering the AI Board qualifications must be committed to ensuring the quality of teaching and learning so that the learner experience is assured. Quality assurance will include a range of processes as set out in the CASS. This could include gathering learner feedback, lesson observation, analysis of qualitative and quantitative data. There must also be effective standardisation of assessors and quality assurance of assessor decisions. The AI Board will rigorously monitor the application of quality assurance processes in centres.

The AI Board's quality assurance processes will involve:

- A robust Centre approval for those centres which are not already recognised to deliver The AI Board qualifications
- New qualification approval processes for centers already recognized to deliver The Ai Board qualification who want to expand their provision
- Monitoring visits to ensure the centre continues to work to the required standards
- External quality assurance of assessment decisions on learner work

Centres may be required to undertake relevant training activities, as agreed activities with The AI Board.

Details of The AI Board quality assurance processes are provided in the AI Board Centre Handbook and other policies and procedures which are available on our website.

Malpractice

The AI Board Policy on Malpractice and Maladministration is available on The AI Board website.



Unit Structure

All The AI Board units are presented in a standard format so that learners, assessors and internal quality assurance staff in Centres are able to find relevant information easily.

Unit Title

The unit title reflects the content of the unit.

Unit Aims

The unit aims to summarise what the learner will understand, know and be able to do following achievement of the unit.

Unit Level

The level of the unit on the Regulated Qualifications Framework

Unit Code

A unique reference code to identify the unit.

GLH

The number of guided learning hours for the unit.

TQT

The total number of learning hours for the unit.

Credit Value

The credit value of the unit which contributes to the overall credit value of the qualification.

Unit Grading Structure

Whether the unit is fail / pass or fail / pass / merit / distinction.

Assessment Guidance

Information on how learners should be assessed and what needs to take place for them to achieve the unit.

Suggested Assessments

The suggested assessments provide guidance on the type of task learners could undertake to achieve the learning outcomes (or group of learning outcomes) at the standard set by the assessment criteria.

Learning Outcomes

The learning outcomes are what the learner is expected to understand, know or be able to do as a result of achieving the unit.



Assessment Criteria

The assessment criteria are the standards that learners have to demonstrate in order to achieve the learning outcomes.

Sufficiency Descriptors

Provide detail on what is required to meet the assessment criteria

Essential Content

Essential content are the topics that should be taught in order to build learner's pass level knowledge, skills and understanding for the unit.



Units

Unit 1: Applied AI in Business Functions	
Unit aims	This unit enables learners to understand how Artificial Intelligence (AI) technologies are applied across core business functions and how they create organisational value. Learners will develop the skills to analyse and compare AI opportunities, evaluate their potential commercial impact, and justify strategic investment decisions. The unit also explores the organisational enablers and constraints affecting AI adoption, the implications for workforce roles and customer experience, and the ethical, legal, and operational risks associated with AI-driven change. By the end of the unit, learners will be able to assess AI opportunities across business functions, understand the factors that influence successful adoption, and make informed, commercially grounded decisions about AI use and investment.
Unit level	4
Unit code	T/652/2343
GLH	40
TQT	150
Credit value	15
Unit grading structure	Fail / Pass / Merit / Distinction
Assessment guidance	Assessment for this unit should emphasise applied understanding and clear communication of how AI is used across business functions and the impacts of its adoption. Centres may use a variety of applied assessment methods as set out in the Developing Assessment Tasks – Guidance for Centres document. Learners may base their evidence on a real or fictional organisation, provided the context is realistic and familiar. Assessment activities should allow learners



	to demonstrate how common AI applications support tasks within business functions, how AI adoption affects performance and decision-making, and how automation benefits and workforce impacts can be understood in operational business contexts. Learners are not expected to undertake strategic planning, optimisation or advanced evaluation. All assessments must be submitted to The AI Board for approval prior to use.
Example Assessment Methods	L01: Podcast or presentation exploring different types of AI application and comparing how these are used across business functions to generate organisational value and the impact this can have on the workforce and on customer experience. L02: Professional discussion or presentation with Q&A on the organisational enablers and constraints affecting AI adoption at scale. L03: Scenario task assessing the commercial impact of AI opportunities. Learners produce a report including recommendations on the predicted commercial impact and recommended areas for investment. L04: Professional discussion or written report evaluating ethical, legal and organisational risks associated with AI adoption and mitigation approaches.

Unit Content:

Learning Outcome 1: Understand common AI use cases across business functions			
AC	Pass	Merit	Distinction
1.1	<u>Compare</u> the differences between automation, augmentation and decision-support applications of AI within business contexts.	N/A	<u>N/A</u>
1.2	<u>Evaluate</u> how AI technologies are used to add value in <u>at least three</u> core business functions	<u>Analyse</u> how AI-driven efficiency gains, workforce changes and customer experience impacts <u>interact</u> within a business context, <u>considering</u> areas of balance or tension.	<u>Critically analyse</u> how the interaction between AI-driven efficiency gains, workforce changes and customer experience impacts <u>influences</u> overall organisational
1.3	<u>Analyse</u> how AI can change workforce roles,		



	tasks or required skills within a chosen business function.		performance and long-term value creation.
1.4	<u>Analyse</u> how AI may affect customer experience (positively or negatively) within a business context.		
Sufficiency Descriptor	Learners demonstrate a sound understanding of the differences between automation, augmentation and decision-support applications of AI within business contexts and how AI can impact the workforce and customers. Evidence compares the differences between automation, augmentation and decision-support applications of AI within business contexts. Evidence explains how AI technologies are used to add value in at least three core business functions, referring to relevant organisational examples, and draws a well-reasoned conclusion about the value generated. Evidence considers appropriate types of value such as efficiency, cost reduction, improved customer experience or enhanced decision-making, and demonstrates applied understanding through realistic examples rather than simple description. Evidence analyses how AI can change workforce roles, tasks or required skills within a chosen	Learners demonstrate a developed understanding of how AI-driven efficiency gains, workforce changes and customer experience impacts interact within a business context. Evidence analyses the relationship between operational efficiency improvements, changes to roles, tasks or skills, and resulting customer experience outcomes. Responses move beyond treating these areas separately and instead show how developments in one area influence or reshape the others. Analysis identifies areas of balance or tension, such as where efficiency gains create workforce adjustment challenges, or where automation improves speed but alters customer perception of service quality. Explanations are structured and supported by realistic organisational examples, demonstrating an informed and connected understanding.	Learners demonstrate a clear and comprehensive understanding of how the interaction between AI-driven efficiency gains, workforce changes and customer experience impacts influences overall organisational performance and long-term value creation. Evidence critically analyses how these interrelated impacts extend beyond immediate operational effects to shape organisational capability, performance outcomes and sustainability of value over time. Responses consider second-order consequences, such as capability gaps, reputational implications, competitive positioning or long-term workforce development. Analysis is well-structured and substantiated with coherent organisational reasoning, demonstrating insight into how tensions or synergies between efficiency, workforce and customer considerations can strengthen or undermine long-term value creation.



	business function. Analysis identifies clear cause-and-effect relationships, such as task automation, role redesign, oversight responsibilities or emerging skill requirements, and shows how these changes influence how work is carried out in practice. Evidence analyses how AI may affect customer experience within a business context, identifying both positive and negative impacts where appropriate. Analysis makes clear links between AI use and outcomes such as responsiveness, personalisation, consistency, trust or perceived fairness, demonstrating understanding of how customer experience may be enhanced or disrupted.		
Learning Outcome 2: Understand the organisational enablers and constraints that affect responsible AI adoption at scale.			
AC	Pass	Merit	Distinction
2.1	<u>Evaluate</u> the key organisational enablers that support the responsible adoption of AI at scale.	<u>Evaluate</u> the key organisational enablers that support AI adoption at scale, showing clear understanding of <u>how they contribute</u> to sustained and coordinated use of AI across the organisation.	<u>Critically evaluate</u> how organisational enablers and constraints <u>interact to influence</u> the adoption of AI at scale, considering trade-offs, interdependencies and the conditions under which strengths in one area may or may not compensate for weaknesses in another.
2.2	<u>Evaluate</u> common organisational constraints	<u>Evaluate</u> common organisational constraints that limit scalable and	



	that limit scalable and responsible AI deployment.	responsible AI adoption, showing clear understanding of <u>how they influence</u> the sustained and coordinated use of AI across the organisation.	
Sufficiency Descriptor	Learners demonstrate a sound understanding of the organisational factors that support or limit the adoption of AI at scale. Evidence evaluates key organisational enablers supporting responsible AI adoption at scale, such as data readiness, digital infrastructure, skills capability and leadership support, and draws a balanced conclusion about how these enablers support scalable and responsible AI use. Evidence evaluates common organisational constraints limiting scalable and responsible AI deployment, such as poor data quality, lack of governance, skill gaps, cultural resistance and regulatory considerations, and draws a balanced conclusion about how these constraints limit adoption at scale.	Learners demonstrate a developed understanding of how organisational enablers and constraints influence AI adoption at scale. Evidence evaluates organisational enablers in relation to sustained and coordinated AI use across the organisation, including factors such as leadership, data capability, infrastructure and skills, and draws a balanced, well-reasoned conclusion about their contribution to scalable and responsible adoption. Evidence evaluates organisational constraints in relation to sustained and coordinated AI use across the organisation, including governance limitations, data quality issues, skill gaps, cultural resistance and regulatory considerations, and draws a balanced, well-reasoned conclusion about how these constraints limit consistency, integration and long-term viability.	Learners demonstrate a clear and comprehensive understanding of how organisational enablers and constraints interact to influence AI adoption at scale. Evidence critically evaluates organisational enablers and constraints together, considering trade-offs, interdependencies and the conditions under which strengths such as strong leadership or infrastructure may or may not compensate for weaknesses such as poor data quality, governance gaps or skill shortages. Evidence draws balanced and well-reasoned conclusions about organisational readiness for scalable and responsible AI use, demonstrating confident thinking about the limits of compensation and the need for coordinated organisational conditions.



Learning Outcome 3: Be able to assess the commercial impact of AI opportunities and where investment would deliver the greatest benefit.

AC	Pass	Merit	Distinction
3.1	<u>Evaluate</u> the <u>short-term</u> commercial impact of AI opportunities across business functions.	<u>Evaluate</u> the <u>short- and longer-term</u> commercial impact of AI opportunities across business functions.	<u>Critically evaluate</u> the commercial impact of both short and long term AI opportunities, <u>drawing a reasoned and balanced conclusion</u> on where investment would deliver the greatest commercial value, taking account of defined criteria, risks and feasibility.
3.2	<u>Clearly and comprehensively explain</u> where investment in AI could deliver commercial value.	<u>Justify</u> where investment in AI would deliver the greatest commercial value.	
Sufficiency Descriptor	Learners demonstrate a secure and appropriate understanding of the short-term commercial impact of AI opportunities across business functions. Evidence considers the short-term commercial impact of AI opportunities across business functions, such as cost reduction, efficiency gains or revenue improvement, and draws a balanced conclusion about their immediate commercial impact. Evidence clearly and comprehensively explains where investment in AI could deliver commercial value, with relevant links to business activities or functions.	Learners demonstrate a sound and developed understanding of both short- and longer-term commercial impacts of AI opportunities across business functions. Evidence evaluates short- and longer-term commercial impacts, such as scalability, sustainability of returns or longer-term performance improvement, and draws clear conclusions about how commercial value develops over time. Evidence draws a balanced, well-reasoned conclusion on where investment in AI would deliver the greatest commercial value by comparing alternative opportunities using clear criteria such as feasibility, potential benefits, risks and strategic alignment. Evidence shows clear reasoning and comparison, explaining why particular AI	Learners demonstrate a clear and comprehensive understanding of the commercial impact of AI opportunities across business functions. Evidence critically evaluates the commercial impact of AI opportunities by integrating short- and longer-term perspectives, explicitly considering feasibility, potential benefits, risks, uncertainty and comparative value across alternative options. Evidence draws a reasoned and balanced conclusion on where AI investment would deliver the greatest commercial value, demonstrating



		opportunities offer greater commercial value than others.	confident thinking and a mature understanding of how commercial impact, risk and feasibility interact at organisational level.
--	--	---	--

Learning Outcome 4: Understand the ethical and organisational risks associated with AI adoption.

AC	Pass	Merit	Distinction
4.1	<u>Clearly and comprehensively explain</u> relevant ethical, legal or organisational risks associated with AI adoption.	<u>Evaluate</u> ethical, legal and organisational risks associated with AI adoption, <u>showing clear understanding</u> of how impacts on workforce roles and customer experience contribute to risk exposure.	<u>Critically evaluate</u> ethical, legal and organisational risks arising from AI-driven changes to business functions <u>and</u> the effectiveness of mitigation approaches, <u>considering</u> trade-offs, residual risk and wider organisational implications for workforce roles and customer experience.
4.2	<u>Clearly and comprehensively explain</u> mitigation strategies to minimise identified risks using clear criteria.	<u>Evaluate</u> mitigation approaches, giving clear reasoning about their effectiveness and practical implications for managing risks related to workforce impact and customer experience.	
Sufficiency Descriptors	Learners demonstrate a sound understanding of the ethical and organisational risks associated with AI adoption. Evidence clearly and comprehensively explains relevant ethical, legal or organisational risks associated with AI adoption, including risks	Learners demonstrate a developed understanding of ethical, legal and organisational risks associated with AI adoption. Evidence evaluates ethical, legal and organisational risks with clear reference to how AI-driven changes to workforce roles and	Learners demonstrate a clear and comprehensive understanding of ethical, legal and organisational risks arising from AI-driven changes to business functions. Evidence critically evaluates how ethical, legal and organisational risks may affect workforce practices and



	such as bias, transparency, privacy or workforce displacement. Evidence clearly and comprehensively explains basic mitigation strategies using clear criteria, showing how identified risks could be minimised in a business context.	customer experience contribute to overall risk exposure, and draws a balanced, well-reasoned conclusion about the significance of these risks. Evidence evaluates mitigation approaches, giving clear reasoning about their effectiveness and practical implications for managing identified risks, and draws a balanced, well-reasoned conclusion about how well these approaches reduce risk in practice.	customer experience in practice, showing awareness of trade-offs, interdependencies and residual risk and forming a well-reasoned conclusion. Evidence critically evaluates the effectiveness of mitigation approaches, considering their limits and wider organisational implications, and draws reasoned and balanced conclusions about how organisations balance opportunity, responsibility and risk when adopting AI.
--	---	---	--

Essential Teaching Content:

Learning Outcome 1: Understand how AI technologies are applied across core business functions and their impact on value generation, workforce, and customer experience.

- Core business functions:
 - Marketing, Human Resources (HR)
 - Operations
 - Finance
 - Supply chain
 - Customer service
- Types of AI application:
 - Automation
 - Augmentation
 - Decision-support
- Types of organisational value:
 - Efficiency gains
 - Cost reduction
 - Improved customer experience
 - Faster or improved decision-making
- Linking application to value:
 - How different AI applications generate different types of value
 - How the same application may generate different value in different business functions
- AI-driven impacts on workforce roles
 - Changes to roles, tasks or required skills resulting from AI use
 - Workforce displacement risks linked to automation or role redesign
- AI-driven impacts on customer experience
 - Potential positive impacts, such as speed, consistency or personalisation
 - Potential negative impacts, such as reduced human interaction, errors or loss of trust



Learning Outcome 2: Understand the organisational enablers and constraints that affect responsible AI adoption at scale.

- Key organisational enablers:
 - Data readiness
 - Digital infrastructure
 - Skills capability
 - Leadership support
- Common organisational constraints:
 - Poor data quality
 - Lack of governance
 - Skill gaps
 - Cultural resistance
 - Regulatory considerations
- Adoption at scale
 - How enablers support sustained and coordinated AI use across the organisation
 - How constraints limit consistency, integration or long-term viability
 - How strengths in one area may or may not compensate for weaknesses in another

Learning Outcome 3: Be able to assess the commercial impact of AI opportunities and where investment would deliver the greatest benefit.

- Assessing AI opportunities:
 - Feasibility of AI opportunities
 - Potential commercial benefits
 - Risks and uncertainty
 - Strategic alignment with business objectives
- Assessing commercial impact:
 - Short-term commercial impacts,
 - Longer-term commercial impacts
- Investment decisions:
 - Comparing AI opportunities using defined criteria
 - ROI and impact reasoning
 - Drawing conclusions on where AI investment would deliver the greatest commercial value

Learning Outcome 4: Understand the ethical and organisational risks associated with AI adoption.

