Audio file

Session 1 Martin-Coughlan-Sanjeev-Dheer.m4a

Transcript

Nick Platt

Raise your hand, Martin. Where are you? Okay, you're going to see him. And without further ado, Martin and Sanjeev Deer will kick us off with a fireside chat on the cultural challenges of becoming an AI-centric manager. Come on up.

Martin Coughlan

We're okay. You can hear me. Nick, thank you for the kind words firstly. Much appreciate it. Just quickly a show of hands from the people here. Who thinks AI will revolutionize the industry in the next three years? Who thinks AI will revolutionize your particular business in the next three years? We'll see at the end if there's any difference in opinions on it. So when we were talking about doing this first fireside chat, it kind of started from something that happened earlier in the year. And I'm not sure if many of you would have seen Toby Lutke, the CEO of Shopify, He had an internal memo that got leaked to everybody, and he subsequently went live with his comments on it. And the title of the e-mail to all staff was, AI Usage is Now a Baseline Expectation. Within his comments, I'll just read a few of them. This applies to all of us, including me and the executive team. Our job is to figure out what entrepreneurship looks like in a world where AI is universally available. What we need to succeed is our collective sum total skill and ambition at applying our craft multiplied by AI for the benefit of our clients. And I think all of that is applicable to any business, I think in any industry in the world at the moment. One of the terms that came out of this is the reflexive AI idea, so that everything at your firm, the first thought is, can AI help me here? And Shopify basically said, before you come and look for resources, you need to go and investigate that. I think it's fair to say that the investment management, the wealth management space is not there today. But I think there is an ability for a lot of asset managers, wealth managers, to become more AI-centric in how it does business. And so with that as kind of the background to what we wanted to do here to start things off, I wanted to talk with somebody who has been through different technology innovation cycles, somebody who firmly believes in AI, and somebody who has instituted AI at all parts of their business. So I'm really pleased to be joined by Sanjeev Dir. Sanjeev, just to

maybe help us frame this, can you just give a bit of background on yourself? what you've been involved in over your career and where you are today.

Sanjeev Dheer

Great, thank you. Well, thanks for inviting me. Pleasure to be here. So I'll give you a quick background. Currently, I'm founder and CEO of a company called Central. We're essentially a diligence manager research and response platform for the investment management industry. More on that later. My quick background is, you made me think about it. My career has been, I sort of think about it in three phases. I started my career in international development at the United Nations, thought I was going to change the world through being at the grassroot. Four years there, I realized that wasn't going to work. That's not the right model. So I went to B-School and then started my career after B-School in consulting. I was a partner at McKinsey in New York. serving financial institutions and technology. And it was a similar realization that got me to shift. We were, just as I was elected partner back, this is now 97, 98 time frame, the internet was just kind of coming in full force. And I was out there speaking with CEOs and the C-suite of major financial firms on how internet was going to change their business. And after a few of those, a year or so of doing it, I was like, look, why am I trying to convince these skeptical CEOs of what internet's going to do? If I believe this, I've got to put my money where my mouth is. So I left to start my first company, which was called Cash Edge. It was in the payment space. We built that over about 10, 11 years. That was acquired by Fiserv in 2011. Spent a year at Apple building out their Apple Cash. product. So at Cash Edge, we built out what has now become Zelle. I don't know how many of you are familiar with Zelle. So it was our P2P payments platform. And so then, you know, payments was kind of my space, built out Apple Cash, which is you can, on your iMessage, you can send money, receive money. And then got the team back together in 2015 and started Central. So as I said, Central is a completely different space, but it was third-party oversight. We started as a diligence platform. We've since evolved it into a research platform in serving asset managers in kind of their interaction and the network effect between asset owners and asset managers.

Martin Coughlan

So one thing I forgot to say at the beginning, I know we'll leave time for questions at the end, but given the size of the group, we'd love to make this as interactive as possible. So if we're saying anything, you have any questions, please put your hand up and we'll answer the questions at the time. Sanjeev, so given you've been through different periods of significant technological change, what are the key learnings that you've taken from the previous ones that may be applicable to where we are today?

