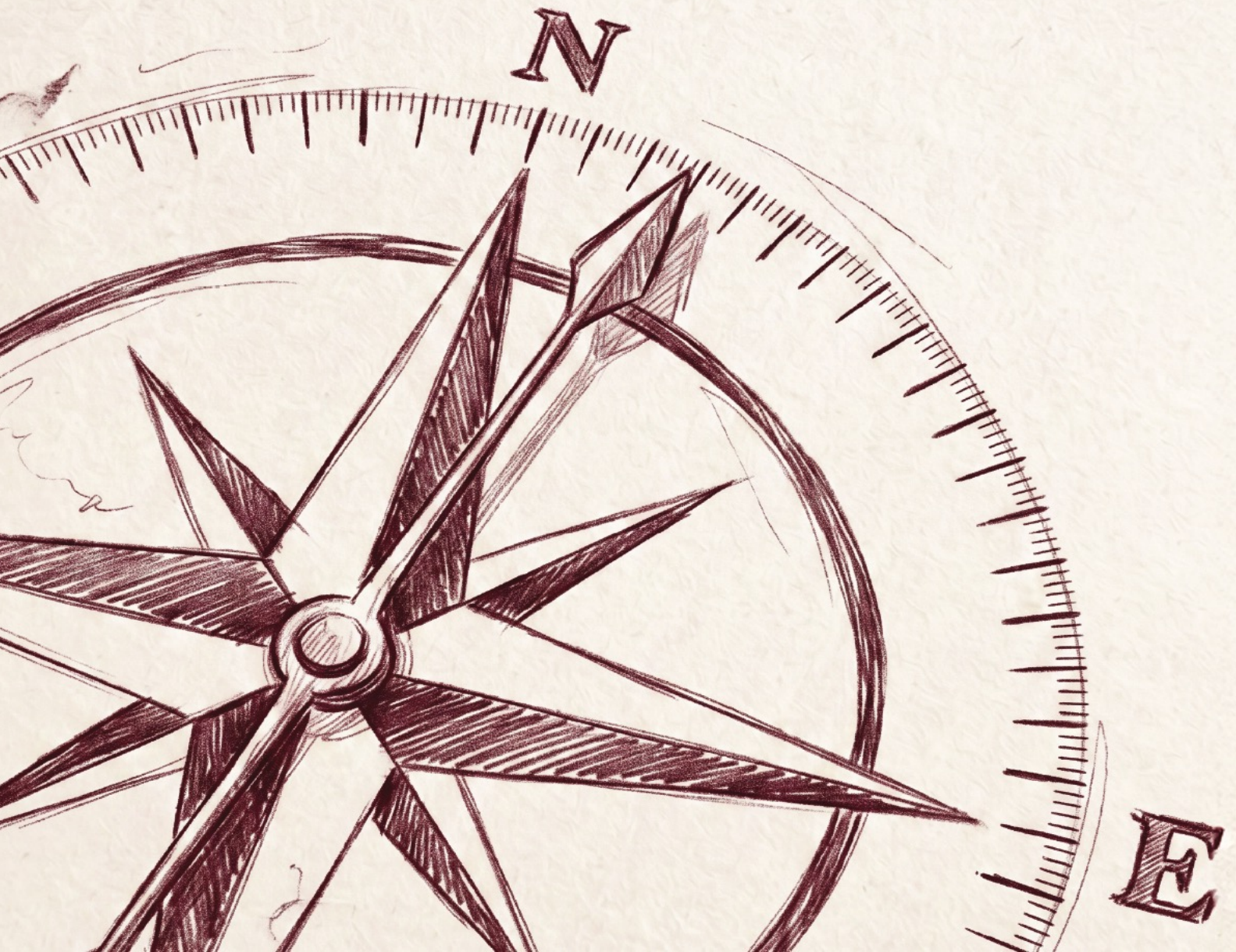




The Distributor's Strategic Workbook

ARTIFICIAL INTELLIGENCE FOR INDUSTRIAL DISTRIBUTION

Lee Allison



AI4ID: The Distributor's Strategic Workbook

ARTIFICIAL INTELLIGENCE FOR INDUSTRIAL DISTRIBUTION

Lee Allison



Perpetua Veritas Press

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This book has a companion: *AI4ID — The Distributor's Strategic Playbook* built to guide strategy. The purpose of this Workbook is to assist you in turning the strategy into action inside your own business. As a reader of this workbook, you can download a PDF copy of the fillable workbook forms at no cost, which allows you to copy and use them in your organization.

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Industrial Distribution
COLLEGE OF ENGINEERING



**Thomas and Joan Read Center for
Distribution Research and Education**
Texas A&M Engineering Experiment Station

Acknowledgements

This book exists because an industry opened its doors.

Industrial distribution is not a field that hands its operating reality to outsiders easily. Margins are earned, relationships are tended, and the tacit knowledge that makes a branch run well takes years to develop. That the leaders of this industry have, over the past nine months and the years before, let university researchers into their warehouses, their counter conversations, their inventory decisions, and their planning rooms is the precondition for everything written here. Without their candor and their patience with academic curiosity, this would be a book of theory rather than a book of practice.

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Finally, to the distribution leaders who will pick up this book and decide whether its frameworks fit their organizations — thank you for the reception. The work belongs to you now. May it serve you well.

Lee Allison College Station, Texas May 2026

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HOW TO USE THIS WORKBOOK

FOR CONSORTIUM LEADERS

This workbook contains facilitated exercises designed for 2-hour consortium meeting blocks. Each section aligns with our program timeline from August 2025–May 2026.

FOR COMPANY REPRESENTATIVES

Complete these exercises during consortium meetings, then take back to your organization. Reproduce for your team members (VPs, GMs, department heads) to work through relevant sections.

EXERCISE FORMAT

Reference: Corresponding Playbook chapter

Objective: What you'll accomplish

Time: Duration estimate

Instructions: Step-by-step guidance

Workspace: Room for your answers

Next Steps: How this feeds forward

EXERCISE 1.1

Current State Diagnostic Tool

Reference: Playbook Chapter 3 - Current State Assessment Framework

Objective: Establish baseline understanding of where your company stands with AI readiness

Time: 45 minutes

Format: Individual company completion, group discussion

Part A: Business Process Assessment

(15 minutes)

Rate each area on a scale of 1-5:

1 = Completely manual

3 = Some automation/systems

5 = Highly automated with integrated systems

Rating	Business Area	Primary System/Tool Used	Key Pain Points
	Order Processing	(e.g., SAP, Oracle, Microsoft NAV)	Orders, inventory, financials
	Inventory Management		
	Pricing & Quoting		
	Customer Service		
	Supplier Management		
	Fleet/Logistics		
	Forecasting/Demand Planning		
	Reporting/Analytics		
	TOTAL Business Process Assessment Score		

Quick Scoring

(5 minutes)

Total your ratings from Part A: _____ / 40

8-16: Early stage - Focus on foundational automation

17-28: Developing - Ready for targeted AI pilots

29-40: Advanced - Ready for comprehensive AI strategy

Part B: Technology Infrastructure & Integration Assessment

(30 minutes)

Participants: IT/Systems lead + Operations lead recommended

Materials Needed: Blank system map template (provided), colored pens/highlighters

Step 1: Core Systems Mapping

(10 minutes)

1A. List your 5-7 most critical systems that run your business daily:

System Type	System Name	Primary Function
ERP	(e.g., SAP, Oracle, Microsoft NAV)	Orders, inventory, financials
CRM		Customer data, interactions
Warehouse Management		Inventory tracking, fulfillment
Pricing/Quoting		Quote generation, pricing rules
E-commerce/Customer Portal		Online ordering, self-service
Transportation/Logistics		Shipping, routing, tracking
Business Intelligence/Reporting		Dashboards, analytics
Other: _____		

1B. Map System Connections

Using the visual template, draw your systems as boxes and connections as lines

Mark each connection type:

- GREEN LINE:** Automatic (real-time or scheduled sync, no human intervention)
- YELLOW LINE:** Semi-manual (file exports/imports, someone has to initiate)
- RED LINE:** Completely manual (re-keying data, copying/pasting)
- NO LINE:** Systems don't talk at all

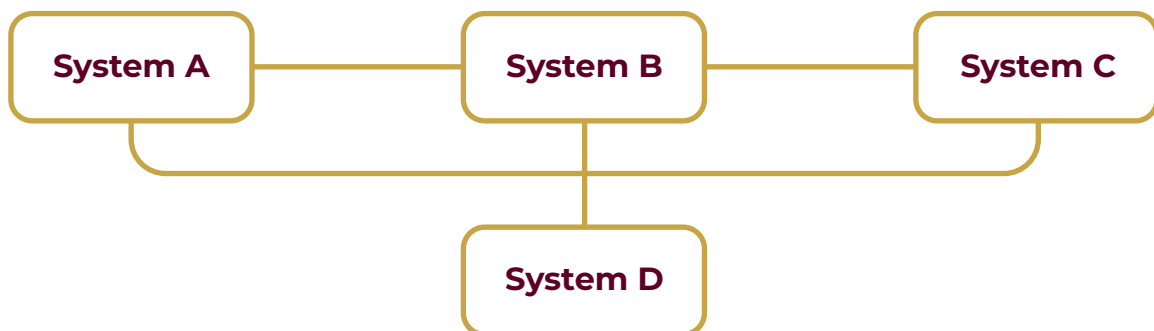
System Map Template

Draw your systems in the boxes. Draw lines between systems that need to exchange data. Use the color coding above for each connection.

Hub-and-Spoke Pattern (Most common - ERP at center)



Alternative: If you don't have a central hub configuration



Company Specific Alternative: Sketch your own system as many companies have unique configurations.

What did you learn?

Key Insight: Most companies discover they have more yellow and red lines than they realize. If systems connect to each other in multiple places (not through ERP), that often indicates workarounds.

Step 2: Pain Point Identification

(10 minutes)

For each YELLOW or RED connection on your map, complete this assessment.

Example: ERP → Pricing System (Yellow line)

Integration	Frequency	People Involved	Time Per Occurrence	What Breaks When This Fails?
ERP → Pricing System	Daily	2	45 min	Outdated prices sent to customers, margin erosion

Your Turn: Complete for each manual/semi-manual connection

Integration	Frequency	People Involved	Time Per Occurrence	What Breaks When This Fails?
	Daily			
	Weekly			
	Monthly			
_____ → _____				
_____ → _____				
_____ → _____				
_____ → _____				
_____ → _____				

Step 3: Data Quality & Accessibility Check

(5 minutes)

For your top 3 systems (by importance), answer these questions:

Overall Data Readiness Score: Count Yes=2 points, Somewhat=1 point, No=0 points

8-10 points = Integration-ready

5-7 points = Needs some preparation

0-4 points = Major data work required before AI/integration

System 1: _____

Question	Yes = (+2)	Somewhat = (+1)	No = (0)
Can you easily export data from this system?			
Is exported data structured consistently (not requiring cleanup)?			
Can you trust the data accuracy without manual verification?			
Do you have API access or integration capabilities?			
Is historical data accessible when needed?			
System 1 Total			

System 2: _____

Question	Yes = (+2)	Somewhat = (+1)	No = (0)
Can you easily export data from this system?			
Is exported data structured consistently (not requiring cleanup)?			
Can you trust the data accuracy without manual verification?			
Do you have API access or integration capabilities?			
Is historical data accessible when needed?			
System 2 Total			

System 3: _____

Question	Yes = (+2)	Somewhat = (+1)	No = (0)
Can you easily export data from this system?			
Is exported data structured consistently (not requiring cleanup)?			
Can you trust the data accuracy without manual verification?			
Do you have API access or integration capabilities?			
Is historical data accessible when needed?			
System 3 Total			

Key Insight: If your critical systems score below 5, data quality work should be prioritized before pursuing AI solutions.

