FORRESTER®

How AI And Automation Will Change The Way We Work (and Decide)

BOLD AT WORK

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Vice President, Principal Analyst

June 10, 2024 – PegaWorld iNspire – Las Vegas

The State Of Enterprise AI – It's Amazing

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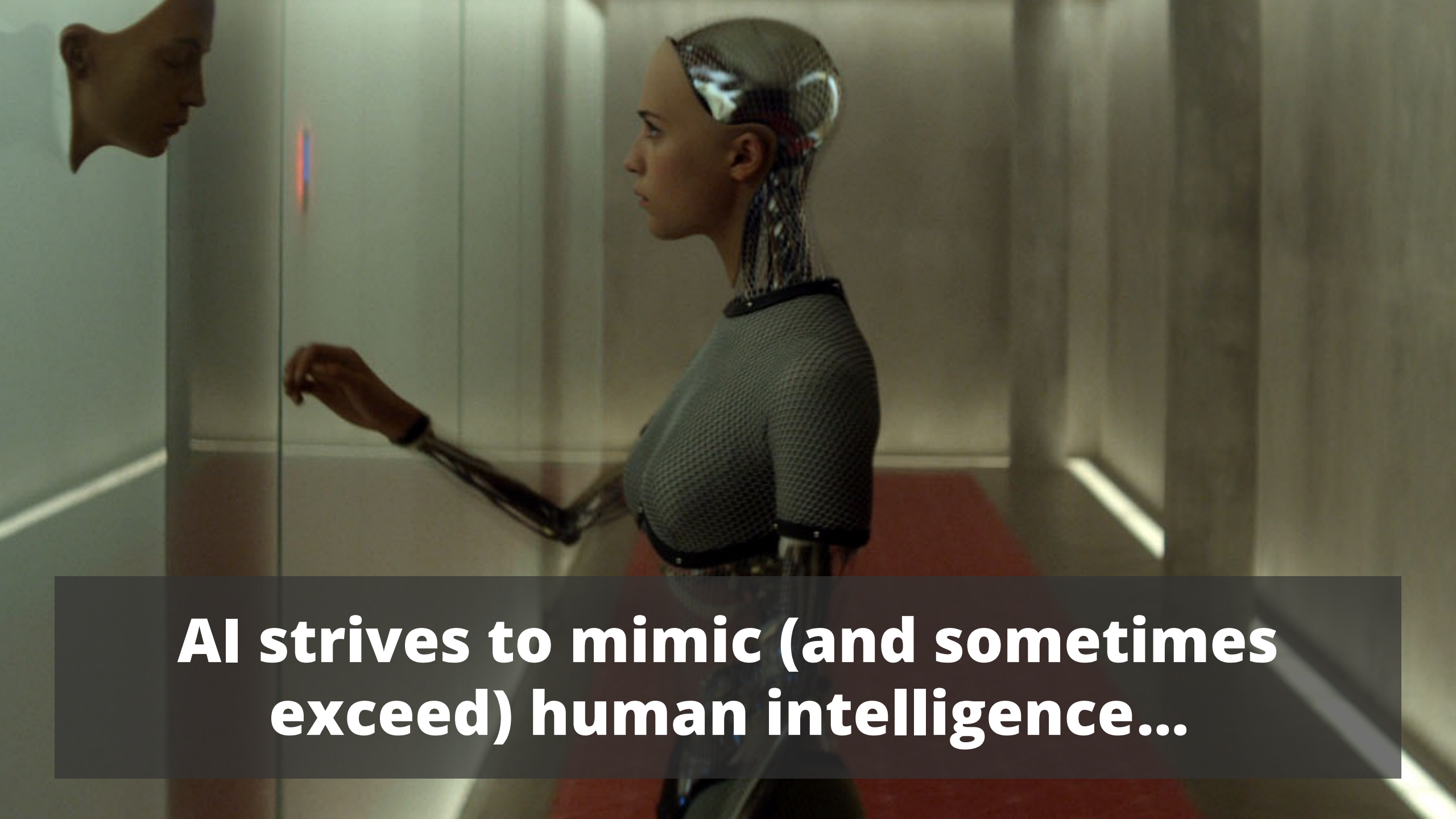
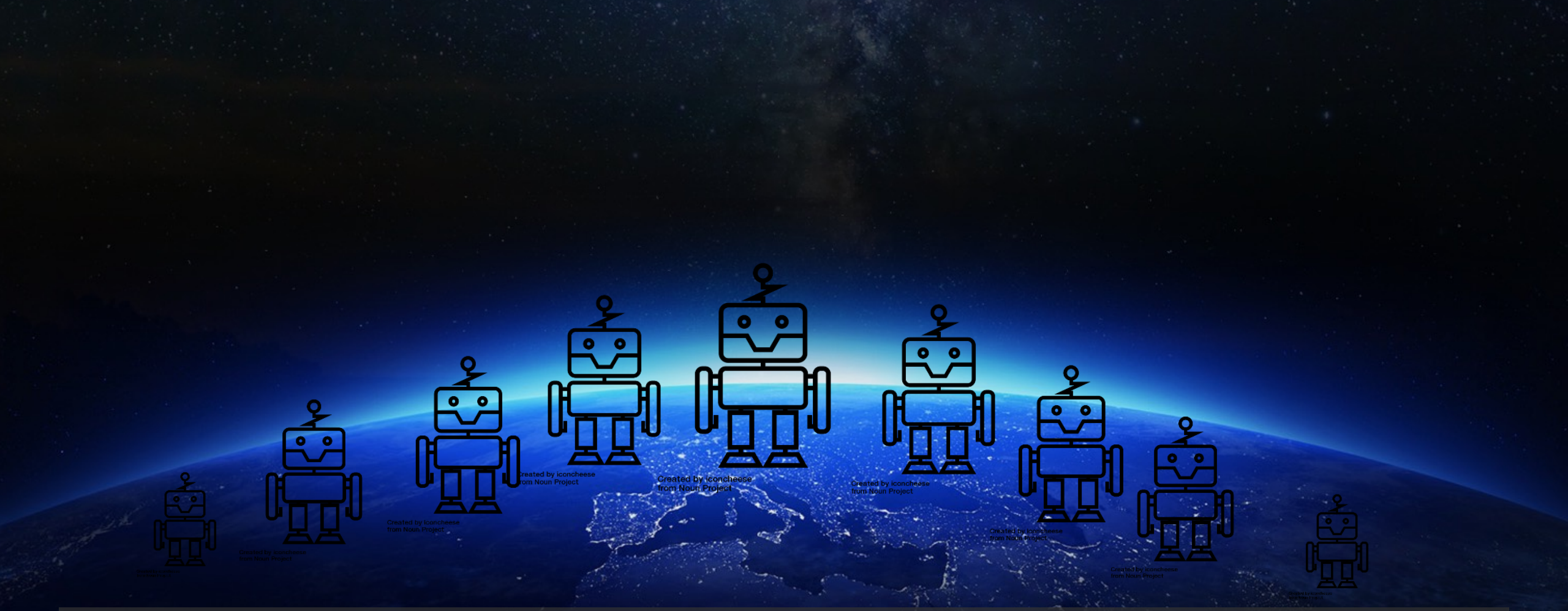
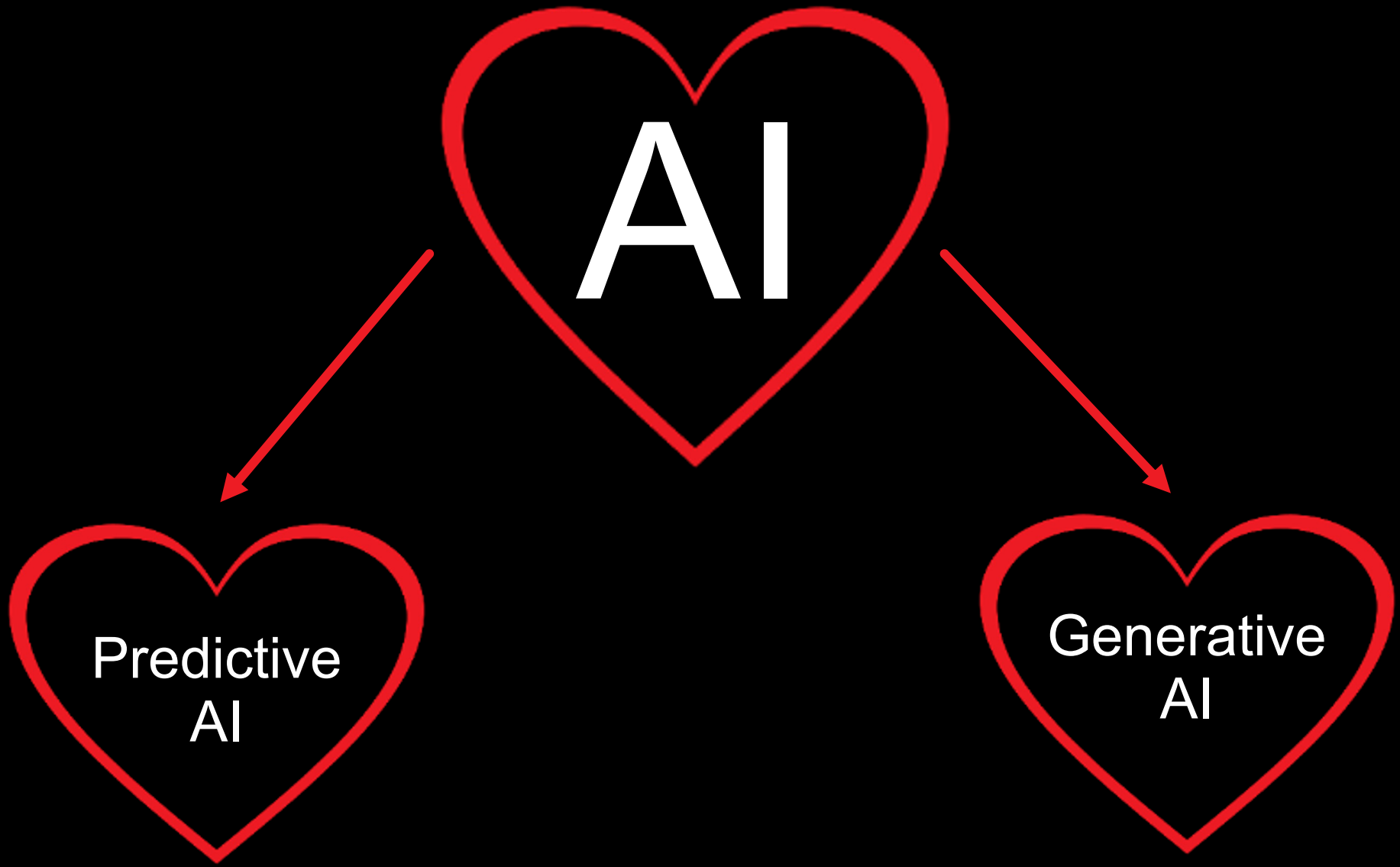


