THE MAVEN REPORT

The AI Adoption Blueprint

Generative AI is at the door. Is your house in order?

THE MAVEN REPORT

The Maven Report provides pragmatic, actionable advice from industry experts who have led large teams through periods of serious disruption. Our Mavens believe no business problem is insurmountable if you leverage smart people who know how to harness the power of better technologies.

Meet the Mavens

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20+ years leading technology organizations in leveraging AI and emerging technologies to develop solutions that drive exceptional results for clients and stakeholders.

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30+ year technology entrepreneur, executive and leader building great product and services businesses in AI, cloud, enterprise software, SaaS and more. Generative AI evangelist.

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Jonathan Bumba

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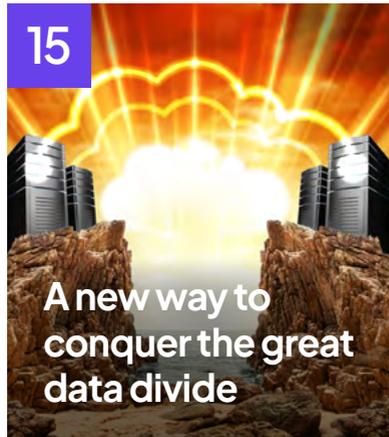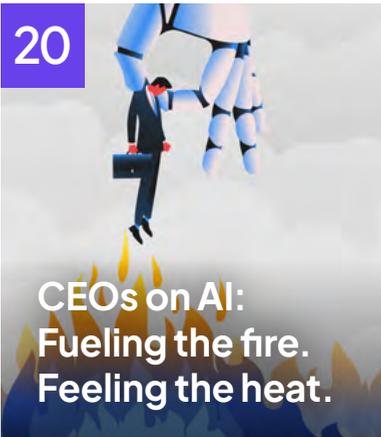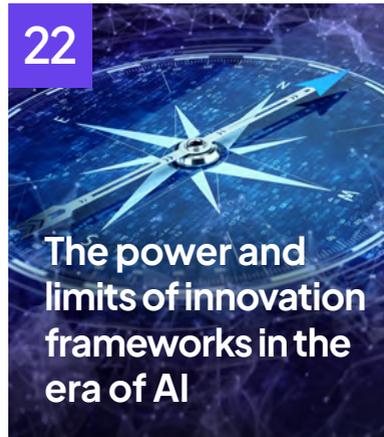First Worldwide Sales Lead for Azure, at Microsoft. Former CMO, Cloud Technology Partners (an HPE company).

Our Mavens come from diverse backgrounds and organizations, and are not compensated in any way for thought leadership contributions to this publication.

In this issue

Editorial Board

Is your organization ready for AI?

Really? A recent IBM survey of over 3,000 CEOs, spanning over 30 countries and 24 industries revealed that a stunning **74 percent of CEOs either agree or strongly agree their employees have the knowledge and skills to adopt generative AI, but only 29 percent of other executives share a similar perspective.**[1]

We are here to help! In this issue, we're focusing on pragmatic and actionable steps you can take to set your people up for success with their adoption of AI. That journey starts on page 3 with the AI Adoption Blueprint, laid out by Sean Mahoney and John Treadway. Whether you're looking for a defined path forward or want to know if you're on the right track, this blueprint can help.

Getting ready for AI may require investing in a modern data platform. Simply put, you cannot successfully leverage AI without IA (information architecture). If you have a mainframe or other complex legacy environments, you likely understand the difficulty of getting access to the right data in the right form to make better and faster decisions. On page 15, Oliver Presland introduces the concept of The Modern, Cloud-Connected Mainframe and shows us how to do both mainframe AND cloud, *better*.

Are innovation frameworks relevant in the age of AI? Bryan Doerr explores this question through the lens of Sawheny's famous "Innovation Radar" on page 22, in the first of a series of articles on how to innovate in the AI age.

What are your innovation blockers? Fixed mindsets and antiquated processes can impede innovation at long-tenured organizations. On page 27, Assurant Chief Innovation Officer Manny Becerra shares some of his company's secrets to staying ahead of the innovation curve for more than a century.

Don't forget your neurodivergent team members (yes, you have them). They are natural innovators—especially when given the support to unleash their full potential. On page 33, Bryony Berry outlines some simple ways to remove the barriers and burdens too often faced by these employees.

And in *Ask a Maven*, Tim Beerman fields a common question: Leaders are thinking about the seemingly endless use cases for generative AI, and you can't do them all—so how do you manage this internal collision of ideas?

What do YOU think?

Last month, we celebrated the first anniversary of *The Maven Report*. As we head into our second year of delivering actionable insights from expert thought leaders, we want to know—what do you think?

Please take a few moments to complete our brief survey at **themavenreport.com**. Your feedback will help us to bring you an even better *Maven Report*.

All the best!
jb

Jonathan Bumba,
Editor–in–Chief

Subscribe:

[1] "CEO decision-making in the age of AI," IBM Institute for Business Value, June 2023.

THE MAVEN REPORT

Generative AI Commitment

An open letter to our readers, disclosing our guiding principles for the appropriate use of generative AI.

At *The Maven Report,* we recognize the transformative potential of generative AI technology in all aspects of the enterprise. As a thought leadership platform, we are committed not only to exploring the power of this innovation in our content, but also to harnessing it ourselves—while remaining true to our core values, upholding the trust our audience has placed in us, and preserving the tenets of our mandate and integrity of our brand.

Our commitment to responsible AI usage—expressed in the following guidelines—reflects our dedication to the highest ethical standards and our determination to build a legacy of trust, innovation and excellence in our industry:

Embrace of the Future: *The Maven Report* will responsibly embrace and adopt generative AI technologies to be more productive and effective in how we develop thought leadership content.

Accountability & Brand Alignment: *The Maven Report* contributors and editors are responsible for their work, even if they employ assistance from AI tools. Any content we publish will align with these guiding principles, as well as *The Maven Report's* mandate, values, brand tenets, style and tone.

Transparency: We commit to being transparent about our use of generative AI in *The Maven Report*. We will openly communicate the role of AI in our content (including text, imagery, audio and video) and ensure that our audience is aware of its application via the following categorizations:

🔒   **Human-generated content**: that which has been completely created by a human without AI assistance will bear this symbol (or in some cases no symbol).

⚙️   **Human + AI-generated content**: that which contains AI-generated elements but with substantial human contribution or editing will bear this symbol.

🤖   **AI-generated content**: that which has been entirely created by AI with little-to-no human editing will bear this symbol.

"In this brave new world, trust means everything. The Maven Report strives to be the preeminent source for pragmatic and actionable advice on how to leverage disruptive technologies to drive better business outcomes. Our readers deserve to know how seriously we take our commitment to both the accuracy and credibility of our content; it is central to our brand."

– Jonathan Bumba, Editor-in-Chief

You can read our complete, up-to-date Generative AI Use Guidelines and Principles at **themavenreport.com.**

The AI Adoption Blueprint

Hype aside, AI adoption is a journey—not a destination. These 10 best practices will help you avoid the pitfalls of tech revolutions and get on the path to sustained growth and success.

By Sean Mahoney & John Treadway

Sean Mahoney
Vice President, Ensono Digital

John Treadway
CEO, AI Technology Partners

Generative AI is here, and everyone wants in—with good reason. From the mailroom to the boardroom, there isn't a corner of the enterprise that couldn't benefit from this groundbreaking technology.

Accompanying this frenzy is an overwhelming sense of urgency reminiscent of the cloud revolution of the early 2000s. Corporate leaders are feeling this pressure from all sides (see "Fueling the fire. Feeling the heat," page 20). And in many ways, timing is of the essence. However, mirroring past experiences, the risks of moving too fast without thorough planning can result in a multitude of costly and damaging issues.

While AI adoption is an unquestionable imperative for every company operating today, doing so successfully requires a balance of ambition, strategy, discipline and action. By implementing the following step-by-step approach, your organization can ensure maximum near- and long-term business impact with appropriate speed and minimized risk.

1 Vaccinate your AI program

Just as with cloud adoption, not everyone in your organization will immediately support an AI program. If left unchecked, skeptics and active resisters can hinder the progress of AI initiatives. Identifying them and addressing their concerns is crucial for the success of your AI adoption. The key lies in early engagement.

Assembling key stakeholders early can effectively inoculate your organization against the virus of skepticism. Consider holding a structured three-day workshop as the first step in your AI Adoption Program (AIAP). The workshop can be an emotional journey for participants. There will be fear, uncertainty and doubt (FUD) about the future, particularly related to job security. As a leader in AI adoption, it's your role to confront these concerns and dispel the FUD.

The AI Adoption Workshop should involve gathering all decision-makers, influencers and stakeholders for three full days. While this is a significant time commitment, consider the substantial investment your AI journey will require—it makes sense to invest time upfront to prevent larger, more costly mistakes later. Depending on the size of your organization and ecosystem, an AI Adoption Workshop could include as many as 25 to 30 people each day, with participants coming and going based on the topic being discussed. Here is a list of roles that should be present:

Executive sponsors – CTO, CIO and CEO, and other executive team members whenever possible

AI outcome (or program) owners – Business units, development teams

Data security and privacy – CISO, SecOps people

GRC – Governance, risk and compliance experts

Finance – Procurement, risk and governance experts

Lead architects – AI and existing infrastructure leaders

Data management – Lead data managers, data architects

IT operations – Leaders, key department heads, networking specialists

Securing commitment for all or part of the AI Adoption Workshop from everyone can be challenging, but every stakeholder's involvement is necessary for a successful AI program. Alignment is the most crucial first step in any major IT initiative, especially one as transformative as AI adoption.