Step 4: Integration Opportunity Identification

(5 minutes)

Based on your system map, list potential integrations that could eliminate manual work:

Systems That Should Talk to Each Other	Current Process (manual workaround)	Pain Point (time/errors/cost)	AI Solution Potential
Example: ERP → E-commerce	Manually update inventory daily	2 hrs/day, pricing errors	Real-time sync, automated updates

Think about specific integration opportunities based on YOUR actual systems. You'll score and prioritize these opportunities in Exercise 1.2.

Part C: Group Discussion & Reflection

(15 minutes)

Share with your consortium group:

1. What surprised you about your current state?
2. Which area has the biggest gap between current state and business need?
3. What's your biggest blocker to improvement?

Key Insights

(What did you learn about your business?)

Top 3 Priority Areas for AI Exploration

1. _____
2. _____
3. _____

Action Items Before Next Meeting

- ☐ Share this assessment with leadership team
- ☐ Gather system documentation for priority areas
- ☐ Identify 2-3 people in organization who should be involved

EXERCISE 1.2

Pain Point Prioritization Matrix

Reference: Playbook Chapter 2.4 & 6.1 - Common AI Applications & Quick Wins

Objective: Identify and prioritize your highest-impact AI opportunities

Time: 40 minutes

Format: Individual brainstorm, group prioritization

How this connects to Exercise 1.1: Already completed 1.1? Great! Transfer your integration opportunities from Step 4 into Part A below (items 1-4 or however many you identified). Then continue brainstorming additional pain points beyond integrations - things like manual processes, bottlenecks, customer service issues, etc.

Starting fresh? Complete the full brainstorm in Part A below.

Part A: Pain Point Brainstorm

(15 minutes)

List specific pain points in your distribution operations. Be concrete!

Example: "Customers email orders, we manually re-key into ERP (2 hours/day)"

Not: "Order processing is slow"

Item	Pain Point (be specific)	How much time does this waste weekly?	What does this cost? (\$ or % of margin)	Who is impacted?

Part B: Impact vs. Complexity Scoring

(15 minutes)

For each pain point above, score:

Impact (if solved):

1 = Nice to have

3 = Significant improvement

5 = Game-changer for business

Complexity (to solve):

1 = Simple/off-the-shelf solution

3 = Moderate technical lift

5 = Highly complex/custom development

Item	Pain Point (As Above)	Impact Score (1-5)	Complexity Score (1-5)	Priority Quadrant

Priority Quadrants

High Impact + Low Complexity = QUICK WINS (Do First!)

High Impact + High Complexity = Strategic Projects

Low Impact + Low Complexity = Easy Improvements

Low Impact + High Complexity = Deprioritize

Part C: Visual Mapping

(5 minutes)

Plot your top 5 pain points on this matrix:

		LOW	HIGH			
COMPLEXITY	HIGH	DEPRIORITIZE (LAST)	STRATEGIC PROJECTS			
	LOW	EASY IMPROVEMENTS	QUICK WINS (FIRST)			
		IMPACT				

Part D: Group Discussion

Reflection & Next Steps

(5 minutes)

Share your top Quick Win opportunity with the group.

My Top 3 Quick Win Opportunities

1. _____
2. _____
3. _____

Strategic Projects for Long-term Planning

1. _____
2. _____

Resources I Need to Validate These Opportunities

- ☐ Cost/benefit data
- ☐ Current process documentation
- ☐ Vendor research
- ☐ Internal stakeholder buy-in
- ☐ Other: _____

EXERCISE 1.3

Data Asset Inventory

Reference: Playbook Chapter 3.4 & 4.2 - Data Asset Inventory & Data Classification

Objective: Map what data you have, where it lives, and its quality for AI applications

Time: 35 minutes

Format: Individual inventory, peer review

Part A: Data Source Mapping

(20 minutes)

For each data type, identify where it lives and assess quality:

Quality Rating

A = Clean, consistent, accessible

B = Mostly good, some gaps

C = Inconsistent or hard to access

D = Poor quality or doesn't exist

Data Type	System/ Location	Format	Quality (A-D)	Volume	Updated How Often?
Customer purchase history					
Product inventory					
Pricing by customer/product					
Sales orders					
Purchase orders to suppliers					
Invoice data					
Customer service inquiries					
Shipping/delivery data					

Returns/warranty claims					
Customer contact info					
Product specifications					
Supplier performance					
Employee/labor					

Part B: Data Quality Assessment

(10 minutes)

Count your ratings:

A's: _____ (Ready for AI)

B's: _____ (Needs cleanup)

C's: _____ (Significant work needed)

D's: _____ (Start collecting)

Critical Questions

1. Can you easily export data from your systems?

☐ Yes, all systems ☐ Most systems ☐ Some systems ☐ No/Very difficult

2. Is data standardized across locations/systems?

☐ Yes ☐ Mostly ☐ Somewhat ☐ No

3. Who owns data quality in your organization?

Name/Role: _____

4. Biggest data gap for AI opportunities you identified in Exercise 1.2:

Part C: Data Sensitivity Classification

(10 minutes)

Now that you've assessed data quality, you need to understand data sensitivity. Quality tells you if data is usable for AI. Sensitivity tells you what protections that data needs.

Sensitivity Levels

PUBLIC: Already publicly available or no competitive/privacy risk

Examples: Product catalogs, published price lists, company contact info

INTERNAL: Not public, but low risk if accessed internally

Examples: Internal processes, warehouse layouts, general sales territories

CONFIDENTIAL: Competitive advantage or customer/supplier relationships at stake

Examples: Customer purchase patterns, negotiated pricing, supplier terms, forecasts

RESTRICTED: Legal/regulatory requirements or significant business risk

Examples: Financial statements, employee personal data, credit card info, contract

Classify Your Data Assets

Return to the same data types from Part A. For each, assign a sensitivity level:

Data Type	Sensitivity Level	Why This Level?	Who Can Access?
Customer purchase history	☐ Public ☐ Internal ☐ Confidential ☐ Restricted		
Product inventory	☐ Public ☐ Internal ☐ Confidential ☐ Restricted		
Pricing by customer/product	☐ Public ☐ Internal ☐ Confidential ☐ Restricted		
Sales orders	☐ Public ☐ Internal ☐ Confidential ☐ Restricted		
Purchase orders to suppliers	☐ Public ☐ Internal ☐ Confidential ☐ Restricted		
Invoice data	☐ Public ☐ Internal ☐ Confidential ☐ Restricted		
Customer service inquiries	☐ Public ☐ Internal ☐ Confidential ☐ Restricted		

Data Type	Sensitivity Level	Why This Level?	Who Can Access?
Shipping/delivery data	☐ Public ☐ Internal ☐ Confidential ☐ Restricted		
Returns/warranty claims	☐ Public ☐ Internal ☐ Confidential ☐ Restricted		
Customer contact info	☐ Public ☐ Internal ☐ Confidential ☐ Restricted		
Product specifications	☐ Public ☐ Internal ☐ Confidential ☐ Restricted		
Supplier performance	☐ Public ☐ Internal ☐ Confidential ☐ Restricted		
Employee/labor	☐ Public ☐ Internal ☐ Confidential ☐ Restricted		

Combined Assessment - Quality + Sensitivity

Identify your data in each category:

High Quality (A-B) + Low Sensitivity (Public/Internal) = START HERE

These are your easy wins - clean data with low risk

Data assets: _____

High Quality (A-B) + High Sensitivity (Confidential/Restricted) = PROCEED WITH GUARDRAILS

Valuable data that needs protection before use

Data assets: _____

Low Quality (C-D) + Low Sensitivity (Public/Internal) = CLEAN UP FIRST

Safe to work with, but needs fixing before it's useful

Data assets: _____

Low Quality (C-D) + High Sensitivity (Confidential/Restricted) = PAUSE

Both risky and not useful yet - deprioritize for AI

Data assets: _____

Critical Questions

What's your most sensitive data that you NEED to use for AI?

What protections does that data need before you can use it?

- ☐ Vendor guarantees (data won't train their models)
 - ☐ Access controls (limit who can see it)
 - ☐ Anonymization/aggregation
 - ☐ Legal review
 - ☐ Encryption
 - ☐ Other:
-

Do you currently have written policies about data sharing/usage?

- ☐ Yes, formal policies
- ☐ Informal guidelines
- ☐ No, nothing documented

Proceed to Part D (Group Discussion) to share insights with consortium peers.

Part D: Group Discussion, Reflection & Next Steps

(5 minutes)

Share with consortium peers:

What data surprised you by being high/low quality?

What data do competitors probably have that you don't?

My Data Strengths (A-rated data assets)

My Data Gaps (C/D-rated or missing)

Quick Data Improvements I Can Make

1. _____
2. _____
3. _____

Data I Should Start Collecting Now

EXERCISE 1.4

Basic Data Governance Policies

Reference: Playbook Chapter 4.3 - Basic Guardrails and Policies Template

Objective: Establish foundational data policies that protect your business and enable safe AI adoption

Time: 40 minutes

Format: Policy template development with leadership approval plan

Part A: AI Data Usage Policy

(15 minutes)

Your company needs clear rules about what data can be used with AI tools and how. This isn't about creating legal documents - it's about establishing baseline guardrails everyone understands.

1. Define Data Usage Categories

For each category, indicate your policy:

Data Category	Can Use with AI Tools?	Conditions/Restrictions
Product catalogs, public pricing	☐ Yes ☐ No ☐ Case-by-case	
Internal sales reports, dashboards	☐ Yes ☐ No ☐ Case-by-case	
Customer purchase history	☐ Yes ☐ No ☐ Case-by-case	
Customer contact information	☐ Yes ☐ No ☐ Case-by-case	
Negotiated pricing, contracts	☐ Yes ☐ No ☐ Case-by-case	
Employee data	☐ Yes ☐ No ☐ Case-by-case	
Financial statements, forecasts	☐ Yes ☐ No ☐ Case-by-case	
Supplier agreements, terms	☐ Yes ☐ No ☐ Case-by-case	

2. Establish Basic Usage Rules

Complete these policy statements:

Employees MAY use AI tools for

Employees may NOT use AI tools for:

Before uploading any company data to an AI tool, employees must:

Part B: Vendor Data Handling Requirements

(10 minutes)

Before feeding your data into any AI vendor’s system, you need baseline protections.

Required Vendor Commitments

For each requirement, indicate your standard:

Vendor Requirement	Required	Preferred	Nice-to-Have	Not Important
Written data privacy policy				
Guarantee data won't train their models				
Data stays in US/specific geography				
Ability to delete our data on request				

Vendor Requirement	Required	Preferred	Nice-to-Have	Not Important
SOC 2 or equivalent certification				
Liability protection in contract				
Data encryption at rest and in transit				

Approval Process

Who must approve before using a new AI vendor?

What documentation is required before approval?

- ☐ Vendor data privacy policy
 - ☐ Terms of service review
 - ☐ Proof of certification (SOC 2, etc.)
 - ☐ Contract or SLA
 - ☐ Internal risk assessment
 - ☐ Other:
-

Part C: Employee Guidelines

(10 minutes)

Your staff needs simple, clear guidance they can actually follow.

