Strategic Use of AI in Business

March 13, 2018

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Agenda

- Artificial Intelligence (AI) – What is it?
- AI's Impact in the Economy
- The C–Suite's Top Business Challenges
- Changing the Way You do Business
- AI's Impact on the Job Market
- 5 Myths About AI
- The Economic Impact

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What Really is Artificial Intelligence

Artificial Intelligence

- A branch of computer science dealing with the simulation of intelligent behavior in computers; the capability of a machine to imitate intelligent human behavior.

- **Artificial intelligence** (**AI**) is the simulation of human **intelligence** processes by machines, especially computer systems. ... Particular applications of **AI** include expert systems, speech recognition and **machine** vision.

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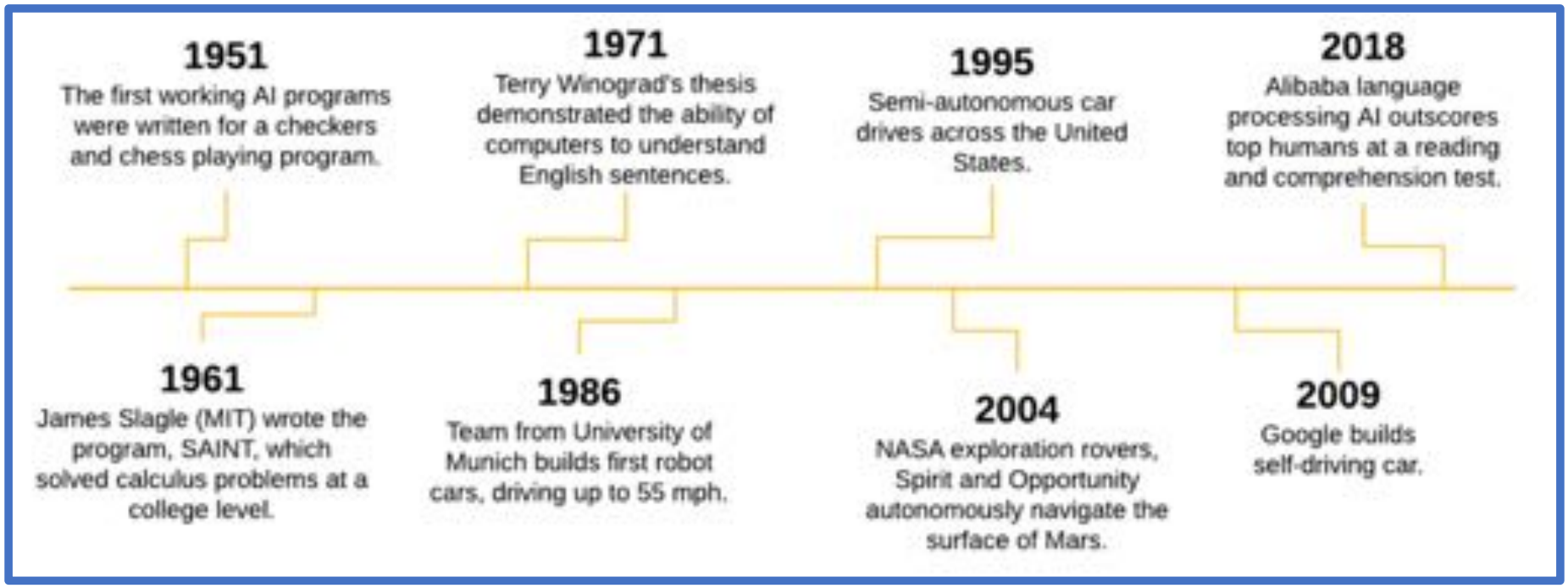
AI and the Impact of Changing Technology



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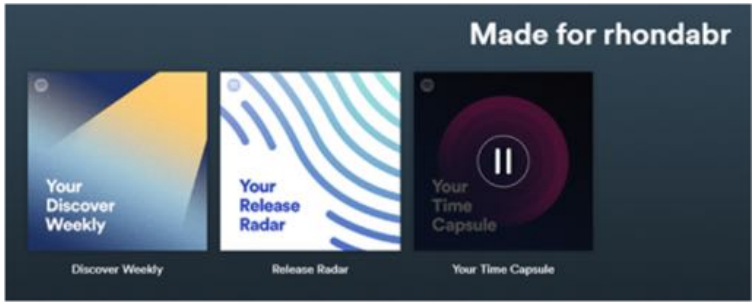
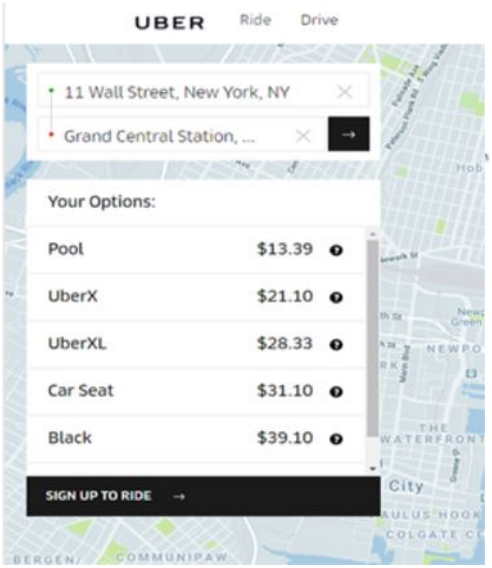
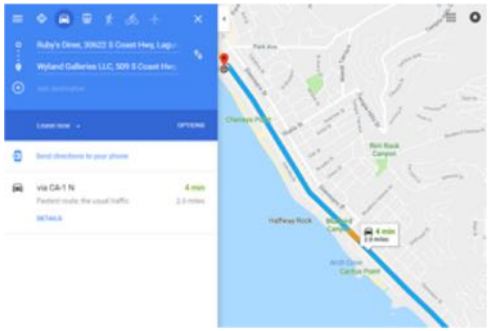
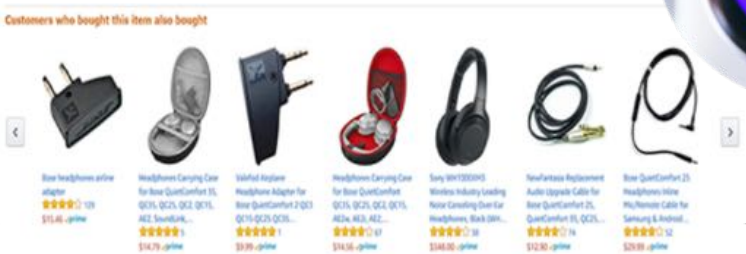
AI Impacting Our Everyday Life