2 Make an "AI-first" commitment

AI-first means that all of your decision-making processes, applications and data strategies should consider AI unless there's a compelling reason not to. Without an AI-first strategy, you are simply keeping your teams tethered to traditional methods while asking them to innovate, solving the business problems you have today without anticipating the ones you may face in the future. This situation often leads to mediocre results as there is no focused dedication to making the changes necessary to reap the full benefits of AI.

The foundation of an "AI-first" commitment lies in answering the question: Why are you moving towards AI? This may appear straightforward, but it's a question that often perplexes leaders. Plan to devote a significant portion of the AI Adoption Workshop to discussing, debating and arguing the merits and benefits of AI adoption. Without understanding why you are moving towards AI, an AI-first strategy can quickly unravel. Team members may pursue different and conflicting paths, unaware of how their actions impact others.

On the surface, AI-first might seem like a bold stance. However, without an AI-first strategy, you won't be able to allocate the necessary resources to fully drive the organizational change needed to make a significant difference. Consider all the attendees needed for an AI Adoption Workshop. AI adoption will affect nearly every aspect of your organization. Therefore, it's more of a strategic direction and leadership initiative than a purely technological decision.

Likewise, AI-first requires a real commitment across the organization. Any initiative without funding and committed programs and resources will struggle to achieve meaningful outcomes; AI initiatives are no different. This commitment needs to come from the top, with executive sponsorship, allocated budgets and board-level buy-in on goals, timelines and KPIs. Without significant investment, visibility and leadership focus, progress is likely to be slow and uneven and employees may not take it seriously.

When an organization truly understands the benefits of an AI-first strategy, proposed initiatives become more compelling and easier to fund.

Alignment is the most crucial first step in any major IT initiative, especially one as transformative as AI adoption.

The successful implementation of AI within your organization hinges on a solid business case. This business case must articulate the value proposition of AI in clear, quantifiable terms.

3 Establish the business case for AI

The successful implementation of AI within your organization hinges on a solid business case. This business case must articulate the value proposition of AI in clear, quantifiable terms. It should identify KPIs and show how AI can enhance those metrics. To help identify the potential value of AI for your organization, ask questions like:

- How can AI improve our products or services?
- Where can AI streamline operations?
- How can AI generate new revenue streams?

Once the business case is established, it's essential to manage AI economics and return on investment (ROI) continually. AI economics refers to the cost-effectiveness of your AI initiatives. It involves understanding the direct and indirect costs of implementing and maintaining AI solutions, as well as the benefits these solutions bring.

Thus, creating and maintaining a robust framework for measuring AI ROI is crucial. Step 9 outlines the process of building this framework, including the costs you need to consider.

On the benefit side, consider factors like improved efficiency, enhanced customer experiences, increased revenue and reduced costs in other areas of the business, and determine how you define success in these areas, too. Put numbers against it, write narratives that help those around you understand what a "point of arrival" will feel like to all and, by any means necessary, quantify what success looks like.

You'll find that costs and benefits often shift from original expectations, sometimes in ways that were unplanned. Review these shifts with executive leadership and ensure that they still represent a worthwhile endeavor. When things change, understand why and begin to steer results in the proper way, leveraging your framework for AI ROI.

4 Establish centralized AI oversight

The adoption of AI will significantly impact your organization, revolutionizing processes that may have remained static for years. For the first time, decision-making processes and operational workflows can be driven by AI, which comes with a mix of exciting possibilities and daunting challenges.

The adoption of AI across the organization has many implications to how business functions operate and govern their activities. Given that areas such as sales, marketing, product and operations are deeply interrelated, this underscores the need for a centralized clearinghouse and coordination function, such an AI steering committee or a full-blown Center of Excellence (CoE). Let's explore this from the AI CoE perspective, though other models may be more appropriate for some organizations.

The AI CoE serves as the central hub for decision-making and communication for your AI program, both internally and externally. It goes beyond being a mere "AI center of expertise"; the AI CoE is a permanent operational and governing body that guides all aspects of your AI program, from the first implementation to ongoing operations.

Members of the AI CoE fall into two categories: full-time and part-time. Full-time AI CoE members are leaders who have daily responsibilities for the successful adoption, implementation and management of AI in your organization.

These include: AI program leadership, technical operations leadership, Chief Data Scientist(s), and data privacy and security leadership.

Part-time AI CoE members are leaders who have a vested interest in the success of the AI program and need visibility into the process. These include:

- Legal and risk leaders
- HR leaders, procurement
- IT Finance
- Board of Directors representative(s)
- AI project owners and business units (business units may have a full-time role for a short duration during their onboarding process)

The agile nature of AI technology and its near-universal applicability completely alter how organizations operate and make decisions. Furthermore, AI-driven environments demand a tighter, more cohesive team to break down silos.

As you are integrating operations, development, data management, risk and finance, you need a central set of processes. These include: project management, technical decisions, project owner onboarding, AI and data science training, risk/security decisions, organizational change management and training, financial governance, operational services and governance, and vendor management.

AI adoption will affect nearly every aspect of your organization— it's a strategic business priority, not a technology decision.

5   Prioritize and pilot AI use cases

Identifying the right use cases is critical for AI adoption. It's essential to analyze your organization's processes and systems to find areas where AI can bring the most value. This involves understanding your business operations, workflows and existing systems in depth. Drill deeper into the areas of opportunity you identified in your business case to see where AI could enhance efficiency, effectiveness or customer experience. Consider tasks that are time-consuming, prone to human error or require sifting through large amounts of data. These are typically areas where AI can add substantial value.

Once you've identified potential AI use cases, prioritize them based on factors such as:

Business impact – How significantly will the use case affect key business metrics?

Feasibility – Do you have the data, resources and technical capabilities needed to implement the use case?

ROI – What's the expected return on investment for the use case?

After prioritizing, select a few use cases to pilot. Pilots allow you to test your AI solutions on a small scale before rolling them out more broadly. They also provide an opportunity to learn and adjust your approach based on real-world experience. In addition to identifying use cases for AI adoption, consider how AI could help you re-envision existing processes and systems. AI isn't just about automating existing tasks; it can also enable entirely new ways of doing business.

As you progress through this process, document your findings, decisions and outcomes. This documentation will provide a valuable resource for learning and improvement. It will also provide a record of your AI journey, helping to demonstrate the value of AI to stakeholders. This process should be methodical and iterative—it's about continuous learning and improvement. As you gain experience with AI, you'll likely discover new use cases, and your ability to implement AI solutions will improve.

Consider tasks that are time-consuming, prone to human error or require sifting through large amounts of data. These are typically areas where AI can add substantial value.

6   Embrace a "Minimum Viable Product" approach for AI implementation

After identifying and prioritizing AI use cases, the next step is to implement AI solutions. We recommend using a Minimum Viable Product (MVP) approach for this implementation. An MVP is a version of a new product that allows a team to collect the maximum amount of validated learning about customers with the least effort. In the context of AI, an MVP might be a simple AI model that addresses a specific use case.

The MVP approach allows you to quickly test your AI solution in the real world. It provides valuable feedback and learnings that can inform further development. Here are the key steps in the MVP process:

Build – Develop an AI solution that addresses your chosen use case. The solution should be as simple as possible while still solving the problem at hand.

Measure – Deploy your AI MVP and monitor its performance. Use the KPIs identified in your business case to measure success. Collect feedback from users.

Learn – Analyze the data you've collected. What worked well? What didn't? How can you improve your AI solution?

Iterate – Use your learnings to improve your AI solution. Then go back to step 1 and repeat the process.

The MVP approach allows you to learn quickly, reduce risk and avoid wasting resources on AI solutions that don't deliver value. It also helps build momentum and demonstrate success early in your AI journey, which can help secure ongoing stakeholder support. Embrace the MVP mindset and be ready to iterate and adapt as you go.

The MVP approach allows you to learn quickly, reduce risk and avoid wasting resources on AI solutions that don't deliver value.

7 Perform an AI security & governance gap assessment

AI introduces a new set of risks that must be managed, ranging from data privacy and security concerns to ethical considerations. An AI security & governance gap assessment involves identifying potential security and governance risks associated with your AI initiatives and evaluating your organization's readiness to manage these risks. Here are some of the risks you should consider:

Data privacy and security – AI models often require access to sensitive data. How will you ensure this data is used and stored securely? How will you comply with data privacy regulations?

Model transparency and explainability – AI models can be complex and difficult to understand. How will you ensure transparency and explainability, particularly for AI models used in decision-making?

Bias and fairness – AI models can inadvertently perpetuate or exacerbate biases present in the training data. How will you ensure your AI models are fair and unbiased?

Reliability and robustness – AI models can behave unpredictably when faced with unusual inputs or changing conditions. How will you ensure your AI models are reliable and robust?

Regulatory compliance – Different industries have different regulatory requirements for AI. How will you ensure compliance with relevant regulations?

