DIRTY DATA EXPERT

Structure Before Intelligence™

DIRTY DATA IS A LEADERSHIP RISK

Executive Brief

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AI that acts

A dashboard built on dirty data produces a wrong number a person might catch. An AI agent built on dirty data reorders stock, adjusts a price, or replies to a customer before anyone looks. Only one in five companies has a mature governance model for those agents.

- Duplicate or mismatched master data means an agent orders the same stock twice, or not at all.
- Stale customer records mean automated service goes to the wrong person, with privacy consequences.
- Unclear ownership means no one is accountable when the agent gets it wrong.

Agentic AI does not clean the data. It automates the mess, faster and at scale.

The bottom line

Most AI programmes do not fail because the technology is weak. They fail because the data and governance underneath them were never built to carry intelligence. The world's leading research firms now say the same thing in their own words: Gartner, IBM, Deloitte and Harvard Business Review all point at data readiness, governance and accountability, not model quality.

Dirty data is not an IT housekeeping issue. It is a leadership risk that sits on the balance sheet, in the compliance file, and in every automated decision the organisation makes. It belongs to the CEO, not the CIO.

And delegating didn't solve it — it hid it. When CEOs delegated IT projects, they created the IT manager. When they needed reports, they created the "business analyst" — a misnomer, because all the analyst knows is their business, not the industry. Each delegation put another layer between leadership and the data, which is exactly why dirty data festers unnoticed at the top.

As I wrote in *Dirty Data*:

> "Artificial intelligence will not transform companies that do not understand their own data. The real competitive advantage in the next decade will belong to organizations that restore discipline to the foundations of information."

What the leading research says

Source	Finding	What it tells a leader
Gartner (Feb 2025)	Through 2026, organisations will abandon 60% of AI projects unsupported by AI-ready data. 63% either lack, or are unsure they have, the right data management practices for AI.	Data readiness decides whether AI survives.
IBM Cost of a Data Breach 2026 (Jul 2026)	92% of organisations with an AI-related incident lacked proper AI access controls. Only 40% applied access controls to AI models and data. AI-related incidents averaged $5.33m against $4.70m for others.	The cost of AI risk is driven by missing governance, not by the model.

Source	Finding	What it tells a leader
Deloitte State of AI in the Enterprise 2026	Data management readiness 40%, governance readiness 30%. Nearly three-quarters plan AI agents within two years; only 21% have mature governance for them.	Ambition is running ahead of the foundation.
Harvard Business Review (May 2026, BCG Henderson Institute)	Framing AI as an "employee" instead of a "tool" meant managers caught 18% fewer errors, escalation requests rose 44%, and personal accountability fell 9 points.	Accountability is a design decision.

Structure Before Intelligence™

- **Foundation** — clean master, customer and inventory data. Gartner: 60% of AI projects without AI-ready data will be abandoned through 2026.
- **Structure** — governance, ownership, access control. IBM: 92% of organisations with an AI incident lacked AI access controls.
- **Walls** — process and workflow integration. Deloitte: only 30% are redesigning roles around AI.
- **Roof** — leadership, sponsorship, accountability. HBR: framing AI as an "employee" meant managers caught 18% fewer errors.
- **Intelligence** — AI tools, models, agents. Inherits every weakness below.

The electrician is the last person to work on the house.

Five questions for the executive team

1. Foundation:. Do we trust our master data enough to let a machine act on it without checking?

2. Structure:. Who owns each critical data set, and who is accountable when AI gets it wrong?

3. Controls:. Which AI tools, including personal accounts, have access controls and logging today?

4. Walls:. Is AI built into how work flows, or bolted onto legacy processes?

5. Roof:. Is AI funding tied to data readiness?

Sources

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