AI strives to mimic (and sometimes exceed) human intelligence…



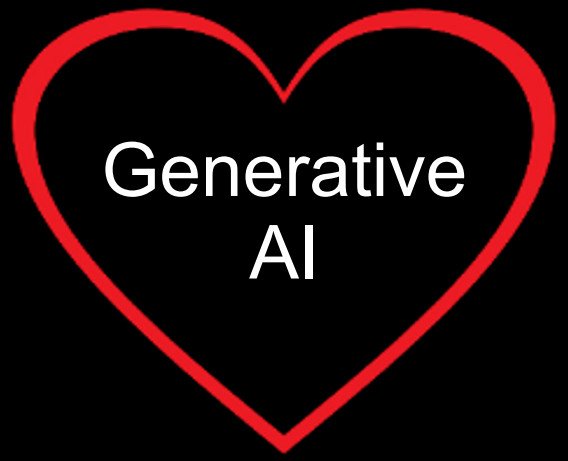
AI is the fastest growing workload on the planet.


AI
Predictive AI
Generative AI

A single prediction

OG ML

This customer is likely to churn.

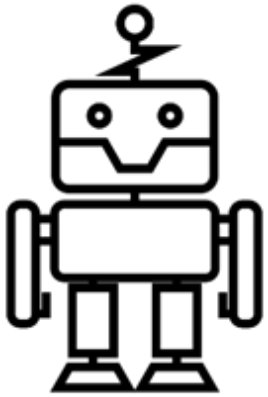


A sequence of predictions

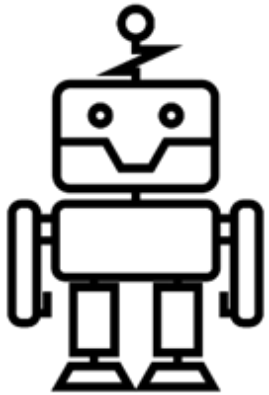
LLM

A personalized poem about the customer’s hometown in the style of AC/DC lyrics.