Once you've identified potential risks, prioritize them based on factors such as the potential impact of the risk, the likelihood of the risk occurring and related regulatory requirements. This will help you focus your efforts on the most critical risks.

Next, evaluate your organization's readiness to manage these risks. Do you have the necessary policies, processes and tools in place? Do you have the necessary skills and expertise? Where are the gaps?

Finally, develop a plan to address these gaps. This might involve investing in new tools, hiring or training staff, or updating policies and processes. Be sure to include this in your overall AI budget. By proactively assessing and addressing AI security and governance risks, you can build trust in your AI initiatives and ensure they are sustainable and compliant.

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8 Implement an AI compliance framework

As AI becomes more integrated into business operations, it's essential to implement a comprehensive AI compliance framework. This framework ensures that AI initiatives adhere to both internal policies and external regulations.

Here are the key steps in defining and implementing an AI compliance framework:

Understand the regulatory landscape – First, familiarize yourself with the legal and regulatory environment surrounding AI in your industry. This includes data privacy laws, industry-specific regulations and any AI-specific regulations that may apply to your organization.

Define AI policies and guidelines – Based on your understanding of the regulatory landscape, define internal policies and guidelines for AI. These should cover areas such as data usage and privacy, model transparency and explainability, bias and fairness, and reliability and robustness. (See also, "Leveraging your brand as you dive into the technological unknown," *The Maven Report,* Spring 2023.)

Establish compliance controls – Identify controls that will ensure compliance with your AI policies and guidelines. These might include technical controls (like access controls for data), procedural controls (like approval processes for new AI models) and auditing controls (like regular reviews of AI initiatives).

Implement compliance processes – Establish processes to implement and monitor these controls. This might involve changes to your IT systems, updates to workflows or the introduction of new roles or responsibilities.

Train your team – Make sure everyone involved in your AI initiatives understands the importance of compliance and knows how to comply with your policies and guidelines. This might involve formal training sessions, written documentation or one-on-one coaching.

Monitor and audit compliance – Regularly monitor and audit your AI initiatives to ensure ongoing compliance. This might involve internal audits or external audits by third-party auditors.

Review and improve – Compliance is not a one-time task but an ongoing process. Regularly review and update your AI compliance framework in response to changes in the regulatory environment, new insights into AI risks or lessons learned from compliance issues.

By implementing a robust AI compliance framework, you can ensure that your AI initiatives are not only effective but also compliant and trustworthy.

9 Implement an AI cost management framework

Implementing a robust AI cost management framework is critical to preventing costs from escalating and thereby undermining the value of your AI initiatives. This framework should allow for ongoing tracking of costs and benefits and should be flexible enough to adapt as your AI initiatives evolve. Here's how you can do it:

Understand – The first step in managing AI costs is understanding them. AI costs can include data acquisition and preparation, computational resources, software and tools, talent acquisition and retention, training, and change management.

Forecast – Once you understand the different types of AI costs, forecast for your planned AI initiatives. This should be done as part of your business case development process.

Budget – Include your AI cost forecast in your budget. Ensure that you have adequate funding for your AI initiatives. Remember to account for both upfront and ongoing costs.

Track – Implement processes and tools to track actual AI costs against your forecast. This will help you identify cost overruns early so you can take corrective action.

Optimize – Continually look for ways to optimize your AI costs. This might involve improving your data preparation processes, optimizing your AI models to reduce computational requirements or negotiating better terms with your AI tool providers.

Allocate – If your AI costs are shared across multiple departments or business units, implement a cost allocation process. This will help ensure the costs of your AI initiatives are fairly distributed.

Review and improve – Regularly review your AI cost management practices and look for ways to improve. As your experience with AI grows, you'll likely find new ways to manage and optimize your AI costs.

While the upfront costs of AI investment can be high, the long-term benefits—when properly managed and measured—can significantly outweigh them. By implementing a robust AI cost management framework, you can ensure your AI initiatives deliver value while staying within budget.

10 Scale, rinse and repeat

After successfully implementing AI solutions for prioritized use cases, monitoring their performance and validating their effectiveness, it's time to scale these solutions across the organization. Scaling involves extending the use of AI solutions to additional processes, departments or business units. It also involves refining and expanding successful AI models based on what you've learned from your initial implementations and pilots. Here are the key steps in the scaling process:

Review and learn – Before you begin scaling, review your AI initiatives to date. What worked well? What didn't? Use these insights to refine your approach.

Plan your scale-up – Identify where and how you will scale your AI solutions. This might involve extending a successful AI model to new areas or developing new models based on the same underlying technology.

Prepare your organization – Scaling AI often involves significant organizational change. Prepare your organization for this change, which might involve training, change management initiatives or adjustments to roles and responsibilities.

Implement and monitor – Implement your scale-up plan and monitor the results. As always, be prepared to learn and adjust as you go.

Rinse and repeat – Even after you've scaled your AI solutions, continue to look for new opportunities to leverage AI. Keep up with advancements in AI technology and best practices, and continually iterate on and improve your AI models.

Act to serve today's needs, with tomorrow's outcomes in mind.

Implementing AI is essential in today's business environment, but the goal is much bigger than that. By taking a systematic, iterative approach to AI adoption, you can continually learn, improve and create a culture that leverages AI to deliver ongoing value. \\⚙

Elevate your decision making:
IBM's top recommendations in the AI Era

The IBM Institute for Business Value recommends more than a dozen actions leaders should prioritize across five key areas—CEO leadership, metrics and decision making, talent and workforces, technology and data, and ecosystem and partners—to elevate decision making in the age of AI, including:

✓ Make "outcomes over activity" a mantra

Be prepared to terminate projects that are not delivering the intended value, supporting strategic goals, or following ethical guidelines.

✓ Set the rules

Look for opportunities to define standards around sustainability, data security and privacy, and all forms of AI.

✓ Know where your talent is coming from

Recognize potential skills shortages and align top talent to areas most critical to competitive advantage.

✓ Fix data shortcomings

In an era of generative AI, prioritizing data lineage and provenance, customizable proprietary data, and data security is crucial.

✓ Simplify, digitize, and partner to build a resilient enterprise

Leverage open innovation and create new opportunities by connecting external and open data. Build a common platform using open hybrid technology that is consistent, scalable, and optimized for the organization and partner ecosystem.

Source: "CEO decision-making in the age of AI," IBM Institute for Business Value, June 2023.

A new way to conquer the great data divide

Is your mainframe a cornerstone of your IT strategy, or are you considering migrating workloads away from it? Perhaps you find yourself somewhere in between. The Modern, Cloud-Connected Mainframe represents a distinct approach, one that doesn't just improve but harmonizes the synergy between mainframe and cloud.

When enterprise leaders talk about the evolution of their technology strategy, they seldom mention mainframe and public cloud in the same breath. Most organizations have siloed mainframe and cloud teams with little cross-pollination or appreciation of their strengths and the potential to integrate the two.

Oliver Presland
Senior Vice President of Consulting Services, Ensono

According to Gartner, "Mainframes continue to be one of the most critical IT assets but also one of the most misunderstood."[1] These two key technology platforms have been decoupled for far too long. The time has come for mainframe and cloud to play to each other's strengths.

1 Gartner, "Fit Your Mainframe Into Your Modernization Plans," Dennis Smith and Stefan Van Der Zijden, November 16, 2022.

Enter The Modern, Cloud-Connected Mainframe

Unlike "mainframe modernization" (which has several different definitions, depending on who you ask), The Modern, Cloud-Connected Mainframe is a new approach that combines mainframe and cloud for better business outcomes. It's about breaking down the walled garden around the mainframe, making it a first-class citizen within the rest of the enterprise hybrid IT architecture, and unleashing data to flow freely and enable better, faster business decisions.

These two key technology platforms have been decoupled for far too long. The time has come for mainframe and cloud to play to each other's strengths.

Generally speaking, the mainframe excels in applications that demand high performance and maximum uptime for critical business applications while upholding unwavering compliance. Public cloud, by contrast, is typically ideal for applications that require continuous improvement and innovation (i.e., systems of engagement) by providing global scale, greater agility through on-demand services and, when done correctly, far greater economics through automation. Imagine a world where there are no barriers to each application running in the environment to which it is best suited, and all data can be fully utilized. That's the promise of The Modern, Cloud-Connected Mainframe.

System coexistence: The barrier to a connected reality

Modernizing applications and moving them off the mainframe is not a trivial undertaking. Many CIOs want to exit corporate-owned data centers but are often held back by the risks related to a mainframe migration. It also requires a highly specialized set of skills, which are in very short supply. As an example, there are more than 80,000 system integrators in the AWS Partner Network (APN) globally, but only six have the Mainframe Modernization Software Competency.
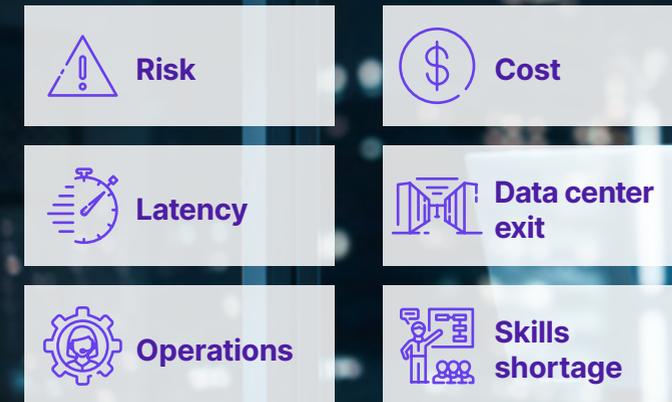
But as time has gone on, more customer/end-user applications or systems of engagement have been built around the mainframe. For example, they enable policyholders to upload a photo of their car after an accident to file an insurance claim, or bank customers to pay a bill through their online banking app. These systems of engagement tend to be written in modern languages and are highly dynamic, meaning greater agility is essential—which makes them more appropriate to operate in public cloud. The challenge lies in the need for these applications to communicate with the systems of record.

