# CMI Level 7 Strategic Leadership of AI

Syllabus | May 2026 | v02

# Contents

# Version Control

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

| Date | Amendments Made |
|---|---|
| April 2026 | First Publication |
| May 2026 | Inclusion of units 741 (Strategic Cyber Risk and Governance) and 742 (Strategic Data Leadership and Governance) |

# Introduction

## Qualification Objective

AI leadership is increasingly crucial in today's business landscape, as organisations face growing pressure to leverage intelligent technologies for innovation, efficiency, and growth. For strategic managers and leaders, embracing AI is not just about adopting new tools or enhancing technical capabilities; it is about driving long-term value creation, fostering innovation, and ensuring resilience in an ever-evolving global landscape.

These qualifications are designed to support practising or aspiring strategic managers and leaders, accountable for setting the strategic direction of an organisation. These managers and leaders will likely be non-technical practitioners. Through these qualifications, they will develop an awareness of strategic AI leadership, and develop skills to put learning into practice through strategy development and change leadership related to AI implementation.

## 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 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.

| CMI Code | Title | Qualification Reference Number |
|---|---|---|
| 7A46 | CMI Level 7 Award in Strategic Leadership of AI | 610/7214/X |
| 7C46 | CMI Level 7 Certificate in Strategic Leadership of AI | 610/7217/5 |
| 7D46 | CMI Level 7 Diploma in Strategic Leadership of AI | 610/7218/7 |

## Operational Start Date

These qualifications are regulated from 15th April 2026 and the operational start date in CMI Centres is 15th April 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 7 Qualifications in Strategic Leadership of AI - 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 7 Qualifications in Strategic Management and Leadership Practice.

## 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.

# Qualification Structure

## Rules of Combination

CMI Level 7 Award in Strategic Leadership of AI
Learners must select at least one unit to a minimum of 70 TQT hours to achieve this qualification.
The minimum GLH is 18 hours. Minimum credits: 7

CMI Level 7 Certificate in Strategic Leadership of AI
Learners must select at least two units to a minimum of 140 TQT hours to achieve this qualification.
The minimum GLH is 42 hours. Minimum credits: 14

CMI Level 7 Diploma in Strategic Leadership of AI
Learners complete at least four units to a minimum of 370 TQT hours to achieve this qualification.
The minimum GLH is 102 hours. Minimum/Maximum credits: 37

| Unit No. | Unit Title | GLH | TUT | Credit |
|---|---|---|---|---|
| ***Driving Change*** | | | | |
| 734 | Leading Strategic Transformation | 24 | 80 | 8 |
| ***Communication & Human Skills*** | | | | |
| 735 | Leading Ethically in the AI Era | 36 | 110 | 11 |
| 736 | Personal Development for Strategic Leadership of AI | 24 | 90 | 9 |
| ***Making an Impact*** | | | | |
| 737 | Leading a Strategic AI Project | 24 | 100 | 10 |
| 738 | Researching the Impact of AI | 18 | 70 | 7 |
| ***AI Strategy*** | | | | |
| 739 | Developing an Organisational Strategy for AI Readiness | 30 | 90 | 9 |
| ***AI and Digital Fluency, Data and Cyber*** | | | | |
| 740 | Strategic AI Adoption and Governance | 25 | 70 | 7 |
| 741 | Strategic Cyber Risk and Governance | 25 | 70 | 7 |
| 742 | Strategic Data Leadership and Governance | 25 | 70 | 7 |

## Suggested Pathways

There are no mandated pathways or unit combinations, other than meeting minimum credit/TQT thresholds identified above.

However, it is recommended that for any strategic manager or leader re- or up-skilling in this area, they may wish to complete Unit 734 - Leading Strategic Transformation. This unit will give foundational knowledge and awareness of strategic leadership principles, which will complement other units.

# Qualification Delivery

CMI does not specify the mode of delivery for its qualifications at Level 7; therefore, CMI Centres are free to deliver the Level 7 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 Procedure and the CMI Special Consideration Procedure.

## 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.

## 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 Verifiers 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 types 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 | Proposal | Report | Reflective Account | Project | Plan/ Strategy | Written Account | Work Based Evidence |
|---|---|---|---|---|---|---|---|---|
| 734 | Leading Strategic Transformation | ✓ | ✓ | | | | | |
| 735 | Leading Ethically in the AI Era | | ✓ | ✓ | | | ✓ | |
| 736 | Personal Development for Strategic Leadership of AI | | ✓ | ✓ | | ✓ | | |
| 737 | Leading a Strategic AI Project | | ✓ | | ✓ | | | ✓ |
| 738 | Researching the Impact of AI | | ✓ | | | | | ✓ |
| 739 | Developing an Organisational Strategy for AI Readiness | | | | | ✓ | ✓ | |
| 740 | Strategic AI Adoption and Governance | ✓ | ✓ | | | | | |
| 741 | Strategic Cyber Risk and Governance | ✓ | ✓ | | | | | |
| 742 | Strategic Data Leadership and 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 7. 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 |
|---|---|---|
| 734 | Leading Strategic Transformation | 4500 |
| 735 | Leading Ethically in the AI Era | 4500 |
| 736 | Personal Development for Strategic Leadership of AI | 4000 |
| 737 | Leading a Strategic AI Project | 4500 |
| 738 | Researching the Impact of AI | 4000 |
| 739 | Developing an Organisational Strategy for AI Readiness | 4000 |
| 740 | Strategic AI Adoption and Governance | 4000 |
| 741 | Strategic Cyber Risk and Governance | 4000 |
| 742 | Strategic Data Leadership and Governance | 4000 |

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 assignment 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.

# 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.

# 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.

## 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.

# 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.
- Recommendations for Assessment which provides a range of suggested assessment activities for actual or aspiring managers and leaders
- Suggested reading/web resource materials developed to compliment the unit content. The primary resource/research tool referred to is ManagementDirect

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

# Unit Summary

The below table summarises the Level 7 unit:

| | |
|---|---|
| **734 - Leading Strategic Transformation** | Leaders must be able to navigate an organisation through strategic change for AI adoption. This will optimise an organisation's ability to remain competitive, react to the needs and expectations of stakeholders and respond to changing national and international markets.<br><br>The aim of this unit is for leaders to understand the scope, context, and complexity of leading strategic change for AI adoption. Leaders will understand how the application of analytical techniques, theories and models of AI adoption change, and creative problem-solving can be used to equip them to lead strategic AI adoption with confidence. The unit culminates in giving leaders the opportunity to develop a proposal to lead a strategic AI adoption change. |
| **735 - Leading Ethically in the AI Era** | Effective strategic leadership is a catalyst for organisational success, particularly in an era of rapid technological advancement. Leaders have to be knowledgeable, creative, agile, and resilient to respond to organisational needs in the contemporary workplace, leveraging the power of AI for strategic advantage.<br><br>The aim of this unit is to equip leaders with an in-depth understanding of strategic leadership within an organisational context, with a focus on navigating the complexities of AI adoption. Leaders will explore the complexities of the role and the theoretical perspectives, approaches, behaviours, and skills, including AI literacy and ethical governance, which can enhance their professional practice. The unit focuses on the leader's ability to respond creatively to complex organisational challenges and understand how to set and deliver sustainable strategic goals in an AI-driven environment. |
| **736 - Personal Development for Strategic Leadership of AI** | In a globalised, high-tech, fast paced and unpredictable world, strategic leaders must prioritise personal and professional development. This will enable them to keep pace with developments in strategic and operational practice and equip them to respond effectively to organisational and societal change.<br><br>The aim of this unit is to support leaders to understand approaches to personal and professional development for AI adoption. Leaders will critically reflect on the interrelationship between the skillset and mindset to develop as a strategic leader. Vitally leaders will reflect on their own personal, interpersonal and professional competencies and behaviours to lead strategically. The opportunity for leaders to reflect on their own performance will equip them to develop a meaningful personal and professional development plan. |

| | |
|---|---|
| **737 - Leading a Strategic AI Project** | A fundamental part of a leader's role is to develop and lead strategic projects. Tailored to the long-term aims of the organisation, projects may focus on opportunities for organisational growth, development or the management of change, particularly in the context of AI transformation and implementation. A project may explore identified problems or weaknesses with current practice and they may be designed to create dynamic new opportunities in the competitive marketplace, explore new ways of working or build capabilities. Ultimately a strategic AI project should add value to the organisation.<br><br>The aim of this unit is for leaders to undertake a strategic project linked to an AI initiative. To achieve this outcome leaders will develop a business case, propose research design to inform the project's direction and recommend project management methods and tools to structure the delivery of the project. Leaders will report on project outcomes and reflect on the skills and behaviours which ultimately influence the success of the strategic AI project. |
| **738 - Researching the Impact of AI** | Undertaking meaningful research can unlock solutions to complex organisational problems. It can also enable new opportunities and emerging technologies to be explored, which impacts on the development of new products, services and support for customers and stakeholders.<br><br>The aim of this unit is to enable strategic leaders to develop an evidence-based understanding of applied research methods and the ways research can be conducted scientifically, ethically and legally in an organisational context, specifically focusing on the adoption and impact of emerging technologies and AI. The unit will support strategic leaders to become producers of applied research, with the ability to generate new knowledge concerning the practical challenges of integrating AI and other emerging technologies into the workplace. The aim is to facilitate strategic decision making regarding AI adoption, and ultimately add value to the organisation. |
| **739 - Developing an Organisational Strategy for AI Readiness** | Leaders must have an in-depth understanding of AI strategy and how it can be developed if they are to operate effectively and maintain a competitive edge in complex local, national and global markets.<br><br>The aim of this unit is to enable leaders to know how to develop and influence an organisation's strategic direction through the development of a meaningful AI strategy. To support this outcome, leaders will critique the factors which drive the development of organisational AI strategy and appraise approaches to successfully develop this strategy. The unit culminates in leaders developing an organisational AI strategy to achieve a business goal. To complement this activity, leaders will propose an approach to implement and monitor the AI strategy developed to ensure its sustained success. |

| | |
|---|---|
| **740 - Strategic AI Adoption and Governance** | In an era where "AI-first" is the mandate, the competitive advantage lies in the strategic agency of its leaders. Strategic leaders must shift from a passive consumer to a strategic architect of autonomous, resilient, and ethically grounded organisational systems. Learn to set the guardrails and intervention thresholds for decisive leadership.<br><br>The aim of this unit is to equip strategic leaders with the expertise to critically evaluate the strategic viability of AI adoption and to design enterprise-level governance frameworks that safeguard organisational autonomy, accountability, and long-term capability. |
| **741 - Strategic Cyber Risk and Governance** | In an era where digital interconnectedness is the primary attack surface, competitive advantage lies in the resilience and strategic foresight of its leaders. Strategic leaders must shift from viewing cybersecurity as a technical silo to becoming the architects of a cyber-resilient enterprise—one that balances aggressive innovation with systemic defense. Learn to define the risk appetite, establish governance maturity, and set the intervention thresholds required to navigate a volatile threat landscape.<br><br>The aim of this unit is to equip strategic leaders with the expertise to critically evaluate the alignment of cyber risk with business objectives and to design enterprise-level governance frameworks that safeguard organisational assets, regulatory standing, and stakeholder trust. |
| **742 - Strategic Data Leadership and Governance** | In an era where data is the primary engine of the cognitive enterprise, competitive advantage lies in the liquidity, integrity, and strategic valuation of an organisation's information assets. Strategic leaders must shift from being passive custodians of databases to becoming architects of a data-driven culture—one that treats data as a high-velocity strategic asset rather than a static liability. Learn to establish the ethical foundations, valuation models, and governance structures required to turn raw information into sustained institutional wisdom.<br><br>The aim of this unit is to equip strategic leaders with the expertise to critically evaluate the data maturity of the enterprise and to design governance frameworks that ensure data quality, accessibility, and ethical utilisation, thereby safeguarding the organisation’s long-term decision-making capability. |

