AI Pilots to P&L: What Separates Durable AI from One-Off Experiments

- Total cost of ownership is the most common blind spot in AI pilots
    - Teams prove the concept works, then discover token costs and delivery costs make scaling uneconomical
    - Even small UX friction reduces adoption at scale
- Data readiness is the deeper blocker
    - POC environments use clean, contained datasets; production rarely does
    - Solving data governance is solving the hardest enterprise AI challenge
- Killer use case for AI is already software development, not chat
    - Engineers using AI are shipping production code; that phase is past "pilot"
    - The gap: citizen developers who can't yet productionalize AI-built applications
- Real P&L test: did the capacity AI freed up create revenue or margin somewhere else?
    - Saving 20 hours in hiring is capacity building, not value creation, unless that capacity is redeployed
    - Boards measure two things: growth acceleration and incremental margin
    - Efficiency gains are the easy answer now; process reimagination is the 5-10 year unlock

Services vs. Products: The Blurring Line

- The rigid software model (install, configure, follow best practices) is giving way to outcome-driven delivery
    - Services firms now control cost and flexibility in ways software vendors never could
    - "Golden age of services" framing: lower software delivery cost + full outcome ownership
- Mondelēz example: challenged BPOs to rework cost models using AI
    - Signed a deal where the vendor's agentic framework sits on the client's ecosystem
    - IP ownership is still an active negotiation
- Productizing IP: build once, reuse for 10, 100, or 1,000 clients is now realistic
    - The line between services and products has genuinely blurred, not just theoretically

Talent Structure and Org Design

- Org structures haven't been reimagined yet, only tweaked
    - Most companies are optimizing individuals with AI, not redesigning how teams operate

        - Collaboration is the underrated skill: one AI-empowered developer firing output at a team that can't absorb it is still a bottleneck
- Three durable skills regardless of AI speed: domain expertise, technical fluency, and judgment
    - Junior talent will be compressed: AI enables 1-year experience to do what took 5
    - Experts will emerge in 4-5 years instead of 15
- Engineering talent is already stratifying
    - Top 10% embracing AI are widening their lead
    - Bottom 50% not engaging are at serious career risk
- Rapid-fire panel answers:
    - Phrases to ban from AI decks: "AI-powered," "AI-enabled," "agent," "SaaSpocalypse"
    - What compounds if AI stalls 3 years: communication skills, clean data, domain expertise, vertical knowledge
    - Will services firms be smaller in 5 years: split verdict; consensus leaning toward fewer headcount but higher revenue per employee