Airline systems offer a great example of this. The flight scheduling system might be written on a mainframe, but of course your check-in and mobile boarding pass application should be written in the public cloud. Those two systems need to talk to each other, and often need to do so at scale, with lots of volume or with very low latency. If the application is "chatty," it will require constant communication. If you separate the two—a mainframe in the data center and customer applications in the cloud—the user experience can suffer to the point where it becomes unusable.

CIOs struggle to modernize and migrate their mainframes due to:

- **Risk**
- **Cost**
- **Latency**
- **Data center exit**
- **Operations**
- **Skills shortage**

Latency is a proxy for not just the speed of light and end user wait time while transactions complete. It's also proxy for:

Cost – There's a price tag attached to networking between the mainframe and cloud.

Complexity – Extended networks between the two systems make troubleshooting harder.

Security – Separate systems require multiple layers of security.

6 steps to unlocking the benefits of The Modern, Cloud-Connected Mainframe

Most development teams want to build new features and applications—often in new geographies—to create new sources of revenue. They don't want to be burdened with spending two years just to modernize. The business case simply doesn't make sense.

Fortunately, there's a better way.

The following actions can unlock value from mainframe with cloud, reduce mainframe cost, manage the skills risk and create an operating model for the mainframe and cloud to work better together:

1) Score a quick win with in-cloud mainframe data protection.

Backups on cloud object storage can provide a cost-effective alternative to traditional storage and virtual tape libraries, reducing the number of copies of data held on expensive disks in the data center. Once in the cloud, this data can be placed in a digital data vault that provides protection from backup corruption and ransomware threats.

2) Take one giant leap toward AI readiness by unleashing your most valuable data.

The data residing on the mainframe has immense enterprise value that often goes untapped. Enterprises today cannot innovate with nor monetize their datasets if they are "locked up" on the mainframe. Unleashing this data can

enhance or create new cloud-based digital services for customers and help your organization make better and faster decisions. While this is not a simple task, it does represent your easiest and fastest way to unlock real business value.

Providing mainframe data access through API interfaces enables cloud application developers to consume this data without needing specialized mainframe skills. Replicating specific mainframe datasets and combining them with other business data in cloud enables analytics, machine learning and meaningful artificial intelligence capabilities over time.

3) Move systems closer—because proximity matters!

Moving from the data center to mainframe as a service in a location with very low latency to your established public cloud data center creates several new opportunities.

For example, you can now choose the best endpoint based on the needs of the application, as opposed to what is dictated by the speed of light. This means you can migrate your systems of engagement to the public cloud and talk to mainframe with a low latency connection.

Getting closer to your public cloud environment also enables data center exits. The mainframe no longer keeps you in the data center business.

4) Find a better ally.

Does operating your mainframe differentiate your business? If so, by all means, keep doing it. If not, the benefits of finding the right expert MSP are quite compelling and increasingly harder to ignore.

A recent study by Forrester shows 80 percent of IT executives agree or strongly agree their business has grown at a higher rate since investing with an MSP; 95 percent of them agree or strongly agree their partnership has enabled them to take advantage of more growth opportunities.[2]

A partner who can consistently replenish your departing mainframe experts with fresh, highly trained talent will help you eliminate staffing risk resulting from the "silver tsunami," and one whose expertise (platform, vertical, etc.) aligns closely with your organization's unique profile, needs, goals and environment can shorten the onboarding learning curve, accelerate time to implementation and reduce risks.

Finally, a partner who offers flexible pricing models and terms will enable you to adapt quickly to economic and strategic changes without penalty.

5) Modernize your mainframe and mainframe applications.

You're not done yet! As mentioned earlier, the mainframe exists for a reason and is often the most appropriate environment in which to run your systems of record. Don't treat it like a second-class citizen.

To ensure the greatest performance and resiliency, examine the benefits of running on the latest hardware and software. Convert old COBOL applications to a modern language (Java, Python, etc.) and consolidate databases. This not only helps with future innovation, it also addresses the declining number of people with these skills.

Be sure to automate your test environment with tools that validate functionality before and after conversion. This can dramatically reduce the testing burden on your team.

6) Expand your definition of Automation, Agile and DevOps (they aren't just cloud things anymore).

Modernizing the developer tools used on the mainframe, consolidating code management across multiple platforms, and bringing the enterprise developer community together in a common toolset can increase productivity and reduce time to market with new functionality.

A connected IT environment = BETTER business outcomes

The Modern, Cloud-Connected Mainframe brings a new perspective and opportunities to organizations that have long considered mainframe and cloud as inevitably existing in different, disparate worlds. There are significant benefits to be gained by bringing the two together, making them more accessible to each other, and developing an application and data strategy that combines the best of both. \\🔒

A partner who offers flexible pricing models and terms will enable you to adapt quickly to economic and strategic changes without penalty.

2 "The Total Economic Impact™ of Ensono IT Infrastructure Management Services: Cost Savings and Business Benefits Enabled by Ensono IT Infrastructure Management Services," a commissioned study conducted by Forrester Consulting on behalf of Ensono, July 2022.

Picture a world where applications seamlessly find their optimal homes, and data flows unimpeded, breaking the shackles of location. Welcome to The Modern, Cloud-Connected Mainframe, where all your data is easily accessible, propelling you toward smarter, faster decision-making in the era of AI.

Fueling the FIRE.
Feeling the HEAT.

How CEOs are responding to the demand for accelerated AI adoption.

Generative AI is here, and the pressure is on top executives to start leveraging it across the enterprise—fast. The IBM Institute for Business Value, in cooperation with Oxford Economics, recently surveyed 3,000 global CEOs to take the temperature of organizational leaders facing this unprecedented technological evolution and the attendant push to adopt.

The results—a sampling of which is summarized here—reveal a heady mix of excitement, optimism and decisive forward motion, along with trepidation about the uncertainty and challenges ahead.

75%
of CEOs believe the enterprise with the most advanced generative AI will win, and say competitive advantage depends upon it.

Readiness

A conflict of confidence

CEOs and their executive teams have a different perspective when it comes to confidence in their organizations' in-house AI expertise:

74%
of CEOs agree or strongly agree that their team has the knowledge and skills to incorporate new technologies such as generative AI

29%
of their C-level leaders believe their organization already has the in-house expertise to adopt generative AI

Adoption

Pressure and progress

Virtually every source of influence is compelling CEOs to accelerate AI adoption. They're responding with action.

CEOs are getting pressure to accelerate the adoption of AI from:

66%
THE BOARD

64%
INVESTORS, CREDITORS, LENDERS

55%
EMPLOYEES
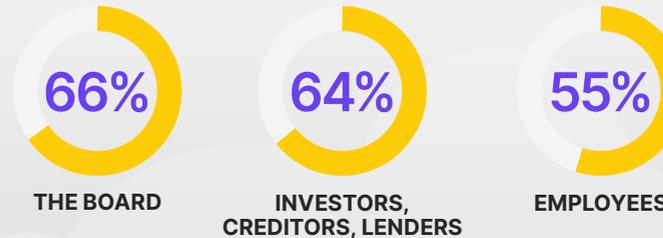
CEOs say their enterprises are already using generative AI:

50%
INTEGRATED INTO PRODUCTS & SERVICES

43%
TO INFORM STRATEGIC DECISIONS

36%
TO INFORM OPERATIONAL DECISIONS

84%
have generative AI use cases completed or under development

70%
have formal business plans for generative AI complete or under development in critical functions

Workforce

Ask again later

There's no question generative AI is going to disrupt the workforce landscape, exactly how remains unclear.

43%
of CEOs say they have **reduced or redeployed** their workforce due to generative AI

28%
say they **plan to reduce or redeploy** their workforce in the next 12 months

46%
report having hired additional people due to generative AI, with plans for more hiring ahead

28%
have assessed the potential impact of generative AI on their workforce

Security

Causes for concern

Generative AI has given familiar dangers new implications and urgency. Balancing speed with caution is a significant challenge CEOs are concerned about:

57%
SECURITY OF DATA

48%
DATA ACCURACY
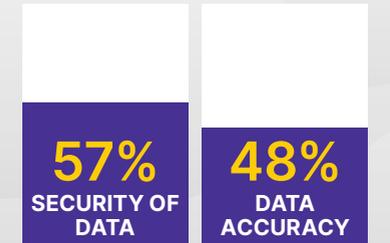
Data

The obstacle is the way

CEOs know that top-notch data standards and quality are essential to successful AI adoption—and that they're not there yet. Data challenges CEOs face to a "great" or "very great" extent include:

41%
Unclear data calculation and reporting across suppliers/partners

41%
Unclear data calculation and reporting in your organization

41%
Difficulty identifying meaningful insights

37%
Inconsistent standards/formats/frequencies across datasets

36%
Poor visibility into data sources and quality

Read the full report:
"CEO decision-making in the age of AI," IBM Institute for Business Value, June 2023.

