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An IT Leader's Guide to AI and Analytics

Realizing a Shared Vision for AI and Analytics in Your Business

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Introduction

Today's CIO Needs to Speak Both IT and MBA

IT leaders are increasingly responsible for business outcomes; a modern CIO needs to be thinking beyond traditional IT and have an impact on the overall business. Many are concerned that their existing IT processes are slowing time-to-market, stifling innovation, and reducing agility, impeding new business opportunities and growth. IT leaders must understand business strategies and motivations, and empower the business to be successful.

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Key focus areas for the modern CIO include:

BUSINESS GROWTH

Technology decisions must align with the business' goals and objectives to ensure IT is seen as a partner in the business, rather than just another cost center.

OPERATIONAL EXCELLENCE

IT leaders contribute to a culture of excellence by maximizing the effective use of technology, facilitating training to drive user adoption and productivity, efficiently managing licensing and procurement, seeing and tracking technology impacts, among many other competing priorities.

CUSTOMER EXPERIENCE

Delivering a superior customer experience to every customer—including internal and external customers—at every interaction is crucial to business prosperity. IT leaders must recognize opportunities to differentiate the business through innovative uses of new and existing technology and data.

COMPLIANCE

The regulatory landscape is a constantly evolving and increasingly complex environment. Data security and privacy concerns are driving new standards, laws, and regulations at state, federal, regional, and international levels. IT leaders recognize the business imperative to maintain compliance has never been more challenging and urgent than it is now.

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Turning Your Data into a Competitive Advantage

Artificial intelligence (AI) (particularly generative AI, or genAI) and machine learning (ML) technologies are being rapidly adopted across industries and regions. But AI isn't just the latest "shiny new thing" or a passing trend—it is *the* critical technology shaping our future. However, AI is only as good as the data that feeds it. To differentiate your business from your competitors and gain a real advantage, you need to bring AI and analytics together to maximize the value of your data.

Realizing a Shared Vision for AI and Analytics in Your Business

With the seemingly sudden arrival and rapid adoption of tools such as ChatGPT, Gemini, Jasper, and others, AI (specifically, genAI), has become a distinct reality. GenAI learns from massive data sets and generates content such as text, images, videos, music, and more. But genAI has far more potential than simply helping contact center agents triage customer inquiries or automating common IT requests (such as resetting a user's password). When combined with analytics, genAI streamlines and accelerates time-to-value across the data lifecycle from data cleansing to analysis and visualization, and drives better real-time (and near real-time) decision making.

Of course, AI is not without its challenges and risks. Unfortunately, many businesses dive headfirst into an AI initiative, often without understanding the potential pitfalls. The role of the modern CIO is to help the business safely navigate these uncharted waters, communicating AI opportunities and proactively heading off challenges such as technical debt, quality of output, ethical issues, employee displacement concerns, and more.

The modern CIO also plays an important role in dispelling myths and misinformation about AI to help ensure the business understands the power and potential of AI and analytics together, as well as the limitations and risks. Developing appropriate governance helps ensure the business uses AI and analytics to unleash the power of data in a responsible manner, and does not run afoul of legal, regulatory, and ethical requirements.

As an organization matures in its use of AI and analytics, its AI strategy must evolve and scale to maintain a competitive advantage and explore new opportunities for its use.

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Recognizing Competitive Differentiators in Your AI and Analytics Strategy

There are many opportunities for businesses to outperform their competitors with a well-defined AI and analytics strategy, including:

DATA QUALITY

GenAI needs high-quality data to learn from and improve. Avoid the "garbage in, garbage out" (GIGO) problem by ensuring the utmost quality of your data.

PROPRIETARY DATA

Every organization has unique or proprietary data that helps inform everyday decision making. Leverage this data in your AI and analytics projects to ensure insights and results are tuned for your unique business.

DATA PROCESSES

AI can help you optimize and accelerate your data processes, including data cleansing and analysis to drive faster time-to-insight from your data.

