AI and Technology in Consulting

Insights from The Barton Partnership’s roundtable discussion in New York

AI and Technology in Consulting

On Wednesday, May 29th, The Barton Partnership hosted a roundtable event to explore the transformative role of AI and technology within the consulting industry. The discussion, attended by industry leaders and experts, highlighted the sectors leading in AI adoption, practical applications, and challenges in implementation

What follows is a summary of the key points discussed during the session:

#1 Industry Leaders & Use Cases

- **Insurance:** Insurance companies have become unexpected leaders in AI investments, making significant strides in AI adoption. By embracing AI, insurers aim to enhance risk assessment, fraud detection, claims processing, and customer service, modernizing their operations to stay competitive.

- **Healthcare, Life Sciences, and CPG:** Healthcare, life sciences, and consumer packaged goods (CPG) sectors, driven by substantial data needs and the potential for operational transformation, have integrated AI extensively. Healthcare utilizes AI for diagnostics, personalized medicine, and predictive analytics, leading to better patient outcomes and streamlined operations. AI accelerates drug discovery, genomics research, and clinical trials in life sciences. CPG companies leverage AI for supply chain optimization, demand forecasting, and consumer insights, enhancing product development and marketing strategies.

- **Manufacturing and Customer Service:** Industries heavily reliant on manufacturing and customer service are leveraging AI to optimize production processes, predictive maintenance, and quality control, leading to cost savings and increased efficiency. In customer service, AI applications include data ingestion, customer segmentation, and support services, enabling more personalized and efficient interactions.

- **Emerging Technologies:** Edge computing combined with AI is gaining traction in non-traditional forms, especially in sectors like oil and gas and manufacturing. Companies can conduct preventive maintenance activities efficiently by utilizing localized computing for high-resolution image and video analysis. This approach reduces potential costs and enhances operational reliability.

- **Retail:** Retailers are increasingly adopting AI to enhance customer experiences and streamline operations. AI-driven tools like personalized marketing, inventory management, and customer behavior analysis help retailers optimize pricing strategies and improve supply chain efficiency. E-commerce platforms use AI-powered recommendation engines and chatbots to engage customers effectively, driving satisfaction and loyalty.

- **Education:** The education sector is gradually integrating AI technologies, recognizing its potential to transform learning experiences. AI-powered tools such as personalized learning platforms, intelligent tutoring systems, and automated grading systems are becoming more prevalent, offering tailored educational experiences, improving student engagement, and streamlining administrative tasks.

- **Public Sector:** The public sector is making incremental progress in AI adoption, focusing on improving public services and operational efficiencies. Government agencies are exploring AI applications for public safety, transportation, and healthcare services. AI-driven data analytics and predictive modeling help address societal challenges, enhance decision-making, and optimize resource allocation.

- **Logistics and Supply Chain:** AI adoption is transforming logistics and supply chain management. AI technologies enable real-time tracking, route optimization, and demand forecasting, enhancing efficiency and reducing costs. Autonomous vehicles and drones powered by AI are revolutionizing delivery processes. AI-driven analytics provide valuable insights for inventory management and demand planning, improving overall supply chain performance.

#2 AI Implementation: From POC to Production

The discussion highlighted the evolution of AI implementation from initial proof of concepts (POCs) to full-scale production. Early questions about AI's feasibility have given way to practical concerns about its scalability and integration. Companies that have successfully transitioned from POCs to full-scale pilots often have strong leadership commitments and a clear vision for AI integration. They also invest in upskilling their workforce and fostering a culture that embraces innovation and change.

- **Internal Gen AI Capability Development:** Firms face the challenge of deciding whether to train the entire workforce or to start with specialized groups. Focusing on a smaller subset allows for rapid development of expertise but can limit broader scalability. Conversely, training all employees on AI fundamentals promotes widespread literacy and supports consistent adoption across projects.

- **Strategic Approaches by Firm:** Consulting firms adopt varied strategies for building Gen AI capabilities. Strategy-focused firms integrate AI into their advisory services, emphasizing strategic insights and decision-making. Technology-focused firms prioritize deep technical training, enabling consultants to build and deploy AI solutions effectively. These tailored approaches ensure that AI training aligns with each firm's core strengths

- **Sustainability in AI Deployment:** Sustainability emerged as a crucial consideration in AI deployment. Participants discussed the significant energy consumption associated with AI models, which often conflicts with organizational environmental goals. There is a growing emphasis on incorporating sustainability into responsible AI frameworks to ensure that AI initiatives do not negatively impact the environment. This involves evaluating the energy efficiency of AI processes and minimizing their carbon footprints.

- **Addressing Ethics and Bias:** The ethical implications of AI, including issues of bias and fairness, remain significant concerns. The participants emphasized the need for frameworks that address these ethical considerations alongside technical and operational aspects. Ensuring AI systems are equitable and do not perpetuate existing biases is critical for responsible AI deployment.

