Digitization on Boards 7th Edition

# High Performance Insights

## AI, Leadership and the Emergence of the CAIO

Amrop explores the impact of AI on corporate strategy and leadership, and the context in which the role of Chief AI Officer is emerging.

Amrop

EXECUTIVE SEARCH | LEADERSHIP ADVISORY | BOARD SERVICES

Leaders For What's Next

# Contents







Amrop

Amrop

# Foreword

AI is reshaping the future of business, serving as the engine that powers transformative technologies to redefine operations, customer engagement, and value creation. By harnessing machine learning, natural language processing, and computer vision, organizations are not merely adapting to the digital era - they are revolutionizing their strategies to remain competitive, innovative, and resilient in the ever-evolving digital landscape.

AI is a game-changer in enhancing efficiency and productivity, automating routine tasks and empowering employees to focus on complex, strategic challenges. Its unparalleled ability to deliver personalized experiences enables businesses to craft tailored products, services, and interactions, fostering deeper customer loyalty and satisfaction.

Simultaneously, the rise of AI is fundamentally remaking corporate strategy. More than a tool, AI is a strategic imperative - a once-in-a-generation opportunity to redefine industries and outpace competitors. As AI-driven transformation accelerates, corporate leaders must navigate its implications for the workforce. This includes integrating generative AI capabilities, reskilling employees, and embracing the democratization of technology. Soon, every professional will have access to an intelligent "co-pilot" embedded within mobile devices and IT systems, fundamentally changing the nature of work and collaboration.

To lead in this AI-powered era, organizations must champion innovation, empower their workforce, and boldly embrace the future.

In our latest report, Amrop's Global Digital Practice examined the leadership competencies essential for successfully integrating AI into organizations, as well as strategies for developing these skills.





Amrop

This analysis references Amrop's Digital Competency Model and delves into the profile of the Chief AI Officer (CAIO) in the chapter The Role of the CAIO – Chief AI Officer. It also explores other AI leadership roles, drawing on concepts developed by Job Voorhoeve (Amrop Netherlands) and Oscar Garcia-Velasco (Amrop Spain). Additionally, the study offers business insights into how AI is reshaping leadership responsibilities for CEOs, Chief Revenue Officers (CROs), and Chief Technology Officers (CTOs).

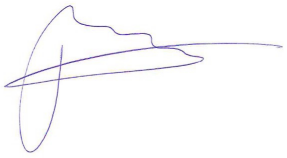
We invited CEOs/GMs from midsize, PE-backed, family-owned and other companies, to share their real experience in leveraging AI strategies for their organization and customers.

We analyzed and compared interviewees' insights in four areas:

1. AI tools introduced or used for both internal operations and customer solutions. Criteria for selecting specific tools, current outcomes (such as problems addressed, competitive advantages gained, increased efficiency, and business results), and the status of internal adjustments (including responsibilities, decision-making processes, and how choices are made regarding these tools).
2. The impact of AI on leadership skills, asking what competencies are needed or lacking, and what changes are necessary within the team. Responses were reviewed using Amrop's Chief AI Officer profile and Digital Competency Model, focusing on leadership challenges, skill requirements, hiring practices, expectations, support areas, and approaches to AI and digital leadership. Are the companies planning to hire a dedicated member of the leadership team for AI-related business strategies, or will current CIO/CTO/CDOs be upskilled to meet AI needs? Additionally, will leadership services be sought (and for what services in particular) to evaluate and train management teams?
3. How are their organizations experiencing AI's disruptive effects, and what are their expectations? Are they themselves becoming catalysts for disruption with innovative AI-driven products and services? What are the broader implications for the workforce, product offerings, and organizational strategies?
4. The future of AI tools in their organizations and their industries: general perspective and potential disruptive impacts by (new) competitors on their organization and market.



Best regards,



Job Voorhoeve
Leader of Amrop's Global Digital Practice



Amrop

# Participants

**Rodrigo Helcer**
Founder, STILINGUE
(acquired by Blip.ai)

**John Sharp**
Founding Partner,
Hatcher+

**Daniel Boese**
Member of Executive
Management Board, ebm-papst

**Geert-Jan van der Snoek**
CEO, Sdu and Board Member,
Lefebvre Sarrut SA

**Vladan Atanasijevic**
former COO, Comtrade Group,
Adriatic Region

**Mariusz Ziolkowski**
Vice President Poland and
Southeast Europe, TD SYNNEX

**Emilia Tantar**
Chief Data and Artificial
Intelligence Officer, Black
Swan LUX

**Simo Dragicevic**
Founder, BetBuddy

**Alex Trott**
Managing Director - Data and AI
Lead, Australia & New Zealand,
Accenture





Amrop

# Interviews with CEOs and Tech executives of PE-backed, family-owned and other companies





Amrop

# Interview with Rodrigo Helcer, founder of STILINGUE, by Paulo Aziz Nader, Partner at Amrop Brazil

**Paulo Aziz Nader:** To start off, what do you envision for the future of AI tools, and do you see differences across industries? What effects do you think AI will have, both positive and negative?

**Rodrigo Helcer:** I have worked with AI since 2014 when we started our company here in Brazil. When you talk about AI it's like talking about the field of medicine – you have many different types of expertise and specialization. We came from the area of Computer Linguistics and Natural Language Processing, which, coincidentally, are at the root of Generative AI and current technology, which is making all these conversations around the world take place. What changed significantly in a practical way is that the work and the effort to train a model, the effort to teach a machine to do something, changed massively. There's "machine learning", but I'd like to talk a bit also about "machine teaching" – because for the machine to learn you need to teach it. The effort it takes today boils down almost to merely writing a prompt – and that makes room for an explosion of use cases.

**Paulo Aziz Nader:** Could you share your observations from the past couple of years in this space and your overall perspective on AI in organizations?

**Rodrigo Helcer:** There were things we were able to do in the past but not as fast – and not as cheap as we have access to today. We used to supervise the learning and had to give several examples and information to the models we were training; nowadays we call it "zero shot" learning. Another large practical change relates to access to this technology. Five years you needed to have a team of scholars and software engineers to develop AI. Today you pay a few dollars and it's done. There's a trend that emerged side by side with AI - the low-code/no-code trend; most software developers realized that we should be making code for non-software people – so how can I make code to use or customize which you don't need to know how to code? So, today we are seeing a boom in tools which enable people to create AI models, low-code/no-code. In simpler use cases you may not even need to have that team of scientists and engineers anymore – this team is now tackling much harder problems – ones in the foundation and the structure of software, and no longer at the software application level.

**Paulo Aziz Nader:** And what about the evolution of companies, which need to catch up too? What have they done to adapt and how do you see them evolving in the future?

**Rodrigo Helcer:** Today we are entering a new wave of Generative AI, while 2023 was the year of experimentation. Companies which grasped this opportunity started to experiment, to test & understand possible use cases of this technology. Now we are seeing some companies, which were lagging last year, starting to do it this year. However, this second half of 2023 marks a new stage of applications - of real, practical use cases in scale.

"The successful use of AI tools - it's not magic, it's management!"





Amrop

I think in this last half of 2024 and entering 2025 we can expect a real boom in use cases – new companies, new software, new features. A software product, even when it is done in a very, very fast and lean way, takes six months to a year to develop – so the new products and features derived from Gen AI are expected to tsunami the market from now on.

**Paulo Aziz Nader:** The question which gets asked a lot concerns AI's impact on jobs. Do you see any developments regarding this too?

**Rodrigo Helcer:** The concern is definitely there but in my opinion it's a misconception because the impact of AI is not on jobs, but on skills (and its derivation of tasks). Our worry or, better, opportunity should be around the automation of what I call "the mono challenge" – because monotony, skills and tasks that are monotonous, that don't give us any joy, are the ones that will be given to machines, automated. Also, "mono" for jobs that are "mono skill", with a glass ceiling in one of few tasks. For example, if you work with translation, and your only job is to translate, you will lose out to the machine. But if you, on the other hand, work with diplomats, and you need to add sensibility to the translation, the tone of voice and so on, the technology will only make you stronger, it will become your co-pilot. It will automate the task that didn't exactly have that main value that we maybe thought it had. And augment your job. So, to identify opportunities and risks, we should not look at jobs but at the skill level. Another "buzzword", which comes up a lot when we talk about "skills" is "upskilling". There is an urge to upskill, which all companies are talking about. We have seen that digital savvy has not permeated through the whole companies, and that's not negotiable anymore. There's a phrase that characterizes it: machines will not substitute men, but men with machines will substitute men. So, if you don't, as a manager, invest in upskilling yourself and understanding this new toolbox you have, and how to use it, you will be obliterated. But if you approach it seriously, you will be stronger. The problem when it comes to technology is not with top or bottom level of talent – it's with the mid-level. The top talent will gain much more power and resources to do what they already do best even better. The lowest-skilled talent will also benefit from more access and ease of use with technology – it will bring them closer to the average. And the people who possess average skill levels will now have a problem competing with them.

So, what remains as one of the most important skills in this new configuration of man and machine, is one's capacity of directing – giving direction. You need to see the desired end-product and know how to get there using the right tools – the abilities of both man and machine. Without the skill of directing, you're only executing.

**Paulo Aziz Nader:** What mistakes do people/companies tend to make when it comes to introducing technology and using AI?

**Rodrigo Helcer:** There's a classic mistake working with AI generally. There's a case from some years back where some operators automated stock exchange trade operations using data that came from Twitter. A hacker hacked the associated press profile and said that there was a bomb in the White House. Because of that, the algorithmic trader lost billions in minutes, creating a huge mess. Who is responsible for that? It's not the algorithm because it's not a person – it's code. The person responsible is the one who delegated the job to it and didn't supervise it. That's the kind of thing that happens when you over-trust, lack responsible supervision and don't put the right guardrails to avoid mistakes. You don't delegate a make-or-break decision to your student intern. We sometimes seem to be confused – to think that magic exists. But it's not magic, it's management. We're sometimes too enthusiastic about giving the power to decide on a group of codes, which is something we shouldn't do. There's a school of thought when it comes to AI where the belief is that the future is not one of robots – but instead a future of augmented intelligence. Kasparov didn't lose a chess match to a machine but to a machine with dozens of scientists behind it training it. He then went on to create a type of freestyle chess where a human and a machine plays against another human and a machine. I believe in a future of men and machines as co-pilots rather than autopilots. And all autopilots should come from co-pilots which have been tested so extensively that they can then be trusted. We should be really careful and responsible, skipping this step and jumping right to autopilot.

**Paulo Aziz Nader:** With this co-pilot augmentation, do you think that there would be changes in organizational structure, or will it just be an enhanced version of what we have now?

**Rodrigo Helcer:** I've not thought about it in terms of organizational structure yet, but I've thought about it in terms of size. The first thing that comes to mind when talking about automation is always about cutting costs, reducing the size of the team. But it might not be true and depends on the market you're addressing. If you have a market with a large total addressable market that can take the growth of your output which you now generate with the same size of the team, you, of course, do it, rather than reduce. Today product roadmaps have lots and lots of parked ideas that are waiting to be developed – when you bring AI to coding, you can gain between





Amrop

30% to three times the productivity of a software engineer. If you have an amazing product roadmap backlog you will keep your talent. If you're in a saturated market and in competition for margins, you'll have job cuts. It depends on the industry and market size.

**Paulo Aziz Nader:** We often talk to boards and CEOs about hiring leaders. There's now lots of talk among board members about who should be the next leaders in the age of AI. How would you advise them? What will make a good CEO and also good C-level leaders for the AI age?

**Rodrigo Helcer:** The first step, which is very simple but not obvious, is for boards and CEOs to learn and understand this new toolbox – it's very important to be tuned in and updated with regards to the practical use cases of these new tools. The challenge is that it's all changing constantly, but we need to create discipline around it, and maybe dedicate a team or expert from outside who can help you keep up with these developments. To be able to take risks, you need entrepreneurial skills in your group of executives and board. Maybe this technology will create your next competitor, so you should be doing it internally too. So, there's a set of entrepreneurial skills that should be considered in the board composition and C-level recruiting because companies will need that. Usually, tech entrepreneurs are skilled product developers, they have the product vision, and they know how to get there, build a team, put all the pieces and people together. And what companies perhaps need right now is more freedom of thought of how to get there, without so much constraint from bureaucracy which one usually faces within a large organization. Boards in general are tending more for compliance, governance and liabilities than entrepreneurial opportunities with this news technology. Indeed, this is an important agenda to address in the strategic and governance discussions.

But, in my factual optimism - participating with a couple of teams building AI and their success so far - there are enormous opportunities sectors wide, functions wide, that suggest that discussions of "acceleration" should overcome the "caution" discussions. Tech Bubble? This is a matter of lenses and creates fear where it should not exist. Are we with the lenses of stock investors or value creators? If the latter, yes, we might be in a bubble, it is expected (as happened with the internet) to happen as part of every shift of tech paradigm where ventures invest much more than necessary to win the race. But with the lenses of value creators, we shall strike while the iron is hot. While the internet investment bubble burst, its crescendo of value creation never stopped.

**Paulo Aziz Nader:** Do you think that companies perhaps need a specifically assigned CAIO – Chief AI Officer to drive the initiatives and provide others with the direction when it comes to AI?

**Rodrigo Helcer:** I think a team needs to have three core abilities: how to architect it, how to engineer it, and how to value it. Today in one of the companies I advise we have the Head of AI and he's an expert engineer. But that's not enough – there also has to be an architect who understands the work to be done for the client, the large enterprise, and the processes that, if you tweak with new technology, you create value. He's not an engineer, he's a product guy.



**Paulo Aziz Nader:** So, it probably cannot be one person, right?

**Rodrigo Helcer:** Most likely not. I find that it's very, very rare that one person encompasses these three pillars, maybe two. In one company we have the engineer, the business versus the market development person, and the person who knows how to go from the product/marketing part to the market and sales management, distribution to make the value really come to the company. That's the structure we've lived with for the last 10 years. I myself can easily navigate the product part and the sales part, but don't ask me to code. But I can speak to the engineers, and I can build a team of engineers. If I think about our current Head of AI who is an engineer – me as a mentor and our whole team, we help him architect the roadmap in order to build.

There are examples of companies which have top-skilled AI engineers, but the companies haven't grown – they became service companies which were not able to build a product. What happened? They didn't have the product and the going to market components – AI scientists are usually not product and businesspeople. If I could choose, I would have an AI person specializing in the product, because a good product director knows how to make money and engage the team specialists to get there! But the talent pool today, I believe, is more biased towards engineers than to product people and businesspeople, meaning that people are trying to catch up with the new toolbox through the world of science.

**Paulo Aziz Nader:** So, you think it might be a misconception that it's the engineers that will bring AI to life?

**Rodrigo Helcer:** It depends on the arena you're competing in. There are the hardware companies which are the arena for the engineers



Amrop

and there's another arena which is around data and the right type of data you need to create what's in the intersection of those two – and that's the foundational models, which is an edge-science play, engineers' play. But there are two more arenas – one that is making platforms and software for builders and developers; that helps you code and train models. This area is concerned mainly with product, though engineering skills are, of course, still necessary. And finally, you have the application arena – the vertical SaaS, which deals with different kinds of automation, and I see it as a product and business play. The foundational models don't need to be built in-house; you just need to understand how to use them, there's a growing plethora of low or no code solutions and the race is for enduring value creation.

**Paulo Aziz Nader:** And that's why the Board and leadership team's ability to understand AI is so relevant, right? They need to be able to know which arena they're playing in...

**Rodrigo Helcer:** Yes, and it shows clearly that AI is a very broad concept, and we need to be careful with wanting to have black and white answers here. It needs to be contextualized. It is a sophisticated discussion of structure and impact. Mostly the answer to all these questions is – it depends.

**Paulo Aziz Nader:** Do you have any other comments?

**Rodrigo Helcer:** There's just one insight, which I think is relevant in the people directors of today. We talk a lot about carbon footprint, our responsibility around balance and compensation.

And how about AI and the transitory "deforestation" of jobs? We must think and act similarly for compensation for AI in the context of jobs that the AI will substitute. We are always going after the opportunity and the cashflow that this opportunity can potentially generate, but we need to also be responsible with regard to the impact that these decisions will have when it comes to our employees. How can we compensate? It can be education, upskilling... This might not yet be on many agendas, but the problem will become more and more visible, as more gets automated with the use of AI.

**Paulo Aziz Nader:** Leaders should be looking at that too.

**Rodrigo Helcer:** Yes, I see it as a corporate responsibility – we will need to manage our AI job-replacement footprint.





Amrop

# Interview with John Sharp, Founding Partner at Hatcher+ by the Amrop Australia team

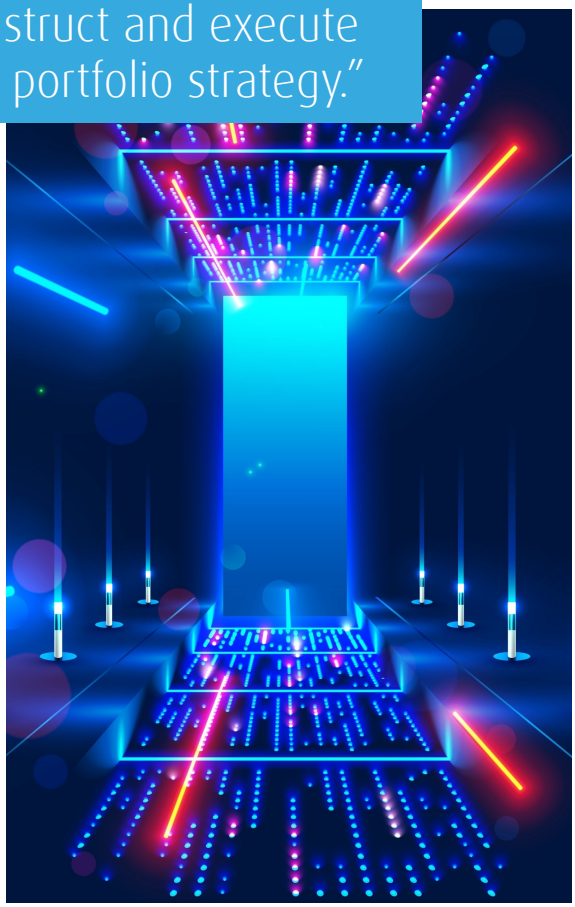
**Amrop Australia:** Could you please say a few words at the start about the evolution of Hatcher+?

John Sharp: Sure. Hatcher+ is a company that evolved out of a very manual VC operation. What we realized when we started to manage all these venture capital funds that there was a giant market potential for ways in which you could do the same things for the VC fund that people have been typically doing for public equities, real estate and so on for over the last 20 years. And, as we looked around the world, we realized there weren't really any technologies available that can help you build a venture portfolio, do due diligence on deals, manage the back-end portfolio report to all the investors and so on. So, about six years ago we launched the company and today we have a fantastic library of AI and blockchain-based AI capabilities and various tools that we've licensed and that we work with to create this really powerful platform that we now call FAST – Funds As a Service Technology platform. We're also a technology company – we still run several venture funds very profitably, but our emphasis today is on the technology that you can apply to creating and managing a venture fund.

**Amrop Australia:** Can you explain in more detail how the AI tools are used in your organization?

**John Sharp:** We started thinking about the use of AI in about 2017 when it was widely considered not to have any role in VC, and it was very hard for people to conceive how this could work. Now, seven years later, we've created capabilities that allow us, based on our Hatcher's score, to predict with a high degree of certainty whether or not companies will get a follow-on funding round, that enable us to figure out fairly precisely what the company's valuation should be based on its stage, its location and its sector, and to do a very fine dive down into what the company does, in the midst of say, 2900 other subcategories and figuring out what that valuation should be. So, what AI can bring to the table now is valuation analytics, forward thinking and predictive capabilities based on whether or not this company's going to get funding, and it, of course, can do a massively good job of handling all this information and making it digestible to shareholders and limited partners, and other people involved in these funds. But what it does spectacularly good, which no one expected, is that you can use it to construct venture portfolios. Previously we were all taking the view that venture portfolios were constructed incredibly organically – all of these portfolios were constructed by a guy telling a story who comes to another guy with capital to invest and then we invest and so on, and now we have 300 companies in our portfolio, and we've essentially created that portfolio organically. What AI allows us to do is to take a step back and ask: what kind of portfolio do we want to construct?

"It is already possible to create AI-led portfolios, where AI is used to construct and execute the portfolio strategy."







Amrop

Where do we want to invest - what sectors, what location, what stage? And then it does scenario planning, using really deep knowledge that we can obtain from, in our case, 560 000 companies. And now we can construct a portfolio based on science, which, by the way, is how all the other asset classes manage themselves. There are now scientific models available where you can actually construct the portfolio to have the outcome you want. You have to have capital, you have to have lots of capability in terms of process automation and management, which we bring to the table. But it is possible to create these kinds of AI-led portfolios, where AI is used to construct and execute the portfolio strategy.

