



# Organizational Change Management: Will it Hold Back Artificial Intelligence Deployments?

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# Everybody's Ready for AI except your data

Informatica provides the Data Velocity, Volume, Variety, and Veracity to Succeed

Preetam Kumar

Director, Product Marketing

# Why is AI Important?

## AI Gets the Most out of Data

Automates Repetitive Learning & Discovery thru Data

- Performs frequent, high-volume tasks reliably and without fatigue

Adds Intelligence

- Conversational platforms, bots and smart machines can be combined with large amounts of data to improve many technologies

Analyzes More Variety and Volume of Data

- You need lots of data to train deep learning models because they learn directly from the data

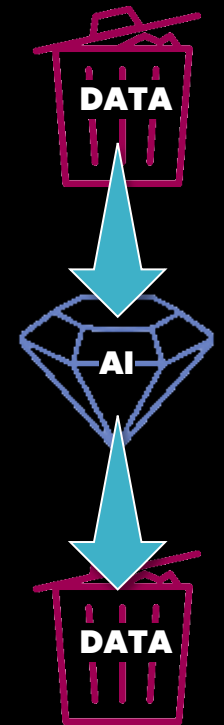
Achieves Incredible Accuracy

- The more you utilize AI the more accurate it can become through each interaction

# Successful AI Requires Data Management

The success of AI is dependent on the effectiveness of the trained data models

- The success of AI models is dependent on the availability of trusted and timely data.
  - If data is missing, incomplete, or inaccurate, the model's behavior will be adversely affected during both training and deployment, which could lead to **incorrect** or **biased** predictions and **reduce** the **value** of the entire effort.
- AI also needs intelligent data management to quickly find all the features for the model
  - Transform and prepare data to meet the needs of the AI model
    - feature scaling, standardization, etc.
  - Deduplicate data
  - Provide trusted master data about customers, partners, and services; and
  - Provide end-to-end lineage of the data
    - Including within the model and its operations.



# There is NO AI without Trusted Data

AI is at risk of bias and poor outcomes unless the data is of high quality

## WHY AI FAILS?

### POOR QUALITY DATA

- Data is critical when it comes to securing successful AI outcomes.
- Trusted data helps AI learn to make a recommendation or perform a task.
- The more fit for use data sourced, the better the outcomes

### DO YOU WANT TO PREVENT AI FAILURE?

#### Zillow Home Values Corrupted<sup>2</sup>

- High Machine Learning (ML) error rate for Zestimate costs company millions & 25% of workforce
- Overpaid homes resulted in a \$304 million inventory write-down in Q3 2021

#### MS Chatbot Spew Racist Tweets<sup>2</sup>

- Used uncleaned Twitter interactions for training ML models
- Within 16 hours, more than 95,000 tweets posted, and rapidly turned overtly racist, misogynist, and anti-Semitic

#### Cost of Poor Data Management<sup>1</sup>

- *"Average cost of poor data quality at \$12.8 million per year"*
- *"AI models depends entirely on the accessibility, quality, granularity, and latency of your organization's data"*

#### Bad AI Leads to Attorney Sanctions<sup>2</sup>

- Used generative AI to find prior cases to support a case
- At least 6 of the AI findings did NOT exist
- As of June 2023, Schwartz was facing possible sanctions by the court.

#### Misdiagnosis due to Errant AI<sup>2</sup>

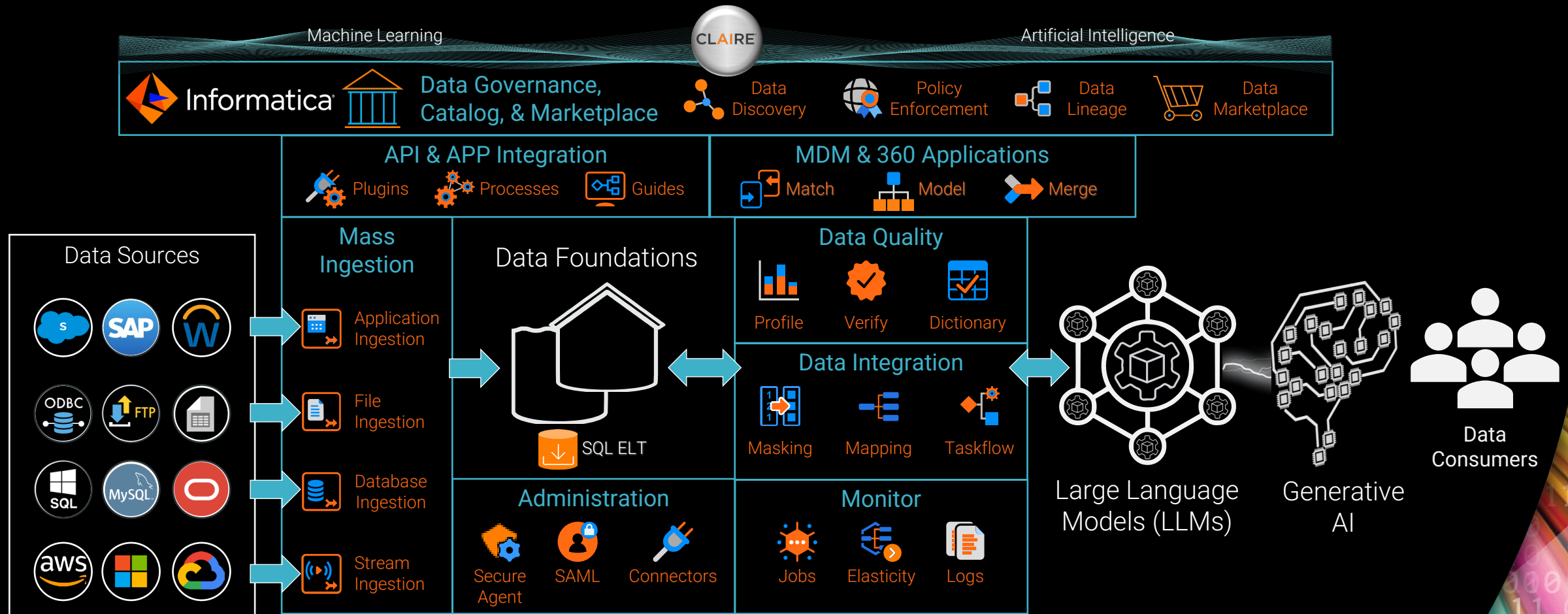
- Hospitals used AI to diagnose & triage COVID-19 patients faster
- AI model was flawed because it was trained on the wrong data set
- Misabeled data or data from unknown sources was a common culprit.

