

AI Capability in Practice

A Scenario-Based Quiz with Answers & Discussion Prompts

For Education, Research, and Public Service

Purpose

This quiz assesses **AI capability** — judgement, responsibility, and decision-making — rather than technical knowledge.

Each question has:

- a **best response**
- an **answer rationale**
- **discussion prompts** for teaching and reflection

Domain 1 — Awareness & Orientation

Q1. Inconsistent AI teaching materials

A department uses generative AI to draft teaching materials but notices inconsistent quality and factual errors.

Best response:

C. Establish shared guidance on appropriate use, limitations, and verification

Rationale:

AI awareness is collective, not individual. Shared guidance reduces systemic risk without banning innovation.

Discussion prompts

- What errors would be most damaging in your context?
- Who should be responsible for verification?
- How does shared guidance change behaviour over time?

Q2. Treating AI as a neutral draft

A team treats AI outputs as “first drafts” but rarely questions assumptions or framing.

Best response:

B. Over-reliance on AI as an authority

Rationale:

AI influences how problems are framed, not just written. Awareness includes recognising epistemic risk.

Discussion prompts

- How does AI shape thinking as well as text?
 - Where have you seen subtle over-trust?
 - What signals unhealthy reliance?
-

Q3. No shared understanding of when *not* to use AI

An institution adopts AI rapidly without agreed boundaries.

Best response:

C. Inappropriate or unethical use

Rationale:

Knowing when *not* to use AI is a core capability, not an optional add-on.

Discussion prompts

- What tasks should exclude AI?
 - Who should define boundaries?
 - What happens when boundaries are implicit?
-

Q4. AI summaries outside expertise

A researcher uses AI to summarise literature beyond their expertise.

Best response:

B. Cross-check with sources and domain experts

Rationale:

Capability means calibrated trust, not blind efficiency or avoidance.

Discussion prompts

- How does expertise affect judgement?
 - What safeguards are realistic?
 - When is “good enough” not acceptable?
-

Q5. Mature AI awareness

Which statement best reflects mature AI awareness?

Best response:

D. AI shapes thinking and decisions, not just outputs

Rationale:

This captures the foundational insight of AI capability.

Discussion prompts

- How has AI changed how you think?
 - What risks arise if this influence is unexamined?
 - How do teams build shared awareness?
-

Domain 2 — Human–AI Co-Agency

Q6. Automated reports without review

A team signs off AI-generated reports without human review.

Best response:

B. Loss of accountability

Rationale:

Co-agency requires explicit human responsibility for outcomes.

Discussion prompts

- Who is accountable if something goes wrong?
 - How does automation affect professional identity?
 - Where must review be mandatory?
-

Q7. Designing decision points

Which practice best supports human–AI co-agency?

Best response:

C. Defining explicit decision points for human judgement

Rationale:

Co-agency is designed collaboration, not maximum automation.

Discussion prompts

- Which decisions must remain human-led?
 - How do you decide where AI adds value?
 - What happens when decision points are vague?
-

Q8. AI-assisted student work

A lecturer allows AI drafting but requires students to explain their reasoning.

Best response:

C. Co-agency design

Rationale:

This preserves human reasoning while enabling AI support.

Discussion prompts

- How does this change assessment design?
 - Does it increase or reduce workload?
 - What skills does it develop?
-

Q9. AI recommendations in crises

A policy team uses AI to suggest actions during emergencies.

Best response:

C. Use AI to surface options, retain human judgement

Rationale:

High-stakes contexts require human accountability.

Discussion prompts

- How does time pressure affect judgement?
 - What if AI advice conflicts with human judgement?
 - Who carries responsibility?
-

Q10. Poor co-agency

Which scenario shows poor co-agency?

Best response:

C. AI making final decisions without oversight

Rationale:

Removing humans from final decisions undermines legitimacy.

Discussion prompts

- Are there any contexts where this is acceptable?
 - How does this affect public trust?
 - What safeguards would be required?
-

Domain 3 — Applied Practice & Innovation

Q11. Piloting AI use

A team pilots AI before full rollout.

Best response:

B. Strategic innovation

Rationale:

Capability grows through iterative, contextual experimentation.

Discussion prompts

- What makes a pilot meaningful?
 - How do pilots fail?
 - What evidence supports scale-up?
-

Q12. Sustainable AI practice

Which approach best supports sustainability?

Best response:

C. Experimenting within clear boundaries

Rationale:

Neither paralysis nor hype builds real capability.

Discussion prompts

- What boundaries matter most?
 - Who defines acceptable risk?
 - How do you avoid “innovation theatre”?
-

Q13. Local adaptation

An educator adapts AI workflows to local student needs.

Best response:

B. Applied capability

Rationale:

Capability means contextual adaptation, not copying best practice.

Discussion prompts

- Where does copying fail?
 - How do you balance consistency and context?
 - What adaptations are often overlooked?
-

Q14. Documenting lessons

A team documents AI successes and failures.

