

BLACK PAPER



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Rethinking Business In The Age of AI

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AI – Paths to Opportunities

Unprecedented capabilities mean unforeseen opportunities

In a nutshell: Artificial Intelligence (AI) is when computers are able to reason, learn, and act like humans.

Most of us may never understand the deeper mechanics of AI technologies, but we can certainly understand their impact.

There isn't a single industry, organization or value chain that is immune to the impact of AI technologies. As we continue transitioning into Industry 4.0 mindsets and structures, these breakthrough capabilities will pave the way to digital systems that have the potential to provide our society with unprecedented new opportunities to create new value.

"AI is the new electricity"

Andrew Ng, Former Baidu Chief Scientist

AI is set to create substantial value by empowering new capabilities, creating unforeseen opportunities and facilitating innovative new ways of structuring our society, its processes, and the activities taking place within it – as well as how we as individuals interact with each of these systems.



Conventional vs AIx31 Approach

FROM	Large-scale	-----	TO	Pilot-first
FROM	Complexity	-----	TO	Clarity
FROM	Rigid	-----	TO	Agile
FROM	Process-focused	-----	TO	Results-focused
FROM	Expensive	-----	TO	Valuable
FROM	Likely to fail	-----	TO	Likely to succeed

AI can improve **user experience** through:

- Interactions that are better / faster / cheaper for end-users
- Greater transparency and increased trust
- Personalized services that are tailored to individuals

AI can improve **organizational capabilities** through:

- Immediate access to customer information and insights
- Moving from lagging (reactive) to leading (proactive) strategies, with better outcomes for end-users as well as organizations
- Robust, future-compatible decision-making capabilities

AI – A Tough Nut to Crack

Attractive but intangible

With grand announcements about the impact of AI on the global economy, it's easy to understand how AI adoption can be attractive. Organizations across government and the private sector can stand to benefit from the technology, from cost-savings in improving process efficiency and optimization, as well as by opening up new revenue streams from the unprecedented insights revealed from big data sets.

What's less easy to understand is how best to move from a general awareness of this potential, all the way to an effective, tangible, and value-driven result, whilst avoiding the traps of time, cost and scale blowouts that tend to accompany large-scale implementation of new technologies.

AI is different, and it needs to be thought about differently.

AI isn't new – AI implementation is

The basic concepts behind AI have actually been around since the Dartmouth Conference in 1956.

What has really propelled AI into the mainstream is the recent convergence of access to algorithms, the quality and amount of data now available, and tremendous increases in computing power and storage capacities. This has propelled AI from potential and hype to actionable reality; from abstract vision to off-the-shelf commercial products.

AI is here, it's now, it's capable and it's accessible – and the train is leaving the competitive advantage station.

As a result, there are now countless AI solutions in operation worldwide, often flying "under the radar" because they are built into other larger systems. There are also a wide range of commercially available off-the-shelf solutions, ready for deployment with the right knowledge.

The key ideas behind AI are proven and work – it's the unique, practical implementation at organizational levels that make all the difference.