# Unit 734 - Leading Strategic Transformation

| | |
|---|---|
| **Ofqual unit number** | F/652/0122 |
| **RQF level** | 7 |
| **Guided learning hours** | 24 |
| **Total unit time** | 80 |
| **Credits** | 8 |
| **Aims of unit** | Leaders must be able to navigate an organisation through strategic change for AI adoption. This will optimise an organisation's ability to remain competitive, react to the needs and expectations of stakeholders and respond to changing national and international markets.<br><br>The aim of this unit is for leaders to understand the scope, context, and complexity of leading strategic change for AI adoption. Leaders will understand how the application of analytical techniques, theories and models of AI adoption change, and creative problem-solving can be used to equip them to lead strategic AI adoption with confidence. The unit culminates in giving leaders the opportunity to develop a proposal to lead a strategic AI adoption change. |
| **Keywords** | Change, drivers, scope, context, problem-solving, theory, approaches, strategy, reflection, success. |

| **Learning outcome 1** |
|---|
| Understand the scope and context of strategic change |
| **Assessment criteria** |
| 1.1 Discuss the **scope**, **context** and **drivers** for organisational change<br>1.2 Critically appraise the **complexities** of leading strategic change<br>1.3 Critically evaluate **theories and models** for leading and managing strategic change |
| **Indicative Content** |
| 1.1 **Scope**: *may include but are not limited to strategic, operational, departmental, team, people.*<br><br>**Organisational context**: *may include but are not limited to type of organisation. Public sector (local and national government). Private. Third sector. Local, regional, national, international and global organisations (Cross border and cross boundary organisations). SMEs. Partnerships. Sole Traders. Limited liabilities Companies (LLPs).* |

**Drivers:** *may include but are not limited to*

- *Internal - Mission, vision, values and purpose (clarity on AI's role). Workforce demands (upskilling for AI roles). Leadership commitment (sponsoring AI initiatives). Organisational culture (data-driven, experimentation). Employee engagement and training (AI literacy). Innovation (AI-driven products/services). Operational efficiency (AI automation). Policies and procedures (AI governance and ethics).*
- *External - Global and local. Legislation (for example, specific AI regulations like the EU AI Act; data privacy laws like GDPR). Regulations (sector-specific compliance for AI use). Procurement (for example, government mandates for ethical AI in public contracts). Supply chain (demands for AI-driven transparency, efficiency, and resilience). Consumer and customer demands (for personalised, AI-enhanced experiences and services). Investor demands (for clear ROI on AI investments and responsible AI governance). Technological advancements (rapid development of foundation models, edge AI, and specialised AI hardware).*

1.2 **Complexities**: *may include but are not limited to legal, regulatory and good practice requirements for AI (for example: ethics, data governance, bias mitigation). Organisational culture (for example: prevailing and desired attitude towards AI, resistance to and support for automation). Organisational development and design (for example: People Management, upskilling/reskilling for AI roles, impact of restructuring/de-layering due to automation). Stakeholder management (for example: relationships with AI partners/vendors, staff whose roles are impacted, unions and other representative bodies regarding AI deployment). Resourcing (for example: talent acquisition for AI specialists, computing power). Maintaining business as usual while integrating AI systems. Communicating the purpose, scope and definition of AI-driven change. Managing and mitigating risks associated with AI (for example: technical failure, reputational damage, algorithmic bias).*

1.3 **Theories and models:** *may include but are not limited to Models of Incremental and Transformational Change. Eight Guiding Principles of Change Management (Kotter, 2014). McKinsey's 7S Model (Singh, 2013). The Three Step-Model of Change (Lewin, 1947). The Action Research Model (Lewin, 1946). Force Field Analysis (Lewin, 1951). Radical Change within Traditional Structures (Oswick, 2015). Appreciative Enquiry Model (Cooperrider, Srivastva, Bushe et al, 2011).*

| **Learning outcome 2** |
|---|
| Know how to propose a strategy for leading strategic change |
| **Assessment criteria** |
| 2.1 Develop a **proposal** for leading strategic change<br>2.2 Reflect on how approaches to leadership can be applied to deliver the strategy for change |
| **Indicative Content** |
| 2.1 **Proposal**: *may include but are not limited to AI Adoption Vision and objectives (strategic alignment, measuring AI outcomes, phased implementation timelines). Stakeholder analysis (identification, understanding AI needs, addressing concerns, tailored communication). Communications (clear channels for updates, feedback mechanisms). Team and roles (Executive Sponsors, AI Champions, Data Scientists, AI Ethics). Risk assessment and mitigation (data privacy, bias, ethics, security). Performance metrics (ROI, model accuracy, user adoption, time-to-insight).* |

*2.2* **Leadership approaches and management models:** *may include but are not limited to Authentic Leadership (Goffee and Jones, 2011). Entrepreneurial Leadership (Roebuck, 2014). Transformational Leadership (Bass and Riggio, 2006). Situational Leadership (Hersey and Blanchard, 1969). Five Practices of Exemplary Leadership (Kouzes and Posner, 1987). Leadership Styles (Goleman, 1995). Charismatic Leadership (House, 1997). The Servant Leader (Greenleaf, 1977). Finding new role models. Allowing imprecise visions. Creating new areas and pockets of commitment. Ethos, ethics and values (Mendonca and Kanungo, 2007). Use of informational resources.*

**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. Written report entitled: 'The scope and context of strategic change for AI adoption.
2. Proposal entitled: 'Leading strategic change for AI adoption.'

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.

**ManagementDirect Resources (CMI Membership Required):**

- Checklists
  - 038 Mapping an effective change programme
  - 040 Implementing an effective change programme
  - 234 Stakeholder analysis and management
  - 266 Risk management
- Models
  - 5-D Appreciative Inquiry
  - ADKAR
  - Change Transition Curve
  - Force Field Analysis
  - Kotter's 8 Steps to Transformation
  - McKinsey's 7s framework
  - Stakeholder Analysis
- Pearls of Wisdom
  - Risk Assessment
  - Gaining Stakeholder Support
  - Stakeholders - analysing power and interest

**Literature (Books, Journals, Articles)**


- Hiatt, J. M. (2006) ADKAR: A Model for Change in Business, Government, and Our Community. Prosci.
- Cooperrider, D. L., and Srivastva, S. (1987) 'Appreciative inquiry in organisational life', *Research in Organisational Change and Development*, 1(1), pp. 129–169.
- Bushe, G. R. (2013) 'Appreciative inquiry: Theory and critique', in Boje, D. M., Burnes, B., and Hassard, J. (eds.) *The Routledge Companion to Organisational Change*. Routledge, pp. 87-103.
- Kübler-Ross, E. (1969) *On Death and Dying*. Macmillan.
- Lewin, K. (1951) *Field Theory in Social Science: Selected Theoretical Papers*. Harper & Row.
- Kotter, J. P. (1996) *Leading Change*. Harvard Business Review Press
- Waterman, R. H., Peters, T. J., and Phillips, J. R. (1980) 'Structure is not organisation', *Business Horizons*, 23(3), pp. 14–26.
- Burnes, B. (2004) *Managing Change: A Strategic Approach to Organisational Dynamics*. 4th ed. Pearson Education.
- Lewin, K. (1947) 'Frontiers in group dynamics: Concept, method, and reality in social science; social equilibria and social change', *Human Relations*, 1(1), pp. 5–41.

# Unit 735 - Leading Ethically in the AI Era

| | |
|---|---|
| **Ofqual unit number** | T/652/0129 |
| **RQF level** | 7 |
| **Guided learning hours** | 36 |
| **Total unit time** | 110 |
| **Credits** | 11 |
| **Aims of unit** | Effective strategic leadership is a catalyst for organisational success, particularly in an era of rapid technological advancement. Leaders have to be knowledgeable, creative, agile, and resilient to respond to organisational needs in the contemporary workplace, leveraging the power of AI for strategic advantage.<br><br>The aim of this unit is to equip leaders with an in-depth understanding of strategic leadership within an organisational context, with a focus on navigating the complexities of AI adoption. Leaders will explore the complexities of the role and the theoretical perspectives, approaches, behaviours, and skills, including AI literacy and ethical governance, which can enhance their professional practice. The unit focuses on the leader's ability to respond creatively to complex organisational challenges and understand how to set and deliver sustainable strategic goals in an AI-driven environment. |
| **Keywords** | AI, strategy, leadership, culture, roles, responsibilities, outcomes, theory, approaches, success. |

| **Learning outcome 1** |
|---|
| Understand the role and context for strategic leadership |
| **Assessment criteria** |
| 1.1 Critically appraise the **impact** of **organisational contex**t on strategic leadership<br>1.2 Critically appraise the **role** of the strategic leader to set and realise organisational goals |
| **Indicative content** |
| 1.1 **Impact**: *may include but are not limited to organisational structure, strategic direction, organisational culture. Commitment to corporate social responsibility and sustainability. Equality, diversity and inclusion. Stakeholder (internal and external) expectations and existing perceptions. Ability to change and innovate (for example, through the adoption of AI technologies). Organisational ethics, (including the ethical implications of AI deployment). Obligations (for example, founding principles, charitable requirements such as commitment to offering specific services and support). Levels of leadership responsibility, autonomy, accountability, in the context of AI-driven decision-making and workforce changes.* |

**Organisational context:** *may include but are not limited to purpose (strategic definition, vision, mission). Strategic narrative (historical perspective). Myths, stories. Systems, processes, structure (Johnson et al., 2011). Governance (for example: public, private, third sector). Legal status of the organisation. Type (operational, local, international, global, project/programme based, departmental and strategic business unit). Levels of organisational maturity (Carnegie Mellon Maturity Index 'CMMI', 1990). External environment.*

2.2 **Role:** *may include but are not limited to*

- *Defines and shapes the organisational vision (for example, to integrate AI as a core enabler of value), ensuring the mission considers future technological capability.*
- *Actively shapes values (for example, to embed data-driven decision-making, agility, and continuous learning to overcome resistance to automation).*
- *Develops the strategic direction of the organisation in relation to AI adoption*
- *Implements strategic plans in relation to AI adoption (for example, deliberate and emergent AI strategies)*
- *Shapes and leads the communications strategy for their area of responsibility and/or the organisation*
- *Plans to establish strategic goals. Determine strategic options (for example: risk, financial, reputational, legal, management). Identifies, achieves, maintains competitive advantage (Hoskisson, Hitt and Ireland, 2004).*
- *Select and create strategy. Planned. Intended. Emergent. Opportunistic. Resource based view of the firm. Scenario planning and rational planning model. Strategic Planning as a Top Down/Bottom up process. The Five Ps of Strategy. Deliberate and emergent strategies (Whittington, 2000).*
- *Leads the organisation ethically and legally in line with board and organisational governance (for example, AI governance frameworks).*
- *Applies equality, diversity and inclusion principles (Kirton et al. 2014) to ensure equitable outcomes. Definition and Values (Patrick and Kumar, 2012).*
- *Initiates, leads change and innovation. Different types and approaches of change (for example: incremental and transformational change). Identifies drivers of change and new ways of working across infrastructure, processes, people and culture and sustainability. Applies different theories/models of change (for example: Eight Step Change Model (Kotter, 2012), Radical Change within Traditional Structures (Oswick, 2015)). Creates an environment for innovation and creativity. Selects and applies tools and techniques to support innovation and change. Encourages experimentation with AI tools.*
- *Applies systems thinking to understand complexity (Checkland, 1999; Senge, 1990) (for example, how integration of AI impacts across the organisation) .*
- *Integrates continuous improvements(for example: LEAN methods (Krafcik, 1988), Six Sigma (Pyzdek and Keller, 2018)) with AI-driven analytics*
- *Protects organisational reputation by ensuring AI use is transparent to customers, building trust through "Explainable AI" (XAI)*
- *Collaborates with partners and manages complex relationships with multiple and diverse stakeholders/customers. Stakeholder management (Lindgreen el al. 2019). Responds to changing stakeholder/customer demands. Builds trust and rapport with stakeholders (for example: employees, customers, shareholders).*
- *Leads individuals and teams with impact (Belbin, 1981).*
- *Develops people and their capabilities (for example, reskilling for the AI era, develops AI fluency).*
- *Works with board and company structures.*
- *Works with corporate leadership structures (for example: the markets it operates in, roles and responsibilities, who its stakeholders are and what they require from the organisation and the sustainability agenda).*
- *Ensures financial sustainability and accountability. Manages resources and measures outcomes (for example, measuring AI Return on Investment (ROI)).*
- *Able to anticipate and predict future opportunities and threats through horizon scanning (for example: STEEPLE and SWOT) (for example, the impact of disruptive technologies, specifically monitoring the regulatory landscape (for example: AI Acts) and the shift toward autonomous business models).*

| Learning outcome 2 |
|---|
| Understand the behaviours and skills for strategic leadership |
| **Assessment criteria** |
| 2.1 Critically appraise the leadership **behaviours and skills** required to deliver strategic goals<br>2.2 Critically reflect on how the **principles** of strategic leadership can be applied to respond to complex organisational **challenges** |
| **Indicative content** |

