AI literacy: Empowering AI stakeholders in the generative AI era

A step-by-step guide to AI readiness

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AI is here. Is your organization ready?

What is AI literacy?

AI literacy refers to the ability to understand, utilize and govern AI technologies responsibly and effectively. With AI literacy, teams make informed decisions about AI and ensure that AI deployments align with organizational objectives, regulatory requirements and ethical principles.

The AI literacy gap is increasing the gap between what organizations need to do with AI and what they can do with it.

If you're watching promising pilots become "interesting experiments," seeing cross-functional teams retreat into familiar silos or witnessing business and technical stakeholders talk past each other, this ebook is written to help you navigate the complexities of AI adoption in your organization. It's for confident AI leaders—executives, data leaders and strategic decision-makers—who understand that the value of AI is powered as much by organizational intelligence as by algorithms.

In the next few pages, you'll learn:

- What AI literacy is and why it's important

- Assessing your AI readiness

- Strategies to enhance AI literacy

- How to build AI literacy

- How Collibra can help

75% will integrate AI by 2026. But 80% of AI initiatives fail.

We've entered an era where artificial intelligence isn't just transforming business—it's redefining the fundamentals of organizations' capabilities. By 2026, 75% of enterprises will have integrated AI into their operations, with AI projected to inject $15.7 trillion into the global economy by 2030. This isn't adoption. This is an inflection point that will separate leaders from laggards.

Yet beneath these promising numbers lies a sobering reality: 80% of AI initiatives fail to deliver on their promises.* Organizations are investing billions into AI capabilities while watching strategic advantages evaporate in the dust of failed implementations, siloed in-fighting and misaligned expectations. The gap between AI's potential and today's ROI continues to widen. And it's creating an existential risk and an unprecedented opportunity.

One of the key differentiators between organizations that succeed with AI and those that fail? AI literacy.

This isn't about technical proficiency alone—it's about building organizational intelligence that bridges the gap between AI's potential and practical value creation. As the European Union's AI Act crystallizes into law,

organizations face a dual imperative: harness AI's transformative power while ensuring responsible, compliant deployment across every level of operation.

The challenge transcends traditional change management. Leaders must architect a new kind of organizational capability—one where technical expertise meets strategic insight, where governance enables innovation rather than constraining it and where every stakeholder understands their role in the AI value chain.

This ebook offers a strategic framework for building that capability. Whether you're a CIO charting a responsible AI roadmap, a business leader seeking to bridge technical and strategic conversations or a decision-maker focused on scaling AI initiatives with confidence, you'll find actionable insights for transforming AI literacy from an aspiration into an operational reality.

The stakes have never been higher.

In the generative AI era, organizational intelligence will separate market leaders from laggards. The time to build that intelligence is now.

Get smart about AI

AI literacy refers to the ability to understand, utilize and govern AI technologies responsibly and effectively. It's a competency that enables teams to make informed decisions about AI and ensures that deployments align with organizational objectives, regulatory requirements and ethical principles.

According to the European Union's AI Act, AI literacy is the **"knowledge and understanding required to mitigate risks, align systems with human decision-making and comply with governance standards."** It goes beyond technical skills and encompasses an awareness of AI's broader implications, such as algorithmic bias, privacy concerns and societal impact.

AI literacy in action

A manufacturing company using AI for predictive maintenance must ensure its teams understand how the model operates, the limitations of its predictions and the implications of false positives or negatives. Misinterpreting AI outputs could lead to costly disruptions or safety hazards without this understanding.

AI literacy also fosters collaboration between technical and non-technical teams, creating a shared language that bridges silos and aligns efforts.

AI literacy and the EU AI Act

AI literacy is the "knowledge and understanding required to mitigate risks, align systems with human decision-making, and comply with governance standards."

- 2024 European Union AI Act

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Data literacy and AI literacy: From insights to intelligence

They go hand in hand, actually. While data literacy forms the foundational bedrock—enabling teams to understand, interpret and extract insights from information—AI literacy propels organizations into predictive intelligence and automated decision-making.

The progression from data literacy to AI literacy mirrors the evolution of business intelligence. Data literacy empowers teams to answer the crucial questions of "what happened?" and "why did it happen?" Through dashboards, analytics and visualization tools, data-literate organizations build a robust understanding of their historical performance and current position.

AI literacy takes this foundation and transforms it into predictive and prescriptive power. It transforms the question from "what happened?" to "what will happen—and how can we shape it?" This isn't merely a technical progression—it's a fundamental shift in organizational capability that enables predictive modeling, automated optimization and intelligent decision-making support at scale.