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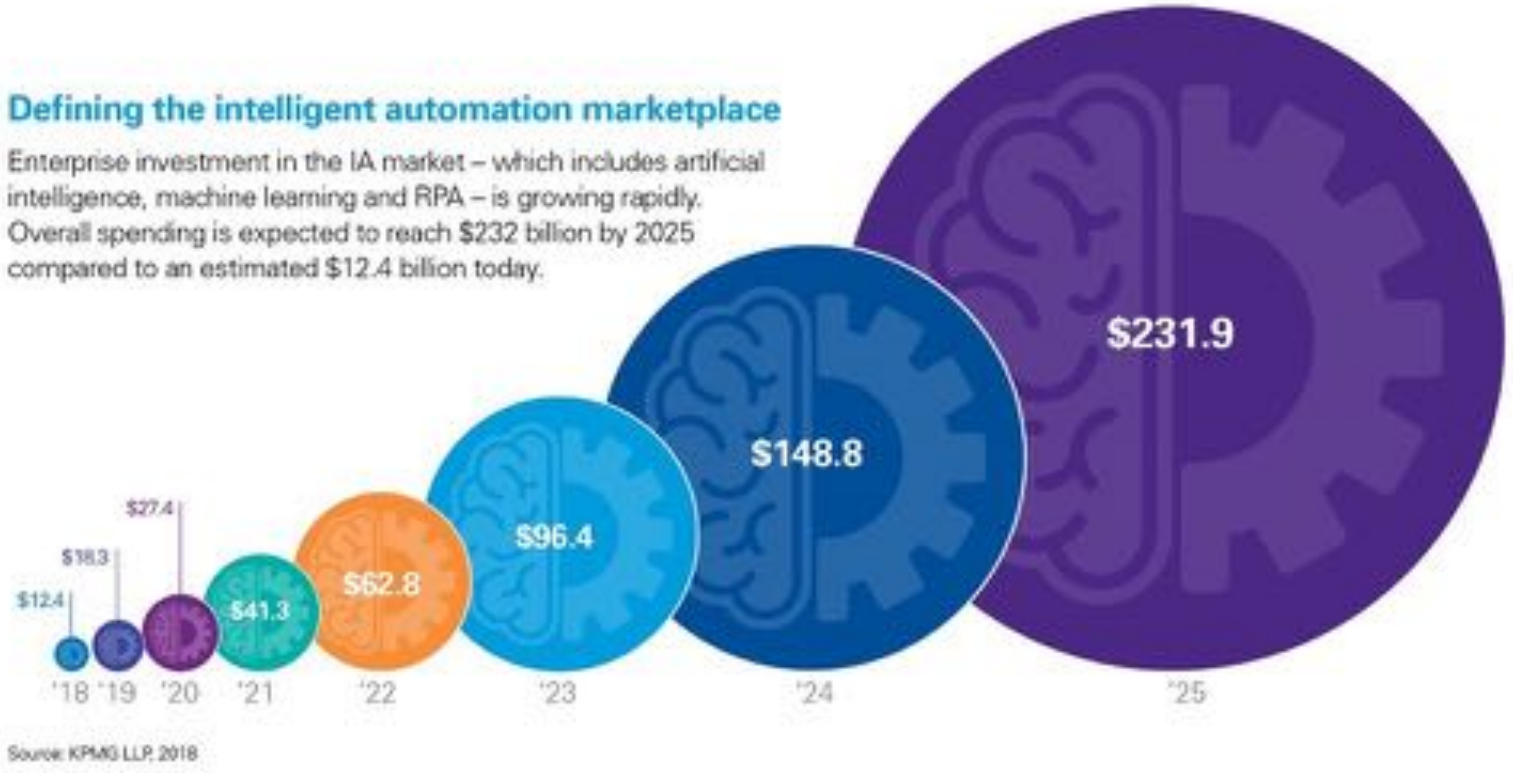
Exponential Investment Growth in AI



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Source: KPMG LLC, 2018

Spectrums of AI Outcomes

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Source: Ray Wang, Constellation Research

