

# **CMI Level 5 in Leading AI Transformation**

Syllabus | Mar 2026 | v01

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## Version Control

For details on the rationale for the syllabus changes, please refer to Appendix 3: Revisions to Document

<b>Date</b>	<b>Amendments Made</b>
March 2026	First Publication

# Introduction

## Qualification Objective

Managing and leading the adoption of Artificial Intelligence (AI) is crucial for organisations seeking long-term success in an increasingly digital and data-driven world. It involves integrating AI technologies into day-to-day operations, ensuring that technological, business and ethical goals are balanced effectively. This approach helps organisations mitigate risks related to market disruption and competitive pressure, fosters innovation, enhances productivity and creates new business opportunities.

These qualifications are designed to support practising or aspiring middle managers and leaders, responsible for operationalising the organisational AI strategy for their area of responsibility. Through these qualifications, they will develop an awareness of AI management at an operational level and develop skills and knowledge to manage and drive change and lead others ethically in the age of AI.

Extensive research has been undertaken to ensure that these qualifications reflect skills and knowledge required in the workplace. Sources of information include, but are not limited to:

- Comparability to existing Level 5 Digital/Technology qualifications
- Mapped to CMI Professional Standards
- Stakeholder and Subject Matter Expert consultation and input

## Titles and Reference Numbers

The title given below is the title as it will appear on the qualification when awarded to the Learner. The qualification reference number is the number allocated to the qualification by the Regulator at the time of submission, which confirms that this is a regulated qualification on the Regulated Qualifications Framework (RQF) and on the Register. The CMI code is the code which should be used when registering Learners with CMI.

Therefore, all CMI Centres must use the full qualification title as per below when advertising or making reference to the qualifications.

<b>CMI Code</b>	<b>Title</b>	<b>Qualification Reference Number</b>
5A46	CMI Level 5 Award in Leading AI Transformation	610/6955/3
5C46	CMI Level 5 Certificate in Leading AI Transformation	610/6957/7
5D46	CMI Level 5 Diploma in Leading AI Transformation	610/6958/9

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## Operational Start Date

These qualifications are regulated from 18th March 2026 and the operational start date in CMI Centres is 18th March 2026. See the [CMI External Qualification List](#) for review date.

## Progression Opportunities

Upon successful completion of their qualification, learners are able to progress to further learning within the suite of CMI Level 5 Qualifications in Leading AI Transformation - for example, completing an Award and topping-up to Certificate or Diploma.

Learners may also wish to further their ongoing personal and professional development by accessing other CMI qualifications, such as the CMI Level 5 Qualifications in Management and Leadership.

All successful learners will be eligible for Foundation Chartered Manager (fCMgr) on completion of the CMI Level 5 Qualifications in Leading AI Transformation (subject to retention of CMI Membership). For more information on Foundation Chartered Manager, please see [here](#).

Learners completing the CMI Level 5 Diploma in Leading AI Transformation may be eligible for Chartered Manager (CMgr), where they have evidence of a minimum of three years management and leadership experience. For more information, please see [here](#).

## Entry Requirements

These qualifications can be offered to Learners from age 18. CMI does not specify entry requirements for these qualifications, but Centres are required to ensure that Learners admitted to the programme have sufficient capability at the right level to undertake the learning and assessment.

CMI Centres must ensure Learners are recruited with integrity onto appropriate qualifications that will:

- meet their needs
- enable and facilitate learning and achievement
- enable progression

In order to achieve this, the CMI Centre will need to:

- provide relevant programme information, guidance and advice, to enable informed Learner choice
- publish entry and selection criteria
- demonstrate that Learners are recruited with integrity
- carry out comprehensive Learner induction that:
  1. addresses programme and organisational requirements
  2. explains Learner facilities
  3. identifies Learners' development needs
  4. develops an Individual Learning Plan

The qualification is offered in the medium of the English Language.

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# Qualification Structure

## Rules of Combination

### CMI Level 5 Award in Leading AI Transformation

Learners must select at least one unit to a minimum of 50 TQT hours to achieve this qualification. See the Barred Unit Combination below for guidance on unit selection.

The minimum GLH is 16 hours. Minimum credits: 5

### CMI Level 5 Certificate in Leading AI Transformation

Learners must select at least two units to a minimum of 130 TQT hours, from any units in the table below, to achieve this qualification. See the Barred Unit Combination below for guidance on unit selection.

The minimum GLH is 46 hours. Minimum credits: 13

### CMI Level 5 Diploma in Leading AI Transformation

Learners complete a minimum of five units to a total of 370 TQT hours, from any units in the table below, to achieve this qualification. See the Barred Unit Combination below for guidance on unit selection.

The minimum GLH is approximately 126 hours. Minimum credits: 37

#### **Barred Unit Combination:**

*There is a barred unit combination against the following units. Learners can select either of the units, but not both to complete to achieve the qualification. This applies to the Award, Certificate and Diploma:*

- 571 - Management and Leadership for AI
- 572 - Responsible Leadership Practice for Ethical AI Adoption

Unit No.	Unit Title	GLH	TUT	Credit
<b>Driving Change</b>				
565	Navigating and Leading Change for AI Adoption	19	50	5
566	Driving Innovation through AI	23	50	5
<b>Communication &amp; Human Skills</b>				
567	Building and Leading AI-Confident Teams	25	50	5
568	Using AI-driven Insights to Make Decisions	26	50	5
<b>Making an Impact</b>				
569	Personal Development for Effective AI Leadership	16	50	5
570	Managing an AI Project	30	100	10
<b>Governance</b>				
571	Management and Leadership for AI	25	70	7
572	Responsible Leadership for Ethical AI Adoption	30	80	8
<b>AI and Digital Fluency (Cyber &amp; Data Units in Development - detailed Spec to follow)</b>				
573	AI Fluency for Managers and Leaders	25	70	7
574	AI Feasibility and Risk Governance	25	70	7
575	Cyber Foundations	tbc	tbc	tbc
576	Data Foundations	tbc	tbc	tbc

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# Suggested Combinations

The below combinations are optional suggestions that learners, employers, and Partners may wish to consider to address common business challenges in relation to AI transformation.

For each of these suggested combinations, learners would likely achieve a CMI Level 5 Certificate in Leading AI Transformation.

## 1. Challenge: Overcoming Employee Resistance and Fear of AI

In many organisations, the primary hurdle isn't technology, but the "human side" of change - specifically, the fear of job displacement or lack of trust in automated systems and the need for clear and transparent communication.

- Navigating and Leading Change for AI Adoption: Focuses on building a culture of trust and helping teams move past fear to embrace new ways of working.
- Building and Leading AI-Confident Teams: Helps bridge the skills gap and lead individuals toward collective success during adoption.
- Responsible Leadership Practice for Ethical AI Adoption: Ensures leadership styles are applied to foster ethical and responsible AI use, which can increase employee buy-in.

## 2. Challenge: Making Informed, Data-Driven Strategic Decisions

Organisations often struggle to turn the massive amounts of data generated by AI into actionable insights that executives can trust.

- Using AI-driven Insights to Make Decisions: Teaches how to interpret complex data accurately and present trusted insights for strategic decisions.
- Data Foundations: Ensures the manager understands how the quality of data sets the foundation for those insights. - Unit coming soon!
- AI Fluency for Managers and Leaders: Provides the critical mindset needed to challenge technical claims and evaluate business cases.

## 3. Challenge: Stagnant Innovation and Competitive Disruption

If an organisation is falling behind competitors, it may need to use AI not just for efficiency, but as a spark for new products and creative problem-solving.

- Driving Innovation Through AI: Focuses on mastering the process of using AI to spark creativity and embedding an innovative culture.
- Managing an AI Project: Provides the practical skills to plan and deliver a real-world AI project from start to finish.
- Management and Leadership for AI: Helps managers understand how AI reshapes organisational culture to support innovation.

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#### 4. Challenge: Lack of Leadership Readiness and Vision

AI transformation often fails when leadership lacks the personal resilience or the theoretical framework to guide the company through technological shifts.

- Personal Development for Effective AI Leadership: Uses reflective practice to develop the resilience and mindset necessary for an evolving career landscape.
- Management and Leadership for AI: Covers the core theories that underpin effective leadership in an AI-reshaped environment.
- AI Fluency for Managers and Leaders: Ensures leaders can move beyond hype to critically evaluate the technology they oversee.

#### 5. Challenge: Identifying and Mitigating Technical & Compliance Risks

As organisations scale AI, they often face "black box" problems, cybersecurity threats and ethical considerations that could lead to legal or reputational damage.

- Responsible Leadership Practice for Ethical AI Adoption: Empowers leaders to foster a culture of accountability that transforms compliance from a "check-box" exercise into a strategic foundation for trust.
- AI Feasibility and Risk Governance: Focuses on leading accountable adoption by balancing opportunity against cost and scaling risks.
- Cyber Foundations: Focuses on the role of cybersecurity in AI transformation and a manager's role in ensuring compliance. - Unit coming soon!

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# Qualification Delivery

CMI does not specify the mode of delivery for its qualifications at Level 5; therefore, CMI Centres are free to deliver the Level 5 qualifications using any mode of delivery that meets the needs of their Learners. However, CMI Centres should consider the Learners' complete learning experience when designing the learning programmes.

CMI Centres must ensure that the chosen mode of delivery does not unlawfully or unfairly discriminate, whether direct or indirect, and that equality of opportunity is promoted. Where it is reasonable and practical to do so, it will take steps to address identified inequalities or barriers that may arise.

Please ensure that the content of the Centre Delivery plan is approved by the CMI Quality Manager. For CMI requirements regarding Tutor/Deliverers of CMI qualifications, please refer to the CMI Centre Handbook for more information.

## Accessibility of CMI Qualifications

There may be incidents where Learners may require special consideration and reasonable adjustments to the delivery and assessment of qualifications. In the event of this, Centres should notify their allocated Quality Manager and CMI.

Further information, please see the [CMI Reasonable Adjustments and Special Consideration Policy](#).

## Recognition of Prior Learning (RPL)

There may be occasions where Learners request Recognition of Prior Learning (RPL). This can be applied by Centres. Further guidance on RPL and exemptions can be found in [CMI RPL policy](#).

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## Assessment and Quality Assurance

The criteria of the assessment of a CMI qualification will be to meet the assessment criteria detailed within each individual unit.

The primary interface with the Learner is the Assessor, whose job it is to assess the evidence presented by the Learner. The Assessor should provide an audit trail showing how the judgement of the Learner's overall achievement has been arrived at.

The CMI Centre's assessment plan, to be agreed with the Quality Manager, should include a matrix for each qualification showing how each unit is to be assessed against the relevant criteria and which specific piece or pieces of work will be identified in relation to each unit. It should also show how assessment is scheduled into the delivery programme.

In designing the individual tasks and activities, CMI Centres must ensure that:

- the selected assessment task/activity is relevant to the content of the unit
- there are clear instructions given to Learners as to what is expected
- Learners are clearly told how long the assessment will take (if it is a timed activity), and what reference or other material they may use (if any) to complete it
- the language used in the assessment is free from any bias
- the language and technical terms used are at the appropriate level for the Learners

In addition to the specific assessment criteria in each unit, the Learner's work must be:

- accurate, current and authentic
- relevant in depth and breadth

and must also show the Learner's:

- clear grasp of concepts
- ability to link theory to practice, and
- ability to communicate clearly in the relevant discipline at the expected level for the qualification

## Learner Authenticity

Learners are required to sign and date a Statement of Authenticity. The learner statement confirms the evidence submitted is all their own work and has not been completed by a third party. Additionally, the Learner statement confirms the evidence provided has been completed in accordance with CMI approved instructions.

## Assessment Grading

The grading system for CMI qualifications is "Pass/Refer". The external moderation of Learners' work confirms that the required criteria for achievement have been met.

It is important to ensure consistency of assessment, and that demands made on Learners are comparable within and between CMI Centres. A number of assessment methods can be used.

For CMI requirements regarding Assessors and Internal Quality Assurers of CMI qualifications, please refer to the [CMI Quality Assurance Manual](#) for more information.

## Suggested Assessment Methodologies

CMI does not state the assessment method for its qualifications, instead supporting Centres in creating assessment plans to suit the needs of Learners and/or Employers. It is encouraged that a range of methods are used to ensure that all Learning Outcomes and Assessment Criteria are met, and to enhance Learners' development.

In some instances, as well as written work, use can be made of technology. It is important, however, to ensure sufficient traceability for assessment and verification

The following table presents an overview of the type of activities that partners may use to assess each unit. Further details are provided in the 'Recommendations for Assessment' section of each unit specification.

CMI Code	Title	Briefing Paper	Case Study	Report	Business Case	Plan	Written Account	Work Based Evidence	Reflective Account
565	Navigating and Leading Change for AI Adoption		✓	✓					
566	Driving Innovation through AI			✓					
567	Building and Leading AI-Confident Teams		✓	✓			✓		
568	Using AI-driven Insights to Make Decisions						✓		
569	Personal Development for Effective AI Leadership					✓	✓	✓	✓
570	Managing an AI Project		✓	✓		✓	✓	✓	
571	Management and Leadership for AI		✓	✓					
572	Responsible Leadership for Ethical AI Adoption			✓			✓		
573	AI Fluency for Managers and Leaders	✓			✓				
574	AI Feasibility and Risk Governance	✓		✓					

Group assessment is not a recognised assessment method for this qualification. Learners must provide evidence that they meet the requirements of each assessment activity on their own merit.

## Word Count and Appendices

The written word, however, generated and recorded, is still expected to form the majority of assessable work produced by Learners at Level 5. The guideline word count for units within this qualification are summarised below, and varies depending on the size and content of the unit. There is a 10% allowance above/below these guidelines. For more information, please refer to the [CMI Assessment Guidance Policy](#).

Unit No.	Unit Title	Guideline Word Count
565	Navigating and Leading Change for AI Adoption	3500-4000
566	Driving Innovation through AI	3500-4000
567	Building and Leading AI-Confident Teams	3500-4000
568	Using AI-driven Insights to Make Decisions	3500-4000
569	Personal Development for Effective AI Leadership	2500-3000
570	Managing an AI Project	4500-5000
571	Management and Leadership for AI	3500-4000
572	Responsible Leadership for Ethical AI Adoption	3500-4000
573	AI Fluency for Managers and Leaders	4000 - 4500
574	AI Feasibility and Risk Governance	3000 - 3500

Learner work should aim to minimise the amount of unnecessary attachments or appendices. Information that is essential to the Learners work in order to meet the learning outcomes and assessment criteria should be included within the main body of the report. However, CMI understands that from time to time a Learner may need to include additional supporting information which enhances the overall work and it is recommended that it is kept to a minimum and does not over-exceed.

