

Good Decisions: A Monthly Webinar for Enterprise AI Governance Insights

AI Portfolio Intelligence:

The Key to Tracking Enterprise AI Value

DAVE TRIER, VP PRODUCT

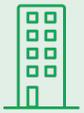
JAY COMBS, VP MARKETING

January, 22 2025

The Key to Tracking Enterprise AI Value

- Intro: Returns from the AI gold rush
- The real costs of an AI use case
- What AI Portfolio Intelligence is and why it matters
- What AI Portfolio Intelligence looks like
- How to get started with AI Portfolio Intelligence

Models and AI Are An Enterprise's Most Valuable Assets



Physical
1970s



Software
1990s



Data
2000s



Models & AI
Today

ARE YOU PREPARED FOR THE ERA OF GENERATIVE AI?

The AI Gold Rush

THE WALL STREET JOURNAL.
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BREAKING NEWS Ohio State withstood a second-half rally from Notre Dame to clinch college football's national championship, its first title since 2014

DATA AND ANALYTICS | COGNITIVE | FINANCIAL SERVICES

Prudential CDO: 'From 22 Days to 22 Seconds' With AI

A combination of cognitive capabilities and more than a century's worth of historical data is enabling Prudential Financial to blaze new trails, according to Chief Data Officer Kjersten Moody

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ARTIFICIAL INTELLIGENCE

How Procter & Gamble CEO Moeller plans to use AI

July 9, 2024 | Share



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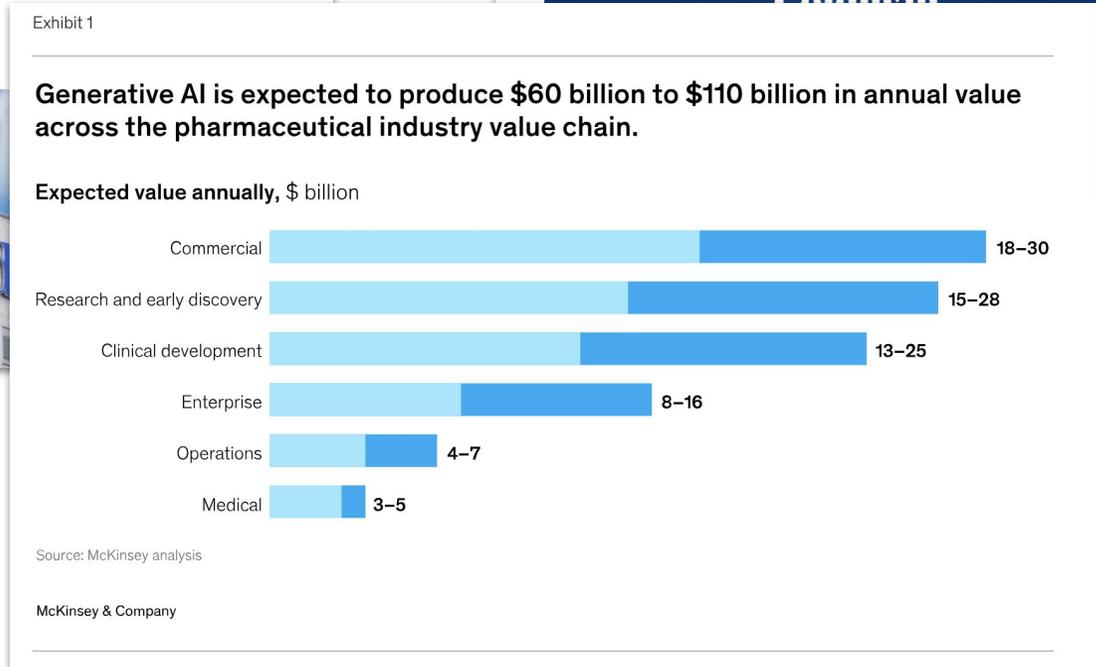
P&G's Pritchard says AI, algorithms are improving ad effectiveness

With more sophisticated in-house teams and the marketer saving millions, Pritchard said agencies will need to "see around corners" more than ever.

