

The Effect of Artificial Intelligence: How to Stay Ahead in Business?





**We
Need
a Change**

**To become an AI-driven
business..**



Based upon AI research by PwC, AI's contribution to the global economy by 2030 is likely to be more than \$15 trillion dollars.

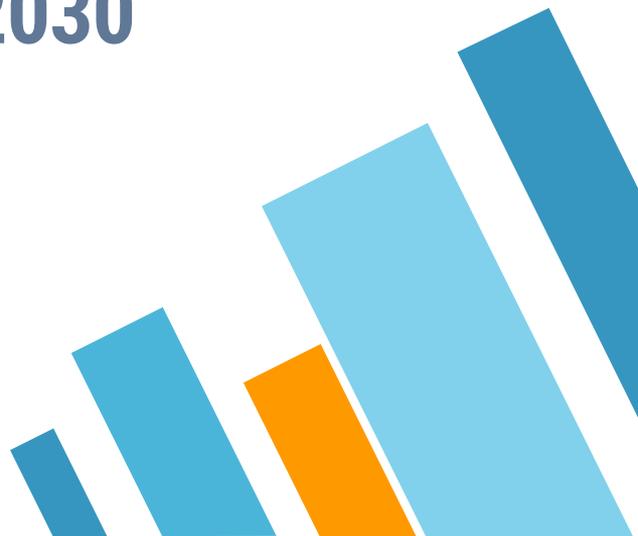
**Is this an achievable prediction?
Yes / No**