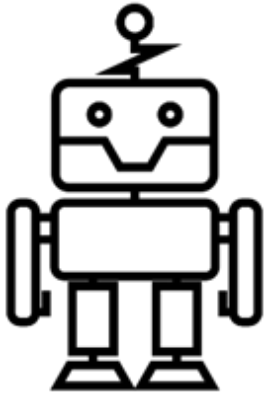
Marketer



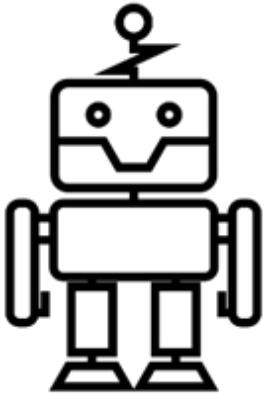
Graphic designer



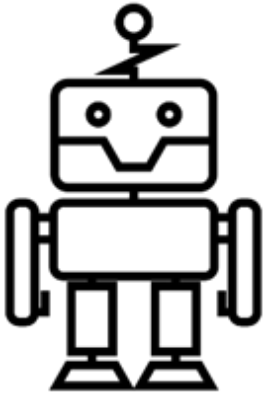
Programmer



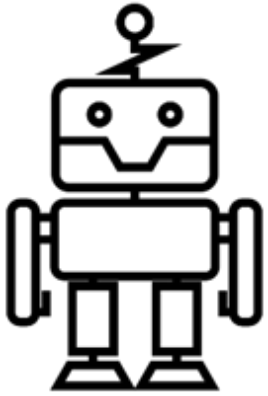
Analyst



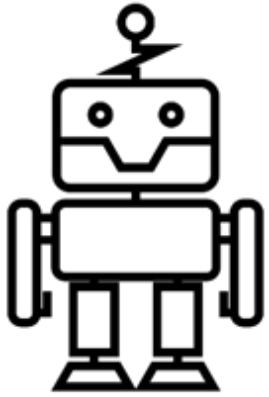
Process engineer



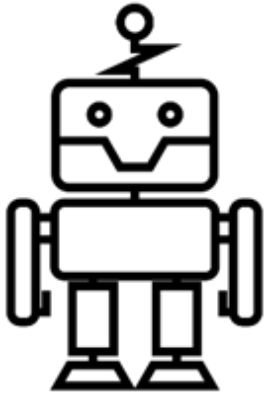
Lawyer



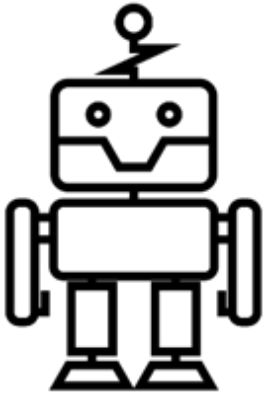
Journalist



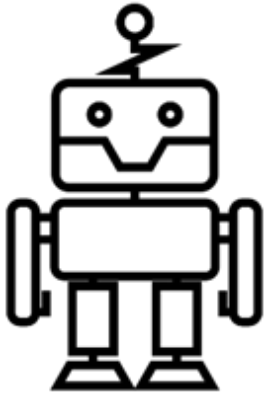
Researcher



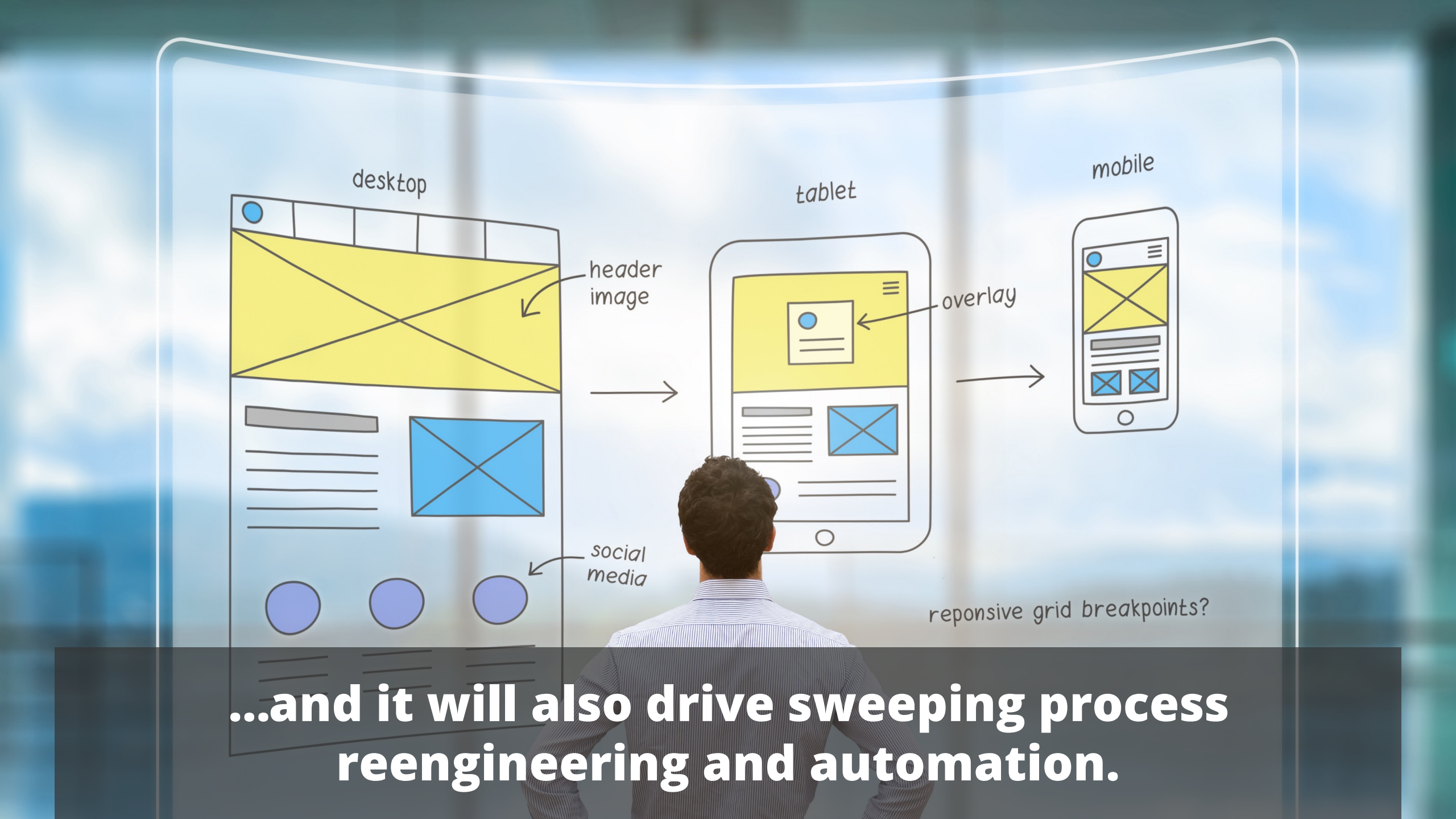
Preacher



Doctor



AI will assist workers leading to soaring productivity.



...and it will also drive sweeping process reengineering and automation.

AI Decisioning Platforms

2023

Digital Decisioning Platforms

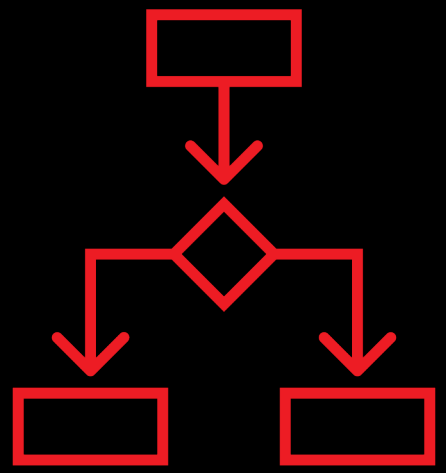
2018

Business Rules Management Systems (BRMS)

2008

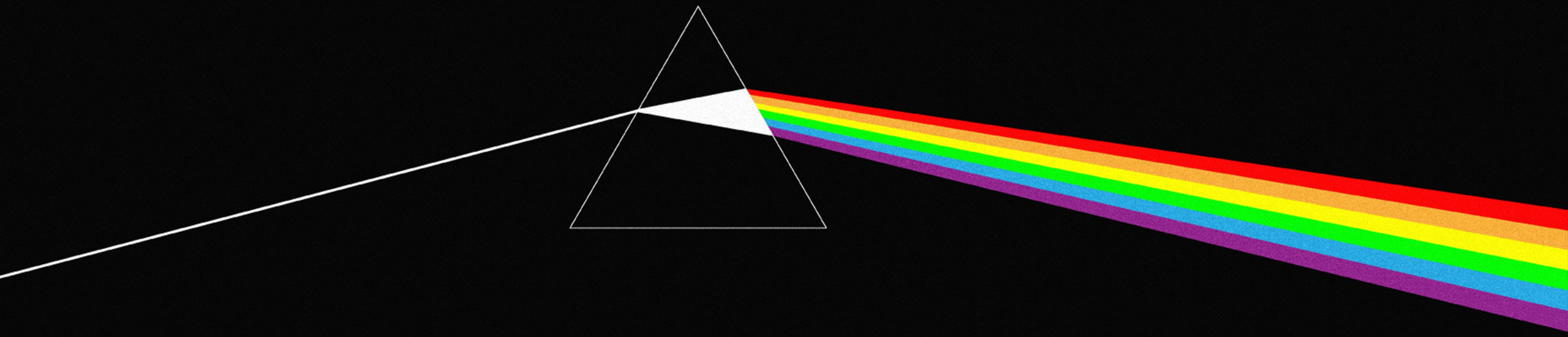
Expert Systems

1985



Decisions


Enterprises rise or fall...