NOTE: [1] "The steep cost of a poor data management strategy." (2023), [CIO.com](https://www.cio.com) NOTE: [2] "Famous Analytics and AI Disasters." (2023), [CIO.com](https://www.cio.com)



# Informatica Prepares Your Data Ready for AI

## Unlock the Power of your AI with Holistic, Trusted, and Governed data



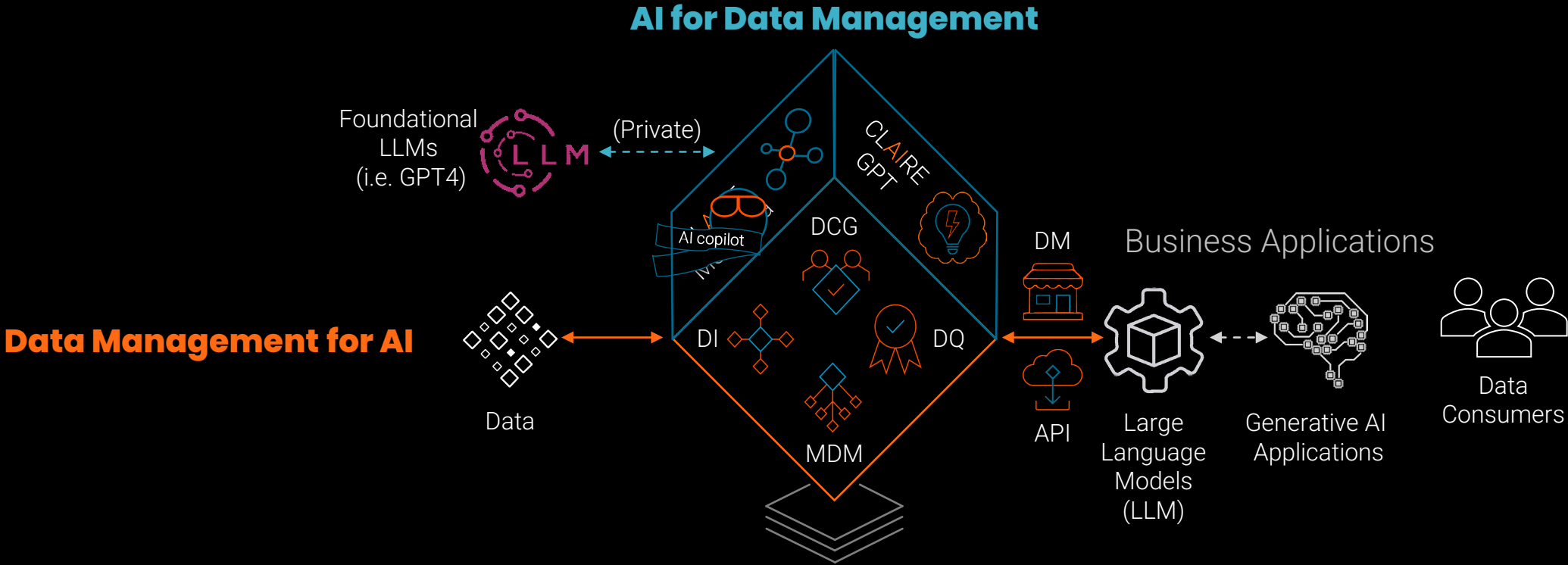
# Informatica Experience and Intelligence

Bringing Data and AI to Life



# Addressing Data Challenges for Generative AI

Informatica provides the data velocity, volume, variety, and veracity to succeed!