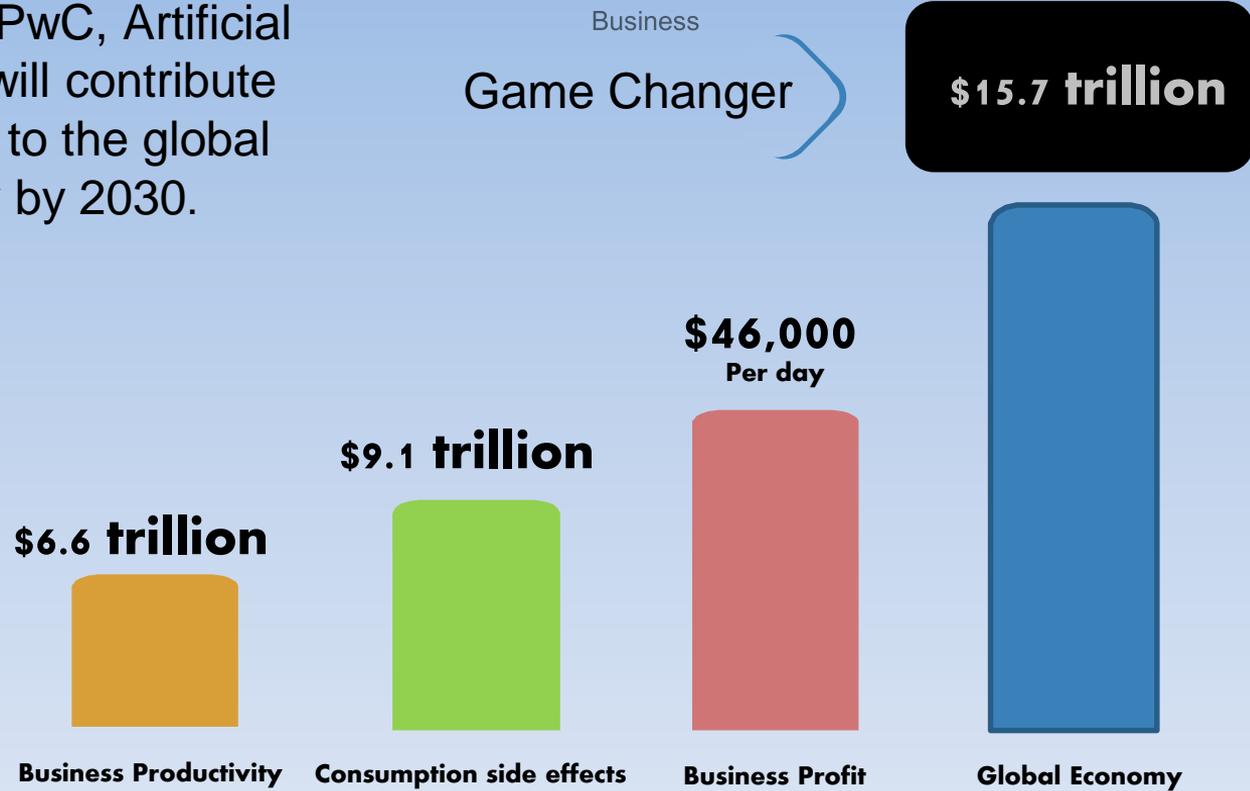


\$15.7 trillion

Global Economy by 2030



According to PwC, Artificial Intelligence will contribute \$15.7 trillion to the global economy by 2030.

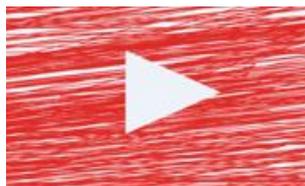




According to [Gartner 2018 CIO survey](#) only 4% of surveyed companies have invested and deployed an AI-based solution.

