L02 AI Delegation Decision Matrix Practice

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Scenarios Analyzed: A, B, E

Scenario A: Client Proposal Writing

1. Decision Matrix Analysis (Slide 9)

Criteria	Score (1-5)	Justification
Risk Level (Financial)	4	Each proposal can represent up to $500K in revenue; errors could mean significant financial loss.
Risk Level (Operational)	3	Time-consuming (8–12 hours per proposal × 15–20 per month), but not catastrophic to daily operations.
Risk Level (Reputational)	4	Poor proposals can make TechFlow look unprofessional, risking client trust and market credibility.
Task Complexity	4	Requires integrating technical specs, pricing models, and risk analysis tailored to each client.
Human Expertise Required	4	Deep consulting experience and contextual knowledge are critical; AI alone cannot fully replicate this.
Total Score	19	**Recommended Tier**: 2 (Recommendation Systems)

2. Delegation Strategy

- **Recommended Tier**: Tier 2 – Recommendation Systems (Slide 6)
- **AI Role**: Draft proposal sections (executive summary, boilerplate company info, market analysis), suggest pricing templates, and flag potential risks from historical project data.
- **Human Role**: Refine technical specifications, validate pricing accuracy, tailor risk assessment, and ensure alignment with client context.
- **Implementation Approach**:
  - Deploy an AI-assisted proposal generator trained on past winning proposals and industry templates.
  - Consultants use AI output as a starting point, then refine with domain expertise.
  - Include human-in-the-loop checkpoints to ensure accuracy and persuasiveness.

3. Sample Prompts (Slide 10)

Basic Prompt:

"Draft a client proposal for a mid-sized logistics company, including executive summary, technical solution overview, pricing structure, and risk considerations."

Advanced Prompt:

"You are a senior consultant at TechFlow Solutions. Draft a client proposal for a mid-sized logistics company seeking a custom supply chain analytics platform.

- **Context**: Budget range $250K–$400K, timeline 9 months, emphasis on scalability and risk reduction.
- **Constraints**: Must include executive summary (≤300 words), solution architecture (clear but non-technical for execs), pricing breakdown with options, and risk assessment with mitigation strategies.
- **Format**: Output as a structured proposal draft with labeled sections.
- **Validation Criteria**: Ensure proposal tone is professional, persuasive, and client-focused; flag any assumptions requiring consultant review."

Prompt Analysis:

The advanced prompt is superior because it sets role context (senior consultant), enforces constraints (budget, format, word limits), and applies business prompt patterns (executive briefing + risk analysis). This ensures the draft is tailored, persuasive, and ready for expert refinement, rather than generic.

Scenario B: Code Review Process

1. Decision Matrix Analysis (Slide 9)

Criteria	Score (1-5)	Justification
Risk Level (Financial)	3	Bugs may lead to rework costs and SLA penalties but rarely cause existential financial loss directly.
Risk Level (Operational)	4	Code review bottlenecks slow delivery (200+ committees weekly), impacting efficiency and timelines.
Risk Level (Reputational)	4	Security flaws or poor performance reaching production can damage TechFlow's credibility with clients.
Task Complexity	3	Involve systematic checks (security, performance, coding standards), but these follow known patterns.
Human Expertise Required	3	Developers benefit from AI support; professional judgment is still needed for complex trade-offs and architectural concerns.
Total Score	17	**Recommended Tier**: 2 (Recommendation Systems)

2. Delegation Strategy

- **Recommended Tier**: Tier 2 – Recommendation Systems (Slide 6)
- **AI Role**: Perform initial code scans for style compliance, identify potential security vulnerabilities, and suggest optimizations for performance. Provide ranked recommendations for issues to address.
- **Human Role**: Review flagged issues, validate AI suggestions, focus on architectural and nuanced trade-offs, and make final approval decisions.
- **Implementation Approach**:
  - Integrate AI-based static analysis tools and LLM-powered review assistants into the CI/CD pipeline.
  - Use AI to prioritize risks (critical vs minor issues).
  - Maintain a human-in-the-loop for high-severity or context-specific issues.

3. Sample Prompts (Slide 10)

Basic Prompt:

"Review this Python code for security flaws, performance issues, and adherence to coding standards."

