AIism™ Insights

Succinct highlights of AI strategy & transformation trends and topical themes

Volume 2, Issue 2, February 2021

In this Newsletter....

AIQRATE
A Bespoke AI Advisory & Consulting Firm

AI Masterclass Series: AI Strategy for Leaders & Senior Executives

Business Transformation, Innovation & Disruption requires that AI strategy be regarded as core to the business model that differentiates a company and defines how it creates value, as well as to its operating model—the systems, processes, and capabilities that deliver value. The Algorithms needs to demonstrate agility in the decision making prowess of the enterprise thru insights, intelligence & recommendations. Artificial Intelligence Strategies for Leaders & Senior Executives Masterclass Series helps harness the power of AI to create customer value and competitive advantage.

This AI Masterclass Series is a set of 5 curated sessions involving more than 50 industry case studies and with 15+ AI frameworks.

Masterclass Anchor: Sameer Dhanrajani, CEO at AIQRATE Advisory & Consulting

Three sessions of the AI Masterclass Series were held in February 2021.

3. 06-Feb-2021: AI Center of Excellence (CoE) construct & framework:

Session was to understand how AI CoEs are setup for generating business impact through AI driven process innovation and revealing new sources of revenue. Explored AIQRATE's Beacon framework that guides GCCs through the journey of setting up an AI CoE & AIQRATE's Paragon Framework for enterprises for accelerating the setup of an AI CoE as a transformation agent.

4. **13-Feb-2021: Building blocks of AI powered enterprise strategy**

In this session, discussed on how AI is invoking massive shifts in the business value chains of existing and new age enterprises and is redefining what it takes to achieve a competitive advantage. Studied on how to build a full-scale AI strategy that is contextualized and enterprise wide as focus on strategic building blocks for AI can help enterprises develop penetrating insights, intelligence and recommendations.

5. **20-Feb-2021: Trifecta of AI capability for business transformation: Customer Experience | Risk & Fraud | Operations**

This session was to understand end to end AI capabilities infusion as a strategic asset across customer experience, marketing, risk & fraud, supply chain, HR, Finance & Accounting and the ensuing transformative impact on the functional value chain resulting in new role paradigms for CXOs.

AIQRATE in the News

Sameer Dhanrajani in IIM Kanshipur

Sameer Dhanrajani was the guest speaker at Indian Institute of Management Kashipur for 'Tejas' – a Leadership Talk series through webinars. Sameer addressed the topic- "AI Strategy: The New Next in Transformation, Innovation & Disruption".

2nd Global AI Conclave 2021

ML Munjal University would like to carry forward the discussion and intellectual interest generated during the inaugural Global AI Conclave last year to further understand AI's possibilities in specific areas such as Healthcare, Manufacturing, Banking, Fintech etc. Things have been rather dynamic in these pandemic times and this conclave would like to capture our understanding within this context as well. The conclave is expected to be attended by a wide spectrum of people including business leaders, industry practitioners, policy makers/implementers and researchers/students/enthusiasts. An important element of the conclave would be the launch of a research report on the state of Artificial Intelligence within the healthcare sector which has been a major focus of attention in these testing times.

HEALTHCARE IN THE AI ERA

AI and related technologies provide tremendous promise to the healthcare sector across the entire value chain. There may also be certain downsides such as patient safety or data security. Artificial Intelligence is being used to emulate human cognition in the analysis, interpretation, and comprehension of complicated medical and healthcare data. While each AI technology can contribute significant value alone, the greater potential lies in the synergies generated by using them together across the entire patient journey, from diagnoses, to treatment, to ongoing health maintenance etc. In a country where the healthcare systems are evolving and have been tested to the hilt during the last one year, the 2 panel discussions in this segment are expected to pick up two important areas – (1) Diagnosis and (2) Ethics.

PANEL 1 Diagnosis Made Easier

It is expected that AI will access multiple sources of data to reveal patterns in disease and aid treatment and care. Diagnostics is focused on using AI and machine-learning to improve diagnostic accuracy and to cut costs. AI diagnostics have the potential to improve the delivery and effectiveness of health care. This panel would discuss this

element from a multidimensional perspective. The panel is expected to consist of the following esteemed experts:

PANELLISTS

1. **Sanjay Dhawan** – Group Director, ClearMedi Healthcare.
2. **Prof David Snead –** Consultant pathologist at the University Hospitals Coventry & Warwickshire Prof. of Pathology Practice, University of Warwick
3. **Prashant Warier** – Founder, Qure.AI
4. **MODERATOR – Nirupam Srivastava** – VP Strategy, M&A and AI/Digital Transformation, Hero Corporate Services

PANEL 2 | What is ethical about it?

