

How to [not] Lead your Organization's AI-transformation: Strategies, Skills, and Culture – or how to skip the platform trap and deliver business value with AI

Rasmus Lystrøm



Dr. Copilot: Or how I learn to stop worrying and adopt AI

About

Rasmus Lystrøm

Senior Cloud Solution Architect @ Microsoft

<https://www.linkedin.com/in/rasmuslystroem/>

<https://github.com/ondfisk>



Disclaimer

This talk was written and conceived
without the use of AI

Backstory

Title was interesting .. but nothing worth in the presentation... the speaker has not managed or transformed any organization.. waste of time. This conference, should do some quality control ..

YouTube

There isn't really anything new or insightful in this [talk]. You could replace the word AI with the name of any low-code tool, or automation software, and the talk would be identical [...] nothing we didn't know before [...] A much better [talk] would focus on how teams are using AI now, what real problems they are running into, how they overcame them. Ironically, AI could have written this talk, because it wasn't creative or new information.

YouTube

Part I: GenAI Transformation

What Generative AI?

What are we racing towards and why?

[The AI Transformation Playbook, up to date with Generative AI \(youtube.com\)](#)

FOMO

Fear of Missing Out

FUD

Fear, Uncertainty, and Doubt

The Data Problem

Leadership strategy no. 1:

We'll wait it out

AKA: FUD

IT can block access to ChatGPT to
prevent data leaks



The problem with water

fad

Your people will put production code
and customer data into ChatGPT –
“it’ll be fine...” – “it’s not critical
data...”

I have to use my phone because IT blocks
ChatGPT on my pc!

“Employee in a regulated industry”

You must make it easy to do it right

It's something to do with IT

The IT-organization must figure it out

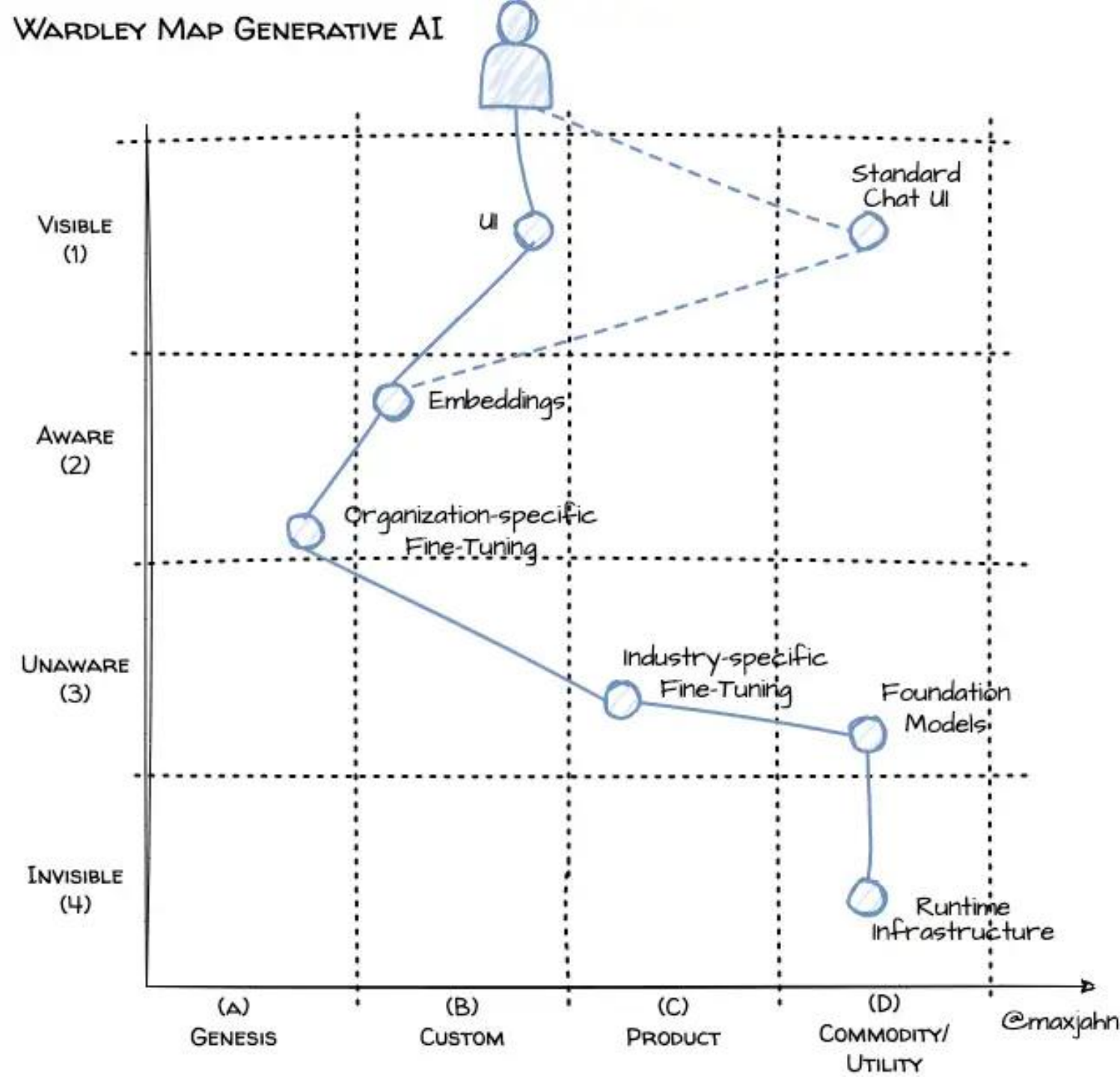
Leadership strategy no. 2:

We'll build our own version of
ChatGPT

AKA: Copycat

We will call it [CompanyName]GPT

You're too late



and go back to using ChatGPT on
their phones!

So, the IT-organization has failed

Leadership strategy no. 3:

Hire a CAIO or maybe a CAITO

AKA: New silo

Let's form an AI Center of Excellence
which can govern AI and build a new,
[and much better] compliant AI **platform**
which everyone can use.

"Chief AI Officer"

Three problems

At least...



AI Center of Excellence

80 %

There is a platform already



Easy for you to say, I know...

“It’s not my problem, I’m renting...”

Leadership strategy no. 4:

Enable a paid service for everyone

We'll cave in and pay up and "trust"
big tech with our data, our prompts,
etc.



Congratulations you did it

Your employees are now using AI chatbots to do work

You are now reaping the enormous
productivity benefits attributed to
generative AI

Adoption rate

ROI: 30%+ + + productivity increase
they said

4% productivity boost

Moderate users emerged as highest performers

Only 1% of GenAI code committed without *significant* rework

The Impact of Generative AI on Software Developer Performance

BlueOptima Limited 2024

A 25% increase in AI adoption is associated with a:

7.5% increase in documentation quality

3.4% increase in code quality

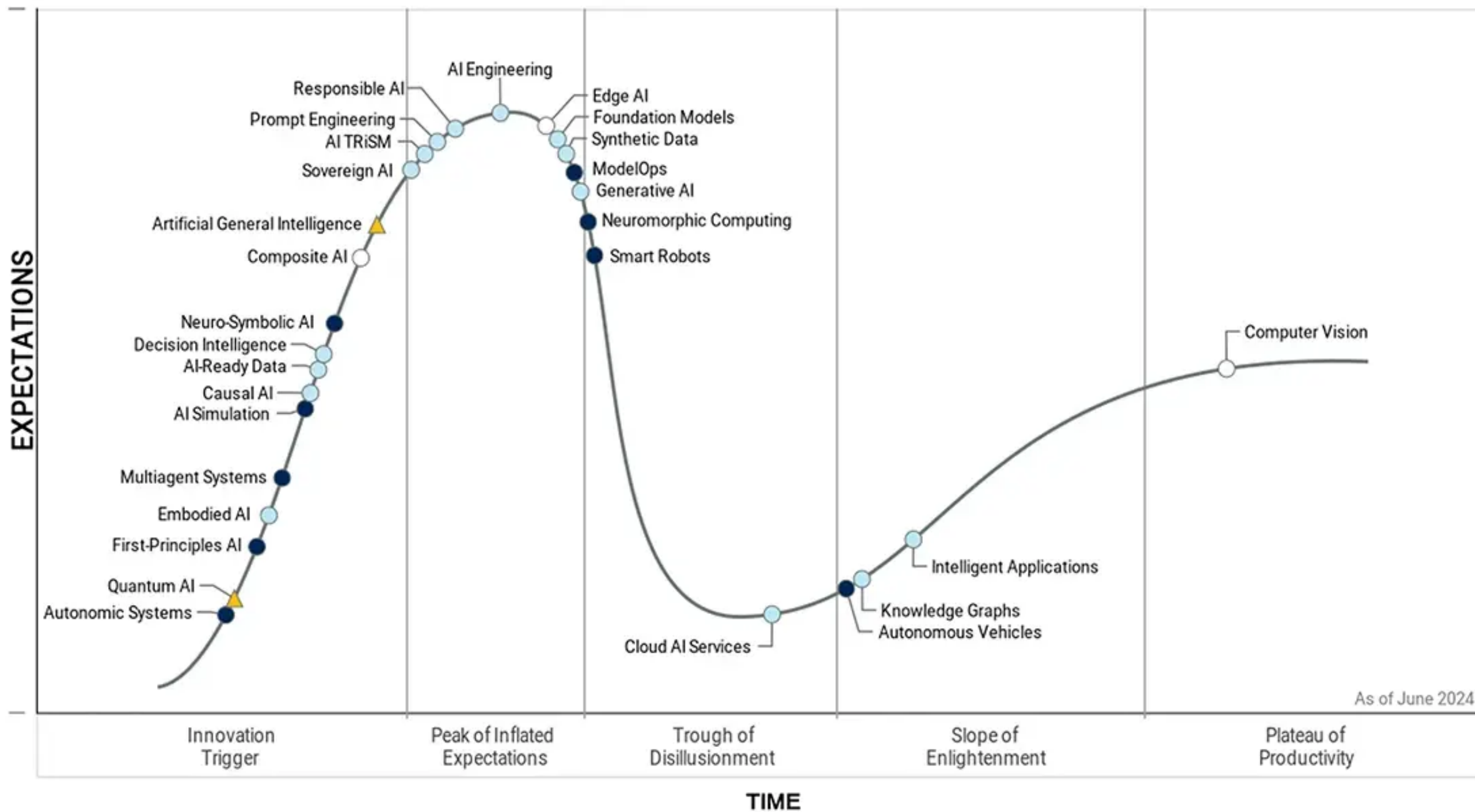
1.5% **decrease** in delivery throughput

7.2% **decrease** in delivery stability

DORA 2024 Accelerate State of DevOps Report

Google Cloud

Hype Cycle for Artificial Intelligence, 2024



Lazy people problems: Now LinkedIn spots and punishes AI copy paste big time

[Lazy people problems: LinkedIn spotter og straffer AI copy paste big time nu](#)