Sanjeev Dheer

Yeah, I mean, so look, I mean, if we look back for people of a certain generation, the silver-haired guys, We've lived through the last two decades, maybe two and a half decades, of at least three major revolutions. Started with the internet. And then there was the mobile and sort of the social, sort of the changes. And now it's AI. So if you kind of think about those three, I obviously went all in on the first one. not really did a whole heck of a lot with mobile other than what everybody else is doing. And then this is sort of the second major turning point or inflection point. And I was thinking about kind of the key lessons because I actually had the opportunity to sit back before I started this new company and say, what have I learned and how do I want to apply it to the next one? And I was able to sort of boil it down to three principles. The first is Incrementalism is the death of it all. If you're going to do it, jump in with both feet. And I have sort of this two-step formula that I follow. One is you've got to jump in with both feet, 100% commitment, and then you do the tweaking once you're in that space. But if you stand on the outside and are sort of skeptically examining it, ain't going to, it's just going to pass you by. So that's sort of principle number one. The second is, when such a seismic change in technology happens, you have to go back to first principles. You have to reimagine everything. And that takes intellectual courage to do it. So in my first company, my core question was two parts. And one is, can the movement of money be made frictionless? Because in moving money back and forth between consumer to consumers in particular, which is where I was engaged, it was so frictionful. How can you just completely eliminate all friction? The second thesis that I've always had, so everything starts with a thesis, is network effects. You know, is there a natural network in this space that you can take advantage of? In my first company, it was, you know, obviously P2P networks. In this case, it is a similar asset owner, asset manager, natural network effects. But associated with that, you have a set of assumptions you start with. And I learned that you have to make radical assumptions. So this little joke, I think it was, just take 30 seconds, there are three guys who get stranded on an island, a physicist, a chemist, and an economist, and they have no food, but they got a can of food they find. So they go, well, how are we going to open it? So the physicist has his own explanation for, if you put it out at a certain temperature, and the chemist has his own. They get to the economist, and the economist goes, let's assume we have a can opener. And it is a similar approach that I've taken. So when we started the first business, I was like, assume everybody is doing online banking. Now what can I do? And it's a similar approach to AI. Assume AI is going to change everything and reimagine everything. Now what can I do in my business? The third lesson is sheer resilience. There's going to be skepticism, there'll be lots of contra signals, and you just listen to them, but you keep executing against it. For example, again, in my first business, it was, I remember people saying to me, including my former colleagues from

McKinsey, saying, well, how can you assume 100% adoption of online banking? You know, we're seeing more branches opening. People are not going to open accounts online. I was like, I'm just going to do it. And this is my view on AI. I mean, there'll be counter signals of all types. There is no question it's going to change everything you do. So anyway, those are my 3 lessons.

Martin Coughlan

You know, for those that would argue we're in a hype cycle at the moment, what would you say to those people?

Sanjeev Dheer

I think we are, but I will actually say to you, I sense a difference between the internet hype and this hype. I think this is not hyped enough. I say to my kids, why are you not running around with your hair on fire right now? And they're not, but that's a different story. And the reason is that unlike the internet where you had to sort of see broad adoption of a number of infrastructure elements, you had to get high speed internet in everybody's place, you needed to get adoption. Here, the whole technology is evolving in a completely different way. First of all, it's highly concentrated in about four companies which have the foundational LLMs. And it remains to be seen how the world is going to evolve. But these four or five companies, which will further shrink in my view, are advancing the underlying LLMs with so much speed that you don't need a heck of a lot of infrastructure to do it. So the intelligence of the foundational LLMs is advancing so fast that the work required on the top to adapt it to your business is essentially yours to do. There is no infrastructure challenge of any significance that I see. And the second part is, unlike previous generations of technology, and this is not my statement, this is Bill Gates, he said, I can't see an upper ceiling to this one. With the internet, you could see an upper ceiling and say, oh, it's going to transform these functions, blah, blah, blah. There isn't an upper ceiling to what how AI will transform society as a whole. I'm not smart enough, but I am sympathetic to people who think that there are doomsday scenarios with this technology if it's uncontrolled, but that's for another day.

Martin Coughlan

So the speed of development in AI is something that we're all feeling. And I think if we were to talk in six months, we're going to have completely different things to talk about in terms of developments. But for people who are looking at AI just over the last three to six months, what have you seen that you see kind of this exponential curve happening in terms of AI development?

