

AI4 Business

Practical AI Challenges for Business Managers



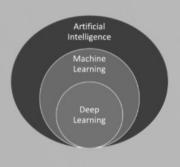
Past & Future Al4Business Webinars

Introduction to AI for Business Managers

Webinar: Introduction to AI for Business Managers

"For managers that want to start capturing business value with Al solutions"

When: Thursday, August 19 - 10AM CET Duration: 1h (including Q&A) Host: Roel Henckaerts

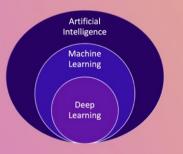


ML model lifecycle

Webinar: The ML Model Lifecycle

"We are going to explore the set of practices and principles necessary to deploy and maintain Machine Learning solutions in production"

When: Thursday, August 26 - 1 PM CET Duration: 1h (including Q&A) Host: Roel Henckaerts





Roadmap Al4Business Course





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- 1. Real Life AI
- 2. Al Challenges
- **3.** PoC to Production Gap
- 4. Trusted AI & Ethics



1 Real Life Al



Al is everywhere

Alphabet Google

Self-driving cars Play several Atari games and Go Voice interface to make phone calls & schedule your appointments



Man vs. machine competitions: Deep Blue (chess) Watson (tv quiz Jeopardy) Debater (professional debates)



Predict what you buy Generate product descriptions Reduce traffic jams in smart cities Monitor farming crops

Digital assistant Alexa Ship before you buy Buy without checkout

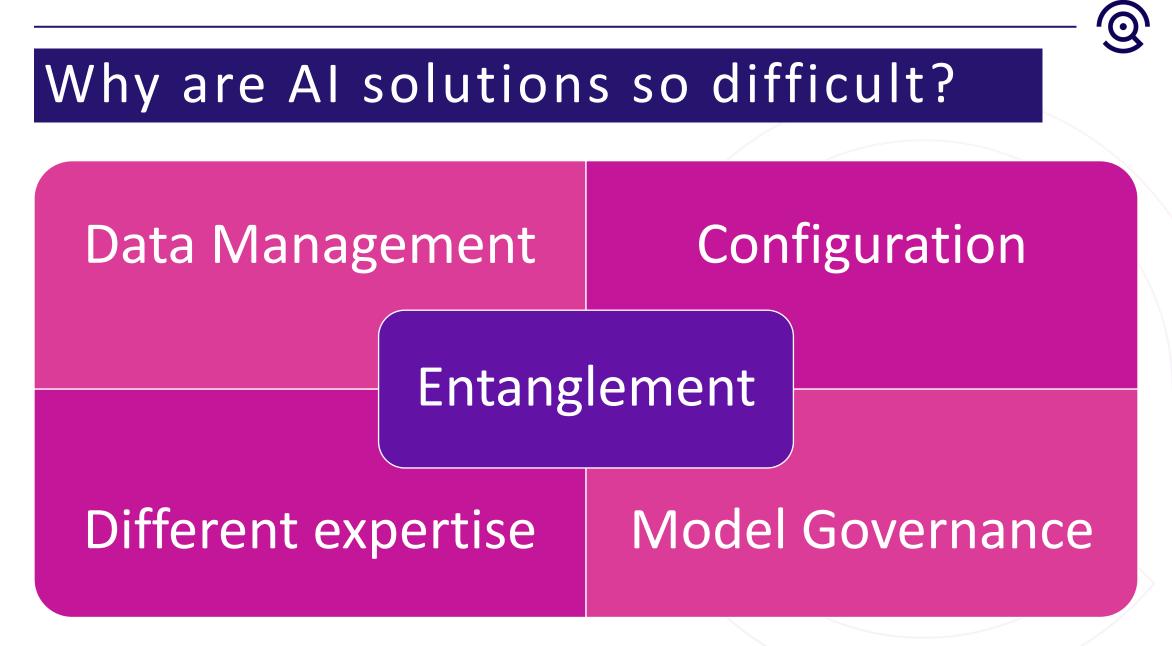


Content recommendations Optimized streaming Autogenerate personalized thumbnails FaceID & Siri Song recommendations Navigation in Maps



If AI systems are everywhere...

- How easy is it to build an AI solution?
- What are the requirements to build an AI solution?
- Is building an AI solution the same as building any piece of software?
- What are the challenges to make my AI solution work?
- What kind of special tools do I need to build an AI solution?



2 AI Challenges



Challenges of building AI systems

Any software application comes with many challenges.

