# Navigating the AI landscape: strategic insights for businesses



Artificial intelligence (AI) is emerging as a revolutionary force in the business sector, with a recent survey from the Harvard Business Review indicating that 89% of respondents recognise its transformative potential. As organisations respond to the pressing demands for innovation, they face the challenge of discerning between exaggerated claims and the practical advantages that AI can deliver. Notably, many AI solutions claim to enhance efficiency and decision-making but often fail to yield substantial operational improvements.

Miten Mehta, Chief Engineering Officer at Acumatica, offers a framework for business leaders to assess AI applications, emphasising the importance of focusing on operational impact. The first recommendation is to align AI initiatives with specific business objectives. Mehta states, “AI has broad applications... organizations should prioritise solutions that directly address specific business challenges rather than adopting AI just for the sake of ‘innovation’.” By identifying key organisational pain points—such as operational inefficiencies and automation deficiencies—leaders can direct their AI investments towards solutions that enhance workflows, improve decision-making, and ultimately deliver measurable results.

The integration of data and workflows also plays a crucial role in AI effectiveness. Citing a statistic that 38% of businesses perceive insufficient IT infrastructure as a significant barrier to AI adoption, Mehta argues that AI technologies must seamlessly complement existing systems like Enterprise Resource Planning (ERP) and Customer Relationship Management (CRM). This integration ensures that businesses can maximise the potential of AI without creating fragmented operations. Emphasising the importance of cloud-based AI solutions, Mehta notes that these platforms allow for consistent data syncing, providing a unified source of truth that aids decision-making.

Security and regulatory compliance remain pressing considerations as AI adoption increases. Businesses are urged to adhere to strict data governance and privacy regulations, such as the General Data Protection Regulation (GDPR) and the California Consumer Privacy Act (CCPA). Mehta highlights the need for AI models to maintain auditability and transparency, particularly in critical sectors like finance and healthcare. Implementing robust security measures helps prevent risks related to data breaches and AI biases, permitting organisations to harness AI's capabilities whilst safeguarding sensitive information.

Moreover, Mehta posits that AI should serve to enhance—not replace—human decision-making. Research suggests that workers utilizing AI can achieve performance improvements of nearly 40%. To optimise this potential, it is essential that AI tools provide clear and explainable insights, thereby fostering informed decision-making. Employees should not only rely on AI for critical functions but should be invested in their upskilling to effectively utilise AI technologies in tandem with their expertise.

In conclusion, while the promises of AI are substantial, businesses must navigate the landscape strategically to unlock its true value. This involves establishing clear business goals for AI implementation, ensuring seamless integration with existing processes, maintaining rigorous security practices, and fostering collaboration between human expertise and AI insights. Attention to these factors will be key to driving innovation and achieving substantial growth within the competitive market landscape.

Source: [Noah Wire Services](https://www.noahwire.com)

## References

* <https://hbr.org/2025/01/what-companies-succeeding-with-ai-do-differently> - This article supports the transformative potential of AI by highlighting practices of companies that succeed with AI. It emphasizes areas like governance, deployment, partnerships, people, and data availability.
* <https://www.hbs.edu/news/releases/Pages/2023-hbr-prize-winner.aspx> - This page provides context on the strategic importance of AI and reskilling in the modern business environment, aligning with the necessity for business leaders to assess AI applications effectively.
* <https://www.businesswire.com/news/home/20240409272880/en/Reskilling-in-the-Age-of-AI-Wins-2023-HBR-Prize> - This article discusses the crucial role of reskilling in the era of AI, highlighting the need for businesses to adapt and for workers to enhance their skills alongside AI integration.
* <https://gdpr-info.eu> - This website provides detailed information on the General Data Protection Regulation (GDPR), a critical regulatory framework that businesses must adhere to as they implement AI technologies.
* <https://www.oag.ca.gov/privacy/ccpa> - This page offers guidance on the California Consumer Privacy Act (CCPA), which is essential for companies to understand when integrating AI solutions that handle personal data.