Lessons from the EDGE

On May 9, 1974, a music critic attended a concert in Cambridge, Massachusetts, by a little-known guitarist and wrote afterward, "I saw rock and roll future and its name is Bruce Springsteen." Fifty years later to the day, across the river in Boston, several BCG teams, 20 tech partners, and 15 startups showed clients the future—the future of a world reshaped by AI.

We took over the Boston Convention Center for BCG's EDGE event, an interactive forum where tech and AI innovations came to life, not as ideas or early proofs of concept, but real-life examples of end-to-end solutions to the big, knotty business challenges that leaders face every day.

In more than 70 booths, BCGers and our tech partners—from the largest global ones to a set of exceptionally innovative startups—demonstrated the business impact being generated in critical areas: customer engagement, operations, people and organization, technology, strategy, and sustainability. AI and GenAI were the threads that connected them all.

As I walked around EDGE, which stands for Explore, Discover, Grow, and Experience, four lessons emerged:

1. The speed of GenAI advancement—and the innovation it enables—is astonishing. We put on a similar exhibition a year ago. In that time, we have moved from toying with chatbots to reshaping business functions and from isolated GenAI pilots to end-to-end implementations delivering material impact.

- 2. **AI requires new organizational muscles.** So many of the success stories on display at the booths required reshaping workflows, changing operating models, and building new skills and new expertise. To make that happen, you need to have the right people in the room: tech experts, front-line employees, senior functional leaders, and ecosystem partners.
- 3. **Don't forget the silent stakeholder: your customers.** While reshaping workflows is critical, bringing to market new customer experiences, products, and services is just as valuable.
- 4. **As an executive, you cannot be intimidated by the technology.** Too often we hear that executives are unsure how to press technologists on business questions because they currently lack technical expertise. You need to get your hands on the technology to understand it. Slide decks, text of any sort, or even videos are not substitutes for real-world experimentation.

The purpose of EDGE was not to speculate on the distant future but to see and feel the potential for transformations of functions or entire companies today. At a booth on R&D, a BCG team demonstrated how AI can help chemists design new molecules and shorten time to market for new drugs by speeding up clinical trials, which can cost hundreds of millions of dollars and take years to complete, by up to 25%.

Like Bruce Springsteen in 1974, we are at the beginning of what AI can accomplish. The most successful companies will combine the magic of AI with the judgment and perspective of humans. EDGE foreshadowed a future of great promise.

Until next time,

Christoph Schweizer

Mitoof

Chief Executive Officer

PS: Just last week, Forrester Research <u>named BCG a leader in AI</u> with unparalleled strength in AI design, development talent, AI governance, and GenAI in operations. I was especially pleased to see Forrester recognize us for "linking AI solutions to financial measures such as earnings before interest and taxes . . . [so that clients] can drive higher AI outcomes and create a self-funding model for subsequent AI phases."

Further Reading



BCG Recognized as a Leader in Al Services by Independent Research Firm

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