THE AI BOARD

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Level 5 Diploma in AI Business

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Level 5 Diploma in AI – Business 610/7675/2

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.org

Qualifications in this specification

The AI Board Level 5 Diploma in AI – Business

Overview

The qualification purposes

The Level 5 Diploma in AI – Business is designed to develop learners' ability to evaluate and justify the strategic use of artificial intelligence (AI) within complex organisational contexts. It focuses on enterprise-level decision-making, governance, risk, and value creation, supporting learners to engage with AI as a driver of organisational strategy and transformation.

The qualification is suitable for individuals preparing for higher-level study or working in roles that involve strategic planning, leadership, or decision-making. It supports progression by developing advanced skills in critical evaluation, trade-off analysis, and the justification of AI-related decisions in relation to risk, value, ethics and organisational impact. Learners will gain the capability to contribute to strategic discussions and make defensible, well-reasoned recommendations about AI adoption and use at organisational level.

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 5

Regulation dates

This qualification is regulated by the following regulatory bodies:

- Ofqual from 25/6/26 for delivery by centres from 25/6/26

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 3 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.

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 5 and designed to support progression with advanced standing to the third 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 — Strategic AI in Enterprise Contexts	R/652/2351	5	40	15
Unit 2 — Assurance of AI Regulation, Ethics	T/652/2352	5	40	15

and Accountability at Scale				
Unit 3 — Financial Considerations of AI Implementation	Y/652/2353	5	40	15
Unit 4 — Enterprise Operations, Risk and Resilience with AI	A/652/2354	5	40	15
Unit 5 — AI and Workforce Transition, Ethics and Social Impact	D/652/2355	5	40	15
Unit 6 — AI-Enabled Business Model Innovation and Scaling	F/652/2356	5	40	15
Unit 7 - Organisational AI Adoption, Governance and Change Leadership	H/652/2357	5	40	15
Unit 8 - Enterprise AI Decision-Making and Strategic Trade-Offs	J/652/2358	5	40	15

Note that Unit 2 — Assurance of AI Regulation, Ethics and Accountability at Scale is also used in other Level 5 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 externally 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 summarises 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: Strategic AI in Enterprise Contexts	
Unit aims	This unit enables learners to critically examine how AI reshapes competitive strategy, sector models and value creation at organisational scale, and evaluate conditions required for successful strategic adoption. Learners will develop a strategic, enterprise-level understanding of Artificial Intelligence (AI) and its implications for competitive positioning, sector dynamics and long-term value creation. They will explore how organisations identify, prioritise and govern AI initiatives at scale, evaluate the organisational and technical conditions required for successful adoption, and develop a strategically aligned enterprise recommendation that integrates capability, risk and value considerations. The unit requires learners to make and justify strategic AI decisions in complex organisational contexts.
Unit level	5
Unit code	R/652/2351
GLH	40
TQT	150
Credit value	15
Unit grading structure	Fail / Pass / Merit / Distinction
Assessment guidance	Assessment for this unit should emphasise applied strategic analysis, critical evaluation and the use of informed judgement in relation to how AI reshapes organisational competitiveness, sector models and value creation at scale.

	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 how AI is shaping organisational strategy, competitive positioning and value creation at scale. Assessment approaches should focus on applied analytical and evaluative activities such as strategic case studies, organisational reviews, comparative sector analysis or scenario-based assignments that support justified conclusions about AI adoption and investment priorities. Activities should enable learners to synthesise information from multiple sources, apply clear evaluative criteria and make reasoned strategic judgements about organisational readiness, commercial and operational impact, and the effectiveness of responses to AI-related risk. Assessment should reflect realistic strategic decision-making contexts rather than descriptive accounts of technologies or high-level commentary. All assessments must be submitted to The AI Board for approval prior to use.
Example Assessment Methods	LO1: Produce an enterprise-level recommendation for AI adoption within a chosen organisational or sector context. LO2: Full unit assessment - see LO1 LO3: Full unit assessment - see LO1

Unit Content:

Learning Outcome 1: Understand how AI can reshape competitive strategy , sector dynamics and enterprise value creation			
AC	**Pass**	**Merit**	**Distinction**
1.1	Clearly and comprehensively explain the key ways in which AI technologies can influence competitive advantage at enterprise level, including differentiation, cost leadership and strategic positioning.	Evaluate the impact of AI-enabled technologies on competitive dynamics within a chosen sector, considering both incumbent organisations and new market entrants.	Critically evaluate how AI can reshape enterprise strategy beyond operational efficiency, including implications for long-term positioning, innovation pathways and business model evolution.

1.2	Clearly and comprehensively explain the key ways in which AI adoption can reshape sector structures, value chains and patterns of competition across industries.	Evaluate how different strategic uses of AI can affect value distribution across customers, partners and wider ecosystems.	Critically evaluate the strategic risks and unintended consequences arising from AI-driven competition at sector or market level.
1.3	Clearly and comprehensively explain the main forms of enterprise value generated through AI adoption, including revenue growth, productivity improvement, risk reduction and strategic optionality.	Evaluate the sustainability of AI-driven competitive advantage in the context of imitation, regulatory pressures and technological change.	Critically evaluate the extent to which AI can be considered a durable source of enterprise value rather than a transient technological advantage.
Sufficiency Descriptor	Learners demonstrate a secure and well-structured understanding of how AI influences competitive strategy, sector dynamics and enterprise value creation. Evidence shows clear and comprehensive explanations of the ways in which AI technologies can influence competitive advantage at enterprise level. Explanations describe how AI capabilities may support differentiation, cost leadership or strategic positioning within organisational strategy. Evidence also shows clear explanations of how AI adoption can reshape sector structures, value chains and patterns of competition across industries. Responses	Learners demonstrate a developed understanding of how AI influences competitive dynamics, value distribution and the sustainability of competitive advantage. Evidence shows evaluation of how AI-enabled capabilities influence competitive dynamics within a chosen sector. Evidence explains how AI capabilities may affect the competitive position of incumbent organisations and new market entrants. Responses consider factors such as technological capability, market structure, competitive responses or innovation pace, and draw reasoned and balanced conclusions about the	Learners demonstrate a clear and comprehensive understanding of the strategic implications of AI for enterprise strategy and market competition. Evidence shows critical evaluation of how AI reshapes enterprise strategy beyond operational efficiency. Evidence explains how AI may influence long-term strategic positioning, innovation pathways and business model development. Responses consider multiple perspectives, including competitive dynamics, technological capability, organisational readiness and market change, and draw well-reasoned and balanced conclusions about the strategic

	explain how AI may affect relationships between incumbents, new entrants, partners and ecosystem participants. Evidence shows clear explanations of the main forms of enterprise value generated through AI adoption. Explanations describe how AI may contribute to outcomes such as revenue growth, productivity improvement, risk reduction or strategic optionality, demonstrating understanding of how these forms of value arise within enterprise contexts.	impact of AI on sector competition. Evidence also shows evaluation of how different strategic uses of AI affect value distribution across customers, partners and wider ecosystems. Evidence explains how AI may change where value is created and captured within value chains or digital ecosystems. Responses consider the implications for different participants in the ecosystem and draw reasoned and balanced conclusions about how AI influences value distribution. Evidence shows evaluation of the sustainability of AI-driven competitive advantage. Evidence explains why AI capabilities may initially create competitive advantage and considers factors such as imitation, regulatory pressure, capability diffusion or technological change. Responses draw reasoned and balanced conclusions about the extent to which AI can provide sustainable competitive advantage.	implications of AI adoption. Evidence also shows critical evaluation of the strategic risks and unintended consequences arising from AI-driven competition. Evidence explains how these risks may emerge and considers factors such as technological dependency, market concentration, regulatory responses or ecosystem disruption. Responses examine both opportunities and risks and draw balanced conclusions about the wider strategic implications of AI-driven competition. Evidence shows critical evaluation of the extent to which AI can be considered a durable source of enterprise value. Evidence explains competing perspectives on AI as a source of advantage and considers factors such as scalability, imitation, capability maturity and regulatory constraints. Responses draw well-reasoned and balanced conclusions about whether AI represents a sustained strategic advantage or a temporary technological benefit.
Learning Outcome 2: Be able to analyse and justify how organisations identify, prioritise and govern AI initiatives as part of an enterprise portfolio.			
AC	**Pass**	**Merit**	**Distinction**

2.1	Analyse how organisations identify potential AI initiatives across the enterprise including sources of demand, opportunity and innovation.		
2.2	Analyse how organisations assess and prioritise AI initiatives within an enterprise portfolio.	Justify how AI initiatives should be prioritised within an enterprise portfolio, explaining why certain initiatives should be advanced, delayed or deprioritised.	Critically evaluate how organisations prioritise and govern AI initiatives as an enterprise portfolio, drawing balanced and well-reasoned conclusions on how governance arrangements, risk management and assurance mechanisms together support strategic alignment, value realisation and responsible AI delivery.
2.3	Clearly and comprehensively explain how governance structures, roles and processes support the oversight of AI initiatives within an enterprise portfolio.	Evaluate the importance of governance arrangements, drawing balanced and well-thought-through conclusions on how they enable effective prioritisation, control and alignment of AI initiatives with enterprise objectives.	
2.4	Clearly and comprehensively explain the role of risk management, assurance and accountability in governing AI initiatives at enterprise level.	Evaluate how risk management, assurance and accountability practices support effective governance of AI initiatives at portfolio level, drawing balanced and well-thought-through conclusions on their contribution to responsible and aligned AI delivery. .	
Sufficiency Descriptor	Learners demonstrate a secure ability to analyse how organisations identify, prioritise and govern AI initiatives within an enterprise portfolio. Evidence shows analysis of how organisations identify potential AI initiatives across	Learners demonstrate a developed ability to analyse and justify how organisations prioritise and govern AI initiatives within an enterprise portfolio. Evidence shows justification of how AI initiatives should be prioritised within an	Learners demonstrate a clear and comprehensive ability to critically evaluate how organisations prioritise and govern AI initiatives as an enterprise portfolio.

	the enterprise. Analysis examines sources of demand, opportunity or innovation such as operational improvement, strategic transformation, customer needs or technological developments, and explains how these sources contribute to identifying potential AI initiatives. Evidence also shows analysis of how organisations assess and prioritise AI initiatives within an enterprise portfolio. Analysis examines the criteria and considerations used to compare initiatives, such as strategic alignment, expected value, feasibility, organisational capability or risk. Evidence shows clear and comprehensive explanations of how governance structures, roles and processes support the oversight of AI initiatives within an enterprise portfolio. Explanations describe how governance arrangements enable coordination, accountability and alignment between initiatives and enterprise objectives. Evidence also shows clear explanations of the role of risk management, assurance and accountability in governing AI initiatives at portfolio level. Responses explain how these mechanisms support responsible oversight and help ensure AI initiatives are	enterprise portfolio. Evidence explains why certain initiatives should be advanced, delayed or deprioritised and considers factors such as strategic alignment, organisational capability, expected value, implementation feasibility and risk. Responses draw reasoned and balanced conclusions about how initiatives should be prioritised within the portfolio. Evidence also shows evaluation of the importance of governance arrangements in overseeing AI initiatives. Evidence explains how governance structures, roles and processes support oversight of initiatives and considers how these arrangements influence coordination, prioritisation and alignment with enterprise objectives. Responses draw reasoned and balanced conclusions about the contribution of governance arrangements to effective portfolio management. Evidence shows evaluation of how risk management, assurance and accountability practices support governance of AI initiatives at portfolio level. Evidence explains how these mechanisms operate and considers their role in supporting responsible delivery, oversight and alignment of AI initiatives. Responses draw reasoned and balanced conclusions about how effectively these practices support	Evidence shows critical evaluation of how organisations prioritise and govern AI initiatives within an enterprise portfolio. Evidence explains how governance arrangements, prioritisation processes, risk management and assurance mechanisms operate together to support strategic alignment and value realisation. Responses consider multiple perspectives, including strategic objectives, organisational capability, governance effectiveness and risk management requirements. Evidence analyses strengths and limitations in the way organisations prioritise and govern AI initiatives and examines how these factors influence responsible and aligned AI delivery. Critical evaluations lead to well-reasoned and balanced conclusions about how effectively governance arrangements, prioritisation approaches and assurance mechanisms support strategic alignment, value realisation and responsible AI delivery

	delivered in a controlled and aligned way.	governance of AI initiatives within the enterprise portfolio.	within the enterprise portfolio.
Learning Outcome 3: Be able to analyse and justify the organisational, technical and data-related conditions required for successful strategic AI adoption at scale.			
AC	**Pass**	**Merit**	**Distinction**
3.1	Analyse the organisational conditions required for successful strategic AI adoption at scale.	Justify which organisational conditions are most critical for successful strategic AI adoption at scale, explaining why weaknesses in these areas are likely to constrain adoption.	Critically evaluate how organisational, technical and data-related conditions interact to enable or constrain successful strategic AI adoption at scale, drawing balanced and well-reasoned conclusions on organisational readiness, capability gaps and the risks arising from misalignment between these conditions.
3.2	Analyse the technical and data-related conditions required to support AI adoption at enterprise scale.	Justify which technical and data-related conditions are most critical for AI adoption at enterprise scale, explaining why shortcomings would limit scalability or strategic impact.	
3.3	Clearly and comprehensively explain why organisational, technical and data-related conditions must be aligned to enable successful strategic AI adoption at scale.	Evaluate the importance of aligning organisational, technical and data-related conditions for successful strategic AI adoption at scale.	
Sufficiency Descriptor	Learners demonstrate a secure ability to analyse the organisational, technical and data-related conditions required for successful	Learners demonstrate a developed ability to analyse and justify the organisational, technical and data-related conditions	Learners demonstrate a clear and comprehensive ability to critically evaluate the conditions required for

	strategic AI adoption at scale. Evidence shows analysis of the organisational conditions required to support strategic AI adoption. Analysis examines factors such as leadership support, governance arrangements, workforce capability, organisational culture or operating models, explaining how these conditions influence the organisation's ability to adopt AI successfully. Evidence also shows analysis of the technical and data-related conditions required to support AI adoption at enterprise scale. Analysis examines factors such as data availability and quality, technical infrastructure, system integration, platform capability or data governance, explaining how these conditions support scalable AI deployment. Evidence shows clear and comprehensive explanations of why organisational, technical and data-related conditions must be aligned to enable successful AI adoption at scale. Explanations describe how these conditions interact and why weaknesses or gaps in one area may constrain adoption even when other capabilities are present.	required for strategic AI adoption at scale. Evidence shows justification of which organisational conditions are most critical for successful strategic AI adoption. Evidence explains why particular organisational capabilities such as governance, leadership support, skills or operating models are essential and considers how weaknesses in these areas may constrain adoption. Responses draw reasoned and balanced conclusions about which organisational conditions are most critical. Evidence also shows justification of which technical and data-related conditions are most critical for AI adoption at enterprise scale. Evidence explains why certain data capabilities, technical infrastructure or platform arrangements are necessary for scalability or strategic impact and considers how shortcomings in these areas may limit AI adoption. Responses draw reasoned and balanced conclusions about the most important technical and data-related conditions. Evidence shows evaluation of the importance of aligning organisational, technical and data-related conditions. Evidence explains how these conditions influence one another and considers the consequences of misalignment between capability areas. Responses draw reasoned and balanced conclusions about the	successful strategic AI adoption at scale. Evidence shows critical evaluation of how organisational, technical and data-related conditions interact to enable or constrain AI adoption. Evidence explains how these capabilities operate together within enterprise environments and analyses how strengths or weaknesses in one area may influence the effectiveness of others. Responses consider multiple perspectives including organisational capability, technical infrastructure, data readiness and governance maturity. Evidence analyses both strengths and limitations in organisational readiness and considers how gaps or imbalances between conditions may create risks or barriers to successful AI adoption. Critical evaluations lead to well-reasoned and balanced conclusions about organisational readiness for AI adoption at scale, identifying capability gaps and explaining how misalignment between

		importance of alignment for successful AI adoption at scale.	organisational, technical and data-related conditions may constrain strategic AI deployment.

Essential Teaching Content:

Learning Outcome 1: Understand how AI reshapes competitive strategy, sector dynamics and enterprise value creation

- Strategic role of AI as a driver of competitive advantage rather than solely an operational efficiency tool
- Forms of AI-enabled competitive positioning (e.g. differentiation through data-driven services, cost leadership through automation, ecosystem positioning through platforms)
- Impact of AI on sector structure and patterns of competition (e.g. barriers to entry, market concentration, digital platform dominance, value chain reconfiguration)
- AI-enabled shifts in value creation and capture (e.g. data monetisation, service innovation, predictive decision-making, new business models)
- Role of digital ecosystems, partnerships and network effects in shaping AI-driven competition
- Sustainability of AI-driven competitive advantage (e.g. imitation risk, capability diffusion, regulatory constraints, technological change)
- Strategic risks and unintended consequences arising from AI-driven competition (e.g. technology dependency, reputational risk, regulatory intervention, workforce impact)
- Real-world strategic and sector examples (e.g. Netflix recommendation systems supporting platform strategy, Amazon predictive analytics shaping logistics advantage, Volkswagen emissions scandal illustrating technology-driven competitive pressure and long-term value erosion)

Learning Outcome 2: Be able to analyse and justify how organisations identify, prioritise and govern AI initiatives as part of an enterprise portfolio

- Sources of AI initiative identification across the enterprise (e.g. operational performance gaps, customer experience improvement, strategic transformation objectives, emerging technology opportunities)
- Approaches to assessing potential AI initiatives (e.g. strategic alignment, expected value, feasibility, capability readiness, data availability)
- Enterprise portfolio prioritisation principles (e.g. balancing short-term operational gains with long-term strategic initiatives, managing interdependencies between initiatives)
- Resource allocation and sequencing decisions in AI investment portfolios
- Governance structures supporting AI initiative oversight (e.g. executive sponsorship, cross-functional governance forums, integration with investment and risk governance processes)
- Role of assurance, accountability and performance monitoring in managing AI initiatives at portfolio level
- Responsible AI governance considerations in prioritisation decisions (e.g. ethical risk, stakeholder trust, regulatory exposure)
- Real-world portfolio and governance examples (e.g. enterprise AI transformation programmes within IBM or Google, organisations prioritising automation and analytics initiatives within wider digital transformation portfolios)

Learning Outcome 3: Be able to analyse and justify the organisational, technical and data-related conditions required for successful strategic AI adoption at scale

- Organisational readiness factors influencing AI adoption (e.g. leadership commitment, workforce capability development, cultural readiness for experimentation, operating model change)
- Technical capability requirements for enterprise AI deployment (e.g. scalable infrastructure, integration with legacy systems, platform strategy, vendor dependency considerations)
- Data capability and governance conditions (e.g. data quality, accessibility, stewardship, privacy and security requirements)
- Interdependencies between organisational, technical and data capabilities in enabling scalable AI implementation
- Risks arising from capability gaps or misalignment (e.g. fragmented deployment, technical debt, unrealised value, implementation delays)
- Enterprise change management challenges associated with scaling AI adoption
- Monitoring and continuous improvement mechanisms supporting capability maturity
- Real-world adoption and readiness examples (e.g. Microsoft chatbot deployment challenges highlighting governance and monitoring gaps, organisations experiencing AI implementation delays due to poor data quality or limited workforce capability)

Unit 2: Assurance of AI Regulation, Ethics and Accountability at Scale	
Unit aims	This unit enables learners to interpret regulatory, ethics, assurance and accountability obligations associated with the deployment of advanced AI systems at organisational scale. 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 examine localised ethics frameworks and governance requirements regulatory frameworks such as the EU AI Act, including risk classification, transparency and auditability requirements, and evaluate how these obligations translate into organisational controls, evidence and assurance mechanisms. The unit further develops learners' ability to assess risks associated with non-compliance and critically evaluate organisational readiness to evidence AI compliance across governance, operational and decision-making structures. By the end of the unit, learners will be able to evaluate and justify organisational approaches to AI compliance, assurance and accountability at scale, taking account of relevant local requirements and organisational context.
Unit level	5
Unit code	T/652/2352
GLH	40
TQT	150
Credit value	15
Unit grading structure	Fail / Pass / Merit / Distinction
Assessment guidance	Assessment for this unit should emphasise applied interpretation, critical evaluation and informed judgement in relation to regulatory obligations, assurance expectations and accountability requirements associated with the deployment of advanced AI systems at organisational scale. 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 how regulatory requirements for AI translate into organisational governance arrangements, control mechanisms and assurance processes. Assessment approaches should focus on applied evaluative activities such as regulatory case studies, organisational compliance reviews, scenario-based assurance tasks or structured analytical reports that support reasoned conclusions about compliance risk and organisational readiness. Activities should enable learners to interpret regulatory expectations accurately, apply appropriate terminology, and critically assess the extent to which organisations can evidence responsible AI deployment through governance, operational and decision-making structures. Assessment should reflect realistic regulatory and assurance contexts rather than descriptive summaries of legislation or theoretical commentary. Learners are not expected to provide formal legal interpretation, develop full compliance frameworks or conduct detailed technical audits beyond what is required to support structured evaluation. All assessments must be submitted to The AI Board for approval prior to use.
Example Assessment Methods	LO1: Professional briefing setting out the regulatory and assurance obligations associated with advanced AI use. LO2: Scenario task - structured analysis explaining how AI regulatory requirements have informed organisational controls, evidence and assurance mechanisms. LO3: Professional discussion on the risks and consequences of non-compliance LO4: Scenario task- compliance readiness review based on a real organisation, the learners own workplace, or a clearly defined case-study organisation.