- **Technical and Regulatory Challenges:** Organizations face technical challenges such as data privacy, security, and regulatory compliance. Managing multiple cloud environments and protecting personally identifiable information (PII) are significant hurdles. Building robust frameworks to address these challenges is essential for AI's successful and responsible implementation.

- **Holistic AI Frameworks:** Developing holistic AI frameworks that encompass sustainability, ethics, technical, and operational considerations is crucial. Such frameworks should guide organizations in deploying AI responsibly and effectively, balancing the drive for innovation with the need for social and environmental responsibility.

#3 Scaling AI – Cost and complexity

- **Cost and Complexity:** The cost and complexity of scaling AI present major challenges. Organizations need to navigate the technical intricacies of integrating various AI models, managing data privacy and security, and justifying ROI. The transition from free POCs to costly production environments requires clear ROI justification, which many companies find difficult without comprehensive data and aligned executive support.

- **Ownership and Budget Allocation:** Ownership of AI initiatives within organizations presents a challenge. Unlike traditional IT projects, AI doesn't have a clear ownership structure, leading to budget and responsibility conflicts among different departments. Establishing a unified approach and securing executive alignment are crucial for successful AI scaling.

#4 Practical Considerations for AI Implementation

- Effective AI implementation requires robust data management. Many organizations struggle with fragmented data, which can be costly and time-consuming to consolidate for AI use. Ensuring data privacy, security, and regulatory compliance across multiple cloud environments is also essential.

- The roundtable emphasized the importance of democratizing AI knowledge across the workforce. Empowering employees to understand and apply AI in daily tasks can drive innovation and efficiency. Companies are investing in training programs to ensure their employees are equipped with the necessary skills to leverage AI effectively.

- The discussion highlighted the complexities and considerations in advancing AI within the consulting industry. Strategic planning, ethical frameworks, and robust data management are crucial for successful AI implementation. By focusing on workforce empowerment and continuous learning, organizations can navigate the challenges of AI adoption and unlock their full potential, driving innovation and creating sustainable value.

The discussion highlighted multifaceted impact of AI on various industries and the critical considerations for successful implementation. From managing data and scaling AI solutions to addressing ethical concerns and ensuring sustainability, organizations must adopt a holistic approach to harness AI's transformative potential. By investing in training and fostering a culture of innovation, companies can overcome challenges and leverage AI to drive significant value, ensuring they remain competitive in an increasingly AI-driven world.

About The Barton Partnership

The Barton Partnership is an award-winning executive recruitment and consulting services firm providing permanent search and independent consulting services across all aspects of Strategy & M&A, Data & Analytics, Economics, Disputes, & Investigations, ESG & Sustainability, and Transformation & Change. We have offices in London, New York, Paris, Singapore, Hong Kong, and Sydney. Our clients include FTSE listed and Fortune 500 companies across all sectors/industries; SMEs, Strategic, Innovation & Management Consulting firms (large and boutique), Public Sector, Global Financial Services, Private Equity and Venture Capital organizations.

Our network represents talent across Strategy & M&A, Digital, Data & Analytics, Economics, Disputes, & Investigations, ESG & Sustainability, and Transformation & Change.

Through a curated network of more than 8,500 independent consultants, we provide clients with individuals and teams for business-critical projects across North America, and Asia Pacific. In 2023 we were ranked Gold for Consulting Networks in the Leading Management Consultants report by the Financial Times for the second consecutive year.

As a B-Corp™ certified business, we hold ourselves accountable to a higher benchmark of sustainable business practices, committed to driving positive change for our clients, community, and the environment.

WORLD'S BEST MANAGEMENT CONSULTING FIRMS Forbes 2023 POWERED BY STATISTA

FT FINANCIAL TIMES statista UK'S LEADING CONSULTING NETWORKS 2024

Certified B Corporation

LONDON

16 High Holborn
London
WC1V 6BX

+44 (0) 207 138 3691

contact@thebartonpartnership.com

NEW YORK

45 W 45th Street, 16th Floor
New York NY
10036

+1 646 982 1350

nyc@thebartonpartnership.com

PARIS

128 Rue La Boétie
75008
Paris

+33 6 83 95 94 26

paris@thebartonpartnership.com

SINGAPORE

8 Marina, Asia Square Tower 1
#42-01
Singapore 018960

+65 6018 7822

apac@thebartonpartnership.com

HONG KONG

Flat 2005, 20th floor,
Kinwick Centre, 32 Hollywood
Road, Central Hong Kong

+65 6018 7822

apac@thebartonpartnership.com

SYDNEY

Level 5/350 George St,
Sydney NSW 2000
Australia

+61 405 492 969

contact@thebartonpartnership.com