## External Marking

As part of our dedicated service, Chartered Management Institute (CMI) Awarding Body offers the opportunity for all Centres to have their Learner's assessments externally marked.

Some CMI Centres choose to send one assessment of the qualification to be externally marked, as it gives the Learner a CMI quality stamp, as it is marked and assessed by the Awarding Body.

This service provides CMI Centres with a simplistic, professional and cost effective way to get their CMI Learner's work marked and certificated within a six week period. Please refer to the fee's guide for current pricing.

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## Appeals Against Assessment Decisions

In the event that a Learner wishes to appeal against an assessment decision, they can do so by following outlined procedures.

Where an assessment decision has been made by a CMI Centre, Learners must follow the Centre's own Appeals Procedure in the first instance. If this procedure has been exhausted and remains unresolved, Learners may log a Stage 2 appeal with CMI.

Where an assessment decision has been made by CMI (via External Marking or Moderation), a Learner or a Centre may log a Stage 2 appeal with CMI.

For further information, please see [CMI's Appeals Procedure](#).

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# CMI Services

## CMI Membership

If an individual is not already in membership at the time of registering on a CMI qualification then your Learner will be provided with free Affiliate membership of the CMI through until the completion of their studies. For details of the benefits of membership please [click here](#). There may be the opportunity to upgrade during the Learner's studies dependent on successfully completing an assessment with CMI.

## Chartered Manager

Chartered Managers are consistent high performers, committed to current best practice and ethical standards.

A unique designation, exclusively awarded by the Chartered Management Institute, Chartered Manager embodies a professional approach to management through knowledge, competence, professional standards and commitment to continuing professional development (CPD).

To find out more about how to become a Chartered Manager, please [click here](#)

## Study Resources

ManagementDirect - <https://members.md.cmi.org.uk>

It's fast, comprehensive and free to members

ManagementDirect is a complete online library of comprehensive and up-to-date material that addresses current management practice, supports studying and those looking to develop their skills.

- 231 Management Checklists and 64 Management Thinker profiles
- One page overviews of key Management Models
- Multimedia resources – 200 Leader Videos
- CMI research and Professional Manager articles
- Authoritative definitions of management terms
- Over 11,000 articles and 9000 eBooks to read online when you need them
- Learning Journey playlists for many units giving you easy access to resources specifically selected to support your studies
- Resources to develop your Study Skills, including factsheets on assignment writing, references and citations, learning styles, note taking and avoiding plagiarism.

All these resources are freely available to members from one source. Definitions give you a headline understanding of the topic; Checklists and Models provide the essentials; and books and articles enable you to research further. Depending on your need you choose how far you want to go.

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## E-journals

For in depth research, try our e-journals service

CMI has joined forces with EBSCO Information Services to offer members access to Business Source: Corporate, a database providing direct access to articles on management and business from a range of academic journals and business magazines. Members also have access to country, company and industry reports from leading providers.

Access to Business Source Corporate is through ManagementDirect.

## Online CPD

CPD can take many forms, but the most important feature of any activity you undertake is that there are clear learning outcomes. In many cases these may enable you to have a direct impact at work. Our online CPD scheme enables you to record your learning objectives, the activities you have undertaken and encourages you to assess its impact in your role as a manager. It also allows you to print reports for your reviews, appraisals or interviews.

Access to CPD is through ManagementDirect.

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# Units

## Definitions

The units within these qualifications are different to other qualifications, and so the following summarises some key features:

- TUT refers to Total Unit Time. TUT is set based on estimated time expected for the average learner to be taught the content via formal Guided Learning, additional informal learning and preparation and completion of assessment.
- GLH refers to Guided Learning Hours. GLH is the estimated contact time the average learner has with tutors, trainers or facilitators as part of the learning process, it includes formal learning including classes, training sessions, coaching, seminars, live webinars and telephone tutorials and e-learning which is supervised. It is important to note that this also includes assessing learner's achievements for competence based assessments.
- Key words highlight knowledge, skills and behaviours which will be developed
- Indicative content has been developed to support the learner to understand the aims of learning outcomes and assessment criteria. It can also be used by tutors to develop lesson plans and schemes of work.
- Suggested reading/web resource materials developed to compliment the unit content.

It is recommended that Learners have sight of each unit of study in preparation for assessment.

## Unit Summary

The below table summarises the Level 5 units:

<b>565 - Navigating and Leading Change for AI Adoption</b>	Change, particularly the adoption of Artificial Intelligence (AI) technologies, is inevitable if an organisation is to maintain competitiveness and currency of practice. This unit has been designed to enable the learner to evaluate types and reasons for AI-driven change within organisations and be able to select and apply theoretical models for its management. The purpose is not only to enable learners to develop the skills to manage AI adoption and achieve set objectives, but to do so in a professional manner with open and honest communication throughout the entire process.
<b>566 - Driving Innovation through AI</b>	AI-driven innovation has the power to transform organisations, teams, and individual performance. When a culture of innovation and AI adoption thrives, new ideas and initiatives using AI capabilities flourish. This unit has been designed to enable learners to identify opportunities for AI-driven innovation in the workplace (which may be in the form of new working practices, processes, new products, or services enabled by AI), analyse the rationale for developing AI initiatives, and know how to turn these AI-powered ideas into reality.
<b>567 - Building and Leading AI-Confident Teams</b>	When individuals and teams are managed well, organisations thrive and staff satisfaction increases. The aim of this unit is to equip managers with an in-depth understanding of the theoretical and practical approaches to leading and managing teams effectively in the age of Artificial Intelligence (AI). Managers will identify the techniques used to monitor and manage individual and team performance, assess current and future capabilities in relation to AI integration, and adopt approaches to respond to these. On successful completion of the unit, managers will not only understand how to meet the challenge of leading individuals and teams alongside AI tools, they will know how to support, motivate and inspire them to exceed expectations in an AI-driven work environment.
<b>568 - Using AI-driven Insights to Make Decisions</b>	The ability to analyse and manage data and information, especially with the use of AI tools, can lead to increased competitiveness, innovation, productivity, and customer satisfaction. However, with data and information volumes increasing at unprecedented levels, the ability to interpret, use, and harness 'big data' through advanced AI and machine learning techniques can become a critical organisational challenge. The aim of this unit is to equip learners with an understanding of the purpose and practices of interpreting, managing, and presenting business data and information, leveraging AI for deeper insights to inform decision making.

<p><b>569 - Personal Development for Effective AI Leadership</b></p>	<p>Reflective practice is an essential management tool which supports the development of knowledge, skills and behaviours in the workplace, particularly when managing and implementing AI technologies. By consciously analysing own performance, decision making, leadership, and management skills (in different situational contexts, such as AI project failure or ethical dilemmas); opportunities for on-going development in AI adoption and management can be identified. The aim of the unit is to equip learners with the understanding of the value of reflective practice, and how reflection can be used as the basis of a meaningful personal and professional development in the context of leading and managing AI-driven change.</p>
<p><b>570 - Managing an AI Project</b></p>	<p>The ability to manage projects, particularly those involving AI, is a vital skill for all managers. This unit focuses on the knowledge and skills required to manage AI projects successfully and overcome unique challenges. It requires the learner to evaluate methods and tools for planning, implementing, and managing project activities, building stakeholder relationships, managing resources and AI-specific risk, monitoring progress, and reporting on outcomes. Learners will plan and manage a genuine project in the workplace or an academic enquiry relevant to an identified business need or challenge related to AI.</p>
<p><b>571 - Management and Leadership for AI</b></p>	<p>Being equipped with the knowledge, skills and behaviours to manage and lead in a variety of organisational settings, particularly those undergoing digital transformation driven by AI adoption, is essential if an individual and their organisation are to succeed. This unit has been designed for learners who want to develop or sharpen their professional edge and enhance personal effectiveness in an AI-driven environment. Learners will evaluate the impact of an organisation's structure and governance on management and leadership, especially as it relates to AI strategy and ethical implementation. They will explore theoretical models, management and leadership styles and approaches designed to promote a culture of mutual trust, respect and support, crucial for managing human and AI teams effectively.</p>
<p><b>572 - Responsible Leadership for Ethical AI Adoption</b></p>	<p>Ethical management and leadership, particularly in the context of Artificial Intelligence (AI) adoption, involves making principled decisions that prioritise integrity, fairness, accountability, and transparency in the use of AI systems. It is crucial for building trust with employees and customers, fostering a positive organisational culture that values responsible innovation, and ensuring that organisational AI practices align with both societal values and long-term sustainability goals, mitigating risks such as algorithmic bias and lack of explainability.</p>

<p><b>573 - AI Fluency for Managers and Leaders</b></p>	<p>This unit is designed to equip managers and leaders with the essential fluency needed to oversee the operational adoption of AI within their areas of accountability. It focuses on moving beyond technical jargon to emphasise "needs-first" thinking, enabling leaders to evaluate AI solutions against specific operational requirements and make defensible decisions under uncertainty.</p>
<p><b>574 - AI Feasibility and Risk Governance</b></p>	<p>This unit provides a comprehensive overview of how managers and leaders can assess the "whole-system" feasibility of AI adoption, ranging from technical infrastructure to economic sustainability. It empowers Learners to conduct detailed impact assessments that consider organisational readiness, skill retention, and the complex risks associated with vendor dependencies.</p>

# 565 - Navigating and Leading Change for AI Adoption

Ofqual unit number	Y/651/9088
RQF level	5
Guided learning hours	19
Total unit time	50
Credits	5
Aims of unit	Change, particularly the adoption of Artificial Intelligence (AI) technologies, is inevitable if an organisation is to maintain competitiveness and currency of practice. This unit has been designed to enable the learner to evaluate types and reasons for AI-driven change within organisations and be able to select and apply theoretical models for its management. The purpose is not only to enable learners to develop the skills to manage AI adoption and achieve set objectives, but to do so in a professional manner with open and honest communication throughout the entire process.
Keywords	Change management models, stakeholder engagement and support, plans, tools and techniques, barriers and risks, drivers of change, monitor, evaluation, reporting, embedding and sustaining change.

<b>Learning outcome 1</b>
<b>Understand the reasons for change in organisations</b>
<b>Assessment criteria</b>
<p>1.1 Analyse the <b>environmental factors</b> which influence change in organisations</p> <p>1.2 Analyse the <b>internal factors</b> that drive the need for change in organisations</p> <p>1.3 Examine the <b>potential impact</b> of change in organisations</p>
<b>Indicative content</b>
<p>1.1 <b>Environmental factors:</b> <i>may include but are not limited to political, legal, regulatory (for example Embedding employment rights, GDPR, and legal equality frameworks into the change strategy), economic, technological and innovation (for example the rise of AI), environmental (for example the prioritisation of Digital Sustainability), competition, emerging AI ethics and regulation, Social and Technological factors, corporate social responsibility and energy efficiency goals, AI-specific transition cycles.</i></p> <p>1.2 <b>Internal factors:</b> <i>may include but is not limited to organisational cultures, diversity and their impact on leading and managing change and may include but is not limited to organisational performance, AI adoption strategy, AI governance, feedback, ideas and innovation, attrition, chaos and conversation, need for automated workflows and efficiency.</i></p>

1.3 **Potential impact:** *may include but is not limited to achieve objectives, change market positioning, improve efficiency (for example through AI driven automation), improve quality (for example through utilising machine learning for precision error reduction), develop best practice, shift culture (for example by increasing AI Literacy across the workforce), develop innovation and creativity (for example empowering the organisation with generative AI), improve performance, systems and processes, AI and digital technology adoption, navigating pervasive disruption, managing under embedment in uncertainty, AI-First Workflow Orchestration*

## Learning outcome 2

### Understand approaches to change management

#### Assessment criteria

- 2.1 Evaluate the use of **theoretical models** for managing change
- 2.2 Analyse the **role of leadership** in gaining the commitment of others to change
- 2.3 Specify reasons for engaging with **stakeholders** throughout the change management process

#### Indicative content

2.1 **Theoretical models:** *may be selected in relation to appropriateness for type of change and situation, complexity of change and organisation (Oswick, 2015, *Radical Change within Traditional Structures*; Mayon White, 1993, *Change Management Intervention Strategy*; Nadler and Tushman, 1985, *Organisational Congruence Model*; Lewin, 1947, *Three Step Change Management Model (Freeze-Change-Refreeze)*; Kotter, 1996, *8 Steps model*; Burke and Litwin, 1992, *Model of Organisational Change and Performance*; Beckhard-Harris, 1987, *Change Equation*; Moss Kanter, 1983, *The Change Masters*; Hailey and Balogun, 2002, *The Change Kaleidoscope*).*

2.2 **Role of leadership:** *may include but is not limited to leadership styles (for example a digital first leadership style), Situational Leadership (Hersey and Blanchard, 1977), timescales, negotiating and influencing skills (Enhanced by AI-powered data insights and predictive modeling), Having Difficult Conversations (Scott, 2002), Emotional Intelligence (Goleman, 1998), digital collaborative working techniques, resilience and Human-in-the-loop accountability, openness, positive and adaptable, open to feedback, Storytelling, incremental change (overcoming resistance by using "pilots" rather than "big bang" rollouts.)*

2.3 **Stakeholders:** *may include but are not limited to internal: team members, line managers, senior managers, board members; external: customers, pressure groups, government agencies; connected: suppliers, partners, contractors.*

**Reasons:** *may include but is not limited to: Builds Buy-In & Reduces Resistance - particularly when introducing complex technologies, Improves Decision-Making, Manages Risks & Issues, Fosters Trust & Transparency, Identifies Opportunities, Ensures Practicality & Usability, Increases Accountability*

## Learning outcome 3

### Understand how to initiate, plan and manage change in an organisation

#### Assessment criteria

- 3.1 Specify the **rationale** for initiating change within an organisation
- 3.2 Develop a **plan for change** within an organisation
- 3.3 Examine **tools** for implementing and monitoring change
- 3.4 Recommend approaches to overcome **risks and barriers** to change
- 3.5 Develop strategies for **communicating** planned change to stakeholders
- 3.6 Assess **practical methods to support** individuals throughout the change management process
- 3.7 Analyse **methods** for monitoring and measuring the impact of planned change
- 3.8 Discuss **approaches** to embed and sustain planned change in an organisation

#### Indicative content

**3.1 Rationale:** may include but is not limited to Strategic Alignment and Market Positioning (for example Adapting to the AI Revolution), Operational Efficiency and Performance (for example Moving from legacy systems to AI-cloud infrastructure), Regulatory Compliance and AI Ethics (for example, the introduction of frameworks like the EU AI Act or new Data Privacy laws), Cultural and Social Evolution (for example autonomy, flexibility, and AI-enabled support)

**3.2 Plan for change:** may include but is not limited to objectives, actions, stages, milestones - specifically accounting for AI integration requirements, resources, timescales, deadlines, responsibilities, measures (Lewin, c1940s, Force Field Analysis; Hiatt, 2003, ADKAR - applied to manage the human transition to automated workflows), AI integration

**3.3 Tools:** may include but are not limited to AI-powered strategic roadmaps, flowcharts, cultural mapping, process maps, readiness assessments (for example: AI-driven diagnostic surveys), Gantt charts, communication and project plans, Generative AI, digital technologies, Workflow Mapping - to provide evidence-based insights to leaders on human impacts.

