

AIQRATE

A Bespoke AI Advisory & Consulting Firm

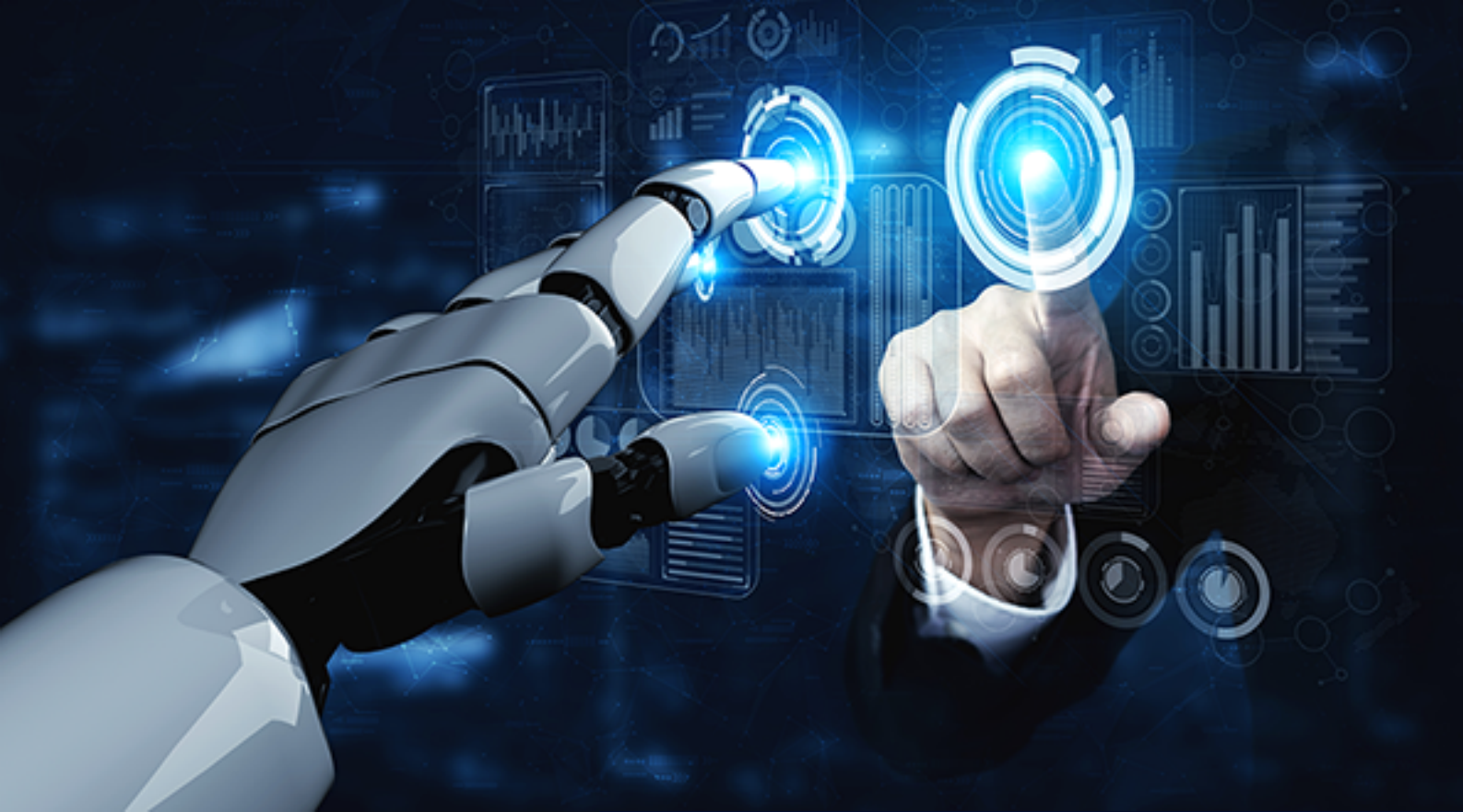
THE **NEED** TO HAVE AN

AI STRATEGY

IN **CRISIS**

RESET & REVIVE

Sameer Dhanrajani



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Businesses that once mapped strategy planning in one- three- year phases must now reset and scale their strategic initiatives in a matter of days or weeks