AI/ML brings around a couple of extra ones:

- Data is difficult to manage and resource consuming
- Iteration is necessary but slow
- The expertise needed is abundant and diverse
- Scaling quickly becomes an issue
- Maintenance becomes particularly difficult
- Selecting the right tool is not always so easy



Data is an investment

Having easily available and high quality data is expensive

Why invest in data?

- Model quality depends on data quality
- Data is needed after deployment
- Data is worthless if not usable
- Data is at the core of the Al system
- Bad data increases complexity \rightarrow need easy access to high quality data

Data is an investment

Data governance is key

- Being data driven is more than just buying expensive data
- Having the processes is as valuable as having the right tool
- Having a cohesive data strategy is the key to success.
- Data governance is not the same as Data management





Data can significantly change

Data distributions can shift.

Assumption that past data is representative of future data is broken.

Data Drift

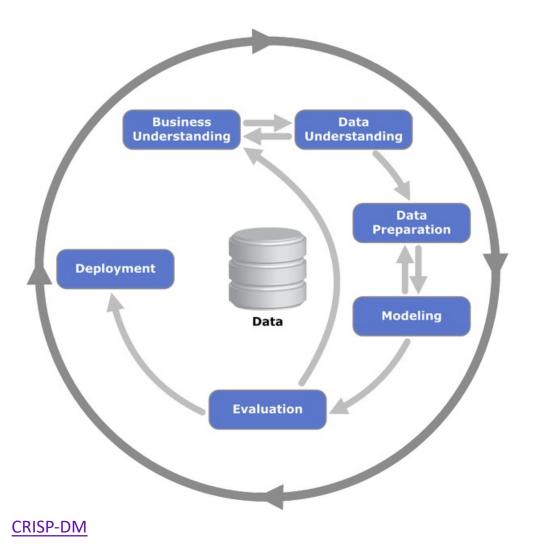
- Distribution of the features or target changes
- Past performance does not guarantee future results
- Models are not ever lasting but speed of decay increases

Concept Drift

- Occurs when patterns learned by the model no longer holds
- It might happen over time or suddenly
- Is more difficult to correct as is related to fundamentals



Iteration is a must



Be ready to iterate over:

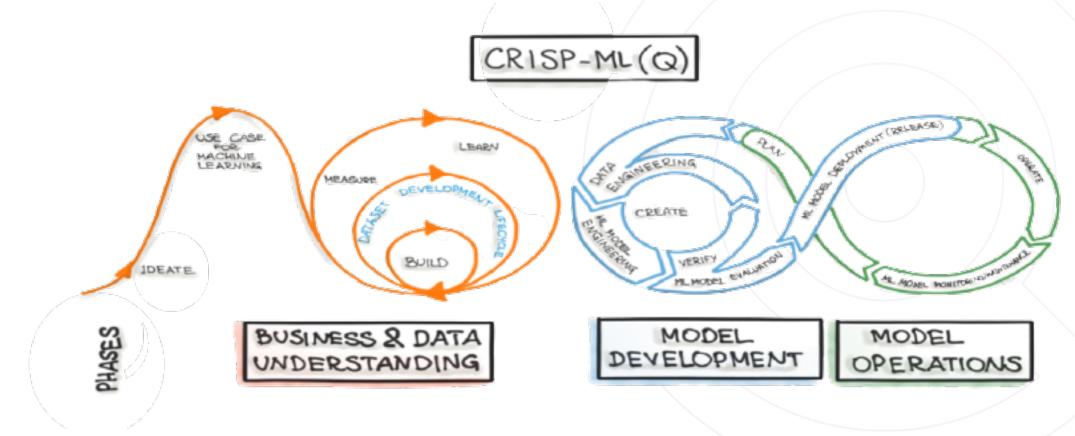
- What does the business need?
- Do we have data as needed?
- Is data ready for modelling?
- What model should we build?
- Is our model good enough?
- How do we make results available?

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Iteration is a must

As complexity of the environment increases, so does the workflow





Business and Technical Leaders

Aligning business and technical leaders is **not always easy**.

