



GEARS
framework

Strategies & Best Practices

Operationalizing AI in the Enterprise

In this paper

The Rise of AI in the Enterprise	3
Operationalizing AI Initiatives	6
Workato's GEARS Framework	8
Develop an Enterprise AI Strategy	10
Invest in AI Talent & Training	12
Establish a Well-Governed AI Lifecycle	15
Measure the Business Value of AI	18
Creating Value Using AI-driven Automations	20
In Summary	22

The Rise of AI in the Enterprise

Artificial Intelligence (AI) is a rapidly growing trend across enterprises, with many companies looking to use AI to improve operational efficiency, enhance customer experiences, and enable data-driven decision-making. More and more organizations are seeking innovative approaches to generate new revenue streams and lower costs by applying AI to solve previously intractable problems.

Companies across industries such as finance, retail, healthcare, manufacturing and others are adopting AI to change how they operate. For example, in finance, companies use AI for automated fraud detection and risk assessment and to provide personalized investment advice. Healthcare providers use AI to make diagnostic and treatment recommendations and even to research developing new drugs. In manufacturing, AI is applied to control production quality and optimize supply chain management.

Similarly, AI use cases have broad applications across different business functions irrespective of the industry. In customer service, AI can help automate tasks such as responding to tickets and answering questions in chatbots to resolve issues faster and improve customer experience. Marketing teams can personalize new campaigns with relevant messages to enhance customer engagement and drive their effectiveness. Likewise, sales teams can utilize AI for accurate forecasting and lead scoring to help them prioritize and target high-value opportunities.

AI is particularly appealing to companies because it can automate everyday tasks and quickly identify patterns in data that may take days and weeks for humans to analyze. This allows companies to generate insights from their massive data pool across business applications and years of customer engagements, allowing them to make better decisions faster. Additionally, automation was previously restricted to scenarios where concrete business rules could be defined. AI unlocks automation opportunities, including fuzzy decisions that historically could not be handled by automation due to the complexity of defining pre-built rules. This capability further broadens the types of processes that can now be automated using these new technologies.

Achieving competitive advantage with AI

For the past few years, organizations have already been using AI as a key enabler in their digital transformation initiatives. It could be in the form of natural language processing, computer vision, machine learning initiatives and others. Traditionally, companies needed to hire specialized skills across data scientists and machine learning engineers. Next, it needed an approach to data processing and feature engineering to produce high-quality data for training models. The process was long and complex, requiring substantial time and computing power depending on the complexity of algorithms and the size of the data set. This meant that AI solutions were defined with targeted capabilities, adoption was limited only to a few parts of the organization, and very few organizations could afford the substantial investment in technology and specialized staffing.

The recent innovation in Large Language Models (LLM) unlocked a new set of capabilities. The introduction of ChatGPT made the AI solution accessible to users without any technical background in machine learning. It has made it possible to use AI in new ways to approach business problems and build novel solutions. These pre-trained models can be used for a broad set of functions, such as sentiment analysis, classification, text summarization and generation, question answering, semantic search, translation, and more. LLMs can even be trained to automate various business tasks to improve productivity and save costs.

However, when it comes to adopting these new AI innovations in enterprises, it is not much different from integrating other transformative digital technologies of the past in the existing IT landscape. Over the years, software systems have evolved to manage and automate accounting, payroll, customer management, and other business processes in the form of enterprise resource planning and CRM systems. Most business applications require customization of data models, workflows, and integration across cross-functional systems to provide differentiated capabilities that offer a competitive advantage to the organization.

Like such packaged business applications, pre-trained LLMs offer you the same set of capabilities that are also available to your competitors. Most LLMs are pre-trained

using a large volume of unlabeled data. Using such models directly or as an embedded offering in other pre-packaged solutions alone will not provide any differentiating capabilities to your organization.

AI has to be deeply woven into every process of your organization to be able to benefit from recent advancements in technology. By combining pre-trained models such as OpenAI's GPT with a Low Code/No Code automation platform such as Workato, you can enable every technical and non-technical employee to unleash the generative AI capabilities to automate their work. It can lower the barrier to entry and let your organization harness the value of AI at scale.

Whether you develop an in-house competency to build proprietary AI models or use pre-trained models to create business solutions, you need a strategy for the ability to deliver them in an efficient and scalable manner. With the end-to-end approach for integrating AI with your business applications, you can use enterprise data to streamline and automate existing processes. It allows you to build adaptable AI systems that handle increasing data volumes, complex scenarios, and changing user needs. Such an approach to operationalizing AI can produce a set of business capabilities to implement more impactful and differentiated processes.