2.1 **Behaviours and Skills**: *may include but are not limited to*

- *Demonstrates ethical stewardship of AI through ethical leadership approaches ((Mendonca and Kanungo, 2007). Addresses moral dilemmas of AI (for example, bias, transparency, and data privacy).*
- *Role models the responsible use of AI tools and technologies internally and externally (for example, ensuring visibility of how leadership utilises technology to augment and not replace human effort).*
- *Reflects on AI-practice (for example, Regularly audits personal and organisational reliance on automated systems to ensure human judgment remains the final arbiter in high-stakes decisions).*
- *Demonstrates resilience personally and organisationally, taking ownership and accountability for actions in the adoption and use of AI. (for example, recognising opportunities with challenges).*
- *Acts as an advocate and sponsor for innovation (for example, being an advocate for AI initiatives, removes barriers and secures resources for experimentation)*
- *Demonstrates diplomacy and social intelligence (Goleman, 2006), (for example, to manage fear of job replacement, empowering by reframing AI as a "co-pilot", builds confidence to allow employees to take calculated risks).*
- *Implements negotiation strategies (for example, to manage complex inter-organisational data sharing agreements, whilst maintaining trust and rapport with stakeholders).*
- *Is inclusive (for example, ensuring selection and implementation of AI tools value diversity, preventing the "digital divide" or the reinforcement of biases).*
- *Understands, applies and complies with legal and regulatory frameworks and governance in relation to AI (for example, Data Protection Act (2018), GDPR (2018), EU AI Act (2026), Equality Act (2010), Data (Use and Access) Act (2025), Copyright, Designed and Patents Act (CDPA) (1988), sector-specifics regulation (ICO, FCA)).*
- *Manages knowledge and data-driven change (for example, encouraging peer to peer sharing of prompts and hacks for AI, using data-driven evidence to justify strategic goals), Socialisation, Externalisation, Combination, Internalisation (SECI) Model (Nonaka and Takeuchi, 1996).*
- *Inspires through communication and storytelling. (for example, to demystify complex AI concepts into clear organisational strategies for all levels of employees, encourages feedback on AI adoption). Translates the "Why" (Sinek, 2011) of AI Adoption (For example, focuses on human value and purpose rather than efficiency metrics).*
- *Applies leadership theory for transformation: Value-driven Leadership (Gentile, 2014). Leading with integrity (Blanchard, 2011). Resonant Leadership (McKee, Boyatzis and Goleman 2003). Five Practices of Exemplary Leadership (Kouzes and Posner, 1987). Ethical Leadership (Mendonca and Kanungo, 2007). Leadership Styles (Goleman, 1995). Entrepreneurial Leadership (Roebuck, 2014). Authentic Leadership (Goffee and Jones, 2011). The Servant Leader (Greenleaf, 1977). Cross Cultural Leadership (Hofstede, 1991). Transformational Leadership (Bass and Riggio, 2006). Start with Why (Sinek, 2011), Project GLOBE 'Global Leadership and Organisational Behaviour Effectiveness' (House et al, 2004).*

2.2 **Principles:** *may include but are not limited to*

- *Application of adaptive leadership theory: Value-driven Leadership (Gentile, 2014). Leading with integrity (Blanchard, 2011). Resonant Leadership (McKee, Boyatzis and Goleman 2003). Five Practices of Exemplary Leadership (Kouzes and Posner, 1987). Ethical Leadership (Mendonca and Kanungo,*

*2007). Leadership Styles (Goleman, 1995). Entrepreneurial Leadership (Roebuck, 2014). Authentic Leadership (Goffee and Jones, 2011). The Servant Leader (Greenleaf, 1977). Cross Cultural Leadership (Hofstede, 1991). Transformational Leadership (Bass and Riggio, 2006). Start with Why (Sinek, 2011), Project GLOBE 'Global Leadership and Organisational Behaviour Effectiveness' (House et al, 2004).*

- *Navigating change and fostering innovation: Different types of change (for example, distinguishing between Incremental and Transformational change). Selection of change theories/models (for example, Eight Step Change Model (Kotter, 2012), Radical Change within Traditional Structures (Oswick, 2015)). Creates an environment for innovation and creativity through psychological safety.*
- *Application of decision-making tools and techniques: Response to stable and Volatile Uncertain*
- *Decision making in Volatile, Uncertain, Complex and Ambiguous (VUCA) environments: Agile strategic planning. Cognitive diversity and ethical guardrails (for example, utilising Six Thinking Hats (De Dono, 1985) to critique strategic options, integrating Ethical Decision Making (Barr and Campbell, 2011) to ensure rapid responses). Using evidence-based tools (for example, utilising Decision Trees to map probabilistic outcomes of strategic choices, such as financial or operational risk management). Moving beyond action to Reflective Practice (Gibbs, 1995, Kolb, 1984).*

**Challenges:** *may include but are not limited to*

- *External (Macro) environment: Technological and AI disruption (for example, rapid evolution of generative AI and automation). Geopolitical and legal volatility (for example, responding to shifting global markets and pace of legal and regulatory change, such as the EU AI Act or environmental ESG mandates). Societal and demographic shifts (for example, adapting to aging workforces vs Gen Z expectations, impact of social change and the "social contract").*
- *Market and operational challenges: Resource scarcity and financial sustainability (for example, leading through diminishing resources and inflationary pressures whilst maintaining performance targets/objectives). Customer centricity and trends (for example, changing demands of customers and loyalty in relation to digital-first experiences). Strategic account volatility (for example, mitigating loss or gain of customers, ensuring agility).*
- *Cultural and organisational headwinds: Leading organisational change (for example, managing conflict/friction, addressing "change fatigue"). Eradicating toxic cultures. Integrating mental health and wellbeing intro strategic core of business to prevent burnout.*

**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. A written report entitled: 'The role and context for AI driven strategic leadership.'
2. A written account entitled: 'The leadership behaviours and skills required to deliver AI driven strategic goals.'
3. A reflective account entitled: 'How the principles of AI driven strategic leadership can be applied to respond to complex organisational challenges.'

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**

**Recommended Reading:**


● Ambrosini, V., Jenkins, M. and Mowbray, N. (2015). Advanced Strategic Management: A multi-perspective approach. Palgrave McMillan Higher Education.
● Collis, D.J. and Montgomery, C.A. (2005). Corporate Strategy. McGraw-Hill.
● Grant, R. (2016). Contemporary Strategy Analysis. John Wiley and Sons.
● Jackson, M.C. (2003). Systems Thinking: Creative Holism for Managers. John Wiley.
● Johnson, G., Whittington, R., Scholes, K., Agwin, D.N. and Regner, P. (2017). Exploring Strategy: Texts and Cases. Pearson.
● Stacey, R.D. (2010). Strategic Management and Organisational Dynamics. Financial Times/Prentice Hall.
Strategy Books
● Armstrong, P. (2017). Disruptive technologies: Understand, Evaluate, Respond. Kogan Page.
● Barney, J. and Clark, D. (2007). Resource-Based Theory: Creating and Sustaining Competitive Advantage. Oxford University Press.
● Bower, J. and Gilbert, C. (2007). From Resource Allocation to Strategy. Oxford University Press.
● Porter, M. (2004). Competitive Strategy: Techniques for Analyzing Industries and Competitors. Free Press.
● Ritchie-Dunham, J.L. and Rabbino, H.T. (2002). Managing from Clarity: Identifying, Aligning and Leveraging Strategic Resources. Wiley.
● Schein, E.H. (2015). Organisational culture and leadership (Vol. 2). John Wiley and Sons.
● Schwartz, P. (1997). The Art of the Long View: Planning for the Future in an Uncertain World. John Wiley and Sons.
● Tennent, J. and Friend, G. (2011). Guide to Business Modelling. The Economist.
Strategic Planning Books
● De Wit, B. (2004). Strategy-Process, Content, Context: An International Perspective, Thomson.
● Grant, R. (2010). Contemporary Strategy Analysis: Text and Cases. John Wiley and Sons.
● Johnson, G., Scholes, K. and Whittington, R. (2011). Exploring Corporate Strategy: Text & Cases. Pearson Education Limited.
● Kaplan, R. (2001). The Strategy-Focused Organisation: How Balanced Scorecard Companies Thrive in the New Business Environment. Harvard Business School Press.
● Mintzberg, H. (2009). Strategy Safari: The Complete Guide through the Wilds of Strategic Management. Financial Times/Prentice Hall.
● Porter, M. (2008). The Five Competitive Forces That Shape Strategy. Harvard Business Review
Stacey, R. (2019). Strategic Management and Organisational Dynamics. 6th ed. Financial Times Prentice Hall.


**Journals**

● British Journal of Management
● Business Strategy Review
● European Management Journal
● Harvard Business Review
● Journal of Business Strategy
● Long Range Planning
● Sloan Management Review

**Supplementary Journals**
● Academy of Management Journal
● Academy of Management Review
● European Management Review

- Strategy and Leadership
- Management Decision
- Strategic Change

ManagementDirect resources require CMI membership, a username and password.

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

# Unit 736 - Personal Development for Strategic Leadership of AI

| | |
|---|---|
| **Ofqual unit number** | J/652/0133 |
| **RQF level** | 7 |
| **Guided learning hours** | 24 |
| **Total unit time** | 90 |
| **Credits** | 9 |
| **Aims of unit** | In a globalised, high-tech, fast paced and unpredictable world, strategic leaders must prioritise personal and professional development. This will enable them to keep pace with developments in strategic and operational practice and equip them to respond effectively to organisational and societal change.<br><br>The aim of this unit is to support leaders to understand approaches to personal and professional development for AI adoption. Leaders will critically reflect on the interrelationship between the skillset and mindset to develop as a strategic leader. Vitally leaders will reflect on their own personal, interpersonal and professional competencies and behaviours to lead strategically. The opportunity for leaders to reflect on their own performance will equip them to develop a meaningful personal and professional development plan. |
| **Keywords** | Personal and interpersonal development, professional development, skillset, mindset, behavioural competencies, emotional competencies, social competencies, CPD, reflection, skills, awareness, opportunities, values, leadership, management, success. |

| **Learning outcome 1** |
|---|
| **Understand approaches for personal and professional development** |
| **Assessment criteria** |
| 1.1 Critically reflect on the interrelationship between the **skillset** and **mindset** to develop as a strategic leader |
| 1.2 Critically examine the personal **values and behaviours** required for strategic leadership practice |
| 1.3 Critically appraise how **engagement** with **personal and professional development impacts** on strategic leadership |