Amrop Australia: The sheer velocity of investment, and the number of startups that you can process must be incredible – it's bound to disrupt the market, right?

John Sharp: It is, and that's the future. As an example, we just finished investing in a series of about 10 climate tech companies. We went out to the market and said that we want to find the best climate tech startups from everywhere around the world, and we got 2370 applications through our system. That boiled down to eight or 10 investments, which is a really good selection ratio – you feel like you're getting the real cream at that point. And you have a process to run it, because you don't want to be reading 2370 business plans. Our AI does that for us, filters out all the figures, finds out who the best 5% are, who are the most consistently aligned with the strategy we're looking to invest in. I recently spoke to someone in VC and they asked me: why would we need your product? I told them: can you imagine getting 2000 business plans and having to go through all of them? I can tell you which 50 plans out of those 2000 you should really read so you can invest in 10 of them. And he said: yes, that's pretty compelling. And that way they can have more quality time with the founders of the 10 companies, and that's what we really want to be using AI for!

Amrop Australia: How about the use of AI in your own business? Are there any competencies and skills that you're looking for in your employees or that you've had to develop internally in relation to AI?

John Sharp: We've developed the tools we offer to clients internally, and, of course, we also use tools like ChatGPT and so on, but we're quite careful about the use of third-party tools because we don't want private information to end up on the public internet. People use AI to try and solve some problems. For instance, popular areas are psychometric analysis, founder background analysis, portfolio analysis, trying to get timeframes down, and that's where our technology really helps us achieve the tasks.

Amrop Australia: Who are the types of customers who are embracing AI and what are you saying to those who are, perhaps, struggling to do that?

John Sharp: In every new technology wave there are early adopters, there are those in the middle and then there are laggards. The way we see it, it's the very large companies who will be the laggards in this case because they have massive numbers of human resources that they can throw things at. So, if you're a very large valley-based VC with hundreds of employees, you can consume an unlimited number of business plans through humans. The problems is, there is no one informing the partners of any exciting deals that come through the door except those humans, so, if the humans determined that renting out your spare room to a visiting tourist is a really bad business idea, you wouldn't be investing in Airbnb, the partners would never hear about it, it would get binned by a junior level person before it makes it to the top. Whereas in our system everything gets analyzed, and if something scores really well, they can send an email to the partner – nothing gets missed.

Amrop Australia: And who are those that are adopting the technology well?

John Sharp: The guys that we see rapidly adopting technology are those which want to become larger and competitive with the large existing VCs. They don't have the human resources and the management fees yet, but they want to be able to consume deals and invest, they want to be able to manage things in a way that's competitive and become even better than "the big guys". Therefore, what we see as our main target are smaller, early-stage emerging fund managers, start-up funds, so to speak. There are hundreds of them emerging every year and they need the kinds of tools that we can give them to massively increase their capability, plug them into an amazing deal flow, give them reporting capabilities and everything they need to become a world-class VC fund. And we can do that literally within a day.

Amrop Australia: That's amazing. It makes AI into the big leveler of the playing field.

John Sharp: Yes, and the interesting thing about VC is that everyone always enters a new business thinking that they're the smartest guy on the block, but you realize soon that in the VC industry everyone's pretty smart – there are no dummies in that business. And once you understand that VC is about probability, the question you should be asking is: how do I move the outcome from 50% to 51%?





Amrop

There's a lot of money involved so you make a lot just by moving the outcomes a little. So, we take a probability-based business and just add a little more science to it so we can move the outcomes more into the positive area and allow anyone to do this. So, the super-smart guys don't have to go and do deals with 1000 technology companies – they can come to us, and we put all of that in place.

Amrop Australia: Looking at your own business, as opposed to the product you're selling, which has AI at the core of it – what kinds of tools do you use internally?

John Sharp: There are a couple of things which I would define as founder-facing tools that we use. What we've discovered watching 10s of 1000s of deals come through our door is that founders, often highly intelligent, energetic and passionate people, are doing a pretty terrible job of telling their story, missing out on so many important components of it, like: who are you? Why do you have the right to do this? What's your mission? What's your passion behind this? What have you built? How much money do you want?... There's all these important topics that, when you analyze the business plan, they are completely absent. So, there are tools we offer to founders – the executive summary analysis where they give us text and we give it a score. The description could, for example, score 15 out of 50, and it would obviously need to be improved, so we would give them 10 tips on how to improve their story. We'll say it needs to be more passionate, more involved in how you explain your mission statement, connect with your impact on the environment and so on. Also, simple factual things like where's the ask, where's the information about your team, where's the information about the solution. Founders rarely get the story right the first time. And then we also do what's called "The Hatch Score" where we look at an axis of eight items, mainly around fundraising – our prediction around whether they're going to raise funding. There are questions like how impactful this is, has the CEO done it before, what's the exit potential, is the return multiple? And we're looking for a score above 700.

Amrop Australia: So, these tools enable the founders to improve their performance and chances dramatically, and then, through that process, you're also populating the database, so that's two sides of the marketplace, where you're improving quality constantly.

John Sharp: AI is all about creating mathematical clouds out of something that isn't a mathematical cloud. We never modify the business; all we're saying is that relative to what you're talking about here, you need to tell us more about your team, your product etc. What we're expecting is a balanced, detailed and data-driven approach to telling the story, because it lowers our risk and increases our understanding.

Amrop Australia: So, this is your proprietary AI. You mentioned earlier that you're doing a deal, a new investment every one and a half days. What are you seeing in terms of the early-stage startups you're investing in – how widespread is the AI theme?

John Sharp: We have this back-office technology that we've developed, and, among other things, it does analytics on a sector basis, so I can go in there and look at a pie chart. I checked yesterday and AI is the second top area that we've invested in after FinTech. This is one of our funds, but probably 9-10% of our investment dollars have gone into AI-based companies. We're trying to invest in companies that have an ability to leverage their own proprietary tech.

Amrop Australia: And where is it being deployed in terms of domains and sectors? What examples are there?

John Sharp: Everywhere, but my favorite which I heard about recently is a farmer in Queensland, Australia, who had licensed some AI software and was using it in combination with video cameras to spot weeds on his crops, and then squirt pesticide just on the weeds so that the stuff that we eat doesn't have any pesticide on it. When asked if this was to protect the food people eat, he said that he's not protecting the food, he's lowering his cost! This way he uses 99% less of his pesticide, and it's amazing, he's a farmer, he's going the commercial route, but that's what drives these innovations, right? Where I see AI operating is always somewhere really unusual which you wouldn't have thought about before, and we're not seeing so much in the area like robotics – that's just the big-ticket stuff. But one thing is clear – the data centers that run this stuff are going to be immense. We're entering a second area of AI where we'll only be able to get so much efficiency, and those efficiency improvements will be dwarfed by the demands being placed on the core AI elements, and on the mechanisms themselves, which will just mean an expansion of data centers, but also people looking for efficiencies, looking for energy savings. There's going to be a huge emphasis, and a complete change of how these things get architected, and used and priced and delivered over the next few years - it's going to be an amazing space to watch.

Amrop Australia: What do you see as the necessary requirements and skills for a business leader in the AI field now and in the next couple of years?





Amrop

**John Sharp:** I think people that really get AI tend to treat it more like water, while people that don't really get it treat it more like religion. Someone treating it like water will be using it to optimize processes and help us out, will view it as a utility. They would just see it as the next iteration of a very powerful technology that will probably iterate itself to that level anyway. The most fascinating thing about this question of AI and leadership is actually – at what point does AI lead itself? Because we're fast approaching the point where you can ask any AI, any question and they'll have the answer that you want. So, at what point do you ask AI for the top strategy to take its own technology to market? It's probably going to have a better answer than us within a couple of years.

**Amrop Australia:** The pace of it is mind-blowing.

John Sharp: The scary thing is when you start to combine these things. I recently spent a week at a defense technology seminar in Texas, which was quite enlightening. When we consider the potential of AI-driven near-field mind reading, such as how our AirPods and similar devices might interpret our thoughts to move a chess piece around the board, the implications are fascinating. Imagine a powerful AI with a tenfold increase in capabilities that can access your thoughts and understand your innermost feelings, even just differentiating between anger and happiness at the most basic level. These emerging technologies will have significant impacts across medical, consumer, and various other domains. The predictive capabilities of AI, based on data from everyday devices like glasses, earbuds, and headphones, will allow us to gain insights into our personalities and emotions in the coming years. This potential is undoubtedly powerful.

**Amrop Australia:** I would like to revisit your point, John, about the large companies that can afford not to think about AI solutions because of the vast number of employees they have. What do you envision as the potential solution for these companies in the context of this often-repeated notion that people will inevitably lose their jobs to AI?

**John Sharp:** There's a lot of speculation surrounding AI right now, with discussions about both its potential benefits and risks. Some people view it as a threat that could lead to our demise, but I have a different perspective. I believe AI is an incredible technology with the potential to bring substantial positive change to the world. Just recently, I had lunch with someone, and we discussed AI's capacity to eventually facilitate a universal basic income for everyone. This could allow us to enjoy a more relaxed lifestyle, spending our days at home watching Netflix and simply unwinding—which honestly sounds like a pretty appealing way to live. As for the large companies, they're going to go through a phase very much like what the big banks went through in the 90s. At the start of the 90s buying stock was a very manual, very individual and long process, but 10 years later 90% of time trading was happening algorithmically without anyone really knowing what was going on, except for the people who created these algorithms. Everything went from completely manual to completely automated – from three weeks to three milliseconds or less. I predict that the same will happen in venture – if we can move those decisions to a point where funding takes a day, the founders win and the funds win, and the bigger companies will have to move in that direction, or they will be out of business within 10 years... and it make not even take that long.





Amrop

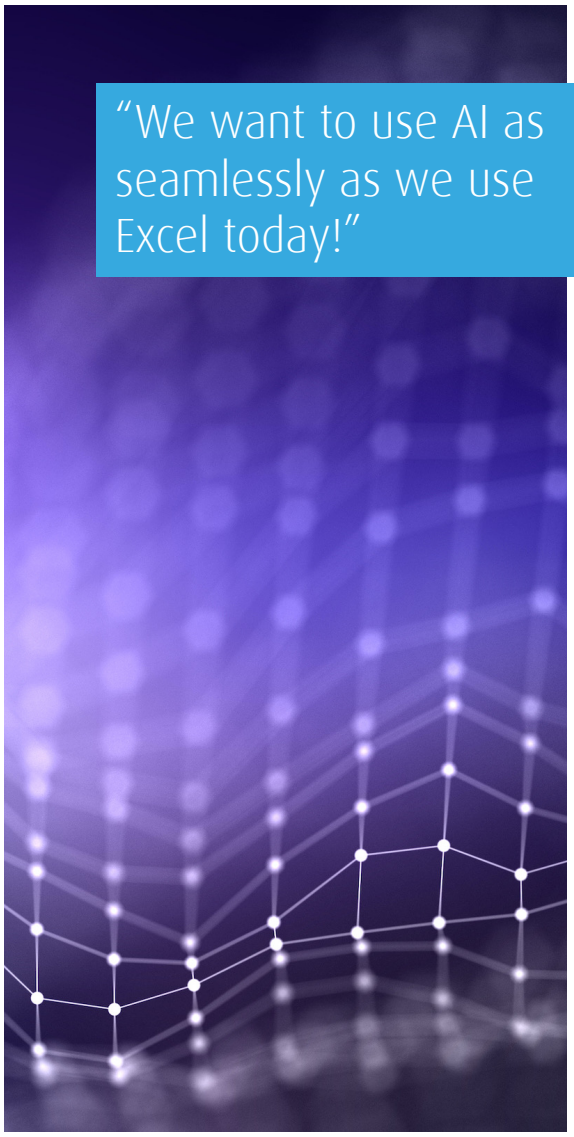
# Interview with Daniel Boese, Member of Executive Management Board at ebm-papst by Amrop Germany team

**Amrop Germany:** How do you see the future of AI tools in your organization and across industries? Do you expect it to have any disruptive effects for your organization, and how do you intend to address or to prevent those?

**Daniel Boese:** That's a broad question but let me begin by explaining how we've shaped our vision regarding our aspirations and AI ambition. We've humorously stated that we want to use AI as seamlessly as we use Excel today, despite relying too heavily on Excel instead of more professional tools. The key message is the desire for AI usage to be as natural and widespread as Excel within our organization. We envision AI impacting and being applicable across all processes, both internally and in our market offerings, in various forms. Specifically, with Generative AI, there are many applications for ordinary white-collar tasks. For example, if an assistant needs to summarize documents, they can simply pass them to an AI, which then handles most of the task, leaving only the final 20% for manual review. This process doesn't require specialized knowledge and functions as a straightforward tool, presenting numerous potential use cases. Observing young people today illustrates this point well. For instance, my eldest son uses AI so naturally—it's as ingrained as googling something. He understands both its capabilities and limitations. Just as using the internet enhances efficiency without solving every problem, young people are already integrating AI into their routines naturally, and I believe this trend will permeate the entire white-collar workforce.

**Amrop Germany:** But on an organizational level progressing towards it won't be so organic, so to speak.

**Daniel Boese:** You need to train people on how to use AI effectively, understanding both its capabilities and limitations. While AI will make people more efficient, the improvements may be gradual rather than a huge leap forward, progressively enhancing company efficiency. I am confident that many major IT platforms will integrate AI into their tools. For example, Salesforce has already integrated an AI called Einstein into its CRM system, which aids in analyzing marketing automation data. We can expect more tools to integrate AI seamlessly, so training employees to utilize these features will be crucial. For more complex tasks, companies may need to purchase specific tools or develop solutions in-house. In production, for instance, AI can assist in quality inspection to quickly identify defective parts and correlate issues with production parameters or improve forecasting. This approach will likely involve a combination of off-the-shelf solutions and custom developments. Although this is not rocket-science, it requires significant effort to achieve impactful results. While developing a proof of concept (POC) for AI applications can be straightforward, fully implementing and automating processes is more challenging and could take years. However, if done correctly, AI implementation can lead to the automation of certain tasks and significantly enhance efficiency.








Amrop

**Amrop Germany:** But would you expect that it will transform your entire business?

**Daniel Boese:** No, I don't think we're in that type of business. On the external side, we are integrating AI into our market offerings, but we're focusing on transitioning from a product-based business to a more solutions-oriented one. This is a significant transformation, and AI will play a larger role than before. However, these changes aren't solely driven by the advent of AI. If we take a step back and compare it to industries like media, where AI can radically transform content generation, our business is different. We still produce fans or integrated solutions, and while certain aspects of our industry will evolve, it won't be a radical overhaul of the entire sector.

**Amrop Germany:** Industries like the media are clearly massively affected.

**Daniel Boese**: That doesn't mean certain aspects won't change significantly for us too. Take software development, for example. AI can substantially increase efficiency through auto-coding, but it doesn't change the fundamental need for strategic thinking before writing software. Looking back 20 years, developers coded everything manually, with some libraries available for specific functions. Fast forward to five years ago, Python and other programming languages had vast resources available on platforms like GitHub, allowing developers to integrate existing code rather than write everything from scratch. However, significant thought was still required. Now, we're advancing even further, shifting more of the 'how' to tools and AI. This evolution emphasizes the importance of understanding what you want to achieve, while AI and other tools handle more of the implementation details.

**Amrop Germany:** In your view, what leadership competencies, skills do you need or miss in your current leadership team when it comes to AI?

**Daniel Boese:** That's a good question. I'm not entirely sure whether AI is the big game changer here. Let me try to illustrate my point, and then perhaps approach it from another angle. I believe the key is for leadership teams to be open to whatever technology emerges—embracing it, experimenting with it, and understanding its potential. For example, in the automotive industry, if you dismiss electric vehicles as uninteresting, you risk damaging your business quickly. We've seen instances where industry leaders ignored potential innovations and suffered as a result. This highlights the importance of maintaining an intrinsic mindset open to new possibilities. I'm speaking from an industry perspective, not addressing dramatic changes like those occurring in the media sector.

The essence is openness to new ideas and thinking creatively about potential changes. So, my answer would suggest that AI is another aspect of the hype cycle—perhaps a significant one—but it's essential to recognize that many technologies can change industries.

**Amrop Germany:** But then the question is whether AI is really only another technology on the hype cycle?

**Daniel Boese:** I believe you could argue that the degree of change AI will bring is more significant than what we're typically accustomed to. This is due to its potential impact on how we work and how business models are structured. In this sense, there is a need for a more comprehensive openness to change, including radical change. Do you need technical capabilities to fully understand what AI is doing? It depends on your leadership level. At the highest levels, maybe one person needs a deeper understanding, but you don't need to be a tech expert to grasp the basics. However, roles like the head of AI or CIO require more in-depth knowledge. The change needed isn't purely technical. To effectively drive and deploy AI initiatives, you must understand the implications on data, systems, and processes. If you're detached from these foundational aspects of business, you might miss the bigger picture. It's easy to do a proof of concept (POC) and feel modern, but if you look back a year later and nothing has changed, it's likely because the necessary connections weren't made to initiate real change. In summary, you need openness to new technologies, a broad understanding of your business—including data and processes—and strong change-leadership skills. Without these, navigating the future will be challenging.

**Amrop Germany:** Have you considered hiring a commercial member of the management team who is able to sell AI solutions?

**Daniel Boese:** To some extent, yes. The management team at lower levels needs to focus on building an organization that sells solutions, which is different from our current approach to selling products. In our case, this is a journey we are already undertaking. It's not just about AI; you could replace 'AI' with 'digital' and the same answer would apply.

**Amrop Germany:** So, you need somebody on each level, who can take care of that?

**Daniel Boese:** If it's selling to the market, then, of course, you'll need people on the sales side doing that.

**Amrop Germany:** And when it's about "selling" within the organization?





Amrop

**Daniel Boese:** Well, I think that's what you have a Chief Technology Officer (CTO) for. Of course, you can't do it alone; management is a team sport. Everyone needs to understand and contribute. However, if you're looking for a driving force, it's typically the CTO who would lead these initiatives. Having a CEO who is very vocal about embracing digital and AI makes a big difference compared to not having that support. If you're too vague or too careful about this, then the organization doesn't really move.

**Amrop Germany:** Is your CTO AI-savvy and supporting the AI strategy?

**Daniel Boese:** Yes.

**Amrop Germany:** What is he doing?

**Daniel Boese:** He is new to the company, having joined last December, and he is deeply invested in digital and AI. He fully understands these areas, which is why we hired him—to drive transformation on the product and technology side towards digital and AI. He's a strong ally in this endeavor.

**Amrop Germany:** Does your organization use AI tools internally?

Daniel Boese: We're starting to move in that direction with initial pilot programs. Are these fully in production? No. For instance, we have a tool designed to forecast our sales for the next couple of quarters. However, its accuracy can still be questioned, and it takes too long to deliver results because the data organization isn't optimal. Additionally, it doesn't cover the entire world yet. Will we get there? Yes, we're just beginning our journey with AI, so while we are making strides, we're still at the early stages.

**Amrop Germany:** Have you integrated AI in customer solutions?

**Daniel Boese:** No, we're working on it.

**Amrop Germany:** Have you selected or tested the AI tools? Who is buying/dealing with them? In your opinion, what profiles and experience should these people have?

**Daniel Boese:** I think it's important to differentiate between two aspects. On the one hand, you have the typical involvement of IT, as they are responsible for procuring tools and developing big platforms further. For example, Microsoft offers Copilot, which is yet another tool within the Microsoft ecosystem. IT departments usually handle the procurement of such tools, and they are frequently bombarded with suggestions on what to purchase. On the other hand, you have the business side, where people are exploring interesting opportunities. To address both aspects, we're establishing an AI Competence Center. This center will oversee certain aspects and collaborate with IT to make joint decisions on what to deploy and develop.

As to the kind of profile or experience these people should have, well, it depends. For us, it's IT professionals who need to understand the business aspects as well. While they might not handle every detail themselves, it's essential they collaborate with people who do and have a basic understanding of AI. Additionally, they should be connected to the community to discern whether they're procuring cutting-edge technology or outdated solutions that have already been on the market for a few months (laughs). The speed there is mind boggling.

**Amrop Germany:** What business results do we expect from investing in AI leadership capabilities?

**Daniel Boese**: We're essentially investing in building leaders for our AI and data teams. It' s not a large team, and you consider all our activities, then yes, we're investing, but it's not a massive investment at this stage. We're not witnessing a complete transformation of our industry; instead, we're taking a portfolio approach. We are evaluating the various opportunities available to us and considering how they compete with other data product strategies or process improvement initiatives. Essentially, we're focusing on what is most important for us right now. At this stage, we don't need to be involved in every aspect of AI.