Data Integration (DI) | Master Data Management (MDM) | Data Quality (DQ) | Data Catalog & Governance (DCG) | Data Marketplace (DM) | API & App Integration (API)



# Additional Resources

- [Eckerson Whitepaper: Autonomous Data Management](#)
- [Ebook: How leaders Can Empower Data Teams for the AI Era](#)
- [Blog: Why Data Management and Generative AI Are a Match Made in Heaven](#)
- [Blog: Unlocking the Power of AI with Data Management](#)
- [Blog: Drive AI and ML Success with Cutting-Edge Data Engineering Solutions](#)

# Where data & AI come to



# Rapid Change is Coming to the Enterprise

(and we're the cause)

Hundreds of companies will be built around an API for something like ChatGPT



Startups will not be able to create the AI themselves, but they can use the APIs

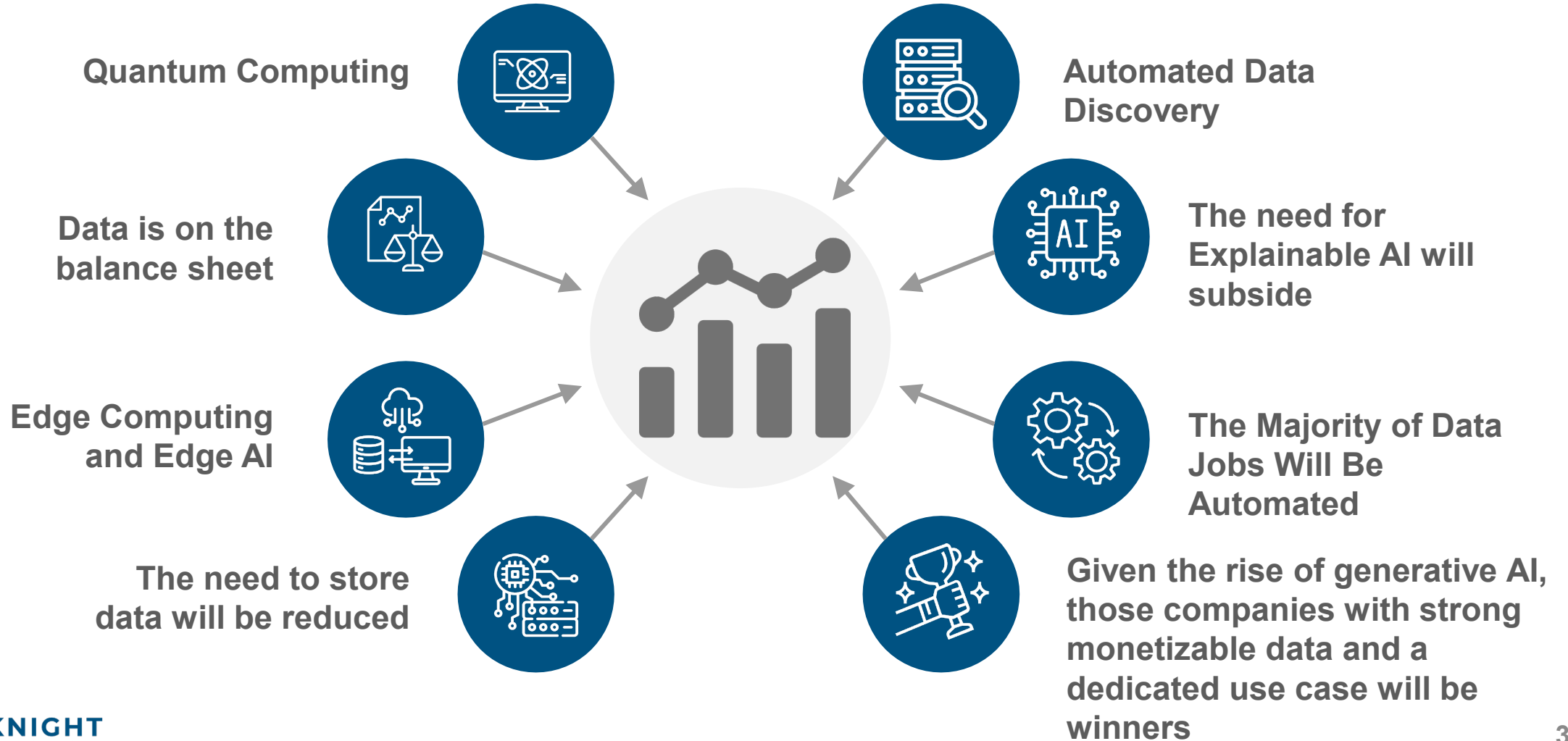


Nearly every industry and nearly every vertical is being transformed today



Companies are using these techniques in software and statistical models to make predictions and drive businesses forward in a way that they're not able to with only humans

# Enterprise Change is Coming



# Use Cases for AI 2024

	Flow optimization	Modeling and analytics	Predictive insights	Threat and risk analysis
Public Sector	Traffic flow management	Smart city planning	Autonomous routing	Situational Awareness
Oil and Gas	Pipeline modelling	Drilling patterns and asset utilization	Intelligent planning	Safety assurance
Manufacturing	Supply chain optimization	Production optimization	Predictive maintenance	Fault identification
Retail	Supply chain optimization	Customer experience	Segmentation analysis and forecasting	Fraud and theft identification
Healthcare	Patient care pathway optimization	Disease research and drug creation	Early diagnosis of conditions	Patient safety
Technology	Operational efficiency	Log analysis	Capacity planning	Cybersecurity and zero-day detection





# AI, Work and Post-Scarcity



## TECHNOLOGY

### IBM to pause hiring for jobs AI could do

By BRODY FORD  
Bloomberg News

Chief Executive Officer Arvind Krishna said International Business Machines Corp. expects to pause hiring for roles it thinks could be replaced with artificial intelligence in the coming years.

Hiring in back-office functions — such as human resources — will be suspended or slowed, Krishna said. “These non-customer-facing roles amount to roughly 26,000 workers,” Krishna said. “I could easily see 30% of that getting replaced by AI and automation over a five-year period.”

That would mean roughly 7,800 jobs lost. Part of any reduction would include not replacing roles vacated by attrition, an IBM spokesperson said.