Unit Content:

Learning Outcome 1: Understand the regulatory and assurance obligations associated with advanced AI use, including risk-based classification approaches, transparency and auditability requirements.			
ACs	**Pass**	**Merit**	**Distinction**
1.1	Clearly and comprehensively explain the purpose and scope of AI regulation at	Evaluate the extent to which regulatory assurance obligations differ across sectors and AI use cases	Critically evaluate whether current regulatory approaches are sufficient to ensure responsible AI deployment in rapidly

	organisational scale, including why advanced AI systems are subject to enhanced regulatory and assurance expectations.		evolving technological contexts.
1.2	Clearly and comprehensively explain risk-based classification approaches used in AI regulation, including categories such as high-risk and low-risk systems and how regulatory obligations vary accordingly	Evaluate how risk-based regulatory approaches to AI systems influence the design, deployment and ongoing management of AI systems within organisations.	Critically evaluate the strengths and limitations of different regulatory approaches to governing advanced AI systems (e.g. risk-based, principles-based, sector-led).
1.3	Clearly and comprehensively explain core regulatory obligations relating to transparency, explainability, auditability and human oversight for regulated AI systems.	Evaluate the effectiveness of transparency and auditability requirements in addressing accountability, trust and regulatory oversight in complex AI systems.	Critically evaluate the practical challenges organisations face in evidencing transparency and auditability for complex or opaque AI models.
Sufficiency Descriptors	Learners demonstrate a secure and well-structured understanding of the purpose, structure and obligations associated with AI regulation at organisational scale. Explanations accurately describe why regulatory frameworks exist, how the localised ethical frameworks and governance requirements classify AI systems according to risk, and the regulatory expectations placed on organisations	Learners demonstrate a developed understanding of how regulatory and assurance requirements shape the governance and use of AI systems within organisations. Evaluation is demonstrated through structured explanation of how regulatory mechanisms operate in practice. Responses explain relevant regulatory concepts and consider their practical implications for organisational decisions about AI design, deployment, oversight and use. Learners consider factors such as organisational context,	Learners demonstrate a clear and comprehensive understanding of the effectiveness and limitations of AI regulatory frameworks and associated assurance mechanisms. Critical evaluation is demonstrated through in-depth analysis that examines the strengths, limitations and practical challenges of applying regulatory requirements in real organisational contexts. Responses analyse issues such as the complexity of evidencing transparency, explainability and auditability in advanced AI systems, and the implications these challenges create for

	using or deploying AI systems. Responses use appropriate regulatory terminology and show clear understanding of transparency, explainability, auditability and human oversight as mechanisms that support accountable governance of AI systems. Explanations are coherent and comprehensive, demonstrating clear understanding of how regulatory requirements apply to organisational use of advanced AI systems.	sector requirements, different AI use cases, and the role of transparency, explainability and auditability in supporting accountability and regulatory oversight. Evidence shows that learners examine both advantages and limitations of regulatory approaches and consider how regulatory obligations may operate differently in different organisational or sector contexts. Evaluations must be supported by clear reasoning and lead to reasoned and balanced conclusions about how effectively regulatory and assurance mechanisms support responsible AI governance.	accountability, regulatory oversight and organisational governance. Learners consider multiple perspectives, including regulatory intent, organisational implementation challenges, technological complexity and the pace of AI development. Evidence shows balanced consideration of both strengths and limitations of existing regulatory approaches. Critical evaluations are supported by well-reasoned arguments and lead to justified, balanced conclusions about the effectiveness and sufficiency of current regulatory frameworks for governing advanced AI systems.

Learning Outcome 2: Understand how regulatory requirements are operationalised through organisational governance, evidence and assurance mechanisms.

AC	Pass	Merit	Distinction
2.1	Clearly and comprehensively explain how regulatory AI obligations are translated into organisational policies, standards and governance frameworks.	Evaluate how different organisational control mechanisms support regulatory AI compliance, including policies, governance structures, monitoring processes and accountability arrangements.	Critically evaluate the alignment between regulatory expectations for AI assurance and the practical capability of organisations to generate meaningful compliance evidence.
2.2	Analyse the types of documentation, records and evidence organisations must maintain to demonstrate AI compliance and assurance.	Evaluate challenges organisations may face when implementing internal controls, monitoring processes and evidence-generation mechanisms to support AI regulatory assurance.	N/A

2.3	Evaluate the role of internal controls, monitoring processes and accountability structures in supporting AI regulatory compliance.	Evaluate challenges organisations may face when implementing internal controls, monitoring processes and evidence-generation mechanisms to support AI regulatory assurance.	Critically evaluate alternative or emerging approaches to AI assurance and oversight that may strengthen organisational ability to demonstrate regulatory compliance.
Sufficiency Descriptors	Learners demonstrate a secure and well-structured understanding of how regulatory requirements for AI are operationalised within organisations through governance, evidence and assurance mechanisms. Evidence clearly and comprehensively explains how regulatory obligations are translated into organisational policies, standards and governance frameworks, showing how these are used to set expectations, define responsibilities and support consistent control of AI use. Evidence shows analysis of the types of documentation, records and evidence required to demonstrate compliance and assurance through clear categorisation and explanation of different evidence types and their purposes, showing how	Learners demonstrate a developed understanding of how regulatory requirements are translated into organisational control and assurance mechanisms. Evidence shows evaluation of how different organisational control mechanisms support regulatory compliance, including governance structures, policies, monitoring processes and accountability arrangements. Evaluations consider how these mechanisms operate together to support oversight, traceability and responsible AI governance. Evidence also shows evaluation of assurance mechanisms such as audits, AI impact assessments and independent or third-party reviews. Responses explain how these mechanisms contribute to regulatory confidence by providing evidence that AI	Learners demonstrate a clear and comprehensive understanding of the strengths, limitations and practical realities of organisational AI assurance. Evidence shows critical evaluation of how regulatory expectations for transparency, auditability and accountability align with the real-world capability of organisations to generate meaningful compliance evidence. Responses analyse gaps that may arise between regulatory requirements and practical organisational implementation. Evidence shows consideration of alternative or emerging assurance approaches that may strengthen AI governance and compliance, such as enhanced assurance frameworks, technical monitoring tools or new oversight mechanisms. Critical evaluations examine their potential benefits and limitations and lead to well-reasoned, balanced conclusions about how organisations can strengthen

	documentation supports traceability, auditability and accountability in relation to regulated AI systems. Evidence considers the effectiveness of internal controls, monitoring processes and accountability structures in supporting ongoing compliance and assurance, including how they contribute to oversight, issue detection, escalation and evidence of governance. Responses reach reasoned and balanced conclusions about the contribution and limitations of controls and assurance mechanisms in maintaining compliant and accountable AI use at organisational scale.	systems are governed, monitored and reviewed appropriately. Evidence shows consideration of challenges organisations may encounter when implementing internal controls and assurance processes, such as complexity of AI systems, resource constraints, evidence collection difficulties or governance gaps. Evaluations lead to reasoned and balanced conclusions about how effectively organisational controls and assurance mechanisms support regulatory compliance.	their ability to demonstrate regulatory compliance for AI systems.
Learning Outcome 3: Understand the risks and consequences of non-compliance for organisations using AI at scale.			
ACs	**Pass**	**Merit**	**Distinction**
3.1	Clearly and comprehensively explain the legal and regulatory consequences of AI non-compliance, including sanctions, enforcement actions and operational restrictions.	N/A	N/A
3.2	Clearly and comprehensively explain the commercial and reputational risks associated with failure to meet AI regulatory and assurance obligations.	Evaluate how commercial, reputational and stakeholder risks arising from AI non-compliance can be managed through proactive compliance strategies and governance practices.	Critically evaluate how sustained or repeated AI non-compliance can create systemic risk and long-term strategic consequences for organisations and stakeholders, and the extent to which proactive compliance strategies can

3.3	Evaluate the potential impacts of AI non-compliance on customers, employees and wider stakeholders.		mitigate these risks across sectors and supply chains.
Sufficiency Descriptors	Learners demonstrate a secure and well-structured understanding of the risks and consequences associated with organisational AI non-compliance. Evidence shows clear and comprehensive explanations of the legal and regulatory consequences organisations may face when failing to comply with AI regulatory obligations. Explanations accurately describe potential sanctions, enforcement actions, operational restrictions or other regulatory interventions and show understanding of how these consequences arise within regulatory frameworks. Evidence also shows clear explanations of the commercial and reputational risks associated with failure to meet AI regulatory and assurance requirements. Responses describe how non-compliance may affect organisational performance, trust, brand reputation, market position or operational continuity.	understanding of the organisational and stakeholder risks associated with AI regulatory non-compliance. Evidence shows evaluation of how failure to meet regulatory or assurance obligations may create commercial, reputational and stakeholder risks for organisations using AI at scale. Evaluations consider how loss of trust, regulatory scrutiny, operational disruption or governance failures may affect organisational performance and stakeholder confidence. Evidence also shows evaluation of proactive compliance strategies that organisations may implement to reduce the likelihood or impact of non-compliance. Responses consider governance frameworks, monitoring processes, internal controls or assurance activities that support responsible AI oversight. Evaluations consider both the risks arising from non-compliance and the role of proactive compliance strategies in managing those risks. Responses lead to reasoned and balanced conclusions about how effectively	Learners demonstrate a clear and comprehensive understanding of the wider and longer-term implications of AI regulatory non-compliance and the limits of organisational compliance strategies. Evidence shows critical evaluation of how sustained or repeated AI non-compliance can expose organisations and stakeholders to systemic risk. Responses consider how risks may spread or compound across sectors, markets, ecosystems or supply chains, including the effects of reliance on third-party AI providers, shared platforms, outsourced data processing or interdependent operational workflows. Evidence also shows critical evaluation of the long-term strategic consequences of ongoing non-compliance, such as loss of licence to operate in regulated contexts, reduced organisational resilience, erosion of stakeholder trust, increased regulatory scrutiny, constrained innovation, market exclusion, or increased cost and complexity of remediation over time. Evidence shows critical evaluation of proactive compliance strategies and governance practices intended to prevent or

	Evidence shows evaluation of the potential impacts of AI non-compliance on customers, employees and wider stakeholders. Evaluation considers how harm or negative outcomes may arise and the extent to which different groups may be affected. Responses consider both organisational and stakeholder perspectives and reach reasoned and balanced conclusions about the wider implications of AI regulatory failure.	organisations can mitigate the wider consequences of AI regulatory failure.	mitigate these risks. Evaluations consider both strengths and limitations, including organisational capability, scalability of assurance mechanisms and the practical challenge of maintaining reliable compliance evidence over time and across supply chains. Critical evaluations consider multiple perspectives and lead to well-reasoned, balanced conclusions about the extent to which proactive compliance strategies can realistically mitigate systemic and long-term risks arising from AI non-compliance.

Learning Outcome 4: Be able to evaluate organisational readiness to evidence AI compliance across governance, operations and decision-making structures.

ACs	Pass	Merit	Distinction
4.1	Analyse an organisation's AI governance structures in relation to regulatory and assurance requirements.	Justify the organisation's current level of readiness to evidence AI regulatory compliance across governance structures, operational processes and decision-making arrangements, identifying priority operational actions required to strengthen compliance and assurance capability.	Critically evaluate whether the organisation's governance, operational and decision-making structures provide a sufficiently robust and scalable framework for evidencing AI regulatory compliance, identifying strategic improvements required to strengthen long-term assurance capability.
4.2	Analyse the organisation's operational processes for managing, monitoring and documenting AI systems.		
4.3	Analyse how AI-related decisions are made, reviewed and escalated within the organisation.		

Sufficiency Descriptors	Learners demonstrate a secure ability to analyse organisational readiness to evidence AI regulatory compliance across governance, operational and decision-making structures. Evidence shows analysis of the organisation's AI governance arrangements in relation to regulatory and assurance requirements. Analysis identifies relevant governance structures such as policies, oversight bodies, accountability roles or reporting mechanisms and explains how these support or influence compliance with regulatory expectations. Evidence also shows analysis of operational processes used to manage, monitor and document AI systems. Responses examine how AI systems are tracked, reviewed and recorded within organisational workflows, and how documentation and monitoring processes support traceability and regulatory assurance. Evidence shows analysis of how AI-related decisions are made, reviewed and escalated within the organisation. Analysis examines decision-making structures, oversight processes and escalation mechanisms, explaining how these support accountability and regulatory compliance in the	Learners demonstrate a developed ability to evaluate organisational readiness to evidence AI regulatory compliance. Evidence shows justified judgement about the organisation's current level of readiness to demonstrate AI regulatory compliance across governance structures, operational processes and decision-making arrangements. Judgements are supported by analysis of existing governance frameworks, operational monitoring and documentation processes, and decision-making or escalation mechanisms that support regulatory compliance. Evidence also shows identification and justification of priority operational actions required to strengthen the organisation's ability to evidence AI compliance and assurance. Responses explain why particular improvements to governance arrangements, operational controls or documentation practices are necessary to strengthen compliance capability. Evaluations consider how governance, operational processes and decision-making structures operate together to support regulatory assurance. Responses lead to reasoned and balanced conclusions about the organisation's current readiness and the most important operational improvements required to	Learners demonstrate a clear and comprehensive ability to critically evaluate organisational capability to evidence AI regulatory compliance. Evidence shows critical evaluation of the robustness of governance frameworks, operational controls and decision-making structures used to support AI compliance. Responses analyse strengths, limitations and gaps in organisational arrangements and consider how these affect the reliability, credibility and sustainability of compliance evidence. Evidence also shows critical evaluation of whether existing governance and operational arrangements are sufficiently scalable to support AI compliance as systems expand, evolve or become more complex. Responses consider how organisational capability, governance maturity and assurance processes influence the long-term effectiveness of compliance arrangements. Evidence shows identification and critical evaluation of strategic improvements required to strengthen long-term organisational capability to demonstrate AI regulatory compliance and assurance. Evaluations consider multiple perspectives, including regulatory expectations, organisational capability and operational practicality, and lead to well-reasoned and balanced conclusions about how organisations can strengthen their long-term AI governance and assurance capability.

	governance of AI systems.	strengthen its compliance position.	

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 regulatory and assurance obligations associated with advanced AI use, including risk-based classification approaches, transparency and auditability requirements

- Purpose and rationale for AI regulation at organisational and societal level (e.g. risk mitigation such as Amazon discontinuing automated recruitment screening tools, protection of fundamental rights, market trust)
- Overview of major AI regulatory approaches and frameworks (e.g. EU AI Act, GDPR automated decision-making provisions, sectoral regulation)
- Risk-based regulation models and tiering approaches (e.g. unacceptable, high, limited and minimal risk classifications)
- Characteristics of high-risk AI systems and associated obligations (e.g. conformity assessment, risk management, human oversight)
- Transparency and explainability requirements for AI systems (e.g. user disclosures, model interpretability, decision traceability)
- Auditability and record-keeping expectations (e.g. logs, data lineage, model documentation)
- Assurance concepts and terminology (e.g. accountability, explainability, traceability, proportionality)
- Real-world regulatory examples and enforcement signals (e.g. biometric surveillance controls, AI recruitment screening tools, automated credit scoring)
- Comparison of different international regulatory approaches to AI governance and their implications for organisations operating across jurisdictions

Learning Outcome 2: Understand how regulatory requirements translate into organisational controls, evidence and assurance mechanisms

- Translation of regulatory obligations into organisational policies and standards (e.g. AI acceptable use policies, model governance standards)
- AI governance frameworks and operating models (e.g. three lines of defence, central AI oversight committees such as HSBC implementing formal model risk management)
- Roles and responsibilities in AI compliance (e.g. accountable executive, model owners, risk and compliance functions)
- Documentation and evidence requirements for AI assurance (e.g. risk assessments, data documentation, model cards, audit trails)
- Internal controls for AI systems (e.g. approval gates, version control, performance thresholds)
- Monitoring and review mechanisms (e.g. bias monitoring, drift detection, periodic assurance reviews)
- Use of assurance techniques and tools (e.g. impact assessments, internal audits, third-party assurance)
- Organisational examples of AI assurance in practice (e.g. banks documenting credit models, HR systems evidencing fairness controls)

Learning Outcome 3: Understand the risks and consequences of non-compliance for organisations using AI at scale

- Legal and regulatory consequences of AI non-compliance (e.g. fines, sanctions, enforcement actions, system withdrawal)

- Commercial risks associated with non-compliance (e.g. loss of contracts, supplier disqualification, reduced competitiveness)
- Reputational and trust impacts (e.g. public scrutiny, customer backlash, media exposure)
- Stakeholder impacts of AI failures or regulatory breaches (e.g. discriminatory outcomes, employee trust erosion)
- Systemic and operational risks from unmanaged AI deployment (e.g. cascading errors, dependency risks)
- Relationship between weak AI governance and organisational failure modes
- Regulatory enforcement case patterns and emerging trends (e.g. GDPR enforcement linked to automated decision-making)
- Sector-specific consequences of AI non-compliance (e.g. financial services, healthcare, public sector)

Learning Outcome 4: Be able to evaluate organisational readiness to evidence AI compliance across governance, operations and decision-making structures

- Assessing organisational AI maturity and readiness (e.g. governance maturity models, compliance capability frameworks, example- Unilever embedding ethical AI and governance reviews into digital transformation programmes)
- Evaluating AI governance structures (e.g. clarity of accountability, escalation routes, decision ownership)
- Reviewing operational processes for AI management (e.g. lifecycle management, monitoring, documentation practices)
- Decision-making and escalation mechanisms for AI risk issues (e.g. incident response, model withdrawal triggers)
- Identifying gaps between regulatory expectations and organisational capability
- Readiness indicators for AI compliance and assurance (e.g. consistency, repeatability, evidence quality)
- Approaches to prioritising improvements in AI governance and assurance
- Use of real or hypothetical organisational scenarios to test compliance readiness (e.g. simulated audit, regulatory inspection readiness)

Unit 3: Financial Considerations of AI Implementation	
Unit aims	This unit enables learners to analyse, evaluate and apply financial reasoning to investment decisions relating to AI implementation within organisational contexts. Learners will examine the cost structures, benefits and financial exposures associated with AI programmes, assess how AI investments influence return on investment, cost efficiency and financial risk over time, and explore the limitations and uncertainties inherent in financial models used to justify AI initiatives. The unit further aims to enable learners to construct robust, evidence-based financial justifications for AI investment decisions that take account of cost, value, risk and uncertainty, supporting informed and accountable decision-making at senior and enterprise level. By the end of the unit, learners will be able to develop and justify financially grounded AI investment decisions within complex organisational contexts
Unit level	5
Unit code	Y/652/2353
GLH	40
TQT	150
Credit value	15
Unit grading structure	Fail / Pass / Merit / Distinction
Assessment guidance	Assessment for this unit should emphasise applied financial analysis, evaluative judgement and the use of evidence-based reasoning in relation to AI investment decisions within organisational 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 context is realistic and familiar. Assessment activities should allow learners to demonstrate structured analysis and evaluation through tasks that require comparison of options, interpretation of financial information and the development of justified investment recommendations. Suitable assessment approaches may include scenario-based assignments, financial appraisal case

	studies, analytical reports or workplace-related projects that enable learners to evidence reasoning, judgement and decision-making. Assessment tasks should provide sufficient scope for learners to apply relevant financial terminology, use appropriate criteria to evaluate investment choices and demonstrate increasing depth of evaluation at higher grades. Judgements should be supported by clear reasoning rather than descriptive commentary, and assessment decisions should focus on the quality of analysis and evaluation presented rather than the specific organisational context selected. Learners are not expected to produce highly technical financial models, detailed implementation plans or full organisational investment strategies beyond what is required to support structured financial evaluation. All assessments must be submitted to The AI Board for approval prior to use.
Example Assessment Methods	LO1: Structured written assignment in which learners examine a defined organisational or sector-based AI programme (real or hypothetical). LO2: Scenario task - examine a defined AI investment scenario and analyse how return on investment is calculated, including the assumptions, inputs and timeframes used. LO3: Professional discussion or presentation LO4: Practical task - analyse a defined AI investment scenario and provide a coherent financial justification.

