

A Little About Ryan



Ryan Kelly

Managing Partner

WSI Smart Marketing

- 20 Years in Marketing
- Published Author
- Nationally Known Speaker and Strategist
- 12 Time International and National Award Winner
- 1 of 4 Winner of the Nick Lattanzio Lifetime Achievement Award in the WSI network.



A Little About My Background



Joshua Banks *Sales Division Director* *WSI Smart Marketing*

- Eagle Scout
- Sonoma County Native
- SSU Alumni
- 5 Years with WSI
- Spearheads WSI's Expansion in Southern California





Navigating the Future of AI

Who is WSI?



World's Largest Digital Marketing Agency Network



OVER
\$150M
advertising
budget managed
**in the last 5 years*

OVER
200K
SEO campaigns
managed

OVER
500K
websites and landing
pages created



Who is WSI?

- Local, Santa Rosa Agency Founded in **2007**
 - Expanded to LA in 2023
- **1,000+** Global Agents in 80+ Countries
- **5th** Largest in the world and **3rd** largest in the US



WHAT WSI DOES

We build digital strategies capable of delivering remarkable results



- ✓ Website Production & Management
- ✓ Digital Lead Generation (SEO & PPC)
- ✓ Social Media Management & Marketing
- ✓ Conversion Tracking & Consulting

4 Reasons Why you should care

AI is not going anywhere

It's already augmenting life as we know it

It's the wild west

It's only going to get bigger



Today's Agenda



1. Understanding AI
2. California & AI
3. Economic Impacts: Present & Future
4. Future Projections
5. AI in the Public Sector
6. Ethical Considerations



Understanding AI

Artificial intelligence is the Science of making machines smart.

History & Evolution – Tangible Milestones



1997

The Deep Blue Victory

AI surpassed human skill in chess, altering public perception of AI.



2004

DARPA's Grand Challenge

Significantly accelerated autonomous vehicle technology & AI's real-time decision making.



2011

Watson Wins Jeopardy

Showcases AI's advanced cognitive abilities, surpassing human players.



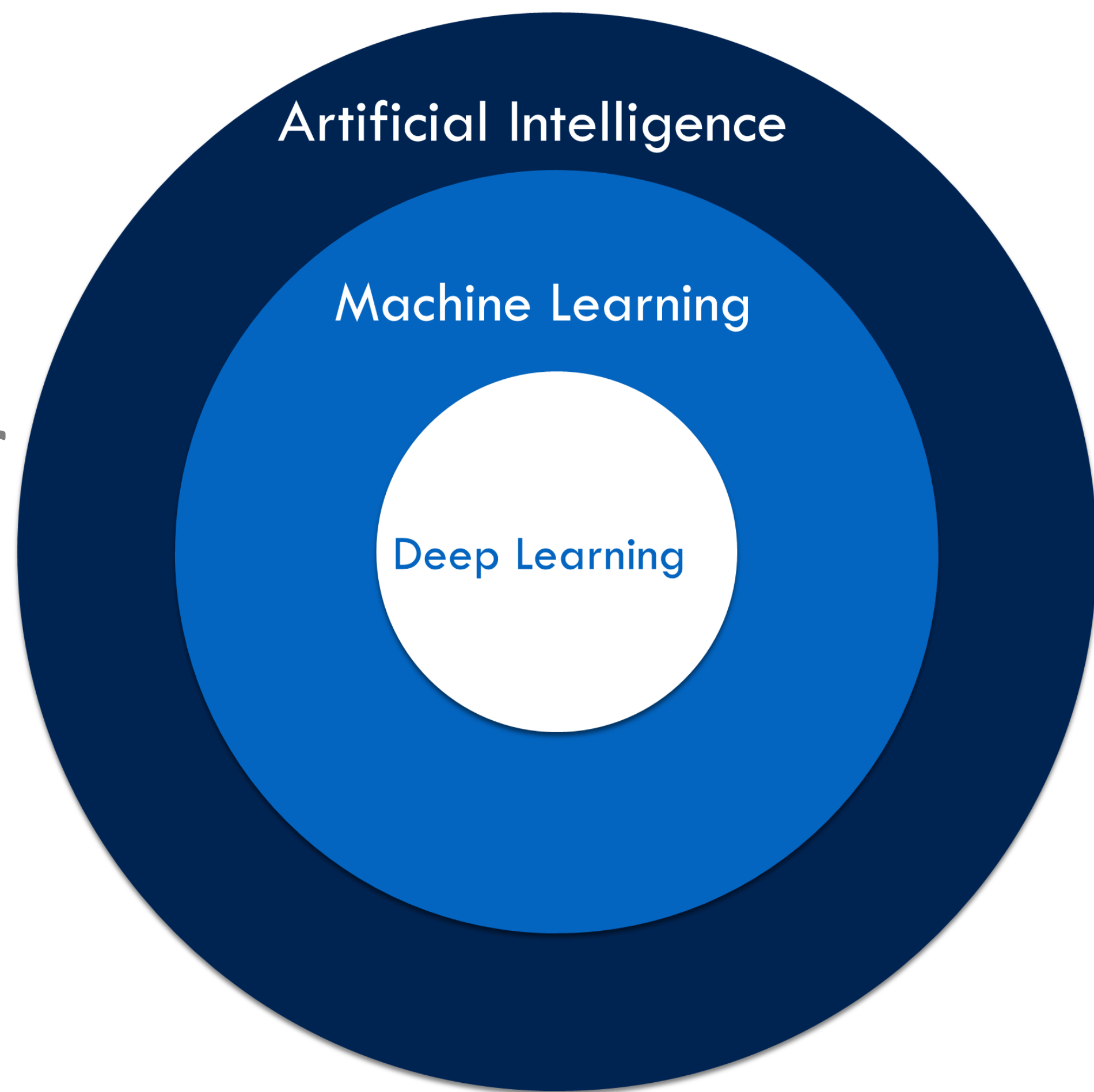
2022

Release of ChatGPT-3

Put AI in the hands of the average person in a meaningful way.

