



AI DRIVEN ROI & VALUE REALIZATION

APPLYING CAPITAL DISCIPLINE TO AI INVESTMENT

PRESENTED BY
AMIT PATEL

What We'll Cover

- 01 The Capital Allocation Problem** 109B invested with M&A-level risk but none of the M&A-level rigor.
- 02 The Five Value Destroyers** Organizational failures, not technology. explain 70% of write-offs.
- 03 The Discipline Premium** 74% of focused initiatives meet ROI. The variable is selection rigor, not AI capability.
- 04 The Evidence** JPMorgan, Klarna, and Walmart demonstrate 10–20x returns with specific, replicable methods.
- 05 The Operating Model** Stage-gate funding, portfolio construction, and the CFO dashboard that tracks real value.



A Capital Allocation Problem In Disguise

NO CFO WOULD APPROVE THIS. AI PORTFOLIOS STILL DO

\$109B

US private AI investment in 2024
12x China's total investment

92% of enterprises plan to increase
AI spending over the next three years

6%

achieve meaningful
profit contribution

67%

stuck in pilot
purgatory

42%

of 2024 initiatives
abandoned

46%

of POCs never
reach production

With a 94% failure rate and 67% of M&A deals stalling, the deal team would be gone. So why does AI get a pass?

Mythos Group analysis; Stanford HAI AI Index 2025; McKinsey State of AI 2025; S&P Global; Deloitte Q4 2024



Five Ways AI Investment Destroys Value

ALL PREVENTABLE. ALL PROCESS FAILURES, NOT TECH FAILURES.

66% Deloitte	No business case	Initiatives launch on vendor demos and excitement, not P&L targets. No baseline measured. No kill criteria defined. The CEO asks "Are we doing AI?" instead of "What's the internal rate of return (IRR)?"
45% HBR	Data not production-ready	Teams discover data quality issues after committing budget. Data readiness assessment should precede vendor selection, not follow it.
67% McKinsey	Permanent pilot syndrome	No graduation criteria. No production pathway. POCs multiply without consolidation. Activity is confused with progress.
2x MIT Sloan	Wrong build vs. buy	Internal builds fail at 2x the rate. Organizations build for ego when they should partner for speed. The build decision should require the same justification as an acquisition.
12% Deloitte	Underinvestment in change	Only 12% of AI budgets go to organizational change. The 6% who succeed allocate 35–40%. Technology is table stakes; adoption is the variable.

Fix the process before buying more tools. Governance beats features. Every dollar spent without kill criteria is a dollar at risk.

Mythos Group analysis; BCG/Harvard 2023; Deloitte Q4 2024 (n=2,773); HBR Analytic Services; McKinsey 2025; MIT Sloan NANDA