Unit Content:

Learning Outcome 1: Understand the cost structures, benefits and financial exposures associated with AI programmes across an organisation.			
ACs	**Pass**	**Merit**	**Distinction**
1.1	Clearly and comprehensively explain the full range of cost structures associated with AI programmes, including development, data preparation, infrastructure, integration, vendor dependency and ongoing operational costs.	Evaluate how different AI cost structures influence financial decision-making and investment viability.	Critically evaluate the strategic financial implications of decisions regarding investment in AI, including the impact of hidden, indirect or deferred costs on long-term investment value.

1.2	Analyse the types of financial benefits that AI programmes may generate, including revenue growth, cost reduction, productivity improvement and risk or quality-related benefits.	Evaluate the reliability and financial significance of AI-generated benefits when justifying investment decisions.	
1.3	Clearly and comprehensively explain the financial exposures created by AI programmes, including sunk costs, scalability risk, regulatory exposure and dependency on data quality or third-party suppliers.	Evaluate how financial exposures influence the overall investment risk of AI programmes.	
Sufficiency Descriptors	Learners demonstrate a secure and well-structured understanding of the financial characteristics of AI programmes, including costs, benefits and financial exposure. Evidence shows clear and comprehensive explanations of the full range of cost structures associated with AI programmes. Explanations describe different cost categories such as development, data preparation, infrastructure, integration, vendor dependency and ongoing operational costs, demonstrating understanding of how these costs arise across the lifecycle of AI programmes. Evidence also shows analysis of the types of financial benefits that AI programmes may generate. Analysis examines different forms of financial value such as revenue growth, cost reduction, productivity	Learners demonstrate a developed understanding of the financial characteristics and implications of AI investment decisions. Evidence shows evaluation of how different AI cost structures influence financial decision-making. Evidence explains how costs arise across the lifecycle of AI programmes and considers factors such as development costs, data preparation, infrastructure investment, integration complexity, vendor dependency and ongoing operational expenditure. Responses draw reasoned and balanced conclusions about how these cost structures influence the financial viability of AI programmes. Evidence also shows evaluation of the financial significance of benefits generated by AI programmes. Evidence explains how benefits such as revenue growth, cost	Learners demonstrate a clear and comprehensive understanding of the strategic financial implications of AI investment decisions. Evidence shows critical evaluation of the financial dynamics of AI programmes, examining how cost structures, financial benefits and financial exposures interact to influence long-term investment outcomes. Evidence explains how investments in AI may generate financial value while simultaneously creating financial exposure, and analyses how these dynamics affect strategic investment decision-making. Responses consider multiple perspectives when evaluating the value of investing in AI Evidence examines factors such as hidden, indirect or deferred costs, uncertainty in benefit realisation, scalability of

	improvement and risk or quality-related benefits, explaining how these benefits may arise and how they may affect organisational performance. Evidence shows clear and comprehensive explanations of the financial exposures created by AI programmes. Explanations describe risks such as sunk costs, scalability risk, regulatory exposure and dependency on data quality or third-party suppliers, demonstrating understanding of how these exposures may affect financial outcomes and investment decisions.	reduction, productivity improvement and risk or quality-related improvements may contribute to financial value. Responses consider factors such as the timing of benefits, the difficulty of measuring outcomes and the uncertainty associated with benefit realisation and draw reasoned and balanced conclusions about how reliably these benefits support AI investment decisions. Evidence shows evaluation of how financial exposures associated with AI programmes influence investment risk and financial outcomes. Evidence explains how exposures such as sunk costs, scalability risk, regulatory pressures and dependency on data quality or third-party suppliers may affect financial performance. Responses consider the implications of these risks and draw reasoned and balanced conclusions about how financial exposure influences AI investment decisions.	financial returns, vendor dependency, infrastructure expansion and ongoing operational expenditure. Responses also consider how timing of benefits, measurement challenges and uncertainty of financial outcomes may affect the credibility of financial projections. Evidence analyses both strengths and limitations in the financial justification of AI programmes and considers how cost structures, expected benefits and financial exposures together shape long-term investment viability. Critical evaluations lead to well-reasoned and balanced conclusions about the strategic financial implications of AI investment and the extent to which AI programmes represent sustainable financial value for the organisation.
Learning Outcome 2: Understand how decisions regarding investment in AI can affect return on investment, cost efficiency and financial risk over different time horizons.			
ACs	**Pass**	**Merit**	**Distinction**
2.1	Analyse how return on investment (ROI) is commonly calculated for AI initiatives, including key assumptions, inputs and timeframes.	Evaluate the reliability of ROI calculations for AI initiatives, considering the assumptions, inputs and timeframes used in financial projections.	Critically evaluate the suitability of traditional ROI metrics for assessing investments in AI and the extent to which phased or pilot-based investment approaches genuinely

2.2	Evaluate how investments in AI may affect cost efficiency in the short, medium and long term.	Evaluate the financial trade-offs between pilot-based experimentation, incremental scaling and large-scale investment in AI, including their implications for cost efficiency and financial risk exposure.	reduce financial risk or primarily defer it.
2.3	Clearly and comprehensively explain the relationship between investment in AI timing, scale and financial risk exposure.		
Sufficiency Descriptors	Learners demonstrate a secure and well-structured understanding of how AI investment decisions affect financial performance across different time horizons. Evidence shows analysis of how return on investment (ROI) is commonly calculated for AI initiatives. Analysis examines key inputs, assumptions and timeframes used in ROI calculations, explaining how factors such as development costs, operational expenditure, expected financial benefits and implementation timelines influence ROI estimates. Evidence also shows evaluation of how investments in AI may affect cost efficiency in the short, medium and long term. Evidence explains how cost efficiencies may arise through mechanisms such as automation, productivity improvements, operational optimisation or risk reduction. Responses consider how cost efficiency may change over different time horizons and draw reasoned and balanced conclusions about	Learners demonstrate a developed understanding of how decisions regarding investment in AI influence financial performance and risk across different time horizons. Evidence shows evaluation of the reliability of ROI calculations used to justify AI initiatives. Evidence explains how ROI estimates are constructed and considers factors such as assumptions about benefits, timing of returns, cost estimates and uncertainty in financial projections. Responses draw reasoned and balanced conclusions about the reliability of ROI as a basis for decisions regarding investment in AI. Evidence also shows evaluation of the financial trade-offs between different approaches to investing in AI, including pilot-based experimentation, incremental scaling and large-scale deployment. Evidence explains how these approaches influence financial outcomes and considers factors such as cost efficiency over time, upfront investment requirements, speed of value realisation, learning	Learners demonstrate a clear and comprehensive understanding of the financial evaluation challenges associated with decisions regarding investment in AI. Evidence shows critical evaluation of the suitability of traditional ROI metrics for assessing AI initiatives. Evidence explains how ROI calculations are typically used in investment appraisal and considers limitations arising from factors such as uncertain benefits, delayed value realisation, data dependency, scalability challenges and indirect value creation. Responses consider multiple perspectives when evaluating financial performance of investments in AI, including the reliability of financial projections, the interaction between cost structures and value generation, and the limitations of conventional financial metrics when applied to AI initiatives. Evidence also shows critical evaluation of phased or pilot-based approaches to investments in AI.

	the financial impact of AI investments. Evidence shows clear and comprehensive explanations of the relationship between AI investment timing, scale and financial risk exposure. Explanations describe how decisions about when and how widely AI initiatives are deployed may influence financial risk, considering factors such as upfront investment levels, scalability, uncertainty in returns and operational dependency on AI systems.	benefits and exposure to financial risk. Responses draw reasoned and balanced conclusions about how different investment approaches affect both financial performance and financial risk in AI programmes.	Evaluations examine whether approaches such as experimentation, staged scaling or limited pilots genuinely reduce financial exposure or simply delay the realisation of risk. Responses analyse both strengths and limitations of these approaches and draw well-reasoned and balanced conclusions about their effectiveness in managing financial risk in AI investment decisions.
Learning Outcome 3: Understand the limitations and uncertainties inherent in financial models and forecasts used to justify investments in AI.			
ACs	**Pass**	**Merit**	**Distinction**
3.1	Analyse the key assumptions underpinning financial models used to justify investments in AI including those relating to data availability, adoption rates and system performance.	Critically evaluate how financial models used to justify investments in AI may create false confidence or mislead decision-makers, and the consequences of treating modelled forecasts as reliable predictions of financial value.	N/A
3.2	Analyse the sources of uncertainty in using AI to develop financial forecasts, including data drift, behavioural change and external market factors.		N/A
3.3	Analyse the risks associated with over-reliance on modelled financial outputs when making decisions on investments in AI		N/A

Sufficiency Descriptors	Learners demonstrate a secure and well-structured understanding of the limitations and uncertainties inherent in financial models used to justify investments in AI Evidence shows analysis of the key assumptions underpinning financial models used to justify investments in AI Analysis examines assumptions relating to factors such as data availability, adoption rates and system performance, explaining how these assumptions influence financial projections and investment evaluations. Evidence also shows analysis of the sources of uncertainty in AI financial forecasts. Analysis examines factors such as data drift, behavioural change and external market conditions, explaining how these uncertainties may affect the accuracy and reliability of financial predictions. Evidence shows analysis of the risks associated with over-reliance on modelled financial outputs when making decisions related to investments in AI. Analysis examines how financial models may create misleading certainty or incomplete representations of financial outcomes, explaining how over-reliance on modelled projections may influence investment decisions and financial risk exposure.	Learners demonstrate a developed understanding of the limitations and uncertainties inherent in financial models used to justify decisions about investment in AI. Evidence shows critical evaluation of how financial models used to justify investment in AI may create false confidence in projected financial outcomes. Evidence explains how assumptions about factors such as data availability, adoption rates, system performance and external conditions influence financial projections Evidence considers how organisations attempt to manage uncertainty in financial modelling. Responses examine the use of techniques such as sensitivity analysis to test the robustness of financial forecasts and consider how changes in assumptions, performance outcomes or adoption patterns may affect projected financial results. Evidence also examines the implications of treating modelled financial forecasts as reliable predictions of future value. Responses consider how evolving system behaviour, changing data inputs or organisational adoption patterns may affect realised financial outcomes and explain the importance of ongoing financial reassessment as AI systems develop over time.	

		Critical evaluations lead to well-reasoned and balanced conclusions about the limitations of financial models in AI investment decisions and the risks associated with relying too heavily on modelled financial projections when justifying AI investment.	
Learning Outcome 4: Be able to construct an evidence-based financial justification for decisions about investing in AI, taking account of cost, value, risk and uncertainty.			
ACs	**Pass**	**Merit**	**Distinction**
4.1	Analyse a defined scenario regarding an investment in AI to identify relevant costs, benefits and financial risks.	Justify the choice of financial metrics, modelling approaches and time horizons used within the financial justification for the investment in AI scenario.	N/A
4.2	Apply appropriate financial metrics and supporting evidence to construct the financial case for the scenario.		N/A
4.3	Evaluate the key assumptions and uncertainties that materially affect the financial case.		N/A
Sufficiency Descriptors	Learners demonstrate the ability to construct an evidence-based financial justification for a decision to invest in AI Evidence shows analysis of the defined AI initiative to identify the relevant costs, financial benefits and financial risks associated with the scenario. The analysis identifies key financial components of the	Learners demonstrate a developed ability to construct and justify an evidence-based financial case for a decision regarding investment in AI Evidence shows justification of the financial metrics used within the investment case. Evidence explains why particular measures such as return on investment, cost efficiency,	N/A

	scenario, including development or infrastructure costs, expected sources of value and areas of financial exposure. Evidence also shows the application of appropriate financial metrics and supporting evidence to construct the financial case. The financial justification uses relevant measures such as return on investment, cost efficiency or projected value creation and applies these metrics to the scenario in order to assess the financial viability of the proposed investment in AI. Evidence shows evaluation of the key assumptions and uncertainties that materially affect the financial case. The evaluation explains how assumptions relating to factors such as system performance, adoption rates, timing of benefits or cost estimates influence projected financial outcomes. Responses consider the implications of uncertainty in these assumptions and draw reasoned and balanced conclusions about how they affect the reliability of the financial justification. The resulting evidence presents a coherent financial justification for the AI investment scenario that clearly links costs, value, risk and uncertainty to the proposed investment decision.	projected value creation or risk-adjusted indicators are appropriate for evaluating the proposed investment in AI. Responses consider how these metrics support financial decision-making and draw reasoned and balanced conclusions about their suitability. Evidence also shows justification of the modelling approaches used to support the financial case. Evidence explains how financial projections are constructed and considers factors such as modelling assumptions, expected performance improvements, adoption patterns or cost structures. Responses draw reasoned and balanced conclusions about the suitability of the modelling approach used to support the investment justification. Evidence shows justification of the time horizons applied in the financial justification. Evidence explains why particular short-, medium- or long-term perspectives have been used and considers how the timing of costs, benefits and risks influences the financial case. Responses draw reasoned and balanced conclusions about how the selected time horizons support a credible financial justification for the AI investment decision.	

Essential Teaching Content:

Learning Outcome 1: Understand the cost structures, benefits and financial exposures associated with AI programmes across an organisation.

- Cost components of AI programmes across the lifecycle (e.g. discovery and design costs, data acquisition and preparation, model development, cloud or on-premise infrastructure, integration with legacy systems, cybersecurity, ongoing monitoring and retraining).
- Direct vs indirect AI costs and how these are often underestimated (e.g. change management, skills development, process redesign, governance overhead).
- Vendor and supplier dependency in investments in AI (e.g. licensing models, lock-in risk, reliance on proprietary platforms).
- Types of financial benefits generated by AI (e.g. revenue uplift through personalisation, cost reduction through automation, productivity gains, risk reduction or quality improvement).
- Tangible vs intangible benefits and challenges in attribution (e.g. separating AI impact from wider digital transformation).
- Financial exposure and downside risk associated with AI programmes (e.g. sunk costs from failed pilots, scalability limits, compliance costs under regulation).
- Distribution of costs and benefits across functions (e.g. central IT bearing costs while operational teams realise benefits).
- Organisational examples of AI cost and benefit structures (e.g. Amazon investing heavily in data and infrastructure to support AI-driven logistics and recommendations; banks incurring high governance and compliance costs for AI credit models).

Learning Outcome 2: Understand how decisions regarding investment in AI can affect return on investment, cost efficiency and financial risk over different time horizons.

- Common financial metrics used to justify investments in AI (e.g. ROI, payback period, total cost of ownership, cost-benefit analysis).
- Assumptions underpinning ROI calculations for AI (e.g. adoption rates, performance stability, volume growth).
- Short-term vs long-term financial impacts of AI (e.g. high upfront costs with delayed benefits).
- Time-horizon effects on perceived value and risk (e.g. pilots appearing unviable short-term but valuable at scale).
- Economies of scale and learning effects in AI deployment (e.g. marginal cost reduction as models improve).
- Financial risk implications of investment timing and scale (e.g. small pilots vs enterprise-wide rollouts).
- Trade-offs between experimentation, incremental scaling and large-scale AI investment.
- Organisational examples of ROI challenges in AI (e.g. retailers investing in AI demand forecasting with delayed payback; manufacturing firms using predictive maintenance to reduce long-term downtime costs).

Learning Outcome 3: Understand the limitations and uncertainties inherent in financial models and forecasts used to justify investments in AI

- Nature and purpose of financial modelling in decisions regarding investment in AI.
- Key assumptions embedded in AI financial models (e.g. data availability, user adoption, accuracy levels).
- Sources of uncertainty unique to AI systems (e.g. data drift, model degradation, behavioural responses).
- External factors affecting AI financial forecasts (e.g. regulatory change, market volatility, competitor adoption).
- Risks of over-confidence in modelled outputs (e.g. false precision, optimistic bias).
- Limitations of deterministic forecasts for probabilistic systems such as AI.

- Use of techniques to manage uncertainty (e.g. sensitivity analysis, scenario planning, ranges rather than single figures).
- Governance implications of uncertainty in AI investment (e.g. need for staged approvals and review gates).
- Organisational examples of forecasting challenges (e.g. financial services firms revising AI credit risk models due to changing customer behaviour).

Learning Outcome 4: Be able to construct an evidence-based financial justification for decisions about investing in AI, taking account of cost, value, risk and uncertainty.

- Structuring a case for investing in AI (e.g. problem definition, options appraisal, financial analysis, risk assessment).
- Identification and selection of appropriate financial metrics for AI decisions (e.g. ROI vs strategic value indicators).
- Evidencing assumptions and uncertainties within financial justifications.
- Incorporating risk and uncertainty into investment recommendations (e.g. contingencies, staged funding).
- Comparing AI investment options with non-AI or alternative solutions.
- Alignment of financial justification with organisational strategy and risk appetite.
- Communicating AI investment cases to senior stakeholders (e.g. boards, investment committees).
- Accountability and decision-making implications of investments in AI
- Organisational examples of AI business cases (e.g. healthcare providers justifying AI diagnostics with safety and compliance costs; insurers using AI fraud detection with staged investment models).