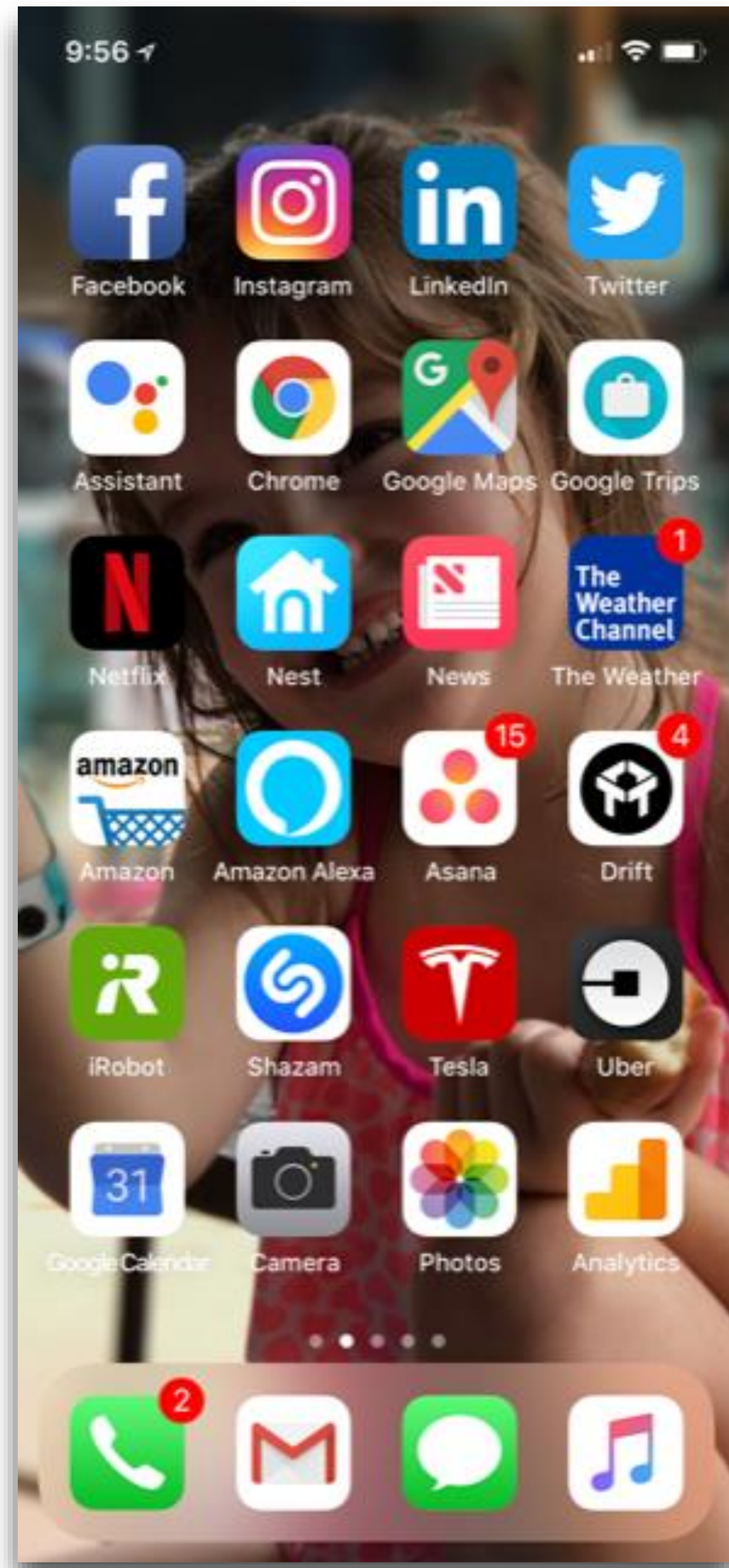
How AI Works

- Machine learning trains itself and improves over time
- Large data sets and computing power
- Identifies patterns and makes predictions
 - Ex: Tumor Diagnosis from X-Rays
 - AI: 85%/18 min,
 - Human: 64%/50 min



Machine learning is the primary subset of AI.

You Use AI Every Day, Whether You Know it or Not!



- YouTube suggests videos.
- Gmail finishes your sentences.
- Alexa & Siri answer your questions.
- Amazon predicts your next purchases.
- Netflix recommends shows and movies.
- Google Maps routes you to your destination.
- Apple unlocks the iPhone by scanning your face.
- Tesla Autopilot steers, accelerates, and brakes your car.

Examples of AI Tools



- **Text:** ChatGPT, Bard, Jasper.AI
- **Images:** Dall-E 3, Midjourney
- **Video:** Meta, RunwayML, Synthesia
- **Speech Synthesis:** Eleven Labs
- **Coding:** Microsoft Copilot, AlphaCode
- **Music:** Google (MusicLM)



ChatGPT

**Eleven
Labs**




synthesia



“It is not the strongest of the species that survive, nor the most intelligent, but the one most responsive to change.”

- Charles Darwin



California: A Pioneer in AI

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A glimpse into the landscape of AI in CA

AI Companies in California



- **35 of the World's Top 50 AI Companies**
- **25% of All AI Patents, Conference Papers, & Companies Globally**

Major AI Research Centers in California



- Interdisciplinary & Cutting-Edge Research
- Collaborative Environment with Industry & Academia
- Education & Community Engagement

Major AI Research Centers in California



- Historic Influence
- Focus on Diverse AI Areas
- Innovative Collaboration with Education & Industry

Major AI Research Centers in California



- Continued Expansion in AI Research: National Institute on Artificial Intelligence in Education
- Officially Launched: Dec 14, 2023
- Pioneers Ethical AI in Education



SACRAMENTO STATE

Major AI-Human Advocates in California



**Center for
Human-Compatible
Artificial
Intelligence**



AI in the Public Sector

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How it impacts the public sector