With the global lock down caused by the COVID-19 and the unforeseen loss of business momentum, the luxury of time now seems to have disappeared completely. Businesses that once mapped strategy planning in one- three- year phases must now reset and scale their strategic initiatives in a matter of days or weeks. In one of the survey initiated by Harvard university, about 70 percent of top fortune 1000 companies senior executives said the pandemic is likely to accelerate the pace of their business transformation. The acceleration is evident already across sectors and geographies. Consider how multiple banks have swiftly migrated physical channels online. How healthcare providers have moved rapidly into tele-health, insurers into self-service claims assessment, and retailers into contactless shopping and delivery.



The COVID-19 crisis seemingly provides a sudden glimpse into a future world, one in which artificial intelligence has become central to every interaction, forcing both enterprises and individuals further up the adoption curve almost overnight. A world in which digital channels become the primary customer-engagement model, and automated processes become a primary driver of productivity—and the basis of flexible, transparent, and stable supply chains. A world in which agile ways of working are a prerequisite to meeting seemingly daily changes to customer behavior. This being powered by a robust AI driven algorithmic engines. If a silver lining can be found, it might be in the falling barriers to improvisation and experimentation that have emerged among customers, markets, regulators, and organizations. In this unique moment, enterprises can learn and progress more quickly than ever before. The ways they reset and revive post crisis will deeply influence their performance in tomorrow's transformative world, providing the opportunity to retain greater agility as well as closer ties with customers, employees, and suppliers. Those that are successfully able to make gains will likely be more successful during recovery and beyond.

Now is the time to reassess business strategy and curate AI strategy core to the business models & processes—to provide near-term readiness to employees, customers, and the broad set of stakeholders to which businesses are increasingly responsible and those that position you for a post crisis world. In this world, some things will snap back to previous form, while others will be forever changed. Playing it safe now, understandable as it might feel to do so, is often the worst option.



A BLACK SWAN EVENT DEMANDS NEW STRATEGIC APPROACHES

AI Strategy comes to the rescue

Every enterprise knows the virtues of how AI pilots new business models in “normal” times, but very few have implemented AI strategy @scale and velocity suddenly required by the COVID-19 crisis. That’s because in normal times, the customer and market penalties for widespread “test and learn” can seem too high, and the enterprises obstacles too steep. Shareholders of public companies demand immediate returns. Finance departments keep tight hold of the funds needed to move new initiatives forward quickly. Customers are often slow to adjust to new ways of doing things, with traditional adoption curves reflecting this inherent inertia. And organizational culture, with its own siloes, hinders agility and collaboration.

As a result, enterprises often experiment at a pace that fails to match the rate of change around them, slowing their ability to learn fast enough to keep up. Additionally, they rarely embrace the acceleration needed to move quickly from piloting initiatives to scaling the successful ones, even though analyst studies have shown that swift moves to curate AI strategy early and at scale, combined with a sizeable allocation of resources against AI implementation, correlate highly with value creation. As the COVID-19 crisis forces your customers, employees, and supply chains into digital channels and new ways of working, now is the time to ask: Does my enterprise have an AI strategy to reimagine customer experiences, innovate new products & services and transform my business for competitive advantage? Strange as it may seem, right now, in a moment of crisis, is precisely the time to boldly advance your move to curate an AI strategy.



