Artificial Intelligence: The Power of AI and the Future of Banking

Presented by: Carl Ryden

CEO & Co-Founder, PrecisionLender

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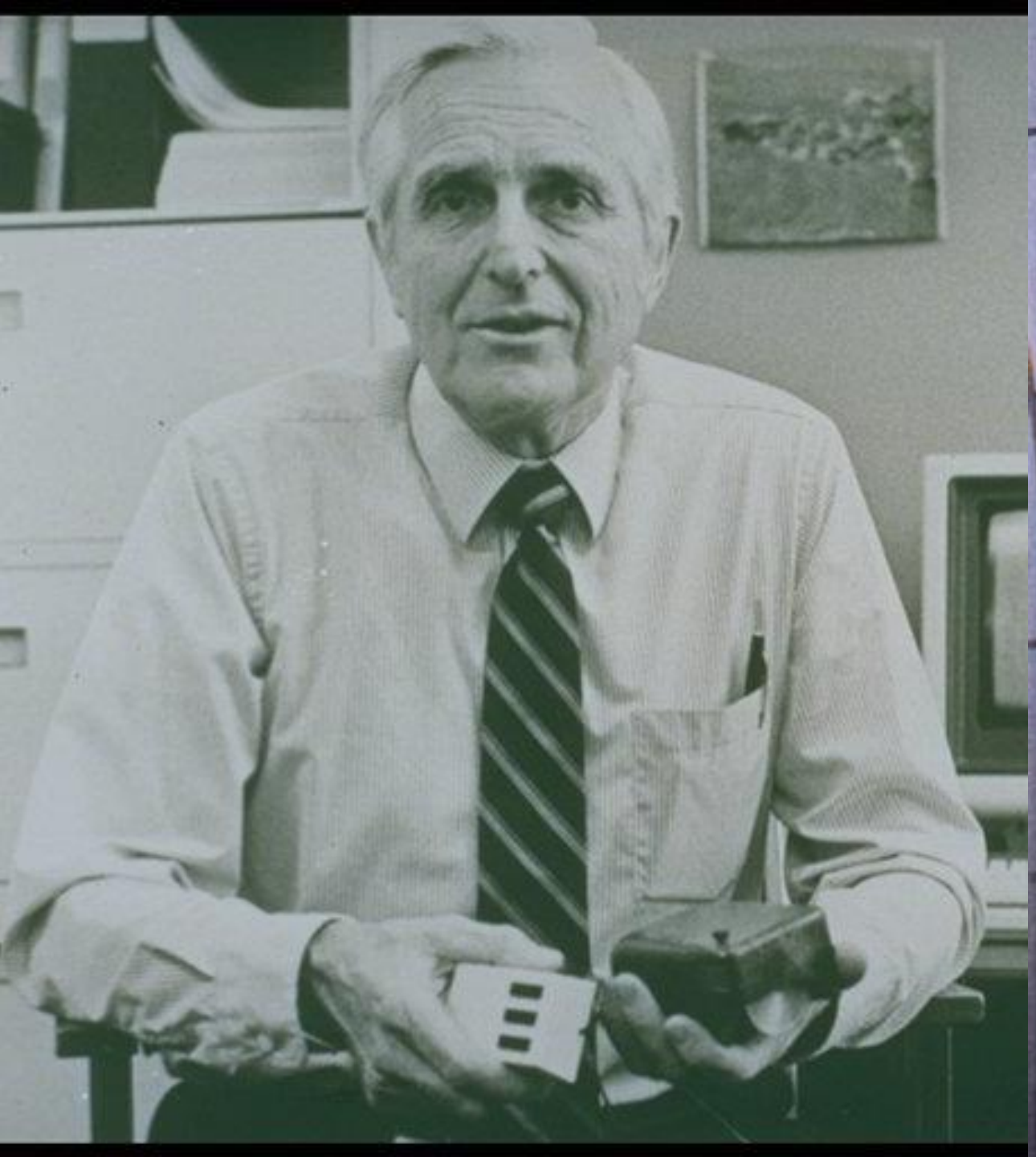
