Episode 15: Empowering business success through Data and AI

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0:15
Hi, I'm Andy Packham, Chief Architect at the Microsoft Ecosystem at HCLTech

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I'm here today talking about AI, how AI has driven innovation, and, importantly, how you can take AI and convert it into value.

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So I'd like to start off by asking Stephanie if it's OK.

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I'll start with you.

0:34
Yeah, sure.

0:36
We, no, we talk a lot about innovation, but where do you see those big innovations in this entire space coming from?

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Yeah, I mean, obviously, data is information, and it's used by everybody, and everybody needs information in their role.

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I see the driving force of the innovation coming from the people who are making decisions and the role of data is to just be as seamless as possible in that.

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So I think it's about driving collaboration through easy access and use of data.

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To me, data is as essential as a laptop or an employee.

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Like it's just one of the fundamental needs of a business.

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So we need to be able to process it, to store it and to make it accessible to people when they need it with the controls in place to enable them to drive the well to, to enable anybody in any role to drive innovation for, you know, the particular business area that they're working in.

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Nick, I mean, you're from a very different business, but do you see the same sort of drivers of innovation or if you, is it something else?

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So, no, it's the same exactly.

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Everything is data, though.

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So if you think about it, many people are currently doing a lot of manual processes.

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But even if they're doing manual in thing in concepts or types of data that you wouldn't necessarily traditionally call data, that is still an expertise.

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They're looking for specific things within whatever say they're a lawyer looking at contracts or if they're, you know, they're dealing with invoices and processing nodes, you know, they can be in they're not in a wouldn't be necessarily called traditional data, but the way that they're processing that will can be seen as data processing, information processing.

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And so, you know, it's just taking it away from, you know, rows of data in a database and into a more unstructured or small variety.

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And then, you know, I, I really see it as a, you know, in terms of the way that innovation is happening is enhancing or augmenting those, these employees capabilities and making them more productive, more efficient, making their lives, ultimately making their lives easier.

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And I, that's where I see the trajectory of, of certainly the, the data stack within a company going.

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Thank you, Robbie, you know, Microsoft, you've been innovating like crazy.

3:14
Again, the same sort of question of where you see those innovations taking us in terms of driving, driving the value?

3:21
Yeah, OK.

3:21
So I mean, we've in, in terms of the AI space, we've been trying to, you know, we, we build out those tools and then the, our customers, our partners use those tools to give themselves competitive advantage.

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So we've been doing that.

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We, we, we started the whole democratic democratization of AI back in around 2012 ish.

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And I think at that time, Satya said every developer could be an AI developer.

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Obviously, jump forward like 12 years from there; every developer is an AI developer.

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So, yeah, obviously we, we, we try and make AI machine learning available and accessible to everyone, just as we do with, you know, other technologies.

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But I think that the with the with this, the generative AI that's been the ultimate democratizer of AI.

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So because it's a chat interface, people can talk to it.

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They can understand, I can understand what it's doing.

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I can understand how it's talking back to them.

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So I think from innovations also being driven from a kind of socio economic sense, because we're now in like a new epoch of technology.

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We have the Internet and it was the case that if you didn't have an Internet page, you weren't really seen as a a real serious company.

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Now we're getting to the point that if you don't have Gen.

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AI, if you don't have some kind of chat interface or natural language processing within your product, you're kind of falling a bit behind the trend.

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So yeah, I see it as a, there's a pyramid involved in different K tape sort of data capabilities.

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My view is it's, you know, and companies will be in various, I guess levels of progression as they build this pyramid up.

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But my view is that this, the bottom layer is, you know, very basic data visualisation, power BI type activity.

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That's where it tends to start within organisations as you know, where people are starting to become data literate and you're starting to get that, that progression.

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Then then you move to the sort of data prep type capabilities and then it's the automation of the bottom 2.

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So that then means that frees up more time and more allows employees to become more sophisticated to move on to the next level and next one.

