

THE SHADOW AI RED FLAGS

10 signs governance is missing

When a client asks how your team uses AI, do you have a real answer? Shadow AI doesn't announce itself with a crisis. Instead, you notice small signs—questions you can't answer, decisions made in isolation, systems running without oversight. These ten red flags signal your AI adoption needs structure. Most agency leaders recognise at least three.

OPERATIONAL VISIBILITY

1. You Can't Name Every AI Tool Running

Your team uses AI tools you didn't approve and can't list—when tools are invisible to leadership, they're ungoverned by definition.

2. No Central Record of AI Decisions

When a client questions creative direction, you can't reconstruct which tool, what prompt, or what output was used.

DATA CLASSIFICATION

3. Staff Don't Know What's Confidential

Your team treats all information the same—client briefs, internal docs, draft campaigns all go into ChatGPT without consideration.

4. Personal Accounts Process Client Work

Client IP lives in personal ChatGPT and Midjourney accounts you can't access, audit, or control.

QUALITY CONTROL

5. No Defined Review Points

AI outputs go straight to clients without systematic human review—sometimes someone checks them, sometimes not.

6. Junior Staff Make Final AI Calls

Your newest team member decides which AI draft becomes client-facing work with no senior review or approval layer.

IP PROTECTION

7. Prompts Disappear After Use

Your team creates brilliant prompts that generate exactly what clients need, then someone closes the browser.

8. No Distinction Between Free and Paid Tiers

Staff use whatever AI tier they personally pay for—your governance posture varies by who's doing the work.

PROCUREMENT READINESS

9. Can't Answer "How Do You Govern AI?"

An Enterprise prospect asks about your AI governance framework—you talk about being "thoughtful" but can't document protocols.

10. Security Questionnaires Stall Proposals

The RFP includes an AI governance addendum with 20 specific questions—you can't complete it without inventing answers.

WHAT THIS MEANS

Recognise three or more? Your AI adoption is running ahead of your structure. The question isn't whether you need governance—it's whether you build it proactively or reactively. **Take the AI Readiness Checklist** — 5-minute self-assessment showing exactly where your agency stands and what to build first: brainsb4bots.com/ai-readiness-checklist

Need the full picture? The AI Readiness Assessment delivers real answers for when clients and procurement teams ask.