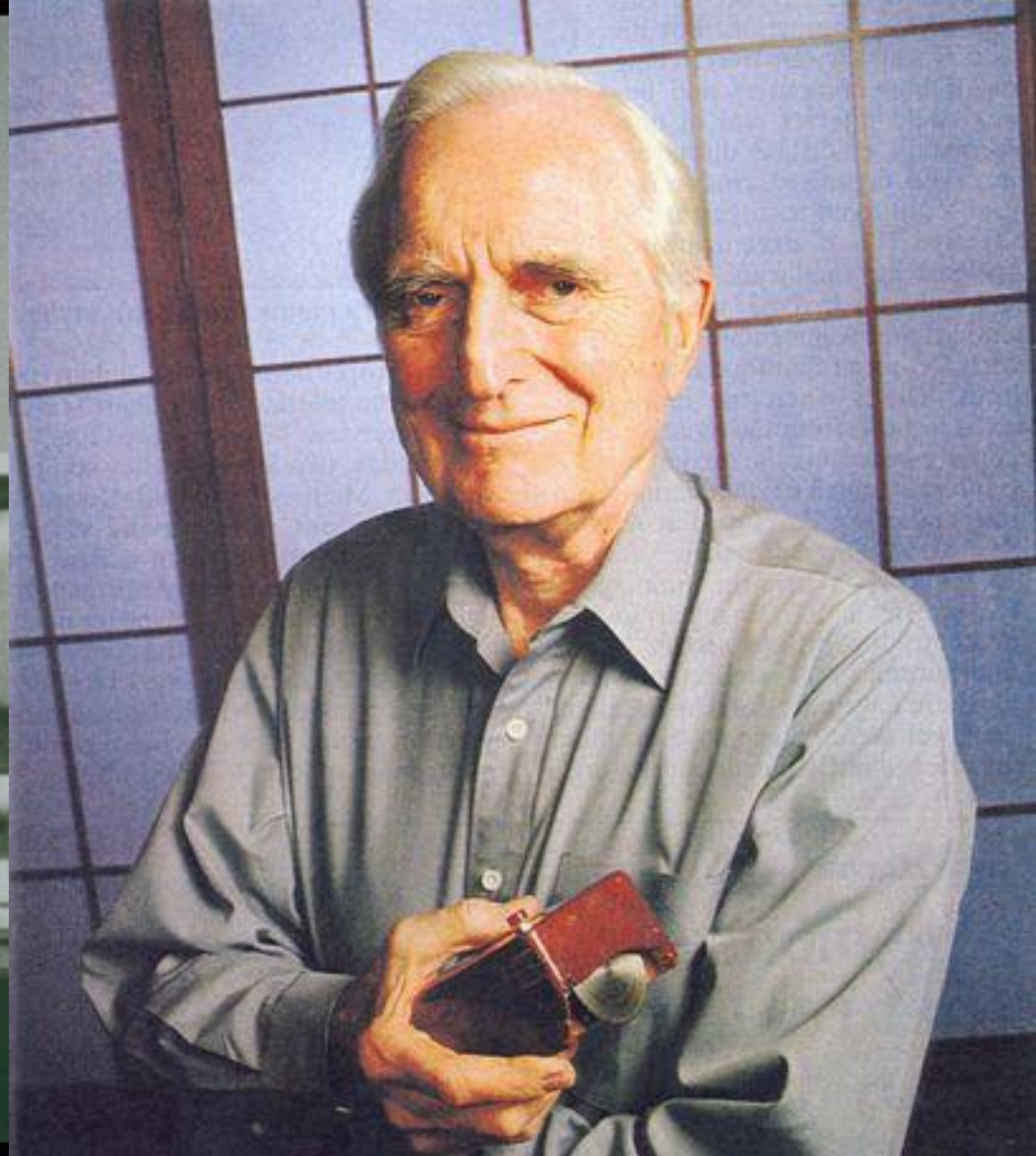
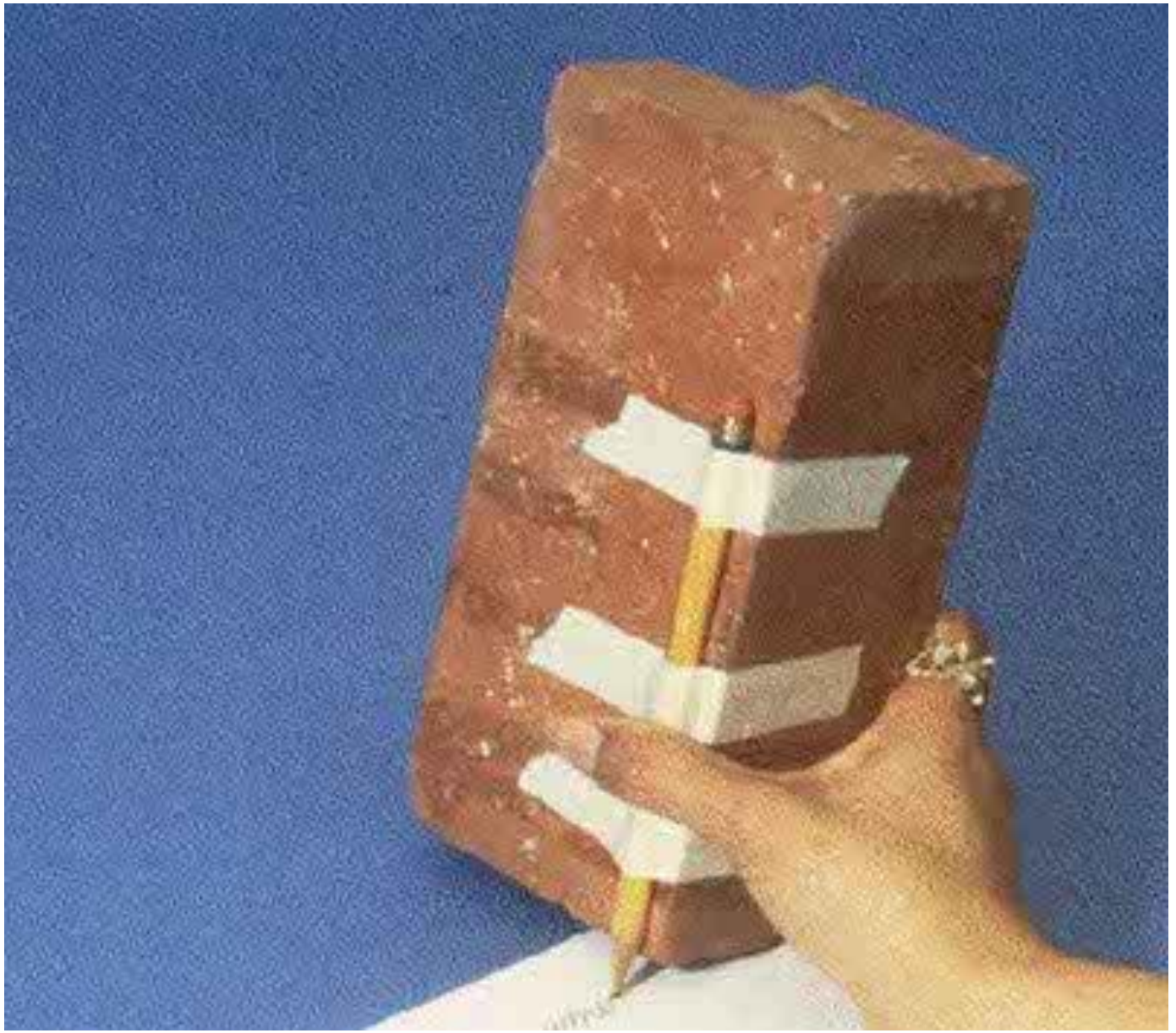