Published Feb. 17, 2023

Peter Adams
Senior Reporter

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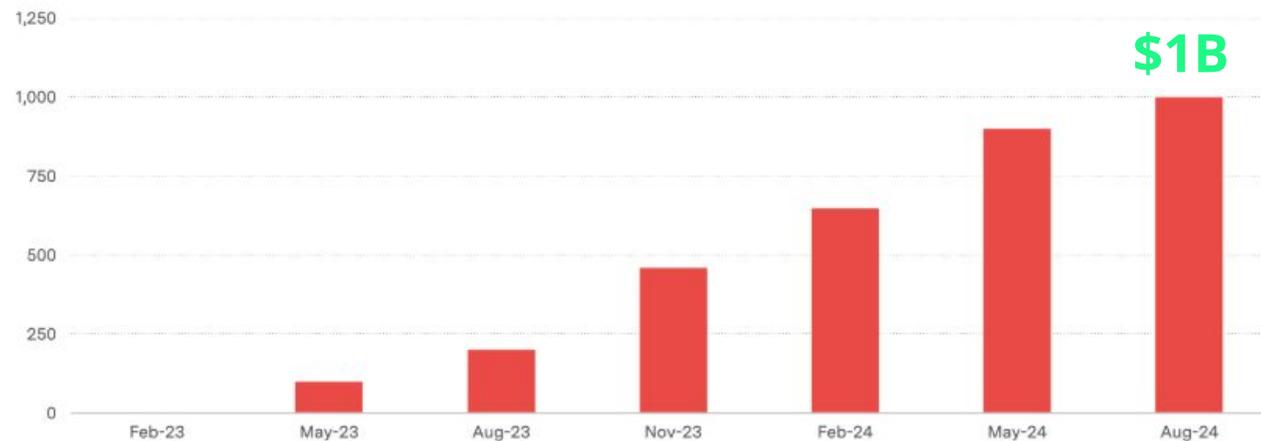


There's A Lot of Investment in GenAI Pilots

“What’s our AI strategy?”

Accenture now claims more generative AI revenue than OpenAI - but almost all of this is still pilots

Accenture reported quarterly 'generative AI bookings' (\$m)



Source: Accenture

Benedict Evans — November 2024 56

Terence Mahier · 2nd
Co-founder @ VirtualBrain - Secure AI for Advanced Knowl...
1w · 🌐

Accenture is making more GenAI money than **OpenAI**.
Let that sink in 🤔

With \$3 Billion of bookings linked to GenAI projects in 2024 and \$1B in August alone, Accenture generated more revenue from answering the question “What is my AI strategy?” than OpenAI which is aiming at \$3B to \$4B annual revenue (but with a \$5B loss).

Impressive, right?

I'd love to say “Kudos, Accenture” for leading the way, but I can't ignore what I heard from a client a few months ago.

Accenture quoted €1M to develop an internal GPT with document drag-and-drop for fewer than 50 users.

Yes, you read that right, 1M€.
For a POC that's far from technically groundbreaking.

They even said that they couldn't guarantee to provide them with all the features requested as it was a real technical challenge (it was not).

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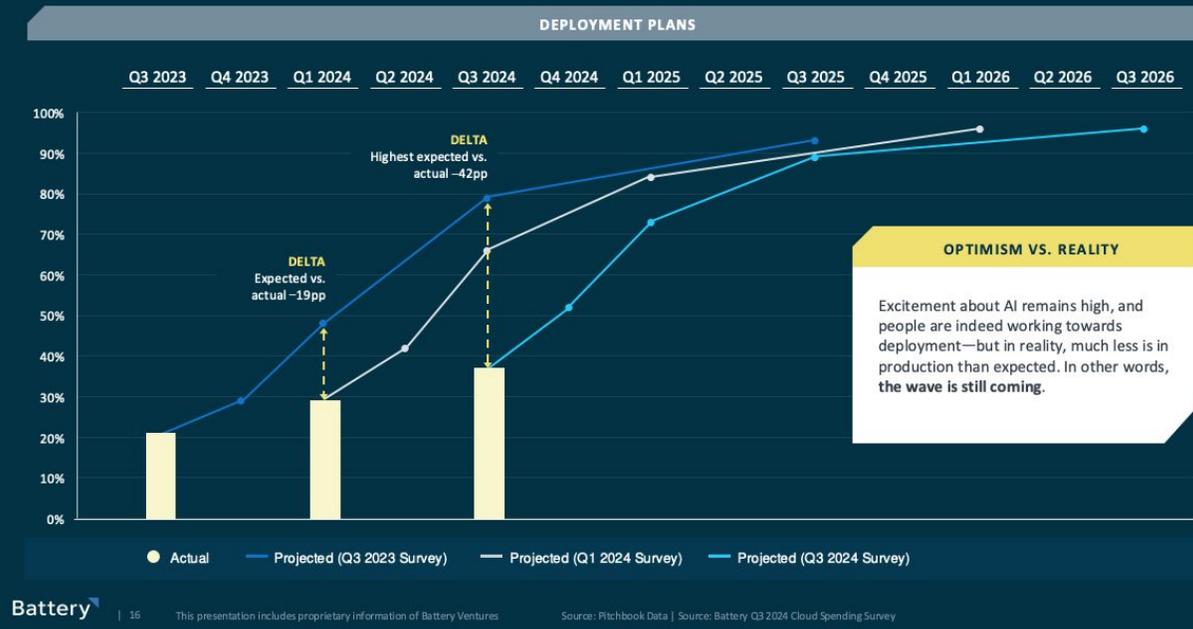
👉 To all the CIOs out there: Let's stop this madness. Start small, focus on a few key use cases, and work with a tech provider who can deliver a functional PoC in weeks.