The Progression of Analytics

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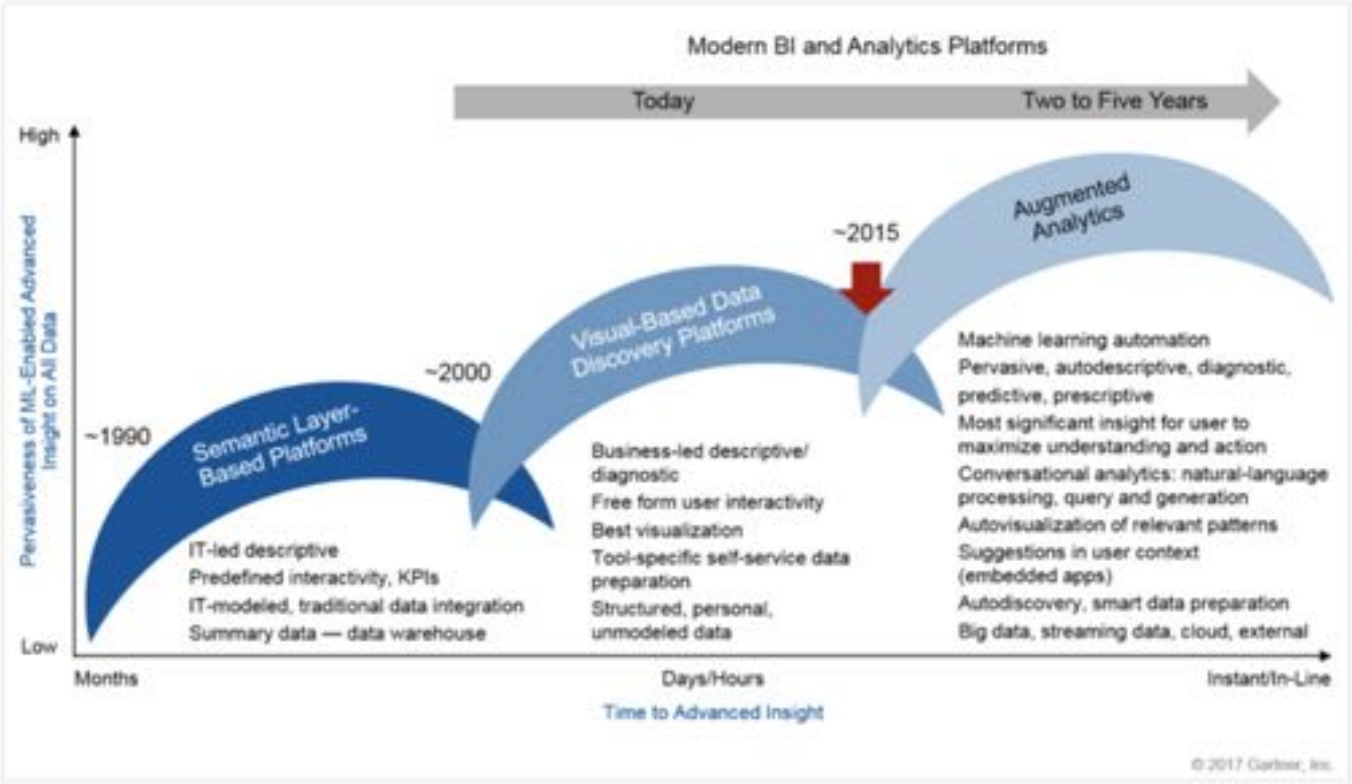
Market Landscape and Growth



Forbes

Big data and business analytics software is forecasted to grow over 50% from $122bn in 2015 to $187bn by 2019.

IDC

Through 2020, cloud-based Big Data and Analytics solutions will grow 4.5x faster than on-premises solutions. By 2020 50% of all business analytics software will incorporate prescriptive analytics built on cognitive computing functionality.

Sources:
Forbes August 2016
IDC FutureScape 2016

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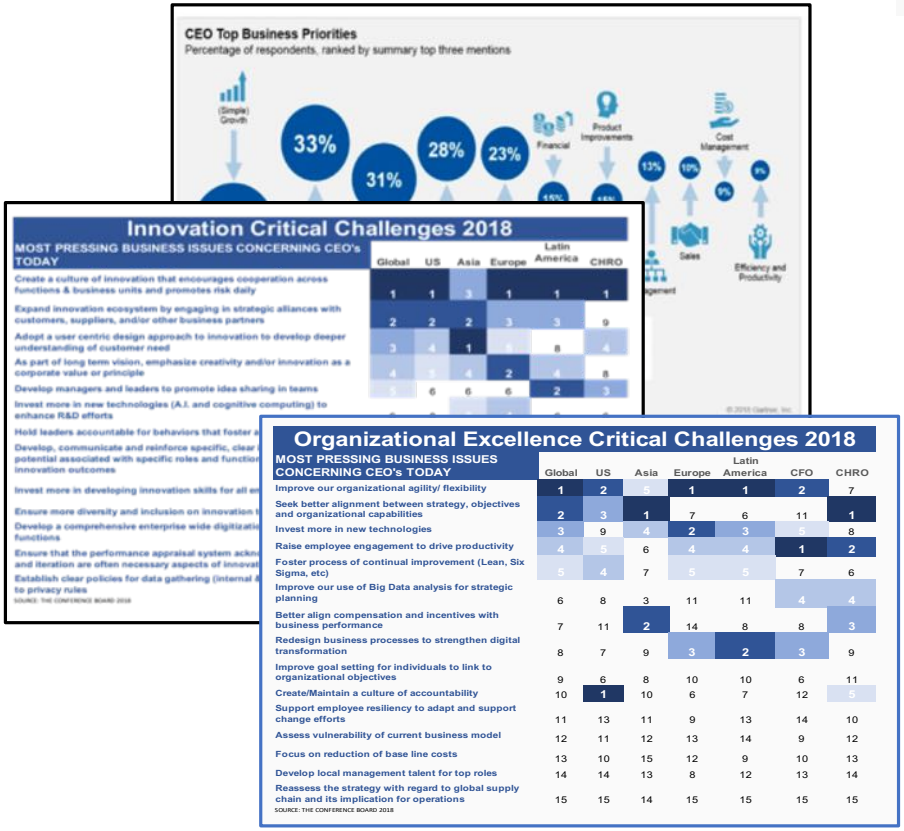
We Are Surrounded by Data
But STARVED for INSIGHTS

C-Suite Focus in 2019

Top 3 Challenges / Priorities

- Accountability
- Organizational Agility
- Alignment of Strategy, Objectives & Capabilities