Create Your One-Page Employee AI Guidelines

Approved AI Tools:

List the AI tools employees are approved to use:

1. _____
2. _____
3. _____

Simple Rules

GREEN LIGHT (OK to proceed):

YELLOW LIGHT (Ask supervisor first):

RED LIGHT (Never permitted):

Who to Contact with Questions:

Name/Role:

Part D: Data Sharing Protocol

(5 minutes)

Establish clear rules for what happens when someone wants to share company data externally.

Before sharing company data outside our systems, employees must:

Automatic approvals (these scenarios don't need special permission)

Requires approval (these scenarios need manager/leadership sign-off)

Reflection & Next Steps

Implementation Plan

How will you communicate these policies to employees?

- ☐ Email announcement
- ☐ Team meeting presentation
- ☐ Add to employee handbook
- ☐ Training session
- ☐ Posted in common areas
- ☐ Other: _____

Who needs to review/approve these policies before rollout?

Name/Role: _____

Name/Role: _____

Timeline

Policy draft complete: _____

Leadership review: _____

Employee communication: _____

Policy effective date: _____

Policy Owner

Who is responsible for maintaining and updating these policies?

Name/Role: _____

Review Schedule

How often will you review and update these policies?

- ☐ Quarterly
- ☐ Semi-annually
- ☐ Annually
- ☐ After major incidents
- ☐ When new AI tools are adopted

Key Takeaways

What surprised you most about policy development?

What's the biggest gap between what you need and what you have today?

Action Items

- ☐ Finalize policy language
- ☐ Get legal review (if needed)
- ☐ Schedule leadership approval meeting
- ☐ Prepare employee communication
- ☐ Create one-page quick reference guide
- ☐ Identify policy owner
- ☐ Set first review date

Next: After establishing basic policies, complete Exercise 1.5 (AI Readiness Scorecard) to assess your overall preparedness for AI implementation.

EXERCISE 1.5

AI Readiness Scorecard

Reference: Playbook Chapter 3 - Current State Assessment Framework

Objective: Assess organizational readiness across technology, people, and process dimensions

Time: 30 minutes

Format: Self-assessment with group benchmarking

Part A: Technology Readiness

(10 minutes)

Rate each statement (1=Strongly Disagree, 5=Strongly Agree):

Statement	Rating (1-5)
Our systems have APIs or integration capabilities	_____
We have cloud infrastructure or are cloud-ready	_____
Our data is centralized or easily accessible	_____
We have IT staff who can support new technology	_____
Our current tech stack is modern (implemented within 5 years)	_____
We have budget allocated for technology improvements	_____

Technology Score: _____ / 30

Part B: People & Culture Readiness

(10 minutes)

Statement	Rating (1-5)
Leadership is excited about AI possibilities	_____
Employees are open to learning new technologies	_____
We have a culture of experimentation and innovation	_____
We have staff with analytical/data skills	_____
Our team adapts well to process changes	_____
We invest in ongoing employee training	_____

People Score: _____ / 30

Part C: Process & Data Readiness

(10 minutes)

Statement	Rating (1-5)
Our business processes are documented	_____
We have standard operating procedures	_____
We regularly review and improve processes	_____
Data quality is monitored and maintained	_____
We use data to make business decisions	_____
We have clear metrics for business performance	_____

Process Score: _____ / 30

Part D: Overall Readiness

Total Score: _____ / 90

18-36: Foundation building needed - Focus on fundamentals first

37-63: Selective readiness - Target specific high-readiness areas

64-90: Strong readiness - Ready for comprehensive AI strategy

Lowest Scoring Dimension: _____

Highest Scoring Dimension: _____

Reflection & Next Steps

Our Readiness Profile:

(Circle one: Foundation | Selective | Strong)

Strengths We Can Leverage:

Gaps We Must Address First:

Group Benchmark:

How does my readiness compare to consortium peers?

☐ Similar ☐ Ahead in some areas ☐ Behind in some areas

30-Day Action Plan:

1. _____
2. _____
3. _____

EXERCISE 2.1

Quick Win Identification Workshop

Reference: Playbook Chapter 6 - Quick Wins Identification

Objective: Select your first AI implementation project with 30-90 day timeline

Time: 50 minutes

Format: Structured selection process with group validation

Part A: Candidate Review

(10 minutes)

Review your Quick Wins from Exercise 1.2. For each candidate, add these details:

Quick Win Opportunity	Current Time Spent	Estimated Time Savings	Implementation Cost Estimate	Confidence Level (H/M/L)
	____hrs/week	____hrs/week	\$_____	
	____hrs/week	____hrs/week	\$_____	
	____hrs/week	____hrs/week	\$_____	

Part B: Quick Win Criteria Scoring

(20 minutes)

Score each opportunity against these criteria (1-5 scale):

For Opportunity #1:

Criteria	Score (1-5)	Notes
Speed: Can we implement in 30-90 days?	_____	_____
ROI: Clear, measurable financial benefit?	_____	_____
Risk: Low risk of failure or disruption?	_____	_____

Visibility:

Will success be obvious to stakeholders? _____

Scalability:

Can we expand this later? _____

Data Availability:

Do we have needed data? _____

Champion Available:

Do we have internal advocate? _____

Total Score:

_____ / 35

*Repeat for Opportunities #2 and #3***For Opportunity #2:****Criteria****Score (1-5)****Notes****Speed:**

Can we implement in 30-90 days? _____

ROI:

Clear, measurable financial benefit? _____

Risk:

Low risk of failure or disruption? _____

Visibility:

Will success be obvious to stakeholders? _____

Scalability:

Can we expand this later? _____

Data Availability:

Do we have needed data? _____

Champion Available:

Do we have internal advocate? _____

Total Score:

_____ / 35

For Opportunity #3:

Criteria	Score (1-5)	Notes
Speed: Can we implement in 30-90 days?	_____	_____
ROI: Clear, measurable financial benefit?	_____	_____
Risk: Low risk of failure or disruption?	_____	_____
Visibility: Will success be obvious to stakeholders?	_____	_____
Scalability: Can we expand this later?	_____	_____
Data Availability: Do we have needed data?	_____	_____
Champion Available: Do we have internal advocate?	_____	_____
Total Score:	_____ / 35	

Opportunity #1 Total: _____ / 35

Opportunity #2 Total: _____ / 35

Opportunity #3 Total: _____ / 35

Part C: Selection & Planning

(15 minutes)

My Selected Quick Win Project:

Why this one?

30-60-90 Day Plan:

Days 1-30

Primary Goal: _____

Key Activities:

1. _____

2. _____

3. _____

Success Metric: _____

Days 31-60

Primary Goal: _____

Key Activities:

1. _____

2. _____

3. _____

Success Metric: _____

Days 61-90

Primary Goal: _____

Key Activities:

1. _____

2. _____

3. _____

Success Metric: _____

Part D: Group Validation

(5 minutes)

Present your selected Quick Win to a peer for feedback.

Peer Feedback

Biggest risk they see: _____

Suggested improvement: _____

Reflection & Next Steps

Resources Needed

- ☐ Budget: \$_____
- ☐ Staff time: _____ hours/week
- ☐ External vendor: _____
- ☐ Technology/tools: _____
- ☐ Training: _____

Project Team

- ☐ Project Lead: _____
- ☐ Team Members: _____
- ☐ Executive Sponsor: _____

Go/No-Go Decision

- ☐ GO - Starting implementation on (date): _____
- ☐ NOT YET - Need to address: _____

EXERCISE 2.2

Pressure Point Assessment

Reference: Playbook Section 2.3 - The Competitive Landscape

Objective: Identify which of the four simultaneous pressures is impacting your business most severely to inform AI prioritization

Time: 35 minutes

Format: Individual scoring with group discussion

Part A: Pressure Intensity Scoring

(20 minutes)

Instructions: For each statement below, rate how strongly you agree on a scale of 1-5:

1 = Strongly Disagree / Not True for Us

2 = Somewhat Disagree

3 = Neutral / Sometimes True

4 = Somewhat Agree

5 = Strongly Agree / Major Issue

PRESSURE 1: Margin Compression

|Score|

| ____ | We've lost deals in the past 6 months purely on price, even with strong customer relationships

| ____ | Our pricing process takes too long to respond to competitive bids

| ____ | We struggle to justify our pricing to customers who can easily compare online

| ____ | Supplier price increases are outpacing what we can pass to customers

| ____ | We're uncertain about our true cost-to-serve for different customer segments

____ / 25 SUBTOTAL FOR PRESSURE 1

PRESSURE 2: Labor Crisis

|Score|

- | ____ | We've had critical positions open for 3+ months that we can't fill
- | ____ | Wage/salary increases are significantly outpacing our revenue growth
- | ____ | New employees take 6+ months to reach full productivity
- | ____ | We rely heavily on a few key people whose departure would severely impact operations
- | ____ | Employee turnover in the past year has exceeded 15%

____ / 25 SUBTOTAL FOR PRESSURE 2

PRESSURE 3: Customer Expectations

|Score|

- | ____ | Customers regularly request same-day or next-day delivery
- | ____ | We've lost business because our quote turnaround wasn't fast enough
- | ____ | Customers expect us to proactively notify them about order issues, not the other way around
- | ____ | Major accounts demand self-service portals or automated ordering capabilities
- | ____ | Order errors or delays result in immediate escalation or lost business

____ / 25 SUBTOTAL FOR PRESSURE 3

PRESSURE 4: Inventory Complexity

|Score|

- | ____ | Our SKU count has increased 20%+ in the past 3 years
- | ____ | We've experienced significant stockouts in the past 6 months due to supply chain issues
- | ____ | Inventory carrying costs are increasing faster than sales
- | ____ | We struggle to forecast demand accurately for more than 30-60 days
- | ____ | Manual inventory management requires multiple people and significant weekly hours

____ / 25 SUBTOTAL FOR PRESSURE 4

Part B: Pressure Profile Visualization

(5 minutes)

Transfer (circle) your subtotals to create your Pressure Profile:

	SCORE (out of 25)					
PRESSURE 1: Margin Compression	0	5	10	15	20	25
PRESSURE 2: Labor Crisis	0	5	10	15	20	25
PRESSURE 3: Customer Expectations	0	5	10	15	20	25
PRESSURE 4: Inventory Complexity	0	5	10	15	20	25

Interpretation Guide

20-25: Critical pressure requiring immediate attention

15-19: Significant pressure affecting business performance

10-14: Moderate pressure worth monitoring

5-9: Minor pressure with localized impact

0-4: Not currently a major concern

Part C: Strategic Implications

(10 minutes)

Your Highest-Pressure Score(s): _____

Why This Matters for AI Strategy:

The pressure(s) hitting you hardest should guide your AI prioritization:

Margin Compression → Prioritize: Dynamic pricing, cost-to-serve analysis, quote automation

Labor Crisis → Prioritize: Process automation, employee productivity tools, knowledge capture

Customer Expectations → Prioritize: Customer service automation, order tracking, predictive analytics

Inventory Complexity → Prioritize: Demand forecasting, inventory optimization, automated reordering

Our Top 2 AI Focus Areas Based on This Assessment

1. _____
2. _____

Key Insight

These pressures compound each other. Your AI strategy should address your highest-scoring pressure first, but consider how solutions might alleviate adjacent pressures. Refer to the Interconnected Pressures Map in Section 2.3 to see these connections.

