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October 2024

# Cognizant CMT Product & Engineering Officer Forum

Five CMT product and engineering officers met virtually to share leading practices and discuss topics of mutual interest based on an agenda created through advance interviews. The discussion centered on generative AI's (gen AI's) disruptive impact on organizational roles and productivity as well as the challenges in measuring AI's impact.

## Gen AI is rapidly reshaping engineering organizations

### Key takeaways

> "I don't think designers or product people or engineers are going away anytime soon, but I think the ones that don't keep up, obviously, are at risk. So that's something I'm trying to get my team to think through."

- The roles of engineering and product management leaders are evolving due to the introduction of gen AI. There is now a growing expectation for organizational leaders to operate cross-functionally, integrating various teams to drive innovation and productivity. Product managers and teams are also being encouraged to upskill and become more familiar with gen AI tools to stay relevant. It was, however, noted that fundamental product management and design skills, such as understanding customer needs, defining use cases, and strategic thinking, remain critical and cannot be replaced by artificial intelligence.

- Several executives emphasized the importance of encouraging teams to get hands-on experience with gen AI to better understand its capabilities and potential use cases. They are also offering learning opportunities, such as courses and resources, to help employees get up to speed with gen AI advancements.

## Gen AI's disruptive impact on roles and productivity

### Key takeaways

"My team developed a product that means we will not be hiring about 200 designers. Those designers are not going to work because we've built a tool that will do what they did. And that is just a fact."

- The proliferation of gen AI tools has raised concerns about the future of budgets, productivity gains, and the potential threat to traditional coding and design roles. Gen AI tools are gradually changing the landscape of hiring, especially for entry-level roles like programmers and designers. There's a concern that many of these jobs may be affected by gen AI-driven automation in the coming years, though this impact hasn't fully materialized yet. One executive highlighted the disruptive potential of gen AI in design roles by describing the tool that their team developed to replace about 200 designers.

- Participants discussed the role of large language models (LLMs) in improving product functionalities, such as code completion, with a particular emphasis on helping inexperienced programmers. However, while these AI tools are helpful, their impact is more incremental for experienced professionals. The real benefit lies in easing tasks for beginners.

- There is an increasing demand among engineers for gen AI tools, such as Copilot, which are increasingly seen as critical for employee engagement and retention. Organizations that fail to **offer robust AI support may face a heightened risk of losing their engineers** to competitors that provide the necessary resources.

## Strategic considerations for gen AI's future

### Key takeaways

"The direct implementation of AI, in a lot of areas, doesn't give a direct outcome. Like, "We implemented AI, here is a direct outcome of it." We've established two new KPIs. One of them is the time to decision and time to action. And they're a little bit vague, but it actually gives us a pretty good understanding of implementing any type of AI feature in different groups."

- Despite promising use cases and some successes in implementations, organizations face challenges in measuring the impact of AI. The difficulty lies in quantifying the actual productivity improvements. Metrics like lines of code or story points aren't always effective, and executives struggle to provide concrete benchmarks for AI's contribution.

- An executive observed that establishing clear success metrics for AI implementations poses a significant challenge, especially when the immediate benefits are not clear. For example, the introduction of gen AI features has already mitigated organizational friction and created new opportunities for discussion among sales and marketing teams, but these benefits are difficult to quantify.

- While gen AI's short-term results may not be clear, organizations are optimistic about long-term returns. Several firms are experimenting with smaller KPIs like "time to decision" and "time to action" to show gen AI's value. They see AI as a long-term strategic investment, with the promise of holistic improvements in decision-making and operational efficiency.

- There are ongoing questions from organizational leaders about whether the gen AI enhancements have truly led to revenue growth. Although direct returns are not fully visible yet, there are positive indications. Companies are still figuring out how to define success metrics for AI-driven products.

- Although many gen AI products don't yet have clear connections to revenue growth, there's been notable growth in adjacent areas, particularly the data business. Companies have recognized that proper data management is essential for AI success. This has led to increased investments in data infrastructure, which in turn boosts AI performance.

- The popularization of AI tools has led to significant shifts in data focus. Initially, software companies were focused on structured data. However, the advent of gen AI, which can summarize and work with unstructured data, has prompted a pivot toward incorporating unstructured data into their product roadmaps.

- Despite initial hesitations, successful small-scale gen AI implementations have led to increased willingness to invest in gen AI for future projects. The expectation is that AI will eventually drive broad organizational improvements, with budgets expanding to support ongoing research and development.

- While gen AI is exciting and offers many possibilities, there's a risk of people becoming overly eager to implement it without fully understanding its best use case. The members advised careful consideration, ensuring the technology is leveraged to support meaningful improvements rather than being adopted simply because it is a trendy, new solution.

Cognizant CMT Product and Engineering Officer Forum Host: Badhrinath (Badhri) Krishnamoorthy leads one of the Global Strategic Business Unit for CMT industries at Cognizant. A passionate leader, Badhri partners with client executives achieve their transformation goals by leveraging Customer Experience, AI & Data, and Digital & Technology solutions. He's a strong industry advocate, fostering connections through forums and sharing valuable insights with the community. He can be reached at Badhrinath.Krishnamoorthy@Cognizant.com.

The Cognizant CMT Product and Engineering Officer Forum: The forum is comprised of Chief Product & Engineering leaders from leading Communications, Media, and Technology companies. The group gets together on a quarterly basis to share best practices, exchange insights, learn from one another, and navigate these unprecedented times. Members decide the exchange agendas; interactions focus on the questions and interests of the members.

Profitable ideas exchange (PIE): PIE brings together communities of Fortune 500 executives from across the globe to connect, collaborate and learn from one another. PIE stands out for its ability to bring diverse voices to the table and facilitate ongoing high-value conversations. Two key components of PIE's practice are pre-interviewing participants to build relevant agendas, and a time-efficient format (virtual as well as in-person) to allow for executives to convene despite time and geographic constraints.

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**World Headquarters**

300 Frank W. Burr Blvd.
Suite 36, 6th Floor
Teaneck, NJ 07666 USA
Phone: +1 201 801 0233
Fax: +1 201 801 0243
Toll Free: +1 888 937 3277

**European Headquarters**

280 Bishopsgate
London
EC2M 4RB
England
Tel:  +44 (01) 020 7297 7600

**India Operations Headquarters**

5/535, Okkiam Thoraipakkam,
Old Mahabalipuram Road,
Chennai 600 096
Tel: 1-800-208-6999
Fax: +91 (01) 44 4209 6060

**APAC Headquarters**

1 Fusionopolis Link,
Level 5 NEXUS@One-North,
North Tower, Singapore 138542
Phone: +65 6812 4000

WF 3046955