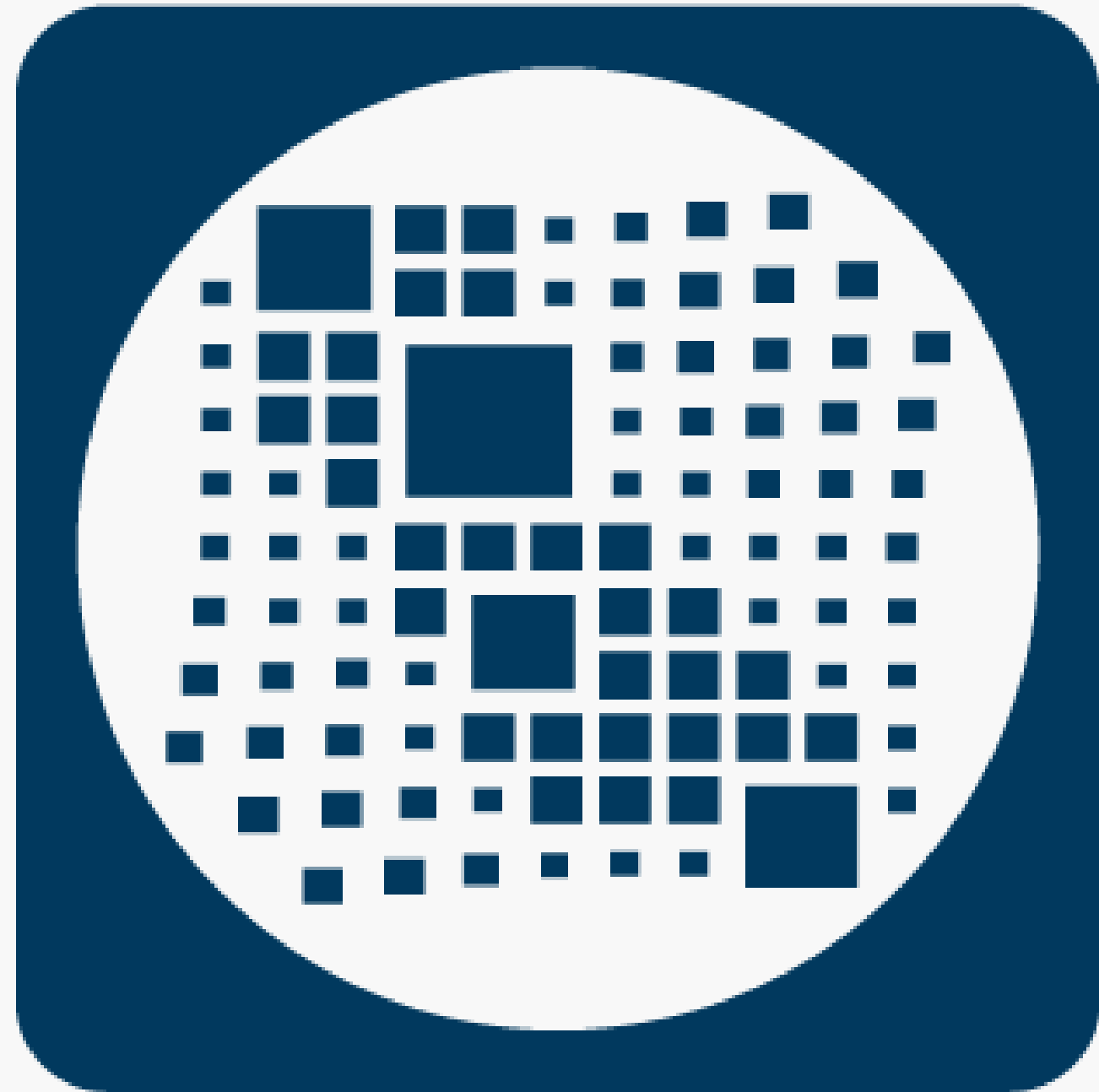
The Little Hoover Commission



- Independent State Oversight Agency
 - **Key focus:** Investigate state government operations and policy to promote efficiency, economy, and improved service.
- Calls for immediate action on:
 - Public engagement
 - Human infrastructure
 - Pressing social needs including:
 - Protecting core values—autonomy, responsibility, privacy, transparency and accountability.



California Department of Technology



- Hosts the Artificial Intelligence Community (AIC)
 - “Brings CA experts together to shape the future of ethical, transparent, & trustworthy AI”
- Resources, Courses, & Talks on AI

California Governor's Office of Business & Economic Development



- Recently invested \$150 million in cutting edge companies via CalCompetes
 - Artificial Intelligence (AI)
 - Augmented Reality (AR)
 - EV/Planes
 - Semiconductors



California Governor's Office of Business & Economic Development



- September 6th Executive Order
 - “Bring CA to the forefront of AI planning”
- Deadline
 - Jan 2024: Issue General Guidelines for Public Sector procurement, usage, trainings on GenAI.

California State Senate



- Blueprint Laid Forth by White House in Oct '22
- Formally Introduced to CA Senate Jan 3 '24 by Sen. Bill Dodd, D-Napa.
 - California AI Accountability Act (SB-896)
- Create Roadmap & Regulations for use of Emerging Technology

Economic Impact of AI

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How it impacts the economy



How AI Impacts Small Businesses



- Manage Routine Tasks
- Improve Efficiency
- Knowledge Scaling



How AI Impacts Medium Businesses



- Market Research & Analysis
- Sales & Revenue Budgeting
- Supply Chain Management