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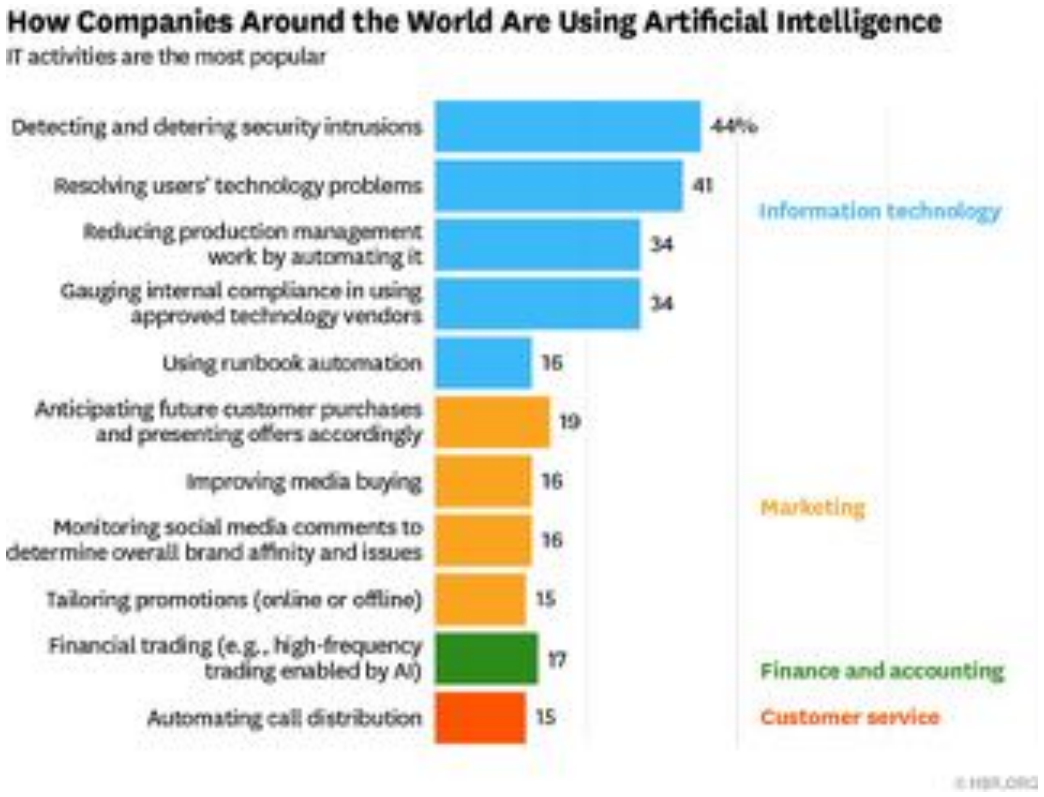
AI – Changing the Way People do Business



AI won't replace your job, it will redefine your job

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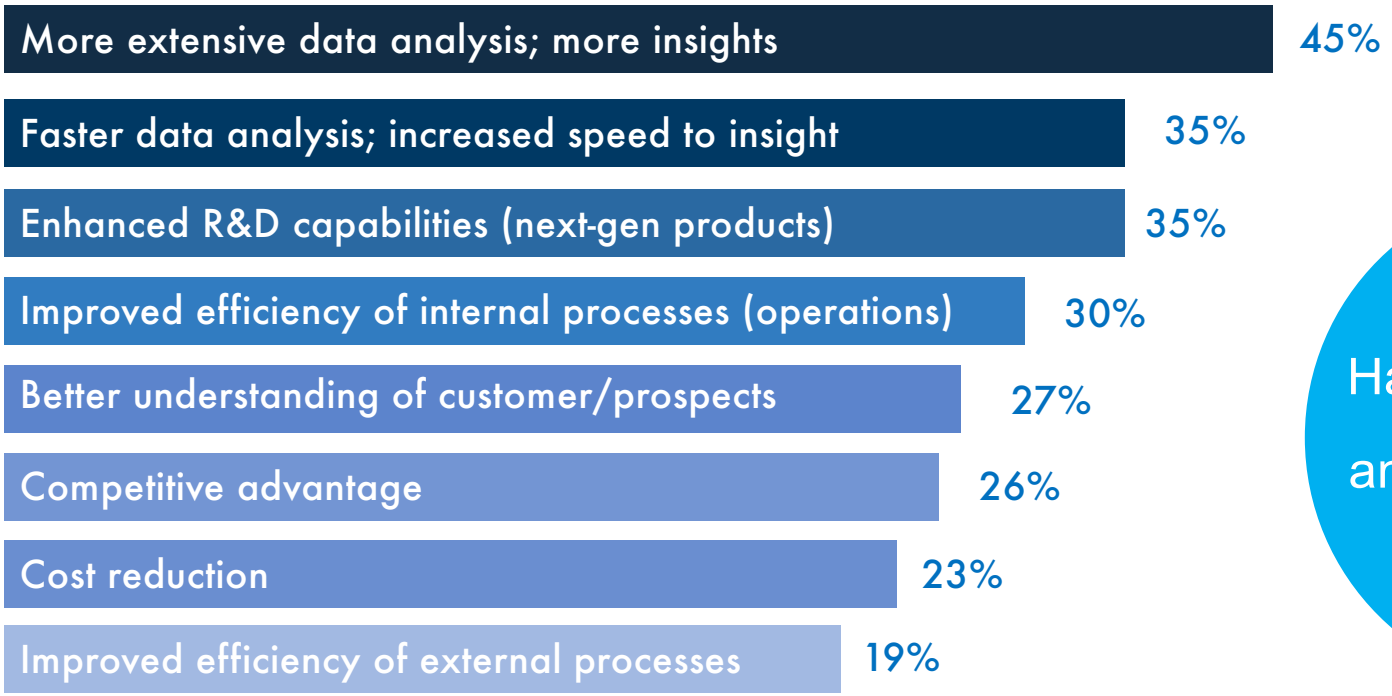
Source: Tata Consultancy Services Survey of 835 Companies, 2017

What do Companies Gain from AI?

If your organization is currently using ML, what have you actually gained?



