

THE TRUTH ABOUT TECH-DRIVEN INNOVATION

As CXOs eyeball emerging tech to spur innovation, experts say to ignore the buzz and identify areas ripe for transformation.

By Gregory Trueblood

With a slew of new AI tools coming to market, global CXOs are increasingly looking to harness the potential of AI, machine learning, and large language models to drive innovation throughout their organizations. However, as the old saying goes, “A tool is only as effective as the skillfulness of the hands that wield it.” Cliché as it may be, this sentiment perfectly underscores why leaders across the C-Suite should first understand how and where these emerging technologies can provide significant value across their enterprise, and likewise, where they cannot.

To better understand how CXOs can leverage AI and other emerging tech to spur innovation, IQ spoke with Daniel Garsin, partner at global consulting firm Elixirr, where he is a leading voice in the firm’s digital strategy and innovation practice.

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The Fast Lane to Insights

If leveraging emerging tech such as generative AI to find the fastest path to customer insights, CXOs should focus on quickly gathering and analyzing data to inform their decision-making.

Having spent the last 15 years counseling many of the world's most complex, dynamic organizations on how to leverage digital tools and technologies to achieve meaningful, customer-centric innovations that drive change, Mr. Garsin believes that rather than chasing the latest buzz, a targeted approach that focuses on identifying areas ripe for transformation is critical.

By mapping out the target customer and internal user experience and pinpointing opportunities for automation and

improvement, businesses can strategically apply technologies like AI and machine learning to maximize efficiency gains while minimizing disruption

Importantly, Mr. Garsin believes that while investing in technology is essential, it is equally important to empower employees with the skills and knowledge needed to leverage these technologies effectively and have them involved as much as possible in designing the target state to increase the chances of adoption. By embracing a

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mindset of continuous learning and innovation, organizations can unlock their full potential and drive lasting change within their industries.

IQ: In today's rapidly evolving landscape, what emerging technologies do you see as the most promising for driving innovation and transforming enterprise performance?

Mr. Garsin: When discussing emerging technologies, it is important to clarify what is meant by 'emerging.' The technology that has certainly created the most buzz and demonstrates the greatest potential is Artificial Intelligence (AI), particularly Generative AI, when applied correctly. AI has evolved rapidly over the past few years, transitioning from a longstanding concept into an enterprise-ready tool. Its ability to automate repetitive manual processes and increase productivity is profound and we are only starting to see the potential here – even in the consulting industry.

I found a recent study conducted by Harvard particularly enlightening. Their research revealed that consultants using AI were significantly more productive, completing 12.2% more tasks, performing them 25.1% faster, and delivering over 40% higher quality results. However, it also highlighted a critical limitation: an increase in errors when tasks fell outside the typical scope of AI. This indicates the substantial potential for operational efficiencies if AI is properly directed towards highly manual and repetitive tasks.

Nevertheless, innovation should always be more than just creating efficiencies. I'm particularly excited to see how the additional capacity generated by AI can be re-focused to help organizations identify and quickly bring to market new revenue-generating activities.

Beyond AI, particularly for insurance organizations, I am interested in the potential of other emerging technologies such as digital twins, predictive and preventative wellness technologies, and quantum computing. In addition, the use of diverse, unstructured data sources in real-time, such as geospatial technology, presents enormous opportunities. These technologies can transform enterprise performance by offering new insights quickly, ultimately driving innovation and improving operational efficiency.

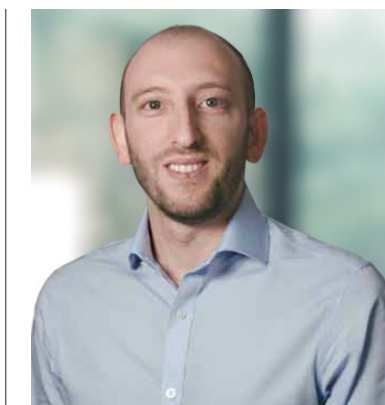
IQ: As a partner at Elixirr with a focus on innovation, what strategies have you observed to be most successful in fostering a culture of continuous innovation within organizations, particularly in traditionally risk-averse industries like insurance?

Mr. Garsin: I've had the privilege of spending considerable time in innovation hubs like Silicon Valley, learning from and observing some of the most forward-thinking companies and investors.

Initially, I expected to be most impressed by the groundbreaking technologies they were creating. While the technology is undoubtedly impressive, what struck me most was the culture of the best, most customer-centric organizations and how fundamentally different it is from traditional companies. This observation led me to consider how we could 'bottle' some of that innovative spirit and apply it to help large, established organizations to change their culture and innovate more to truly differentiate themselves in a crowded marketplace.

My work now focuses on helping organizations, especially insurers, to cultivate an innovation-led customer-centric mindset. This can be used to design new products, operating models, and business models. This involves helping organizations adopt the following eight principles:

- 1. Think big, start small, scale fast:** Begin with ambitious goals but start with manageable projects, scaling up quickly once initial successes are achieved.
- 2. Organize around an opportunity or problem statement:** Create agile, flexible structures within the organization, with cross-functional teams of experts that can operate with the speed and adaptability of a start-up.
- 3. Learn from the best experiences:** Draw inspiration from the best practices and experiences of leading innovators versus feeling like you need to design everything from scratch.
- 4. Tap into customer emotion:** Understand and leverage the emotional drivers of customer behavior to support the design of compelling products, processes and services.