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The next one being, you know, machine learning, then models and then eventually the AI right at the top, top of that pyramid.

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So that's how I see it as a foundation of building within an organization.

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And you've got to break your way up the pyramid to before you can, before you can put AI in your product, you, you kind of need all those foundation levels as well.

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I'm interested in the, the, that kind of, you know, talk about this, the model of that, that, you know, this sort of triangle shape.

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Like do you see that across the organization or, you know, in different areas?

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Do you see the because obviously maturities can change between, you know, different processes.

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Like we're automating here and we're still not automating over here.

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We've you know, we've done apoc of this over here.

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Like how do you see that kind of building the standards as well?

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Because there's sometimes it's like once you've done one thing at the top of that pyramid, you want you kind of want to say everything's already at the top, but you kind of then got to go back down to the bottom.

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Yeah, it's not standard across the organization.

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We've got very diverse businesses and some are faster than others.

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And, and you know, by the very nature of those particular businesses that they're, they're dealing with and some of them, you know, are advancing much at much more speed than the others.

7:11
We also see a disconnect between the top of the house as well.

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So in terms of the what the board thinks we are doing in terms of AI, which is quite, you know, they're quite progressive.

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They think that we're doing quite a lot of things and then they've sort of coalface.

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We're also seeing a lot of people using maybe not, maybe they don't realise they're using AI.

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They're not, but not, you know, fundamentally it's around automation and, and data visualisation and more practical applications.

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But the layer in between is the, the dark, the dark age.

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They, they really, because their priorities are, you know, the board are wanting to make decisions based on, you know, these new innovations and the, the people doing the actual work get, see real benefit from doing it themselves.

8:01
But the layer in between are really still not focused on that.

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They're focused on either revenue or cost savings.

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And that's their primary focus to the almost exclusion of other things.

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So that's the area that I'd like to see better education and for them to become more data literate and then to understand the benefits of some of these things, which I think they're still not there fully.

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Yeah, I think that's importantly, you know, if we're going to democratise, we're going to democratise this and we have to democratise it in a way that actually is from the top to the bottom.

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And actually, I mean, I know you, you have so many conversations.

8:41
Is that what you see this kind of challenge between the top of the organization, the vision maybe, and the ability, the execution?

8:50
Oh, yeah, absolutely.

8:51
I mean, if you look at it right, I mean, you know, so I probably, you know, take your pyramid and convert it into a value chain.

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Yeah.

8:58
Yeah.

8:58
So, you know, AI will definitely transform experiences.

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I think, you know, we were talking about it, right?

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I mean, you know, yes, it's going to drive efficiencies, but I think the biggest benefit is transforming experiences, making things better for customers, things better, you know, employees, humans in general, right?

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So it has the power, there's no doubt about it.

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But today in the, you know, the, the, you know, world of the business, I mean, the efficiencies, you know, are taking precedence because of the, you know, economic situations, etcetera, right?

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So while there is the focus for that, maybe that's going to drive the investments, which will then start, you know, addressing some of the challenges that we were talking about, right?

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But if you look at it, you know, as a value chain on the front end, you got AI that can transform experiences because customers for employees, you know, can drive efficiencies, can, you know, bring in new revenue streams potentially, right?

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I mean, we're talking about the Internet.

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If you didn't have Internet, I mean, now if you don't have NLP as a front end, you know, you got a problem, right?

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But if you have a better front end, then you can attract more customers.

10:03
But then on the left side, if you look at it, there's information or data, right?

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And there's a lot of it and there's more coming in with every passing day, right?

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And I think, you know, you talked about it that, you know, data information is the key.

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So if you look at it enterprises, they start looking at data information as an asset rather than cost.

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Because to, to put all this data you need significant, you know, infrastructure, you need, you know, manpower, you need software and things like that, it's cost.

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Then you start looking at it as an asset, right to then you know, go from the data as an asset to AI core outcomes.