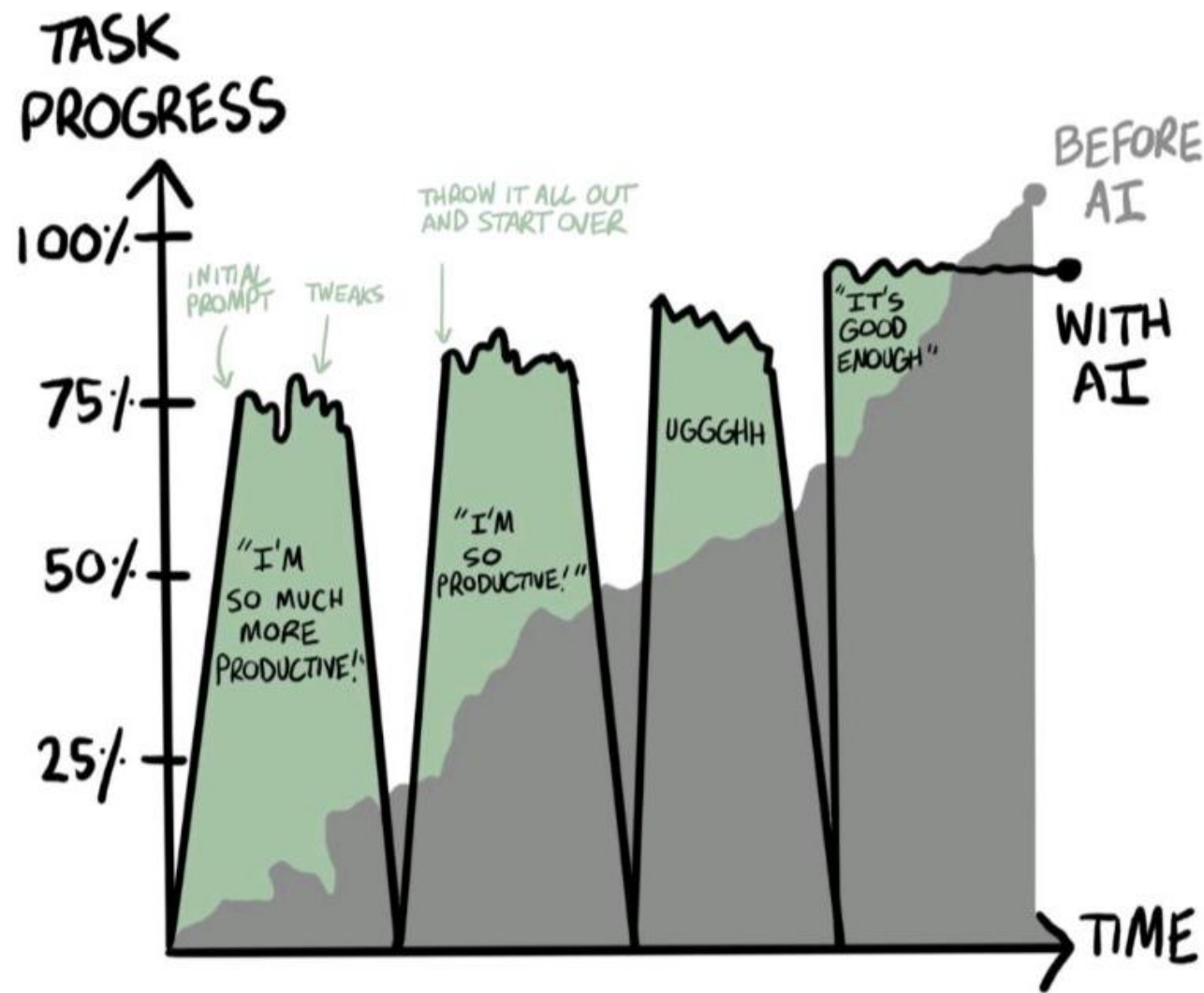
Wait a minute

We've lost INTELLIGENCE! I repeat, we
have no INTELLIGENCE!



Sarah

Team America: World Police



THE ILLUSION OF AI PRODUCTIVITY

@forrestbrazeal

Writing code was never a
productivity problem!

Organizational
Agility



Enterprise



PORTFOLIO

MEETINGS

Lean-Agile
Leadership



Mindset

Roadmap



SPC



Continuous
Learning
Culture

You bought a tool!

You did not transform anything

Part II: AI Transformation

(Not GenAI)

What AI transformation?

AI transformation

AI transformation is the process of implementing artificial intelligence and machine learning to improve how your business operates and develops strategy.
[...]

[What is AI Transformation? - Hypotenuse AI](#)

AI transformation 2

[...] It often requires changes to business processes, organizational structure, and employee roles.

[What is AI Transformation? - Hypotenuse AI](#)

You have to change your
organization to adopt AI

Conway's Law

[O]rganizations which design systems (in the broad sense used here) are constrained to produce designs which are copies of the communication structures of these organizations.

Melvin Conway

How Do Committees Invent?, 1967

The coolest thing in Copilot is that I can
now ask it to focus my inbox

Some manager

You can't just buy a new tool

You can't just throw an all-hands meeting

You can't just present a PPTX to the board

Strategy driven by business outcome

Not just technology

You must understand the capabilities

What can AI do for you, for your business, and for your customers

What is it you want?

Empowered?

To be empowered is to be part of a team which (as a team) has the appropriate skills, authority, and experience – and whose (sole) focus is – to get the (whole) job done.