**BIO: Daniel Garsin
Partner, Elixirr**

Daniel Garsin has more than 15 years of consulting experience and specializes in innovation, customer-centric design, organizational development, strategic change and target operating models, primarily focused on the insurance industry. He is passionate about helping organizations set up innovation programs, up-skilling teams in new ways of working and facilitating the development of new products through design thinking and rapid prototyping. In recent years, he has worked for clients in South Africa, the United States and Europe.

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—Dan Garsin
Partner, Elixirr

5. **Be unconstrained at first:** Encourage creative thinking without the limitations of traditional constraints.
6. **Test, learn, test again:** Embrace an iterative approach, continuously testing with real customers / end users and learning to refine ideas and strategies.
7. **Find the fastest path to insights:** Focus on quickly gathering and analyzing data to inform decision-making.
8. **Doing is the best kind of thinking:** Prioritize action and experimentation as a means of discovering what works best.

IQ: Given your experience working with clients globally, what common challenges do CXOs face when implementing emerging technologies, and what are the key factors that differentiate successful implementations from those that fall short?

Mr. Garsin: Based on my experience working with clients globally, I’ve observed several common challenges CXOs face when implementing emerging technologies. Successful implementations often come down to key strategies and principles that set them apart from those that fall short

One major lesson is to avoid presuming you know what end users or customers want. The less you tell them and the more you listen, the more valuable insights you will gather. Engaging customers and/or end users early in the process can significantly improve the outcomes.

Another crucial aspect is to quickly turn ideas into tangible results. Don’t be overly concerned about not having thought through everything; instead, worry about not having done enough to refine and test your ideas. Starting with a broad, unconstrained approach allows you to explore all possibilities before narrowing your focus to the most promising areas.

It’s important not to try to do everything at once. Instead, focus on the most significant ‘moments of drama’—critical areas where

you can learn the most and make the biggest impact. Co-creation with end customers or users is also vital, ensuring that your solutions truly meet their needs. Perfection can be the enemy of progress and striving for perfection can delay implementation and stifle innovation. Instead, prioritize making steady progress and learning from each iteration. Extensive testing is essential—test, test, and test some more to identify and resolve issues early.

Additionally, it’s critical to engage senior stakeholders early and often. Their involvement and support are crucial for overcoming resistance and ensuring alignment with broader organizational goals. Regular updates and engagement help maintain momentum and commitment. Remember, you don’t have to do everything yourselves. Leverage external expertise, partnerships, and collaborations to complement your internal capabilities. This can provide fresh perspectives and additional resources to drive innovation forward.

The main challenge is gaining buy-in and adoption of new technologies, especially in large organizations where implementation can be expensive, time-consuming, and complex. Successful implementations typically follow a clear process:

- **Engage end users early:** Involve them in designing the target state vision to ensure the solution addresses their needs and increases their confidence in the project.
- **Assess and communicate value:** Clearly summarize the expected ROI to engage business sponsors and stakeholders effectively.
- **Develop and execute a clear implementation plan:** Keep stakeholders engaged with regular updates and address issues promptly.
- **Prioritize change management:** Engage champions throughout the organization to provide feedback, participate in training, and spearhead the rollout, thereby increasing the chances of successful adoption.



IQ: What principles are critical to ensure CXOs can navigate the complexities of technological adoption while simultaneously driving meaningful innovation within their enterprises?

Mr. Garsin: In so much as it relates to investing in emerging technologies, it’s essential for CXOs to ensure that their investments translate into tangible business value and competitive advantage rather than merely following the latest trend.

While new technology often sparks conversations about innovation, it’s crucial not to get sidetracked by applying technology without a clear understanding of the underlying problem it aims to solve.

The first step is to identify the specific business challenges you’re looking to address—whether it’s driving revenue growth, enhancing efficiency to reduce costs, or improving data quality as an input to either of the above. Once you’ve pinpointed the opportunity areas, you can then focus on defining the use cases that

will help solve them. Only after understanding these use cases should you consider how and which emerging technologies could be leveraged to execute them.

Taking the time to explore the potential applications of emerging tech and conducting thorough due diligence on vendors are crucial too. Assess how well each vendor aligns with your business needs, objectives and culture before committing to any partnerships or investments. Without this careful evaluation, your investment runs the risk of falling flat and failing to deliver the expected returns.

Moreover, it’s imperative to start with a clear vision of what you aim to achieve and then develop a strategic plan to realize that vision. By starting with the “why” rather than the “how,” you can ensure that your investment in emerging tech is purposeful and aligned with your overall business objectives. This approach sets the foundation for successful implementation and maximizes the potential for tangible business value and competitive advantage.

