A Leadership Agenda for the Age of AI
What do companies need to consider?

The rapid rise of artificial intelligence over the last year has left many awestruck.

Predictive AI has the power to dramatically improve business performance. And now, generative AI is being used to create sophisticated digital art and musical works. It can write movie scripts and edit a resume. And it is enhancing software development productivity.

But this is just scratching the surface. AI could impact equity, access to education, environmental sustainability, global health, and the products and services we consume.

"AI has the potential to help humanity solve some of its toughest challenges," said Vijay Gurbaxani, Director of the Center for Digital Transformation. "Digital technologies have the potential to unleash massive gains in productivity, making our society and the world a far richer place."

Promise of AI

Artificial intelligence is not just a technological advancement. It's a transformative force that is already reshaping industries, business models, and value chains. During his speech at the 2023 CDT conference, "Recoding Business," Gurbaxani likened AI's disruptive potential to a tsunami.

"I see this digital tsunami crashing our shores, leaving nothing untouched in its wake," he said. "But unlike a real tsunami, this digital one is also a creative force, making possible new capabilities, new businesses, and even new industries."

With this massive potential, it is no longer optional for companies to embrace AI. Businesses must integrate the technology into their strategies and operations to stay competitive in the evolving digital landscape.

Many businesses are already accomplishing extraordinary feats with the help of AI. Gurbaxani pointed to the work of Verge Genomics, a young company that used machine learning to rethink treatment for Lou Gehrig's disease, a neurodegenerative disorder that is often fatal. The company used a closed-loop machine learning approach to identify and develop a new treatment that is currently in clinical trials after just four years.

The true power of AI is unlocked when combined with vast amounts of data. Companies with rich data assets will have a distinct edge over others in the age of AI.

Videos from the Digital Leadership Agenda 2024 Conference are now available for on-demand viewing here.

UCI Center for Digital Transformation
Email: cdt@merage.uci.edu

A Leadership Agenda for the Age of AI (cont.)

This is the power of reinvention," Gurbaxani said. "This is the power of thinking differently about what we can do with the technologies that are now available to us."

Harnessing AI and Minimizing Risk

The future is not about going it alone. Building partnerships and collaborative ecosystems will be keys to harnessing the full potential of AI.

Gurbaxani contends that generative AI will democratize the accessibility of the technology, which will democratize discovery. The evolution of AI will be more fruitful with the inclusion of everyone.

"What's powerful is we have now taken the tools of artificial intelligence and made them available to everybody," he said. "When we unleash the power of this technology across every person, it has immense promise, but also potential risk."

As AI becomes more integrated into business processes, ethical considerations become increasingly more important. Fairness, transparency, and accountability are necessary to prevent any harm posed by AI.

Gurbaxani pointed out that human resource officers will be tested over the next few years as they think of ways to minimize the negative impact of AI.

"They will have to think about how to redesign work in a fair and equitable way while keeping companies profitable," he said.

Future Outlook

The AI revolution is just beginning. Companies that are proactive and adaptive will not only survive but thrive in this new era.

Gurbaxani provided business leaders with a set of guiding principles to consider as they integrate AI over the next few years.

First, businesses must recode their sense of value.

"The way you deliver value to your customers today is not going to be enough," Gurbaxani said. "We can do much more with the technology that is available today. So, we have to think really hard about how we can push on this productivity frontier, deliver more to our customers, and improve our customer value proposition."

Videos from the Digital Leadership Agenda 2024 Conference are now available for on-demand viewing here.

UCI Center for Digital Transformation
Email: cdt@merage.uci.edu

A Leadership Agenda for the Age of AI (cont.)

Investing in discovery of new ideas is another crucial component for companies to find success with AI. This technology needs to be harnessed to build better products, services, and business models, Gurbaxani said.

Companies will also need to think about talent and how to augment the workforce with AI. While technology is crucial, the human element cannot be overlooked. Cultivating a culture of continuous learning and attracting the right talent is paramount for businesses as they begin to embrace AI.

In considering the anatomy of a workforce in the age of AI, businesses will need to deal with the difficult choice of augmenting workers or automating work.

"When you augment workers, you make them more capable, and when you automate work you take something that somebody has invested in for the duration of their career and make it obsolete," Gurbaxani said. "So we have to think very carefully about this challenge and find the right balance so that we don't cause a massive disruption of the economy."

Videos from the Digital Leadership Agenda 2024 Conference are now available for on-demand viewing here.

UCI Center for Digital Transformation
Email: cdt@merage.uci.edu