- Ethical, legal and organisational risks
 - Bias in AI outputs affecting workforce decisions or customer outcomes
 - Transparency risks where AI use or decision-making is unclear
 - Privacy risks relating to personal or sensitive data
 - Organisational risks arising from workforce displacement
- Basic mitigation approaches
 - Human review or oversight of AI-supported outputs
 - Transparency measures to explain AI use
 - Data protection and privacy controls
 - Workforce support measures to reduce displacement risk



Unit 2: Assurance of AI Regulation and Ethics in Practice

Unit aims	This unit aims to develop learners' understanding of AI ethics and regulations and the requirements for compliant AI adoption within business settings. Organisations using AI must follow recognised ethical principles and may also need to meet legal, regulatory, industry or organisational requirements depending on their location and sector. Centres are expected to link teaching and learning to their local laws and ethics. Learners will explore the core principles and structure of AI regulation, using localisation from their region or organisational context, and its relevance to business use cases. They will examine the concept of AI assurance and its key components, including documentation, human oversight, testing, and monitoring. Learners will also develop practical skills in classifying AI systems by regulatory risk level and producing proportionate compliance and assurance plans. By the end of the unit, learners will be able to support responsible, risk-aware and compliant use of AI in real-world organisational contexts, taking account of relevant local requirements and organisational context.
Unit level	4
Unit code	Y/652/2344
GLH	40
TQT	150
Credit value	15
Unit grading structure	Fail / Pass / Merit / Distinction
Assessment guidance	Assessment for this unit should emphasise applied understanding and clear communication of regulatory and assurance requirements for compliant and responsible AI use within a business context. Centres may use a variety of applied assessment methods as set out in the Developing Assessment Task – Guidance for Centres document. Learners may base their evidence on a real or fictional organisation, provided the context is realistic and familiar and uses relevant localisation. Assessment activities should allow learners to demonstrate understanding of localised ethical and governance requirements and related assurance requirements, how



	these apply to business AI use cases, and how regulatory expectations shape compliance, assurance and responsible AI practice in organisations. Learners are not expected to design organisational policies, develop technical assurance processes, or conduct audits or specialist testing activities. All assessments must be submitted to The AI Board for approval prior to use.
Example Assessment Methods	L01: Create a guidance document for team members on local ethical frameworks and governance requirements and their application to a particular business case. L02: Presentation explaining how organisations provide assurance for AI systems. L03: Scenario activity- classify an AI system or business use case and produce a compliance and assurance plan.

Unit Content:

Learning Outcome 1: Understand the core principles and structure of localised ethical frameworks and governance requirements and how they apply to business use cases.			
ACs	Pass	Merit	Distinction
1.1	<u>Clearly and comprehensively explain</u> the purpose and core regulatory principles of localised ethical frameworks and governance requirements that are relevant to business use of AI.	<u>Clearly and comprehensively explain</u> the <u>purpose of</u> localised ethical frameworks and governance requirements, <u>showing understanding</u> of how these principles are intended to manage risk and promote responsible AI use in business contexts.	N/A
1.2	<u>Clearly and comprehensively explain</u> how localised ethical frameworks and governance requirements apply to at least one defined business AI use	<u>Clearly and comprehensively explain</u> how localised ethical frameworks and governance requirements apply to a defined business AI use case, <u>demonstrating how multiple</u> regulatory requirements shape	N/A



	case, demonstrating understanding of how regulatory requirements influence organisational AI use.	organisational choices around AI design, deployment or governance.	
Sufficiency Descriptors	Learners demonstrate a sound understanding of the purpose and core regulatory principles of localised ethical frameworks and governance requirements as they relate to business use of AI. Evidence explains what the localised ethical frameworks and governance requirements are intended to do and outlines the main regulatory principles that are relevant to organisations using AI systems. These principles are applied to a defined business AI use case, showing how regulatory requirements influence how AI systems may be designed, used or managed in practice. Evidence is clear and accurate but may focus on a single use case and may not explore wider implications or interactions in detail.	Learners demonstrate a developed understanding of the localised ethical frameworks and governance requirements and their relevance to business contexts. Evidence explains the purpose, structure and core regulatory principles of the localised ethical frameworks and governance requirements showing how these are intended to manage risk and support responsible AI use in organisations. Regulatory requirements are applied to a defined business AI use case in a more considered way, showing how multiple requirements shape organisational approaches to AI design, deployment or governance across different business functions or roles. Evidence shows clearer links between regulatory principles and practical business implications than at Pass, demonstrating confidence in applying the Act beyond surface description.	N/A



Learning Outcome 2: Understand assurance requirements for compliant AI adoption, including documentation, oversight, testing and monitoring.

AC	Pass	Merit	Distinction
2.1	<u>Clearly and comprehensively explain</u> the concept of AI assurance and its role in supporting compliant AI adoption within an organisational context.	<u>Clearly and comprehensively explain</u> the concept of AI assurance, <u>showing understanding</u> of how assurance needs vary depending on organisational context, risk profile and stage of AI adoption.	<u>Evaluate</u> the benefits and limitations of different AI assurance approaches, <u>showing clear recognition</u> that assurance requirements are dependent on organisational context, such as risk profile, scale of deployment or stage of AI adoption.
2.2	<u>Analyse</u> the role and purpose of documentation, human oversight, testing and monitoring as assurance requirements for AI systems within an organisational context.	<u>Analyse</u> assurance requirements for AI systems <u>across different organisational functions and/or stages</u> of AI adoption, <u>explaining</u> how assurance needs may vary depending on context, scale or risk.	<u>Analyse the interrelationships</u> between documentation, oversight, testing and monitoring, <u>and draw reasoned conclusions</u> about the effectiveness of these assurance activities in managing organisational risk and regulatory compliance under uncertainty.
Sufficiency Descriptors	Learners demonstrate a sound understanding of AI assurance and its role in supporting compliant AI adoption within organisations through a detailed explanation of what AI assurance involves and why it is important for managing regulatory expectations and organisational risk. Evidence analyses the role and purpose of documentation, human oversight, testing and monitoring by breaking	Learners demonstrate a developed understanding of AI assurance and its role in supporting compliant AI adoption across organisational contexts through clear and comprehensive explanations of how assurance supports risk management, accountability and responsible AI use. Evidence shows awareness that assurance requirements vary depending on organisational context, such as the nature of the AI	Learners demonstrate a clear and comprehensive understanding of AI assurance as an organisational practice that must balance effectiveness, proportionality and practicality. Evidence shows confident consideration of the benefits and limitations of different assurance approaches and recognises how assurance requirements



	these assurance requirements down and explaining how each contributes to compliance, accountability and safe AI use within an organisational context.	system, its scale of deployment or its risk profile. Documentation, human oversight, testing and monitoring are analysed in a more connected way, explaining how assurance requirements differ across organisational functions or stages of AI adoption and how these differences influence the way assurance is implemented in practice.	are shaped by organisational context, including factors such as risk exposure, scale and maturity of AI use. A balanced, well-reasoned conclusion is made on the benefits and limitations. Evidence also explores how documentation, human oversight, testing and monitoring relate to one another, considering how effectively these assurance activities work together to manage organisational risk and support regulatory compliance where uncertainty or change is present.
--	---	--	---

Learning Outcome 3: Be able to classify AI systems by risk level and produce a simple compliance and assurance plan aligned to regulatory expectations.

ACs	Pass	Merit	Distinction
3.1	<u>Correctly classify</u> an AI system or business AI use case by regulatory risk level, in line with any relevant localised requirements.	N/A	N/A
3.2	<u>Produce</u> a simple compliance and assurance plan that is appropriate to the identified risk level and organisational context.	<u>Produce</u> a compliance and assurance plan that <u>demonstrates clear justification</u> for how regulatory risk classification informs the scope, depth and proportionality of documentation, oversight,	N/A
3.3	<u>Ensure</u> the compliance and assurance plan <u>includes proportionate</u>		



	<u>arrangements</u> for documentation, oversight, testing and ongoing monitoring aligned to regulatory expectations.	testing and monitoring arrangements.	
Sufficiency Descriptors	Learners clearly demonstrate the ability to apply a risk-based approach within an organisational context. Evidence correctly classifies an AI system or business AI use case by regulatory risk level. Learners create a simple compliance and assurance plan that is appropriate to the identified risk and organisational setting. The plan includes proportionate arrangements for documentation, human oversight, testing and ongoing monitoring that align with regulatory expectations. Work is accurate and suitable for purpose.	Learners demonstrate a developed ability to apply regulatory risk classification and assurance planning in an organisational context. The compliance and assurance plan shows clear justification for how the identified regulatory risk level informs the scope, depth and proportionality of documentation, human oversight, testing and monitoring arrangements, explaining why particular assurance measures are appropriate to the level of regulatory risk, Clear links are made between risk classification and assurance decisions, and evidence shows confident understanding of how proportionate compliance planning supports effective and responsible AI use within the organisation.	N/A

Essential Teaching Content:

Please note frameworks, legislation and regulations are relevant to learners in the UK. Centres should replace these with relevant frameworks or requirements from their location or sector.

Learning Outcome 1: Understand the core principles and structure of localised ethical frameworks and governance requirements and how they apply to business use cases.

- Purpose and scope of the localised ethical frameworks and governance requirements e.g the EU AI Act
 - The overall purpose of the localised ethical frameworks and governance requirements in regulating AI systems



- How they aim to manage risk and promote responsible AI use in business contexts
- The scope of the requirements and their relevance to organisations that develop, deploy or use AI systems
- Core regulatory principles relevant to business use
 - Proportionality and risk-based regulation
 - Transparency and information requirements
 - Human oversight and accountability
 - Data quality and governance expectations
- Applying the localised ethical frameworks and governance requirements to business AI use cases
 - How regulatory principles and requirements apply to defined business AI use cases
 - How the Act influences how AI systems may be designed, deployed, used or managed in practice
 - How multiple regulatory requirements can apply simultaneously to a single use case
- Regulatory influence on organisational practice
 - How the structure and requirements of the regulations shape organisational approaches to AI use
 - Areas where organisations may need to exercise regulatory judgement when applying requirements
 - How compliance requirements support responsible AI adoption without requiring legal interpretation

Learning Outcome 2: Assurance of AI Regulation and Ethics in Practice

- The concept of AI assurance
 - What is meant by AI assurance in an organisational context
 - The purpose of AI assurance in supporting compliant and responsible AI adoption
 - How AI assurance supports risk management, accountability and regulatory expectations
- Assurance requirements for AI systems
 - Documentation as an assurance requirement, including recording design choices, system behaviour, risks and controls
 - Human oversight as an assurance requirement, including roles, responsibilities and intervention points
 - Testing as an assurance requirement, including checking performance, accuracy, robustness or bias
 - Monitoring as an assurance requirement, including ongoing review of system behaviour and outcomes over time
- Variation in assurance needs
 - How assurance requirements may vary depending on organisational context
 - How factors such as risk profile, scale of deployment and stage of AI adoption influence assurance approaches
 - Differences in assurance needs across organisational functions or stages of AI system use
- Interaction of assurance activities
 - How documentation, human oversight, testing and monitoring operate together as part of an assurance approach
 - The role of combined assurance activities in managing organisational risk and supporting regulatory compliance
 - The limits of assurance and the presence of uncertainty or change in AI systems



Learning Outcome 3: Be able to classify AI systems by risk level and produce a simple compliance and assurance plan aligned to regulatory expectations.

- Risk-based classification
 - The purpose of a risk-based approach
 - Main AI risk categories used in localised ethical frameworks and governance requirements
 - How AI systems or business AI use cases are classified by regulatory risk level
- Applying risk classification to business AI use cases
 - Identifying relevant characteristics of an AI system or use case that affect risk classification
 - Considering intended purpose, context of use and potential impact when classifying risk
 - The role of organisational context in applying risk classification
- Compliance and assurance planning.
 - The purpose of a compliance and assurance plan in supporting regulatory expectations
Producing a simple compliance and assurance plan that is appropriate to the identified risk level
 - Aligning compliance activity to organisational context without requiring policy or legal interpretation
- Proportionate assurance arrangements
 - Selecting documentation arrangements appropriate to the identified risk level
Defining proportionate human oversight arrangements
 - Identifying appropriate testing activities
 - Establishing arrangements for ongoing monitoring
- Linking risk classification to assurance decisions
 - How regulatory risk level informs the scope, depth and proportionality of assurance activities
 - Ensuring assurance arrangements are proportionate to risk rather than applied uniformly
 - How proportionate compliance and assurance planning supports responsible and compliant AI us



Unit 3: AI in Marketing and Customer Insight

Unit aims	This unit enables learners to apply and evaluate Artificial Intelligence (AI) tools within marketing contexts to support customer segmentation, campaign optimisation, content variation and insight extraction. Learners will develop an understanding of how AI-enabled marketing tools inform decision-making and influence customer experience, while recognising the ethical, legal and organisational risks associated with AI-generated marketing content. The unit enables learners to practically apply AI tools to generate marketing outputs and to evaluate their effectiveness, relevance and alignment with organisational brand standards and compliance requirements. Learners will also develop the capability to design and apply user-facing explanations or disclosures for AI-generated marketing content, supporting transparency, trust and responsible use of AI within marketing activities. By the end of the unit, learners will be able to apply AI tools within marketing contexts and evaluate their outputs in relation to organisational requirements and customer impact.
Unit level	4
Unit code	A/652/2345
GLH	40
TQT	150
Credit value	15
Unit grading structure	Fail / Pass / Merit / Distinction
Assessment guidance	Assessment for this unit should emphasise applied understanding and clear communication of how AI tools are used within marketing contexts, and how AI-generated outputs align with brand, compliance and transparency expectations. Centres may use a variety of applied assessment methods as set out in the Developing Assessment Task – Guidance for Centres document. Learners may base their evidence on a real or fictional organisation, provided the context is realistic and familiar. Assessment activities should allow learners to demonstrate understanding of how AI tools support marketing activities, how risks associated with AI-generated marketing content arise and are mitigated, how



	AI tools can be applied and refined to generate marketing outputs, and how user-facing explanations or disclaimers support transparency and trust. Learners are not expected to design marketing strategies, develop brand guidelines, interpret legislation in depth, or carry out detailed performance analysis or optimisation. Assessment should focus on practical application, review and analysis of AI-generated marketing content. All assessment briefs must be submitted to the The AI Board for approval prior to use.
Example Assessment Methods	This unit lends itself to a combined assessment that progresses through the 4 LOs L01: Produce an explainer for marketing colleagues that describes how AI tools are used within marketing to support customer segmentation, campaign optimisation, content variation and insight extraction. L02: Professional discussion on the risks associated with generating marketing content using AI and the measures used to mitigate these. L03: Using a defined marketing brief, apply an AI tool to generate and review marketing outputs. L04: Design a user-facing explanation or disclaimer for AI -Generated marketing content for a defined audience and delivery channel.