PREDICTIVE AND PRESCRIPTIVE AI

While predictive and prescriptive analytics aren't new, combining AI and analytics takes your data to another level by enabling you to not only anticipate outcomes, but also receive recommendations for what to do based on those outcomes.

ETHICAL AND RESPONSIBLE AI POLICIES

Ethics and the responsible use of AI are topics that are frequently covered in the news media, addressed by industry leaders, and debated in congressional hearings. Get ahead of these issues by developing robust and appropriate governance.

EXPANDED DATA AND ANALYTICS ACCESS

Access to data analytics in many organizations is limited due to complex extract/transform/load (ETL) data management processes, siloed data in disparate platforms, and the need for highly specialized development or data science skills. AI can help democratize your data by automating and accelerating these processes, leveraging data everywhere it lives, and delivering key business insights to all of your data consumers.

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Identifying GenAI and Analytics Use Cases for Your Business

As you develop your AI and analytics strategy and identify relevant use cases for your business, it's important to understand several key GenAI capabilities, including:

- **Summarization** creates concise summaries of long documents such as contracts, license agreements, technical manuals, and more, enabling users to get the relevant data they need more quickly.

- **Code generation** helps developers by automating routine tasks, improving syntax, providing recommendations, generating tests, and modifying existing code, among others.

- **Data generation** creates new content, such as text, images, videos, and music.

As an organization matures in its use of AI and analytics, **its AI strategy must evolve and scale to maintain a competitive advantage** and explore new opportunities for its use.

Leveraging these capabilities as building blocks, you can identify and inform the use cases that work best for your business. Some of the most common GenAI use cases include:

- **Text generation.** Create copy in different voices, tones, and styles based on user input.

- **Insight generation.** Analyze different data sources to provide insights.

- **Data set creation.** Create synthetic data to train models.

- **Natural language interface.** Use natural language processing (NLP) to interpret what is being asked, query data to find the result, and return findings that can be easily understood.

- **Workflow summary and documentation.** Automate workflow documentation and improve governance and auditability.

- **Generate use cases.** Identify, select, and build new analytics use cases.

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Bringing GenAI to Your Board

While many smaller companies and individuals have quickly embraced GenAI technology, highly regulated industries and larger enterprises have been more hesitant to provide GenAI access to all employees. Corporate boards want efficiency gains and effective security, not greater risk exposure from GenAI.

According to a recent Alteryx survey, GenAI is top of mind for most board members and 46% stated that GenAI is currently their "main priority above everything else." This response was most common among board members who rated their understanding of GenAI and the underlying technologies as expert (28%) or advanced (39%). And this is where the modern CIO can have perhaps the biggest impact on a company's future direction. As the corporate executive responsible for providing technology leadership to the organization, the CIO has a unique perspective on AI and is in a position to ensure the board fully understands GenAI technology, including opportunities, use cases, limitations, challenges, and more.

Defining and quantifying success with AI for your board should focus on business objectives and outcomes. Here again, the CIO is uniquely positioned to align AI solutions to business goals and objectives to achieve the desired outcomes. According to the Alteryx survey, for GenAI to be considered successful by your board, operational considerations are key. The top four considerations are listed in **Figure 1**.

Clearly, GenAI is a top priority for board members and is crucial to the future growth and success of your business. Now more than ever before, the modern CIO needs to speak a common language with board members and business leaders to ensure the success of your GenAI and analytics strategy.

TOP FOUR OPERATIONAL CONSIDERATIONS

40% Cost efficiency

31% Technical expertise

25% User-friendliness

24% Access to high-quality data

Figure 1: Key operational considerations for GenAI to be considered successful (Source: Alteryx, Board Member Pulse Survey, Oct, 2023)

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Learn More

Discover the power of bringing AI and analytics together to drive competitive advantage for your business at www.alteryx.com.

About Alteryx

Alteryx powers actionable insights with the AI Platform for Enterprise Analytics. With Alteryx, organizations can drive smarter, faster decisions with a secure platform deployable in on-prem, hybrid, and cloud environments. More than 8,000 customers globally rely on Alteryx to automate analytics to improve revenue performance, manage costs, and mitigate risks across their organizations.

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