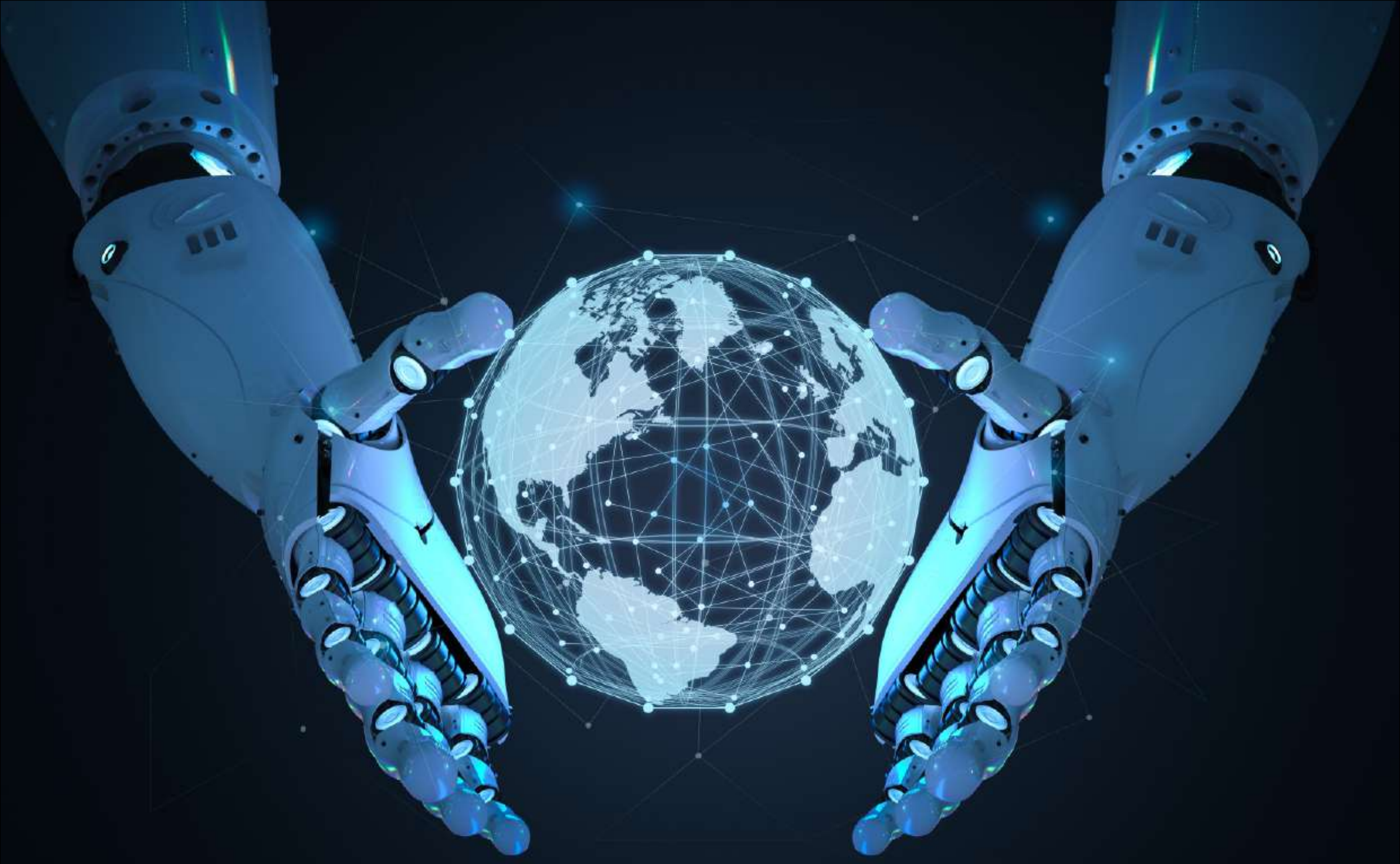


HOW AI IS REDRAWING THE MAP OF GLOBAL

C O M P E T I T I V E N E S S

WRITTEN BY: FUMBI CHIMA

HOW AI IS REDRAWING THE MAP OF GLOBAL COMPETITIVENESS

Countries have ranked their global competitiveness in a predictable manner, with significant metrics being their access to capital, natural resources, or their strong labor force; elements that provided both assurance and stability. I now question if such beliefs hold true.

While artificial intelligence is changing the rules for international business, it is doing so in a not-so-obvious way - the focus is less on who has the most data centers, and more on who knows how to utilize them effectively. I have seen organizations, after investing a vast amount of their own money in developing global-level infrastructures, reach their limits due to a company culture that could not adopt the changes to it. Smaller organizations, without the same level of resources, are frequently able to accelerate progress at an equal or, frequently, faster rate due to their lack of restrictions to legacy methods of thinking about their operations.