Unit Content:

Learning Outcome 1: Understand how AI tools support segmentation, campaign optimisation, content variation and insight extraction in marketing contexts.			
ACs	Pass	Merit	Distinction
1.1	<u>Clearly and comprehensively explain</u> how AI tools support customer segmentation, campaign optimisation, content variation and insight extraction in marketing contexts.	<u>Evaluate</u> how AI-enabled marketing tools support segmentation, campaign optimisation, content variation and insight extraction.	<u>Critically evaluate the effectiveness and suitability</u> of AI-enabled marketing tools for segmentation, campaign optimisation, content variation and insight extraction, within a defined marketing scenario,



1.2	<u>Clearly and comprehensively explain</u> the purpose and functionality of at least two AI-enabled marketing tools or applications.		examining strengths, limitations and contextual factors that influence their performance.
Sufficiency Descriptors	Learners demonstrate a sound understanding of how AI tools are used within marketing contexts. Evidence shows detailed understanding of how AI supports customer segmentation, campaign optimisation, content variation and insight extraction. Evidence also details the purpose and functionality of at least two AI-enabled marketing tools or applications, explaining what each tool is used for and outlining its main features or capabilities in a marketing context. Explanations show how the tools support specific marketing activities, such as segmentation, optimisation, content variation or insight extraction, without evaluating their effectiveness or suitability.	Learners demonstrate a developed understanding of how AI tools are applied within marketing contexts. Evidence considers how AI-enabled marketing tools support segmentation, campaign optimisation, content variation and insight extraction, using a range of applied or researched examples to assess their effectiveness for different marketing purposes. Responses draw balanced and well-reasoned conclusions about how well different tools or approaches support marketing objectives.	Learners demonstrate a clear and comprehensive understanding of how AI-enabled marketing tools are used within marketing contexts. Evidence critically considers the effectiveness and suitability of different AI tools for segmentation, campaign optimisation, content variation and insight extraction, by examining strengths, limitations and contextual factors such as audience, campaign goals or organisational constraints. Responses draw balanced and well-reasoned conclusions about when and why particular tools or approaches are appropriate or less suitable, demonstrating confident judgement, awareness of trade-offs and well-developed application to realistic marketing scenarios.
Learning Outcome 2: Understand risks associated with AI-generated marketing content, including bias, misinformation, privacy and IP concerns.			
ACs	Pass	Merit	Distinction



2.1	<u>Evaluate</u> the key risks associated with AI-generated marketing content.	<u>Evaluate the significance</u> of risks associated with AI-generated marketing content <u>and the effectiveness</u> of mitigation measures in reducing those risks within organisational contexts.	<u>Critically evaluate</u> how risks associated with AI-generated marketing content and mitigation measures interact in practice, examining limits, trade-offs and contextual constraints that affect their effectiveness.
2.2	<u>Clearly and comprehensively explain</u> organisational, technical and regulatory measures used to mitigate risks associated with AI-generated marketing content.		
Sufficiency Descriptors	Learners demonstrate a sound understanding of the risks associated with AI-generated marketing content. Evidence examines key risks such as bias, misinformation, data privacy and intellectual property concerns by explaining how these risks may arise in marketing activity and the potential consequences for organisations, customers or audiences. Evidence includes a reasoned conclusion about the overall level of risk associated with AI-generated marketing content. Evidence also covers organisational, technical and regulatory measures used to mitigate these risks, showing how controls are intended to reduce harm and support compliant marketing practice.	Learners demonstrate a developed understanding of risk and risk management in relation to AI-generated marketing content. Evidence considers the relative significance of different risks, such as bias, misinformation, privacy and intellectual property concerns, and examines how effectively organisational, technical and regulatory measures reduce or manage these risks in practice. Responses show clear reasoning about the relationship between risks and controls and include reasoned conclusions about how far mitigation measures address identified risks. Learners demonstrate applied judgement, though evaluation may focus on typical organisational contexts rather than more complex, evolving or high-risk marketing scenarios.	Learners demonstrate a clear and comprehensive understanding of how risks associated with AI-generated marketing content and mitigation measures interact in practice within organisational contexts. Evidence critically evaluates how multiple risks, such as bias, misinformation, privacy and intellectual property concerns, interact within AI-driven marketing activity, and how mitigation measures work together to manage these risks. Evidence examines the limits and constraints affecting mitigation effectiveness, including how controls may reduce some risks more effectively than others, where trade-offs arise between different controls, and how organisational or marketing context influences outcomes. Responses draw balanced and well-reasoned conclusions about the overall effectiveness and



			suitability of mitigation approaches in managing interacting risks, demonstrating awareness that risk management in AI-generated marketing content is uneven and context-dependent rather than absolute.
Learning Outcome 3: Be able to apply AI tools to generate marketing outputs and evaluate their effectiveness, relevance and alignment with brand and compliance standards.			
ACs	Pass	Merit	Distinction
3.1	<u>Apply an AI tool to generate</u> marketing outputs for a <u>defined</u> business or campaign context, <u>demonstrating</u> practical use of the tool, and <u>clearly and comprehensively explaining</u> the intended purpose of the outputs.	<u>Apply AI tools to generate refined</u> marketing outputs, <u>demonstrating</u> improved alignment with defined business objectives, brand guidelines and target audience needs.	N/A
3.2	<u>Review</u> AI-generated marketing outputs against brand guidelines and relevant compliance or advertising standards.	<u>Analyse how variations</u> in prompts, data inputs or AI tool selection, tested in practice, affect the alignment with brand standards and compliance expectations.	N/A
Sufficiency Descriptors	Learners demonstrate a secure ability to apply AI tools to generate marketing outputs for a defined business or scenario-based context. Evidence shows practical use of an AI tool to generate marketing outputs and clearly and comprehensively explains the intended purpose of the outputs in relation to the	Learners demonstrate a developed ability to apply AI tools in marketing contexts by generating and refining outputs through informed adjustment of prompts, data inputs or tool selection. Evidence shows clear understanding of how different AI configurations influence tone, accuracy, compliance and relevance, and applies this understanding to improve	N/A



	marketing objective and target audience. Evidence reviews AI-generated marketing outputs against stated brand guidelines and relevant compliance or advertising standards by examining features such as tone, messaging, claims, structure or data use. Evidence shows appropriate awareness of organisational and regulatory expectations for marketing content.	alignment with defined business objectives, brand guidelines and target audience needs. Evidence analyses how variations tested in practice affect alignment with brand standards and compliance expectations, explaining why specific adjustments were made and how these changes strengthened the suitability of the outputs for their intended purpose.	
Learning Outcome 4: Be able to design user-facing explanations or disclaimers for AI-generated marketing content to support transparency and trust.			
ACs	Pass	Merit	Distinction
4.1	<u>Design</u> an appropriate user-facing explanation or disclaimer for AI-generated marketing content, <u>taking account</u> of audience characteristics, delivery channel and design considerations.	<u>Design and adapt</u> a user-facing explanation or disclaimer to suit <u>at least one additional</u> audience or delivery channel.	N/A
4.2	<u>Clearly and comprehensively explain</u> how the explanation or disclaimer supports transparency and trust.	<u>Justify</u> how the different design choices support transparency and trust across the different audiences or channels.	N/A



Sufficiency Descriptors	Learners demonstrate a secure ability to design a user-facing explanation or disclaimer that makes the use of AI in marketing content clear to users. The explanation or disclaimer is appropriate to the intended audience and delivery channel, and supports transparency by clearly indicating when and how AI has been used. Learners show appropriate awareness of how clear communication about AI use can support user trust. Design choices relating to clarity, tone, placement or format are suitable for purpose, though work may not explore alternative design approaches.	Learners demonstrate a developed ability to design and adapt user-facing explanations or disclaimers for AI-generated marketing content to meet the needs of different audiences or delivery channels. Learners adjust language, emphasis, format or placement to improve clarity and accessibility while maintaining accurate disclosure of AI use. Learners justify their design choices by outlines the design options they considered and explaining how their chosen approaches support transparency and trust for different users, showing clear understanding of audience expectations and channel constraints.	N/A
-------------------------	--	--	-----

Essential Teaching Content:

Learning Outcome 1: Understand how AI tools support segmentation, campaign optimisation, content variation and insight extraction in marketing contexts

- AI tools in marketing contexts
 - The use of AI tools to support marketing activities, including segmentation, campaign optimisation, content variation and insight extraction
- AI-supported customer segmentation
 - How AI supports customer segmentation in marketing contexts
 - Examples of AI-supported segmentation approaches, such as demographic, behavioural or predictive segmentation
- AI-supported campaign optimisation
 - How AI tools support campaign optimisation, including timing, channel selection and budget allocation
 - Examples of AI use in campaign optimisation, such as automated testing or bid management
- AI-driven content variation
 - How AI tools support content variation and personalisation in marketing
 - Examples of AI-generated or AI-optimised content, such as text, imagery or offers
- AI-supported insight extraction
 - How AI tools extract insights from marketing data



- Examples of insight extraction, such as sentiment analysis, trend detection or customer feedback analysis
- AI-enabled marketing tools
 - The purpose and basic functionality of AI-enabled marketing tools or applications
 - How different tools support specific marketing activities

Learning Outcome 2: Understand risks associated with AI-generated marketing content, including bias, misinformation, privacy and IP concerns

- Ethical and organisational risks in AI-generated marketing content
 - Bias and exclusion in AI-generated marketing content and targeting
 - Manipulation and loss of consumer trust arising from inappropriate or misleading AI-generated content
 - Organisational risks associated with AI use in marketing, including false claims, hidden automation and reputational damage
- How risks arise in marketing contexts
 - How bias can arise in marketing AI systems, including through biased training data or reinforcement of stereotypes via automated targeting
 - How misinformation or hallucinated content can arise in AI-generated marketing, including inaccurate claims or exaggerated product benefits
- Data privacy risks
 - Risks associated with the use of personal data in AI-generated marketing content
 - Issues such as inappropriate profiling, lack of transparency and misuse of customer or audience data
- Intellectual property risks
 - Risks related to ownership and originality of AI-generated marketing content
 - Use of copyrighted material or unclear rights in AI-generated text, imagery or other media
- Risk mitigation approaches
 - Organisational measures, including human oversight, content review and approval processes
 - Technical measures, including prompt controls or restrictions on AI-generated outputs
- Regulatory and governance considerations influencing risk management
 - Data protection and privacy requirements, including obligations related to profiling, consent and automated decision-making
 - Advertising and consumer protection standards, including requirements around misleading communications and substantiation of claims
 - Platform and technology provider policies, including disclosure or usage requirements for AI-generated marketing content
- Learning from practice
 - Real-world examples of AI-related marketing failures
 - Lessons learned from issues such as biased targeting or misleading AI-generated advertising



Learning Outcome 3: Be able to apply AI tools to generate marketing outputs and evaluate their effectiveness, relevance and alignment with brand and compliance standards

- Applying AI tools in marketing contexts
 - Practical application of AI tools to generate marketing outputs, such as copy, visuals, audience segments or campaign variants
 - Use of realistic workplace or scenario-based marketing briefs to support practical application
 - Selection of appropriate AI tools based on marketing objectives and audience needs
- Prompt design and tool configuration
 - Techniques for effective prompt design, including clarity, tone control and the use of constraints
 - Configuration of AI tools to support intended outputs
 - Iterative use of prompts or settings to refine generated marketing content
- Evaluating AI-generated marketing outputs
 - Evaluation of AI-generated outputs against defined marketing objectives, such as engagement, relevance, clarity or consistency
 - Assessment of the suitability of outputs for the intended purpose and target audience
- Brand alignment
 - Alignment of AI-generated outputs with brand guidelines, tone of voice and organisational values
 - Consideration of how tone, messaging, structure or claims reflect brand expectations
- Compliance and advertising standards
 - Consideration of relevant compliance or advertising standards when using AI-generated marketing content
 - Awareness of organisational and regulatory expectations for marketing communications
- Testing and refinement
 - Testing and refinement of AI-generated outputs through practical experimentation
 - Use of prompt variations, input changes or comparison of outputs to improve alignment with objectives, brand and compliance requirements
- Limitations and unintended consequences
 - Identification of limitations, trade-offs or unintended consequences associated with AI-generated marketing outputs
- Learning from practice
 - Use of real-world or simulated examples of AI-assisted marketing campaigns
 - Review of outcomes or performance to inform understanding of effective and appropriate AI-supported marketing practice

Learning Outcome 4: Be able to design user-facing explanations or disclaimers for AI-generated marketing content to support transparency and trust

- Purpose of transparency in AI-generated marketing
 - The purpose and importance of transparency in AI-generated marketing communications
 - How clear disclosure of AI use supports user trust, confidence and informed choice
- Types of AI transparency mechanisms
 - Different transparency mechanisms used in marketing contexts, including labels, disclaimers, explanatory statements and FAQs
- Design considerations for user-facing explanations



- Design considerations for AI explanations or disclaimers, including clarity, tone, accessibility and proportionality
How format, placement and visibility influence user understanding and trust
- Audience characteristics and expectations
 - Influence of audience characteristics and expectations on the design of AI explanations or disclaimers
 - Differences in approach for consumer, professional or specialist audiences
- Delivery channel considerations
 - Impact of delivery channels on disclosure design, including websites, emails, social media and in-app messaging
 - How channel constraints affect language, format and placement of explanations or disclaimers
- Ethical considerations
 - Ethical principles informing AI transparency decisions, including fairness, honesty and informed choice
- Regulatory and platform influences
 - Regulatory influences on transparency requirements, including data protection rules related to profiling and automated decision-making
 - Advertising standards related to misleading communications
 - Platform-specific AI disclosure policies, such as requirements set by social media or advertising platforms
- Organisational considerations
 - Organisational factors influencing transparency approaches, including brand positioning, risk appetite and governance processes
- Applying transparency in practice
 - Practical application of AI explanations or disclaimers within workplace or scenario-based marketing contexts
 - Use of real-world examples of AI transparency in marketing, such as “AI-generated” labels or disclosure statements in personalised campaigns
- Evaluating transparency approaches
 - Consideration of how transparency approaches balance user trust, compliance requirements and commercial objectives



Unit 4: AI for Operations, Process and Productivity Improvement

Unit aims	This unit enables learners to understand how Artificial Intelligence (AI) can be applied within operational environments to automate tasks, improve business processes and enhance productivity. Learners will explore how AI is used to support operational activities and process efficiency, examining the key considerations that influence the reliable and responsible implementation of AI, including data quality, traceability and system resilience. The unit enables learners to evaluate the suitability of AI for specific operational workflows by considering efficiency, cost, risk and operational continuity. Learners will develop the ability to analyse trade-offs and uncertainty associated with AI-enabled operations and recognise the conditions required to maintain reliable performance and continuity of service. In addition, learners will explore safeguards used to support responsible automation and assess how such controls contribute to risk reduction, resilience and effective operational oversight. By the end of the unit, learners will be able to evaluate the use of AI within operational processes and make informed, operationally grounded judgements about its suitability and impact
Unit level	4
Unit code	D/652/2346
GLH	40
TQT	150
Credit value	15
Unit grading structure	Fail / Pass / Merit / Distinction
Assessment guidance	Assessment for this unit should emphasise applied understanding of how AI is used within operational environments, including automation, implementation considerations, workflow suitability and the use of safeguards to support responsible automation. Centres may use a variety of applied assessment methods as set out in the Developing Assessment Task – Guidance for Centres document. Learners may base their evidence on a real or fictional organisation, provided the operational context is realistic and familiar. Assessment activities should



	allow learners to demonstrate understanding of how AI can be applied within operational workflows, how implementation considerations affect reliability and resilience, how suitability decisions are made for specific workflows, and how safeguards support operational risk reduction, continuity and responsible automation. Learners are not expected to design full automation strategies, develop technical system architectures, interpret legislation in depth, or conduct detailed cost modelling or system testing. All assessment briefs must be submitted to The AI Board for approval prior to use.
Example Assessment Methods	L01: Review a simple operational workflow L02: Produce an annotated workflow diagram or visual explainer showing how secure data handling, record-keeping and traceability are applied within an AI-automated process. L03: Examine an AI automated workflow L04: Produce workflow documentation or a workflow diagram for a target audience and adapt it for a second audience

Unit Content:

Learning Outcome 1: Understand how AI can be applied to automate operational tasks and improve business processes.			
ACs	Pass	Merit	Distinction
1.1	<u>Clearly and comprehensively explain</u> how AI technologies are used to automate routine operational tasks within an organisation, including the types of tasks most suitable for automation (such as high-volume, repetitive or rules-based activities).	<u>Evaluate how</u> AI-enabled automation improves operational efficiency, productivity and workflow performance within a business process.	<u>Evaluate the suitability of</u> AI-enabled automation for different operational tasks or processes, considering efficiency gains, cost, risk and operational constraints.
1.2	<u>Clearly and comprehensively explain</u> how AI-enabled	<u>Evaluate the impact of</u> AI-enabled automation on the	<u>Analyse how interdependencies</u> between systems,



	automation can be used to improve the efficiency and consistency of business processes.	performance of an operational process.	processes and people affect the effectiveness and reliability of AI-enabled automation in operational environments
Sufficiency Descriptors	Learners demonstrate a secure understanding of how AI technologies are applied to automate routine operational tasks. Evidence sets out how AI is used to automate suitable operational activities and explains the characteristics that make tasks appropriate for automation, such as volume, repetition or reliance on defined rules. Evidence also considers how automation supports improved efficiency and consistency within business processes. Explanations are clear, accurate and logically structured, showing appropriate links between task characteristics, automation and process improvement.	Learners demonstrate a sound and developed understanding of the impact of AI-enabled automation on operational performance. Evidence examines changes to efficiency, productivity and workflow performance by comparing operational processes before and after automation. Evidence also considers the extent to which performance has improved and identifies any limitations or conditions affecting outcomes. Evaluations include a balanced, well-reasoned conclusion about the overall impact of automation on the operational process. Points are supported by relevant examples and clear reasoning.	Learners demonstrate a clear and comprehensive understanding of the factors influencing effective and reliable AI-enabled automation. Evidence evaluates the suitability of AI-enabled automation across different operational tasks or processes by weighing efficiency gains against cost, risk and operational constraints, and drawing balanced and well-reasoned conclusions about where automation is appropriate and where limitations may reduce its value. Evidence analyses how interdependencies between systems, processes and people affect the effectiveness and reliability of AI-enabled automation, by examining how strengths, weaknesses or constraints in one area can influence performance, reliability or outcomes elsewhere in the operational environment. Responses demonstrate well-developed application to realistic operational contexts.



Learning Outcome 2: Understand the key considerations for implementing AI in operational settings, including data quality, traceability and system resilience.