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Then suddenly, you know, things start changing, right?

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You start taking less of a cost for you more in terms of how do I get better return on my assets, right?

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So I think you know, so because at the end of the day, there is no AI without data, right?

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So you cut off the, you know, data feeds to the AI, then it dies.

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So then now it's a question of how do you progress?

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So you said it right.

11:03
I mean, you know, from data you want to create insights, right?

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Whether it is power, PA, Tableau, so on and so forth.

11:08
Then you got to start applying, then you got to start integrating because those insights will work willpower AI, right?

11:15
So those insights will say that this is handy, this is streaming, right?

11:19
And not, you know, so, so the information is getting converted to the insights, right, which then powers AI.

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So if you look at it as a, you know, value chain, you know, you got, you know, data as a cost asset, but then you start creating more value as you move from data into creating insights, you know, which can themselves can deliver value.

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But then, you know, you convert those insights into, you know, actionable AI, then you create bigger value because it's transforming experiences, it's driving better productivity, etcetera.

11:48
But there are some controls that need to be in place.

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Yes, absolutely.

11:54
So one of the things that we've struggled with, you know, over, you know, time and one of the fears is that AI is going to, you know, be uncontrollable.

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It's going to lead us to making decisions that we didn't anticipate or didn't want to make.

12:08
And what I've discovered, you know, managing platforms that have that capability within them is that there are the banks already have policies around how they should be managed and, and has had for 20 odd years.

12:24
Those policies are specifically designed around, you know, traditional technology development and AI or machine learning and governance around this.

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This data flow is works in the same way.

12:41
The trouble or the challenge that we have is that it's not necessarily technology people now doing it.

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We've got people that are in the, you know, the front office areas who are now doing the type of things that used to exclusively be done by technology.

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So they are not necessarily aware that there's all these policies or control frameworks that are in place, system development, lifestyle cycle frameworks that are in place already and, and do not want to follow that either.

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I mean, we've had 2530 years of these levels of controls and governance being put on in technology.

13:23
You know, it's now you, you know, you cannot do anything in production without ticking off the dozens and dozens of making controls that make sure that you are ready to go live with.

13:36
That framework is simply not in place for the front office to deal with.

13:44
Now we have ways and certain policies that allow us to govern them and those things that it's and it really comes down to an awareness more than any kind of enforcement at the moment.

13:59
If you if you try and force it now you'll star for the whole thing.

14:02
But if you make it a, a make, you know those employees, those people aware of the policies that already exist and they're supposed to be following already, but also not make it scary and where they'll just go.

14:19
I'm a data scientist.

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I'm not, I'm not interested in following your tech guidelines.

14:25
But actually they do.

14:26
But and it's, it's, it's about how they interpret them for the particular thing that they're doing.

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And actually, a lot of it's about interpretation.

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I think it's a cultural thing as well.

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I think driving or pushing for a culture of innovation comes alongside pushing for a culture of, you know, caring about, you know, essentially customer outcomes.

14:54
And customer outcomes means being careful, like thinking about regulation, thinking about, you know, like all of the regulation or yeah, regulation, but, you know, anything else that means that we're doing the best for our customers.

15:06
I think that driving that culture is, is the key.

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And I think that I honestly believe that data is the enabler to drive that culture because I think that data enables cross functional collaboration.

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Like, you know, just it's the glue, It's the, it's the information that flows between different teams and being able to share the outputs of data analysis between different teams, not just the source data that comes from systems, but you know, when we analyze it and then we, you know, share and it enables collaboration.

15:39
And it's that diversity of thought that comes from the cross disciplinary area that sparks innovation.

15:48
And then when people get to innovate and they have the freedom and the enthusiasm that sparks more.

15:53
And it kind of, you know, I think it's a snowball effect of, you know, all we need to do is take all we need to do.

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It sounds like, sounds like it's a small problem, but all we need to do is take away, you know, take away the sort of the, the blockers to enabling people to access the data in a meaningful way.