"If in your office, you, as an intellectual worker, were supplied with a computer display backed up by a computer that was alive for you all day, and was instantly responsive to every action you have—how much value could you derive from that?"

ORANGES
APPLES
BANANAS
CARROTS
LETTUCE
BEANS
CANS
APPLE SAUCE
BEAN SOUP
TOMATO SOUP
CEREALS
BREAD
NOODLES (ELBOW KIND)
FRENCH BREAD
COLD LOCKER
MILK

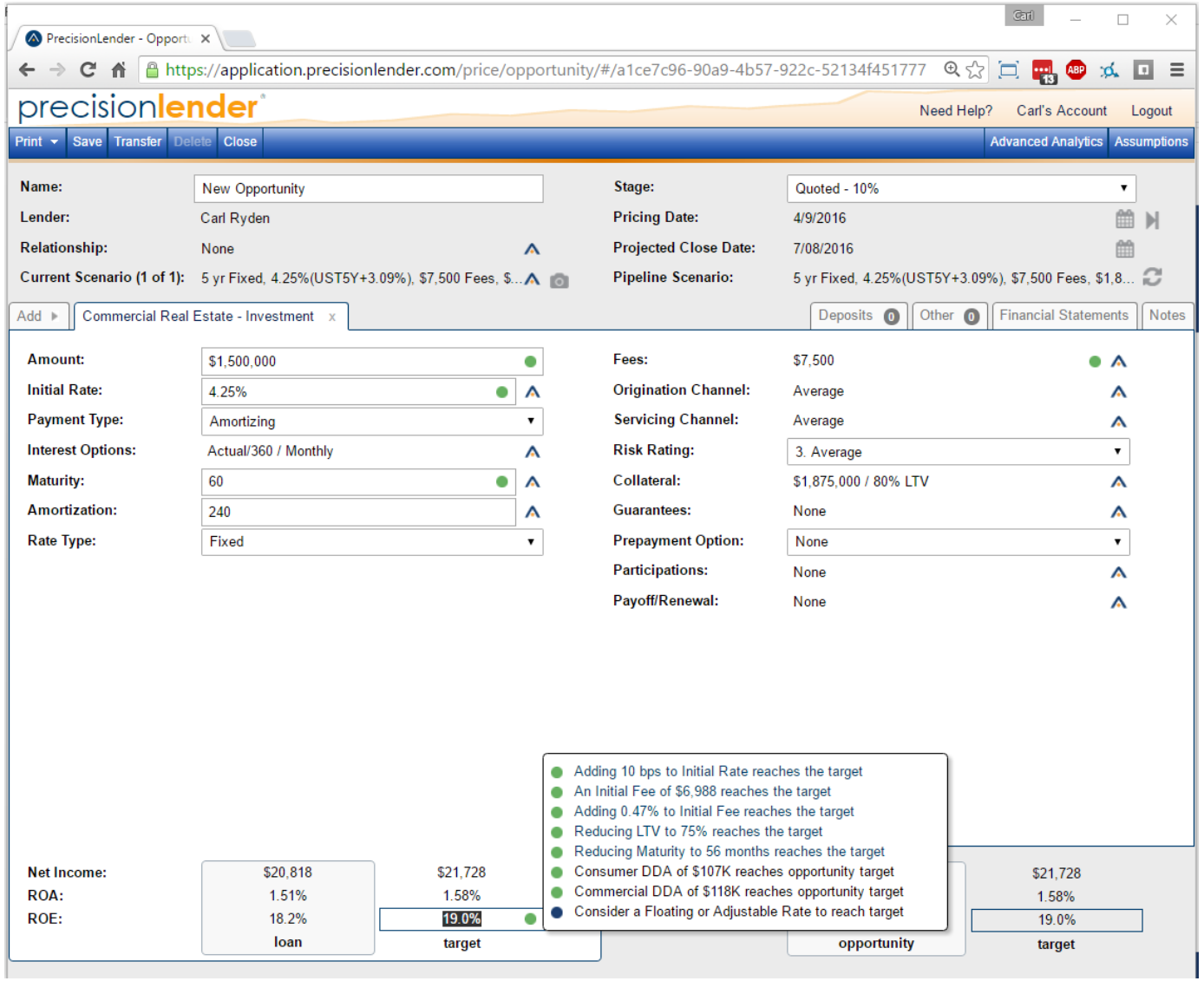
Intelligence Augmentation (IA)