The convergence of data and AI literacy creates a new kind of organizational intelligence that's greater than the sum of its parts. While data literacy helps teams identify historical biases and data quality issues, AI literacy enables them to:

- Anticipate how these biases might compound in AI systems

- Design preventive governance frameworks

- Create feedback loops that continuously improve model performance

- Build ethical considerations into AI deployment from the ground up

Organizations that bridge the gap between data and AI literacy gain the ability to scale initiatives responsibly, ensuring that technical execution aligns with strategic goals.

AI literacy goes beyond technical expertise

It builds a shared organizational understanding of AI's capabilities, limitations and ethical implications in practical AI use cases. Without it, organizations face significant challenges and risks, including:

1. **Damaged brand:** Companies may accidentally deliver AI that doesn't align with their mission and values

2. **Reputational harm:** Poor governance or ethical missteps, such as biased AI models, can erode trust and damage an organization's reputation

3. **Operational failures:** Miscommunication between technical and non-technical teams can derail projects as stakeholders fail to align on goals and expectations

4. **Weak oversight:** Lack of AI literacy in governance teams weakens oversight, leading to poor decisions, regulatory risks and operational failures. Without human oversight, organizations may blindly trust flawed AI recommendations

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Why you must solve AI literacy

Understanding the importance of AI literacy is only the first step—and addressing it now has never been more critical for several reasons:

- **Competitive advantage:** Organizations with AI-literate teams are better positioned to innovate responsibly and maintain public trust

- **Scaling risks:** Rapid AI adoption without proper literacy frameworks risks embedding inefficiencies and biases into systems. These issues often require costly remediation later

- **Regulatory requirements:** The EU AI Act mandates that staff involved in AI deployment have sufficient literacy. Article 4 of the EU AI Act will become applicable for providers and deployers of AI systems in February 2025, and enforcement by national market surveillance authorities will start on August 2, 2025. Organizations should ensure a general understanding of the AI Act within their organization and consider their role (provider or deployer of AI systems) and the level of risk (high-risk or not). This is true for any organization operating within the European Union

By proactively investing in AI literacy, your organization can navigate competitive, operational and regulatory challenges, positioning your team for success in an increasingly AI-driven world.

AI literacy: Don't scale without it

Scaling AI without safeguards introduces significant risks—from biased algorithms to unintentional regulatory violations. AI literacy acts as a protective barrier, ensuring that teams can classify risks accurately, monitor systems effectively and address vulnerabilities proactively.

AI literacy in action

In the financial sector, deploying a loan-approval algorithm without proper governance can lead to discriminatory outcomes, eroding trust and inviting regulatory scrutiny. AI literacy equips teams to identify such risks, implement fairness checks and establish safeguards before deployment.

The EU AI Act emphasizes continuous training for teams managing high-risk AI systems. This ensures that literacy evolves alongside technology, enabling organizations to adapt to new challenges and maintain trust among stakeholders.

Assess your AI readiness

AI readiness involves evaluating an organization's capacity to deploy AI effectively and responsibly. This includes analyzing:

Leadership understanding: Are executives equipped to evaluate AI use cases and oversee governance?

Technical capabilities: Do teams have the skills to build, deploy and monitor AI systems?

Cultural alignment: Does the organization foster collaboration between technical and non-technical teams?

Conducting a readiness assessment helps identify gaps, prioritize resources and ensure alignment between AI initiatives and strategic goals.

The road(s) to AI literacy

Executive training
Establish governance councils to oversee AI initiatives. Train leaders in AI fundamentals, focusing on governance, ethical considerations and strategic alignment. These councils serve as a bridge between technical teams and organizational goals.

Tailored learning paths
Develop role-specific training programs. Leaders can focus on governance, while technical teams deepen their expertise in model development and monitoring. Non-technical staff should learn to interpret AI outputs and identify risks.

Blended learning approaches
Combine live instruction with self-paced modules to balance flexibility and depth. This approach ensures a personalized learning experience tailored to individual needs.

A collaborative culture
Host workshops that bring technical and business teams together. These sessions create a shared language, reducing misunderstandings and improving collaboration on AI projects.

Continuous assessment and feedback
Use metrics such as training completion rates, competency improvements and ROI from AI initiatives to refine training programs and address evolving needs.