Sanjeev Dheer

Well, I mean, look, I'm not deep in the weeds on these LLMs. So I'm obviously, you know, we're deeply working as a company with LLM, but the speed of the evolution. If you look at the generational change, I mean, to put it in perspective, we all know this. ChatGPT was released in November of 22. So we're talking of not ancient history, like three years. And every year since then, there has been a major business application of it, right? It started with chatbots in 23. And then last year was all about co-pilots, which is now you could use it as a really useful technology in business applications, but as in a supportive mode. And then this year is all about AI agents, which means these are now modules or capabilities where they can take independent autonomous action. So all workflow, any kind of workflow that you're engaged in. will be taken over by these AI agents. And if you assume a one-year lag time between initial launch and kind of maturity, we're going to see agentic workflows take over. If you step back and look at the advancement of the technology itself, I mean, there is a credible school of thought that believes we will get to AGI in the next 24 months. And I've seen credible commentators who will, so when you pose the question as three years, we may well have AGI in three years, which means everything is up for grabs.

Martin Coughlan

Well, I originally was going to say five years, and you looked at me and said, like, five years is too long.

Sanjeev Dheer

Yeah, five years, I mean, we'll be living in a different world. Yeah.

Nick Platt

What is AGI for the benefit of everybody?

Sanjeev Dheer

Artificial general intelligence, right? So what we're looking at right now is more segmented, but general intelligence is where it can now be almost superhuman. It can do everything a human being can do. It can reason on its own. It can make decisions on its own. I was listening to Dennis Hasaby, I think is his last name, who's at DeepMind and Google, got the Nobel Prize for, I mean, that's another interesting thing. Who would have thought that the Nobel Prize in Physiology would go to a computer scientist. And so the way he defines it is interesting. He took the example of this game Go, and he said, if you think about what AI is, that it can play Go at a more advanced level than the masters in Go. To him, AGI is that the

system can conceive of the next Go on its own. I mean, that's a whole different level of thought process. But yes. So in the business applications, I actually saw a good definition of AGI. It was plotted on complexity on one dimension and intelligence on the other. But I thought he had a good metric. He said, right now, AI agents can handle workflows that have about 3 steps in them. So think of workflows in your business, which have about 3:00 to 5:00 steps. AGI is when business workflows that have over 30 steps can be completely automated through autonomous agents. And that I thought was a very practical way to kind of think about what AGI might be.

Martin Coughlan

So I suppose stepping back from the broader discussion on AI and kind of coming to you at Central, you adopted AI first in the product.

Sanjeev Dheer

Yes.

Martin Coughlan

And so maybe we start with that, and then we'll talk about how you've brought it to other parts of the business. But why the product first?

Sanjeev Dheer

Yeah, and obviously, as it's obvious, we serve asset managers and your community, but we're a software company. And so our journey is a little bit different. In November 22, after I saw the first ChatGPT, I wrote an e-mail to my leadership team, and I said, this is a Sputnik moment. and we have to pivot immediately. And to me, the first thing was that our core business had potentially existential risk without us moving towards AI. We're a small company, say about 100 people, and therefore the adoption of AI in the internal business, I felt wouldn't move the needle with the same urgency that the product would. So we went all in on product. and fundamentally had to rethink how this would be done. And I wanted to share with you the principles that I shared with our leadership team in getting that movement started. And there were five, and let me see if I can remember them all. The first was that AI is not an incremental, the potential of AI in the product and the solutions we sell is not incremental, it's transformational. The second was adopting AI is not a choice. It is not optional. It is imperative. And that was important. The third was move quickly or don't bother. because the noise is going to take over and you won't catch up. But the 4th one was actually very important because in the initial conversations, the pushback I was getting from our engineering team, from our product team and others was, well, I don't have the

talent. We can't afford the AI engineers. And we tried hiring consultants, all that good stuff. I finally came to the conclusion and I said, in my 4th principle, I said, The talent we have is the talent we have, and the money we have is the money we have. And just go do whatever you need to do. We're not hiring anybody from the outside. And I was amazed at what we could accomplish once you made it clear that this is what we've got. This is what we've got to work with. And the last one is what I believe, which is I said, look, the upside is huge. But if I'm wrong about the sense of urgency on this, I don't think we're any worse off than where we are right now. And those really galvanized me to sort of get the team focused on product. And then over the last 12 months in particular, we've started to now focus very much on adopting AI within the company. And if I can speak to that a little bit, because this might apply to how you're thinking about this.

