

Two developments are putting heavy pressure on organizations: the Covid-19 pandemic and the digital revolution. Many organizations lack solid responses to stay ahead in the new playing field. To remain vital in the future, **AI is more relevant than ever:**

- I. **The current crisis accelerates ongoing digital trends.** Those who don't start using AI now will fall even further behind in the post-crisis world
- II. **Only 15% of companies expand sales growth and increase EBIT margin** during crises. AI is one of the few ways to enhance performance now
- III. **AI projects activate companies.** The momentum can be used to counter resistance and create tangible value
- IV. **Even with a tight budget during crises, AI can be extremely powerful.** The crowd or pay-by-success models make it possible
- V. **AI projects work perfectly from remote!** Data Scientists know Slack and GitHub from when it was invented. Staying home is nothing new for nerds

Despite this clarity, it is yet to be determined whether organizations will leverage AI to meet the current challenges. On the one hand, 50% of German companies surveyed in 2019 by PwC consider AI to be of no relevance to them. On the other hand, those that try to use AI largely fail.

Leaders and their employees move organizations forward every day. Without them, there can be no innovation. Even the best algorithms are useless if either rejected or developed outside the actual challenge. Innovation around AI implementation can only succeed once the people are on board. But how exactly can organizations achieve this? What does it take to sustainably implement AI – without overburdening, scaring and raising too high expectations?

1. AI needs a movement of clarity and excitement

AI is shaped by myths – according to the Zukunftsinstitut. To be able to proactively create AI solutions, a common understanding of the basic principles, prerequisites and challenges is needed. Machine Learning, for example, is nothing more than trying to find a function that best describes data in order to make appropriate predictions. Every organization needs an AI 101! That's how you catch an engineer in the Spätzle Valley.

2. AI needs prototyping and solid integration into the digital transformation

No success without visible business value. AI is not "nice to have" but fundamentally revolutionizes the creation of value in organizations. According to Gartner, a large number of AI projects fail because they are too large-scale from the outset, achieve impact too late and have too few employee involvements. AI needs to be developed fast and co-creatively in the form of prototypes that pay directly into the digital ambition of the organization.

3. AI needs the right mindset

Our LEAD studies show that the mindset is decisive for success in the application of new measures. The actual skill to be learned is to handle fields of tensions, to oscillate within the diverse realities of organizations in the digital age. AI implementation requires a constant rebalancing – and at the same time clarity on fundamental issues that leaders must identify not only within the organization but also through intersectoral dialogue. One such fundamental issue is data privacy.

In summary: AI requires more leadership, not less: Today, leaders need to inspire others for AI and at the same time disenchant it. The only way to do so is by implementing AI projects jointly with their companies' employees. This is how they take away the fear of AI and empower employees to write the history of their organization in the digital age themselves.