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HED: CIOs Sharpen Skills for the AI Era

DEK: With pressure mounting from up and down organizations to implement uses of artificial intelligence to improve services and business operations, Dr. Norman Jacknis explains how CIOs and IT leaders can shift their mindset and adapt to rapid change driven by Al.

By Ken Kaplan

Chief Information Officers (CIO) are spending more time in boardrooms as executives grow eager for artificial intelligence to power their business operations.

"The job of a successful CIO has changed is changing dramatically," Dr. Norman Jacknis told *The Forecast*. "It's more about: How can I as a technology leader make this stuff strategically useful for my company?"

Be open to surprises in the world of AI. Focus on generating business value by starting small, collaborating across teams and iterating to achieve desired outcomes. Then scale. That's what Dr. Jacknis teaches C-level, senior IT and business executives attending his <u>AI Masterclass</u>, organized by Nutanix. The former high tech executive turned Northeastern University professor helps current and future business leaders get a grip on AI so they can tinker with the technology more confidently.

"They hyped it up too much," Dr. Jacknis said, pointing to how early prognosticators GenAI, in particular, often touted the possibilities without discussing the steps needed to achieve successful outcomes.

"Outsiders who haven't done this successfully don't understand the nature of working with AI. It's different from a traditional software product or project. In a traditional software project, you have some idea what you want to do."

PHOTO OF DR. JACKNIS

Caption: Dr. Jacknis is a Professor of Practice in Entrepreneurship and Innovation at Northeastern University and leads the AI Masterclass organized by Nutanix.

After spending 10 years as a CIO, holding an executive role at Cisco, and teaching technology leadership courses at Columbia University, he's seen waves of new technology impact business. With AI, particularly generative AI, he said it's new territory that requires a hands-on, experimental approach.

"The whole nature of artificial intelligence is it's an iteration," he said. "It's an exploration and so that's one of the reasons why the people who expect to see a return in the next quarter or the next two quarters are really missing the point about what this is about."

Al is on pace to contribute nearly \$20 trillion to the global economy through 2030, at which time it could account for 3.5% of global GDP, according to IDC's <u>The Global Impact of Artificial Intelligence on the Economy and Jobs</u>. The report states there's "a surge in enterprise investments aimed at significantly optimizing operational costs and timelines"

Clearly Al is no longer a future, aspirational technology but today an increasingly essential driver of business transformation, reported <u>TechRadar</u> in October.

Stay Open Minded and Always Learn

Dr. Jacknis says it's imperative to gain technology leadership skills, and not just the kind taught in most MBA programs. He encourages IT leaders to embrace experiential learning and maintain an open mind.

"The field of AI is moving very fast," he said. "There are a lot of smart people working on this stuff and every problem you read about, there's a bunch of smart people working on fixing it and sooner or later they will.

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He recalled a recent article written by a CIO whose team built a new AI application.

"He said everything we thought was hard turned out to be easy. Referring to the conversational ability that you have with GenAI, which was something the year before it came out, people would've said, oh yeah, we'll get that 2030, maybe 20, 35. And here we are. It's now spreading everywhere."

While leaders and academics say AI is a technology that can support the organization in its existing model, it's also one that will inevitably drive change, according to Dr. Jacknis. That's stirring fascination and fright in the boardroom because AI stands to both disrupt and benefit teams.

Meantime, AI is upleveling the role of CIOs who strategically embrace and roll out new AI capabilities to boost productivity or services.

"One of the things about the positive or successful uses of AI is that they help break down the silos in companies because you have to, the folks who are experts on the algorithms don't know the business they need for this to work. They need to speak to the business. AI is sexy enough that everybody's quite willing to work together. Nobody's going to fail at this because it's a story. You're always learning no matter what's happening. There's strategic value in this."

Jacknis thinks the Al journey, in the long run, can lead to extraordinary value. People who expect to see a return from it in the next quarter or the next two quarters are really missing the point.

How the CIO role is shifting to the boardroom

When Jacknis started out in a CIO role for Westchester County in 1998, his job was to make sure the "trains ran on time and the systems were up." When cloud computing and software as a service came along, running the trains on time became less heavy of a concern.

"You still have to worry about that," Jacknis said. "But now you don't have to spend all your time thinking about moving the bits around. Now, you have to think about the meaning of the bits moving between people in your organization. That's a natural lead-in to the developments in artificial intelligence and machine learning. And now, at the center of all of this, the leader should really be the CIO."

Jacknis cautions that as CIOs embrace their role as change agents, they will inevitably encounter differing opinions from other leaders. And in the context of transformative technologies like AI, these disagreements are not only expected but necessary for driving progress.

When it comes to CIO communication with the board about AI, a few things should remain top of mind, according to Dr. Jacknis.

"It is back to Moore's Law," he said. "We have already seen that AI depends on a lot of compute power. Secondly, the software is getting better, and thirdly, there is a lot of data available. Your job is to explain this to the board."

He advises CIOs to use all the available visualization methods to ensure the board understands the vast impact of AI.

Start Small the Iterate with Al

So...where to start.

According to Jacknis, there's fundamental things about AI that every CIO should know: "What are these algorithms out there? What kind of tools do I have, and what kind of problems are they for? Spend at least some time each week just keeping abreast of developments in artificial intelligence, because your colleagues are looking to you."

He said CIOs should start as small as possible and in "kind of an experimental mode. Don't go out and hire a whole bunch of data scientists and programmers to write your own AI. There are cloud providers that offer most of the various options for AI tools. There are also open source options."

He also said the efficiency of the algorithms has really improved, so it won't use up significant cloud resources as in the past. IT teams can start building AI on a laptop then when its ready to go into production, move the application to a private data center or public cloud services.

Starting small enables CIOs to show their teams things like, "Hey, I can do a good job of identifying what customers might be highly probable of churning, so we can focus on maybe doing something extra with 'em."

And as they're more successful and in production, they might want to swap out some of those kinds of capabilities for something that's more proprietary. But he reiterates, "Start off small doing some stuff on a laptop just to get your feet wet."

Pioneer AI then Keep Building Fast

The most critical part is getting started, otherwise businesses could fall behind their competition. Companies using Al often feel like they "started a wild band," according to Dr. Jacknis

"They've made mistakes. They've figured out what works and what doesn't work, and they're running in a race. If your competitors keep on running as fast as they are and you can't run faster, you're never going to catch up to them."

He urges CIOs to "just get started. The payoff will be worth it. And you'll never learn if you don't try, right?"

Editor's note: Learn more about <u>Dr. Jacknis' Al Masterclass</u> and how <u>Al is Evolving the CIO Role</u>. Explore how <u>Nutanix software</u> jumpstart Al transformation with optimal infrastructure that delivers control, privacy and security to maximize Al success.