Deloitte.

Stuck on the curve
A clearer view of AI currency

Enterprises are rushing to strike AI gold, spurred up the AI maturity curve by the promise of game-changing potential. Yet, for some, momentum has stalled after early returns on cost reduction, productivity gains, and inconsistent RPA and intelligent automation use cases. The full AI currency is defined in other ways. Organizations moving strategically toward transformation will be positioned to seize near-exponential benefit—and those that are just trying to keep up will be left behind.

It's not too late, but it is time to get moving.

What's behind the lag?

Business functions can be streamlined, accelerated, and improved by arming the human workforce with intelligent tools. Challenges can arise when AI-curious enterprises see hard-won gains in offsetting work and cost and then settle. Cost is only part of the equation, and stopping there can limit value.

A component of this cost-reduction quagmire is that business divisions may be at different places in their AI maturity, and therefore not all seeking the same kinds of results from AI initiatives. Transactional units seek efficiency, R&D groups are striving for insight and innovation, and supply chain managers need predictability in operations and planning.

In some ways, stakeholders are speaking different languages. Thus, experiments born in silos that take Herculean efforts to push through to deployment can frustrate a grander vision of the transformative nature of AI. The challenge is to bring initiatives, stakeholders, and the vision for AI value together on a single scaffolding that allows the entire organization to march forward as one. This means articulating a common vision and definition of AI value, identifying use cases for impact, and sharing the insights for reusability and scale.

A call to collaborate

The heart of AI value is a straightforward equation: Data plus math equals insights for use cases. Many enterprises grapple with the questions of who in the organization owns the data and what it's used for. These are complex questions, but the wrong answer is "IT owns these initiatives." An organization's IT division is a key partner, but cannot force AI wins independently, one reason being that the value in AI hinges on shared strategy and data accountability among all stakeholders.

Data governance directly impacts AI maturity, and an emerging best practice is the concept of a data governance council. Here, technology leaders are joined at the table by data scientists and leaders from HR, finance, marketing, and core business units. This intentional mix of people brings together the respective strategic imperatives, allowing the group to consider data governance through the lenses of business value, outcomes, and sustainability.

Delivering on AI ambition is often fundamentally about cohesive enterprise strategy, which thrives on collective buy-in and requires a measure of AI literacy. The whole organization must drive toward valuable solutions for target use cases that advance defined goals. This collaborative approach also helps guide AI development such that when tools are deployed in the workflow, they are aligned with operational realities and do not introduce such high inertia that they cause more problems than they solve.
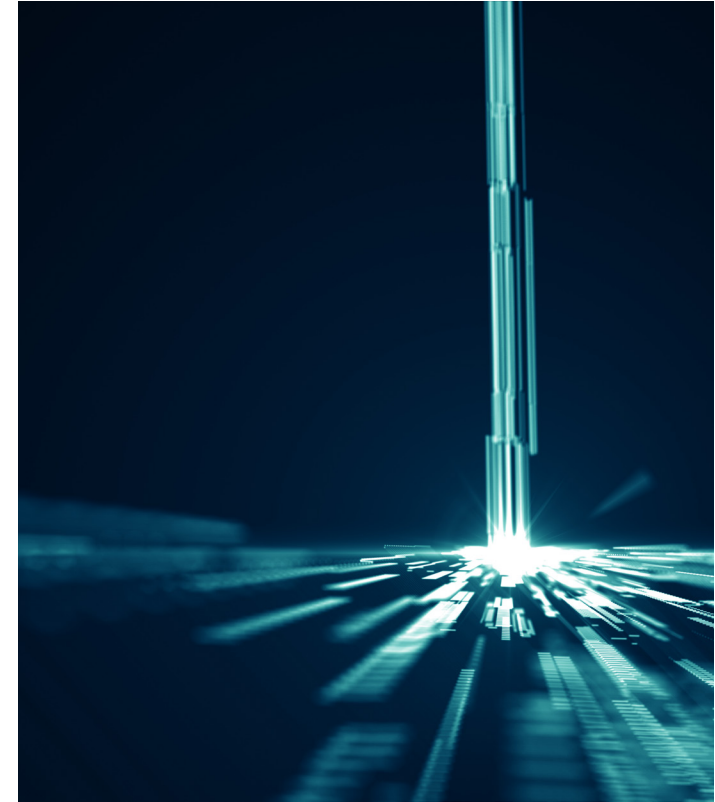
Bursting into effectiveness

A "fast follower" approach, where competitors set the pace, leads to hard lessons about what it takes to transform into an AI-fueled organization. "Buy it when you need it" does not typically work with AI. Now is a moment to launch out of the efficiency-focused marsh and accelerate up the AI maturity curve to new ways of working. As next steps, look toward AI wins that propel the business on its journey.

