The HCLTech Trends and Insights podcast

Nick Ismail

So Vijay, we're here in the London office and today we're going to be talking about AI, its business impact, the challenges for organizations to embrace it at scale. I think it's fair to say that AI and its subset, GenAI are dominating the world of technology right now, from news stories about regulation and the impact on jobs to its potential to revolutionize productivity. What are the main trends you're seeing in this space today?

Vijay Guntur

So there are two kinds, broadly speaking, one is how do current businesses transform themselves, use the power of AI to get more efficient, to get to deliver things faster and much more predictably. So that's one part, which is what they're doing today. How can they get it to be done much better? But the more powerful one is to how do you find new sources of value creation? And I think the bigger opportunity is applying AI and generative AI to finding those new sources of value creation that companies are looking for. And people have been, over the last 18 months or so, experimenting. They have been working with no partners like ourselves and working with our labs and similar such kind of constructs to be able to know from idea, to get to where the impact can really be. Go through that process and now we're getting ready to actually put them into deployment. So over the last six months, we've seen what earlier was the case of just doing proof of value, proof of concepts, to now figuring out, how can we actually deploy and create that business value for businesses. And the other thing is, mostly it was a technology people in the organizations that were leading charge. Well today, that is also true. It's more important for us to recognize that the business leaders who are demanding the true value that AI and generative AI can bring to businesses and therein lies the potential for us to create that value along with our customers. And I say so because if you think about whether it is efficiency led or it is new business value creation. There are many examples that we have really created and taken them to production today,

Nick Ismail

You mentioned the new creation of value. Can you provide any examples of new services, new products that have been created as a result of AI and GenAI?

Vijay Guntur

Yes, there are quite a few sources of new value that you can think about that have been provided to businesses. If you think about marketing, which you are most familiar with, I would think that's where AI and generative AI is creating most impact. Earlier, if you think about marketing campaigns and the efficacy of them, you always have to segment some sort and then target your marketing message to that particular marketing segment, or that particular potential user segment. With AI and generative AI, you can be much more specific. You can actually target each business or each individual and your message can be much more directed to what that person's need is. That's an example of a B2C space where new value can be created. So your click through rates or your response rates, which typically are 2 to 3%. We see today with generative AI can be in the mid teens, which is a big change for marketing organization. And if I look at for a customer of ours, with generative AI today, we are able to actually get the customer to compete in a space where they were a little behind the competition, because now AI and generative AI is able to create content and recommendations that are much more relevant,

much more specific and are able to get higher user engagement and hence better business outcomes broadly. I can give you another example we worked with. It's not any generative example, but an AI example, where we worked with this company which builds cameras. And as you know, cameras, there at least two segments, if not more, of users. One is you, people like you and I, who are using these cameras for an occasional consumer usage of it, but they are professionals who use it so much more regularly, and they are well trained on their products. There's so many different adjustments. Indeed, yesterday, we had a picture taken, and then talking to this photographer, and he would just use a manual camera, because his preference was to now get it right, adjust everything so that requires deep expertise to use those devices. However, with AI, you and I can use these devices in a much more seamless manner, because then it the system has learned what you're trying to do, and it automatically adjusts and sets the camera off up to take those professional, great pictures. So this customer has created now a new business segment called the prosumer business segment that is a consumer who wants professional quality pictures without having to learn all of the stuff a professional would have learned to a consumer. Would like to do that, and with AI, we are able to achieve that new business demand. So it is real.

Nick Ismail
Yeah, absolutely. I mean, even with that example you just gave, that does suggest some sort of impact to professional photographers, because personal or consumers can take professional grade photos. So you think there would be some impact down the line on their profession, on the professional photographers. A key challenge that's been mentioned widely in the media is skills when it comes to AI and the lack of skills, how can organizations that aren't a systems integrator or a transformation park at the end user organizations like a bank or a retail organization, how can they create an AI ready workforce?

Vijay Guntur
You think about it a little deeply Nick because there are two, if not more, categories of people, one people, one is people who have to use these AI systems, right? They need to be trained. Somebody is building that system to deliver the value, but you need to be trained to use the system, right? I think in a retail organization or in a bank, you will have to have people trained up to use Copilots. Think about AI systems, or think about AI induced products. They need to be trained. So that's one kind. They are users of the systems which have AI embedded in some way, or AI infused in some way. Then the second category is people who are building some products or services which have which need AI capabilities. So the first kind, we are calling them people were going to consume AI, consume AI systems. That's a matter of getting trained, prepare the organization, drive the change, create the rationale for that change, and motivate and encourage the organization, do the change management be able to use this AI system that's undertaking in itself. But if I think about the people who need to build these systems, right, whether it's companies like ours, or when you think about end user companies, that's a taller because you then have to have capabilities like that. You know, some companies have done this well ahead of time, including ourselves, where we have built some AI capabilities to develop these kind of sophisticated systems. And these companies will obviously have to invest more to build new age capabilities, whether it is about creating the systems, operating the systems, the models, or the applications, then also sustaining them. Those are new skills that organizations need to build. The earlier start, the better it is. And of course, there's a lot of training interventions that need to happen for those capabilities to come in. I have a very interesting idea which we which we are working with, and we think it will work well is, you know, get people early on to using, to using and developing these AI capabilities. And early on I'm talking about it is even in school, we now have the

ability to teach kids who are in school, maybe data science. Maybe they can learn the basics of models. They can learn know something like data engineering a little ahead in their in their in their schools, in their professional lives, early careers, and that, in my mind, will create a lot more capability in in the in the ecosystem, or the talent pool, the pool of people that we have, obviously we can retrain just like we had with the digital capabilities that I talked about earlier in another conversation, the digital capabilities also had a learning curve that people had to go through. And we meet 25% 20% of the people make that cut, and then those are the people that you take along and get them to develop and use build systems. I think something similar I expect to happen with AI capabilities. The people who are there, there are definitely people who are capable of and are interested in learning those new skills. We provide them those avenues and incentivize teams to build those new capabilities supercritical. And then, of course, you then hire and develop for hiring and developing, it's a broader thing that all of the math and the data science and the data engineering capabilities, those are fundamental to data and AI systems that need to be broadly thought about at how to get those things into the education system ahead of time.

Nick Ismail
Sure and, just finally looking forward. What are your views on regulation? Because at the moment, it is a sticking point finding that right balance between innovation and caution. What are your views on on this?

Vijay Guntur
I think regulation can accelerate adoption. That's the way I think about it, because that brings a lot more trust and confidence in the systems and systems being built that you know, follow the regulation and go through the the rigor of the regulatory requirements, I think that will just create a lot more confidential systems, and people will adopt systems faster. So while I know tech, tech and innovation will be ahead of the regulation, always, it's important for regulation to be there so that people are more confident broadly to use the systems. And I'm very confident that regulation will be very balanced.

Nick Ismail
Vijay, thank you very much.

Vijay Guntur
All right, Nick, thank you very much. And have a good weekend.