Next Steps

Use this assessment to:

- ☐ Share results with leadership team for alignment
- ☐ Inform Exercise 2.2 (ROI Estimation) - focus ROI analysis on your highest-pressure areas
- ☐ Guide Exercise 2.3 (AI Strategy Canvas) - ensure strategy addresses critical pressures first
- ☐ Reproduce this assessment with department heads to identify pressure variations across the organization

EXERCISE 2.3

ROI Estimation Framework

Reference: Playbook Chapter 5.2 - ROI Framework for AI Investments

Objective: Calculate expected return on investment for your AI initiative

Time: 45 minutes

Format: Financial modeling with group comparison

Part A: Cost Estimation

(15 minutes)

Implementation Costs (One-Time):

Cost Category	Estimated Amount	Notes
Software/licenses	\$	
Hardware/infrastructure	\$	
Professional services/consulting	\$	
Implementation labor (internal)	\$	@ \$____/hr
Training	\$	
Data cleanup/preparation	\$	
Other:	\$	

Total Implementation Cost: \$_____

Ongoing Costs (Annual): \$_____

Cost Category	Estimated Amount	Notes
Software licenses/subscriptions	\$ /year	
Maintenance & support	\$	
Additional staff time	\$ hrs/week @ \$_____/hr	
Infrastructure/hosting	\$ /year	
Other:	\$ /year	

Total Annual Cost: \$_____

Part B: Benefit Estimation

(20 minutes)

Time Savings

Activity Being Automated/Improved	Current Time (hrs/week)	Time After AI (hrs/week)	Time Saved (hrs/week)	Labor Rate (\$/hr)	Annual Value
	____hrs/week	____hrs/week	____hrs/week	\$	\$
	____hrs/week	____hrs/week	____hrs/week	\$	\$
	____hrs/week	____hrs/week	____hrs/week	\$	\$

Total Time Savings Value: \$_____/year

Revenue Impact

Revenue Opportunity	Current State	Improved State	Annual Impact
Faster quoting →	Win rate improvement	____% win rate	____% win rate
Better inventory →	Fewer stockouts	\$____ lost sales	\$____ lost sales
Improved pricing →	Margin improvement	____% margin	____% margin
Other:			\$

Total Revenue Impact: \$_____/year

Cost Reduction

Cost Reduction Opportunity	Current Annual Cost	Reduced Annual Cost	Annual Savings
Excess inventory carrying	\$	\$	\$
Rush shipping/expediting	\$	\$	\$
Returns/warranty claims	\$	\$	\$
Other:	\$	\$	\$

Total Cost Savings: \$_____/year

Part C: ROI Calculation

(10 minutes)

Total Annual Benefits

Time Savings: \$_____

Revenue Impact: \$_____

Cost Savings: \$_____

TOTAL: \$_____ /year

Total Costs

Implementation: \$_____

Year 1 Annual Costs: \$_____

TOTAL: \$_____

Simple ROI Calculations

Payback Period = Total Implementation Cost / (Annual Benefits - Annual Costs)

= \$_____ / (\$_____ - \$_____) = _____ months

Year 1 ROI = (Total Annual Benefits - Total Costs) / Total Costs × 100%

= (\$_____ - \$_____) / \$_____ = _____%

3-Year ROI = (3 × Annual Benefits - Implementation Cost - 3 × Annual Costs) / (Implementation Cost + 3 × Annual Costs) × 100% = _____%

Reflection & Next Steps

ROI Summary

Payback Period: _____ months

Year 1 ROI: _____%

3-Year ROI: _____%

Is this ROI acceptable?

- ☐ Yes - Meets our investment criteria (minimum ROI: ____%)
- ☐ Uncertain - Need more analysis
- ☐ No - Need to improve business case

Most Uncertain Assumptions

1. _____
2. _____

How can I de-risk these assumptions?

Group Comparison

How does my ROI compare to other consortium members' projects?

EXERCISE 2.4

AI Strategy Canvas

Reference: Playbook Chapter 5.1 - AI Strategy Development

Objective: Develop a comprehensive 12-18 month AI roadmap aligned with business strategy

Time: 55 minutes

Format: Strategy session with group feedback

Part A: Business Context

(15 minutes)

Our Business Strategy (Top 3 Strategic Priorities)

1. _____
2. _____
3. _____

Key Business Challenges AI Could Address

1. _____
2. _____
3. _____

Competitive Landscape

What are competitors doing with AI? _____

Where are we at risk of falling behind? _____

Where can AI create differentiation? _____

Part B: AI Vision & Objectives

(15 minutes)

Our AI Vision Statement (What role will AI play in our business?)

Strategic AI Objectives (12-18 months)

Objective	Business Goal Supported	Success Metric	Target Date

Part C: Initiative Roadmap

(20 minutes)

Phase 1: Quick Wins (Months 1-3)

Initiative	Expected Outcome	Resources Needed	Owner

Phase 2: Foundation Building (Months 4-8)

Initiative	Expected Outcome	Resources Needed	Owner

Phase 3: Strategic Implementation (Months 9-18)

Initiative	Expected Outcome	Resources Needed	Owner

Part D: Resources & Governance

(5 minutes)

Budget Allocation

Year 1 AI Budget: \$_____

Breakdown

Quick Wins: \$_____

Foundation: \$_____

Strategic Projects: \$_____

Training/Change Management: \$_____

Team Structure

AI Initiative Leader: _____

Steering Committee Members: _____

Technical Resources: _____

Decision-Making

How will we prioritize new AI opportunities? _____

Review frequency: _____

Reflection & Next Steps

Key Dependencies

What must happen for this strategy to succeed?

1. _____
2. _____
3. _____

Biggest Risks

1. _____
2. _____

Communication Plan

Who needs to know about this strategy? _____

When will we communicate it? _____

How will we communicate it? _____

Next 30 Days

- ☐ Socialize strategy with leadership
- ☐ Secure budget approval
- ☐ Identify project leads
- ☐ Begin Phase 1 initiatives
- ☐ Other: _____

EXERCISE 2.5

Risk Assessment & Mitigation

Reference: Playbook Chapter 5.4 - Risk Assessment and Mitigation Strategies

Objective: Identify and plan for potential risks in your AI journey

Time: 35 minutes

Format: Risk analysis with consortium group discussion

Part A: Risk Identification

(15 minutes)

Rate each risk for your organization using the following scales:

Likelihood: High / Medium / Low

Impact: High / Medium / Low

Priority: Combine Likelihood + Impact to determine H/M/L priority

Examples from Typical Distributor Companies

Reference only - see how other distributors made generic risks specific to their business

Risk Category	Generic Risk	How a Distributor Made it Specific
Technology	System integration fails	"Our 15-year-old Prophet 21 system can't connect to modern AI APIs without expensive middleware"
Technology	Data quality insufficient	"40% of our product descriptions are missing or incomplete - AI can't work with that"
Financial	Costs exceed budget	"Vendor quoted \$50K but integration consultants added another \$75K we didn't budget for"
Financial	ROI takes longer than expected	"Assumed 6-month payback, but user adoption delays pushed it to 18 months"
People	Staff resistance to change	"Our warehouse manager with 20 years tenure threatened to retire rather than learn new system"
People	Key champion leaves organization	"Our IT director who understood the project took a job elsewhere mid-implementation"
Business	Disrupts current operations	"Training required pulling counter staff during peak season - lost sales for 2 weeks"

Risk Category	Generic Risk	How a Distributor Made it Specific
Business	Customer experience suffers	"Automated email responses felt impersonal - top 3 customers complained directly to CEO"
Compliance/ Security	Data breach or security incident	"AI system stored customer pricing data in cloud without encryption - compliance violation"

Your Risk Assessment

Now identify and rate the specific risks for YOUR AI initiatives:

Risk Category	Specific Risk	Likelihood	Impact	Priority (H/M/L)
Technology	System integration fails			
	Data quality insufficient			
	Technical complexity underestimated			
	Vendor doesn't deliver			
Financial	Costs exceed budget			
	ROI takes longer than expected			
	Economic downturn impacts investment			
People	Staff resistance to change			
	Key champion leaves organization			
	Lack of technical skills			
	Training insufficient			
Business	Disrupts current operations			
	Customer experience suffers			
	Competitive pressure requires faster action			
Compliance/ Security	Data breach or security incident			
	Regulatory compliance issues			
	Privacy concerns			

Part B: High-Priority Risk Mitigation

(15 minutes)

For each HIGH priority risk, develop mitigation plan:

Risk #1

Mitigation Strategies:

Prevent: What can we do to reduce likelihood?

Detect: How will we know if it's happening?

Respond: If it happens, what's our plan?

Owner: Who is responsible for monitoring this?

Risk #2

Mitigation Strategies

Prevent: What can we do to reduce likelihood?

Detect: How will we know if it's happening?

Respond: If it happens, what's our plan?

Owner: Who is responsible for monitoring this?

Risk #3

Mitigation Strategies

Prevent: What can we do to reduce likelihood?

Detect: How will we know if it's happening?

Respond: If it happens, what's our plan?

Owner: Who is responsible for monitoring this?

Part C: Group Discussion

(5 minutes)

Share your #1 risk with consortium peers:

- What mitigation strategies have they used?
- What lessons learned can they share?

Group Insights:

Reflection & Next Steps

Risk Monitoring Plan

Review frequency: _____

Reporting format: _____

Escalation process: _____

Risk Appetite Statement: _____

What level of risk are we willing to accept for AI initiatives? _____

Action Items

- ☐ Share risk assessment with leadership
- ☐ Build mitigation plans into project plans
- ☐ Assign risk owners
- ☐ Schedule regular risk reviews
- ☐ Other:

EXERCISE 3.1

Build vs. Buy Decision Matrix

Reference: Playbook Chapter 7 & 8 - Building Internal Capabilities vs. Vendor Partnerships

Objective: Determine optimal approach (build, buy, or hybrid) for each AI initiative

Time: 45 minutes

Format: Decision framework with group validation

Part A: Initiative Assessment

(20 minutes)

For each AI initiative from your roadmap, evaluate build vs. buy factors:

Initiative #1: _____

Decision Factor	Build In-House	Buy/Partner	Score (-2 to +2)
Technical Complexity	Requires expertise we don't have (-2)	Off-the-shelf available (+2)	
Customization Need	Highly specific to our business (+2)	Standard process (-2)	
Time to Value	Can develop quickly (+1)	Faster to buy (+2)	
Budget Available	Limited budget favors build (+1)	Budget available for vendor (+1)	
Strategic Value	Core competency/differentiator (+2)	Commodity solution (-2)	
Internal Skills	We have the skills (+2)	Would need to hire (-2)	
Maintenance	We can support long-term (+1)	Prefer vendor manages (+2)	
Risk Tolerance	Comfortable with build risk (+1)	Prefer vendor accountability (+2)	

Total Score: _____

Interpretation

+8 to +16: Strong BUILD case

+3 to +7: HYBRID approach (build some, buy some)

-8 to +2: Strong BUY case

Decision: ☐ Build ☐ Buy ☐ Hybrid

Rationale

Repeat for Initiatives #2 and #3

Part B: Capability Requirements

(15 minutes)

For “BUILD” Decisions:

What capabilities do we need to develop?

Required Capability	Have Now? (Y/N)	Can Develop?	Need to Hire	Cost Estimate
AI/ML expertise				
Data engineering				
Software development				
Cloud infrastructure				
Integration skills				
Project management				

Path Selected

- ☐ Commercial AI Services (ChatGPT, Copilot, etc.)
- ☐ No-Code/Low-Code Platforms (Zapier, Power Platform)
- ☐ Custom Development
- ☐ Open-Source Solutions

For “BUY” Decisions

What vendor capabilities must we have?