Bring everyone to the table: Develop a data governance model with the right representation (not just the technologists and scientists). As an ecosystem and in the spirit of the governance council, work collectively to identify and solve discrete problems and seize evident opportunities.

Develop active sensing at scale: The capacity to respond quickly to change is a competitive advantage. The 2020 pandemic reinforced the mandate for enterprise agility, and AI-based sensing is a key component in the ability to parse signal from noise in the data. Look for ways to use AI to pivot in the face of changing customer sentiments, supply chains, market channels, and throughout the integrated partner ecosystem.

Move out of the lab and into the world: Look for opportunity spaces to connect AI to use cases then index the value realized on the outcomes. This is important not just for driving AI effectiveness, but also for evidencing the reason for the endeavor. It helps stakeholders better intellectualize the potential, and the culture of the organization begins to shift toward an AI-inspired, transformative mindset.
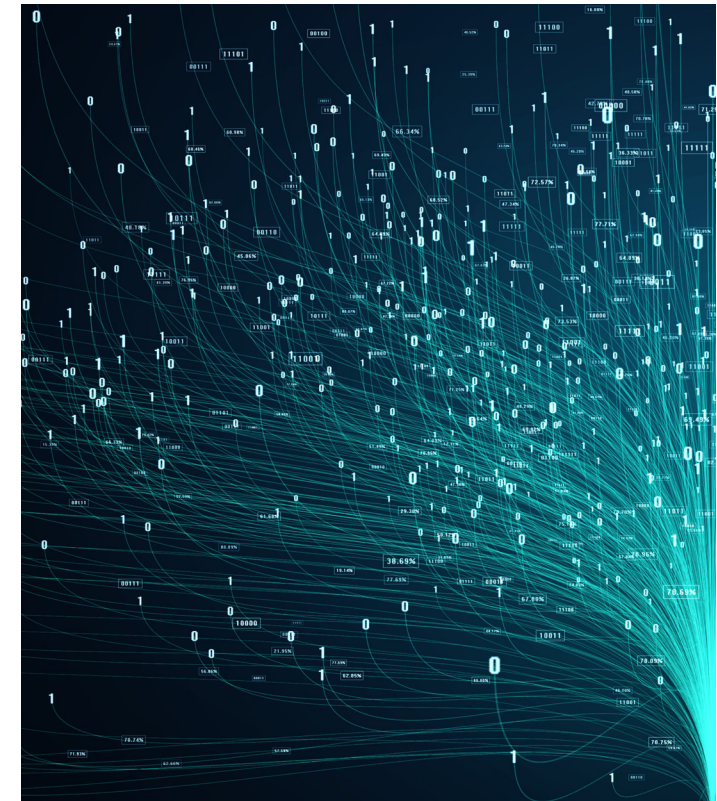
Amid all this, recognize the urgency. For every instance where legacy systems and structures cause stakeholders to conclude, "we can't do that," there is another organization with the opposite view. Indeed, if you are not doing it, to be sure, someone else already is. AI (as with the cloud before it) is no longer a frontier economy where the first mover wins. Today, all businesses have access to the AI arena and are charged with differentiating on the use cases that matter and the value advantage they deliver.

There is no more time to rest on the AI maturity curve. The moment is now to resume the ascent and add scale to your competitive advantage. Others are climbing, and there is enormous value to be seized. As you burst into effectiveness, take quick successes where they can be found, turn to assets and advisors that can accelerate the journey, and fuel the enterprise with the full scope of AI currency.

Contact us

John R. Tweardy
Principal
Deloitte Consulting LLP
jtweardy@deloitte.com | +1 412 402 5418

Deloitte.

About Deloitte
Deloitte refers to one or more of Deloitte Touche Tohmatsu Limited, a UK private company limited by guarantee ("DTTL"), its network of member firms, and their related entities. DTTL and each of its member firms are legally separate and independent entities. DTTL (also referred to as "Deloitte Global") does not provide services to clients. Please see www.deloitte.com/about for a detailed description of DTTL and its member firms. Please see www.deloitte.com/us/about for a detailed description of the legal structure of Deloitte LLP and its subsidiaries. Certain services may not be available to attest clients under the rules and regulations of public accounting.