**3.4 Risks and barriers:** may include but are not limited to organisational (splinter groups, logistical barrier (e.g. remote working, shift work, rising costs, changing priorities, delay tactics, human-AI collaboration); personal (Kubler Ross, 1960) (hostility, sense of loss, resistance to technological change, depression, refusal to engage).

**Approaches:** may include but is not limited to Education & Communication, Participation & Involvement, Support & Facilitation (for example providing resources such as generative AI to support change), Leadership & Vision, Momentum & Culture

**3.5 Communicating:** may include but is not limited to chairing meetings and presenting using a range of media and may include but is not limited to internal and external communication (for example through AI-powered stakeholder engagement platforms), consultation, huddles, meetings and briefings, webinars & podcasts (for example Utilising AI voice cloning and automated video editing for multi-language accessibility), conference calls, blog posts, presentations, letters and newsletters, articles, case studies (for example using AI data synthesis to extract and provide deeper insights)

**3.6 Practical methods to support:** may include but is not limited to supporting people through structured coaching and mentoring and may include learning and development (for example using AI generated

personalised learning pathways), supervision, one-to-one meetings, team meetings, workshops, use of specialist advice and support, innovation by setting an example (role modelling).

**3.7 Methods:** may include but are not limited to AI driven real-time reporting (for example using AI-Enhanced KPIs and Dashboards), surveys and questionnaires (using AI-driven adaptive questioning and automated theme extraction), interviews, benchmarking activities, mystery shopper, scorecards, data and metrics (predictive analytics), audits, targets (AI forecasting), workshops, observation, conversations.

**3.8 Approaches:** may include but are not limited to overcoming barriers (for example Using AI-driven root cause analysis to identify and bypass hidden bottlenecks), meeting objectives, achieving planned benefits, periodic monitoring, dynamic key performance indicators (KPIs), continuous professional development (CPD) requirements (ensuring the workforce remains capable of supporting the new systems through ongoing skill enhancement), Iterative & Agile approach to AI adoption

### Recommendations for assessment

Learners may approach the assessment in a number of ways. All assessment criteria must be met. The following opportunities are recommendations for guidance purposes only.

- 1 The learner may be asked to write an **account** or **assignment** on the principles of managing change in an organisation.
- 2 The learner may be asked to respond to a **scenario** based on how they would initiate, plan and manage change.
- 3 Learners may write a **report** based on the principles of initiating, planning and managing change.
- 4 The learner may draw upon their **own experience** of initiating, planning and managing change within their own organisation.
- 5 They may present **work based evidence** accompanied by reports/reflective accounts to meet each success criteria.

### Further guidance

It is not a requirement for the learner to cover all aspects of the indicative content when completing the assessment. The learner is encouraged to select and present well chosen information and examples to evidence they sufficiently understand the assessment criteria.

### Suggested reading/web resource materials

Reading/resource materials available on CMI's resource platform:

#### Relevant Theories, Frameworks and Models

- Lewin (c.1940s) Force Field Analysis
- Lewin (1947) Three Steps Model (Freeze-Change-Refreeze)
- Kotter (1995) 8 Steps to Transformation
- Hersey and Blanchard (1969) Situational Leadership
- Scott (2003) Fierce Conversations
- Goleman (1995) Emotional Intelligence
- Kubler Ross (c. 1960) Change Transition Curve
- Hiatt (2003) ADKAR (Awareness, Desire, Knowledge, Ability, Reinforcement)
- HBR "AI Is Changing How We Learn" / Ethan Mollick "The Shape of AI"

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Please note: This list is provided to guide the learner to potential sources of information and is by no means exhaustive. The content of the list is liable to change. The content was checked for accuracy at the time of unit development.

## 566 - Driving Innovation through AI

Ofqual unit number A/651/9089

RQF level 5

Guided learning hours 23

Total unit time 50

Credits 5

**Aims of unit** AI-driven innovation has the power to transform organisations, teams, and individual performance. When a culture of innovation and AI adoption thrives, new ideas and initiatives using AI capabilities flourish. This unit has been designed to enable learners to identify opportunities for AI-driven innovation in the workplace (which may be in the form of new working practices, processes, new products, or services enabled by AI), analyse the rationale for developing AI initiatives, and know how to turn these AI-powered ideas into reality.

**Keywords** Benchmarking, consensus, competitive advantage, market development, product/service development, innovation, collaboration, intellectual property, feedback, empowering, involvement, creativity.

<b>Learning outcome 1</b>
<b>Understand the role of innovation within organisations</b>
<b>Assessment criteria</b>
<p>1.1 Examine the <b>reasons</b> for innovation in organisations</p> <p>1.2 Analyse the <b>types</b> of innovation within organisations</p> <p>1.3 Evaluate <b>factors</b> that support a culture of innovation in organisations</p>
<b>Indicative content</b>
<p>1.1 <b>Reasons:</b> may include but are not limited to organisation's growth strategy, competitive advantage (first mover/fast/slow followers/market leader), diversification (for example moving into new sectors by leveraging AI), new/increased sources of revenue, market share, reduced costs, improved productivity (for example through empowering the workforce with AI "Co-pilots"), build brand value (for example by positioning the organisation as an ethical AI leader), gap in the market, respond to trends, establish new partnerships/relationships, ethical, legal and regulatory changes (for example the introduction of ethical AI frameworks), Productivity Optimisation (using AI to reduce waste and enhance operational outcomes)</p>

1.2 **Types:** may include but are not limited to difference between ideas and innovation (for example Moving from AI-generated concepts to the actual implementation of autonomous production systems), formal, informal, continuous improvement (for example utilising machine learning), organic, incremental, radical, disruptive, breakthrough, transitional, transformational, product, service, platform, experience (for example Delivering AI-powered products, subscription-based AI platforms, and hyper-personalised digital experiences, exploit new technologies, business process re-engineering, business model and processes, frugal, open source and user led/co-creation, democratic.

1.3 **Factors:** may include but are not limited to vision and leadership styles (for example moving toward digital-first leadership), strategic priorities (for example ensuring that the adoption of AI and automated agents is ranked alongside core revenue and operational goals), organisational structure, working styles, attitude to risk, resources, staff involvement and buy-in (for example by overcoming automation anxiety by involving employees in the AI design process).

## Learning outcome 2

### Understand the process of managing innovation in an organisation

#### Assessment criteria

- 2.1 Evaluate **methods** used to drive innovation in an organisation
- 2.2 Examine the **process** for innovation in an organisation
- 2.3 Discuss the **role** of the manager in leading innovation in an organisation
- 2.4 Analyse the **role** of stakeholders in the innovation process
- 2.5 Evaluate **methods** used to measure the impact of innovation in an organisation

#### Indicative content

2.1 **Methods:** may include but are not limited to driven by brainstorming (for example by using Generative AI to spark "blue-sky" thinking), quality circles, mind mapping (integrating AI-synthesised feedback), customer feedback, customer and market research, focus groups, co-creation, sharing prototypes (e.g. products to address unmet needs), data interrogation and analysis (for example Machine Learning to find insights and patterns in big data), emulate competitors (for example using AI web-scrapers and market-intelligence bots to monitor competitors in real-time), supplier/partner involvement, formal suggestion or incentive schemes, restructuring, Kirton's Adaptation-Innovation (KAI) Theory, (2003), Prototyping with Low-Code/No-Code (Zapier/Make) to demonstrate "Productivity Optimisation.", Prompt engineering (extract value from LLMs and Generative AI)

2.2 **Process:** may include but is not limited to research, design (for example Leveraging generative design and AI-assisted modeling to create optimised solutions), development of business case (including objectives, success criteria and dynamic key performance indicators, cost benefit, analysis/investment appraisal, timescales - supported by AI predictive modeling), scope, approvals, develop (Using Prompt Engineering and API connectors to build and iterate on innovative digital workflows), pilot/test, implement (for example using AI project management agents to automate resource allocation), real time feedback and monitoring, communicate, stakeholder engagement, data driven review and evaluate API Integration (Understanding how AI tools connect to existing business systems during the innovation process)

2.3 **Role:** may include but is not limited to championing ideas, gaining stakeholder buy-in and commitment, managing stakeholders, securing resources for AI integration, research and investigation, establishing

processes and procedures (for example defining Governance and ethical guidelines to ensure AI is used responsibly and transparently), communication (for example balancing the need for human & AI responses), supporting and implementing good practice, Leaders support good practice by monitoring impact and ensuring transparency in automated processes.

2.4 **Stakeholder Role** may include but is not limited to ideas, decision making, approval, consultation, testing and feedback, specialist advice and support, Responsible, Accountable (for example in relation to the boundaries of human-AI interface, ensuring that autonomous outcomes remains a human responsibility), Consulted, Informed (RACI), ensuring ethical alignment (for example in AI usage)

2.5 **Methods** may include but are not limited to the development of key performance indicators (for example moving toward Dynamic KPIs that use machine learning to adjust targets based on real-time data), financial measures (e.g. revenue, profit, cost reduction through AI-powered financial forecasting), customer acquisition, loyalty and retention, market share and reach, compliance, quality audits, feedback, ratings and reviews.

### Recommendations for assessment

Learners may approach the assessment in a number of ways. All assessment criteria must be met. The following opportunities are recommendations for guidance purposes only.

- 1 The learner may be asked to write an **account** or **assignment** on the principles of innovation in organisations.
- 2 The learner may be asked to respond to a **scenario** based on how they would develop an innovative idea/concept within an organisation.
- 3 Learners may write a **report** based on the principles of developing an innovative idea.
- 4 The learner may draw upon their **own experience** of developing an innovative idea within an organisational setting.
- 5 They may present **work based evidence** accompanied by reports/reflective accounts to meet each assessment criterion.

#### Further guidance

It is not a requirement for the learner to cover all aspects of the indicative content when completing the assessment. The learner is encouraged to select and present well chosen information and examples to evidence they sufficiently understand the assessment criteria.

### Suggested reading/web resource materials

Reading/resource materials available on CMI's resource platform:

#### Textbooks/eBooks

- Johnson, Whittington and Scholes, 2012, Exploring Corporate Strategy

#### Relevant Theories, Frameworks and Models

- Adaptation-Innovation (KAI) Theory (Kirton, 2003)
- RACI Matrix (Responsible, Accountable, Consulted, Informed)
- Regional Skills Plans (LSIPs) / The Economist "Can AI Replace Junior Workers?"

Please note: This list is provided to guide the learner to potential sources of information and is by no means exhaustive. The content of the list is liable to change. The content was checked for accuracy at the time of unit development.

## 567 - Building and Leading AI-Confident Teams

Ofqual unit number T/651/9087

RQF level 5

Guided learning hours 25

Total unit time 50

Credits 5

**Aims of unit** When individuals and teams are managed well, organisations thrive and staff satisfaction increases. The aim of this unit is to equip managers with an in-depth understanding of the theoretical and practical approaches to leading and managing teams effectively in the age of Artificial Intelligence (AI). Managers will identify the techniques used to monitor and manage individual and team performance, assess current and future capabilities in relation to AI integration, and adopt approaches to respond to these. On successful completion of the unit, managers will not only understand how to meet the challenge of leading individuals and teams alongside AI tools, they will know how to support, motivate and inspire them to exceed expectations in an AI-driven work environment.

**Key words** Theoretical models, teams, practical approaches, team leadership, team management, strategies, effectiveness, challenges, remote teams, capabilities, current requirements, future requirements, learning and development, high performing teams, motivation

### Learning outcome 1

#### Understand approaches to managing and leading teams

#### Assessment criteria

- 1.1 Evaluate **theoretical** models used for managing and leading teams
- 1.2 Discuss **practical approaches** for effective team management and leadership
- 1.3 Analyse **strategies** for managing team leaders

#### Indicative content

1.1 **Theoretical models:** may include but are not limited to Tannenbaum and Schmidt's Leadership Continuum (1958), Blake and Mouton's Managerial Grid (c.1950s), Drivers of Employee Engagement (Robinson, Perryman and Hayday, 2004), Speed of Trust (Covey, 2008), Conflict Mode Instrument (Thomas and Kilman, 1974), Emotional Intelligence (Goleman, 1995).

1.2 **Practical approaches:** may include but are not limited to communicating organisational strategy, vision and mission, Strategic Direction and Ownership, setting clear aims and objectives, monitoring of performance, empowerment, delegation, collective ownership, conflict handling, creating a trusting environment for AI Integration, building resilience, responsibility-based culture over a blame culture, using data-driven insights to improve performance monitoring and foster collaboration, fairness and parity, work allocation, cultural awareness, individual and team development, use and adoption of AI to enhance management and leadership approaches

1.3 **Strategies** may include but are not limited to delegation, monitoring performance, oversight and setting targets (for example using AI forecasting tools to establish data-backed, realistic, and dynamic objectives), support and guidance, supervision and meetings, learning and development (for example creating personalised AI learning pathways), tailored approach (for example to ensure the workforce remains capable of meeting the evolving technical demands of the organisation)

## Learning outcome 2

### Know how to achieve a balance of skills and experience in teams

#### Assessment criteria

2.1 Discuss **techniques** for assessing current and future team capabilities and requirements

2.2 Assess the **factors** which impact on the selection of **learning and development activities** for individuals and teams

#### Indicative content

2.1 **Techniques:** may include but are not limited to analysis of skills and experience (individuals and teams) against current organisational requirements (e.g. aims and objectives), identification of future organisational need (e.g. AI adoption, organisational AI and digital strategy, projects, plans, production plans), skills matrix, capability assessment (for example future gap identification of workforce AI capabilities), structured performance reviews, identification of skills and experience gaps.