Retail Banking





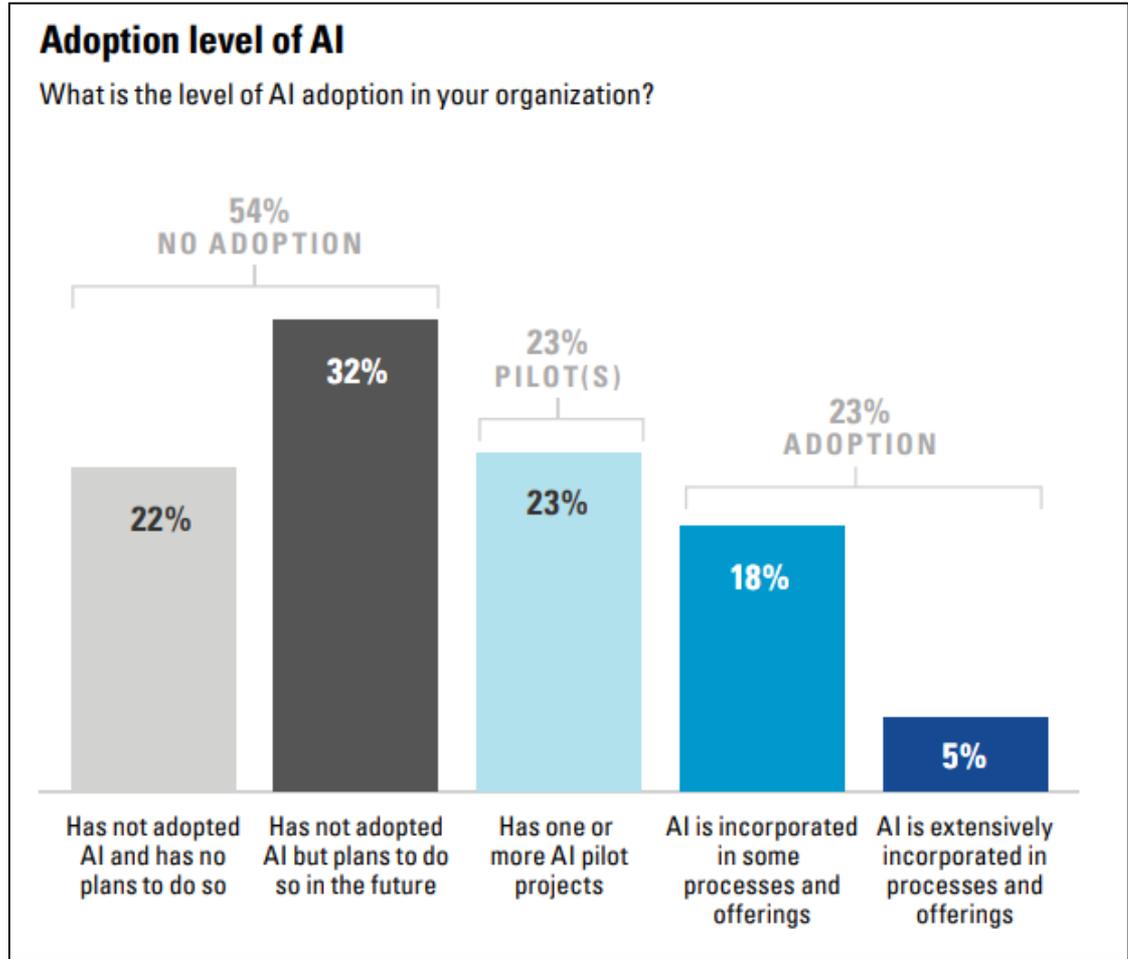
Video

Source: Bank of America Corporation (US)
<https://promo.bankofamerica.com/erica/>



**Level of AI adoption in an organization is still under 25%.
Do you agree? Yes / No**

**5% have successful
AI implementation**



Retail Banking

#1

Chatbots and virtual personal assistants

#2

Personalized & real time communication for consumers

#3

Fraud detection, identify money laundering and suspicious in transactions

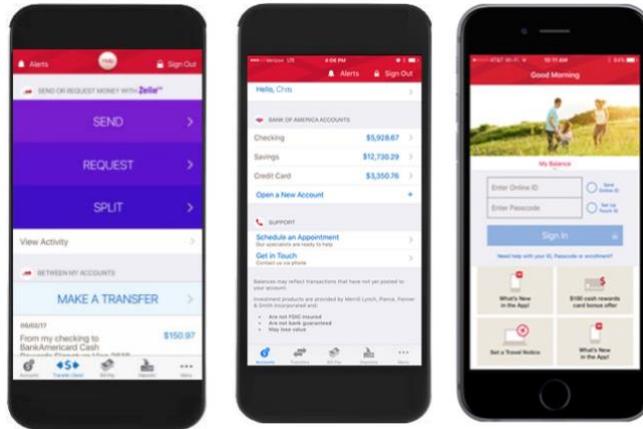


Retail Banking

#1

Bank of America - Erica, the virtual assistant powered by AI

- World's most projecting payment and financial service innovator
- Powers cognitive messaging and predictive analytics



Bank of America



Source: Bank of America Corporation (US)

#2

Retail Banking

Salesforce Einstein



- Einstein helps you focus on what matters most, the customer.
- Einstein is Your Smart CRM Assistant.
- 20% increase in sales rep productivity
- 2.35x increase in lead conversion of top-ranked leads

Investment Banking



Investment Banking

#1 Automation and optimisation of Trade processing and routing.

#2 Risk prediction for trades

#3 Market analysis and identification of systematic trading strategies

Investment Banking

#1

“In 2000, we had 600 humans making markets in U.S. stocks,” Martin Chavez, Chief Financial Officer at **Goldman Sachs** told the crowd in Harvard Science Center. “Today, we have two people and a lot of software.”



In 2000

In 2018



Investment Banking

#2

JPMorgan COiN

- Contract Intelligence (COIN) - machine learning solution to review and interpret commercial loan agreements.
- Processes 12,000 credit agreements in several seconds, instead of 360,000 man-hours

Before...

- 1 FTE = 2080 hours in a year
- 170 + FTE = 360,000 hours in a year
- Human Error & Timelines
- Experts & Lack of Staff

Now...

- ✓ Just matter of seconds using machine learning

Insurance Industry



Insurance Industry

#1 Fast customised claims settlement

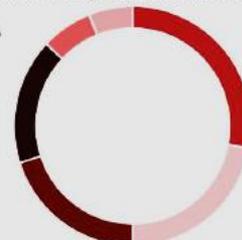
#2 Insurance premium pricing based upon behavior

#3 Customized Experience in client onboarding

Where AI will have the biggest impact

Insurance business functions with most to gain from investments

- Customer service, 28%
- IT, 20%
- Sales, 17%
- Marketing, 7%
- R&D, 6%
- Other, 22%