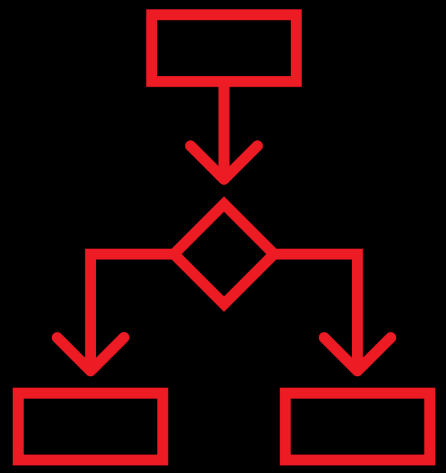


...based on the collective efficacy of all the decisions made...


...by leaders, employees, and

```
private void transactTAMWithdrawals(TAMAnalyzer tam) throws ServiceException
{
    // Now it is time to make withdrawals
    Date withdrawalDate = tam.getCurrentDate();

    TAMAnalyzerEvaluation ae = tam.getCurrentAnalyzerEvaluation();

    // make sure we can withdraw on this date
    if (DateHelper.isBetweenInclusive(withdrawalDate, ae.getFirstPaymentDate(), ae.getLastPaymentDate()) == false)
    {
        return;
    }


    int periodicity = 12;

    TradeOrderService tos = new TradeOrderService(tam.getAccount());
    // cycle through this puppy and create the tradeorders
    for (int p=0; p < ae.getTamPositions().size(); p++)
    {
        TAMEvaluationPosition ep = (TAMEvaluationPosition)ae.getTamPositions().get(p);

        // Create a TradeOrder for this investment choice
        TradeOrder to = new TradeOrder();

        double withdrawalAmount = 0.0;
        switch (ep.getTamPurpose())
        {
            case TAMPurposeKinds.INCOME:
```

...by decision intelligence embedded in applications.

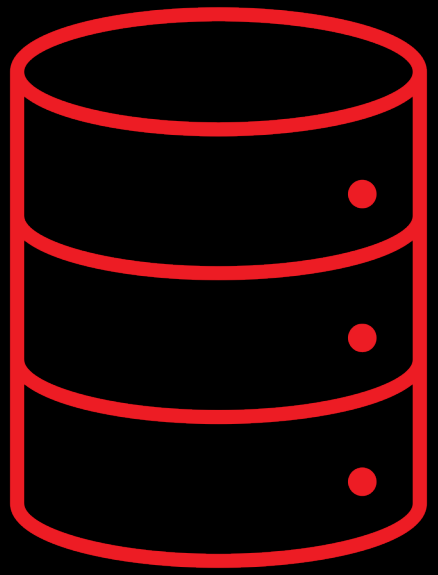


Automation

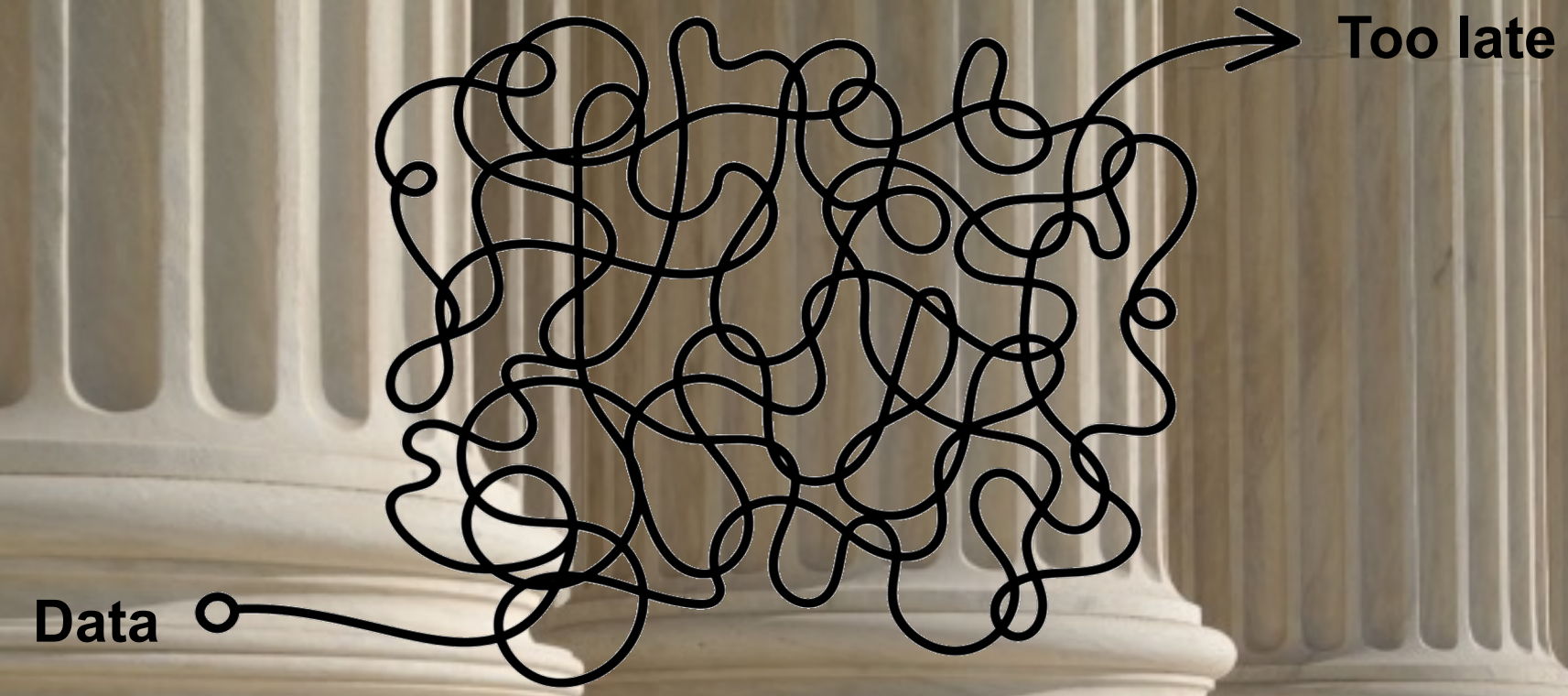
...comes from well designed processes...