2.2 **Factors:** may include but are not limited to budget/funding (for example investment required for AI infrastructure), shift patterns, physical location of team members, time, availability of suitable provider, compliance (including AI ethics, legal and industry specific regulation relating to the sector in which the organisation operates), return on investment (ROI), AI strategic objectives and priorities, learning styles, range of training needs (for example, from foundational AI literacy to advanced algorithmic management), Workforce equality monitoring (identifying disproportionate impacts on staff groups during skill gap analysis), Human Leadership Advantage (AI as a People Coach)

**Learning and development activities:** may include but are not limited to formal and informal (strategies for building "citizen literacy" (accelerated citizen developers) and leveraging the "peer voice" to impact confidence and adoption), social and collaborative learning (for example enhancing the experience by utilising AI-driven networking tools for collaborative learning), on the job and off the job, face to face, blended or online learning (for example through AI-personalised learning pathways), group or individual learning, coaching and mentoring, secondments and temporary promotion/role change, talent development

programmes, self-directed/distance learning facilitated by AI content curation, job shadowing, team building activities, communities of practice.

### Learning outcome 3

Know techniques for managing and leading individuals and teams to achieve success

#### Assessment criteria

- 3.1 Examine **methods** used to monitor and manage individual and team performance
- 3.2 Develop approaches to respond to the **challenges** of managing and leading multi-disciplinary and remote teams
- 3.3 Examine **good practice** for enabling and supporting individuals and teams to achieve success

#### Indicative content

3.1 **Methods:** may include but are not limited to HR systems and processes, internal and external quality standards, audit, qualitative measures (for example using AI sentiment analysis and natural language processing (NLP) to identify underlying themes) and quantitative measures (for example: SMART objectives, key performance indicators (KPIs), scorecards (e.g. Balanced Scorecard, Kaplan and Norton, 1992), error rates, output, benchmarks and targets - tracked through real-time AI dashboards and predictive forecasting, service level agreements (SLAs), speed of response, structured performance reviews, 180°/360° feedback, disciplinary procedures, Systems and Feedback Qualitative measures (for example: leveraging AI sentiment analysis and Natural Language Processing (NLP))

3.2 **Challenges:** may include but are not limited to use of communication (methods, types, times, frequency of contact, availability, interpretation of communication used and the challenge of distinguishing between human and AI-generated messaging), access to business support including the technical support required for AI tools and automated systems, building and developing relationships, performance review, workload, conflict handling, quality and productivity, currency of working practice, time management (for example the need to balance immediate AI-driven demands with the time needed for deep work and strategic thinking), lack of trust, morale, accountability, authority and autonomy (by Addressing "automation bias" and overreliance on tools as a specific leadership challenge), Five Dysfunctions of a Team (Lencioni, 2005).

3.3 **Good practice:** may include but is not limited to communicating shared purpose, vision and direction, setting stretch goals and dynamic objectives (for example: using AI-driven benchmarking to identify performance targets), feedback, constructive criticism, action planning including PIPS (performance improvement plans), rewards and incentives, recognition and praise, creating energy and enthusiasm (for example removing administrative burden through AI automation to allow for more meaningful, engaging work), inspiring others, increased cooperation (for example: by utilising collaborative AI tools to bridge silos and foster team-based problem solving), Fostering a positive team dynamics to create trust, incentives and rewards, Vrooms Expectancy Theory (1964), Motivation and Management Systems (Likert, 1999), Psychological Contract (Rousseau, 1989), overcoming Automation Bias (A "Team Challenge" where staff over-rely on AI, potentially losing critical thinking skills.)

## Recommendations for assessment

Learners may approach the assessment in a number of ways. All assessment criteria must be met. The following opportunities are recommendations for guidance purposes only.

1. The learner may be asked to write an **account** or **assignment** on approaches to leading, managing and developing individuals and teams.
2. The learner may be asked to respond to a **scenario** based on how they would lead and manage high performing teams and individuals.
3. Learners may write a **report** based on the principles of managing and leading high performing teams and individuals.
4. The learner may draw upon their **own experience** of managing and leading teams and individuals within their own organisation. They may present work based evidence accompanied by reports/reflective accounts to meet each assessment criterion.

### Further guidance

It is not a requirement for the learner to cover all aspects of the indicative content when completing the assessment. The learner is encouraged to select and present well-chosen information and examples to evidence that they sufficiently understand the assessment criteria.

## Suggested reading/web resource materials

Reading/resource materials available on CMI's resource platform:

### Relevant Theories, Frameworks and Models

- Blake and Moulton (c.1950s) Managerial Grid
- Covey (2008) Speed of Trust
- Goleman (1995) Emotional Intelligence
- Kaplan and Norton (1992) Balanced Scorecard
- Lencioni (2005) Five Dysfunctions of a Team
- Likert (1999) Motivation and Management Systems
- Robinson, Perryman and Hayday (2004), Drivers of Employee Engagement
- Rousseau (1989) Psychological Contract
- Tannenbaum and Schmidt (1958) Leadership Continuum
- Vroom (1964) Expectancy Theory
- Microsoft "2025: Frontier Firm" / BCG "Leading in the Age of AI Agents"

Please note: This list is provided to guide the learner to potential sources of information and is by no means exhaustive. The content of the list is liable to change. The content was checked for accuracy at the time of unit development.

## 568 - Using AI-driven Insights to Make Decisions

Ofqual unit number J/651/9091

RQF level 5

Guided learning hours 26

Total unit time 50

Credits 5

**Aims of unit** The ability to analyse and manage data and information, especially with the use of AI tools, can lead to increased competitiveness, innovation, productivity, and customer satisfaction. However, with data and information volumes increasing at unprecedented levels, the ability to interpret, use, and harness 'big data' through advanced AI and machine learning techniques can become a critical organisational challenge. The aim of this unit is to equip learners with an understanding of the purpose and practices of interpreting, managing, and presenting business data and information, leveraging AI for deeper insights to inform decision making.

**Keywords** Data, information, types, sources, criteria, organisational frameworks, legal frameworks, General Data Protection Regulation, Freedom of Information Act, risk assessment, Management Information Systems, data analytics, records management, statistical analysis, cost benefit analysis, options appraisal, grid analysis, Decision Model, Rational Decision Making, OODA Loops, communications channels, communications model.

### Learning outcome 1

#### Understand the use of data and information in decision making

#### Assessment criteria

- 1.1 Analyse the use of **data and information** in decision making
- 1.2 Examine **types** of data and information used in decision making
- 1.3 Analyse the impact of **organisational** and **legal frameworks** on the use of data and information in decision making
- 1.4 Discuss the impact of stakeholder **needs** on the collection, analysis and interpretation of data and information for decision making

## Indicative content

**1.1 Purpose:** may include but is not limited to Validation and risk reduction (for example Utilising AI-driven simulations to reduce risk), Insight Generation (through for example utilising Natural Language Processing (NLP) and pattern recognition), Operational optimisation (for example utilising Using Machine Learning (ML) to automate workflows), Strategic Direction, Transparency & Accountability, long term planning, financial risk management.

**Data and information:** may include but is not limited to Data, Information, Knowledge, Wisdom (DIKW) model (Ackoff, 1989), tacit and explicit knowledge (Socialisation, Externalisation, Combination, Internalisation (SECI) Model (Nonaka and Takeuchi, 1996), knowledge and know how (Collison and Parcell, 2004).

**1.2 Types:** may include but are not limited to tacit, explicit, classifications (e.g. confidential, restricted, top secret), internal and external, primary and secondary, qualitative, quantitative, structured and unstructured, Descriptive Analytics, Diagnostic Analytics, Predictive Analytics, Prescriptive Analytics, Big data

**1.3 Organisational frameworks:** may include but is not limited communication and knowledge sharing policies, procedures and protocols, safety, security, risk, reporting and audit, approval levels for access to data and information Data Ethics Frameworks: Guide responsible AI/data use

**Legal frameworks:** may include but is not limited to Data Protection Act 1998, General Data Protection Regulation (applies from May 2018), Freedom of Information Act 2000, Digital Economy Act (2017), Online Safety Act (2023), Copyright, Designs and Patents Act 1988, Product Regulation and Metrology Act 2025, Consumer Rights Act 2015) and any other sector specific regulations.

**Impact:** may include but is not limited to Enhanced Trust & Legitimacy, Mitigation of Harm, Increased Scrutiny, Operational Constraints, Accountability Mechanisms

**1.4 Impact on Needs:** may include but are not limited to: Subjective to Objective, Refinement of Scope (for example using AI targeted interventions), Risk Re-prioritisation, Reduced Ambiguity, Consensus Building, and evolving engagement and communication needs (for example shifting from static reports to AI-driven real-time dashboards), timeliness and transparency

## Learning outcome 2

**Be able to interpret data and information to support decision making**

### Assessment criteria

2.1 Discuss **criteria** used for selection of data and information

2.2 Evaluate the use of **tools and techniques** for analysing and interpreting data and information to support decision making

### Indicative content

**2.1 Criteria:** may include but is not limited to accuracy (for example creating ground-truth data for AI model training), validity, reliability (protects against flawed AI-generated content), timeliness (for example moving toward real-time data streaming for instant AI decision-making), currency, relevance, completeness, authenticity (for example verifying the original source of the data to protect against AI-generated data and information), use of data analytics and statistical analysis methods (for example AI driven advanced

analytics to ensure data is strategically aligned with operational needs), Identifying Algorithmic Bias and performing data preparation/conversion to ensure accuracy.

**2.2 Tools and techniques:** may include but are not limited to strategic, tactical and operational, Cost Benefit Analysis (CBA), options appraisal, grid analysis, Decision Model (Vroom Yetton, 1973) (for example when a decision can be fully automated (AI-led) versus when it requires human-in-the-loop consultation), Rational Decision Making (Kepner Tregoe, 1965) (for example using AI to enhance this by providing objective criteria, reducing the impact of human bias) OODA Loops (c. 2000), AI data mining, Structured Query Language (SQL), excel spreadsheets, charts and graphs (for example evolving from static visuals to AI driven interactive, real-time dashboards), Long-term monitoring for Model Drift and using analytical techniques to optimise solutions.

### Learning outcome 3

#### Know how to present data and information used for decision making

##### Assessment criteria

3.1 Evaluate **methods** of presenting data and information used for decision making

##### Indicative content

3.1 **Methods:** may include but are not limited to formal, informal, verbal, non-verbal, electronic, written, visual, face to face, briefings, meetings, data visualisation, presentations, reports, charts, diagrams, Visual and Interactive Reporting, data visualisation, AI-enhanced dashboards, Infographics and AI-generated summaries.

### Recommendations for assessment

Learners may approach the assessment in a number of ways. All assessment criteria must be met. The following opportunities are recommendations for guidance purposes only.

1. The learner may be asked to respond to a **scenario** based on how they would manage and share data and information.
2. Learners may write a **report** based on the principles of managing and sharing data and information.
3. The learner may draw upon their **own experience** of managing and sharing data and information.
4. The learner may present work based evidence accompanied by **reports/reflective accounts** to meet each assessment criteria.
5. Learners may wish to create a **guide** on how to manage business data and information within an organisation.

#### Further guidance

It is not a requirement for the learner to cover all aspects of the indicative content when completing the assessment. The learner is encouraged to select and present well chosen information and examples to evidence they sufficiently understand the assessment criteria.

## Suggested reading/web resource materials

### External Weblinks

- [Financial Reporting Council](#)
- [National Audit Commission](#)
- [Public Sector Audit Appointments Ltd Audit Commission, 2009](#)

### Relevant Theories, Frameworks and Models

- Ackoff (1989) Data, Information, Knowledge, Wisdom (DIKW) Model
- Collison and Parcell (2004) Knowledge Management
- Nonaka and Takeuchi (1995) Socialisation, Externalisation, Combination, Internalisation (SECI) Model
- Edwards (2009) People, Process, Technology
- Drucker (1959) The Knowledge Worker
- Vroom Yetton (1973) Decision Model
- Kepner Tregoe (1965) Rational Decision Making
- Boyd (date) OODA Loops
- Stanford HAI "AI Index 2025" / Alan Turing Institute "Securing the AI Ecosystem"

Please note: This list is provided to guide the learner to potential sources of information and is by no means exhaustive. The content of the list is liable to change. The content was checked for accuracy at the time of unit development.

## 569 - Personal Development for Effective AI Leadership

Ofqual unit number L/651/9093

RQF level 5

Guided learning hours 16

Total unit time 50

Credits 5

**Aims of unit** Reflective practice is an essential management tool which supports the development of knowledge, skills and behaviours in the workplace, particularly when managing and implementing AI technologies. By consciously analysing own performance, decision making, leadership, and management skills (in different situational contexts, such as AI project failure or ethical dilemmas); opportunities for on-going development in AI adoption and management can be identified. The aim of the unit is to equip learners with the understanding of the value of reflective practice, and how reflection can be used as the basis of a meaningful personal and professional development in the context of leading and managing AI-driven change.

**Keywords** Professional development, reflection, continuous, performance, working style, opportunities, planning, professional practice, currency of practice, licence to practice, development needs, learning and development.

<b>Learning outcome 1</b>
<b>Understand the value of reflective practice to inform personal and professional development</b>
<b>Assessment criteria</b>
1.1 Analyse the importance of <b>continuous personal and professional development</b> in achieving organisational objectives
1.2 Evaluate the use of <b>reflective practice</b> in personal and professional development
1.3 Evaluate <b>approaches</b> to reflective practice
<b>Indicative content</b>
1.1 <b>Continuous:</b> <i>may include but is not limited to life-long learning and upskilling in new and emerging AI technologies, maintaining currency of skills and knowledge (for example: in relation to legal, regulatory and ethical frameworks impacting AI use), effectiveness (for leveraging AI for impact) achievement (of personal, professional and organisational goals).</i>

**Personal and Professional:** may include but are not limited to knowledge and skills that directly relate to a current or future work role in relation to AI adoption (For example: use of AI Tools, navigating technical transitions, aligning skills with organisational priorities)

1.2 **Reflective practice:** may include but is not limited to self-management, develop insights, reflexivity, bias audits, decision making in different situational contexts, critical reflection to assess skills, competencies, resilience, behaviours of professionalism, self-awareness, mental toughness (Lyons, 2015), Emotional Intelligence (Goleman, 1995).