Operationalizing AI Initiatives

The rise of AI technologies has increased the expectations from business leaders to apply AI as a method for business value creation. As organizations begin to adopt AI in their business functions and use it more and more to engage with customers, they need to overcome fundamental challenges to realize expected business benefits. Often these challenges are not only technical but also organizational and cultural.

Organizations should consider the following challenges when adopting AI across the enterprise.

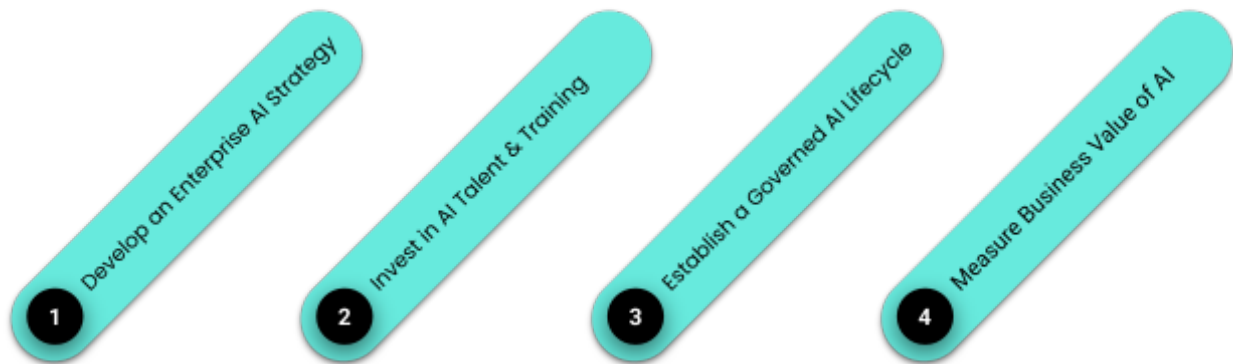
Data Availability and Quality: AI models depend on high-quality data to deliver recommendations. It is an important aspect when building an AI model in-house, but just as crucial for fine-tuning a pre-trained model. Further, providing access to data across multiple business applications and legacy systems can pose an integration and harmonization challenge. You may also require robust data protection policies in place to ensure compliance before using sensitive customer or employee data in an AI model. Organizations need a comprehensive data governance framework to manage data privacy, secure access, and consistent data availability.

AI-ready workforce: Building AI models from scratch may require highly skilled teams proficient in data science and machine learning. But a pervasive adoption of AI across the enterprise is only possible when everyone understands the value and benefits of applying such solutions to automate and streamline their work. This could require significant investments in providing employees with training and resources to upskill them in using AI technologies.

Governance and Trust: AI models are exposed to biases as they learn from historical data. The model may produce offensive, inaccurate, or discriminatory results. It may require significant alignment or training with data from trusted sources before using a model for every use case. You may have to build an additional governance framework in your AI solutions to ensure transparency and accountability in decisions and actions resulting from AI recommendations. Applying such a

framework in practice may require building a human-in-the-loop approach in end-to-end automation to review results and approve or reject them manually.

Organizations can address these challenges with meticulous planning and collaboration between cross-functional stakeholders. There are four steps that organizations can take to build a successful AI-enabled business.