ACs	Pass	Merit	Distinction
2.1	<u>Clearly and comprehensively explain</u> key considerations when implementing AI in operational environments, including data quality, traceability and system reliability.	<u>N/A</u>	<u>N/A</u>
2.2	<u>Analyse</u> how data quality, transparency and traceability affect the reliability and resilience of AI-supported operational processes.	<u>Analyse</u> how data quality, transparency and traceability affect the reliability and resilience of AI-supported operational processes <u>across operational workflows</u> .	<u>Analyse</u> interdependencies between data quality, traceability, transparency and system resilience in AI-supported operations, <u>including knock-on effects across multiple operational functions</u> .
2.3	<u>Clearly and comprehensively explain</u> the main operational risks associated with weaknesses in data quality, traceability or system resilience.	<u>Evaluate the significance</u> of operational risks arising from weaknesses in data quality, traceability or system resilience.	<u>Evaluate the overall operational risk profile</u> associated with AI implementation, drawing reasoned conclusions about reliability, resilience and uncertainty.
Sufficiency Descriptors	Learners demonstrate a secure understanding of the key considerations involved in implementing AI within operational environments, including data quality, traceability and system reliability. Evidence examines why data quality, transparency and traceability are important for the reliable and resilient operation of	Learners demonstrate a sound and developed understanding of how implementation considerations affect AI-supported operations across operational workflows. Examination of how data quality, transparency and traceability influence reliability and resilience goes beyond a single	Learners demonstrate a clear and comprehensive understanding of how key implementation considerations interact within AI-enabled operational environments. Evidence examines interdependencies between data quality, traceability, transparency and system resilience, showing how weaknesses



	AI-supported operational processes, showing clear links between these considerations and consistent system performance, such as accurate outputs, dependable operation and the ability to identify or resolve issues. Evidence also considers the main operational risks that can arise where data quality, traceability or system resilience is weak. These risks are linked to straightforward operational consequences, such as errors, delays or service disruption. Evidence is clearly structured and supported by relevant organisational or scenario-based examples.	process, showing how weaknesses in one part of a workflow can create knock-on effects for connected operational activities. Responses make clear connections between implementation decisions and their wider operational consequences. Evidence considers the significance of operational risks arising from weaknesses in data quality, traceability or system resilience, weighing the potential impact of these risks on operational performance and reaching a balanced, well-reasoned conclusion about how seriously they affect effective operation. Ideas are supported by relevant examples and applied reasoning, though consideration may focus on typical operational environments.	in one area can create knock-on effects, feedback loops or compounded risks across multiple operational functions. Responses show detailed understanding of how reliability and resilience are shaped by interactions between systems, processes and people. Evidence evaluates the overall operational risk profile by considering factors such as system reliability, resilience to disruption and the presence of uncertainty in AI-supported operations, and drawing a balanced, well-reasoned conclusions about how these factors affect operational performance in practice, showing awareness that some risks cannot be fully eliminated and must be actively managed. Ideas are grounded in realistic organisational contexts.
--	---	--	---

Learning Outcome 3: Be able to evaluate the suitability of AI for specific workflows, considering efficiency, cost, risk and continuity.

ACs	Pass	Merit	Distinction
3.1	<u>Evaluate</u> the suitability of AI for a defined operational workflow, considering <u>efficiency and cost</u> .	<u>Evaluate</u> the suitability of AI for an operational workflow by <u>considering</u> efficiency, cost and operational risk, and make a well-reasoned recommendation on	<u>Critically evaluate</u> the suitability of AI for an operational workflow by <u>weighing</u> efficiency gains, cost and operational risk, and draw a balanced conclusion about whether AI should be used, taking account of uncertainty and potential limitations.
3.2	<u>Clearly and comprehensively explain</u> the potential operational risks associated with using AI within the selected workflow considering		



	efficiency, cost, risk and operational continuity.	whether to use or not use AI.	
3.3	<u>Analyse</u> the suitability of AI for the workflow, <u>taking account of</u> trade-offs, uncertainty and the importance of operational continuity, including the conditions required for reliable operation and the need for fallback arrangements.	<u>Analyse</u> how the workflow would operate end-to-end, including implications for performance, continuity and reliability across stages of operation.	<u>Critically analyse</u> how the workflow would operate with AI in place, examining dependencies, potential failure points and the role of fallback arrangements in maintaining operational continuity.
Sufficiency Descriptors	Learners demonstrate a secure understanding of how to judge whether AI is suitable for a defined operational workflow. Evidence considers efficiency and cost in relation to the workflow and reaches a balanced conclusion about whether AI is appropriate, showing how these factors influence suitability. Evidence considers potential operational risks associated with using AI within the workflow, linking these risks to efficiency, cost, risk and operational continuity, showing awareness of how AI use could affect day-to-day operation. Evidence examines the suitability of AI by exploring trade-offs, uncertainty and the importance of maintaining continuity. This includes identifying the basic conditions required for reliable operation and explaining why fallback arrangements may be	Learners demonstrate a sound and developed understanding of how to judge the suitability of AI for an operational workflow. Evidence considers efficiency, cost and operational risk together and makes a balanced, well-reasoned recommendation on whether AI should or should not be used. The recommendation is supported by clear explanation that shows how different factors influence the decision, rather than treating them in isolation. Evidence examines how the workflow would operate end-to-end with AI in place, showing how performance, continuity and reliability are affected across different stages. Responses show how risks or inefficiencies in one stage may influence others, demonstrating applied understanding of workflow-level behaviour.	Learners demonstrate a clear and comprehensive understanding of how to make and test judgements about AI suitability in operational workflows. Evidence considers efficiency gains, cost and operational risk in depth and draws a balanced, well-reasoned conclusion about whether AI should be used, explicitly taking account of uncertainty, limitations and competing considerations. Conclusions show detailed understanding by recognising that benefits and risks may shift under different conditions and that suitability is not absolute. Evidence examines the workflow by exploring dependencies, potential performance degradation and failure points, showing how AI reliance could introduce vulnerability or amplify disruption. Analysis goes beyond linear cause-and-effect to consider how issues may



	needed, though analysis may focus on the workflow in a relatively linear or simplified way.		cascade across stages or functions. Evidence considers when and under what conditions fallback arrangements would be required and how these preserve operational continuity in the event of disruption. Responses show critical analysis through comparison of different scenarios, recognition of residual risk, and confident decisions about the limits of AI suitability in maintaining reliable operation.
Learning Outcome 4: Be able to design a recommend basic safeguards to support responsible automation			
ACs	Pass	Merit	Distinction
4.1	<u>Design or recommend basic safeguards</u> to an AI-enabled operational workflow to support responsible automation.	<u>Analyse the effects</u> of the applied or recommended safeguards on operational risk, system resilience and continuity within the workflow, including how specific safeguards contribute to outcomes such as early issue detection, misuse prevention or service continuity.	<u>Critically analyse</u> how the applied or recommended safeguards <u>work together</u> to support responsible automation, including consideration of how their interaction affects overall effectiveness and where limitations or residual risks remain.
4.2	<u>Demonstrate how the</u> selected safeguards support operational risk reduction, system resilience and continuity within the workflow.		
Sufficiency Descriptors	Learners demonstrate a secure understanding of how to apply or recommend basic safeguards to support responsible AI-enabled automation within an operational workflow. Evidence demonstrates the selection and application,	Learners demonstrate a sound and developed understanding of how applied or recommended safeguards affect operational performance. Evidence shows examination of the effects of the safeguards they have applied or	Learners demonstrate a clear and comprehensive understanding of how safeguards function as a combined control system within AI-enabled operational environments. Evidence shows the detailed examination of how the applied or



	or clear recommendation, of appropriate safeguards such as access controls, monitoring and fallback procedures in relation to the workflow. The safeguards chosen are relevant to the context and are aligned to the aim of supporting responsible automation. Evidence shows that the selected safeguards support operational risk reduction, system resilience and continuity within the workflow. This includes demonstrating that safeguards are in place to control access, identify issues and maintain operation if automation is disrupted.	recommended, showing how specific safeguards contribute to outcomes such as early issue detection, prevention of misuse or maintenance of service continuity. Responses make clear links between safeguards and their operational effects, rather than simply stating that safeguards are present. Analysis shows how safeguards reduce operational risk and support resilience and continuity within the workflow. Evidence is applied to the selected workflow and shows coherent reasoning.	recommended safeguards work together, and how this influences overall effectiveness. Analysis goes beyond individual safeguards to explore how reliance on one control may strengthen or weaken another. Evidence includes critical analysis of where safeguards may be insufficient, fail or introduce vulnerability, and explains the impact on risk, resilience and continuity. Evidence shows confident thinking by considering different operating conditions, recognising residual risk, and demonstrating awareness of the limits of safeguards in supporting responsible automation.
--	---	---	---

Essential Teaching Content:

Learning Outcome 1: Understand how AI can be applied to automate operational tasks and improve business processes

- AI-enabled automation
 - Use of AI technologies to automate operational tasks
 - AI-enabled automation within organisational operations
- Operational tasks: Routine operational tasks, High-volume tasks, Repetitive or standardised tasks, Rules-based or decision-driven tasks
- Automation and task suitability
 - Characteristics that make tasks suitable for automation
 - Tasks where automation can reduce manual effort or processing time
 - Tasks where automation can reduce error or variability
- Business processes
 - Operational business processes
 - End-to-end processes containing automated tasks
- Process improvement
 - Efficiency within operational processes
 - Consistency and standardisation of process outputs
- Operational performance: Efficiency measures, Productivity measures, Workflow performance
- Automation impact
 - Changes to operational performance following automation



- Comparison of performance before and after automation
- Automation suitability
 - Efficiency gains from automation
 - Cost considerations
 - Operational risk considerations
 - Operational constraints
- Operational interdependencies: between systems, between processes, between people and automated systems
- Effectiveness and reliability
 - Effectiveness of AI-enabled automation
 - Reliability of AI-enabled automation in operational environments

Learning Outcome 2: Understand key considerations for implementing AI in operational settings, including data quality, traceability and system resilience

- Key implementation considerations: Data quality, Transparency, Traceability, System reliability, System resilience
- Data quality
 - Accuracy, completeness and relevance of operational data
 - Consistency of data used across AI-supported processes
- Transparency and traceability
 - Visibility of AI-supported processes and decisions
 - Traceability of data sources, processing steps and outputs
- Reliability and resilience
 - Reliable operation of AI-supported systems
 - Ability of systems and processes to withstand disruption or change
- Operational workflows
 - AI-supported operational processes
 - Connected workflows and dependencies between processes
- Operational risks
 - Risks arising from poor data quality
 - Risks arising from limited transparency or traceability
 - Risks arising from weak system reliability or resilience
- Interdependencies
 - Interdependencies between data quality, transparency, traceability and system resilience
 - Interdependencies between systems, processes and people
- Operational risk profile
 - Reliability-related risks
 - Resilience-related risks
 - Uncertainty in AI-supported operations

Learning Outcome 3: Be able to evaluate the suitability of AI for specific workflows, considering efficiency, cost, risk and continuity

- Operational workflows
 - Defined operational workflows
 - End-to-end workflows spanning multiple stages or functions
 - AI-supported workflows within operational environments
- Efficiency and cost considerations
 - Efficiency gains from AI use within a workflow



- Changes to processing time, throughput or resource use
 - Cost considerations associated with AI use, including implementation and operational costs
- Operational risk
 - Operational risks associated with AI use within workflows
 - Risks affecting accuracy, reliability or timeliness of outputs
 - Risks affecting day-to-day operational performance
- Operational continuity
 - Operational continuity requirements
 - Impact of AI disruption or failure on continuity of service
 - Importance of maintaining continuity across workflow stages
- Trade-offs and uncertainty
 - Trade-offs between efficiency, cost and operational risk
 - Presence of uncertainty in AI-supported workflows
 - Conditions under which benefits or risks may change
- Workflow behaviour with AI in place
 - Operation of the workflow end-to-end with AI included
 - Performance across different stages of the workflow
 - Reliability of outputs across stages
- Dependencies and reliance
 - Dependencies introduced by AI use within workflows
 - Reliance on data availability, system integration or upstream processes
 - Reliance on AI outputs by downstream systems or people
- Performance degradation and failure
 - Situations where AI use may degrade performance
 - Examples of performance degradation caused by data issues, model drift or system constraints
 - Failure points within AI-supported workflows
- Fallback arrangements
 - Conditions under which fallback arrangements are required
 - Manual or alternative process options
 - Role of fallback arrangements in preserving operational continuity
- Residual risk
 - Risks that remain after controls or fallback arrangements
 - Limits to AI suitability within operational workflows

Learning Outcome 4: Be able to design or recommend basic safeguards to support responsible automation

- Safeguards in AI-enabled operational workflows: Safeguards: access controls, monitoring mechanisms, fallback procedures, Responsible automation within operational environments
- Cause-and-effect relationships
 - How access controls prevent misuse or inappropriate access
 - How monitoring supports early detection of issues
 - How fallback procedures maintain continuity when automation fails
- Operational risk reduction
 - How layered safeguards reduce the likelihood or impact of operational disruption, error, misuse or system failure.
 - Consideration of system resilience, operational continuity and the role of control layering in strengthening reliability across automated processes.
- System resilience
 - The capacity of an AI-enabled operational system to continue functioning effectively under stress, disruption or partial failure



- How resilience is strengthened through redundancy, layered safeguards, human oversight, and clear escalation routes.
- Consideration of how resilient design anticipates failure scenarios rather than assuming optimal system performance.
- Operational continuity
 - How safeguards such as fallback procedures, manual overrides, and alternative workflows maintain service delivery when automation is disrupted.
 - The relationship between continuity planning and customer impact, including how delayed response, degraded service or system downtime affects organisational performance and trust.
- Control layering
 - The principle of combining multiple safeguards to reduce reliance on a single point of control. How access controls, monitoring mechanisms and fallback procedures interact to create defence-in-depth.
 - Consideration of how poorly coordinated controls can create duplication, gaps, or false confidence in automation reliability.
- Dependencies and interactions
 - Dependencies between safeguards
 - Interactions between access controls, monitoring and fallback procedures
 - How reliance on one safeguard may affect the effectiveness of others
- Limitations and failure of safeguards
 - Situations where safeguards may be insufficient
 - Potential failure points within safeguards
 - Vulnerabilities introduced by safeguard design or implementation
- Residual operational risk
 - The level of operational risk that remains after safeguards have been implemented.
 - Recognition that no safeguard eliminates risk entirely, and that automation introduces new or shifting vulnerabilities.
 - Consideration of how residual risk should be identified, documented, monitored and managed through ongoing review, escalation processes and clear accountability.
 - Understanding that responsible automation involves accepting and managing residual risk rather than assuming complete control.



Unit 5: AI in Finance, Forecasting and Cost Analysis

Unit aims	The aim enables learners to understand how Artificial Intelligence (AI) technologies can be applied to support financial forecasting, cost modelling and financial analysis within business contexts. Learners will explore common AI tools and techniques used in financial analysis and examine the types of financial and strategic decisions that AI-generated outputs can inform. The unit also enables learners to understand the key risks, limitations and governance considerations associated with AI-driven financial outputs, including uncertainty, data bias, transparency and explainability. Learners will develop the ability to apply appropriate AI tools to generate and interpret financial forecasts or cost models for defined business scenarios and to evaluate the reliability, business relevance and stakeholder impact of AI-generated financial insights to support informed and responsible decision-making. By the end of the unit, learners will be able to apply and evaluate AI-generated financial outputs to support business decision-making in defined contexts.
Unit level	4
Unit code	F/652/2347
GLH	40
TQT	150
Credit value	15
Unit grading structure	Fail / Pass / Merit / Distinction
Assessment guidance	Assessment for this unit should emphasise applied understanding of how AI is used to support financial forecasting, cost modelling and financial analysis within business contexts. Centres may use a variety of applied assessment methods as set out in the Developing Assessment Task – Guidance for Centres document. Learners may base their evidence on a real or fictional organisation, provided the financial or business context is realistic and familiar. Assessment activities should allow learners to demonstrate understanding of how AI techniques support financial analysis, how risks and limitations affect the reliability of AI-driven financial outputs, how AI tools can be applied to generate and interpret



	forecasts or cost models, and how the reliability and business relevance of AI-generated financial insights can be evaluated for decision-making purposes. Learners are not expected to design financial strategies, carry out detailed financial modelling, interpret accounting standards or regulations in depth, or evaluate long-term strategic investment decisions. All assessment briefs must be submitted to The AI Board for approval prior to use.
Example Assessment Methods	L01: Produce a document for finance or business colleagues that explains how AI technologies and techniques can be used in financial forecasting, cost modelling and financial analysis L02: Prepare a risk overview or briefing note that explains key risks and limitations associated with AI-driven financial outputs. L03: Using a defined financial scenario, apply an AI tool to generate a financial forecast or cost model and present your interpretation of the outputs. Combine with L04. L04: Combined L03

Unit Content:

Learning Outcome 1: Understand how AI technologies support forecasting, cost modelling and financial analysis in business contexts.			
ACs	Pass	Merit	Distinction
1.1	<u>Clearly and comprehensively explain</u> common AI techniques used in financial analysis.	<u>Analyse</u> how different AI technologies and techniques contribute to improved accuracy, efficiency or insight within financial forecasting, cost modelling and financial analysis activities.	<u>Critically analyse</u> how AI-supported forecasting, cost modelling and financial analysis are used within a defined organisational or financial scenario, examining how assumptions, data quality and model limitations influence the reliability and usefulness of outputs for decision-making.