Unit 4: Enterprise Operations, Risk and Resilience with AI	
Unit aims	This unit enables learners to develop an advanced understanding of how Artificial Intelligence is applied within high-impact operational environments, including logistics, supply chains, quality management and control systems. Learners will examine how AI reshapes operational decision-making, efficiency and performance, while introducing new forms of dependency, risk and potential failure at enterprise scale. The unit also enables learners to analyse the operational risks, resilience implications and continuity challenges associated with AI-enabled processes, and to evaluate the controls, assurance mechanisms and governance arrangements required to manage these risks responsibly. By applying structured assessment frameworks and real-world scenarios, learners will develop the capability to make informed, evidence-based judgements about the suitability of AI use in critical operational contexts, balancing efficiency gains against organisational resilience, continuity and risk tolerance. By the end of the unit, learners will be able to evaluate and justify the use of AI in complex operational environments, taking account of risk, resilience and organisational priorities
Unit level	5
Unit code	A/652/2354
GLH	40
TQT	150
Credit value	15
Unit grading structure	Fail / Pass / Merit / Distinction
Assessment guidance	Assessment for this unit should emphasise applied operational analysis and evaluative judgement in relation to the use of artificial intelligence within complex organisational environments. 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 structured analysis of operational scenarios and reasoned evaluation of how AI influences performance, reliability and decision-making. Suitable assessment approaches may include scenario-based assignments, operational case study analysis, analytical reports or workplace-related projects that support justified conclusions about the suitability and implications of AI use. Assessment tasks should provide opportunities for learners to consider dependencies, uncertainties and the potential consequences of operational disruption, enabling them to balance performance improvement against risk exposure and organisational resilience considerations. Judgements should be supported by clear reasoning and appropriate use of analytical approaches, with assessment decisions based on the quality of evaluation rather than descriptive accounts of operational technologies. Learners are not expected to design detailed technical systems, produce full operational continuity plans or conduct specialist engineering analysis beyond what is required to support structured evaluation. All assessments must be submitted to The AI Board for approval prior to use.
Example Assessment Methods	LO1: Structured case study in which the learner examines how AI is applied within high-impact operational contexts such as logistics, supply chains, quality management or control environments. LO2: Analytical report examining the operational risks, dependencies and failure modes associated with AI-enabled processes at scale for a real or hypothetical organisational context. LO3: Scenario task - consider existing resilience or continuity arrangements and assess how these are influenced by AI-enabled operations, including the role of assurance, monitoring and recovery mechanisms. LO4: Evaluative report assessing the suitability of AI use within a critical operational context

Unit Content:

Learning Outcome 1: Understand how AI is applied within high-impact operational contexts			
ACs	**Pass**	**Merit**	**Distinction**
1.1	Clearly and comprehensively explain how AI can be used to optimise logistics and supply chain operations,	Evaluate the effectiveness of AI technologies across different operational contexts.	Critically evaluate the strategic value and limitations of AI technologies within high-impact operational

	including forecasting, routing and inventory management.		environments, including the risks of over-reliance on automated operational decision-making and the importance of human oversight.
1.2	Analyse how AI technologies can be applied to quality management and process control, including defect detection, monitoring and exception handling.		
1.3	Clearly and comprehensively explain the types of operational data required to support AI use in high-impact environments and how data quality affects outcomes.	N/A	N/A
Sufficiency Descriptors	Learners demonstrate a secure and well-structured understanding of how AI technologies are applied in high-impact operational environments. Evidence shows clear and comprehensive explanations of how AI technologies are used to optimise logistics and supply chain operations. Explanations describe applications such as demand forecasting, route optimisation and inventory management, demonstrating understanding of how AI supports improved efficiency, coordination and operational decision-making within supply chain environments. Evidence also shows analysis of how AI technologies are applied in quality management and process control. Analysis examines applications such as automated defect detection, monitoring	Learners demonstrate a developed understanding of how AI technologies are applied within high-impact operational environments. Evidence shows evaluation of the effectiveness of AI technologies used within operational contexts such as logistics and supply chain operations. Evidence explains how AI applications support operational activities including forecasting, routing, inventory management, defect detection, monitoring and exception handling. As part of the evaluation, responses examine how effectively these technologies support operational performance within these environments. Evidence considers factors such as the reliability and accuracy of outputs, the availability and quality of operational data, and the ability of AI systems to support monitoring,	Learners demonstrate a clear and comprehensive understanding of the strategic role of AI technologies within high-impact operational environments. Evidence shows critical evaluation of the strategic value of AI technologies within operational contexts such as logistics, and supply chain operations. Evidence explains how AI can support operational efficiency, coordination and control and considers how these capabilities contribute to wider organisational performance. Responses consider the reliability of automated outputs, operational dependencies on AI systems. Evidence also analyses the risks associated with over-reliance on AI in operational decision-making. Evaluations

	systems and exception handling, explaining how these technologies support operational oversight and the identification of issues within production or service processes. Evidence shows clear and comprehensive explanations of the types of operational data required to support AI systems in high-impact environments. Explanations describe data sources such as sensor data, operational records or process monitoring data and explain how the quality, accuracy and completeness of this data affects the reliability and effectiveness of AI-enabled operational systems.	process control and operational decision-making. Responses also consider the suitability of different AI techniques for particular operational tasks. Evidence explains how the nature of the operational context and the characteristics of the available data influence the choice of techniques used for forecasting, optimisation, monitoring or anomaly detection. Evaluations draw reasoned and balanced conclusions about the effectiveness of AI technologies across logistics, supply chain and quality management environments, demonstrating how AI supports operational efficiency, control and performance within these high-impact contexts.	consider the role of human oversight, monitoring and intervention in maintaining safe and effective operational control. Critical evaluations draw well-reasoned and balanced conclusions about the strategic value and limitations of AI technologies within high-impact operational environments and the importance of maintaining appropriate human oversight in AI-enabled operational systems.

Learning Outcome 2: Understand the operational risks, dependencies and failure modes associated with AI-enabled processes at scale

ACs	**Pass**	**Merit**	**Distinction**
2.1	Clearly and comprehensively explain key operational risks associated with AI-enabled processes, including system failure, data dependency and automation bias.	N/A	N/A
2.2	Evaluate how dependencies on data pipelines, vendors and	Evaluate how dependencies on data pipelines, vendors and	Critically evaluate how dependencies and operational control

	infrastructure can create single points of failure in AI-enabled operations.	infrastructure can increase operational vulnerability in AI-enabled systems.	mechanisms can influence enterprise-level risk exposure in AI-enabled operational systems. (Note this also maps to pass 2.4)
2.3	Clearly and comprehensively explain common AI failure modes in operational contexts, including model drift, exception overload and degraded performance.	N/A	N/A
2.4	Clearly and comprehensively explain the operational controls used to manage risks associated with AI-enabled processes, including monitoring, testing, validation and human-in-the-loop escalation mechanisms.	Evaluate the adequacy of monitoring, testing, validation and human-in-the-loop escalation mechanisms used to manage risks in AI-enabled operational processes.	See 2.2 distinction
Sufficiency Descriptors	Learners demonstrate a secure and well-structured understanding of the operational risks, dependencies and failure modes associated with AI-enabled processes operating at scale. Evidence shows clear and comprehensive explanations of key operational risks associated with AI-enabled processes. Explanations describe risks such as system failure, data dependency and automation bias, demonstrating understanding of how these risks may affect operational performance,	Learners demonstrate a developed understanding of how system dependencies and operational controls influence the resilience of AI-enabled operational processes. Evidence shows evaluation of how dependencies on data pipelines, vendors and infrastructure increase operational vulnerability in AI-enabled systems. Evidence explains how reliance on these dependencies may create operational fragility and considers factors such as cascading failures, service disruption and system interdependencies.	Learners demonstrate a clear and comprehensive understanding of how operational dependencies and control mechanisms influence organisational risk exposure in AI-enabled operational systems. Evidence shows critical evaluation of how dependencies on data pipelines, vendors and infrastructure influence the resilience of AI-enabled operations. Evidence explains how these dependencies can create systemic operational vulnerability and analyses how disruptions in these areas may affect

	decision-making and system reliability. Evidence also shows evaluation of how dependencies on data pipelines, vendors and technical infrastructure can create single points of failure within AI-enabled operational systems. Evidence explains how reliance on these dependencies may affect operational continuity and system reliability and considers how disruptions in these areas may impact AI-enabled processes. Responses draw reasoned and balanced conclusions about the risks created by these dependencies. Evidence shows clear and comprehensive explanations of common AI failure modes that may arise in operational environments. Explanations describe issues such as model drift, exception overload and degraded performance, demonstrating understanding of how these failures may emerge as AI systems operate over time or at scale. Evidence also shows clear explanations of the operational controls used to manage risks associated with AI-enabled processes. Explanations describe controls such as monitoring, testing, validation and human-in-the-loop escalation mechanisms, demonstrating understanding of how these approaches support operational oversight and	Responses draw reasoned and balanced conclusions about how these dependencies affect the resilience and stability of AI-enabled operations operating at scale. Evidence also shows evaluation of the adequacy of operational controls used to manage risks associated with AI-enabled processes. Evidence explains how monitoring, testing, validation and human-in-the-loop escalation mechanisms are used to detect, manage or mitigate operational risks. Responses consider the extent to which these controls address risks such as system failure, automation bias, model drift and operational dependencies. Evaluations draw reasoned and balanced conclusions about whether these controls provide sufficient oversight and protection for AI-enabled processes operating within complex operational environments.	operational continuity at organisational scale. Responses consider multiple perspectives when evaluating the adequacy of monitoring, testing, validation and human-in-the-loop escalation mechanisms used to manage these risks. Evidence examines both the strengths and limitations of these operational controls and considers how effectively they address vulnerabilities created by system dependencies. Evidence also considers how organisational assumptions about AI reliability and automation influence risk exposure. Evaluations examine how confidence in AI-enabled systems may affect the design and oversight of operational processes. Critical evaluations draw well-reasoned and balanced conclusions about how dependencies and operational control mechanisms shape enterprise-level risk exposure and the effectiveness of organisational approaches to managing AI-related operational risks.

	help manage risks in AI-enabled systems.		
Learning Outcome 3: Understand how AI adoption can affect organisational resilience, continuity planning and operational assurance.			
ACs	**Pass**	**Merit**	**Distinction**
3.1	Clearly and comprehensively explain how AI adoption can change organisational resilience requirements, including response speed and decision dependency.	Evaluate how organisations can enhance resilience and continuity planning to address AI-specific risks, dependencies and operational disruption.	Critically evaluate the effectiveness of AI-specific resilience and continuity strategies during real or simulated disruption scenarios.
3.2	Analyse how AI-enabled processes can influence business continuity planning, including fallback arrangements and recovery strategies.		
3.3	Clearly and comprehensively explain the role of assurance, audit and validation in maintaining trust in AI-enabled operations.	Evaluate how assurance mechanisms can support stakeholder confidence in AI-enabled operational decisions.	Critically evaluate how assurance mechanisms can support both operational resilience and stakeholder confidence in AI-enabled operational decisions.
Sufficiency Descriptors	Learners demonstrate a secure and well-structured understanding of how AI adoption influences organisational resilience, continuity planning and operational assurance. Evidence shows clear and comprehensive explanations of how AI adoption can change organisational resilience requirements. Explanations describe factors such as increased reliance on automated decision-making, changes	Learners demonstrate a developed understanding of how organisations adapt resilience, continuity and assurance practices to support AI-enabled operations. Evidence shows evaluation of how organisations enhance resilience and continuity planning to address risks associated with AI-enabled processes. Evidence explains how AI adoption introduces new operational dependencies and considers how	Learners demonstrate a clear and comprehensive understanding of how AI adoption influences organisational resilience, continuity planning and operational assurance. Evidence shows critical evaluation of the effectiveness of resilience and continuity strategies designed to manage disruption in AI-enabled operational environments. Evidence explains how organisations adapt resilience and continuity

	to response speed and the growing dependency on AI-enabled systems within operational environments. Evidence also shows analysis of how AI-enabled processes influence business continuity planning. Analysis examines how organisations may design fallback arrangements, contingency procedures and recovery strategies when AI-enabled processes fail or operate outside expected parameters. Evidence shows clear and comprehensive explanations of the role of assurance, audit and validation in maintaining trust in AI-enabled operations. Explanations describe how assurance activities such as auditing, validation and performance monitoring support confidence in the reliability and integrity of AI-enabled operational systems.	organisations adapt resilience planning through measures such as fallback arrangements, redundancy, monitoring and recovery strategies. Responses consider how these approaches support operational continuity when AI-enabled processes fail or operate outside expected parameters. Evaluations draw reasoned and balanced conclusions about how effectively resilience and continuity planning address AI-specific operational risks. Evidence also shows evaluation of how assurance mechanisms support stakeholder confidence in AI-enabled operational decisions. Evidence explains how activities such as audit, validation and performance monitoring provide oversight of AI-enabled operations. Responses consider how these assurance practices support trust among stakeholders, including operational teams, management and external partners. Evaluations draw reasoned and balanced conclusions about the role of assurance mechanisms in maintaining confidence in AI-enabled operational systems.	planning to address AI-specific dependencies and operational risks and analyses how fallback arrangements, redundancy, escalation processes and recovery strategies perform during real or simulated disruption scenarios. Responses consider multiple perspectives when evaluating these strategies, including the reliability of AI-enabled processes, the complexity of operational dependencies and the potential consequences of system disruption. Critical evaluations analyse both the strengths and limitations of resilience and continuity approaches and draw well-reasoned and balanced conclusions about their effectiveness in maintaining operational stability during disruption. Evidence also shows critical evaluation of how assurance mechanisms support operational resilience and stakeholder confidence in AI-enabled operational decisions. Evidence explains the role of activities such as audit, validation, monitoring and review in maintaining oversight of AI-enabled processes. Evaluations consider how these assurance mechanisms support transparency, reliability and accountability in operational decision-making and examine their contribution to organisational trust in AI-enabled systems.

			Responses draw well-reasoned and balanced conclusions about the extent to which assurance mechanisms support both operational resilience and stakeholder confidence in AI-enabled operations.
Learning Outcome 4: Be able to assess the suitability of AI use within critical operational contexts, balancing efficiency, risk and resilience considerations.			
ACs	**Pass**	**Merit**	**Distinction**
4.1	Analyse a defined operational scenario to identify where AI could be appropriately applied and where manual or hybrid controls are required.	Recommend appropriate approaches to AI adoption or non-adoption within the operational scenario, based on an evaluation of efficiency, operational risk and resilience considerations, including the use of phased, hybrid or constrained AI deployment models where appropriate.	Critically evaluate the long-term organisational implications of AI adoption decisions and how contextual factors such as sector regulation or safety criticality should shape AI use in operational environments.
4.2	Clearly and comprehensively explain the criteria used to assess AI suitability in critical operational contexts, including risk tolerance and impact severity.		
4.3	Analyse the trade-offs between efficiency gains and operational risk when deploying AI in high-impact environments.		
Sufficiency Descriptors	Learners demonstrate the ability to assess the suitability of AI use within critical operational contexts. Evidence shows analysis of a defined operational scenario to identify where AI technologies could be appropriately applied and where manual or hybrid controls may be required.	Learners demonstrate a developed ability to make informed recommendations about the use of AI within critical operational contexts. Evidence shows recommendations for appropriate approaches to AI adoption or non-adoption within the defined operational scenario.	Learners demonstrate a clear and comprehensive ability to critically evaluate decisions about AI adoption within critical operational environments. Evidence shows critical evaluation of the long-term organisational implications of AI adoption decisions. Evidence explains how choices about AI

	The analysis identifies operational tasks, decision points and system dependencies within the scenario and considers where automation may support operational performance and where human oversight or intervention remains necessary. Evidence also shows clear and comprehensive explanations of the criteria used to assess AI suitability in critical operational contexts. Explanations describe factors such as operational risk tolerance, severity of potential impact, reliability requirements and the consequences of system failure. Evidence shows analysis of the trade-offs between operational efficiency gains and potential operational risks associated with AI deployment. Analysis considers how automation may improve speed, consistency or resource efficiency while also introducing new operational risks or dependencies. The resulting evidence demonstrates a structured assessment of where AI use is appropriate within the operational scenario, balancing considerations of efficiency, operational risk and organisational resilience.	Recommendations identify where AI deployment is appropriate, where manual or hybrid operational controls should be maintained, and where constrained or phased implementation approaches may be required. Recommendations are supported by evaluation of the operational scenario. Evidence considers factors such as efficiency gains, operational risk, resilience requirements and the potential impact of system failure within the operational environment. Responses consider alternative deployment models, including phased implementation, hybrid human–AI operational models and constrained AI use in high-impact or safety-critical activities. Evaluations draw reasoned and balanced conclusions that support the recommendations made about AI deployment within the scenario.	deployment may influence operational capability, system control and organisational resilience over time. Responses consider multiple perspectives when evaluating AI use within operational contexts. Evidence examines how contextual factors such as sector regulation, safety criticality, operational complexity and organisational risk tolerance influence decisions about where and how AI should be used. Critical evaluations analyse both the opportunities and limitations associated with AI adoption in operational environments. Responses draw well-reasoned and balanced conclusions about how AI deployment decisions should be shaped to ensure appropriate levels of operational control, resilience and long-term organisational capability.

Essential Teaching Content:

Learning Outcome 1: Understand how AI is applied within high-impact operational contexts

- Overview of high-impact operational contexts and why AI deployment in these areas carries elevated business risk (e.g. logistics delays, safety failures, quality escapes).
- Core AI applications in logistics and supply chain operations (e.g. demand forecasting and inventory optimisation, dynamic routing, supplier performance prediction, example: Amazon – AI-driven demand forecasting and fulfilment optimisation)
- AI use in quality management and process control (e.g. predictive quality and early-warning indicators, BMW using AI-enabled visual inspection in manufacturing, computer vision for defect detection, statistical process control augmented by machine learning)
- AI-enabled operational control systems, including (e.g. anomaly detection, automated alerts and exception handling, closed-loop vs decision-support control models)
- Data requirements for AI in operational contexts (e.g. structured vs unstructured operational data, real-time vs batch data pipelines, data quality, latency, completeness and provenance)
- Introduction to operational AI models and techniques (e.g. forecasting and classification, anomaly detection, reinforcement learning for optimisation problems)
- Distinction between decision-support AI and decision-automation AI, and implications for control and oversight.

Learning Outcome 2: Understand the operational risks, dependencies and failure modes associated with AI-enabled processes at scale.

- Definition of AI-specific operational risk, distinct from traditional IT or automation risk.
- Key risk categories in AI-enabled operations (e.g. model risk- accuracy decay, drift, overfitting, data dependency risk- pipeline failures, biased inputs, automation bias and loss of human situational awareness, vendor and infrastructure dependency)
- Common AI failure modes in operational environments (e.g. model drift due to changing operational conditions, silent failures where outputs degrade without alert, edge-case amplification in rare or extreme conditions/ Case study Tesla)
- Analysis of system dependencies (e.g. cloud platforms, APIs and third-party AI services, sensor networks, data labelling, retraining and model update cycles)
- Techniques for identifying and managing AI operational risk (e.g. failure mode and effects analysis (FMEA) adapted for AI, stress testing and scenario-based risk assessment, human-in-the-loop and human-on-the-loop controls)
- Role of monitoring and validation, performance thresholds and alerting
- Bias and drift monitoring/ control and rollback mechanisms

Learning Outcome 3: Understand how AI adoption can affect organisational resilience, continuity planning and operational assurance.

- Concept of organisational resilience in AI-enabled operations
- Impact of AI on BCP- business continuity planning (e.g. AI system outages vs traditional system outages, dependency on data availability during disruption, manual fallback and degraded-mode operations)
- Integration of AI into resilience and continuity frameworks (e.g. ISO 22301- Business Continuity Management and operational resilience principles)
- Role of assurance mechanisms in AI-enabled operations (e.g. internal audit and model governance, validation and independent testing, documentation/ auditing)
- AI assurance techniques (e.g explainability and traceability in operational decisions, performance reporting and assurance dashboards, incident management and post-incident review)
- Lean AI-driven operations vs built-in redundancy
- Risks of over-optimisation and brittle systems

Learning Outcome 4: Be able to assess the suitability of AI use within critical operational contexts, balancing efficiency, risk and resilience considerations.

- Frameworks for assessing AI suitability in operational contexts (e.g. criticality and impact analysis, reversibility of AI-driven decisions)
- Criteria for determining appropriate AI deployment models (e.g. advisory vs automated decision-making, hybrid human-AI operating models)
- Techniques for evaluating trade-offs (e.g. efficiency gains vs failure impact, cost savings vs resilience investment, speed vs explainability and control)
- Use of structured assessment tools (e.g. risk–benefit matrices, scenario analysis and stress testing, assurance readiness checklists)
- Governance considerations influencing suitability (e.g. regulatory expectations in safety-critical sectors, internal accountability and escalation structures, supplier assurance and contractual risk)
- Applied assessment through realistic operational scenarios (e.g. logistics disruption under AI-led routing failure, case study- Maersk operational disruption)

Unit 5: AI and Workforce Transition, Ethics and Social Impact	
Unit aims	This unit enables learners to develop a critical understanding of how Artificial Intelligence (AI) impacts workforce structures, ethical practice and social responsibility within organisations. Learners will explore how AI adoption reshapes roles, accountability and organisational capability, and examine the ethical and social implications for equity, inclusion, responsibility and trust. The unit also develops learners' understanding of leadership responsibilities in managing workforce transition, skills evolution and organisational change, and equips them to evaluate organisational responses to AI-driven workforce, ethical and social challenges in a structured and evidence-informed manner. By the end of the unit, learners will be able to evaluate and justify organisational approaches to workforce, ethical and social challenges arising from AI adoption in complex contexts.
Unit level	5
Unit code	D/652/2355
GLH	40
TQT	150
Credit value	15
Unit grading structure	Fail / Pass / Merit / Distinction
Assessment guidance	Assessment for this unit should emphasise applied analysis and evaluative judgement in relation to workforce, ethical and social considerations associated with the adoption of artificial intelligence in organisational 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 context is realistic and familiar. Assessment activities should allow learners to demonstrate structured examination of organisational scenarios and reasoned evaluation of how AI adoption influences workforce structures, leadership responsibilities and socially responsible practice. Suitable

	assessment approaches may include scenario-based assignments, organisational case study analysis, analytical reports or workplace-related projects that support justified conclusions about organisational responses to AI-related ethical and social challenges. Assessment tasks should enable learners to apply relevant concepts and frameworks, consider alternative approaches and recognise trade-offs or limitations when forming evaluative judgements. Decisions should be based on the depth, coherence and quality of reasoning presented rather than the volume of evidence or the specific organisational context selected. Learners are not expected to design full organisational workforce strategies, produce detailed policy frameworks or conduct specialist legal or ethical research beyond what is required to support structured evaluation. All assessments must be submitted to The AI Board for approval prior to use.
Example Assessment Methods	LO1: Professional briefing, based on a real organisation or a well-defined scenario, that examines how AI adoption affects workforce structures, roles, accountability and organisational capability. LO2: Professional discussion on the ethical and social implications of AI use. LO3: Presentation of a change management review examining responsibilities for managing workforce transition and skills evolution driven by AI. LO4: Scenario task - strategic review of organisational responses to AI-driven workforce, ethical and social challenges.