| Indicative content |
| --- |
| 1.1 **Skillset**: *may include but are not limited to a range of actions and behaviours based on capabilities, knowledge, understanding, multiple intelligences (for example: emotional, verbal, numerical, spatial, kinaesthetic) (Gardener, 1983). Creation of common understanding/shared mental model of 'skills' (Bennett et al, 2000). Ability to select and apply skills and behaviours.*<br><br>**Mindset**: *may include but are not limited to (Dweck, 2016). Sense making. Ways of perceiving the world. Interpreting and responding to situations. Innate personal preferences and styles of interaction with others (for example: Jung, 1907). Transactional Analysis (Stewart and Joines, 1987). Determination of behaviours and outlook (for example: motivations, interests, beliefs, values, ways of thinking). Resilience. Willingness of a leader to develop the skills of others.*<br><br>1.2 **Values and behaviours:** *may include but are not limited to formative self-audits (SOAR model, Kumar, 2008) in relation to ethical AI leadership. Evaluation of self against competency frameworks (for example: CMI Professional Standard) to ensure readiness for an AI-driven environment. Evaluation of self against organisational/ethical frameworks (for example: NHS, Civil Service) with a focus on AI governance and responsible deployment. Values (for example: integrity, objectivity, impartiality, honesty, loyalty, algorithmic accountability, transparency) and behavioural competencies required for self-management and leadership in a professional globalised workplace increasingly augmented by AI systems. Reflective practice (for example: Identifying, evidencing and articulating current and potential strengths and weaknesses in leveraging and leading AI adoption. Addressing development needs through planning for continuous upskilling in AI-related domains).*<br><br>*1.3* **Personal and professional development**: *may include but are not limited to use of key AI-relevant toolsets (for example: Self-Mapping (Mayne, 2009); SOAR model (Kumar, 2008)). Inter-related dimensions of Self for AI-era leaders: MAP Motivation: mindset for continuous learning and ethical AI use (Dweck, 2016). Ability: skills, competencies, and knowledge in AI literacy, data science fundamentals, and ethical AI deployment; multiples intelligences (Gardner, 1993; Handy, 1994) applied to complex AI problem-solving. Personality: natural styles and preferences (Jung, 1908)) influencing approach to AI adoption. Appreciative Inquiry (Cooperrider and Srivastra, 1987) focused on leveraging AI strengths. Learning and developing in AI (for example: Motivation for continuous upskilling. Ability to seek new AI knowledge. Opportunities to achieve and improve AI-driven outcomes). Planning and managing AI projects (for example: Productive self-management (Adair and Allen, 2003) in fast-paced AI environments. Personal values and career drivers (Schein, 1993) related to AI's societal impact. Drive for ethical and responsible AI results. Multiple Intelligences (Gardner, 1983) applied to cross-functional AI teams). Advocate use of good practice internal and external to the organisation for AI governance and implementation.*<br><br>*Opportunities for Personal and professional development: Coaching, mentoring, qualifications, academic studies, peer review within and outside immediate situational context (for example: workplace, curriculum, lifestyle).*<br><br>*Strategic leadership: Leads by example. Leadership Styles (Goleman, 1995). Demonstrates a high level of self-awareness, emotional, cultural and social intelligence, empathy and compassion. Able to identify/support mental wellbeing in others. Works collaboratively enabling empowerment and delegation. Acts with humility and authenticity (Roe, 2017). Demonstrates courage (for example:is credible, confident, brave and resilient). Cross Cultural Leadership (Hofstede, 1991). Followership (Kelley, 1988). Demonstrates curiosity (for example: willingness to innovate; seeks new ideas and looks for contingencies). Entrepreneurial Leadership (Roebuck, 2014). Transformational Leadership (Bass and Riggio, 2006). Value-driven Leadership (Gentile, 2014). Resonant Leadership (McKee, Boyatzis and Goleman 2003). Five Practices of Exemplary Leadership (Kouzes and Posner, 2014). Servant Leadership (Greenleaf, 2002). Distributed Leadership (Leithwood et al, 2006). Traditional Management Competencies (McBer and Boyatzis, 1996). Corporate Culture (Jacques, 1951).*<br><br>***Engagement**: may include but are not limited to taking and maximising opportunities. Multiple perspectives assessment. Formative feedback (for example: Giving and receiving constructive feedback. 360° review and feedback). Peer learning. Action learning sets).* |

***Impact**: may include but are not limited to decision making. Confidence. Technical ability. People skills. Conflict Management. Behaviour. Values. Knowledge. Performance. Resilience. Self-esteem. Self-actualisation.*

| **Learning outcome 2** |
|---|
| **Know how to develop as a strategic leader through personal and professional development** |
| **Assessment criteria** |
| 2.1 Critically **reflect** on personal, interpersonal and professional **competencies** to lead strategically<br>2.2 Produce a **personal and professional development plan** to improve strategic leadership |
| **Indicative content** |
| 2.1 **Reflect**: *may include but are not limited to use of professional standards and competency frameworks. Reflective practice approaches: Model of Structured Reflection (Johns, C, 1995; 2006). Reflective cycle (Gibbs, G, 1988). Experiential Cycle (Kolb, D, 1984). 3 Stem Questions (What? So What? Now What?) (Borton, T, 1970; Driscoll, 1994, 2000, 2007). Reflection before action-reflection in action-reflection on action (Schön, D 1983).*<br><br>**Personal competencies:** *may include but are not limited to judgement and challenge in the AI Era - takes personal accountability aligned to clear values; demonstrates flexibility and willingness to challenge AI-driven decisions and solve problems; instils confidence, demonstrating honesty, integrity, openness and trust in the use of AI systems. Courageous Curiosity in AI - Is confident and brave; comfortable in uncertainty related to new AI capabilities, is pragmatic. Curious and innovative - exploring areas of ambiguity and complexity of AI adoption and finding creative solutions.*<br><br>**Interpersonal competencies**: *may include but are not limited to leads by example - demonstrates high level of self-awareness, emotional and social intelligence, empathy and compassion when working with human and AI teams; is able to identify mental wellbeing in others and promote digital wellbeing; works collaboratively with human and AI colleagues, enabling empowerment and delegation, including to AI agents; acts with humility and authenticity; is credible, confident and resilient when navigating complex, AI-influenced strategic decisions.*<br><br>**Professional competencies**: *may include but are not limited to valuing difference - engaging with all, including AI systems and collaborators; is ethical and demonstrates inclusivity, especially in the development and deployment of AI; champions diversity in AI teams and data, championing enabling cultural inclusion; empowers and motivates to inspire and support others in adopting and working alongside AI. Professional - reflects on own performance and the impact of AI systems; demonstrates professional standards in relation to behaviour, ethical AI usage, and ongoing development in AI literacy; advocates the use of good practice and ethical AI principles within and outside the organisation. Act as a Sponsor/Ambassador, championing AI projects and the strategic transformation of services across organisational boundaries through AI adoption.*<br><br>***Professional competencies** linked to role within a specific organisational context: Define/shape/communicate organisational purpose, vision, mission, culture and values in the age of AI. Develop/implement strategy for AI adoption and governance. Leads the organisation ethically and legally regarding AI development and deployment. Initiates, leads change, innovation, enterprise through AI integration. Drives continuous improvement using AI-powered analytics and automation. Manages and mitigates risk associated with AI bias, security, and unintended consequences. Influence, negotiate and use advocacy skills to build reputation and effective collaborations in the AI ecosystem. Corporate social responsibility and sustainability through ethical and responsible AI practices. Data and information management for AI training, deployment, and security. Leads individuals and teams in an AI-augmented workplace. Develops people with AI literacy and* |

*skills. Collaborates, partners, manages relationships with AI solution providers and research institutions. Knowledge of finance strategies for AI investment and ROI. Resource management for computational power, data, and AI talent.*

*2.2.* **Personal and professional development plan:** *may include but are not limited to timebound, measurable plan. Aims and objectives related to AI strategy, adoption, or ethical governance. Success criteria (for example: successful AI project launch, improved data literacy across teams, development of an ethical AI framework). Selected development activities/rationale for their choice (for example: Formal/informal development opportunities such as social and collaborative learning. Work-based learning on AI pilot projects. Face to face, blended or online learning, coaching and mentoring on AI ethics or MLOps). Timescales for completion and review of the AI development activity. Reflection and review of development activity, focusing on its impact on the organisation's AI maturity.*

**Recommendations for assessment**

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

1. Written report entitled: 'A Critical Appraisal of Strategic Leadership: Navigating the Interrelationship of Mindset, Values, and Professional Development in an AI-Driven Landscape'
2. Reflective account entitled: 'A reflection of my personal, interpersonal and professional competencies to lead strategically in an AI-Driven Landscape'
3. Personal and professional development plan to improve strategic leadership in an AI-Driven Landscape

**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**

**Recommended reading**


- Adair, J. (2009). *Effective Communication: The Most Important Management Skill of All*. London: Thorogood.
- Cottrell, S. (2015). *Skills for Success: Personal Development and Employability*. London: Palgrave Macmillan.
- Kumar, A. (2008). *Personal, Academic and Career Development in Higher Education – SOARing to Success*. London and New York: Routledge Taylor and Francis. Companion website: http://www.routledge.com/professional/978041542360-1/
- Roe, K. (2017). *Leadership; Practice and Perspectives*. Oxford: OUP.


**Supplementary reading**


- Adair, J. and Allen, M. (2003) *Time Management and Personal Development*. London: Thorogood.
- Branson, R. (2013) *Like a virgin: Secrets they won't teach you at business school*. London: Random House.
- Chartered Management Institute. (2013). *Managing Yourself*. London: Profile Books.

- Cooperrider, D., Whitney, D. and Stavros, J. (2008). *The Appreciative Inquiry Handbook for Leaders of Change*. 2nd ed. Brunswick, OH: Crown Custom Publishing Inc. and San Francisco, CA: Berrett-Koehler Publishers Inc.
- Denis, J.L., Langley, A. and Rouleau, L. (2010). The Practice of Leadership in the Messy World of Organisations, *Leadership* 6(1): 67-88.
- Dowson, P. (2015). *Personal and Professional Development for Business Students*. London: SAGE Publications.
- Dweck, C. (2016). *Mindset. The New Psychology of Success*. New York, NY: Ballantine Books.
- Gardner, H. (1999). *Intelligence Reframed: Multiple intelligences for the 21st Century* New York: Basic Books.
- Goleman, D. (2005). *Emotional Intelligence: Why it can matter more than IQ*. New York: Bantam Books.
- Horn, R. (2009). *The Business Skills Handbook*. London: Chartered Institute of Personnel and Development.
- Humphrey, N. (2013). *Social and Emotional Learning*. London: SAGE.
- Kouzens, J.M. and Posner, B.Z. (2014). *The Leadership Challenge 5th Edition*. San Francisco: Jossey-Bass.
- Lombard, G. (2004). *Social Competence. Reading Other People*. Chippenham, Wilshire: Lifetime Careers.
- Lynch, L. (2009). *Smart Networking - Attract a Following in Person and Online*. New York: McGraw-Hill.
- McKay, M. (2008) *Messages: The communication skills handbook*. Oakland, CA: New Harbinger Publications
- Pedler, M., Burgoyne, J. and Boydell, T. (2013). *A Manager's Guide to Self-Development*. Maidenhead: McGraw-Hill.
- Routledge, C. and Carmichael, J. (2007). *Personal Development and Management Skills*. London: CIPD-Kogan Page.
- Schein, E. H. (1993). Career anchors – discovering your real values. London: Jossey-Bass / Pfeiffer and Co.


**Journals**

- Management Today (Haymarket Business Media)
- People Management (Chartered Institute of Personnel and Development)
- Professional Manager (Chartered Management Institute)
- Training journal (www.trainingjournal.com)

**Useful External Weblinks**

www.managementhelp.org
Self-assessments for personal and professional development and articles on leadership development planning

www.mindtools.com
time management tools and activity logs

www.personalitytype.com
for MBTI explanations and questionnaire

www.teamtechnology.co.uk
Online business resources

www.belbin.com
Belbin for teams, individuals and training

www.cipd.co.uk
continuing professional development

www.management-standards.org.uk
Chartered Management Institute

ManagementDirect resources require CMI membership, a username and password.

**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 also make reference to other local or national legislation as relevant.

