

Why most AI projects fail

Around 85% of AI projects fail. The main reasons include a lack of specialists and data. The use of a modular no-code platform helps to solve the problem. Such a self-service application closes the gap between AI and industry experts.

The use of artificial intelligence (AI) is increasing

The 2019 [McKinsey Global Survey](#) shows that the use of AI in standard business processes increased by nearly 25 percent year-over-year. Further, the number of companies using AI in multiple business areas increased significantly.

The majority of executives whose companies are already using artificial intelligence (AI) said the technology brought an increase in revenue to their respective business units, and 44 percent saw a reduction in costs.

According to the latest McKinsey study, AI remains among the top trends in 2021. And as technology matures, artificial intelligence continues to promise significant potential for breakthrough innovation. This applies to all business areas, from production to customer applications.

Where are the challenges?

According to the McKinsey survey, 41 percent of companies benefited significantly from AI and another 37 percent with a moderate value. So where are the problems?

First, the level of digitization is a major contributor to AI success. The most digitized companies report higher AI use in more business areas than their competitors. Further, they invested more in AI and derived greater overall value from its use.

Respondents most frequently cited the lack of a clear AI strategy as a problem, followed by a lack of suitable talent. They also criticized the fact that too few executives were committed to artificial intelligence. In contrast, the lack of skilled workers crystallized as the main problem in digitized companies.

This problem is also evidenced by a study conducted by [International Data Corporation \(IDC\)](#). The leading provider of market information for the information technology, telecommunications and consumer technology markets determined that 80 percent of companies currently lack specialists for the realization of AI projects.

This shortage is exacerbated by the fact that there is additionally a great need for individual AI solutions. Every company and every data situation must be treated differently. The shortage of AI talent coupled with the increased effort required for custom solutions poses a significant problem for the industry.

How to solve the staff shortage?

The use of AI is based on data. Artificial intelligence is only as good as the data trained and the test data applied to verify the results. Integrating AI into day-to-day business is multi-faceted and costly, from implementation to data customization to algorithm selection and training. And this is where the problem is, because the IT specialists required for this are lacking, as the studies show.

Companies are leaving no stone unturned to get AI talent, according to the McKinsey study. In doing so, they are hiring external talent, building capabilities internally, and buying or licensing capabilities from large technology companies. Even leaders in telecommunications, high-tech and financial services report a mix of internal and external sourcing. The focus is on acquiring their own AI professionals through retraining or advanced training.

According to the IDC study, in 37 percent of companies, the business departments drive the planning of AI projects, and in another 35 percent, the business departments and the IT department share the tasks. In the remaining companies, the responsibility lies solely with IT. IDC considers the merger of business departments and IT to be the most promising. If IT goes it alone, there is a risk that business aspects will have too little influence and that the result will often not meet the requirements.

So what could be more logical than transforming engineers, technicians or specialist staff into Citizen Data Scientists instead of hiring Data Scientists?

Citizen Data Scientist (CDS) versus Data Scientist (DS)

The term Citizen Data Scientist was defined by the market research institute Gartner in 2016. This is a professional who combines entrepreneurial expertise with knowledge in the field of data science without being able to program themselves.

Citizen Data Scientists do their work with existing AI tools. They bridge the gap between the field of Data Analytics and the requirements of the business domain. They do not replace the classic Data Scientist, they complement him.

What tools are available to companies to empower professionals to become Citizen Data Scientists?

No-code platform in the implementation of AI projects

According to San Francisco-based [VentureBeat\(VB\)](#), more than 85 percent of companies fail with their AI projects. To avoid this, the leading media authority on artificial intelligence and machine learning recommends starting with a small, solvable project that delivers demonstrable progress. No-code platforms provide such a low-threshold approach.

With a no-code platform like innoSEP's, artificial intelligence becomes easily accessible. In a nutshell, this democratization of AI means making it usable for everyone. This entry initially brings manageable progress, but at the same time provides valuable insights for more extensive tasks. InnoSEP's no-code platform works on the modular principle - individual solutions can be created from it. innoSEP is convinced that in the future Citizen Data Scientists will develop their own solutions from the platform building blocks.

Conclusion

One solution to the problem of implementing AI projects is to democratize AI and empower professionals to become Citizen Data Scientists. Using the innoSEP No-Code platform in conjunction with Citizen Data Scientists enables each company's growing project situation to be addressed despite a lack of AI talent. This approach further increases the acceptance on the part of the specialist department and at the same time accelerates the development process - without failing.