Artificial intelligence is coming.
Is your business ready?

CEOs see the potential—and the risks. Our strategist's guide and responsible AI framework can set companies on the right path.

A recent PwC survey of CEOs worldwide conducted in mid-2017 reveals that a majority of top executives agree that AI will ultimately impact every facet of business. But business leaders also express a range of concerns about AI, starting with its potential to disrupt the companies that these executives operate.

How many companies are using AI, and what are their concerns?

Source: Global CEO Pulse Survey, April 2017

Qs: Where are you on your AI journey relative to strategy, planning, and implementing near-term projects over the next five years? Which of the following issues surrounding AI adoption concern you the most?

Bases: 56, 68, 65, 50

24%
are **using AI**

Top concerns
Increasing vulnerability and disruption to the way we do business

27%
are **aware of AI**

Top concerns
Potential for AI biases and transparency of decision-making

28%
are **evaluating AI**

Top concerns
Choosing right areas and tasks for which to implement AI

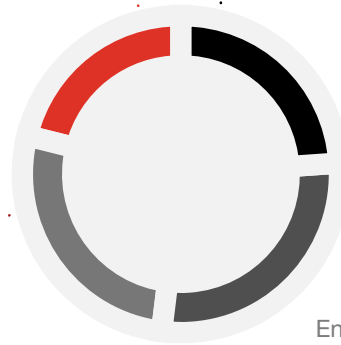Potential for AI biases and transparency of AI's decision-making

21%
say **AI is not a priority**

Top concerns
Ensuring governance and rules to control AI

Increasing vulnerability and disruption to the way we do business

Determining the right AI strategy

Appreciating AI's challenges and opportunities is an important part of setting your organization's course. We have defined four principal ways to apply AI, listed here in order of the simplest to the most advanced application:

Automated intelligence

Improves human productivity by automating manual tasks (e.g., software that compares documents and spots inconsistencies and errors).

Assisted intelligence

Helps people perform tasks faster and better (e.g., medical image classification, real-time operational efficiency improvement).

Augmented intelligence

Helps people make better decisions by learning from past behavior (e.g., media curation, guided personal budgeting, on-the-fly decision analysis).

Autonomous intelligence

Automates decision-making processes through learned behavior without human intervention while also putting controls into place (e.g., self-driving vehicles, full-fledged language translation.)

Determining the right AI strategy

Embedding AI into specific business processes where it can produce positive results is a good place to start. Ultimately, your enterprise-wide AI proficiency could include:

- Defining who will lead and be accountable for AI initiatives
- Identifying people in your organization with AI expertise or going outside your organization to recruit talent
- Determining where AI can add value or address pain points
- Using AI to enhance the capabilities that are most critical to business success
- Improving decision-making and other processes with automated intelligence

A responsible approach

One particular concern of a majority of CEOs (76%) was the possibility that unintended bias could creep into an AI algorithm or decision-making model. What is ultimately needed is a way to mitigate the inherent risks of AI-empowered solutions. It is essential to build trust with users and other stakeholders that such technologies are being operated responsibly and with appropriate controls in place. To work toward that goal, we have developed a responsible AI framework that can help companies ensure appropriate governance of AI. It provides a practical mechanism for ensuring effective monitoring and stewardship of AI outcomes by guiding companies as they:

Establish clear policies with respect to data privacy, decision rights, and transparency	Set up governance structures to monitor possible errors and problems	Develop communications practices to explain AI-related decisions	Study the impact of AI on employment and strive to ensure AI complements human knowledge and expertise

AI offers a vast opportunity for business innovation. Approaching it with carefully considered strategies that incorporate responsibility at every step will position CEOs and the organizations they represent to fully reap its benefits.

For an in-depth discussion of these topics, please see:
A Strategist's Guide to Artificial Intelligence - strategy-business.com/AI
Accelerating innovation: How to build confidence and trust in AI - pwc.co.uk/responsibleAI

For the latest insights on artificial intelligence and other emerging technologies, visit pwc.com/NextinTech