Adapted from [When Jeff Bezos's 2-Pizza Teams Fell Short, He Turned to the Brilliant Model Amazon Uses Today](#)

Your *entire* team needs to be the
entire team

You're not empowered if:

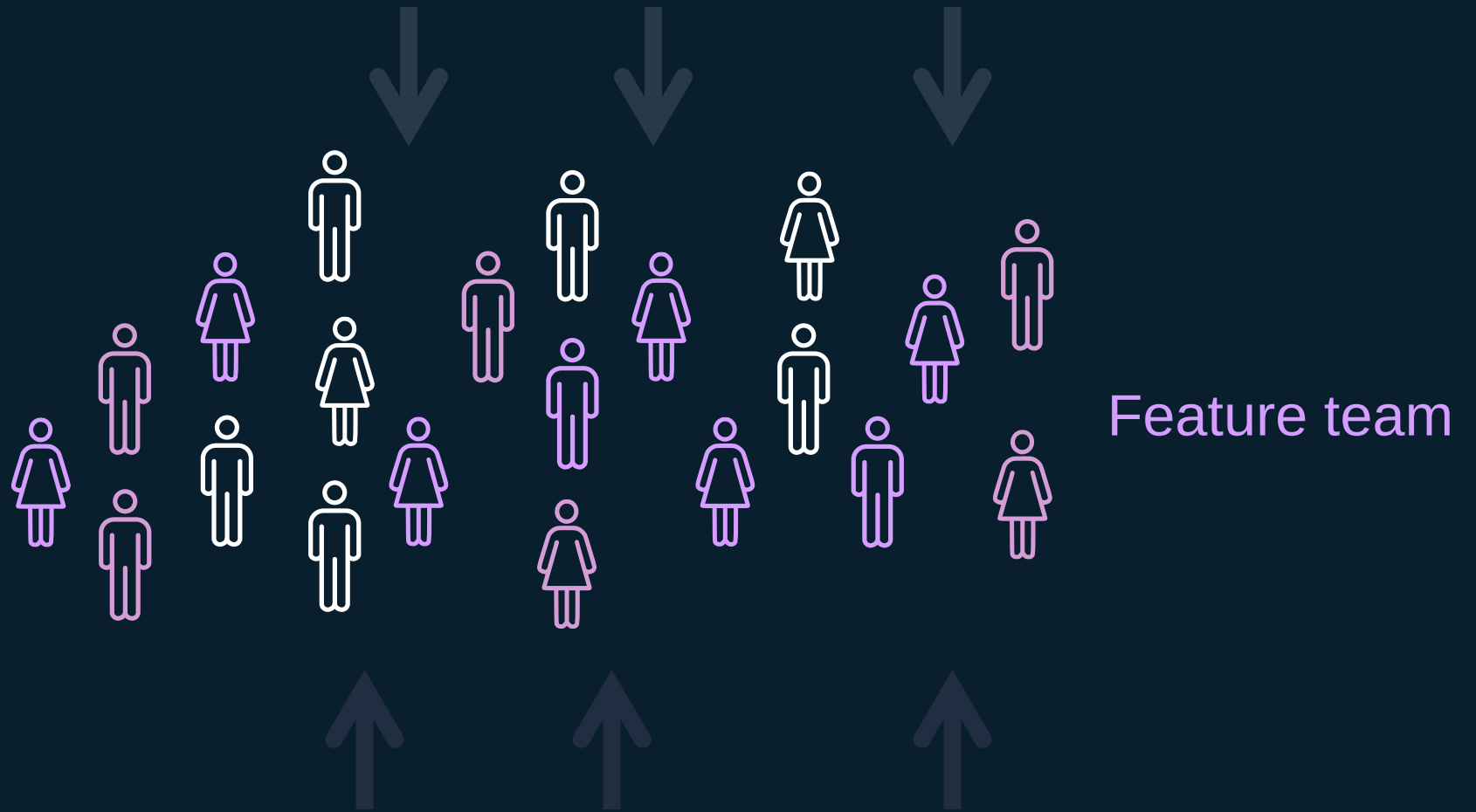
Evolve the organization

Evolve to full stack teams

Developers
IT-Operations
QA
Infosec

Data scientists
AI engineers

Businesspeople(!)



Empower your business and your
customers with new and exciting AI-
powered solutions

Build === Hard

But to build AI solutions, we must build a platform, right?

Enterprise something

Building a platform [to build a product] before you build a product is *premature optimization*

Premature optimization is the root of all
evil.