16:09
And then people are brilliant, people are innovative.

16:12
People will do it.

16:13
Like it will happen, especially if you, you know, hire well and, and sort of focus on making sure that people feel enabled and, and love coming to work and working on difficult and exciting problems.

16:25
I think, you know, you're absolutely right about the, the, the culture and, and, and Nate, you said to me also that I, I think what's really important that we, we think there is that a lot of AI today is used to solve traditional problems better.

16:37
It's is, is improving productivity.

16:38
And I think there, there's another area of innovation, which is the stuff we just can't do today.

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You know, it, there's, it's too complicated, it's too big.

16:47
It's too, they're the areas of innovation that I think are, are the real drivers of value, but also they're the areas that this is, this is entirely new space for us.

16:58
It's it's not that I've got tradition to rely on and they're the ones that are entirely, you know, unexpected.

17:04
I mean, you know, I have a smartphone.

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I don't use it as a phone anymore.

17:09
I use it for everything.

17:10
And that was, you know, never kind of predicted.

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So, you know, shouldn't in this kind of driving, driving this difference to going from making stuff better to doing new stuff.

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You know, how do you see that thinking of innovation happening undergraduate?

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I think I think you know, so I mean the two prospectus we talked about here genuinely represent the challenges that enterprises are facing.

17:34
On one hand, you want to foster innovation at the edge, the edge being the employee, right?

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A company has, you know, 10s and thousands and hundreds of thousands of employees.

17:45
How do you actually foster a culture of innovation, and collaboration and create value, especially when you've got Chinese walls between areas within exactly right?

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But at the same time, I mean, you know, like to borrow a quote from somebody, I mean, AI is very powerful.

18:00
So with great power comes great responsibility.

18:03
So how do you make it responsible?

18:05
So that presents a huge challenge on IT.

18:08
Yeah.

18:09
Because at the end of the day, if anything goes wrong in the age, you know, if you like it or not, it's IT, you know, that has to answer for it, right.

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So now this is the big balance.

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So that's where I think, you know, the, the governance, you know, is probably going to evolve a lot.

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I, really like what Steph said.

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It's about the culture.

18:28
So you get people to be more responsible, but at the same time, enterprises, you know, cannot afford to take risks or follow-ups.

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So the governance, you know, again, learning something from, you know, the thinking and economics, right, You know, we're talking about choice architectures.

18:44
So, so the governance then starts, you know, moving towards how do you actually nudge people to do the right things more often than not?

18:51
And the frameworks and the platforms that you were talking about, how do they make it easier for people to do the right things right, but in a way, but make it much harder for them to do wrong things.

19:02
So that's the choice.

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It's easier said than done.

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As practitioners, we know that, you know, like, I mean, somebody's pulling in a data set because they're trying to do the right things.

19:12
You know, to your point, right data being the fabric of the glue, they're trying to do the right things.

19:16
But if any exposure of that data can create big problems, you know, for the for the for the company, then you wouldn't want to get the data out.

19:26
And that's that awareness, you know, aspect as well that you're talking about, right.

19:30
And then we need to make them appear.

19:31
It's not that we want to stifle innovation, but you know, there's, there's a problem.

19:38
So I think, you know this, I mean, I don't think we designed it, but you know, the conversation, but the challenges, this is really the challenge.

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Yeah.

19:47
How do you innovate at scale?

19:48
Because we've got to believe in the, you know, the human power, right?

19:53
The ability to innovate, the ability to collaborate.

19:55
But how do you govern and control so that the enterprises, you know, don't create risks or more how do you don't govern and control too much as well?

20:03
Because that's another thing that we're seeing is that the, it's an, it's an almost paranoia that we've got to keep everything completely locked down.

20:12
And there are certain, certain, yes, there are certain data types, data products that you've got to.

20:18
Be very careful on the, you know, the your crown jewels of your data, but there's an awful lot out there which is ripe for investigation and, and, and, and analytics on which isn't sensitive.