...informed by AI and data...

...driven by human-controlled automation.



Data

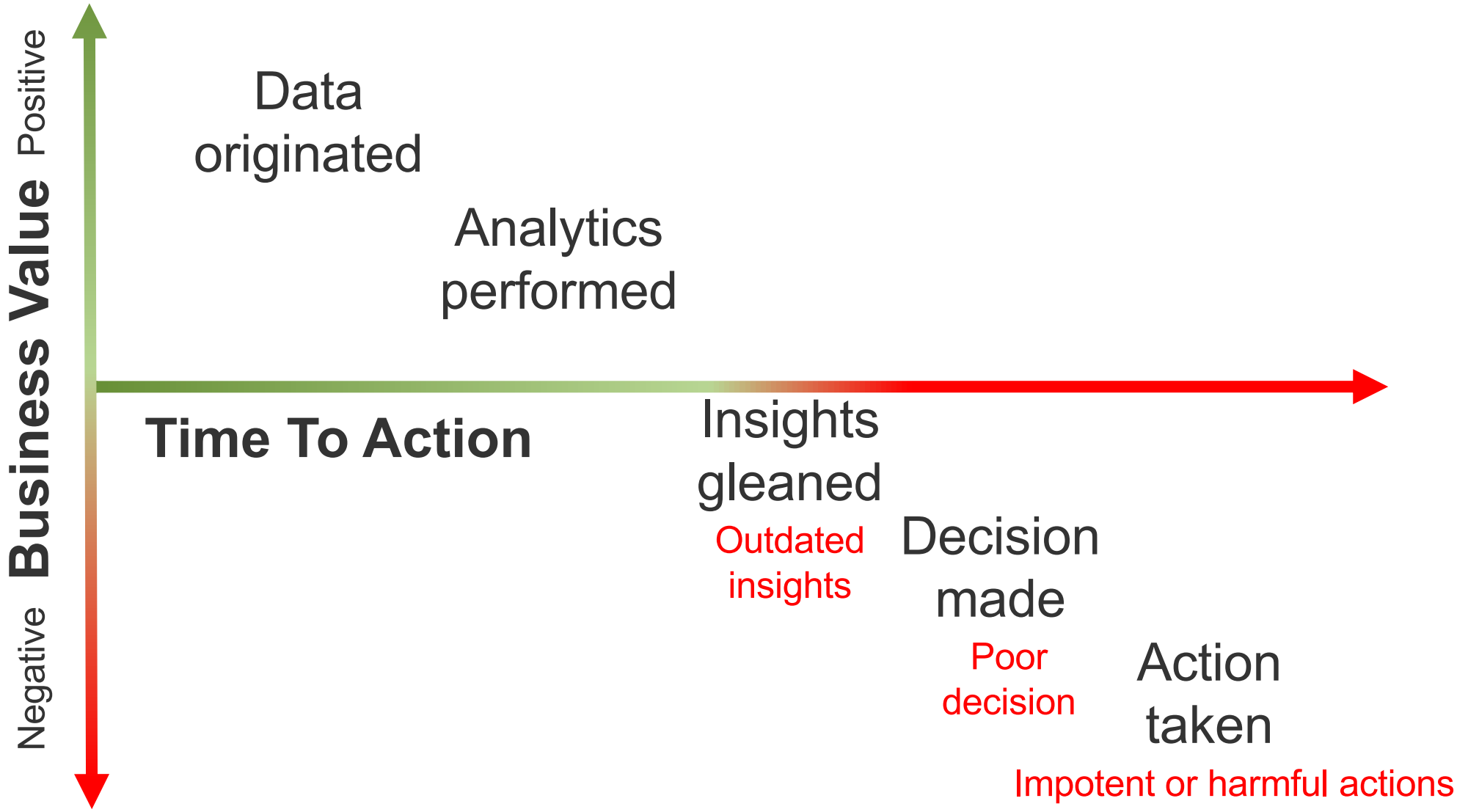


Legacy data architectures are geared towards slow-motion data movement between incongruous data and analytics platform silos.

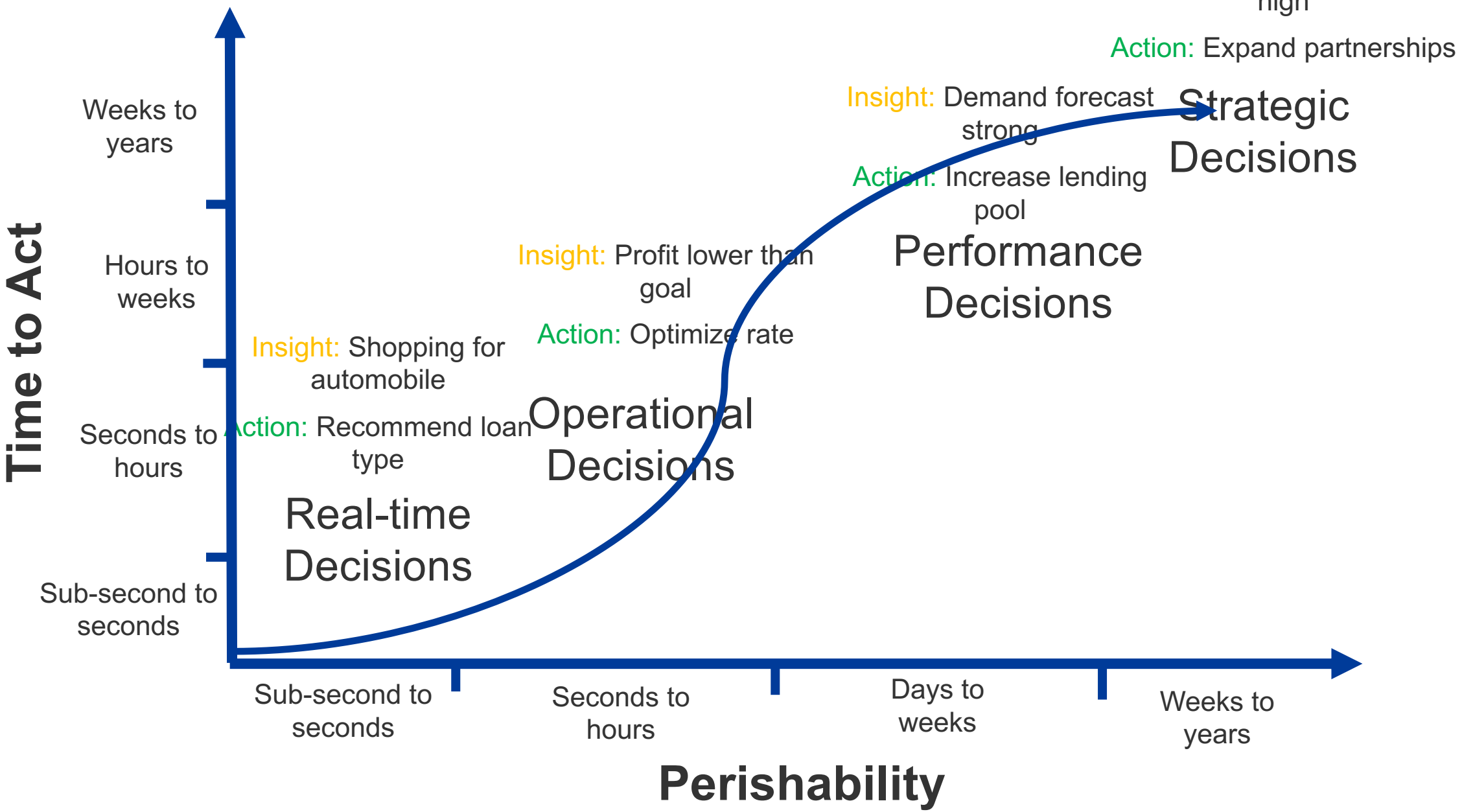
Time

All data originates in real-time, and...