Source: Tata Consultancy Services



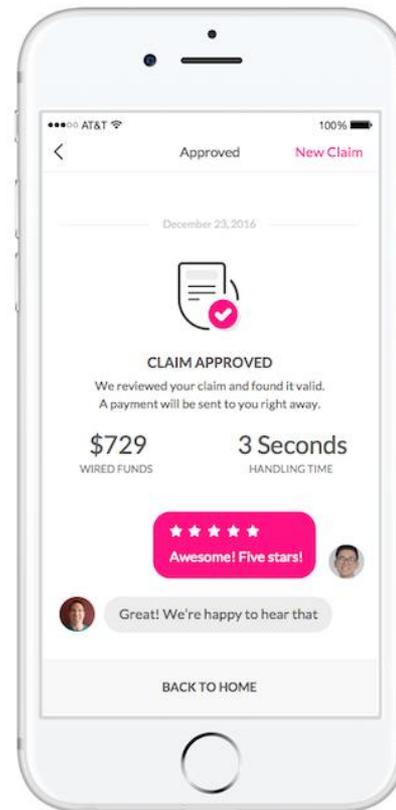
**Even with the help of AI, it is impossible to settle
an insurance claim and paid within 5 seconds?**

Yes / No

Insurance Industry

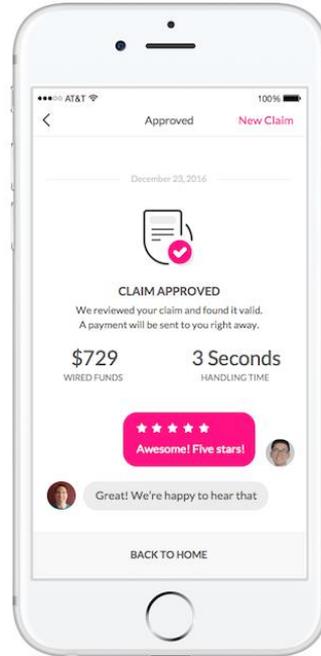
#1 Sets a New World Record

A.I. Jim, Lemonade's claims bot, sets a new record, by settling a claim in just three seconds by using its claims bot powered by artificial intelligence (AI) running 18 fraud algorithms



Source: The Economist

AI Insurance Claims bot



Video 2

Insurance Industry

#2

Behavioural Premium Pricing

As per World Economic Forum 2015, Experts estimate there will be up to one trillion connected devices by 2025.

Pay as per your risk

Telematic and wearable sensor data enables lower premiums for less risky behavior