45%

Have gained more extensive data analysis & insights

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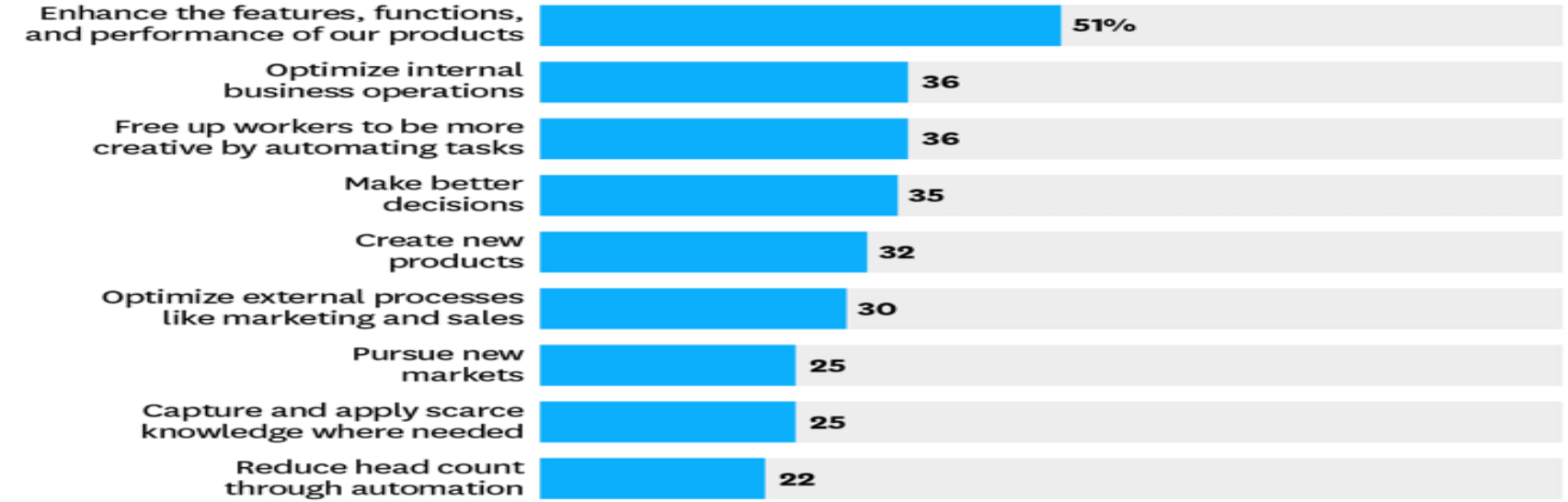
Source: Constellation Research 2017

How Businesses Value AI

The Business Benefits of AI

We surveyed 250 executives who were familiar with their companies' use of cognitive technologies to learn about their goals for AI initiatives. More than half said their primary goal was to make existing products better. Reducing head count was mentioned by only 22%.

PERCENTAGE OF EXECUTIVES WHO CITE THE FOLLOWING AS BENEFITS OF AI



SOURCE DELOITTE 2017
FROM "ARTIFICIAL INTELLIGENCE FOR THE REAL WORLD," BY THOMAS H. DAVENPORT AND RAJEEV RONANKI, JANUARY–FEBRUARY 2018

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Current Challenges Across Most Enterprises

Multiple systems managing business performance,
resulting in disconnected information

Corporate, operational and people performance
housed **disparate systems**.

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How Democratization Works

All stakeholders are empowered to act

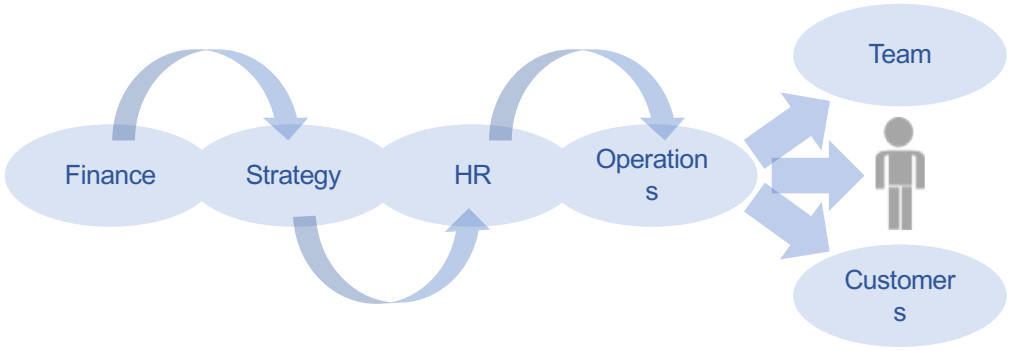
Real-time access to the most important performance insights, available to everyone via mobile AI

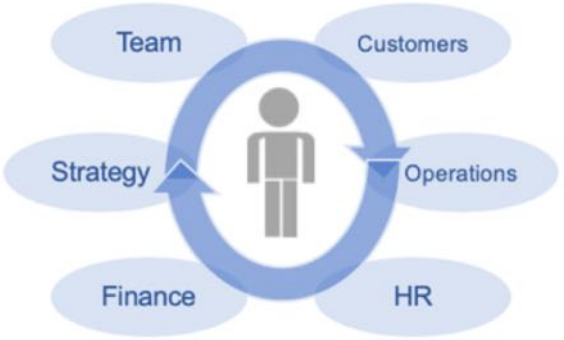
From

High touch-time for insights to reach decision-makers, diluted with excessive explanation, resulting in weakened and slower actions

To

Real-time insights, eliminating message dilution and accelerating cycle-time to act





