

ORACLE

 CHECKLIST

How to Build Your AI Center of Excellence

Do you have the right AI resources, skills, and strategies to stay ahead of the competition?



An AI CoE drives innovation

Artificial intelligence is today's "it" technology—so much so that many line-of-business leaders are convinced that AI projects should start immediately, and under their purviews. The too-common result: a scattered, expensive, security-challenged integration nightmare that the CIO must clean up. An AI center of excellence (CoE) with executive sponsorship can proactively bring order to the chaos while delivering the results business leaders crave.

A CoE team is dedicated to driving technical innovation and awareness, championing adoption, and supplying expertise to serve the business. Building AI into processes is one reason more organizations are considering establishing CoEs, but no matter the impetus or focus, a CoE can provide valuable benefits, including faster deployment, better use of funding, enhanced collaboration, quicker uptake, and more innovation—all while avoiding the pitfalls of shadow IT.

Here's a checklist of considerations for an AI CoE and three best practices to help you build a successful center of excellence.



54%

of "transformers," those who have achieved four or more high-outcome, full-scale AI deployments, reported significant investment in change management, incentives, or training activities to help their people integrate new technology into their work.¹

14 steps to an AI center of excellence

Focus area: General structure

- ✓ **Line up your allies.** For all CoEs, success hinges on early C-suite sponsorship that delivers adequate funding and resourcing. An AI CoE may require major tech and infrastructure investments, plus hiring expertise or upskilling existing staff, so have the backing to set a realistic budget.
- ✓ **Assemble a multidisciplinary team** with expertise in AI, data science, and domain- and department-specific knowledge. Allocate time and money for sufficient training and upskilling to keep the team current on AI advancements.
- ✓ **Draw on internal and external resources.** If you have an internal machine learning or analytics division, consider making it the core of your AI CoE, or at least pull in their expertise.

Encourage collaboration with external partners, such as academics, industry experts, peer groups, your technology providers, and even government agencies.

- ✓ **Define key performance indicators** for each new business model, product, and service you believe AI can enable so you can prove success. Make sure data is available to support your metrics. A well-defined AI strategy has specific and measurable goals that align with the organization's objectives.
- ✓ **Evaluate what AI capabilities your application providers already embed in their solutions,** and ask about their innovation roadmaps. They may be planning creative new capabilities you have yet to envisage.



Focus area: Data excellence

- ✔ **Establish a common data model** and a standard organizational and storage structure so AI systems can access and analyze accurate, current data from all relevant platforms and applications—including ERP, customer records, supply chain, and financial systems—without requiring extract, transform, and load (ETL) operations.
- ✔ **Make sure your common data model addresses governance and quality control**, and ensure AI systems can leverage predefined data schemas and mappings to ease data preparation and transformation.
- ✔ **Consider adding a data lake if you don't have one.** Centralized data management allows AI systems to access and analyze a large volume of data from a unified, common repository.

Focus area: Speed of execution

- ✔ **Put together a short list of quick-win projects** with measurable KPIs that prove AI's value, and prioritize them. Results talk. Even as you start small, think big: The AI CoE should work with stakeholders to identify “moon shot” goals. Ideally, your small projects can grow to support the moon shots.
- ✔ **Let your strategy dictate the data platform and tools.** The cloud is often the best and fastest route to success because it provides easy access to both data and applications. Whenever possible, opt for self-service tools that empower end users and don't require an IT gatekeeper.
- ✔ **Put data security systems, compliance policies, and enforcement measures in place**, and consult with your counsel on the ethical and legal considerations of your AI projects.
- ✔ **Revisit your KPIs to measure the impact of AI projects.** Publicize results to your board as well as internally and, where it makes sense, beyond, to customers or even the general public.
- ✔ **Continually educate employees to alleviate fear and resistance.** People worry about AI rendering them redundant, so use informal lunch and learns as well as formalized trainings to show benefits. Run workshops for those interested in learning AI skills.
- ✔ **Show how integrating AI into daily workflows saves time.** Help workers take advantage of AI capabilities built into the applications they already use.

The bottom line is that adoption is key. CoEs are often seen as outsiders inflicting technological and process changes on employees.

The result: New tech ends up as shelfware. Executive sponsorship and commitment are essential to overcoming inertia and resistance.



3 center of excellence best practices

Whatever a CoE's focus, some success strategies are universal.



Define the “why” and “how”

Clearly define the CoE's purpose, authority, structure, purview, budget, responsibilities, and goals and objectives. Make sure the goals are specific and measurable because clear metrics provide justification and validity.

Structurally, what are the internal roles, and how will you staff up? Decide where the AI CoE sits on the org chart. If you have other CoEs or competency centers, can you realize economies of scale? Define communication channels, and provide guidelines for how your CoE will allocate resources. Get all the C-suite buy-in you possibly can early because adequate funding is key to success.



Build a shining beacon of innovation

A purposeful culture that values collaboration, transparency, and continuous learning is essential for any CoE. Leaders should encourage knowledge sharing, provide opportunities for professional development, and be passionate about staying at the forefront of technological advancements.

From an operational perspective, provide tools and guidelines for project management, change management, and knowledge sharing, and make them easily accessible to all team members. Those KPIs you published? Ensure the systems and data are in place to continually track them, and issue reports even when results aren't what you aimed for. The customer, whether internal or external, should always be the primary focus. Avoid “shiny object syndrome,” where technologists go down rabbit holes of tech for tech's sake.



Always be measuring and adapting

CoEs are often perceived as—and some actually are—bureaucracies that don't understand business realities. Counter that with clear messaging on how KPIs will be measured and by including representatives from all business units. That will get you evangelists.

Pivot when it makes sense. Technology and business realities constantly evolve, so it's important to regularly gather feedback from stakeholders and adjust. Use your KPIs to make data-driven decisions, identify areas for improvement, and track progress toward goals.



Get the most from your AI center of excellence

Success for a tech-focused CoE means moving the organization from the disjointed, ad hoc purchase and use of technology to a more proactive stance where you improve business competitiveness by offering services, whether application development, integration, or advising on SaaS or cloud purchasing to support projects. The ultimate objective is a strategic CoE that solves business problems with creative solutions.

As both an educator and a catalyst, your CoE can become a magnet for changemakers.

For more information on establishing an AI center of excellence within your organization to boost workforce efficiency, customer intimacy, product quality, and innovation.



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