As artificial intelligence tools have captured the public imagination for their ability to automate customer service, write text and generate code, many observers have worried about their potential to disrupt the labor market. Krishna’s plan marks one of the largest workforce strategies announced in response to the rapidly advancing technology.

More mundane tasks such as providing employment verification letters or moving employees between departments will likely be fully automated, Krishna said. Some HR functions, such as evaluating workforce composition and productivity, probably won’t be replaced over the next decade, he added.

IBM currently employs about 260,000 workers.



# AI is Here

- It's our responsibility to get ahead of it
- We are paid for what the customer is willing to pay us for
- In the absence of information, some people will go to worst case scenario
  - "I heard my friend's nephew lost his job to AI"



# AI is Big Change

- Organizations implementing AI have recognized the need to make significant changes
- People instinctually don't like change to begin with
- When you add artificial intelligence coming into the workplace that's going to even make the issue worse if you don't get ahead of it
- Demonstrate how it can help the company instead of having the fear grow with people thinking it's going to hinder them or even worse replace them

# Why the Resistance?

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- Change
- ROI concerns
- Credibility
- Terminology
- Organization/Governance
- Alignment with Values
- Focus on Process not Outcome
- Competencies





# AI-Driven Projects Create Organizational Change

Automation

All Data

Real-Time,  
All-Time

Job  
Changes,  
New Roles

More and  
Different  
Technology

“Artificial”  
Intelligence

# AI-Driven Projects Require Organization Transformation

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- Require much more than “the right data” and “a good database” and “good technology”
- Present great opportunities, but also poses significant implementation risks
- Encounter many risks that are “people” related, which must be managed for successful implementation



# What is Organizational Change Management?

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**Organizational Change Management is the people side of change; it's how to facilitate people from current state to future state with high technology adoption and usage**







# Artificial Intelligence Requires Strong Organizational Change Management

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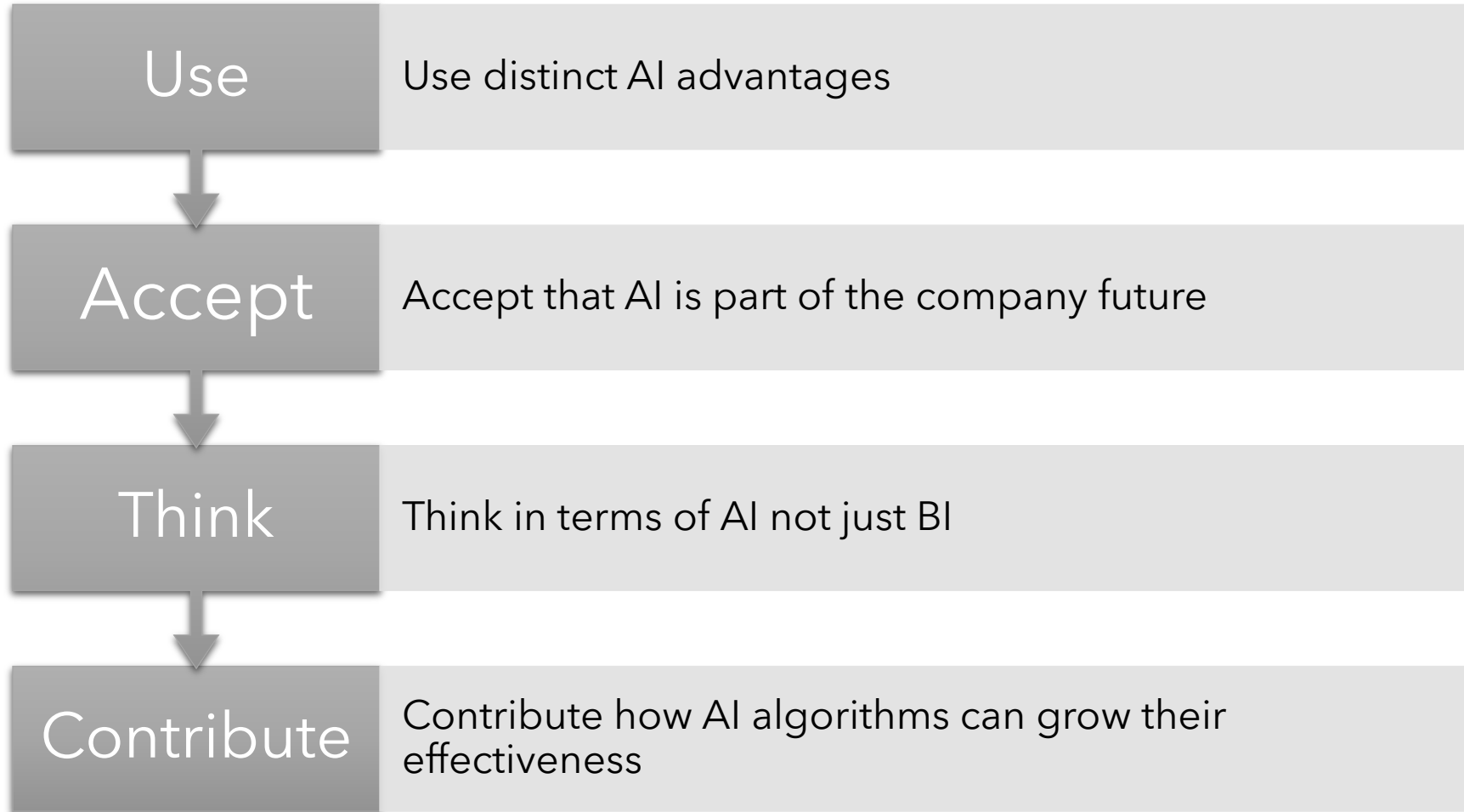
# “People” Risks Require Attention on AI-Driven Projects