1.3 **Approaches:** may include but are not limited to learning cycle, deep and surface learning, appraisal including self and peer review, 360 degree, methods of setting goals and reviewing progress, group and individual learning, (Model of Structured Reflectianalon, Johns, 1994), Reflective Cycle (Gibbs, 1995), Learning Cycle (Kolb, 1984), Human-in-the Loop (REF) (Reflective practice should be used to evaluate "human agency in organisations).

## Learning outcome 2

### Know how to apply reflective practice to inform personal and professional development

#### Assessment criteria

- 2.1 Evaluate own **performance** in the workplace using principles of reflection
- 2.2 Reflect on own **working style** and its impact on others in the workplace
- 2.3 Analyse **development needs** for current and future roles
- 2.4 Examine **development opportunities** to meet short, medium and long term objectives
- 2.5 Create a **personal development plan** with measurable objectives

#### Indicative content

2.1 **Own performance:** may include but is not limited to knowledge, skills/competencies (for example: ethics and governance, AI Concepts, Human-AI collaboration, data and insight analysis, change management, workflow integration, prompt engineering, solution testing, communication and testing, horizon scanning) behaviours (for example, being responsible, digital collaboration, proactive in learning, being emotionally intelligent (Goleman, 1995), building trust.) against short, medium and long term requirements of the role, organisational AI objectives and professional standards.

2.2 **Working style:** may also include but is not limited to profiling, Team Roles (Belbin, 1981), Type Indicator (Myers Brigg, 1943), Transactional Analysis (Berne, c.1950), Drivers (Kasozzi and Dehaan, 2014), Co-worker relationships (McIntyre, 2011), behavioural profiling and assessments e.g. DISC (Tate, 2014), Team Wheel (Margerison and McCann, 1989).

2.3 **Development needs:** may include but is not limited to knowledge & skills gaps in relation to AI literacy (for example: AI ethics and governance, AI Concepts, Human-AI collaboration, data literacy and insight analysis, change management, workflow integration & automation, Ethical & Responsible AI Use, prompt engineering, solution testing, communication and testing, horizon scanning).

**Behavioural gaps:** may include but is not limited to (for example: demonstrating empathy during AI driven change, acts responsibly and fairly, maintains professionalism, is respectful, demonstrates confidence, advocates for employees, considers long term impact of AI adoption, shows curiosity and initiative in experimentation with AI and automation, maintains safe and ethical practice)

2.4 **Development opportunities:** may include but is not limited to learning styles and may include but are not limited to formal and informal, social and collaborative learning, on the job and off the job, face to face, blended or online learning, coaching and mentoring, reverse coaching and mentoring, AI-focussed coaching and/or AI-enhanced coaching, AI personalised learning pathways.

**2.5 Personal development plan:** *may include but is not limited to short, medium and long term time bound objectives, aligned to organisations AI and digital strategy, development needs (for example: in relation to AI literacy, Reverse mentoring, Ethics board participation, AI Human stimulation training, Cross function secondment), resources, support, development opportunities, review and evaluation methods.*

### Recommendations for assessment

Learners may approach the assessment in a number of ways. All assessment criteria must be covered. To enable this to be achieved effectively the unit has been written in the sequence in which personal reflection, review and planning is carried out.

The following opportunities are recommendations for guidance purposes only:

1. The learner should draw upon their **own experiences** from their current work role (paid or voluntary). Reflective practice is not constrained by being in a particular role and can include planning for a future role.
2. Learners may present **work based evidence** (including personal development plans) accompanied by reports or reflective accounts to meet each of the assessment criteria.

### Further guidance

It is not a requirement for the learner to cover all aspects of the indicative content when completing the assessment. The learner is encouraged to select and present well chosen information and examples to evidence they sufficiently understand the assessment criteria.

### Suggested reading/web resource materials

Reading/resource materials available on CMI's resource platform:

#### Management Models

- Gibbs' Reflective Cycle
- Kolb's Learning Cycle

#### Relevant Theories, Frameworks and Models

- Belbin (1981) Team Roles
- Berne (c.1950) Transactional Analysis
- Gibbs (1995) The Reflective Cycle
- Goleman (1995) Emotional Intelligence
- Johns (1994) Model of Structured Reflection
- Kasozi and Dehaan, 2014 Drivers
- Kolb (1984) The Learning Cycle
- Lyons (2015) Mental Toughness
- Margerison and McCann (1990) Team Management Wheel
- McIntyre (2011) Co-worker relationships
- Mullins (2013)
- Myers Briggs (1943) Type Indicator
- Pedler, Burgoyne, Boydell (2007)
- Schön (1987) The Reflective Practitioner
- Tate (2014) DISC
- Torrington et al (2008)

Please note: This list is provided to guide the learner to potential sources of information and is by no means exhaustive. The content of the list is liable to change. The content was checked for accuracy at the time of unit development.

## 570 - Managing an AI Project

**Ofqual unit number** K/651/9092

**RQF level** 5

**Guided learning hours** 30

**Total unit time** 100

**Credits** 10

**Aims of unit** The ability to manage projects, particularly those involving AI, is a vital skill for all managers. This unit focuses on the knowledge and skills required to manage AI projects successfully and overcome unique challenges. It requires the learner to evaluate methods and tools for planning, implementing, and managing project activities, building stakeholder relationships, managing resources and AI-specific risk, monitoring progress, and reporting on outcomes. Learners will plan and manage a genuine project in the workplace or an academic enquiry relevant to an identified business need or challenge related to AI.

**Keywords** Project proposal, reason for research, scope, aims and objectives, research methodologies, stakeholders, knowledge, conduct research, analyse, interpret and evaluate findings, option or alternative, conclusions, recommendations, impact.

**Learning outcome 1**

**Know how to plan a management project**

**Assessment criteria**

- 1.1 Develop the **aim, objectives and scope** of a proposed **management project**
- 1.2 Specify a research **approach** for the proposed management project
- 1.3 Specify the **research methods** to be used to collect data and information
- 1.4 Analyse the **role** of stakeholders involved in the management project
- 1.5 Examine the **factors** that need to be considered when developing a plan for the management project

#### Indicative content

**1.1 Aim, objectives, and scope:** *may include but are not limited to use of specific, measurable, achievable, realistic, timebound (SMART) objectives (for example utilising AI-driven targets to enhance precision), overall aim, rationale, in/out of scope, outline of research proposal/topic, research question, hypothesis, deliverables (tangible and intangible), balancing technical AI capabilities with practical project constraints, Data Informed Design (Using data patterns to justify the scope and objectives of a new AI project).*

**Management of an AI project:** *may include but is not limited to a genuine project in the workplace or an academic enquiry in response to a business need/challenge. It may include but is not limited to innovation, product development, problem solving, change, performance improvement, market entry, strategy, customer service initiative, Automated process design, or general AI adoption/integration.*

**1.2 Approach:** *may include but is not limited to inductive, deductive, quantitative, qualitative, primary, secondary, Agile/Iterative Approach (AI requirements are rarely fully known upfront), Assessing Process Maturity and conducting formal feasibility studies (cost/time/data quality), Data Sourcing and Literature Synthesis, (Maylor, 2005; Saunders, Thornhill and Lewis, 2012; Gill and Johnson, 2010; Maylor 2017), Process Maturity.*

**1.3 Research methods:** *may include but are not limited to questionnaire, adaptive surveys (with AI tools adjusting questions based on previous answers), interviews, Qualitative and Scalable Methods, focus groups (for example using AI-transcription for real-time analysis), experiments, observation, Pilot/Test Groups*

**1.4 Role:** *may include but is not limited to power, influence, levels and process of decision making (for example human or AI led decisions), lines and limits of authority, risk management, Establishing clear lines of authority and shared goals (Friedman and Miles, 2006; Egan, 2006), advisor, sponsor, supervisor, Responsibility (for example proactively identifying barriers and resistance to AI integration), Authority, Expertise, Work (RAEW)/Responsible, Accountable, Consulted, Informed, effective risk management. Accountability and AI Resistance Frameworks such as (RACI) (Crane, c.1970s).*

**1.5 Factors:** *may include but are not limited to schedule and milestones, deliverables, resources, contracts and agreements (e.g. confidentiality and ethics including AI Ethics Agreements to prevent the misuse of data), data protection, AI powered project planning tools, assumptions, success criteria (for example defining what "good" looks like through SMART Objectives and AI-Enhanced KPIs), constraints, robust risk analysis, structured communications strategy (Saunders and Lewis, 2011), technical requirements, organisational accountability, Conducting structured Risk Calibration Assessments aligned with AI assurance frameworks, Responsible Autonomy*

#### Learning outcome 2

**Be able to conduct a management project**

## Assessment criteria

- 2.1 Conduct **research** to deliver the management project
- 2.2 Analyse and interpret research findings using relevant **tools and techniques**
- 2.3 Use research findings to **analyse options** to meet the project aim
- 2.4 Draw **conclusions** and propose **recommendations**

## Indicative content

2.1 **Research:** may include but is not limited to Data Quality and Standards which are sufficient, current, authentic, reliable and valid. It may include but is not limited to review of concepts, theories and assumptions (literature review), analysis of legislation/policy/industry standards (such as the EU AI Act - ensuring the project is ethically sound and compliant with industry standards), understanding of market trends and data synthesis (for example analysed using AI predictive modelling), knowledge of organisation and industry sector, incorporating comparative study across organisations/countries /cultures, primary/secondary/qualitative/quantitative data and information.

2.2 **Tools and techniques:** may include but are not limited to use of quantitative techniques e.g. software tools (for example Moving beyond basic spreadsheets to AI-native analytics platforms), Qualitative Frameworks and Triangulation, enhanced statistical analysis and qualitative techniques e.g. Framework Analysis (Pope et al, 2000), Thematic Network Analysis (Attride-Stirling, 2001), triangulation (for example using multiple analysts or a human and an AI agent to reduce subjective bias), Applying rigorous Testing Methodologies and iterating based on user accessibility, UCD (User-Centred Design - Evaluating project success based on user needs and accessibility rather than just technical metrics.)

2.3 **Analyse options:** may include but is not limited to the use of tools such as Financial and Strategic Evaluation through Cost Benefit Analysis (CBA), options appraisal (e.g. "Build vs. Buy" for AI software), AI-driven predictive key performance indicators (KPI), grid analysis, Expectancy Theory (Vroom, 1964), Decision Models and Action Loops, Rational Decision Making (Kepner Tregoe, 1965), maintain agility and allow rapid iteration OODA Loops (Boyd, 1998).

2.4 **Conclusions:** may include but are not limited to summary of research, results of analysis, limitations of research, impact of limitations on findings, limitations of technology (e.g. the limits of current digital applications or AI models used) key themes leading to recommendations.

**Recommendations:** may include but are not limited to priorities, actions to be taken, impact on organisation, roadmap for future use of AI (transforming research into a scalable, practical plan for technological evolution and organisational improvement)

## Recommendations for assessment

Learners may approach the assessment in two ways. All assessment criteria must be met. The following opportunities are recommendations for guidance purposes only.

1. The learner may be asked to **propose, conduct and report on an AI** project in the workplace.
2. Learners may write a **report** of an AI project conducted to satisfy an **academic management enquiry**.

### Further guidance

To meet the requirements of AC1.1 Develop a **proposal** to Manage an AI **project**, the learner is required to submit an outline proposal to conduct a project which must be approved before commencement of the remaining assessment criteria.

### Suggested reading/web resource materials

Reading/resource materials available on CMI's resource platform:

#### Textbooks/eBooks

- Easterby-Smith, Thorpe, Jackson (2015) *Management and Business Research*, Sage Publications
- Saunders, Thornhill and Lewis (2015) *Research Methods for Business Students*, Pearson

#### Relevant Theories, Frameworks and Models

- Attride-Stirling, (2001) Thematic Network Analysis (Attride-Stirling, 2001)
- Boyd (1998) OODA Loops
- Cost Benefit Analysis (CBA)
- Gill and Johnson (2010)
- Kepner Tregoe, (1965), Rational Decision Making
- Pope et al (2000) Framework Analysis
- Saunders and Lewis (2011)
- Smith and Erwin (2005) RACI
- Triangulation
- Vroom (1964) Expectancy Theory

Please note: This list is provided to guide the learner to potential sources of information and is by no means exhaustive. The content of the list is liable to change. The content was checked for accuracy at the time of unit development.

# 571 - Management and Leadership for AI

Ofqual unit number R/651/9086

RQF level 5

Guided Learning Hours 25

Total unit time 70

Credits 7

**Aims of unit** Being equipped with the knowledge, skills and behaviours to manage and lead in a variety of organisational settings, particularly those undergoing digital transformation driven by AI adoption, is essential if an individual and their organisation are to succeed. This unit has been designed for learners who want to develop or sharpen their professional edge and enhance personal effectiveness in an AI-driven environment. Learners will evaluate the impact of an organisation's structure and governance on management and leadership, especially as it relates to AI strategy and ethical implementation. They will explore theoretical models, management and leadership styles and approaches designed to promote a culture of mutual trust, respect and support, crucial for managing human and AI teams effectively.

**Keywords** Knowledge, skills, behaviours, stakeholders, relationships, inclusivity, agility, organisational structure, culture, values.

<b>Learning outcome 1</b>
<b>Understand factors which impact on an organisation's internal environment</b>
<b>Assessment criteria</b>
1.1 Examine the <b>impact</b> of <b>legal status</b> on the governance of an organisation 1.2 Analyse the <b>purpose</b> of an organisation's mission and vision statements 1.3 Examine the impact of <b>organisational structures</b> on <b>management roles</b> 1.4 Discuss the impact of organisational values and ethics on management <b>decision making</b>

## Indicative content

**1.1 Legal status:** may include but are not limited to legal structures/frameworks (e.g. sole traders, partnerships, corporations (government owned or privately owned), cooperatives, registered charity, not for profit, public limited company).

**Impact:** may include but is not limited to type and purpose of business, ownership (e.g. shareholders, investors), processes for ensuring authority (for example distinguishing between Human-in-the-Loop decisions and Autonomous actions), decision making and accountability (for example defining who is legally responsible when an AI-driven process or decision results in a financial, social, or legal error), Governance beyond legal (setting values, identifying system vulnerabilities, and auditability)

**1.2 Purpose:** may include but is not limited to communicating organisational vision and goals and how these apply to the department and may include but is not limited to: communicating organisation purpose and scope to stakeholders, guide AI strategy development, aligning technological goals with the core mission, inform goals and objectives, influence organisational principles (for example Establishing 'Ethical AI Guardrails'), behaviours (Encouraging 'Digital Stewardship') and digital culture

**1.3 Organisational structures:** may include but are not limited to formal, informal, functional, matrix, mechanistic, organic, centralised, decentralised, flat, tall, virtual, dispersed.