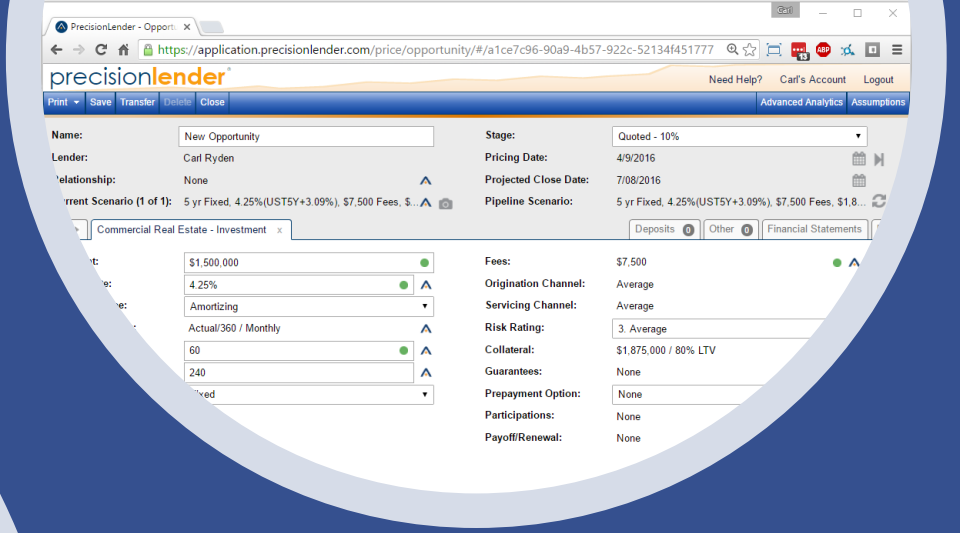


Digital Transformation

Our Journey to Andi

Where we started





Andy and the Magic Dots

…every PrecisionLender user

…now has their own pricing analyst

Her name is Andi.

She is new on job, but she learns very quickly.

