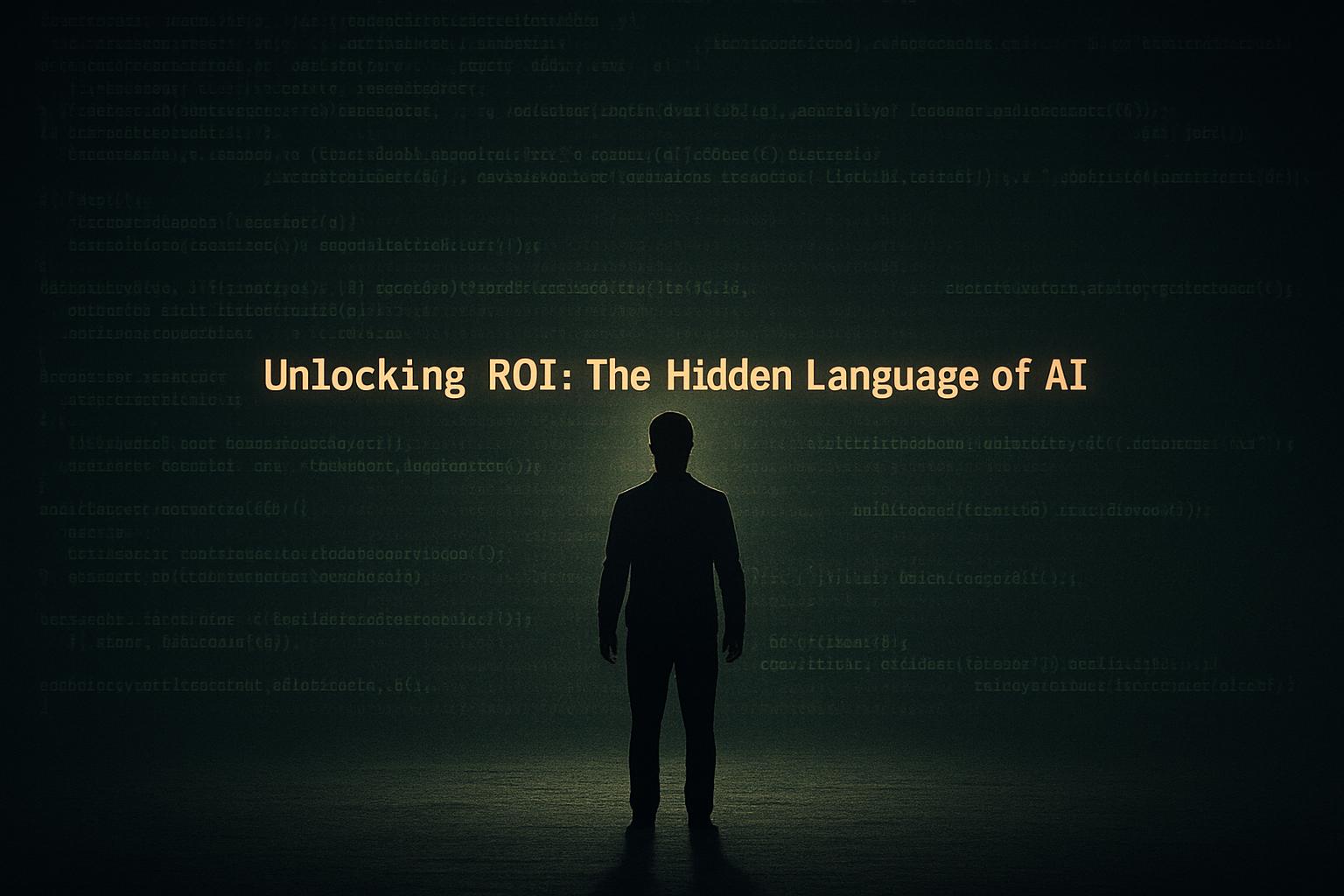
# Proving the transformative value of AI: strategic storytelling and practical governance are key to overcoming ROI challenges



Many business leaders continue to face difficulties when attempting to prove the return on investment (ROI) of artificial intelligence (AI) projects, particularly in the context of generative AI. A survey involving 600 data leaders by Wakefield Research on behalf of Informatica found that over 97% of organizations struggle to demonstrate the business value of such AI initiatives. This challenge is compounded by the complex nature of AI implementation, requiring a careful balance between ambition and pragmatism.