But it is necessary to bridge the gap:

Business leaders

- Update their Data/AI literacy
- Understand the uncertainty around AI systems

Technical leader

- Set right expectations ahead of time
- Plan resources efficiently



Business and Technical Leaders

If deploying AI for the first time:

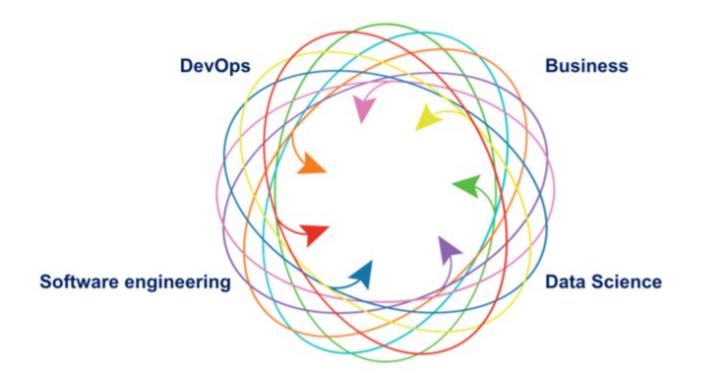
- Start small
- Look for low hanging fruits
- Look for problems with visible value

AI is not going to replace managers, but managers that use AI will replace those that do not

Remember: AI is not bulletproof, but when used correctly can be an extremely powerful tool



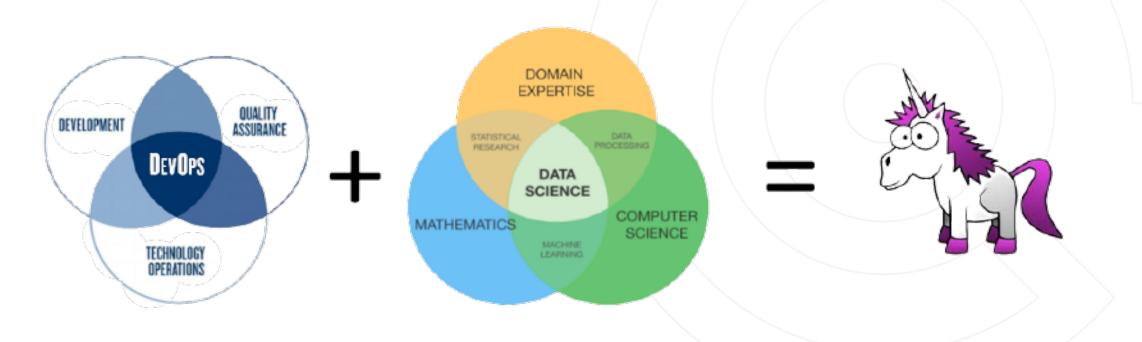
Technical teams working together





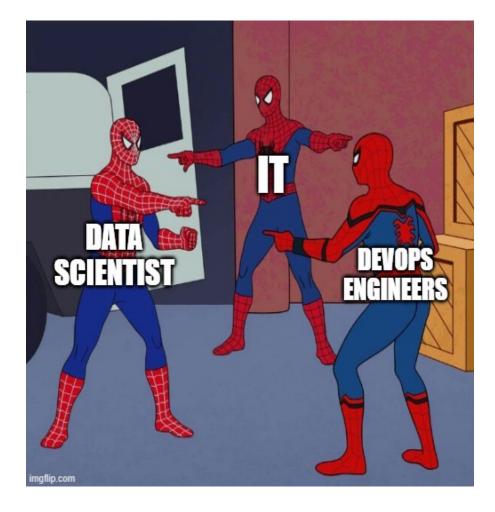
Technical teams working together

DevOps, IT and Data Scientist often organized in silos at organizations. These silos must be connected* for AI. *Unless you found a unicorn that can do everything





Technical teams working together



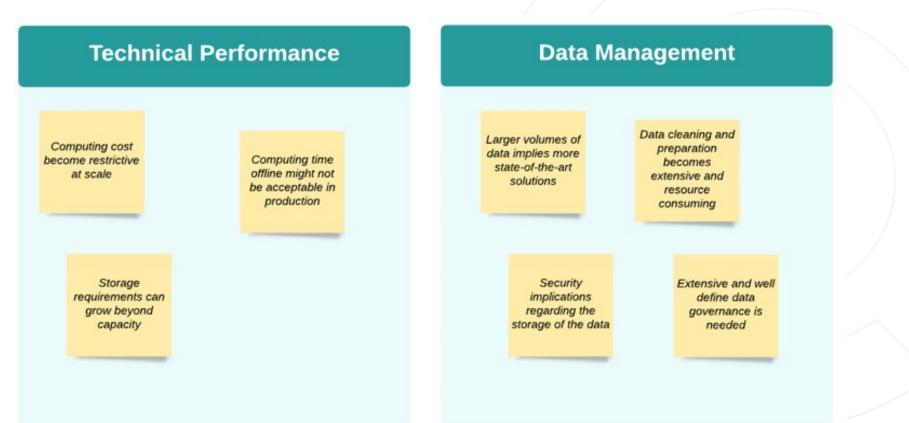
When working in silos:

- Impossible to have a high-level overview of the solution
- Constant blaming across teams
- Can't tackle complex problems (e.g. real time applications)
- Maintenance rapidly becomes a nightmare



Think about scaling

Scaling AI solutions is not easy nor cheap





Maintaining AI solutions

"As the machine learning (ML) community continues to accumulate years of experience with live systems, a wide-spread and uncomfortable trend has emerged: developing and deploying ML systems is relatively fast and cheap, but maintaining them over time is difficult and expensive."

