

Direct AI

**A winning strategy for
unlocking the AI bounty of upto
30% more revenue.**

Direct AI is the application of modern AI directly to business rather than waiting for AI to appear in the IT stack via vendor tooling.

Many assumptions about the difficulty of directly applying AI are outdated, holding back innovation that could unlock upto 30% more revenue or savings.

Direct AI

Published 31 March 2023

By Principal: Paul Golding

Not all AI and machine learning strategies are the same. Ours is rooted in real-world innovation techniques and the experience of hands-on AI inventors (versus analysts) who have used AI in numerous innovation settings, often as part of strategic transformation.

Unlocking the AI Bounty

Whilst ChatGPT has fired the imagination, hundreds of AI advances are made monthly, many applicable to innovation. Think of them as keys waiting to unlock hidden innovation in product, marketing and operations. We call this potential the **AI bounty**. Accenture claims AI "high performers" attribute ~30% of revenues to AI.

Some organizations wait for AI to percolate into their IT stacks via vendor tooling ("Vendor AI"). This is too slow and can only yields a fraction of the bounty.

Direct AI means **applying AI directly** to key business problems—i.e. more "build" than "buy". In truth, both are necessary, but the direct approach is often ignored because of incorrect assumptions, such as it requiring PhDs. It does not.

Recent AI advances have all taken place within an era of technological acceleration, such as cloud computing, low-code and open source. It is surprisingly easy for technically-literate workers ("[Citizen Technologists](#)") to access modern AI techniques directly and immediately add value, tapping into the AI bounty.

Direct AI is a winning strategy for unlocking the AI bounty.

Direct AI = innovation at the speed of thought: A major US bank wanted to summarize call transcripts to unlock new revenues. They paid an expensive AI vendor to label data. The bank's IT team didn't know that it was possible using a few lines of code for zero dollars. Not only would it have been cheaper, *it would have unlocked new revenues far sooner, at the "speed of thought"*.

Step 1: Direct-AI Mindset

The 0-to-1 of unlocking the AI bounty is possible with just a few lines of code by a [Citizen Technologist](#) or maybe a technician (e.g. Servicenow developer) but it requires the right mindset throughout the organization.

Unlocking the Direct AI Mindset

The “Push Mindset”—Ideally, business leaders must adopt the mindset of a technologist who knows to push AI based upon its transformational potential versus traditional ROI arithmetic. Business cases will come from decentralized innovators once given permission to innovate using AI.

The “Pull Mindset”—Stakeholders must also adopt a pull mindset whereby they show willingness to consume AI innovations from empowered product-teams. This might conflict with existing values, such as reliance upon vendors as part of a traditional de-risking mindset. The message to teams should be: if you innovate with AI, the business will adopt your solutions.

The “Hands-on Mindset”—innovation is often a messy affair with many facets.. The one needed to drive Direct AI is a hands-on mindset. The barriers to entry for AI experimentation have dropped significantly, thanks to increased automation and powerful new tools.. Hands-on innovation is the new superpower.

The “Model Mindset”—Much of the AI bounty is hidden in plain sight, accessible only with a “Modeling Mindset” that knows how to identify an AI-ready business problem and which AI to apply. It also includes recognition of AI safety concerns, such as model bias. Just as orgs once adopted “Six-sigma thinking” and then “Design Thinking”, the next step is “Model Thinking”.

Frontier AI empowers your teams to apply AI directly for enhanced business performance, either via coaching of existing talent or development of Citizen AI Technologists.

Sidebar: Unlocking the AI bounty: Example: Visual Intelligence

It is literally the case that potentially millions of locked revenue opportunities and cost savings could be unleashed using just a few lines of AI code, if only workers knew how.

Visual Intelligence

[ViperGPT](#) can turn natural language, like "How many loaves of bread on the top shelf?" into a custom visual analyzer. A proof of concept requires a cheap camera and some basic IT skills.

Applications are endless, especially once workers become aware of such potentialities.

ViperGPT makes **visual intelligence** accessible to those closer to business problems. Previously it would have taken specialized computer vision skills to understand and implement such opportunities. Now, they are reachable by Citizen Technologists.