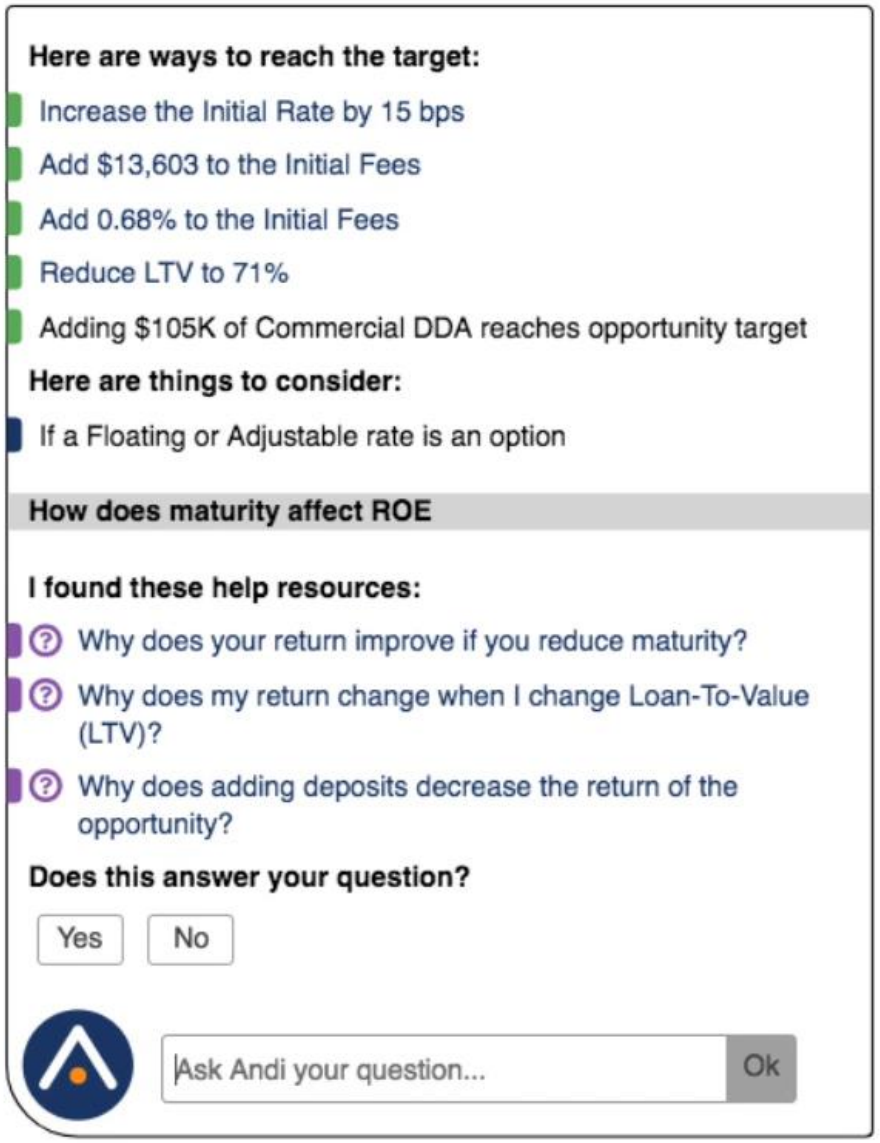
She works 24x7. She never sleeps.

She sees every deal within your bank. She learns what is working and what is not.

She helps you to price each new opportunity, offering suggestions on structure and how to compete.

She monitors your relationships and alerts you to threats and opportunities.

..and a completely extensible “Andi Skills Framework” for adding, deploying and managing new skills



What have we learned? (so far)

Context is King

- Narrowing the context makes everything exponentially easier (both to build and to validate)
- User Experience (UX) matters immensely – not merely from an ease of use, but the UX must be built around influencing and “seeing” the resulting behaviors and outcomes.

Not All Data is Created Equal

- Behavioral data is valuable.
- Labelled behavioral data (grounded to outcomes) is most valuable.
- Most of the data within the bank is not this. No amount of big data projects will change this.
- Focus on narrow contexts, build the data organically to drive results.
- Consider the WAZE example where every interaction makes the system better

Nobody actually wants Artificial Intelligence. They just want Intelligence

- The “Artificial” kind should be your last resort and should always be benchmarked against simple heuristics.
- Build Iron Man suits not Terminators.
- Amplify the human in the loop. Arbitrage what the best humans do to everyone else.

