Okay, so we're at Measuring the Impact of AI.

Now, this is going to be different depending on every single variable that you guys have but there's going to be ones that are kind of universal across the board and depending on who you report into that also depends on what impact you're measuring.

So ROI is going to be different when you're talking about human costs versus bottom line versus top line versus CapEx versus OpEx. There's a lot of stuff that you're going to have to measure.

One of the main things that I want to measure every single time I go to any single business is accuracy and precision of processes. So, if it's data entry, you want to know how many transposition errors there are. If it's customer service, how many reopen tickets there are. If it's automotive, how many return tickets there are. There's a way for you to measure the accuracy of your people and your processes.

Using AI you manipulate those processes and to optimize those processes to get your accuracy up to a 100. And AI process never makes a mistake. Once it's dialed in, it never makes a mistake. So your goal here is you see all of these different bars. These are going to be times where you're learning where the exception to the rule proves it.

So, you may start at 55% - 56% accuracy which is generally where humans stay around and by average. So you implement some process optimization. Get rid of some dead weight. It automatically go up to 60% but then you try to figure it out. You do some optimization of some processes. Your accuracy goes way down because you learned something incorrectly or you made a miscalculation on fruit of the poison tree.

So you recalculate and reorganize and you get back out to baseline. You just remove whatever you did here. So you get back to baseline and then you optimize a little bit more processes. You say, "Okay, now I'm going to try to automate." And then you automate and everything just breaks. Everything breaks. Accuracy goes down. Automations break. People upset. Everything's crazy.

You fix your automations over the month. And you get here. And now you're starting to see, "Oh, okay, here's where we're at."

But look, it was a tremulous play. Like, this wasn't fun. These are months. These are times. This is difficult. This isn't a short time. There's going to be times where you're at like a 12% accuracy and you have to understand better than anyone else so you can explain up why there's so many problems and errors and why you're holding all these costs and carry costs and problems and issues. Oh man, we should have never done AI.

And then the next month you figured it out and boom, now you're at 77, 80, 89. And then you plateau for a while because you're just on autopilot and you're figuring out what you don't know yet. Then you hit a point here in November. Boom. Now you have an inflection point and you start declining again. Now you're almost 100% because now you've optimized and automated all your processes over a year.

And this goes along with that milestone from the last lesson. See, if you put these milestones out here, you set these expectations that June very well could be a horribly accurate month. Our precision may be down. Then it's not going to be a surprise when they see this graph in December. So if you set in January a two-year plan, then they know in December, I'm at 100% accuracy already. I'm a year ahead of the plan

If you set a month to month and you don't have a forecast, then you're as good as your last month. And if it's June, good luck. Now, this is process speed, and this is going to be super critical for the CTO. CFO. CEO is probably not going to care too much about this.

But so let's say, you have an average process speed of 5 seconds. It takes 5 seconds across the board and now this is a task meeting, like sending text messages, responding to emails, saving a file, closing a file, renaming a file, moving a file from a folder to a folder are processes. Everything that you have a set task for, of file save in Microsoft, is a process. And the individual tasks for the computers.

But for as long as you know all you need to do is file save, right? What you do there is you monitor processes and you start incorporating a workflow automation process optimization. You bring your process speed down.

So your goal in this, I mean, a 5-second process speed is crazy. This is more like 500 seconds or whatever. But just to show you the same thing that's going to happen, but reverse. So you're going to start with 5 seconds and you're going to start dropping it, optimizing processes. You're going to jump up. You're going to jump real down here because you're going to see once process that doesn't have to happen.

Somebody is transposing that doesn't need to. Or there's a function and in their sheet that they're running that you can just use like a Vlookup for some kind of something that's gonna happen. Right? And then you're gonna come back here and then that's gonna break. And somebody else is gonna come with a different use case and you're gonna get back up here. And now you're gonna add processes, but they're gonna fix that.

You're going to come back up the baseline because something broke and then you're going to break. You're going to have a breakthrough and come down here. You're going to get a one-second process, but then something else is going to happen. A new input is going to come. A new social media is going to have something. You're going to spike back up and then you're going to figure it back out and then you're going to go down and you're down.

So again, if you set the expectations at the very beginning, and you're like, "Hey, this is a 2-year process but this is what we're going to be doing over the first year. We're going to be going and bringing our accuracy up. And bringing our speed of processes down." That's easy to understand and if you go month-to-month and you report on this, it's just a difficult ride. So you got to go and say, "Hey, this is a two-year process. So they know in December. Okay. I know it's a look."