**Amrop Germany:** What have you done to upskill the management and employees? What development tools do you use for that?

**Daniel Boese:** We're currently preparing a large training program for all employees, including management. This is something we do with a training partner, and we are currently defining our target audiences. It's a dedicated investment in training, and I'm pretty sure it will not be the last one. Training, or more generally, competence development in this arena will be a significant step forward and will be more important than in the past. I hope this triggers a broader change in the way we think about competence development. For example, I'm pretty sure that most of us use only 1-2% of the functionalities provided by the tools we use daily. If you think about creating excellent PowerPoint presentations, we don't need to be power users, but there are many features we could utilize that we don't because we're simply not trained to use them. Why is that? Because technology is deployed, and you might receive some initial base training, and that's it. While this is probably okay in the first step, we can gain so much more productivity from our tools, and we need to think differently about how to achieve this. How do we get this done? How do we identify people who really work with these tools and then provide dedicated development to enhance their productivity?





Amrop

I believe there is a hidden treasure in utilizing these tools, and perhaps the hype surrounding AI, combined with the definite need for competence development, will bring this issue more to the forefront. We need to do more in this regard.

**Amrop Germany:** has using AI tools, provided your organization with a competitive advantage in the market? Or do you expect this to happen if you look at your competitors?

**Daniel Boese:** In the sense that it will transform the entire industry, no, I don't see that happening. However, I think a mixture of AI and digital technologies can help eliminate certain manual processes and accomplish tasks more quickly, and overall improve our cost position by, say, two percentage points. Is that a game changer? No. But is it a competitive advantage? Does it allow me to make more money or offer certain products that others don't? I expect that to happen, although it may not last forever. So, it's not necessarily an endlessly sustainable competitive advantage. But will we develop products that we will uniquely offer for a certain period of time? Yes.

**Amrop Germany:** Where do you expect to hire AI leaders from?

**Daniel Boese:** That's a good question. We are part of the IPAI in Heilbronn, which focuses on innovation in AI. This is already transforming us into a magnet for AI talent. As we integrate ourselves into this community — actually having our AI team physically sit in their facilities — I am very positive and convinced that we will benefit from that. In that sense, we're lucky. Of course, we also have people in India at our facilities who already have some expertise in AI. Let's see what type of talent we will actually need in five years. Will it really be all these AI specialists, or will we find that many more tools will emerge, making tasks progressively easier? In that case, a lot of business understanding will be crucial to make it all work.

**Amrop Germany:** Will you be hiring leadership services to assess and train your management team?

**Daniel Boese:** No, however, what we did when we hired the first set of employees for the AI Competency Center was to bring in an AI consultant who conducted real tests with them to assess their technical proficiency. I did not observe this directly, but people told me that it was great fun to watch as candidates engaged in live coding and so on; you could actually see the differences in their skills. I believe it was a good decision to implement this approach at the time because when people simply tell you what they can or cannot do, you may find out the hard way—months or even years later—that they are not as skilled as they claimed. However, if they code and work directly in front of you, you can observe not just the results but also how they approach tasks, how structured their thinking is, and whether they truly understand what they are doing.





Amrop

# Interview with Geert-Jan van der Snoek, CEO at Sdu and Board Member at Lefebvre Sarrut SA by Job Voorhoeve, Partner at Amrop the Netherlands

**Job Voorhoeve:** Thank you very much for agreeing to speak to us around AI and leadership. Can you start by saying a few words about the company you work for and your responsibilities; what your current role is?

**Geert-Jan van der Snoek:** At the moment, I'm sitting on the executive committee (ExCo) of a French company, which is the European leader in legal and tax knowledge and a pioneer in generative AI for legal, tax and audit professionals. We deliver our services through a combination of digital platforms and AI-powered tools, but we also have a small, more traditional paper component. In my ExCo role I'm involved in AI, partnerships and M&A activities, and I also oversee our operations in the Netherlands as a CEO and Germany as a member of the supervisory board. This includes working closely with the Dutch and German Governments. Working with governmental agencies adds a whole new layer of complexity, but also an incredible opportunity to shape the future of working with law and regulations through digital platforms, software solutions and AI-technology.

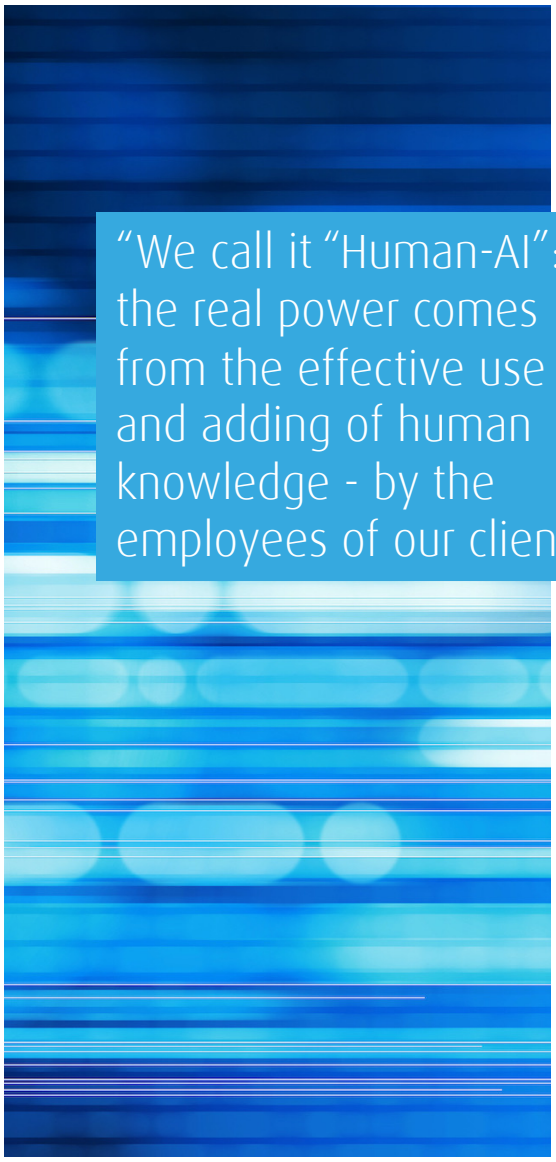
Apart from my CEO role I also serve on several supervisory & advisory board roles in The Netherlands, Germany and USA. In The Netherlands I am chairman of the digital sector on behalf of the VNONCW (the Confederation of Netherlands Industry and Employers, the largest employers' organization in the Netherlands), NLDigital (NLdigital is a collective of more than 600 companies that enable digital transformation. Representing the global players that together form the foundation of digital Netherlands) and chairman of the audit committee of the AINed (the National Growth Fund on AI-technologie, what promotes the development and application of AI in Dutch businesses and governments).

**Job Voorhoeve:** Let's delve a bit deeper into the company's ownership structure. Could you give us some details about how the company is owned?

**Geert-Jan van der Snoek:** The company has a long history, dating back over 200 years (founded in 2014), and the ownership structure has naturally evolved over time. It's a family-owned business, controlled by two truly European families, which are nowadays globally active as families.

**Job Voorhoeve:** Could you share some insights into the company's revenue and employee numbers?

**Geert-Jan van der Snoek:** Sure, the group revenue for the entire organization is 555 million euros, and we have approximately 2.500 employees and are active in at least 8 European countries and/ or European territories overseas. Our specific Dutch company, involved as CEO, has 75 million euros in revenue and 380 employees. We're seeing significant growth in both revenue and employee numbers, particularly in our software and AI-supported solutions...








Amrop

**Job Voorhoeve:** Does your organization use AI tools internally?

**Geert-Jan van der Snoek:** It's a good question because we are obviously selling AI solutions externally. We use AI tools internally too, but I'd say we're still in the early stages of adoption. It's funny, because a lot of the companies which are selling AI tools don't really use AI in their own processes - the sales of AI tools are going faster than the use of AI tools in your own company. In our group, we are implementing several projects to really optimize the present business processes with AI technology. In the Netherlands we have started a transformation program in which we integrated an AI-driven process approach for our internal processes e.g. the editorial office and DevOps teams.

**Job Voorhoeve:** Then let's turn to the customer side: has your organization integrated AI into customer solutions?

**Geert-Jan van der Snoek:** That's part of our main business. It's a growing market, a very competitive one at that, and our most important solution is our AI offering. We are the front-runner from 2023 with implementing AI-technology in our primary offerings. It is an ongoing development together with several founding clients in which we fundamentally changed our client offer and are delivering the opportunity to create more efficiency in their working processes.

**Job Voorhoeve:** How have you selected and tested the AI tools? Who's buying and dealing with them?

**Geert-Jan van der Snoek:** We are developing them ourselves - different teams in different countries. The central part is being developed within the group, which is, in our case, our development team in Spain. And then the more local tooling around it is developed in the different countries – that's where the integration with the client takes place. Optimization on the compliance level with the central tooling is central, and our Spain-based development team is developing it from a software R&D perspective. Traditionally, if you develop software, you develop it for a long run, and, although flexible, with a long lead way, and your optimizations are ongoing. But here, we develop it in R&D style, so it's a very quick go-to-market, and then we update it each time new clients are on-boarded. This is essential for our AI-technology: all products, solutions and outcomes should be 100% reliable. We are not delivering ChatGPT tooling, but trustful solutions backed by AI-technology. AI-technology is evolving so fast that we are developing it in steps and taking our clients each time, gradually, to the next level. It will be an ongoing process: delivering new, reliable, solutions, upgrades, opportunities but also ongoing onboarding and support inside the organization in the real use of the potential that is embedded in the solution.

The last part is maybe the most important part in order to really unleash the real potential of our AI-driven knowledge solution for our clients in their processes. That's why we call it 'Human-AI': the real power comes from the effective use -and adding of human knowledge - by the employees of our clients.

**Job Voorhoeve:** In your opinion, what profiles and experience should the people who are dealing with or buying AI have?

**Geert-Jan van der Snoek:** There are two questions there. First, who's buying AI? A lot of the media hype about AI is focused on ChatGPT and Generative AI, but AI is far more than that. Typically, you see that AI is linked to the IT department, but, on the other hand, AI is -from my view- not a product. You sell something much deeper. It's similar to selling an internet connection - it's not only the internet connection, but also the whole way of working within the company. The discussion sometimes depends on where you are, for example, within the government and large corporates you start with procurement, then the IT departments, but the real discussion, at the end of the day, takes place at the board table with the CEO – they're going to make the decision. They have to understand it and, most importantly, resist the internal fight about working for AI. Then later comes the procurement again. It is all about optimizing your business process, way-of-working, needed competences and most importantly changing your culture.

**Job Voorhoeve:** What business do you expect from investing in AI leadership capabilities?

**Geert-Jan van der Snoek:** Again, you're not selling a product, so it needs much more consultancy skills, you really have to understand the client, its process and ecosystem. You're not selling an IT or tech solution. You have to understand very well what the issues are with the client, what they want to realize with AI. That's where the discussion starts, and then quite often, you have to change that perspective together with the client. For instance, we have administration jobs, so you have our tooling, you don't have to do all the administration jobs yourself. That's an easy catch. But what does it change in your pricing model for the client? If you bring in AI, it will change the simple, easy administrative work, it will change the workflow of the junior consultants, essentially, but also their pricing model as a consulting company, and that's very important – and that's the discussion you have to have with them, because if they see this, they understand that the price they pay is not just for the tooling. So, you have to know the business processes of your client because you're essentially redefining them.

**Job Voorhoeve:** And are you expecting to invest in these capabilities in your organization? You have a lot of experience in AI, but not everyone does, right?





Amrop

**Geert-Jan van der Snoek:** It's all going extremely fast, and it's a completely new world out there. For example, a specific project in the healthcare sector, where the investment was received in 2003, was taking five-six years, whereas now, a full project with the same ambition, the same targets, based on what AI can do, is only taking one, maybe one and a half year. So, you cannot invest by yourself only, it is not only a capital expenditure (CapEx) discussion. The people, the competencies, you need them to be successful inside our company but also on the client side. You can speed up and optimize when working with strategic partnerships, and that's what we do. It definitely helps being a family company because we focus on the long run, we work from trust and reliability and stay close to the family norms and values. The other part comes from the investment discussion. The way you handle AI-software development from a finance perspective is different from traditional long-lasting IT-solutions. It is much more an Operational Expenditure (OpEx) instead of CapEx discussion. This makes the development of AI-tooling a capital-intensive process in which you should focus on your true strengths and combine with partners.

**Job Voorhoeve:** What have you done until now to upskill the management and the employees, and what kind of development tools do you use for that?

**Geert-Jan van der Snoek:** First of all, we are transforming the organization. We now have a fully dedicated AI- team (SWAT-team AI), which includes development, sales, marketing, and finance, and they are focused on delivering our clients the most effective solution, onboarding clients, training clients etc. and on the other side using client knowledge to further develop our AI-driven solutions. On the competency side, we're changing from a traditional/software type of approach to a much faster go-to-market approach where you need more consultancy skills and client cooperation. We need to understand not just the business process of our clients and their needs, but also the AI-possibilities and competences needed in our teams and on the client side. Another thing is that when you build software you need to think right from the start about all different compliance aspects e.g. ESG, because if you work with AI, it also consumes cloud computing space. That's a new and specific topic – now we're looking to hire people not only with consultancy skills, software skills, business skills, but also ESG-related knowledge in the software domain. We are doing growth assessments for teams, parts of teams, also with the help of Amrop, to find out where individuals as well as teams are strong, where they can be helped with more dedicated development & training.

**Job Voorhoeve:** So, on the commercial side, you need either to upskill in that area or add new sales profiles with AI and specific market knowledge that you're going to invest in. If you talk about your CIO, CTO, are they AI-savvy and supporting your AI strategy?

**Geert-Jan van der Snoek:** This company is selling, they've been setting it up for over a year, and their go-to-market date in Europe was in January/February 2024. In our market and in the whole of Europe we are the first ones to do so – introducing a specific regulation-related type of AI. We have the capacity to push it through, we know our market thoroughly – that's the first, but, in my view, not the most important step: we know our customers and the customers of our customer. After the first step comes staying on top of it, really helping the clients, getting the value out of the solution with the client. It requires full leadership but, for example, we just hired a Chief Product Officer, who coordinates and gives us effectiveness on a group level. In some local cases we are in a transformation of our local organizations in which we use a chief transformation officer in order to implement the transformation in our own organization, simultaneously with all our AI-deployment with our clients.

**Job Voorhoeve:** I understand the transformation part, but that's only one side of the coin, because if you're going to then sell the solutions to the clients, you also need to know what kind of AI tools are part of the sell. Aren't they interlinked so that you therefore also need technical capability and the knowledge of the AI capability?

**Geert-Jan van der Snoek:** Agreed. If you really want to speed up in selling and implementing AI-based technology, you also need people who are flexible. Although it's not a startup, you need a startup or venture mentality—perhaps even better than what you had in your startup—and the required flexibility. That's always difficult to achieve, but I would prefer to work with quite "young from mind' individuals who can embrace responsibility. This responsibility goes far beyond their previous experiences; it involves truly accelerating progress and thinking outside their boundaries, client central. Unfortunately, that's not always directly available in the traditional ecosystem. We can train and develop the right competencies within our organization with our own employees and talents but also blend with new hires.

**Job Voorhoeve:** So, perhaps a CTO might be a good fit for your organization. A real CTO from a technology company is constantly engaging with clients and then relaying their needs back to the engineering team, saying, "Hey, we need to change the product because the client demands it."





Amrop

**Geert-Jan van der Snoek**: We just hired at group level a CPO and we have locally a head of platform. He comes from an online travel agency, he has strong technical/ development skills, having spent considerable time on the client side. His former organization is a typical organization that heavily invests in understanding its customers and their needs. He mentioned that, at 36 years old, he often encounters IT-driven professionals or developers who either lack business knowledge or have too much business acumen without the necessary hardcore development skills.

**Job Voorhoeve:** Yes, that's a common issue. The truly exceptional candidates possess both skill sets, and that's what you need. Additionally, you need the AI component, which means hiring software developers with expertise in AI. Where do you expect to hire these AI leaders from? You mentioned an online travel agency with a metasearch engine. So, platform business is one possibility.

**Geert-Jan van der Snoek:** I see the same struggle on the AI side as well; it's a significant challenge, because on the AI front, we are unable to fuel the company growth as quickly as we want, based on the market opportunities. Personally, I believe we need to look for a blend of our own potential and specialists together with new competencies coming from client-focused organizations. It's not about selling a product; it's about what is truly valuable to the client and the process that delivers that value. It is about the successful use of the solution by our clients. That is what inspires and drives us.

**Job Voorhoeve**: My last question is around the future use of AI tools in your organization and within the industry. How do you see it and what kind of effect do you expect it to have?

**Geert-Jan van der Snoek:** I'll address the two aspects of this separately. First, AI is integral to our company, particularly in our workflows and the way we operate. I recently attended an interesting meeting with a European-level insurance company in London. From a human resources perspective, they mentioned that there is an ongoing staff shortage in Europe projected to last until 2038. This is noteworthy because we already believe there is a significant shortage now, but the situation will only worsen. We are just beginning to experience this shortage. Hence, you cannot fill the gap merely by recruiting talent; you need to overhaul your primary business processes by identifying areas where administrative or highly process-heavy data is utilized, and that's where you can implement AI extensively. You also need to have people who are capable of extracting information from new systems. We have a project underway aimed at optimizing and transforming the organization, which is part of our group-wide transformation plan.

Regarding the client-side market, we are currently witnessing the early waves of AI integration in society with rapid progression. Our typical clients are hourly-based businesses: law firms, tax firms, audit firms, risk departments within international institutions, corporate lawyers, and general counsels within organizations. Governments also heavily utilize this information. Therefore, added-value legal information constitutes another key aspect of our company. We are generating relevant information and content that is integrated with our AI offerings. Discussions are increasingly centered on clients' ideas about how they will use AI—not whether they will use it, but how they will implement it.

**Job Voorhoeve:** So, it's about the first-move advantage.

**Geert-Jan van der Snoek:** Another thing, which, as I see it, is not talked about so much, is the legislation around AI. We are a European company, present in eight jurisdictions across Europe, and with the upcoming changes to the EU AI & data related law and the EU Parliament's adjustments post-election — whether positive or negative — it will become very EU-protective. The AI Act is in its final stages with the European Commission and will be more stringent. Sharing and learning from data between Europe and non-European countries will become very difficult, which will have a profound impact on Europe's AI market. This is a regulation affecting business, which can be advantageous or disadvantageous, depending on your business model. It will also be disruptive. You can see it unfolding; it's progressing and fostering new partnerships as well.





Amrop

# Interview with Vladan Atanasijevic, former COO at Comtrade Group, Adriatic region by Milos Djurkovic, Managing Partner at Amrop Adria

**(interviewed in 2024)**

**Milos Djurkovic:** Can we start by saying a couple of words about the company's ownership structure, revenue and the number of employees?

**Vladan Atanasijevic:** Comtrade group is a private company, where the owner has 79% of the shares, while 21% is owned by Unicredit Investment Fund; it is headquartered in Holland. There are three main divisions – distribution, solutions and education. In distribution we are focused on distributing worldwide brands across the Adriatic region, but now that we have our own brands of electronics, we're spreading them around the globe too. In the solution division we have several companies involved in system integration, also focused on the Adriatic region. We also have a gaming company focused on gambling and we have our own platforms providing services from gaming to gambling. We have a platform, which is, for example, used to cover and monitor all slot machines in some countries, as well as a platform which is dedicated to organizing and giving support to gamblers – provisioning, finance, processing, accreditation and so on. We also have a software development company working globally, with customers mainly in the US. And finally, we have the education division, with our high school, secondary school and college.