**Management roles:** may include but is not limited to responsibility, accountability, authority, autonomy, AI adoption and regulation, reporting structures, inter-dependences between functional areas (e.g. HR, finance, marketing, customer services and production), teams, colleagues, customers, suppliers, contractors, partnerships, communication, managing budgets and resources, procurement, input into strategic planning.

**1.4 Decision making:** may include but is not limited to decisions where there is no clear right or wrong answer, choices will impact product and service development, procurement, stakeholder relationships and communications, human resource management, balance AI adoption and regulation with sustainability and corporate social responsibility, approaches to AI adoption and regulation Leading with Integrity (Blanchard, 2011).

## Learning outcome 2

### Understand the application of management and leadership theories

#### Assessment criteria

- 2.1 Evaluate the **relationship** between management and leadership
- 2.2 Analyse the impact of **management and leadership styles** on individuals and teams
- 2.3 Discuss the influence of organisational **culture and values** on management and leadership styles
- 2.4 Examine how management and leadership styles can be adapted in **different situations**

#### Indicative content

**2.1 Relationship:** may include but is not limited to the balance between the demands of management and the demands of leadership. Leadership focuses on vision (for example setting a vision for how AI should be adopted), inspiration, and change: such as setting the direction for AI adoption, become "intelligent commissioners" (maintaining ultimate human agency and ownership of consequences), Agentic Leadership,

while management concentrates on planning, organising (for example the technical and ethical oversight of AI usage), and executing tasks to maintain stability and achieve goals.

**2.2 Management and leadership styles:** may include but are not limited to Managerial Grid (Blake and Mouton, c.1950s), Leadership Continuum (Tannenbaum and Schmidt, 1958), Situational Leadership (Hersey and Blanchard, 1969), Authentic Leadership (Goffee and Jones, 2011), Five Practices of Exemplary Leadership (Kouzes and Posner, 1987), Leadership Qualities (Bennis, 1989), Leadership Styles (Goleman, 1995), Action-Centred Leadership (Adair, 1963), AI enabled leader

**Impacts:** may include but are not limited to: From Task Surveillance to Human Coaching, Adaptive Readiness (for example, the "Readiness" of a team is now defined by AI Literacy), Authenticity as a Trust Premium, The "Human Premium" in Emotional Intelligence, Balanced Integration (for example the balance between human and AI tasks)

**2.3 Culture and values:** may include but are not limited to Gods of Management (Handy, 2009), Cultural Web (Johnson and Scholes, 1992), Cultural Dimensions (Hofstede, c.1970s), Organisational Culture and Leadership (Schein, 1985), Values Driven Leadership (Gentile, 2014), Higher Performing Teams (Calenso, 1997),

**Influence on Management and Leadership:** may include but are not limited to: AI Deployment and interaction with new technology (influence AI strategy), digital collaboration, power-based to task-oriented.

**2.4 Adaptation of management and leadership styles in different situations:** may include but is not limited to Operational and Legal Drivers, adapting to legal requirements and safety/security risks. These pressures dictate the pace of AI adoption, balancing innovation with compliance for business survival, prioritising stability and regulation over disruptive growth, Team Maturity and Objectives depend on team size, maturity, and competence. For growth, autonomy to innovate, structured guidance, AI is integrated effectively within the team's technical capacity.

### Learning outcome 3

Understand the knowledge, skills and behaviours to be effective in a management and leadership role

#### Assessment criteria

3.1 Assess the **knowledge** and **skills** required for a management and leadership role

3.2 Evaluate the **factors** that impact on the selection of **communication techniques** required to be effective in a management and leadership role

3.3 Analyse the **behaviours** required to be effective in a management and leadership role

3.4 Develop an approach for building a **culture of mutual trust, respect and support** with teams and individuals

#### Indicative content

3.1 **Knowledge:** may include but is not limited to organisational and legal frameworks specific to area of work (for example AI governance and data privacy regulations), specialist knowledge of a subject or field of work: specifically **AI governance and data privacy**, technological knowledge (for example of AI systems and machine learning capabilities), theoretical knowledge/understand different perspectives.

**Skills:** may include but is not limited to interpersonal skills required to lead in an automated environment, delegate and enable delivery through others, data, security and management of AI-driven insights and the effective use of technology and generative AI in an organisation and use of time management and prioritisation techniques (for example enhanced by AI automation) and tools and may include but are not limited to creating and delivering operational plans, managing projects, leading and managing teams through digital transitions, managing change (Moss Kanter, 1989), financial and resource management, talent management, coaching and mentoring, horizon scanning

**3.2 Communication techniques:** may include but is not limited to active listening (for example through Digital and Automated Communication Methods), written (e.g. letters, memos, reports, newsletters, noticeboards and use of digital platforms), verbal (e.g. presentations, briefings and meetings), telephone calls, video conferencing, digital (e.g. Modern techniques integrate AI-generated drafts and AI transcription tools, discussion forums, posts on social media sites, web chat and AI chatbots :allowing for dynamic, automated interaction, avatars, skype, electronic forms, podcasts and webinars).

**Factors:** may include but is not limited to flexibility in communication style and may include but are not limited to purpose, sensitivity or confidentiality of the message, timeliness, size of audience, recipients' state of mind, and their AI readiness, need for two-way communication/engagement/consultation, qualitative/quantitative information, new/familiar information.

**3.3 Behaviours:** may include but is not limited to taking responsibility (drive to achieve, resilience and accountability (for example maintaining human accountability for AI-driven outcomes), determination to manage difficult situations, seeks new opportunities); inclusivity (open, approachable, authentic, seeks views of others, values diversity); agility (flexibility, creativity, innovative, enterprising, seeking solutions to business needs, positive and adaptable to rapid technological shifts, responds well to feedback and need for change, open to new ways of working); professionalism (sets an example, is fair, consistent, impartial, open and honest (for example in the ethical use of AI tools), operates within organisational values and codes of practice).

**3.4 Culture of professionalism, mutual trust, respect and support:** may include but is not limited to leading people (for example managing the integration of AI agents into workflows), clear focus, personal energy, self-belief, commitment, Empowerment and Trust Models (for example encouraging employees to use AI creatively and ethically), higher performing teams (Colenso, 1997), ABCD Trust Model (Blanchard, 2010), Five Dysfunctions of a Team (Lencioni, 2005), Leadership Qualities (Bennis, 1989).

## Recommendations for assessment

Learners may approach the assessment in a number of ways. All assessment criteria must be met. The following opportunities are recommendations for guidance purposes only.

1. The learner may be asked to write an **account** or **assignment** on the principles of management and leadership in an organisational context.
2. The learner may be asked to respond to a **scenario** looking at a range of organisations and the approaches/styles of leaders/managers within them.
3. Learners may write a **report** based on the principles of management and leadership, the factors impacting the styles/approaches adopted by managers/leaders.
4. The learner may draw upon their **own experience** of managing and leading individuals and teams within their own organisation. They may present **work based evidence** accompanied by reports/reflective accounts to meet each assessment criterion.

## Further guidance

It is not a requirement for the learner to cover all aspects of the indicative content when completing the

assessment. The learner is encouraged to select and present well chosen information and examples to evidence they sufficiently understand the assessment criteria.

### Suggested reading/web resource materials

Reading/resource materials available on CMI's resource platform:

#### Relevant Theories, Frameworks and Models

- Adair (1973) Action Centred Leadership
- Blanchard (2011) Leading with Integrity
- Blanchard (2010) ABCD Trust Model
- Calenso (1997) Higher Performing Teams
- Gentile (2014) Values Driven Leadership
- Goffee and Jones (2011) Authentic Leadership
- Goleman (1995) Leadership Styles
- Handy (2009) Gods of Management
- Hersey and Blanchard (1969) Situational Leadership Model
- Hofstede (c.1970s) Cultural Dimensions
- Johnson and Scholes (1992) Cultural Web
- Kouzes and Posner (1987) Five Practices of Exemplary Leadership
- Lencioni (2005) Five Dysfunctions of a Team
- Moss Kanter (1989) Managing Change
- Schein (1985) Organisational Culture and Leadership
- Tannenbaum and Schmidt (1958) Leadership Continuum
- IBM "5 Mindshifts" / Teneo Research "Vision 2025"

Please Note: The list is provided to guide the learner to potential sources of information and is by no means exhaustive. The content of the list is liable to change. The content was checked for accuracy at the time of unit development.

## 572 - Responsible Leadership for Ethical AI Adoption

Ofqual unit number M/651/9094

RQF level 5

Guided learning hours 30

Total unit time 80

Credits 8

**Aims of unit** Ethical management and leadership, particularly in the context of Artificial Intelligence (AI) adoption, involves making principled decisions that prioritise integrity, fairness, accountability, and transparency in the use of AI systems. It is crucial for building trust with employees and customers, fostering a positive organisational culture that values responsible innovation, and ensuring that organisational AI practices align with both societal values and long-term sustainability goals, mitigating risks such as algorithmic bias and lack of explainability.

**Keywords** Ethical leadership, Leadership styles, Impact, inclusion, values, culture, collaboration, teams

<b>Learning outcome 1</b>
<b>Understand leadership practice in an organisation</b>
<b>Assessment criteria</b>
<p>1.1 Examine leadership <b>practices</b> within organisations</p> <p>1.2 Evaluate the use of theoretical <b>approaches</b> to responsible leadership</p> <p>1.3 Analyse the impact of <b>internal</b> and <b>external</b> factors on leadership practice</p>
<b>Indicative content</b>
<p>1.1. <b>Practices:</b> <i>may include but not limited to the differing roles and responsibilities of leaders in organisations regarding AI strategy and ethics (for example: alignment with organisational values, overseeing ethical implications of automated decisions), ensuring accountability for AI outcomes, distributed leadership (integrating AI tools), effective leadership in AI-driven environments, and leadership development (for example: AI literacy and management, self awareness, resilience, empathy, change management, conflict resolution, developing trust to support teams through AI-led transition), ensuring collaborative human-machine management, maintaining operational agility, Responsible AI</i></p> <p>1.2 <b>Theoretical approaches:</b> <i>may include but are not limited to Responsible Leadership (Maak &amp; Pless</i></p>

2006), *Ethical Leadership* (Brown, Treviño and Harrison, 2005), *Value-based Leadership*, *Value-driven Leadership* (Gentile, 2014) and *Leading with Integrity* (Blanchard, 2011).

**1.3 Internal factors:** influencing AI adoption may include but are not limited to organisational mission, vision and values regarding **Artificial Intelligence (AI)** and innovation, organisational culture (Cultural Web, Johnson and Scholes 1992; *Culture and Leadership*, Schein 1985) readiness for change and **AI-driven** decision-making, structure, roles (e.g., **Chief AI Officer (CAIO)**, AI lead, data scientists), policies and procedures for data governance and ethical **AI systems** use. Cultural Dimensions (Hofstede, 1980, 2001), national cultures, customs and language that may affect the deployment of AI systems, organisational resources, such as staff with AI expertise, technology (e.g., computational power, cloud services, **Machine Learning (ML) platforms**, **Natural Language Processing (NLP) tools**), finances (e.g., investment budget for AI projects) and physical resources (e.g. data centres, specific equipment for AI deployment).

**External factors:** may include but are not limited to legal, regulatory and ethical requirements governing AI systems and use, market expectations/demands (buyers, suppliers, customers) for AI-driven solutions, competition in the AI space, economic stability, customer, partner and supply chain relationships influenced by AI integration, demographic factors, skills and educational attainment of labour pool in AI literacy and development, reputation of organisation regarding responsible and effective AI adoption.

## Learning outcome 2

### Understand leadership styles

#### Assessment criteria

2.1 Examine the **relationship** between management and leadership

2.2 Evaluate **leadership styles**

#### Indicative content

**2.1 Relationship:** refers to the balance between the demands of leadership and the demands of Management. Management and leadership are distinct but complementary functions. Management, often enhanced by AI tools for stability, process optimisation, and the present (AI-driven planning, automated organising, algorithmic controlling), operational efficiency through AI-driven planning: while leadership drives vision, ethical innovation with AI, and the future (inspiring, motivating change in AI adoption and strategy, balancing managed AI-driven stability with the strategic leadership).

**2.2 Leadership styles:** may include but are not limited to *Entrepreneurial Leadership* (Roebuck 2014), *Transformational Leadership* (Bass 1995), *Managerial Grid* (Blake and Mouton, c.1950s), *Leadership Continuum* (Tannenbaum and Schmidt, 1958), *Situational Leadership* (Hersey and Blanchard, 1969), *Authentic Leadership* (Goffee and Jones, 2011), *Five Practices of Exemplary Leadership* (Kouzes and Posner, 1987), *Leadership Qualities* (Bennis, 1989), *Leadership Styles* (Goleman, 1995), *Action-Centred Leadership* (Adair, 1963), *Charismatic Leadership* (House, 1997), *Assurance Frameworks* (Moving from "gut-feel" ethics to formal risk assessments (e.g., ISO or NIST AI standards).

## Learning outcome 3

## Understand the impact of leadership within organisations

### Assessment criteria

- 3.1 Evaluate how leadership **supports** the achievement of organisational objectives
- 3.2 Analyse the concept of **empowerment and trust** in leading others
- 3.3 Examine techniques for creating a cohesive team
- 3.4 Assess the need to adapt leadership approaches to meet changing needs

### Indicative content

**3.1 Supports:** *may include but not limited to setting and communicating a clear vision for AI adoption, individual/team development and performance in an AI-enabled environment, developing a leadership culture that embraces AI, engaging others with AI initiatives, managing and leading Change related to AI implementation, transition the workforce through evolving workflows, ensuring AI tools translate into measurable success*

**3.2 Empowerment and trust:** *may include but is not limited to delegation of tasks suitable for automation, development of staff skills, knowledge, and confidence in leveraging AI tools, independent working with AI systems, engagement with AI-driven insights, coaching and mentoring on human-AI collaboration, supportive leadership in AI adoption, commitment to ethical AI use, self-regulating teams monitoring AI outputs, productivity gains through automation, job satisfaction from focusing on higher-value tasks, engagement with AI strategy, impact of structure on AI implementation, clear limits of responsibility and levels of authority when interacting with AI, review and evaluation of AI system performance, and the human leader retaining ultimate accountability for AI-driven decisions, Designing for Human Augmentation; implementing "Human-in-the-loop" safeguards.*

**3.3 Techniques:** *may include but are not limited to clear focus, empathy, fair treatment, value diversity, inclusive approach, provide support, prevent conflict, sense of belonging, clear roles, higher performing teams (Colenso, date), ABCD Trust Model (Blanchard, 2010), Five Dysfunctions of a Team (Lencioni, 2005), Leadership Qualities (Bennis, 1989), ensuring team alignment and psychological safety*

**3.4 Approaches:** *may include but not limited to leadership styles such as Situational Leadership (Hersey and Blanchard, 1977) in guiding AI teams; Entrepreneurial Leadership (Roebuck 2014) for AI innovation; Leading Change (Kotter, 1996, 2012) in AI adoption; Developing Strategic Mindsets for AI integration; Collaborative Working (internally and externally) with AI partners and systems. Changing needs may include but are not limited to AI team composition, type and size, maturity and competence in AI tools, organisational change due to AI implementation, objectives (e.g. innovation via machine learning, business growth and survival in an AI-driven market, ethical corporate social responsibility in AI), emerging AI trends, crisis and emergency working with automated systems, maintain survival and growth amidst technological disruption.*

## Recommendations for assessment

Learners may approach the assessment in several ways. All assessment criteria must be met. The following recommendations for assessment are for guidance purposes only.