The power and limits of innovation frameworks in the era of AI

The first in a multi-part series

A time-tested framework has helped organizations drive value and growth for decades. Can it still provide sound direction amid the groundbreaking disruption of generative AI?

As new technologies emerge, society and businesses need to reflect on what they mean in terms of new opportunities and new potential threats. This has always been the case as revolutionary new technologies emerge with the ability to disrupt business—and life—as usual.

Bryan Doerr
Executive Vice President of Product and Technology, Ensono

Cloud computing, and before that the internet, drove the last big technological upheavals. It appears that AI is now poised to make an even greater impact on business and society. The pace of evolution in the AI world is staggering. New tools and enhancements are constantly emerging, accompanied by experts who offer fresh applications and advantages—particularly for generative AI platforms like ChatGPT and others. But the precise impact of these applications is opaque.

That raises some uncomfortable questions for business leaders: Where do we focus? How do we create value for our business from this rapidly changing technology when the direction isn't clear? How do we innovate, and where? In short, how do we manage the collision of ideas associated with AI that risks causing decision paralysis or poorly prioritized effort?

Innovation is the process by which businesses turn technologies into value. Successful businesses use innovation to supplement an overarching market strategy. A classic example is Netflix and Reed Hastings who, guided by a vision of delivering tailored video recommendations, developed predictive algorithms based on past viewing and optimized delivery methods. Netflix invested heavily in innovations related to working with the post office to deliver and return CDs and then, as soon as the technology was available, directed innovation efforts to online streaming. Netflix's innovation efforts were informed by a market strategy, and they continually innovated to increase value.

Often, people and organizations will look at a new technology and ask themselves what they should be doing with it. Where does it fit? What's the potential? But putting technology before strategy turns the innovation thought process on its head, making it very difficult to orient people's minds around a specific vision and create the critical ingredients needed to drive value and growth. Sony's integration of CD technology in its once market-leading Walkman is arguably an example of an innovation that lacked the overarching guide of a strategy rooted in user experience. This approach ultimately created an opening for a more strategic and visionary competitor—Apple, with its revolutionary iPod®—to step into and dominate.

Established innovation frameworks, such as Clayton Christensen's *The Innovator's Dilemma* and Geoffrey Moore's *Crossing the Chasm*, have long been integral way markers for enterprises looking to foster a culture of innovation, promote strategic thinking and drive long-term growth and success. They help define and focus the conversation toward specific categories of innovation: new offers, new solutions, new internal processes, new revenue models or new ways to reach customers. When a new technology emerges, these frameworks can help to align and speed organizational decision-making.

Using an innovation framework can help form a clearer picture of where AI can be used, where it might provide the most benefit, and where to concentrate efforts to maximize beneficial outcomes while fully understanding opportunity costs.

AI is clearly one of those technological waves that needs to be looked at through the lens of innovation frameworks. It has been presented as a solution to almost anything and everything for businesses. Companies need to reflect on all the ways that AI might aid their business and support their strategy, but they need to be focused on the most impactful and beneficial applications of this technology. Innovation funds are limited and innovation efforts, to be impactful, must be focused. Using an innovation framework can help form a clearer picture of where AI can be used, where it might provide the most benefit, and where to concentrate efforts to maximize beneficial outcomes while fully understanding opportunity costs.

Adopting a multi-dimensional view of value creation

Mohanbir Sawhney's The Innovation Radar[1] is one framework that helps to provide this focus. Through the Innovation Radar, organizations can isolate and relate all of the dimensions through which a firm can look for opportunities to innovate using AI. These four key dimensions include:

What – The offerings a company creates

**Who –** The customers it services

How – The processes it employs

Where – The points of presence it uses to take its offerings to market

Each of these dimensions is then broken into twelve categories related to specific business systems or innovation avenues that a company can pursue. These categories are shown in the image below.

The point of this framework is to highlight the many ways a company can innovate. Company leaders don't need to create a revolutionary new product to innovate and grow. Instead, they can find targeted opportunities for innovation across a spectrum of business functions and outputs.

"We define business innovation as the creation of substantial new value for customers and the firm by creatively changing one or more dimensions of the business."

– Mohanbir Sawhney, Robert C. Wolcott and Inigo Arroniz

The Innovation Radar
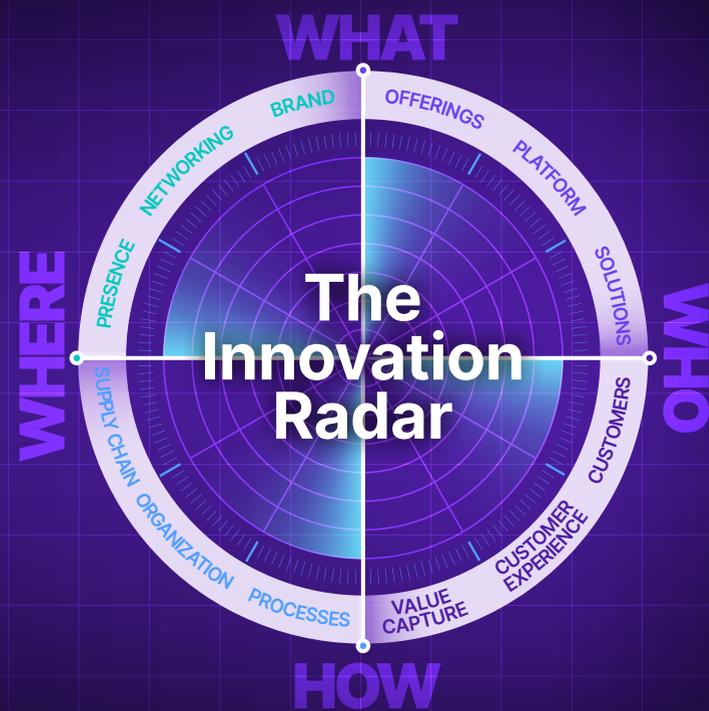
[1] Mohanbir Sawhney, Robert C. Wolcott and Inigo Arroniz, "The 12 Different Ways for Companies to Innovate," MIT Sloan Management Review, 2006.

For example, a company may focus on the customer dimension, with a specific interest in customer experiences and the journey users take from prospect to new client. Through this lens, they can identify and employ AI-based tools—and develop new processes—to help automate, enhance or even remove specific touchpoints within the customer journey to create an overall better experience. AI chatbots can be used to provide 24/7 customer support. Marketing segmentation tools, likewise, can use natural language processing to understand feedback from customers to create dedicated buyer personas and highly-personalized content journeys.

The key point is this: By focusing the conversation around where and how to innovate using AI through this lens of key dimensions and sub-categories, companies achieve a much more nuanced and impactful strategy for innovation and can guide subsequent investment in a more targeted way.

Broadening the definition of innovation with AI

Innovation frameworks are nothing new. Nor is the desire to focus innovative efforts to maximize impact across various categories of the company. We shouldn't reinvent innovation practices to make progress with AI. But we should open the aperture wider and think differently about what types of innovation are possible, where it can be done, and what is needed to innovate across the organization.

In the case of AI, companies need data—lots of it. They need to cleanse data for accuracy, organize it properly, make it accessible, and be ready and willing to mine it for insights and opportunities across the business. Improving customer experiences using AI, for example, requires benchmark data about the current state of the client lifecycle—from initial contact through various channels, to sales engagement, contracting and purchasing, delivery, use and support. Drug trial data, manufacturing history, part performance results, environmental conditions and all manner of business information becomes a competitive enabler. In AI-based innovation, data is fuel. (See also, "A new way to conquer the great data divide", page 15.)

We shouldn't reinvent innovation practices to make progress with AI. But we should open the aperture wider and think differently about what types of innovation are possible, where it can be done, and what is needed to innovate across the organization.

Considering AI through the lens of disruptive and sustaining innovation is also useful. Using Christensen's innovation concepts, the innovations likely to arise from AI technology are, paradoxically, just as likely to be sustaining innovations as a disruptive ones. Smaller companies are usually the disrupters that exploit a new technology, but AI's dependence on proprietary data to be harvested in new, faster ways gives established companies who possess this data the edge if they know how to harness it. Because of that, their innovative efforts will likely be focused in sustaining ways, such as using AI to create new optimization cycle opportunities or fundamentally shifting cost structures for established offers.

But there is also a strong element of disruptive innovation at play here—one based on the democratization of who can innovate, and where. That disruptive element is accessibility.

While the technology is incredibly powerful and complex, generative AI platforms are actually incredibly easy to use. In addition, many public sources of data will be an enabler. Because of these factors, the innovations that emerge will not necessarily be just the domain of product teams and companies with private data. Anyone with access to these tools can find ways to streamline and enhance their own jobs, creating a cascading effect of innovation.

Turning the innovation crank faster with AI

Missing the boat is a real risk and concern, both for established and potential disruptor companies. While AI plays nicely within established frameworks like Sawhney's, the pace and scope of AI innovation is significant. It has the potential to create an entirely new standard of technological progress that will require business leaders to shift their thinking around what technology means to their businesses and how it can be used.