1.2	<u>Clearly and comprehensively explain</u> the types of business decisions that AI-supported financial outputs can inform.	<u>Analyse</u> how AI-supported financial outputs compare with traditional financial analysis approaches in informing business decisions.	<u>Critically analyse</u> the appropriateness of using AI-supported financial analysis for different types of business decisions, considering where AI adds value and where limitations or risks may reduce suitability.
Sufficiency Descriptor	Learners demonstrate a secure understanding of how AI is used in financial analysis and the role it plays in supporting business decision-making. Evidence considers common AI techniques used in financial analysis, such as predictive analytics, pattern recognition or scenario modelling, showing what these techniques do and how they are applied within forecasting, cost modelling or financial analysis activities. Evidence also considers the types of business decisions that AI-supported financial outputs can inform, such as budgeting, pricing, investment or cost control decisions. Explanations are clear, accurate and appropriately detailed, showing contextual understanding of how AI-generated financial outputs are used.	Learners demonstrate a sound and developed understanding of how AI contributes to financial analysis when compared with more traditional approaches. Evidence examines how different AI technologies and techniques contribute to improved accuracy, efficiency or insight within financial forecasting, cost modelling and financial analysis activities. This includes examining how AI changes the way financial data is processed, analysed or interpreted. Learners compare AI-supported financial outputs with traditional financial analysis approaches, examining similarities and differences in the type, speed or usefulness of insights produced when informing business decisions. Analysis shows clear reasoning and applied understanding.	Learners demonstrate a clear and comprehensive understanding of the role and limits of AI in financial forecasting, cost modelling and financial analysis. Evidence examines how AI-supported forecasting, cost modelling and financial analysis are used within a defined organisational or financial scenario, considering how assumptions, data quality and uncertainty influence the reliability and usefulness of AI-generated financial insights. This includes exploring the strengths and limitations of AI outputs in context, and how these factors affect their contribution to informed decision-making in practice. Evidence also examines the appropriateness of using AI-supported financial analysis for different types of business decisions, showing where AI adds value and where limitations or risks may reduce suitability. Responses integrate



			strengths and weaknesses within the same line of reasoning and demonstrate well-developed thinking about when AI-supported approaches are, and are not, appropriate for informing financial decisions.
Learning Outcome 2: Understand key risks and limitations of AI -driven financial outputs, including uncertainty, bias and explainability.			
<u>ACs</u>	<u>Pass</u>	Merit	Distinction
2.1	<u>Clearly and comprehensively explain</u> key risks associated with AI-driven financial outputs, including uncertainty, data bias and lack of transparency.	<u>Evaluate</u> the impact of uncertainty, data bias and lack of transparency on the reliability and usefulness of AI-driven financial outputs.	<u>Critically evaluate</u> the risks and limitations of AI-driven financial outputs by examining how uncertainty, data bias and weak assumptions affect the reliability of outputs and the consequences of relying on them for financial decision-making.
2.2	<u>Clearly and comprehensively explain</u> the implications of poor data quality or inappropriate assumptions on AI-generated financial results.	<u>Evaluate</u> the potential impact of relying on AI-driven financial insights including potential organisational and ethical implications.	
2.3	<u>Evaluate</u> the importance of explainability and auditability when using AI in financial decision-making.	N/A	N/A
Sufficiency Descriptor	Learners demonstrate a sound understanding of the key risks and limitations associated with AI-driven financial outputs and their	Learners demonstrate a developed understanding of how risks associated with AI-driven financial outputs affect their	Learners demonstrate a comprehensive and critical understanding of the risks and limitations of AI-driven financial outputs and the



	relevance to financial decision-making. Evidence considers risks such as uncertainty, data bias and lack of transparency, showing how these arise in AI-supported forecasting, cost modelling or financial analysis and how they can affect the credibility of financial outputs. Evidence shows how poor data quality or inappropriate assumptions influence AI-generated financial results, including how errors, bias or unrealistic assumptions can distort forecasts, cost models or analytical outputs. Evidence considers the importance of explainability and auditability when AI is used in financial decision-making by considering how the ability to understand, trace and review AI-generated financial outputs supports transparency and accountability. Evidence draws balanced, well-reasoned conclusions about why explainability and auditability matter in financial contexts, for example in enabling confidence in outputs, supporting challenge or review, or justifying decisions based on AI-generated forecasts or models.	reliability and use in organisational contexts. Evidence considers the impact of uncertainty, data bias and lack of transparency on the reliability and usefulness of AI-driven financial outputs, considering how these factors influence confidence in results, the extent to which outputs can be relied upon, and their contribution to sound financial analysis. Balanced and well-reasoned conclusions about how far these risks limit the reliability and practical usefulness of AI-generated financial information are made. Evidence also considers the potential impact of relying on AI-driven financial insights, including organisational and ethical implications such as inappropriate decision-making, misallocation of resources, reduced accountability or over-reliance on automated outputs. Responses include balanced, well-reasoned conclusions about the significance of these impacts for financial decision-making in practice. Conclusions are supported by appropriate reasoning and relevant examples	consequences of reliance on them. Evidence examines in detail how uncertainty, data bias and weak assumptions affect the reliability of AI-generated financial outputs and how these factors can interact or compound risk when outputs are relied upon in financial decision-making. It also examines the consequences of relying on AI-driven financial outputs, considering the combined impact on reliability, accountability and responsible use. Evaluation goes beyond isolated risks to consider how limitations influence decision-making when AI outputs are used alongside, or in place of, human input and includes balanced, well-reasoned conclusions about the limits of AI-driven financial insights and the conditions under which reliance on such outputs may be appropriate or problematic. Conclusions reflect depth of consideration and awareness of uncertainty.
--	--	---	---



Learning Outcome 3: Be able to apply AI tools to generate financial forecasts or cost models and interpret their outputs for decision-making.

ACs	Pass	Merit	Distinction
3.1	<u>Use</u> an AI tool to generate a financial forecast or cost model for a defined business scenario, interpreting the outputs to identify key figures, trends and projections.	<u>Adjust</u> key assumptions, inputs or parameters and <u>examine</u> the effect of these changes on the resulting outputs.	N/A
3.2	3.2 <u>Use</u> the AI-generated outputs to inform a specified business decision.	3.2 <u>Reconsider</u> the specified business decision in light of the revised outputs, explaining how changes to assumptions, inputs or parameters influence the decision.	N/A
Sufficiency Descriptors	Learners demonstrate a sound ability to apply an AI tool to generate a financial forecast or cost model for a defined business scenario. Evidence demonstrates the learner's ability to generate outputs using an appropriate AI tool and interpret these to identify key figures, trends and and understood in relation to the scenario, with relevant figures and patterns accurately identified.	Learners demonstrate a developed ability to explore how changes to inputs affect AI-generated financial outputs and decision-making. Evidence shows how key assumptions, inputs or parameters within the AI tool were adjusted and examines the effect of these changes on the resulting outputs. This includes identifying how changes influence figures, trends or projections, showing understanding that	N/A



	Evidence demonstrates the use of the AI-generated outputs to inform a specified business decision. The decision is clearly linked to the outputs produced, showing how the forecast or cost model has been used to support decision-making.	outputs are dependent on underlying inputs.	
Learning Outcome 4: Be able to evaluate the reliability and business relevance of AI-generated financial insights, including assumptions, sensitivity and stakeholder impact.			
ACs	Pass	Merit	Distinction
4.1	<u>Evaluate</u> the key assumptions and data dependencies underpinning AI-generated financial insights for a defined business scenario, including how changes to assumptions may affect the outputs.	<u>Evaluate</u> how key assumptions and data dependencies influence the reliability of AI-generated financial insights in relation to organisational objectives and the decision context.	<u>Critically analyse</u> the reliability and business relevance of AI-generated financial insights by examining how assumptions, uncertainty and sensitivity interact to shape confidence in their use, <u>and how</u> these combined effects influence the implications for different business stakeholders within the defined context.
4.2	<u>Evaluate</u> the reliability and limitations of AI-generated financial insights when used to support a defined business decision or context.	<u>Evaluate</u> the reliability and business relevance of AI-generated financial insights by <u>considering</u> how uncertainty and sensitivity affect confidence in their use for the specified decision.	
4.3	<u>Clearly and comprehensively explain</u> how AI-generated financial insights may impact different business stakeholders.	<u>Evaluate</u> how the use of AI-generated financial insights may have different implications for internal and external business stakeholders within the given context,	



		and the significance of this.	
Sufficiency Descriptors	Learners demonstrate a sound understanding of how AI-generated financial insights can be assessed for reliability and business relevance within a defined business scenario. Evidence considers the key assumptions and data dependencies underpinning AI-generated financial insights, showing what the insights depend on and why those assumptions are relevant to the scenario, and draws a balanced conclusion about how far these assumptions support confidence in the outputs. This may include reference to assumptions or inputs used when generating insights earlier in the unit (LO3). Evidence considers the reliability and limitations of AI-generated financial insights when used to support a defined business decision or context, and reaches a balanced conclusion about whether the insights are broadly reliable for use, recognising that limitations exist without weighing these against wider organisational priorities.	Learners demonstrate a developed understanding of how the reliability and relevance of AI-generated financial insights vary depending on organisational context and decision requirements. Evidence considers how key assumptions and data dependencies influence the reliability of AI-generated financial insights in relation to organisational objectives and the specific decision context, and draws a balanced, well-reasoned conclusion about how far those assumptions and dependencies support or limit confidence in the outputs for the scenario. This may draw on observations from LO3 regarding how outputs responded to changes in assumptions, but focuses on what those observations indicate rather than repeating the activity. Evidence also considers the reliability and business relevance of AI-generated financial insights by considering how uncertainty and sensitivity affect confidence in their use for the specified decision, and reaches a balanced, well-reasoned conclusion about whether the insights are sufficiently reliable for	Learners demonstrate a clear and comprehensive understanding of how the reliability and business relevance of AI-generated financial insights are shaped within a defined business context. Evidence critically examines how key assumptions, uncertainty and sensitivity interact to influence confidence in the use of AI-generated financial insights, showing how changes in one factor can amplify or constrain the effects of others. Analysis goes beyond considering factors in isolation to examine how combined effects shape the reliability and practical usefulness of insights for decision-making. Evidence also critically examines how these combined reliability factors influence the implications of using AI-generated financial insights for different internal and external business stakeholders, showing how confidence in the insights, and their limitations, may affect stakeholders in different ways



	Evidence explains how AI-generated financial insights may impact different business stakeholders. Explanations show awareness that reliance on such insights can affect different groups in different ways.	that decision, taking account of organisational priorities and tolerance for uncertainty. Evidence evaluates how the use of AI-generated financial insights may have different implications for internal and external business stakeholders within the given context, and draws a balanced, well-reasoned conclusion about the significance of these impacts. Responses show consideration of which stakeholder implications matter more or less in relation to the decision being supported and why.	
--	--	---	--

Essential Teaching Content:

Learning Outcome 1: Understand how AI technologies support forecasting, cost modelling and financial analysis in business contexts

- AI technologies used in financial analysis: Machine learning, Predictive analytics, Automated scenario modelling
- AI techniques used in forecasting and modelling: Predictive analytics for trend forecasting, Pattern recognition for anomaly detection, Scenario modelling and what-if analysis (e.g. sensitivity analysis, Monte Carlo-style simulations)
- Financial activities supported by AI: Financial forecasting, Cost modelling, Profitability analysis
- Comparison of AI-supported and traditional financial analysis: Spreadsheet-based forecasting, Regression-based models, AI-driven forecasting approaches (e.g. models that learn from large or dynamic datasets)
- Performance characteristics of AI-supported financial analysis:
 - Speed of processing (e.g. near real-time updates)
 - Scale of analysis (e.g. large datasets or multiple scenarios)
 - Depth of insight (e.g. pattern detection beyond manual analysis)
- Business decisions informed by AI-generated financial outputs: Budgeting, Pricing, Investment appraisal, Capacity planning, Cost optimisation
- Organisational and sector context: Data maturity, System integration, Regulatory environment
- Real-world examples of AI
 - Use of AI for demand forecasting and inventory cost optimisation (e.g. Amazon)
 - Use of predictive analytics to inform content investment and budgeting decisions (e.g. Netflix)



Learning Outcome 2: Understand key risks and limitations of AI-driven financial outputs, including uncertainty, bias and explainability

- Risks associated with AI-driven financial outputs: Model uncertainty, Data bias, Overfitting, Lack of transparency
- Data-related risks: Poor data quality, Incomplete datasets, Inappropriate assumptions
- Sources of bias: Sampling bias, Historical bias, Proxy variables that unintentionally skew results
- Uncertainty in AI-driven forecasting: Probabilistic outputs, Confidence intervals, Limits of predictive accuracy
- Explainability and auditability
 - Understanding how outputs are generated
 - Use of explainability approaches (e.g. explainable AI techniques such as feature importance or model interpretability tools)
- Governance and oversight: Model validation, Version control, Review and approval processes
- Ethical and organisational implications: Accountability for decisions, Stakeholder trust
- Regulatory and assurance considerations:
 - Audit requirements,
 - Financial accountability,
 - Internal controls
- Real-world examples of risk and governance challenges: e.g. JP Morgan implementing model risk management frameworks for AI-driven financial models)

Learning Outcome 3: Be able to apply AI tools to generate financial forecasts or cost models and interpret their outputs for decision-making

- AI tools for financial forecasting and modelling
 - AI-enabled FP&A platforms
 - Forecasting tools embedded within business intelligence software
- Defining a financial modelling scenario: Scope, Objectives, Time horizon, Key variables (e.g. sales volume, pricing assumptions, cost drivers)
- Preparing inputs for AI-driven models: Data selection, Assumptions, Parameter setting
- Generating and interpreting AI outputs: Forecast figures, Cost projections, Trends and patterns, Visualisations
- Evaluating AI-generated outputs: Relevance to the scenario, Clarity of outputs, Identified limitations
- Linking outputs to business decisions: Investment approval, Pricing decisions, Resource allocation
- Exploring alternative scenarios
 - Adjusting assumptions
 - Sensitivity to input variation (e.g. changes in demand, inflation or exchange rates)
- Human judgement in AI-supported analysis: Interpreting outputs, Avoiding over-reliance on automated recommendations
- Real-world examples of applied AI forecasting: e.g. Unilever using AI-enabled forecasting to support supply chain and cost planning decisions.

Learning Outcome 4: Be able to evaluate the reliability and business relevance of AI-generated financial insights, including assumptions, sensitivity and stakeholder impact

- Assumptions underpinning AI-generated financial insights: Data dependencies, Modelling choices



- Reliability and limitations: Reliability of outputs, Known limitations in use
- Sensitivity of AI-generated insights: Sensitivity to changes in assumptions, Sensitivity to changes in inputs
- Business relevance: Alignment with organisational objectives, Relevance to the decision context
- Stakeholder implications: Implications for managers, Implications for finance teams, Implications for investors or other stakeholders
- Communication of AI-generated insights: Explanation of assumptions, Explanation of limitations, Explanation of uncertainty
- Professional judgement and accountability: Challenging AI-generated outputs, Overriding AI recommendations where appropriate
- Validation and governance practices: Peer review, Audit trails, Management sign-off
- Real-world examples of evaluating AI-generated financial insights: e.g. Shell using scenario modelling and sensitivity analysis to inform long-term investment decisions.



Unit 6: AI in People, HR and Compliance Functions

Unit aims	This unit enables learners to understand how Artificial Intelligence is applied within people, HR and compliance functions to support decision-making across recruitment, workforce analytics and policy development. Learners will explore the types of people-related decisions AI can inform and the data, assumptions and constraints that underpin these applications. The unit places particular emphasis on the responsible use of AI in contexts that directly affect individuals, recognising the heightened ethical, legal and organisational considerations involved. The unit also enables learners to assess the suitability of AI for specific people-related use cases and to recognise and manage associated risks, including bias, privacy, transparency and the need for effective redress. Learners will develop the ability to evaluate stakeholder impact and to identify, explain or design appropriate safeguards and governance measures, including human oversight, participation mechanisms and documentation, to support lawful, fair and accountable use of AI in HR and compliance contexts. By the end of the unit, learners will be able to assess and evaluate the use of AI within people, HR and compliance contexts in relation to risk, impact and organisational requirements.
Unit level	4
Unit code	H/652/2348
GLH	40
TQT	150
Credit value	15
Unit grading structure	Fail / Pass / Merit / Distinction
Assessment guidance	Assessment for this unit should emphasise applied understanding of how AI is used in people-related business contexts, how people-related AI systems are designed and assessed for suitability, and how safeguards support responsible use. Centres may use a variety of applied assessment methods as set out in the Developing Assessment Task – Guidance for Centres document. Learners may base their evidence on a real or fictional organisation, provided the people-related context is realistic and familiar. Assessment activities should allow learners to demonstrate understanding of how AI is used across people-



	related activities, how people-related AI systems are designed and implemented, how suitability is assessed in relation to fairness, compliance and stakeholder impact, and how safeguards reduce risk and support responsible decision-making. Learners are not expected to design AI systems, develop technical models, interpret employment or data protection legislation in depth, or produce organisational policies or governance frameworks. All assessment briefs must be submitted to The AI Board for approval prior to use.
Example Assessment Methods	L01: Record a training video for HR colleagues explaining how AI is used across people-related activities such as attraction, screening, interviewing, onboarding, workforce analytics and policy support. L02: Create a process walkthrough that explains how a people-related AI system would be designed and implemented. L03: Practical task - Evaluate the suitability of AI for a defined people-related use case. L04: Practical task-Apply or recommend basic safeguards for a people-related AI use case and produce report explaining how these safeguards support responsible use, reduce risk and promote trust in AI-supported people-related decisions.