The AI code of ethics talks about the role of artificial intelligence as it relates to the continued development of humans. According to some, the purpose of AI should be to produce beneficial intelligence rather than undirected intelligence. Privacy and surveillance, prejudice and discrimination and most importantly, the role of human judgement do come into play when we speak about AI within the healthcare ecosystem. This very relevant and timely discussion will have the following esteemed experts:

PANELLISTS

1. **Yonah Welkar** – AI innovator, Explorer, Mentor and Board Member in Education, Health, AI and Ethics
2. **Chhavi Chauhan** – Director of Scientific Outreach, American Society for Investigative Pathology. Ethics Advisor at the Alliance for Artificial Intelligence in Healthcare and an AI Policy Expert at the AI Policy Exchange
3. **Balaji Vishwanathan** – Founder, Invento Robotics
4. **Dipyaman Sanyal** – Data Scientist. Educator. Real Estate Researcher. Behavioral Economist. Quant, Dono Consulting
5. **MODERATOR – Sameer Dhanrajani** – CEO, AIQRATE Advisory & Consulting

PANEL 3 |AI in Business: The Evangelist View

Artificial Intelligence has moved into the mainstream of business, driven by advances in cloud computing, big data, open-source software, and improved algorithms. As AI technologies impact how we work, live, and manage businesses, organizational leaders, innovators, and investors are looking to harness the power of AI to create customer value and competitive advantage. This panel discussion would provide a window into how industries across the spectrum – banking, manufacturing, technology companies

etc. are capitalizing on the AI opportunity. This panel would consist of the following esteemed experts:

PANELLISTS

1. **Sandeep Alur** – Director, Microsoft Technology Center, Microsoft
2. **Ajit Jaokar** – Course Director, Artificial Intelligence, Cloud and Edge Implementations, University of Oxford
3. **Utpal Chakraborty** – Head of Artificial Intelligence at YES BANK, Chief Data Scientist, AI Researcher, a TEDx Speaker and Agile Lean Practitioner.
4. **Pinak Dattaray** – Associate Partner, McKinsey
5. **Dinis Guarda** – CEO, board member and digital and crypto economics driver and evangelist. Openbusinesscouncil.org, Ztudium, techabc, fashion abc.
6. **MODERATOR – David Siegel** – Founder, Cutting through the Noise

Indian Staffing Federation (ISF) Industry series on Reviving India: How is Technology Leading Growth in New Normal?

Indian Staffing Federation (ISF) brings its flagship Industry series "Reviving India: How is Technology Leading Growth in New Normal?" on Feb 12, 2021 03:00 PM IST.

About :
The webinar will bring focus on trends and technological changes that are in the anvil of impacting business decisions in the new normal.

Businesses witnessed major disruption in the last eleven months as we witnessed a wave of change towards digitisation, smart transformation – bringing many industries forward with their technological investments. The discussions will cover the way technology has started changing our environment with impact of Digitisation, Internet of Things, Gig Workforce, Artificial Intelligence, Machine Learning among others.

Subject Matter Experts
– Augustus Azariah, HR Leader, IBM India Pvt Ltd
– Uday Sanghani, Partner, BDO India LLP
– Sameer Dhanrajani, CEO, AIQRATE Advisory & Consulting
– Sameer Penakalapati, CEO & Founder, Ceipal

Session Chair
Vijay Sivaram, CEO, Quess IT Staffing

CXO Insights: AI – The new Trojan horse for the Startups

Reimagining analytics in the cloud enables enterprises to achieve greater agility, increase As AI continues to dominate discussions amongst the CXO's of Fortune 500 companies; Startups might in fact be at the pole position to derive strategic gains accruing from leveraging AI. Armed with accessible funding, young and upbeat talent professionals and overall buoyancy in the demand consumption, Startups are increasingly challenging and upending incumbent businesses. This is attributed to a substantial extent due to their unwavering focus on adopting exponential – including artificial intelligence(AI) – to acquire, retain customers, embed AI across the business value chain and cement their market share. Several startups have initiated to leverage to disrupt their existing and adjacent industries. The transformative power of AI has been the cornerstone of their exponential growth.

AI continues to be a secret sauce and competitive advantage for startups. Data detonation, lower cost of storage and processing and continuously enriched self-learning machine curated algorithms, AI will continue to be a huge multiplier for startups – by bolstering customer acquisition and retention to improving efficiencies, augmenting the top line and getting embedded across the business value chain of their businesses.