Therefore, the landscape is being changed by the AI technologies we are developing; however, it is not happening, nor will it happen equally amongst all players.

There is a changing dynamic from focusing on scale, to focusing on capabilities. While scale is still an important differentiation for a company, it appears that the capabilities to put AI into practice will ultimately become an even more critical factor in overall market performance.

An organization for instance, was working toward a product model for their business that was customer-driven; however, the model would need to consider the different perspectives of when intelligence becomes built into each level of that organization as a means to create a differential customer experience. While that question does not have an easy answer as of today, the organizations that are answering that question are leveraging the applications of talent to create an ecosystem for incremental success, instead of only considering the tools they use.

Talent is where you will begin to see the power of the changes discussed above. As we develop our understanding of AI, we are witnessing how geographic limitations have almost completely dissipated at an accelerated pace. Today, a machine learning engineer who is located in Lagos, Nigeria, can contribute to the development of a product designed in London and sold in Seattle; no longer are these hypothetical examples.

The disparity and inequities of opportunity for accessing talent worldwide will still exist in a major fashion, and continue to create friction through connectivity, education, and public policy.

Further, there will be added complexities and barriers due to the need to look at AI through a lens of judgment; understanding not only how to put talent and skills to use but when to not perform automation. This understanding will be difficult to develop and, ultimately, create more competitive organizations.

Historically, governance was seen as something that took place in the shadows of organizations, and while it served the purposes of an organization, was not a strategic focus of management. In today's climate, governance can no longer exist outside of being a strategic component of an organization.

Governance is always going to create questions regarding AI that Boards of Directors cannot devolve down to administration. Examples of such may include: What are questions of bias, accountability, and transparency? Since AI will affect people in a tangible way, governance is no longer something Boards can consider abstractly.

Through my experiences on organizational Boards, I have come to the realization that a significant degree of tension exists between Directors wanting to move as quickly as possible, while acknowledging the risk associated with operating in the unknown. To me, that's what creates healthy tension, forcing the discipline to the pure innovation process we wish to accomplish.

That said, not every organization is ready for the governance challenges that AI creates. There will be some organizations that treat AI governance as a checklist. Organizations with this approach are likely to fail moving forward.

The assumption is that organizations are attempting to catch up in the race for market share associated with the development of AI technologies. I am not convinced that is valid.

In fact, in some instances, organizations are leapfrogging beyond traditional methods; organizations can build more effective applications for AI because they are either starting new with no legacy systems, or they are able to build natively with the consideration of AI. I have been a witness to the same relative success for fintech companies in Africa that their comparative competitors do not yield for the same level of companies elsewhere.

Though there will be barriers associated with infrastructure and regulatory requirements as well as limited access to funding, to ignore the degree of innovation being experienced by organizations in emerging markets would be erroneous as well.

SO, WHERE DOES THIS LEAVE US?

As I stated before, the answer is still in flux, and it is unclear what the answer will be. We all recognize that AI will affect all countries and all businesses in the world; however, the implication of how this will affect businesses and/or countries will not be straightforward.

When determining who will win in this new competitive landscape, there will not be any correlation to size or speed. The organizations that will have the greatest likelihood of being successful will be those who can learn continuously and/or who can adapt to developing innovation and/or create an environment where employees' assumptions are questioned.

The aforementioned aspects of being successful within this new competitive landscape may be the greatest challenge to ongoing success.

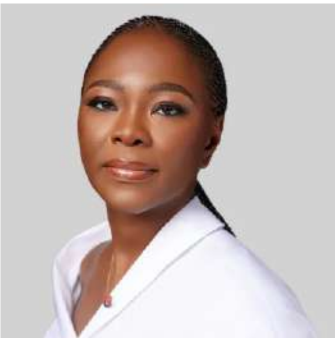
About the Author

Dr. Fumbi Chima is a global technology executive who has led digital and operational transformation initiatives at industry-leading brands including adidas, Burberry, Walmart, Boeing Credit Union, and Fox Networks. Her experience spans P&L ownership, M&A, operations, and enterprise technology leadership across retail, CPG, digital, and financial services.

She is widely recognized as an AI thought leader with a strong reputation for aligning innovation with business goals to deliver sustainable value and competitive advantage. At adidas AG, she spearheaded large-scaleinfrastructure and process transformations, achieving cost savings, accelerating speed to market, and enabling cross-market scalability.

Known for bridging the gap between technology and business, she fosters high-performance cultures rooted in innovation, accountability, and transparency. Her leadership has consistently increased employee engagement and organizational impact.

Throughout her career, she has championed innovative solutions in data strategy, digital marketing, and cybersecurity, always with a relentless focus on driving growth and enhancing customer experience.



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