Donald Knuth, 1974

Enterprise DevOps: Continuous Ignorance

Premature optimization: You can't consolidate something which does not exist yet

A man with a beard and long hair, wearing a white headband and a light-colored, frayed tunic, is shown from the chest up. He has a dramatic, open-mouthed expression, as if shouting or speaking passionately. He is positioned in front of a dark, arched opening, possibly a doorway, with rough, textured walls on either side. The lighting is dramatic, highlighting his face and the texture of his clothing.

Look, you've got it all wrong! You don't *need* to follow me.
You don't *need* to follow *anybody*! You've got to think for
yourselves! You're *all* individuals!

You're all different



The New Platform

A platform is a set of tools an IT organization makes for itself



Christin Gorman

Most of our products work quite well
when they come out of engineering [...]

me

[...] it's when they hit the *IT-department*
they (suddenly) stop working

me

What then?

Strategy

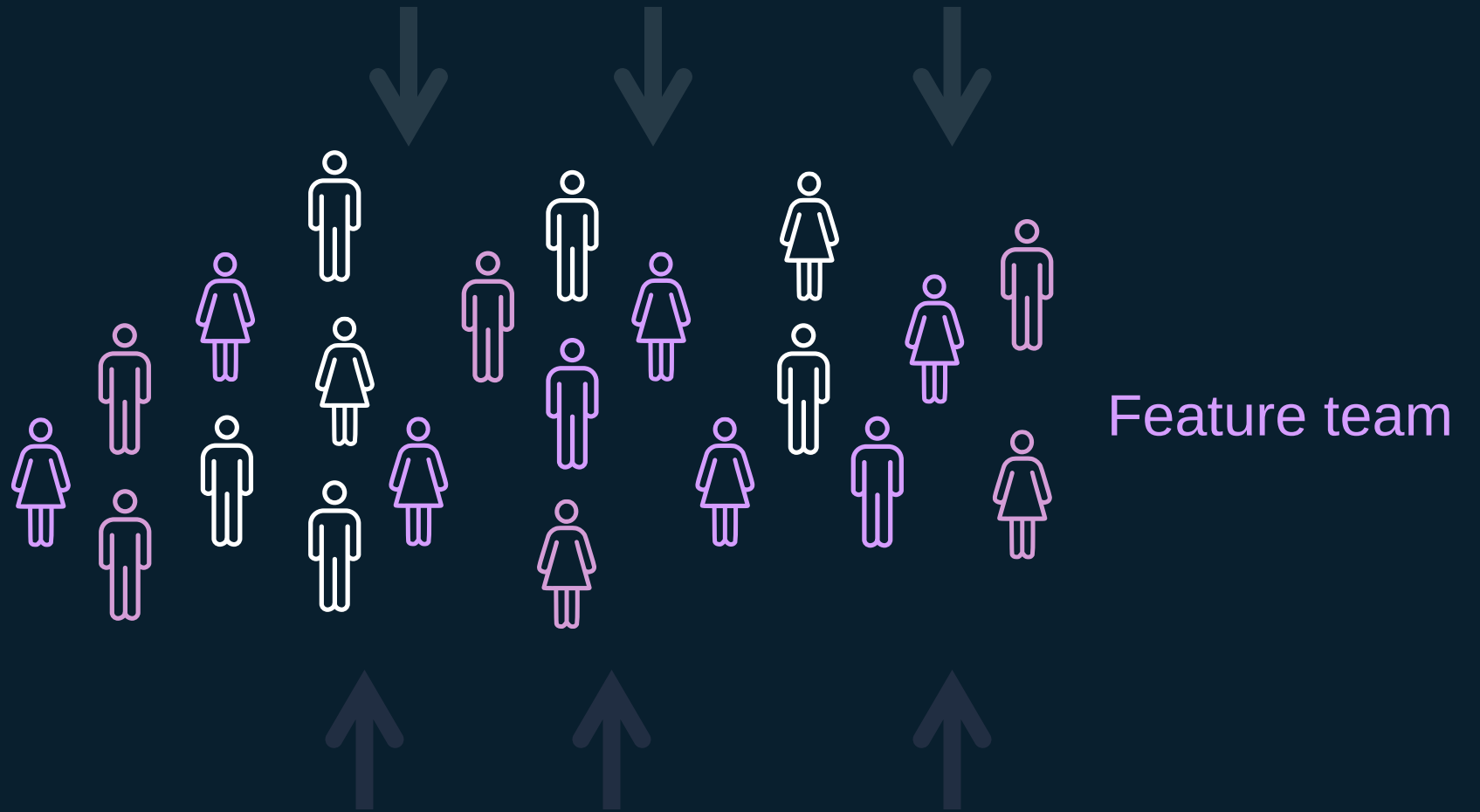
Priority

The best way to fail at inventing something is by making it somebody's part-time job.