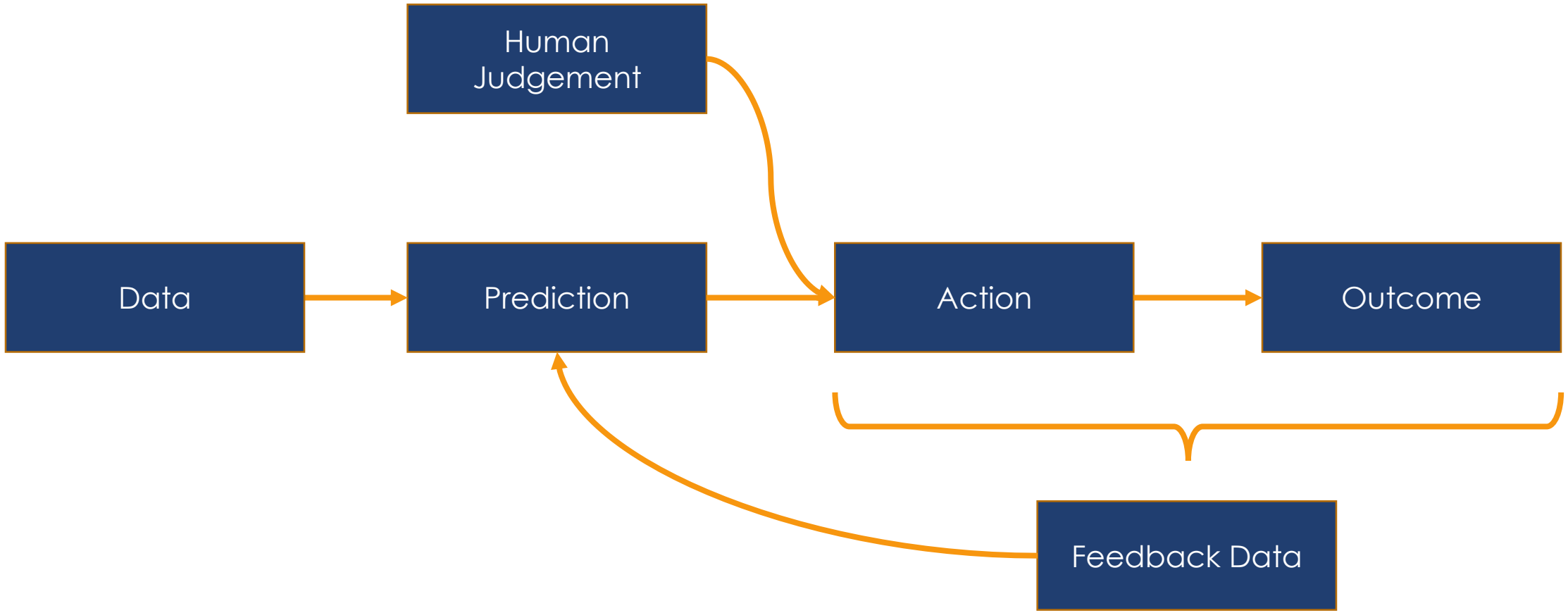
The impact of the personification of “Andi” has amazed me.

- It is relatable and human. RM’s response “I so need an Andi.”
- It humanizes the machine instead of mechanizing the human.
- It guides development to the actual “job to be done” instead of “put a button here.”
- Extensibility through adding “skills” to Andi has opened the floodgates of “could Andi do X for me?”

There is an intelligence value chain

- To win, solutions must implement the entire value chain.
- Most that we see die at the “last mile” of AI: translating insight into action.
- Even better build in “Coaching Network”-type feedback loops.