Unit Content:

Learning Outcome 1: Understand how AI adoption affects workforce structures, roles, accountability and organisational capability.			
AC's	**Pass**	**Merit**	**Distinction**
1.1	Clearly and comprehensively explain how AI adoption is changing workforce structures and job roles, including task redistribution between humans and intelligent systems.	Evaluate the implications of AI-driven role change for organisational effectiveness and workforce resilience.	Critically evaluate the extent to which AI adoption fundamentally reshapes organisational structures rather than incrementally augmenting existing roles.

1.2	Analyse how accountability and decision ownership are affected when AI systems influence or automate workforce decisions.	Analyse the need for revised accountability frameworks where AI systems support or inform workforce-related decisions.	Critically evaluate the risks of accountability dilution in AI-enabled workforce models and the effectiveness of mitigation approaches.
1.3	Clearly and comprehensively explain how organisational capability requirements evolve as AI adoption increases, including skills, governance and operating models.	Evaluate how different organisational capability strategies support or constrain responsible AI-enabled workforce transformation.	Critically evaluate long-term organisational capability trade-offs arising from sustained AI integration.
Sufficiency Descriptors	Learners demonstrate a secure and well-structured understanding of how AI adoption affects workforce structures, organisational capability and decision accountability. Evidence shows clear and comprehensive explanations of how AI adoption is changing workforce structures and job roles. Explanations describe how tasks may be redistributed between humans and intelligent systems and how this redistribution can alter job responsibilities and organisational workforce structures. Evidence also shows analysis of how accountability and decision ownership are affected when AI	Learners demonstrate a developed understanding of how AI adoption affects workforce structures, organisational capability and decision accountability. Evidence shows evaluation of the implications of AI-driven role change for organisational effectiveness and workforce resilience. Evidence explains how the redistribution of tasks between humans and AI systems can influence workforce capability, productivity, adaptability and organisational performance. Responses consider both potential benefits and challenges associated with AI-driven role change and draw reasoned and balanced conclusions about its implications for workforce resilience and	Learners demonstrate a clear and comprehensive understanding of the deeper organisational implications of AI-enabled workforce transformation. Evidence shows critical evaluation of the extent to which AI adoption reshapes organisational structures rather than simply augmenting existing roles. Evidence explains how the redistribution of tasks between humans and AI systems can alter workforce structures, decision pathways and organisational operating models. Responses consider multiple perspectives, including the potential for incremental change alongside more fundamental organisational restructuring, and draw well-reasoned and balanced conclusions about the extent of transformation resulting from AI adoption.

	systems influence or automate workforce decisions. Analysis examines how the involvement of AI in decision processes may change how responsibility for outcomes is assigned within organisations. Evidence shows clear and comprehensive explanations of how organisational capability requirements evolve as AI adoption increases. Explanations describe how organisations may need to develop new capabilities relating to workforce skills, governance arrangements and operating models in order to support the effective use of AI technologies.	organisational effectiveness. Evidence also shows analysis of the need for revised accountability frameworks where AI systems support or inform workforce-related decisions. Analysis examines how the introduction of AI into decision processes can change how responsibility and decision ownership are distributed within organisations. Responses consider how governance arrangements, oversight structures and decision-making processes may need to evolve to ensure clear accountability when AI systems influence workforce decisions. Evidence shows evaluation of how different organisational capability strategies support or constrain responsible AI-enabled workforce transformation. Evidence considers factors such as workforce skills development, governance capabilities and operating model changes. Evaluations draw reasoned and balanced conclusions about how these capability strategies influence organisations' ability to manage workforce change responsibly as AI adoption increases.	Evidence also shows critical evaluation of the risks of accountability dilution in AI-enabled workforce models. Evidence explains how the integration of AI systems into workforce-related decision processes may blur responsibility for outcomes or weaken clear lines of decision ownership. Responses examine the effectiveness of mitigation approaches such as revised governance arrangements, accountability frameworks and oversight mechanisms, and draw well-reasoned and balanced conclusions about their ability to maintain clear responsibility for decisions influenced by AI. Evidence shows critical evaluation of long-term organisational capability trade-offs arising from sustained AI integration. Evidence considers how continued reliance on AI systems may influence workforce capability development, organisational skills requirements and governance capacity. Evaluations analyse both opportunities and constraints associated with long-term AI adoption and draw well-reasoned and balanced conclusions about how organisations can maintain effective capability and control as AI integration increases.

Learning Outcome 2: Understand the ethical and social implications of AI use for equity, inclusion, responsibility and trust.			
ACs	**Pass**	**Merit**	**Distinction**
2.1	Analyse key ethical risks associated with AI use in workforce contexts, including bias, exclusion and automation bias.	Analyse organisational approaches to mitigating ethical risks arising from AI-driven workforce decisions.	Critically evaluate the adequacy of ethics frameworks in addressing AI-related workforce risks.
2.2	Clearly and comprehensively explain how AI deployment can impact equity and inclusion across different workforce groups.	Evaluate the importance of transparency and explainability in maintaining workforce trust in AI-enabled systems.	Critically evaluate tensions between efficiency gains and social responsibility in AI-enabled workforce management.
2.3	Analyse how responsibility and trust are influenced when AI systems shape people-related decisions.	Evaluate how social expectations and regulatory pressures shape ethical AI practices within organisations.	Critically evaluate the long-term societal implications of widespread AI adoption for employment equity and trust.
Sufficiency Descriptors	Learners demonstrate a secure and well-structured understanding of the ethical and social implications of AI use within workforce contexts. Evidence shows analysis of key ethical risks associated with AI use in workforce-related activities. Analysis examines risks such as bias, exclusion and automation bias, explaining how these issues may arise when AI systems are used in	Learners demonstrate a developed understanding of how organisations respond to ethical risks and social expectations associated with AI use in workforce contexts. Evidence shows analysis of organisational approaches used to mitigate ethical risks arising from AI-driven workforce decisions. Analysis examines how organisations attempt to address risks such as bias, exclusion and automation bias through governance arrangements, oversight	Learners demonstrate a clear and comprehensive understanding of the broader organisational and societal implications of ethical AI use in workforce contexts. Evidence shows critical evaluation of the adequacy of ethics frameworks in addressing AI-related workforce risks. Evidence examines how governance structures, ethical principles and organisational policies attempt to manage risks such as bias, exclusion and accountability challenges arising from AI-enabled workforce decision-making. Evaluations analyse both

	workforce decisions or processes. Evidence also shows clear and comprehensive explanations of how AI deployment can affect equity and inclusion across different workforce groups. Explanations describe how AI systems may create different outcomes for individuals or groups depending on factors such as data representation, decision criteria or system design. Evidence shows analysis of how responsibility and trust may be influenced when AI systems shape people-related decisions. Analysis examines how the involvement of AI in workforce decisions may affect perceptions of fairness, transparency and accountability within organisations. Responses demonstrate understanding of how ethical risks, equity considerations and trust dynamics interact when AI technologies are applied within	mechanisms or policy frameworks. Evidence also shows evaluation of the importance of transparency and explainability in maintaining workforce trust in AI-enabled systems. Evidence explains how transparency in AI-supported decision-making and the ability to understand system outputs can influence perceptions of fairness, accountability and trust among workforce groups. Evaluations draw reasoned and balanced conclusions about the role of transparency and explainability in responsible AI deployment. Evidence shows evaluation of how social expectations and regulatory pressures shape ethical AI practices within organisations. Evidence considers how legal frameworks, public expectations and emerging regulatory guidance influence organisational approaches to responsible AI use. Evaluations draw reasoned and balanced conclusions about how these pressures shape ethical workforce practices in AI-enabled environments.	strengths and limitations of these approaches and draw well-reasoned and balanced conclusions about their effectiveness. Evidence also shows critical evaluation of tensions between efficiency gains and social responsibility in AI-enabled workforce management. Evidence examines how organisations may pursue automation, productivity or cost efficiencies while also needing to ensure fairness, inclusion and responsible decision-making practices. Responses consider multiple perspectives and analyse the trade-offs between operational efficiency and ethical workforce management. Evidence shows critical evaluation of the long-term societal implications of widespread AI adoption for employment equity and trust. Evidence examines how sustained AI integration may influence workforce inclusion, employment opportunities and public confidence in AI-supported decisions. Critical evaluations analyse both opportunities and risks and draw well-reasoned and balanced conclusions about the long-term implications of AI adoption for employment equity and societal trust.

Learning Outcome 3: Understand leadership responsibilities in managing workforce transition, skills evolution and organisational change driven by AI.			
ACs	**Pass**	**Merit**	**Distinction**
3.1	Clearly and comprehensively explain leadership responsibilities in supporting workforce transition resulting from AI adoption.	Evaluate leadership strategies for reskilling and redeployment in response to AI-driven workforce change.	Critically evaluate leadership capability gaps that could limit effective AI-driven workforce transformation.
3.2	Analyse how AI adoption drives changes in skill requirements and learning priorities across organisations.	Analyse leadership interventions required to maintain engagement, morale and trust during AI-enabled change.	Critically evaluate how leadership behaviours can influence ethical outcomes during AI-enabled organisational change.
3.3	Clearly and comprehensively explain the role of leadership in managing organisational change linked to AI implementation.	Evaluate the effectiveness of different change management approaches in AI-driven transformation contexts.	Critically evaluate the sustainability of leadership approaches used to manage long-term AI-related workforce transition.
Sufficiency Descriptors	Learners demonstrate a secure and well-structured understanding of leadership responsibilities in managing workforce transition, skills evolution and organisational change associated with AI adoption Evidence shows clear and comprehensive explanations of leadership responsibilities in supporting workforce	Learners demonstrate a developed understanding of leadership interventions required to support workforce transition, skills evolution and organisational change resulting from AI adoption. Evidence shows evaluation of leadership strategies used to support reskilling and redeployment in response to AI-driven workforce change. Evidence explains how organisations may support employees in adapting to new roles or responsibilities as tasks	Learners demonstrate a clear and comprehensive understanding of the leadership capability required to manage AI-driven workforce transition and organisational change. Evidence shows critical evaluation of leadership capability gaps that could limit effective AI-driven workforce transformation. Evidence examines how gaps in leadership knowledge, skills or governance awareness may constrain organisations' ability to manage workforce transition, reskilling and

	transition resulting from AI adoption. Explanations describe how leaders may support employees through changes to roles, responsibilities and ways of working as AI technologies are introduced into organisational processes. Evidence also shows analysis of how AI adoption drives changes in skill requirements and learning priorities across organisations. Analysis examines how the increasing use of AI technologies can alter the types of skills organisations require and influence priorities for workforce development and training. Evidence shows clear and comprehensive explanations of the role of leadership in managing organisational change linked to AI implementation. Explanations describe how leadership actions, communication and governance approaches can support organisations in managing change associated with AI adoption. Responses demonstrate understanding of how leadership responsibilities extend	are redistributed between humans and AI systems. Evaluations consider how reskilling initiatives, workforce development programmes and redeployment strategies contribute to workforce resilience and organisational effectiveness and draw reasoned and balanced conclusions about the effectiveness of these leadership strategies. Evidence also shows analysis of leadership interventions required to maintain workforce engagement, morale and trust during AI-enabled organisational change. Analysis examines how leadership communication, support mechanisms and organisational practices influence workforce confidence and willingness to adapt during periods of technological change. Evidence shows evaluation of the effectiveness of different change management approaches used in AI-driven transformation contexts. Evidence considers how leadership approaches to organisational change may support or constrain successful implementation of AI technologies and workforce transition. Evaluations draw reasoned and balanced conclusions about how leadership actions	redeployment as AI adoption increases. Evidence also shows critical evaluation of how leadership behaviours influence ethical outcomes during AI-enabled organisational change. Evidence examines how leadership decisions, communication approaches and governance practices can affect workforce trust, perceptions of fairness and responsible decision-making during AI-driven transformation. Evidence shows critical evaluation of the sustainability of leadership approaches used to manage long-term AI-related workforce transition. Evaluations consider how leadership strategies such as reskilling initiatives, change management practices and workforce engagement approaches may support or constrain long-term organisational capability development. Responses analyse both strengths and limitations of different leadership approaches and draw well-reasoned and balanced conclusions about the leadership capability required to manage workforce transition, skills evolution and organisational change in AI-enabled organisations.

	across workforce transition, capability development and organisational change as AI technologies are integrated into operational environments.	influence the success of organisational change linked to AI adoption.	
Learning Outcome 4: Be able to evaluate organisational responses to AI-driven workforce, ethical and social challenges.			
ACs	**Pass**	**Merit**	**Distinction**
4.1	Analyse a defined organisational scenario to identify workforce, ethical and social challenges arising from AI adoption.	N/A	N/A
4.2	Clearly and comprehensively explain organisational responses used to address identified AI-related workforce challenges.	Evaluate the effectiveness of organisational responses to AI-related workforce, ethical and social challenges.	Critically evaluate the long-term organisational and societal consequences of the chosen AI response strategy including implications for innovation, ethics and workforce sustainability.
4.3	Analyse the effectiveness of existing policies, controls or governance mechanisms in managing AI-related social and ethical risks.		
Sufficiency Descriptors	Learners demonstrate the ability to analyse organisational responses to workforce, ethical and social challenges associated with AI adoption.	Learners demonstrate a developed ability to evaluate organisational responses to workforce, ethical and social challenges arising from AI adoption.	Evaluations consider how effectively these responses address identified workforce challenges as well as ethical and social risks associated with AI-enabled decision-making.

	Evidence shows analysis of a defined organisational scenario to identify workforce, ethical and social challenges arising from AI adoption. The analysis identifies issues such as changes to workforce roles, ethical risks associated with AI-enabled decisions and wider social implications linked to the use of AI technologies. Evidence also shows clear and comprehensive explanations of organisational responses used to address identified workforce challenges arising from AI adoption. Explanations describe how organisations may respond through measures such as reskilling initiatives, redeployment strategies, governance arrangements or changes to operating models. Evidence shows analysis of the effectiveness of policies, controls or governance mechanisms used to manage AI-related social and ethical risks. Analysis examines how organisational policies, oversight mechanisms or governance structures attempt to mitigate risks such as	Evidence shows evaluation of the effectiveness of organisational responses used to address challenges associated with AI-driven workforce transition and the wider ethical and social implications of AI use. Evidence explains how organisations attempt to respond through measures such as governance arrangements, leadership actions, workforce capability development, policies or operational controls. Evaluations consider how effectively these responses address identified workforce challenges as well as ethical and social risks associated with AI-enabled decision-making. Evidence examines both strengths and limitations of organisational responses and considers how these responses align with ethical principles, workforce expectations and regulatory requirements. Responses draw reasoned and balanced conclusions about the effectiveness of organisational approaches in managing the workforce, ethical and social challenges associated with AI adoption.	Evidence examines both strengths and limitations of organisational responses and considers how these responses align with ethical principles, workforce expectations and regulatory requirements. Responses draw reasoned and balanced conclusions about the effectiveness of organisational approaches in managing the workforce, ethical and social challenges associated with AI adoption. Responses consider multiple perspectives when evaluating these responses and analyse how organisational approaches may shape workforce sustainability, ethical decision-making and wider societal trust in AI-enabled systems. Evidence examines both the opportunities and risks associated with organisational responses and considers how these responses may influence innovation, organisational capability and workforce inclusion over time. Critical evaluations analyse the strengths and limitations of existing organisational approaches and draw well-reasoned and balanced conclusions about their longer-term implications for organisations, employees and society.

	bias, exclusion or reduced accountability in AI-enabled decision-making. Responses demonstrate a structured understanding of how organisations identify and respond to workforce, ethical and social challenges associated with AI adoption.		

Essential Teaching Content:

Learning Outcome 1: Understand how AI adoption affects workforce structures, roles, accountability and organisational capability

- How AI reshapes job roles through task decomposition, augmentation and automation (e.g. separating judgement-based tasks from repetitive decision execution).
- Workforce restructuring models in AI-enabled organisations, including hub-and-spoke data teams, product-aligned squads and centre-of-excellence models.
- Changes to role accountability when AI systems influence decisions, including human-in-the-loop, human-on-the-loop and human-out-of-the-loop operating models.
- Organisational capability requirements for AI adoption, including data literacy, AI governance, change capability and cross-functional collaboration.
- Operating model implications of AI, including shifts in decision speed, escalation paths and managerial oversight.
- Capability maturity approaches such as AI maturity models and digital capability frameworks.
- Real-world organisational examples of workforce change driven by AI adoption (e.g. Amazon warehouse automation and role redesign; IBM workforce reskilling and AI augmentation strategy).

Learning Outcome 2: Understand the ethical and social implications of AI use for equity, inclusion, responsibility and trust

- Ethical risk categories in workforce AI (e.g. bias and discrimination, automation bias, exclusion, opacity and dignity impacts)
- How bias can arise at different stages of AI systems, including data collection, model design, deployment and interpretation.
- Equity and inclusion considerations when AI affects recruitment, performance assessment, promotion or workforce planning.

- Responsibility and accountability challenges where AI contributes to people-related decisions.
- Trust formation in AI systems (e.g. transparency, explainability, contestability and redress mechanisms.)
- Ethical decision-making frameworks and principles applicable to AI (e.g. fairness, accountability, transparency and human oversight).
- Organisational ethics governance mechanisms such as ethics committees, AI risk registers and ethical review processes.
- Real-world examples of ethical and social AI challenges (e.g. Google workforce and ethics concerns around AI deployment).

Learning Outcome 3: Understand leadership responsibilities in managing workforce transition, skills evolution and organisational change driven by AI

- Leadership roles in anticipating and responding to AI-driven workforce disruption.
- Strategic workforce planning approaches that account for AI-enabled role evolution and skill displacement.
- Skills evolution models, including reskilling, upskilling and redeployment strategies.
- Leadership responsibilities for maintaining engagement, wellbeing and trust during AI-driven change.
- Change management approaches relevant to AI transformation (e.g. structured change frameworks and adaptive leadership models)
- Communication strategies for explaining AI impacts to different workforce groups.
- Ethical leadership behaviours in AI adoption (e.g. modelling responsible use and reinforcing organisational values)
- Real-world leadership responses to AI-driven change (e.g. Unilever AI-led workforce planning and reskilling; Microsoft leadership focus on AI skills and responsible AI culture).

Learning Outcome 4: Be able to evaluate organisational responses to AI-driven workforce, ethical and social challenges

- Types of organisational responses to AI workforce and ethical challenges (e.g. policy development, governance redesign and capability investment)
- Evaluation of AI governance frameworks covering workforce impact, ethics and accountability.
- Organisational controls such as impact assessments, audit mechanisms and decision oversight structures.
- Alignment between AI strategy, workforce strategy and organisational values.
- Trade-offs between innovation, efficiency, workforce sustainability and ethical responsibility.
- Use of scenario analysis and case evaluation techniques to assess organisational responses.
- Indicators of effective organisational response (e.g. risk mitigation, workforce outcomes and stakeholder trust)

- Real-world examples of organisational AI responses (e.g. NHS workforce governance and AI ethics frameworks; Salesforce ethical AI principles and workforce impact considerations).