1. Write an **account** on leadership practice in an organisation's adoption of Artificial Intelligence (AI)
2. Write an **account** on leadership styles within organisations adopting Artificial Intelligence (AI)
3. Write a **report** entitled: *The impact of leadership within organisations adopting AI*

### Further guidance

It is not a requirement for the learner to cover all aspects of the indicative content when completing the assessment. The learner is encouraged to select and present well-chosen information and examples to demonstrate understanding of the assessment criteria.

## Suggested reading/web resource materials

**Please note: This list is provided to guide the learner to potential sources of information and is by no means exhaustive.** The websites, books and journals cited were correct at the date of publication. All references to legislation stated within the unit may be subject to subsequent changes, deletions and replacements. Learners may make reference to other local or national legislation as relevant.

### Literature (Books, Journals, Articles)

- Barker, S. (2014). *Brilliant Project Management: What the best project managers know, do, and say*. 3rd ed. Harlow: Pearson.
- Bell, E. Bryman, A and Harley, B. (2018). *Business Research Methods*. 5th ed. Oxford: Oxford University Press.
- Berkun, S. (2008). *Making Things Happen. Mastering Project Management*. Sebastopol, CA: O'Reilly Media Inc.
- Maylor, H. (2010). *Project Management*. 4th ed. London: Pearson.
- Project Management Institute. (2017). *A Guide to the Project Management Body of Knowledge (PMBOK Guide)*. 6th ed. Newtown Square: PA: Project Management Institute.
- IBM "AI Ethics Trust Engine"

## 573 - AI Fluency for Managers and Leaders

Ofqual unit number F/651/9892

RQF level 5

Guided learning hours 25

Total unit time 70

Credits 7

**Aims of unit** This unit is designed to equip managers and leaders with the essential fluency needed to oversee the operational adoption of AI within their areas of accountability. It focuses on moving beyond technical jargon to emphasise "needs-first" thinking, enabling leaders to evaluate AI solutions against specific operational requirements and make defensible decisions under uncertainty.

Learners will develop the capability to balance productivity gains against operational risks, ensuring they retain ownership of outcomes even when technical expertise is mediated through third parties or specialists.

**Keywords** AI, solutions, opportunities, feasibility, operational needs, data, benefits, risks, dependencies, accountability

<b>Learning outcome 1</b>
<b>Know how to evaluate and recommend AI solutions address operational needs</b>
<b>Assessment criteria</b>
1.1 Assess operational needs to determine <b>opportunities</b> to embed AI solutions 1.2 Compare <b>AI-enabled options</b> with <b>non-AI alternatives</b> that may address operational needs 1.3 Develop a <b>proposal</b> for an AI solution that may address an operational needs
<b>Indicative content</b>
1.1. <b>Opportunities:</b> <i>may include but are not limited to supply chain and logistics (for example: dynamic route optimisation, predictive risk management), manufacturing and industrial operations (for example; predictive maintenance, computer vision quality control), customer service and experience (for example: resolution-first AI agents, hyper personalisation), human resources and talent management (for example: AI-driven sourcing, workforce forecasting), finance and security (for example: automated reconciliation, cash-flow predictions).</i>
1.2 <b>AI-enabled options:</b> <i>may include but are not limited to probabilistic approaches such as Machine Learning (ML) models, Natural Language Programme (NLP) tools, computer vision, Generative AI (for example: LLMs), and anomaly detection.</i>
<b>Non-AI alternatives:</b> <i>may include but are not limited to deterministic approaches such as rule-based engines (for example: discount calculators), Robotic Process Automation (RPA), standard statistical analysis,</i>

Relational Databases (SQL), and heuristic algorithms.

1.3 **Proposal:** may include operational gap analysis, proposed AI solution, sustainability and scalability, risk assessment and mitigation, ethical considerations/guardrails, implementation roadmap, monitoring and reporting plan.

## Learning outcome 2

Know how to make informed judgements regarding the reliability of AI systems for making decisions

### Assessment criteria

- 2.1 Evaluate **data** to determine the reliability of **AI systems** for making decisions
- 2.2 Appraise the **operational robustness** of AI systems for making decisions
- 2.3 Rationalise the **benefits** of AI systems against **risks** for own area of accountability

### Indicative content

2.1 **Data:** may include but is not limited to training versus test data, demographic and diversity data, metadata and provenance, ground truth and annotation labels, edge case and "noise" data

**AI systems:** may include but are limited to predictive maintenance systems, fraud detection and prevention systems, talent intelligence and lifecycle systems, supply chain orchestration systems.

2.2 **Operational robustness:** may include but is not limited to:

- System Architecture & Pipeline Integrity - Evaluation of data pipelines versus static files; assessing the reliability of real-time data ingestion versus batch processing; identifying single points of failure within the AI infrastructure.
- Performance Stability & Drift: -Monitoring for concept drift (where the relationship between input and output changes over time) and data drift; distinguishing between theoretical accuracy in a controlled environment and operational reliability under varying real-world conditions.
- Human-Machine Synergy - Determining the optimal level of oversight using Human-in-the-Loop (HITL), Human-on-the-loop, or Human-in-command frameworks; evaluating the impact of automation bias on human decision-makers.
- Scalability & Stress Testing - Assessing cost scalability and resource consumption; evaluating system behavior under "edge case" scenarios or high-volume "noise" data.
- Validation Protocols: Use of "ground truth" benchmarks to verify outputs; implementation of A/B testing or champion-challenger models to compare system versions.

2.3 **Benefits:** may include but are not limited to operational efficiency and speed, data-driven decision making, personalisation (at scale), reduced human error, cost optimisation.

**Risks:** may include but are not limited to algorithmic bias and unfairness, hallucinations, misinformation, security and data privacy, automation bias (over-reliance), job displacement, reduced morale, non-compliance with regulation and fines.

<b>Learning outcome 3</b>
<b>Know how to retain accountability when utilising third-party AI systems</b>
<b>Assessment criteria</b>
<p>3.1 Interrogate third-party AI <b>system outputs</b> to validate performance claims</p> <p>3.2 Assess <b>operational</b> and <b>legal dependency risks</b> arising from third-party AI systems</p> <p>3.3 Develop escalation and remediation protocols for AI-related <b>failures</b></p> <p>3.4 Recommend <b>governance controls</b> to maintain accountability when using AI systems</p>
<b>Indicative content</b>
<p>3.1 <b>System outputs:</b> <i>may include but are not limited to:</i></p> <ul style="list-style-type: none"> <li>• <i>Generative text and reasoning outputs - fact-grounded responses, source citations, logical step-through</i></li> <li>• <i>Predictive and classification outputs - confusion matrices, sub-group performance, edge case behaviour</i></li> <li>• <i>Operation and technical logs - latency matrices, audit trails, drift reports</i></li> </ul> <p>3.2 <b>Operational dependency risks:</b> <i>may include but are not limited to vendor lock-in, black box transparency, systemic fragility and uptime, model drift.</i></p> <p><b>Legal dependency risks:</b> <i>may include but are not limited to data sovereignty and jurisdictional risk, Intellectual Property (IP) contamination, liability shifts, regulatory non-compliance.</i></p> <p>3.3 <b>Failures:</b> <i>may include but are not limited to:</i></p> <ul style="list-style-type: none"> <li>• <i>Ethical failures - deceptive outputs (hallucination and misinformation), privacy erosion, lack of transparency</i></li> <li>• <i>Bias failures - demographic disparity, performance decay (drift), automation bias</i></li> <li>• <i>Regulatory and legal failures - non compliance with statutory frameworks and legislation (for example, Data Protection Act (2018), GDPR, EU AI Act, Equality Act (2010)), data sovereignty breaches, non-compliance with audit rights, unlicensed IP usage</i></li> </ul> <p>3.4 <b>Governance controls:</b> <i>may include but are not limited to:</i></p> <ul style="list-style-type: none"> <li>• <i>Contractual and compliance controls - Service Level Agreements (SLAs), Right-to-Audit clauses, compliance certification (for example: ISO/IEC 42001 (AI Management System))</i></li> <li>• <i>Technical and monitoring controls - drift detection alerts, model versioning and rollback, explainability dashboards</i></li> <li>• <i>Human and process controls - meaningful Human-in-the-Loop (HITL), AI Ethics committees, AI and automation bias training</i></li> </ul>

## Recommendations for assessment

Learners may approach the assessment in several ways. All assessment criteria must be met. The following recommendations for assessment are for guidance purposes only.

4. Write a business case to recommend an AI solution to address an operational need
5. Write a briefing paper to communicate governance of third party AI systems

### Further guidance

It is not a requirement for the learner to cover all aspects of the indicative content when completing the assessment. The learner is encouraged to select and present well-chosen information and examples to demonstrate understanding of the assessment criteria.

## Suggested reading/web resource materials

**Please note: This list is provided to guide the learner to potential sources of information and is by no means exhaustive.** The websites, books and journals cited were correct at the date of publication. All references to legislation stated within the unit may be subject to subsequent changes, deletions and replacements. Learners may make reference to other local or national legislation as relevant.

### Books:

- **Agrawal, A., Gans, J. and Goldfarb, A. (2018)** *Prediction machines: the simple economics of artificial intelligence*. Boston, Massachusetts: Harvard Business Review Press.
- **Christian, B. (2020)** *The alignment problem: machine learning and human values*. New York: W. W. Norton & Company.
- **Clark, D. (2025)** *AI and productivity: using artificial intelligence to improve processes and unlock potential*. London: Kogan Page.
- **Daugherty, P.R. and Wilson, H.J. (2018)** *Human + machine: reimagining work in the age of AI*. Boston, Massachusetts: Harvard Business Review Press.
- **Eitel-Porter, R., Dongha, P. and Vogel, M. (2025)** *Governing the machine: how to navigate the risks of AI and unlock its true potential*. New York: Bloomsbury Business.
- **Harvard Business Review (2023)** *HBR guide to AI basics for managers*. Boston, Massachusetts: Harvard Business Review Press.
- **Mollick, E. (2024)** *Co-intelligence: living and working with AI*. New York: Portfolio/Penguin.
- **Lardi, K. (2025)** *Artificial intelligence for business: harness AI for value, growth and innovation*. London: Kogan Page.
- **Murrin, I., Jethwa, R. and Wright, M. (2025)** *Transform!: the 14 behaviors driving successful digital transformation in the age of gen AI*. Hoboken: John Wiley & Sons.
- **Silberman, D., Maltzman, R., Abramo, L. and Kanabar, V. (2025)** *AI-powered leadership: mastering the synergy of technology and human expertise*. Hoboken: Pearson Education.

### Standards, Frameworks & Industry Best Practice Guides:

- Data Protection Act (2018): <https://www.legislation.gov.uk/ukpga/2018/12/contents>

- UK GDPR (General Data Protection Regulation): <https://www.legislation.gov.uk/eur/2016/679/contents>
- Data Use and Access Act (2025): <https://www.gov.uk/guidance/data-use-and-access-act-2025-data-protection-and-privacy-changes>
- Equality Act (2010): <https://www.legislation.gov.uk/ukpga/2010/15/contents>
- EU AI Act Explorer: <https://artificialintelligenceact.eu/>
- ISO/IEC 42001 (AI Management System): <https://www.iso.org/standard/42001>
- ICO (Information Commissioner's Office) Guidance on AI and Data Protection: <https://ico.org.uk/for-organisations/uk-gdpr-guidance-and-resources/artificial-intelligence/guidance-on-ai-and-data-protection/>
- IBM AI Ethics Governance Framework: <https://www.ibm.com/think/insights/a-look-into-ibms-ai-ethics-governance-framework>

## 574 - AI Feasibility and Risk Governance

Ofqual unit number H/651/9893

RQF level 5

Guided learning hours 25

Total unit time 70

Credits 7

**Aims of unit** This unit provides a comprehensive overview of how managers and leaders can assess the "whole-system" feasibility of AI adoption, ranging from technical infrastructure to economic sustainability. It empowers Learners to conduct detailed impact assessments that consider organisational readiness, skill retention, and the complex risks associated with vendor dependencies.