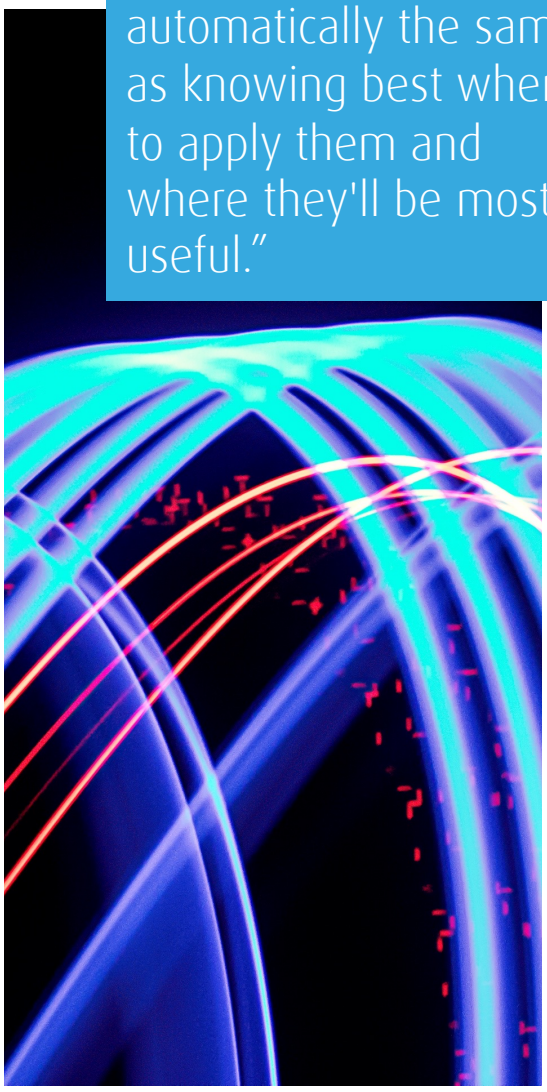
**Milos Djurkovic:** Can you speak about the use of AI tools within the different divisions of the company?

**Vladan Atanasijevic:** Across the different divisions we're using different types of AI – for system integration we're using some vendor solutions ourselves and some AI tools from the vendors we use also for the end users, our customers. In Comtrade 360, which is mostly software development, we are currently not using AI tools to provide software for the end users because of legal challenges, to do with IP rights, but we are using them for internal purposes.

**Milos Djurkovic:** Could you talk about the tools you're using internally and has the use of AI tools provided your organization with a competitive advantage in the market or do you expect that to happen?

**Vladan Atanasijevic:** We see a wide usage for AI tools. We work around the Software Development Lifecycle and have identified criteria for the selection of the AI tools. Based on those criteria we go back to the SD Lifecycle and define what should be the possible tool used in each of them. Based on that we're using, for example, ChatGPT in the Planning and Analysis stage, GitHub Copilot and TabNine in Design and BitoAI in Testing. Then we set up several teams, defining the projects – all of them internal, because, as I said, for the time being we're unable to offer solutions using the AI tools to the end user due to issues related to intellectual property. In each stage we define the way to use these tools and spread these materials across to all our developers. Engineering is involved in this process; and it's obvious that they are upgrading themselves to become developers who use AI tools as an integral part of their daily work process.

> "Younger developers are often assumed to be "early adopters", yet showing enthusiasm for using AI tools is not automatically the same as knowing best where to apply them and where they'll be most useful."







Amrop

It's all about increasing efficiency and quality and we measure the effectiveness of these tools, which clearly shows increase – for example, we see how accuracy and efficiency are going up, while effort is going down or test coverage going up and testing time going down, or code generation, repetitive tasks and debugging time is going down. However, we've experienced that it is not easy to use AI tools in all the stages, and there's a noticeable difference between how the junior and senior developers fare in the use of AI tools. Because of their wider knowledge and experience, it is easier for the senior developers to define and find how to use the tool. "Youngsters" often show signs of being "early adopters", however, showing enthusiasm for using the AI tools is not automatically the same as knowing best where to apply them and where they'll to be most useful.

**Milos Djurkovic:** Who is responsible for selecting the tools initially?

**Vladan Atanasijevic:** So far, I've been the main driver of the introduction of these tools. Then, together with my team, we selected a number of engineers and, as a group, we defined what we wanted to achieve. We selected an AI-oriented CTO who will join us very soon but was already involved in the selection process of the tools.

**Milos Djurkovic:** Is the work with these AI tools the reason he is being hired?

**Vladan Atanasijevic:** It's one of the reasons, not the only or the major one. However, it was important for us that he has an AI-mindset and understanding.

**Milos Djurkovic:** In your view, what leadership competencies and skills are crucial when it comes to AI and what challenges, if any, do you face in your leadership team?

**Vladan Atanasijevic:** The greatest challenge that we face when it comes to the integration of AI is that not a lot of people can separate their abstract understanding of AI from the understanding of its usage and impact practically. I believe that this is an issue widespread in the whole industry, because everything is changing dramatically and very fast. There are a lot of people who have read articles and understood something or other but when we talk about AI's direct impact on our business – potential disruptions, increase or loss, it's a challenge to reach meaningful conclusions.

**Milos Djurkovic:** What are your own conclusions when it comes to evaluating the disruptive effects of AI within your industry?

**Vladan Atanasijevic:** What we see on the market when it comes to providing software development services, is that it's becoming more competitive – the demand for software developers is decreasing.

Researchers say that software engineering will be strongly impacted by AI tools, but the other challenge relates to the legacy software or the existing software – there are issues around it that are unclear. I believe that using AI tools can be very helpful – if someone wants to upgrade or modernize the legacy application using these tools, it will be much faster, however, I think a large part of the work will still be done by humans – more of a collaboration than a replacement. Putting it in numbers, I would say up to 70% of the future development could be done by AI, while, for the legacy it's vice versa – 60 till 70% could still be done by humans.

**Milos Djurkovic:** What about the other functions within the organization?

**Vladan Atanasijevic:** In other functions it's very different, for example, we already use AI tools in marketing to create documents or advertising and content, and we also use AI in sales, where it has a huge impact. It's already implemented in some of the leading CRM tools in the market, like Salesforce, HubSpot – almost everything is automated. It's obviously a huge opportunity to decrease the cost and increase productivity, but, on the other hand, we're trying to figure out what the real added value of humans, of experts, will be.

**Milos Djurkovic:** How are you going about figuring it out?

**Vladan Atanasijevic:** Coming back to what I said earlier, there are not so many people on the C level who can really think in non-abstract ways about how the use of AI will impact or disrupt our business and how we can transform this awareness into strategy and action. So, on one level, we are working with our engineers, preparing to set goals for them for the coming 12 months, when everybody will need to start using AI tools because without them, we cannot remain competitive. On the other hand, we're working with senior managers who need to start thinking about how to help our customers and train consultants to understand how AI tools can influence and improve their business – in banking, telcos, manufacturing and so on. And that's tricky.

**Milos Djurkovic:** Do you expect the new CTO to play an important role in this process – working with the other senior managers on that level?

**Vladan Atanasijevic:** Yes, definitely.





Amrop

**Milos Djurkovic:** What competencies do you expect an AI leader to have?

**Vladan Atanasijevic:** In today's world which is changing dramatically you need to be able to if not predict the future, then to create a couple of scenarios indicating in which direction it could all go, and then also be very flexible about adapting quickly, because the change is constant – the speed and impact of those changes are dramatically larger than they were, say, 10 years ago. Where we are with our companies today it is important to try and understand what's going on in the market, again, in the context of building from scratch and legacy software.

**Milos Djurkovic:** Would you consider hiring leadership services to assess and train your management team? If yes, what services will you be looking for? Do you want to assess the team?

**Vladan Atanasijevic:** We're aware that we need to run a traditional business in order to make money, and, at the same time, we need to look towards the future. I believe that the best option for us is to have a kind of workshop and discussion because after a discussion all the senior managers will walk away having understood the key points and then will hopefully shift in that direction. We do need someone to open and to drive a discussion so that the people can really see the problems and the potential, the impact. Other than assessment we would probably benefit from a workshop where we will consider topics that are important and difficult for us – that way we can focus on how to handle at least some of our challenges.

**Milos Djurkovic:** What skills were you looking for in your newly appointed CTO, what was important?

**Vladan Atanasijevic:** It was important for us to make sure that our tech leader understands the technology needs of our customers, and, when it comes to AI, would find ways to speed the implementation up, understand it better and help us be more competitive. The CTO needs to be aware of all these technological possibilities, but cannot be, for a lack of a better word, a "geek" – we need actions that are impactful for our business, and we need to be able to offer impactful solutions for the businesses of our clients. We need someone who can answer the very specific questions the clients will have about the solutions we offer, someone who understands the business, the value, the trends – and all of that relates to sales and marketing too – because almost all companies in the world now deliver their products and services via use of technology.

**Milos Djurkovic:** How do you see the future use of AI in your industry and across industries?

**Vladan Atanasijevic:** Different industries will, of course, experience the impact differently, but in software development we will absolutely need to demonstrate the capabilities of really integrating AI technology and tools in whatever we're doing. Another issue I see is that the presence of AI in products now often leads to a 20-30% price increase, even if the product remains unchanged. This trend affects many AI-integrated products, resulting in extra costs without a corresponding increase in value.





Amrop

# Interview with Mariusz Ziolkowski, the Vice President at TD SYNNEX in Poland and Southeast Europe by Amrop CEE

**Amrop CEE:** Are any AI-based tools part of your product portfolio?

**Mariusz Ziolkowski:** Yes, as a modern distributor of IT technologies, we follow the most important trends and needs of our customers on the market. Solutions built on the basis of AI and containing AI mechanisms are present in the offer of manufacturers whose solutions we offer as well as in our offer

**Amrop CEE:** How do you perceive the current abilities of AI in terms of ethics and control?

**Mariusz Ziolkowski:** This is a very important issue. Solutions based on artificial intelligence are still in the development stage, using the mechanism of continuous learning, which results in providing content of increasingly better quality. We must remember that AI solutions function in commercial areas where their use is intended to have a positive impact or assist in building the expected solution. But AI solutions are also available to non-business users, they can be used for fun, for learning, but can also be dangerous if they are used in an unethical way or threatening another person.

**Amrop CEE:** You've mentioned using AI tools within your organization. Is this approach structured or driven by leadership?

**Mariusz Ziolkowski:** Yes, it is structured. AI is widely promoted in the company and assists us in various areas. We have access to Copilot, a tool that we have integrated through our partnership with Microsoft. There are different levels of access, and only the most general ones are available to most employees. I belong to the group of "advanced users" with broader access to these tools and we share experiences within the group. The implementation of the solution is controlled and done in a very structured way.

**Amrop CEE:** Have you embraced AI solutions in terms of customer care or product offer?

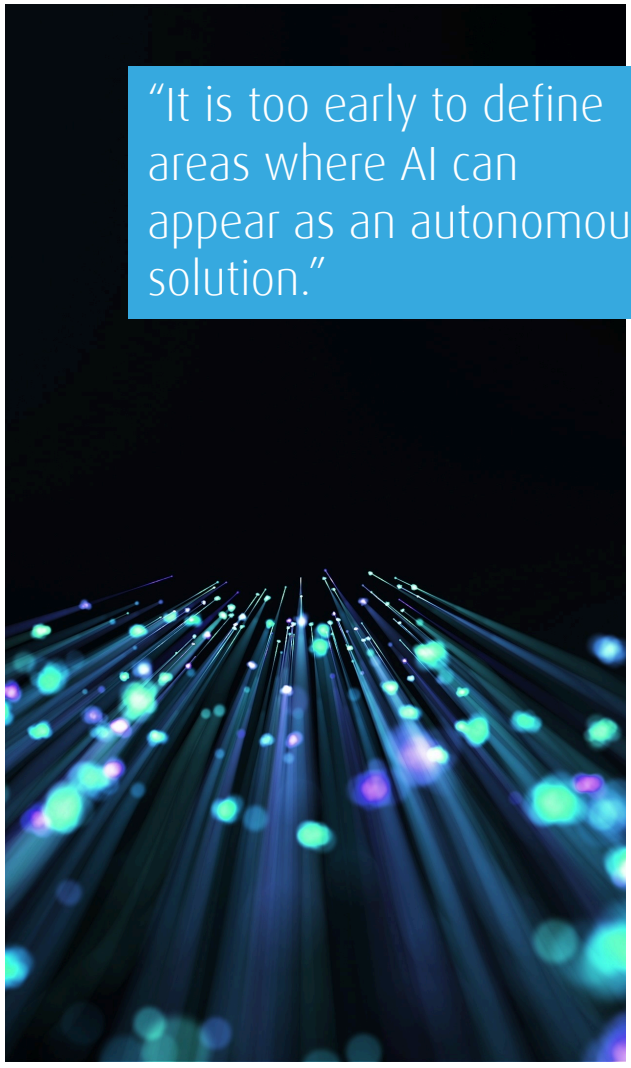
**Mariusz Ziolkowski:** In this area, we use our own solutions that are verified and systematized. These are tools that provide the highest world level service. We cannot afford any compromises in the area of customer service. AI supports us.

**Amrop CEE:** You mentioned a long-term partnership with Microsoft and using Copilot. Were other tools considered in your selection process?

**Mariusz Ziolkowski:** Yes, we have analyzed all available tools on the market. Copilot seems to be the most suitable for our needs at the moment.

**Amrop CEE:** Does your organization have financial expectations regarding Copilot, or is it more of an experimental phase?

**Mariusz Ziolkowski:** I think it is too early to define areas where AI can appear as an autonomous solution. I would not like to point out specific processes or areas at this stage.








Amrop

**Amrop CEE:** Have you provided training for employees in using Copilot?

**Mariusz Ziolkowski:** Yes, with the advent of AI-enabled tools, at the same time our corporation has made available proper training and coaching. Our company does this for every new product process. I will say it again, we cannot afford any compromises, everything must be perfect.

**Amrop CEE:** Have you encountered any compliance issues in this regard?

**Mariusz Ziolkowski:** No, but I prefer to proactively identify potential compliance risks rather than react to them after the fact. For example, AI could unintentionally generate messages to customers that lead to confusion or damage relationships and even loss of business. So, there is a commercial risk. There are also compliance-related risks because, as we know, AI is learning and, in that process, can use all data available – everything on your laptop, for example, and rework it in a way that it "believes" is beneficial for you; but that can include data that's sensitive and can cause compliance issues for the whole company.

**Amrop CEE:** Can using Copilot give your organization a competitive edge?

**Mariusz Ziolkowski:** Yes, but this benefit only comes when we seriously leverage AI capabilities. Promoting and being able to sell AI-based tools is completely different from having deep knowledge of AI and the ability to use it.

**Amrop CEE:** Do you see a gap in leadership competencies regarding AI?

**Mariusz Ziolkowski:** I wouldn't exactly call it a gap, but, as AI is continuously evolving, we need to acknowledge our limitations in knowledge.

**Amrop CEE:** What leadership skills would you find necessary regarding AI development in your organization?

**Mariusz Ziolkowski:** When I think about what practical applications AI could have for us, I believe that it could help in, for example, the initial stages of the recruitment process, though I wouldn't think about leaving AI the final choice of the candidate.

**Amrop CEE:** Have you considered hiring someone for the leadership team who would focus purely on AI-related matters?

**Mariusz Ziolkowski:** We have very clearly formulated expectations towards our candidates, especially those recruited for high management positions. We focus not only on leadership skills, ethics and experience but also on inclusion, diversity and female representation. I am sure that AI will sooner or later appear in the selection criteria...

**Amrop CEE:** But, when it comes to the current team you have, what qualities do leaders need to ensure the effective use of AI tools by their teams?

**Mariusz Ziolkowski:** The answer depends on whether we are talking about AI tools for internal use or AI tools with commercial applications, as products. Internally we should proactively demonstrate how AI can support us and enhance our work; when it comes to products, we should be able to recognize how AI-based products made by company A are performing better than AI-based products made by company B.

**Amrop CEE:** How can you encourage full utilization of AI tools among your team?

**Mariusz Ziolkowski:** We currently have enough internal expertise and mechanisms without over-reliance on AI. We want to use AI consciously and naturally, without exerting unnecessary pressure

**Amrop CEE:** Would you say that you prioritize a more traditional skillset over AI-specific experience in your leadership recruitment?

**Mariusz Ziolkowski:** We develop both areas of competence in parallel, according to our needs and the needs of our clients. AI solutions are visible...

**Amrop CEE:** Given your unique position where you both sell AI-based products to your customers and use some AI tools internally; do you see any significant difference between those tools? Do you have a chance to see the sold tools implemented as compared to what you are using internally?

**Mariusz Ziolkowski:** Regardless of whether these are commercial or internally used products, we have to carefully match solutions to needs, in this regard I would not point out specific differences.

**Amrop CEE:** How do you foresee the evolution of AI tools?

**Mariusz Ziolkowski:** This is a very dynamically developing product area in the market. Both due to tools using artificial intelligence mechanisms and solutions related to the infrastructure enabling the functioning of AI tools.





Amrop

Our company has developed its own, proprietary methodology for promoting, selling and implementing AI solutions called Destination AI. This offering is available on all markets.

**Amrop CEE:** Do you believe the tech and IT sectors are prepared to prevent the misuse of AI?

**Mariusz Ziolkowski:** Yes, I believe that the broadly understood IT market is working on the appropriate level of security of solutions using AI mechanisms. As I mentioned, AI elements are present in the offer of the vast majority of professional IT solution providers.

**Amrop CEE:** Does it affect you if the competition is less cautious though?

**Mariusz Ziolkowski:** The AI mechanism is a learning process. Inputting incorrect data and misleading data can lead to incorrect conclusions and effects that can be undesirable. We all need to be aware of this.

**Amrop CEE:** So, for you AI as a tool for support rather than a decision-making engine?

**Mariusz Ziolkowski:** Exactly – the mechanism of collecting data that is already somewhere in my network is a huge support and that is great! AI helps in collecting data, interpreting and organizing existing information.

**Amrop CEE:** So, there's still hope for human leadership!

**Mariusz Ziolkowski:** Absolutely. Human judgment and interaction are essential; AI merely assists our efforts without replacing them – it can work with material collected and created already by humans.

**Amrop CEE:** We already briefly touched on the subject of cybersecurity; do you believe AI can offer support with that?

**Mariusz Ziolkowski:** The use of AI tools in the security area can be crucial, especially in the area of control, prediction and prevention of all types of crime. This is a huge area; this is our future!





Amrop

# Interview with Emilia Tantar, Chief Data and Artificial Intelligence Officer at Black Swan LUX, Head of Delegation for Luxembourg on AI standardization, by Gabriela Nguyen-Groza, Managing Partner at Amrop Luxembourg

**Gabriela Nguyen-Groza:** As a Chief AI Officer could you elaborate on what this role is and how did your company recognize the need for this role, perhaps earlier than many others?

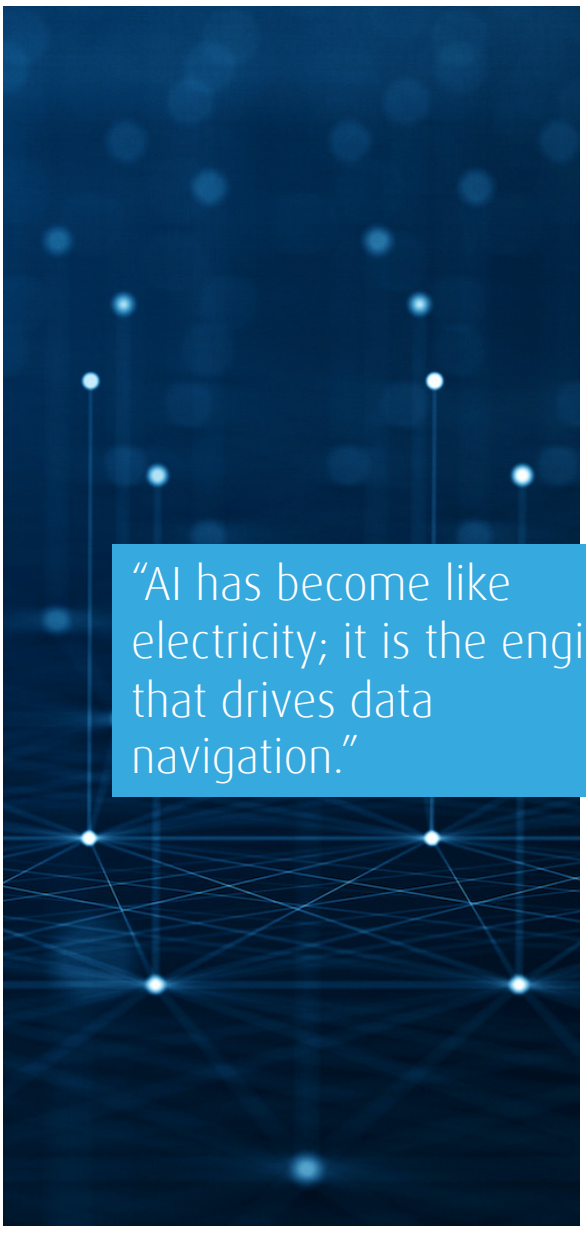
**Emilia Tantar:** I am indeed the Chief Data and AI Officer at a company I co-founded, which is a spin-off of the University of Luxembourg. I have held different roles within the company. I was initially the Chief Operating Officer, and then I transitioned into my current role. I also took a break from this position to serve as a Senior Manager at PwC Luxembourg. After that, I became the first individual to hold the role of Chief Data and AI Officer in a Luxembourg public agency. The inclusion of "AI" in my title was important because AI is currently utilized not only as a support tool for operations and product development but also in decision-making processes. Given that AI permeates the entire value chain of a company, it made sense to have AI represented at the board level to ensure its strategic importance is acknowledged.