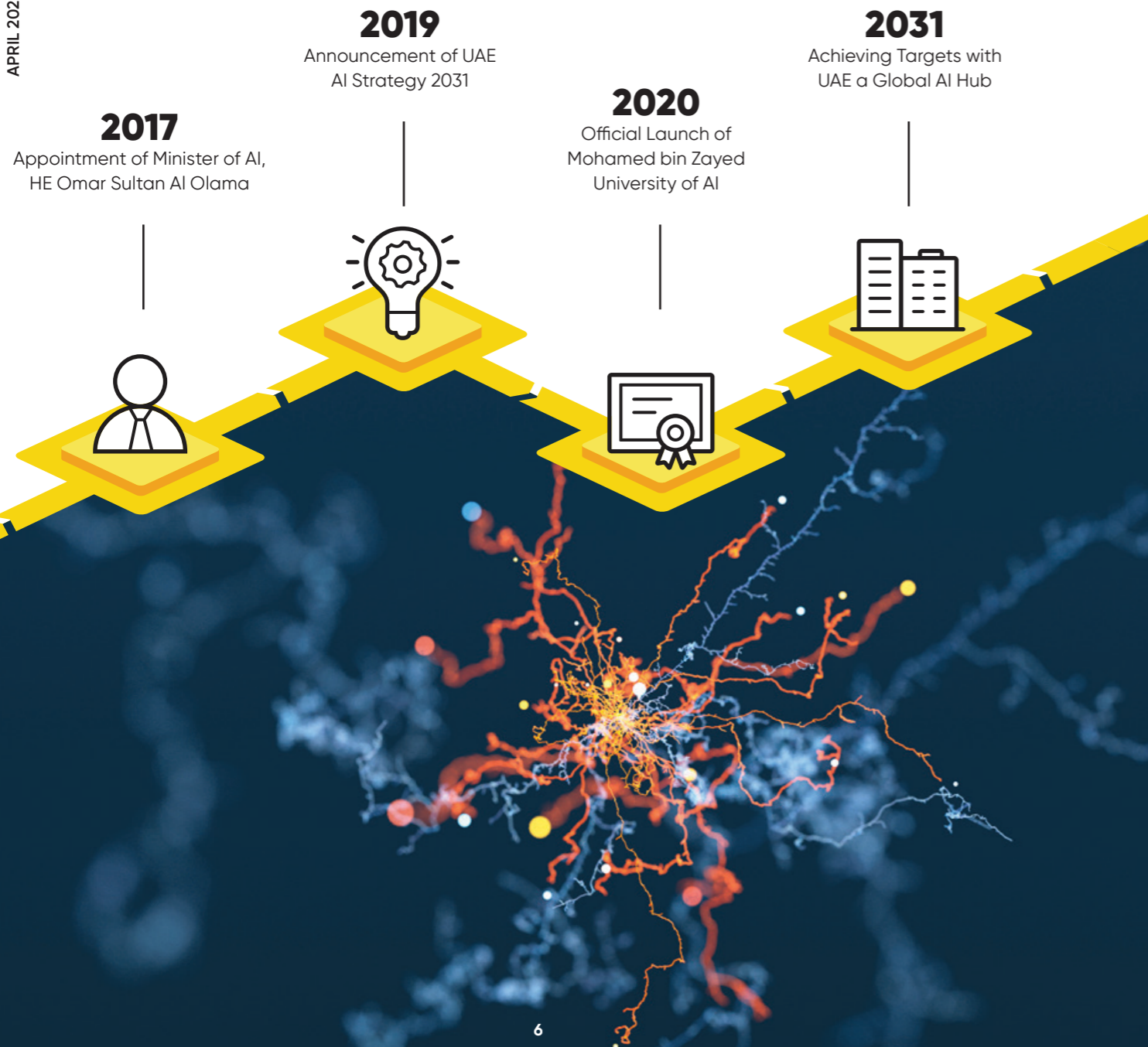


"Artificial intelligence is the next major revolution of our times - our goal is to be one of the most advanced countries in this regard"

HH Sheikh Mohammed bin Rashid Al Maktoum, the UAE's Vice President and Prime Minister and Ruler of Dubai.

UAE AI Implementation TIMELINE

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The UAE is EXPLORING

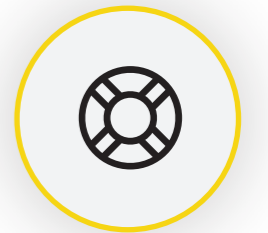
AI solutions across nine verticals



Transport
Optimizing intermodal journeys, reducing operational costs, and enabling autonomous mobility.



Health
Modeling and curing chronic and genetic diseases, and anticipating and preventing the rise of pandemics.



Space
Conduct valuable experiments and explore scenarios virtually before costly deployment.



Renewable energy
Predictive analytics to manage and optimize city energy usage, along with innovative facilities management.



Water
Discover groundwater tables and model technologies to create new water sources.



Technology
Create context-relevant solutions to increase productivity, efficiency, and happiness.