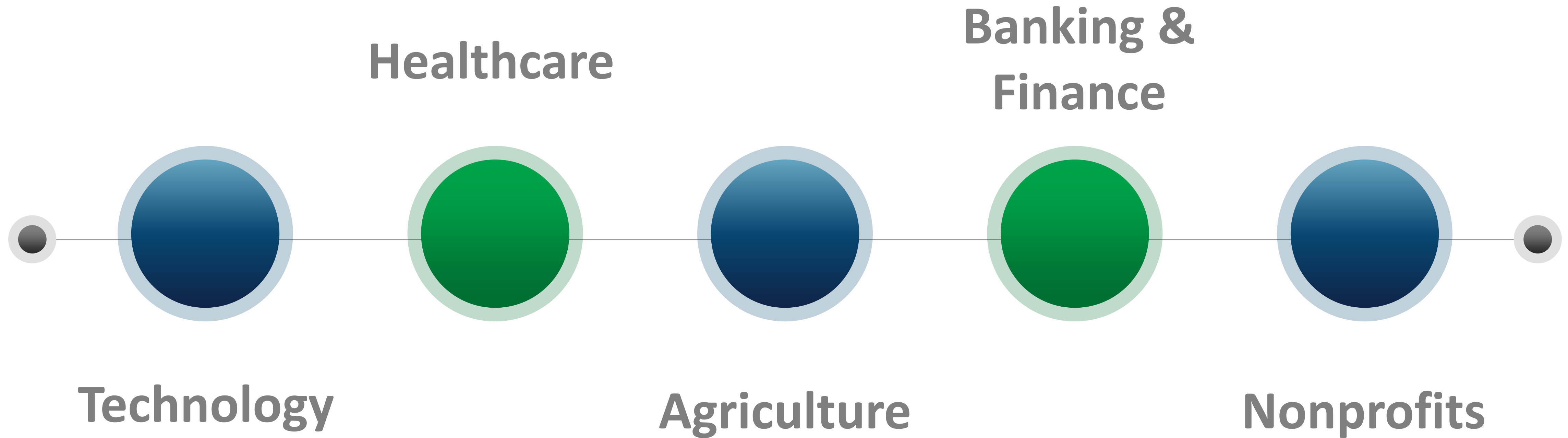


How AI Impacts Large Businesses



- Market Simulation
- Data Enrichment & Augmentation
- Inventory Management

Analyzing 5 Key Sectors in Sonoma County



Stats by Sector - Technology



Have AI Initiatives
and Find Added
Value



Report Their
Organizations Are
Prepared for AI
Adoption with Skill
Sets



State AI Makes
Their Company
Run More
Efficiently

Impact by Sector

Technology



How AI Will Impact Technology

Automation of
Routine Tasks

Enhanced User
Experience

Data Analytics
& Decision
Making

Product &
Service
Innovation

Stats by Sector - Healthcare



Have a Governing
AI Ethics Policy



Confidence in AI-
Assisted Vaccine
Development



Confidence in
Patient-Centered
AI Offerings

Impact by Sector

Healthcare



How AI Will
Impact Healthcare

Diagnosis

Precision
Medicine

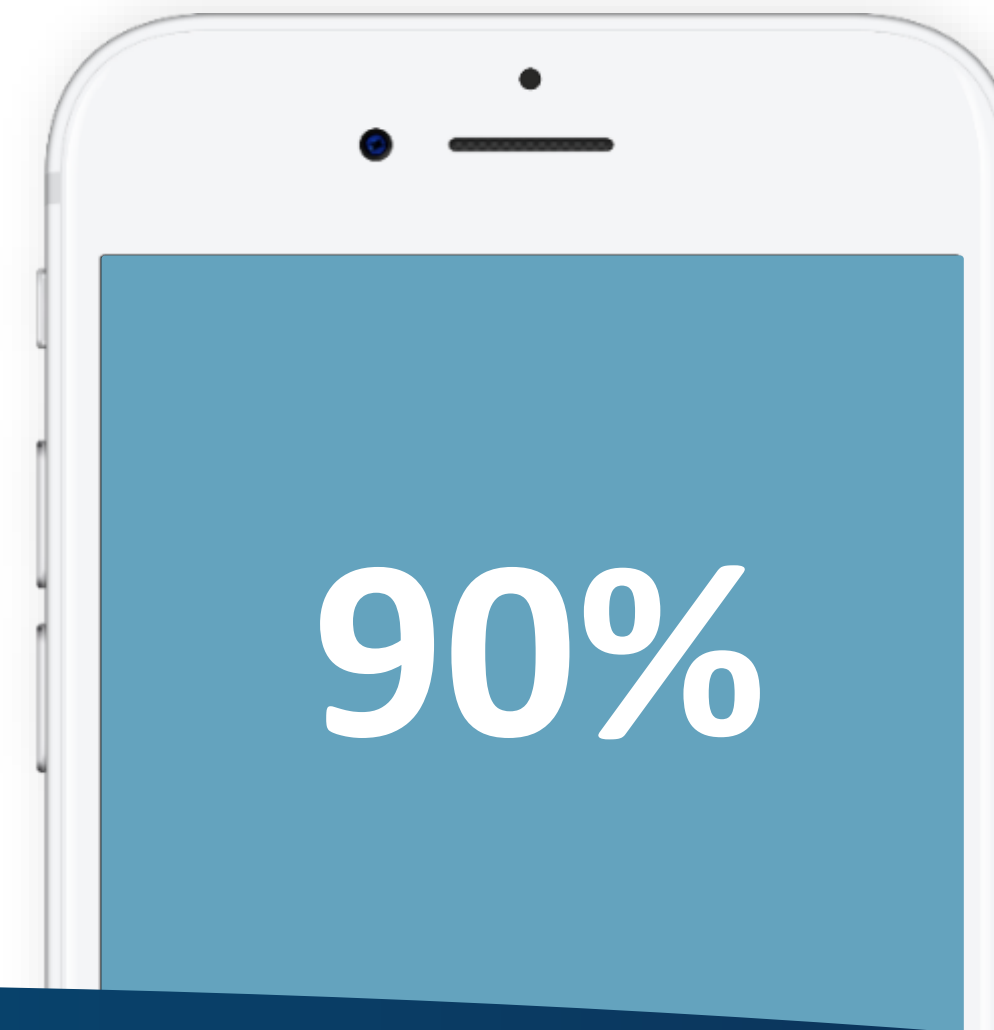
Virtual
Assistants

Disease
Detection

Stats by Sector - Agriculture



**AI-Powered Water
Waste Reduction**



**Reduction in
Herbicide Usage**

Impact by Sector

Agriculture



How AI Will
Impact Agriculture

Increased Yield
& Decreased
Loss

Sustainable
Agriculture

Workforce
Transformation

Technology Gap

Stats by Sector - Banking



Desire
Government
Involvement in AI
Regulation



Confident in AI's
Ability to Detect
Fraud



Say AI Adoption is
Moving at the
Right Speed



Say AI Adoption is
Moving Too Fast

Impact by Sector

Banking



How AI Will
Impact Banking

Enhanced Risk
Management

Personalized
Banking

Operational
Efficiency

Regulation

Stats by Sector - Nonprofit



Believe an Ethical Framework Needs to be Defined



Believe AI Innovation Aligns with Their Beliefs



Believe AI Will Make Their Lives Easier

Impact by Sector

Nonprofits



How AI Will
Impact Nonprofits

Data-Driven
Decision
Making

Improved
Donor
Engagement

Operational
Efficiency

Enhanced
Impact Analysis

AI in the Job Market

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Impact on Existing & Future Jobs

Job Postings, Transitions, & Growth Trends



- By 2030, AI could:
 - Have an economic impact in California of **more than \$400 billion**
 - Have an employment impact on between **1 to 11 million** California jobs.
- Between 2019-22, the US Labor market saw a **50% increase** in occupation shifts, 8.6 million