Martin Coughlan

And just on that, if you could talk about the importance of the CEO or executive leadership in driving this, but also kind of the pushback that you've seen, or if you've seen pushback within the firm, how you've been able to overcome it?

Sanjeev Dheer

Yeah, and so great. Let me kind of in the internal functions, the way the two guiding principles that I've sort of been driving is, again, as a small team, I said the adoption of AI is driven by two guiding principles. One is the obvious one, efficiency, right? Wherever you can do, you can do a heck of a lot more with, I think there's some statistic I saw which said digital native companies, i.e. people like us, and AI companies almost need 3X more staff for a digital native company. So efficiency is the first one. But the second, which is important to us, is to allow us to punch above our weight. in functions like marketing, you can do so much more that you would need a team of multiple people to do it with. So those are the two guiding principles I've used in terms of how we've done it across engineering, marketing, sales, customer support. Those are kind of the key functions.

Martin Coughlan

And I think a lot of those are applicable to boutique investment managers, boutique wealth managers that aren't sitting there with maybe as much legacy as some of the firms that have been around for a long time.

Sanjeev Dheer

Yeah, I mean, the principle applies to everyone. I mean, I think if you think about the macro implications of it, part of what AI is going to do is help democratize just the way all waves of

technology have done. I wonder, and I'm not sure I'm right, if the thesis around consolidation, which has been driven in so many industries, sort of starts to lose steam a little bit because now you don't, you can get to economies of scale with the use of tools. Again, it's an initial thesis and I'm sure it differs by industry. To your question of how did we, where does it start? It has to start with the CEO. It has to start with the C-suite. There is no alternative to that. And I think to some extent, the fluency and familiarity of the C-suite with AI is a critical prerequisite. You can't be credible if you're not using it in some capacity or an understanding of it. But in my mind, it's then sort of setting the tone and the urgency and saying, this is what we demand. So the way I'm sort of going about it, because again, we focused first on the product, which created a sense of, okay, AI is it. is the urgency. And I have a very simple approach to that, which is in every function, what is the tooling you've got? Because the innovation in the AI space, in every function that you have within your organization, there are lots of really, really cool tooling that's becoming available. and encouraging the team to explore those. You won't get it right the first time, but you have to be in there very much with the view of we're going to use it and we're going to see what it's going to do. And these tools allow you to see the immediate benefits of it. The 3rd is to put some guardrails around it, right? So obviously in your business, but so is it in ours, there has to be some guardrails around it, but really encouraging people to to start experimenting with these tools. And lastly, forcing the measurement of it and saying, okay, well, how has it helped you and what are the metrics? And broadcasting it throughout the company. So part of what I'm now, so we have folks who are using it and engineering, for example, has done a great job. I was talking to our CTO yesterday. And we reduced the engineering, the part of our overseas team by almost 50%. And I said to him, I said, so we just did a release on Friday. I said, so how did that go? He goes, we did a release of equal complexity, if not more. And I didn't feel like we'd missed anything. So getting kind of to broadcast the results of it within the organization. But without starting at the top, it's never going to happen.

Martin Coughlan

Pushback? Did you get any pushback?

Sanjeev Dheer

Not really. I mean, one of the things you'll notice is that actually people are all using AI. That there is this sense of in the C-suite sometimes that the team may not be ready for it. And I just saw some McKinsey study that said the team is usually what they found in these organizations was that the team was 3X more comfortable using it in terms of they were already kind of using it in their personal lives, et cetera. You will, I did find pockets of, my God, I can't, I need three more customer support agents. And what do you mean I can use

AI? This function is not, doesn't lend itself to that. Our clients are going to complain. And I was like, look, first of all, I'm not going to give you 3 people. So that's that. And second, Try the tool. I mean, let's just try it and see where it goes. And so to create a safe environment for someone to try and fail, but being very clear that the direction ain't changing, right? We're not going to substitute for it. And I said, look, I'll take the risk if a customer is unhappy. And if we need to, you know, if we need to back up, we'll do that. And a great public example of it, I don't know if you guys saw this, was Klarna. which is the payments company that just went public. So the CEO there a few months ago basically laid off for something all customer support and said, we're just going to use AI. And there was massive backlash. And they backed up a little bit and they rehired them, but he says, we're not changing direction, right? We're just going to adapt it and kind of keep going. So anyway, that's been sort of a little bit of my experience.