Must-Have Capability	Nice-to-Have	Deal-Breaker if Missing	Notes

Vendor Selection Approach

- ☐ Formal RFP process
- ☐ Informal vendor evaluation
- ☐ Consortium group purchasing
- ☐ Recommended vendor from consortium

Part C: Resource Planning

(10 minutes)

Build Path Resources

Internal team size needed: _____ people
External contractor support: _____ people / _____ months
Estimated timeline: _____ months
Estimated cost: \$_____

Buy Path Resources

Vendor selection timeline: _____ months
Implementation timeline: _____ months
Annual licensing cost: \$_____
Integration/customization cost: \$_____

Reflection & Next Steps

Overall Approach

- ☐ Primarily BUILD (70%+ of initiatives)
- ☐ Primarily BUY (70%+ of initiatives)
- ☐ Balanced HYBRID

Biggest Gap

What's the #1 capability we lack for our chosen approach?

Action Plan

For BUILD: Next step is Exercise 3.3 (Internal Capability Assessment)

For BUY: Next step is Exercise 3.2 (Vendor Evaluation)

For HYBRID: Complete both exercises

EXERCISE 3.2

Vendor Evaluation Scorecard

Reference: Playbook Section 8A - Vendor Evaluation Framework

Objective: Systematically evaluate and compare AI solution vendors

Time: 40 minutes per vendor (complete outside meeting), 30 minutes for comparison

Format: Structured scoring with consortium peer insights

Part A: Vendor Information

Vendor Name: _____

Solution Category: _____

Evaluation Date: _____

Part B: Scoring (Use for each vendor)

Rate each criterion 1-5 (1=Poor, 5=Excellent)

Functional Fit (Weight: 30%)

Criterion	Score (1-5)	Notes
Meets our specific use case requirements		
Ease of use for our team		
Customization capabilities		
Scalability for future needs		
Mobile/remote access capabilities		
Reporting and analytics features		

Subtotal: _____ / 30 × 0.30 = _____

Technical (Weight: 25%)

Criterion	Score (1-5)	Notes
Integration with our ERP/systems		
Data security and privacy controls		
API availability and quality		
Platform reliability/uptime		
Technology stack modernity		

Subtotal: ____ / 25 × 0.25 = ____

Vendor Strength (Weight: 20%)

Criterion	Score (1-5)	Notes
Company financial stability		
Industry experience/expertise		
Customer references (distribution)		
Product roadmap and vision		

Subtotal: ____ / 20 × 0.20 = ____

Implementation & Support (Weight: 15%)

Criterion	Score (1-5)	Notes
Implementation methodology		
Training and enablement		
Ongoing support quality		

Subtotal: ____ / 15 × 0.15 = ____

Commercial Terms (Weight: 10%)

Criterion	Score (1-5)	Notes
Pricing transparency and fairness		
Contract flexibility		

Subtotal: ____ / 10 × 0.10 = ____

TOTAL SCORE: ____ / 100

Part C: Reference Checks

Contact at least 2 references (ideally distributors)

Reference #1

Company: _____

Implementation date: _____

What worked well: _____

What was challenging: _____

Would they buy again? Yes / No

Key takeaway: _____

Reference #2

Company: _____

Implementation date: _____

What worked well: _____

What was challenging: _____

Would they buy again? Yes / No

Key takeaway: _____

Part D: Red Flags Check

Does this vendor exhibit any warning signs?

- ☐ Reluctant to provide references
- ☐ Unclear or aggressive pricing
- ☐ Overpromises ("This will solve everything")
- ☐ No implementation methodology
- ☐ Limited distribution industry experience
- ☐ Technology lock-in concerns
- ☐ Poor contract terms
- ☐ Financially unstable
- ☐ Other: _____

Red Flags Found: ____ (If 3+, reconsider vendor)

Part E: Vendor Comparison

Complete scorecard for 2-3 vendors, then compare:

Criterion	Vendor A: _____	Vendor B: _____	Vendor C: _____
Total Score			
Functional Fit			
Technical			
Vendor Strength			
Implementation & Support			
Commercial Terms			
Red Flags			
Reference Feedback			

Reflection & Next Steps

Recommended Vendor

Rationale

Concerns to Address

1.

2.

Negotiation Priorities

1.

2.

Next Steps

- ☐ Schedule vendor finalist presentations
- ☐ Negotiate contract terms (see Playbook Section 8A.4)
- ☐ Conduct proof-of-concept
- ☐ Request proposal refinements
- ☐ Get consortium peer input

Consortium Discussion

Has anyone worked with these vendors? Insights:

EXERCISE 3.3

Internal Capability Assessment

Reference: Playbook Section 7A - Hiring and Team Building

Objective: Determine what roles, skills, and resources you need for internal AI development

Time: 50 minutes

Format: Skills gap analysis with peer benchmarking

Part A: Current Team Inventory

(20 minutes)

List current staff who could contribute to AI initiatives:

Name/Role	Current Skills	AI-Relevant Experience	Capacity Available (hrs/wk)	Interest Level (H/M/L)

Current Capabilities Assessment:

Capability Area	Do we have this? (Y/N)	Skill Level (1-5)	Gaps	Notes
Data analysis/ SQL				
Business intelligence tools				
API integration experience				

Capability Area	Do we have this? (Y/N)	Skill Level (1-5)	Gaps	Notes
Cloud platforms (Azure/AWS)				
AI/ML knowledge				
Python or similar coding				
Process automation				
Change management				
Project management				

Part B: Required Capabilities for Our Initiatives

(15 minutes)

Based on your Build vs. Buy decisions, what capabilities are required?

Initiative: _____

Required Capability	Priority (H/M/L)	Have Internally?	Skill Gap (1-5)	Options
Data analysis/SQL				☐ Upskill existing ☐ Hire ☐ Contract
Business intelligence tools				☐ Upskill existing ☐ Hire ☐ Contract
API integration experience				☐ Upskill existing ☐ Hire ☐ Contract
Cloud platforms (Azure/AWS)				☐ Upskill existing ☐ Hire ☐ Contract
AI/ML knowledge				☐ Upskill existing ☐ Hire ☐ Contract

Part C: Hiring vs. Upskilling Analysis

(10 minutes)

For each HIGH priority gap:

Gap: _____

Option 1: Upskill Existing Staff

Who could be trained? _____

Training needed: _____

Cost: \$_____ Time: _____ months

Risk level: Low / Medium / High

Option 2: Hire New Staff

Role title: _____

Salary range (based on Playbook 7A.3): \$_____

Time to hire: _____ months

Risk level: Low / Medium / High

Option 3: Contract/Consultant

Type of contractor needed: _____

Duration needed: _____ months

Estimated cost: \$_____

Risk level: Low / Medium / High

Selected Approach: ☐ Upskill ☐ Hire ☐ Contract

Part D: Team Structure Design

(5 minutes)

AI Initiative Team Structure

Project Lead: _____

Internal or external? _____

Time commitment: _____ hrs/week

Technical Lead: _____

Internal or external? _____

Time commitment: _____ hrs/week

Business/Process Lead: _____

Internal or external? _____

Time commitment: _____ hrs/week

Other Team Members:

Executive Sponsor: _____

Reflection & Next Steps

Biggest Capability Gap

Resource Investment Required

Hiring budget: \$_____

Training budget: \$_____

Contractor budget: \$_____

Total: \$_____

Timeline to Build Capability

_____ months until team is ready

Risk Assessment

Can we realistically build this capability?

- ☐ Yes, confident
- ☐ Yes, but risky
- ☐ No, should reconsider build approach

Action Items

- ☐ Post job descriptions
- ☐ Identify training programs
- ☐ Engage recruiting firm
- ☐ Connect with consortium peers for referrals
- ☐ Research contractor/consultant options

Consortium Discussion

Who has successfully hired for AI roles?

What training programs have worked?

Any consultants to recommend?

EXERCISE 3.4

Technical Approach Selector

Reference: Playbook Section 7B - DIY AI Solutions

Objective: Match technical complexity with your comfort level and resources

Time: 30 minutes

Format: Decision tree with practical recommendations

Part A: Technical Comfort Assessment

(10 minutes)

Rate your organization's technical comfort level (1=Very Uncomfortable, 5=Very Comfortable):

Technical Activity	Comfort Rating (1-5)
Using SaaS tools (Salesforce, Microsoft 365, etc.)	
Configuring workflows in business software	
Working with APIs and integrations	
Writing basic code or scripts	
Managing cloud infrastructure	
Troubleshooting technical issues independently	

Average Score: ____ / 5

1.0-2.4: Low-Code / No-Code path recommended

2.5-3.4: Commercial AI Services path recommended

3.5-5.0: Custom Development possible

Part B: Solution Pathway Matching

(15 minutes)

For each initiative, select the appropriate technical path:

Initiative #1: _____

Technical Requirements

Needs ERP integration? Yes / No

Needs custom business logic? Yes / No

Handles sensitive data? Yes / No

High transaction volume? Yes / No

Requires mobile access? Yes / No

Recommended Path:

☐ **No-Code Agent Builders** (Zapier, Make.com)

Best for: Simple workflows, connecting existing tools

Complexity: Low

Cost: \$20-100/month

Time to deploy: Days to weeks

☐ **Commercial AI Services** (ChatGPT, Claude, Copilot)

Best for: Knowledge work, content generation, analysis

Complexity: Low-Medium

Cost: \$20-30/user/month

Time to deploy: Days

☐ **Low-Code Platforms** (Power Platform, Salesforce)

Best for: Custom apps with moderate complexity

Complexity: Medium

Cost: \$50-200/user/month + development

Time to deploy: Weeks to months

❑ **Custom Development** (Python, APIs, Cloud Services)

Best for: Unique requirements, high customization

Complexity: High

Cost: \$50K-250K+

Time to deploy: Months

Selected Path: _____

Why this path fits:

Part C: Implementation Plan

(5 minutes)

For Selected Path

Phase 1: Proof of Concept (____ weeks)

What we'll test: _____

Success criteria: _____

Resources needed: _____

Phase 2: Pilot (____ weeks)

Scope: _____

Users involved: _____

Metrics to track: _____

Phase 3: Scale (____ weeks)

Rollout plan: _____

Training plan: _____

Support plan: _____

Reflection & Next Steps

Technical Path Summary

Initiative	Technical Path	Complexity	Estimated Cost
1			
2			
3			
4			

Resource Gaps

What technical resources do we still need?

De-Risking Strategy

How will we validate technical approach before full commitment?

Action Items

- ☐ Set up trials/demos of selected platforms
- ☐ Identify pilot users
- ☐ Budget approval for tools
- ☐ Schedule technical training
- ☐ Engage technical consultant if needed

EXERCISE 4.1

Use Case Deep Dive Planning

Reference: Playbook Chapter 9 - High-Value Use Case Deep Dives

Objective: Thoroughly plan implementation for your priority use case

Time: 60 minutes

Format: Detailed planning session with process mapping

Part A: Use Case Selection & Scoping

(15 minutes)

Selected Use Case

Category

- ☐ Invoice/PO Reconciliation
- ☐ Email-to-Order Processing
- ☐ Inventory Reorder Automation
- ☐ Customer Inquiry Routing
- ☐ Fleet/Container Optimization
- ☐ Demand Forecasting
- ☐ Dynamic Pricing
- ☐ Custom: _____

Current State Description

What happens today?

Pain Points

What goes wrong or is inefficient?

1. _____
2. _____
3. _____

Volume/Frequency

Transactions per day: _____

Staff hours per week: _____

Peak periods: _____

Part B: Current Process Mapping

(20 minutes)

Map the current process step-by-step:

Step / Activity	Who Does It	Time Required	Pain Points	Data/Systems Used	Notes
1					
2					
3					
4					
5					
6					
7					
8					

Total Current Process Time: _____ minutes per transaction

Total Weekly Hours: _____ hours

Part C: Future State Design

(15 minutes)

How will AI improve this process?

