

Deloitte TECHTalks | Deloitte Global Generative AI |  
Future Forward With GenAI | Identify Signal from the Noise

With [Nitin Mittal](#), *Deloitte Global GenAI Leader* and [Heather Stockton](#), *Deloitte Global Consulting Services, Technology & Transformation leader*

**Raquel Buscaino:** Welcome to Deloitte TECHTalks. I'm your host, Raquel Buscaino, and I lead the Novel and Exponential Technologies team at Deloitte Consulting in the U. S., where we sense and make sense of emerging and advanced tech. This week on TECHTalks, we're going to be mixing it up a bit. In addition to our usual episodes, we have a three-part AI series lined up with Deloitte's global colleagues as they discuss the trends around GenAI, from identifying signal from the noise, optimizing for organizational value and navigating the path to opportunity.

GenAI has captured the imagination of many businesses, individuals, and society at large with advancements happening at rapid speed in the market in the last 12 to 18 months. This is one of the fastest tech evolution cycles experienced. It is a topic of discussion in boardrooms, organizations, investment circles, and even at family dinner tables.

How do we make sense of what matters to organizations? What could organizations focus on? How do we think about GenAI in the context of business and markets? In this episode, we aim to distill some of the leading market signals that are surfacing and dive into identifying signal from the noise with Nitin Mittal, Deloitte Global GenAI leader and co-author of *All In on AI, How Smart Companies Win Big with Artificial Intelligence*.

He'll be speaking with Heather Stockton, Deloitte Global Consulting Services, Technology and Transformation leader, chatting about GenAI trends. It's going to be a great podcast and I'll turn it over to Nitin and Heather from here.

**Heather Stockton:** Hi Nitin, it's great to see you today. I'm Heather Stockton and I lead our technology and transformation business globally and I'm delighted to talk a little bit today about everything Generative AI and what's happening in the market.

I think the most exciting thing for Nitin and I has been watching the market shift so quickly, and even in the first couple of years of intense focus at a global level on Generative AI, we've seen so much change. And I would say the biggest thing that we're seeing shift now is the move from experimentation, doubt related to Generative AI to scaling.

It's become the number one transformation tool for organizations worldwide. It's at the heart of almost every conversation that we have with clients, and it's estimated between 2023 and 2027 that 3 trillion was spent on AI worldwide. Take that in. It's incredible for something that people just didn't even talk about three, four years ago as commonplace.

It's expected to be by 2030, 100% of I.T. spending either directly or indirectly, so it will be embedded in everything that we're doing around enabling business. And while many organizations have dipped their toes in the water to build proofs of concept to build capability, it is the time now to move from experimentation to scaling it as competitive advantage.

And two thirds of the businesses who started are increasing their investments because they're seeing the benefits of it. A couple of things that I think are really important as an organization thinks about scaling is obviously talent readiness and building the expertise in an organization to risk and governance. How do you put the right risk parameters around Generative AI while also allowing for the degrees of freedom that it provides an organization in doing so? And certainly having a strategy while you move from experimentation to scaling, you need to really have robust strategy that anchors your investments on the most important aspects of your business.

And certainly last but not least, and I think this might be the most important thing, is data management. Most organizations use 50 percent or less of their data that they already have available. And now you have the ability to buy data, leverage the data you have, but if you don't have quality data, if you don't know how to leverage your data, data management just becomes integral to what you need to do.

So if you think about moving forward, I think the most progressive organizations will look at almost creating Generative AI investments as self funding so that it is geared towards competitive advantage and optimization and using those benefits to invest and pay it forward because I think a lot of the feedback that we hear in the market is that the cost continue to rise around technology investment.

But some of the productivity and the returns is not being experienced in the business. And I think this is the next big thing for organizations to think about. How do they approach the investments required for Generative AI and create a self-funding model and data needs to be an accelerator. So coming back to my data management point, having data management, having quality controls around your data is just table stakes.