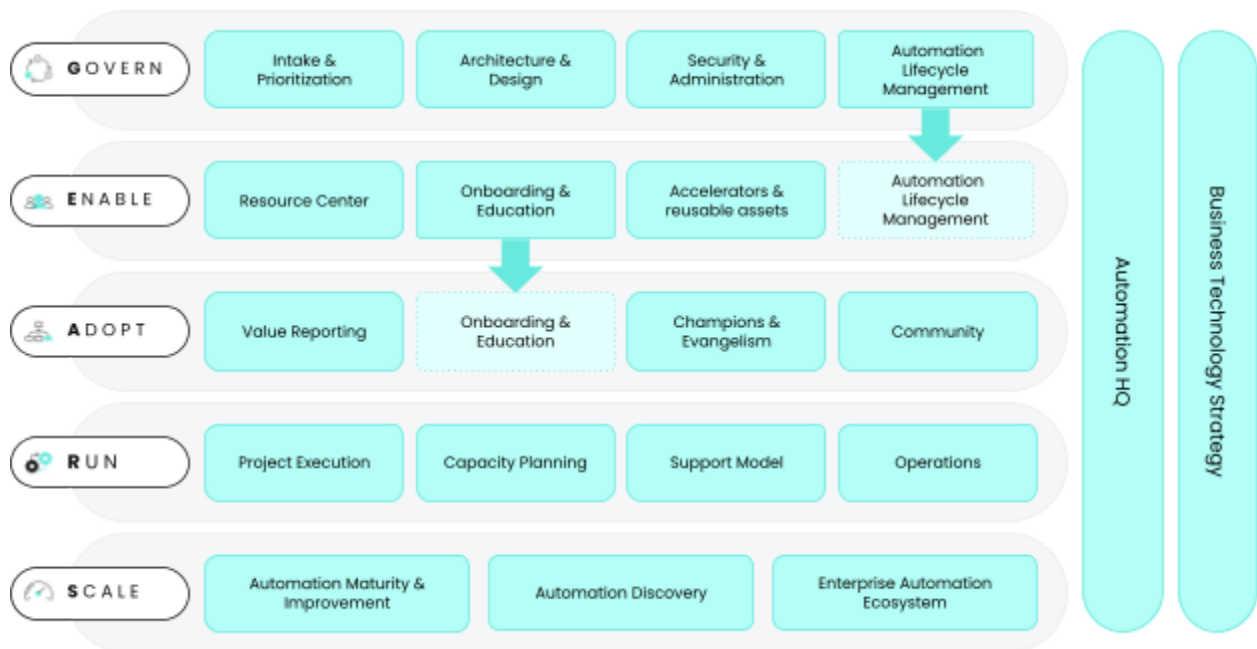
Operationalizing AI in Enterprise

To truly realize the transformative potential of AI, organizations need to take a strategic and systematic approach to operationalizing AI across the enterprise. A robust governance framework can further help with ongoing monitoring and improvements for adapting such changes to improve overall business performance.

Workato's GEARS Framework

At Workato, we firmly believe that technology alone can't achieve true Automation at Scale. Hence, we developed the GEARS framework to help you build an automation practice that is integral to your strategic vision. The framework provides organizations with a systematic approach to delivering higher business value through automation across the enterprise by balancing execution speed and agility with governance and controls. Though AI technologies are new, the same foundational focus domains apply when successfully operationalizing AI.

At its core, the framework combines our learning and experience with other customers on a similar journey in the form of best practices, templates, guides, and other assets across five domains representing organizational capabilities, including employee skills, processes, and technology operations.



Workato's GEARS Framework

Each GEARS domain spans different areas that support democratizing the automation discipline.

Govern	Processes and best practices for agile but controlled implementation of business automations.
Enable	Enabling and onboarding new resources as part of the Automation Practice.
Adopt	Facilitating the adoption of automation across the organization and beyond the core team.
Run	Operational aspects of successfully running and supporting automations in production.
Scale	Scaling the Automation Practice across the organization with an emphasis on business impact.

All the domains are essential to define a long-term vision, but your organization might be at different stages of maturity across these capabilities. Thus, the GEARS framework is designed to allow you to progressively adopt the framework and apply relevant principles based on your organization's operating model and business objectives.

While the framework is designed to help organizations build and scale integration and automation practices, successful AI adoption will augment, streamline and, in some cases, completely automate your business processes. Further, automation and AI project teams will need to collaborate to integrate various enterprise data sources for effective solutions. Leveraging the GEARS framework principles in your efforts to adopt AI in your organization will provide a common approach and language to facilitate collaboration and deliver successful business outcomes.

In the subsequent sections, we look at how you can use the GEARS framework to guide the steps involved in operationalizing AI initiatives.

Develop an Enterprise AI Strategy

Business leaders across industries want to use AI for enterprise-wide use cases to improve their business performance. However, only 50% of the [McKinsey Global Survey on AI 2022](#) respondents said they had adopted AI in at least one business function. Successful organizations are increasing their investments in AI initiatives and getting better financial returns. Even so, the top use cases remained focused on optimizing efficiency and saving costs.

With the emergence of Enterprise AI, one would expect that more companies would be using AI and that successful organizations are already using AI across the enterprise for transformational use cases. Yet, the reality is that AI is often adopted in an ad-hoc manner in silos. Companies must also look beyond efficiency and cost savings use cases and explore how AI can also be used to generate new revenue streams and improve user experience.

