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Latest Trends in AI: Implications for Organizations

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Abstract

Artificial Intelligence (AI) is expected to transform the global economic landscape. A recent study by Price Waterhouse Cooper suggests that AI is expected to contribute \$15.7 trillion to the global economy by 2030 (Price Waterhouse Coopers, 2019). The goal of this abstract is to summarize six latest trends in AI and suggest implications for organizations. The field of AI has experienced two disappointing “AI Winters” in the past because it was unable to keep up with industry’s expectations. Experts believe that the time for AI has come and we don’t expect to see another AI meltdown because of increasing corporate adoption of AI, growing power of computer hardware that powers AI, and increased interest in AI from students and universities (Castellanos, 2020). Second, novel AI applications continue to emerge. Many innovative applications are being developed in consumer electronics, automobile, farming, healthcare, IT consulting, consumer retail, etc. For instance, algorithms are being used to detect COVID-19. Infervision, a Chinese AI company’s AI application is used by doctors in more than 10 Chinese hospitals to detect this virus (Rosenbush, 2020a). Third, the use of AI is enabling companies to create new business models. For instance, Flip Fit, an e-commerce fashion startup adopted a business model wherein they will ship the clothes to customers who haven’t paid in advance, and customers can try what they’re interested in and pay for only what they keep (Loten, 2020). Fourth, we are seeing the emergence of many regulatory frameworks to govern AI. While GDPR and CCPA are aimed at protecting privacy and have implications for AI, the next set of regulations may be directly related to the AI models used in the real-world (Rosenbush, 2020b). The fifth trend in AI is regarding the evolving AI strategy and preparedness. Companies are developing AI strategies and hiring responsible personnel; they are working with regulators proactively; and they are communicating with stakeholders on how they’re using AI in their products and services. The sixth trend in AI is regarding data, talent, and other challenges for AI. Some of these challenges include lack of qualified AI talent, data privacy and portability issues, difficulties in defining AI fairness, ethical issues involved in the use of certain AI technologies, and the drawbacks of current AI algorithms in predicting human behavior. Public policy initiatives must account for the full potential of AI to unfold and at the same time impose restrictions on the exploitative uses of AI. While the regulation emerges on various aspects of AI, researchers must work towards fine-tuning and improving AI systems to better address the needs of the organizations, communities, and economies.

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