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THE AI REVOLUTION IN BANKING

Banks have been trying for years to implement artiﬁcial intelligence (AI) programs to improve their client experiences and fend oﬀ increasing competition from new entrants outside the traditional ﬁnancial services industry. Mos@ l n cit

In any industry undergoing major change at pace, players are searching for a silver bullet that can help them not only remain ahead of that change but emerge as winners. This is particularly true for the banking sector, where the digital revolution has transformed the landscape across digital, mobile, and data. Where incumbent players once could count on established legacy and a generations-deep track record to keep customers coming back, digital newcomers are now gaining market share thanks to their ability to answer evolving customer demands. Regulas c ` w grng ʊ s y a l r imn d tẹ s m ťm ṣn D

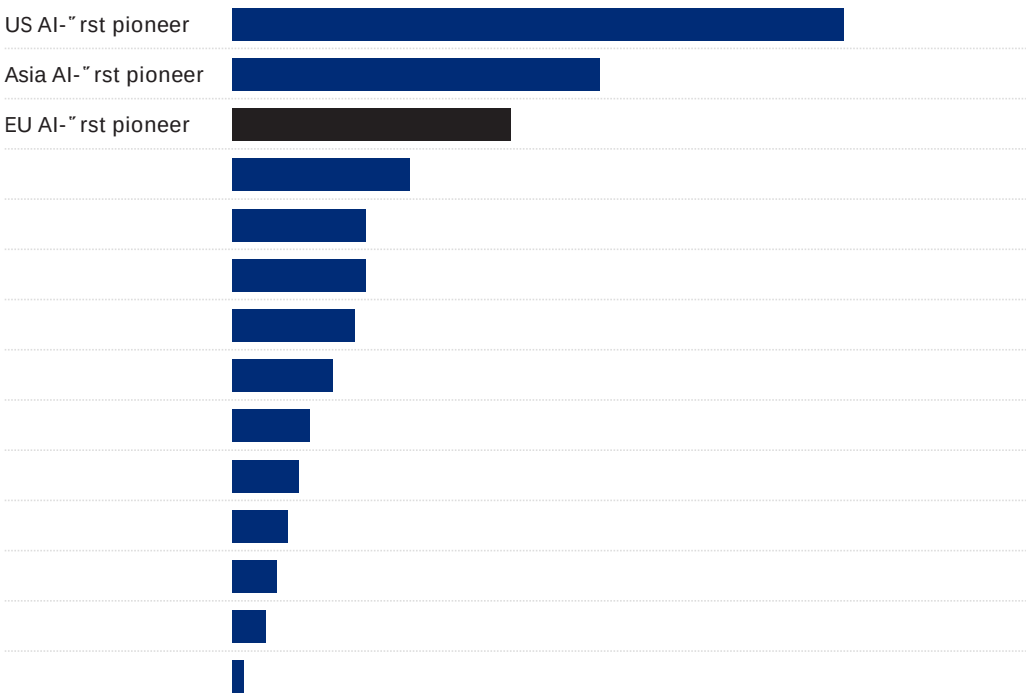
Our AI-˝rst cohort ȥ those banks trailblazing what can be achieved through systemwide

Change is never easy. Changing a mindset is even more di ů cult, as it entails not only the imposition of new procedures and processes, but also reshaping internal company culture, and encouraging employees to view their roles in a di ˜ erent

That said, AI should not be viewed as an isolated element that can solve a speci˝c business problem or optimize a speci˝c metric; rather, its power is exponentially enhanced when

Trailblazers understand the importance of building advanced data analytics capabilities ȥ and consequently are prepared to invest signi˝cantly in creating a workforce with corresponding skills.

Exhibit 8: Comparative analysis of data and analytics team across top US, EU, GCC and selected AI-f rst pioneers — headcount based on LinkedIn information



The ability to compete with such organizations requires a deliberate focus on accelerating the development of AI teams. For example, one trailblazer based in Europe acquired a specialized big data start-up to rapidly scale up capabilities. This acquisition was the start of what today is a 200+ member-strong AI unit that includes many PhDs.

Beyond AI-specialized and broader data capabilities, banks need to focus on upskilling and bringing the wider organization along the AI journey. One trailblazer has trained hundreds of resources across business areas, including the bank's leadership, in the fundamentals of data analytics. Trained employees act as AI ambassadors in their respective business units, scouting potential AI use cases and translating business needs into data applications.

There are many attributes that have contributed to the longevity of the current banking model, with in]