To keep up, companies need to be broad in their interpretation of AI-based innovation opportunities, focused on how they apply those innovations, and expedited in how they roll them out. They must draw insights from their data faster, experiment faster, fail faster and refine their strategies faster. In other words, they need to turn the crank of innovation faster than ever before. This will be a challenge for many businesses. However, as we'll explore in a future article, it's a challenge that AI itself is uniquely suited to help solve.

By focusing the conversation around where and how to innovate using AI through this lens of key dimensions and sub-categories, companies achieve a much more nuanced and impactful strategy for innovation and can guide subsequent investment in a more targeted way.

MAVEN CONVERSATIONS

Building a culture of innovation on a legacy bedrock

An interview with Assurant Chief Innovation Officer Manny Becerra on what it takes for a company founded in the 19th century to keep blazing trails through the 21st.

A long, storied, successful history is an enormous asset for a company in terms of brand recognition and consumer trust. It can also come with its fair share of burdens: rigid structures, risk aversion, entrenched process and complacent attitudes that stand in direct opposition to the openness and agility needed to thrive in an ever-evolving business environment, especially one changing as rapidly as ours.

Manny Becerra
Chief Innovation Officer,
Assurant

With roots that stretch back nearly 130 years, Assurant's legacy bona fides are well-burnished. But the laurels it has earned are anything but rested on. At each step along the journey from 19th century Wisconsin disability insurance provider to 21st century global risk management services leader, the company has consistently anticipated changes in market trends and customer needs and adapted their products, services and strategic vision to be ready for both—right on time, and often well in advance of its competitors. In an industry not known for shaking things up, Assurant stands out. In 2023 it was recognized as one of America's most innovative companies by *Fortune*, alongside the likes of Alphabet, Apple and Microsoft.

For more than three decades, Manny Becerra has been both a witness to Assurant's innovation juggernaut and one of the driving forces behind it. Since joining the company in 1990, he has supported, developed and led many of Assurant's key initiatives and growth engines, including as President of Global Connected Living, Assurant's largest business. Today, as Assurant's Chief Innovation Officer, Manny presides over a team of product and technology leaders focused on driving market-leading innovation for the company's connected world products and enterprise capabilities and fueled by a relentless customer-centricity.

The Maven Report's editorial director Sheila Lothian recently caught up with Manny Becerra to find out what keeps Assurant at the leading edge of innovation, why they've succeeded where other legacy companies have faltered, and where he sees generative AI taking the industry next.

"Innovation has been a core part of our entire journey for over 100 years. Our philosophy is grounded in the idea that you constantly have to look at the *next* world you're going to step into, as the world you're living in continues to evolve, change and maybe dissipate beneath your feet."

– Manny Becerra, Chief Innovation Officer, Assurant

Sheila Lothian: Manny, tell me a little bit about Assurant's innovation philosophy and journey.

Manny Becerra: Innovation has been a core part of our entire journey for over 100 years. Our philosophy is grounded in the idea that you constantly have to look at the *next* world you're going to step into, as the world you're living in continues to evolve, change and maybe dissipate beneath your feet.

I've been with the company going on 33 years. Over that time, we've gone through four, maybe five major evolutions of the core business and how Assurant creates value in the marketplace and generates income for its shareholders. When I first started, the company that would eventually become Assurant was primarily a credit insurance company, which evolved to be a debt protection company. Over time, we've exited businesses that no longer fit with our strategy, such as our health insurance and pre-planned funeral business. And we've entered businesses where we saw an overlap between our strengths and capabilities with market need and opportunity. For example, about 20 years ago, we got into the mobile protection business, and that has evolved with the advent of smartphones and the growth and evolution of the many products and services we would develop to support that market. With the evolution of connected devices and ubiquity among consumers, we continue to introduce new products, services and capabilities. All this has just pushed us to continuously evolve as a company. Today our growth engine is really our Connected Living business combined with our Automotive business.

SL: As an organization with a 100+ year history, how has Assurant overcome the innovation challenges faced by many legacy companies and fostered a culture that encourages, elicits and rewards innovation?

MB: The book *Great by Choice* talks about "productive paranoia"—this feeling of constantly needing to evolve and change and innovate.[1] It's something I noticed at Assurant from the moment I joined. The culture was: *We WILL innovate.* Our CEO at the time was very hands-on with product development and brought his own new ideas to the table. Our mortgage business originally came from him sitting next to somebody on a plane, writing down what the business should be on a napkin, then coming forward saying, "We're going to start this business."

Of course, you have resistance, because there are certain paradigms you have to operate within, particularly when you're dealing with regulated products. So, you do want people in the organization that are guided by certain rules, paradigms and thought patterns. They're going to set boundaries we have to operate within to have a long-term, viable business. But you also need people who are forward-thinking and pushing ahead. You need both. And even with that, you still have to have culture with a bias toward evolving and changing. We've had that as long as I've been here, and certainly prior to that.

I used to use an analogy about coaching kids in soccer: Teach the rules and then let them play. "You have all this field to play in. Be as creative as you want within the framework of that field." One of the things I would ask people leading our product development efforts to do was create some boundaries and then let people free flow within them.

SL: How would you describe the balance between human creativity and technological capabilities in driving innovation within Assurant?

MB: It starts by bringing together the product and development teams. Within those groups, you have to have creative people who want to understand emerging technologies and what they might enable. Product owners can sometimes limit what is possible based on their understanding of what technology exists today. So, we bring the product owners and the technology teams together; it's a collaborative effort and we use that interplay to drive innovation within the organization.

When I ran Connected Living, to complete a strategic plan we would have the regional leaders—who are most connected to our clients and their customers—bring forward their needs. Separately, we would have technology and operations bring forward their perspective on the problems that needed to be solved and the opportunities at hand. And we would bring together our product leaders for a similar exercise. All three groups developed their views of what the strategic plan should be based on their unique perspectives, informed by experiences and research. And then we would bring them all together to collaborate and come up with one vision of where we need to go and how we're going to get there. Each group is going to bring knowledge and perspective that the other groups aren't going to have, or not to the same level of intimacy. Ultimately, this collaborative approach also created alignment to facilitate execution.

Morten T. Hansen, "Three Leadership Skills That Count," hbr.org, October 2011.

SL: How has Assurant used technology to fuel organizational growth and to give customers a better, faster experience?

MB: We use technology to differentiate our products and services. It's an integrated part of what we do. We expect technology to be a critical piece of driving growth.

As one example, AI is the hot topic now. We've incorporated machine learning into our operations for over 20 years. We have a machine learning-based patent that drove the way we interacted with customers and helped differentiate our products and services to create value for our clients.

Today, we continue to invest in technology, and our products and services stretch significantly beyond the traditional role of our heritage as an insurance company. For example, in 2022, we repurposed or recycled more than 22 million mobile devices by repairing, reselling or recycling through certified partners. Our Device Care Centers incorporate highly automated robotics technology to grade and process devices to ready them for reuse. Technology allows us to improve the efficiency and consistency of the services we deliver.

Another thing we've always done is look at other industries that may not be related to ours, but that may inform how consumer expectations are changing, which could impact our business and drive the need for change. When the consumer interacts with us, they expect to have an experience that is familiar and intuitive. The fact that we're delivering a different product doesn't change that reality.

From a consumer's perspective, it's really a beautiful thing in that there's mutual interest in implementing the latest technologies. Customers want efficiency: simple, quick access to answers that are correct. We want the same thing: to create that fantastic customer experience. When you introduce technology to help you do that, you're more successful and more efficient.

SL: What do you see as the key areas of opportunity for generative AI to drive value and efficiency in your organization, and the insurance industry more broadly?

MB: Certainly, we're going to be able to continue to develop and deliver better content for consumers specific to their situation more quickly and through new means. We do things like provide technical support on a wide variety and ever evolving portfolio of products. Our services maintain high resolution rates and top quartile NPS scores. We've created efficiencies around that, but there's still some limitation to an individual's ability to acknowledge, understand and then research to deliver an answer. With generative AI, I think that all gets stronger and better.

One of the areas where we've innovated is in direct marketing. We had actuaries, statisticians, data scientists, decision scientists, etc. working to understand what consumers want and delivering relevant offers. Before, there were limitations as to how much we could customize a solution to a specific customer. Today, with machine learning, generative AI and various platforms we have built, it's possible to be more specific with the products and services we deliver for that individual consumer.

ASSURANT

Assurant Trade-In Kiosk
Another pivotal step on the Assurant innovation journey

The advent of 5G technology ignited an explosion of consumer demand for enabled mobile devices, and a corresponding escalation of trade-ins that created new challenges for both retailers and their clients.

As it has with so many other market disruptions, Assurant anticipated and met the moment, this time with an exclusive strategic partnership and investment in BuyBack Booth, a Robot-as-a-Service (RaaS) company that leverages state-of-the-art self-service kiosks that automate the process to accurately and securely assess a mobile device's condition and trade-in value.

The Assurant Trade-In Kiosk exemplifies Assurant's 100+ year focus on industry-leading solution-oriented innovation designed to continuously improve the customer experience. Cost-effective and easily incorporated into existing trade-in ecosystems, the kiosks enable retailers to offer a seamless, efficient trade-in experience. They free employees to focus on delivering enhanced 1:1 interactions. And they give clients the flexibility to transact in the way that works best for them—online, with a rep or at the kiosk—a fast, easy, satisfying process and peace of mind knowing they're receiving a fair and accurate trade-in valuation of their device.

