2024 AI Business Predictions

See what's ahead for generative artificial intelligence and strategies for navigating the top AI trends.
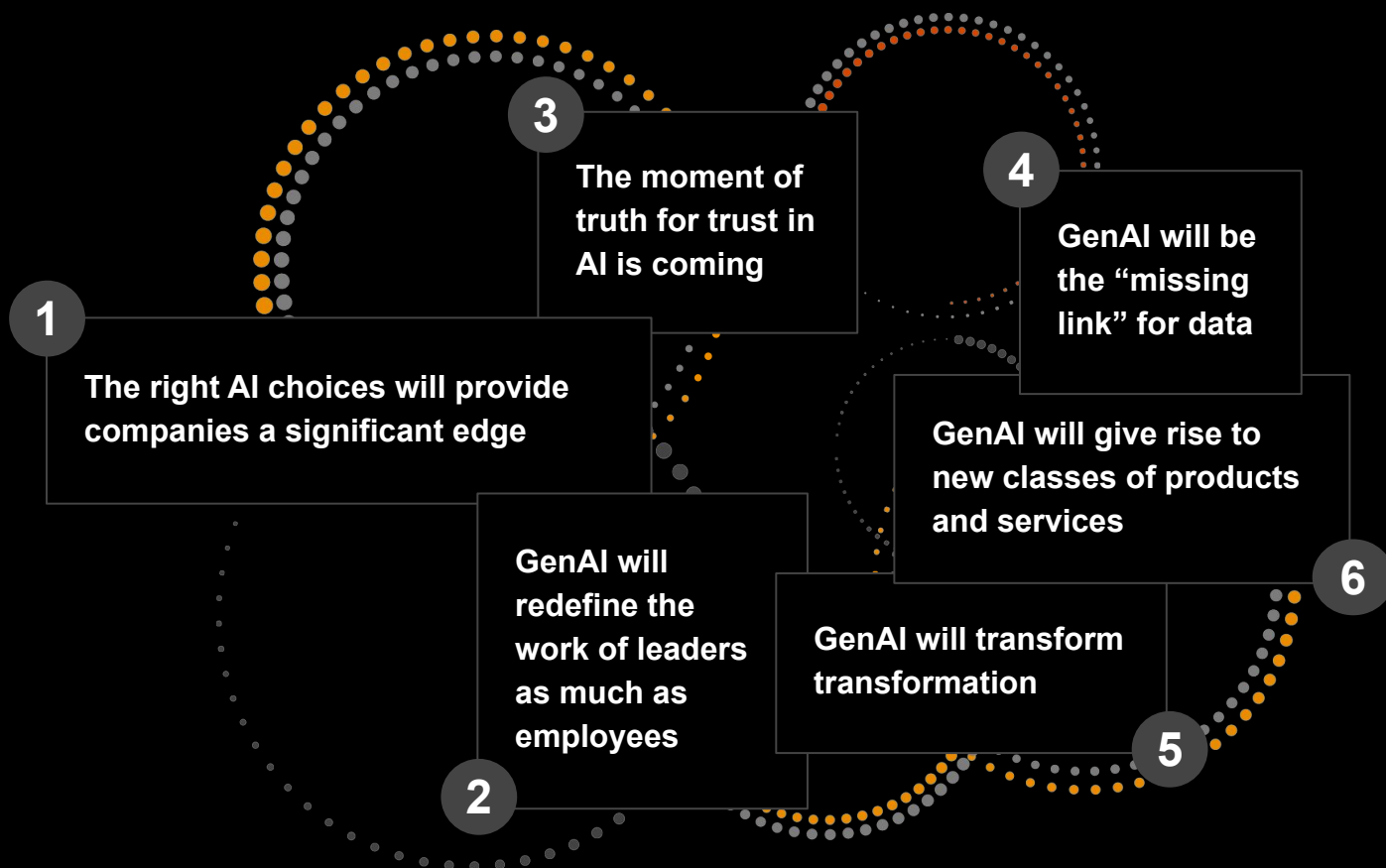
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About our predictions

Technological advances, surging investments and the competition for talent are all working toward one thing: In 2024, artificial intelligence (AI) will start to fundamentally change how business gets done. It will impact how companies grow revenue, conduct everyday operations, engage customers and employees, build new business models, and more.