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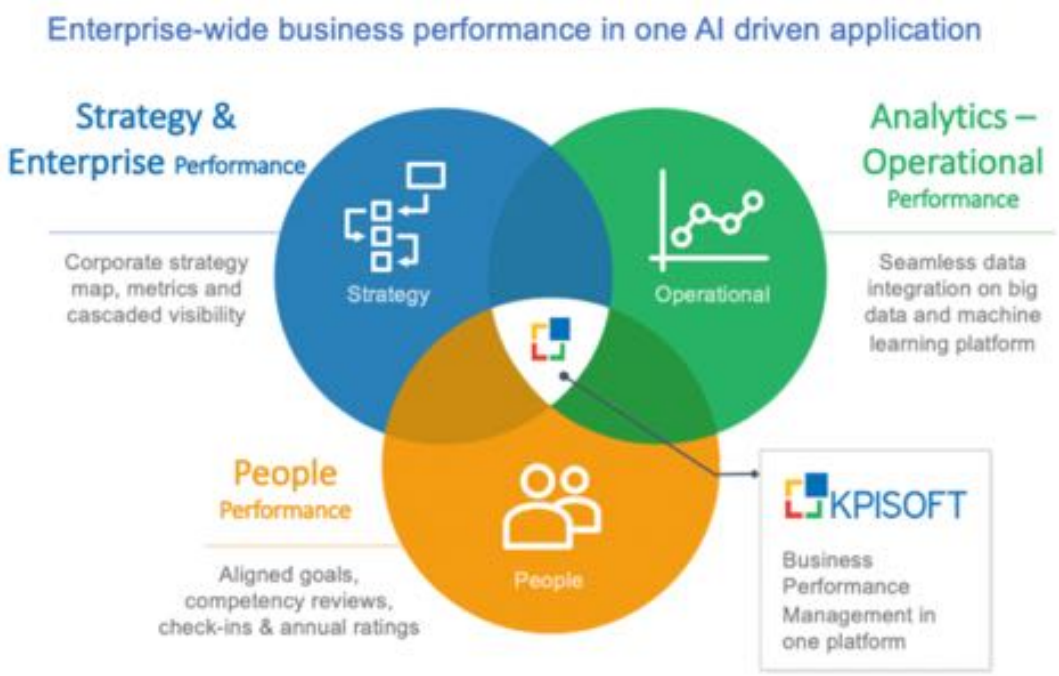
Solution: Seamless, Connected Enterprise



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Spectrums of AI Outcomes

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Source: Ray Wang, Constellation Research

Augmented Analytics is the Future

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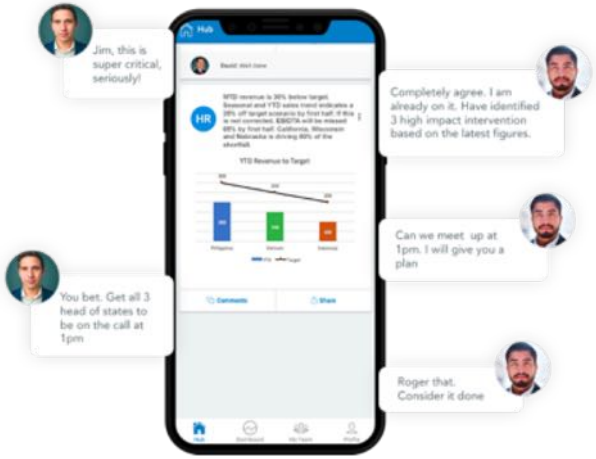
Data and Analytics Living in the Organization

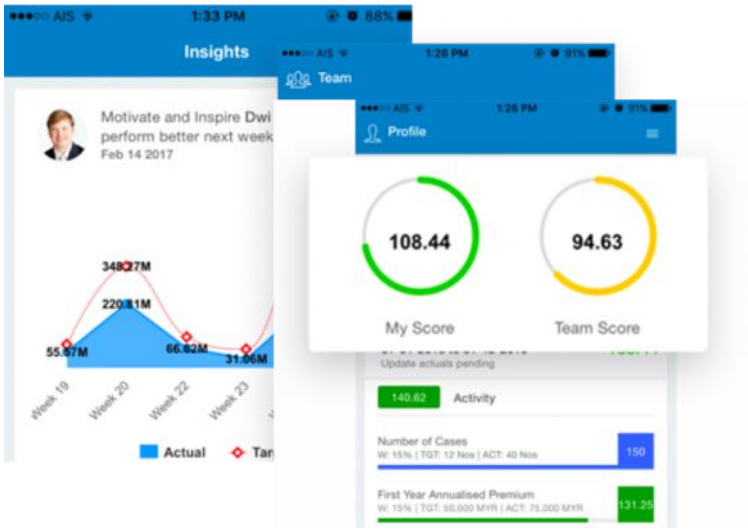
Mobile KPI reporting tools join AI to enable data interaction, insights and collaboration with the same functionality and ease-of-use as social media

KPI Monitoring and Reporting

AI-Pushed Notifications and Collaboration / Sharing



AI Data Insights and Team / Individual Scorekeeping



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Data and analytics *live in the organization* – driving collaboration and problem-solving through transparent reporting, AI-pushed notifications and alerts, and real-time team remote collaboration

KPISOFT Application Overview

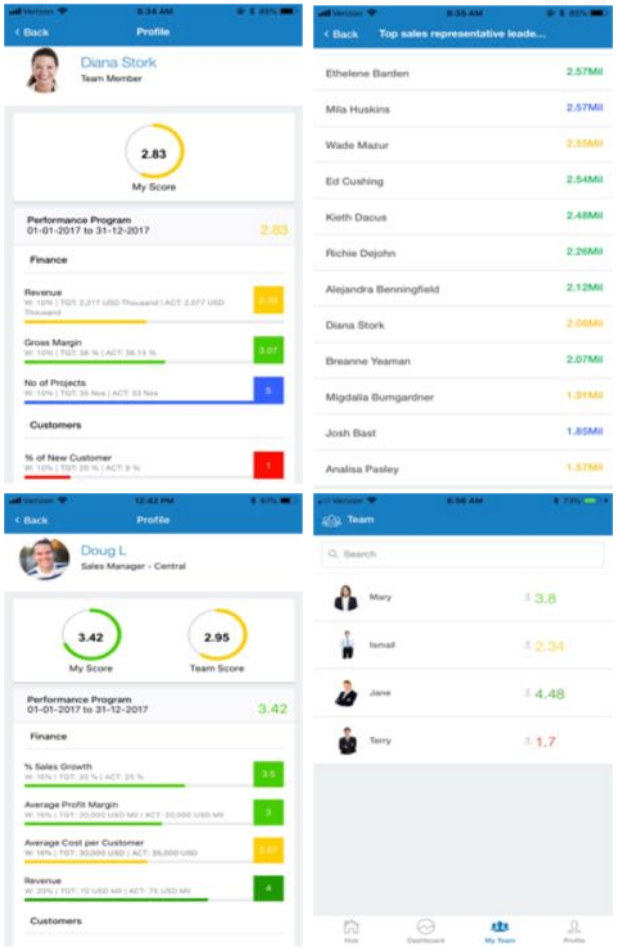
PM

Performance Scorecard

- Manage Self
- Set goals
- Look at progress
- Motivate Self

Manage Team Performance

- Manage Team Performance
- Set goals & monitor progress
- Coach



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KPISOFT Application Overview

