

AI is Everywhere.

What You Need to Know

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ARTIFICIAL INTELLIGENCE (AI) is an eventuality for all of us, and will soon affect many aspects of our lives – from self-driving cars to more job-specific examples like invoice processing, fraud detection, and investment planning. The money pouring into development of artificial intelligence continues to grow. Gartner research indicates that revenue from data science and machine-learning platforms grew to \$2.4 billion in 2016 – growth that continues to be driven today by organizations’ desire to use advanced analytics to improve decision-making. IDC estimates that spending on AI and machine learning will grow from \$12 billion in 2017 to more than \$57.6 billion in 2021.

Nearly every technology vendor out there is touting an AI solution. Marketers claim AI can do everything from approve loans to diagnose disease, improve email marketing and prevent crime. Though the AI hype hasn’t even peaked yet – and many companies feel they must adopt it in their own environments somewhere – the reality is that commercial applications on the market today vary widely in their ability to deliver and are useful only in narrow contexts. In Gartner’s 2018 CIO Survey, only four percent of respondents indicated they had invested in and implemented an AI solution in their operations. For an enterprise to find AI relevant or useful, its leaders must first find a real sense of AI purpose – and then a gainful business case.

Most companies lack clarity about where or how they can use AI. Many must first reckon with a dearth of skills required for training the technology or face the daunting task of modernizing their data management platform. Companies that think they can “set it and forget it” – which may be tempting with a solution that seemingly stacks neatly into an IT environment – will not create the outcomes they desire

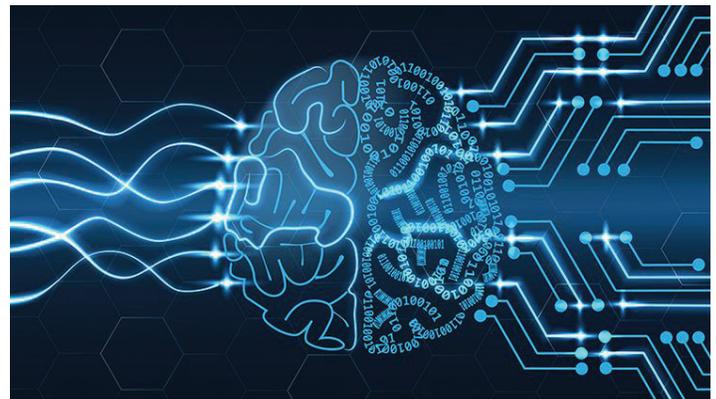
Here’s what really matters:

AI requires hard work. It involves training software to perform tasks based on (lots of) examples rather than cut-and-dry programming. In fact, the training is what makes it “intelligent.” There are no short cuts.

AI can liberate insights from big data – but it first needs access to big data (and then it needs lots of training).

AI needs to be customized to your business context. Simply downloading and applying open-source software to your data will produce thoroughly disappointing results.

AI can accelerate business decision-making by helping close the gap from insights to action, but you must first understand what AI can do and how it fits into your strategy.



Most companies that invest in AI today find it harder than they imagined getting the value they hoped for. Training an AI application so it is relevant is more expensive than they predicted – and ROI numbers are difficult to formulate and then even harder to hit. What’s more, AI – like robotic process automation, natural language processing and other emerging technologies – needs to be orchestrated in concert with other relevant systems. To be able to do its thing – to be able to map a set of inputs to a set of outputs to detect fraud, say, or identify an outage on a power grid – AI solutions must touch the right data sets, expose outputs to the right networks and interface with humans or automated resources at the right moments. Companies need to take the time needed to meticulously integrate their AI solutions into their overall business and technology environment to realize the potential benefits.

Act with cautious optimism but do not act slowly. If you wait, AI will infiltrate via other channels, and then you’ll have no choice but to react and deal with a solution that may not be optimized for your business. ■

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