

# Unleashing the Power of the CDO in the AI Revolution

From Governance to Growth: Architecting the Future of Finance

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# The 2026 Context: The AI-Data Convergence

- 80% of enterprise finance teams now use internal AI platforms (up from 35% in 2024)
- Reality: 70% of AI projects still fail—not from bad models, but bad data foundations
- The Shift: From "Data as an Asset" to "Data as a Product" with measurable P&L impact
- The Challenge: GenAI consumes 10x more data than traditional ML—quality matters more than ever
- Bottom Line: AI doesn't just need data. It needs YOUR data architecture

# Strategic Imperative: CDO + CAIO Convergence

- New Organizational Model: 38% of firms now have Chief AI Officers—but they need CDOs to succeed
- Operationalize the Partnership: Establish Joint Steering Committees for roadmap governance and Integrated Agile Squads for execution, ensuring the CDO's "what" (data products) seamlessly integrates with the CAIO's "how" (AI deployment) in daily workflows.
- The Synergy Formula: CDO owns the "what" (data products), CAIO owns the "how" (AI deployment)
- Strategic Alignment Framework:
  - ✓ Map data capabilities to AI use cases (Credit Risk, Fraud, CX, Trading)
  - ✓ Create semantic layers to prevent \$3M+ AI hallucination incidents
  - ✓ Co-own P&L responsibility for AI-driven revenue streams
- Success Metric: Revenue attributed to AI models supported by data infrastructure

# Operational Excellence: The Decision Supply Chain

- The Goal: Reduce "Time to Insight" from weeks to minutes
- The Mechanism: Embedded AI Advisors + Real-time Analytics
- The Evolution:
  - ✓ Descriptive: "What happened?" (Traditional BI)
  - ✓ Predictive: "What will happen?" (ML Models)
  - ✓ Prescriptive: "What should we do?" (GenAI + Agentic Workflows)
- Key Metric: Decision velocity—measured in actions per insight, not reports per month
- Case Example: A G-SIB bank reduced contract review time from 360,000 hours to seconds through AI-driven data analytics.

# Governance 2.0: AI Guardrails That Accelerate

- Framework: Adaptive Governance for Generative AI (not your 2020 playbook)
- The Five Pillars:
  1. Data Provenance & Lineage—the "chain of custody" for every AI decision
  2. Bias Detection & Fairness—96% see productivity gains, but only 56% trust the output
  3. Privacy-Preserving Tech—synthetic data, federated learning, differential privacy
  4. Model Risk Management—connecting data quality metrics to model performance
  5. Regulatory Compliance—EU AI Act, SEC disclosure rules, Basel Committee guidance
- Philosophy: Governance is the accelerator pedal, not the brake

# Culture Transformation: Democratizing Data Intelligence

- The Barrier: Culture eats strategy for breakfast—and data culture eats AI strategy
- The Solution Stack:
  - ✓ Natural Language Interfaces: "Chat with your data" (not code with your data)
  - ✓ Citizen Data Scientist Programs: upskill 1,000+ employees on AI+data literacy
  - ✓ Incentive Redesign: tie compensation to data stewardship, not just hoarding
  - ✓ Executive AI Readiness Tracks: Launch mandatory "AI Literacy for Leaders" modules focusing on interpreting model outputs, understanding algorithmic bias, and enforcing the "Governance 2.0" guardrails.
- Success Indicator: % of business users generating their own insights (target: 60%+)
- Cultural Shift: From "I need IT to pull data" to "I ask AI, and it shows me the answer"

# The Modern Data+AI Tech Stack

- The Architecture:
  - ✓ Vector Databases (Pinecone, Weaviate): Power RAG for context-aware AI
  - ✓ Data Lakehouses (Databricks, Snowflake): Unified structured + unstructured data
  - ✓ Data Contracts: API-first agreements between producers & consumers
  - ✓ Data Observability: Real-time monitoring—like APM, but for data
- AI-Powered Automation:
  - ✓ Automated data quality checks via ML anomaly detection
  - ✓ Self-healing pipelines that fix errors before humans notice
- Investment Priority: 60% of firms increasing data infrastructure spend in 2026

# The New CDO Scorecard: Value, Not Volume

- OLD Metrics (Vanity KPIs): Data volume TB, Report count, Dashboard uptime
- New Metrics (Business Value Indicators):
  - ✓ Revenue Impact: \$ attributed to AI models you support
  - ✓ Cost Avoidance: Regulatory fines prevented, operational efficiency gains
  - ✓ Risk Reduction: Fraud losses avoided, credit default rate improvements
  - ✓ Adoption Metrics: % of data products actively used by business (target: 70%+)
  - ✓ Time-to-Value: Days from data request to business decision
- Executive Communication: Translate data metrics into CFO language—ROI, NPV, payback period

# Securing Investment: The Business Case

- The Narrative: "There is no AI strategy without a data strategy"
- The Math: For every \$1 invested in AI models, invest \$3 in data infrastructure
- Stakeholder Management:
  - ✓ CEO: Position data as competitive moat, not cost center
  - ✓ CFO: Show ROI with specific use cases (e.g., 300% ROI in fraud detection)
  - ✓ Board: Frame data governance as risk mitigation + revenue enabler
- The Ask: Multi-year commitment to data transformation, not project-by-project funding
- Success Story: Banks with strong CDO leadership see 2.5x higher AI success rates

# The Future Belongs to Bold CDOs

- Summary: Align Strategy + Fortify Governance + Measure Value = AI Success
- The CDO Mandate for 2026:
  - ✓ Be the architect of AI's foundation, not the librarian of data
  - ✓ Drive P&L impact, not just compliance checkboxes
  - ✓ Partner with CAIO to co-create the future
- Call to Action: Don't wait for permission. Don't pilot forever. Scale what works.
- Final Thought: The question isn't "Will AI transform finance?" It's "Will your data enable it?"

Thank You | Let's Connect

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