At the same time, the broader adoption of AI in the enterprise should align with and contribute to the business strategy. Strategic selection and prioritization allow the enterprise to focus on areas where AI can have the most significant impact, whether improving operational efficiency, enhancing customer experiences, or driving innovation.

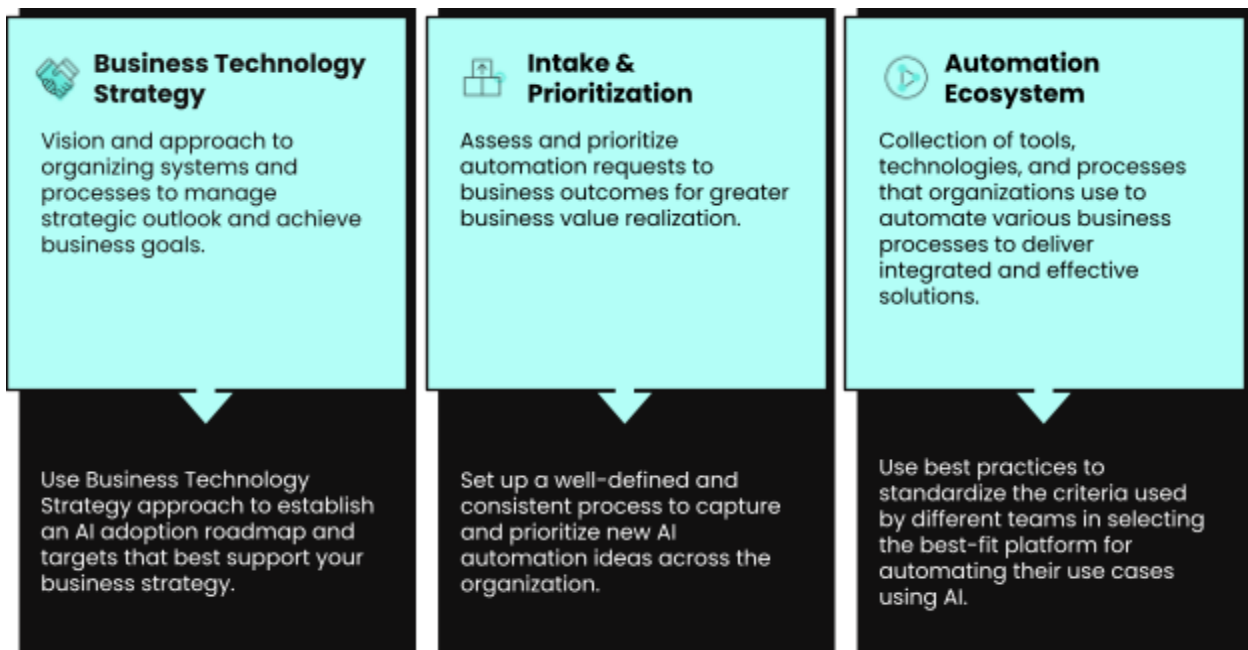
Selecting and prioritizing the use cases is essential as it directly impacts the success and effectiveness of AI initiatives. Organizations can ensure their AI investments deliver substantial value by aligning projects with business goals. Further, it allows organizations to manage budgets and resources effectively by focusing on the right initiatives. It helps organizations to maximize the return on investment, drive sustained growth, and unlock the transformative potential of AI for their business.

Further, the AI transformation program should be supported by strong executive sponsors. It allows you to work with executive leadership to adjust AI goals, secure the required support for resources and funding, and help drive adoption. The leadership team can foster a supportive culture by communicating the strategic importance of AI adoption to all stakeholders and recognizing and rewarding innovation leaders.

This further encourages employees to explore and share ideas to improve processes within their domain.

The Enterprise AI strategy should also inform the technology selection process. Two main approaches to consider are building a proprietary solution in-house or buying a packaged solution. Each option has its pros and cons. When you build a solution in-house, you can meet your exact requirements, but it entails investing in significant personnel and infrastructure. On the other hand, using a packaged solution gives you a jumpstart, although customization may be necessary to align with your specific needs. Regardless of the approach, the strategy must be guided by the need to integrate with existing data sources and business applications using a low code/no code (LC/NC) approach to maximize the involvement of both the business and technical teams necessary for the success of initiatives. The goal should be to build an integrated ecosystem that works seamlessly across the organization's existing technology investments.