It will be critical to businesses in the future, and then obviously trustworthy AI. When you think about an organization and what your business stands for making sure that you're building the right parameters around how you use Generative AI for your business and AI generally is really important. And then measuring the performance. Are you getting the right outcomes?

And if not, how do you move to the right outcomes? Those are the big things that I think our clients are thinking about and we're thinking about for ourselves as we think about our business in the future. Nitin, any thoughts?

**Nitin Mittal:** First off, Heather, it is great joining you on this podcast. I am Nitin Mittal, the Global AI leader.

One of the factors in terms of moving from experimentation to scaling is what we are seeing as the rise of an agentic workforce. Let's delve slightly into what this rise means. AI agents are literally software that is now coming to the forefront that act independently based on the underlying data that they are trained on.

The point that Heather was making around data management and the criticality of it, not only do they act independently, but they execute autonomously because they have the ability to almost intelligently think the same way that we as humans do. AI agents, in a sense, are actually not digitizing information.

AI agents are actually digitizing us. The way that we interact the way that we communicate, the way that we act, and the way that we go about doing tasks or essentially our jobs. That's the whole essence behind an agentic workforce. Heather made this point around going from experimentation to scaling.

What does that look like right now? On the surveys that we have conducted, and many of the clients whom we talked to, 26 percent of those organizations are already starting to explore how to work with agents in their environment. Let's be mindful. AI agents only came into the forefront three to four months back. In a quarter, 26 percent of those organizations are already starting to explore with these AI agents.

Why? Because 80 percent of day to day tasks and activities that their existing human workforce undertake could be augmented and at some point of time enhanced and even substituted through these AI agents. That is transformation in action and playing right in front of our eyes. Wherein in how things are executed, how activities are undertaken, how interactions are actually progressed between us in a particular workforce or within society, as well as how jobs have typically been thought of, are all going to get revolutionized with AI agents as part of that workforce, in our midst, augmenting us, enhancing us, and getting to the level of productivity that Heather was talking of.

So with that, Heather, I'll turn it over to you, because a lot of this, in terms of what you and I are talking of, is happening in the context of enterprise platforms that are the forefront of the technological engine that fuels and runs organizations.

**Heather Stockton:** Nitin, as you say, it is so exciting to see what's happening around the agentic workforce.

But we're also seeing technology companies build and embed Generative AI into their enterprise tech platforms. And they're building those capabilities to create a more intelligent and automated solution for their clients. And where you see it is you see it in everything from data analytics and moving from a reporting capability to a predictive capability that allows AI to help take information about the business and predict the implications of what it's seeing.

Chatbots and virtual assistants, which I think many people have seen or have used and interacted with, but this is taking it to a new level of their performing work on behalf of you as a business and your employees. And employees need to work with and they augment what the human workforce will do. They'll create content, and they'll manage the content for you. RPA or robotic process automation has been around for a long time, but we're going to see it embedded in the flow of work. And you'll see the capabilities start to perform work that was performed by the human workforce. You'll see security and risk management start to anticipate threat and fraud detection, and you'll see product development and simulation and testing capability in the enterprise platforms.

The key though, is that many of our clients around the world have this technology and use this technology, but they don't take advantage of it. And so I think Nirvana in the next number of years will be how quickly a business can leverage this capability in the flow of work in the flow of serving their customers and shift what the human workforce does working with the power of AI in this platform technology. And enterprise technology platform vendors are moving from cloud native and on prem

AI native stack and they're doing it at a speed that we've just not seen before to embed this AI capability.

And you're seeing a substitution of human labor models with AI models. And if you think about a business, it is how do they prepare their workforce to work with and leverage this capability. And that is likely one of the biggest challenges because this capability will be in the platform and is already being released as we speak.

But taking advantage of this is going to be so important for a business to take full advantage of what technology can do for them. Nitin, why don't you talk a little bit about what's happening around data centers and AI sovereignty?