BI

Dashboards

- Monitor
- Analyze
- Target Performance
- Heat Maps

AI

Engage & Motivate

- Real Time Collaboration
- Instant Feedback
- Engaged Recognition
- Goal Driven Conversation
- Push notification

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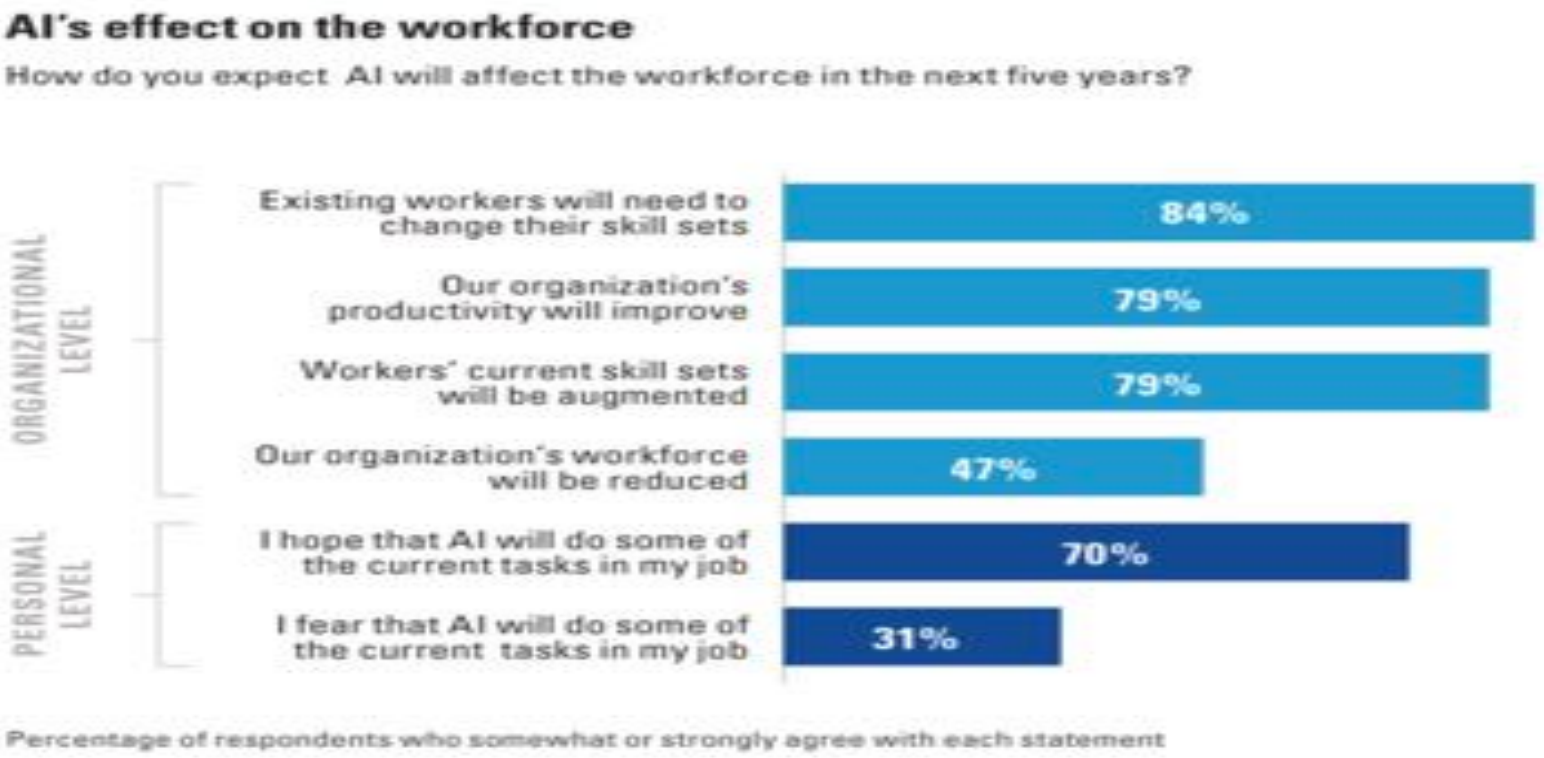
AI Job Impact Over the Next 5 Years