- Leaders not aligned with transformation
- Departments may feel they have little or no input in change process
- Employees concerned about how new processes will impact their current jobs
- Corporate culture resistant to change, tries to maintain the way things have always been done
- Limited energy; Simultaneous rollout of other projects
- Staff not adequately prepared to execute new processes
- New and changing job roles that require organizational coordination

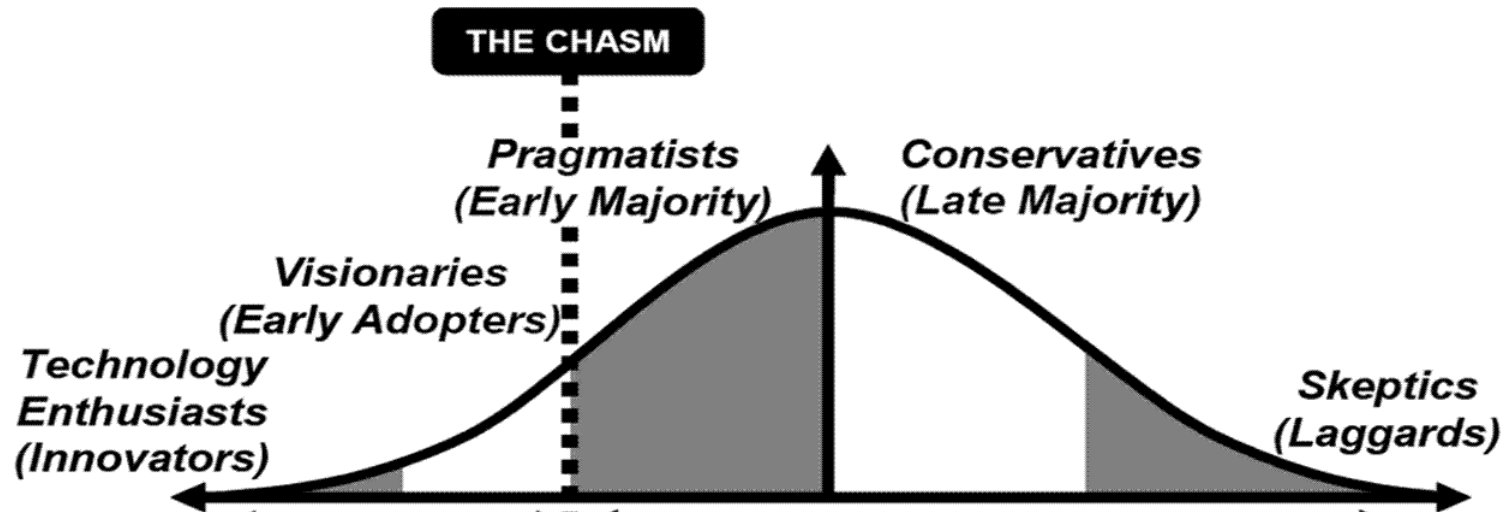
**Change Readiness and Organization Impact Assessments can provide insights into “people” risks associated with the implementation**



# For Artificial Intelligence Projects, We Want People To...



# People and Change



Source: reply-mc.com

# Stages of Change

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Precontemplation - failing to recognize the need for change

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Contemplation - seriously considering the need for change

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Preparation - making small changes

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Action - direct action towards goal

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Prochaska & Velicer, 1997; Liu, Kueh, Arifin, Kim, & Kuan, 2018

# Education is the Key

- Educate in many ways, early and often
- Dispel Misconceptions
- This includes everyone
- Focus on explaining why the change is being made instead of emphasizing the technology
- Make it a shared learning process rather than acute change

# Dispelling AI Misconceptions

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- Change is overnight
- AI is a technology
- AI is already conscious
- AI will take over the world
- AI is better at humans at everything
- AI is another gimmick
- AI is too expensive
- AI is too complex
- AI is not reliable