Sculley et al.



Selecting right technology

Selecting the right tool for the problem at hand is not always simple, as the technology supporting AI is

- Diverse
- Fast growing
- Tailored

Remember: Don't marry yourself to a tool. Tools are just means to an end.





Selecting right technology

Some general tips on selecting the right technology

Integration should be easy

- You are already on an ecosystem, new tools need to be easily integrable. Flexibility is key
- Tools should easy to use and flexible to customization
- Scalability is your friend
- Not all tools scale well for all problems

Right tool for the right job

• There are many tools available, no need to overspend

Support is important

• Having good support and a large community behind is key



Al Ecosystem is crowded

- OMNICHANNEL BOT	
	- CUSTOMER SERVICE
🔟 ດບັບບັດດາງ 🔊 senseforth.ai ອົກeReach.ai	PolyAl VERINT directly OO Espressive
ai uniphore NM snaps F replicant	snaps 🕃 mindsay 🖸 metomi pandorabot
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	- SALES
	Sootfuel DR/FT verbit
CHORUS CRESTA Salesken	CHORUS EXECUISION Yellow messenge
♦ OBSERVE-AI OI UN VoiceStar.ai OII VOWEL	- FINANCE Kasisto Amenity Analytics のVOOMO 谷clin
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	Signation Botsify Image: Analytics Image: Analytic

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3 PoC to Production Gap



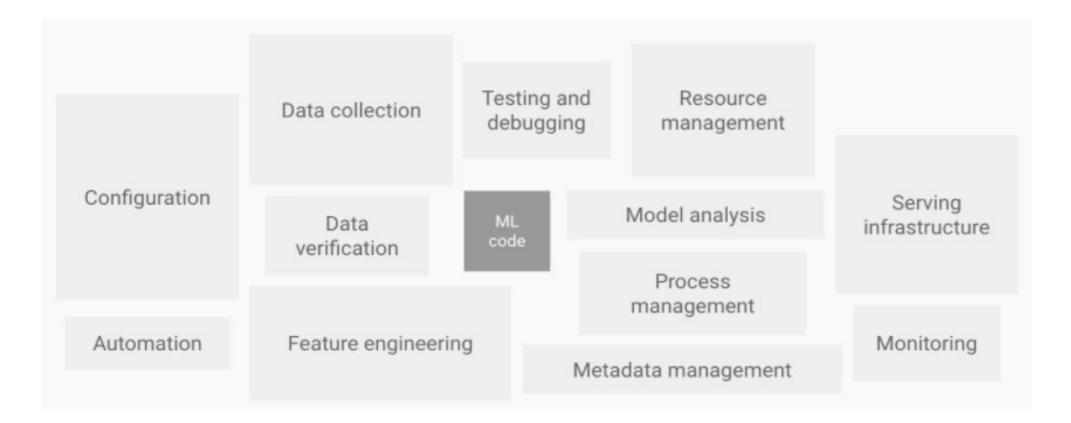
PoC versus Production

"All of AI, .., has a proof-of-concept-to-production gap. The full cycle of a machine learning project is not just modelling. It is finding the right data, deploying it, monitoring it, feeding data back [into the model], showing safety—doing all the things that need to be done [for a model] to be deployed. [That goes] beyond doing well on the test set, which fortunately or unfortunately is what we in machine learning are great at."

- Andrew Ng



The big picture





Basic ML building blocks

Data Management

Process and govern the data used by models:

- Usually large data sets
- Should be of high quality
- Should be compliant with legislation
- Should be tracked

Experimentation

Build a model based on business requirements, after iteration of experimentation:

- Workflow is iterative
- Experiment should be tracked
- Code should have standards
- Accuracy metrics should be tracked
- Retraining should be possible
- Requires specific infrastructure

Production

Integrate prediction into production and business processes:

- Generate systematic predictions
- Track performance across time
- Follow best engineering practices



Moving to production is hard

(Not so) Fun fact

According to VentureBeat, roughly 1 out of 10 Machine Learning models actually makes it into production. But why?