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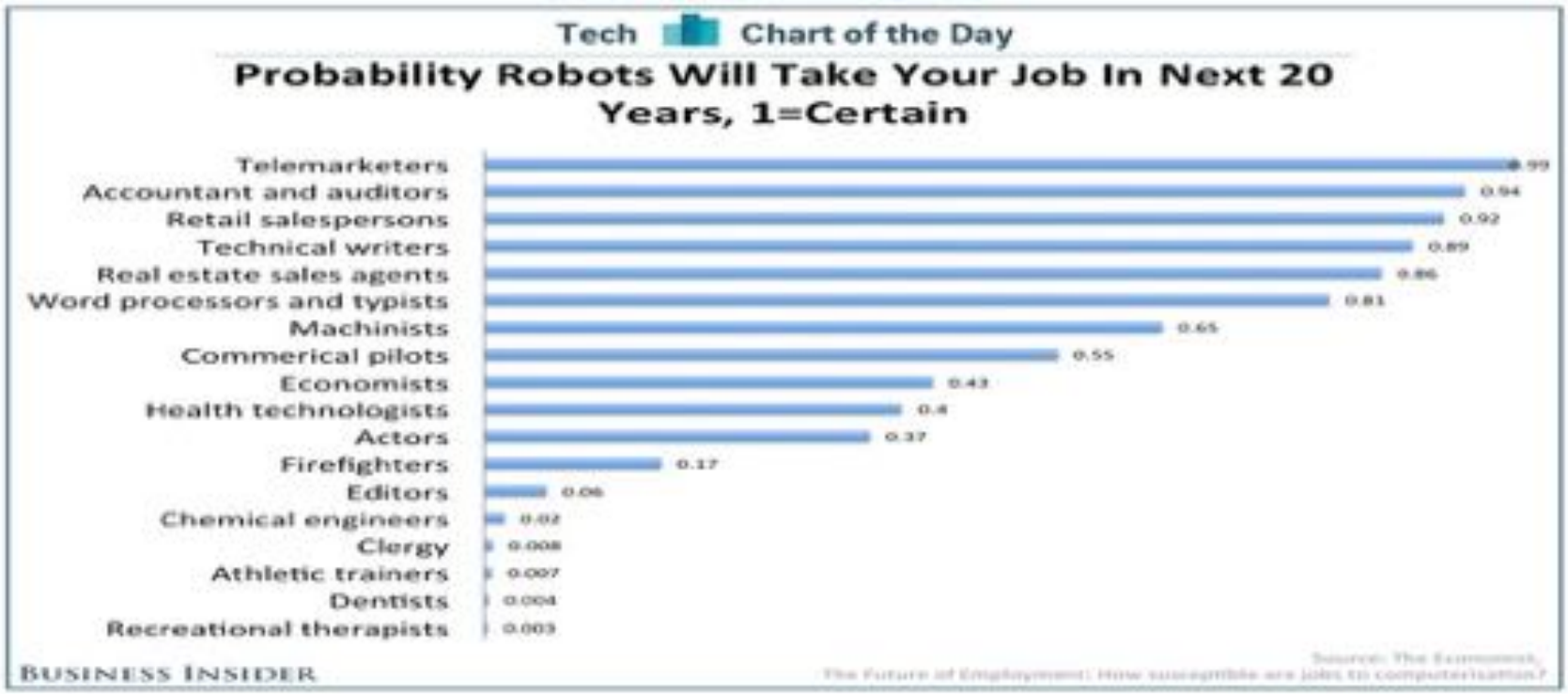
What Jobs Will be Impacted Most?



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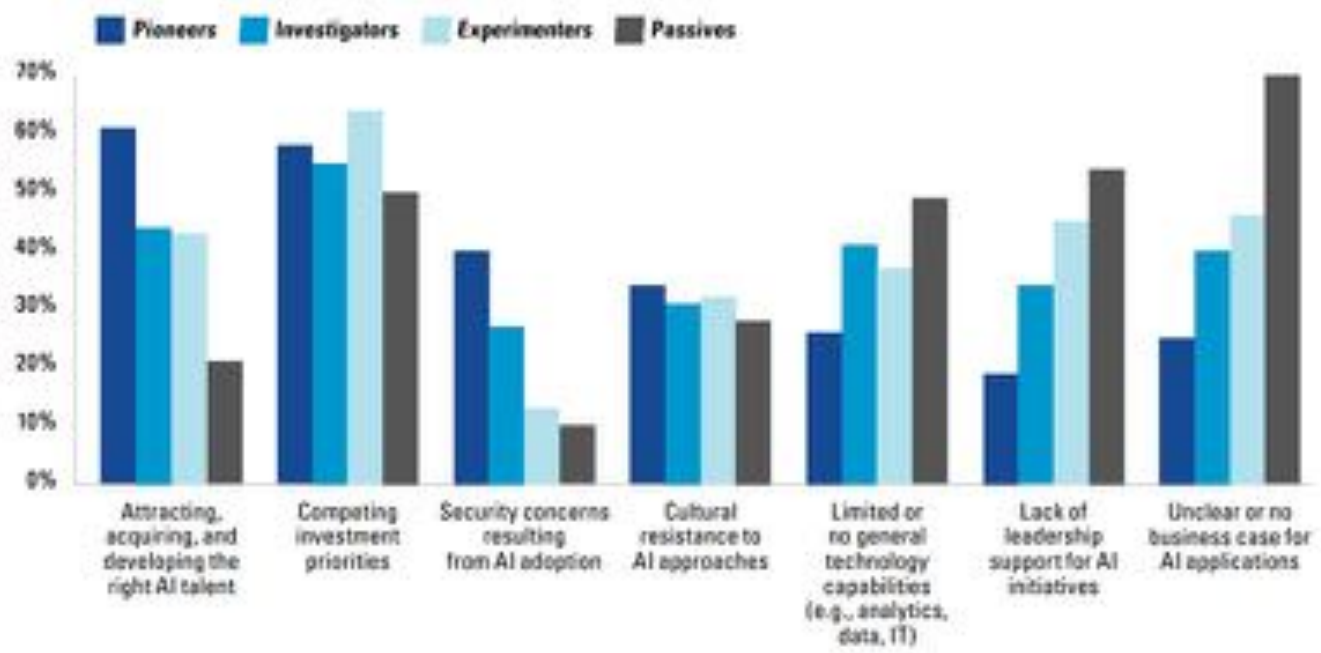
The Risk of Being Slow to the Party

Barriers to AI adoption

AI talent limits pioneers

Passives don't yet discern a business case for AI



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Source: Boston Consulting Group

5 Myths about AI you must STOP Believing

1. AI is going to replace all jobs
2. Only low-skilled and manual workers will be replaced by AI and automation
3. Super intelligent computers will become better than humans at anything we do
4. AI will quickly overtake and outpace human intelligence
5. AI will lead to the destruction of the human race with superior robotic beings

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Questions

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