**Gabriela Nguyen-Groza:** It probably means that your organization uses AI tools internally and they have also been integrated in customer solutions, is that correct?

**Emilia Tantar:** AI has become like electricity; it's the engine that drives data navigation. As an SME, we thrive on providing technology to the market. We began by offering technological solutions and have since expanded into more strategic consulting. Many of our partners include public and private institutions, primarily Fortune 100 companies. We provide strategic consulting on how they can shape AI and apply best practices we've developed in our small company, scaling them across different territories in Europe. AI can encompass the entire supply chain. We use AI internally, primarily the technology we developed while at the University of Luxembourg, and we have created other core AI techniques, particularly in anomaly detection. Over time, we realized the need to partner with other AI providers to cover areas such as cybersecurity and specific risk assessments, as well as to assist with procurement for our clients.

**Gabriela Nguyen-Groza:** Can you say a bit more about the solutions offered to customers?

**Emilia Tantar:** Our business has two main components: first, the products we are developing, including our core anomaly detection engine; and second, the auditing of AI solutions. We support our clients with strategic consulting, primarily focusing on AI procurement. For AI procurement, companies need an audit of the technological solutions they wish to purchase or implement. This involves a comprehensive audit, including risk assessment, risk management, quality assessment, and quality management. In the following years, we are preparing to conduct audits of AI solutions according to the European AI Act, which is part of European legislation. We support our activities with international and European standards, including those from ISO/IEC JTC 1 /SC 42, as well as the standards set by the CEN/CENELEC JTC 21.








Amrop

The European standardization committee CEN/CLC JTC 21 has a mandate from the European Commission to develop standards supporting with technical specifications the implementation of the EU AI Act, which can be further used for the audit of AI solutions for the European market in light of the EUAI Act.

**Gabriela Nguyen-Groza:** Can we talk about disruption in your industry or in the industries of your clients, specifically regarding the implementation of the solutions you offer or use? Does this provide you with a competitive advantage that others need to catch up with?

**Emilia Tantar:** Yes, we have been working in this field since 2015 and anticipate expanding our services to include audit of AI solutions. The broad umbrella of AI techniques, especially generative AI, will become essential across industries, regardless of the verticals they cover, to efficiently navigate data. More importantly, it will help in navigating the knowledge that comes with generative AI and the tools it offers.

**Gabriela Nguyen-Groza:** Generally speaking, what leadership competencies/skills do you see as necessary in the current environment when it comes to AI?

**Emilia Tantar:** AI leaders are essential in medium to large companies; for small companies with very few employees, this may be challenging. For instance, a CIO may need to work alongside the chief data officer when one exists, as this role encompasses a new dimension of data and information—knowledge. In the early stages, there needs to be technical expertise for auditing AI solutions. So far, we haven't had specific legislation regarding AI, aside from data legislation, which led to the emergence of the chief data officer and data compliance officer roles. In Europe, we have the EU AI Act, which was published on July 12th and came into effect on August 1st. Now, when we are implementing solutions, especially high-risk ones, we need to subject them to an AI audit. This applies to solutions developed internally as well as those procured from the market.

The European market is thriving with researchers who possess the technical capabilities necessary for this work, however, they need to be skilled in standardized processes and procedures. Thus, individuals who can conduct testing according to standardized methods could be ideal candidates, provided they possess the necessary skills. Of course, it is also crucial that they have business acumen in the relevant vertical. Without an understanding of the specific area you are auditing, performing a complete audit will be quite difficult. Therefore, a technical audit of AI is a must, along with contextual knowledge of the field in which you are applying it.

**Gabriela Nguyen-Groza:** Do you think it's possible to upskill some of the existing roles, like the CIO or CTO, could either of these roles evolve into the AI role?

**Emilia Tantar:** AI audits require specific testing of stochastic algorithms, so the person performing these audits needs to have the skills, knowledge, and understanding of stochastic methods, which are the AI algorithms. This will necessitate in-depth knowledge that has not been widely required in the market thus far. It may be possible for professionals, such as CTO or CIO, to transition into these roles if they have undergone AI training, which has been available in Europe and worldwide for more than 20 years under various names. They will need to identify how to establish a common foundation and build upon it. While we have been using interface platforms like ChatGPT and others in a trial-and-error manner, we now need to implement structured testing and apply critical thinking to understand the types of testing required for stochastic methods, which is a specific skill set. Furthermore, while Chief Data Officers may possess compliance skills that could be relevant, this may not be sufficient on its own.

**Gabriela Nguyen-Groza:** When considering the human factor in introducing tools used internally, how do you view the response of the team and other employees who need to adapt and adopt these new capabilities? Do you foresee any issues with this? Do they require additional training?

**Emilia Tantar:** I believe we all learn how to learn - we all have the capacity to do so. The second factor is the human aspect: do we have the willingness or the need to adapt? If we possess both the willingness and the capacity we've developed through our studies, we can all adapt. However, the time and skills required can vary. For example, when it comes to high-risk applications, there will be specific risk catalogs and precise testing protocols that must be followed. This will require high-level skills that should be based on formal training, continuous learning, or academic qualifications. How these skills are acquired doesn't matter; what's important is that they need to be acquired. Moreover, in the context of standards, there are specific skills required for those who will perform internal audits, prepare solutions for the market, or conduct external audits. These skills are documented in the EU AI Act for example, and standards will be available to identify the necessary processes, risk catalogs, and management standards that should be implemented. Nevertheless, practical expertise will also be essential. Those conducting the audits must be capable of performing technical audits and testing on these systems, which has not been a requirement thus far. Especially for high-risk AI systems, specific skills must be verified.





Amrop

**Gabriela Nguyen-Groza:** When it comes to the human aspect, have people been adapting quickly so far?

**Emilia Tantar:** I believe we have one more aspect to consider: the discovery of this new function, the technical audit, which is quite different from the traditional financial audit. There is a willingness in the market—from individuals of all ages and backgrounds—to transition toward these new functions. However, I'm not sure if, at present, we have a sufficient supply to support these demands. Let's see.

**Gabriela Nguyen-Groza:** When it comes to demand from clients, we heard occasionally that in leadership positions—particularly in sales roles—there is a specific emphasis on the effort required to explain new offerings to potential or existing clients. What has your experience been with that?

**Emilia Tantar:** More and more clients are demanding AI profiles in leadership roles due to the regulations that are being put in place. This is not limited to Europe; similar regulations exist in the UK and the United States. Therefore, this is a global trend. We have established regulations and advanced technology, and while it may have previously felt like a blue ocean, it is now becoming more constrained. The regulatory requirements serve as a strong driver for this kind of demand. Clients are requesting it because it is what they need.

**Gabriela Nguyen-Groza:** How do you see the future use of AI tools in your organization/ industry and across industries?

**Emilia Tantar:** I believe that the industry will start using AI as a tool for navigating data, similar to how we have used electricity in the past. While we may not fully understand all the mechanisms, users need to navigate data whether it's on their phones, connected devices, or in their personal and professional lives. We are all navigating data, so AI will serve as a background tool. There will be different levels of understanding and usage but given the amount of data available and the complexity of the systems we are handling; AI is becoming essential. As humans, we cannot process data at such a fast pace.

**Gabriela Nguyen-Groza:** You mentioned collaboration with universities in the creation of AI tools. I've been hearing more frequently that many companies realize they need to work with academics on this front. Do you share this perspective regarding AI, or does it apply to AI only as much as to many other fields?

**Emilia Tantar:** I believe that cooperation with universities is essential for staying up to date. Personally, I have been involved in AI for over 22 years, although we weren't calling it AI at the beginning.

Initially, we used AI only in entities that could afford it, such as the Atomic Energy Commission or large institutions with the necessary budgets, as there were significant costs associated with computational power. Now, with the advent of more accessible computational power, we see an increasing number of players utilizing AI. Collaborating with universities also facilitates a more efficient recruitment process for specific skills. I increasingly advise on upskilling while also enabling the recruitment of new talent, bringing fresh perspectives from a technological standpoint. For example, in Singapore, to maintain their university diplomas, students are encouraged to take additional classes every year to keep their qualifications current, which I think is a great concept. In Europe, we implemented the Bologna Process, which establishes a structure of three years for a bachelor's degree, two years for a master's degree, and three years for a doctorate. This system is prevalent across Europe but may change over time, as continuous learning is key to adapting to new technologies—not only artificial intelligence, but all technological advancements.

**Gabriela Nguyen-Groza:** Is there anything you can suggest to other companies aiming to recruit AI officers?

**Emilia Tantar:** When aiming to recruit an AI officer or leader, or when looking to upskill someone, I can recommend the use of standards. For example, to support the EU AI Act technical specifications are being developed in European Standardization Organizations—not only legal specifications—that can be utilized by AI leaders. These standards are developed by organizations like the CEN and CENELEC Joint Technical Committee 21 and, at the international level, by ISO/IEC JTC 1/ SCAC 42. We are currently preparing a specific standard for the conformity assessment of products and services entering the European market, and I am the convener of the group responsible for this assessment process. There will be a European norm for the AI conformity assessment framework that companies can use. Additionally, there are three other standards that have received support, including risk management and quality management standards, which can serve as useful tools within the EU AI trustworthiness framework. Be wise and standardize!





Amrop

# Interview with Simo Dragicevic, founder of BetBuddy by Mikael Norr, Managing Partner at Amrop Sweden

**Mikael Norr:** How do you see the future in using AI tools within the gambling industry?

**Simo Dragicevic: It** depends how far you look into the future, but, I guess, if you think about the near-term future, the next five years, then I believe the application of AI is going to be around improving productivity across a number of domains in the industry. If you think about the value chain, if you think about the customer, and the interaction with the customer, we will continue to use techniques to personalize the customer experience. So, putting a lot more personalization and context around the user interface in terms of what people see, what events and gambling offers they see. So that's obviously something that's been happening for some time, and it will continue. The gambling industry is a little bit behind the big tech, so there's still room for improvement. I absolutely see forms of communication with the customers, especially those of younger generations, being augmented with generative AI chatbots and so on, and customer service representatives will probably be prompted to support their customer interactions similarly. Also, if you look at the generation of content within gambling, there's sports betting where there's a potential to automate, as there are 1000s of different sporting events or lines that one can bet on. The trend in sports betting is to produce more markets and more betting opportunities, especially around what is called micro betting where you can bet on the next pitch of a baseball game, for example.

**Mikael Norr:** That must be automated at some level already, right? Or is it supervised by people?

**Simo Dragicevic:** If you look at what the newer sports betting companies are doing in the last few years, a lot of that is automated, but I believe there is still human oversight. Operationally I don't know when a human steps in, especially with these shorter timeframes, but you can absolutely see how that could be automated even more and how more automation will create more markets and opportunities and more variety. And if you think about other big gambling verticals, like online casino slots, table games and so on, you can absolutely see how generative AI can help the creative process of developing content and images, making it easier to develop new forms, themes and content.

**Mikael Norr:** Let's think for a moment about disruption. For example, in my industry, I get calls every week from companies saying that they can help us with our processes, they can automate everything we can think of and so on. But, probably within the next two years it's only a matter of increasing productivity a bit, it's not disruption. Do you see any disruptive effects of AI in your market?

**Simo Dragicevic:** We talked about micro betting within the sports betting industry – the ability to automate it consistently produces lots of new betting opportunities. In the US there's a very popular form of betting - parlay betting, which we call an accumulator, where you can combine events and build them up.

"When you don't have anyone with Data, Machine Learning or AI experience, there's a nervousness around tackling it in your own organization."





Amrop

And being able to offer these interesting combinations consistently, while the game is happening, having that level of automation is somewhat disruptive, because it continues to offer more and more ways to make the game interesting. So, it's not a completely new product, rather a variation of an existing product, but I believe there is an element of disruption here. Another area where you could get some interesting opportunities is the casino furcation of sports betting where you can effectively build a slot machine around the events that are happening in the game – basically adding another level of enjoyment and thrill through this new gaming format. The casino mechanics could lend themselves to sports betting, so I believe this can give rise to innovation bordering on disruption.

Mikael Norr: I have just one more gambling-related question: is the "back end" of all the payment solutions ready for this type of micro-gaming activity? If there's, for example, 100 bets placed in a round of golf and if you treat them the normal way with various small transactions, couldn't that cause such a volume that it wouldn't be profitable for the company?

Simo Dragicevic: If you look at the financial markets, this very low latency, the immediacy of information, the large volume of trading – the infrastructure could be built. And it is a genuinely good question around AI, because people underestimate the infrastructure required – not only the processes and run, but also the need to train models in advance, the data and processing requirements. At the same time, you want to be reasonably certain there's some interest in the product so you would probably start pushing it and see how it goes, but there you have the actual source of the data, and the data provider has to push it to the odds generator, which then has to push it to the book who then has to push it to the person who has to make the decision so that there may be some limitations in how far you can push it.

Mikael Norr: It is generally an interesting topic – about the amount of data. Take about automated driving, where you could have 10 000 cars on M1 communicating with one another, which means 1000s of 1000s of data points, which you need to handle in some way; you cannot store it in the cloud – there needs to be another type of direct communication. Of course, this is something you would probably also use AI to handle, but there needs to also be capacity and infrastructure.

Simo Dragicevic: Absolutely. When you think of the costs for just training ChatGPT you start understanding what goes into these models and realize why Open AI had to have Microsoft as a partner. Because to have this computational power, to have the GPU capacity, we're talking tens, even hundreds of millions of dollars.

There's this debate around big tech being the only ones who can win this race because they're the ones who have the capacity and the funds to build these models...

Mikael Norr: Thinking of what we've just discussed and looking at a typical leadership team, about your last leadership team or even the non-executive board of directors that you sit in, what type of competencies do you see that you'll be needing in the future that are perhaps lacking now? Is there a need for specialist competencies to deal with AI-related matters?

Simo Dragicevic: What I've seen is that when you don't have anyone who has tech, data, machine learning or AI experience, there's a nervousness about trying to approach and tackle it in your own organization. A recent example for me is the UK Regulator where I have an advisory role, and which, as a quasi-governmental organization is very analog, and a lot of people have been in their roles for very many years. There was an understanding that they're missing a huge opportunity in terms of doing their job better with the help of data, so a couple of years ago they said that they needed a data strategy and to modernize, to be a modern regulator. The default was to bring in consultants to help them think through the problems and to then hire an executive who will lead the new program. Now, I think, on both fronts it was probably the wrong thing to do. Consultants can be very useful in facilitating progress, kickstarting things, but there wasn't enough curiosity from the executives – it was more of: let's get some consultancy in and give them the task to help us figure this out, rather than: what do we actually want to do here and how do we want to change ourselves, how are we going to make gambling fairer, safer and crime-free through the use of tech and data?

Mikael Norr: What was your advice in this case?

Simo Dragicevic: My advice was to find someone on the executive board who is going to carry the can for this. It's probably best that it's the most digitally native person who's the most comfortable with tech and data, but this needs to be part of their day-to-day job, their mandate. They need to free up their time, so they can focus on this and then slowly, working with advisors, whether it's myself or the other panel members, they begin to build a strategy, understand what skills are needed and start building that way. And what's needed first is curiosity at the executive level, asking the right questions, accepting one's limitations, admitting what scares you, understanding what doesn't, where we're strong, and getting support in the areas where it's required.





Amrop

So, I don't necessarily think that it's right to "inject" someone in the organization who's going to solve the problem – working internally might take a little longer but I think it sets the organization up for success in a much more sustainable manner.

Mikael Norr: So, the key word is curiosity.

Simo Dragicevic: Absolutely. I was reading the annual letter of Jamie Dimon, the CEO of JPMorgan Chase, where he talked a lot about AI, and they've created a new role – the Chief Data and Analytics officer, but they've put a seasoned executive in that role, who's been with the organization for 20-30 years. I know that they also bring in a lot of experts and they hired a head of AI many years ago already, but they're not the people who make the decisions, set the strategy and run the organization – they're the people who support the executive in realizing their vision. I see that as a good template where technology becomes the last layer in the jigsaw, and that's what we're trying to do with the Commission as well – very different organizations but similar strategies and philosophies when it comes to AI.

Mikael Norr: In your experience, are the CTOs/CIOs in a typical organization tend to be more pro or against the extensive use of AI?

Simo Dragicevic: I think it depends on the individual and yes, there will be some people who are against it. When you're in a tech company the CTO needs to think about keeping the wheels running, about 24/7 real-time support to the system, so maybe asking them about the architecture – how do we bring data in and make it accessible to business analysts and data scientists in four or five different parts of the organization, might not yield the best results. But at the same time, they're fundamentally critical in helping to enable that vision. At the same time a lot of the CTOs I've interfaced with tend to want to use the latest technology – they want efficiency; they want their teams to be learning and growing. In my personal experience at Playtech (a leading gambling software development company) – it was a very complex organization, it was kind of like moving a tanker: there were lots of legacy platforms and tech, and we ended up putting layers and layers of databases and technology to try and knit it together, which was probably not the most efficient way of doing things but demonstrates that it can really be very hard.

Mikael Norr: During your time at Playtech did you launch any AI tools internally that you could measure the success of?

Simo Dragicevic: With Playtech we were moving towards business intelligence reporting and analytics, trying to embed that more widely within the organization; then there were pockets of machine learning in different parts of the business, but they tended to be isolated. There was more focus on what I call BI and analytics tooling to make better use of data to support business decisions, and I think that a lot of the gaming industry is probably in that position.

Mikael Norr: You are currently in the recruitment process for the role of the CEO at Kambi, the B2B provider of sports betting services to licensed B2C gambling operators. What would you do at Kambi to get people in the management team to the next level when it comes to the use of AI?

Simo Dragicevic: When you come in fresh and new into an organization, you want to have a good look across the different areas and departments, to understand the key processes – what happens in sales, customer support, the engineering team and the sportsbook team, what happens in operations. And then it's also good to look outside of the organization, bring in examples of how other organizations have done things, how larger tech companies organize themselves, how their teams are made up. The way I would approach it is - let's understand what we do today, who we have, how we're making this work, and how we can improve it. Do we, for example, want lots of junior traders pricing all these markets, do we see AI dominance in these processes, in software development, do we need all these testers and engineers? Ultimately, it's a people organization, so how can we make people's jobs more meaningful; how can we free them up to do more interesting, more value-added work, to sell more effectively, and get better insights from the data? So, it's really the challenge of trying to really understand the organization.

Mikael Norr: It's interesting because it comes down so much to the personality of a leader who may or may not be reluctant to open up, take input from outside without trying to protect the legacy or the people already working there, because ultimately, it's the company objective that one should have.

Simo Dragicevic: Absolutely. And when an external person comes in, they can be nervous, because as an external you can ask really dumb questions, really simple questions, like, how many people do you have, what do they do, why do you have five people in this team doing this or that?





Amrop

You can ask these questions because you don't have a legacy, but also you have to be careful with that approach – it's not to catch people out, but to help me understand what they're doing and where the problems are, you can bounce ideas off me. And it's a good question: should you have an AI division? One of the things that I've always done is try and bring in academics. It's interesting to work with them because they're very deep in their topic, and you can tap their knowledge, their networks, their ideas, and that can open up a whole realm of possibility that didn't exist before – because they've spent 20 years researching computer science and AI, and bringing this expertise together with the experience within the company can be a great discovery process.

Mikael Norr: They might also feel less, let's say, threatening to the people within the company, compared to people from a consultancy firm?

Simo Dragicevic: I've been a consultant myself and I know the value they bring in the right environment, but I think in the case of engaging academics you're basically trying to extend the brain of the organization. If you look at Microsoft, Google or Meta, they've been tapping into the best academic brains for decades – and it's no coincidence how successful they are in this space because it's a constant flow of ideas. And then it's a kind of symbiotic process – you bring the academics in, you give them data, you give them space, you let them publish, you let them work on big, exciting problems. And over time you can really create some snowball effects: you don't need a whole computer science team from Stanford – it can just be one academic, or it can be a team of five people, and you give them space, and the environment and data and some resources, and some small, immediate goals. And then you have a demo, you have a conference paper, you have an industry trade press article, and you compound that over several months and years, and all of a sudden, you've created something that's actually quite hard to replicate.

Mikael Norr: And this is something you can do on your next journey as well! From what I hear, also, it's not a very often-used approach, not as often as it should be.

Simo Dragicevic: I don't think it is, and again, maybe it comes down to curiosity and experience. The gambling industry is an interesting one: you have to look at the history of the industry. It was created not that long ago, and some of the entrepreneurs made a lot of money from not really doing that much - putting up a casino site and collecting the deposits, as there wasn't really much science behind it – and that's a bit of a disservice.