Unit 6: AI-enabled Business Model Innovation and Scaling	
Unit aims	This unit enables learners to understand This unit aims to develop learners' understanding of how Artificial Intelligence (AI) enables innovation in products, services and ecosystem-based business models, and how such models can be scaled responsibly within organisational, commercial and regulatory constraints. Learners will explore the strategic, operational and governance considerations associated with scaling AI-enabled offerings, assess risks and ethical implications, and apply this understanding to evaluate feasible pathways for sustainable value creation in an organisational context. By the end of the unit, learners will be able to evaluate and justify approaches to AI-enabled business model innovation and scaling within complex organisational environments.
Unit level	5
Unit code	F/652/2356
GLH	40
TQT	150
Credit value	15
Unit grading structure	Fail / Pass / Merit / Distinction
Assessment guidance	Assessment for this unit should emphasise applied strategic analysis and evaluative judgement in relation to how artificial intelligence supports innovation in products, services and business models within organisational 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 context is realistic and familiar. Assessment activities should allow learners to demonstrate structured evaluation of innovation scenarios and reasoned consideration of how AI-enabled models can be developed and scaled within commercial, organisational and regulatory constraints. Suitable assessment approaches may include scenario-based assignments, business model case

	study analysis, analytical reports or workplace-related projects that support justified conclusions about opportunities, risks and implementation considerations. Assessment tasks should provide opportunities for learners to integrate knowledge across learning outcomes, apply relevant concepts accurately and consider trade-offs when forming evaluative judgements about scaling decisions. Assessment decisions should be based on the clarity, coherence and quality of reasoning presented rather than descriptive discussion of technologies or system development detail. Learners are not expected to design technical AI systems, produce full business model implementation plans or conduct specialist market analysis beyond what is required to support structured evaluation. All assessments must be submitted to The AI Board for approval prior to use.
Example Assessment Methods	LO1: Professional discussion exploring how AI enables new products, services and ecosystem-based business models across sectors. LO2: Presentation on the commercial, operational and governance factors that influence the scalability of AI-enabled business models. Could be combined with LO3. LO3: Presentation on the risks and constraints associated with scaling AI-driven offerings responsibly. Could be combined with LO2. LO4: Scenario task - analysis of potential pathways for scaling an AI-enabled business model within defined organisational and regulatory constraints.

Unit Content:

Learning Outcome 1: Understand how AI can enable new products, services and ecosystem-based business models across sectors.			
ACs	**Pass**	**Merit**	**Distinction**
1.1	Clearly and comprehensively explain how AI technologies can enable the creation of new products and services, including data-driven, predictive and adaptive offerings.	Analyse the role of data availability in enabling scalable AI-based business models.	Critically evaluate the long-term sustainability of AI-enabled value propositions and ecosystem-based business models, including the implications of competitive imitation, technological

1.2	Analyse how AI can reshape traditional value propositions and customer interactions across different sectors.	Analyse how AI-enabled value propositions can create competitive differentiation or disruption across sectors, considering implications for market positioning and customer value.	convergence and ecosystem dependence.
1.3	Clearly and comprehensively explain how AI can enable ecosystem-based business models involving platforms, partners and data sharing arrangements.	Analyse why certain sectors are more conducive to AI-driven ecosystem-based business models than others.	
Sufficiency Descriptors	Learners demonstrate a secure and well-structured understanding of how AI technologies enable new products, services and ecosystem-based business models. Evidence shows clear and comprehensive explanations of how AI technologies enable the creation of new products and services. Explanations describe how capabilities such as data analysis, prediction and adaptive system behaviour allow organisations to develop new offerings that respond dynamically to customer needs or operational conditions. Evidence also shows analysis of how AI reshapes traditional value propositions and customer interactions across different sectors. Analysis examines how AI technologies can influence how organisations create value for customers and how	Learners demonstrate a developed understanding of how data availability, competitive dynamics and sector characteristics influence the development of scalable AI-enabled business models. Evidence shows analysis of the role of data availability in enabling scalable AI-based business models. Analysis examines how the availability, quality and scale of data influence the development of predictive, adaptive or personalised AI-enabled products and services. Responses consider how access to large or high-quality datasets supports the ability of organisations to scale AI-driven offerings across markets or customer groups. Evidence also shows analysis of how AI-enabled value propositions create competitive differentiation or disruption across	Learners demonstrate a clear and comprehensive understanding of the strategic implications of AI-enabled business models. Evidence shows critical evaluation of the long-term sustainability of AI-enabled value propositions and ecosystem-based business models. Evidence examines how AI-enabled products, services and platform-based approaches may create competitive advantage while also being vulnerable to pressures such as competitive imitation, technological convergence and changes in data availability. Responses consider multiple perspectives when evaluating the sustainability of these models and analyse both the opportunities and risks associated with AI-driven innovation. Evidence

	customers interact with products or services, including changes to personalisation, responsiveness or service delivery. Evidence shows clear and comprehensive explanations of how AI enables ecosystem-based business models involving platforms, partners and data sharing arrangements. Explanations describe how organisations may collaborate within digital ecosystems to create value through shared data, platforms or partnerships. Responses demonstrate understanding of how AI technologies influence the development of new products, services and business models across different sectors.	sectors. Analysis examines how AI capabilities such as personalisation, predictive insight or automation can reshape how organisations deliver value to customers and influence competitive positioning within markets. Evidence shows analysis of why certain sectors are more conducive to AI-driven ecosystem-based business models than others. Analysis examines how sector characteristics such as data intensity, customer interaction patterns, regulatory conditions and technological infrastructure influence the viability of ecosystem-based approaches involving platforms, partners or shared data resources.	examines how ecosystem dependence, data access and sector conditions may influence the durability of AI-enabled business models over time. Critical evaluations analyse both the strengths and limitations of AI-enabled value propositions and ecosystem-based strategies and draw well-reasoned and balanced conclusions about their long-term viability in competitive and evolving technological environments.
Learning Outcome 2: Understand the commercial, operational and governance factors that influence the scalability of AI-enabled business models.			
ACs	**Pass**	**Merit**	**Distinction**
2.1	Analyse the commercial factors that influence the scalability of AI-enabled business models, including cost structures, revenue mechanisms and pricing strategies.	Evaluate how different revenue models and pricing strategies affect the scalability and commercial sustainability of AI-enabled business models.	Critically evaluate the trade-offs between commercial scalability, operational dependencies and the robustness of governance frameworks when scaling AI-enabled business models.
2.2	Clearly and comprehensively explain the operational requirements for scaling AI solutions, including data infrastructure, skills	Evaluate how supplier dependencies and technology partnerships affect the scalability and commercial resilience of	

	and integration with existing systems.	AI-enabled business models.	
2.3	Analyse how governance arrangements support or constrain the scaling of AI-enabled business models.	Evaluate the need for structured governance frameworks when scaling AI across multiple business contexts	
Sufficiency Descriptors	Learners demonstrate a secure and well-structured understanding of the commercial, operational and governance factors that influence the scalability of AI-enabled business models. Evidence shows analysis of the commercial factors that influence the scalability of AI-enabled business models. Analysis examines elements such as cost structures, revenue mechanisms and pricing strategies and explains how these factors affect the commercial viability of scaling AI-enabled offerings. Evidence also shows clear and comprehensive explanations of the operational requirements for scaling AI solutions. Explanations describe requirements such as data infrastructure, technical skills and the integration of AI systems with existing organisational technologies or processes. Evidence shows analysis of how governance arrangements support or constrain the scaling of AI-enabled business models.	Learners demonstrate a developed understanding of the commercial, operational and governance factors that influence the scalability of AI-enabled business models. Evidence shows evaluation of how different revenue models and pricing strategies affect the scalability and commercial sustainability of AI-enabled business models. Evidence examines how approaches such as subscription models, usage-based pricing or platform-based revenue structures may influence the ability of organisations to scale AI-enabled offerings. Evidence also shows evaluation of how supplier dependencies and technology partnerships affect the scalability and commercial resilience of AI-enabled business models. Evaluations consider how reliance on external infrastructure providers, technology partners or data suppliers may influence operational flexibility, cost structures and long-term scalability. Evidence shows evaluation of the need for structured governance	Learners demonstrate a clear and comprehensive understanding of the strategic challenges associated with scaling AI-enabled business models. Evidence shows critical evaluation of the trade-offs between commercial scalability, operational dependencies and the robustness of governance frameworks when organisations scale AI-enabled products or services. Evidence examines how pressures to expand rapidly may influence commercial models, operational partnerships and governance arrangements. Responses consider multiple perspectives when evaluating these trade-offs and analyse how decisions made to accelerate growth may affect organisational control, operational resilience and responsible AI governance. Evidence examines both the opportunities and risks associated with scaling AI-enabled business models quickly. Critical evaluations analyse the strengths and limitations of different

	Analysis examines how organisational policies, oversight mechanisms or regulatory considerations may influence the ability of organisations to expand AI-enabled products, services or platforms. Responses demonstrate understanding of how commercial viability, operational capability and governance structures interact to influence the scalability of AI-enabled business models.	frameworks when scaling AI across multiple business contexts. Evaluations examine how governance arrangements, oversight mechanisms and organisational controls may support responsible scaling while managing risks associated with expanding AI-enabled products or services. Responses consider both strengths and limitations of these commercial, operational and governance approaches and draw reasoned and balanced conclusions about how effectively they support the scalable growth of AI-enabled business models.	approaches to scaling AI solutions and draw well-reasoned and balanced conclusions about how organisations can balance commercial growth with robust governance and operational stability when expanding AI-enabled offerings.
Learning Outcome 3: Understand the risks and constraints associated with scaling AI-driven offerings responsibly.			
ACs	**Pass**	**Merit**	**Distinction**
3.1	Clearly and comprehensively explain the ethical and social risks associated with scaling AI-driven products and services.	Evaluate the commercial consequences of failing to address ethical, technical and regulatory risks when scaling AI-enabled offerings.	Critically evaluate the tension between commercial growth objectives and responsible AI principles when scaling AI-enabled offerings.
3.2	Analyse how data bias, model drift and reduced human oversight can emerge as AI solutions scale.		
3.3	Analyse mechanisms used to manage responsible AI risks when		

	scaling AI-enabled offerings.		
3.4	Clearly and comprehensively explain regulatory and legal constraints that affect the scaling of AI-enabled offerings across jurisdictions.		
Sufficiency Descriptors	Learners demonstrate a secure and well-structured understanding of the risks and constraints associated with scaling AI-driven products and services responsibly. Evidence shows clear and comprehensive explanations of the ethical and social risks associated with scaling AI-driven products and services. Explanations describe how increased risks related to fairness, transparency, accountability or social impact as AI-enabled offerings reach larger numbers of users. Evidence also shows analysis of how issues such as data bias, model drift and reduced human oversight can emerge as AI solutions scale. Analysis examines how changes in data environments, operational complexity or system autonomy may affect the reliability and responsible operation of AI systems when deployed at scale. Evidence shows clear and comprehensive explanations of regulatory and legal constraints that affect the scaling of AI-	Learners demonstrate a developed understanding of the commercial implications associated with failing to manage responsible AI risks when scaling AI-enabled offerings. Evidence shows evaluation of the commercial consequences of failing to manage ethical, technical and regulatory risks when scaling AI-driven products or services. Evaluations consider how issues such as unmanaged bias, model drift, reduced oversight or regulatory non-compliance may affect organisational reputation, customer trust, operational continuity and market access. Responses draw on understanding of the ethical risks, technical failure modes, risk management mechanisms and regulatory constraints associated with AI scaling. Evidence considers how weaknesses in these areas may expose organisations to financial loss, legal exposure or reduced competitive position.	Learners demonstrate a clear and comprehensive understanding of the strategic tensions that arise when organisations scale AI-enabled products and services while attempting to maintain responsible AI practices. Evidence shows critical evaluation of the tension between commercial growth objectives and responsible AI principles when scaling AI-enabled offerings. Evidence examines how pressures to expand rapidly, increase market share or achieve competitive advantage may conflict with the need to manage ethical risks, technical reliability issues and regulatory compliance obligations. Responses consider multiple perspectives when evaluating these tensions and analyse how decisions to prioritise rapid growth may affect fairness, transparency, system reliability, governance oversight and regulatory compliance. Evidence draws on understanding of ethical risks, technical scaling challenges, risk management mechanisms and

	enabled offerings across jurisdictions. Explanations describe how legal frameworks, regulatory requirements or compliance obligations may influence the ability of organisations to expand AI-enabled products and services across different markets. Responses demonstrate an understanding of how ethical, technical and regulatory factors interact to influence the responsible scaling of AI-enabled offerings.	Evaluations examine both short-term and longer-term implications of failing to manage responsible AI risks and draw reasoned and balanced conclusions about how these failures may affect the commercial viability and sustainable growth of AI-enabled offerings.	regulatory constraints to examine how organisations attempt to balance innovation with responsible AI practices. Critical evaluations examine both the opportunities and risks associated with different organisational approaches to scaling AI and draw well-reasoned and balanced conclusions about how organisations can manage the competing demands of commercial growth and responsible AI deployment when expanding AI-enabled offerings.
Learning Outcome 4: Be able to assess pathways for scaling AI-enabled business models within organisational and regulatory constraints.			
ACs	**Pass**	**Merit**	**Distinction**
4.1	Analyse a defined organisational or sector scenario to identify potential pathways for scaling an AI-enabled business model.	Justify one preferred scaling pathway for the AI-enabled business model based on commercial, operational and governance considerations	Critically evaluate the robustness of the proposed scaling pathway when faced with potential changes in regulatory requirements, market conditions or organisational capabilities.
4.2	Clearly and comprehensively explain the organisational capabilities and resources required to support the identified scaling pathway options.		
4.3	Analyse how regulatory, ethical and governance constraints influence feasible scaling options.		

Sufficiency Descriptors	Learners demonstrate the ability to assess potential pathways for scaling an AI-enabled business model within organisational and regulatory constraints. Evidence shows analysis of a defined organisational or sector scenario to identify potential pathways for scaling an AI-enabled business model. Analysis examines possible approaches to expanding AI-enabled products, services or platforms within the context of the scenario. Evidence also shows clear and comprehensive explanations of the organisational capabilities and resources required to support the identified options for scaling pathways.. Explanations describe elements such as technical infrastructure, skills, governance arrangements, partnerships or operational processes required to enable scaling. Evidence shows analysis of how regulatory, ethical and governance constraints influence feasible scaling options. Analysis examines how factors such as regulatory requirements, ethical considerations and organisational governance structures may limit or shape the scaling pathways available. Responses demonstrate an integrated	Learners demonstrate a developed ability to assess and justify a preferred scaling pathway for an AI-enabled business model within organisational and regulatory constraints. Evidence shows justification of a preferred scaling pathway for the AI-enabled business model based on commercial, operational and governance considerations. Responses draw on the analysis of potential pathways, organisational capability requirements and regulatory or ethical constraints identified at Pass. Justifications explain why the selected pathway is more appropriate than alternative options within the scenario. Evidence considers factors such as commercial viability, operational feasibility, governance requirements and regulatory constraints when supporting the chosen approach. Responses demonstrate clear reasoning and draw balanced conclusions about why the selected scaling pathway represents the most appropriate option within the organisational or sector context provided.	Learners demonstrate a clear and comprehensive ability to critically evaluate the robustness of a preferred scaling strategy for an AI-enabled business model within changing organisational and regulatory contexts. Evidence shows critical evaluation of the robustness of the proposed scaling pathway identified in the scenario. Evidence examines how the chosen approach may perform under changing regulatory, market or organisational conditions. Responses consider how factors such as evolving regulatory requirements, shifts in market competition, changes in customer expectations, or variations in organisational capability may influence the continued viability of the proposed scaling pathway. Evidence examines both strengths and potential vulnerabilities in the proposed approach when these external or internal conditions change. Critical evaluations analyse how commercial, operational and governance considerations interact to influence the resilience of the scaling strategy over time. Responses draw well-reasoned and balanced conclusions about the extent to which the proposed pathway is robust and sustainable when operating within

	understanding of how scaling pathways, organisational capability requirements and governance constraints interact to influence the feasibility of scaling AI-enabled business models.		uncertain or evolving regulatory and market environments.

Essential Teaching Content:

Learning Outcome 1: Understand how AI can enable new products, services and ecosystem-based business models across sectors.

- AI as a product and service enabler: prediction, personalisation, automation, optimisation and generative capabilities
- Types of AI-enabled offerings: data-driven products, AI-augmented services, decision-support tools, adaptive and learning systems
- Business model shifts enabled by AI (e.g product ownership to outcomes, subscriptions, usage-based and performance-based models)
- Platform and ecosystem models (e.g. multi-sided platforms, data-sharing arrangements, API-driven value creation)
- Value proposition redesign using AI (e.g. enhanced speed, accuracy, personalisation, scalability)
- Business sector variations in AI adoption and business model innovation (e.g. financial services, healthcare, retail, logistics)
- Role of data as a strategic asset in enabling AI-based models
- Illustrative examples of AI-enabled products, services and ecosystems (e.g. Amazon recommendation systems, Netflix content personalisation, Salesforce AI-enabled CRM platform)

Learning Outcome 2: Understand the commercial, operational and governance factors that influence the scalability of AI-enabled business models.

- Commercial scalability considerations (e.g. marginal cost reduction, revenue scaling, pricing strategies, return on data investment)
- Cost structures of AI-enabled models (e.g. data acquisition, model development, infrastructure, ongoing monitoring)
- Operational readiness for scale (e.g. data architecture, cloud infrastructure, integration with legacy systems)
- Skills and capability requirements (e.g. AI literacy, data engineering, model governance, change management)
- Governance frameworks for scaling AI (e.g. ownership, accountability, decision rights and escalation routes)
- Supplier and partner dependencies in AI ecosystems, including vendor lock-in risks
- Scaling across functions, geographies and markets
- Use of operating models to support scale (e.g. centralised vs federated AI teams)

- Organisational examples of AI scaling challenges and approaches (e.g. Microsoft enterprise AI deployment; Uber algorithmic scaling across markets)

Learning Outcome 3: Understand the risks and constraints associated with scaling AI-driven offerings responsibly.

- Ethical risks at scale (e.g. bias amplification, exclusion, loss of human oversight, automation bias)
- Technical risks (e.g data drift, model degradation, performance variability across contexts)
- Transparency and explainability challenges as systems scale
- Regulatory and legal constraints affecting scale, including cross-border deployment and sector regulation
- Data protection and privacy risks linked to increased data use and sharing
- Reputational and trust risks associated with AI failures at scale
- Responsible AI principles and frameworks (e.g. fairness, accountability, transparency, safety)
- Monitoring, audit and assurance mechanisms for scaled AI systems
- Organisational responses to AI risk events (e.g. IBM AI governance frameworks; Meta content moderation and AI risk management)

Learning Outcome 4: Be able to assess pathways for scaling AI-enabled business models within organisational and regulatory constraints.