Education
Increase access and reimagine education to improve education outcomes.



Environment
Model and learn from environmental scenarios to take on climate change, air quality, food security, and more.



Traffic
Predictive traffic modeling to reduce accidents and traffic jams, and inform more effective community development.

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INSIGHTS & Numbers

In a 10-year timeframe, a world run by robots or AI agents alone remains a concept that is purely science fiction. However, a world run by robots in conjunction with humans is entirely likely.

Future of Work



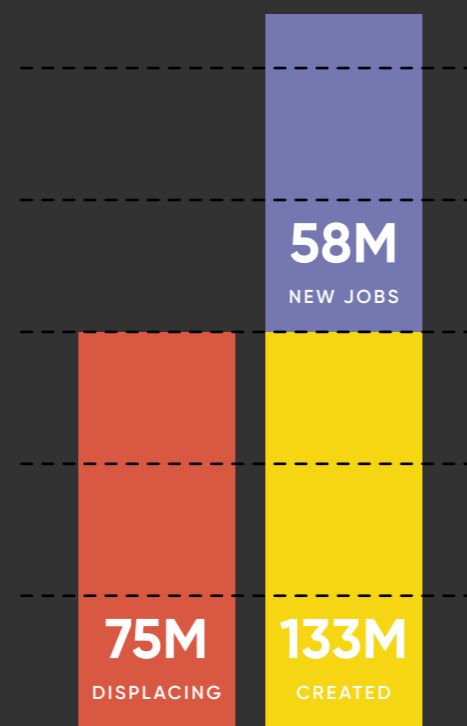
Machines will perform more current work tasks than humans by 2025, compared with the **71 percent being performed by humans today.**

World Economic Forum
Future of Work Report 2018



Estimated that **57 percent of jobs** within OECD (Organisation for Economic Co-operation and Development) countries were at high risk of automation within the next few decades.

Citibank and University of Oxford



Estimated that the rapid evolution of machines and algorithms could create **133 million new roles** in place of the 75 million that will be displaced between now and 2022. That is **58 million new jobs.**

World Economic Forum
Future of Work Report 2018

Economy – Global and Middle East



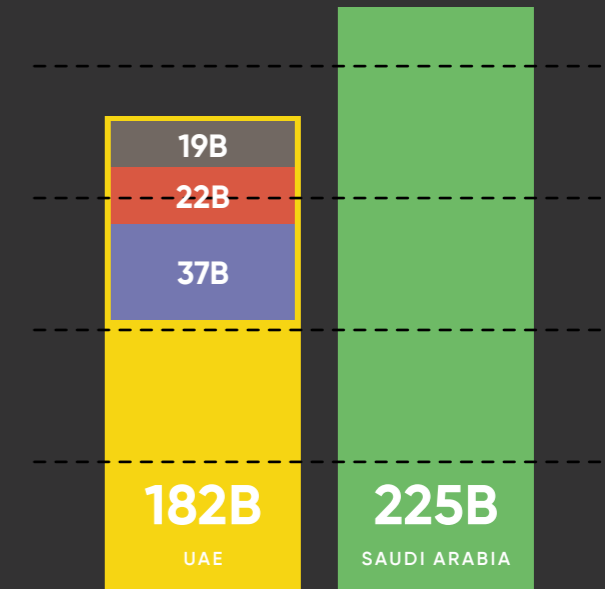
We estimate that **AI will add \$13 trillion** to the global economy over the next decade.

HBR, July 2019



In relative terms the UAE is expected to see a large impact of **close to 14% of GDP** (US\$320 billion) by 2030

PWC, 2019



By 2035, AI could add **\$182 billion in gross added value** to the UAE's economy and \$225 billion to that of Saudi Arabia.

Within the UAE, the greatest impact is expected to be felt within the financial services (\$37 billion), healthcare (\$22 billion) and transport and storage industries (\$19 billion).