I think that's really an interesting area to explore, especially with digital interactions. On a face-to-face basis, you don't have the ability to say, "I know these five things about the customer, so this particular solution could be slightly better for them than another." When you start dealing with the customer digitally, you have the opportunity to be more targeted and customized in your consumer-specific solution and the communication that accompanies it.

> **"There's mutual interest in implementing the latest technologies. Customers want efficiency: simple, quick access to answers that are correct. We want the same thing: to create that fantastic customer experience."**
>
> – Manny Becerra, Chief Innovation Officer, Assurant

SL: With more than three decades at the company, you've seen and driven a lot of change. What innovation are you most proud to have supported during your time at Assurant?

MB: There are so many, and many more on the way. I will pick two. I go back to the fact that we were using machine learning 20 years ago to enable a better experience for our customers. Basically, what we were doing was matching customers to individual call center associates based on the associate's propensity to be successful in dealing with that customer. We asked ourselves, if I could match an agent to an individual customer, would it generate a better outcome for the business—cross-sell a product, save a customer? Would our

customers be more satisfied? And would our agents be more satisfied because they were finding greater success? We built it—homegrown tech—and filed a patent for it, and it was very, very successful. I think at the high point it had an 80 percent lift in success rate and no less than 50 percent lift in success rate in any situation where we applied the technology. I thought that was just really cool.

The other innovation that I was really proud of goes back to one of our core protection products. I got a group together and said, "We have all these processes when somebody files a life insurance claim. Let me ask you a question: If we could approve a claim based only on the information provided by the customer, how long would it take us to just pay the claim?" And the answer was, you could almost do things instantaneously. Somebody could just say, "Hey, I have a policy, I've had a loss, and you owe me whatever amount of money," and we could say, "OK, here's the money."

Of course, following a loss, people don't always have all the information required and some claims are more complex than others, but for those that are straightforward and complete, they can be approved and paid out right away. And what an incredible customer experience is that?

We got to the point where 60 to 70 percent of customers could just be approved on the phone, at the moment. I remember one of the first calls from a customer that somebody recorded and shared with me. The customer said something like, "That's it? I don't have to do anything? How is that possible??" For us, it was groundbreaking, and I was proud of it because we were truly going back and trying to address the customer's pain point and our role in solving it.

Targeting innovation? Champion neurodiversity.

The skillsets your neurodivergent employees bring to their work are uniquely suited to the demands of the moment. Make sure you're providing the environment and support they need to flourish.

The business case for a diverse and inclusive workforce is strong and well-established.[1] From increased loyalty and retention to improved financial performance, organizations win when their workforce reflects a broad range of experiences, abilities and perspectives, and encourages their expression. But one thread in the diversity tapestry can sometimes be overlooked or underappreciated, despite its enormous potential for positive contribution: neurodiversity.

Bryony Berry
Lead Consultant & Business Strategist, Ensono

Neurodiversity is an umbrella term that encompasses autism, ADHD, dyslexia and a host of other cognitive differences. With an estimated 15 to 20 percent of the population presenting as neurodivergent (myself among them), your workforce is just about guaranteed to have neurodiverse individuals within its ranks. The likelihood is even greater in tech organizations, where the natural

[1] Sundiatu Dixon-Fyle, Kevin Dolan, Dame Vivian Hunt and Sara Prince, "Diversity wins: How inclusion matters," mckinsey.com, May 19, 2020.

skillsets and superpowers neurodiverse people possess—analytical thinking, hyperfocus, attention to detail, pattern recognition and an affinity for repetitive tasks, to name just a few[2]—are precisely what so much of the work calls for.

Neurodivergent individuals follow tech icon Steve Jobs's imploration to "think different" *by definition*. In an industry where things are changing at a dizzying pace and the old ways of solving problems just aren't working, that is an invaluable asset. Writing in CIO Journal, Sovos CTO Eric Lefebvre said, "Being neurodiverse has been a huge competitive advantage in my technology career. The ability to pivot fast and hyperfocus are strengths, not weaknesses, and a leader that can do both effectively is an asset, not a liability."[3] Another neurodivergent tech leader, software developer and Mentra CTO Shea Hunter Belsky, says that being autistic allows him to zero in on solutions to ill-defined tasks. "I can make connections and identify patterns that often go unmissed and architect the solutions."[4]

The conspicuous cost of invisible adaptation

The fact that you have neurodivergent talent doesn't necessarily mean they've identified themselves as such or, even if they have, that they're being recognized and receiving the accommodation that would enable them to work at their best. That's a problem.

Neurodivergent people can and do adapt to a world designed for neurotypical people. But that adaptation comes at a cost: to their own wellbeing in terms of anxiety and stress, and consequently, to any organization or aspect of the business they're contributing to. All that effort spent adapting drains energy away from applying the unique skills and superpowers neurodiverse people bring to the table. The best athlete in the world isn't going to bring as much to their team if they have to climb over the stadium wall to get to the field.

A recent Wiley/Edge study found 50 percent of younger tech workers report feeling uncomfortable at work because of their gender, race, ethnicity, socio-economic background or neurodevelopmental condition,[5] a scary number for tech organizations whose staff is starting to age out of the workforce.

As culture becomes more aware, understanding and accepting of neurological differences, the demand —explicit or perceived—for employees to hide or adapt them is becoming decreasingly tolerable, especially among employees who have come of age in an era of inclusivity. Fortunately, more and more companies are taking a proactive approach to understanding and serving the needs of their neurodivergent team members, welcoming new ones with open arms, and carving out a significant competitive advantage for themselves in the process.[6]

If you build it, they will come, stay and thrive

If you don't want to witness a mass migration of some of your most forward-thinking, innovation-minded talent, you may want to evaluate the practices and policies within your organization and teams. Chances are, you already have the building blocks in place to quickly facilitate a more neurodivergent-inclusive work environment that delivers benefits for all. With a thoughtful, intentional look at existing structures, policies and tools, and possibly the addition of some new ones, you can create a workplace that takes the pressure off neurodivergent employees to adapt and conform and replaces it with the empathy, understanding and freedom they need to lean into and fully unleash their gifts.

Protect the power of asynchronous work. The pandemic-accelerated transformation of the workplace has in many ways been a boon to neurodiverse professionals. The ability to work remotely some or all the time, in a comfortable, already-adapted environment, reduced social occasions, and the ability to work asynchronously— i.e., not necessarily in concurrent timeframes—mitigate or remove many of the barriers to focus and productivity.[7] Channels such as Microsoft Teams, Slack, etc. enable fast, targeted communication and collaboration when it's needed, but they also allow people to stay "in the flow" if they are engrossed in a specific task—a common superpower of people with ADHD and autism.[8] This enormous benefit collapses, however, when the always-on nature of these channels creates a climate of constant interruption and the expectation of immediate responsiveness.

Setting reasonable top-down rules of engagement for collaboration and communication channels that sanction periods of uninterrupted focus, and empowering neurodiverse—and, for that matter, all team members—to maintain and enforce them without fear of reprisals can ensure work moves forward and gets done both on the timeline the business requires, and in the way that best suits those doing it.

The power of bionic reading

Are y**o**u **find**ing **y**our **ey**es **fly**ing **th**rough **th**is **sent**ence? **Bio**nic **read**ing **inv**olves **select**ively **bold**ing **o**r **highli**ghting **th**e **init**ial **chara**cters **o**f **wo**rds **wit**hin **th**e **bo**dy **o**f **tex**t, **mak**ing **i**t **eas**ier **fo**r **read**ers **t**o **gra**sp **th**e **struc**ture **a**nd **mean**ing **o**f **sent**ences **a**t **a gla**nce. **Th**is **innov**ative **tech**nique **capita**lizes **o**n **th**e **brai**n's **nat**ural **tend**ency **t**o **recog**nize **pat**terns **a**nd **proc**ess **inform**ation **holist**ically. **B**y **empha**sizing **th**e **begin**nings **o**f **wo**rds, **bio**nic **read**ing **prov**ides **vis**ual **cu**es **th**at **ai**d **i**n **rap**id **wo**rd **recogn**ition. **Fo**r **neurod**ivergent **individ**uals **su**ch **a**s **tho**se **wi**th **dysl**exia **o**r **ADHD** **wh**o **ma**y **exper**ience **chall**enges **wi**th **tradi**tional **read**ing **meth**ods, **bio**nic **read**ing **red**uces **cogn**itive **loa**d, **minim**izes **vis**ual **distr**actions, **a**nd **enha**nces **over**all **compreh**ension.

As **a de**veloping **tech**nology, **applic**ations **th**at **supp**ort **bio**nic **read**ing **a**re **limit**ed, **a**s **i**s **rese**arch **valid**ating **it**s **effect**iveness. **Bu**t **th**e **posi**tive **anecd**otal **exper**iences **o**f **ma**ny **wh**o've **us**ed **it**—**o**ne **Twit**ter **us**er **sa**id **i**t "**f**eels **li**ke **fina**lly **unloc**king **10**0% **o**f **yo**ur **br**ain"—**sug**gests **bio**nic **read**ing **ma**y **b**e **zoom**ing **tow**ard **th**e **main**stream. ⚙

Did bionic reading make it harder or easier for you to process this content? Tell us at themavenreport.com.