- Identifying realistic AI scaling pathways: pilots, phased rollouts, platform expansion, partnership-led scale
- Assessment of organisational capability gaps and readiness for scale
- Evaluating alternative scaling options and sequencing decisions
- Balancing innovation speed with governance and assurance requirements
- Incorporating regulatory, ethical and stakeholder constraints into scaling decisions
- Use of scenario analysis and road mapping to assess scaling feasibility
- Practical examples of AI scaling decisions and constraints (e.g. Google phased AI deployment; Siemens industrial AI scaling)
- Trade-offs between control, flexibility and growth in AI scaling strategies
- Aligning AI scaling pathways with organisational strategy and risk appetite

Unit 7: Organisational AI Adoption, Governance and Change Leadership	
Unit aims	This unit enables learners to understand how organisational governance, leadership and change management practices shape the adoption of artificial intelligence. Learners will examine the role of leadership in aligning strategy, governance and operational practice, explore the challenges of embedding AI within complex organisational contexts, and develop the capability to formulate leadership-aligned recommendations that support effective, responsible and sustainable AI adoption. By the end of the unit, learners will be able to evaluate and justify leadership and governance approaches to AI adoption within complex organisational environments.
Unit level	5
Unit code	H/652/2357
GLH	40
TQT	150
Credit value	15
Unit grading structure	Fail / Pass / Merit / Distinction
Assessment guidance	Assessment for this unit should emphasise applied organisational analysis and evaluative judgement in relation to governance, leadership and change management considerations associated with the adoption of artificial intelligence. 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 structured analysis of organisational scenarios and reasoned evaluation of how governance arrangements, leadership approaches and change management practices influence AI adoption outcomes. Suitable assessment approaches may include organisational case study analysis, scenario-based assignments, analytical reports or workplace-related projects that support justified conclusions and recommendations. Assessment tasks should provide opportunities for learners to apply relevant models and frameworks, consider feasibility and organisational context, and integrate themes across leadership, governance and change when forming

	evaluative judgements. Assessment decisions should be based on the depth, coherence and quality of reasoning presented rather than descriptive discussion of organisational structures alone. Learners are not expected to design full organisational transformation programmes , produce detailed governance frameworks or conduct specialist organisational research beyond what is required to support structured evaluation. All assessments must be submitted to The AI Board for approval prior to use.
Example Assessment Methods	LO1: Written report examining how governance arrangements, stakeholder interests and organisational culture LO2: Professional discussion exploring how leadership behaviours and decisions align AI strategy with government and operational practice. LO3: Reflective report on the organisational challenges of embedding AI in a based on a real organisation or a well-defined scenario LO4: Professional recommendation report analysing the organisation, identifying governance and change challenges, and formulating leadership-aligned recommendations that support effective and responsible AI adoption for a real organisation or a well-defined scenario.

Unit Content:

Learning Outcome 1: Understand how government structure , stakeholder dynamics and organisational culture can influence AI adoption			
ACs	**Pass**	**Merit**	**Distinction**
1.1	Clearly and comprehensively explain how organisational governance structures can influence decisions about AI adoption and control.	Evaluate the effectiveness of different governance approaches in supporting responsible and effective AI adoption.	Critically evaluate how governance structures, stakeholder power dynamics and organisational culture interact to influence the success or failure of AI adoption within organisations.
1.2	Analyse how different stakeholder groups can shape priorities, risks and acceptance of AI initiatives.	Analyse why particular stakeholder interests or power dynamics are likely to have greater influence on AI adoption outcomes within organisations.	

1.3	Clearly and comprehensively explain how organisational culture, values and behavioural norms can enable or constrain AI adoption.	Evaluate how organisational culture supports or constrains successful AI adoption.	
Sufficiency Descriptors	Learners demonstrate a secure understanding of how governance structures, stakeholder dynamics and organisational culture influence organisational decisions about AI adoption. Evidence shows clear and comprehensive explanations of how organisational governance structures influence decisions about AI adoption and control. Explanations describe how elements such as leadership oversight, governance committees, decision-making authority or risk management frameworks shape organisational approaches to adopting and managing AI technologies. Evidence also shows analysis of how different stakeholder groups shape priorities, risks and acceptance of AI initiatives. Analysis examines how the interests and perspectives of groups such as senior leadership, operational teams, technical specialists, regulators, customers or employees may influence organisational decisions about AI deployment.	Learners demonstrate a developed understanding of how governance arrangements, stakeholder dynamics and organisational culture influence AI adoption within organisations. Evidence shows evaluation of the effectiveness of different governance approaches in supporting responsible and effective AI adoption. Evaluations examine how governance structures, decision-making processes and oversight mechanisms may enable or constrain organisational control over AI initiatives and associated risks. Evidence also shows analysis of why particular stakeholder interests or power dynamics are likely to have greater influence on AI adoption outcomes within organisations. Analysis examines how factors such as organisational authority, expertise, risk ownership, strategic priorities or access to resources may shape the influence of different stakeholder groups on AI-related decisions. Evidence shows evaluation of how organisational culture	Learners demonstrate a clear and comprehensive understanding of the complex organisational dynamics that influence AI adoption. Evidence shows critical evaluation of how governance structures, stakeholder power dynamics and organisational culture interact to influence the success or failure of AI adoption within organisations. Evidence examines how different governance arrangements, competing stakeholder interests and organisational cultural factors may collectively shape organisational decisions about adopting, controlling and scaling AI initiatives. Responses consider multiple perspectives when evaluating these organisational dynamics and analyse how factors such as leadership authority, stakeholder influence, organisational values and risk tolerance may reinforce or undermine responsible AI adoption. Evidence examines both the opportunities and limitations associated with different organisational approaches

	Evidence shows clear and comprehensive explanations of how organisational culture, values and behavioural norms can enable or constrain AI adoption. Explanations describe how factors such as openness to innovation, attitudes to risk, trust in technology and organisational learning behaviours may influence the extent to which AI initiatives are supported or resisted within organisations. Responses demonstrate an understanding of how governance arrangements, stakeholder dynamics and organisational culture interact to influence organisational approaches to AI adoption and control.	supports or constrains successful AI adoption. Evaluations consider how organisational values, attitudes to innovation, tolerance for risk and behavioural norms may influence the willingness of individuals or teams to engage with AI initiatives. Responses draw reasoned conclusions about how governance approaches, stakeholder influence and organisational culture interact to shape the success or limitations of AI adoption within organisational contexts.	to AI governance and decision-making. Critical evaluations analyse the strengths and weaknesses of organisational approaches to AI adoption and draw well-reasoned and balanced conclusions about how governance, stakeholder influence and organisational culture may affect the long-term success of AI initiatives within organisations.
Learning Outcome 2: Understand the role of leadership in aligning strategy , governance and operational practice for AI implementation.			
ACs	**Pass**	**Merit**	**Distinction**
2.1	Clearly and comprehensively explain the role of senior leadership in setting strategic direction and intent for AI adoption.	N/A	N/A
2.2	Analyse how leadership behaviours can influence alignment between AI strategy, governance arrangements and day-to-day operational practice.	Evaluate the effectiveness of different leadership approaches in aligning AI strategy with governance arrangements and operational delivery.	Critically evaluate how leadership balances strategic ambition with responsible AI practice and legal and operational constraints in organisational AI adoption.

2.3	Clearly and comprehensively explain how leaders communicate expectations, priorities and boundaries to support trusted and responsible AI use within operational practice.	Analyse why leadership capability and credibility are critical to building organisational trust in AI-enabled operational decision-making.	
Sufficiency Descriptors	Learners demonstrate a secure understanding of how leadership supports the alignment of strategy, governance and operational practice in AI implementation. Evidence shows clear and comprehensive explanations of the role of senior leadership in setting strategic direction and intent for AI adoption. Explanations describe how leadership decisions, priorities and strategic vision influence organisational approaches to adopting and managing AI technologies. Evidence also shows analysis of how leadership behaviours influence alignment between AI strategy, governance arrangements and day-to-day operational practice. Analysis examines how leadership actions, decision-making approaches and organisational influence may affect the extent to which strategic objectives for AI are translated into governance frameworks and operational processes. Evidence shows clear and comprehensive explanations of how	Learners demonstrate a developed understanding of how leadership approaches and credibility influence the effective implementation of AI within organisations. Evidence shows evaluation of the effectiveness of different leadership approaches in aligning AI strategy with governance arrangements and operational delivery. Evaluations examine how leadership styles, decision-making approaches and organisational influence may affect the extent to which strategic AI objectives are translated into governance frameworks and day-to-day operational practice. Evidence considers the strengths and limitations of different leadership approaches in supporting consistent implementation of AI initiatives across organisational structures. Evidence also shows analysis of why leadership capability and credibility are critical to building organisational trust in AI-enabled operational decision-making. Analysis examines how leadership expertise, transparency,	Evidence shows critical evaluation of how leadership balances strategic ambition with responsible AI practice and legal and operational constraints when adopting AI technologies. Evidence examines how organisational leaders pursue innovation and competitive advantage while ensuring that appropriate governance arrangements, regulatory requirements and operational controls support responsible AI use.

	leaders communicate expectations, priorities and boundaries to support trusted and responsible AI use within operational practice. Explanations describe how leadership communication, guidance and organisational messaging establish expectations for acceptable AI use, clarify responsibilities and reinforce organisational standards for responsible decision-making. Evidence demonstrates how clear leadership communication helps build confidence in AI-enabled processes and supports consistent, trusted use of AI within day-to-day operational activities. Responses demonstrate an understanding of how strategic leadership, behavioural influence and communication together support the effective and responsible implementation of AI within organisations.	accountability and demonstrated understanding of AI risks and opportunities influence employee confidence in AI-enabled processes and decision-making	

Learning Outcome 3: Understand the change management challenges associated with embedding AI across complex organisations.			
ACs	**Pass**	**Merit**	**Distinction**
3.1	Clearly and comprehensively explain the key organisational change challenges associated with introducing AI across complex organisations including skills, roles and ways of working.	Evaluate the effectiveness of different change management approaches in supporting the successful embedding of AI within complex organisations.	Critically evaluate how different change management approaches can be selected and adapted to support the sustainable embedding of AI within complex organisational contexts

3.2	Clearly and comprehensively explain the potential sources of resistance to AI adoption at individual, team and organisational levels within complex organisational environments.		
3.3	Analyse how communication, engagement and capability development support the management of AI-related change across complex organisational structures.		
Sufficiency Descriptors	Learners demonstrate a secure understanding of the organisational change challenges associated with embedding AI across complex organisations. Evidence shows clear and comprehensive explanations of the key organisational change challenges associated with introducing AI within complex organisational environments. Explanations describe how AI adoption may affect skills requirements, job roles and established ways of working, and how these changes can create challenges for individuals and teams adapting to new technologies and processes. Evidence also shows clear and comprehensive explanations of the potential sources of resistance to AI adoption at individual, team and organisational levels.	Learners demonstrate a developed understanding of how different change management approaches support the successful embedding of AI within complex organisations. Evidence considers how approaches such as communication strategies, engagement initiatives, capability development and structured change programmes operate within complex organisational environments. Evidence examines how organisational change challenges, sources of resistance at individual, team and organisational and factors such as changing roles and skills requirements, uncertainty about AI technologies, or disruption to established ways of working may affect the success of change initiatives.	Learners demonstrate a clear and comprehensive understanding of how change management approaches support the sustainable embedding of AI within complex organisations. Evidence shows critical evaluation of how different change management approaches may be more or less appropriate depending on organisational context, such as scale, structure, culture, workforce capability and the nature of AI implementation. Responses analyse how organisational change challenges and sources of resistance at individual, team and organisational levels influence the suitability of different approaches. This includes consideration of factors such as evolving skills requirements, changes to roles and ways of working,

	Explanations examine factors such as concerns about job security, uncertainty about changing roles, lack of understanding of AI technologies, disruption to established processes and differences in organisational priorities. Evidence shows analysis of how communication, engagement and capability development support the management of AI-related change across complex organisational structures. Analysis examines how leadership communication, staff engagement initiatives and learning or capability development programmes can help individuals and teams understand, accept and adapt to AI-enabled ways of working. Responses demonstrate understanding of how organisational change challenges, resistance factors and change management practices interact to influence the successful embedding of AI across complex organisational environments	Evidence considers both strengths and limitations of different change management approaches in addressing these challenges. Responses draw reasoned and balanced conclusions about the extent to which these approaches enable organisations to manage resistance and successfully embed AI across complex organisational structures.	and varying levels of organisational readiness. Critical evaluations consider how communication, engagement and capability development may need to be adapted across different contexts to support sustained AI adoption. Responses recognise that no single approach is universally effective and examine trade-offs, limitations and contextual constraints. Conclusions are well-reasoned and balanced, demonstrating confident judgement about how organisations can select and adapt change management approaches to support both initial adoption and long-term embedding of AI.
Learning Outcome 4: Be able to formulate leadership-aligned recommendations to support effective and responsible AI adoption			
ACs	**Pass**	**Merit**	**Distinction**
4.1	Analyse a defined organisational context to identify governance, leadership and change factors affecting AI adoption.	Justify the leadership-aligned recommendations for AI adoption by considering organisational structure, potential	N/A

4.2	Clearly and comprehensively explain leadership-aligned recommendations to address identified governance and change challenges.	barriers to implementation, feasibility and likely impact.	
4.3	Analyse how the proposed recommendations support responsible, effective and sustainable AI adoption.		
Sufficiency Descriptors	Learners demonstrate the ability to formulate leadership-aligned recommendations to support effective and responsible AI adoption within an organisational context. Evidence shows analysis of a defined organisational context to identify governance, leadership and change factors affecting AI adoption. Analysis examines organisational conditions such as governance arrangements, leadership behaviours, organisational culture, stakeholder dynamics and change management challenges that may influence the adoption of AI. Evidence also shows clear and comprehensive explanations of leadership-aligned recommendations to address the identified governance and change challenges. Explanations describe practical actions that leaders could take to strengthen governance arrangements, support organisational change and	Learners demonstrate a developed ability to justify leadership-aligned recommendations for AI adoption within an organisational context. Evidence shows justification of their leadership-aligned recommendations based on the governance, leadership and change factors identified in the organisational context. Responses explain why the recommendations represent the most appropriate course of action for supporting effective and responsible AI adoption. Justifications consider how the proposed recommendations fit within the organisation's existing structure, leadership responsibilities and governance arrangements. Evidence also examines potential barriers to implementation, such as organisational resistance, capability limitations, resource constraints or competing organisational priorities.	N/A

	enable responsible AI adoption. Evidence shows analysis of how the proposed recommendations support responsible, effective and sustainable AI adoption. Analysis examines how the recommendations address organisational challenges, support responsible AI practices and improve the organisation's ability to adopt and embed AI technologies successfully. Responses demonstrate an integrated understanding of how governance, leadership and change management considerations influence the successful adoption of AI within organisational contexts.	Responses consider the feasibility and likely impact of the recommendations and explain why they are preferable to alternative options that could be taken within the organisational context. Justifications draw reasoned and balanced conclusions about how the proposed recommendations would support responsible, effective and sustainable AI adoption within the organisation.	

Essential Teaching Content:

Learning Outcome 1: Understand how governance structures, stakeholder dynamics and organisational culture can influence AI adoption.

- Purpose and role of AI governance within organisations (e.g. board-level oversight, delegated authority, ethics committees, lines of accountability between strategy, risk, legal, IT and operations)
- Governance frameworks and controls for AI (e.g. policies, standards, assurance mechanisms, escalation routes for ethical, legal and reputational risk)
- Stakeholder identification and analysis in AI adoption (e.g. internal stakeholders, external stakeholders, conflicting interests and power dynamics in AI decision-making
- Stakeholder salience and influence (e.g. Mitchell, Agle and Wood, how stakeholder influence shifts over the AI lifecycle, managing dominant, dependent and discretionary stakeholders
- Organisational culture and AI readiness (e.g. risk tolerance, growth mindset and learning culture, behavioural norms affecting transparency and challenge

Learning Outcome 2: Understand the role of leadership in aligning strategy, governance and operational practice for AI implementation.

- Leadership responsibilities in AI adoption (e.g. setting SMART goals and success criteria for AI, defining acceptable use, ethical boundaries and guardrails, role-modelling responsible and informed AI use)

- Linking AI initiatives to organisational goals and value drivers (e.g. governance frameworks and operational priorities, avoiding fragmented or opportunistic AI deployment
- Leadership behaviours and credibility (e.g. decision-making under uncertainty- RACI model/ RAPID model, balancing innovation with control and compliance, building organisational confidence in AI-enabled decisions)
- Governance and operations alignment (e.g. ensuring policies translate into everyday practice, managing tension between speed, control and accountability, leadership sponsorship across functional boundaries)

Learning Outcome 3: Understand the change management challenges associated with embedding AI across complex organisations.

- Nature of AI-driven organisational change (e.g. changes to roles, skills, workflows and decision rights, HITL, HOTL, shifts in accountability and professional judgement)
- Sources of resistance to AI (e.g. fear of job displacement or deskilling, automation bias and loss of autonomy, lack of understanding, skillset or confidence in using AI outputs)
- Change management models and frameworks for effective strategic choices and communication (e.g. Knoster, Villa and Thousand Change Model, Mitchell, Agle and Wood, ADKAR, Kotters 8-steps)
- Capability and learning opportunities (e.g. skills gap analysis, AI literacy/ training, support and feedback mechanisms, continuous learning approaches)

Learning Outcome 4: Be able to formulate leadership-aligned recommendations to support effective and responsible AI adoption.

- Assessing governance maturity, leadership capability and cultural readiness
- Organisational Diagnosis & Readiness Assessment
- Assessing AI maturity Models (e.g. Capability stages, data, governance, skills, leadership and culture)
- Relevant leadership models (e.g. McKinsey 7S Framework applied to AI, PESTLE analysis with an AI-specific lens)
- Developing leadership-aligned recommendations (e.g. governance enhancements, leadership actions, change interventions)
- Responsible AI considerations (e.g. ethical use, transparency and accountability, risk management and regulatory alignment, long-term sustainability of AI adoption)
- Evaluating feasibility and impact (e.g. Value-Feasibility Matrix, RACI)

Unit 8: Enterprise AI Decision-Making and Strategic Trade-Offs	
Unit aims	This unit enables learners to develop advanced judgement and evaluative capability in relation to complex, high-stakes Artificial Intelligence (AI) decisions at enterprise level. Learners will examine how organisations make AI-related decisions under conditions of uncertainty, incomplete information and competing priorities, and how strategic value, regulatory compliance, operational risk and ethical considerations are balanced in practice alongside financial justifications. The unit further develops learners' ability to assess trade-offs, use evidence and assurance, engage stakeholders, and construct structured, defensible AI recommendations appropriate for senior decision-making forums. By the end of the unit, learners will be able to evaluate and justify AI decisions in complex organisational contexts, taking account of trade-offs, uncertainty and competing priorities.
Unit level	5
Unit code	J/652/2358
GLH	40
TQT	150
Credit value	15
Unit grading structure	Fail / Pass / Merit / Distinction
Assessment guidance	Assessment for this unit should emphasise applied decision-making analysis and critical evaluative judgement in relation to complex, high-stakes artificial intelligence decisions within enterprise 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 context is realistic and familiar. Assessment activities should allow learners to demonstrate structured use of decision-making approaches, comparison of strategic options and reasoned evaluation of uncertainty, trade-offs and potential long-term consequences. Suitable assessment approaches may include enterprise scenario analysis, strategic case study assignments,

	analytical reports or workplace-related projects that support defensible recommendations and justified conclusions. Assessment tasks should provide opportunities for learners to apply appropriate frameworks, weigh alternative courses of action and demonstrate balanced judgement when forming recommendations. Assessment decisions should be based on the clarity, depth and credibility of reasoning presented rather than descriptive discussion of AI technologies or tools in isolation. Learners are not expected to design full enterprise AI strategies, produce detailed technical architectures or conduct specialist quantitative modelling beyond what is required to support structured decision evaluation. Learners are not expected to undertake detailed financial modelling or ROI analysis, but should be able to interpret financial considerations as one component of enterprise AI decision-making. All assessments must be submitted to The AIB Board for approval prior to use.
Example Assessment Methods	LO1: Professional briefing looking at how a defined organisation or sector frames strategic AI decisions under uncertainty. LO2: Professional discussion on how trade-offs are identified and managed in enterprise AI usage decisions. LO3: Presentation on the role of evidence, assurance and stakeholder input in supporting defensible AI usage decision-making. LO4: Practical task - produce a board paper on a real, or well defined scenario, enterprise AI use decision.