Estimated shifts to another occupation, by category, 2019–22

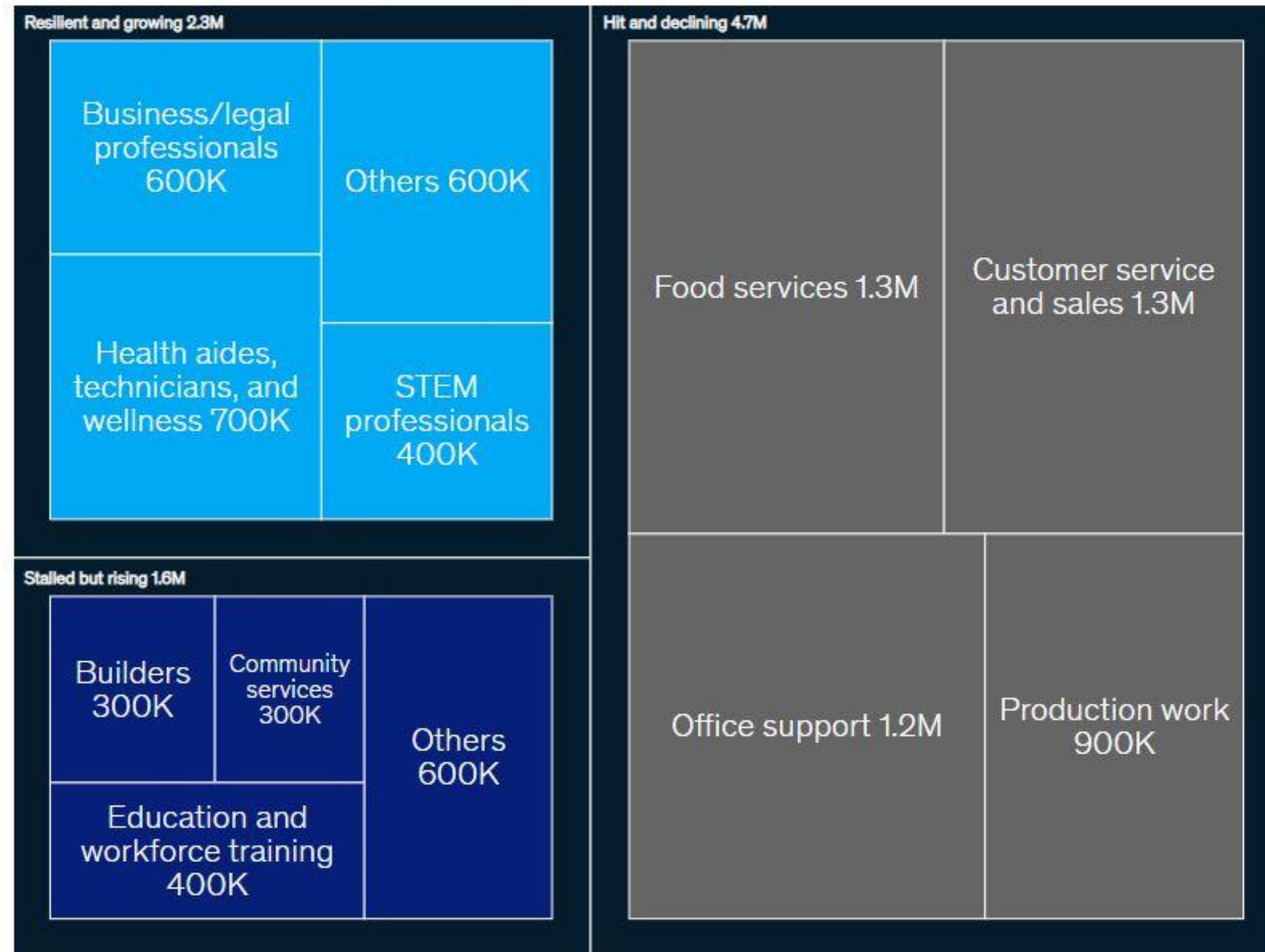
Trends across occupational categories

All categories

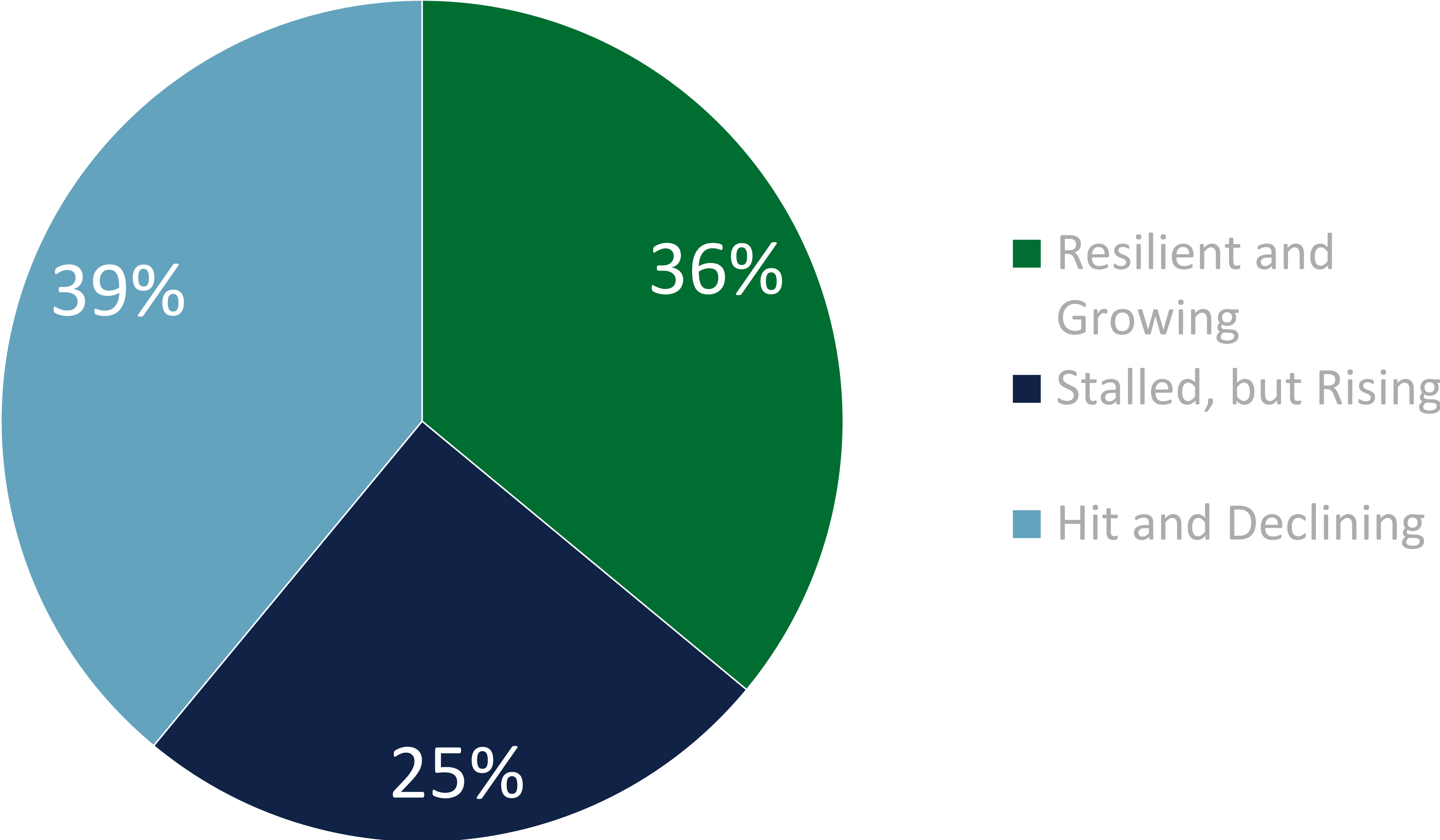
Resilient and growing

Stalled but rising

Hit and declining



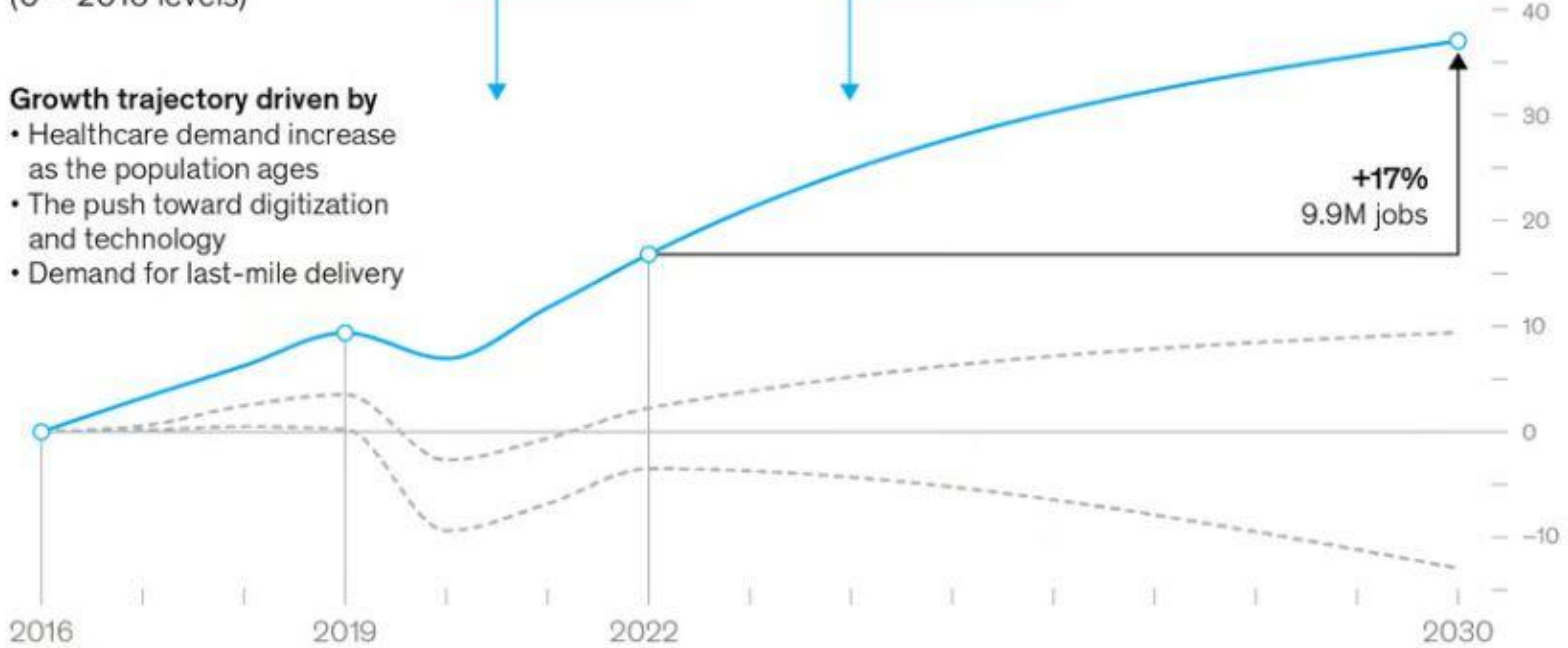
Percent of Americans in Grouped Occupations



US job growth, index
(0 = 2016 levels)

■ Resilient and growing occupations

