

The Strategic Mind

— START SMART. STAY STRATEGIC —

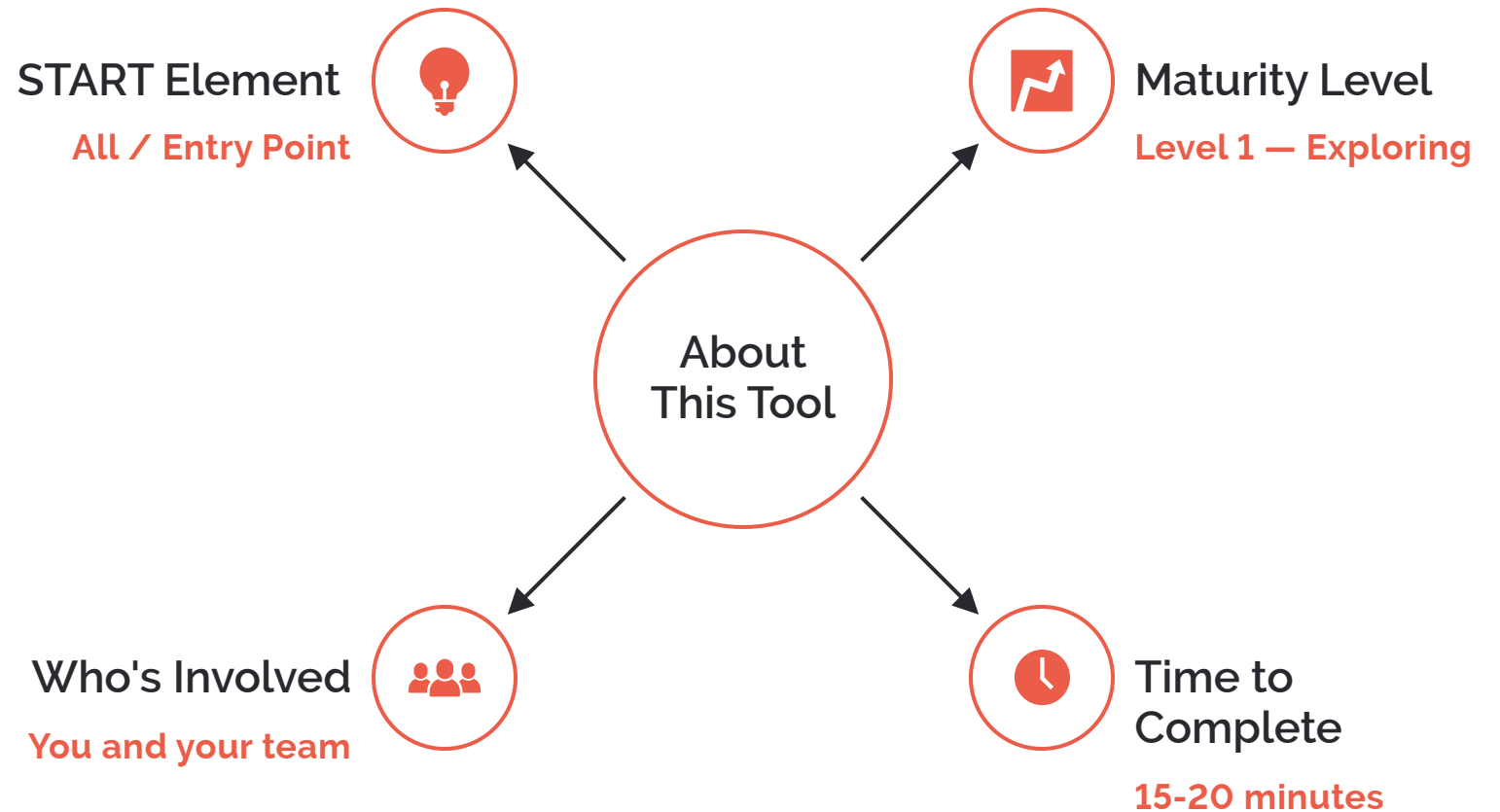
AI Bytesize

The key things you need to know about AI.



AI Bytesize

A plain English guide to the key things every business leader needs to know about AI.



What you'll leave with: A clear, shared understanding of what AI actually is — and what it means for your business..

What / Why / Benefits

What to know about AI before you start on the Journey.



What is 'AI Bytesize'

A plain English guide to the key things every business leader needs to know about AI — without the jargon, the hype, or the assumption that you have a tech background.