The Set up is not right

- Bad infrastructure
- Disconnect between the relevant parties
- Poor data management
- Leadership doesn't understand

ML has its own difficulties

- Scaling is not easy
 - Duplication is widespread
 - Management not on board
 - Lack of Reproducibility
 - Support across technologies



Deploying models takes time



36% of survey participants said their data scientists spend **a quarter** of their time deploying ML models



36% of survey participants said their data scientists spend **a quarter to half** of their time deploying ML models

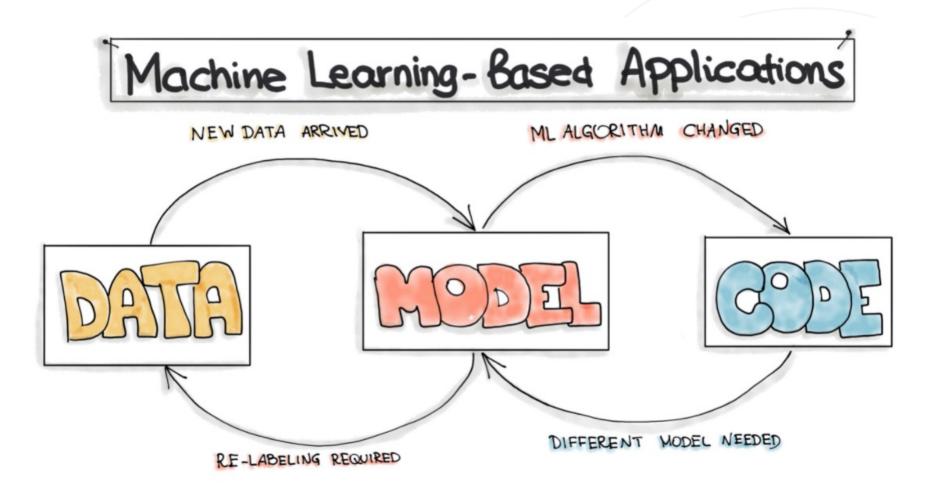


20% of survey participants said their data scientists spend **half to three-quarters** of their time deploying ML models

7%

7% of survey participants said their data scientists spend **more than three-quarters** of their time deploying ML models

Changing anything changes all





Hidden technical debt

Developing and deploying ML systems is relatively fast and cheap, but maintaining them over time is difficult and expensive. Some of the reasons for this are:

- Data dependencies cost more than code dependencies
- Feedback Loops
- ML-Systems anti-patterns
- Configuration debts
- Always changing external world
- Other ML related debt (e.g Data testing, Reproducibility debt)



Other production issues

- Data quality:
 - ML models reflect the data they are build on, so they are very dependent on its size and quality
- Model decay:
 - As times goes by, there might be changes in behavior that the original data would not necessarily reflect causing the quality of the model to drop
- Locality:
 - The quality of the performance of ML model does not always translates completely to production

4 Trusted Al & Ethics



Trusting Al systems

- Any practical AI system in production needs to be:
- Fair
 - Not allowing for any bias or discrimination
- Robust
 - Not able to be manipulated from the outside
- Explainable
 - Able to understand the internal decision process
- Need for AI governance and responsible AI
 - Technical solutions exist, but at some costs (e.g., slower execution)



Fairness

- No discrimination against minorities or bias in decisions
- Bias is often present in data and transferred into models
 - Toxic effects of reinforcing existing unhealthy stereotypes
- Some recent examples
 - Facial recognition worked better for light-skinned males (Buolamwini)
 - Man is to computer programmer as women is to homemaker? (Bolukbasi)
 - Amazon's hiring tool discriminated against women (<u>Reuters</u>)



Robustness

- Not able to be manipulated by a third party via adversarial attacks
 - Deliberately force to make a wrong prediction and trying to fool the AI
- Make the system do something else than it is intended to do:
 - <u>Stickers</u> on stop sign confuse the AI
 - Patch that tricks AI into thinking a banana is a toaster
 - Glasses make facial recognition AI think you're actress Milla Jovovich
- Adversarial use of AI
 - Obama Deep Fake video



Explainability

- Understand why a specific decision is made
 - User has the "right to an explanation" (GDPR)
 - Especially important for high-stakes decisions with a big impact on lives
- Wolf vs husky experiment (Ribeiro et al.)
 - Snow in the background? \rightarrow Husky
- Two options to guarantee explainability
 - Tranparent models
 - Ex-post interpretation techniques of black box models (many exist)