👉 To all the smaller consulting firms out there: if you want your piece of the cake, we're very happy to partner with you. Bring us in as a vendor and build a change management project around it.

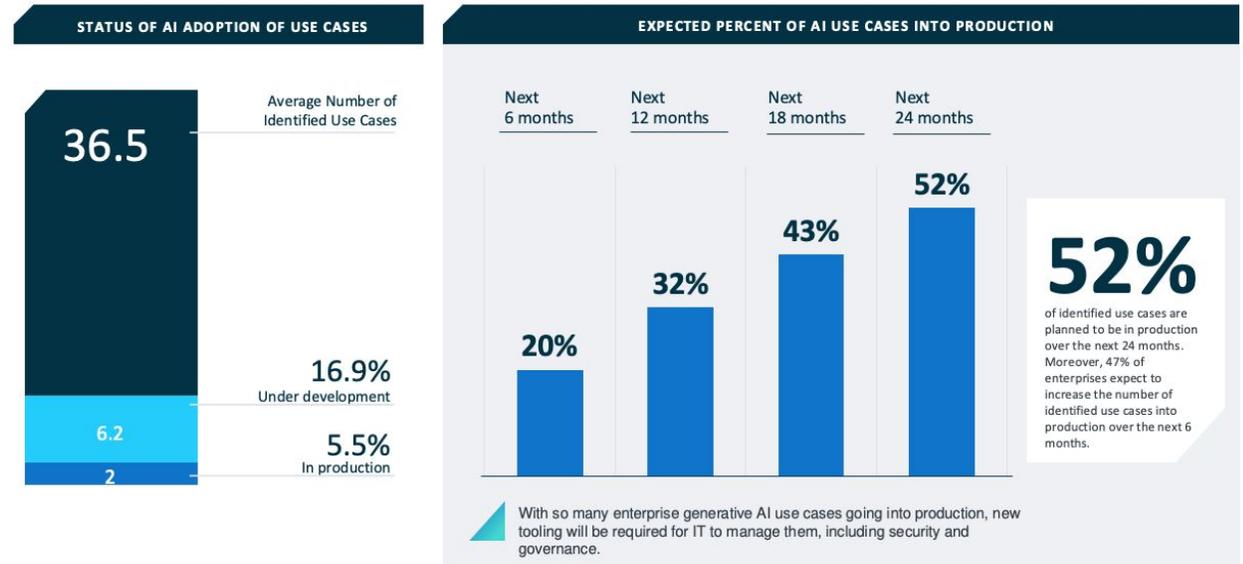
👉 To Accenture: Let us know if you want a demo of **VirtualBrain** for your consultants, we know you're not very well equipped internally ;)

42% Delta Between Expected and Actual AI Usage

Timeline Expectations for Generative AI



Building Wave of Generative AI Use Cases



Source: [Battery Ventures 2024 State of Enterprise Tech Spending Survey](#)