# Unit 737 - Leading a Strategic AI Project

| | |
|---|---|
| **Ofqual unit number** | F/652/0140 |
| **RQF level** | 7 |
| **Guided learning hours** | 24 |
| **Total unit time** | 100 |
| **Credits** | 10 |
| **Aims of unit** | A fundamental part of a leader's role is to develop and lead strategic projects. Tailored to the long-term aims of the organisation, projects may focus on opportunities for organisational growth, development or the management of change, particularly in the context of AI transformation and implementation. A project may explore identified problems or weaknesses with current practice and they may be designed to create dynamic new opportunities in the competitive marketplace, explore new ways of working or build capabilities. Ultimately a strategic AI project should add value to the organisation.<br><br>The aim of this unit is for leaders to undertake a strategic project linked to an AI initiative. To achieve this outcome leaders will develop a business case, propose research design to inform the project's direction and recommend project management methods and tools to structure the delivery of the project. Leaders will report on project outcomes and reflect on the skills and behaviours which ultimately influence the success of the strategic AI project. |
| **Keywords** | AI, Project management methodologies, research methodologies, strategic thinking, planning, project implementation. |

| **Learning outcome 1** |
|---|
| **Know how to develop a strategic management project** |
| **Assessment criteria** |
| 1.1 Develop the **business case** for a **strategic management project**<br>1.2 Propose a **research design** to inform the direction of the strategic management project<br>1.3 Recommend a project management **methodology** and **tools** to structure project delivery |
| **Indicative content** |
| *1.1* **Strategic Project:** *may include but is not limited to examples may include AI infrastructure development, new AI-driven products or services, AI adoption for business process improvements, financing and* |

*refinancing of AI initiatives, mergers and acquisitions with AI capabilities, partnerships and collaborations focused on AI innovation, corporate social responsibility and sustainability through AI, human capital management for AI skills, mental health support via AI tools, equality and diversity in AI development and deployment, and AI-driven knowledge management.*

**Business case:** *may include but is not limited to statements of business value/benefits from AI adoption. Impacts and consequences of the AI project. Articulation of the problem or AI opportunity. Scope and schedule of the AI project. Development of project aims/objectives (for example: AI solution viability, value-add proposition, stakeholder mapping for AI adoption, timeframe, associated resources, AI risk identification and mitigation (for example: bias, security), contingency, and deliverables). Alignment to strategic goals of organisation via AI. Compliance with regulatory and legal frameworks for AI (for example: ethics, data privacy, sustainability). Project governance and reporting structures for AI initiatives.*

*1.2* **Research design:** *may include but is not limited to selection of research strategy (for example: experimental design, case study). Research methods (for example: quantitative analysis, qualitative study). Selection of tools (for example: AI/ML frameworks, data processing pipelines, human-in-the-loop validation). Data collection (for example: acquiring datasets, synthetic data generation, sensor data). Sampling (for example: balanced sampling, data augmentation, representative use cases). Data analysis (for example: statistical analysis of errors, interpretability techniques like SHAP/LIME, trend analysis). Time-frames (for example: rapid prototyping, iterative development). Ethics/Risk factors (for example: ethical approval, bias/fairness assessment, data security/privacy (GDPR/CCPA). Risk from model misuse or system failure. Insider research on AI system impact. Misconduct, including data manipulation). Presentation of findings (for example: clear reporting of limitations, performance benchmarks, and societal impact).*

*1.3* **Methodology:** *may include but is not limited to Agile, Scrum, Waterfall (Project Management Institute, 2021), PRINCE2, Lean, Six Sigma, PMBOK, Six Sigma, Kaban.*

***Tools****: may include but are not limited to model inventories and registries (for example: MLflow, Azure Machine Learning). AI risk dashboards. Date lineage mapping. Collaborative platforms with governance integration (for example: Jira, Monday.com).*

| **Learning outcome 2** |
|---|
| **Know how to conduct a strategic management project** |
| **Assessment criteria** |
| 2.1 **Report** on the outcomes of the strategic management project<br>2.2 Critically reflect on the **leadership skills and behaviours** used to conduct the strategic management project |
| **Indicative content** |
| *2.1* **Report:** *may include but is not limited to Evidenced project report (for a completed AI/ML project or a defined AI project milestone). Executive summary. Introduction and background (including strategic AI alignment). Research design (for example: model selection, dataset sourcing). Data collection and AI model analysis. Findings and recommendations aligned to AI project objectives and organisational AI strategy.* |

*2.2* **Leadership skills and behaviours:** *may include but is not limited to*

- *Skills: Provide guidance, purpose, direction. Monitors progress. Manages stress, wellbeing. Manages time (for example: set priorities). Persuades, influences and negotiates. Problem-solves. Communicates (for example: clearly, effectively, regularly). Manages stakeholders. Manages conflict. Applies AI tools for project planning and resource allocation. Interprets AI-driven data insights for risk management and decision-making. Oversees the integration and ethical deployment of AI in project deliverables. Facilitates team adoption of new AI-powered project management methodologies.*

- *Behaviours: Makes effective decisions. Leads and communicates. Collaborates and partners. Motivates. Takes responsibility. Builds trust. Seeks views of others. Agile.*

- *Leadership theory: Situational Leadership (Hersey and Blanchard, 1969). Theory of Hierarchies (Maslow, 1943 and 1987). Ethical Leadership (Mendonca and Kanungo, 2007). Leadership Styles (Goleman, 1995). Entrepreneurial Leadership (Roebuck, 2014). Cross Cultural Leadership (Hofstede, 1991). Followership (Kelley, 1988). Transformational Leadership (Bass and Riggio, 2006). Transactional Leadership (Weber, 1947).*

- *Methods of reflective practice: Model of Structured Reflection (Johns, 1995; 2006). Reflective cycle (Gibbs, 1988). Experiential cycle (Kolb, 1984). 3 stem questions (What? So What? Now What?) (Borton, 1970; Driscoll, 1994, 2000, 2007). Reflection-in-action/Reflection-on-Action (Schön and Argyris, 1978).*

## Recommendations for assessment

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

1. The learner may be asked to develop a **strategic management AI project** which will be of benefit to an organisation.
2. The learner may be asked to develop a **project report** based on the implementation of the strategic management AI project.
3. The learner may present **work-based evidence** accompanied by reports/reflective accounts to evidence their ability to meet each 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

**Recommended reading:**


- 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.


**Further reading:**


- Bennett, N. and AXELOS. (2017). *Managing Successful Projects with PRINCE2*. 6th ed. London: The Stationery Office.
- Burke, R. (2013). *Project Management: Planning and Control Techniques*. 5th ed. Chichester: John Wiley & Sons.
- Burke, R. and Barron, S. (2014). *Project Management Leadership: Building Creative Teams*. 2nd ed. Chichester: John Wiley & Sons.
- Dow, W. and Taylor, B. (2015). *Project Management Communication Tools*. Renton, WA: Dow Publishing LLC.
- Drummond, H. (2001). *The Art of Decision Making: Mirrors of imagination, masks of fate*. Chichester: John Wiley & Sons.
- Gardiner, P.D. (2005). *Project Management: A Strategic Planning Approach*. 5th ed. Basingstoke: Palgrave McMillan.
- Grint, K. (2008). Wicked Problems and Clumsy Solutions: The Role of Leadership. *Clinical Leader,* 1(2), December 2008, BAMM Publications.
- Kerzner, H. (2017). *Project Management: A Systems Approach to Planning, Scheduling, and Controlling*. 12th ed. London: John Wiley & Sons.
- Marsden, S. (2015). *The Power of Project Leadership: 7 Keys to Help You Transform from Project Manager to Project Leader*. London: Kogan Page.
- Project Management Institute. (2019). *The Standard for Risk Management in Portfolios, Programs, and Projects*. Newtown Square: PA: Project Management Institute.
- Rad, P. and Levin, G. (2002). *The Advanced Project Management Office: A Comprehensive Look at Function and Implementation*. 1st ed. Indianapolis, IN: CRC Press Ltd.
- Roberts, P. (2013). *The Economist Guide to Project Management: Getting it right and achieving lasting benefit*. 2nd ed. London: Economist Books.
- Schmidt, T. (2009). *Strategic Project Management Made Simple. Practical Tools for Leaders and Teams*. New York: John Wiley & Sons, Inc.
- Teece, D.J. (2009). *Dynamic Capabilities and Strategic Management: Organizing for Innovation and Growth*. Oxford: Oxford University Press.
- Wastian, M., Von Rosenstentiel, L., West, M. and Braumandl, I. eds. (2015). *Applied Psychology for Project Managers: A Practitioner's Guide to Successful Project Management*. Heidelberg, Springer.
- Wong, Z. (2018). *The Eight Essential People Skills for Project Management. Solving the Most Common People Problems for Team Leaders*. Oakland, CA: Berrett- Koehler Publishers.


**Journals**


- International Journal of Project Management
- International Journal of Managing Projects in Business
- Journal of Modern Project Management
- Project Management Journal (PMI)
- Project (APM)

ManagementDirect resources require CMI membership, a username and password.

**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 also make reference to other local or national legislation as relevant.

# Unit 738 - Researching the Impact of AI

| | |
|---|---|
| **Ofqual unit number** | M/652/0145 |
| **RQF level** | 7 |
| **Guided learning hours** | 18 |
| **Total unit time** | 70 |
| **Credits** | 7 |
| **Aims of unit** | Undertaking meaningful research can unlock solutions to complex organisational problems. It can also enable new opportunities and emerging technologies to be explored, which impacts on the development of new products, services and support for customers and stakeholders.<br><br>The aim of this unit is to enable strategic leaders to develop an evidence-based understanding of applied research methods and the ways research can be conducted scientifically, ethically and legally in an organisational context, specifically focusing on the adoption and impact of emerging technologies and AI. The unit will support strategic leaders to become producers of applied research, with the ability to generate new knowledge concerning the practical challenges of integrating AI and other emerging technologies into the workplace. The aim is to facilitate strategic decision making regarding AI adoption, and ultimately add value to the organisation. |
| **Keywords** | Applied research, evidence-based, research philosophy, action research, research approach, research design, data collection, quantitative and qualitative methods, sampling, ethics, insider research. |

| **Learning outcome 1** |
|---|
| **Understand the research process** |
| **Assessment criteria** |
| 1.1 Critically appraise the **role of applied research** in strategic leadership<br>1.2 Consider the impact of **research philosophies** on work-based investigation<br>1.3 Discuss the principles of **research methodologies** and **design** in an organisational context |
| **Indicative content** |
| *1.1* **Role of applied AI research:** *may include but is not limited to knowledge generation through data analysis and pattern recognition. Facilitate the critical analysis and appraisal of complex information using machine learning models. Inform strategic decision making by providing predictive insights and optimising resource allocation. Problem solving via intelligent automation and prescriptive analytics. Develop an* |

*understanding of the organisation and sector through advanced data mining and sentiment analysis. Identify opportunities for growth, change and development of the organisation by detecting emerging trends and market shifts. Development of new products, services and support for customers and stakeholders through AI-powered personalisation and recommendation engines. Elicit stakeholder opinion via natural language processing (NLP) and conversational AI. Management of risk through predictive risk modeling and anomaly detection.*

*1.2* **Research philosophies***: may include but is not limited to clarification of assumptions about the world and ways of understanding the world. Ontology (how people view the world). Epistemology (assumptions made about ways of investigating the world). Source, nature, development of knowledge and creation of new knowledge. Classifications of philosophical approaches to applied research (for example: pragmatism, positivism, realism, interpretivism).*

*1.3* **Research methodologies:** *may include but is not limited to methodological choices regarding the approach to research and selection of methods as appropriate to an organisational context (for example: quantitative, qualitative, mixed-methods, AI-specific experimentation). Research methods for applied research, observational research, case-study, survey, experimental types of research, data-driven modeling, and simulation. Action research. Research approach (for example: inductive, deductive, mixed methods, ethnography, autoethnography, algorithmic analysis, interpretability studies).*

**Research design principles include:**

- *Selection of research strategy: Methodology to investigate a particular issue (for example: impact of AI adoption, ethical implications of machine learning).*
- *Research methods: Such as case study, mixed-methods, action research, grounded theory, narrative enquiry, experiment, AI model performance evaluation, explainable AI (XAI) analysis.*
- *Selection of tools and techniques: Quantitative (for example: surveys, questionnaires, experiments, observations, AI tool usage logs). Document screening (for example: financial reports, AI system documentation, algorithm auditing reports). Qualitative (for example: interviews, focus groups, user experience testing of AI interfaces).*
- *Sampling and data collection: Primary data. Secondary data (for example: large language model training data, synthetic data). Sample population (and access to sample sets, data set bias assessment). Ethical, legal and regulatory frameworks (AI ethics guidelines, data governance, GDPR compliance).*
- *Data analysis: Methods of analysis (for example: software packages, AI model output analysis, statistical packages for algorithmic bias detection). Reliability and validity, bias and error (algorithmic bias, model drift, data integrity).*
- *Time-frames: Longitudinal study, cross-sectional studies, real-time AI monitoring studies.*
- *Ethics and risk factors: Ethical approval (AI ethics board review). Risk assessment (AI system risk profile, safety-critical AI). Risk to researcher/s and participants (for example: safety/security/protection of researcher and participant, data privacy and anonymisation). Insider research in workplace. Misconduct.*

