The AI Era: What Does Top Management Need to Prepare For?



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Transform or Face Disruption

Executive Exchange on the Future of Corporate Software Production & AI











Let's be honest: we see and experience the AI revolution, but ...

- It just has started (!)
- It is utterly unpredictable, which is also true for its impact on (top) management
- It is a HHUB-journey, but really challenging



How can we <u>also</u> look at AI <u>today</u> in order to derive (top) management tasks?

- "Supportive AI", e.g. ChatBots of all kinds => office automation
 - daily, individual use as integral part of office software
- "Invisible (agentic) AI", i.e. Al-agents => process automation
 - \Box define process(es)/task(s) => build, maintain and supervise agents
- "Human-like AI (robots)" => AI as an equal partner in work teams
 - on par with humans; combination of robotics and AGI; general use

OVERLAPPING CATEGORIES, will change over time

Al-enabled rapid prototyping of Al systems



FORBES > INNOVATION > AI

Software Ate The World, Now AI Is Eating Software

By Martijn van Attekum, Jie Mei and Tarry Singh

forbes.com, Aug. 29th, 2019

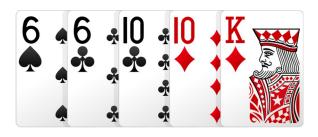
Visionary hypothesis by Matt Welsh in 2023



"Vibe coding": you *describe* in natural language what you want, Al builds it

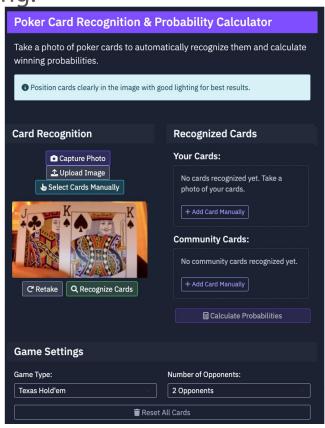
- replit.com
- Cursor
- Bolt
- Windsurf
- OpenAI's Codex-1
- Google's Gemini Code Assist
- ...

replit.com's Agent programmer



Prompt: "Please create an app that can recognize Texas Hold'em poker cards from a pic the user takes and that calculates the probability of winning."

- => LLM understands Texas Hold'em poker rules
- => comes up, within 1-2 minutes, with
 - a perfectly adequate UI
 - a sophisticated Monte Carlo simulation



Al-assisted coding implications

- Capability to build (AI) software prototypes really fast
- BUT many large companies often can't leverage it due to internal processes
 - These processes mitigate real risks, such as data leaks, brand damage,
 regulatory issues, revenue loss
- In contrast, startups without revenue, customers, or brand reputation face fewer constraints

Resolving the large-company conundrum

- Create a sandbox environment for teams to experiment safely
- **Define sandboxes primarily through clear, written policies**, not necessarily software tools, for example:
 - Limit testing to employees or NDA-bound alpha testers
 - restrict access to sensitive information or let only anonymized, synthetic, or publicly available data be used
 - Experiments must conclude or show measurable progress within a defined timeframe
 - Define clear conditions for scaling or terminating the experiment
 - Strict guidelines on how experiments are communicated internally and externally

Cultivating an Al-fit company culture

- Encourage learning, building, and experimentation
- Celebrate quick, low-cost failures as essential steps toward innovation
- Rapidly create and discard many prototypes to identify high-value ideas

Get started by getting started—a procedural management model

- 1. Solid AI crash course for decision-makers (C-level)
- 2. Harness Al-enabled rapid prototyping of Al systems to rapidly create and discard many prototypes
- 3. Identify high-value ideas and fully implement them
- 4. Derivation of insights with strategic value for the corporate context
- 5. Development of an action-oriented AI strategy around the central challenge: "Procedural model for AI-based automation of business processes"

Conclusion: "Digital & Al-age managers" need the ability ...

from traditional "digitalization 1.0"



to Al-based "digitalization 2.0"

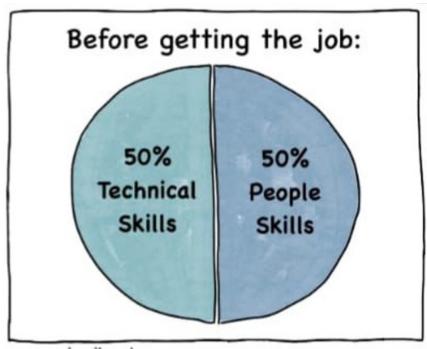


- to identify relevant digital network effects plus AI effects!
- to assess how these act as digital levers plus AI levers!
- to establish an open culture of experimentation
- to develop new/adapted business processes or even business models based on these (potential) levers

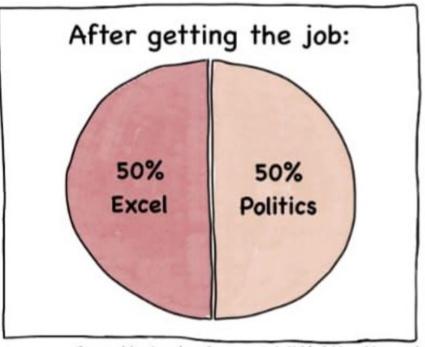
What might be THE top management invariant, even in the Al age?

Comic Agilé

What Engineering Managers think their skillset should be:



www.comicagile.net



Created by Luxshan Ratnaravi & Mikkel Noe-Nygaard



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