Entrenching Competitive Advantage Through AI
Industry and functional use cases of AI range far and wide. It is imperative that startups first consider their business model to identify the drivers to their business, estimate potential uplift and time-to-value to prioritize the order in which AI use cases are deployed. Here are few areas that can deliver immediate impact.

Understand Your Current Customers
AI can both accelerate the speed and quality with which you understand your current customer base – alongside informing startups of the most opportune ways to serve them. For instance:
- Recommender systems – which are extremely mainstream today. Ecommerce websites are increasingly tapping into the purchase and browsing history of customers, not only to surface their next purchase, but also nudge customers through promotional pricing.
- By using natural language processing (NLP) powered chatbots, startups can very quickly build and scale their customer service function – while ensuring

continuous availability at a nominal long-term cost. When combined with sentiment extraction and mining, these 'intelligent' agents can pre-process customers' emotions and provide preferential pricing / promotional offers to customers who have had a negative experience with the startup.

- With AI, startups can capture and re-create customer journey maps – how customers navigate pages, information contained on web-pages and ultimately make the purchase decisions. This can enable startups to build more personalized customer experience on their digital platforms.

Acquire Your Next Customer

In additional to galvanizing CLTV and other retention metrics, AI can also be a crucial part of the customer acquisition process by:

- Improving the accuracy of prospect targeting, by continuously analyzing the drivers of current buyers and mapping them against the cues provided by current prospects – all the while maintaining a lower cost of customer acquisition

- Measuring and benchmarking the success attribution of marketing initiatives and spends – enabling marketing teams to focus their efforts on high-impact marketing activities to continuously drive improved performance.

- In a B2B setting, AI can help judge a browsing prospect's propensity-to-purchase / act on a call-to-action (based on past users' actions). This can inform sales teams' efforts and act as a strong pre-qualification stage in the B2B sales process.

Accelerate Time-to-Market for Products

Beyond commercial functions, AI can also have a transformative impact on the manufacturing and distribution process and help startups realize significant advantages by:

- Pushing closer to 100% on-demand production – through continuous improvement in demand forecasting. This will help create leaner production units, improve predictability in production schedules and reduce wastages due to over-production.

- Using autonomous physical systems for packaging, shipping and warehouse management

- Running smarter and leaner distribution chain – through better demand forecasting at a micro-level, optimizing the size of the delivery vehicle and delivery routes of vehicles (based on inventory shipped) to contain transportation costs.

- Ensuring optimal stock availability at storefront – while balancing wastage due to oversupply and stockouts due to insufficient supply. This would again be incumbent on improving demand forecasting.

Running a tight ship

Finally, given that startups typically operate on very tight budgets and at high speed of execution, AI is a crucial intervention to help them run a tighter ship. While all these tasks are crucial – whether you are a startup or a large enterprise, AI can help achieve outstanding outcomes at a fraction of the cost. This can happen by:

- Speeding up the recruitment process through bots and NLP-powered automated resume scanning. This can reduce the TAT for new hires, by sifting through a large pile of resumes to identify and shortlist the most viable candidates for interview.
- Augmenting the budgeting and financial planning process using AI. Here AI can help going through multiple reports and compiling the findings that eventually inform budgeting decisions
- Automating administrative tasks such as travel planning and front-desk management.

Why AI Is a Game-changer for Startups

Startups cannot afford to ignore the disruptive power that artificial intelligence can bring. AI is particularly suited to be a game-changer for startups because:

- Given the size and scale at which startups operate, it is easier to conceptualize and implement AI-centric solutions – without having the navigate the bureaucracy of multiple stakeholders in the decision process.

- Scalability and continuous improvement are built into the very fabric of AI – investments in AI by startups will see exponential value realization with enriched data sets and refined algorithms.

- The need for speed and cost efficiencies is paramount for startups. For startups to truly disrupt their industry incumbents, speed is of essence. A slow pace of growth usually kills startups before their story even takes wings.

- Having seen examples of corporations who ignored their startup rivals burning their fingers (from Blockbuster and Netflix to Yahoo and PageRank) traditional incumbents are increasingly taking note of technology savvy startups and partnering with them to entrench their market position, through VC's and startup accelerators. If focusing on channels is crucial to growth in your industry, AI-centric processes will provide a clear competitive differentiation over your rivals.

AI is both a necessity and an important lever for Startups to grow exponentially in their markets. Through AI, Startups will be better positioned to successfully disrupt their incumbents, win market share and customer delight. Startups not actively harnessing the power of AI to achieve speed and manage scale will be doing so at their own peril.