AI STRATEGY CURATION

Strategic Focus Areas

CRAFT NOVEL BUSINESS CAPABILITIES EMBEDDED WITH AI

By now you have built your contingency response model and insights hub; you need to coordinate your crisis response. This insights hub provides a natural gathering point for crucial strategic information, helping you stay close to the quickly evolving needs of core customer segments, and the ways in which competitors and markets are moving to meet them. Mapping these changes helps address immediate risks, to be sure, but it also affords looking forward in time at bigger issues and opportunities—those that could drive significant disruption as the crisis continues. Just as AI has disrupted business models and value chains in the past, the COVID-19 crisis will set similar “ecosystem”-level changes in motion—not just changes in economics but new ways of serving customers and working with suppliers across in a new ecosystem. In the immediate term, for example, most enterprises are looking for virtual capabilities for their previously physical offerings, or at least new ways of making them accessible with minimal physical contact. The new offerings that result can often involve new partnerships or the need to access new platforms and digital marketplaces in which your company has yet to participate. As you engage with new partners and platforms, look for opportunities to move beyond your organization’s comfort zones, while getting visibility into the places you can confidently invest valuable time, people, and funds to their best effect. AI based strategy that involves building recommended intelligence systems, reasoning and intuition to address complex problems and explore ideal future states, will be crucial.

Crafting an AI strategy goes beyond building light weight, beta mode algorithms, pursuing adhoc business problems for driving AI engagements or cobbling up together a bunch of AI geeks; it requires a strategic approach driven by boards, CXOs, business leaders and decision makers to focus on the following key areas



AI STRATEGY CURATION

Strategic Focus Areas

The ways enterprises reset and revive post crisis will deeply influence their performance in tomorrow's transformative world, providing the opportunity to retain greater agility as well as closer ties with customers, employees, and suppliers.

EMBED AI INTO YOUR CORE BUSINESS MODEL

Going beyond comfort zones requires taking an end-to-end view of your business and operating models. Even though your resources are necessarily limited, the experience of leading enterprises suggests that focusing on embedding AI into the areas that touch more of the core of your business will give you the best chance of success, in both the near and the longer term, than will making minor improvements to noncore areas. Enterprises that make minor changes to the edges of their business model nearly always falter in their business goals. Tinkering leads to returns on investment below the cost of capital and to changes that are too small to match the external pace of disruption. Enterprises that rapidly adopt embedding AI driven algorithms and using those to redefine their business at scale have been outperforming their peers. This will be increasingly true as companies deal with large amounts of data in a rapidly evolving landscape and look to make rapid, accurate course corrections compared with their peers. On a short term basis, this may mean, opening up business models for introspection, however, embedding AI into the core business areas : marketing, sales, supply chain, finance will radically change your enterprise's ability to derive insights & intelligence.



AI STRATEGY CURATION

Strategic Focus Areas

RESET YOUR BUSINESS STRATEGIES WITH AI

No enterprise can accelerate the delivery of all its strategic imperatives without looking to M&A to speed them along. This is particularly true with AI strategy, where M&A can help companies gain talent and build capabilities, even as it offers access to new products, services, and solutions, and to new market and customer segments. More broadly, we know from research from previous black swan events that enterprises that invest when valuations are low outperform those that do not. In more normal times, one of the main challenges enterprises face in their AI led transformations and adoption is the need to acquire AI talent and capabilities through acquisitions of startups that are typically valued at multiples that capital markets might view as dilutive to the acquirer. The current downturn could remove this critical roadblock, especially with enterprises temporarily free from the tyranny of quarterly earnings expectations.

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AIQRATE, A bespoke global AI advisory and consulting firm. A first in its genre, AIQRATE provides strategic AI advisory services and consulting offerings across multiple business segments to enable clients on their AI powered transformation & innovation journey and accentuate their decision making and business performance.

AIQRATE works closely with Boards, CXOs and Senior leaders advising them on navigating their Analytics to AI journey with the art of possible or making them jumpstart to AI culture with AI@scale approach followed by consulting them on embedding AI as core to business strategy within business functions and augmenting the decision-making process with AI. We have proven bespoke AI advisory services to enable CXO's and Senior Leaders to curate & design building blocks of AI strategy, embed AI@scale interventions and create AI powered organizations.

AIQRATE's path breaking 50+ AI consulting frameworks, assessments, primers, toolkits and playbooks enable Indian & global enterprises, GCCs, Startups, SMBs, VC/PE firms, and Academic Institutions enhance business performance and accelerate decision making.

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