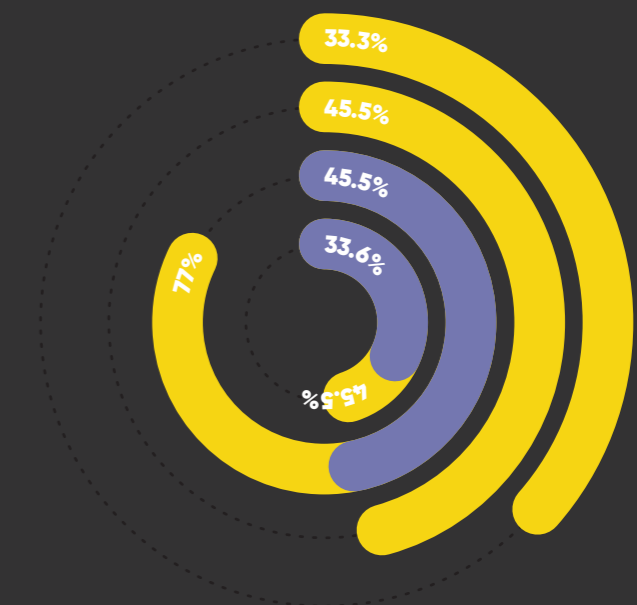
Accenture, 2019

Moving Towards AI

33.3 percent of high-growth companies are adopting AI, 45.5 percent of lower-growth companies are considering it; **77 percent of double-digit growth companies in the UAE** intend to use AI within the coming year, as opposed to 46 percent world wide; 45 percent of UAE lower-growth firms "intend AI adoption for improved decision-making this year, As opposed to global average of 31 percent".

Microsoft AI Pulse Report, April 2019

● UAE
● GLOBAL AVERAGE



FROM Artificial Intelligence TO Applied Intelligence

Unlocking The Opportunity

Artificial intelligence has the potential to radically reshape the structures, systems and processes that power our society, from helping government and commercial organizations delight their customers through bespoke, individualized services, all whilst improving efficiencies, ensuring greater cost-effectiveness and targeting resources to achieving specific, high-value objectives that please users.

Perhaps the greatest challenge facing decision-makers across the region – in both public and private sectors – is in how best to connect the investment in AI technologies to tangible business and organizational outcomes. After all, nobody wants to be responsible for rolling out what could turn out to be an expensive irrelevance.

Designing and launching an AI-based program can also seem daunting in size and technical complexity, with too much commercial risk associated with rapidly evolving technology platforms.

Introducing Alx31 Initiative

AI is already here – but its effective use isn't.

That's why Black and Bird & Bird have joined forces to establish the Alx31 initiative – inspired by the UAE 2031 AI strategy.

This aims to help government and organization teams reap the potential benefits of AI by co-designing prototypes of specific use cases that connect business challenges with compelling, easy-to-implement technology solutions. This helps ensure user satisfaction and payback and makes each individual project much more likely to succeed.

With the right process, careful planning, and access to the most appropriate resources and experience, your organization is able to prototype, test, and implement user-significant AI projects and programs without getting locked into big, expensive, consultant-led technical infrastructure development and all the delays and pitfalls associated with this.

Unlike traditional advisories, we are challenge- and solution-agnostic. We don't sell you solutions; we help you solve challenges.

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Mine the Potential

AI IS USED TO:

- Inform and drive more effective strategy and decision-making
- Understand users, customers, and trends
- Involve and empower users and stakeholders
- Make internal operations more cost-effective as well as more user-responsive