CXO Insights: AI for energising SMBs
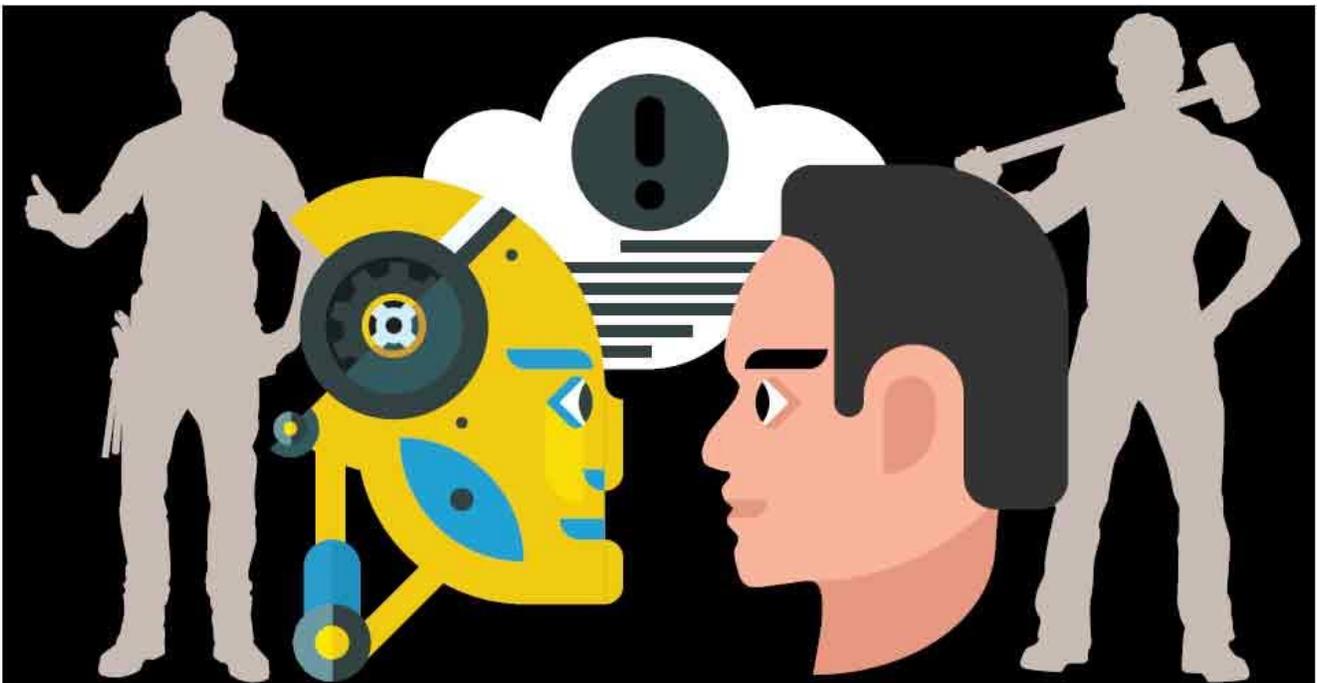
A robust ecosystem for small and medium enterprises is one of the key indicators of economic vibrancy and entrepreneurial energy in a nation. India's entrepreneurial spirit was given a massive boost after liberalisation in the early 90s. These norms ended the draconian 'Licence Raj' that kept the lid on the business aspirations of the average Indian. With improving access to capital, heightened ease of doing business and a galvanised ecosystem that provides mentorship and guidance to fledgling startup founders, the small and medium enterprise (SME) sector has been riding high over the

past couple of decades. Now with Artificial Intelligence (AI) in the mix, SMEs will be given another boost – through reduced cost and improved efficiencies in how they run, operate and succeed.

There is no doubt that AI will be an important gamechanger for the SME sector. Startups today are much more data-rich than before and understand the value that can be unlocked through intelligent deployment of advanced analytics. They understand that a data-driven understanding of their business landscape will far outweigh heuristic methods in the dynamic environment in which their enterprises operate. Further, with lowering cost of adoption, increased focus on the SME industry by incumbent analytics/AI vendors and partners, we have a perfect storm of sorts for the sector to derive the exponential benefits of this technology. Let us look at the areas where AI can deliver a strong, demonstrable impact on the sector and how such businesses can get started on their AI journey.

Galvanising SME Operations
When run on the right data set, AI can work its magic in providing untold operational benefits to SMEs. The case for AI in the startup sector is much stronger than it is for their larger corporate counterparts. The reasons for that are two-fold. First, startups typically operate on smaller budgets – which means that they need to automate as much as they can to reduce costs associated with a higher headcount.
Secondly, startups by their very nature are extremely nimble, allowing them to experiment rapidly with new, innovative technologies. This twofold advantage means that AI vendors as SMEs need to have a robust strategy in place to work together and uncover the latent advantages offered by this technology. Here are a few areas where AI can specifically help startups galvanise their operations.

