

Why Most AI Investments Fail

Most organizations are investing heavily in AI. Few are seeing meaningful returns. The problem is not the technology. It is how AI is being:

- funded
- measured
- embedded

The Pattern

Across industries, the same issues appear:

- AI is measured by adoption, not value
- Organizations rely too heavily on external vendors
- AI is layered onto workflows instead of redesigning them
- Managers are not aligned with how work is changing

The result: activity without impact.

The Misconception

AI is often treated as a tool deployment problem. It is not. It is an operating model transition.

Where Value Actually Comes From

AI generates return when it is:

- embedded into workflows
- tied to business outcomes
- supported by internal capability
- aligned with management structures