The following are the GEARS framework principles that help you develop an Enterprise AI strategy.



Invest in AI Talent & Training

AI has the potential to redefine processes and reshape organizations. However, to achieve such results from AI adoption, companies need to rethink every aspect of their business and how their employees will use this new technology and AI-augmented business processes to run everyday operations, make decisions, and engage with customers. Often organizational and cultural issues can hinder even the soundest of strategies. By investing in skilled professionals, providing training assistance for existing employees, and establishing a supportive operating model, organizations can unlock the full breadth of AI applications, drive innovation, and gain a competitive edge in the ever-evolving business landscape.

You need a multipronged approach to solving the people and culture issues. On the one hand, you need to identify the required skills gaps in your organization and plan to recruit experienced professionals. AI initiatives require expertise in areas such as data science, machine learning, and emerging crafts such as prompt engineering. These individuals provide specialized AI knowledge and prior experiences to accelerate the adoption process and ensure access to industry best practices. People with diverse backgrounds can bring a new perspective and creative ideas that are required for redesigning existing processes.

At the same time, staffing AI initiatives entirely by hiring may be expensive. It may not even be possible due to the lack of the right talent in the market and the high demand for such engineers across companies. The hiring-only approach also fails to take advantage of existing staff who have garnered domain expertise over the years. This is why the other part of the approach is to provide necessary upskilling support to existing subject matter experts to contribute meaningfully towards your projects. Business users can share an understanding of existing workflows and highlight the challenges and opportunities for improving them using AI. These business users then act as champions across different business functions educating everyone about the benefits and value of using AI and cultivating a positive mindset across the organization instead of apprehension about the new way of working.

Such an approach of using a potent mix of skills to deliver AI solutions from existing and new team members can lead to a different challenge. Multiple teams will need to work together and share responsibilities to contribute to projects without getting in each other's way. Moreover, there will be a need to support existing staff not just through one-time enablement but also on an ongoing basis through mentoring and other means, such as hands-on workshops, certification programs and more. Organizations will need to design a different operating model to support such a shift from traditional roles.

Most organizations begin by establishing an AI Center of Excellence, bringing together cross-functional skills in one centralized team. The CoE serves as a centralized team responsible for developing AI strategies, providing guidance, and facilitating collaboration across different business units. The CoE should comprise multidisciplinary teams with expertise in data science, engineering, domain knowledge, and project management. They work closely with business units to identify AI use cases, guide project implementation, and ensure alignment with organizational goals.

This team transitions to the AI Center of Enablement role over time, creating AI factories across the organization to build and support AI competencies in distributed teams for faster and more far-reaching adoption. Collaboration and knowledge sharing become paramount as organizations begin to have multiple teams working on AI projects across different locations or business functions. The CoE facilitates such an operating model by building an internal community of practice, ensuring learning from each other's experiences and leveraging collective knowledge. Additionally, the CoE team can build reusable AI assets and tools, creating a library of resources that different teams can leverage. This promotes efficiency, accelerates project timelines, and promotes reuse. The CoE team can also monitor and evaluate the performance of AI initiatives, collect feedback, and iterate on the adoption process to continuously improve outcomes.

While every organization will be different, it is important to consider how the AI CoE will interact and merge with your Integration or Automation CoE. AI is often utilized to automate various processes, and therefore organizations should consider if their AI

CoE and their Automation CoE should be one singular CoE. Having a singular team can streamline operations and reduce siloed decision-making. However, this approach may only be suitable for some companies.

The following are the GEARS framework principles that help you establish upskilling programs and enable the suitable operating model with the help of a CoE team.



Establish a Well-Governed AI Lifecycle

Given how AI solutions can influence everyday business operations, the importance of understanding and managing the risks involved in adopting AI in an enterprise cannot be overstated. Despite having the right technology and talent, companies can lack the proper governance framework to manage potential business risks of using AI models with their processes. Organizations require a reliable foundation of risk management and trust for building AI solutions. This is an essential step in operationalizing AI in enterprises not only due to the increasing international regulatory and compliance requirements but also due to potential reputational, financial, and trust-related implications that businesses face due to AI-driven decision-making.