Martin Coughlan

So you bring up people. And last September, I met the CEO of an asset management firm. And she kind of played out this scenario for me. So if I have Martin and Martin's an average performer at my company, and I have Sanjeev who's a high performer, but Martin is all in on AI, Martin's going to be able to become a higher function employee pretty quickly here. If Sanjeev is a bit dubious because, you know, in our industry we have lots of people who have, you know, smartest man in the room syndrome, and he actually doesn't use AI as much, the difference between your high performers and average performers actually narrows. And this CEO was going, I think I'm going to have a real problem managing people going forward. I'm going to have to manage people in a different way. You think there's validity to that, or you don't see it just given the nature of your business?

Sanjeev Dheer

Oh, I think the whole org structures are going to go through massive transformation. I mean, I put it a little bit further out. one of the ways that people are sort of, some folks are starting to think about it is that if you launch on an AI journey, you can kind of break it up into 3 phases. The first is just efficiency and then point solutions. So you start to see efficiency in specific solutions. Then there is the second phase. And that means fluency. Like everybody's fluent. Everybody gets to use AI. And depending on the size of the company, there might be a corporate effort for training or just encouraging people to become fluent, hiring people with that as a prerequisite. The second is automation, in that you can now take workflows and start automating them. But the point about the org is in what I would say phase three, which is transformation. I think org structures are going to collapse. I think the way people think about their career trajectories will change in that our traditional

thinking is that you kind of rise up in the organization because you get big teams. I don't think you're going to need big teams. I think you will get super individual contributors who are just so productive with AI tools. Functions will collapse. And this one example that I was reading about or listening to, they've collapsed the HR and IT group. And so, yeah, a huge transformation. But I think it's kind of a little bit further out, and it will evolve at its own speed.

Martin Coughlan

So the transformation and the complete rewiring and reorg charting, if that's further out, just in terms of the type of people today, if you're hiring, is it a very different type of person than what you were looking at two years ago?

Sanjeev Dheer

We're not hiring. I'm not letting anybody hire. I was just looking at our budget this year and I was like, good, we're not going to add anyone anywhere.

Martin Coughlan

But if you were, of.

Sanjeev Dheer

Course, I mean, needless to say. So we're now thinking of, so for example, marketing is a great example. Great lady who runs marketing for us. But she's not, she didn't grow up with AI. But anybody we're going to bring on board now in partial or contractual or other capacity has to be completely AI focused because they're going to be the change agent in that function. And the head of the group is empowered and excited about bringing someone on board because she may not be able to, she's got a lot on her plate, but if the new person's going to come in and not be able to transform it, why would, yeah, there's no reason to hire anybody who's not going to be the change agent in that function, at least in our small company.

Nick Platt

So, using the example of a marketing person, a marketing person who is AI-focused, what would you expect them to do that's different from a traditional marketing person? Would you expect them to know all the agents that can function All the things you can create automated brochures, automated LinkedIn posts, how would you?

