Making AI a Killer App for your Data: A Practical Guide

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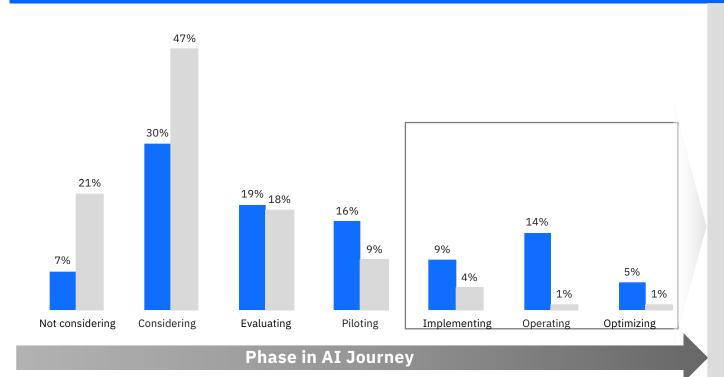
#### The AI Opportunity

AI could potentially deliver additional global economic activity of around **\$13 trillion globally by 2030**<sup>1</sup>, or about 16 percent higher cumulative GDP compared with today

This amounts to about 1.2 percent additional GDP growth per year



## Enterprises are acting on this transformative potential impact of AI



Outperformers All others

**82%** of organizations are in some stage of considering / adopting AI

**28%** of outperformers are in more mature phases **vs.** only **6%** of all others

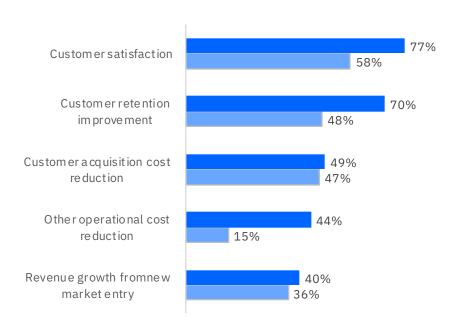
Source: 2018 AI Survey: AI1: Level of AI adoption; N=5001

\* Outperformers are those organizations that self-identify as having outperformed their peers on revenue growth and profitability for private sector organizations or revenue growth and effectiveness at achieving objectives for public sector organizations

#### Enterprises have also become clearer and more discriminating in what is important to their enterprise AI strategy

2018 2016

## Top 5 value drivers for adopting AI for outperformers <sup>2</sup>



Companies are prioritizing driving top line growth with their investments in AI above cost considerations

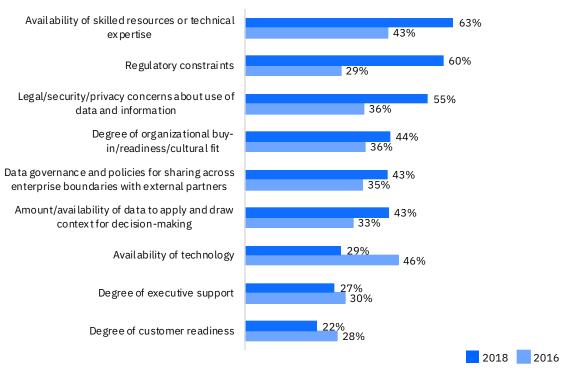
Source: [1] Percentages represent the number of respondents who selected 1 or 2 on a scale from -2 to +2. Source: Q3.4.f In which direction do you think the business landscape will change in 2-3 years?

