EMBRACING AI EXECUTIVE SERIES

The AI organization of the future

September 19, 2024
Discussion Summary

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About the authors

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The views reflected in this paper are the views of the authors and panelists and do not necessarily reflect the views of the global EY organization or its member firms, nor the views of SalesChoice or Bedford Group.

Breakfast Series Organizing Committee

We would like to express gratitude to the following members of EY, SalesChoice, and Bedford Group for their leadership contributions in organizing the series:

- Cathy Cobey, Global Responsible AI Co-Lead, EY
- Tanya Chadha, Assistant Director, Brand, Marketing & Communications, EY
- Roopal Dave, Senior Consultant, EY
- Dr. Cindy Gordon, CEO, SalesChoice
- Malay Upadhyay, COO, SalesChoice
- Jennifer Olympia Yim, Director of Product and Marketing, SalesChoice
- Howard Pezim, Co-Founder & Managing Director, Bedford Group
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- Jessica Pezim, Client Partner, Bedford Group
- Cynthia Milley, Project Coordinator & Executive Assistant, Bedford Group

Background

EY, SalesChoice, and Bedford put together the **Embracing AI Series: An Executive Guide to the Future.** This seven-session breakfast series aimed to:

- Help attendees build confidence to generate trustworthy, purposeful, and sustainable AI business models that can stand the test of time.
- Engage thought leaders and experts in the field, unboxing and sharing recent and groundbreaking AI research.
- Gather insights to help attendees navigate their AI initiatives with increased confidence.

Overview

In the dynamic realm of digital transformation, artificial intelligence (AI) has become integral to business strategy, serving as a key to maintaining a competitive advantage. The **concept of the "organization of the future" is now more pertinent than ever, with AI at its core.**

Our AI series initiative is driven by the goal of developing business models that are not just innovative but also trustworthy, purposeful, and sustainable. These models must be crafted to withstand rapid technological changes and market shifts for long-term relevance and success**.**

This paper focuses on how to develop AI business models that are not only reliable and meaningful but also sustainable over time. By intertwining trustworthiness, purposefulness, and sustainability, our strategy aims to set a new standard for the deployment of AI in business.

We envision a future where AI technologies empower humanity, augmenting our capabilities without compromising ethical values or the health of our planet. Through this comprehensive and thoughtful approach, we are dedicated to pioneering AI business models that not only withstand the test of time but also enrich our world in enduring and value-realization ways.

The event involved participants from across industry and government, including C-suite executives and board directors. The insights presented in this paper were derived from the presentations, panel discussions, and participant feedback during the event.

Key Takeaways

AI governance is key: leadership is foundation takes

Attracting and enhancing talent is crucial

Establishing a of Excellence for AI: organizational value

Employ collaborative design techniques with cohesive talent and commit to the appropriate investments

Implement transparent AI systems that resonate with every stakeholder: The importance of accountable AI

The remaining sessions will take a deeper dive into specific areas needed to support an AI strategy, including capabilities, technology infrastructure, regulatory compliance, and value metrics. Register here.

AI outperforms humans across many domains

Stanford University released its recent *AI Index Report* on how AI has made remarkable strides in outperforming humans in several benchmark tasks.[1] Notably, AI systems have demonstrated superior capabilities in image classification and shown proficiency in visual reasoning, enabling it to interpret and analyze visual data to draw logical conclusions.

Advancements in natural language processing have also led to AI models that understand English with a level of comprehension that often surpasses human performance, facilitating more effective and nuanced human-computer interactions.