We've been making AI predictions for seven years now. Based on this experience and our longstanding leadership in AI, we feel confident in making six new predictions for 2024. Some are already becoming full- fledged trends. Others are in the offing. All can lead to concrete actions that can create business value for many years to come.

2024 predictions

3 The moment of truth for trust in AI is coming

4 GenAI will be the "missing link" for data

1 The right AI choices will provide companies a significant edge

GenAI will give rise to new classes of products and services

2 GenAI will redefine the work of leaders as much as employees

GenAI will transform transformation

6

5

1

The right AI choices will provide companies a significant edge

What it means

- One key is to avoid the use-case trap. If you use GenAI only in isolated instances, you'll get only limited value. Instead, prioritize "patterns" that can scale.

- It's important to provide workers with incentives to not just use the new technology but to use it to reimagine their jobs. Tech advances mean they can reinvent their work by finding ways to deploy and customize GenAI to automate some tasks and augment the rest.

What to do next

- **Think and go big.** To realize transformative value from AI, license a private version of one of the many publically available models that cloud service providers offer. You can then deploy an AI factory to customize it and scale it to meet your unique needs.

- **Put people first.** The biggest barrier to transformative value may be in getting your highly experienced people to engage with GenAI to reimagine the way they work. When people redefine their roles with AI, reward them with new and greater opportunities.

- **Set priorities—methodically.** AI can do so much, it can be hard to know where to focus. To set priorities, consider a methodology that analyzes the value of a process, its scalability, the hours currently spent on it and the nature of the data available to support it.

2

GenAI will redefine the work of leaders as much as employees

What it means

- Besides learning how to use AI responsibly, middle managers will need skills to oversee and assess teams in which AI agents do much of the work. Functional leads will have to understand how AI can not just augment processes but replace them. The C-suite will have to take the lead on AI-native operations and business models. Few leaders today have both organizational and AI knowledge—and closing this gap will be critical.

What to do next

- **Be human-led and tech-powered.** Deploy AI so that it will grow your workforce's capacity for high-value work and complex, data-driven decisions.

- **Unleash your talent.** With the right incentives, skills and guidelines, any knowledge worker in your organization could use GenAI to automate or augment their work. They could identify new ways of doing things with GenAI to drive speed, scale and lower cost.

- **Lean on AI natives.** A growing number of people in the workforce—including many college grads and entry-level workers—are already accustomed to using GenAI for daily tasks. Have a plan to amplify these AI natives' skills and mindsets rather than burying them under old-fashioned processes.

3 The moment of truth for trust in AI is coming

What it means

- Responsible AI can help everyone who develops and uses AI do so with an eye toward building trust. This will be the moment of truth for responsible AI for two reasons.

- As GenAI takes on more work—writing financial reports, automating parts of software development, analyzing proprietary data for go-to-market strategies and so on—mistakes could have wide-reaching impacts, including stalling transformation initiatives.

- We also expect potential AI risks to attract public attention. Many GenAI vendors now offer to indemnify customers for potential copyright infringements. That reduces one risk—but trust in the outcomes of your AI systems are still your responsibility.

What to do next

- **Don't repeat old mistakes.** AI initiatives will advance faster and be more cost effective if you embrace responsible AI from the get-go.

- **Don't start from scratch.** Build on established governance, cybersecurity, privacy and compliance programs as you establish responsible AI in your organization.

- **Bring in the big guns.** Make sure that every senior leader knows their role (and their function's responsibilities) in helping AI systems earn trust.

4

GenAI will be the 'missing link' for data

What it means

- One key is to avoid the use-case trap. If you use GenAI only in isolated instances, you'll get only limited value. Instead, prioritize "patterns" that can scale.