**Presentation of findings***: Format (tailored to audience/research type, for example: AI explainability reports, dashboard visualisations of model performance). Underpinning evidence (referencing, citation of algorithms and data sources).*

| Learning outcome 2 |
|---|
| **Know how to develop a research proposal of strategic benefit** |
| **Assessment criteria** |
| 2.1 Formulate the **research question and aims** for a **research proposal** of strategic benefit to an organisation<br>2.2 Critically review a range of **literature** to inform the research proposal<br>2.3 Develop the **research design** for the proposal |
| **Indicative content** |
| 2.1 **Research question and aims:** *may include but are not limited to focus of the research (such as:. methodology, analysis, reporting, related to research question and aims). Viable, clear, significant, ethical.*<br>**Research proposal:** *may include but is not limited to specified nature of research (for example: organisational opportunity, challenge, value add).*<br>2.2 **Literature review:** *includes a critical review of topical and relevant literature and media.*<br>2.3 **Research design***: may include but is not limited to selection of research strategy (for example: AI system development, case study). Research methods (for example: A/B testing, qualitative analysis, performance benchmarking). Selection of tools and techniques (for example: AI algorithms, machine learning frameworks). Data collection (for example: sourcing/preprocessing large datasets, real-time streams). Sampling (for example: selection of training/validation/test datasets; use cases). Data analysis (for example: model evaluation metrics, Explainable AI (XAI), statistical analysis). Time-frames. Ethics and risk factors (for example: algorithmic bias/fairness, data privacy/GDPR, ethical approval, unintended consequences, intellectual property). Presentation of findings (for example: model performance reports, impact assessments).* |

| Recommendations for assessment |
|---|
| Learners may approach the assessment in several ways. All assessment criteria must be met. The following opportunities are recommendations for guidance purposes only.<br>1. The learner may be asked to develop a written **report** on 'Applied Research Methodologies in an AI-Driven Organisation'<br>2. The learner may be asked to develop a research **proposal** of the strategic benefit of AI to an organisation.<br>3. The learner may present **work-based evidence** accompanied by reports/reflective accounts to meet each assessment criteria.<br>**Further guidance**<br>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**

**Recommended reading:**


- Bell, E. Bryman, A and Harley, B. (2018). *Business Research Methods*. 5th ed. Oxford: Oxford University Press.
- Biggam, J. (2018). *Succeeding with your Masters Dissertation*: *Step by Step Handbook*. 4th ed. London: Open University Press.
- Costley, C., Elliott, G. and Gibbs, P. (2010). *Doing Work Based Research: Approaches to Enquiry for Insider-Researchers*. London: Sage Publications Ltd.
- Robson, C. and McCartan, K. (2016). *Real World Research*. 4th ed. Chichester, W. Sussex: John Wiley & Sons Ltd.
- Saunders, M., Lewis, P. and Thornhill, A. (2016). *Research Methods for Business Students*. 7th ed. Harlow: Pearson.


**Further reading:**


- Costley, C. and Gibbs, P. (2006). Researching others: care as an ethic for practitioner researchers. *Studies in Higher Education*, 31(1), 89–98.
- Coughlin, D. and Brannick, T. (2014). *Doing Action Research in Your Own Organisation*. 4th ed. London: Sage Publications Ltd.
- Creswell, J.W. and Creswell, J.D. (2018). *Research Design: Qualitative, Quantitative, and Mixed Methods Approaches*. Thousand Oaks, California: Sage Publications.
- Denscombe, M. (2012). *Research Proposals: A Practical Guide*. Maidenhead, Berkshire: Open University Press/McGraw-Hill Education.
- Easterby-Smith, M., Thorpe, R., Jackson, P. and Jasperson, L. (2018). *Management and Business Research*. 6th ed. London: Sage Publications Ltd.
- Fawcett, B. and Pockett, R. (2015). *Turning Ideas into Research. Theory, Design and Practice*. London: Sage Publications Ltd.
- Fink, A. (2016). *How to Conduct Surveys: A Step-by-Step Guide*. California, Thousand Oaks: Sage Publications.
- Flick, U. (2019). *An Introduction to Qualitative Research*. 6th ed. London: SAGE Publications Ltd.
- Floyd, A. and Arthur, L. (2012). Researching from Within: external and internal ethical engagement. *International Journal of Research and Method in Education*, 35(2), 171-180.
- Gibbs, P. and Costley, C. (2006). An ethics of community and care for practitioner researchers, *International Journal of Research & Method in Education*, 29(2), 239-249.
- Gill, J., and Johnson, P. (2010). *Research Methods for Managers*. 4th ed. London: Sage Publications Ltd.
- Gray, D. (2017). *Doing Research in the Real World*. 4th ed. London: Sage Publications Ltd.
- Hart, C. (2018*). Doing a Literature Review*. 2nd ed. London: Sage Publications Ltd.
- Kaplan, D. (2004). *The SAGE Handbook of Quantitative Methodology for the Social Sciences*. London: SAGE Publications Ltd.
- McNiff, J. (2017). *Action Research*. London: Sage Publications Ltd.
- Munro, A., Holly, L., Rainbird, H. and Leisten, R. (2004). Power at work: reflections on the research process, *Social Research Methodology*, 3(4), 289-304.
- Nussbaumer Knaflic, C. (2015). *Storytelling with Data: A Data Visualisation Guide for Business Professionals*. NJ, Hoboken: John Wiley & Sons Inc.
- Wallace, M. and Wray, A. (2016). *Critical Reading and Writing for Postgraduates*. London: Sage Publications Ltd.

- Williams, M. (2016). *Key Concepts in the Philosophy of Social Research*. London: Sage Publications Ltd.
- Yin, R. (2018). *Case Study Research and Applications: Design and Methods*. 6th ed. California, Thousand Oaks: Sage Publications.


**Journals**

- e-Journal of Business Research Methods
- International Journal of Research and Method in Education
- International Journal of Social Research Methodology
- Journal of Mixed Methods Research
- Organisational Research Methods
- Qualitative Health Research
- Qualitative Research
- Qualitative Research Journal

**Useful External Weblinks**

https://scholar.google.co.uk/

https://www.researchgate.net

https://appreciativeinquiry.champlain.edu/ (Appreciative Inquiry)

https://www.alarassociation.org/ (Action Research and Action Learning)

https://www.britsoc.co.uk/ethics

https://www.mrs.org.uk/pdf/MRS%20Regulations%20for%20Non%20Research%20Purposes.pdf

ManagementDirect resources require CMI membership, a username and password.

**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 also make reference to other local or national legislation as relevant.

# Unit 739 - Developing an Organisational Strategy for AI Readiness

| | |
|---|---|
| **Ofqual unit number** | H/652/0150 |
| **RQF level** | 7 |
| **Guided learning hours** | 30 |
| **Total unit time** | 90 |
| **Credits** | 9 |
| **Aims of unit** | Leaders must have an in-depth understanding of AI strategy and how it can be developed if they are to operate effectively and maintain a competitive edge in complex local, national and global markets.<br><br>The aim of this unit is to enable leaders to know how to develop and influence an organisation's strategic direction through the development of a meaningful AI strategy. To support this outcome, leaders will critique the factors which drive the development of organisational AI strategy and appraise approaches to successfully develop this strategy. The unit culminates in leaders developing an organisational AI strategy to achieve a business goal. To complement this activity, leaders will propose an approach to implement and monitor the AI strategy developed to ensure its sustained success. |
| **Keywords** | AI, Strategy, direction, factors, culture, structure, approaches, deliberate, emergent, planning, implementation, monitoring, success. |

| **Learning outcome 1** |
|---|
| Understand how to develop strategy |
| **Assessment criteria** |
| 1.1 Critique the **factors** which drive the development of organisational strategy<br>1.2 Critically appraise **approaches** for the development of strategy<br>1.3 Discuss the **challenges** of developing and leading organisational strategy |
| **Indicative content** |
| 1.1 **Factors**: *may include but are not limited to*<br>• ***Internal**: Organisational structures and governance (for example: AI ethics boards, dedicated AI governance frameworks). Organisational culture (Schein, 1988; Johnson and Scholes, 2011) regarding data-driven decision-making and willingness to trust AI outputs. Strategic narrative (AI's role in the organisation's future). Cost structures, drivers, financial assumptions (for example: investment in AI platforms, talent, and data infrastructure; ROI models for AI projects). Current resources and capabilities (for example: data science expertise, MLOps capability, quality and accessibility of training data). Big data (volume, velocity, variety, and veracity of data for AI models).* |

*Appetite for innovation (willingness to deploy and iterate on experimental AI solutions). Stakeholder influence and power (for example: data scientists, regulators, end-users' acceptance of AI). Current and emerging technologies (for example: LLMs, computer vision, specific AI platforms), markets, customers (AI-driven personalisation). Geographical and/or virtual locations (data sovereignty implications for AI deployment). Levels of organisational maturity (Carnegie Mellon Maturity Index 'CMMI', 1990, specifically adapted for AI maturity, for example: Data Maturity Model).*

- ***External**: Legal and regulatory requirements and governance related to AI (for example: data privacy, algorithmic transparency, bias, health and safety, environmental standards). Government policy on AI and digital transformation. Political and economic stability (for example: national, global) impacting AI investment and supply chains. Social environment and public perception of AI adoption. Industry structures evolving due to AI integration. Stakeholder influence and power regarding AI ethics and deployment. Competition in AI capabilities and market dominance. Market demographics, break points, dislocations, emerging markets in AI services and products. Disasters and events impacting AI infrastructure resilience. Corporate social responsibility and sustainability, including the environmental impact of AI computation. Emerging and disruptive AI technologies/innovations (Armstrong, 2017).*
- ***Strategy**: AI-driven Growth, AI-powered New product/service/processes, AI-informed Retrenchment, AI-optimised consolidation, AI-enabled cost leadership, AI-differentiated value proposition. AI-driven Competitor and competitive strategies (for example: using predictive analytics). Divestment, mergers, acquisition, partnerships, alliances (for example: focused on AI capabilities). Diversification (for example: into AI-related markets). Business closure (AI-informed decision making). AI Research and development. Off-shoring, outsourcing/insourcing (for example: of AI development/operations). Delayering and restructuring (for example: flattening organisation to empower AI-driven decision-making). Products, services (AI-embedded/enhanced offerings), customer type needs, demands and expectations (AI-predicted/analysed). Levels of strategy. Corporate (AI-driven vision). Business (AI-powered competitive advantage). Strategic Business Unit (AI resource allocation). Departmental. Functional strategies (for example: AI for HR, AI for Finance, AI for Operations, AI for Supply chain, AI for Administration, AI for IT, AI for Purchasing, AI for Procurement, AI for Treasury, AI for Quality management, AI for Infrastructure and facilities).*

1.2 **Approaches to AI Strategy**: *may include but are not limited to deliberate (for example: specific roadmap for AI implementation). Emergent (for example: learning from small AI projects). Incremental (for example: phased introduction of AI tools). Paradigm shift (for example: complete overhaul of business model driven by Generative AI). Step-change (for example: a major leap in operational efficiency). Planned/unplanned (for example: anticipating required infrastructure). Opportunistic (for example: Entrepreneurialism in leveraging new AI models). Resource based view of the firm (for example: competitive advantage derived from unique AI talent). Scenario planning and rational planning model (for example: modeling the impact of different levels of AI adoption). Strategic planning as a top down/bottom up process (for example: co-creation of AI strategy). Business modelling (Whittington, 2000) (for example: adapting the operating model for AI-driven value creation). The five Ps of strategy (Mintzberg, 2009) (for example: AI as a plan).*

1.3 **Challenges**: *may include but are not limited to different perspectives for developing and leading strategy in an AI-driven environment. Organisational design (for example: Network based organisations, virtual organisations/teams, autonomous team working. Self-organisation enhanced by AI systems). Data management and governance for AI. Use of big data and advanced analytics for machine learning. Changing customer needs and expectations influenced by AI capabilities. Implementation of government policy related to AI and regulation. Current and emerging AI technology (for example: Generative AI, machine learning operations (MLOps), predictive modelling). Challenge strategies and operations in terms of ethics, responsibility, sustainability, resource allocation (for example: compute power), and business continuity/risk management in AI systems.*

