

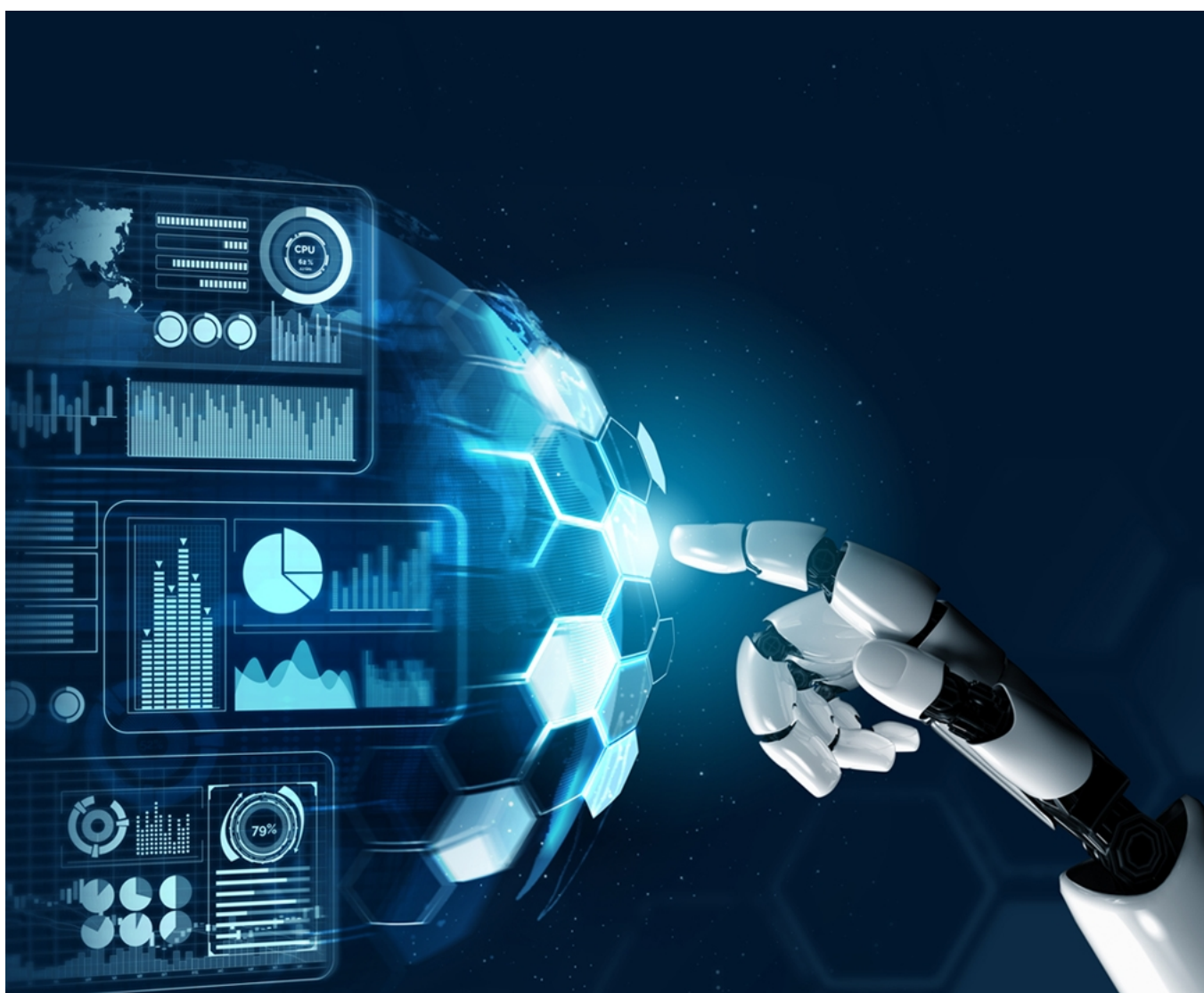


# How **AI** stands to challenge the C-suite



## As AI moves from a novelty to a necessity in business, cooperation among leadership is crucial for success.

**A**l is fundamentally different from other disruptive tech. Many business leaders look at AI with blinders on, focusing on the massive upsides, but failing to properly anticipate the unique organizational challenges that come along with it. While AI can be and has been transformative to a wide variety of companies, it requires a well-coordinated, collaborative effort for its potential to be fully realized. And with 71% of



organizations reporting C-suite involvement with AI initiatives this year (up from 39% the previous year)<sup>1</sup>, this fact is clearly becoming common knowledge.

What sets AI apart from the disruptive technologies of the past is also its main benefit: the machine learning processes that allow it to learn and adapt based on new information. However, this means that a high standard of quality for input data is essential for it to work properly and consistently, while bad or incomplete data can lead to big dips in performance and accuracy. For leadership, this means that a typical new tech rollout is insufficient, even reckless. Regular maintenance, and the organizational buy-in to manage it, is essential, meaning that leadership and coordination at the highest levels are crucial to any AI initiative's success.

To ensure success with an AI-forward strategy, it's important that each element of company leadership is fully prepared for the unique task they're taking on. This is a brief overview of the major challenges and opportunities facing some of the major leadership roles in an organization:

[1] Appen, 2021

## CEO

The CEO will act as the face of any large-scale AI initiative both to the public and internally within their organization. Their advocacy will be crucial for incorporating AI into big-picture company strategy. For one, this means that they need to personally surmount the AI knowledge gap if they want their workforce to do the same. They will need to educate themselves on the principles of AI, and stay educated on the realities and risks that AI poses within their organization and their industry. Developing and encouraging AI literacy will empower CEOs and other executives to remain vigilant so they aren't outflanked by their competitors' AI maneuvering.