Why Use it?

Most business leaders know AI matters but don't know where to start. Without a basic understanding of what AI actually is, every conversation about it — with your team, your advisors, or your suppliers — starts from the wrong place.



Benefits

A clear, confident understanding of AI that gives you the foundation to make smarter decisions — about whether to use it, where to start, and how to approach it strategically.

Definition & Business Application

What is AI, Really?

"Technology capable of tasks that typically require human-like intelligence — such as understanding language, recognising patterns, and making decisions." — The OECD

In plain English for your business:

AI is software that learns from data and uses that learning to do useful things — faster, more consistently, and at a scale no human team could match.

- **It understands language:** AI can read, write, summarise, and respond — in plain English, across every function of your business.
- **It recognises patterns:** Given enough data, it spots trends, anomalies, and connections that would take a human hours — or that a human would miss entirely.
- **It makes decisions — or supports them:** From flagging an unusual transaction to recommending the next best action, AI can inform and accelerate decision-making at every level.

At this stage, understanding what AI can do matters more than understanding how it does it. That's exactly what this guide is for.

AI: A Tool, Not Magic

Understanding its Capabilities and Implications



Specific Capabilities

AI excels at specific tasks, performing them faster, cheaper, or more consistently than manual methods.



Real-World Questions

Consider the impact on jobs, data privacy, and accountability when AI makes errors. These require careful thought.



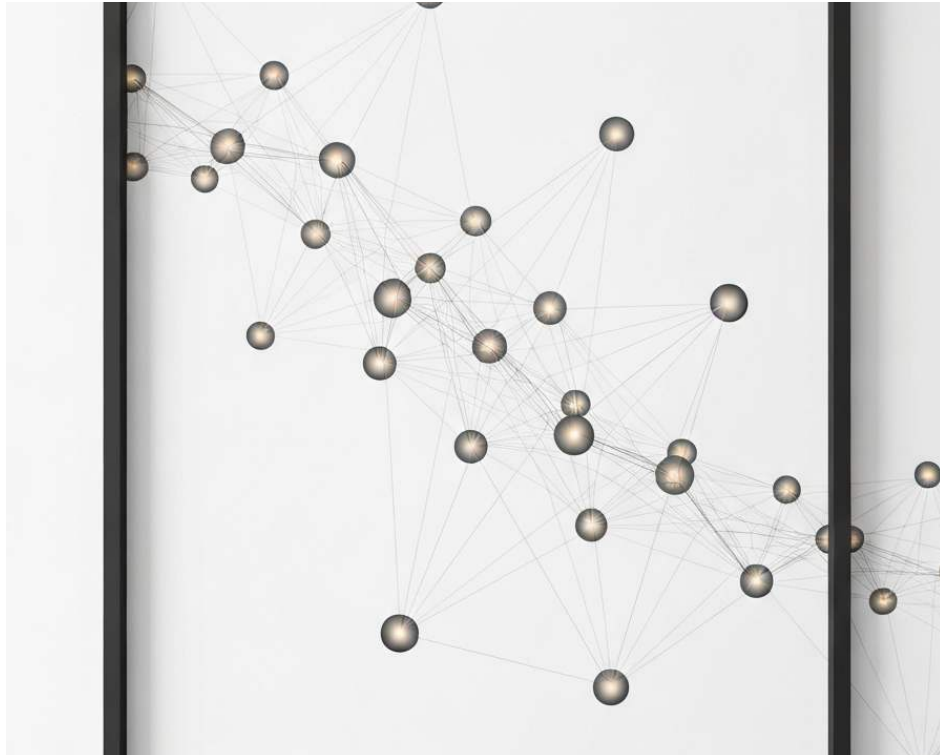
Foundation of Understanding

Grasping what AI truly is, is essential before forming conclusions about its impact on your business.

This guide aims to provide a foundational understanding of AI to help you navigate its implications.

There isn't just one type of AI.

You don't need to be an expert in any of these. You just need to know they exist — and which one is relevant to what you're trying to do.



- **Machine Learning**

AI that learns from data and improves over time by identifying patterns. Your spam filter is an example.

- **Generative AI**

AI that creates new content (text, images, code) based on its training. This is what most people refer to as 'AI' today.

- **Automation**

Using technology to perform tasks without manual intervention. AI significantly enhances automation.