Step Activity	How AI Helps	Who Does It (AI/Human)	Time Required	Data/Systems Used	Impact Notes
1					
2					
3					
4					
5					
6					
7					
8					

Total Future Process Time: _____ minutes per transaction

Time Savings: _____ minutes per transaction (_____ % reduction)

Improvement Beyond Time Savings

- ☐ Reduced errors
- ☐ Improved customer experience
- ☐ Better data quality
- ☐ Increased capacity
- ☐ Higher employee satisfaction
- ☐ Other: _____

Part D: Implementation Requirements

(10 minutes)

Data Needed

What data inputs? _____

Where is this data today? _____

Data quality level: A / B / C / D (from Exercise 1.3)

Data preparation needed: _____

Technology Requirements

Systems that must integrate: _____

New tools/software needed: _____

Infrastructure requirements: _____

People Requirements

Who will configure/build? _____

Who will test? _____

Who will use daily? _____

Training needed (hours): _____

Success Metrics

How will we measure success?

Metric	Current Baseline	Target	Measurement Method	Impact Notes
1				
2				
3				
4				

Metric	Current Baseline	Target	Measurement Method	Impact Notes
5				
6				
7				
8				

Reflection & Next Steps

Implementation Phases

Phase 1 (Weeks 1-2): Prepare

Phase 2 (Weeks 3-4): Build/Configure

Phase 3 (Weeks 5-6): Test

Phase 4 (Weeks 7-8): Deploy

Risks & Mitigation

Risk	Stakeholders Affected	Likelihood	Mitigation Plan	Policies in Place	Impact Notes
1					
2					
3					
4					
5					
6					
7					
8					

Ready to Proceed?

☐ Yes - Have everything needed

☐ Almost - Need to address: _____

☐ Not yet - Blockers: _____

EXERCISE 4.2

Process Automation Blueprint

Reference: Playbook Section 9A - Process Automation Solutions

Objective: Create detailed automation specifications for development/configuration

Time: 45 minutes

Format: Technical specifications with workflow logic

Part A: Automation Scope Definition

(10 minutes)

Process Being Automated

Automation Boundaries

What triggers the automation to start? _____

What indicates the automation is complete? _____

What requires human intervention? _____

Exception Handling

When should the automation stop and alert a human?

1. _____

2. _____

3. _____

Part B: Workflow Logic Design

(20 minutes)

Map the automated workflow using if/then logic:

Step 1: _____

Input: _____

Action: _____

Output: _____

Exception handling: _____

Step 2: _____

Input: _____

Action: _____

If [condition]: _____

Then: _____

Else: _____

Output: _____

Step 3: _____

Input: _____

Action: _____

If [condition]: _____

Then: _____

Else If [condition]: _____

Then: _____

Else: _____

Output: _____

Continue for all workflow steps...

Part C: Data Mapping

(10 minutes)

Data Inputs Required

Data Field	Source System	Format	Validation Rules
1			
2			
3			
4			
5			

Data Outputs Produced

Data Field	Destination System	Format	Business Rules
1			
2			
3			
4			
5			

Data Transformations

What data conversions or calculations are needed?

Part D: Testing Scenarios

(5 minutes)

Test Scenario 1 (Happy Path)

Input: _____

Expected Output: _____

Test Scenario 2 (Exception Case)

Input: _____

Expected Output: _____

Test Scenario 3 (Edge Case)

Input: _____

Expected Output: _____

Reflection & Next Steps

Complexity Assessment

- ☐ Simple (straight-through processing)
- ☐ Moderate (some conditional logic)
- ☐ Complex (multiple decision points, integrations)

Build Approach Validation

Does this complexity match our selected technical path from Exercise 3.4?

- ☐ Yes
- ☐ No - Need to reconsider: _____

Next Steps

- ☐ Share with technical team for review
- ☐ Refine based on technical feedback
- ☐ Begin configuration/development
- ☐ Set up test environment

EXERCISE 4.3

AI Agent Development Planner

Reference: Playbook Section 9C - Custom Agent Development

Objective: Plan and specify a custom AI agent for your specific business need

Time: 50 minutes

Format: Agent specification with capability definition

Part A: Agent Purpose & Capabilities

(15 minutes)

Agent Name

Agent Purpose (What problem does this agent solve?)

Core Capabilities (What should this agent do?)

1.

2.

3.

4.

Agent Persona/Behavior

How should this agent communicate/interact?

Example Interaction

User: _____

Agent: _____

Part B: Knowledge & Data Requirements

(15 minutes)

Knowledge Sources (What does the agent need to know?)

Knowledge Type	Source	Update Frequency	Access Method
Product catalog			
Pricing information			
Inventory levels			
Customer information			
Order history			
Company Policies			
Industry Knowledge			

Training Data Needed

Historical examples: _____

Sample conversations: _____

Domain expertise: _____

Real-time Data Access

What live data must the agent query?

Part C: Agent Architecture

(15 minutes)

Platform Selection:

- ☐ Commercial AI Platform (ChatGPT API, Claude API)
- ☐ No-Code Agent Builder (Zapier, Voiceflow)
- ☐ Low-Code Platform (Power Virtual Agents)
- ☐ Custom Development

Integration Points

System	Integration Type	Data Flow	API Available
Product catalog			☐ Yes ☐ No
Pricing information			☐ Yes ☐ No
Inventory levels			☐ Yes ☐ No
Customer information			☐ Yes ☐ No
Order history			☐ Yes ☐ No

Agent Capabilities

Can this agent:

- Read data from systems? ☐ Yes ☐ No
- Write/update data in systems? ☐ Yes ☐ No
- Send notifications? ☐ Yes ☐ No
- Escalate to humans? ☐ Yes ☐ No
- Learn from interactions? ☐ Yes ☐ No

Security & Permissions

What data can the agent access? _____

What actions can the agent take? _____

What requires human approval? _____

Part D: Testing & Deployment

(5 minutes)

Testing Plan

Phase 1: Unit Testing

Test each capability independently

Success criteria: _____

Phase 2: Integration Testing

Test system integrations

Success criteria: _____

Phase 3: User Acceptance Testing

Test with real users in controlled environment

Number of test users: _____

Duration: _____ weeks

Deployment Plan

Pilot user group: _____

Pilot duration: _____ weeks

Success metrics for full rollout: _____

Reflection & Next Steps

Development Effort Estimate

Design: ____ hours

Development: ____ hours

Testing: ____ hours

Total: ____ hours

Technical Risk Assessment

- ☐ Low risk - straightforward implementation
- ☐ Medium risk - some technical challenges
- ☐ High risk - significant technical complexity

Risks:

1. _____
2. _____

Go/No-Go Decision

- ☐ Proceed with agent development
- ☐ Need prototype first
- ☐ Defer - too complex for now

Next Steps

- ☐ Create detailed technical specifications
- ☐ Assign development resources
- ☐ Set up development environment
- ☐ Begin building prototype

EXERCISE 4.4

Prototype Testing Framework

Reference: Playbook Section 9C.3 - Testing and Deployment Guidelines

Objective: Structure testing approach to validate AI prototype before full deployment

Time: 40 minutes

Format: Test planning with success criteria

Part A: Test Objectives

(10 minutes)

Prototype Name

What We're Testing

- ☐ Functional accuracy (does it work correctly?)
- ☐ Performance (is it fast enough?)
- ☐ User experience (is it easy to use?)
- ☐ Integration (does it work with our systems?)
- ☐ Business value (does it deliver expected benefits?)

Success Criteria

What must be true to consider this prototype successful?

Test Dimension	Success Threshold	Measurement Method	Notes
Accuracy			
Speed/ Performance			
User Satisfaction			
Cost Savings			
Other: _____			

Part B: Test Scenarios

(15 minutes)

Test Scenario 1: Typical Use Case

Description: _____

Input data: _____

Expected output: _____

Success criteria: _____

Test Scenario 2: Edge Case

Description: _____

Input data: _____

Expected output: _____

Success criteria: _____

Test Scenario 3: Error Handling

Description: _____

Input data: _____

Expected output: _____

Success criteria: _____

Test Scenario 4: Volume/Stress

Description: _____

Input data: _____

Expected output: _____

Success criteria: _____

Part C: User Testing Plan

(10 minutes)

Test User Selection

User	Role	Why Selected	Experience Level	Time Commitment
			Novice Intermediate Expert	hrs/week
			Novice Intermediate Expert	hrs/week
			Novice Intermediate Expert	hrs/week
			Novice Intermediate Expert	hrs/week
			Novice Intermediate Expert	hrs/week

Test Period

From: _____ To: _____

Test Instructions for Users

1. _____
2. _____
3. _____

Feedback Collection

Daily check-ins? ☐ Yes ☐ No

Weekly surveys? ☐ Yes ☐ No

Final interview? ☐ Yes ☐ No

Feedback form: _____

Part D: Issue Tracking & Resolution

(5 minutes)

Issue Log

Issue	Description	Status	Severity (High/Med/Low)	Resolution
			N	
				hrs/week

Go/No-Go Criteria

How many/what severity of issues will prevent deployment?

Reflection & Next Steps

Test Timeline

Week 1: _____

Week 2: _____

Week 3: _____

Week 4: _____

Resources Needed

Test data: _____

Test environment: _____

Support during testing: _____

Communication Plan

Keep users informed: _____

Share results with stakeholders: _____

Post-Test Decision

- ☐ Deploy to production
- ☐ Refine and retest
- ☐ Pivot approach
- ☐ Abandon prototype

Action Items

- ☐ Recruit test users
- ☐ Prepare test environment
- ☐ Create test data
- ☐ Schedule kickoff meeting
- ☐ Set up feedback mechanisms

EXERCISE 5.1

Stakeholder Impact Analysis

Reference: Playbook Chapter 10 - Leading Your Workforce Through AI Adoption

Objective: Identify who will be affected by AI implementation and how to engage them

Time: 45 minutes

Format: Stakeholder mapping with engagement planning

Part A: Stakeholder Identification

(15 minutes)

AI Initiative: _____

List all stakeholder groups affected by this change:

Stakeholder Group	Size (people)	Current Role	How They'll Be Impacted	Impact Level (H/M/L)

Part B: Stakeholder Analysis

(20 minutes)

For each HIGH impact stakeholder group, complete:

Stakeholder Group

Impact Analysis

What will change in their daily work? _____

What will they gain? _____

What might they lose? _____

What are they likely worried about? _____

Influence & Support

Level of influence on success: High / Medium / Low

Current support level: Supportive / Neutral / Resistant

Key influencers in this group: _____

Engagement Strategy

Communication Approach

Message: _____

Frequency: _____

Channel (email, meeting, etc.): _____

Messenger (who should communicate?): _____

Involvement

- ☐ Include in pilot testing
- ☐ Include in design feedback
- ☐ Champion/advocate role
- ☐ Training only
- ☐ Informed but not involved

Support Needed

What will help this group succeed?

Part C: RACI Matrix

(10 minutes)

For key decisions and activities, clarify roles:

R = Responsible (does the work)

A = Accountable (final authority)

C = Consulted (input sought)

I = Informed (kept updated)

Activity/ Decision	Executive Team	IT	Operations	Sales	Customer Service	Finance

Reflection & Next Steps

Stakeholder Risk Assessment

Highest Risk Group: _____

Why? _____

Mitigation: _____

Champions Identified

Who are our biggest supporters?

1. _____

2. _____

Resistors Identified

Who is most likely to resist?