**Nitin Mittal:** Absolutely. In fact, the very point that you made in terms of all the progress and taking advantage of the emergence of this technology, the way that you have to take advantage is essentially by standing up the AI infrastructure that is more and more getting manifested through these new GPU based data centers that are coming up in different countries and different regions around the world.

In fact, there's a phrase for it. It's called Sovereign AI. Sovereign AI has become one of the biggest areas of CapEx spending in the world of technology today. You've got a multitude of countries that are starting to view AI as a means or an extension of geopolitics itself in their particular regions and have got into a competitive race to stand up the AI infrastructure and secure the supply of all the hardware and software that is requisite to essentially make the infrastructure available in the first place.

Which by itself is a prerequisite to everything that you are articulating. None of it comes to fusion if nation states, regions, groups, and other entities, including government and commercial or private entities, have the means to either own the infrastructure or access the infrastructure. And that is why we are starting to see one of the greatest untapped potential opportunities is the business of AI.

We always talk about the application of AI. Heather explained it in the context of predictive analytics, chatbots, virtual assistants, content generation, the next evolution of RPA or intelligent automation, and obviously all the simulation in the context of product development and R&D. All those are great examples

of the application of AI. But to apply AI, we also need to be mindful of the business of AI, which is all the infrastructure, GPU based data centers, hardware, and software engineering that is a prerequisite to make this a reality. I'll perhaps stress on one other aspect of all this infrastructure that is being built up.

And that is, through the access to this infrastructure, or the ownership of the infrastructure, companies as well as government entities are starting to actually customize models. Customize models as opposed to just taking off the shelf software and foundation models that have been available. What customized models essentially means is that companies are not necessarily just relying on the output or the inference

of any model that has been trained on plain vanilla internet data. They're actually retraining or fine tuning or prompt engineering these models with their own proprietary data so that it is contextualized. It is a lot more relevant in their context, whether from an industry perspective or from a specific domain perspective, and they are far more accurate. Those three dimensions of context, relevancy, and accuracy is actually fueling this trend, which is private or proprietary or industry or domain specific models that are fit for purpose and customized on all the infrastructure that is being stood up and more and more being manifested through the enterprise platforms for the type of applications of AI that Heather explained.

So that collectively are some of the trends that we're seeing around the world. Heather, given your role in terms of being our business leader for global consultative services, maybe you could articulate a bit in terms of the macro view as it relates to what we're seeing with our clients and our business.

**Heather Stockton:** Well, if you think about the trends, data is the next potential currency. It's so valuable to an organization and how they leverage that data to power generative AI and to power the workforce. And so I think it's really important for all of us, myself included, to be just insanely curious. To learn as much as you can.

I use it every single day. I use it in my personal and business life and try to try something new all the time. I think the same goes for our clients. I think it's really important for clients to start to think about Generative AI in the flow of their business. It creates immense opportunities around competitive advantage, around productivity, which has not improved at the rate that you would expect relative to the investment that clients are making in technology.

And this is the way to take advantage of productivity is using the power of the enterprise technology platforms and leveraging the insights that high quality data can provide you around competitive advantage. The future is here. It's happening today. We're seeing all kinds of structural changes across many of the domains, and it's at a pace that certainly we've not seen or experienced.

And certainly for us, it's very exciting, and it's unlike any other emerging technology we've seen before. So organizations need to stay agile. They need to adapt and focus on the innovation that Generative AI can bring to their business, to drive enduring value, but also so that they're resilient as a business.

So, thank you so much for listening. It's been great to talk to you about the trends.

**Nitin Mittal:** Likewise. Thank you.

**Raquel Buscaino:** What a great episode to all our tech savvy listeners. Thanks for listening into the special episode from Deloitte's global colleagues. If you enjoyed this episode, please share and subscribe and make sure you check out our other episodes in the series where we touch on optimizing for organizational value and navigating the path to opportunity. Until then, stay savvy.

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