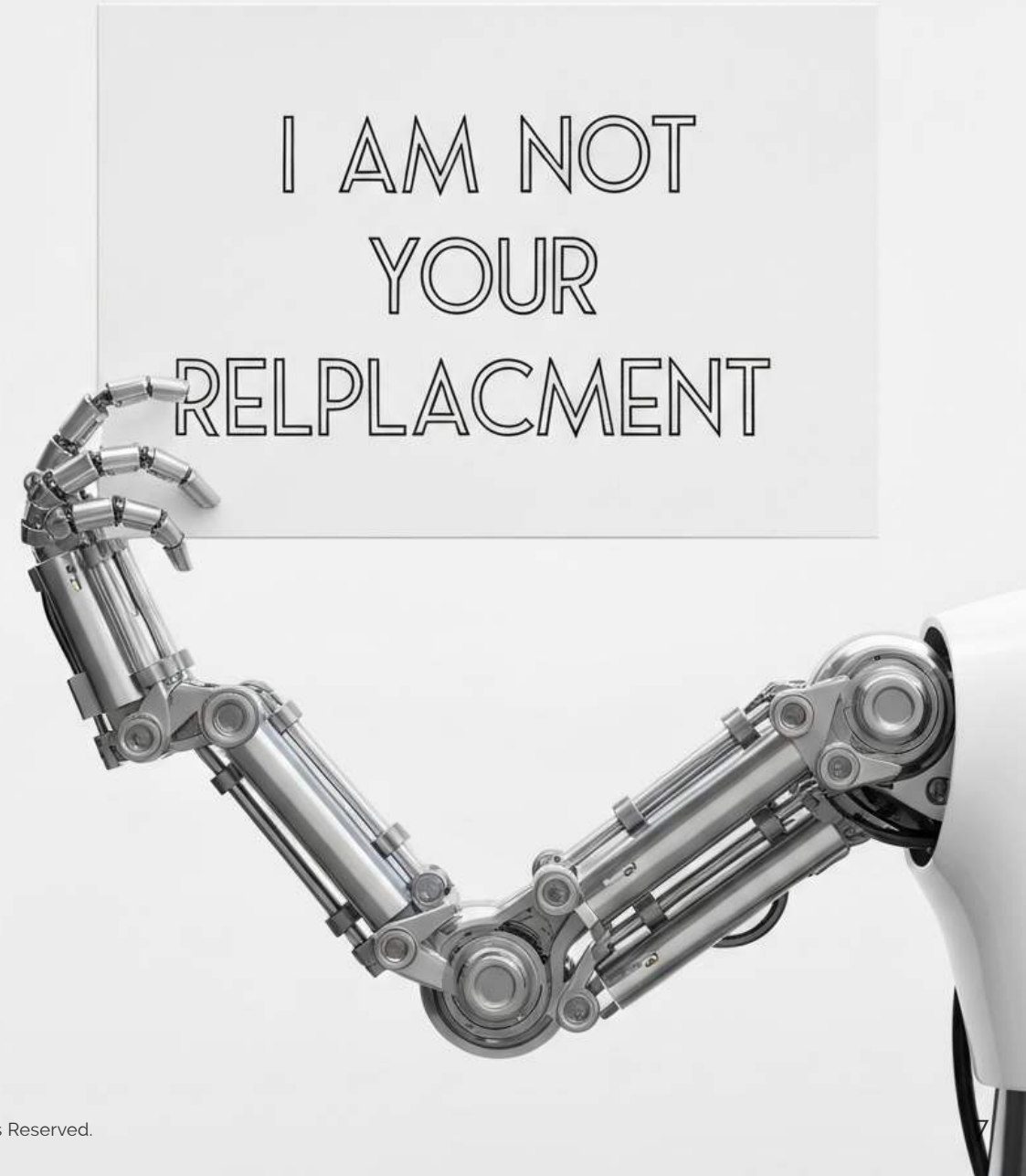
- **AI Agents (Agentic)**

The next stage of AI, capable of taking actions rather than just responding. Examples include booking meetings or drafting emails.

You don't need to be an expert, but understanding these concepts helps identify the right AI for your needs.

What AI Is Not

- **AI is not a robot taking your job:** It handles specific tasks—not entire roles. Businesses using AI are augmenting their workforce for higher-value work, not replacing them.
- **AI is not always right:** AI can make mistakes and sound confident while being incorrect. Human judgment remains essential.
- **AI is not just for tech companies:** Small businesses across all sectors are already using AI. It doesn't require a dedicated tech team, data scientists, or a large budget.