Smart House cost less to insure

Smart connected homes are likely to be secure and less risky



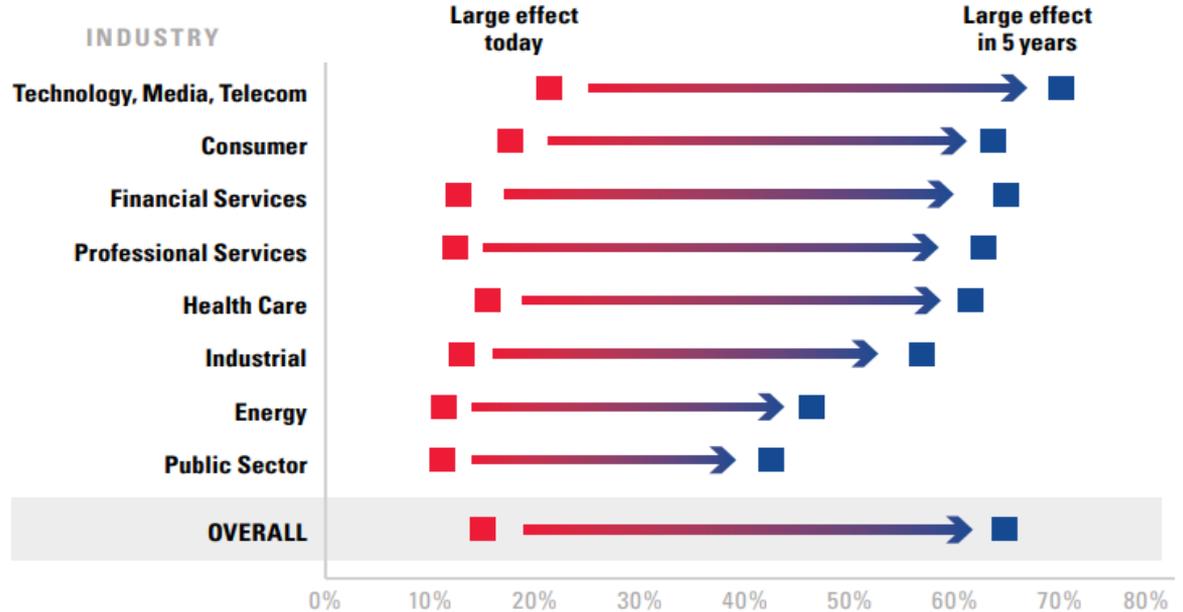


Where do we stand?

Expectations for AI's effect on businesses' offerings in five years are consistently high across industries.

Expectations for AI adoption across industries: impact on offerings

To what extent will the adoption of AI affect your organization's offerings today and five years from today?



Percentage of respondents who expect a large ("a lot" or "great") effect on a five-point scale

SOURCE: BOSTON CONSULTING GROUP & MIT SLOAN MANAGEMENT REVIEW, RESHAPING BUSINESS WITH ARTIFICIAL INTELLIGENCE

As per research, AI's positive impact within Financial Services will be 60% and above in next five years?

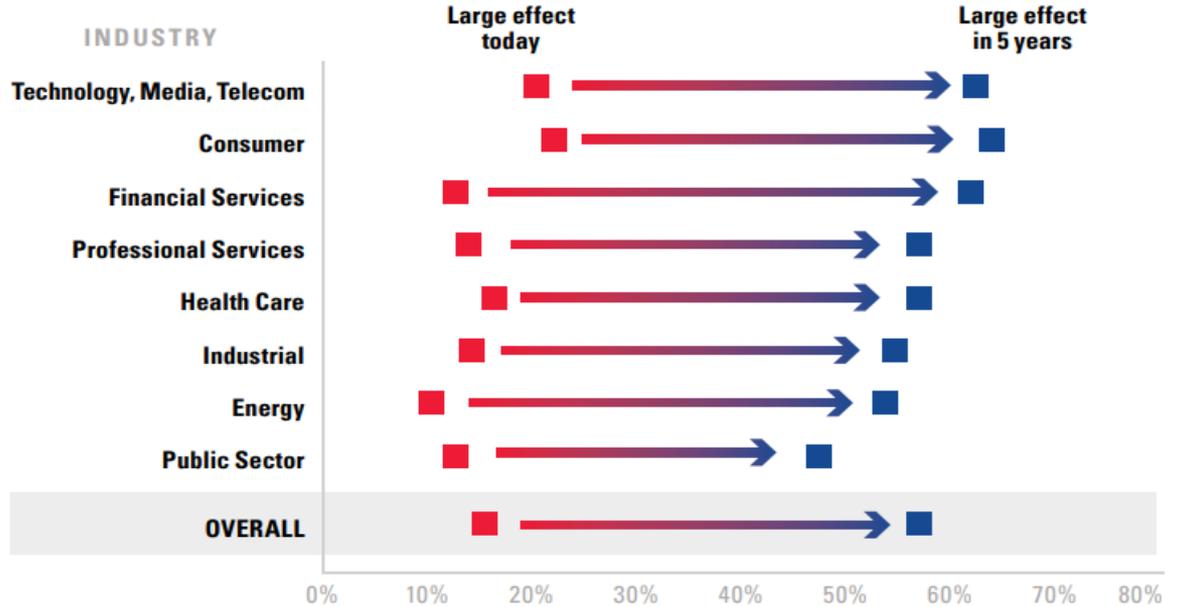
Yes / No



As with offerings, organizations expect AI to have a great impact on **processes** within the next five years.

Expectations for AI adoption across industries: impact on processes

To what extent will the adoption of AI affect your organization's processes today and five years from today?