- Growth trajectory driven by**
- Healthcare demand increase as the population ages
 - The push toward digitization and technology
 - Demand for last-mile delivery

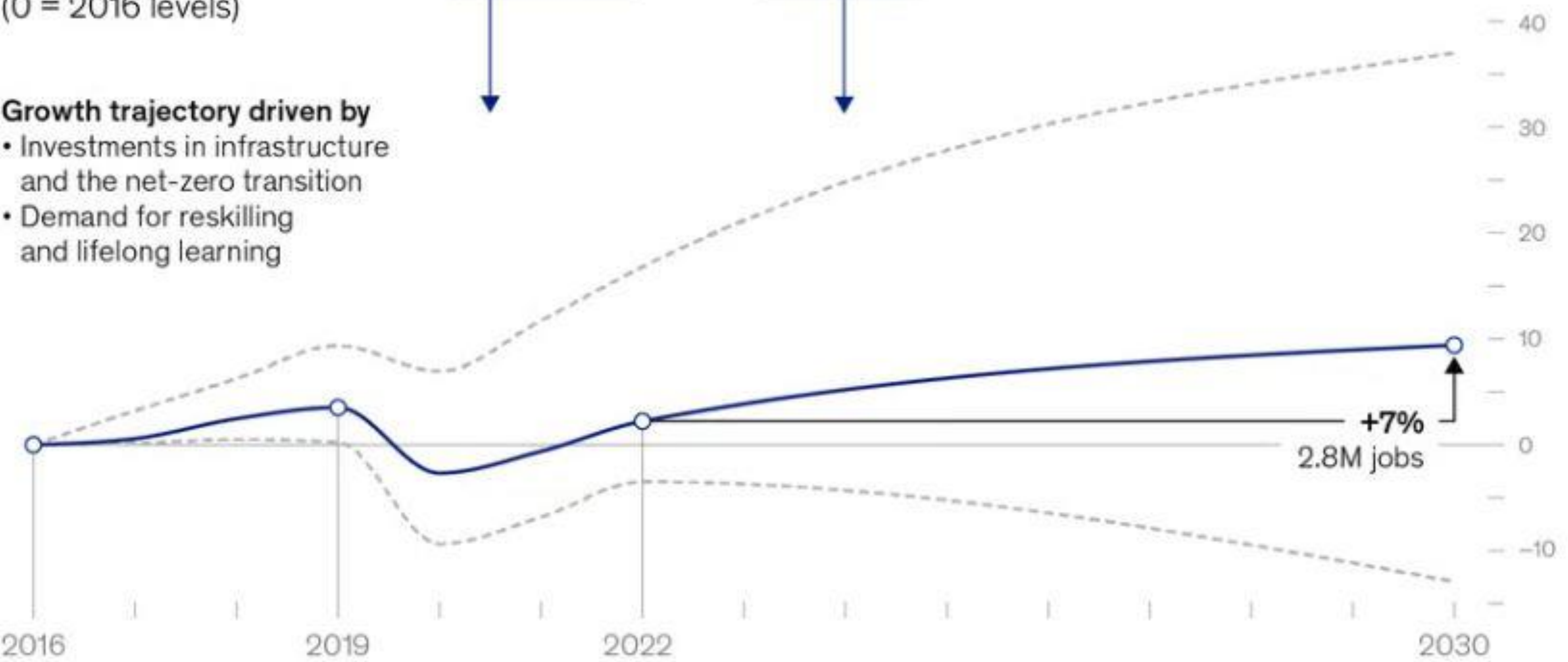


US job growth, index
(0 = 2016 levels)

■ Stalled but rising occupations

Growth trajectory driven by

- Investments in infrastructure and the net-zero transition
- Demand for reskilling and lifelong learning