1. _____

2. _____

Engagement Action Plan

- ☐ Schedule stakeholder briefings
- ☐ Create communication materials
- ☐ Identify and recruit champions
- ☐ Plan one-on-one conversations with key resistors
- ☐ Set up feedback mechanisms

EXERCISE 5.2

Change Communication Plan

Reference: Playbook Section 10.2 - Communication Strategy Template

Objective: Develop comprehensive communication plan for AI rollout

Time: 40 minutes

Format: Multi-channel communication strategy

Part A: Communication Objectives

(10 minutes)

What do we need to communicate?

- ☐ Why we're implementing AI
- ☐ What will change
- ☐ When changes will happen
- ☐ How employees will be supported
- ☐ Where to get help/information
- ☐ Success metrics

Key Messages by Audience

For Executives

Core message: _____

Key points (3): _____

For Managers

Core message: _____

Key points (3): _____

For End Users

Core message: _____

Key points (3): _____

Part B: Communication Calendar

(20 minutes)

Pre-Launch Communications

Timing	Audience	Channel	Message/Purpose	Owner
Week - 8				
Week - 7				
Week - 6				
Week - 5				
Week - 4				
Week - 3				
Week - 2				
Week - 1				

Launch Communications

Timing	Audience	Channel	Message/Purpose	Owner
Day 1				
Day 2				
Day 3				
Day 4				

Timing	Audience	Channel	Message/Purpose	Owner
Day 5				
Day 7				
Day 9				
Day 11				

Post-Launch Communications

Timing	Audience	Channel	Message/Purpose	Owner
Week 2				
Week 3				
Week 4				
Month 2				
Month 3				

Part C: Communication Channels & Assets

(10 minutes)

Channels We'll Use:

- ☐ All-hands meeting
- ☐ Department meetings
- ☐ Email announcements
- ☐ Intranet/SharePoint
- ☐ Slack/Teams channels

Communication Assets to Create

Asset	Purpose	Owner	Due Date	Notes
Executive announcement	Explain why and vision			
FAQ document	Answer common questions			

Asset	Purpose	Owner	Due Date	Notes
Training schedule	Inform about training			
Quick reference guide	Support daily use			
Success stories	Build excitement			
Other:				
Other:				

FAQ Development

Anticipate questions and prepare answers:

Q: How will this affect my job?

A: _____

Q: What if I don't know how to use it?

A: _____

Q: Who do I contact if I have problems?

A: _____

Q: Will this replace me?

A: _____

Q: When will this happen?

A: _____

Reflection & Next Steps

Communication Risks

What could go wrong with our communication?

1. _____

2. _____

Feedback Mechanisms

How will we know if communication is working?

- ☐ Employee surveys
- ☐ Question tracking
- ☐ Sentiment monitoring
- ☐ Meeting feedback
- ☐ Other: _____

Responsibility

Communication lead: _____

Review/approval: _____

Action Items

- ☐ Draft communication materials
- ☐ Schedule communication events
- ☐ Set up feedback channels
- ☐ Brief managers on their communication role
- ☐ Create FAQ document

EXERCISE 5.3

Training Program Design

Reference: Playbook Chapter 10: Leading Your Workforce Through AI Adoption & Chapter 13: Workforce Assessment & Development

Objective: Create comprehensive training plan for all user groups

Time: 50 minutes

Format: Structured training curriculum with delivery methods

Part A: Training Needs Assessment

(15 minutes)

AI Solution Being Deployed: _____

User Segmentation

User Group	Number of Users	Current Skill Level	Role in Using AI	Training Intensity Needed
		Novice Intermediate Expert	Power user Regular Occasional	Hi Med Low
		Novice Intermediate Expert	Power user Regular Occasional	Hi Med Low
		Novice Intermediate Expert	Power user Regular Occasional	Hi Med Low
		Novice Intermediate Expert	Power user Regular Occasional	Hi Med Low
		Novice Intermediate Expert	Power user Regular Occasional	Hi Med Low
		Novice Intermediate Expert	Power user Regular Occasional	Hi Med Low
		Novice Intermediate Expert	Power user Regular Occasional	Hi Med Low

Training Objectives by User Group

For [User Group 1]

By the end of training, they should be able to:

1. _____
2. _____
3. _____

For [User Group 2]:

By the end of training, they should be able to:

1. _____
2. _____
3. _____

Part B: Training Curriculum Design

(20 minutes)

Training Module 1 [Name]

Audience

Duration: ____ minutes

Delivery method: ☐ In-person ☐ Virtual ☐ Self-paced ☐ Hybrid

Topics covered

1. _____
2. _____
3. _____

Hands-on practice: Yes / No

Assessment: Yes / No

Training Module 2: [Name]

Audience

Duration: ____ minutes

Delivery method: ☐ In-person ☐ Virtual ☐ Self-paced ☐ Hybrid

Topics covered

1. _____
2. _____
3. _____

Hands-on practice: Yes / No

Assessment: Yes / No

Training Module 3: [Name]

Audience

Duration: ____ minutes

Delivery method: ☐ In-person ☐ Virtual ☐ Self-paced ☐ Hybrid

Topics covered

1. _____
2. _____
3. _____

Hands-on practice: Yes / No

Assessment: Yes / No

Part C: Training Delivery Plan

(10 minutes)

Training Schedule

Week	User Group	Module(s)	Date Time	Trainer	Location

Training Materials Needed

- ☐ Presentation slides
- ☐ User manual/guide
- ☐ Quick reference card
- ☐ Practice exercises
- ☐ Video tutorials
- ☐ Practice environment/sandbox
- ☐ Assessment/quiz
- ☐ Certificate of completion
- ☐ Other: _____

Trainer Preparation

Who will deliver training? _____

Do trainers need train-the-trainer? Yes / No

Trainer prep time needed: ____ hours

Part D: Ongoing Support & Reinforcement

(5 minutes)

Post-Training Support

- ☐ Drop-in office hours (when: _____)
- ☐ Help desk / support email
- ☐ Peer mentors / super users
- ☐ Refresher training sessions
- ☐ Job aids / cheat sheets
- ☐ Video library
- ☐ Internal user community

Reinforcement Activities

Activity	Timing	Purpose	Date Time	Trainer	Location
Manager check-ins	Week 2	Address questions			
Refresher email	Week 4	Reinforce key concepts			
Success story sharing	Month 2	Build momentum			
Advanced training	Month 3	Deepen skills			
Other					
Other					
Other					

Reflection & Next Steps

Training Metrics

How will we measure training effectiveness?

Attendance rate target: ____%

Assessment pass rate target: ____%

Post-training satisfaction target: ____ (1-5 scale)

Application rate (using AI in their work): ____%

Training Budget

Development costs: \$_____

Delivery costs: \$_____

Materials: \$_____

Staff time: \$_____

Total: \$_____

Risks

1. _____
2. _____

Action Items

- ☐ Develop training content
- ☐ Schedule training sessions
- ☐ Prepare trainers
- ☐ Set up practice environment
- ☐ Create training materials
- ☐ Communicate training schedule to users

EXERCISE 5.4

Resistance Management Strategy

Reference: Playbook Section 10.1 - Workforce Fear Assessment and Mitigation

Objective: Proactively address resistance and fear related to AI implementation

Time: 35 minutes

Format: Resistance analysis with mitigation tactics

Part A: Resistance Identification

(15 minutes)

Common Sources of Resistance

Source of Resistance	Likelihood	Evidence Why
Fear of job loss		
Lack of understanding about AI		
Comfort with current process		
Past failed technology projects		
Lack of trust in leadership		
Belief AI won't work for our business		
Concern about learning curve		
Worry about reduced autonomy		
Cultural resistance to change		
Other:		

Resistance Personas

Identify specific individuals or groups likely to resist:

Resistor #1: _____

Role: _____

Reason for resistance: _____

Influence level: High / Medium / Low

Strategy: _____

Resistor #2: _____

Role: _____

Reason for resistance: _____

Influence level: High / Medium / Low

Strategy: _____

Part B: Mitigation Strategies

(15 minutes)

For Each High-Likelihood Resistance

Resistance: Fear of job loss

Mitigation Tactics

Communication: _____

Involvement: _____

Support/Resources: _____

Proof points: _____

Champions to leverage: _____

Resistance: _____

Mitigation Tactics

Communication: _____

Involvement: _____

Support/Resources: _____

Proof points: _____

Champions to leverage: _____

Part C: Building Momentum

(5 minutes)

Early Adopters to Recruit

Who is most likely to embrace AI and help others?

1. _____
2. _____
3. _____

How to Leverage Early Adopters

- ☐ Make them pilot users
- ☐ Have them share success stories
- ☐ Assign them as peer mentors
- ☐ Give them “AI Champion” recognition
- ☐ Include them in implementation team

Quick Wins to Showcase

What early successes can we highlight to build confidence?

1. _____
2. _____

Reflection & Next Steps

Overall Resistance Level

- ☐ Low - Expect broad support
- ☐ Medium - Some pockets of resistance
- ☐ High - Significant change management needed

Biggest Risk

Most Important Mitigation Action

Action Items

- ☐ One-on-one conversations with key resistors
- ☐ Create messaging addressing fear of job loss
- ☐ Recruit and brief early adopters
- ☐ Plan pilot user showcase
- ☐ Establish feedback loop to surface concerns early

EXERCISE 6.1

Skills Gap Analysis & Development

Reference: Playbook Chapter 13 - Workforce Assessment and Development

Objective: Identify skill gaps and create development plan for ongoing AI capability

Time: 45 minutes

Format: Skills inventory with training roadmap

Part A: Current Skills Inventory

(15 minutes)

For each role category, assess current AI-related skills

Rating Scale

0 = No one has this skill

1 = A few people have basic knowledge

2 = Several people have working knowledge

3 = We have proficient practitioners

4 = We have experts who can teach others

Skill Area	Current Level	People with Skill	Importance	Gap?
AI Literacy & Strategy	0 1 2 3 4		High Med Low	
Understanding AI capabilities	0 1 2 3 4		High Med Low	
Identifying AI opportunities	0 1 2 3 4		High Med Low	
AI ethics & governance	0 1 2 3 4		High Med Low	
Technical Skills	0 1 2 3 4		High Med Low	
Data analysis & SQL	0 1 2 3 4		High Med Low	

Skill Area	Current Level	People with Skill	Importance	Gap?
Python/coding basics	0 1 2 3 4		High Med Low	
API integration	0 1 2 3 4		High Med Low	
Cloud platforms	0 1 2 3 4		High Med Low	
AI/ML fundamentals	0 1 2 3 4		High Med Low	
Business Application	0 1 2 3 4		High Med Low	
Process improvement	0 1 2 3 4		High Med Low	
Change management	0 1 2 3 4		High Med Low	
Vendor management	0 1 2 3 4		High Med Low	
Project management	0 1 2 3 4		High Med Low	
Soft Skills	0 1 2 3 4		High Med Low	
Learning agility	0 1 2 3 4		High Med Low	
Analytical thinking	0 1 2 3 4		High Med Low	
Collaboration	0 1 2 3 4		High Med Low	
	0 1 2 3 4		High Med Low	
	0 1 2 3 4		High Med Low	

Part B: Future Skills Needed

(15 minutes)

Based on our AI roadmap, what skills will we need in 12-18 months?

