What Are the Challenges and Risks of Using AI?

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While you personally cannot control a volatile or rapidly changing complex situation like the rapid development of artificial intelligence (AI), you can control how you react to it. Using the Volatility, Uncertainty, Complexity, and Ambiguity (VUCA) Analysis tool[1] helps to prevent decision-makers from acting with yesterday's logic and instead approach situations using VUCA logic. VUCA logic has us first define the unknowns in the situation and then analyze them before initiating any action.

The VUCA Analysis Tool is a way to quickly analyze a volatile or complex situation like AI and start developing potential action steps to effectively manage the situation and its effects in the work environment. These potential action steps will lead us to other logical action steps to take. The article *Using A VUCA Analysis to Assess a Turbulent and Rapidly Changing Public Health Environment* is on the Public Health Foundation website to help your AI adoption.

A major challenge with AI tools is that they use your aggregated database to respond to your request and if the data are not clean and well organized[2], the tools will provide you with inaccurate and misleading guidance. These responses are called "hallucinations."

Always fact check AI output before using it! While AI is incredibly useful, keep in mind that the information it gives you may be a blend of fact and fiction, so you should be careful and critical.

When we start discussing adopting AI in an organization, it starts a change management process across the organization. There are a few who will jump on the bandwagon right away as shown in **Figure 1,**[3] but they are a small percentage of the entire employee population.

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[1] https://phf.org/tools-resources/using-a-vuca-analysis-to-assess-a-turbulent-and-rapidly-changing-public-health-environment/, Accessed 11/10/2025

[2] https://phf.org/tools-resources/your-ai-future-depends-on-your-data/, Accessed 11/10/2025

[3] https://www.business-to-you.com/crossing-the-chasm-technology-adoption-life-cycle/#google_vignette, Accessed 11/01/2025

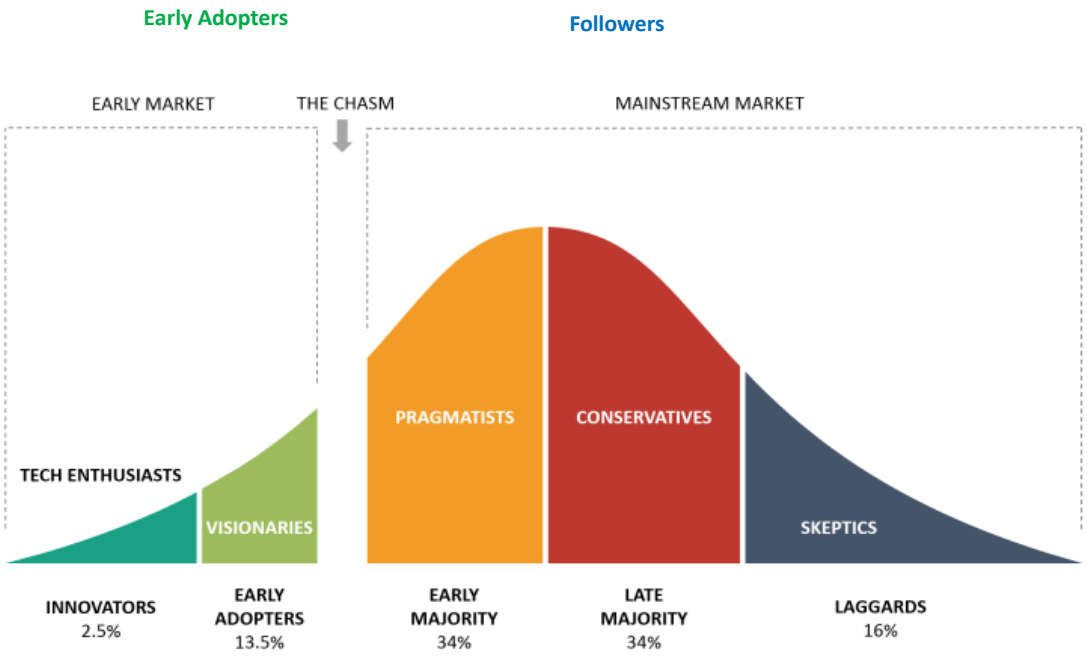

Figure 1

Any change process involves challenges. The biggest challenge is to get the pragmatists and the conservatives on board to help support your AI adoption. These people often are fearful of change to the status quo. Any organization adopting AI needs to address the fear factor up front. When adopting AI in an organization, employees may have a level of fear based on many factors, such as AI being an unknown, loss of human uniqueness, not understanding how it works, potential job loss, skepticism of its intended vs stated use, inadequate or lack of training, automation anxiety, as well as the way AI is portrayed in the media as taking over our lives.

Organizations adopting AI need to address their employees' fears by:

- Providing a short and clear overview of AI and how it will be used in the organization.
- Starting small with a few pilot programs.
- Having controls in place to minimize risks.
- Prioritizing data privacy and security measures.
- Having trusted data.
- Establishing governance for its usage - adopt a formal AI policy.
- Investing in AI literacy training programs.
- Maintaining a balanced approach between AI and human expertise.
- Ensuring responsible usage.
- Constantly monitoring AI's impact and making necessary adjustments.

A few of the risks when using AI are:

- The output may be wrong.
- Does not know your organization, culture, people, skill levels, etc. It is just giving answers based on the data it is accessing which might not be a fit in your culture.
- Employees BYOAI (Bring Your Own AI to Work) on a flash drive and then inserting it into the computer system which can be problematic.
- Unauthorized data use can cause privacy and data security issues.
- Misinformation since AI can produce convincing fake content (e.g., deepfakes, false news).
- Intellectual Property issues since AI-generated content can raise questions about ownership, copyright, and liability.
- Lack of accountability can occur when AI systems are used to make decisions that may be harmful. It is often unclear who is responsible — developers, users, or the organizations?

Some approaches to mitigate these risks are:

- Implement strong AI governance frameworks. Establish clear policies for who can use AI, where AI can be used, have trusted data, and ethical oversight. This will help ensure responsible usage throughout the organization.
- Plan how you will adopt AI by creating an AI Adoption Team to guide its acquisition and organizational use.
- Introduce AI in low-risk areas first to understand how it can be used safely.
- Constantly monitor AI's impact and make necessary adjustments.
- Keep humans in the loop by maintaining human oversight, especially for critical decisions, and establish clear protocols for when and how human intervention should occur.
- Invest in training which will educate employees on the basics of AI, its potential risks, and when and how to use it responsibly, including how to verify and modify outputs. For most employees, the overview should be 30 minutes. More intense training should be provided for those employees when they are ready to use AI. Mass training in advance of its potential adoption usually is a waste of resources since it might be a few months before it is used and by then it will be forgotten and need to be repeated.
- Monitor legislative and regulatory trends by staying ahead of emerging laws on AI transparency, liability, and safety that is relevant to your work.

Summary:

While AI is a valuable tool, there also are challenges and risks to its use in any organization. This paper has pointed out some of the risks and challenges and ways to overcome them.

The Public Health Foundation has developed the following nine step approach to help organizations safely adopt and expand AI:

1. Determine Your Current AI Position
2. Develop AI Governance
3. Develop AI Strategic Goals
4. Establish an AI Adoption Team
5. Determine and Minimize Potential AI Disruptions
6. Develop the AI Message
7. Improve AI Quality Improvement Problem Solving Skills
8. Prepare Your Workforce
9. Monitor the AI Implementation through your Performance Management System with measures that reflect how AI has impacted the organization's overall performance by having strategic, organizational, operational, human, and governance compliance metrics.

These nine steps will help guide an organization's responsible and safe AI adoption and growth.