Gaze on the Future

In order to catalyze any tech-driven innovation, enterprises must have the ability to tap into customer’s emotion, says Elixirr partner Daniel Garsin. By understanding and leveraging the emotional drivers of customer behavior, leaders can better support the design of compelling products, processes and services.



Innovation Never Sleeps

CXOs can navigate the complexities of tech adoption—while driving meaningful innovation—by identifying specific business challenges that need to be addressed. Whether it’s lackluster revenue growth, stagnate efficiency, or skyrocketing costs, focus on improving the data quality behind these metrics to better identify areas in need of innovation.

IQ: Can you share some examples of innovative solutions or approaches Elixirr has helped develop for clients using AI, machine learning, or other emerging technologies, and the impact they’ve had on their organizations’ performance?

Mr. Garsin: Absolutely. First, we partnered with a global insurer facing challenges with manual underwriting tasks, leading to inefficiencies in productivity. After implementing a GenAI solution tailored to streamline the processes involved with obtaining various data sources, there was a staggering 92% reduction in the time required to complete key underwriting tasks, slashing it from 2 hours to just 10 minutes. Moreover, after only a few weeks of training the solution, the accuracy score surged to an impressive 97%.

In another engagement with one of the world’s largest global asset managers, we utilized AI technology to revolutionize their

ESG shareholder voting and investee company rating processes. An end-to-end solution delivered exceptional efficiency gains, with over 90% improvement across all essential criteria. Notably, there was also 95% reduction in the time spent on manual processes, coupled with a 91% accuracy rate achieved after just two rounds of training.

Additionally, we recently collaborated with a top-tier US telecom provider to enhance their sales team’s efficiency in prospect research. By leveraging generative AI-driven prospecting, the client was able to minimize lead generation time significantly, allowing for a more targeted approach to sales efforts. The results were impressive, with a 93% reduction in lead prospecting time. This enabled account executives to enhance their pipeline of qualified leads, allocating more time to active communication and sales activities, ultimately driving revenue growth and fostering a high-performance culture.

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IQ: As organizations strive to become more customer-centric, how can CXOs leverage emerging tech to gain deeper insights into customer behavior and preferences, leading to more personalized and impactful customer experiences?

Mr. Garsin: That’s a great question, especially for enterprises focused on driving a culture of continuous innovation to create world-class customer experiences.

Organizations can benefit immensely from adopting an outward-looking perspective, constantly seeking insights from external sources. One effective strategy is to encourage regular interaction with customers, grounding teams in what truly matters and where efforts should be directed. This can take various forms, from spending time on the ‘shop floor’ to conducting interviews, focus groups, or testing new ideas directly with customers.

Moreover, engaging with the venture capital and startup ecosystem can be invaluable. They offer fresh perspectives, pioneering technologies that can accelerate transformation for clients if partnered correctly, and a fearless approach to problem-solving, often challenging traditional ways of working and inspiring innovative thinking.

Recognizing and incentivizing innovation is equally crucial. Cultivating a culture where ideas are freely shared and celebrated fosters a fertile ground for it to flourish.

IQ: How important is it for CXOs to not only invest in technology but also focus on upskilling their teams and fostering a mindset of experimentation and learning to fully realize the potential of emerging tech within their organizations?

Mr. Garsin: For CXOs, investing in technology is undoubtedly crucial, but equally important is fostering a culture of experimentation and continuous learning within their organizations. The primary objective should be to instill a mindset where teams are constantly seeking innovative ways to deliver value to customers and/or employees.

To achieve this goal, investing in upskilling and empowering teams is paramount. It’s more cost-effective to invest in the development of existing talent than to constantly recruit new employees, especially given the increasing demand for technology-literate skills. By

equipping teams with the necessary skills and knowledge, organizations can fully harness their potential.

While technology plays a significant role as an enabler, it’s essential not to overlook the human element in driving successful implementation and adoption.

IQ: With the rapid pace of technological advancement, how do you recommend CXOs stay informed and adaptable to leverage the latest innovations effectively and stay ahead of the curve in their respective industries?

Mr. Garsin: Staying informed and adaptable in today’s rapidly evolving technological landscape is imperative for CXOs looking to drive innovation within their companies. While it’s crucial to keep abreast of the latest innovations, it’s equally important to strategically assess how these advancements can be applied to one’s own business context.

Whilst CXOs can stay informed by actively participating in conferences, staying updated on trend reports etc., the real challenge lies in translating this knowledge into actionable strategies tailored to address their organization’s unique challenges.

I often try to assist clients—particularly those in the C-Suite—in navigating this challenge through immersive experiences designed to blend fresh external perspectives with a deep understanding of their specific needs. Our immersion sessions curate interactions with startups and investors, tailored to address the precise challenges our clients are facing. By bringing leadership teams together in dedicated sessions away from their daily routines, we provide a conducive environment for reflection on how to effectively apply the latest technologies.

One notable example of success is with one of our major clients, who has ingrained the practice of annual immersions with their future leaders into their organizational culture. This ongoing commitment to staying ahead of the curve ensures that they remain adaptable and proactive in leveraging the latest innovations to drive meaningful change within their industry. **IQ**

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