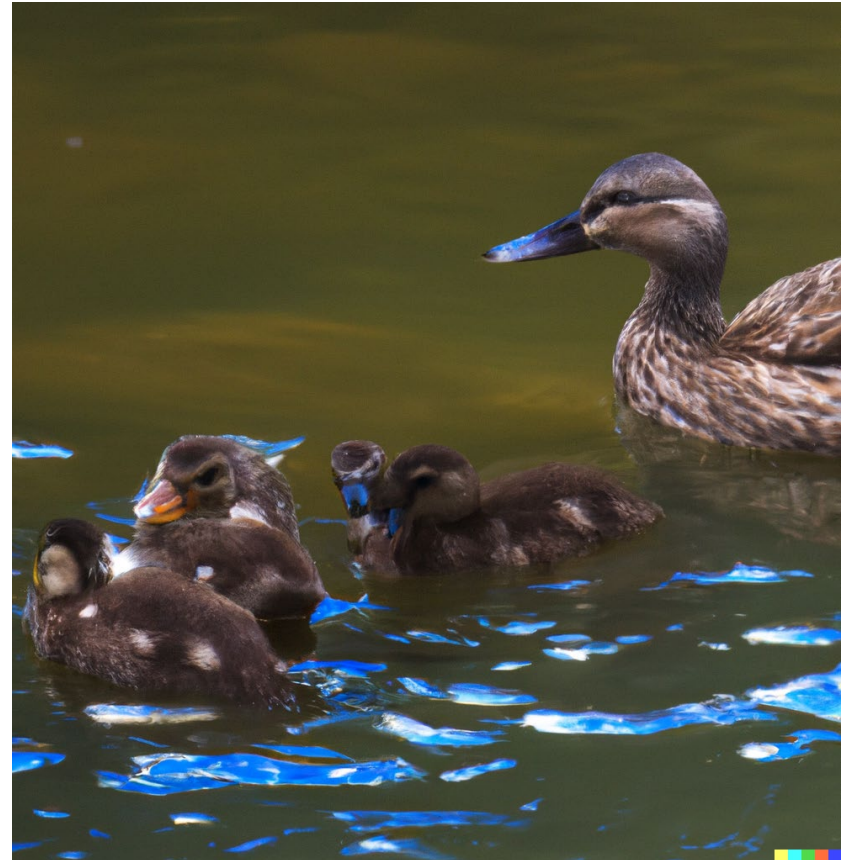




# AI Maturity

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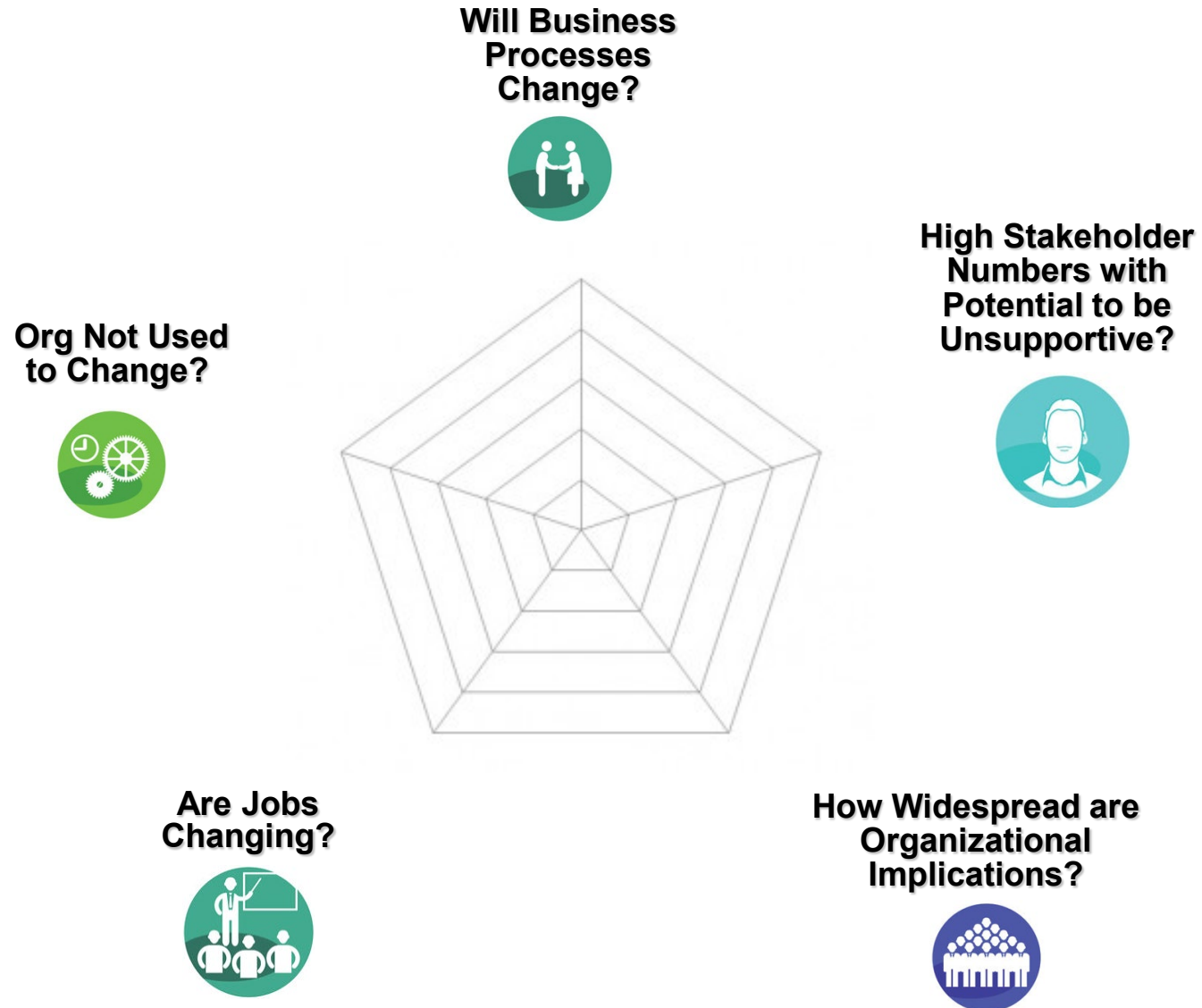
- Tactical Tools to automate and save time and money
- Utilize a set of tools that work together to achieve a common goal
- Automate human decision making and low-level human input
- Autonomous agents



An hourglass with blue sand is positioned on a beach of dark, smooth stones. The background is a soft, out-of-focus sunset or sunrise sky. The hourglass is the central focus, with its wooden frame and glass bulbs clearly visible. The sand is a vibrant blue color. The overall mood is contemplative and emphasizes the passage of time.