These people, the companies grew, and then you have a corpus of people who probably never once thought about trying to solve the problem from a different perspective. But it's changing and the Scandinavian entrepreneurs, as I see it, are different and more socially responsible.

Mikael Norr: One of the questions we wanted to ask is about where you expect to hire the people who would take care of the AI initiatives from? So, even if you don't hire, you would be looking more towards academia, when it comes to additional help with it?

Simo Dragicevic: Companies acquire talent all the time, and there are companies which will acquire AI companies because it's quicker to acquire them. It happened to my company, BetBuddy (a pioneer in the use of software and AI to protect consumers from gambling-related harm), because it would just take a long time to build what we'd built, and there's time and place also for that. But I'd like to try and foster that curiosity, discovery, the testing and the development of the internal capability. Unless you try to build that within your organization, I think you're doomed to fail in this space in the long run. Bringing in pockets of expertise, building long-standing relationships and collaborations with universities and other organizations – these are things that can really help you build capability over time, and I think the organization, the employees will find it very rewarding to be exposed to this kind of opportunity. You have to try to do it from within – you won't have all these people and all these mindsets, but I believe you can train the executives to be open to these approaches and create the space and opportunities to do that.

Mikael Norr: Can the external help, in your experience, be useful when it comes also to facilitating the process of employees working alongside AI, so to speak? Kambi offers a good example for this kind of situation, because they have 200 people working on setting odds and next to them sits an independent company working on automating everything they do. How to get those 200 people into using the new technology, doing something else when the process is done?

Simo Dragicevic: I see it not as a revolution, but an evolution, so the way I would position it is: why are we here? If we want to grow as a business, and if you want to advance personally, we need to work differently. It doesn't mean we are all out of a job, it means that we need to do better work, smarter work, to change our skill sets and rely more on technology. I would ask the people what they want to be doing in five years' time, make them be part of the decision about how to evolve their roles.





Amrop

You have to lay out a vision – that they can be part of this, benefit from this trend that's happening, but it's not going to happen if we all cannot face some uncomfortable truths – that we need to change, adapt and embrace this. I would always try to frame it as a broader vision that everyone can relate to and aspire to.

**Mikael Norr:** And these bilateral discussions generally need to end, there needs to be a group vision about where we're going. When we talk about AI, if you are on the executive board, you need to be informed about what happens on the other side of the company.

**Simo Dragicevic:** Yes, and there's often lots of different things happening in different silos that no one's aware of. What you want instead is to get everyone's heads together in a safe, non-critical environment, looking at the facts. Transparency is really important, and you need to understand what's happening in the organization in order to drive it forward.





Amrop

# Interview with Alex Trott, the Managing Director and Data and AI Lead at Accenture, Australia & New Zealand by Fiona Getty, Partner at Amrop Australia

**Fiona Getty:** Could you first say a few words about Accenture's ownership structure and size?

**Alex Trott:** Accenture is headquartered in Ireland with currently around 750 000 employees globally. That's broken down into global service groups such as technology, strategy, and consulting, customer engagement agency and operations. We go to market as industries, and we have five industry groups – Financial Services; Resources; Comms, Media and Tech; Products; Health and Public Service.

**Fiona Getty:** Does Accenture use any AI tools internally at the moment?

**Alex Trott:** Yes, there are a number of different tools used for different parts of the business. We are the largest user of Microsoft technology – Teams, co-pilot and so on, which all have AI on top for productivity. Then there's tools which we would use in our technology and operations business to drive productivity around the technology life cycle – helping with coding or with other technology, project development. Anything from using generative AI to helping understand mainframe systems and reverse engineer code right through to code development and so on. In operations – we run operations: HR, finance, accounting, banking operations for a number of companies, and we will use tools that help with automation and productivity. The third segment is around tools that we use with our clients to help them and their business – we have assets which we use that in turn use generative AI that then help our clients drive changes to their business.

**Fiona Getty:** Great, thank you. You mentioned that you're the largest user of Microsoft products. In terms of decision-making – who has driven the decision internally to use those products?

**Alex Trott:** We're the largest implementer of Microsoft, so it's a very strong, global partnership, and we work on product development, so it's very much a two-way relationship. We go to the market together when it comes to certain clients and projects, we work towards joint solutions. But we have relationships with a number of the large tech providers, including Google and AWS, from very broad to very specialist, for example, small use cases around public service.

**Fiona Getty:** What business results would you expect from the investment of the use of AI tools internally, and what business results do your clients expect?

**Alex Trott:** It depends on different things for different industries. The types of results that we're seeing in terms of productivity for our business are very much related to how we deliver work – it's about productivity and effectiveness. Gen AI, for example, is very good at synthesizing and condensing very disparate data and providing a point of view, which helps us work with clients and create better.

"The biggest thing we've done is uplift the whole organization's capability and understanding of AI."





Amrop

A lot of what we're seeing is Gen AI providing augmented data to help people do their jobs better – and that's us as consultants or what we're consulting our clients to do as well. So, you might look at a commercial banker that deals with clients, and they might use Gen AI to consolidate data about the industry they're working in or other information about the client or help them prepare for meetings and so on, using the consolidation and analysis features that come from Gen AI, for example.

**Fiona Getty:** Do you measure the productivity of work using these tools?

**Alex Trott:** Yes – for our technology business we're seeing anything from a 30-50% increase in productivity of code generation, which is amazing, and, likewise, we're seeing a 30-50% increase in productivity in our operations business where Gen AI and automation is used. There are very significant things that can be eliminated and some others that can be automated and augmented, because it's not just about efficiency – it's about effectiveness and capability.

**Fiona Getty:** Have you had to create initiative to up-skill the management and employees, and what development tools have you or do you use?

**Alex Trott:** Yes, we use two approaches. One is around how we use the tools ourselves – and that's through general training, trying those things out. And then there's role-specific training, for example, one of our engineers would look at some of the tools that could help them and there's training around those. But the bigger thing that we've done is basically uplift the whole organization's capability and understanding. The word we like to use is "curiosity" – so, it's actually about uplifting everyone's curiosity around Gen AI, because what we want is for all our people, when dealing with clients to be versant in Gen AI and have a point of view for how it works as a technology, how it affects industries and the companies of our clients.

**Fiona Getty:** How do you implement that?

**Alex Trott:** We have a large program called TQ – meaning "Technology Quotient", as in EQ or IQ, but for technology. It is a program for all our 750 000 employees and has levels you can reach, so there's training that people can take and then do courses around that. There are modules for 15 different technologies, like Cloud, Data, Edge Computing, Gen AI and so on, and we're trying to introduce a gamification aspect in it. For each of the modules there's between 1 and 5 hours-worth of online videos and exercises, followed by an assessment at the end of it, which helps you enhance your TQ.

**Fiona Getty:** Is this training program available only to your employees or clients too?

**Alex Trott:** We're making the platform available to our clients as well to help them with the TQ in their own organizations. One of my responsibilities is to uplift the capability of our Australia business around Gen AI, which is part of TQ, and we now offer the training program to our big clients as partnership and to others as paid engagement to help them.

**Fiona Getty:** Sounds fantastic. Would you say that the use of AI and your approach to the training of your team is giving you a competitive advantage in the market?

**Alex Trott:** I think so. Our advantage is the depth and that we've actually been working with AI on ourselves, as in, our technology and our operations business, and therefore, I think we have real practical experience of it as well as just training. We can then use that to go to market, it gives us a good advantage as well. I'm not sure that we've packaged it as well as we could – I think our marketing around it can be uplifted, but we've got the underlying ability, we just need to sell it better!

**Fiona Getty:** It kind of relates to my next question, which is about the sort of competencies you feel like you might still need when it comes to AI?

**Alex Trott:** Yes, it is related, and I believe it is all about client focus, solution-lead selling. The key aspect there is around our industry perspectives or narratives about it not being just a technology that we're trying to take to the market – it's actually a solution to an industry problem. So, it's that translation into the real world of these technologies, which is the challenge for us – as an industry and also as a company.

**Fiona Getty:** How are the clients responding?

**Alex Trott:** They're hugely embracing it, but, at the same time, many of them don't actually know the journey to go on, and this is what we're spending a lot of our time doing – thinking through the best approach for first clients to take on that AI journey, which is a combination of experimentation, top down strategy and assessing the value working across the data landscape and what you need in order to be successful in Gen AI.

**Fiona Getty**: How do you expect it to play out over the next 24 months?





Amrop

**Alex Trott:** We used to have a digital part of our business, which now doesn't exist because digital is everywhere – and I think the same thing will happen with AI. Now we have an AI part of our business which is really scaling, but ultimately it will sit everywhere in our business. So, I see my own role, as we've built it, disappearing within the next 12-18 months – so many of these different industries and functions have all pivoted to use AI, so it's really about AI becoming part of every aspect of business.

**Fiona Getty:** We've talked about upskilling the whole team, but are there perhaps any specific requirements for the skillset of the AI leaders or the future tech leaders, which will work with AI as an integral part of the business?

**Alex Trott:** I really like the concept of curiosity because as businesses reinvent themselves with AI, people need to reinvent themselves as well, and, therefore, the open-mindedness to work out how it's beneficial rather than threat will be crucial. But that goes for all of us, while for executives the challenge is to know how much they need to depend on experts, because just depending on experts, I don't think is the answer. Everyone needs to have a certain level of knowledge and skills around it, and, therefore, these broad training programs and executive training programs are hugely important. For many of the training courses we have a relationship with Stanford, with MIT, with Berkeley – we send our technical people and our businesspeople on courses that we've worked on together with the institutions, and that really helps uplift the skills.





Amrop

# AI, Leadership and the Emergence of the CAIO

## 1. AI Tools

In this chapter we review the AI tools introduced or utilized both internally and in customer-facing solutions, as well as the rationale behind selecting specific tools. The discussions focus on the outcomes these tools achieve, including problem-solving, gaining competitive advantages, improving efficiency, and driving business results. They also highlight the need for internal adjustments, such as clarifying leadership roles, decision-making responsibilities, and the processes for making choices about these tools.

Amrop

**AI is already supplying tools necessary for businesses to transform digitally, ensuring they are remain competitive, innovative, and resilient in the ever-evolving digital landscape. Moreover, AI offers unprecedented customization and personalization capabilities, enabling businesses to offer tailored products, services, and interactions.**

**We first asked our interviewees about the AI tools their organizations have introduced, including both internal and customer-facing solutions; we analyzed and compared their reasons for selecting specific tools, asked about current outcomes, advantages secured and business results, and inquired about the status of internal adjustments when it comes to who is making decisions, and how choices are made regarding these tools.**



### AI can augment software engineering productivity

AI has the potential to significantly enhance the productivity of software engineers. Key insights focus on AI tools for coding, fostering collaboration among professionals from diverse fields, and the importance of a responsible approach to adopting AI-based tools.

A noteworthy trend accompanying the rise of Generative AI is the low-code/no-code movement. Many developers have recognized the value of creating software that non-programmers can use or customize without needing coding expertise. As access to AI technology has become simpler and more affordable, a surge of tools enabling the creation of AI models in a low-code/no-code fashion has emerged. This trend allows companies to adopt AI solutions without relying on large teams of engineers or data scientists, encouraging experimentation and broader adoption. By integrating AI into coding workflows, engineers can achieve significant productivity gains, ranging from a 30% improvement to tripling their efficiency. This boost in efficiency could spark the creation of a wave of new software products and features powered by Generative AI.

The effort required to train AI models has also drastically decreased. Five years ago, developing AI required teams of experts, while today, the process can be completed for a fraction of the cost and time. However, decision-making about AI adoption is critical.

Organizations must prioritize the responsible selection and management of AI tools, avoiding blind trust in technology or over-automation. Responsible practices are essential to maximize AI's potential while mitigating risks.

### AI brings amazing valuation analytics, forward thinking and predictive capabilities to investment management

Utilizing a fully integrated, AI-powered super-app to manage venture investments, private credit, real estate, and cryptocurrency yields highly favorable results.

The market potential for managing VC funds is enormous. AI tools using Hatcher's score can now accurately predict if companies will secure follow-on funding rounds. These tools determine company valuations based on their stage, location, and sector, and offer detailed analysis among numerous subcategories.

AI can now bring to the table valuation analytics and predictive capabilities based on whether or not a company is going to get funding. It is also a great tool for handling all the accompanying information and making it digestible to shareholders and LPs. AI filters out all the figures, finds out what companies are the best 5%, who are the most consistently aligned with the strategy of the VC fund to potentially to invest in.



Amrop

AI takes a probability-based business to a more predictive business by just adding a little more science to it and anyone can do this. VCs who are rapidly adopting this new technology are those which want to become larger and be able to compete with the large existing VCs.

The rationale for using AI tools in a manufacturing company and the expected outcome, as well as the internal strategies concerning decision-making and leadership roles related to those tools.
AI can be used to assist in quality inspection to quickly identify defective parts, correlate issues with production parameters and improve forecasting. However, to get it fully implementing and automating all processes is more challenging and could take many more years to achieve.

In manufacturing changes go relatively slow and AI will certainly have an impact on some aspects of the industry, but it won't radically overhaul an entire sector. The entire industry will not transform, but a mixture of AI and digital technologies can help eliminate certain manual processes and accomplish tasks more quickly. Overall, you will see an improvement in cost position by a couple of percentage points.

Establishing an AI Competence Center can help to oversee certain aspects and collaborate with IT to make joint decisions on what tools to deploy and develop. Starting with initial pilot programs is the way to move forward and experiment and see where AI can make an impact. Key is to involve the IT organization, as they are responsible for procuring tools and developing the large platforms. Make sure those IT professionals who are involved understand the business aspects.

**Being a pioneer in generative AI for legal, tax and audit professionals.**

Recent advancements in the legal and tax publishing industry involve the use of new services based on digital platforms combined with AI-powered tools. For example, by implementing a transformation program, an AI-driven process approach can be integrated with internal processes, along with an editorial office and DevOps teams, for effective results.

However, when developing a software solution for long-term use, a more flexible approach is necessary for ongoing optimizations. Adopting a research and development (R&D) style enables quicker adaptation for a go-to-market strategy. This approach allows for updates each time new clients are onboarded.

These new products will directly impact clients' work efficiency too as these solutions will deliver the opportunity to create more efficiency in their working processes.

AI technology is evolving so fast that it is necessary to develop products in steps and involving clients each time, gradually, and grow to the next level. It will be an ongoing development process: delivering new, reliable solutions, upgrades, opportunities but also ongoing onboarding support.

Giving responsibilities for the implementation of the AI tools within the organization to a fully dedicated AI team (SWAT-team AI) is the way to go. It includes development, sales, marketing, and finance. It's comprehensive because there is the need to understand not just the business process of clients and their needs, but also the AI-possibilities and needed competences in your own teams and on the client side. Real discussions and decisions will take place at the board table with the CEO – they're going to make the decision.



**Vendors can leverage various AI tools across different divisions in software development, either for their own system integration needs or to address customer requirements.**

Using AI tools in software solutions for clients instead of for your internal end users can lead to legal challenges, due to for example IP rights. In the Software Development Lifecycle criteria are needed for the selection of the AI tools. These are crucial to define what are the best possible tools to be used. Examples with no issues are for example, ChatGPT in the Planning and Analysis stage, GitHub Copilot and TabNine in Design and BitoAI in Testing.

When measuring the effectiveness of AI tools used by developers you see mixed results of increase in efficiency. It is not easy to use AI tools in all the stages of Software Development as there is a noticeable difference between how the junior and senior developers use AI tools. It's obviously a huge opportunity to decrease the cost and increase productivity, but, on the other hand, it is still difficult to figure out what the real added value of humans or for experts it will be.

**Promoting and being able to sell AI-based tools is completely different from having deep knowledge of AI and the ability to use it.**

When it comes to products, we should be able to recognize how AI-based products which are made by company A are performing better than those made by company B. It is important to realize that the AI mechanism is a learning model. Inputting incorrect data and misleading data can lead to incorrect conclusions and effects that can be undesirable.



Amrop

### Expanding services to include auditing of AI solutions

Recent technology that can detect anomalies in the core of AI techniques has led to the development an offering of technological solutions complemented by strategic consulting. It involves a comprehensive audit, including risk assessment, risk management, quality assessment, and quality management service. The broad spectrum of AI techniques, particularly generative AI, is poised to become indispensable across various industries. Regardless of the sectors they operate in, businesses will need these AI capabilities to efficiently navigate and manage data. Consequently, there is a significant opportunity to expand services to include the auditing of AI solutions, ensuring their effectiveness and compliance with industry standards. AI has become as essential as electricity, acting as the driving force behind data navigation. It will function as a foundational tool, seamlessly integrated into various processes. There will be varying degrees of understanding and utilization, but the sheer volume and speed of data processing are beyond human capabilities. AI will bridge this gap, enabling efficient and rapid data management.

### In the context of AI tools, micro-betting within the sports betting industry involves the ability to automate it consistently, which produces many new betting opportunities

In the US, parlay betting is a very popular form of betting, which involves offering interesting combinations consistently while the game is happening. Having that level of automation is somewhat disruptive, and this is where AI tools in gambling could offer a competitive advantage. From an advisory perspective, it has been observed that when there is no one with tech, data, machine learning, or AI experience, there is a nervousness about approaching and tackling it within an organization. The advice is to find someone on the executive board who will take responsibility for this. To achieve this, it is important to get everyone together in a safe, non-critical environment to look at the facts. Transparency is crucial, and understanding what is happening in the organization is necessary to drive it forward.

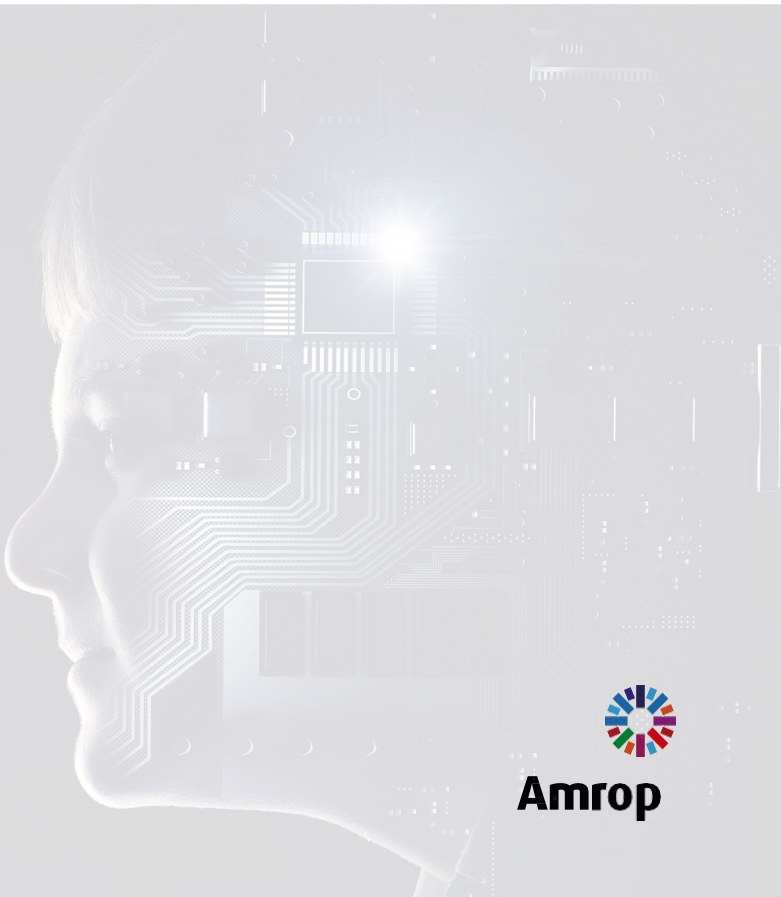
### Using TQ – Technology Quotient, as in EQ or IQ, for assessing technology capability and knowledge of your staff.

There are a number of different AI tools used for different parts of the business. Microsoft technology, including Teams and co-pilots, which all have AI for productivity, is widely used. These tools are utilized to run operations for various clients, including HR, finance, accounting, and banking operations for multiple companies.

Tools that help with automation and productivity are also employed. Additionally, AI tools are used to assist clients and their businesses, using assets that incorporate generative AI to drive changes.

Regarding the integration of AI tools, collaboration with clients on joint solutions is common. Joint market approaches are taken for certain clients and solutions. For developing and assessing staff large programs called TQ are used, meaning "Technology Quotient," similar to EQ or IQ, but for technology. This platform is made available to clients to help with TQ in their organizations. The advantage lies in the depth of experience, as AI has been used internally in technology and operations businesses. The key aspect is the industry perspectives or narratives, emphasizing that AI is not just a technology being taken to the market, but a solution to an industry problem.