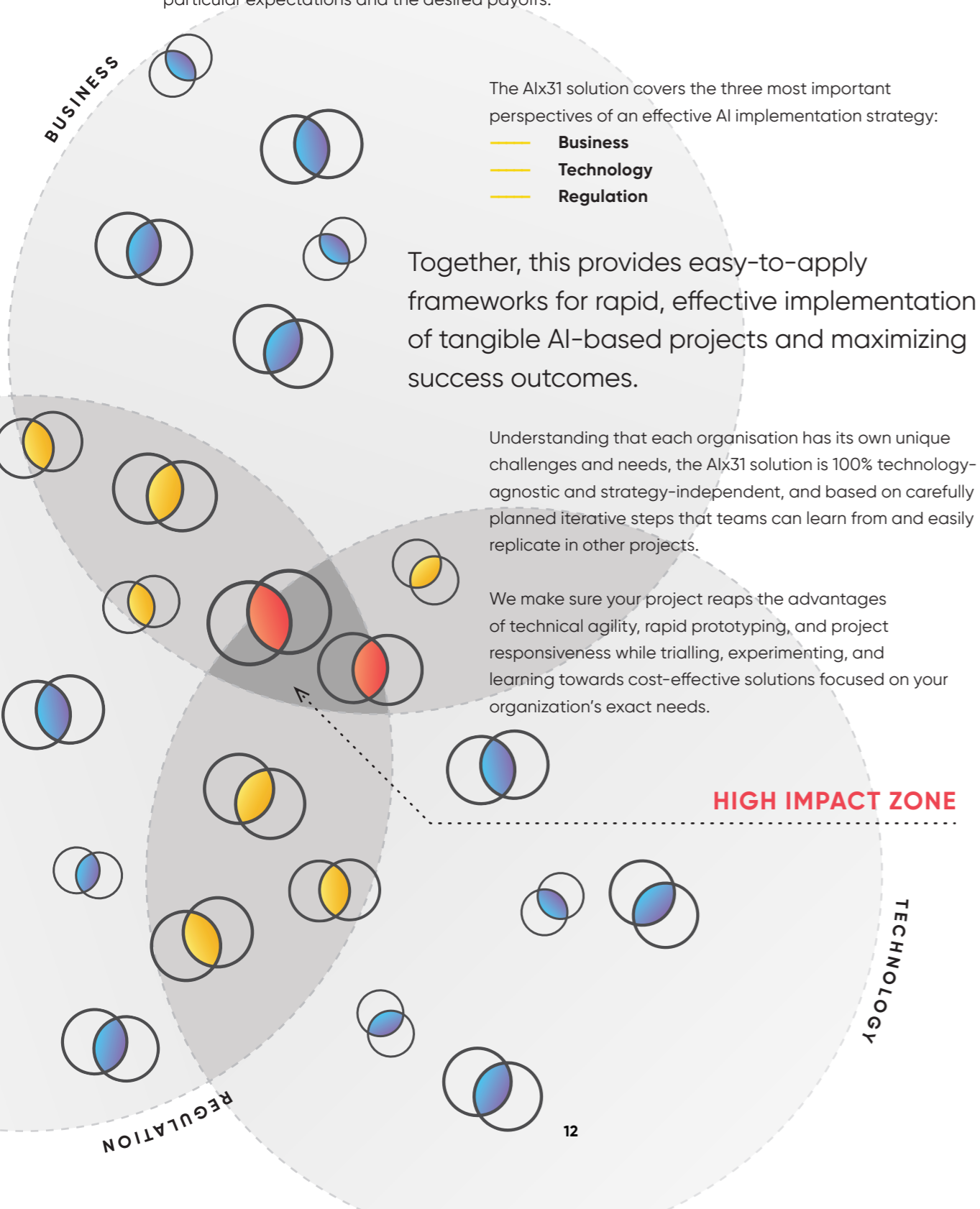
RESULTING IN:

- Greater effectiveness, from government and admin to healthcare and manufacturing
- Key infrastructure and processes that are flexibly responsive and future-compatible
- Smarter, individually customized services and products
- Construct new revenue streams and generate additional revenue
- Cost-effective and user-responsive internal operations
- Delighted internal stakeholders and customers

What we do

Black and Bird & Bird have joined forces to provide organizations with a structured, effective roadmap for AI project implementation.

Our Alx31 approach is designed to help teams determine what a successful AI program could and should look like within their particular setup, with objectives relevant to the organization's specific requirements and priorities, users' particular expectations and the desired payoffs.



Mine the Potential

From our experience, any successful AI pilot goes through the following five distinct stages:

Identify the proposed internal challenge with stakeholders, determining risk/reward and organizational value using our Rapid Qualification framework.

