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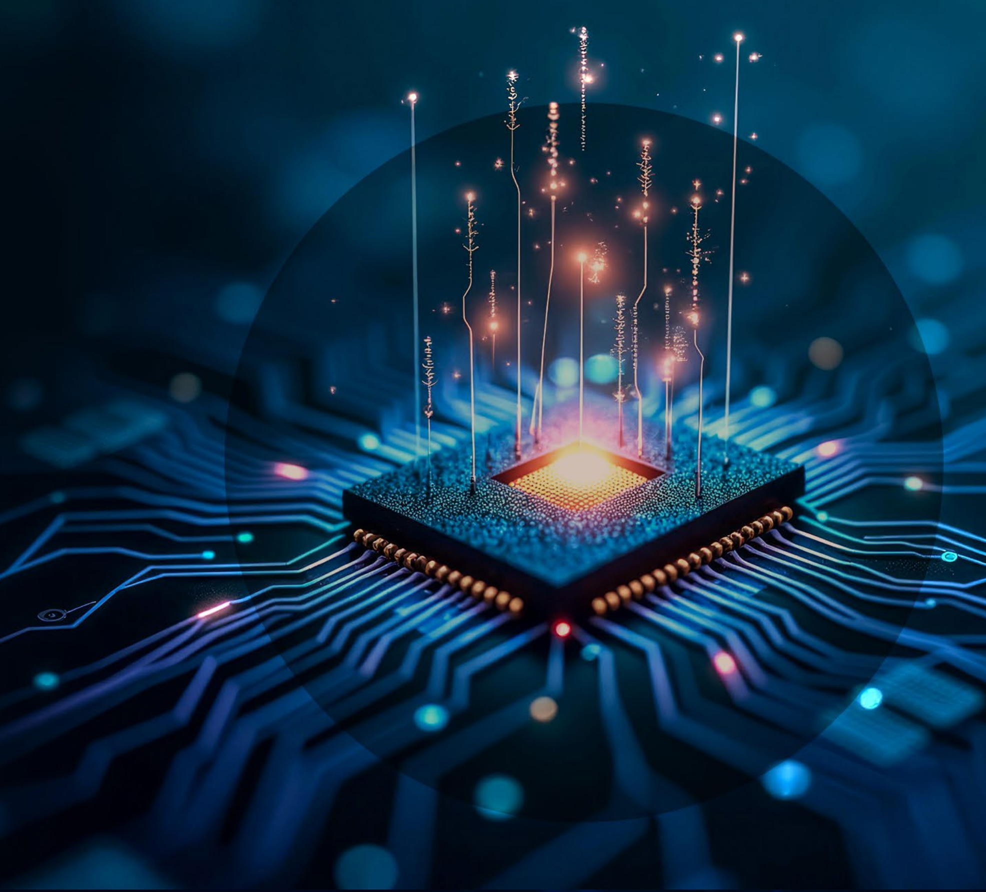

The rise of the AI operating model: Why every business needs an AI Centre of Excellence today.

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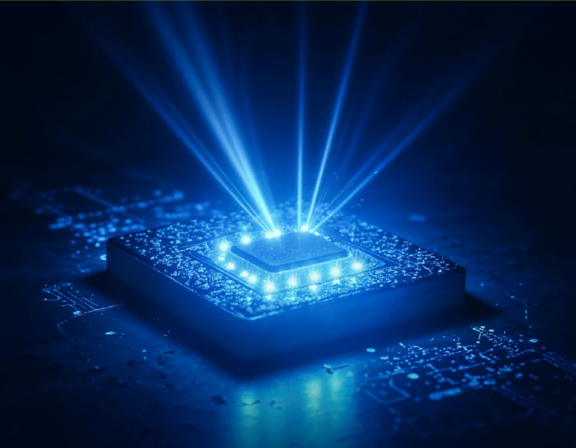
The strategic fault line very few are talking about



AI is reshaping the corporate landscape not through isolated pilots, but by redrawing the very architecture of how value is created and realised. In boardrooms across the globe, a new strategic question is surfacing: **Can your business scale value realisation from AI faster than your competitors?**

The answer lies not in tools or talent alone, but in the creation of a new enterprise layer: the **AI Operating Model**, institutionalised through a high-functioning **AI Centre of Excellence (CoE)**.

Our global research covering more than 500 board executives across 57 countries shows that nearly half (44%) of board executives, believe AI adoption must be accelerated, highlighting the importance and urgency of making meaningful inroads on scaling AI. To further this ambition, it must be noted that AI CoEs are no longer a technical function. They are the scaffolding for the intelligent enterprise, and one of the most crucial operating decisions a CEO or board will make over the next 12-18 months.