*It was crucial for the work on our internal AI service, Zia, that I undergo a period of self-education about the current state of AI. It was the only way we could approach the project with full confidence that we were moving in the right direction—for both our customers, and our own work.*

**Sridhar Vembu,**  
CEO of Zoho

Conversely, CEOs will also need to ensure that they aren't missing out on any transformative opportunities that AI can create for their organization. We can see the potential for massive disruption in examples such as Netflix's billion-dollar recommendation engine, or Tesla's market-leading autopilot technology, which have required knowledge and decisiveness from leadership to identify and execute. While this is true of any new initiative, AI projects are especially vulnerable to excessive delegation, and they run the risk of dying on the vine without the committed oversight that comes from a knowledgeable CEO.

## CFO

Budgeting and forecasting for AI projects can be difficult, based on the inherent complexity of the tech. There can be unforeseen challenges in procuring accurate data, and following that, it can take time to train AI models before they can replace legacy systems. Then, of course, there's the training and expense of integrating the technology into existing processes,



which may require contracting with AI solution providers. In their role of evaluating these risks, the CFO generally acts as a counterbalance to more eager AI proponents, such as the CIO.



On the other hand, AI can be useful for performing key financial functions, such as risk analysis and fraud detection. Out of the growing list of its capabilities, finance is an area where AI can show clear results and deliver unambiguous value. Fintech AI software has the advantage of working with a much cleaner dataset than many other use-cases, like marketing or customer support. Given the opportunity to spearhead AI implementation on behalf of their organization, the CFO can get first-hand experience as an AI user, and act as an advocate among leadership.

## CIO

The Chief Information Officer will be a crucial player in directing AI efforts within the org. CIOs will need to manage the balance between pushing disruptive AI initiatives forward and maintaining legacy IT infrastructure. As part of this process, they will need to collect frequent and detailed feedback from internal users of any new AI tools to accurately measure their success, and improve their performance in future iterations.

This will require the CIO to test and develop new processes for closer and more consistent two-way engagement and feedback between users and IT. On top of that, these processes will need to be able to scale as the scope of the AI implementation increases throughout the organization. Since the CIO is responsible for putting forward ambitious proposals for comprehensive AI programs, they will have to overcome the objections of the more conservative forces among leadership, such as the CFO, by highlighting the potential value the technology can provide that will offset its potential expense.



*One of the biggest challenges we faced when scaling up our AI initiatives was the same one that a lot of companies face—maintaining a high standard of data quality. To solve for this, we had to collect and curate feedback from end-users across the company, which was a whole other challenge in itself. Our effort was worth it though, because the insights that we found ended up snowballing into its own product in DataPrep, which we now rely on to keep all of our data clean and catalogued.*

**Saravanan Muthian,**  
Chief Information  
Officer at Zoho

The CIO will also need to make important decisions on whether they source their AI technology and support from an outside vendor or develop software and training in-house. With 85% of large businesses with AI initiatives using external providers for AI training<sup>[1]</sup>, it's a decision many organizations will have to make, and consider carefully. However, this isn't necessarily an "either/or" proposition, and the balance will likely change over time depending on the

growth of their internal talent pool, and the expanding purview of the AI initiatives themselves.

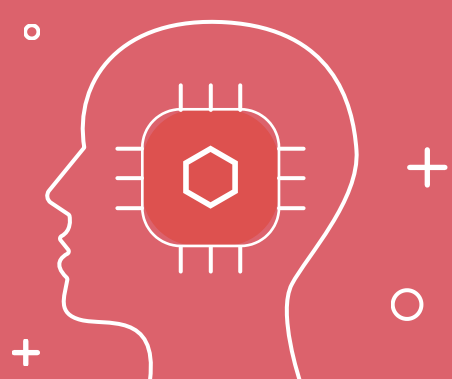
## CTO

Since the role of the CTO is typically focused on externally facing projects and R&D, their level of potential involvement with AI often depends heavily on the industry that they're working in. For more tech-centric businesses, the CTO is faced with a substantial task when incorporating AI into their product or service offerings.

They will need to rise to the challenge of getting AI-powered products to function reliably to meet the expectations of their customers, and the market. This means developing protocols and benchmarks to control the unpredictability of forward-facing AI. For the CTO and their teams, this requires deep and specific knowledge of different AI models in order to best match them to the tasks they need to perform. Whether they're looking to use the technology in navigational systems, or in real-time language translation, they will need to make sure that they have the best



shot at delivering consistent outcomes, and that their teams have the skills required to make that happen.



## Culture of collaboration

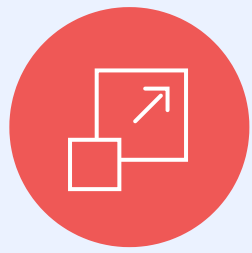
*Not only has Zoho worked hard to pioneer out-of-the-box AI capabilities for our users, we implement AI in our own work. While other organizations have suffered from overly-siloed AI rollouts, the C-suite at Zoho has made an intentional decision to maintain a “permanent beta” that sees Zoho using all of its own products on a day-to-day basis. By welcoming input from all sides—employees, users, and implementation partners—Zoho has made a commitment to foster a culture of collaboration and iteration across the board, starting at the board level.*

## Creating a template for success

When it comes to AI, everyone has their own role to play. From leadership, to risk assessment, to deployment and management, the individuals at the highest levels of an organization each make key contributions towards harnessing the technology to its full potential. However, beyond any individual contribution, one of the most crucial components for success is a policy of maintaining open communication among the board membership. By sharing their insights and discoveries, they not only help each other succeed, but set a model of collaboration for the entire organization.

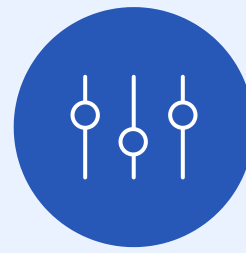
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