TAZI

How Not To Fail Your Next ML, AI or Agent Solution

(spoiler…It's Not a Project)

Wakeup Call for Leaders in Financial Services

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How Not to Fail with Your ML, AI, and Agent Solutions

The promise of AI, ML, and Agentic systems is immense, yet the reality is an estimated 80-95% of AI projects fail to deliver meaningful business impact.

We've all been seeing organizations such as MIT, NVIDIA, Rand, and Fortune that lead, or know well, ML, AI and Agents, announce that AI projects fail immensely, and yet business leaders and line managers keep hiring teams and are implementing projects that will give them a "competitive edge".

Research from MIT and the RAND Corporation, coupled with insights on business-centric AI, reveals that the failures are not technical but strategic. They stem from a fundamental disconnect between the teams building the AI and business experts who need to use it.

Success requires a new approach—one that shifts ownership from siloed technical teams to front line business users.

Based on my 35 years of AI and 10+ years of financial services AI product and solution experience, success also requires seeing these attempts not as "projects" that are delivered and done, but as solutions that help your customers to always benefit from your services. This article is not about your "AI Project", it is about your "AI Solution".

Why AI, ML, and Agent "Projects" Fail

An analysis of stalled projects reveals a consistent pattern of organizational and operational gaps. Core issues are not the AI models themselves, but how they are built, integrated, and managed.

- **The Disconnect Between Business and Tech:** The single most common reason for failure is a misunderstanding of the actual business problem that needs to be solved. Technical teams receive half-understood requirements and build solutions in a vacuum, resulting in a "black box" that business users neither trust nor understand. This creates a crippling chasm between business needs and available solutions/tools.
- **The "Stale Snapshot" Problem:** Traditional AI development, whether done by IT or data scientists, is based on a "batch" mentality. An AI model is built, deployed, and then it becomes a static snapshot in time, immediately growing stale. In a market that changes in real-time, with fierce competition, an AI model retrained monthly is already obsolete, blind to new competitor offers, or sudden shifts in customer behavior.
- **The Wrong Ownership Model:** MIT's research shows that **projects built entirely in-house fail twice as often as those using specialized, purchased solutions**. Success is far more likely when line managers—not centralized AI labs—are empowered to drive adoption. The traditional adoption model of relying on IT for custom builds creates a bottleneck, freezing business teams' ability to adapt and innovate.
- **Focusing on Technology Over Problems:** Many projects fail because the organization becomes more enamored with using the latest technology than with solving a real, enduring problem for customers. The goal should be business outcomes, not simply

deploying a sophisticated algorithm.

The Solution: A Business-Owned AI Engine

To succeed, organizations must bridge the gap between their powerful data science "toolboxes" and real-time needs of business execution. What's missing is a business execution layer—

a **business-owned AI engine** designed for action and agility. This platform is not meant to replace data science platforms but to empower business teams to effectively "drive" AI models they produce.

Key characteristics of this key platform include:

- **Designed for Business Users:** It must feature no-code, visual interfaces that enable a marketer to connect data sources, configure solutions, and act on insights in minutes, not months.
- **Continuous and Real-Time Learning:** The platform must move beyond static models. It needs to be in a state of continuous operation, learning and refining itself with every new customer interaction, conversion, or piece of data.
- **Business-in-the-Loop (HITL) Interactivity:** When AI makes a mistake, or is blind to new market context, a business expert must be able to provide direct feedback through an intuitive interface, instantly teaching and correcting a live AI model, without filing a ticket.
- **Explainable and Governed:** To build trust, the platform must eliminate the "black box" problem by providing clear, visual explanations for its predictions. This must be coupled with robust governance, including defined user roles and detailed audit logs, to ensure secure and compliant operation.

A Blueprint for Success: Ownership, Deployment, and Maintenance

A successful AI strategy redefines the entire project lifecycle, from configuration to long-term ownership.

- **Configuration and Deployment:** The process must be rapid and business-led. Instead of a multi-month project requiring data engineers and scientists, a business user should be able to use a visual interface to connect data sources (like Salesforce) and deploy a continuously learning model with a few clicks. Changes and adding new data sources should happen on the fly, without IT intervention.
- **Ownership Structure:** A hybrid ownership model is essential.
  - **IT and Data Science Teams** own the core infrastructure, data governance, and the development of complex, foundational models. They provide the sophisticated "toolbox".
  - **Business Teams (e.g., Marketing, Sales)** own the *action layer*. They use the business-centric engine to configure, deploy, and continuously guide AI solutions that solve their specific problems. They hold the "steering wheel".
- **Maintenance as Continuous Evolution:** The concept of periodic, manual

"maintenance" is obsolete. In this new operating model, maintenance is an ongoing, real-time process driven by the AI's continuous learning algorithms and guided by a business user's direct feedback. The system evolves with the market, rather than being patched in response to it.

By adopting a business-owned AI engine, organizations can finally close the gap between AI's potential and its real-world value, moving from a state of stalled projects to one of true growth-led strategy and agility.

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