Best response:

C. Supporting organisational learning

Rationale:

Capability grows through learning, not just success.

Discussion prompts

- Why are failures hard to share?
 - How can learning occur without blame?
 - What happens when lessons aren't documented?
-

Q15. Vendor-led adoption

Which signals weak applied practice?

Best response:

C. Blind adoption of vendor demos

Rationale:

Vendor narratives often ignore context and risk.

Discussion prompts

- How do vendors shape expectations?
 - What questions should always be asked?
 - Who benefits from premature adoption?
-

Domain 4 — Ethics, Equity & Impact

Q16. Unintended disadvantage

An AI system disadvantages certain groups unintentionally.

Best response:

C. Investigate, mitigate, and redesign

Rationale:

Ethical capability means thoughtful response, not denial or panic.

Discussion prompts

- How do you detect harm early?
 - Who should be involved in response?
 - What trade-offs are acceptable?
-

Q17. Transparency

Why is transparency about AI use important?

Best response:

C. It supports trust and accountability

Rationale:

Transparency underpins legitimacy.

Discussion prompts

- What level of transparency is realistic?
 - Who needs to know AI is used?
 - When can transparency create challenges?
-

Q18. Equity

Which practice best supports equity?

Best response:

C. Considering differential impacts and access

Rationale:

Equity requires sensitivity to context, not uniform rules.

Discussion prompts

- How does AI amplify inequality?
 - When does “optional” become exclusionary?
 - What support matters most?
-

Q19. Contestability

A public AI system cannot be challenged by users.

Best response:

C. Lack of contestability

Rationale:

Ethical systems must allow challenge and redress.

Discussion prompts

- What does contestability look like?
 - Why is it central to trust?
 - How can it be operationalised?
-

Q20. Ethical maturity

Which reflects ethical maturity?

Best response:

C. Proactive reflection on impact

Rationale:

Ethics is active, not compliance-based.

Discussion prompts

- How does proactive ethics differ from compliance?
 - Where should ethical responsibility sit?
 - How do values translate into practice?
-

Domain 5 — Decision-Making & Governance

Q21. Documenting AI decisions

Why document AI decisions?

Best response:

C. Defensibility and accountability

Rationale:

Documentation protects individuals and institutions.

Discussion prompts

- What should be documented?
 - How detailed is “enough”?
 - Who owns documentation?
-

Q22. No accountability

A team uses AI but no one owns outcomes.

Best response:

B. Role clarity gap

Rationale:

Governance depends on ownership, not policy alone.

Discussion prompts

- Why is accountability often avoided?
 - What risks emerge?
 - How can roles be clarified?
-

Q23. Governance balance

Which approach best supports AI capability?

Best response:

C. Clear principles with local responsibility

Rationale:

Balance enables consistency and flexibility.

Discussion prompts

- Where does central control help?
 - Where does it hinder?
 - How do principles guide decisions?
-

Q24. Escalation

When should AI decisions be escalated?

Best response:

B. When rights, equity, or reputation are affected

Rationale:

Impact, not technical error alone, triggers escalation.

Discussion prompts

- What counts as high-stakes?
 - Who defines thresholds?
 - What happens when escalation is unclear?
-

Q25. Informal AI use

Which indicates weak governance?

Best response:

C. Informal, undocumented AI use

Rationale:

Invisible use undermines accountability.

Discussion prompts

- Why does informal use persist?
 - How does invisibility increase risk?
 - What encourages safe disclosure?
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Domain 6 — Reflection, Learning & Renewal

Q26. Why reflect?

Why is reflection essential?

Best response:

C. To adapt as tools and contexts change

Rationale:

Reflection enables resilience and renewal.

Discussion prompts

- What changes faster: tools or contexts?
 - How often should reflection occur?
 - What gets lost without it?
-

Q27. Renewal

Which practice supports renewal?

Best response:

B. Continuous review and adaptation

Rationale:

Capability is dynamic, not static.

Discussion prompts

- How do reviews avoid bureaucracy?
 - Who should be involved?
 - What signals need for change?
-

Q28. Success without review

A team stops reviewing AI once it “works”.

Best response:

C. Capability stagnation

Rationale:

Success can hide emerging risk.

Discussion prompts

- Why is success dangerous?
 - What risks emerge over time?
 - How do you sustain vigilance?
-

Q29. Learning from failure

How should organisations learn from AI failure?

Best response:

C. Treat failure as a learning opportunity

Rationale:

Psychological safety underpins capability growth.

Discussion prompts

- How does blame inhibit learning?
 - What creates safety?
 - How should failures be shared?
-

Q30. Reflective capability

Which statement best reflects reflective AI capability?

Best response:

C. “We regularly reassess our AI use and its impact.”

Rationale:

Reflection is ongoing sense-making, not static compliance.

Discussion prompts

- Which statement fits your organisation?
- What would change be required?
- How do you know reflection is happening?