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And, and, and sometimes even the, you know, the data guardians don't necessarily know.

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They're just, you know, always like this is, you know, this is client data and therefore which shall thou shalt not touch it, right?

20:51
But that's our most valuable data as well.

20:54
And there are elements of it that are not sensitive that can be, can be brought forward.

21:00
And it's just being able to navigate that and persuade the right people that you're, you're not going to be leaking this everywhere.

21:09

I think it's, there's definitely some sort of like technical, like a huge amount of technical solution of, you know, sort of careful by design in the systems that we're building.

21:20
I think there's also picked up on the point you're making about, you know, people get so careful that they stifle.

21:27
And I think what I've observed time and again is that that often happens when those are different people who are, you know, these people are tasked with innovating and these people are tasked with being careful and then they just **** heads.

21:43
But actually, if you've got a cross functional team that takes those people together and says, how can we, you know, we're tasking the people who are, you know, whatever their job is, you know, you are tasked with being careful and you are tasked with innovating, come together.

21:57
And actually, that's where you know, that that that collaborative way of building something as a team that everybody can get behind.

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And then there's different people with different backgrounds in terms of like understanding the risks and how to mitigate them.

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I think it's the, again, it all comes back to collaboration.

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I think you've got the, you know, it's the key point.

22:14
It's we keep, we come back to, we come back to data, but we also come back to, to people.

22:19
And I think, you know, for me, one of the one of the innovations in a way is that we're suddenly presenting IT people with conversations about ethics.

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And you know, and that's, that's, that's an uncomfortable conversation.

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We don't necessarily understand that.

22:33
So Robin, just I mean, I know this is super important to you about, you know, how we treat this.

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Just I just like your kind of how do we help?

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We can establish policies and stuff, but how do you help change the behaviour of people in IT?

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Who we do technology, we don't have, you know, we don't have conversation about ethics.

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That's why we're in tech.

22:54
How, how, how, how do you kind of help?

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Absolutely.

22:57
So kind of responsible AI we see as being a kind of cultural change in the organization.

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So it's not just about one department having ownership for something being developed.

23:12
Obviously if if you, if you develop something that is harmful to your organization, how the organization's going to suffer.

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And so everyone needs to be kind of involved in that conversation.

23:22
So, yeah, I mean, the, the, the on a very basic level, cultural wide understanding of what the technology is, where people's responsibility lies.

23:33
I mean, if you look at security in an organization, you don't have an organization where one person is responsible for security and no one else has to care about security.

23:42
Everyone has to have an understanding.

23:43
People aren't supposed to let people in the door.

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People aren't supposed to share their passwords.

23:47
This is where we should be with AI to make sure AI is doing being done effectively and also kind of AI understanding the harms that you could be causing.

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That's also leading to a kind of conversation around diversity and inclusion.

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Because you don't necessarily, if you, if you have a room of just one particular kind of people from a cultural background of one gender, they are not going to be thinking about different, different things that might cause harm.

24:17
So bringing in, bringing kind of representation for across your organization into that into new ideas, into things, new things you're developing can also help mitigate some of the problems.

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And also kind of going outside your organization and talking to people to make sure that you are what you're doing is going to be culturally acceptable for multiple across multiple different cultures.

24:43
Yeah.

24:43
So I think, you know, just to wrap up, I mean, it's fantastic conversation.

24:47
And, you know, this this ultimate aim of doing this responsibly, of being very, very inclusive and driving this for the value, you know?

24:56
Yeah, we're here to drive this for the value of, you know, for our businesses, but also bearing in mind we're driving it for a wider, you know, a sort of, you know, a benefits of the society as well.

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It's usually important to, you know.

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Thanks.

25:09
Thanks for bringing those points up and everyone.

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I think that's a fantastic conversation.

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I really appreciate all of your time.

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Thank you.

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Thank you.