

## India Inc. continues to push the frontiers of technology by embracing AI: NASSCOM - EY survey

- ▶ 70% of Indian enterprises that deployed Artificial Intelligence (AI) have achieved measurable results
- ▶ 74% established either a formal strategy or obtained C-suite sponsorship to initiate or scale-up their AI programs
- ▶ 78% believe re-skilling of the existing talent will aid in maximizing value from their AI programs

**New Delhi, September 02, 2020:** Seventy percent of Indian enterprises that deployed Artificial Intelligence (AI) have achieved measurable results while sixty percent believe that AI will disrupt their business within the next 2-3 years finds a recent study released by **NASSCOM** in association with **EY**. Titled '**Can enterprise intelligence be created artificially? A survey of Indian enterprises**', the report is an outcome of a joint survey, assessing the responses of 500+ CXOs on the maturity of AI adoption and the challenges faced by enterprises in their AI journey.

The survey also outlined that 74% of Indian enterprises have established either a formal strategy or obtained C-suite sponsorship to initiate or scale-up their AI programs while 78% believed re-skilling of the existing talent will aid in maximizing value from their AI programs. As business leaders continue to recognise the role AI can play in providing competitive advantage and generating long-term value, the top three areas cited by the survey respondents, where AI is believed to add maximum value were; operational efficiency, customer experience and revenue growth.

Sharing her thoughts on the report launch, **Debjani Ghosh, President, NASSCOM**, said, *"As industry witnesses a rapid advancement in new technologies, Artificial Intelligence increasingly becoming an imperative for businesses across industries. Implementing AI will not only catalyze the innovation to stay competitive but also generate long-term value for enterprises. The NASSCOM - EY survey is ready reckoner that AI adoption is a critical competitive lever. It enables business leaders to infuse technology at speed."*

**Nitin Bhatt, Partner & Technology Sector Leader, EY India** said *"AI holds tremendous potential in helping companies innovate, enhance competitiveness and generate significant long-term value. AI adopters have already achieved remarkable success in transforming their business models, operational*

*processes and stakeholder experiences. As business leaders continue to push the frontiers of technology and the future success of AI will be driven only by our inspiration and imagination.”*

The survey reflected that enterprises across sectors are embracing artificial intelligence, albeit with varying levels of enthusiasm. Sectors such as BFSI and retail that are intensive in terms of recorded or digitized data were found to be leading in AI adoption with 36% and 25% respectively. However, other sectors like healthcare and agriculture also seem to be catching up, with many meaningful AI endeavors at different levels of implementation.

**Vijay Bhaskaran, Partner – Technology Consulting, EY** said *“AI has immense capability to unlock exponential value for businesses and navigate the complexities of the ever-evolving digital economy. However, enterprises too need to equip themselves with the right AI platform that can help them rapidly adopt and scale AI solutions, resulting in faster, smarter and future ready businesses. It is our constant endeavour to help organizations transform by automating intelligently with our unique propositions in artificial intelligence (AI) consulting.”*

While end-customer centric functions were most favoured by organizations in Retail and BFSI sectors, healthcare and agriculture cited operations to be the function with the highest potential for AI deployment.

While AI continues to demonstrate significant potential, the survey delves deeper into some of the significant challenges centered around technology, talent and trust pillars that have been restricting organizations from embracing it. Trust emerged as the cornerstone for enterprise-wide AI adoption with over 55% of business leaders stating that they trust AI to make strategic and operational decisions. However, explainability and bias were perceived as the core concerns that can result in an adverse business impact, among organizations where AI has been deployed. Similarly, data security, privacy, safety/security of people and equipment emerged as the top-of-mind concerns among organizations where AI has not been deployed.

Low digitization and legacy systems were among the major factors cited by 60% of the organizations that have not implemented AI. Whereas 55% believed that cultural impediments and low maturity of external ecosystem especially with respect to technology and service providers, restricted their ability to accelerate AI initiatives.



To summarize, the findings state that an overwhelming majority of CXOs acknowledge that benefits of AI are real and sustainable. As business leaders continue to push the frontiers of technology, organizations will be required to address challenges and build stakeholder trust to rapidly scale their AI programs in the immediate future.

**About NASSCOM**

The National Association of Software and Services Companies (NASSCOM®) is the premier trade body and chamber of commerce of the Tech industry in India and comprises over 2800-member companies including both Indian and multinational organisations that have a presence in India. Our membership spans across the entire spectrum of the industry from start-ups to multinationals and from products to services, Global Service Centers to Engineering firms. Guided by India’s vision to become a leading digital economy globally, NASSCOM focuses on accelerating the pace of transformation of the industry to emerge as the preferred enablers for global digital transformation. Our strategic imperatives are to reskill and upskill India’s IT workforce to ensure that talent is future-ready in terms of new-age skills, strengthen the innovation quotient across industry verticals, create new market opportunities - both international and domestic, drive policy advocacy to advance innovation and ease of doing business, and build the Industry narrative with focus on Talent, Trust and Innovation. And, in everything we do, we will continue to champion the need for diversity and equal opportunity.

NASSCOM has played a key role in not just the growth of the Industry to become a \$180+Billion industry today, but we have helped establish the Tech industry in India as one of the most trusted partners, globally. NASSCOM continues to make significant efforts in contributing towards India’s GDP, exports, employment, infrastructure development and global visibility. Our membership base constitutes over 95% of the industry revenues in India and employs over 4 million professionals, and as technology blends into every aspect of the economy, we expect the industry to become key driver of growth, development and inclusion for the country. Our mission is to make India a global hub for Innovation and Talent so when the world thinks Digital, the world will think India.

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