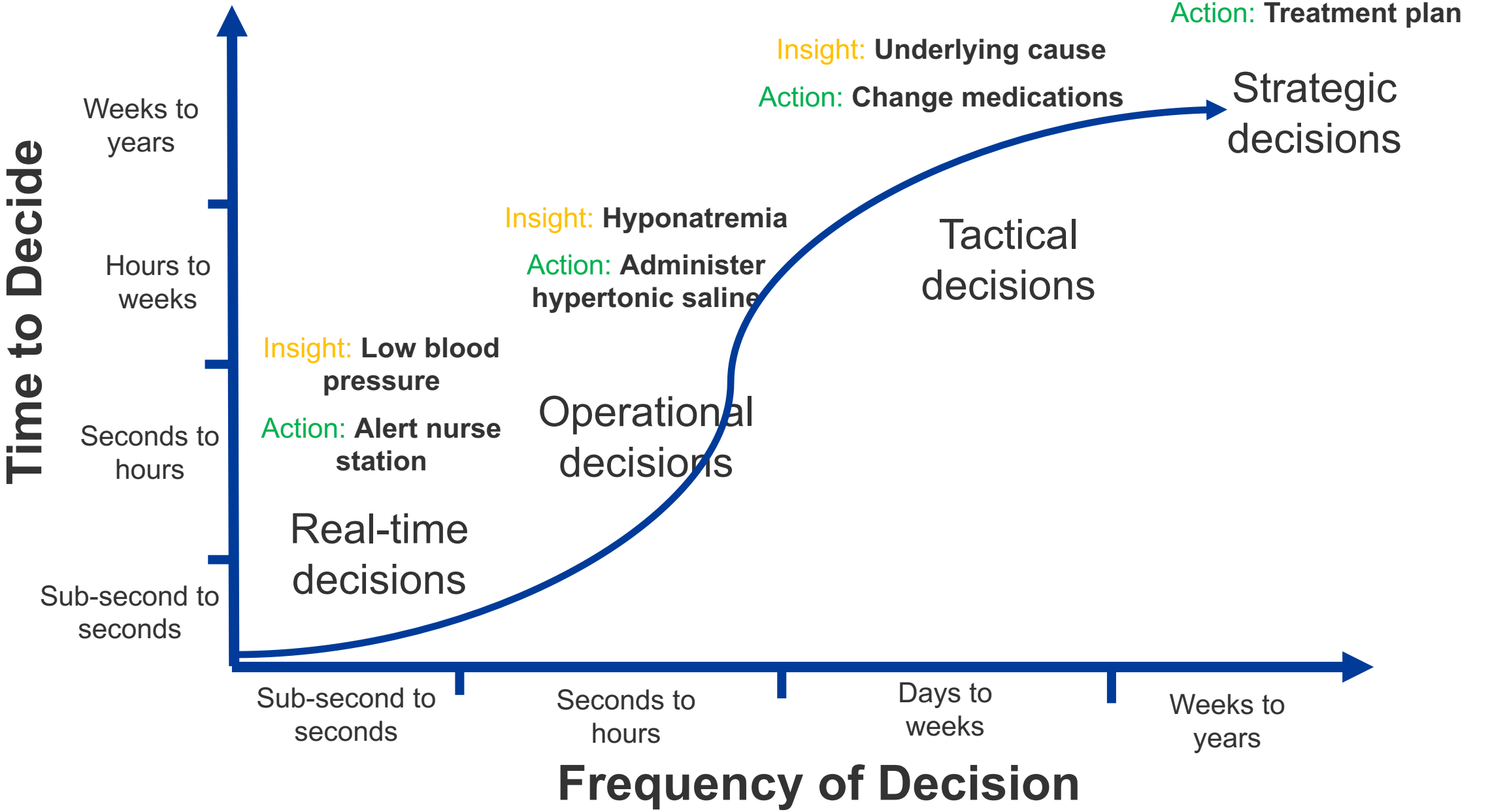
…the time to decide is shrinking



Perishable insights and decisions



Decisioning applies to all industries




You compete on fast decisions.

AI


AI is the future of every enterprise.

Platform

LANDSCAPE REPORT

The AI Decisioning Platforms Landscape, Q1 2023

Forrester's Overview Of 20 Vendors

March 6th, 2023 • 8 min read

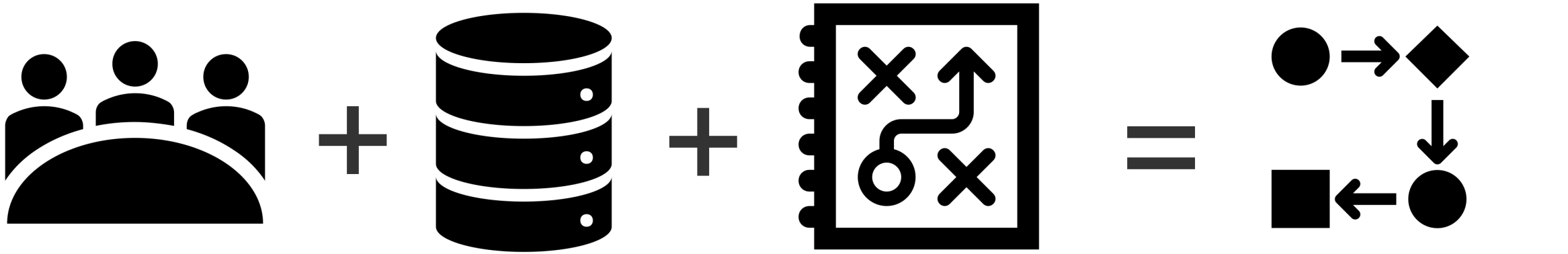
Mike Gualtieri
VP, Principal Analyst

With contributors:
Aaron Katz, Rowan Curran, Catherine Marcin, Ian McPherson

Forrester defines AI decisioning platforms as:

Software that provides enterprise business and technology teams with tools to author, automate, and ameliorate business decision logic in a wide variety of applications by leveraging combinations of decision intelligence technologies such as business rules, machine learning models, mathematical optimizations, and more.

AI Decisioning Platforms Bring The Best Decision Intelligence Technologies Together.



Business Experts Analytics AI Enterprise Automation

Decisioning use cases exist across operational business processes.