One key insight from the recent Informatica World Tour event in London emphasizes the importance of storytelling and clear communication with stakeholders, especially when presenting AI projects to boards. Gro Kamfjord, head of data at paint manufacturer Jotun, advocates for starting AI initiatives with manageable, simple projects that allow businesses to gauge early signals of success or failure. This approach helps organizations decide whether to scale up or halt projects before investing heavily. Kamfjord points out that knowing when to stop a project is often more crucial than immediately quantifying its exact ROI.

Nick Millman from Accenture underscores the need to win "hearts and minds" within organizations. Since financial officers rarely accept ROI figures at face value, Millman recommends a pragmatic, three-step method: communicate ROI in business-recognizable terms, involve business stakeholders to align on perceived value, and engage finance teams to strengthen the investment case. Similarly, Boris van der Saag of Rabobank highlights the importance of fostering two-way discussions between data teams and finance, encouraging senior management to engage actively in leveraging data and AI insights to transform business behaviours.

The narrative around AI ROI should extend beyond strict financial metrics. Farhin Khan from AWS advises linking AI use cases to wider business transformation goals, tailoring the story to the interests of specific stakeholders—for example, showing how AI-driven improvements can reduce customer churn to a chief marketing officer. This outcome-oriented storytelling helps contextualize AI benefits within broader corporate objectives, making the value proposition more relatable and compelling.

On the practical side, Kenny Scott of EDF Power Solutions stresses the necessity of meticulous project management to track all moving parts of AI initiatives. Effective governance and clear role definitions prevent projects from veering off-course, ensuring consistent delivery of promised outcomes. Scott's experience with building modern data infrastructure highlights how combining robust platforms with disciplined oversight can underpin successful AI value delivery.

However, these strategic and operational perspectives sit alongside broader industry challenges documented by other sources. A 2025 EY survey among 975 executives from global firms revealed that almost all large companies deploying AI encounter initial financial setbacks. These losses, amounting to about $4.4 billion, stem mainly from compliance shortcomings, flawed AI outputs, bias issues, and sustainability disruptions. Despite these hurdles, companies remain optimistic about AI's long-term prospects, especially when they adopt stronger responsible AI frameworks that enhance sales, cost savings, and employee satisfaction.

Moreover, the difficulty in measuring AI ROI is partly due to the absence of standardized goals and reliable data quality, as highlighted by experts in the technology sector. Poorly defined objectives make it challenging to attribute improvements in cost efficiency or revenue increases directly to AI projects. Additionally, antiquated or inconsistent datasets hinder the accuracy of performance assessments. Addressing these issues requires substantial investment in IT infrastructure and robust data governance, combined with transparency about AI's limitations to maintain stakeholder confidence.

Some reports warn that many organisations underestimate ongoing costs such as model maintenance, customisation, and addressing technical complexities. Moreover, unrealistic expectations about AI capabilities can lead to costly rework and fragmented implementations that obscure enterprise-wide ROI. Success thus demands a comprehensive approach linking technical execution tightly with business strategy and realistic planning.

To navigate these challenges, industry leaders suggest focusing on high-impact AI use cases driving automation, operational improvements, and revenue growth while dismantling data silos. Tracking metrics such as cost savings and productivity gains aligned with business goals provides a clearer picture of ROI over time. Additionally, measuring profit margins before and after AI adoption offers tangible insights into efficiency improvements attributable to AI systems.

In conclusion, proving AI’s worth to businesses remains an evolving art that combines technical rigour with effective communication. While early financial returns may be elusive or complicated by unforeseen costs, well-designed strategies leveraging storytelling, stakeholder engagement, and disciplined project management can illuminate AI’s transformative potential. As companies refine their responsible AI practices and data foundations, they stand a better chance of realising sustainable value and confidently articulating AI’s impact to their boards and broader organisations.