# Organizational Change Management for AI Projects

# How much OCM to do?



# 1. Stakeholder Management

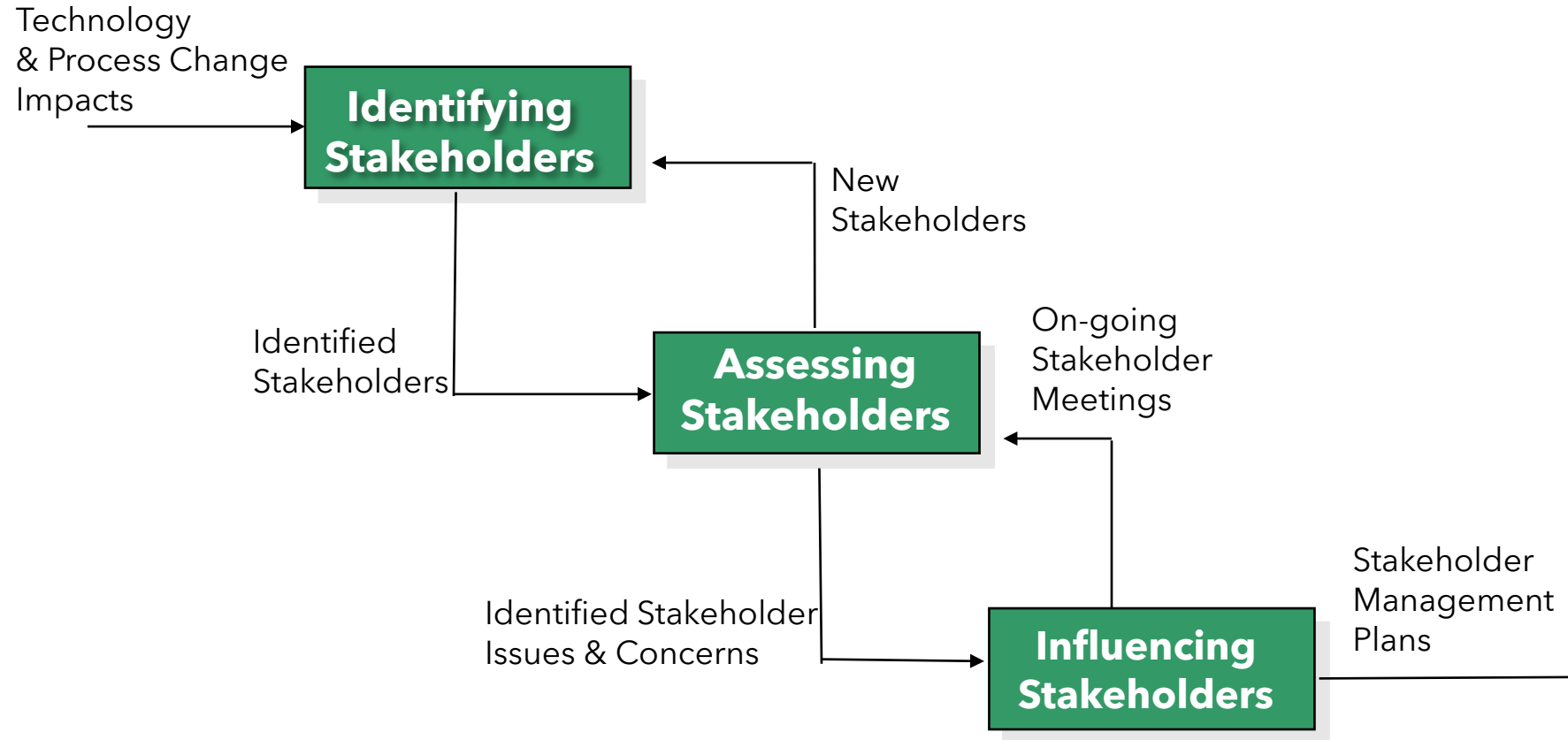


- Objective: Identify and address stakeholder concerns
- Desired Results: Business leaders and staff support changes
- “What do you not like about your job?”
- Replace the fear with positivity
- Gain respect by listening



# Stakeholder Management Process Activities

## Focus On ...



**Stakeholder management is not a one-time event; stakeholder information will be reassessed and updated at each phase of the project**

# Stakeholder Dimensions

- Communications Preference
- Key Issues
- Current Status (RYG)
- Desired Status (YG)
- Desired Project Role
- Actions Desired
- Messages to Communicate
- Action Plan
- Stakeholder Owner

# Early Adopters



Don't take early adopters for granted



Without communication and progress, enthusiasm can lead to frustration



Spread decision making around

## 2. Broad Communications



- Objective: Build organizational awareness and commitment to process and technology changes
- Desired Results: Company commitment and support to implement change vision



# Outcome-Based Communications

- "I am connected to people on the AI journey with me"
- "My leaders have shared a vision for AI"
- "There is a roadmap of implementation"
- "I can leverage AI"