Enterprises Are Investing a Lot Per Use Case

Examples			Example Costs	
Category	Item	Description	Low	High
Infrastructure Costs	Training Infrastructure	GPU/TPU costs for model training (Per Model)	\$1,000	\$50,000
	Development Infrastructure	Infrastructure for software / platform for experimentation	\$1,000	\$25,000
	Production Infrastructure	Hosting models on platforms like AWS, Azure, or Google Cloud (Per Year)	\$1,000	\$25,000
Training Subtotal			\$3,000	\$100,000
Development Costs	AI Talent	Fully loaded costs (internal or external) for Data scientists, ML engineers, and domain experts	\$150,000	\$750,000
	Data Prep / Labeling	If outsourced, cleaning and labeling data using manual or automated tools	\$5,000	\$100,000
	Licensing & Tools	Software, frameworks, and APIs for AI development and execution (Per Tool)	\$5,000	\$50,000
Resource Subtotal			\$160,000	\$900,000
Operational Costs	Monitoring & Maintenance	Production support resources + Data Scientists/ML engineers to ensure model performance and retraining as needed (Per Year)	\$25,000	\$100,000
	Compliance & Governance Resources	Resources to ensure ethical and regulatory compliance	variable	variable
Operational Subtotal			\$25,000+	\$100,000+

Show Me The Money! (i.e. AI ROI)



The screenshot shows a webpage from CFO.com. The top navigation bar includes 'CFO' and links for 'Opinion', 'Library', 'Events', and 'Press Releases'. A secondary navigation bar lists 'Corporate Finance', 'Human Capital', 'People', 'Regulation & Compliance', 'Risk', and 'Strategy'. The main content area features a large headline: '78% of business leaders expect ROI on generative AI investments in 1 to 3 years'. Below the headline is a sub-headline: 'As the cost-benefits of generative AI for businesses come into question, new data from KPMG suggest the largest companies have a timeline to ROI.' The article is dated 'Published Aug. 28, 2024'. At the bottom left, there is a profile picture of Adam Zaki, identified as a 'Reporter'. To the right of the profile are social media sharing icons for LinkedIn, Facebook, X, Print, Email, and a document icon.

CFO Opinion Library Events Press Releases

Corporate Finance Human Capital People Regulation & Compliance Risk Strategy

78% of business leaders expect ROI on generative AI investments in 1 to 3 years

As the cost-benefits of generative AI for businesses come into question, new data from KPMG suggest the largest companies have a timeline to ROI.

Published Aug. 28, 2024

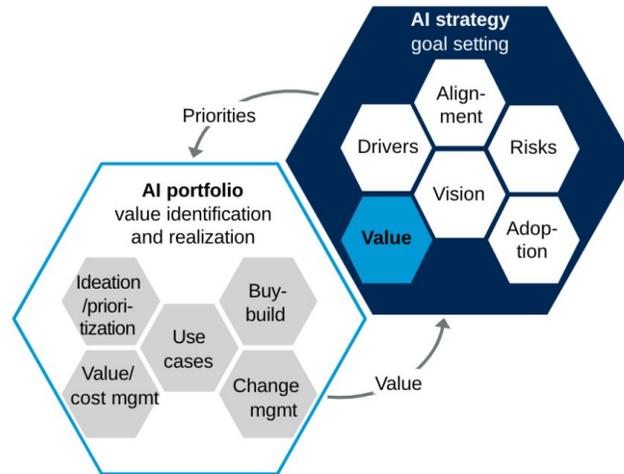
 **Adam Zaki**
Reporter

in f X Print Email Document

Source: [CFO.com](https://www.cfo.com)

AI Portfolio Intelligence Is Key To Tracking Value

Value — Setting Priorities for the AI Portfolio



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Gartner

Source: [Gartner](#)



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Why portfolio management is essential for AI projects

Unlocking AI's full potential

AI projects generally involve extensive and often sensitive data, requiring a blend of expertise, including data scientists, ethicists and end users. They are also fraught with ethical, legal and societal challenges. Portfolio management can help organisations overcome these challenges and risks, and achieve the following benefits:

- **Aligning AI projects with strategic objectives:** this ensures that AI projects contribute to and are in harmony with the organisation's broader vision and goals. This involves aligning AI initiatives with corporate strategies and core values.
- **Balancing resources and risks:** portfolio management addresses the resource needs for AI projects, such as data, talent, technology and infrastructure. It can also help organisations identify and mitigate the risks associated with AI projects, such as technical, operational, ethical and reputational risks, ensuring that they have adequate contingency plans and safeguards in place.
- **Value optimisation:** monitoring AI project performance to ensure delivery of intended benefits and value alignment with stakeholder interests is pivotal, ensuring maximisation of the overall value of AI initiatives.