Sanjeev Dheer

That's right. So what I'm looking for in the short term is again, the use of tools. So if you think about outbound marketing, content marketing, product marketing functions, et cetera, my main focus is bring somebody who is going to be able to apply tools to each of those functions, whether it is automatically creating podcasts, SEO materials, so that the intellectual capital of the company is focused on the type of content, the type of messaging, the strategic aspects of it. So the short-term way that I'm thinking of transformation is introduce the tools. have somebody come in who doesn't need to know about what we do in marketing, but starts using these new tools, and the rest of the folks will rally around and say, oh, if I can now create a video that was a huge production, you have to 1st write the script, you have to find a company that does it, and you have to go through 4 versions of the script, and then they'll take six weeks to produce it and find the voiceover guy, what accent do you want? I mean, this is all true. That's how we created video six months ago. And now with the right tool, with the right training, you do that in a few hours, right? And so now I can put out more. So the debate shifts from, oh my God, we'll do a video every six months or every quarter to No, let's focus on all the messaging that we can put out that's meaningful because the mechanics of producing it just shrunk to nothing. So yes, it's the focus on bringing in people who either are open to using tools or AI forward in how they think about this. And many of them are obviously younger folks, right, who don't have the legacy of being with previous kind of technology. Yes, sir. Yeah, I mean, look, I don't know that I have a great answer for the second one, but the first one is absolutely, it's a core challenge, right? It's a core challenge to be solved. But is there a doubt in my mind about it'll get solved? Heck no. This is back to my original point about, you know, the first generation of internet. was everybody going to adopt online banking? It was going to take a while, but was that an assumption? That absolutely has turned out to be true. To be more specific, I think the accuracy already, there is a whole architecture for how you solve for accuracy. Some of it is happening at the LLM level, right? They're just getting better and better. But then there is the level above it, which is the vertical focus. So what is very clear, at least in our space, is that solutions have to be vertically industry focused, which means they have to be trained in the content. So the way I think about it is, for example, we focus on a research role, manager research. Well, what is it going to take to absorb the training of a typical manager research analyst? and train the model with all that will generate much higher levels of accuracy. And then there are architectural components. So without getting into the weeds, there are new frameworks emerging where if you could in simple ways, you no longer just put out the first answer, which was what the first generation of AI was, right? You give it a prompt, it gives you an answer. Now, the new frameworks that are emerging is you get an answer, the system does it automatically. It can go through hundreds of checks, and there is a review agent which acts as a review agent and checks the accuracy against multiple measures, takes the human learning. So I won't bore you

with the details, but that is a problem the whole industry is focused on and will absolutely get nailed. In terms of the people challenge, I don't know. I mean, look, They're smarter minds than me who are going to think about what the implications are. And clearly, as I said for my kids in the 20s, I remind them of the line out of the graduate, I have one word for you, young man, plastics. I have one word for you, AI. So for them, it's an imperative. Their career is going to be defined. Everybody else will kind of make their choices.

Martin Coughlan

There was just on the people side, Scott Galloway wrote a piece back in July, and he said, what are the three things that humans will need in an era of AI? And he said the three things were curation, just given the level and quantity of information out there, curiosity, and connectivity. And that connectivity is not just connecting the dots, it's also the ability to connect with people. So I've got two kids who are going, they're in senior year of high school, I've asked them to read that over and over again. I don't know if they'll pay any attention. But I think it's the same thing for everybody in their career. I do think there are a lot of people that I speak to who, you know, they've been in the industry for 20, 25 years. They've been overpaid like I was. They don't realize they've been overpaid. They think they can ride this out for a few more years. You know, I think there's real disruption happening right now. And I think the onus is going to come down to companies to provide training around prompting, et cetera. But there's going to be a huge onus on individuals to really upscale themselves if they want to hang around this industry for longer than the next few years.

Sanjeev Dheer

I mean, the one thing I'll add to it is this challenge is not just for 40, 50-year-olds. One of the things that is quite disruptive and frankly disturbing is the Computer science grads coming out of university right now can't find jobs. I personally know of examples of folks from really good schools because Google now claims that 25% of their code is AI-generated. I mean, imagine the amount of code that Google puts out. If 25% is AI-generated, Microsoft just laid off thousands of people a few months ago. So it's not just for that generation, it's the assumptions that have guided the academic and career choices of young people who are entering the workforce. That's being disrupted.

Question from audience

You guys pretty much just hit on my question in these last two minutes, but that was effectively my question. It's a little grandiose, but we all deal with running organizations in here and how that organization looks in 10 years. So my question for you was, and you kind

of just hit on it, so it's probably duplicative at some level, is you have a 12-year-old kid right now. We talked about AGI being present in two to three years, to your point. What do you tell that 12-year-old kid? How do you focus that 12-year-old? Where should their focus be, you know, sort of as they take their academic journey and as they join our workforce in asset management or otherwise? What's, because I struggle with this. I have an 11 and a 9-year-old. What's viable for the human if this goes at the pace and what we think it's going to do and how quickly it changes? Are they focused on medicine? Well, AI probably has some medical applicability that we can't even dream of at this point. Do they focus on being a fundamental analyst at an asset manager? maybe AI can do that better. So I just, obviously we can get grandiose about the economic impact of all this, but what would you tell a 12-year-old at this point? Where should they be focusing?