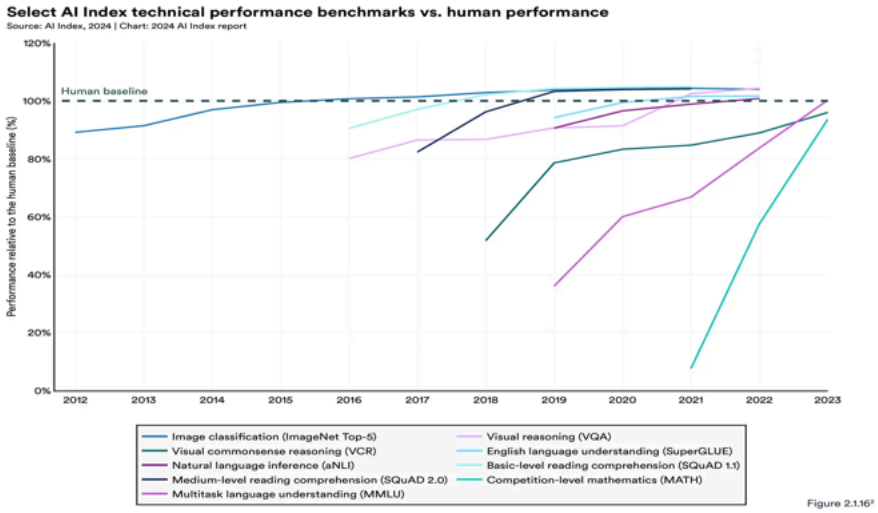

Figure 2.1.16[2]

Despite these achievements, AI's ability to outshine human performance is not universal. Complex cognitive tasks that require a deeper level of reasoning and abstraction still pose significant challenges for AI systems.

Moreover, AI continues to lag humans in areas requiring sophisticated planning and problem-solving skills, such as those needed for competition-level mathematics. The intricacies of advanced mathematical concepts and the creative problem-solving methods humans employ in these competitions are areas where AI has not yet reached parity.

[1] Ray Perrault and Jack Clark, Co-directors, AI Index, "Measuring Trends in AI," *Artificial Intelligence Index Report 2024,* Stanford University, 2024, https://aiindex.stanford.edu/report/

However, it is projected that AI will likely outperform all human performance domains in the next several years, if not sooner.

Applying AI to transform EY business strategy

Since 2017, EY has been evolving their strategy to embed AI across the global organization, which comprises 400,000 professionals in over 150 countries. Cathy Cobey, EY Global Co-Lead, shared EY's strategic ambition centered on harnessing the transformative power of AI to revolutionize not only the services EY provides to clients, but also EY's internal operations and the broader world.

EY has also been integrating generative AI (gen AI) across the organization, employing Microsoft co-pilot capabilities and investing in other AI toolkits. EY's strategic focus is on empowering their workforce with AI literacy, ensuring global technological consistency with local adaptability, and using data as a key asset to enhance their AI and non-AI technologies.

To achieve their strategic goals, EY has built their AI transformation journey on three key pillars: transforming EY client services, self-disruption to stay ahead of industry changes, and transforming the world through responsible AI practices.

EY leadership has made significant investments and strategic shifts to embed AI into their core service delivery. This targeted approach has led to the development of a marketplace for AI skills, where both grassroots and centralized efforts contribute to a repository of functional AI applications.

EY's commitment extends to executive education, ensuring that its leaders are well-versed in AI to make informed strategic decisions.

Innovation is also a dedicated function at EY, fostering an environment where multidisciplinary teams can reimagine services and create disruptive outcomes. EY has applied a values-based framework to prioritize its AI initiatives, focusing on knowledge, talent, and risk as key areas that amplify the firm's strategy. The EY AI vision has prompted a shift in their technology management philosophy, from a traditional model to one where technology, powered by data, executes processes managed by people.

As EY continues to navigate their AI journey, they remain committed to integrating AI into their governance structures, addressing legacy technology challenges, and ensuring the organization's transformative efforts are embedded in day-to-day operations.

Panellist discussion

We had an informative discussion on the challenges and opportunities of AI, providing insights into what has worked and what needs to come next.

How have your organizations progressed in AI development? What was your overarching vision and strategic path?

Panellist comments

Across the board, the panellists' organizations' progression in AI development was characterized by an entrepreneurial spirit, mirroring each company's broader approach to innovation.

AI journeys often started with a decentralized model, where functional owners were granted the autonomy to explore and implement AI use cases independently. This freedom deliberately avoided oversight from risk managers and was done foundationally to encourage unbridled experimentation with AI technologies in safe ways internally.

However, as the organizations matured in their AI endeavours, they came to recognize the requirement to develop a more structured approach to realize the full benefits of their AI investments. The lack of expected outcomes from the early trials

led many of these organizations to pivot towards a coordinated effort that included risk managers in the AI development process.

With more confidence and success, these organizations are intensifying their planning to focus more on enterprise-level coordination, seeking to integrate AI more systematically across the organization to ensure that their AI initiatives are both innovative and aligned with a robust risk management framework.

How are you ensuring others understand your AI journey and are building alignment and adoption?