One of the primary challenges with AI models is the presence of biases. Biases can emerge from using existing data that can unintentionally reflect societal prejudices. Such biases can result in discriminatory outcomes, undermining consumer trust in the business. Another challenge is the need for explainability in AI models. Many AI models operate as a black box, making it difficult to understand how they arrive at their recommendations and decisions. Lack of explainability hinders transparency and raises concerns about the fairness and trustworthiness of AI systems. For instance, when AI models are used for loan approvals in the financial sector, the inability to explain the factors influencing the decisions can lead to distrust and potential legal and ethical issues. Similarly, in the healthcare industry, data privacy is paramount when using patient data for medical research purposes.

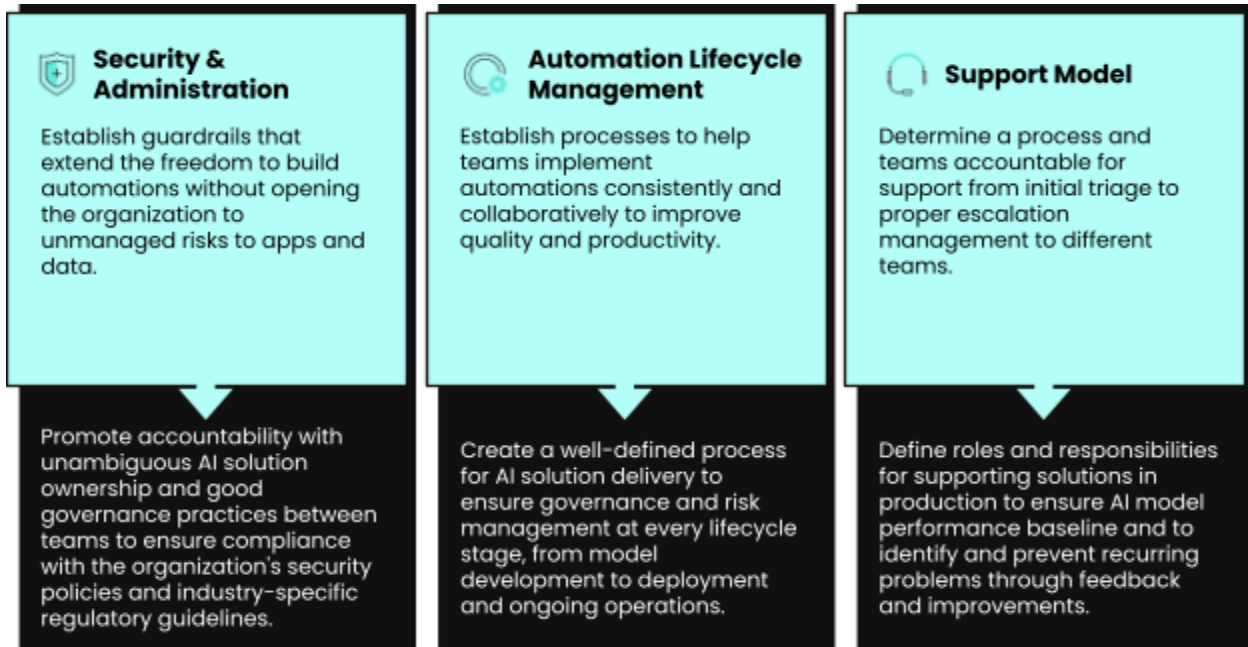
Organizations can take various measures to address these challenges and manage business risks. For example, data masking techniques can help protect individual privacy and mitigate biases by removing personally identifiable information from datasets while retaining the utility of the data for AI training. Another mechanism is implementing solutions that provide insights into how AI models arrive at their decisions, increasing transparency and facilitating trust. Additionally, organizations should establish tools for traceability, enabling the tracking of AI model inputs, outputs, and decision paths for accountability and fallacy analysis.

Controlling and governing data quality is crucial to reduce biases in AI models. Organizations should establish data governance practices to ensure data accuracy and fairness. This involves regular data auditing, monitoring for bias, and implementing mechanisms to address and mitigate biases in both training and testing datasets. Adopting a human-in-the-loop approach, where human judgment and oversight are integrated into AI systems, can help address biases and enhance decision-making. Human reviewers can provide feedback, validate results, and identify potential biases or errors in AI outputs. This iterative feedback loop between humans and AI systems improves accuracy, fairness, and accountability.