### 📌 Reference Map:

* Paragraph 1 – [[1]](https://www.zdnet.com/article/is-ai-even-worth-it-for-your-business-5-expert-tips-to-help-prove-roi/), [[2]](https://www.reuters.com/business/most-companies-suffer-some-risk-related-financial-loss-deploying-ai-ey-survey-2025-10-08/)
* Paragraph 2 – [[1]](https://www.zdnet.com/article/is-ai-even-worth-it-for-your-business-5-expert-tips-to-help-prove-roi/)
* Paragraph 3 – [[1]](https://www.zdnet.com/article/is-ai-even-worth-it-for-your-business-5-expert-tips-to-help-prove-roi/)
* Paragraph 4 – [[1]](https://www.zdnet.com/article/is-ai-even-worth-it-for-your-business-5-expert-tips-to-help-prove-roi/)
* Paragraph 5 – [[1]](https://www.zdnet.com/article/is-ai-even-worth-it-for-your-business-5-expert-tips-to-help-prove-roi/)
* Paragraph 6 – [[1]](https://www.zdnet.com/article/is-ai-even-worth-it-for-your-business-5-expert-tips-to-help-prove-roi/), [[2]](https://www.reuters.com/business/most-companies-suffer-some-risk-related-financial-loss-deploying-ai-ey-survey-2025-10-08/)
* Paragraph 7 – [[3]](https://www.forbes.com/councils/forbestechcouncil/2025/01/02/from-investment-to-impact-the-new-dimensions-of-ai-roi/), [[6]](https://emediaai.com/maximize-business-impact-with-ai-roi-calculation-techniques/), [[4]](https://www.devoteam.com/me/expert-view/the-complexities-of-measuring-ai-roi/)
* Paragraph 8 – [[7]](https://www.forbes.com/councils/forbesbusinesscouncil/2025/05/07/19-ways-to-measure-the-roi-of-your-ai-initiatives/), [[5]](https://ciohub.org/post/2022/12/the-elusive-ai-roi-uncovering-the-limitations-of-measuring-success/)
* Paragraph 9 – [[1]](https://www.zdnet.com/article/is-ai-even-worth-it-for-your-business-5-expert-tips-to-help-prove-roi/), [[5]](https://ciohub.org/post/2022/12/the-elusive-ai-roi-uncovering-the-limitations-of-measuring-success/), [[4]](https://www.devoteam.com/me/expert-view/the-complexities-of-measuring-ai-roi/), [[3]](https://www.forbes.com/councils/forbestechcouncil/2025/01/02/from-investment-to-impact-the-new-dimensions-of-ai-roi/), [[6]](https://emediaai.com/maximize-business-impact-with-ai-roi-calculation-techniques/), [[7]](https://www.forbes.com/councils/forbesbusinesscouncil/2025/05/07/19-ways-to-measure-the-roi-of-your-ai-initiatives/)

