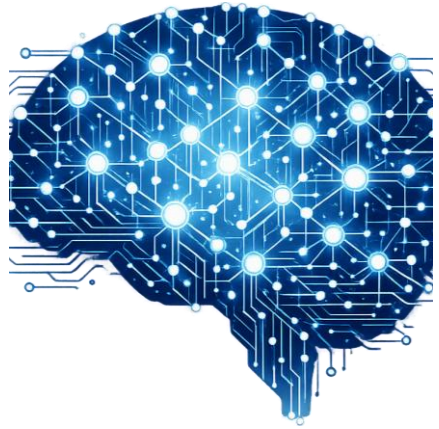




Defining Meaningful AI ROI

Moving beyond cost savings to measure business impact and strategic value.

From pilots to enterprise value: key success factors for scaling AI initiatives that deliver measurable outcomes.

Jyoti Mishra

Sr Director

What AI Can and Cannot Do?



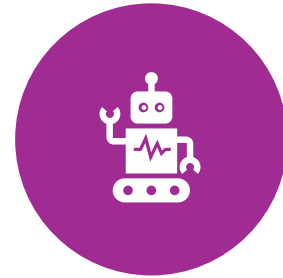
AI IS TOOL FOR
AUGMENTATION.



AI HELPS
EMPLOYEES WORK
FASTER AND
SMARTER.



AI IS STRONGEST
AT ANALYZING
LARGE DATASET.



AI IS NOT A
REPLACEMENT
FOR HUMAN



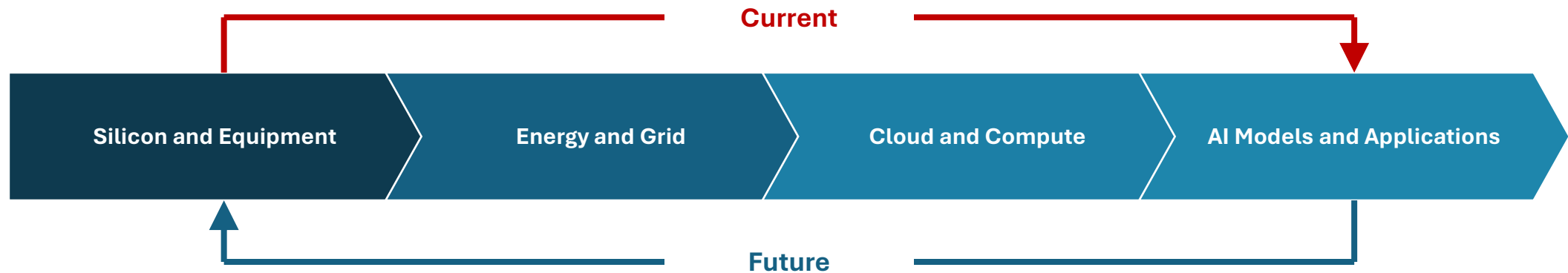
AI DOES NOT
UNDERSTAND DATA
FROM HUMAN
PERSPECTIVE

The Myth of Ease

- AI is considered an out of box solution that needs to be plugged in but it is not.
- **AI implementation requires massive upfront investment to be worthwhile** - AI implementations should start with small, focused pilots .Use pay as use models where it is offered.
- Data Security-Data privacy and integration between systems are biggest challenges. AI often works well enough with messy, real-world data than the pristine datasets that traditional analytics require



AI Value Chain and ROI



- Goldman Sachs projects AI investment to exceed \$1 trillion in 2026, yet the technology has produced no measurable gain in economic productivity or margin growth outside the Magnificent Seven.
- Value is concentrated upstream: silicon and equipment makers earn a 41% profit margin, while models and applications operate at -59%.
- The most profitable layer of the value chain therefore depends on the least profitable layer continuing to grow revenue or raise capital.
- Capital can bridge that gap for a time, but not indefinitely — the open question is whether end-customer ROI arrives fast enough to sustain upstream spending.

Use Case: Generative AI

HR Chatbots

- HR chatbots resolve routine employee questions and guide staff through compensation philosophy, labor policies, onboarding, and related processes. In doing so, they reduce ticket volume, improve employee satisfaction, and return thousands of hours to the business each year.

Key Considerations

- **Employee Privacy**-No Personal sensitive information
- No input of confidential information
- **Accuracy**-All generated content needs to be reviewed.



How Chat Bots Deliver Value



Instant resolution: employee requests are answered on demand, without email or ticket queues.



Capacity for strategic HR: routine tasks are automated, freeing the team for culture, engagement and growth.



Consistent, compliant support



Every interaction follows company policy and approved guidance.



A single conversational interface replaces switching between systems, tools and applications.

The Uncomfortable Truth About ROI Measurement

- Instant ROI-AI delivers ROI quickly and business impact magically appears. The reality is speed matters, but so does discipline.
- When organizations obsess over measuring the ROI of AI, what they're really measuring isn't the AI at all. They're measuring their own ability to implement change. To drive adoption. To enable effective utilization. To direct and leverage their expanded workforce capacity.

ROI Formula Used

$$\text{Direct Savings} = (\text{Pre-AI Cost} \times \text{Volume}) - (\text{Post-AI Cost} \times \text{Volume}) - \text{AI Tool Cost}$$



Cost Drivers

Development, hardware, data quality, feature complexity, and integration with existing systems.



Investment Range

From \$5,000 for simple models to over \$500,000 for complex solutions.



Vendor Pricing Models

OpenAI per token, Microsoft per seat, AWS per GPU-hour, Salesforce per conversation, Anthropic per million tokens.

Direct and Visible Costs

API/model fees: Payments for tokens consumed via third-party model providers.

Compute and storage: GPU cloud instances, vector databases, and retrieval indexes.

Indirect and Often Hidden Costs

Tooling and observability: Logging, monitoring, and lineage tracking across agent workflows;

Governance and compliance: Data protection impact assessments.

Integration complexity: Custom connectors to enterprise applications (ERP, CRM, HRIS) that require continuous maintenance

Evaluation and quality assurance: Human-in-the-loop evaluation, scenario testing, and hallucination detection to validate reliability

What should AI measure?

- **Quality of work** means asking: Are the outputs better? Are the analyses more thorough? Are the decisions better-informed? Is work getting done that wouldn't have been possible before?
- **Quality of experience** means asking: Are customers better served? Are internal stakeholders getting what they need more effectively? Are employees finding their work more engaging because they're spending more time on high-value activities and less time on process??

Organizations that figure out how to deploy AI effectively, drive genuine adoption, leverage agents for expanded capacity, and capture real value from augmented knowledge work will outperform those that don't. Not because the AI itself is magic, but because they'll effectively be operating with a larger, more capable workforce.



Thank You

Questions ?