• **Predictive maintenance:** SMEs, especially in the manufacturing segment, can unlock huge benefits in the production process using AI. With sophisticated algorithms monitoring machine health, AI can help reduce the downtime in production schedules by accurately modelling when a critical machine is likely to go down, allowing businesses to better plan demand fulfilment.

• **Supply chain and logistics:** A major drain on the revenue of nascent businesses is the cost associated with procurement of raw materials and delivery of finished products. By using AI and third-party location data, SMEs can plug this drain by powering faster and leaner delivery schedules. Similarly, demand planning and order fulfilment will get a big boost as SMEs learn how to forecast accurately through machine learning models, thus reducing the waste that entails unused, unsold and unutilised inventory.

• **Marketing and sales:** Multiple SMEs tend to go under because they take on much large corporations with massive sales and marketing budgets. AI can help these startups level the playing field. By using data from each prospect interactions as well as leveraging emerging breakthroughs in the field of programmatic advertising, AI can help fine-tune the marketing programs of startups and help deliver better ROI on their spend. Similarly, through an improved understanding of their territory, AI can provide laser-guided focus to sales people on which prospects to focus on and what approaches can deliver the best results.

• **Customer service:** Where large enterprises can afford to outsource customer service operations or even bring them in-house, SMEs do not have these advantages. In today's environment, customers are shown to be more loyal when provided with a superior customer experience. AI can bridge the gap between customer expectations and the constrained budgets available to provide those. With intelligent assistants, SMEs can navigate common questions and complaints put forth by customers and provide a superior customer service at much lowered costs of delivery.

• **Talent acquisition:** SMEs often have vastly varying needs for talent. For instance, those that are on a strong growth trajectory need to staff their companies rapidly before the competitive advantage they offer slips. Those that are on a slower curve also need to make sure that they hire candidates with the right mix of experience and attitudinal attributes to ensure the smooth functioning of their business.
AI can help reduce the time taken to identify the right candidates by rapidly screening resumes to identify the best fit for the needs of the business. Further, with the right data and training, AI can also administer relevant tests to candidates and grade their performance, thus reducing the requirement of human intervention and time taken to screen good candidates.

Getting Started
Let us look at some of the key factors that business leaders need to keep in mind as they get started on their AI journey.

• **AI starts with data:** The first consideration before planning an AI intervention is to understand whether high quality data is available for AI to work its magic. Without the right data sets, even the best algorithms can go awry. It is essential that business leaders ensure that their data repositories are sufficiently rich to get started on the AI journey.

• **Identify the right problems:** SMEs tend to be inundated with multiple issues of burning importance. It can be very enticing for business leaders to assume that AI is the panacea for all problems. That is not the case. Business leaders need to identify the right problem statements where AI can make a demonstrable impact and prioritise use cases that can be solved through AI. Scan the market for best practices and learn from peers to better understand what AI can do and what measurable benefit you can derive from AI-led interventions

• **Set success benchmarks:** For AI leaders, it is important to set a marker for the right expectations with business leaders. Hence, for the business to see continuous improvement in the results delivered by AI, it is critical to identify the right set of business metrics and expected performance against each of those.

Artificial Intelligence today has gone well beyond experimentation to now becoming a real game-changer in how businesses operate. AI can bring significant benefits to startups with improved efficiencies and faster operations. SME leaders looking for strong competitive advantages with respect to their peers would do well to harness the power of this technology and infuse it into their key business process to accelerate outcomes and grow their businesses.

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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 navigate their AI powered transformation, innovation & revival journey and accentuate their decision making and business performance.

AIQRATE works closely with Boards, CXOs and Senior leaders advising them on their Analytics to AI journey construct with the art of possible AI roadmap blended with a jumpstart approach to AI driven transformation with AI@scale centric strategy; AIQRATE also consults on embedding AI as core to business strategy within business processes & functions and augmenting the overall decision-making capabilities. Our bespoke AI advisory services focus on curating & designing building blocks of AI strategy, embed AI@scale interventions and create AI powered organizations.

AIQRATE's path breaking 50+ AI consulting frameworks, methodologies, primers, toolkits and playbooks crafted by seasoned and proven AI strategy advisors enable Indian & global enterprises, GCCs, Startups, SMBs, VC/PE firms, and Academic Institutions enhance business performance & ROI and accelerate decision making capability. AIQRATE also provide advisory support to Technology companies, business consulting firms, GCCs, AI pure play outfits on curating discerning AI capabilities, solutions along with differentiated GTM and market development strategies.

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