Essential components of AI governance platforms

Effective AI literacy platforms should:

- Offer **interactive modules** with real-world applications

- Include tools for ensuring compliance with regulations like the EU AI Act

- Be **accessible** to users at all technical levels

- Use gamification to enhance engagement and retention

Success is applying the 70/20/10 learning model

The 70/20/10 learning model suggests that **70% of learning** comes from hands-on experience, **20% from social interactions** and **10% from formal education**. This framework is especially relevant for building AI literacy. The Collibra Platform can help organizations maximize this model:

Formal learning (10%): Collibra University offers focused training on key concepts such as AI governance and compliance

Social learning (20%): Collaborate with colleagues across AI use cases to align initiatives, share insights and navigate challenges together

On-the-job learning (70%): Engage directly with AI governance processes using Collibra's tools, such as documenting datasets, reviewing policies and applying the EU AI Act Assessment Tool

By integrating learning into daily workflows, organizations build literacy while driving meaningful progress in AI initiatives.

AI literacy and Collibra: Bridging the literacy gap

Organizations can bridge the AI literacy gap with the right strategies and supporting tools from Collibra.

Build a common understanding:
A shared AI glossary ensures alignment and clear communication

⊘ Collibra provides a centralized business glossary to standardize AI terminology across teams

Train leadership:
According to a recent McKinsey study, nearly 50% of AI projects fail to scale due to leadership misalignment, unclear ROI and lack of governance. Decision-makers need foundational AI knowledge and visibility into AI initiatives to align strategies with business goals

⊘ Collibra offers leaders a single pane of glass for all AI initiatives, with documentation helping them to grasp the big picture of AI use cases at once

Simplify AI understanding:
AI use cases can be complex to understand and manage, especially for non-technical stakeholders. Every person on the AI Council needs to understand how their space pertains to AI to bring diverse perspectives and collaborate effectively

Collibra simplifies AI use case understanding and governance with a built-in model and AI use case documentation, ensuring clarity and accessibility for all stakeholders

Ensure AI traceability and build trust:
AI practitioners and business teams need to be knowledgeable about how AI models function, what data they rely on and the regulatory safeguards required for responsible use

⊘ Collibra enables teams to trace AI decision-making by mapping data provenance, visualizing AI workflows through interactive diagrams and tracking model inputs and outputs. It also helps educate users on compliance requirements, ensuring AI use cases adhere to ethical and regulatory standards while remaining transparent and trustworthy

Foster collaboration:
Breaking silos between technical and non-technical teams enables diverse perspectives and informed decision-making

⊘ Collibra simplifies AI lifecycle management with collaboration tools, alerts and notifications

Learn by doing:
The 70/20/10 learning model shows that 70% of learning comes from hands-on experience, making practical engagement crucial

⊘ Collibra provides user-friendly tools to manage AI use cases, track data lineage and ensure compliance
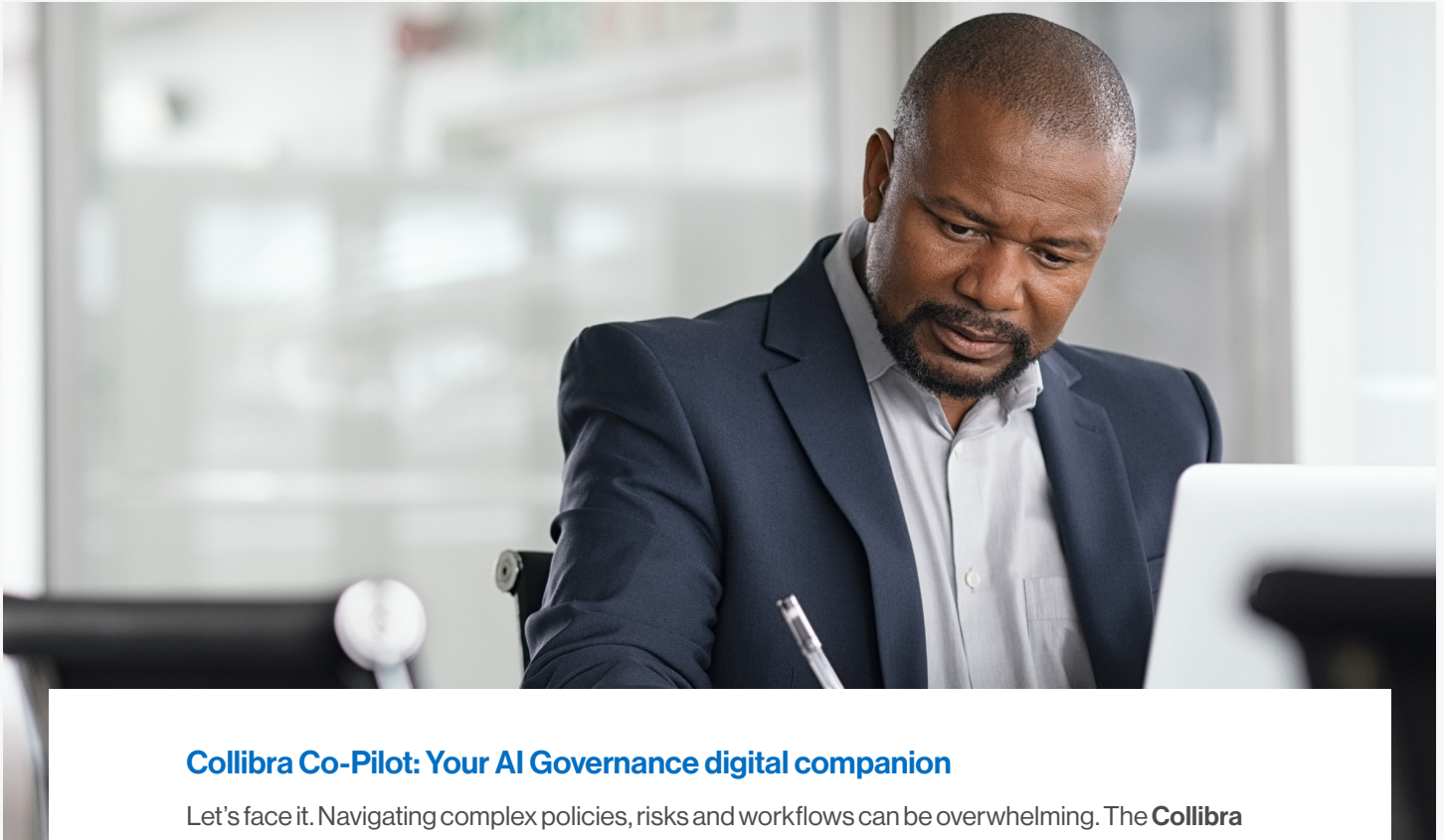
Develop social learning:
Community-driven learning helps organizations stay ahead of evolving AI trends and best practices