Such a governance framework for managing AI ethics requires monitoring, correcting, and delivering updated solutions methodically across different lifecycle stages. A well-understood risk management strategy can help mobilize necessary internal support across stakeholders and can be embedded deeply with the change management process. This framework can encompass the entire AI lifecycle, from model development to deployment and ongoing governance. It covers processes for data preprocessing, model training, validation, and monitoring. It also incorporates mechanisms for ongoing performance evaluation and reinforcement learning. By establishing robust governance practices throughout the lifecycle, organizations can effectively manage risks, ensure compliance, and maintain the ethical and responsible use of AI technologies.

Further, accountability for AI model outcomes is crucial. Organizations should define clear roles and responsibilities, establish guidelines for responsible AI use, and assign responsibility for the performance and impact of AI models. Organizations in highly regulated industries should consider creating a separate risk and compliance management team. However, fostering a culture of responsibility for everyone involved in the AI lifecycle is essential for building trust.

The following are the GEARS framework principles that help you operationalize governance and lifecycle management for AI adoption.



Measure the Business Value of AI

As companies continue to push towards becoming AI-first organizations, discovering and executing different ways to apply AI to improve their processes, it is not unusual to overlook the business impact of various initiatives. While companies are increasing their investments in AI, not all endeavors will be successful. But given the experimental nature and pace of innovation in this space, companies also struggle to define and measure the business value of AI. Organizations need to establish baseline performance for comparison and evaluation across projects. Measuring business value helps companies reallocate resources from underperforming AI projects to more promising ones.

AI initiatives have the potential to generate various types of value for organizations. Tangible benefits include cost savings due to productivity improvements, new revenue generation, improved user experience, and risk reduction. AI can deliver significant cost savings by automating repetitive tasks and streamlining processes. For example, it can help customer service teams respond to issues faster by generating appropriate responses or fully handling customer inquiries through chatbots, lowering operational costs and freeing up support agents to focus on more complex issues. Organizations can personalize customer interactions, recommend tailored products or services, and deliver targeted marketing campaigns by utilizing AI. This enhances customer experience and drives revenue growth. The predictive capabilities of AI can also help manage business risks. For example, AI-augmented demand forecasting can help organizations optimize inventory levels and avoid over or under-stocking.

In addition to financial benefits, AI can also provide a host of soft benefits. Organizations can use AI recommendations to empower their key decision-makers with data-driven insights, enabling them to make informed decisions and drive better business outcomes. These insights help the organization adapt to changing customer needs providing companies with the required agility.

Organizations need to establish a framework for evaluating the financial and non-financial impact of their AI adoption effort. When measuring the business value

of AI adoption, companies should determine the return on investment (ROI) from all their AI initiatives combined rather than assessing individual projects in isolation. This holistic approach provides a comprehensive understanding of the overall impact of AI on the organization's performance and strategic goals. You should set up a well-defined process to measure and report the business value from AI projects on a continuous basis. The process should include defining clear objectives and metrics aligned with the organization's strategic goals. You can then collect relevant data and key performance indicators (KPIs) from all the initiatives to consistently monitor and track progress and assess the business impact of various projects.

Regular reporting and communication of the business value generated by AI initiatives are essential for successful AI adoption. Executives and stakeholders need to be kept informed about the outcomes, benefits, and challenges associated with AI adoption. This demonstrates the value of AI to the organization and facilitates informed decision-making, continuous improvement, and strategic alignment of AI initiatives.