Source: apm.org.uk

AI Portfolio Intelligence

Why Does Managing AI Like a Portfolio Matter?

*Without intelligence around where to place your AI investments, costs can quickly spiral out of control —
A data-driven portfolio approach is essential to:*



1 Identify High-Value Use Cases

Ensure AI investments are aligned with business goals

2 Enable ROI Transparency

Continuously track ROI and value realization to justify AI investments

3 Optimize Resource Allocation

Drive strategic decision-making by rationalizing use cases and prevent overspending on low-impact initiatives



*By strategically prioritizing and managing your AI initiatives,
you can focus on projects that deliver measurable value while managing costs effectively*

What is AI Portfolio Intelligence?

A Strategic Approach to Managing AI Initiatives Through Visibility Into Benefits, Costs, and Value Across the Entire AI Lifecycle

Intake of Projected Benefits

Identify and quantify the potential value of AI use cases before development

Rapid Prototyping & Benefit Analysis

Build quick prototypes and analyze projected benefits against real-world results

Cost Estimation to Productionize

Evaluate the financial investment required to scale prototypes into production

Production Deployment

Deploy validated AI models and track all associated costs using the AI Portfolio Intelligence tool

Monitor Usage & Benefits vs Costs

Continuously measure the performance and ROI of deployed models in production

Aggregate Reporting & Rationalization Review

Consolidate usage and value data to identify high-performing use cases and eliminate underperforming ones

AI Portfolio Intelligence Provides Executive-Level Insight and Enables Consistent Analysis and Decision-Making



How to Get Started with AI Portfolio Intelligence

1. Mobilize your team to manage AI as a portfolio (People)
2. Include *AI Portfolio Intelligence* in your AI charter (Process)
3. Implement capabilities to enable and enforce *AI Portfolio Intelligence* (Technology)

Key Takeaways

1. Prepare to manage your AI like a portfolio — AI and business leaders will need **AI Portfolio Intelligence** to track AI value and show ROI
2. Leverage the the concept of **Minimum Viable Governance (MVG)** to establish **visibility** into all AI initiatives and help you enable AI Portfolio Intelligence
3. Take the **first steps** to mobilize your people, processes, and technology

THANK YOU



modelop.com | sales@modelop.com | linkedin.com/company/modelop

ModelOp is the leading AI Governance software for enterprises and helps safeguard all AI initiatives — including generative AI, Large Language Models (LLMs), in-house, third-party, and embedded systems — without stifling innovation. Through automation and integrations, ModelOp empowers enterprises to quickly address the critical governance and scale challenges necessary to protect and fully unlock the transformational value of enterprise AI — resulting in effective and responsible AI systems.

10 Biggest Mistakes Companies Make When Creating an AI Strategy

Lack of Clear Objectives

Failing to define specific goals leads to scattered efforts and wasted resources.

Failure to Adopt a Change Management Strategy

Neglecting cultural and operational shifts results in resistance and low adoption rates.

Overestimating AI Capabilities

Unrealistic expectations about AI's power lead to disappointment and project failures.

Not Testing & Validating AI Systems

Skipping rigorous testing causes inaccurate outputs and reliability issues.

Ignoring Ethics and Privacy Concerns

Overlooking ethical risks can harm reputation and lead to legal consequences.

Inadequate Talent Acquisition & Dev.

Lacking skilled AI professionals jeopardizes the success of initiatives.

Neglecting Data Strategy

Poor data collection, organization, and accessibility cripple AI performance.

Inadequate Budget & Resource Allocation

Underestimating the investment required for AI hampers progress and scalability.

Treating AI as a One-Time Project

AI requires continuous updates, maintenance, and adaptation to stay effective.

Not Considering Scalability

Failure to plan for scaling early leads to inefficiencies and bottlenecks in expansion.