1. Lending Decisions
2. Fraud detection
3. Regulatory Compliance
4. Customer experience and offers
5. Risk management
6. Any automated decision in any business process

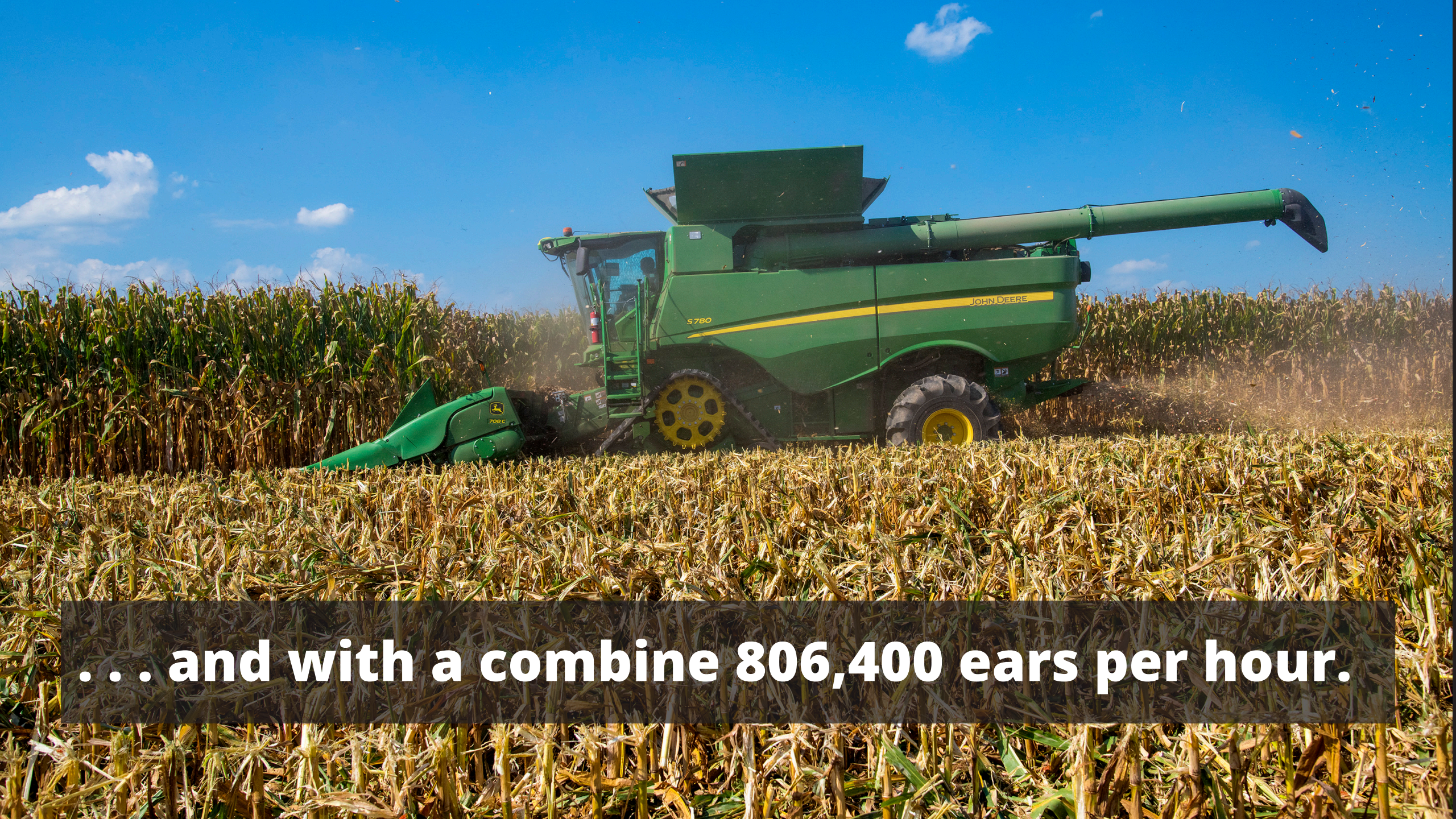
There are as many AI Decisioning use cases as there are business processes.


It’s common for a single enterprise use case
to yield millions in economic value.

Essential foundations of AI Decisioning platforms

1. Keep human experts in control
2. Can combine a broad number of decision intelligence technologies
3. Support rapid learning loops
4. Have industry-specific solution accelerators


A champion farmer can pick 480 ears of corn per hour.



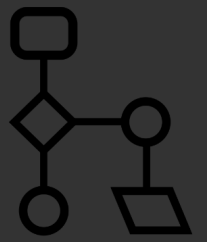
. . . and with a combine 806,400 ears per hour.


AI Decisioning Platforms are the combines of enterprise decisions.

7 Platform Differentiators

1 Data

Connect to data sources needed by decision logic.



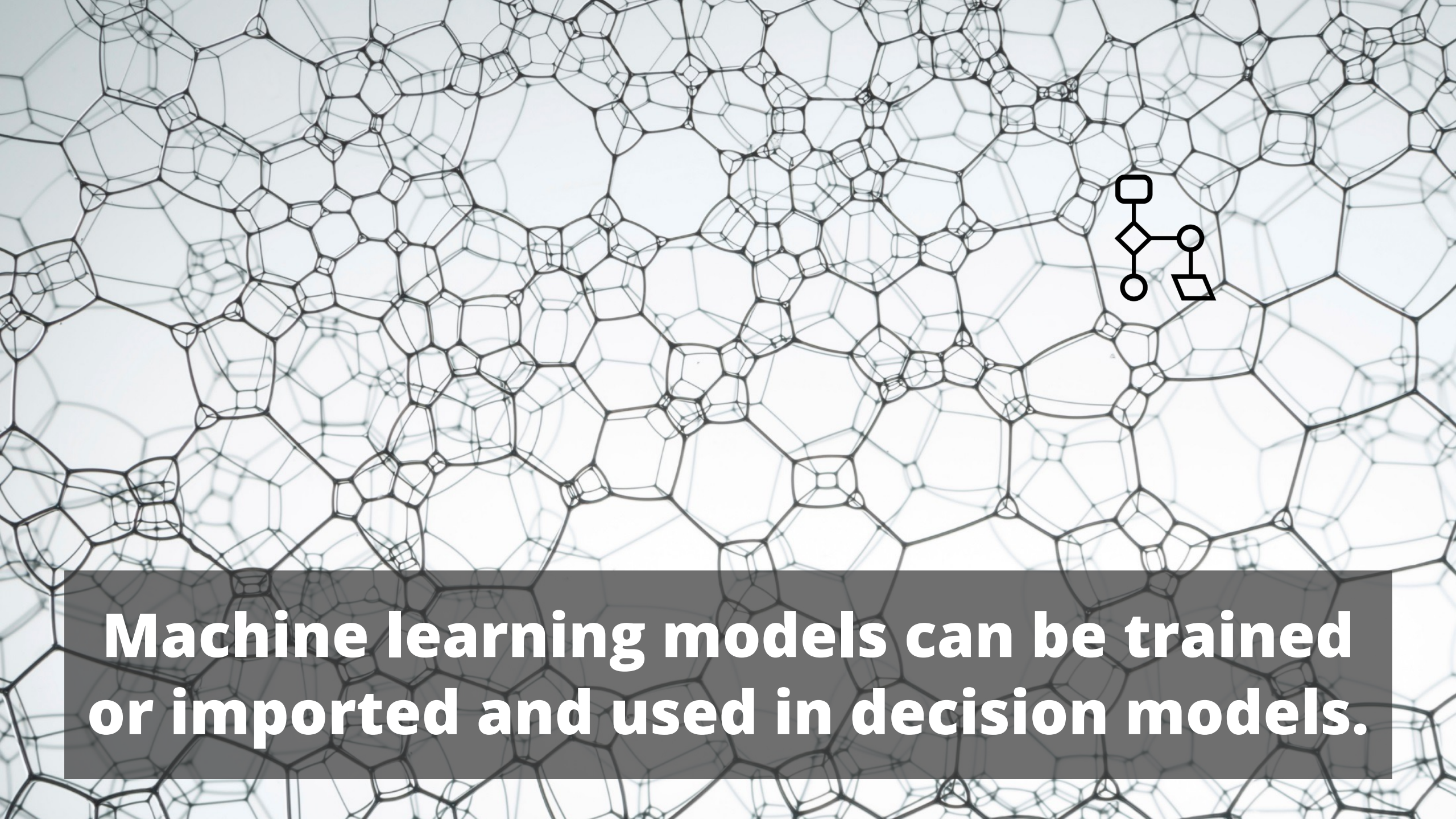
Feature (signal) management catalog.