Skill	Importance	Current Gap S M L	Development Approach
AI literacy & strategy	H M L	S M L	☐ Train existing ☐ Hire ☐ Contract
Data analysis and SQL	H M L	S M L	☐ Train existing ☐ Hire ☐ Contract
Bender management	H M L	S M L	☐ Train existing ☐ Hire ☐ Contract
Process improvement	H M L	S M L	☐ Train existing ☐ Hire ☐ Contract
Change management	H M L	S M L	☐ Train existing ☐ Hire ☐ Contract
	H M L	S M L	☐ Train existing ☐ Hire ☐ Contract

Critical Skill Gaps

What are the top 3 skills we urgently need to develop?

1. _____
2. _____
3. _____

Part C: Development Plan

(15 minutes)

For Each Critical Skill Gap

Skill #1: _____

Development Options

Option A: Internal Training

Program/course: _____

Duration: _____ weeks

Cost per person: \$_____

Estimated people to train: _____

Total cost: \$_____

Option B: External Hire

Role needed: _____

Salary estimate: \$_____

Time to hire: _____ months

Option C: Consultant/Contractor

Type of consultant: _____

Duration needed: _____ months

Cost: \$_____

Selected Approach: ☐ A ☐ B ☐ C

Rationale: _____

Timeline: Start: _____ Complete: _____

Repeat for Skills #2 and #3

Reflection & Next Steps

Overall Skills Development Strategy

Investment Required

Training budget: \$_____

Hiring budget: \$_____

Contractor budget: \$_____

Total: \$_____

Training Priorities (Next 6 Months)

1. _____

2. _____

3. _____

Development Tracking

How will we track skill development progress?

Action Items

☐ Identify training programs/vendors

- ❑ Get budget approval
- ❑ Post job descriptions for new hires
- ❑ Schedule training sessions
- ❑ Assign learning paths to individuals

EXERCISE 6.2

KPI Dashboard Design

Reference: Playbook Section 14.1 - KPI Dashboard Templates

Objective: Define metrics and create dashboard to track AI initiative success

Time: 50 minutes

Format: Metric selection with reporting structure

Part A: Metric Categories

(15 minutes)

For your AI initiative, select 3-5 KPIs in each category:

Operational Efficiency Metrics

Metric	Current Baseline	Target	Measurement Frequency
Process time reduction			
Error rate reduction			
Transactions per hour			
Staff hours saved			

Financial Metrics

Metric	Current Baseline	Target	Measurement Frequency
Cost savings			
Revenue impact			
ROI			
Margin improvement			

Quality Metrics

Metric	Current Baseline	Target	Measurement Frequency
Accuracy rate			
Customer satisfaction			
First-time resolution			
Data quality score			

Adoption Metrics

Metric	Current Baseline	Target	Measurement Frequency
User adoption rate			
Active users			
Usage frequency			
User satisfaction			

Part B: Leading vs. Lagging Indicators

(10 minutes)

Leading Indicators (predict future success):

- 1. _____
- 2. _____
- 3. _____

Lagging Indicators (measure results achieved):

- 1. _____
- 2. _____
- 3. _____

Why track both?

Part C: Dashboard Design

(15 minutes)

Dashboard Layout

Top Section (Executive Summary)

Overall ROI: \$_____

Total time saved: _____ hours/week

User adoption: _____%

Health status: ☐ On track ☐ At risk ☐ Off track

Operational Metrics Section

Metric	This Week	This Month	vs. Target	Trend
	↑ ↓ →			↑ ↓ →
	↑ ↓ →			↑ ↓ →
	↑ ↓ →			↑ ↓ →
	↑ ↓ →			↑ ↓ →
	↑ ↓ →			↑ ↓ →
	↑ ↓ →			↑ ↓ →
	↑ ↓ →			↑ ↓ →

User Adoption Section

Metric	This Week	This Month	vs. Target	Trend
	↑ ↓ →			↑ ↓ →

Metric	This Week	This Month	vs. Target	Trend
	↑ ↓ →			↑ ↓ →
	↑ ↓ →			↑ ↓ →
	↑ ↓ →			↑ ↓ →
	↑ ↓ →			↑ ↓ →
	↑ ↓ →			↑ ↓ →
	↑ ↓ →			↑ ↓ →
	↑ ↓ →			↑ ↓ →

Issues & Risks Section

Open issues: _____

Critical risks: _____

Action items: _____

Part D: Reporting Rhythm

(10 minutes)

Who Gets What Report, When

Audience	Metrics Included	Frequency	Format	Notes
Executive team	High-level ROI, adoption	Monthly	1-page summary	
Project team	All operational metrics	Weekly	Full dashboard	
Department heads	Metrics for their area	Bi-weekly	Email report	
End users	Usage stats, tips	Monthly	Newsletter	

Review Meetings

Weekly project team review: Day/Time: _____

Monthly steering committee: Day/Time: _____

Quarterly business review: Day/Time: _____

Reflection & Next Steps

Data Sources

Where will we get data for these metrics?

Dashboard Tool

What will we use to create/display dashboard?

☐ Excel/Google Sheets

☐ Power BI

☐ Tableau

☐ Built into AI solution

☐ Other: _____

Accountability

Dashboard owner: _____

Data collection responsibility: _____

Review cadence: _____

Action Items

☐ Set up data collection processes

☐ Build dashboard

☐ Train team on reading dashboard

☐ Schedule recurring reviews

☐ Define escalation process for off-track metrics

EXERCISE 6.3

Continuous Improvement Process

Reference: Playbook Section 14.2 - Continuous Improvement Process

Objective: Establish process for ongoing optimization and expansion of AI initiatives

Time: 35 minutes

Format: Improvement framework with feedback loops

Part A: Feedback Collection

(15 minutes)

User Feedback Mechanisms

Mechanism	Frequency	Audience	What We'll Learn	Notes
User surveys				
Focus groups				
Usage analytics				
Support ticket analysis				
Manager check-ins				
Power user interviews				

Key Questions to Ask Users

1. _____
2. _____
3. _____
4. _____

Performance Data to Monitor

Which metrics indicate need for improvement? _____

How often to review? _____

Who reviews? _____

Part B: Improvement Prioritization

(10 minutes)

Improvement Backlog

Collect improvement ideas from all sources:

Improvement Idea	Source	Impact (H M L)	Effort (H M L)	Priority
	User feedback			
	Performance data			
	Technical team			
	Business need			
	Customers			
	Vendors			

Prioritization Matrix

High Impact + Low Effort = Do immediately

High Impact + High Effort = Plan and resource

Low Impact + Low Effort = Fill gaps with these

Low Impact + High Effort = Deprioritize

Top 3 Improvements for Next Quarter:

- 1. _____
- 2. _____
- 3. _____

Part C: Improvement Cycle

(10 minutes)

Monthly Improvement Cycle

Week 1: Collect & Analyze

Review metrics dashboard

Gather user feedback

Analyze support tickets

Identify improvement opportunities

Week 2: Prioritize & Plan

Prioritize improvements using matrix

Create implementation plan for top items

Assign owners

Week 3: Implement

Make improvements

Test changes

Document updates

Week 4: Validate & Communicate

Measure impact of improvements

Communicate changes to users

Update training materials if needed

Prepare for next cycle

Quarterly Deep Dive

Comprehensive performance review

Strategic roadmap update

Skills gap reassessment

Budget reforecasting

Reflection & Next Steps

Continuous Improvement Owner

Who is responsible for driving this process?

Resources Allocated

How much capacity reserved for ongoing improvements?

Staff time: _____ hours/week

Budget: \$_____ per quarter

Governance

Who approves improvements? _____

What's the approval threshold? _____

Communication

How will we communicate improvements to users?

Action Items

- ☐ Set up feedback mechanisms
- ☐ Schedule recurring improvement reviews
- ☐ Create improvement backlog system
- ☐ Assign improvement owner
- ☐ Establish approval process

EXERCISE 6.4

Success Story Documentation

Reference: Playbook Section 14.3 - Success Story Documentation Framework

Objective: Document wins to build momentum and share lessons learned

Time: 30 minutes

Format: Case study template for internal and consortium sharing

Part A: Success Story Selection

(5 minutes)

What success will you document?

- ☐ Quick Win implementation
- ☐ Significant process improvement
- ☐ User adoption milestone
- ☐ Financial ROI achieved
- ☐ Technical breakthrough
- ☐ Change management success
- ☐ Other: _____

Success Title: _____

Part B: Success Story Components

(20 minutes)

The Challenge

What problem were you trying to solve?

Key pain points

The Approach

What did you do?

Key decisions

The Results

What was the impact?

Quantitative Results

Metric	Before	After	Improvement

Qualitative Results

Lessons Learned

What would you do differently?

What worked particularly well?

Advice for Others

If someone else was tackling this, what would you tell them?

Part C: Storytelling Elements

(5 minutes)

Quote from Key Stakeholder

“ _____
_____ ”

– Name, Title

Visual Elements

☐ Before/after process diagram

☐ Results chart/graph

☐ Photo of team

☐ Screenshot of solution

☐ Other: _____

Human Impact

How did this help specific individuals?

Reflection & Next Steps

Story Audience:

Who should hear this success story?

☐ Internal leadership team

☐ All employees

☐ Consortium members

☐ Industry conferences

☐ Vendor case study

Sharing Plan

Internal presentation date: _____

Consortium presentation date: _____

Written case study: _____

Follow-up Success

What success will you document next quarter?

Action Items

- ☐ Create presentation slides
- ☐ Write up full case study
- ☐ Gather visual elements
- ☐ Get stakeholder quotes
- ☐ Schedule presentation
- ☐ Share with consortium

WORKBOOK COMPLETION

Congratulations!

You have completed the AI Implementation Workbook exercises. You should now have:

- Baseline Assessment of your current state and readiness
- Strategic Plan with prioritized initiatives and ROI projections
- Implementation Approach (build/buy/hybrid decisions)
- Detailed Use Case Plans with prototypes and testing
- Change Management Strategy with stakeholder engagement
- Measurement Framework with KPIs and continuous improvement

Next Steps

1. Review all completed exercises with your leadership team
2. Consolidate your learnings into your AI strategy roadmap
3. Share relevant exercises with department leaders to complete for their areas
4. Archive this workbook as your implementation guide
5. Track progress against plans and timelines established in exercises

Consortium Support

Continue to leverage the AI4ID Consortium:

- Share your completed exercises in consortium meetings
- Learn from peer company approaches
- Access faculty expertise for challenging areas
- Collaborate on common challenges
- Contribute to collective best practices



About the Author

Dr. Lee Allison is an Associate Professor in the Department of Engineering Technology and Industrial Distribution at Texas A&M University. She leads the AI4ID Consortium, a research and professional development initiative for industrial distribution companies. Her research examines AI adoption and sales across business and industry contexts.

Before her academic career, Dr. Allison spent more than two decades in industry, in roles spanning key accounts, sales, category management, and marketing. That background continues to inform her conviction that distribution research must be grounded in the practical realities of working companies. She holds a Ph.D. from Oklahoma State University.

Dr. Allison lives in College Station, Texas. She runs, plays in her church orchestra, and treasures time with her daughters and grandchildren. Above all, she gives glory to Jesus Christ and thanks for her parents, who have always sustained her through their love and example.

Where strategy becomes action.

Strategy without application is intention without outcome. *The Distributor's Strategic Workbook* is a guided exercise system that transforms strategic thinking into documented action. Each exercise builds the organizational foundation that AI initiatives depend on — readiness, prioritization, workforce alignment, and workflow redesign — that determine whether AI generates revenue, reduces cost, manages risk, and captures market share.

The volume serves as the hands-on guide to *The Distributor's Strategic Playbook*.

By the final page, leaders will have an 18-month AI roadmap grounded in the realities of their own organization — not a description of what others have done, but a documented account of what they will do next.