Ideate potential solutions and using our 'Pilot-on-a-Page' framework, define a roadmap through the Business / Technology / Regulation nexus that will ensure buy-in from senior-level stakeholders.

Define a prototype scope of work that is tangible and measurable, and clear both for the client and for the vendor.

Engage and facilitate design workshops with industry partners to develop solutions.

Communicate the resulting solution through internal/external channels, including brand / narrative / campaign / journey via continued, ongoing output.

Access to Practical Experience

Black and Bird & Bird work together to provide you with easy access to world-class practical experience as well as commercial off-the-shelf resources from leading specialist suppliers, and our role is to guide you to maximum impact and user satisfaction in the shortest time possible, so you can establish a platform of success that can either stand alone or be leveraged into other subsequent AI-based projects.

Everything is professionally coordinated to prevent "re-inventing the wheel" and making certain of rapid, practical implementation.

We also apply Bird & Bird specialist expertise to proactively make sure any data management and AI frameworks are fully compliant with GDPR and other similar legislative frameworks either in force or preparation, removing all potential stumbling blocks to success.

How we do it

Our team works with you to co-create a framework that ensures the all-important strategic “green light” and decision-maker buy-in from within your organization.

With the right methodology, you can make sure the AI projects you launch are designed to succeed, because they are:

- **Directly relevant to real-world organizational needs and challenges**
- **Attractive for your organization’s users and potential beneficiaries**
- **Compatible with all appropriate legal, regulatory, and data security frameworks**
- **Tangible and deliverable, using robust, proven technology solutions**

We focus our efforts on ensuring significant, measurable value for your organization. And on doing so quickly, using limited resources and at sensible, no-surprises cost.

This means you’ll be able to achieve smaller-scale, high-profile successes in series, right in line with modern innovation management practices.

How it helps you

The overall Alx31 framework helps you:

- **Overcome traditional “barriers to entry”**
- **Identify specific user needs with a high perceived value**
- **Get started quickly**
- **Implement effectively**
- **Progress rapidly to “success story” delivery**

and provides easy-to-use planning and implementation frameworks that:

- **Focus efforts and resources on clearly identified needs**
- **Zero in on clear, identified success criteria**
- **Avoid the most common pitfalls**
- **Give you easy, effective access to the most suitable capabilities and suppliers**
- **Minimize “from scratch” development, for speed and effectiveness**

LAGGARD

or

LEADER

With the exponential, rapid deployment of AI solutions, it is vitally important not to be left behind in an era of AI-driven capabilities.

The sooner you get started, the sooner the payoffs kick in. The stakes are high. For governments, improving internal processes and delighting customers are the single most important goals. For organizations seeking competitive advantage, AI offers remarkable openings for standing out from the pack.

There are significant benefits available to first-mover innovators willing to explore and exploit new opportunities – and the Alx31 framework is a painless, fast-acting path. Even relatively small projects can provide you and your organization with step-change outcomes.

Stop fearing failure
– **Start getting bold.**

Rethinking Business In The Age of AI

Created by Black and Bird & Bird

Black is a design and innovation advisory with more than two decades of solid C-suite experience shaping organizational identities and cultures, reimagining problems and solutions, and igniting innovation and growth across entities in the public as well as the private sector. createdbyblack.com

Bird & Bird is a leading international law firm that specializes in serving sectors of business in which technology plays a key role. Bird & Bird's vision is to be the number one law firm in the world for organisations being changed by the digital world or those leading that change. We will help you navigate the legal, ethical and regulatory issues around supporting, nurturing and promoting the responsible use of AI, drafting a legal framework to support - and potentially mandate - the responsible use of AI and creating a consensus that you can adopt in your use of AI. twobirds.com

FOR INQUIRIES →

BLACK – DUBAI

+971 50 8977111

dubai@createdbyblack.com

BIRD & BIRD – DUBAI

+971 4 309 3222

dubai@twobirds.com

Black Bird & Bird

The Future Is Now. Get Ready. Take Action.