**Diagnostic approaches to assess challenges:** *may include but are not limited to organisations as complex adaptive systems. (Kaufmann et al, 2000). Use of systems approaches such as soft systems methods (Checkland, 1999). Collective strategy and co-evolutionary theory (Stacey, 2011).*

| Learning outcome 2 |
|---|
| Know how to develop strategy |
| **Assessment criteria** |
| 2.1 Develop an **organisational strategy** to achieve a business objective<br>2.2 Recommend an **approach** to implement and monitor the strategy to ensure its success |
| **Indicative content** |
| 2.1 **Organisational strategy and AI adoption:** *may include but are not limited to growth enabled by AI-driven market expansion and product development. Retrenchment supported by AI-optimised cost reduction. Consolidation leveraging AI for process standardisation. Strategic Partnerships focused on AI co-development. Delayering informed by AI-driven analysis of workforce efficiency. Diversification into new offerings powered by generative AI. Development of product/service/processes accelerated by AI-powered research. Recruitment and retention enhanced through AI tools for personalised learning. Competitor approaches analysed using AI for market sensing. Divestment/M&A evaluation supported by AI for due diligence. Business closure decisions informed by AI-driven financial forecasting. Crisis management with AI-powered threat detection. Research and development prioritisation enhanced by AI for hypothesis generation. Off-shoring decisions based on AI-driven labour market analysis. Legal compliance managed through AI-powered risk assessment.*<br>● *Content and structure of the AI strategy (tailored to the requirements/dependent on the AI-driven business goal):* Alignment to AI adoption goals/organisational vision. AI-specific KPIs (for example: model accuracy, deployment speed, ROI). Timescales (milestones for model development/deployment). Critical success factors (for example: data quality, talent availability), assumptions, decisions. Appropriate tools and techniques to support the strategic plan (for example: Benchmarking competitor AI initiatives; AI Value Chain Analysis and 5 Forces Model; RAEW/RACI analysis for AI roles). Resource requirements (for example: data infrastructure, compute power, AI talent). Implementation strategy (for example: pilot projects, scaling). Governance of the AI strategy (for example: ethics review, regulatory compliance, model monitoring). Stakeholder considerations (for example: set strategic direction and gain support). Communications strategy link to AI area.<br>2.2 **Approach:** *may include but are not limited to*<br>● ***Implementation****:* Deliberate (for example: phased rollout), Emergent (for example: unexpected discovery from a pilot). Incremental (for example: adding features). Paradigm shift (for example: adopting Generative AI). Step-change (for example: migrating to machine learning). Planned/unplanned. Opportunistic (for example: leveraging clean training data). Prototypes and pilot AI model implementation.<br>● ***Identification***: Establishing milestones. Determining people and resource needs, including AI talent, capability development, and specialized infrastructure (for example: GPUs). Managing costs, funding, and budgets. Identifying and mitigating AI-specific constraints and risks (for example: model training timescales, finance, model failure/bias, cultural impacts, ethical reputation risk, stakeholder resistance, and international data/technology barriers). Defining the critical path. Developing a communications strategy and plan for AI value and change management. Clarifying AI strategy and model ownership. Implementing a governance framework for ethics, compliance, and performance. Cultivating appropriate leadership styles, like Transformational Leadership, to drive technological change.<br>● **Monitoring**: Achievement of AI adoption objectives. AI system KPIs (for example: accuracy, latency, throughput). Critical success factors for AI implementation. Critical decisions regarding AI model selection/deployment. Timescales for AI project milestones. Resource use (for example: compute, data, personnel). Costs/budgets for AI initiatives. Cost-benefit analysis of AI deployment (for example: return on AI investment, net social cost benefit of AI). Active reflection on the recommended AI implementation process. |

| 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.<br><br>1. Write a Guidance document OR presentation for new and aspiring leaders entitled: 'How to develop AI strategy – A guide for new and aspiring leaders' or<br>2. Option 2: a written account entitled: 'The principles of developing organisational AI strategy'<br>3. Develop an organisational AI strategy accompanied by recommendations for implementation and monitoring<br><br>Further guidance<br>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.<br><br>**ManagementDirect Resources (CMI Membership Required):**<br>● Checklists:<br>○ 052 Setting objectives<br>○ 242 Corporate social responsibility<br>○ 146 Effective purchasing<br>○ 172 Supply chain management<br>● Models:<br>○ SMART objectives<br>● Pearls of Wisdom:<br>○ Goals and objectives<br>○ Key Performance Indicators |

# Unit 740 - Strategic AI Adoption & Governance

| | |
|---|---|
| **Ofqual unit number** | M/652/0154 |
| **RQF level** | 7 |
| **Guided learning hours** | 25 |
| **Total unit time** | 70 |
| **Credits** | 7 |
| **Aims of unit** | In an era where "AI-first" is the mandate, the competitive advantage lies in the strategic agency of its leaders. Strategic leaders must shift from a passive consumer to a strategic architect of autonomous, resilient, and ethically grounded organisational systems. Learn to set the guardrails and intervention thresholds for decisive leadership.<br><br>The aim of this unit is to equip strategic leaders with the expertise to critically evaluate the strategic viability of AI adoption and to design enterprise-level governance frameworks that safeguard organisational autonomy, accountability, and long-term capability. |
| **Keywords** | AI adoption, business case, impact, viability, guardrails, thresholds, governance, risk management, frameworks |

| **Learning outcome 1** |
|---|
| **Know how to evaluate the strategic impact and viability of AI adoption** |
| **Assessment criteria** |
| 1.1 Critically appraise the **business case** for AI adoption<br>1.2 Critically evaluate the strategic **impact** of AI adoption on organisational autonomy<br>1.3 Critique the **viability** of AI adoption at scale |
| **Indicative content** |
| 1.1 **Business case:** *may include but is not limited to long-term organisational sustainability, synthesising strategic alignment, strategic differentiation and market positioning, enhanced decision-making capacity, enhanced agency, hyper-personalised logistics, long-term capability and resilience.*<br><br>1.2 **Impact:** *may include but is not limited to enhanced strategic insights, rapid scenario pivot, and dynamic risk management. Vendor lock-in and dependency, decision-making atrophy, loss of accountability, and constraint of refusal.*<br><br>1.3 **Viability:** *may include but is not limited to, long-term capability and dependency risks, infrastructure and economic viability, governance and accountability (including ESG).* |

| Learning outcome 2 |
|---|
| **Be able to develop and monitor strategic AI governance and risk frameworks** |
| **Assessment criteria** |
| 2.1 Establish strategic **guardrails** and **thresholds** for AI use<br>2.2 Develop a **governance structure** to maintain organisational accountability relating to AI<br>2.3 Propose a **framework** for dynamic risk management of AI |
| **Indicative content** |
| 2.1 **Guardrails:** *may include but are not limited to boundaries such as Human-in-the-Loop (HITL) mandate, data sovereignty rules, ethical "no go" zones and transparency standards*<br><br>**Thresholds:** *may include but not limited to the trigger points such as accuracy decay, capability erosion markers, cost-benefit variance and drift detection*<br><br>2.2 **Governance structures:** *may include but is not limited to definition of clear roles, responsibilities, and decision rights (for example: AI Ethics Committees, "Model Owner" designation, Chief AI Officer). Strategic guardrails and policy mandates (for example: HITL protocols, constraint and refusal policy). Risk management and mitigation processes. Reporting and stakeholder trust management (for example: transparency logs, external audit requirements).*<br><br>2.3 **Framework:** *may include but are not limited to continuous monitoring and "drift" detection (for example, accuracy decay thresholds, model drift alerts, hallucination logging). Horizon scanning and regulatory agility (for example: regulatory watchlists, ethical "no go" zone audits). Human-centric safeguards (for example: capability erosion markers, constraint refusal protocols). Feedback loops and iterative reviews (for example: risk appetite reassessment, proportionate reporting).* |

| 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.<br>1. A written report entitled 'The strategic impact and viability of AI adoption'<br>2. Write a proposal document entitled 'Strategic Implementation & Governance Proposal'<br><br>Further guidance<br>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.

**Key Legislation & Regulatory Frameworks**

- **Information Commissioner's Office (ICO):** *Guidance on AI and Data Protection (Updated 2026).* Essential for AC 1.2 regarding **UK GDPR** and the **Data Protection Act 2018**.
- **UK Government (GOV.UK):** *The Data (Use and Access) Act 2025.* Provides the latest legal standards on automated decision-making and data portability.
- **European Union:** *The EU AI Act Compliance Portal.* Crucial for managers in organisations with EU ties to understand "High-Risk" AI classifications.
- **Equality and Human Rights Commission (EHRC):** *AI and the Equality Act 2010.* Guidance on preventing **algorithmic discrimination** in recruitment and performance management.

**Global Standards & Management Frameworks**

- **ISO/IEC 42001:2023:** *Information Technology — Artificial Intelligence — Management System (AIMS).* The primary international standard for establishing ethical and reliable AI governance within an organisation.
- **NIST AI Risk Management Framework (v1.5):** A practical guide for managers to identify and mitigate risks like **model drift** and **hallucinations**.

**Professional Journals & Insight Platforms**

- **MIT Sloan Management Review:** *The Human-AI Collaboration Series.* Focuses on building **team confidence** and managing the psychological shift of AI adoption.
- **Harvard Business Review (HBR):** *AI for First-Line Leaders.* Provides case studies on using AI for **resource management** and **KPI monitoring**.
- **The Alan Turing Institute:** *AI Ethics and Governance.* Research papers and workbooks on **bias detection** and **transparency**.

**Digital Skills & Productivity Weblinks**

- **FutureDotNow:** *The Essential AI Skills Framework.* A resource for managers to assess the **knowledge and skills** their teams require.
- **PromptEngineering.org:** Practical guides on **prompt engineering** to improve the quality of AI-generated team communications.

# Unit 741 - Strategic Cyber Risk and Governance

| | |
|---|---|
| **Ofqual unit number** | J/652/1386 |
| **RQF level** | 7 |
| **Guided learning hours** | 25 |
| **Total unit time** | 70 |
| **Credits** | 7 |
| **Aims of unit** | In an era where digital interconnectedness is the primary attack surface, competitive advantage lies in the resilience and strategic foresight of its leaders. Strategic leaders must shift from viewing cybersecurity as a technical silo to becoming the architects of a cyber-resilient enterprise—one that balances aggressive innovation with systemic defense. Learn to define the risk appetite, establish governance maturity, and set the intervention thresholds required to navigate a volatile threat landscape.<br><br>The aim of this unit is to equip strategic leaders with the expertise to critically evaluate the alignment of cyber risk with business objectives and to design enterprise-level governance frameworks that safeguard organisational assets, regulatory standing, and stakeholder trust. |
| **Keywords** | Cyber, risk, governance, cyber governance frameworks, strategies, risk appetite, risk exposure, data, priorities, investment options |

| **Learning outcome 1** |
|---|
| **Understand the organisational cyber risk landscape to formulate governance structures** |
| **Assessment criteria** |
| 1.1 Critically analyse **factors** that impact high-level cyber exposure<br><br>1.2 Evaluate the effectiveness of organisational **cyber governance frameworks** in providing robust organisational oversight<br><br>1.3 Determine organisational **cyber risk appetite**<br><br>1.4 Formulate **strategies** to communicate governance and risks to stakeholders effectively |
| **Indicative content** |
| 1.1. **Factors** *may include but are not limited to:*<br>● *Technological: Legacy infrastructure debt, cloud migration complexities, shadow IT, and the adoption of emerging technologies (e.g., AI, IoT).*<br>● *Organisational: Organisational structure, mergers and acquisitions, supply chain dependencies, third-party risk, and remote/hybrid workforce models.*<br>● *External: Evolving and emerging geopolitical threat landscapes, advanced persistent threats (APTs), and dynamic regulatory/compliance landscapes (e.g., DORA, NIS2).* |

1.2 **Cyber Governance Frameworks** *may include but are not limited to:*

- *Framework Alignment & Adaptation: Critical evaluation of how industry-standard frameworks (e.g., NIST CSF, ISO/IEC 27001, COBIT, CIS Controls) are practically adapted and integrated to fit specific organisational structures, rather than just adopted as a theoretical model*
- *Mechanisms for Robust Organisational Oversight: Analysing the effectiveness of internal oversight structures, such as the 'Three Lines of Defence' model, cross-functional cyber steering committees, and the specific mechanisms that ensure executive and board-level accountability for cyber risk*
- *Evaluating Governance Effectiveness & Assurance: Assessing how these organisational frameworks provide measurable, robust oversight. This includes the continuous monitoring of governance effectiveness, the integration of legal/regulatory compliance into daily operations, and the role of internal and external audits in validating the organisation's cyber posture.*

