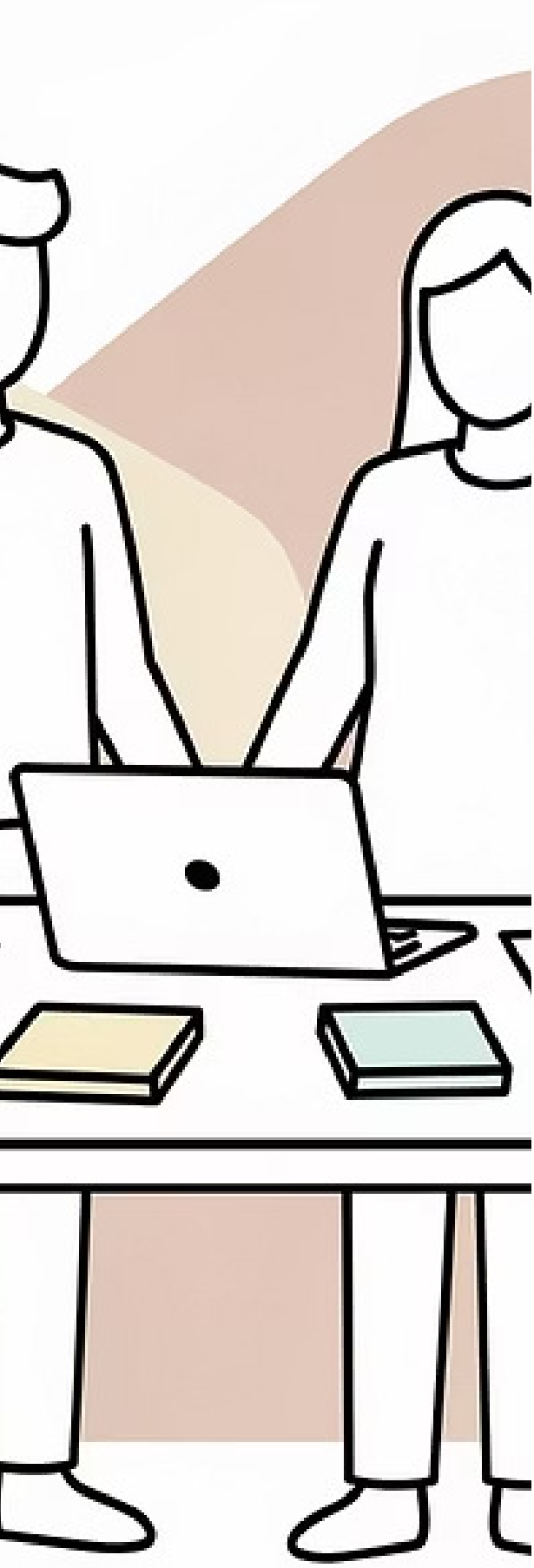

AI Opportunity Assessment

A Prioritization Framework for Product Leaders

Most companies make AI product decisions based on technical feasibility and market hype. You need a way to separate genuine opportunities from expensive distractions.

This framework evaluates AI opportunities across four dimensions.

1

Business Case

2

Organizational Readiness

3

Customer Value

4

Strategic Alignment

Use it in product reviews to build shared understanding of what you're actually optimizing for.

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Business Case

The first dimension evaluates whether your AI opportunity has sound business fundamentals. Articulate clear value and validate assumptions before committing to the project. Score one point for each question you answer yes to below.

1

Transformation vs. Improvement

Is this business model transformation or incremental improvement?

Be explicit about which you're pursuing and whether your organization can absorb the associated risk. Incremental improvements offer clearer ROI but lower competitive moats. Transformational changes carry higher risk but create stronger defensibility.

2

Success Metrics Beyond Hype

Do we have a clear success metric that isn't "uses AI"?

If your success criteria is "we launched an AI feature," you're optimizing for announcements, not outcomes. Define the business metric that actually matters—reduced support tickets, increased conversion rates, faster time-to-value for customers.

