Is Your Culture Ready For AI?

Learn The Issues

Studies performed with high performing organizations proved that the biggest influence on results was culture. To obtain the best result, organizations must ensure the protection of shared values, or cultural standards concerning what kinds of actions are not acceptable. If the implementation of AI technologies into your organization isn't managed properly it will create cultural disruption. Such disruption will negatively impact productivity, quality and organizational performance.

Consider the following. AI will completely change how we design and deliver solutions through people, internally and externally. The AI emergence is also spurring a deep revolution in how organizations are being run. One study found that 96% of companies plan to redesign how they work.

More to consider. A study showed that while the vast majority of companies plan to redesign how they work, only 18% of employees feel "change agile." Another study suggests that only roughly 37% of change initiatives succeed. These are frightening numbers. It means that most firms trying to adapt to AI simply won't succeed.

Same Old Story, Different Book

Nicholas A. Christakis, Professor of Social and Natural Science, Yale University writes:

> "Culture is the earliest sort of intelligence outside our own minds that we humans created. Like the intelligence of a machine, culture can solve problems. Moreover, like the intelligence in a machine, we create culture, interact with it, are affected by it, and can even be destroyed by it. Culture applies its own logic, has a memory, endures after its makers are gone, can be repurposed in supple ways, and can induce action."

According to a new survey by tax and accountancy firm Mazars, despite culture being in the top three priorities for company boards, only 20% of 450 London-based directors and board members reported spending the time required to manage and improve it.

Some 62% of survey respondents felt that they were primarily responsible for setting culture from the top of an organization.

However, a similar proportion (63%) either did not consider culture as part of their formal risk assessment or failed to routinely consider the risk associated with their corporate culture.

Can AI Model a Company's Culture?

Developing AI systems that can mimic the nuances of cultural influences on reasoning is crucial. If we want AI systems to holistically reflect our standards and values, then AI must consider the influence of culture on reasoning and decisions that are in line with an audience's expectations and desires. In other words, can we build algorithms for cultural nuances whether for an organization, segments of a population or an entire country? The short answer is yes and this is when AI becomes a transformative asset. AI will transform culture from an intangible to a tangible asset that can be measured, leveraged and valued as a digital asset used to find and attract resources that fit the company's culture and other assets that enhance the company's value.

This will be a game changer, but the obvious questions would be 1) is it possible and 2) when will it happen? The answer to #1 is yes and #2 is it is already happening.

Kenneth Forbus, Walter P. Murphy Professor of Computer Science and Professor of Education at Northwestern University address's this question:

> *"I suspect that this approach—building cultural models via analogical learning from a culture's narratives—could be used to explore other aspects of cultural reasoning, including making accurate predictions about attitudes, choices, and reactions of cultural groups in a broad range of circumstances. This in turn could lead to systems that help policymakers understand how different groups might react to new regulations, and help negotiators find common ground. Moreover, storytelling is a natural activity for people, so many people can contribute to an AI system's values who otherwise could not. Thus, future AI systems could fit better with the cultures that they are part of, since they will be guided by that culture's narratives and values.*
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> *As AI systems become more intelligent and flexible, having them become full-fledged partners in our culture seems like a promising way to ensure that they are beneficial in their impacts."*

Many years after Peter Drucker's famous quote, it does seem that more boards may come around to the idea that "culture eats strategy for breakfast." However, soon they may learn that culture can become an enabler of strategy because of AI.

That is, if the Board and Management can get over losing strategy at breakfast.