From experimentation to institutional advantage

Most enterprises are stuck in what we call **AI Phase I: Use Case Theatre**. A collection of scattered proof-of-concepts, disconnected teams, unclear value realisation and glaring governance gaps. Despite hundreds of AI experiments, few are successful in scaling those that work for true enterprise value.

The shift to **AI Phase II: Industrialised Intelligence** requires an intentional, enterprise-wide operating model. At its core:

- A **strategic nucleus** that aligns AI to business priorities
- A **shared technical capability** that accelerates reuse and time-to-impact
- A **value realisation engine** that tracks impact beyond technical success
- A **governance construct** that ensures trust, compliance, and accountability

This is the role of the AI CoE, not as a cost centre, but as a business transformation multiplier.

The AI operating model: A new enterprise layer

At Deloitte, we frame the modern AI operating model across three interlocking layers:

1 AI Strategy (Control the Why)

In partnership with their boards, the c-suite must define the ambition: What strategic problems will AI solve? What are the risk boundaries? What new capabilities must be developed? How will value be defined, measured, and realised?

This layer sets the tone through:

- Strategic roadmap prioritisation aligned to business value pillars
- Capital allocation, value measurement framework and business sponsorship
- AI readiness and maturity assessment

2 AI Foundry (Industrialise the How)

The Foundry operationalises AI across the enterprise by:

- Providing model, data, and technology reuse across teams
- Managing demand and intake in a structured, prioritised manner
- Enabling scalable tooling, platforms, and engineering standards

3 AI Control Tower (Ensure the So What)

AI models degrade, drift, and lose value without ongoing orchestration. The Control Tower ensures sustained performance via:

- Model and use case lifecycle management
- Business KPI tracking and continuous learning
- AI auditability, bias detection, and regulatory compliance
- AI policy, ethics, and risk frameworks
- Business value realisation measurement

Why CEOs and Boards must internalise

This shift is not about doing AI better. It's about running the business differently.

Boards must move AI discussions from "experimental innovation" to "core operating discipline." The AI CoE is not a lab. It's a **control structure for how decisions, predictions, and outcomes are operationalised**.

Key implications include:

- **Capital planning will shift**: Investment in AI CoEs must be tied to strategic value pools, not line-item R&D.
- **Accountability will evolve:** AI success cannot sit with data scientists alone. C-suite leaders must own outcome-level KPIs.
- **Trust will define adoption:** Without a governance layer, explainability, compliance, and social license will break down.

How to tell if you're behind

Your organisation needs an AI CoE now if:

- Business units are running disconnected AI pilots with no shared learnings.
- There is no centralised model governance or risk function.
- Time-to-value for AI initiatives exceeds 9-12 months.
- The c-suite and board lack clear visibility into AI impact on core financials.
- You are over-reliant on external vendors to define your AI agenda.

A tale of two futures

In our work across industries, we see a widening gap.

On one side: organisations that **operationalise AI as a capability**; integrating it into every core function, from pricing, to customer service, to risk. These players are already seeing 10–20% EBITDA impact.

On the other: organisations that **treat AI as a series of pilots**; incurring mounting costs, governance risk, lack of clear value realisation, and cultural fatigue.

Within 24 months, this divergence will define industry reshuffling. **AI CoEs are the fault line**.

The new CEO imperative

Just as the ERP CoE became the linchpin of enterprise digitisation in the 2000s, the AI CoE will become the defining organisational capability of the next decade.

But here's the difference: **ERP digitised the back office. AI will redefine the front office**.

This is no longer just a CIO play — it's a CEO, CFO, COO, and board play.

Don't build models. Build muscle

The future belongs to businesses that can operationalise intelligence at scale, not just once off, but repeatedly. The AI CoE is not just a delivery model. It is **your AI muscle memory**.

The ability to convert ambition into action, at speed, with control, repeatedly.

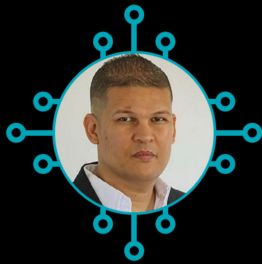
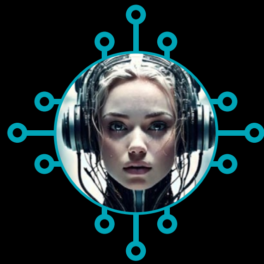
The call to action is clear:

- Build the CoE.
- Empower it.
- Fund it like a strategic priority.
- Govern it like a risk function.
- Scale it like a product engine.
- Reap repeated the value from it.

Because ultimately, the organisations that run on AI, will outperform those that merely experiment with it.

Contacts



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