⊘ Collibra connects users through the Collibra Community and shares AI governance insights on a regular basis

Refresh learning continuously:
AI is rapidly evolving, making ongoing education essential. Formal training must be updated regularly to keep pace with new regulations, risks and best practices

⊘ Collibra University offers regular training and certification programs on data and AI to keep teams informed and compliant

Collibra Co-Pilot: Your AI Governance digital companion

Let's face it. Navigating complex policies, risks and workflows can be overwhelming. The **Collibra Co-Pilot**, embedded within the **Collibra AI Governance platform**, serves as a digital companion that empowers every stakeholder—data stewards, compliance officers and AI practitioners— to confidently manage AI governance.

Unlike static documentation or rigid processes, the **Collibra Co-Pilot** enables users to **learn by doing**, offering **real-time guidance** as they interact with governance workflows. By **explaining AI governance concepts in context**, it ensures that users not only comply with regulations but also deepen their understanding of best practices. Instead of getting lost in procedural complexity, users can **cut through the noise** and focus on **core insights**—whether it's assessing AI model risks, validating compliance or enhancing data transparency.

More than just an assistant, the Collibra Co-Pilot acts as a coach, helping stakeholders discover, understand and improve their AI governance skills. It transforms governance from a daunting task into an intuitive, continuous learning experience. With every interaction, users refine their expertise, making AI governance not just a requirement but a strategic advantage.

Spotlight: Data Science at Collibra University

Data Scientist path: Data Scientists turn data into decisions that drive your business forward. This learning path will equip you with the skills and tools necessary to harness the power of Collibra, answer critical questions about your data and make informed business decisions.

Learn more

AI literacy: Future-proofing the future

As you've learned, AI literacy is critical in today's rapidly evolving AI-everything world. AI literacy refers to the skills, knowledge and understanding needed for providers, deployers and affected individuals to make informed decisions about AI while recognizing its opportunities, risks and potential harms.

A track record of developing and launching successful AI initiatives is the goal. However, achieving true AI literacy means informing stakeholders about AI risks, providing insights into reliability and ensuring they understand the traceability of AI systems. It also means helping your colleagues put AI literacy into practice—enabling both technical and non-technical professionals to design, deploy and manage AI solutions that are not only transparent and trustworthy, but also fully compliant with evolving regulations and ethical standards.

More than just a regulatory headache, AI literacy is an accelerator—empowering organizations to develop better, more trustworthy AI use cases that drive innovation and provide a true competitive advantage in the AI race.

Organizations that prioritize continuous education, align with governance frameworks like the EU AI Act and foster collaboration across teams will gain a competitive edge.

How prepared is your organization to lead in the AI-driven world? The future belongs to those who act now.

Want to learn more about the power of AI?
Read our ebook on the four steps to AI success.