Unit Content:

Learning Outcome 1: Understand how AI is used in recruitment, workforce analytics and policy creation, and the types of decisions it supports.			
ACs	Pass	Merit	Distinction
1.1	<u>Clearly and comprehensively explain</u> how AI can be used across recruitment stages and what data inputs are typically used.	<u>Evaluate</u> the reliability and fairness of AI-supported recruitment outputs.	<u>Evaluate</u> how the use of AI across recruitment, workforce analytics and policy creation can interact to influence people-related decision-making within a defined organisation, including potential strengths, limitations and unintended consequences.
1.2	<u>Clearly and comprehensively explain</u> how AI supports	<u>Clearly and comprehensively explain</u> how workforce analytics	



	workforce analytics including the types of data analysed and the outputs typically produced.	outputs can inform people-related decisions in relation to organisational objectives and compliance requirements.	
1.3	<u>Clearly and comprehensively explain</u> how AI can support policy creation and compliance communications including appropriate use boundaries.	<u>Clearly and comprehensively explain</u> how AI-supported policy creation and compliance communications can influence organisational decision-making.	
Sufficiency Descriptors	Learners demonstrate a secure understanding of how AI is used within recruitment, workforce analytics and policy creation, and the types of decisions these applications support. Evidence shows how AI can be used across recruitment stages, including the typical data inputs involved, such as applicant information, skills data or historical recruitment outcomes. Explanations show clear understanding of where and how AI is applied within recruitment processes. Evidence considers how AI supports workforce analytics, including the types of data analysed and the outputs typically produced, such as trends, patterns or summary metrics relating to workforce composition or performance. Evidence considers how AI can support policy creation and compliance	Learners demonstrate a developed understanding of how AI-generated outputs are used to support people-related decision-making within organisational contexts. Evidence shows how AI-supported recruitment outputs can be used by decision-makers at different stages of recruitment, showing awareness of considerations such as reliability and fairness when interpreting outputs. Evidence considers how workforce analytics outputs can be used to inform people-related decisions in relation to organisational objectives and HR or compliance requirements, demonstrating understanding of how outputs move beyond reporting to support decision-making. Evidence considers how AI-supported policy creation and compliance communications can	Learners demonstrate a clear and comprehensive understanding of how AI use across recruitment, workforce analytics and policy creation can collectively influence people-related decision-making. Evidence examines how the use of AI across these functions interacts within an organisation, considering how outputs from recruitment, workforce analytics and policy-related applications may reinforce, inform or constrain one another. Responses consider both strengths and limitations, such as improved consistency or insight alongside risks of over-reliance or misalignment between functions. Balanced and well-reasoned conclusions are drawn about the potential consequences of introducing AI across multiple people-related functions, including unintended effects on



	communications, including awareness of appropriate use boundaries in people-related contexts.	influence organisational decision-making in people, HR and compliance contexts. Responses show how AI-generated outputs may shape consistency, interpretation or application of policies, rather than simply describing their creation.	decision-making quality or organisational practice.
Learning Outcome 2: Understand ethical, legal and organisational risks associated with people-related AI systems, including bias, privacy, transparency and redress.			
ACs	Pass	Merit	Distinction
2.1	<u>Clearly and comprehensively explain</u> key ethical risks in people-related AI including bias/discrimination, automation bias, exclusion, and impacts on dignity.	<u>Clearly and comprehensively explain</u> how ethical risks associated with people-related AI systems can create organisational risks, including impacts on trust, grievance handling and reputation.	<u>Evaluate</u> how ethical, legal and organisational risks associated with people-related AI systems interact across recruitment, workforce analytics and policy contexts, including trade-offs between transparency, privacy and system performance, and the implications these interactions have for confidence in AI-supported decision-making.
2.2	<u>Analyse</u> how bias can arise at different points and how those points relate to specific HR decisions.	<u>Analyse</u> how bias within people-related AI systems can influence HR decision-making and outcomes for individuals or groups.	
2.3	<u>Clearly and comprehensively explain</u> transparency, privacy and redress requirements in practice, including what 'explainability' and 'contestability' mean for affected individuals.	<u>Evaluate</u> the importance of transparency, privacy and redress arrangements in people-related AI contexts, including the implications for organisational trust, grievance handling and reputation.	
Sufficiency Descriptors	Evidence considers key ethical risks, including bias or discrimination, automation bias, exclusion and impacts on dignity. Explanations show	Learners demonstrate a developed understanding of how ethical and legal risks associated with people-related AI systems translate into	Learners demonstrate a clear and comprehensive understanding of how ethical, legal and organisational risks associated with people-



	clear understanding of how these risks may arise in people-related AI contexts and why they are significant for individuals affected by AI-supported decisions. Evidence examines how bias can arise at different points within people-related AI systems and link these points to specific HR decisions, such as recruitment screening, performance assessment or workforce monitoring. Responses show structured reasoning about where bias may enter systems and how this can shape decision outcomes. Evidence considers transparency, privacy and redress requirements in practice, including what explainability and contestability mean for affected individuals. Explanations demonstrate understanding of how individuals may seek to understand, question or challenge AI-supported decisions.	organisational risks and decision consequences. Evidence considers how ethical risks associated with people-related AI systems can create organisational risks, including impacts on trust, grievance handling and reputation. Responses show how individual-level harms can escalate into broader organisational consequences if risks are not appropriately recognised. Evidence examines how bias within people-related AI systems can influence HR decision-making and outcomes for individuals or groups. Analysis goes beyond identifying bias points to consider how biased outputs may shape patterns of inclusion, exclusion or disadvantage in HR decisions. Evidence considers the importance of transparency, privacy and redress arrangements in people-related AI contexts, drawing a balanced and well-reasoned conclusion about why these arrangements matter for maintaining organisational trust, managing grievances and protecting reputation.	related AI systems interact across organisational contexts. Evidence considers how these risks combine and influence one another in practice, examining how decisions about transparency, privacy and system performance create trade-offs across different people-related AI uses. Evaluation shows how managing risk in one area may increase exposure in another and how these interactions shape the overall risk profile. Evidence draws balanced and well-reasoned conclusions about the implications of these interacting risks for confidence in AI-supported decision-making, including impacts on trust, accountability and organisational responsibility. Conclusions recognise that no single approach fully removes ethical or legal risk and that confidence in AI use depends on how competing priorities are balanced within the organisational context.
Learning Outcome 3: Be able to evaluate the suitability of AI for a people-related use case, considering fairness, compliance and stakeholder impact.			
ACs	Pass	Merit	Distinction



3.1	<u>Clearly and comprehensively explain</u> the information required to judge the suitability of AI for a people related use case, <u>including</u> data inputs, success measures, and key fairness and compliance considerations.	N/A	N/A
3.2	<u>Evaluate</u> the suitability of AI for the use case, in relation to: • Fairness • Compliance • Stakeholder impact	<u>Evaluate</u> the suitability of AI for the people-related use case, <u>considering</u> risks and limitations, and comparing AI use with alternative AI-based or non-AI approaches in relation to fairness, compliance and stakeholder impact.	<u>Critically evaluate</u> the suitability of AI for the people-related use case, <u>using</u> a weighted decision matrix that considers fairness, compliance and stakeholder impact.
Sufficiency Descriptors	Learners demonstrate a sound understanding of what information is required to judge the suitability of AI for a people-related use case. Evidence considers what information is needed to assess suitability, including relevant data inputs, success measures, and key fairness and compliance considerations. Explanations show understanding of why this information is necessary to support informed judgement about AI use in people-related contexts. Evidence considers the suitability of AI for the use case in relation to fairness, compliance and stakeholder impact. This includes considering who is affected by the use case, how different groups may be affected, and the main risks or concerns	Evidence considers the suitability of AI for the people-related use case by considering risks and limitations in relation to fairness, compliance and stakeholder impact. Evaluation shows clear understanding of how fairness risks, compliance requirements and likely stakeholder impacts influence suitability, including how different groups may be affected in different ways. Evidence compares the use of AI with alternative AI-based or non-AI approaches, explaining how suitability differs across options in relation to fairness, compliance and stakeholder impact and drawing a balanced and well-reasoned conclusion about whether AI represents the most appropriate approach for the use case, supported	Learners demonstrate a clear and comprehensive understanding of how to make robust and transparent suitability judgements for people-related AI use cases. Evidence critically considers the suitability of AI for the use case using a weighted decision matrix that considers fairness, compliance and stakeholder impact. Analysis shows how different criteria are weighted and why certain considerations carry greater significance in the given context. Evidence examines trade-offs and interactions between fairness, compliance and stakeholder impact, showing how improvements in one area may increase risk or limitation in another. Evaluation includes a



	associated with AI use. Responses draw a balanced conclusion about whether AI is broadly suitable for the use case, recognising that limitations or risks may remain.	by clear reasoning rather than simple preference.	balanced, well-reasoned conclusion about the overall suitability of AI for the use case, recognising residual risk, uncertainty and the limits of mitigation in people-related decision-making.
Learning Outcome 4: Be able to recommend and design basic safeguards (e.g. human oversight, opt-out routes, documentation) to support responsible use of AI in HR and compliance contexts, including mechanisms for stakeholder participation and contestability			
ACs	Pass	Merit	Distinction
4.1	<u>Recommend</u> appropriate basic safeguards for a people-related AI use case.	<u>Justify</u> the recommended safeguards for the people-related AI use case, considering how they are most appropriate for the needs of stakeholders and address identified fairness, accessibility and compliance considerations.	N/A
4.2	<u>Clearly and comprehensively explain</u> how the recommended safeguards would be provided for stakeholders, including how individuals could raise concerns or challenge AI-supported decisions.		
Sufficiency Descriptors	Learners demonstrate a secure understanding of how basic safeguards can be applied to support responsible use of AI in people-related contexts. Evidence demonstrates recommendation of appropriate basic safeguards for a people-related AI use case, selecting safeguards that are relevant to the nature of the use case and the stakeholders involved. Safeguards may include measures such as human	Learners demonstrate a developed and reasoned approach to selecting safeguards for responsible AI use. Evidence justifies the recommended safeguards by explaining why they are the most appropriate choice for the people-related AI use case. Justification includes consideration of alternative safeguard	N/A



	oversight, opt-out routes, documentation or other appropriate protections. Evidence sets out in detail how the recommended safeguards would be provided for stakeholders in practice. Explanations show how individuals would access safeguards, including how they could raise concerns, seek review or challenge AI-supported decisions.	options, with clear reasoning as to why the selected safeguards better address stakeholder needs. Responses show how the recommended safeguards address identified fairness, accessibility and compliance considerations for different stakeholders. Learners explain how the safeguards balance protection, participation and practicality within the context of the use case.	
--	---	--	--

Essential Teaching Content:

Learning Outcome 1: Understand how AI is used in recruitment, workforce analytics and policy creation, and the types of decisions it supports.

- People-related business activities: Attraction, Screening, Interviewing, Onboarding
- Workforce analytics and insights:
 - Retention risk analysis
 - Absence trend analysis
 - Capability mapping
- AI use in people-related policy and guidance:
 - Drafting policy or guidance content
 - Summarising policy documents
 - Querying policies or procedures using AI tools

Learning Outcome 2: Understand ethical, legal and organisational risks associated with people-related AI systems, including bias, privacy, transparency and redress.

- Problem framing:
 - Defining the people-related problem to be addressed
 - Clarifying intended use and outcomes
- Data collection:
 - Identifying relevant data sources
 - Collecting people-related data
- Feature selection:
 - Selecting variables or attributes used by AI systems
 - Relevance of features to the defined problem
- Model choice
 - Selection of AI or analytical models
 - Suitability of model type for people-related use cases
- Deployment



- Implementation of AI systems in organisational contexts
- Integration into existing people-related processes

Learning Outcome 3: Be able to evaluate the suitability of AI for a people-related use case, considering fairness, compliance and stakeholder impact.

- Information required to assess suitability
 - Data inputs used by the AI system
 - Success measures or performance indicators
 - Fairness considerations
 - Compliance considerations
- Stakeholder considerations
 - Groups affected by the use case
 - How different stakeholders may be affected
 - Key risks or concerns for stakeholders
- Assessment approaches
 - Judging suitability in relation to fairness
 - Judging suitability in relation to compliance
 - Judging suitability in relation to stakeholder impact

Learning Outcome 4: Be able to recommend and design basic safeguards (e.g. human oversight, opt-out routes, documentation) to support responsible use of AI in HR and compliance contexts, including mechanisms for stakeholder participation and contestability.

- Bias management
 - Bias testing
 - Identification of biased outcomes
- Monitoring and oversight
 - Ongoing monitoring of AI system performance
 - Detection of unexpected or adverse outcomes
- Auditability and traceability
 - Audit trails for AI use and decisions
 - Record-keeping to support review and accountability
- Access controls
 - Role-based access to AI systems
 - Controls over who can use or modify systems
- User capability and awareness
 - Training for users of people-related AI systems
 - Understanding appropriate and inappropriate use



Unit 7: AI-Enabled Business Model and Value Innovation

Unit aims	This unit enables learners to understand how Artificial Intelligence (AI) enables new value propositions and reshapes business models across sectors. Learners will explore the organisational, technical and governance conditions required for successful AI adoption and apply this understanding to analyse realistic AI-enabled business model opportunities. The unit culminates in the development of a simple AI pilot or commercial case, requiring learners to evaluate value drivers, delivery requirements and associated risks in a business-appropriate manner. By the end of the unit, learners will be able to analyse and evaluate AI-enabled business model opportunities in relation to value, delivery and risk.
Unit level	4
Unit code	J/652/2349
GLH	40
TQT	150
Credit value	15
Unit grading structure	Fail / Pass / Merit / Distinction
Assessment guidance	Assessment for this unit should emphasise applied understanding of how AI enables new value propositions, influences business models, and supports the development of realistic AI-enabled pilot or commercial cases. Centres may use a variety of applied assessment methods as set out in the Developing Assessment Task – Guidance for Centres document. Learners may base their evidence on a real or fictional organisation, sector or business scenario, provided the context is realistic and familiar. Assessment activities should allow learners to demonstrate understanding of how AI-enabled value propositions operate within and across business models, how organisational enablers and constraints influence AI adoption, how realistic AI-enabled opportunities can be identified, and how simple pilot or commercial cases can be developed with consideration of value, delivery requirements and risk.



	Learners are not expected to develop full business strategies, produce detailed financial models, apply formal strategic frameworks in depth, or evaluate long-term competitive positioning. All assessment briefs must be submitted to The AI Board for approval prior to use.
Example Assessment Methods	L01: Professional Discussion on how AI enables new value proportions and reshapes business models, including the key enablers and constraints for successful AI adoption-combined with L02. L02. Professional discussion combined with L01 L03: Practical task- Analyse a defined sector or organisation to identify realistic AI-enabled business model opportunities. L04: Develop a simple pilot or commercial case for an AI-enabled business model opportunity.