Amrop

# 2. The impact of AI on Leadership Competencies

We asked participants about the impact of AI on leadership competencies: What competencies or skills are currently needed or lacking in your leadership team regarding AI? This also includes an examination of leadership challenges - what needs to change, current hiring practices, and approaches to addressing AI and digital leadership competencies issues within the organization. Are companies planning to hire a dedicated executive to lead on AI or will current CIO/CTO/CDOs be upskilled to meet AI needs? Responses have been reviewed in the context of Amrop's Chief AI Officer profile and Amrop's Digital Competency Model.





Amrop

If managers do not invest in upskilling themselves and understanding the new toolbox available, and how to use it, they will be left behind. However, if approached seriously, they will become stronger. There is an urge to upskill across various companies and industries, with an emphasis on combining the best skills of humans with what machines have to offer. One of the most important skills in this new configuration of humans and machines is the capacity for directing and giving direction. It is essential to see the desired end-product and know how to get there using the right tools – the abilities of both humans and machines.

The first step for executives and Boards is to learn and understand the new toolbox. It is crucial to stay updated on practical use cases, establish a discipline around it, and possibly assign a team or expert to track developments.

When it comes to considering whether companies should hire an AI-focused leader, it is useful to look at the perspective of a software development business using AI tools in coding. In such a business, it is rare for one person to possess skills in all three essential areas – engineering, product, and sales. Ideally, an AI specialist with a focus on product development would be beneficial, as a proficient product director can generate revenue and engage team specialists effectively. However, the current talent pool leans more towards engineers than product people or business professionals, indicating a need for catching up with new technological tools in the scientific realm. Moreover, to take calculated risks, having individuals with entrepreneurial skills among executives and board members is crucial. It is also important for corporations to consider managing the AI job-replacement footprint in the future.

In the early stages, technical expertise is needed for auditing AI solutions. However, it is important that everyone acquires a certain level of knowledge and skills around AI. Therefore, broad training programs and executive training programs are crucial. STILINGUE's Rodrigo Helcer adds that bringing in pockets of expertise and building long-standing relationships and collaborations with universities and other organizations can significantly enhance leadership and AI capability over time.

An observation was made on the attitudes that may help or hinder the adoption and use of AI within organizations. It was noted that individuals who understand AI tend to treat it as a utility, using it to optimize processes and improve efficiency. Conversely, those with less understanding may treat it with undue reverence.

Additionally, the potential of AI leading itself was discussed, highlighting the rapid advancements in AI capabilities. These emerging technologies are expected to have significant impacts across various domains, including medical and consumer sectors.

Currently, the focus is on assisting and advancing leaders of smaller, early-stage emerging funds and start-up funds, the capabilities of which can be significantly enhanced by AI tools. These tools allow the creation of AI-led portfolios, where AI is employed to construct and execute portfolio strategies. This also enables a step back to consider the type of portfolio to be constructed, including the sectors, locations, and stages for investment.

Regarding the necessity of a dedicated AI leader within the leadership team, it is essential for medium to large companies. For smaller companies with fewer employees, this may prove challenging.

For leadership teams, openness to new technology is paramount – embracing, experimenting, and understanding its potential is essential. However, the change required extends beyond technology alone. To effectively drive and deploy AI initiatives, it is crucial to understand the implications on data, systems, and processes.

For example, at a world's leading manufacturer of fans and motors, steps are already being taken to upskill employees at all levels in AI-related matters. A comprehensive training program for all employees, including management, is currently being prepared. This dedicated investment in training signifies a significant step forward in competence development within the organization.

Openness to new technologies, a broad understanding of business—including data and processes—and strong change-leadership skills are essential for navigating future challenges. At the highest levels, one person may need a deeper understanding, but being a tech expert is not a requirement to grasp the basics. Typically, the CTO would lead AI-related initiatives, collaborating with others who handle the details and possessing a basic understanding of AI.

When considering AI-related competencies, it is essential to transition from a traditional software approach to a more rapid go-to-market strategy. This shift requires enhanced consultancy skills and active client collaboration. It is important to thoroughly understand the client, their processes, and their ecosystem.





Amrop

The focus extends beyond merely selling an IT or tech solution; it involves fundamentally redefining them.

At a leading European firm specializing in Legal and Tax Services and a pioneer in generative AI for legal, tax, and audit professionals, there is now a fully dedicated AI team, known as the AI SWAT team, focused on delivering the most effective solutions, and onboarding and training clients. When considering the inclusion of a dedicated AI professional in their leadership team, van der Snoek emphasizes the need for flexibility and the importance of combining internal talent with new competencies from client-focused organizations. This approach facilitates the development and integration of the right skills within the organization.

The profiles and experience required for dealing with AI need to encompass understanding and resistance to internal conflicts associated with AI adoption. Following procurement processes, it is crucial to optimize business processes, competencies, and company culture. AI, often linked to IT departments, should be viewed as a deeper integration than just a product, similar to the comprehensive service provided by an internet connection. Discussions about AI usually start with procurement and IT departments but ultimately, the decisive conversations occur at the board level with the CEO.

It is noted that the primary challenge in integrating AI lies in distinguishing between abstract understanding and practical application. This issue is particularly pronounced in organizations with an innovation mandate. Integration of AI involves multiple layers of competencies across different levels. At the engineering level, setting goals for the coming year is essential. Simultaneously, senior managers need to focus on understanding how AI tools can influence and improve business operations and training consultants to aid customers effectively.

The AI-related demands now placed on the C-level are growing: “In today’s world which is changing dramatically, it is crucial to be able to, if not predict the future, then create a couple of scenarios indicating in which direction it could all go, and then also be very flexible about adapting quickly.” It is observed that there are not many at the C-level who can think in non-abstract ways about how the use of AI will impact or disrupt business and how this awareness can be transformed into strategy and action. Different industries will, of course, experience the impact differently, but in software development, there is an absolute necessity to demonstrate the capabilities of truly integrating AI technology and tools in all activities.

When considering a potential role dedicated to AI leadership, it is important to open and drive discussions so that the problems and potential impacts can be seen. As of July 1st, a new CTO has been onboarded, with AI-related competencies being relevant in the selection process. It was crucial to ensure that the tech leader understands the technology needs of the customers and, in terms of AI, finds ways to expedite implementation, enhance understanding, and help maintain competitiveness.

The new CTO is expected to answer specific questions from clients about the solutions offered, understand the business, the value, and the trends. Generally, a CTO needs to be aware of all technological possibilities without being overly technical; impactful actions for the business are required.

Seeking the support of leadership services to evaluate and train the management team in relation to AI and the required leadership competencies might be considered: "Other than assessment, a workshop covering important and challenging topics could be beneficial."

At one of the world's largest distributor of IT-related technology products, services, and solutions, maintains a balanced approach to AI implementation. The organization currently possesses enough internal expertise and mechanisms without over-reliance on AI. The aim is to integrate AI consciously and naturally, without exerting unnecessary pressure.

AI can be particularly beneficial in initial stages of the recruitment process and as a mechanism for collecting and organizing data already present within the network. This support is invaluable for interpreting and organizing existing information. Additionally, a better understanding of the market and AI's current capabilities is seen as advantageous for the organization.

Internally, it is crucial to proactively demonstrate how AI can support and enhance work processes. For instance, in terms of products, it is important to recognize how AI-based products from company A perform compared to those from company B. Clear expectations are set for candidates, especially those recruited for high management positions, focusing on leadership skills, ethics, and experience, as well as inclusion, diversity, and female representation.

Described as a gap, acknowledging the limitations in current knowledge is essential, particularly as AI continues to evolve.





Amrop

**Human judgment and interaction remain vital, with AI serving as an assistant. Identifying gaps in leadership competencies related to AI is crucial. While it may not be a decisive tool, it is rather a complement than a replacement.**

The emerging role of CAIO, the Chief AI Officer, involves utilizing AI not only as a support tool for operations and product development but also in decision-making processes. The inclusion of "AI" in the title underscores the importance of AI in these functions.

The preferred type of candidate for this role should have the ability to conduct testing according to standardized methods and possess the necessary skills. This is crucial because, in the early stages of AI, technical expertise is needed for auditing AI solutions. Without understanding the specific area being audited, performing a complete audit is challenging. Professionals, such as CTOs or CIOs, with AI training may transition into these roles effectively.

Additionally, it has been observed that client demand for AI profiles in leadership roles is growing due to increasing regulations. Collaboration with academic institutions is considered essential for continuous learning and efficient recruitment in the field of AI. This cooperation helps organizations stay up to date and facilitates a more streamlined recruitment process for specific skills.

A perspective from a member of the Board of a Gambling Council and various other organizations states: “In situations where no one has tech, data, machine learning, or AI experience, there tends to be a nervousness about tackling these topics within the organization. What is needed first is curiosity at the executive level, asking the right questions, accepting limitations, acknowledging fears, understanding strengths, and obtaining support in required areas.”

It is advisable to designate an executive board member to dedicate their time to focus on developing an AI strategy, working with advisors to gradually build this strategy. Collaboration with universities is also highly valued, particularly in fields that are complex and rapidly evolving. Establishing pockets of expertise and creating long-standing relationships and collaborations with universities and other organizations can significantly aid in building AI capabilities over time.

To encourage greater involvement and positivity about the implications of AI, it should be seen as an evolution rather than a revolution. This perspective suggests that jobs are not being eliminated, but rather that there is a need for better, smarter work, and an adaptation of skillsets to incorporate technology.

For effective encouragement, it is essential to present a clear vision that everyone can be part of and benefit from. This trend requires facing uncomfortable truths and fostering a transparent, non-critical environment where facts are openly discussed.

A significant effort has been made to enhance the organization's overall capability and understanding. The term "curiosity" is emphasized, aiming to increase everyone's curiosity about Gen AI. A comprehensive program called TQ – standing for "Technology Quotient," similar to EQ or IQ but for technology – has been implemented for all 750,000 employees, offering different levels of knowledge and skills around technology. Broad training programs and executive training programs are highly important. Additionally, the platform is made available to clients to assist them with TQ in their own organizations.

However, the understanding around AI’s integration goes deeper. The key aspect is around industry perspectives or narratives about AI not being just a technology taken to the market, but rather a solution to an industry problem. Currently, the AI part of the business is scaling significantly, but ultimately it will become integrated into every aspect of the business, rendering specific roles redundant within the next 12-18 months.

Collaboration with universities at different levels is also discussed. Many training courses are conducted in partnership with institutions such as Stanford, MIT, IMD, INSEAD and Berkeley. Technical and business personnel are sent on courses developed in collaboration with these institutions, which helps to uplift skills. The challenge lies in balancing reliance on experts, as solely depending on experts is not considered the ideal solution.





Amrop

# 3. Workplace Disruption

How are organizations experiencing AI's disruptive effects? Are they themselves becoming catalysts for disruption through innovative AI-driven products and services? By examining these dynamics, we aim to understand the broader implications of AI on the workforce, product offerings, and organizational strategies.



Amrop

**The notion that roles such as Data and AI Leads becoming obsolete due to AI advancements is often mentioned humorously. However, it reflects the larger trend of AI integration across various aspects of business. This phenomenon highlights the proactive approach many industries have taken towards AI, indicating that AI will become an integral part of every business activity within the next 12-18 months. Additionally, General AI provides augmented data to enhance job performance, which is not inherently disruptive. The focus remains on experimenting, developing top-down strategies, and assessing value across the data landscape to guide clients effectively on their AI journey.**



AI's potential to affect various aspects of business aligns with the general trend observed across industries. The key objective is to integrate AI as naturally and broadly as tools like Excel within organizations, suggesting that this trend will permeate the entire white-collar workforce. While AI may not completely transform every business, its significant role in transitioning from a product-based to a solution-oriented approach is acknowledged. This transformation, driven by AI, is seen as part of the broader hype cycle of technological advancements.

The impact of AI is considered more substantial than typical technological changes due to its potential to alter work processes and business models. In the context of the manufacturing industry is not undergoing a complete transformation but is taking a portfolio approach, evaluating various opportunities and their competition with other strategies.

The increase in efficiency brought about by AI-based technologies can be quantified, with expectations of eliminating manual processes, speeding up tasks, and improving cost positions by approximately two percentage points. Although this does not offer an endlessly sustainable competitive advantage, it allows for the development of unique products for a certain period.

"AI will become an integral part of every business aspect within the next 12-18 months."



Amrop

The field of predictive analytics is experiencing positive disruption through AI. Since 2015, there has been anticipation for expanding services to include audits of AI solutions. The broad application of generative AI is quickly becoming essential across industries, regardless of their specific verticals, to navigate data efficiently.

AI has evolved to serve a function similar to electricity, driving data navigation. It is becoming an indispensable background tool, with varying levels of understanding and usage. Given the vast amounts of data and system complexities, AI's role is increasingly crucial. Many businesses have transitioned from offering technological solutions to providing more strategic consulting. Observations indicate a growing demand for AI profiles in leadership roles, driven by emerging regulations not only in Europe but also in the UK and the United States. This trend is becoming global. Established regulations and advanced technologies are transforming the landscape. While industry once felt like a blue ocean, it is now becoming more regulated and constrained.

The discussion touches on disruption in the context of processing process-heavy data and legislation. The shortage in handling such data is becoming evident, and addressing this gap requires not just recruiting talent but also overhauling primary business processes by identifying areas where administrative or highly process-heavy data is utilized and extensively implementing AI in these areas. Additionally, changes to the EU AI & data-related law will impact businesses differently across various European jurisdictions. This regulation can be either advantageous or disadvantageous depending on the business model and will also contribute to the disruption.

AI impacts go beyond isolated business segments, necessitating a shift toward consultancy skills whereby understanding the client's process and ecosystem becomes paramount. The fundamental change in client offerings focuses on delivering efficiency in working processes, emphasizing true value to the client and the processes that generate it.

Disruptive effects of AI products in the market are being observed. Recent investments in a series of climate tech companies highlight the efficiency of these AI tools. The AI filters numerous business plans, identifying the top performers. For instance, out of 2000 business plans, AI tools can pinpoint the top 50, facilitating informed investment decisions in the best 10. This adds a scientific approach to a probability-based business, enhancing positive outcomes and democratizing the process.

The current AI disruption parallels earlier technological shifts. In the early 90s, stock trading was largely manual and time-consuming, but within a decade, algorithmic trading became predominant. A similar trajectory is anticipated in venture funding, where decision-making could be reduced to a day, benefiting both founders and funds. Companies must adapt to these changes or risk obsolescence within the next decade. These emerging technologies are expected to significantly impact various domains, including medical and consumer sectors.

A significant increase in the use of AI tools is expected in 2025, especially in software development. There is currently a surge in tools enabling the creation of AI models through low-code/no-code platforms. Companies that were lagging in adopting these tools last year have begun to catch up this year. The latter half of 2024 has marked a new phase of application, with more practical use cases being implemented at scale. As we move into 2025, a substantial rise in AI use cases is anticipated, leading to new companies, software, and features.

In terms of workforce impact, it is predicted that humans augmented with machines will replace other humans, rather than machines fully substituting human roles. There are vast opportunities across various sectors and functions, suggesting that discussions about accelerating AI adoption should outweigh those concerning caution. Nonetheless, a careful and responsible approach is essential, ensuring that ethical considerations are addressed, particularly regarding job replacement. Managing the footprint of AI job replacement is viewed as a corporate responsibility, necessitating thoughtful compensation strategies for roles substituted by AI.

Instances of AI-related disruption are already observable in the market. For example, in the sports betting industry, micro-betting and the ability to automate consistently produce numerous new betting opportunities. This level of automation provides interesting combinations while the game is ongoing, offering more ways to engage with the game. In the gambling sector, casino mechanics could also contribute to sports betting, potentially leading to innovation that borders on disruption.

These developments are seen more as an evolution rather than a revolution. To achieve business growth and personal advancement, working differently is essential. This approach does not imply job losses but rather emphasizes the need for smarter work, skill set enhancement, and greater reliance on technology.





Amrop

The software development market is becoming more competitive due to AI-containing solutions. The demand for software developers is decreasing as AI tools have a significant impact on the field. However, there are challenges related to legacy software, including unclear issues that need to be addressed.

This shift presents both opportunities and complexities for businesses and employees. While AI tools can decrease costs and increase productivity, identifying the real added value of human experts remains crucial. Upgrading or modernizing legacy applications with AI tools can be faster, but human collaboration will still play a significant role.

At this stage, many C-level executives may find it challenging to foresee the full effects of AI, including its potential disruption to business and market transformation. Developing strategies and actions based on this awareness is essential for navigating the evolving landscape.

In conclusion, AI's disruptive effects are shaping how organizations operate, innovate, and strategize. By understanding these impacts, we can better grasp the broader implications on the workforce, product offerings, and business models. As AI continues to evolve, its integration will become increasingly crucial, driving both opportunities and challenges in various sectors. The journey ahead is one of significant transformation, demanding adaptability and foresight from all involved.





Amrop

# 4. The Future of AI Across Industries

As organizations strive to incorporate AI as seamlessly as tools like Excel, the potential for AI to enhance efficiency, streamline processes and revolutionize business models is unprecedented. This revolution is not merely a technological shift but a strategic enhancement that demands careful consideration of both opportunities and challenges. From predictive analytics to regulatory impacts, the journey of AI integration is reshaping the corporate landscape, necessitating a forward-thinking approach to harness its full potential.



Amrop

In general, the changes within organizations reflect broader market trends. Previously, there was a distinct digital part of businesses, which has now become integrated as digital permeates all aspects. A similar evolution is expected with AI, where AI-specific divisions are scaling rapidly but will eventually become ubiquitous across the entire business landscape. Many industries and functions are pivoting to incorporate AI, indicating that AI is poised to become integral to every business operation.

The future trajectory of AI within the industry is heavily influenced by clients' readiness to adopt it. There is significant enthusiasm, yet many clients are uncertain about the optimal journey to undertake. Much effort is dedicated to devising the best strategies for clients to embark on their AI journey, which involves a combination of experimentation, top-down strategy, and thorough assessment of value across the data landscape.

AI is expected to impact and be applied across all organizational processes. There are numerous applications for routine white-collar tasks, such as assisting in quality inspection and improving forecasting. The effectiveness of AI depends on proper training for users, emphasizing understanding both its capabilities and limitations. While AI will enhance efficiency, the improvements may be gradual.

The changes AI brings, though substantial, would more likely be a differences in degree, rather than differences in kind. It could be said that AI is another aspect of the "hype cycle"; many technologies can change industries. The degree of change AI will bring is more significant than what is typically accustomed to, however. There is a need for a more comprehensive openness to change, including radical change.

It is certain that AI will start to be used as the central tool for navigating data. The broad umbrella of AI techniques, especially generative AI, will become essential across industries, regardless of the verticals they cover, to efficiently navigate data; AI will serve as a background tool. There will be different levels of understanding and usage but given the amount of data available and the complexity of the systems being handled, AI is becoming indispensable. As humans, it is not possible to process data at such a fast pace.

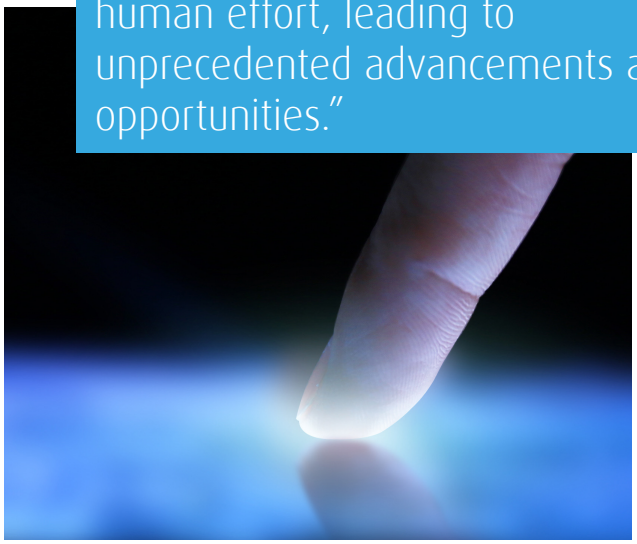
Discussions increasingly center on how clients will use AI—focusing on implementation rather than possibility. In the context of HR, ongoing staff shortages in Europe, projected to last until 2038, necessitate the overhaul of primary business processes. Identifying areas where administrative or highly process-heavy data is utilized, and implementing AI extensively, is crucial to bridging this gap.

The legal implications related to the use of AI have the potential to impact the market globally. The AI Act, which is in its final stages with the European Commission, is expected to be more stringent. Sharing and learning from data between Europe and non-European countries will become very difficult, significantly affecting Europe's AI market. This regulation-affected business can be advantageous or disadvantageous, depending on the business model, and will also be disruptive.