And then the last two are going to be kind of metrics that are across the board in the C-suite of what you want. And that's going to be user satisfaction and adoption rate. And you can see a correlation usually between user satisfaction and adoption rate going up. And if you see here, I put anomalous data here. So what this does is it allows you to see when the user satisfaction wasn't sent out or wasn't complete. So you can see in January, February and July user satisfaction wasn't sent out for whatever reason.

So whoever's in charge of sending out the user satisfaction, the survey didn't do it. That is the ammunition that you have. You're like, "Okay, well, I don't have information."

If you're not recording and reporting this, then you don't have the ammunition at the end that you can say, "Hey, like, here, I can't give you trends month over quareter, quarter over quarter caused I missed these three months.. So if you missed that to pay attention, because when you're presenting this to the C-suite, you're going to be asked questions about these types of things.

What you're looking at here in blue is user satisfaction. This is usually going to just stay right around the same unless you really messed up or you've introduced something that is transformative. So if you started in the fifties because people were upset, once you start introducing automation, then then you'll definitely start having that user satisfaction creep up.

But what you'll see is the adoption rate of AI. When that starts going up quickly, that's when the user satisfaction will start going up a lot faster. When you get more people behind the AI initiatives and they're doing more with it, they'll understand more. And they'll get the results of it that we're looking for faster which means that their satisfaction rate because their satisfaction is directly tied into their ability to do less busy work using AI. That's what we're doing. We're trying to get AI to just remove all the things that they don't want to do. The more that they adopt it, the more satisfied they are with it. It's pretty simple.

So again, like what gets measured gets managed. There's not really much that you can go over that's just boilerplate. For every single industry, every single vertical, every single company, you're going to have your own level of measurement. You're going to have your own KPIs that you're going to report into, depending on if you're reporting to the CEO, wherever you're at. COO. Maybe the CTO. Maybe you're not reporting to anyone and you're an autonomous position that has people reporting in to you. So the reporting is very critical, but the thing that you have to just keep in mind is what you what you measure is the only thing that you're going to manage.

So you have to look at adoption rate of AI. You have to look process speed, process cost, operations cost. Everything that we went over in all of the KPIs. That is what you're going to report out generally. Every single company is going to have their own widget. You're going to have to figure out those reportings as you move forward with your automations and your AI.

But because you've gone through and done all the process optimization, process identification, all the workflow automation, you already know what all the processes are. You're already familiar with everything going on. So measuring the future state of all these things is not a big deal because you've already identified them. You know what the variables are. You can measure them. That's the purpose that we do all this stuff because it seems like, "hey, why would I do process optimization? I just want to do that." Yeah, you only get to AI though when you've gotten past that process optimization and workflow automation point.

AI comes in at the end of it. It makes it 100 times better. You don't really just shoehorn it in at the beginning and hope it works. So, you have to understand what KPIs they want measured, and then from there, you report those out, and you can manipulate the AI to be within those metrics.

So the AI, here's a bunch of data. How do I reformat my plan to better represent the increase of these KPIs? And then once you have your processes identified and optimized, you then use AI to say "These are the patterns and the processes that you can do to optimize out. These are the processes in patterns that you don't see that I have identified because I looked at all the other processes that you can remove because they're redundant and here's how you fix them."

You don't get to that point until you've optimized because the AI Is not going to see the pattern until there's a pattern. And there's nothing going to be there until you've established it. So you start simple, you go through, get all your processes, understand who you're talking to.

Get the CEO on board. Make sure everyone is good with the 2-year plan. Then you design a measurement system so that in the end of this, the whole thing that you're doing, you can look back and say, "okay, here is the actual difference we made."

And make sure that they're not trying to measure you in the future. They're just measuring from where they were to where you are now, alright? It's a difficult thing to really talk about, how to measure the effectiveness of AI and ROI before it's in. But it's the thinking about it, the systematic thinking in the future of what's going to get measured. That's what you got to think about.

So, you know what workflow automation is. You know to attack AI into it. You know the words you need to say. You know everything how to sell it to the C-suite. You know how to build the team and get everything around. You know that you have to get the CEO on board. You know how to build a 2-year plan with milestones, with individual actual examples.

Now, we just need to get you to a point where you're future-proof and anything that comes down the pipe, you're ready to go.

They made it this far. You got one more to go. You're almost done. Hang in there.