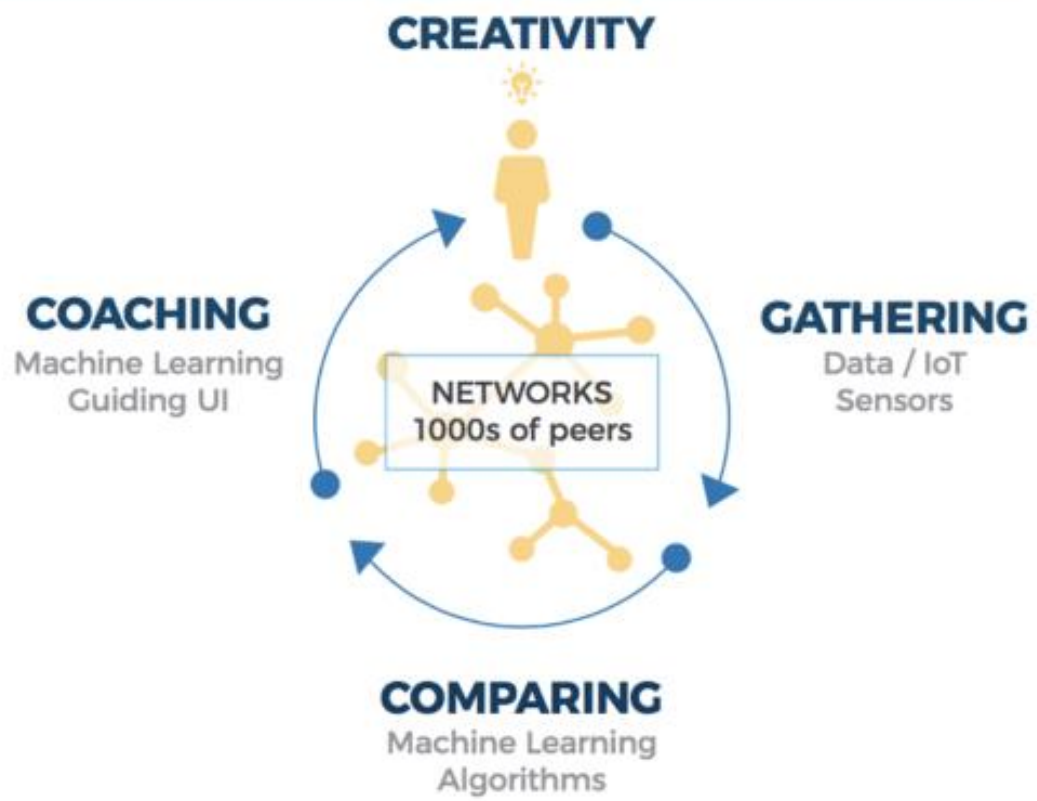
Ajay Agrawal's Anatomy of a Task



Gordon Ritter's Coaching Networks

COACHING NETWORKS

Real-time, in-context digital coaching



Gather Behaviors

Sensors passively gather detailed user activity and behavior: written, verbal, physical.

Combine With Peers

Machine Learning (ML) analyzes this data to identify the best practices of workers across the network.

Predictive Advice

Based on ML findings, user is coached real-time with unique, individually tailored advice.

Human Creativity

Human ingenuity advances the network, where brilliant outliers improve outcomes.

SoR, SoI, SoE…oh my

	Systems of Record (SoR)	Systems of Intelligence (SoI)	Systems of Engagement (SoE)
What is it?	Captures data around what happened, when it happened and who was involved.	Uses machine learning algorithms to transform facts from systems of record into "beliefs" about the business/ world (predictions are just beliefs about the future).	Rides "shotgun" with the end user while they "do what they do" and translates facts and beliefs into discrete, measurable actions to coach or nudge the user to a better outcome.
Deals in:	Facts	Beliefs/ Predictions	Actions
Examples:	CRM, ERP, SCP, etc.	Data Robot, Tensorflow, etc.	PrecisionLender, Hemingwayapp, Chorus.ai

Many ways of saying the same thing…

Greylock's Jerry Chen	Systems of Record (SoR)	Systems of Intelligence (SoI)	Systems of Engagement (SoE)
Microsoft's Satya Nadella:	Perception	Cognition	Action
Emergence's Gordon Ritter:	Gathering	Comparing	Coaching
U of Toronto's Ajay Agrawal:	Data	Prediction	Action

Centaur or Freestyle Chess

When you create a Human + AI team,
the hard part isn't the "AI".
It isn't even the "Human".

It's the "+".

Again, many ways of saying the same thing…

Gartner	Cognitive Expert Advisors
Accenture	Citizen AI
Emergence's Gordon Ritter:	Coaching Networks
Deloitte	Cognitive Collaboration

Cognitive Coaching

- Contextual
- Contemporaneous
- Constructive
- Individualized
- Actionable
- Attributable

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