Sanjeev Dheer

Yeah, this is obviously a huge topic. Lots of people are weighing in on it, and honestly, nobody knows the answer, right? So anybody who pretends like he knows the answer, because these things always play out as evolution from one phase. My personal view is that being technology trained is still a critical foundational skill, right? You can't get away from that. And maybe the sort of the high rule of thumb that I apply is the mechanical aspects of every profession will get taken over by AI. And if you divide any kind of profession or white collar job, it's kind of, there's a mechanical aspect to it, there's a reasoning aspect to it, and there's probably, and then obviously there's decision making and insights. I think the mechanical aspect will just go. I mean, there's no ifs and buts. Now, a lot of what we think is reasoning kind of falls in that gray area too. But genuinely understanding in depth any particular field and being able to make decisions isn't going away. I mean, I don't... Now, the change... If you think about.

Question from audience

The junior level, it all starts with the mechanics. Exactly. So how do you get to the reasoning as a junior? That has led the paradox that...

Sanjeev Dheer

That is exactly the paradox. Yeah, that's exactly the paradox. That's a great insight. Because every profession, you start at the bottom of the rung and you get to do the... grind work, if you will, and then you sort of get to the next level. Now, I think that I do believe that we're just going to need fewer people doing any task. They're not going to go away. You're just not going to need, I don't know, 20 analysts, maybe it's five who do that. And those who know how to use AI in a very productive and effective way. So I think AI training will just become

part of every school curriculum. I mean, because frankly, what it's done is it's removed the ******** technology. I mean, I'm not a coder, not right now, is, but when I look at tools like Cursor or Codex or any of them, they literally on the sidebar generate their code for you. But structuring the code, creating the architecture, that all requires high level skill. And it's going to open up new areas, right? So in medicine, and I've been reading in this area that I'm totally blown away by, is that I read something the other day, and I might have the numbers backward. There are apparently 18,000 human ailments and 4,000 drugs, or the other way around. So I should know that. And what this guy is doing is he's basically saying, you put it all through these AI models, And one of the core thesis is that therapy for one particular ailment can actually be reused for something quite different. But human intelligence wasn't capable of running all those permutations to find out. And there have been a few breakthroughs where they've found existing therapy for one particular thing could be used for an incurable disease on the other side. Now, those are things that will unlock a new set of possibilities and professional opportunities, which didn't even exist today, right? Which don't even exist today.

Martin Coughlan

So this is something a friend of mine, Ray DiNunzio, that's here today. We were talking about this a couple of weeks ago. What do you say to your kids? What can you give them that's actually applicable? And so Ray has a son in college, and he's trying to get his son, I don't know how successfully, Ray, to do.

Sanjeev Dheer

You're alone in that.

Martin Coughlan

There are some certifications people can get out there on narrow parts of AI that don't cost $1,000,000 to do. If I've got a teenager and if I can get them to focus on it, I'm saying like, try to do a few of these because To be fair to the teenagers, mine are saying, God, I don't know what I want to do, because I don't know what jobs might be available. And I'm going, well, you need some of this basics to be able to get to some of those decisions. So I think that's possible to do today.

Sanjeev Dheer

You can't go wrong with a computer science degree. I mean, you really can't, because the way I've always thought about this is a degree like that allows you to develop an intuitive understanding of technology, right? There is always kind of this very technical

understanding of any field, and then there's an intuitive understanding which comes next. And this is my sort of thought even about the question that was asked earlier about the 40, 50-year-olds. You're not going to learn the core mechanics of how transformer models work. But you can develop an intuitive understanding of how AI operates and hence what the optionality is and what it can do. I don't think people appreciate enough that level of understanding, which is a different way of acquiring it than going through mechanical courses around it. But anyway.

Nick Platt

So Martin and Sanjeev, in the remaining few minutes we have, can you talk a little bit about how you need to organize your data within a company in order to be AI-centric? And this is just something that we came across as we were kind of developing the programming for this event and so forth, which is that a lot of companies Their data is very segmented. They have a lot of different systems. And the systems don't talk to each other. And my understanding is that if you have the advantage of being a clean sheet AI company, like all your data can interact with an LLM or with an agent. Can you talk a little bit about that? Because I think that's applicable to everybody in the room.