Unit Content:

Learning Outcome 1: Understand how organisations frame and evaluate strategic decisions relating to AI use when under conditions of uncertainty and incomplete information.			
ACs	**Pass**	**Merit**	**Distinction**
1.1	Clearly and comprehensively explain how strategic AI usage decisions are framed within organisations when information is incomplete or uncertain.	Evaluate how different organisational approaches to framing AI usage decisions when there is uncertainty influence the quality of strategic AI decisions.	Critically evaluate how uncertainty, incomplete information and organisational assumptions influence the long-term strategic outcomes of enterprise AI usage decisions.
1.2	Clearly and comprehensively explain the types of uncertainty that affect enterprise	Evaluate how different types of uncertainty affect the reliability of assumptions used in	

	decision-making in relation to the use of AI, including technical, financial, regulatory and behavioural uncertainty.	enterprise decision-making. in relation to the use of AI	
1.3	Clearly and comprehensively explain how assumptions are formed and used when evaluating AI opportunities at enterprise level.	Evaluate the effectiveness of approaches used to test, challenge and refine assumptions within enterprise AI decision-making frameworks.	
Sufficiency Descriptors	Learners demonstrate a secure understanding of how organisations approach making strategic decisions in relation to the use of AI when operating under conditions of uncertainty and incomplete information. Evidence shows clear and comprehensive explanations of how strategic AI usage decisions are framed within organisations when information is incomplete or uncertain. Explanations describe how organisations structure and interpret potential AI opportunities when outcomes, costs or impacts are not fully known, and how decision contexts are shaped by organisational priorities, available information and perceived risks. Evidence also shows clear and comprehensive explanations of the types of uncertainty that affect decision-making in relation to AI. Explanations examine different sources of uncertainty, including technical feasibility, financial outcomes, regulatory conditions and	Learners demonstrate a developed understanding of how organisations manage uncertainty and assumptions when making strategic decisions in relation to the use of AI Evidence shows evaluation of how different organisational approaches to framing AI usage decisions when there is uncertainty influence the quality of strategic decisions. Evaluations examine how organisations structure decision contexts, interpret incomplete information or define decision boundaries when considering AI opportunities, and how these approaches may lead to stronger or weaker strategic outcomes. Evidence also shows evaluation of how different types of uncertainty affect the reliability of assumptions used in enterprise AI usage decision-making. Evaluations consider how technical, financial, regulatory or behavioural uncertainty can influence the validity of assumptions about factors such as performance, cost,	Learners demonstrate a clear and comprehensive understanding of how uncertainty, incomplete information and organisational assumptions influence the long-term strategic outcomes of decisions in relation to the use of AI Evidence shows critical evaluation of how strategic AI usage decisions made under conditions of uncertainty can shape organisational outcomes over time. Evaluations examine how the ways in which decisions are framed, the types of uncertainty involved, and the assumptions used in evaluating AI opportunities may influence the quality, resilience and long-term impact of strategic decisions. Responses analyse how different forms of uncertainty and the assumptions used to manage them can lead to strategic advantages, missed opportunities or unintended organisational consequences when AI initiatives are pursued. Evidence also considers the limitations of relying on

	behavioural responses from users, customers or employees. Evidence shows clear and comprehensive explanations of how assumptions are formed and used when evaluating AI opportunities at enterprise level. Explanations describe how organisations develop assumptions about factors such as performance, cost, adoption rates, risk exposure or operational impact when assessing potential AI initiatives. Responses demonstrate understanding of how decision framing, organisational assumptions and different forms of uncertainty interact to shape strategic AI usage decision-making within enterprise contexts.	adoption or risk when organisations assess potential AI initiatives. Evidence shows evaluation of the effectiveness of approaches used to test, challenge and refine assumptions within enterprise AI usage decision-making frameworks. Evaluations examine how organisations use mechanisms such as scenario analysis, pilot projects, experimentation, governance review processes or iterative decision-making approaches to strengthen the assumptions underpinning AI-related decisions. Responses consider both strengths and limitations of different approaches used to manage uncertainty and assumptions in AI usage decision-making. Responses draw reasoned and balanced conclusions about how effectively these approaches support robust and informed strategic AI decisions within enterprise contexts.	assumptions or incomplete information when making enterprise-level AI usage decisions. Critical evaluations consider multiple perspectives and examine both the potential benefits and risks associated with strategic AI usage decisions made under uncertain conditions. Responses draw well-reasoned and balanced conclusions about how uncertainty and organisational assumptions influence the long-term effectiveness and strategic outcomes of enterprise AI usage decision-making.
Learning Outcome 2: Understand how trade-offs between value, risk, compliance, operational impact and ethics are identified and managed in enterprise AI usage decisions.			
ACs	**Pass**	**Merit**	**Distinction**
2.1	Analyse the different dimensions of value, risk, compliance, operational impact and ethics that must be considered in enterprise AI usage decisions.	Evaluate how organisations balance value creation against regulatory, ethical and operational constraints.	Critically evaluate how trade-off decisions between value, risk, compliance, operational impact and ethics influence long-term organisational outcomes, including resilience,

2.2	Clearly and comprehensively explain why trade-offs are unavoidable in complex decisions relating to using AI	Evaluate how structured trade-off analysis supports prioritisation decisions where AI benefits conflict with risk tolerance, compliance obligations or operational constraints.	stakeholder trust and strategic legitimacy.
2.3	Analyse how competing priorities influence final AI investment or deployment decisions.		
Sufficiency Descriptors	Learners demonstrate a secure understanding of how organisations identify and manage trade-offs when making enterprise AI usage decisions. Evidence shows analysis of the different dimensions that organisations consider when evaluating AI initiatives, including value creation, risk exposure, compliance obligations, operational impacts and ethical considerations. Analysis examines how these factors may influence decision-making and how organisations must weigh multiple considerations when assessing AI opportunities. Evidence also shows clear and comprehensive explanations of why trade-offs are unavoidable in complex AI usage decision making. Explanations describe how competing priorities arise when organisations attempt to balance factors such as innovation, cost, regulatory compliance, operational efficiency and ethical responsibility.	Learners demonstrate a developed understanding of how organisations balance competing priorities and manage trade-offs when making enterprise AI usage decisions. Evidence shows evaluation of how organisations balance value creation against regulatory, ethical and operational constraints when assessing AI initiatives. Evaluations examine how organisations weigh potential benefits such as efficiency, innovation or commercial value against requirements relating to risk management, compliance obligations, operational impact and responsible AI practice. Evidence also shows evaluation of how structured trade-off analysis supports prioritisation decisions where AI benefits conflict with risk tolerance, compliance obligations or operational constraints. Evaluations examine how organisations use structured approaches to assess competing priorities and determine	Learners demonstrate a clear and comprehensive understanding of how trade-off decisions in enterprise AI contexts shape longer-term organisational outcomes. Evidence shows critical evaluation of how trade-offs between value creation, risk exposure, regulatory compliance, operational impact and ethical considerations influence the outcomes of enterprise AI decisions. Evaluations examine how different prioritisation choices may affect organisational performance, risk exposure and the sustainability of AI initiatives over time. Responses analyse how poorly managed trade-offs can create unintended consequences, such as regulatory exposure, operational disruption, ethical concerns or erosion of stakeholder confidence. Evidence also considers how decisions that prioritise short-term value or rapid deployment may create longer-term risks relating to compliance, trust, organisational

	Evidence shows analysis of how competing priorities influence final AI investment or deployment decisions. Analysis examines how organisations balance or prioritise value, risk, compliance, operational impact and ethical considerations when determining whether and how to proceed with AI initiatives. Responses demonstrate understanding of how organisations navigate competing priorities and manage trade-offs when making strategic enterprise AI decisions.	which considerations should take precedence in AI investment or deployment decisions. Responses consider both strengths and limitations of different approaches used to manage trade-offs in enterprise AI decision-making. Evaluations draw reasoned and balanced conclusions about how effectively these approaches support robust and defensible prioritisation decisions when organisations must balance value, risk, compliance, operational impact and ethical considerations.	resilience or reputational legitimacy. Critical evaluations consider multiple perspectives and examine both the potential benefits and risks associated with different trade-off decisions. Responses draw well-reasoned and balanced conclusions about how effectively organisations manage competing priorities when making enterprise AI decisions and how these decisions influence long-term organisational resilience, stakeholder trust and strategic legitimacy.

Learning Outcome 3: Understand the role of evidence, assurance and stakeholder input in supporting defensible AI usage decision-making.

ACs	**Pass**	**Merit**	**Distinction**
3.1	Clearly and comprehensively explain the types of evidence used to support enterprise AI usage decision-making	Evaluate the reliability and limitations of evidence commonly used in enterprise AI usage decision-making	Critically evaluate the risks of over-reliance on technical or financial evidence in AI usage decision-making
3.2	Clearly and comprehensively explain the role of assurance mechanisms in strengthening confidence in AI usage related decisions.	Evaluate how assurance practices support accountability and trust in enterprise AI usage decision-making.	Critically evaluate the extent to which assurance mechanisms provide genuine decision confidence rather than symbolic compliance.
3.3	Clearly and comprehensively explain how stakeholder perspectives influence AI usage decision outcomes.	Evaluate the role of stakeholder input in strengthening the quality and legitimacy of high-impact AI usage decisions.	Critically evaluate how conflicting stakeholder interests influence enterprise AI usage decision outcomes and governance processes.

Sufficiency Descriptors	Learners demonstrate a secure understanding of how evidence, assurance and stakeholder perspectives contribute to defensible enterprise AI usage decision-making. Evidence shows clear and comprehensive explanations of the types of evidence organisations use to support enterprise AI usage decisions. Explanations describe how organisations draw on different forms of information, such as technical evidence, financial projections, operational data, risk assessments or regulatory guidance, when evaluating AI opportunities. Evidence also shows analysis of the role of assurance mechanisms in strengthening confidence in AI usage decisions. Analysis examines how mechanisms such as governance reviews, audits, validation processes or independent oversight can support the credibility and reliability of AI decision-making. Evidence shows clear and comprehensive explanations of how stakeholder perspectives influence AI usage decision outcomes. Explanations describe how different stakeholder groups, such as leadership teams, operational staff, regulators, customers or external partners, may shape priorities, raise concerns or influence final	Learners demonstrate a developed understanding of how evidence, assurance and stakeholder input contribute to defensible enterprise AI usage decision-making. Evidence shows evaluation of the reliability and limitations of evidence commonly used in enterprise AI usage decision-making. Evaluations examine how organisations use technical evidence, financial projections, operational data, risk assessments or regulatory guidance to support AI usage decisions and consider the strengths and limitations of these evidence sources in conditions of uncertainty. Evidence also shows evaluation of how assurance practices support accountability and trust in enterprise AI usage decision-making. Evaluations examine how practices such as governance review, audit, validation, assurance reporting or independent oversight can strengthen confidence in AI usage related decisions by supporting transparency, accountability and responsible decision-making. Evidence shows evaluation of the role of stakeholder input in strengthening the quality and legitimacy of high-impact AI usage decisions. Evaluations consider how input from different stakeholder groups may improve	Learners demonstrate a clear and comprehensive understanding of the limitations and tensions associated with evidence, assurance and stakeholder input in enterprise AI usage decision-making. Evidence shows critical evaluation of the risks associated with over-reliance on technical or financial evidence when making AI usage related decisions. Evaluations examine how organisations may place undue confidence in particular forms of evidence, such as model performance data or financial projections, without fully recognising the uncertainty, assumptions or limitations underpinning them. Evidence also shows critical evaluation of the extent to which assurance mechanisms provide genuine confidence in AI usage decisions rather than symbolic compliance. Evaluations examine how governance reviews, audits, validation processes or oversight mechanisms may strengthen accountability and trust, while also considering situations where assurance practices may function primarily as procedural compliance rather than meaningful scrutiny. Evidence shows critical evaluation of how conflicting stakeholder interests influence enterprise AI usage decision outcomes and

	decisions relating to AI deployment. Responses demonstrate understanding of how evidence, assurance processes and stakeholder input interact to support informed and defensible enterprise AI usage decision-making.	decision quality, surface risks, challenge assumptions or support broader acceptance of AI usage related decisions in enterprise contexts. Responses consider both strengths and limitations of the evidence, assurance practices and stakeholder input used in enterprise AI usage decision-making. Responses draw reasoned and balanced conclusions about how effectively these factors support robust, accountable and defensible AI usage decisions.	governance processes. Evaluations examine how differing priorities, incentives or risk perceptions among stakeholders may shape decisions about AI investment or deployment. Critical evaluations consider multiple perspectives and examine both the benefits and limitations of evidence, assurance practices and stakeholder input in enterprise AI usage decision-making. Responses draw well-reasoned and balanced conclusions about how these factors influence the credibility, defensibility and long-term effectiveness of enterprise AI usage decisions.

Learning Outcome 4: Be able to develop a structured, defensible recommendation for an enterprise AI usage decision, clearly articulating trade-offs, assumptions and risk controls.

ACs	Pass	Merit	Distinction
4.1	Analyse a defined enterprise AI use decision scenario to identify decision options, constraints and key sources of uncertainty.	Justify the proposed enterprise AI use recommendation by comparing credible alternative options and explaining why the chosen approach represents the most appropriate balance between value, risk, compliance, operational impact and ethical considerations.	Critically analyse the organisational implications of enterprise AI use decision options, including their impact on risk exposure, governance, operational capability and responsible AI practice.
4.2	Develop a structured recommendation for an enterprise AI use decision that clearly articulates assumptions and trade-offs between value, risk, compliance, operational		

	impact and ethical considerations.		
4.3	Analyse how evidence, assurance mechanisms, stakeholder considerations and risk controls support the defensibility of the proposed recommendation.		
Sufficiency Descriptors	Learners demonstrate the ability to develop a structured and defensible recommendation for an enterprise AI use decision based on analysis of a defined scenario. Evidence shows analysis of the enterprise AI use decision scenario to identify decision options, constraints and key sources of uncertainty that influence the decision context. Analysis considers factors such as organisational objectives, regulatory or compliance requirements, operational considerations and potential risks associated with the proposed AI initiative. Evidence shows the development of a structured recommendation for an enterprise AI use decision. The recommendation clearly articulates the assumptions underpinning the proposed approach and examines the trade-offs involved, including considerations of value creation, risk exposure, compliance obligations, operational impact and ethical implications.	Learners demonstrate a developed ability to justify a structured and defensible recommendation for an enterprise AI use decision. Evidence shows justification of the proposed recommendation by comparing alternative decision options identified within the enterprise AI use scenario. Responses explain why the chosen recommendation represents the most appropriate course of action in the organisational context. Justifications examine how the recommendation balances competing considerations, including value creation, risk exposure, compliance obligations, operational impact and ethical considerations. Evidence explains how the proposed decision addresses the key constraints, uncertainties and assumptions identified in the scenario. Responses also consider how evidence, assurance mechanisms, stakeholder perspectives and governance controls support the recommendation and	Learners demonstrate a clear and comprehensive ability to critically analyse the organisational implications of enterprise AI decision options. Evidence shows critical analysis of how enterprise AI decision options may influence organisational factors such as risk exposure, governance arrangements, operational capability and responsible AI practice. Analysis examines how different decision options may create varying implications for organisational performance, regulatory compliance, operational processes and ethical responsibilities. Responses consider how the trade-offs, assumptions and risk controls associated with AI decisions may affect wider organisational priorities and constraints. Evidence examines how decisions about AI investment or deployment may influence governance oversight, operational resilience, compliance exposure or stakeholder confidence. Critical analysis considers multiple perspectives and examines both potential

	Evidence also shows analysis of how evidence, assurance mechanisms, stakeholder considerations and risk controls support the defensibility of the recommendation. Analysis examines how supporting information, governance arrangements and oversight mechanisms contribute to confidence in the proposed decision. Responses demonstrate that the recommendation is supported by clear reasoning, including consideration of uncertainty, assumptions, trade-offs and governance controls, enabling the proposed enterprise AI use decision to be presented in a structured and defensible manner.	strengthen its defensibility. Alternative options are considered and the reasoning for preferring the selected approach is clearly articulated. Justifications draw reasoned and balanced conclusions about why the proposed enterprise AI recommendation represents the most appropriate and defensible decision when considering trade-offs, assumptions and risk controls within the organisational context.	benefits and organisational challenges associated with enterprise AI decision options. Responses draw well-reasoned and balanced conclusions about the organisational implications of AI decisions and how these implications should be considered when making defensible enterprise AI recommendations.

Essential Teaching Content:

Learning Outcome 1: Understand how organisations frame and evaluate strategic decisions relating to AI use when under conditions of uncertainty and incomplete information.

- Nature of strategic AI decision-making at enterprise level, including differences between routine operational decisions and high-impact, irreversible strategic choices
- Sources of uncertainty in enterprise AI decisions (e.g. data availability and quality, model performance variability, adoption behaviour, regulatory interpretation, market response)
- Types of incomplete information affecting AI decisions (e.g. lack of historical data, immature technologies, evolving regulation, limited organisational capability)
- Use of assumptions and proxies in AI decision-making (e.g. assumed adoption rates, performance benchmarks, regulatory risk tolerance)
- Decision-making frameworks used under uncertainty (e.g. staged investment, pilot-and-scale approaches, decision gates, real-options thinking)
- Techniques for managing and testing assumptions (e.g. scenario planning, sensitivity analysis, red teaming, structured challenge in governance forums)
- Distinction between reversible and irreversible AI decisions and implications for risk appetite
- Role of executive judgement versus quantitative analysis in AI strategy
- Real-world examples of AI decisions made under uncertainty (e.g. organisations piloting generative AI tools before regulatory clarity; early enterprise AI investments based on limited performance evidence)

Learning Outcome 2: Understand how trade-offs between value, risk, compliance, operational impact and ethics are identified and managed in enterprise AI use decisions.

- Concept of trade-offs in complex enterprise decision-making and why AI decisions rarely optimise all objectives simultaneously

- Dimensions commonly traded off in AI decisions (e.g. commercial value, financial risk, regulatory compliance, operational resilience, ethical impact)
- Tensions between speed, scale and control in AI adoption
- Balancing value creation against regulatory and compliance constraints (e.g. explainability requirements, auditability, sector regulation)
- Ethical trade-offs in AI decisions (e.g. efficiency versus fairness, automation versus dignity, innovation versus transparency)
- Operational impact considerations (e.g. workforce disruption, process dependency, system resilience)
- Risk appetite and tolerance frameworks and their influence on AI prioritisation decisions
- Structured approaches to trade-off analysis (e.g. risk–benefit matrices, impact-versus-likelihood mapping, ethical impact assessments)
- Governance mechanisms used to arbitrate trade-offs (e.g. executive committees, ethics panels, risk forums)
- Real-world examples of trade-off decisions (e.g. delaying AI deployment to strengthen bias controls; limiting automation scope to preserve human oversight)

Learning Outcome 3: Understand the role of evidence, assurance and stakeholder input in supporting defensible AI usage decision-making.

- Types of evidence used in enterprise AI decisions (e.g. financial models, technical performance metrics, compliance documentation, ethical risk assessments)
- Limitations of evidence in AI contexts (e.g. model uncertainty, forecast variability, vendor bias, incomplete data)
- Role of assurance in AI decision-making (e.g. internal audit, independent validation, compliance reviews, model governance)
- Difference between substantive assurance and symbolic or compliance-led assurance
- Stakeholder groups involved in AI decisions (e.g. executives, technical teams, legal and compliance, HR, customers, affected users)
- Value of stakeholder input in identifying non-obvious risks (e.g. workforce impact, reputational exposure, social acceptability)
- Managing conflicting stakeholder perspectives and interests
- Escalation and decision-rights structures in AI governance
- Evidence quality, relevance and proportionality in high-impact AI decisions
- Real-world examples of evidence and stakeholder failures or successes (e.g. over-reliance on technical metrics; lack of user consultation leading to reputational harm)

Learning Outcome 4: Be able to develop a structured, defensible recommendation for an enterprise AI use decision, clearly articulating trade-offs, assumptions and risk controls.

- Characteristics of a defensible enterprise AI recommendation (e.g. clarity, transparency, proportionality, alignment with strategy)
- Structuring AI recommendations for senior decision-makers (e.g. board papers, investment briefs, options appraisals)
- Identification and articulation of key assumptions underpinning AI recommendations
- Explicit presentation of trade-offs and rationale for prioritisation decisions
- Risk identification and mitigation planning (e.g. governance controls, assurance mechanisms, staged deployment)
- Comparison of AI and non-AI alternatives
- Alignment of recommendations with organisational strategy, values and risk appetite
- Consideration of long-term implications, including capability, dependency and trust
- Communicating uncertainty and residual risk to decision-makers
- Real-world examples of enterprise AI recommendations (e.g. phased AI adoption proposals; decisions to pause or limit AI deployment due to risk or ethical concer

Version Control

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