- It's important to provide workers with incentives to not just use the new technology but to use it to reimagine their jobs. Tech advances mean they can reinvent their work by finding ways to deploy and customize GenAI to automate some tasks and augment the rest.

What to do next

- **Make cloud your ally.** GenAI (or any AI) can do more with data if it's in the cloud. But for cloud to empower GenAI, your data will need authoritative sources, clarity on who has rights to use it, "pipelines" to continuously update and distribute it, and effective governance, cybersecurity, compliance and privacy practices.

- **Don't drown in it.** You don't want to "GenAI-ify" what is today an all-too-common problem: too much irrelevant data. Instead, assess the value of the data you have or could acquire. You may also wish to eliminate unnecessary data that could contribute to compliance or security headaches.

- **Cultivate data stewards.** To help GenAI turn data into value, teach data owners to evolve their roles from data managers to data stewards. With data a valuable product, its stewards should constantly consider its quality and its usefulness to others in your organization.

5 GenAI will transform transformation

What it means

- GenAI can often handle complex tasks and processes that were previously out of reach in finance, tax, legal, IT, compliance and other departments. It can, for example, help you more efficiently meet new Pillar II tax reporting requirements. More generally, soon you may no longer need to upgrade common enterprise applications. Instead, you could move them to the cloud, where the applications themselves and customized GenAI modules will continually evolve to meet your changing needs.

What to do next

- **Make everyone a transformation lead.** Wherever knowledge work is being done, GenAI can transform it. Every knowledge worker in your company should be considering how GenAI could transform their roles—and get started on it.

- **Outsource and offshore less.** As part of GenAI-led functional transformation, consider bringing key business processes back in house. Customized GenAI workflows can cost- effectively tackle many frequently outsourced and offshored tasks in tax, finance, software development, HR and elsewhere.

- **Cover all the bases.** To increase AI investments, consider not just the tech, the costs and the outcomes but also factors such as sustainability, industry-specific regulations and your competition.

6 GenAI will give rise to new classes of products and services

What it means

- We're already seeing cloud-based enterprise applications incorporate more GenAI capabilities, but this is just the start. Soon, enterprise applications will have GenAI not as an add-on but as the core. These AI-based applications will be faster, more agile and more customizable than anything that has come before. We'll also see products and services that result from GenAI's convergence with other technologies, including machine learning. Extended reality devices, IoT networks, machine learning processes and others will soon be reliant on GenAI.

What to do next

- **Don't adapt, replace.** To realize AI's potential to create new products and services, don't just integrate it into existing workflows and technology tools. Create new ones that can turn ideas into concrete outcomes, quickly and cost-effectively.

- **Upgrade your tech foundations.** To use AI everywhere, tech architecture and enterprise data models will have to change. New hardware and software will increasingly have AI at its core, potentially multiplying the value of these efforts.

- **Keep watch.** As AI becomes an integral part of more and more of your daily operations, other technology applications, and new products and services, oversight and governance will be more important than ever.

Thank you
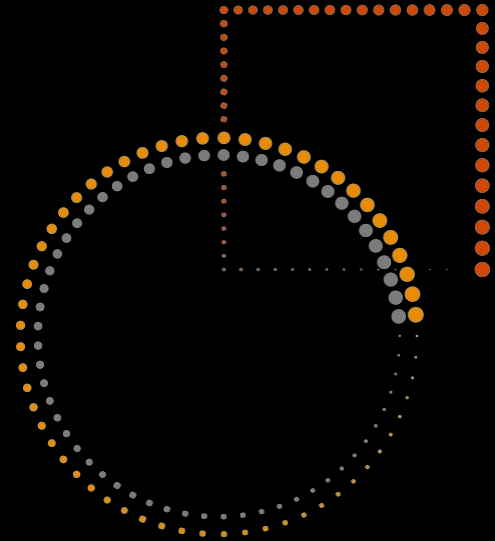
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