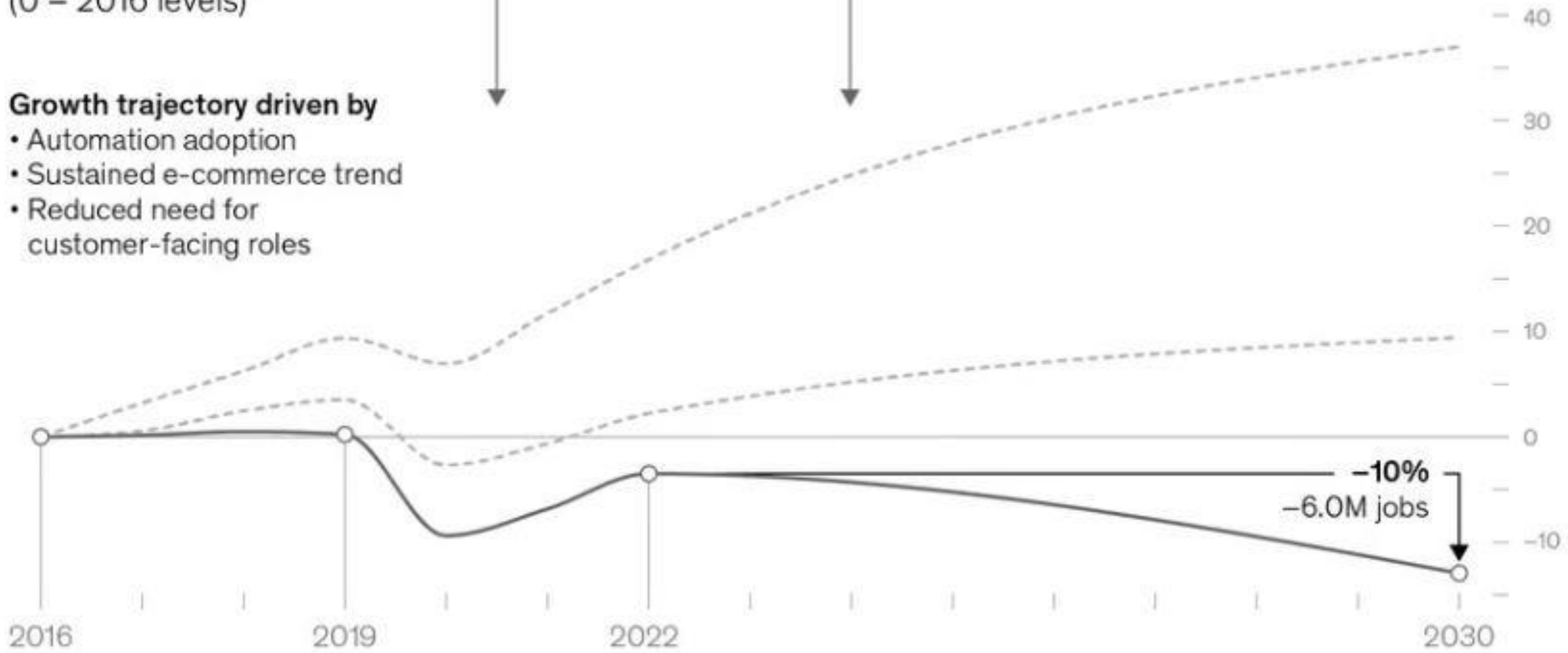


US job growth,
index
(0 = 2016 levels)

■ Hit and declining occupations

Growth trajectory driven by

- Automation adoption
- Sustained e-commerce trend
- Reduced need for customer-facing roles



Emerging AI Job Roles & Skill Requirements



How AI Impacts Jobs Negatively



Reskilling Costs

Workforce Reduction

Skill Irrelevance

Ethical Concerns

How AI Impacts Jobs Positively



Job Creation

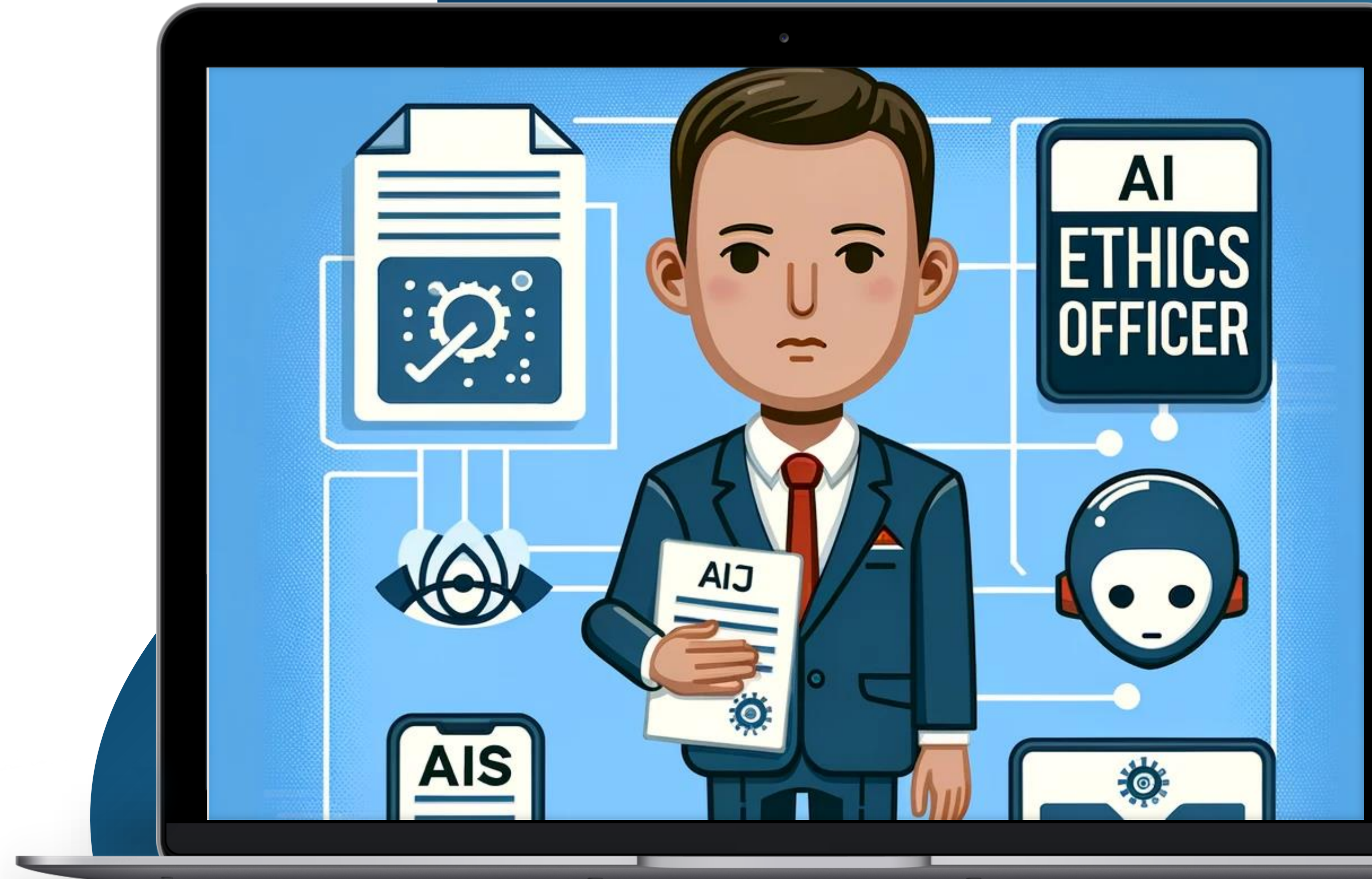
Efficiency

Economic Growth

Knowledge
Scaling

AI in the Job Market

- **AI Ethics Officer:** Ensures AI technologies are developed and used ethically and responsibly.