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

## Bibliography

1. <https://www.zdnet.com/article/is-ai-even-worth-it-for-your-business-5-expert-tips-to-help-prove-roi/> - Please view link - unable to able to access data
2. <https://www.reuters.com/business/most-companies-suffer-some-risk-related-financial-loss-deploying-ai-ey-survey-2025-10-08/> - An EY survey conducted in July and August 2025 among 975 executives from global companies with over $1 billion in annual sales revealed that nearly all large firms deploying AI have experienced some initial financial losses. These losses, totaling approximately $4.4 billion, stemmed largely from issues such as compliance failures, flawed outputs, bias, and disruptions to sustainability goals. Reputational and legal problems were less commonly reported. Despite the setbacks, companies remain optimistic about AI’s long-term benefits. EY noted that while AI significantly boosts efficiency and productivity, the financial gains are often offset by reinvestment into further work rather than immediate revenue or cost benefits. The survey focused on “Responsible AI” practices—evaluating internal policies, usage guidelines, and compliance monitoring. Companies with more robust Responsible AI frameworks saw better results in sales, cost savings, and employee satisfaction.
3. <https://www.forbes.com/councils/forbestechcouncil/2025/01/02/from-investment-to-impact-the-new-dimensions-of-ai-roi/> - Measuring the return on investment (ROI) for artificial intelligence (AI) initiatives presents several challenges. A primary obstacle is the lack of well-defined goals for AI projects, making it difficult to link outcomes to specific business values like cost savings or revenue growth. For instance, implementing an AI system to improve customer service without setting specific targets hampers the assessment of its impact. Additionally, poor data quality and inadequate data tracking can obscure the understanding of AI initiatives. To address these challenges, businesses should invest in robust IT infrastructure, adopt a dynamic approach to data collection, and be transparent with stakeholders about the challenges and limitations of measuring AI's impact.
4. <https://www.devoteam.com/me/expert-view/the-complexities-of-measuring-ai-roi/> - Calculating the return on investment (ROI) for artificial intelligence (AI) initiatives is complex due to several interrelated challenges. Data quality issues can impair model performance, while technical complexities in model training and deployment often exceed initial estimates. Customisation needs, including fine-tuning and prompt engineering, add substantial costs. Many organisations lack specialised AI talent, requiring additional investment in recruitment or partnerships. Governance challenges include model degradation over time and data staleness. Unrealistic expectations about AI capabilities often lead to costly rework. Organisations frequently underestimate ongoing maintenance costs and struggle with siloed implementations that complicate enterprise-wide ROI assessment. Success requires understanding these challenges and taking a comprehensive approach that aligns technical implementation with business strategy.
5. <https://ciohub.org/post/2022/12/the-elusive-ai-roi-uncovering-the-limitations-of-measuring-success/> - The incorporation of Artificial Intelligence (AI) into various industries has been on the rise in recent years, with many organizations seeking to capitalize on its potential benefits. However, as AI adoption increases, so does the need to measure its effectiveness and return on investment (ROI). Measuring AI ROI can be a daunting task, and many organizations are struggling to do so effectively. According to a report by Gartner, “by 2025, 50% of organizations will struggle to measure the ROI of their AI initiatives.” This statistic highlights the importance of addressing the limitations of AI ROI measurement and finding ways to overcome them. The lack of standardization in the industry, the complexity of AI solutions, and the challenge of quantifying intangible benefits are some of the primary limitations. To overcome these challenges, organizations should focus on establishing clear objectives, investing in data quality, and developing standardized metrics for AI success.
6. <https://emediaai.com/maximize-business-impact-with-ai-roi-calculation-techniques/> - Measuring AI return on investment (ROI) presents significant challenges for businesses. Data quality issues can hinder accurate assessment, while resistance to evaluation practices may impede progress. Uncertainty in predicting long-term impacts, including effects on sales and internal rate of return, further complicates ROI calculations. Organizations must address these obstacles to effectively gauge AI’s business impact and ensure confidence in their investments. Identifying data quality issues hindering accurate assessment is crucial. Organizations often struggle with incomplete, inconsistent, or outdated datasets, leading to skewed results and unreliable performance metrics. This lack of high-quality data hinders companies’ ability to gain a competitive advantage through AI implementation, as the insights derived from flawed data may not accurately reflect the true impact of AI initiatives.
7. <https://www.forbes.com/councils/forbesbusinesscouncil/2025/05/07/19-ways-to-measure-the-roi-of-your-ai-initiatives/> - To measure the return on investment (ROI) of artificial intelligence (AI) initiatives, businesses should focus on high-impact use cases that drive automation, efficiency, productivity, and revenue growth, while also addressing data silos and enhancing data management. It's crucial to identify areas where AI can have the most impact and to track metrics like cost savings, operational improvements, and productivity. This ensures long-term value and success. Additionally, measuring margins before and after implementing AI can provide insights into the efficiency and output within a certain timeframe, reflecting the ROI of the AI platform being tested.