1.3 **Cyber risk appetite** *may include but is not limited to:*

- *Defining Metrics: Distinguishing between risk capacity, risk appetite, and risk tolerance.*
- *Measurement Models: Quantitative risk analysis (e.g., FAIR methodology, Monte Carlo simulations) versus qualitative impact assessments.*
- *Strategic Alignment: Translating business objectives into acceptable cyber loss thresholds (financial, reputational, operational) and developing Key Risk Indicators (KRIs)*

1.4 **Strategies** *may include but are not limited to:*

- *Executive Communication: Designing board-level dashboards, utilising business-centric terminology (avoiding technical jargon), and effective storytelling for cyber risk.*
- *Stakeholder Engagement: Stakeholder mapping, tailoring communication channels to internal vs. external audiences, and crisis communication planning during active breaches.*
- *Reporting Cycles: Establishing regular governance feedback loops and continuous assurance reporting*

| **Learning outcome 2** |
|---|
| **Know how to make strategic cyber investment decisions to optimise enterprise resilience and mitigate risk** |
| **Assessment criteria** |
| 2.1 Interpret **risk exposure data** to assess an organisation's current cyber posture<br>2.2 Critically assess competing cyber investment **priorities** against the organisation's defined risk tolerance and strategic goals<br>2.3 Justify **investment options** that safeguard long-term resilience targets |
| **Indicative content** |

2.1 **Risk exposure data** *may include but is not limited to:*

- *Sources of Telemetry: Threat intelligence feeds, vulnerability assessments, penetration testing outputs, and Security Information and Event Management (SIEM) alerts.*
- *Financial Metrics: Annualised Loss Expectancy (ALE), Single Loss Expectancy (SLE), and cyber value-at-risk (VaR).*
- *Interpretation: Translating raw technical data into meaningful assessments of the current organisational cyber posture.*

2.2 **Priorities** *may include but is not limited to:*

- *Evaluation Techniques: Cost-Benefit Analysis (CBA), Return on Security Investment (ROSI), and multi-criteria decision analysis.*
- *Alignment: Balancing immediate remediation needs (e.g., patching critical zero-days) against long-term strategic maturity goals (e.g., transitioning to a Zero Trust architecture).*
- *Resource Constraints: Evaluating CAPEX vs. OPEX implications and managing limited budgetary and human resources.*

2.3 **Investment options** *may include but are not limited to:*

- *Technological Controls: Purchasing new solutions (e.g., XDR, SOAR, Identity and Access Management systems).*
- *Human Capital & Services: Investing in staff awareness training, hiring specialised personnel, or outsourcing to Managed Security Service Providers (MSSPs).*
- *Risk Transfer: Procuring cyber liability insurance or establishing strategic partnerships to offset specific enterprise risks.*

| **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.<br><br>1. A written report entitled 'Strategic Cyber Risk & Governance Frameworks'<br>2. Write a proposal document entitled 'Strategic Cyber Investment & Resilience Proposal'<br><br>Further guidance<br>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.

**Key Legislation & Regulatory Frameworks**

- **European Union Directives:** Essential reading on the dynamic regulatory and compliance landscapes, specifically the Digital Operational Resilience Act (DORA) and the NIS2 Directive.
- **Information Commissioner's Office (ICO):** Guidance on data protection, incident reporting, and securing organisational assets against breaches.

**Global Standards & Management Frameworks**

- **NIST Cybersecurity Framework (CSF) & ISO/IEC 27001:** The primary industry-standard frameworks for establishing robust organisational oversight and evaluating cyber posture.
- **COBIT and CIS Controls:** Essential frameworks for enterprise IT governance, control objectives, and prioritised defensive actions.
- **FAIR Institute (Factor Analysis of Information Risk):** Resources and methodologies for quantitative risk analysis, enabling leaders to translate cyber threats into measurable financial metrics like Annualised Loss Expectancy (ALE).

**Professional Journals & Insight Platforms**

- **ISACA Journal:** Professional insights on evaluating governance effectiveness, continuous assurance reporting, and the integration of internal/external audits.
- **Harvard Business Review (HBR) - Cybersecurity:** Focuses on board-level dashboards, executive communication, and effectively translating technical cyber risks into strategic business terminology.
- **Dark Reading / Cyber Security Hub:** News platforms covering the evolving geopolitical threat landscape, advanced persistent threats (APTs), and zero-day vulnerabilities.

**Digital Skills & Productivity Weblinks**

- **National Cyber Security Centre (NCSC) - Board Toolkit:** Practical guidance for executives on stakeholder mapping, crisis communication planning during active breaches, and establishing a healthy cyber risk appetite.
- **Cybersecurity and Infrastructure Security Agency (CISA):** Resources for strategic maturity goals, such as transitioning to a Zero Trust architecture, and assessing competing cyber investment priorities

# Unit 742 - Strategic Data Leadership and Governance

| | |
|---|---|
| **Ofqual unit number** | K/652/1387 |
| **RQF level** | 7 |
| **Guided learning hours** | 25 |
| **Total unit time** | 70 |
| **Credits** | 7 |
| **Aims of unit** | In an era where data is the primary engine of the cognitive enterprise, competitive advantage lies in the liquidity, integrity, and strategic valuation of an organisation's information assets. Strategic leaders must shift from being passive custodians of databases to becoming architects of a data-driven culture, one that treats data as a high-velocity strategic asset rather than a static liability. Learn to establish the ethical foundations, valuation models, and governance structures required to turn raw information into sustained institutional wisdom.<br><br>The aim of this unit is to equip strategic leaders with the expertise to critically evaluate the data maturity of the enterprise and to design governance frameworks that ensure data quality, accessibility, and ethical utilisation, thereby safeguarding the organisation's long-term decision-making capability. |
| **Keywords** | Data, governance, risks, readiness, impact, investments, value creation, capabilities, strategies |

| **Learning outcome 1** |
|---|
| **Be able to evaluate organisational data governance frameworks and risks** |
| **Assessment criteria** |
| 1.1 Appraise organisational **data governance structures** and accountability |
| 1.2 Critically analyse organisational **data risks** and mitigation controls |
| 1.3 Critically assess organisational **readiness** for responsible AI |
| 1.4 Propose **approaches** to balance data-driven innovation with organisational risk |
| **Indicative content** |
| 1.1. **Data governance structures** *may include but is not limited to organisational data boards, Chief Data Officer (CDO) mandates, centralised vs. decentralised data ownership models, data stewardship councils, data ethics committees, decentralised "data mesh" domains, cross-border compliance teams, and executive steering committees.* |

1.2 **Data risks** *may include but is not limited to legal/regulatory fines (for example: GDPR non-compliance), reputational damage from breaches, algorithmic bias, ethical misuse of customer data, vendor lock-in, intellectual property theft, non-compliance with emerging AI regulations (for example: the EU AI Act), data sovereignty, and systemic bias in automated decision-making.*

1.3 **Readiness** *may include but is not limited to AI maturity assessments, ethical AI frameworks, data infrastructure scalability, staff capability/training, availability of high-quality training data, mature MLOps (Machine Learning Operations) infrastructure, cultural adaptability, and executive understanding of AI limitations.*

1.4 **Approaches** *may include but is not limited to "Privacy by design" frameworks, transparent AI explainability models, agile governance boards, creating safe "sandbox" environments for innovation, "human-in-the-loop" design principles, algorithmic impact assessments, "red-teaming" AI models to find vulnerabilities, and the staggered rollout of new data products.*

| **Learning outcome 2** |
|---|
| **Know how to lead strategic investments and strengthen organisational data capability.** |
| **Assessment criteria** |
| 2.1 Critically analyse the **impact** of data capability on organisational competitiveness |
| 2.2 Evaluate strategic **investments** and **value creation** from data initiatives |
| 2.3 Assess the strategic risks of **weak foundations** and **fragmented technology** on data capability |
| 2.4 Recommend **strategies** to strengthen organisational data capability |
| **Indicative content** |
| 2.1 **Impact** *may include but is not limited to increased market agility, enhanced customer personalisation, operational efficiency, competitive differentiation, accelerated time-to-market, proactive risk identification, optimised supply chain logistics, and hyper-personalised marketing strategies* |
| 2.2 **Investments** *may include but are not limited to Cloud data migrations, enterprise AI platforms, Master Data Management (MDM) systems, data literacy training programs, acquiring niche data startups, licensing premium external datasets, upgrading data centre infrastructure, and hiring specialised talent (for example: ML engineers or data ethicists).* |
| **Value creation** *may include but is not limited to revenue growth through new data products, cost reduction via automation, improved customer retention metrics, monetising data assets, implementing predictive maintenance to reduce downtime, creating dynamic pricing models, and enhancing ESG (Environmental, Social, and Governance) scoring.* |
| 2.3 **Weak foundations** *may include but are not limited to poor data quality leading to flawed AI, lack of a single source of truth, incompatible legacy systems, undocumented data, "garbage in, garbage out" (GIGO) analytics, over-reliance on individual "hero" analysts, lack of data lineage tracing, and fragile point-to-point system integrations.* |
| **Fragmented technology** *may include but is not limited to shadow IT, duplicated software licenses, siloed data lakes, integration bottlenecks, incompatible cloud environments (multi-cloud chaos), bespoke undocumented scripts, orphaned applications from mergers and acquisitions, and redundant data storage costs.* |
| 2.4 **Strategies** *may include but are not limited to establishing a Data Centre of Excellence (CoE), implementing a comprehensive data literacy programme, aligning data strategy with corporate objectives, developing a robust talent pipeline, and incentivising cross-organisational data sharing.* |

**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. A written report entitled 'Strategic Data Governance & Risk Frameworks'
2. Write a proposal document entitled 'Strategic Data Investment & Capability Proposal'

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.

**Key Legislation & Regulatory Frameworks**

- **Information Commissioner's Office (ICO) - Data Protection Guide:** Essential reading for understanding compliance with the UK GDPR, data sovereignty, and the mitigation of legal/regulatory fines related to data misuse.
- **European Union Directives:** Guidance on cross-border data compliance, the EU AI Act, and handling data subject rights in an automated, algorithmic decision-making landscape.

**Global Standards & Management Frameworks**

- **DAMA-DMBOK (Data Management Body of Knowledge):** The definitive industry framework for data professionals, crucial for establishing robust data governance structures, data stewardship councils, and Master Data Management (MDM) systems.
- **ISO/IEC 38505 (Governance of IT - Governance of data):** International standards providing principles for the effective and ethical governance of data assets, helping to prevent shadow IT and data fragmentation.
- **ISO 8000 (Data Quality):** Global standards for assessing and improving enterprise data quality to avoid "garbage in, garbage out" (GIGO) analytics.

**Professional Journals & Insight Platforms**

- **MIT Sloan Management Review (Data & Analytics):** Features case studies and research on shifting from passive data custodianship to building a dynamic, data-driven organisational culture and establishing a Data Centre of Excellence (CoE).
- **Harvard Business Review (HBR) - Data Strategy:** Insights and executive guidance on the evolving role of the Chief Data Officer (CDO), cloud data migrations, and assessing the ROI of data initiatives.
- **Journal of Data and Information Quality (JDIQ):** Academic and professional research focusing on resolving incompatible legacy systems, mapping data lineage, and ensuring data integrity.

**Digital Skills & Productivity Weblinks**

- **The Open Data Institute (ODI):** Offers tools, maturity assessment frameworks, and practical guidance on data ethics, "privacy by design," and fostering responsible data-sharing ecosystems.
- **The Data Literacy Project:** Resources designed to help leaders implement comprehensive data literacy training programs across teams, reducing the reliance on individual "hero" analysts.

# 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.<br>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.<br>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 |

# Annex 3 - Revisions To Document

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

| Revisions Summary | Rationale for Revision | Document Version | Revision Date |
|---|---|---|---|
| First publication | First publication | Version 1 | April 2026 |
| Inclusion of units 741 (Strategic Cyber Risk and Governance) and 742 (Strategic Data Leadership and Governance) | Additional AI technical units ready to add to qualification | Version 2 | May 2026 |