Advanced Prompt:

"You are a senior software reviewer. Analyze the following Python microservice commit:

- **Context**: Production system for financial analytics, handles sensitive client data.
- **Constraints**: Check for OWASP security risks, performance bottlenecks, and compliance with PEP8 coding standards.
- **Format**: Provide a ranked list of issues (critical, moderate, minor) with suggested fixes. Include a short summary in non-technical language for project managers.
- **Validation Criteria**: Flag any areas where business risk (client data, uptime) is involved and highlight for mandatory human review."

Prompt Analysis:

The advanced prompt improves results by applying risk analysis (prioritization of issues) and stakeholder communication (dual output for developers and managers). This ensures AI outputs are actionable, risk-aware, and business-aligned, rather than raw technical notes.

Scenario E: Employee Performance Reviews

1. Decision Matrix Analysis (Slide 9)

Criteria	Score (1-5)	Justification
Risk Level (Financial)	4	Poorly handled reviews can lead to costly turnover, wrongful termination claims, or legal disputes around bias.
Risk Level (Operational)	3	Review process consumes weeks of manager time, slowing other leadership work, but operations can still continue.
Risk Level (Reputational)	4	Perceived unfairness or bias in reviews damages company culture and employer brand, making retention and hiring harder.
Task Complexity	4	Performance reviews involve nuanced decision-making, weighing both objective metrics and subjective qualities.
Human Expertise Required	5	Requires unique human insight for career development discussions, sensitive feedback, and compliance with HR/legal standards.
Total Score	20	**Recommended Tier**: 1 (Strategic Decision Making)

2. Delegation Strategy

- **Recommended Tier**: Tier 1 – Strategic Decision Making (Slide 5)
- **AI Role**: Aggregate project data, summarize peer feedback, generate draft review language, highlight trends.
- **Human Role**: Final evaluation, promotion/salary decisions, delivering feedback, ensuring fairness and legal compliance.
- **Implementation Approach**:
  - Deploy AI to prepare draft inputs (performance summaries, peer trends).
  - Managers refine drafts and add judgment.
  - Apply bias-detection tools before final submission to reduce legal risks.

3. Sample Prompts

This is not available because the recommended tier is 1.

Reflection and Summary

Key Insights:

What did you learn about AI delegation decision-making?

AI delegation requires balancing risk, complexity, and human expertise. The decision matrix helps ensure objectivity, showing that AI works best when paired with human oversight rather than as a replacement.

Which scenarios were most challenging to categorize and why?

The code review process (Scenario B) was the hardest to categorize. It blends repeatable checks (which suggest automation) with nuanced architectural judgments (which require human expertise). This overlap made it sit between Tier 2 and Tier 3.

How might these decisions change in different organizational contexts?

In a larger enterprise with bigger budgets and advanced AI infrastructure, more tasks could shift toward Tier 3 or Tier 4 autonomy. In contrast, a smaller startup might adopt higher automation earlier to prioritize speed and cost efficiency, even if risks are slightly higher.

Implementation Challenges:

What obstacles might TechFlow face in implementing your recommendations?

TechFlow will face several obstacles when embedding AI delegation:

- Vision Setting: Need to clearly articulate how AI supports long-term competitiveness, not just efficiency.
- Stakeholder Engagement: Employees may fear "replacement"; transparent communication about AI as a partner is essential.
- Skill Development: Staff will need training to use prompts effectively and interpret AI outputs.
- Cultural Transformation: Managers must encourage experimentation while setting guardrails for responsible AI use.
- Performance Management: Success metrics should evolve to measure AI-human collaboration quality, not just task completion.

How would you address resistance or concerns from employees? (Consider Slide 13)

Resistance can be addressed through a structured change management approach: involving employees early, offering continuous training, celebrating quick wins, and rewarding effective adoption.

Personal Learnings:

How has this exercise changed your understanding of AI delegation?

This exercise shifted my perspective from a technical view of AI (algorithms, tools) to a strategic lens (when, where, and how to delegate responsibly).

What connections do you see to The Leadership Transition (Slide 3)?

I see direct connections to The Leadership Transition:

- Moving from building models to knowing when delegation is appropriate.
- Shifting from algorithm optimization to organizational performance optimization.
- Recognizing that leading AI strategy means managing systems, risks, and people together.