[2] Nancy Doyle, "Neurodiversity at work: a biopsychosocial model and the impact on working adults," ncbi.nlm.nih.gov, September 2020.

[3] Eric Lefebvre, "Embracing neurodiversity in IT for competitive advantage," cio.com, July 28, 2023.

[4] Perri Ormont Blumberg, "Neurodiversity adds to the workplace, as these successes show," New York Post, June 11, 2023.

[5] "Diversity in tech and its role in future equality," Wiley Edge, September 2022.

[6] Robert Austin and Gary Pisano, "Neurodiversity as a Competitive Advantage," hbr.com, May-June 2017.

[7] Ludmila N. Praslova, Ph.D., "Neurodiversity, Talent, and the Promise of Hybrid Work," psychologytoday.com, March 22, 2022.

[8] Annie Dupuis et al., "Hyperfocus or flow? Attentional strengths in autism spectrum disorder," ncbi.nlm.nih.gov, September 16, 2022.

Keeping collaborative workshopping spaces such as Lucidspark, Miro, etc. open and accessible offline after the live session is another way to engage and support neurodivergent team members. Enabling people to revisit and contribute to boards over time can bring more folks to the table, allow space for thinkers to add their insights at their own pace, and give everyone space to "listen" and absorb others' ideas and have them pollinate unique thoughts of their own. This approach is also great for longer term planning, big picture or strategic thinking, and market or competitor analysis.

Measure on outputs, relax on inputs. More broadly, if people know the endpoints they need to get to, the routes they take to get there can vary with no loss to the business while enabling teams to really bring the best of each member to the work at hand. Allowing individuals and teams to establish their own practices and processes, update methods and collaboration tools, etc. that best suit the people contributing removes the pressure to adapt and conform to extraneous standards. Include discussion and review of these as part of the standard setup and ongoing evaluation of ways of working.

This doesn't need to be applied universally; not having shared systems and processes for various HR-related tasks, for example, could make things unmanageable. But try to think about defining standardized processes only where they add value directly, not where "many routes to one goal" would be just as beneficial.

Enable and encourage visual communication. A picture is worth a thousand words, and for many neurodiverse people it is the preferred way to communicate their big-picture system thinking: to show the links they see between things that others might not see, or to share their unique framing that can help others see a challenge or

issue from a different angle. Research suggests that both neurodivergent and neurotypical people may process and remember visual information more easily than verbal content. Providing tools and training for people to use visual modeling tools, embracing the use of icons, and even memes and GIFs, can make mixed media communication easier for everyone and more widespread, and empower people who feel more comfortable using it to do so.

Of course, not all messages can be communicated visually. But even text-based communications can often be simply adapted to support the needs of neurodivergent audiences. Taking care to break up dense multi-sentence paragraph blocks into more digestible chunks focused on a single point, formatting text so key points clearly stand out, and bulleting action items are all easy ways to make information more consumable and impactful for everyone on the receiving end.

Enlist assistive technology

A variety of hardware and software solutions provide simple, powerful and immediate ways to support neurodivergent employees. Noise-canceling headphones can help those with sensory sensitivity to stay focused and on-task, and speech-to-text or text-to-speech programs can dramatically ease communication challenges for people with dyslexia. Bionic reading applications can make it far easier for people with ADHD to ingest a large volume of text quickly and with full comprehension. Mind mapping programs support visual thinking and ideation. The list goes on, and so do the benefits.

Making tools like these available and easily accessible, and encouraging their use, will remove unnecessary barriers and burdens from neurodiverse employees and enable them to work at their best.

> In a world where innovation drives success, championing neurodiversity isn't just an ethical imperative; it's a strategic advantage.

Create a community

Neurodiverse employees exhausted by years, maybe even decades of hiding or subordinating their differences need a clear message from employers that they are seen, welcomed and embraced for exactly who they are. Establishing an Employee Resource Group, or ERG, that acknowledges, discusses and celebrates diverse skills and ways of thinking does exactly that (our group here at Ensono is called Beautiful Brains). And it provides a safe space for neurodiverse people, or people who feel they might be neurodivergent, to share and discuss challenges, superpowers and things that help them.

While maintaining that space's safety is critical, the benefits often extend beyond its immediate borders. Empowering neurodiverse people to share their ways of doing and seeing things can be contagious and embolden the whole community to try different approaches, explore their creativity in different ways and take

risks with their thinking. For example, adopting the more data-centric, less emotional analysis of many people with autism can be a great way to avoid confirmation bias. Taking more time over decisions and information processing, which is often preferred by people with dyslexia, can help us all to use "type two" or "slow" thinking. And sharing the confidence to handle uncertainly and move between possibilities—a superpower of many of our colleagues with ADHD—can reduce anxiety for others who may find a lack of a clear direction stressful, and help them move forward without a pre-defined direction.

In a world where innovation drives success, championing neurodiversity isn't just an ethical imperative; it's a strategic advantage. Supporting the professional fulfillment of your neurodivergent employees and the continuous growth of their innovative capacities will enrich every dimension of your organization and accelerate your path forward.

Managing the collision of AI ideas

Dear Mavens,

Generative AI has kicked up a storm in my company. I am inundated with requests and recommendations from all sides for tools, apps and platforms. Many of them sound great and would solve real business problems, but we just don't have the bandwidth or, frankly, the funding to implement everything for everyone. Any guidance for dealing with this onslaught?

Alan R., CTO, Atlanta

Hi Alan,

Like countless other organizational leaders right now, you're struggling with what my colleague Bryan Doerr, in his article on page 22, refers to as "managing the collision of ideas" sparked by generative AI. Unlike previous tech revolutions, the democratized nature of generative AI makes it accessible to everyone in the organization versus a specialized, siloed few, and applicable in every business function—which means more ideas coming more quickly and from more sources than ever before, and more competition for attention as well as resources.

Both Bryan's article and "The AI Adoption Blueprint" by Sean Mahoney and John Treadway (page 3) offer excellent perspectives and guidance on the larger question of how to approach AI adoption, and I highly recommend you read both. The blueprint, in particular, is going to give you a structured, detailed, step-by-step strategic approach that will set your company up for long-term success. However, building out the teams and processes outlined there does take time and effort, and the flood of requests and demands isn't likely to stop while you're doing it.

In the meantime, the following streamlined approach can help you separate the signal from the noise, meet business needs and score some quick AI wins, without inadvertently draining resources or opening your company to undue risk.

1) Create and disseminate internal AI usage guidelines

If you haven't already published some kind of AI usage guide for your teams, take this critical first step as soon as possible. People in your organization are almost certainly already using generative AI tools. That's a good thing—you want your teams enabled to use this groundbreaking technology—but you also want them to fully understand the cautions they need to take. Establishing clear rules and guardrails early on will help people develop good AI usage habits and is key to minimizing risk. This can be a living document that evolves and expands over time, as new technologies come online and new learnings emerge. (See also, "Leveraging your brand as you dive into the technological unknown," *The Maven Report*, Spring 2023.)

2) Build mechanisms to collect, present and evaluate potential use cases and benefits

Until you have more formal structures and processes in place, a simple online form can function to capture ideas and requests, and a small steering committee can serve as an interim evaluating body. The form questions should be specific and challenging enough to produce a fairly complete business case for adopting the proposed application—and make it easy to filter out obvious non-contenders. The evaluating team should have a very clear and aligned understanding of your business priorities and goals, as these will serve as the criteria by which ideas are considered.

3) Vet each viable use case through the triple lens of harm prevention, cost optimization and revenue opportunity

Generative AI use cases are generally going to fall into one of three categories:

- Applications for internal workforce usage
- Applications integrated into foundational models
- Applications that can enhance existing platforms

While you likely have needs on all three of these fronts that could be effectively addressed by generative AI, assigning some level of prioritization to each of these categories, if possible, can be a helpful first step in determining whether and how much to invest in a given application.

From there, every proposed AI solution should be rigorously subjected to three questions:

What risks does it present to our brand, clients and/or associates?

The risks associated with AI are very real and can be hugely damaging. A thorough consideration of how a proposed application could make any aspect of your business vulnerable, and what level of risk you're willing to assume, is essential.

Will it help us maximize current spend?

From accelerated employee productivity to improved decision-making and accuracy, AI applications hold great potential to help you leverage existing resources to derive increased business value.

Will it drive future growth?

AI applications may serve as a powerful growth engine by enabling you to evolve current services to add more client value or even build out entirely new revenue-generating capabilities.

Any green-lit generative AI application will need to reflect a balance of these three factors. Getting that calculus right requires deep understanding and alignment among the decision-makers on business needs and goals. You're far from alone in having limited funding for generative AI investment. Decisions will always have to be made; that's easier to do and defend when they're driven by established KPIs.

We're all still at the very beginning of the generative AI revolution. Excitement is running high, and there's a lot of pressure on leaders to act. Applying this simple framework in tandem with building out a broader and more robust adoption strategy will help you sort through the volume and variety of ideas about what you *could* do with generative AI to discern what you really *should* do to best serve your people, clients and business outcomes. \\🔒

Tim Beerman

Chief Technology Officer, Ensono

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