The panellists reported that embarking on their AI journies required a balanced democratization with stringent compliance. One organization empowered their 12,000 employees to participate in AI development through a central portal, ensuring their ideas were integrated while maintaining strict control over compliance due to the sensitive nature of their capital management business.

One panellist stressed that their AI strategy is governed by three key questions:

- What is the necessity of AI for each project?
- What are the legal and regulatory implications across different jurisdictions of each project?
- What is the health and the availability of data to support and validate the AI's functionality?

How has your organization set up your AI governance operating process?

GreenShield has evolved from a traditional insurance company to a digital-first healthcare organization, integrating AI through acquisitions of tech-savvy startups. To govern AI effectively, GreenShield established a comprehensive governance process, emphasizing policy development and employee education on AI usage and associated risks.

This process involved cross-functional collaboration with risk, legal, and privacy teams, ensuring representation from various business lines to align AI initiatives with business outcomes. A rigorous evaluation system was put in place to determine the necessity and potential value of AI in proposed projects, with a focus on achieving tangible results. This governance framework, active for nearly a year, is overseen by

the AI practice lead and aims to embed AI into the daily operations of GreenShield, driving innovation while managing risks.

We are all on a learning curve. Beyond the well-knowns, what is the one surprise you did not expect?

One panellist reported that in their organization's journey of continuous learning and development, a surprising revelation was the intricate balance between employee experience and customer value. While they anticipated the significance of these aspects, the extent to which they intertwined and propelled each other forward was unexpected.

They reported their efforts in compiling resources and employing AI for data analysis not only trended positively with their employee base, aligning with enterprise direction, but also raised the bar for business experimentation. The challenge of providing a comprehensive view of their customers, especially in complex sectors like health care and insurance, led to innovative experimentation. Although they are still in the early stages of realizing the full potential of their platform, the development of unique controls and strategies promises a transformative impact on business development.

What is the one "top-of-mind recommendation" you can share to advance AI for supporting the organization of the future?

To advance AI in supporting the organization of the future, one panellist said their top recommendation would be to focus on automating and optimizing labour-intensive processes that have remained unchanged for extended periods, such as call centre operations and underwriting in the financial sector.

By using AI to streamline highly routinized and process-intensive areas, organizations can significantly reduce costs, enhance scalability, and unlock new value. This approach not only drives efficiency, but also encourages continuous investment in AI as the tangible benefits become very evident. The transformation of these traditional workflows through AI will not only recall the excitement of past process redesigns — it will also introduce a new era of innovation and risk management.

Additional resources

Register for the remaining sessions of our Embracing AI Executive Series.
Visit EY and SalesChoice for additional resources on AI.

Event hosts

EY is building a better working world by creating new value for clients, people, society and the planet, while building trust in capital markets. Enabled by data, AI and advanced technology, EY teams help clients shape the future with confidence and develop answers for the most pressing issues of today and tomorrow. EY teams work across a full spectrum of services in assurance, consulting, tax, strategy and transactions. Fueled by sector insights, a globally connected, multi-disciplinary network and diverse ecosystem partners, EY teams can provide services in more than 150 countries and territories. All in to shape the future with confidence. EY refers to the global organization, and may refer to one or more, of the member firms of Ernst & Young Global Limited, each of which is a separate legal entity. Ernst & Young Global Limited, a UK company limited by guarantee, does not provide services to clients. Information about how EY collects and uses personal data and a description of the rights individuals have under data protection legislation are available via ey.com/privacy. EY member firms do not practice law where prohibited by local laws. For more information about our organization, please visit ey.com.

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SalesChoice

SalesChoice Inc. is a **SaaS AI and Data Sciences company** with a vision to enable human advantage using Trusted AI Methods to accelerate growth. Its **InsightEngine**™ is an Award-winning AI platform that brings B2B sales and employee productivity apps to organizations. While **SalesInsights**™ helps B2B sales teams to end revenue uncertainty and sales inefficiencies to increase top-line revenue, **MoodInsights**™ helps organizations reduce costs by tackling employee or customer churn, operational and safety risks, workforce wellbeing, and diversity equity and inclusiveness. The company also offers **AI Services** (design, build, run), across diverse AI use cases and industries to achieve its overall vision of Ending Revenue Uncertainty for Human Advantage, using Trusted and Responsible AI practices, with robust AI audit trails.

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