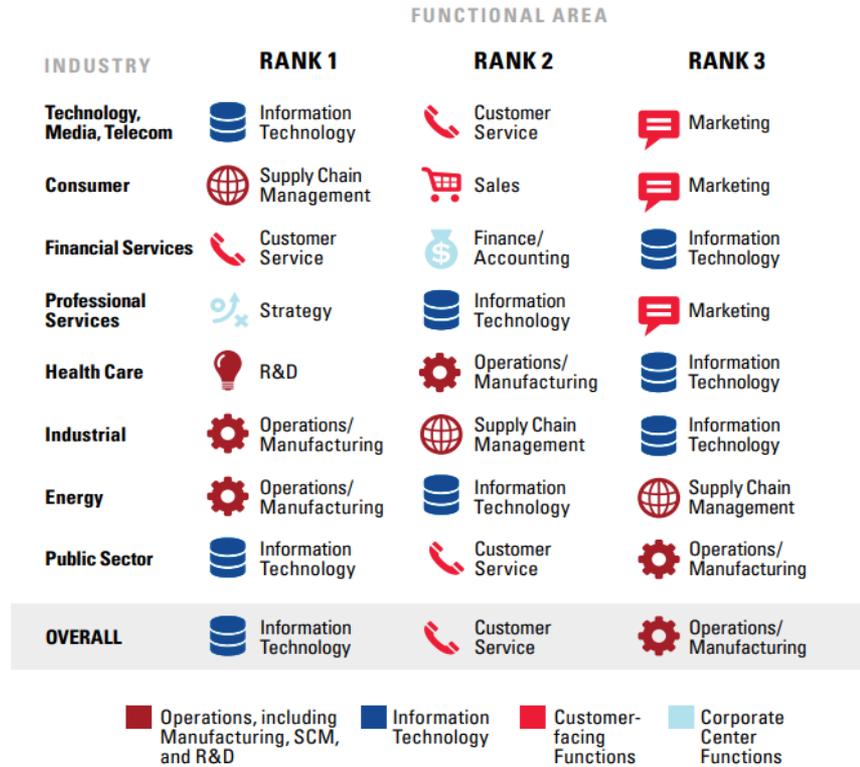
Percentage of respondents who expect a large ("a lot" or "great") effect on a five-point scale

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Most organizations foresee a sizable effect on IT, operations, and customer-facing activities.

Most affected functional areas across industries

What areas within your organization do you anticipate AI will affect the most? Select three.



Functional areas that were not in the top three of any industry: communications, human resources, legal or compliance, procurement



SME

- ✓ **Financial limitations**
- ✓ **Customer data**
- ✓ **Access to AI solution is low priority**
- ✓ **Technology & Strategic vision is limited**



Corporation

- ✓ **Big data set & Cloud ready**
- ✓ **Technology budget, includes AI**
- ✓ **Early adoption using AI**
- ✓ **C Level awareness is clear**



Public Sector

- ✓ **Large public data set**
- ✓ **Use of AI is still limited**
- ✓ **Partial ready for Big data & cloud solution**
- ✓ **Opportunity to automate using AI**

The case for AI investment

#1

Why does your business want to do AI project?

#2

Who is your audience and what is the demand to deliver AI solution?

#3

AI Solution and Technology frameworks, which one would you choose?

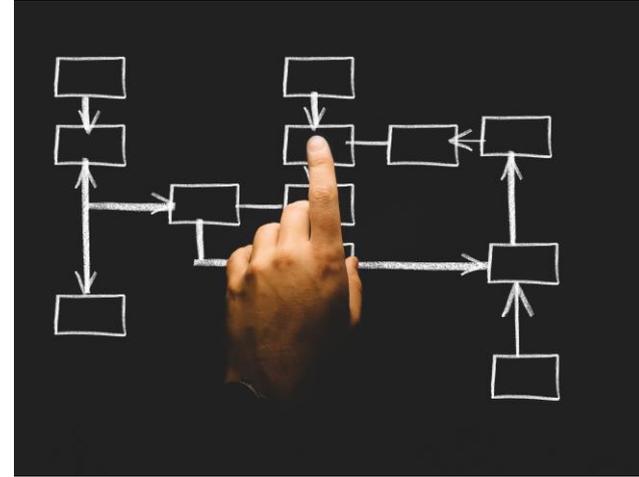
#4

How will you deliver this project?