3

Validation Economics

Can we prototype cheaply enough to validate the core assumption?

AI features often fail because the underlying product assumption was wrong, not because the technology doesn't work. If the validation path requires significant investment before you learn anything meaningful, that's an important signal about risk.

Notes

Your Score

___/3 points

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Organizational Readiness

Technical capability matters less than organizational capability. AI development introduces probabilistic outputs, iterative workflows, and cross-functional complexity. This dimension evaluates whether your organization can actually execute. Score one point for each yes answer.

1

Managing Probabilistic Systems

Do we have the technical capability to maintain probabilistic outputs?

AI is fundamentally probabilistic—similar inputs can produce different outputs. You need infrastructure for continuous evaluation, monitoring for model drift, and comfort managing outputs you can't fully control.

2

Product Development Process

Can our product development process handle this?

AI development is inherently iterative with fuzzy completion criteria. You might spend two weeks discovering the problem isn't solvable with current approaches. Your sprint planning, roadmap commitments, and stakeholder expectations need to accommodate this reality of experimentation and learning.

3

Cross-Functional Literacy

Do we have the cross-functional literacy to execute?

Product managers need enough technical understanding for informed conversations with ML engineers. Designers need to understand what's designable when outputs are non-deterministic. Leadership needs sufficient fluency to make intelligent resourcing decisions. If most of your organization thinks "AI" and "machine learning" are interchangeable terms, you have foundational education work to do first.

Notes

Your Score

___/3 points

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Customer Value

Customer value cuts through internal enthusiasm and market hype. This dimension focuses on whether AI actually solves meaningful customer problems better than alternatives. Score one point for each yes.

1

Right Tool for the Job

Does this problem actually require probabilistic outputs?

Sometimes the best solution is a rules engine, lookup table, or well-designed workflow. Use AI when problems genuinely require pattern recognition, natural language understanding, or generating novel outputs—not because it's technically interesting.

2

Customer vs. Internal Motivation

Are we solving for customer delight or internal fascination?

Your engineers are excited about LLMs. Leadership wants an AI story for the board. None of this matters if customers don't care. Talk to actual users. Often they want simpler, faster, more reliable—none of which requires AI.

3

Failure Impact Analysis

What's the customer impact if this fails or hallucinates?

Some use cases tolerate errors gracefully—creative brainstorming, draft generation. Others don't: financial advice, medical guidance, customer-facing automation. If failure creates significant customer harm, your quality bar needs to be correspondingly higher.

Notes

Your Score

___/3 points

Strategic Alignment

Strategic alignment evaluates whether this opportunity advances your core business or becomes an expensive distraction. Score one point for each yes answer below.

1

Core vs. Distraction

Does this advance our core business or distract from it?

AI capabilities can expand your product surface area in exciting ways. They can also dilute focus and complicate your value proposition. If this feature requires explaining a different value prop to a different customer segment, you're starting a new business, not enhancing your core.

2

Leverage vs. Dependency

Are we building leverage or building dependency?

Some AI investments create compounding advantages: better data flywheels, proprietary training sets, unique evaluation frameworks. Others create vendor lock-in or reliance on foundation models that competitors access just as easily. Know the difference.

3

Timing and Inflection

Is this the right inflection point for AI investment?

AI investment makes sense when customer problems genuinely require it, competitive dynamics demand it, or you have slack capacity to experiment. It makes less sense when you're finding product-market fit, firefighting operational issues, or resource-constrained on higher priorities.

Notes

Your Score

___/3 points

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Interpreting Your Results

Add up your scores across all four dimensions to get your total opportunity score out of 12 points. This aggregate number provides a quick filter for whether to proceed, but the real value comes from examining scores across dimensions and using gaps to drive strategic conversations.

10-12 Points: Strong Opportunity

This is a high-potential opportunity worth deeper investigation. You have business fundamentals, organizational capability, customer value, and strategic alignment. Move forward with detailed planning and resource allocation.