Source [2]: 2018 AI Survey: AI2. What are the important value drivers for artificial intelligence/cognitive computing?; N=5001

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#### However, they are facing a number of barriers to implement AI

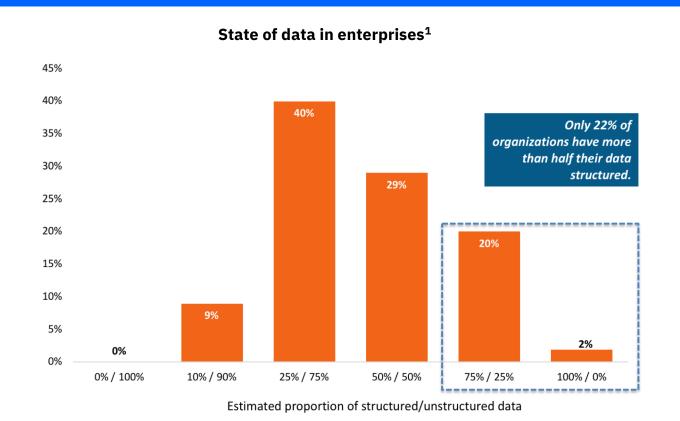
#### Barriers to implement AI



While lack of skills is a top barrier, enterprises need to tackle a host of other related issues to get to AI@Scale

Source: 2018 AI study: AI3. What are the top barriers your organization faces in implementing artificial intelligence?, N= 5001; Brad Hershbein, "We have to upgrade our skills to match intelligent machines", Business Insider, Oct 2016

# Data is the fuel that drives AI, however most enterprises are struggling in managing and utilizing the data that they have



from creating powerful data supply chains to locate, transform and move data to where it is needed

[1]: HfS Research 2018; Sample: Global 2000 Enterprise Buyers = 460

#### **Strategy**

#### **Data**

Don't forget the "why" There is no AI without data

## **Execution**

Avoid AI tourism

#### Change

Change heads, hearts and hands



#### 1. Strategy

Don't forget the "why"

- Create a business-value-driven AI strategy

- Improving a business through digital transformation requires an enterprise-wide approach

#### 2. Data

There is no AI without Data

- Don't avoid AI because you think you have no usable data
- Internal, proprietary data is not your only source to power AI initiatives
- Make data the cornerstone of your delivery strategy
- Data privacy has to be a core part of the overall data management strategy

#### 3. Execution

Avoid AI tourism

- Scale or fail

- Nothing has bold impact in isolation

 There is no singular starting point for automation and AI journeys

 Focus on re-imagining your processes rather than applying AI as patchwork

#### 4. Change

Change heads, hearts and hands

- You need talent that understands the intersection of data and algorithms, as well as their impact on process chains and workflows
- Change management is key for the fundamental shifts in the workplace as humans and machines work side by side

## Examples of AI deployments at scale



- AI systems <u>augmenting</u> and assisting **20,000** advisors across **5,000** branches
- Saves 200,000 working days annually
- Focused program to retrain advisors and drive adoption

Credit Mutuel Case Study



- 70% of device troubleshooting, usage, and order tracking inquiries handled by TOBi (virtual agent) in the UK
- TOBi's NPS: 60+
- Agents re-trained and re-focused to case management

https://www.youtube.com/watch?v=bYgazJ5jy2k



- AVA (virtual agent) supports 30,000+ conversations per month
- Recognizes 40 unique use cases
- 99% faster resolutions from 1.5 days to 5 min

Autodesk Case Study



- Built AI powered systems to capture knowledge of senior experts
- Employees used to spend 80% of their time researching problems and 20% fixing it. AI system has reversed this

Woodside Case Study

#### The four success factors for the AI journey

- **1. Strategy:** *Don't forget the "why"*. Your AI strategy needs to be driven by the desired business values and outcomes. AI is a means to an end, not an end in itself. Start with the end goal in mind.
- 2. Data: *There is no AI without data*. When enterprise data is coupled with external data and made accessible via a platform, you can unlock endless AI opportunities. Without accessible data in the right format, there is no AI.
- **3. Execution:** Avoid Al tourism. Understand the need, build the solution, and execute with scale in mind.
- **4. Change:** *Change heads, hearts, and hands*. Building the necessary skills required to enable technological and process changes requires significant change management focus to successfully re-train your talent pool, maintain the culture, and achieve scale.

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## Thank you

Please visit the following link for more details on AI studies:

https://www-935.ibm.com/services/us/gbs/thoughtleadership/cognitivelibrary.html

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