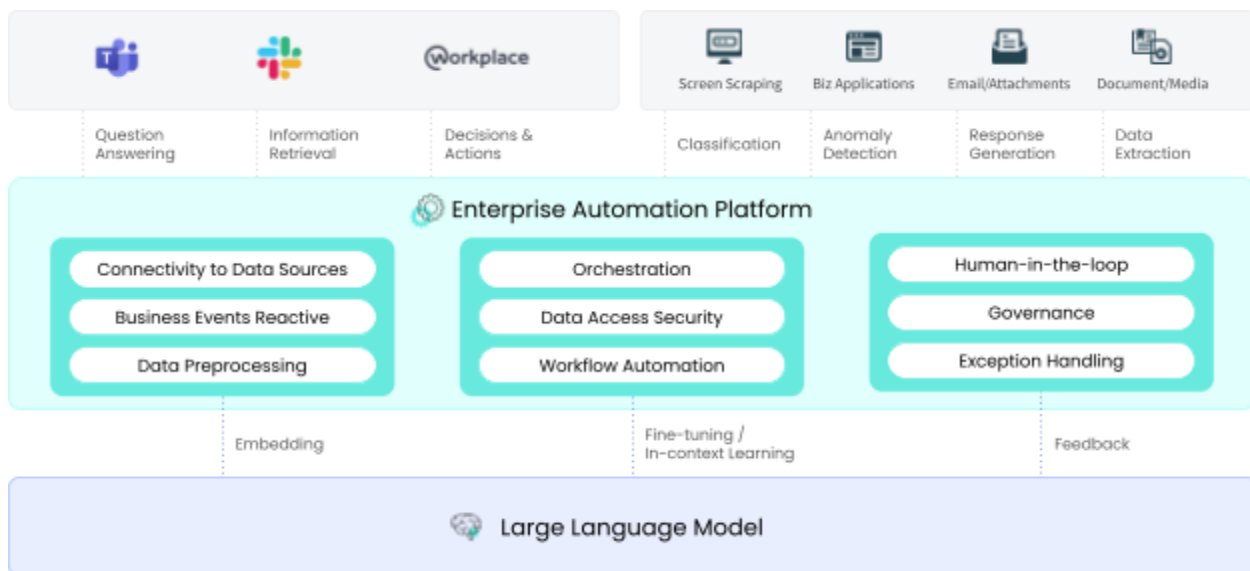
The following are the GEARS framework principles that help you measure and report the business value of AI.



Creating Value Using AI-driven Automations

Over the years, innovation in integration and automation technologies has allowed organizations to maximize their digital transformation efforts. However, the scope of automation was limited to processes that could be expressed as repetitive tasks using a well-defined workflow. You needed to identify every possible scenario and handle such business rules in your automation logic. If the process deviated from the defined logic, it would generally create an exception that required manual intervention.

Companies are now looking to push the boundaries of automation beyond what was possible with current approaches by combining AI with powerful event-driven automation platforms. AI models can make decisions and take actions dynamically within established parameters. This means that you no longer have to define every possible scenario explicitly. Additionally, event-driven platforms can monitor your operational systems for key business events and integrate with AI models in real time to apply reasoning on potential next steps and support taking automated actions in downstream applications. When combined with feedback from human oversight, AI models can learn and improve over time to handle more and more scenarios independently. This has created opportunities for organizations to develop AI-augmented automations that generate more significant business value.



Let's look at a couple of examples of how companies are leveraging AI-driven automation to drive operational excellence by improving the productivity and efficiency of existing processes.

Agent Assist Bot

Customer support agents usually need to look up relevant information when interacting live with customers over a call or chat. This interaction can result in a timely resolution leading to a happy customer or, more often than not, a support ticket to get additional help. You can combine Generative AI models with your internal knowledge bases, past customer interactions, support tickets, and product documentation to create a question-answering bot. Support agents can use such a bot to generate the exact response to use with customers from hundreds of sources in real-time. It can also automatically analyze customers' sentiments during the interaction and promptly notify Customer Service Manager to request additional support. Such automation reduces the ticket volume for well-documented and recurring customer queries, saving operational and support costs.

Security Threat Detection & Response

Enterprises need to manage hundreds of security events from many different sources every day. Organizations typically build SOAR (Security Orchestration, Automation, and Response) solutions to collect and respond to security incidents. AI and machine learning can help automate the detection and classification of security incidents and suggest the most appropriate course of action, including alerting the security team to high-priority threats. It can even adapt its behavior based on security analyst feedback and automate responses as the model performance improves. Further, AI capabilities can also be used for periodic reporting to summarize findings and recommendations. SOAR with AI can improve threat detection and response times, save analysts from reviewing every alert, free teams to respond to high-priority threats, and save costs due to productivity gains and improved security posture.

Similarly, there are many more use cases for creating value from AI-driven automation across every part of your organization, from [financial operations](#), human resources, sales and more.

In Summary

Advances in AI technologies are changing the automation landscape and can add significant value for organizations now and in the future. These technologies, however, come with risks to the company and therefore introduce the need for a clear and well-defined operating model. The GEARS framework for AI-based automation provides you with precisely this.

Focusing on the following key areas by applying the GEARS framework principles to them will help to ensure your businesses can take full advantage of the value of these technologies while minimizing their associated risks.

1. Develop an Enterprise AI Strategy
2. Invest in AI Talent and Training
3. Establish a Well Governed AI Lifecycle
4. Measure the Business Value of AI

For more information about the GEARS framework and best practices for creating an AI-based automation practice, you can reach out to us here at Workato.