Dave Limp

SVP of Devices, Amazon

One-feature teams



Get the tools into the hands of your people



Don't tell them what to do or how

If you plan on using AI (or RPA) to
superpower bureaucratic processes
You should work to get rid of the
process.



Trust your people

Let them work their magic

Build something interesting

Machine-Learning fault detection on production lines

Drone surveillance of structures to support predictive maintenance

Let it simmer

Possibly – in a year or more – try to
find commonalities and create
savings from consolidation –
“platform”

A penultimate note

Build small things that work and get them to production

Then extend with more stuff

Gall's Law

A complex system that works is invariably found to have evolved from a simple system that worked [...]

John Gall

General Systemantics – How Systems Work **and Especially** How They **Fail**, 1975

Gall's Law 2

[...] The inverse proposition also appears to be true: A complex system designed from scratch never works and cannot be made to work. You have to start over, beginning with a working simple system.

John Gall

General Systemantics – How Systems Work **and Especially** How They **Fail**, 1975

A final note

Why is AI going in the wrong direction?

For decades, we have been saying, AI will come along and it will take over the menial work, releasing us humans to do the more creative work that is more fun.

[Why is AI going in the wrong direction? - Thurrott.com](https://thurrott.com/why-is-ai-going-in-the-wrong-direction/)

Why is AI going in the wrong direction? 2

But, it seems that the AI has moved into the creative space and is just leaving the more menial and mind-numbing stuff for humans to do.

[Why is AI going in the wrong direction? - Thurrott.com](https://thurrott.com/why-is-ai-going-in-the-wrong-direction/)

Why is AI going in the wrong direction? 3

Why do we need AI generated videos, for example, why not leave that up to somebody who is creative and use the AI to do the menial frame-by-frame touching up and remastering of old videos?

[Why is AI going in the wrong direction? - Thurrott.com](https://www.thurrott.com/ai/why-is-ai-going-in-the-wrong-direction/)

Why is AI going in the wrong direction? 4

Why are we letting AI write stories for the press or for books? Surely that is the purview of humans, shouldn't the AI be checking the spelling and grammar, before the stories are posted?

[Why is AI going in the wrong direction? - Thurrott.com](https://www.thurrott.com/ai/why-is-ai-going-in-the-wrong-direction/)

Why is AI going in the wrong direction? 5

Shouldn't AI and automation be doing the menial tasks on the production line, freeing up humans to do something more interesting instead?

[Why is AI going in the wrong direction? - Thurrott.com](https://www.thurrott.com/2017/05/why-is-ai-going-in-the-wrong-direction/)

Why is AI going in the wrong direction? 6

Is it because these menial tasks are also uninteresting to program for and hard to get 100% accurate? It is much more fun to get the AI to do some squiggly lines, you can see it is doing something quickly, and it comes up with pretty pictures.

[Why is AI going in the wrong direction? - Thurrott.com](https://thurrott.com/why-is-ai-going-in-the-wrong-direction/)

Why is AI going in the wrong direction? 7

It is much more fun to get it to write an article or a story than it is to get it to recognise a widget on a production line and reject those with defects.

[Why is AI going in the wrong direction? - Thurrott.com](https://www.thurrott.com/ai/why-is-ai-going-in-the-wrong-direction/)

Why is AI going in the wrong direction? 8

Is AI pandering to the programmers of the AI and their funders, not to the potential uses, where it makes the most sense? We people want that short-sharp endorphin high, the instant gratification, not the hard slog to actually do something useful.

[Why is AI going in the wrong direction? - Thurrott.com](https://thurrott.com/why-is-ai-going-in-the-wrong-direction/)

Thank you

AI is going to solve all the world's
problems

Any politician in 2024

Optimism is lack of information

Faina Ranevskaya

Soviet actress