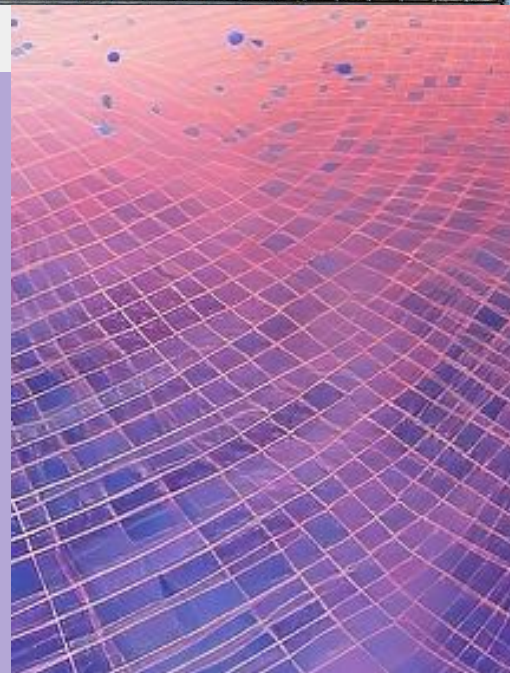
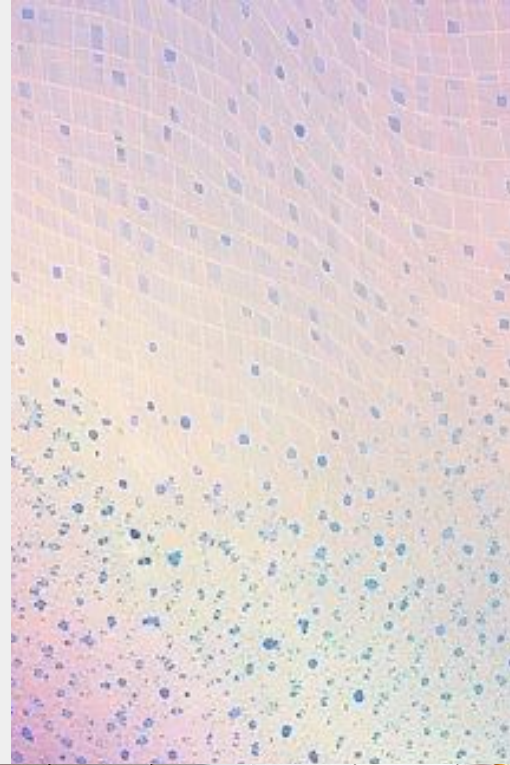
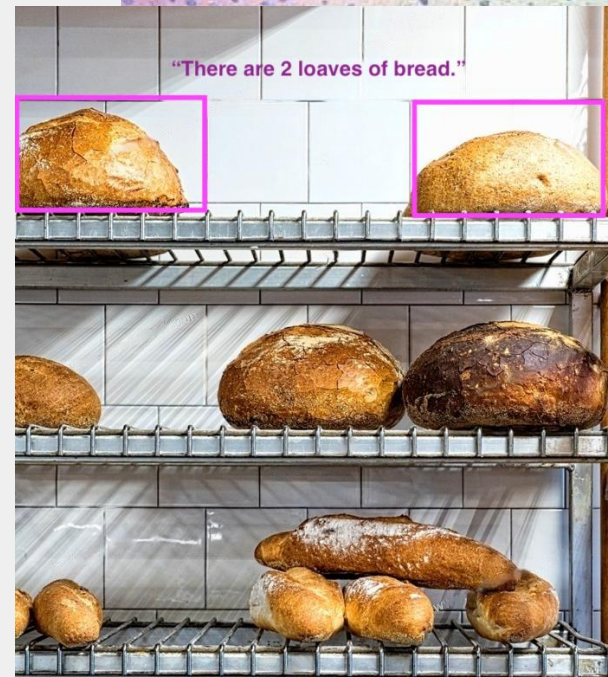
Imagine a hotel using visual intelligence for "People Analytics"—finding out where guests like to sit, what kinds of products they store in their in-room fridge etc.

With the right Modeling Mindset and awareness of ViperGPT, a whole class of problems becomes solvable at relatively low cost, unlocking immediate business gains.

Visual intelligence is just one example of the kinds of superpowers made possible via Direct AI innovation.

Translating such innovations into production-ready sustainable services requires an organization be "Direct-AI ready".

This is the next step.



Step 2: Direct-AI Readiness

Scaling Direct AI from 10-to-100 requires AI-first transformation capabilities that are systematically built up across the organization. No one-size-fits-all framework exists, but there are common ingredients.