Unit Content:

Learning Outcome 1: Understand how AI enables new value propositions and reshapes business models across sectors			
ACs	Pass	Merit	Distinction
1.1	<u>Clearly and comprehensively explain</u> how AI technologies enable <u>new or enhanced</u> value propositions for customers, employees <u>or</u> organisations.	<u>Clearly and comprehensively explain</u> how AI enables <u>multiple, interconnected</u> value propositions within business models <u>and</u> how these influence competitive positioning.	<u>Evaluate</u> the extent to which AI reshapes business models in a transformational or incremental way within a selected sector or industry context, using clear criteria and sector evidence to support conclusions.
1.2	<u>Clearly and comprehensively explain</u> how AI is used to modify or redesign existing business model components, including value creation, delivery <u>or</u> capture.		
1.3	<u>Clearly and comprehensively explain</u> how AI-enabled business model change differs across <u>at least two</u> sectors or industry contexts.	<u>Clearly and comprehensively explain</u> how the <u>nature and emphasis</u> of AI-enabled value propositions vary across <u>different</u> sectors or	



		industry contexts, <u>including</u> differences in drivers, constraints or adoption focus.	
Sufficiency Descriptors	Learners demonstrate a secure understanding of how AI enables new value propositions and contributes to changes in business models across different sectors. Evidence considers how AI technologies enable new or enhanced value propositions for customers, employees or organisations. Evidence shows how AI contributes to improved outcomes such as efficiency, personalisation, insight or service quality, with relevant examples. It also considers how AI is used to modify or redesign existing business model components, including value creation, delivery or capture. Responses show understanding of how AI affects different elements of a business model without requiring learners to propose new models or strategies. Evidence considers how AI-enabled business model change differs across at least two sectors or industry contexts. Explanations accurately compare sector characteristics, such as regulatory environment, data availability or customer expectations, that influence how AI is adopted and used.	Learners demonstrate a developed understanding of how AI-enabled value propositions operate within business models and influence organisational positioning. Evidence considers how AI enables multiple, interconnected value propositions within a business model, showing how AI-driven value for customers, employees or the organisation can reinforce and support one another rather than operate in isolation. Responses show these interconnected AI-enabled value propositions influence competitive positioning, showing understanding of how AI can support differentiation, efficiency or responsiveness within a market, without extending into long-term strategic planning or competitive strategy formulation. Evidence considers how the nature and emphasis of AI-enabled value propositions vary across different sectors or industry contexts. Responses highlight differences in drivers, constraints or adoption focus across sectors and demonstrate applied understanding of how sector context shapes AI-enabled value creation.	Learners demonstrate a clear and comprehensive understanding of the extent to which AI reshapes business models across sectors. Evidence considers whether AI-enabled changes to business models are incremental or transformational in nature, using clear criteria to structure their analysis. Evaluation considers the scale of change to value creation, delivery or capture rather than simply describing AI use. Evidence draws balanced, well-reasoned conclusions about the extent of business model change in different sectors or industry contexts, supported by relevant sector-based evidence. Conclusions clearly distinguish between incremental enhancement and more fundamental reshaping of business models, showing confident decision making.



Learning Outcome 2: Understand key enablers and constraints for successful AI adoption, including data readiness, skills, governance and supplier assurance.

ACs	Pass	Merit	Distinction
2.1	<u>Evaluate</u> the importance of data readiness in enabling AI adoption within an organisational context.	<u>Evaluate</u> how multiple enablers and constraints interact to influence AI adoption outcomes.	<u>Critically evaluate</u> the interdependencies between data, skills, governance and supplier assurance, identifying systemic risks, tensions and amplification effects that may support or undermine successful implementation.
2.2	<u>Evaluate</u> the role of skills and organisational capability in supporting effective AI use.		
2.3	<u>Evaluate</u> governance and regulatory considerations that constrain or enable AI adoption.		
Sufficiency Descriptors	Learners demonstrate a secure understanding of the key enablers and constraints that influence AI adoption within organisations. Evidence considers the importance of data readiness by considering factors such as data availability, quality, structure and relevance, and explains how these factors enable or limit the effective use of AI within an organisational context. Responses draw a balanced conclusion about why data readiness is critical to AI adoption. Evidence also considers the role of skills and organisational capability in supporting effective AI use. Responses consider aspects such as technical expertise, domain knowledge and organisational readiness, and include a balanced	Learners demonstrate a developed understanding of how multiple enablers and constraints combine to shape AI adoption outcomes. Evidence considers how data readiness, skills, organisational capability and governance considerations interact within an organisation to influence AI adoption. Responses show clear reasoning about how strengths in one area may compensate for limitations in another, or how weaknesses across multiple areas may hinder adoption. Evaluations include a balanced, well-reasoned conclusion about how the combined effect of these enablers and constraints influences the likelihood of successful AI adoption.	Learners demonstrate a clear and comprehensive understanding of the systemic nature of AI adoption within organisations. Evidence shows critical consideration of the interdependencies between data readiness, skills, governance and supplier assurance by examining not only the role of each factor, but also how they interact, create tensions or amplify risks within organisational contexts. Responses consider situations where strengths in one area may expose weaknesses in another, or where dependencies on external suppliers or governance constraints introduce additional risk. Evidence draws balanced and well-reasoned conclusions



	conclusion about how skills gaps or strengths influence AI adoption. Evidence considers governance and regulatory considerations that constrain or enable AI adoption. Evaluations show understanding of how governance arrangements, compliance requirements or regulatory expectations shape organisational decisions about AI use and draws a balanced conclusion about their overall influence.		about the overall impact of these interdependencies on AI adoption, recognising limitations, uncertainty and trade-offs rather than treating enablers as independently sufficient.
Learning Outcome 3: Be able to analyse a sector or organisation to identify realistic AI-enabled business model opportunities			
ACs	Pass	Merit	Distinction
3.1	<u>Analyse</u> a selected sector or organisation to identify potential areas where AI could enable new or improved business models.	<u>Analyse</u> AI-enabled business model opportunities across <u>multiple</u> functions, stakeholder groups or operational horizons within the selected sector or organisation.	<u>Analyse</u> interrelationships between strategy, technology, people and operations when identifying AI-enabled business model opportunities, <u>demonstrating</u> systems thinking, showing how changes in one area create dependencies, constraints or opportunities elsewhere.
3.2	<u>Analyse</u> existing processes, value chains or customer interactions in the selected sector or organisation to identify realistic opportunities for AI application.		
3.3	<u>Analyse</u> how identified AI opportunities align with organisational strategy, sector drivers or unmet needs.		
Sufficiency Descriptors	Learners demonstrate a secure understanding of how to analyse a sector or organisation to identify realistic AI-enabled	Learners demonstrate a developed analytical approach to identifying AI-enabled business model opportunities.	Learners demonstrate a clear and comprehensive analytical understanding of AI-enabled business model opportunities



	business model opportunities. Evidence shows an analysis of a selected sector or organisation to identify potential areas where AI could enable new or improved business models, showing understanding of sector or organisational context, including relevant characteristics such as customer needs, competitive environment or operational focus. Analysis covers the existing processes, value chains or customer interactions to identify realistic opportunities for AI application. Responses show how specific activities or interactions could be enhanced or reconfigured through AI, rather than proposing speculative or abstract uses. Analysis further examines how the identified AI-enabled business model opportunities align with organisational strategy, sector drivers or unmet needs. Evidence shows clear links between opportunities and context.	Analysis of the AI-enabled business model considers opportunities across multiple functions, stakeholder groups or operational horizons within the selected sector or organisation, showing Learners demonstrate a developed analytical approach to identifying AI-enabled business model opportunities. Analysis of the AI-enabled business model considers opportunities across multiple functions, stakeholder groups or operational horizons within the selected sector or organisation, showing how opportunities differ in scope, impact or relevance across different parts of the organisation or value chain. Responses demonstrate connected analysis, showing how opportunities identified in processes, customer interactions or value chains relate to broader organisational or sector drivers.	through systems thinking. Evidence examines the interrelationships between strategy, technology, people and operations when identifying AI-enabled business model opportunities. Analysis shows how changes in one area create dependencies, constraints or enabling conditions elsewhere, rather than treating opportunities in isolation. Responses demonstrate systems thinking by examining knock-on effects, tensions or reinforcing dynamics across functions or operational areas. Learners show how organisational priorities, technical capabilities and people-related considerations interact to shape which AI-enabled opportunities are realistic or constrained
Learning Outcome 4: Be able to develop a simple pilot or commercial case for an AI-enabled business model, including value drivers, delivery requirements and risk considerations.			
ACs	Pass	Merit	Distinction
4.1	<u>Analyse</u> the core value drivers underpinning a proposed AI-enabled business model or pilot.	<u>Analyse</u> how value drivers, delivery requirements and risks interact across the lifecycle of the AI initiative.	<u>Critically analyse</u> assumptions, dependencies and alternative scenarios



4.2	Analyse the key delivery requirements, including data, technology, skills and governance arrangements.		associated with the proposed AI-enabled pilot or commercial case, including how progression beyond initial implementation may introduce additional constraints or risks that affect feasibility and value realisation.
4.3	Analyse the main risks associated with implementing the proposed AI-enabled business model.		
Sufficiency Descriptors	Learners demonstrate a secure analytical understanding of the components required to develop a simple AI-enabled pilot or commercial case. Evidence examines the core value drivers underpinning the proposed AI-enabled business model or pilot, identifying how value is expected to be created, delivered or captured. Analysis shows clear understanding of the purpose of the initiative and the specific benefits it is intended to generate, without requiring comparison to alternative models. Evidence examines the key delivery requirements, including data, technology, skills and governance arrangements, showing how these requirements support the proposed AI initiative. Analysis demonstrates awareness of feasibility and implementation considerations, including dependencies between delivery requirements and the ability to realise intended value. Evidence examines the main risks associated with implementing the proposed	Learners demonstrate a developed analytical understanding of how the components of an AI-enabled pilot or commercial case connect over time. Evidence examines how value drivers, delivery requirements and risks interact across the lifecycle of the AI initiative, including early piloting and progression towards implementation. Analysis shows how dependencies between value, delivery and risk shape feasibility at different stages, rather than treating these elements in isolation. Evidence demonstrates clear reasoning about how changes in delivery conditions or risk exposure may influence the ability to sustain or scale the proposed value.	Learners demonstrate a clear and comprehensive understanding of how assumptions, dependencies and alternative scenarios shape the feasibility and value of AI-enabled pilots or commercial use cases. Evidence critically examines the key assumptions underpinning the proposed AI-enabled pilot or commercial case, including data availability, technical capability, organisational readiness or user behaviour, and examines how reliance on these assumptions affects feasibility and expected value. Evidence critically examines dependencies associated with the AI-enabled use case, such as dependencies on data quality, system integration, human oversight or third-party technologies, showing how constraints or weaknesses in these areas may affect performance, scalability or reliability. Evidence examines alternative scenarios,



	AI-enabled business model or pilot. Analysis shows awareness of how risks relate to delivery choices, data readiness or organisational capability, and how these risks could affect successful implementation or value realisation. Overall, learners show how value drivers, delivery requirements and risks relate to the proposed AI initiative in a coherent and logically structured way, demonstrating understanding of basic feasibility and implementation considerations appropriate to a simple pilot or commercial case.		including progression from pilot to wider implementation, and analyses how scaling or extended use may introduce additional constraints, risks or trade-offs that affect feasibility and value realisation over time. Analysis leads to a well-reasoned conclusion about the robustness of the proposed AI-enabled pilot or commercial case, recognising uncertainty, residual risk and the conditions under which feasibility or value may be strengthened or reduced.
--	---	--	---

Essential Teaching Content:

Learning Outcome 1: Understand how AI enables new value propositions and reshapes business models across sectors

- Value propositions and business models
 - The concept of value propositions within business models
 - Feature-led AI value propositions
 - Customer-outcome-led AI value propositions
 - How AI changes what organisations offer, how value is delivered and how value is captured
- AI capabilities supporting business model change: Prediction, Personalisation, Automation, Optimisation, Generative capabilities
- Types of AI-enabled business model change
 - Incremental AI-enabled improvements to existing business models
 - More transformational AI-driven changes to how value is created and delivered (e.g. incremental vs transformational innovation models as illustrative examples)
- Sector patterns of AI adoption
 - Consumer-facing business models
 - Operational or efficiency-led business models
 - Platform-based or data-driven business models
- AI-enabled value creation
 - Customer experience enhancement
 - Service personalisation
 - Dynamic pricing
 - Predictive maintenance
 - Outcome-based offerings
- Influence on market positioning



- How AI-enabled value propositions influence differentiation, efficiency or responsiveness
- How AI-enabled value propositions influence organisational positioning within a market, without requiring long-term strategic planning
- Illustrative examples
 - AI-driven recommendation systems supporting personalised service delivery (e.g. Netflix)
 - AI embedded across pricing, fulfilment and customer experience to support scalable platform models (e.g. Amazon)

Learning Outcome 2: Understand key enablers and constraints for successful AI adoption, including data readiness, skills, governance and supplier assurance

- Data readiness: Data quality, Data bias, Data governance, Assessing readiness for AI use (e.g. AI Readiness / Maturity Models, HSBC implementing strict data and model governance to support AI-driven financial decision-making)
- Organisational capability: Leadership understanding of AI, Workforce AI literacy, Change management requirements
- Governance, ethical and regulatory constraints
 - Accountability for AI use
 - Transparency and auditability
 - Clarifying roles and decision rights for AI systems (e.g. RACI or decision-rights models as illustrative approaches)
- Supplier assurance and third-party dependency
 - Reliance on external AI platforms or vendors
 - Explainability and transparency of third-party systems
 - Contractual control and long-term dependency risks
 - Approaches to supplier decisions (e.g. Make vs Buy vs Partner Analysis in an AI Context)
- Cultural and organisational factors
 - Trust in automated or augmented decision-making
 - Organisational risk appetite

Learning Outcome 3: Be able to analyse a sector or organisation to identify realistic AI-enabled business model opportunities

- Approaches to organisational and sector analysis
 - Examining how value is created and delivered within a sector or organisation
 - Analysing customer journeys and operational processes
 - Using structured analysis approaches (e.g. value chain or operating model analysis)
- Identifying AI-enabled opportunities
 - Identifying inefficiencies or unmet needs
 - Identifying areas where AI could improve performance or create new value
- Assessing feasibility and readiness
 - Data maturity
 - Leadership and organisational capability
 - Distinguishing viable opportunities from technically possible but unrealistic ones
- External influences on opportunity selection: Regulatory requirements, Competitive conditions, Customer expectations
- Scoping opportunities: Identifying opportunity scopes appropriate for pilot or early-stage adoption rather than full-scale transformation (e.g. Opportunity Scoping- Pilot vs Scale)
- Illustrative examples
 - AI-enabled precision agriculture services extending traditional equipment-based models (e.g. John Deere shifting from equipment sales towards AI-enabled precision agriculture services)



- AI applied to exploration, asset maintenance or optimisation activities (e.g. Shell)

Learning Outcome 4: Be able to develop a simple pilot or commercial case for an AI-enabled business model, including value drivers, delivery requirements and risk considerations

- Core components of a pilot or commercial case: Problem definition, Scope, Success measures
- Value drivers: Cost reduction, Service reliability, Revenue growth (e.g. Unilever piloting AI in demand forecasting to improve supply chain performance)
- Delivery requirements: Data sources, Technology infrastructure, Skills and capability, Governance arrangements, Use of external AI platforms or services
- Risk and assumptions
 - Identifying assumptions underpinning the initiative
 - Identifying ethical, operational and reputational risks
 - Considering how risks and assumptions may change as initiatives scale (e.g. Risk and Assumption Mapping)
- Pilot versus scale
 - Learning objectives for pilot initiatives
 - Decision points for progression or stop
 - Stakeholder impact at different stages
- Evolution over time
 - How AI-enabled initiatives may evolve beyond initial implementation
 - Maintaining governance, trust and value delivery as use expands



Unit 8: AI, Value Chains and Commercial Performance

Unit aims	This unit enables learners to analyse how artificial intelligence reshapes organisational value chains and commercial performance. Learners will explore how AI alters activities, roles and interdependencies across internal functions and external partners, and how commercial performance indicators are used to understand AI's contribution to cost efficiency, productivity and service outcomes. The unit also develops learners' ability to evaluate performance evidence critically, recognising limitations such as attribution challenges, data quality issues and time-lag effects. By the end of the unit, learners will be able to analyse and evaluate how AI impacts value chains and commercial performance using relevant performance evidence.
Unit level	4
Unit code	M/652/2350
GLH	40
TQT	150
Credit value	15
Unit grading structure	Fail / Pass / Merit / Distinction
Assessment guidance	Assessment for this unit should emphasise applied understanding of how AI reshapes organisational value chains, how its impact is monitored using commercial performance indicators, and how AI-driven changes affect operational performance, stakeholder outcomes and the interpretation of commercial evidence. Centres may use a variety of applied assessment methods as set out in the Developing Assessment Task – Guidance for Centres document. Learners may base their evidence on a real or fictional organisation, sector or business scenario, provided the context is realistic and familiar. Assessment activities should allow learners to demonstrate understanding of how AI is applied across value-chain activities, how roles and interdependencies change, how performance indicators are selected and interpreted, how AI-driven changes affect operations and stakeholders over time, and how limitations in performance measurement can introduce organisational risk.