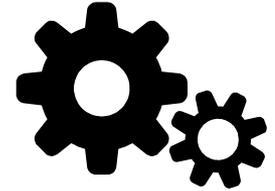


How business can stay ahead using AI?

- #1 Perform an AI health check**
- #2 Build the right AI data**
- #3 Choose the AI solution that enhance your business**
- #4 Start small, and don't worry for immediate ROI**
- #5 Define the governance and guidelines for AI in the context of your business**



AI Roll out Journey!



Initial Phase

Process	Centralised Master Data, supported by AI
Governance & Organisation	Governance team define the standards and guidelines for AI
Data Management includes Big Data Analytics	Identification and reporting of data quality issues are supported by AI
IT / Application	Existing Master data / Big data / data quality is enhanced by add-on AI services

Transition Phase

Partial centralised master data processes replaced by AI
AI suggest standards for the team
Data management framework is ensured by AI monitoring mechanism
Deploy 3rd party applications based on AI

AI Driven Phase

Full automation by AI, no manual process
AI independently develops standards
AI proactively monitor and assure data quality 24/7
No classical application, only AI services

Think bigger about AI: Risk & Responsibility



- ✓ Manage risks for your organization
- ✓ Responsibility to the society

Risk

- ❑ Uber Self driving car incident in Mar 2018

Responsibility

- ❑ Neutral and unbiased output from AI

As a part of the AI strategy, organizations need to consider both Risk (Governance, Risk & Compliance) and Responsibility (Fairness & Privacy)

**As per research,
organisation uses AI to gain
(a) competitive advantage &
(b) new business.**

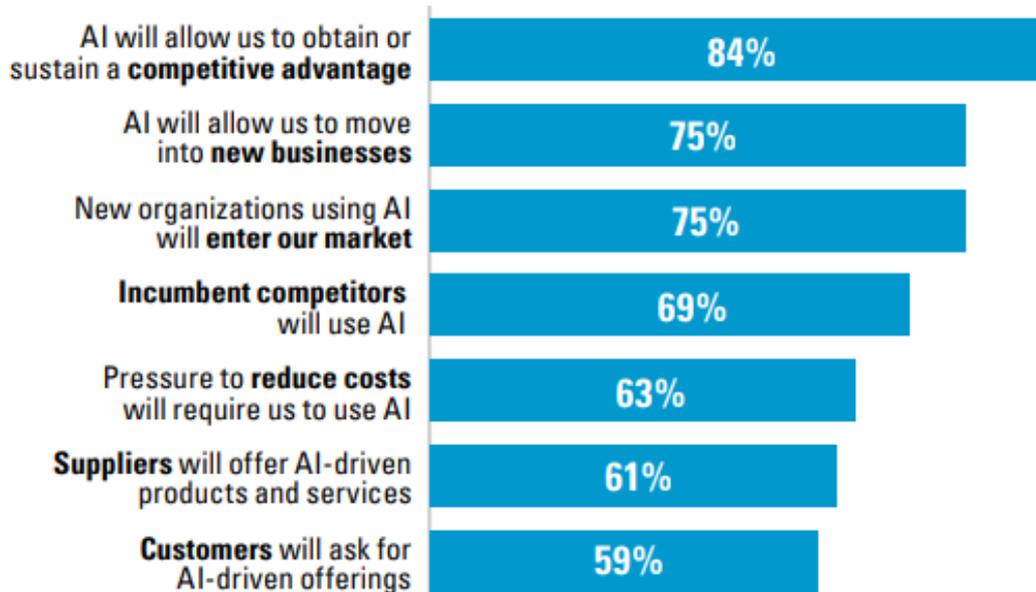
**Based upon my presentation,
do you agree these are top 2
benefits of AI?**

Yes / No



Reasons for adopting AI

Why is your organization interested in AI?



Percentage of respondents who somewhat or strongly agree with each statement

Organizations expect to create **competitive advantage** from AI — but also anticipate increased competition.

“AI can be used simply to save costs and create efficiencies or it could be used more aggressively to beat the competition and should focus on worker augmentation, not their replacement”



Any questions?

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