Scaling the AI Bounty

Direct AI innovations will struggle to scale past proof-of-concept without the right transformation framework in place. The primary ingredients are:

Self-serve data—it is vital that Citizen Technologists (CTs) can explore and access enterprise data. However, it is not enough to warehouse the data. An AI-ready approach requires a concerted attempt to build a "Digital Twin" of the org, which means focussing on metadata to help humans and AI contextually make sense of information. Context is vital for identifying causes versus merely predicting outcomes: the **why** behind data, not just the what.

CitizenOps—this is the right combination of AIOps, DataOps and DevOps to help CTs collaborate on model building and then move to production-ready deployment at scale, including AI safety checks (bias or potential privacy violations in the models).


Operating Model—it is not enough to provide tools, ops and data. These must be wrapped with the right operational structures to ensure scalability and AI safety. Ideas like continual learning, tool mastery, product-centric IT and Agile value streams are all necessary for success.

There is no one-size-fits-all, but Frontier AI can help to design the right Direct AI implementation plan (see next).

Unlocking the AI bounty, step by step:

Frontier AI offers a full set of services to aid the transition to Direct AI, from tiny initial steps to complete enterprise architectures and operating model design for AI-first transformation.

Direct AI Roadmap, step by step:

- 
- Mindset Orientation**—We launch with an orientation workshop to set the compass towards Direct AI for your organization. Through extensive and illuminating examples of AI, participants will find fresh perspectives that open their minds towards the journey into Direct AI innovation.
 - AI Readiness Audit**—Next, we assess the current state of readiness across a range of enablers, from tech stack to operating models to worker talent. The goal is to identify where, how and when Direct AI could be applied with immediate effect.
 - Pilot Project**—Based upon the audit, we work with your team to identify a pilot project via a comprehensive use case analysis. The pilot is chosen to show viability and value of sustained Direct AI versus one-and-done ROI: go slow to go fast. We work with the pilot team to implement the first project.
 - Direct AI Acceleration**—Using the pilot learnings, we work with your team to design a plan for scaling Direct AI, including data, ops and talent acceleration. We fit this to existing transformation initiatives where possible to maximize reuse of IT investments.
 - Momentum**—We provide ongoing advisory services to maintain momentum of the Direct AI initiative. This includes bulletins to interpret in biz-friendly language the latest AI developments. It also includes access to our Discord community server to discuss general questions with a wider audience.

Frontier AI offers a complete suite of services to guide the adoption of Direct AI. We work with key members of the business to guide mindset, implementation and transformation initiatives.

Applied innovation: new value, not just new ideas

Direct AI unlocks the AI bounty via innovation—creation of new value from novel solutions. Frontier AI are experienced in driving value and can help clients avoid the pitfall of merely chasing new ideas.

Direct AI Innovation

Direct AI can unlock new value from novel solutions. However, a common challenge for organizations is scaling from ideas and proof-of-concepts to sustainable value generation.

Whilst a Modeling Mindset is vital for recognizing AI solutions, often the challenge is identifying where to extract value. For example, it isn't necessarily obvious to study hotel room habits to reveal new services, especially if they require novel business models, such as partnerships with food delivery companies, or similar.

Frontier AI's practitioners have only worked in applied innovation, from setting up and running innovation labs to scaling new lines of business. We understand the process of generating sustainable value from ideas.

Our innovation strategy experts can help ensure sustained ROI from Direct AI. We design a tailored strategic innovation package as an umbrella for any Direct AI initiatives. This could involve guidance in a number of areas, such as marrying Design Thinking with Model Thinking, strategic innovation leadership, customer-centric design and building a sustainable innovation pipeline..

We are not analysts or academics pivoting into AI. Our innovation strategy services are rooted in hands-on practice of applied innovation in many contexts. Our strategic innovation package ensures lasting value from Direct AI.



Frontier AI Real AI by real practitioners

Frontier AI is a team of AI and innovation practitioners. Our AI practice is led by [Paul Golding](#), a pioneer in applied AI with over 30 patents in AI-related disciplines, including AI safety. Our Innovation & Strategy practice is led by [Geoff McGrath](#), pioneer of numerous data-driven technology ventures across the globe.

We are not academics pivoting into consulting, nor analysts. We are real practitioners with real revenue beneath our belts.

Unlike other AI consulting teams, our expertise is rooted in hands-on execution and deep practice with innovation and transformative operating models that deliver business gains.

AI without the right operating model and guidance can quickly become an academic exercise stuck in expensive Powerpoint or one-off projects with low ROI.

Our goal is sustained ROI for our clients via continual mining of the AI Bounty using applied innovation.