	Learners are not expected to design AI systems, build performance dashboards, carry out statistical modelling, or develop organisational strategies or governance frameworks. All assessment briefs must be submitted to The AI Board for approval prior to use.
Example Assessment Methods	L01: Briefing paper analysing how AI reshapes activities, roles and interdependencies within a defined organisation or realistic scenario L02: Create a performance monitoring briefing that explains how different commercial performance indicators can be used to assess the impact of AI on cost, productivity and service outcomes. L03: Carry out an impact analysis of a defined AI- enabled change within a value chain. L04: Produce a critical review that examines the limitations and risks of measuring AI's commercial contribution within an organisational context

Unit Content:

Learning Outcome 1: Understand how AI reshapes organisational value chains, including activities, roles and interdependencies			
ACs	Pass	Merit	Distinction
1.1	<u>Clearly and comprehensively explain</u> how AI technologies are applied across different stages of an organisational value chain.	<u>Evaluate</u> how AI reshapes value-chain activities across multiple functions, making reasoned judgements about efficiency, coordination and value creation.	<u>Critically evaluate</u> how AI-driven changes to value-chain activities create new sources of value while introducing structural or dependency-related risks, <u>examining</u> trade-offs and potential constraints on flexibility within the defined organisational context.
1.2	<u>Clearly and comprehensively explain</u> how AI adoption changes roles, responsibilities and skill requirements within value-creating activities.		
1.3	<u>Clearly and comprehensively explain</u> how AI affects interdependencies between functions, teams or external partners within the value chain.		



Sufficiency Descriptors	Learners demonstrate a secure understanding of how AI reshapes organisational value chains. Evidence considers how AI technologies are applied across different stages of an organisational value chain, showing how AI supports or alters activities within areas such as operations, service delivery, coordination or partner interactions. Evidence shows how AI adoption changes roles, responsibilities and skill requirements within value-creating activities. Explanations show understanding of how AI may shift tasks between humans and systems, introduce new skill demands or change accountability within teams. Evidence shows how AI affects interdependencies between functions, teams or external partners within the value chain. Responses show awareness of how AI can change information flows, coordination requirements or reliance on shared systems or suppliers.	Learners demonstrate a developed understanding of how AI-enabled changes to value chains influence organisational performance. Evidence considers how AI reshapes value-chain activities across multiple functions by making reasoned judgements about impacts on efficiency, coordination and value creation. Responses consider both benefits, such as improved productivity or insight, and challenges, such as increased complexity, dependency or coordination effort. Evidence draws a balanced and well-reasoned conclusion on how changes to activities, roles and interdependencies combine to influence value creation across the organisation, rather than treating these elements in isolation. Conclusions are supported by relevant examples and remain grounded in realistic organisational contexts.	Learners demonstrate a clear and comprehensive understanding of how AI-driven changes to value-chain activities affect value creation within a defined organisational context. Evidence critically considers sources of value, such as improved efficiency, coordination or responsiveness, while also introducing structural or dependency-related risks. Evaluation shows how changes in one part of the value chain may strengthen value creation in some areas while constraining or increasing risk in others. Evidence examines trade-offs between value creation and emerging constraints, including reduced flexibility, increased reliance on specific technologies, data flows or partners, and challenges arising from tighter system integration, showing how these trade-offs shape the organisation's ability to adapt or respond to change. Evaluation includes a balanced, well-reasoned conclusion about how far AI-driven value-chain changes are beneficial within the defined context, recognising that increased value may be accompanied by structural dependencies or constraints that limit
--------------------------------	--	---	---



			flexibility and introduce ongoing risk.
Learning Outcome 2: Understand how commercial performance indicators are used to monitor the impact of AI on cost, productivity and service outcomes.			
ACs	Pass	Merit	Distinction
2.1	<u>Clearly and comprehensively explain</u> key commercial performance indicators used to assess AI impact on cost efficiency.	<u>Evaluate</u> the suitability of different commercial performance indicators for assessing AI impact across functions and time horizons including consideration of which indicators are most informative in different organisational or operational contexts.	<u>Critically evaluate</u> the limitations of commercial performance indicators used to assess the impact of AI, including challenges of attribution, data quality and time-lag effects.
2.2	<u>Clearly and comprehensively explain</u> how productivity metrics are used to measure AI-enabled operational performance.		
2.3	<u>Clearly and comprehensively explain</u> service-related indicators used to monitor AI's impact on quality, responsiveness or customer outcomes.		
Sufficiency Descriptors	Learners demonstrate a secure understanding of how commercial performance indicators are used to monitor the impact of AI across cost, productivity and service outcomes. Evidence considers key commercial performance indicators used to assess AI impact on cost efficiency. Explanations show understanding of what the indicators measure and how they are used to track changes in costs, savings or efficiency associated with AI adoption.	Learners demonstrate a developed understanding of how commercial performance indicators can be selected and applied to assess AI impact in different contexts. Evidence considers the suitability of different commercial performance indicators for assessing the impact of AI across functions and time horizons, considering how well indicators capture outcomes such as cost, productivity or service performance in different contexts. Evaluation shows understanding that	Learners demonstrate a clear and comprehensive understanding of the limitations involved in interpreting AI-related performance evidence. Evidence critically considers the limitations of commercial performance indicators used to assess the impact of AI, examining challenges such as attribution, data quality and time-lag effects. Critical evaluation is shown through questioning the extent to which observed performance changes can



	Evidence considers how productivity metrics are used to measure AI-enabled operational performance. Responses show understanding of how metrics such as output, throughput or utilisation are used to monitor performance changes linked to AI use. Evidence considers service-related indicators used to monitor AI's impact on quality, responsiveness or customer outcomes. Explanations show awareness of how service performance is tracked and how AI-related changes may be reflected in these indicators.	the usefulness of indicators depends on where AI is applied and how impact is expected to emerge over time. Evidence draws clear, well-reasoned conclusions about which indicators are most informative for different purposes, recognising that some measures are better suited to short-term monitoring while others provide more meaningful insight into longer-term impact. Conclusions show awareness that no single indicator is sufficient in all contexts and that indicator selection must reflect both function and time horizon.	confidently be linked to AI rather than other factors. Evidence draws balanced and well-reasoned conclusions about the confidence that can be placed in performance evidence across different contexts, recognising uncertainty and limitations rather than assuming indicators provide definitive proof of AI impact.
Learning Outcome 3: Be able to analyse how AI-driven changes to value chains affect operational performance and stakeholder outcomes.			
ACs	Pass	Merit	Distinction
3.1	<u>Analyse</u> AI-driven changes to value-chain activities by examining how <u>specific changes</u> introduced by AI affect operational performance in a defined organisational or scenario-based context.	<u>Evaluate</u> how AI-driven changes to value-chain activities, operational performance and stakeholder outcomes interact, <u>including</u> tensions between efficiency, quality and stakeholder experience.	<u>Critically evaluate</u> how AI-driven changes to value-chain activities, operational performance and stakeholder outcomes interact <u>by examining</u> underlying assumptions, indirect effects and unintended consequences, <u>and how these influence</u> performance stability and stakeholder experience over time within the defined context.
3.2	<u>Analyse</u> the effects of AI adoption on key stakeholders, including employees, customers or partners, by examining who is affected, how they are affected and why these effects arise.		



3.3	Analyse evidence of operational or service performance improvement or degradation resulting from AI-enabled value-chain changes, using relevant performance or service information to support conclusions.		
Sufficiency Descriptors	Learners demonstrate a secure ability to analyse how AI-driven changes to value chains affect operational performance and stakeholder outcomes. Evidence examines AI-driven changes to value-chain activities by identifying specific changes introduced by AI and examining how these changes affect operational performance in a defined organisational or scenario-based context. Analysis shows clear links between AI-enabled activity changes and performance effects such as efficiency, quality, reliability or throughput. Evidence examines the effects of AI adoption on key stakeholders, including employees, customers or partners, by examining who is affected, how they are affected and why these effects arise in relation to AI-enabled value-chain changes. Evidence examines evidence of operational or service performance improvement or degradation resulting from AI-enabled value-chain changes. Analysis draws	Learners demonstrate a developed evaluative understanding of how AI-driven value-chain changes affect organisations and stakeholders. Evidence considers how AI-driven changes to value-chain activities, operational performance and stakeholder outcomes interact, making reasoned judgements about the nature of these interactions. Evaluation explicitly considers tensions between efficiency, quality and stakeholder experience, showing how improvements in one area may introduce pressures or trade-offs in others. Evidence draws balanced, well-reasoned conclusions about how these interactions shape overall performance and stakeholder outcomes within the defined context, rather than describing impacts in isolation.	Learners demonstrate a clear and comprehensive understanding of how AI-driven changes affect organisations when considered across value-chain activities, operational performance and stakeholder outcomes. Evidence critically considers how AI-driven changes to value-chain activities, operational performance and stakeholder outcomes interact, examining the assumptions underpinning AI use and identifying indirect effects and unintended consequences that may arise as AI is embedded across organisational processes. Evaluation shows how impacts in one area can reinforce, offset or destabilise outcomes in others. Evidence considers how these interactions influence performance stability and stakeholder experience over time, including how short-term gains may lead to longer-term risks, variability or dependency, and how stakeholder outcomes may change as AI use evolves.



	on relevant performance or service information to support conclusions about the nature and direction of performance impacts. Overall, learners demonstrate analytical skill by linking activity changes, performance effects, stakeholder outcomes and supporting evidence, though these elements may be considered largely as separate strands.		Evaluation includes a balanced, well-reasoned conclusion about the overall effect of these interacting impacts within the defined context, recognising uncertainty, residual risk and the limits of control when AI-driven changes are sustained over time.
Learning Outcome 4: Understand limitations and risks associated with measuring AI's commercial contribution, including attribution, data quality and time-lag effects.			
ACs	Pass	Merit	Distinction
4.1	<u>Clearly and comprehensively explain</u> challenges associated with attributing commercial performance outcomes directly to AI systems.	<u>Evaluate</u> how attribution challenges, data limitations and time-lag effects influence the reliability of AI performance assessment and the confidence that can be placed in related commercial decision-making.	<u>Critically evaluate</u> the organisational risks that arise when limitations in AI performance measurement are not recognised, examining how misinterpretation of evidence can affect decision quality, confidence in AI-enabled initiatives and stakeholder trust.
4.2	<u>Clearly and comprehensively explain</u> how data quality issues affect the reliability and validity of AI performance measurement.		
4.3	<u>Clearly and comprehensively explain</u> the impact of time-lag effects on assessing AI's commercial contribution.		
Sufficiency Descriptors	Learners demonstrate a secure understanding of the key limitations involved in measuring the commercial contribution of AI. Evidence considers challenges associated with attributing commercial	Learners demonstrate a developed understanding of how measurement limitations affect confidence in AI-related performance evidence. Evidence considers how attribution challenges, data quality limitations and	Learners demonstrate a clear and comprehensive understanding of the organisational risks that arise when limitations in AI performance measurement are not properly recognised or addressed.



	performance outcomes directly to AI systems. Explanations show understanding of why isolating AI's impact is difficult, for example due to concurrent organisational changes, human decision-making or multiple influencing factors. Evidence considers how data quality issues affect the reliability and validity of AI performance measurement. Responses show understanding of how incomplete, biased or inconsistent data can undermine confidence in reported performance outcomes. Evidence considers the impact of time-lag effects on assessing AI's commercial contribution. Explanations show awareness that AI benefits or drawbacks may emerge over different timeframes, making early performance assessment uncertain or misleading. Overall, learners demonstrate understanding of each limitation as a distinct factor, without necessarily linking them together.	time-lag effects influence the reliability of AI performance assessment. Evaluation shows how these factors interact to increase uncertainty and reduce confidence in performance conclusions. Evidence draws balanced and well-reasoned conclusions about the extent to which AI performance evidence can be relied upon for commercial decision-making, recognising that some indicators may be more informative than others depending on context and timing.	Evidence critically considers over-reliance on incomplete metrics, inappropriate indicators or short-term results, can affect the quality of organisational decision-making. Evaluations show how flawed interpretation may lead to overconfidence, misplaced investment, or failure to identify emerging issues in AI-enabled initiatives. Evidence critically considers how this measurement limitations influence confidence in AI-enabled initiatives, including impacts on internal trust, governance effectiveness and willingness to rely on AI-supported insights. Evaluation includes a balanced, well-reasoned conclusion about how misinterpretation of AI performance evidence can undermine stakeholder trust, recognising that confidence in AI use depends not only on system performance but on the organisation's ability to interpret, communicate and act on performance information appropriately.
--	---	---	---

Essential Teaching Content:

Learning Outcome 1: Understand how AI reshapes organisational value chains, including activities, roles and interdependencies.

- Organisational value chains
 - Overview of organisational value chains and how value is created across primary and support activities



- Primary activities such as inbound logistics, operations, marketing and service
- Support activities that enable value creation
- Established perspectives on value chains (e.g. Michael Porter's value chain concepts, used illustratively)
- AI application across the value chain
 - Application of AI technologies at different stages of the value chain
 - Automation, prediction, optimisation and decision-support uses of AI
 - Examples such as demand forecasting within operations or AI-assisted customer service
- Roles, responsibilities and skills
 - Changes to roles and responsibilities resulting from AI adoption
 - Task reallocation between humans and AI systems
 - Shifts from manual processing to oversight, monitoring and exception handling
- Coordination and interdependencies
 - Impact of AI on coordination between functions and teams
 - Strengthened interdependencies across the value chain
 - Examples such as tighter integration between sales forecasting and supply chain planning
- Internal and external value-chain implications
 - Internal value-chain changes within organisations
 - External implications involving platforms, ecosystems or third-party providers
 - Examples such as reliance on cloud-based AI platforms or outsourced analytics suppliers
- Models and techniques
 - Value chain analysis as a way of understanding how activities connect
 - Systems thinking approaches
 - Socio-technical systems perspectives
- AI-enabled value-chain change
 - Predictive maintenance reshaping manufacturing operations
 - AI-driven routing optimising logistics networks

Learning Outcome 2: Understand how commercial performance indicators are used to monitor the impact of AI on cost, productivity and service outcomes.

- Purpose of commercial performance indicators
 - Role of performance indicators in monitoring AI-enabled change
 - Use of indicators to assess the outcomes of AI investment and optimisation
- Cost-related indicators:
 - Unit cost reduction
 - Cost-to-serve measures
 - Automation-related savings
- Productivity indicators:
 - Output per employee
 - Cycle time reduction
 - Throughput measures
- Service and quality indicators:
 - Response time,
 - Accuracy,
 - Customer satisfaction
- Time horizons in performance measurement:
 - Leading indicators,
 - Lagging indicators,
 - Differences in how indicators capture AI impact over time
- Performance monitoring tools:



- Performance dashboards,
 - Management reports,
 - Use of dashboards to support decisions about optimisation or scaling
- Trade-offs in performance outcomes
 - Trade-offs between financial efficiency, productivity gains and service outcomes
 - Examples such as automation improving speed while affecting customer experience
- Models and techniques
 - Balanced scorecard approaches
 - KPI frameworks
- Applied examples
 - AI chatbots monitored using cost per interaction and resolution rate
 - AI forecasting tools measured through forecast accuracy and stock availability

Learning Outcome 3: Be able to analyse how AI-driven changes to value chains affect operational performance and stakeholder outcomes.

- Operational performance analysis
 - Methods for analysing performance impacts resulting from AI-driven value-chain change
- Stakeholder identification
 - Employees
 - Customers
 - Suppliers
 - Partners
- Performance over time
 - Short-term performance effects following AI implementation
 - Medium-term performance effects
 - Examples such as initial disruption followed by efficiency gains
- Cross-functional impacts
 - Effects of AI adoption across multiple value-chain activities
 - Examples such as operational efficiencies creating new pressures for customer-facing teams
- Stakeholder outcomes
 - Differences in impact based on role, authority and proximity to AI systems
- Tensions and trade-offs
 - Trade-offs between efficiency, quality, control and stakeholder experience
- Analytical techniques
 - Stakeholder mapping
 - Impact analysis
 - Cause-and-effect analysis
- Applied examples
 - Workforce concerns arising from automated scheduling
 - Customer benefits from faster fulfilment

Learning Outcome 4: Understand limitations and risks associated with measuring AI's commercial contribution, including attribution, data quality and time-lag effects.

- Attribution challenges
 - Difficulty attributing commercial outcomes directly to AI
 - Complex organisational systems affecting attribution
- Interaction with other change factors
 - Process redesign



- Training and capability development
 - Market conditions
 - Data quality risks
 - Bias in data
 - Incomplete datasets
 - Inconsistent data
 - Time-lag effects
 - Delay between AI implementation and observable outcomes
 - Risks of misinterpretation
 - Over-confidence in AI-generated performance metrics
 - Behavioural and organisational consequences
 - Behavioural responses to performance metrics
 - Organisational impacts of misinterpreting AI evidence
 - Measurement limitations
 - Limitations of traditional performance measurement approaches when applied to AI-enabled systems
 - Approaches to improving robustness
 - Triangulation of metrics
 - Phased evaluation
 - Governance oversight
 - Applied examples
 - Difficulty isolating AI impact on sales growth
 - Delayed returns from predictive analytics investments
-



Version Control

Version Number	Summary of change	Date Changed
V 1	Original	June 2026
V 2		