Sanjeev Dheer

Yeah, I mean, there's a few, so that's obviously been a traditional challenge with every company for decades now. And obviously there has been a, there's a whole industry around how do you take data from multiple different silos and bring them into a data lake. So kind of the whole ETL data lake, whether it's the snowflakes and the Databricks type. So there are technologies available that put them into a shared environment. The way we're approaching it in this AI world is that once you create the AI layer on top and the ability for, and an integration strategy underneath it, this is again where I think using tools is important, is you don't need to take on some major effort to consolidate your data. The layer on top, with integration into your data stores. And the data stores are pretty standard, right? It's either sitting in SharePoint or it's sitting in Google Docs in smaller companies, right? You might have different environments with the others. They can interface, the layer on top can interface with all these data silos. And on the other side of it, provide access for investigation, research, and questioning across completely fragmented data sources. That's the strategy we're adopting in our solutions. So part of what I'm excited about what we're working on is, once you've created kind of this research layer, which is AI-driven, and you've created integration, you can help clients and say, I will now give you the ability to access this data and investigate it across these data stores in a way that wasn't possible before. So the prior generation of technology where you had to bring in a data lake, for large

companies, that's probably still true, but for smaller ones, I don't know that that's as necessary anymore.

Martin Coughlan

I'll add to it. I think If you don't have the internal resources to assess your AI readiness, I think there's a role for some consulting firms to help you actually put together an AI scorecard, assess where you are today, what the future state is that's desirable for you, but to let you know where you are. My caution, and I know there are some consultants in the room, and I'm half a consultant half the time, I think, I think you need subject matter experts more than ever in this industry as consultants. I don't think general consultants will get it done in the way they need to, more so than any other cycle we've been through. And unfortunately, there aren't as many subject matter experts out there that can do this for you. But I would search hard for them. We are one minute before time. I was very focused on not delaying things too much today. Sanjeev, maybe if there's any other questions, we'll take a question. If not, Sanjeev, just any kind of advice that you would give people just as three ways to sum up what we've talked about here.

Sanjeev Dheer

Yeah, I think just repeating what I said, I mean, you're all in the C-suite here in your organizations. I would say that, you know, even if you're not personally, well, There is, if you are skeptical of AI, then you definitely need to kind of get over that hump and say, we're going to adopt AI. But I would say the most important thing is to create this tone that says, we want to be AI forward. And the tone itself will allow a lot of energy to be released from people who may think that our organization doesn't want to adopt AI. The second is, obviously, there is a budgetary component to this. Some people refer to it as kind of this J-curve, where you will invest in new tools. without immediately kind of being able to get the benefit of it. But creating a little bit of room for encouraging your different functions to adopt tools is the fastest way for you and the team to see what it can do. I mean, for bigger companies, there's obviously more of a program around set the tone, create a vision, create tenants. All of that is true. I think I mentioned to you before the conference, I was listening to this presentation by one of our investors on, and the guy who was doing it is the chief AI officer at Snapchat. And he said that what they've done to adopt AI within Snapchat, obviously from the bottom, from the top down, set the vision, et cetera. But he said there were these tenants, tenants that the CEO has outlined, and some of them I thought were relevant. One is really driving towards AI fluency within the organization. So trying to make sure as many people are AI fluent. With larger organizations, you can get enterprise licenses for ChatGPT, et cetera. And then the second is agentic Air Force. So depending on

where you are, all workflows will be agentic. But I thought the third one was important, which is risk proportionate AI. in your industry, there are risks. So even simple things that should be low-hanging fruit, such as meeting summaries. How many of you use Zoom summaries or meeting summaries on a regular basis or your sales calls? Okay. Do sales calls get summarized and automatically stored? Yeah. So simple things like that, right? They start and I mean, I'm sure it's obvious to you now, we went through this journey. You get these Zoom summaries or Gemini summaries and so on, and people wouldn't use them. Now, my sales guys don't even send me their own notes. They might edit it a little bit, but when I'm looking for a summary, they're just sending me the Zoom summary. And so I think the three things is definitely setting the tone, putting some guardrails, and allowing for experimentation with tools is a great way to get started.

Martin Coughlan

So I think that's probably a good way to wrap it up. Risk proportionate goes well with the next event, or the next panel, which is around how do you put governance around AI within your firms. So Sanjeev, thanks for doing this. I appreciate it.