The disruptive nature of the business model is evident due to the rapid investment pace and the high number of startups processed. This trend is anticipated to continue in venture capital. The prediction is that funding decisions will eventually be made within a day, benefiting both founders and funds. Larger companies will need to adapt quickly or risk becoming obsolete within the next decade. AI's contribution includes valuation analytics, forward-thinking, and predictive capabilities, enabling critical questions such as portfolio construction, investment sectors, locations, and stages.

AI is not expected to replace human efforts completely, as it relies on material already created or collected by humans. In the future, AI's role in security is projected to be crucial, particularly in control, prediction, and crime prevention. This represents a significant area of advancement.

"The future promises a synergistic relationship between AI and human effort, leading to unprecedented advancements and opportunities."







Amrop

By 2025, a substantial increase in AI use cases within the software development field is anticipated. Concerns about job redundancy are present, but the impact of AI is more accurate on skills and the derivation of tasks rather than on jobs themselves. The focus should be on skill levels rather than job titles. It is important to avoid overreliance on AI, as this can lead to issues without responsible supervision and appropriate safeguards to prevent mistakes.

The application of AI in the near future is expected to significantly impact, for example, on the gambling industry. In the next five years, AI is anticipated to improve productivity across various domains within the industry. Techniques will continue to be employed to personalize customer experiences by adding more context and personalization to the user interface, including what events and gambling offers are presented. Generative AI can also assist in the creative process of developing content and images, making it easier to create new forms, themes, and content.

The emphasis on upskilling individuals who will be relieved of simpler tasks also considers the potential for value-added tasks to enhance job satisfaction. Ultimately, organizations need to focus on making jobs more meaningful by freeing up employees to engage in more interesting, value-added work, which can improve sales effectiveness and provide better insights from data.

In the realm of software development services, a significant portion of the work will continue to involve human collaboration rather than complete replacement by AI. The impact of AI will vary across different industries, but within software development, there will be a necessity to effectively integrate AI technology and tools into ongoing projects. Leadership is essential for guiding organizations towards the adoption of AI, facilitating discussions that highlight both the challenges and the potential benefits of AI integration.

In conclusion, the integration of AI into various business processes is reshaping industries on a global scale, driving efficiency, and fostering innovation. As organizations adapt to this transformative technology, the emphasis must remain on the strategic implementation of AI to harness its full potential while ensuring ethical considerations are met. By focusing on upskilling the workforce, enhancing customer experiences, and maintaining a balance between human intelligence and AI capabilities, businesses can navigate this dynamic landscape effectively. The future promises a synergistic relationship between AI and human effort, leading to unprecedented advancements and opportunities across all sectors.





Amrop

# Leadership in the Age of Artificial Intelligence: AI to the Front





Amrop

# The Chief AI Officer

With accelerating adoption of AI across all sectors, businesses are increasingly recognizing the need for dedicated leadership to navigate the complexities and fully leverage the potential of AI. This has led to the rise of the Chief AI Officer (CAIO) - a pivotal role that blends technical expertise with strategic vision to drive innovation, growth, and competitive advantage.

The CAIO acts as a vital link between technology and business, aligning AI initiatives with corporate goals, ensuring ethical standards are upheld, and delivering solutions that meet customer demands. As a leader, the CAIO addresses operational challenges, fosters innovation, and positions organizations at the forefront of their industries.



## Key Responsibilities and Attributes

### Leadership and Execution

A successful CAIO must demonstrate effective leadership, often with experience managing large, global teams. They must inspire and motivate cross-functional groups to achieve well-defined objectives, fostering collaboration between technical and non-technical stakeholders. Integrating AI into complex business processes requires balancing technical expertise with a deep understanding of organizational goals and operations.

The CAIO must navigate the nuanced impacts of AI across various aspects of the business, addressing challenges such as workforce adaptation and stakeholder concerns. By promoting a culture of innovation and continuous learning, they ensure the organization remains agile, responsive, and forward-thinking in the evolving AI landscape.

### Vision and Innovation

As a forward-looking leader, the CAIO is responsible for identifying opportunities to leverage AI for business growth and operational excellence. This involves setting and executing digital strategies that align with market trends and customer demands. Building strong relationships with executives and external partners is critical for advocating AI initiatives and securing buy-in from stakeholders.

The CAIO's vision extends to developing distinct value propositions in emerging markets and scaling AI-driven solutions to enhance the organization's competitive position. By balancing technical feasibility, commercial viability, and ethical considerations, the CAIO ensures the organization remains innovative and resilient.

### Strategic Substance

The CAIO leads the development of a comprehensive AI strategy that aligns with organizational objectives. This includes evaluating emerging AI technologies, identifying high-value use cases, and deploying solutions tailored to specific business needs. The CAIO also establishes governance frameworks to address risks such as data security, algorithmic bias, and resistance to change, ensuring smooth adoption and compliance with regulatory requirements.

In addition, the CAIO ensures continuous optimization of AI systems, monitoring performance, scalability, and reliability to deliver measurable business value. By fostering collaboration across departments, the CAIO aligns AI initiatives with organizational priorities and ensures effective knowledge sharing.

## Structuring AI Leadership and Teams

### Reporting Structures

The CAIO's reporting line plays a significant role in the success of AI initiatives. Reporting directly to the CEO emphasizes the strategic importance of AI, ensuring alignment with top-level objectives and enhancing visibility both internally and externally. However, this structure may result in detachment from day-to-day operational challenges.

Aligning the CAIO with the CTO or CIO can create synergies with IT infrastructure, innovation pipelines, and technical strategies. In regulated industries, reporting to the Chief Risk Officer or Chief Financial Officer ensures a focus on compliance and risk management. Alternatively, aligning the CAIO with the Chief Growth Officer or Chief Product Officer prioritizes growth, monetization, and market expansion.

Ultimately, the optimal structure depends on the organization's goals, AI maturity, and industry-specific needs. Regardless of the reporting line, the CAIO must have the authority, resources, and influence required to drive transformative change.



Amrop

### Optimizing AI Teams: Centralized vs. Decentralized Models

The structure of AI teams - centralized, decentralized, or hybrid - is key to successful AI transformation.

+ Centralized teams ensure consistency, drive innovation, and serve as knowledge hubs, making them ideal for early AI adoption. However, they may struggle with large-scale implementation.
+ Decentralized teams integrate AI within business units, aligning with operational needs but risking inefficiencies and duplication.
+ Hybrid models, like an AI Center of Excellence, balance both approaches by providing strategic oversight while allowing business units to implement AI solutions.

The CAIO must evaluate AI maturity, goals, and resources to choose the best structure for collaboration, alignment, and efficiency.

## Developing AI-Driven Strategies and Capabilities

### Building a Comprehensive AI Stack

The CAIO is responsible for creating an AI infrastructure tailored to the organization's needs. This includes advanced computing systems, scalable AI models, and robust data management frameworks. By aligning technical capabilities with strategic goals, the CAIO ensures AI initiatives deliver tangible business outcomes and foster continuous innovation.

### Fostering Talent and Collaboration

The CAIO oversees talent development, mentoring teams of AI professionals, and fostering a culture of collaboration and innovation. This ensures that both technical and non-technical teams are prepared to adapt to AI-driven changes, supporting the organization's long-term success.

### Governance and Ethical Compliance

The CAIO establishes policies and frameworks for the ethical use of AI, addressing issues such as privacy, equity, bias and transparency. Additionally, ensuring compliance with regulatory requirements and industry standards is vital, safeguarding the organization's reputation and mitigating risks.

## Conclusion: The Pivotal Role of the CAIO

The Chief AI Officer is not just a technical leader but a transformative figure driving organizational growth and innovation. By aligning AI initiatives with business goals, fostering collaboration, and ensuring ethical compliance, the CAIO positions the organization for long-term success in an AI-driven future.

As businesses navigate the complexities of AI adoption, the CAIO provides the vision and leadership necessary to harness AI's potential. Whether focused on streamlining internal processes, enhancing customer experiences, or expanding into new markets, the CAIO ensures AI initiatives are both impactful and sustainable, setting the foundation for ongoing transformation and competitive advantage.






Amrop

## Other AI leadership roles

### What other AI leadership roles are emerging?

Appointing a new Chief AI Officer is often the focal point of an AI strategy, other leadership roles will be essential to develop a robust AI focused new organization. These roles will span various departmental functions and include specialized AI focused skillsets that are needed to ensure AI initiatives are successfully integrated into current business processes. In this section, we list these key new AI leadership positions with a brief summary of their responsibilities.



## Examples of AI Leadership roles

+ Head of AI: This position involves leading AI projects and teams, overseeing AI research, development, implementation and selection of right AI systems, tools.

+ Chief Technology Officer (CTO) with AI Focus: CTO who has already a significant focus on AI. Overseeing the technology strategy and ensuring that AI capabilities are integrated into the organization's overall technology roadmap.

+ VP of AI Engineering: Vice Presidents of AI Engineering leading the engineering teams that build and deploy AI systems.

+ Chief Data Officer (CDO): Works alongside the CAIO, the CDO leads the organization's data strategy, ensuring that data is properly labeled, collected, stored, and utilized to support AI initiatives.

+ Chief Data Scientist: The Chief Data Scientist leads the data science team, guiding the development of machine learning models and data-driven insights. They work on complex data problems, develop algorithms, and ensure that data science efforts support the organization's AI objectives.

+ AI Architect: These professionals design and implement AI systems and solutions that meet specific business needs and will help the business in organization design and redefining workflows.

+ AI Product Manager: AI Product Managers oversee the development and deployment of AI products, ensuring they meet user needs and business objectives.

+ AI Program Manager: AI Program Managers oversee the planning, execution, and delivery of AI projects. They ensure that AI projects are completed on time, within scope, and on budget.

+ AI Strategy Lead: This role involves setting the AI strategy for the organization, identifying opportunities where AI can add value, and creating a roadmap for AI implementation. This role could be combined with AI Architect

+ AI Operations Manager: This role focuses on the operational aspects of AI deployment, ensuring that AI systems are running smoothly and efficiently. AI Operations Managers monitor AI performance, troubleshoot issues, and optimize AI workflows to ensure high availability and reliability of AI services.

+ AI Innovation Lead: AI Innovation Leads are responsible for exploring new AI technologies and driving innovation within the organization. See AI Strategy Lead.

+ AI Research Scientist Leader: Leading teams of AI researchers, this role involves overseeing research projects aimed at advancing AI technologies including large language models.

+ AI Governance Leader: This role focuses on creating and enforcing AI governance frameworks to ensure that AI technologies are used responsibly and ethically.

+ AI Compliance Officer: This role ensures that AI applications comply with relevant laws and regulations. AI Compliance Officers work closely with legal teams to interpret regulations, conduct audits, and ensure that AI systems adhere to compliance requirements, mitigating legal and regulatory risks.

+ Director of AI Ethics: This role involves developing and implementing ethical guidelines for AI development and deployment. Directors of AI Ethics work to ensure that AI applications are fair, transparent, and respect user privacy.



Amrop

# Recruiting the Leaders for What's Next

## Attracting Top Talent for Chief AI Officer and Digital Leadership Positions





Amrop

As organizations globally embrace the transformative potential of AI, the demand for skilled leadership in this arena has surged. The role of the CAIO and related digital leadership positions is crucial in guiding businesses through the journey from experimentation to deployment, ensuring that AI initiatives translate into tangible operational advantages. As Executive Search and Leadership Advisory experts, Amrop's Global Digital Practice can help organizations effectively recruit top talent for these roles and build a cohesive team around them.

### Searching for a CAIO

"When seeking a Chief AI Officer, organizations must focus on candidates who blend technical expertise with strategic vision," states Job Voorhoeve, the leader of Amrop's Global Digital Practice. "Ideal candidates should have both understanding of various aspects of AI - from generative models to classical AI – which ensures they can navigate the complexities of both emerging and foundational technologies, as well as business acumen in order to be able to articulate how AI can drive operational efficiencies and value creation. Selecting team members under the CAIO should similarly emphasize a mix of technical capabilities and strategic insight, including data scientists, machine learning engineers, and business analysts who can work collaboratively to implement AI solutions."

Beyond technical skills, assessing a candidate's leadership abilities and fit within the company culture is essential. "The effectiveness of a CAIO lies in their capacity to influence and navigate organizational change," Voorhoeve continues. "The ability to convey complex AI concepts to stakeholders across the organization is a must, as well as navigating potential resistance to AI integration, ensuring that initiatives are broadly supported within the business."

### Do all large organizations need an AI officer?

"Not all organizations require a CAIO, as the necessity for such a role largely depends on the organization's stage in its AI journey," emphasizes Voorhoeve. "For companies in the early stages of AI adoption, where awareness exists but little action is taken, bringing on a CAIO may be premature, leading to integration challenges and duplication of efforts."

As organizations begin experimenting with AI initiatives, a CAIO's primary function will be to map and gain visibility over these disparate efforts, rather than to drive strategy.

It is only when an organization reaches more advanced stages - transitioning from fragmented projects to cohesive implementation - that the CAIO can truly add value by preparing for widespread AI integration and managing change. "It can also be that once AI becomes an integral part of the organizational fabric, the role of the CAIO may diminish," Voorhoeve mentions. "This could likely be a temporary position aimed at building necessary capabilities within the business."

### Finding a trustworthy search partner

To secure top talent for the Chief AI Officer and digital leadership positions, a strategic recruitment process is essential. "We work closely with clients to define precise role specifications that capture the unique requirements of their organizations, including key responsibilities, expectations, and success metrics," Voorhoeve explains. "We utilize advanced assessment tools and methodologies to evaluate candidates' problem-solving abilities, cultural fit, and strategic thinking. By implementing this strategic recruitment process, we can effectively identify and secure exceptional talent for key digital leadership roles while demonstrating our expertise as a trusted advisor in the field."





Amrop

# About Amrop's Digital Practice

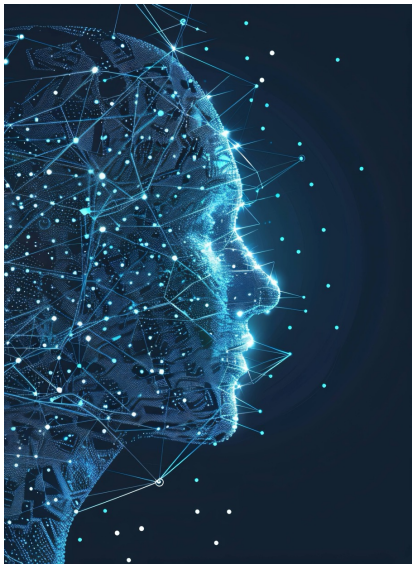
Amrop's Global Digital Practice combines deep domain knowledge with local market expertise, backed by global resources and seamless cross-border key account management.

We develop long-term partnerships with our clients on their digital transformation journey. Not only delivering critical assets - the Leaders For What's Next - but in digital competency assessment for Boards and management teams, implementing succession planning and talent management solutions.



We have experience in key sectors and functions:

- Cloud, Software, SaaS, Apps
- AI/Machine Learning & Data Analytics
- Chief Information Officers (CIO), Chief Digital Officers (CDO) and Digital NEDs
- Cyber Information Security Officers (CISO)
- e-Commerce
- Scale-up, Venture Capital, Private Equity
- Media & Entertainment
- Fintech
- Telecom
- Leadership Advisory, Digital
- Chief Revenue Officers (CRO), Chief Sales Officers (CSO), Sales Executives



Looking for Advice?

Don't hesitate to contact any member of Amrop's Global Digital Practice for a dialogue on your Technology, IT and Digital priorities. We would be glad to share our experience and offer advice to help you create sustainable success.

Reach out to Amrop's Global Digital Practice member in your country:

E digital.practice@amrop.com

W www.amrop.com/industries/technology

Amrop

# Amrop's Digital Team

Job Voorhoeve
Netherlands

Jamal Khan
Australia

Fiona Getty
Australia

Benoit Lison
Belgium

Paulo Aziz Nader
Brazil

Kristine Cholewa
Denmark

Mika Suortti
Finland

Sampo Syvaoja
Finland

Manuel Barthe
France

Paolo Clemente
Italy

Viesturs Liegis
Latvia

Agra Liege
Netherlands

Danielle van der Horst
Netherlands

Jan Kirkerud
Norway

Oana Ciornei
Romania

Milos Djurkovic
Serbia

Matej Taliga
Slovakia

Oscar Garcia-Velasco
Spain

Mikael Norr
Sweden

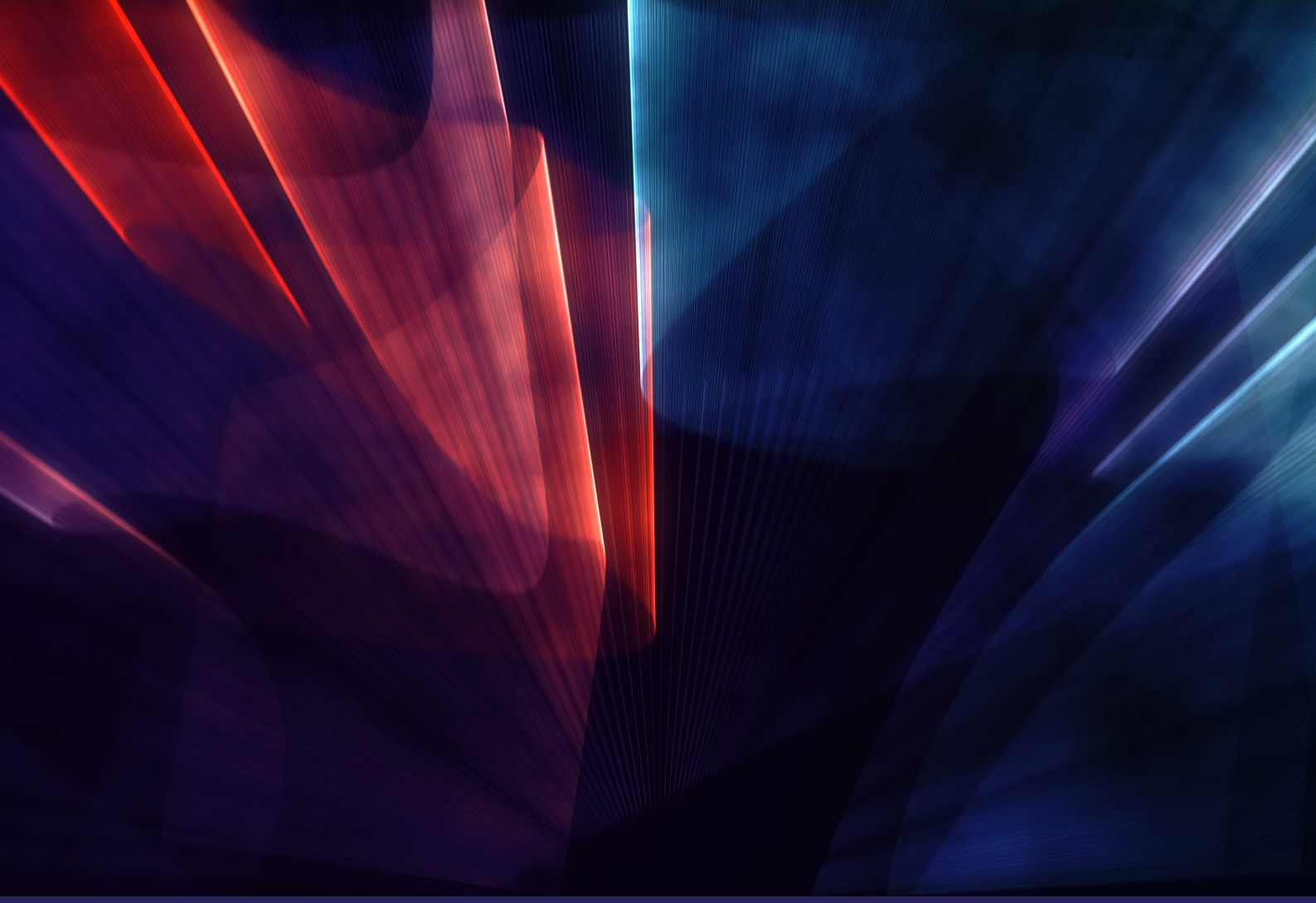
Bo Ekelund
Sweden

Caolán Rowley
UK





Amrop



## Credits

We warmly thank all participants who took the time to share their experiences, perceptions and observations with us and our readers. We also thank all members of Amrop's Digital Practice who were involved in the ideation and interviewing process and who are always striving for excellence in their daily recruitment work.

Data Analysis, report writing and study design by Agra Liege-Dolezko and Job Voorhoeve.



Amrop

## About Amrop

The Amrop Partnership is a premium leadership and executive search consultancy, with 69 offices in 57 countries and a global team of more than 550 professionals.

We help our clients find and develop Leaders For What's Next.

Shaping sustainable success is our mission, craft and passion.

www.amrop.com

Amrop