AI is Already Part of Your Day

Every time Gmail suggests how to finish your sentence, your bank flags an unusual transaction, or Xero spots an anomaly in your accounts — that's AI. And if you're using Microsoft 365 or Google Workspace, AI is already built into the tools your business runs on.

Copilot in Word. Gemini in Google Docs. Smart replies in Outlook. The question isn't whether AI is relevant to your business. It already is.

The question is whether you're using it intentionally — or just accidentally.



The businesses getting the most from AI aren't the ones with the biggest budgets or the most technical expertise. **They're the ones who have clarity about what they're trying to achieve**

How SMEs are using AI right now

What does this look like in practice?



Writing first drafts

Proposals, emails, job ads, social posts. An 8-person accounting firm used AI to handle document drafting and took on 30% more clients.



Summarising information

Long reports, meeting notes, contracts, research. Tasks that took an hour now take minutes.



Answering customer questions

Basic FAQ handling, 24/7. A small e-commerce business automated 73% of customer enquiries.



Analysing data

Spotting trends in sales, feedback, or operations. One manufacturer identified unprofitable products using AI cost analysis.



Saving time on repetitive tasks

Formatting, scheduling, data entry. Most business owners report saving 2–5 hours per week from day one.

None of these required a tech team or a big budget. Most started with a free tool and a single task.

Do You Actually Need AI?

The Honest Answer: Not Necessarily. Not Yet.



AI is not a must-have right now

If core business processes are unclear, data is messy, or the team is overstretched, AI will amplify these issues. Focus on establishing solid foundations first.



Reframe the question

Instead of 'Should we use AI?', ask 'What specific problem am I trying to solve, and is AI the *best* way to solve it?' If the problem isn't clear, the AI question is premature.



Experimentation is key, but cautiously

AI is evolving rapidly, and many tools are affordable. Lower barriers to experimentation exist, but always start with a clear problem statement, not with a tool in mind.

This guide aims to equip you with the foundation to make informed decisions, not to dictate specific actions.

AI Risks: The Honest Picture



Inaccuracies

AI can generate convincing but incorrect outputs. Always review AI-generated content with human oversight before publishing or acting upon it.



Bias Amplification

AI models trained on historical data can perpetuate and even amplify existing societal biases. This requires careful attention in applications like hiring, customer service, and decision-making.



Job Transformation

Automation will change certain tasks and roles. Successful adaptation involves early employee engagement, proactive retraining, and transparent communication about changes.



Data Sensitivity

Avoid inputting sensitive customer data, financial details, passwords, or confidential information into public AI tools. When in doubt, leave it out.



Over-Reliance

Excessive dependence on AI can diminish critical thinking skills. AI should augment human judgment, not replace it.

None of these risks negate the value of AI. They simply underscore the need for thoughtful and responsible usage.

5 Words Worth Knowing

Some Key Jargon You Actually Need.

1

Prompt

The instruction you give an AI tool. The clearer your prompt, the better the output.

2

Model

The underlying AI system — ChatGPT, Claude, Gemini etc. Different models have different strengths.

3

Generative AI

AI that creates new content — text, images, code — based on what it's learned.

4

Hallucination

When AI confidently produces something that's wrong. Always check outputs before you use them.

5

Automation

Using technology to complete tasks without manual input every time.

The Foundation for Getting AI Right

Some Key Jargon You Actually Need.

AI Literacy

You and your team need a basic understanding of what AI can and can't do before you commit to anything. Not deep technical knowledge — just enough to ask the right questions and spot the right opportunities. That's what this guide is the start of.

A Clear Strategy

AI without direction is just experimentation. Before you invest time or money, be clear on what problem you're solving, what success looks like, and where AI fits in your broader business goals. The START Framework is built to help you do this.

Data Availability

AI learns from data — and it's only as good as the data it has access to. Before scaling any AI initiative, understand what data you have, whether it's clean and accessible, and whether it's fit for purpose.

These three things — literacy, strategy, and data — are what separate the businesses that get real value from AI from the ones that don't.

What to Do Next

Ready to take the next step?

1

Build your literacy

You've started here. The AI Glossary is your next stop — every term you'll come across, explained in plain English.

2

Set your direction

Use the AI Vision Starter Canvas — a structured 90-minute session to align you and your team on where AI fits in your business.

3

Know where you stand

Take the AI Readiness Assessment — 25 questions across leadership, data, skills, governance, and culture. Your honest starting point.

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