# AI Ethics

- Responsible Data Collection: Ensuring that data is gathered responsibly, ethically, and in a way that respects and protects individual rights
- Responsible Development: Taking into account how AI is developed and used and how ethical considerations, including fairness and privacy, are addressed
- Trustworthiness: Ensuring safety, security, and accuracy in AI systems
- Explainability: Making sure AI systems are transparent and explainable as possible so that decisions made by them are comprehensible and understandable
- Discrimination: Reducing the possibility of algorithms making biased decisions based on factors like race, gender, ethnicity, or religion
- Privacy: Protecting user data and ensuring user autonomy with regard to their own data

# 3. Organizational Training



- Objective: Train affected company team to use new business processes and align roles
- Desired Results: Team equipped with the knowledge, skills and competencies necessary to accept and utilize processes and technologies effectively

# OCM: Embedded or Centralized

Embedded in a project to support that project

- Focused on the project
- Tendency to neglect OCM

Centralized SWAT Team

- In support of multiple projects
- Part of Data Governance or other organization



# Suggested Work Products

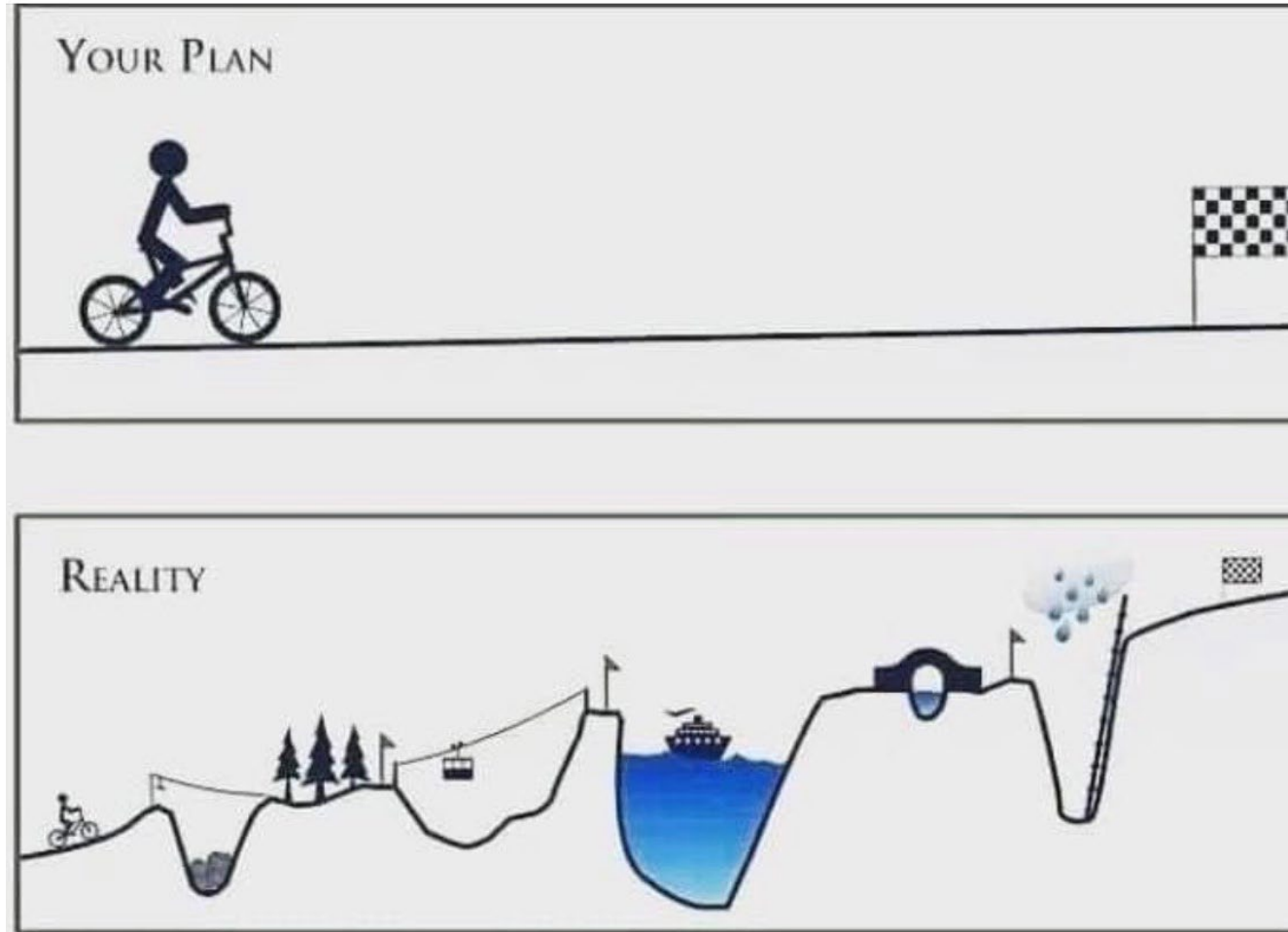
- Stakeholder Management
  - Stakeholder Analysis
  - Stakeholder Management Plan
  - Identify Impacted Job Roles
  - Specify Job Changes
  - Job Transition Plan
- Broader Communications
  - Communications Strategy and Plan
- Organizational Training
  - Training Needs Assessment
  - Training Curriculum
  - Training Materials
  - Training Delivery
  - Evaluate Training Effectiveness

# Conclusions

- AI is here and it represents big change
- OCM is essential to organizational transformation to AI
- Choose the applicable work products
- Education is the key
- Don't push off OCM until the very end
- Insert work products into plans
- Focus on stakeholder management, broad communications and organizational training
- Make the “soft” a real, tangible part of an action-oriented framework



# And Remember, even with OCM....





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