AI in the Job Market

- **AI Data Scientist:**
Specializes in analyzing and interpreting complex datasets using AI.



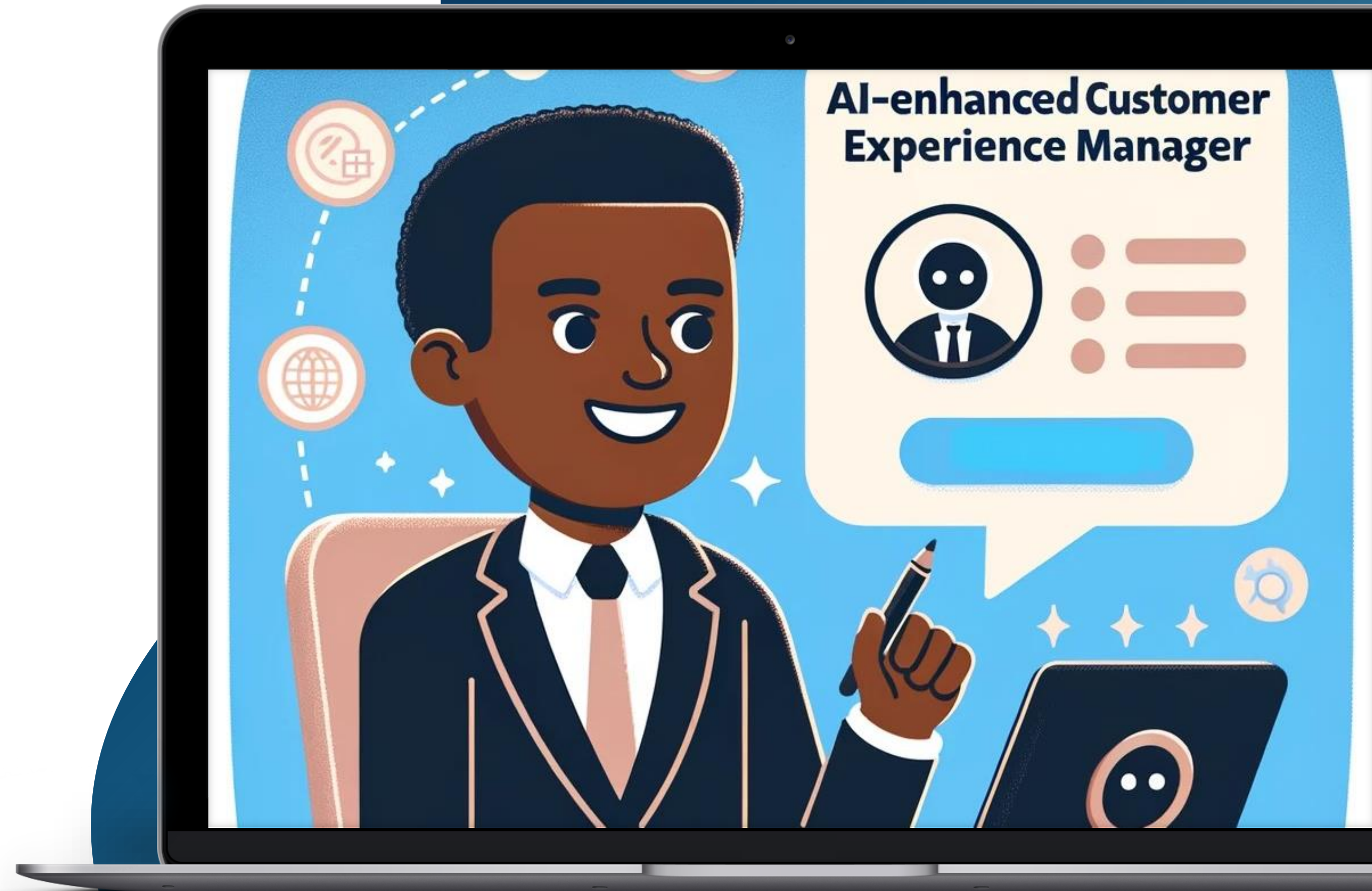
AI in the Job Market

- **AI Solutions Architect:**
Designs and implements
AI solutions within
organizations.



AI in the Job Market

- **AI-enhanced Customer Experience Manager:** Utilizes AI to improve customer interactions and experiences.



AI in the Job Market

- **AI Healthcare Specialist:** Applies AI in healthcare settings for diagnostics, treatment planning, and patient care.



AI in the Job Market

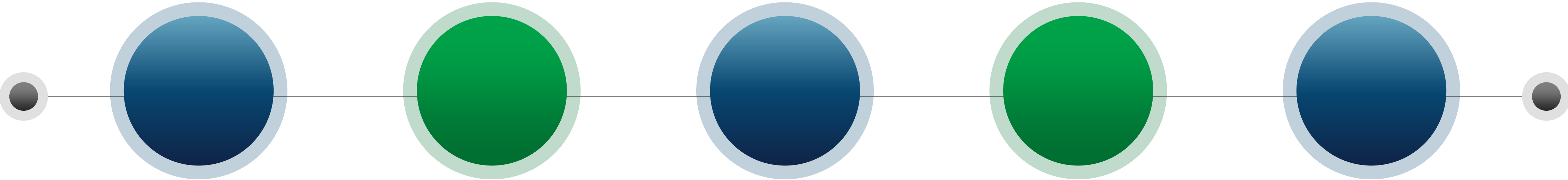
RESKILLING & UPSKILLING

AI in the Job Market



Every Organizational
Leader Is Responsible

Employees Want to
Reskill



Reskilling is Mission
Critical

Requires Change
Management

It's All Hands on
Deck

Future Projections on Impact and Influence

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What the Future Holds

AI Predictions

Generative AI will redefine the work of leaders as much as employees

- **Be human-led and tech-powered.**
- **Unleash your talent.**
- **Lean on AI natives.**

AI Predictions

The moment of truth for trust in AI is coming

- **Don't repeat old mistakes.**
- **Don't start from scratch.**
- **Bring in the big guns.**

AI Predictions

Generative AI will transform transformation

- **Make everyone a transformation lead.**
- **Outsource and offshore less.**
- **Cover all the bases.**

Ethical Considerations

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AI Requires Good Stewardship

Generative AI is a threat to consumer privacy and intellectual property.

Courtroom battles for generative AI

- Coders vs. GitHub, Microsoft, OpenAI
- Artists vs. Stability AI, Midjourney, DeviantArt
- Getty Images vs. Stability AI
- Authors vs. OpenAI
- Sarah Silverman vs. Meta and OpenAI

Two in three organizations tell employees to not use consumer AI tools (like ChatGPT) for work.



Trust is all about who controls the data.

Summarization

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3 Things to Start Doing Now



What Can You Do Now?



1. Seek to Understand
2. Begin Experimenting Now
3. Invest in Your Team



Time for Q & As

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