**Keywords** AI, AI adoption, cost drivers, feasibility, scaling, escalation, influencing, risk, impact, organisational readiness, third-party systems

<b>Learning outcome 1</b>
<b>Be able to assess whole-system feasibility for AI adoption</b>
<b>Assessment criteria</b>
1.1 Evaluate <b>cost drivers</b> that may influence AI adoption 1.2 Conduct a <b>feasibility assessment</b> for adopting AI 1.3 Determine <b>scaling readiness</b> and <b>escalation thresholds</b> in anticipation of AI adoption
<b>Indicative content</b>
1.1. <b>Cost drivers:</b> <i>may include but are not limited to:</i> <ul style="list-style-type: none"><li>• <i>Tools and Technology: Licensing and subscription fees for proprietary AI models, platforms, and specialised software development kits (SDKs).</i></li><li>• <i>Compute Resources: Costs associated with high-performance cloud computing, specifically GPU/TPU utilisation for model training and inference.</i></li><li>• <i>Data Infrastructure: Investments in scalable data storage, data lakes, and the processing power required for large-scale data management.</i></li><li>• <i>Data Quality and Acquisition: Expenses related to data collection, third-party data purchasing, and the curation/labeling of datasets.</i></li><li>• <i>System Integration: Engineering costs for connecting AI solutions with legacy systems, enterprise resource planning (ERP) software, and custom APIs.</i></li><li>• <i>Cybersecurity and Compliance: Budget for data privacy protections, robust cybersecurity frameworks, and meeting regulatory requirements (for example: GDPR or industry-specific standards).</i></li><li>• <i>Human Expertise: Costs for recruiting and retaining specialised talent, such as Data Scientists,</i></li></ul>

<p><i>Machine Learning Engineers, and AI Architects.</i></p> <ul style="list-style-type: none"> <li>• <i>Training and Upskilling: Financial investment in training programs for existing staff to ensure they can effectively work alongside or manage AI systems.</i></li> <li>• <i>Operational Maintenance: Ongoing costs for continuous model monitoring, performance tuning, and technical support to prevent model drift.</i></li> </ul> <p><b>1.2 Feasibility assessment:</b> <i>may include but is not is not limited to:</i></p> <ul style="list-style-type: none"> <li>• <i>Technical - data infrastructure and quality. System-wide integration. Cyber security requirements. Compute and tooling.</i></li> <li>• <i>Operational - Workflow dependency mapping. Support and maintenance structures. Human capability and expertise. Operational continuity</i></li> <li>• <i>Economic and governance - comprehensive cost drivers. Scaling constraints. Escalation thresholds. Legal, ethical and regulatory compliance.</i></li> </ul> <p><b>1.3 Scaling readiness:</b> <i>may include but are not limited to infrastructure elasticity, data pipeline scalability, cost linearity and sustainability, support model maturity, automated monitoring, API and throughput limits.</i></p> <p><b>Escalation thresholds:</b> <i>may include but are not limited to performance decay (model drift), security and privacy breaches, cost overruns, ethics and bias triggers, legal and regulatory changes, operational downtime</i></p>
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<b>Learning outcome 2</b>
<b>Know how to assess risk and organisational readiness for adopting AI</b>
<b>Assessment criteria</b>
<p>2.1 Assess <b>risks</b> associated with vendor lock-in and third-party system dependencies when adopting AI</p> <p>2.2 Conduct an <b>impact assessment</b> of AI adoption on organisational readiness</p> <p>2.3 Propose a <b>framework</b> for monitoring AI performance reliability within own area of accountability</p>
<b>Indicative content</b>
<p>2.1 <b>Risks:</b> <i>may include but are not limited to propriety and data formats, API dependency and deprecation, supplier dependency, operational reliance and fallback strategies, pricing volatility, Service Level Agreements (SLA) gaps, Intellectual Property (IP) constraints, geopolitical and sovereignty risks.</i></p> <p>2.2 <b>Impact assessment:</b> <i>may include but is not limited to:</i></p> <ul style="list-style-type: none"> <li>• <i>Operational resilience and continuity - manual fallback analysis, systemic dependency mapping, Recovery Time Objectives (RTO)</i></li> <li>• <i>Human capability and skill retention - skill fade assessment, automation bias evaluation, training and upskilling requirements</i></li> <li>• <i>Ethical, bias and trust integrity - algorithmic bias audit, hallucination frequency tracking, transparency and explainability</i></li> <li>• <i>Legal and governance accountability - data sovereignty review, SLA and contractual alignment, escalation and remediation protocols</i></li> </ul> <p>2.3 <b>Framework:</b> <i>may include but is not limited to Key Performance Indicators (KPIs), reliability metrics, bias and fairness audits, feedback loops, financial monitoring, Human in the Loop (HITL) logs.</i></p>

## Recommendations for assessment

Learners may approach the assessment in several ways. All assessment criteria must be met. The following recommendations for assessment are for guidance purposes only.

1. Write a report that evaluates the feasibility of adopting a specific AI solution
2. Write a briefing paper titled ' Organisational AI Readiness and Third-Party AI Risk'

### Further guidance

It is not a requirement for the learner to cover all aspects of the indicative content when completing the assessment. The learner is encouraged to select and present well-chosen information and examples to demonstrate understanding of the assessment criteria.

## Suggested reading/web resource materials

**Please note: This list is provided to guide the learner to potential sources of information and is by no means exhaustive.** The websites, books and journals cited were correct at the date of publication. All references to legislation stated within the unit may be subject to subsequent changes, deletions and replacements. Learners may make reference to other local or national legislation as relevant.

### Books:

- **Agrawal, A., Gans, J. and Goldfarb, A. (2018)** *Prediction machines: the simple economics of artificial intelligence*. Boston, Massachusetts: Harvard Business Review Press.
- **Brown III, C. (2025)** *AI you can actually trust: introducing the VERA framework for catching AI errors before they reach stakeholders*.
- **Bullock, J.B. (ed.) (2024)** *The Oxford handbook of AI governance*. Oxford: Oxford University Press.
- **Daugherty, P.R. and Wilson, H.J. (2018)** *Human + machine: reimaging work in the age of AI*. Boston, Massachusetts: Harvard Business Review Press.
- **Eitel-Porter, R., Dongha, P. and Vogel, M. (2025)** *Governing the machine: how to navigate the risks of AI and unlock its true potential*. New York: Bloomsbury USA.
- **Hendrycks, D. (2024)** *Introduction to AI safety, ethics and society*. Boca Raton: CRC Press.

### Standards, Frameworks & Industry Best Practice Guides:

- Data Protection Act (2018): <https://www.legislation.gov.uk/ukpga/2018/12/contents>
- UK GDPR (General Data Protection Regulation): <https://www.legislation.gov.uk/eur/2016/679/contents>
- Data Use and Access Act (2025): <https://www.gov.uk/guidance/data-use-and-access-act-2025-data-protection-and-privacy-changes>
- Equality Act (2010): <https://www.legislation.gov.uk/ukpga/2010/15/contents>
- EU AI Act Explorer: <https://artificialintelligenceact.eu/>
- ISO/IEC 42001 (AI Management System): <https://www.iso.org/standard/42001>

- ICO (Information Commissioner's Office) Guidance on AI and Data Protection: <https://ico.org.uk/for-organisations/uk-gdpr-guidance-and-resources/artificial-intelligence/guidance-on-ai-and-data-protection/>
- IBM AI Ethics Governance Framework: <https://www.ibm.com/think/insights/a-look-into-ibms-ai-ethics-governance-framework>
- Google Cloud: Responsible AI Practices: <https://cloud.google.com/responsible-ai>
- Microsoft Responsible AI Standard: <https://www.microsoft.com/en-us/ai/principles-and-approach>

**Useful Weblinks:**

- The Alan Turing Institute: Explaining AI Decisions: <https://www.turing.ac.uk/about-us/impact/helping-organisations-explain-decisions-made-ai>
- AWS: AI Lifecycle Risk Management: <https://aws.amazon.com/blogs/security/ai-lifecycle-risk-management-iso-iec-420012023-for-ai-governance/>

## ANNEX 1 - COMMAND VERB DEFINITIONS

Command Verb	Definition
Analyse	Break the subject or complex situation(s) into separate parts and examine each part in detail; identify the main issues and show how the main ideas are related to practice and why they are important. Reference to current research or theory may support the analysis.
Appraise	Assess, estimate the worth, value, quality, performance. Consider carefully to form an opinion.
Articulate	Express or clearly state your understanding of the topic.
Assess	Provide a reasoned judgement or rationale of the standard, quality, value or importance of something, informed by relevant facts/rationale.
Comment	Identify and write about the main issues, express an opinion, giving reaction to what has been read/observed.
Compare	Review the subject(s) in detail – looking at similarities and differences.
Complete	Ensure something is finished with all of its parts.
Conceptualise	Create a diagram, model, chart or graphic with annotations, providing a holistic overview of the process.
Conduct	Organise and perform a particular activity
Construct	To create or build something original
Consider	Take (something) into account (i.e. different ideas, perspectives, theories, evidence) when making a judgement
Create	Originate or produce a solution to a problem.
Critically Appraise	As with appraise, a systematic process used to identify the strengths and weaknesses of information in order to assess the usefulness and validity.
Critically Assess	As with assess, but emphasising on judgments made about arguments by others, and about what is being assessed from a different perspective. Making a reasoned argument, based on judgments. Criticality requires the consideration of the validity of sources used. Critical assessment not only considers the evidence above but also the strength of the evidence based on the validity of the method of evidence compilation.
Critically Analyse	As with analyse, but questioning and testing the strength of a person and/or others' analyses from different perspectives. Using the process of analysis to make an objective and reasoned argument. Criticality requires the consideration of the validity of sources used. Critical analysis not only considers the evidence above but also the strength of the evidence based on the validity of the method of evidence compilation.

Critically Discuss	As with discuss, but evaluating the pros and cons of the subject in hand critically. Discussing all the aspects and dimensions of the topic in hand. Discussing the effects and impacts of the topic. Critical discussion not only considers the evidence above but also the strength of the evidence based on the validity of the method of evidence compilation.
Critically Evaluate	As with evaluate, but considering the strengths and weaknesses, arguments for and against and/or similarities and differences. The writer should then judge the evidence from the different perspectives and make a valid conclusion or reasoned judgement. Apply current research or theories to support the evaluation when applicable. Critical evaluation not only considers the evidence above but also the strength of the evidence based on the validity of the method of evidence compilation
Critically Examine	As with examine, but provides the opportunity to conduct a thorough examination involving carefully analysing and evaluating a subject/topic to understand its underlying assumptions, logic, and implications to clearly establish a need. It combines both analytical and creative thinking, allowing a deeper understanding and informed judgement and exploration of a process or alternatives. Critical examination aims to promote deeper understanding and informed judgement. Critical examination not only considers the evidence above but also the strength of the evidence based on the validity of the method of evidence compilation.
Critically Reflect	As with reflect, but identifying, questioning, and assessing deeply-held beliefs and assumptions about a topic, the way in which we perceive events and issues, beliefs, feelings, and actions.
Critically	Typically used to qualify verbs such as evaluate, assess, appraise, analyse and reflect. Give in-depth insight, opinion, debate, verdict based on a wide variety of sources, theory, research which may agree and contradict an argument.
Critique	A detailed analysis and assessment of something, especially a literary, philosophical, or political theory.
Define	Show or state clearly and accurately.
Describe	Provide an extended range of detailed factual information about the topic or item in a logical way.
Deliver	Ensure something is conveyed or done with stakeholders/clients
Demonstrate	Complete a task or activity, showing an understanding of facts, procedures and ideas of a topic and competence through action or activity.
Determine	Settle/conclude an argument/question as a result of investigation or by referring to an authority.
Develop	Elaborate, expand or progress an idea from a starting point building upon given information.
Devise	Invent a system, solution or procedure from new/existing principles/ideas.

Differentiate	Recognise or ascertain a difference to identify what makes something different.
Discuss	Give a detailed account including a range of views or opinions, which include contrasting perspectives.
Distinguish	Draw or make distinction between
Draw	Present a conclusion or decision about what is likely to happen based on facts.
Establish	Discover, prove or show something to be true or valid by determining the facts.
Evaluate	Consider the strengths and weaknesses, arguments for and against and/or similarities and differences. The writer should then judge the evidence from the different perspectives and make a valid conclusion or reasoned judgement. Apply current research or theories to support the evaluation when applicable.
Examine	Inspect (something) thoroughly in order to determine its nature or condition.
Explain	Make something clear to someone by describing or revealing relevant information in more detail.
Explore	Go through the topic/issue thoroughly looking at all areas that affect the topic/issue.
Formulate	To devise or develop an idea or concept in a concise and systematic way.
Identify	Ascertain the origin, nature or definitive characteristics of something.
Interpet	To clarify/explain the meaning of something
Investigate	Carry out a systematic or formal inquiry to discover and examine the facts of (problem, options, incident, allegation etc) so as to establish the truth.
Justify	Provide a rationale for actions and/or decisions. Your rationale should be underpinned by research, academic theory, data analysis or experience.
Outline	A general description/broad account/summary of something showing essential features/outline the case briefly but not the detail.
Plan	Make a plan, for example, a change plan or a project plan, before starting activities to achieve an aim.
Prepare	To make or develop something ready which will happen in the future.
Present	To make clear to an audience of stakeholders the outcomes of a learner's studies/findings. (May take the form of a presentation).
Produce	To make, create or form something. Put together, assemble. leads to an outcome/result.
Profile	An outline giving a description of a role or organisation
Recommend	Put forward proposals, an alternative or suggestion(s) supported by a clear rationale appropriate to the situation/context.

Reflect	Consciously contemplate, appraise or give balanced consideration to an action or issue.
Report	To prepare a detailed account or statement about an event or topic in a specified format
Research	A detailed study or investigation of a subject in order to establish facts and reach new conclusions.
Review	To examine, survey, reconsider a subject, theory or item.
Specify	Identify or state a fact or requirement clearly and precisely in detail.
Summarise	Sum up or give a brief account of relevant information in your own words.
Use	The action of using something for a particular purpose.

## ANNEX 2 - ASSESSMENT ACTIVITY DEFINITIONS

Activity Definition	Activity Definition
Briefing paper	A summary of facts pertaining to a particular issue or problem. Often includes a suggested course of action.
Business case	A formal document, presented in an oral or written format, which provides justification for an idea or project to address an identified business need or challenge.
Case Study	A description of an event, activity or problem outlining a real or hypothetical situation.
Good practice guide	A structured document produced with the purpose of supporting individuals to develop their practice in a particular area.
Plan	A detailed outline providing an insight into a range of activities required to complete a task.
Profile	An outline giving a description of a role or organisation
Proposal	A formal document, presented in an oral or written format, which puts forward ideas or suggestions for consideration by others.
Reflective Statement	Learners describe their actions in particular situations and reflect on the reasons for practicing in that way. This is particularly useful to provide evidence that they can evaluate their knowledge and practice.
Report	A structured document communicated or presented in an oral or written form and organised in a narrative, graphic or tabular form referring to a specific period, event or topic area.
Research project report	A formal, written document, organised in a narrative, graphic or tabular form presenting findings and recommendations.
Scenario	A written outline or a situation or setting, providing insight into a sequence of events or actions.
Written account	A written document presenting knowledge of facts or event
Work Based Evidence	An activity from within the workplace that is used by the Learner to evidence and/or demonstrate competence and understanding

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## ANNEX 3 - REVISIONS TO DOCUMENT

The below table summarises any revisions made to this document since publication.

<b>Revisions Summary</b>	<b>Rational for Revision</b>	<b>Document Version</b>	<b>Revision Date</b>
First publication	First publication	Version 1	March 2026