Algorithms get all the press, but it's data that leads to success.

2 Intelligence


Statistical and queryable analytics.

Constraint-based optimization



Machine learning models can be trained or imported and used in decision models.

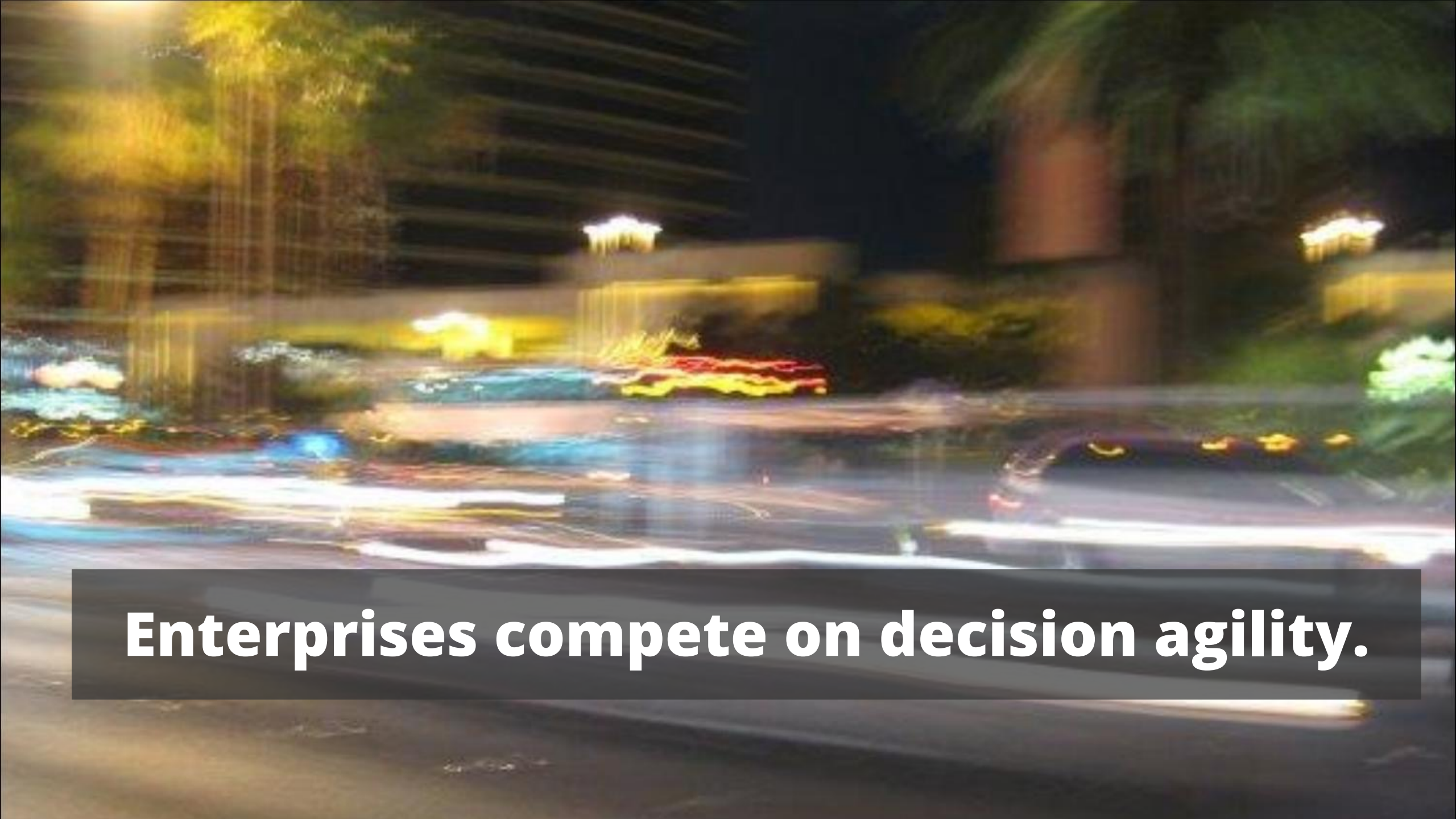
Human decision logic in the form of rules, policies, knowledge, and process.

3 No-code

Decision logic design tools designed for business experts (versus software experts).

Productivity tools for data engineers, data scientists, and developers.

4 Orchestration


Enterprises compete on decision agility.


Orchestration tools to enable quick people, process, and technology composability.

5 Trust

Explainability to understand the range of decision outcomes.

Business simulation to test strategic hypothesis.

6 Governance

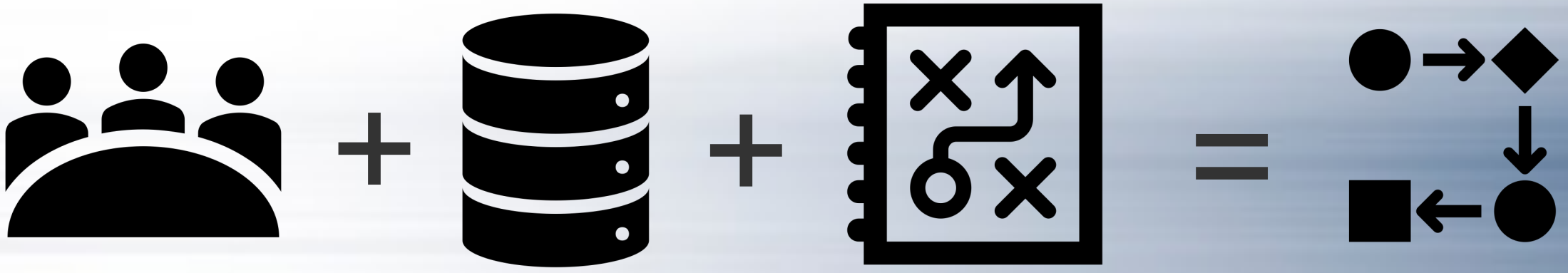
Governance to deploy, monitor AI decisions in production.

7 Scalability

Architecture: Fault tolerant

Architecture: Low-latency, high-throughput

Decisions



AI decisioning automates the finest decisions.

Forrester Recommendations

1. Focus automation on decisions.

2. Implement a strategic AI decisioning platform.

3. Compete on decisions.

Thank You.

Mike Gualtieri
Vice President, Principal Analyst

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