7-9 Points: Proceed with Caution

You have meaningful gaps that need addressing before you commit significant resources. Identify which dimensions scored low and determine whether those gaps are addressable or fundamental constraints. Sometimes the right answer is "not yet."

Below 7: Strategic Pass

Your constraints suggest this isn't the right bet right now. That's valuable clarity. Document why you're passing and what would need to change for this to become a yes. Strategic nos are as important as strategic yeses.

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Making This Framework Work

The best products, whether they leverage AI or not, come from disciplined opportunity selection, not enthusiastic yes-to-everything.

Run this as a team exercise.

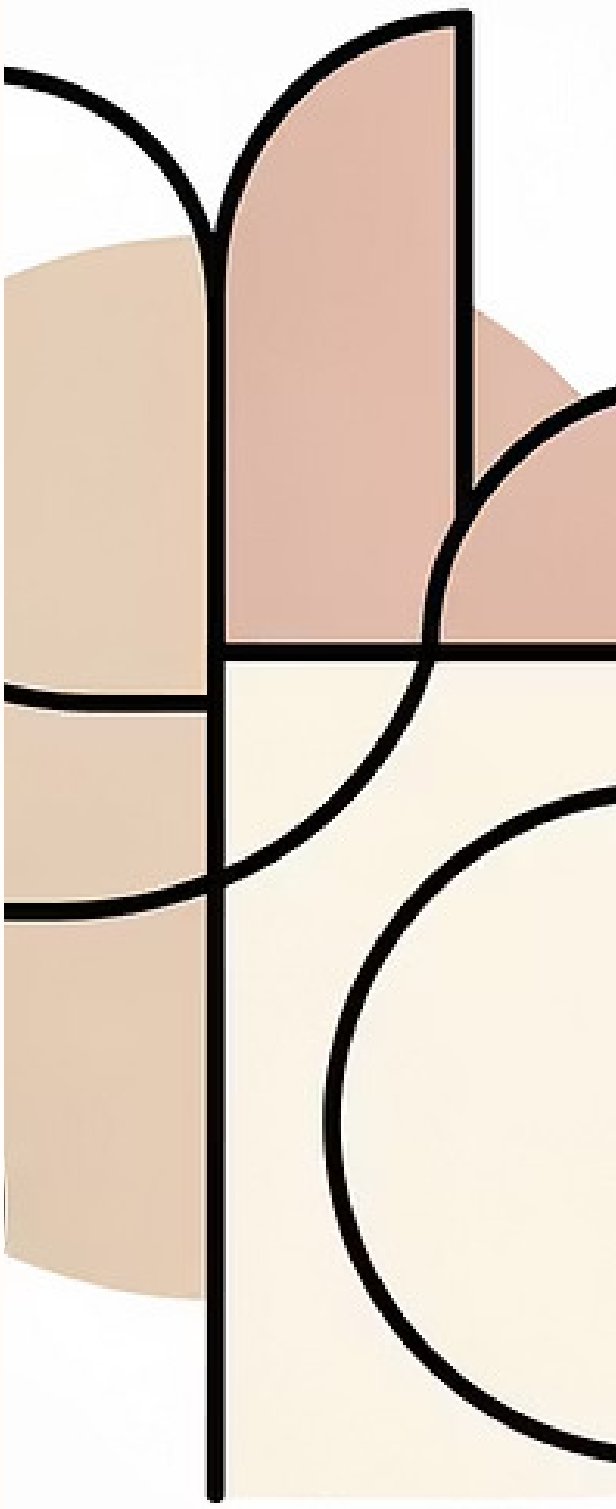
Different functions will score sections differently—that's valuable signal about where you lack alignment.

Use this to say no with clarity.

It frames the no as strategic rather than arbitrary and identifies what would need to change for it to become a yes later.

Revisit decisions quarterly.

AI capabilities evolve rapidly. An opportunity that scored poorly six months ago might score differently today as foundation models improve, your organization builds capability, or customer needs shift. Keep a backlog of evaluated opportunities and reassess when conditions change.



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