

*Wealth Management*

# ARTIFICIAL INTELLIGENCE

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AURA SOLUTION COMPANY LIMITED



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## **Artificial Intelligence: Coming Through the Cloud**

In an era where technology is advancing at a breathtaking pace, artificial intelligence (AI) stands at the forefront, revolutionizing industries across the globe. Among the most significant drivers of AI's transformative power is the cloud. By providing the infrastructure, scalability, and accessibility needed to deploy AI solutions effectively, the cloud is making AI more accessible and impactful than ever before.

### **The Cloud as an AI Enabler**

The cloud serves as the backbone of modern AI applications. It offers unparalleled computing power, storage capabilities, and data processing efficiency, allowing organizations to harness the full potential of AI without the need for significant upfront investment in hardware and infrastructure.

#### **1. Scalability and Flexibility:**

- Cloud platforms provide the scalability required to handle large datasets and complex AI models. Businesses can scale their AI operations up or down based on demand, ensuring cost-effectiveness and optimal resource utilization.
- The flexibility of the cloud enables organizations to experiment with different AI models and algorithms, fostering innovation and rapid development cycles.

#### **2. Data Accessibility and Integration:**

- The cloud facilitates seamless data integration from various sources, allowing AI systems to analyze and derive insights from comprehensive datasets.
- Enhanced data accessibility ensures that AI models are trained on diverse and representative data, improving their accuracy and reliability.

### 3. **Cost Efficiency:**

- By leveraging cloud-based AI services, organizations can reduce the need for costly on-premises infrastructure. Pay-as-you-go pricing models enable businesses to manage their budgets effectively while accessing cutting-edge AI capabilities.
- The cloud's cost efficiency democratizes AI, making advanced technologies accessible to small and medium-sized enterprises (SMEs) that might otherwise lack the resources to invest in AI development.

## **Transformative Applications of Cloud-Based AI**

The synergy between AI and the cloud is driving innovation across various sectors, delivering tangible benefits and reshaping industries.

### 1. **Healthcare:**

- Cloud-based AI is revolutionizing healthcare by enabling advanced diagnostics, personalized treatment plans, and predictive analytics. AI models can analyze vast amounts of medical data to identify patterns and provide insights that improve patient outcomes.
- Telemedicine platforms leverage cloud AI to offer remote consultations, expanding access to healthcare services and reducing the burden on healthcare facilities.

### 2. **Finance:**

- In the financial sector, cloud AI enhances fraud detection, risk assessment, and customer service. AI-driven algorithms analyze transaction patterns to detect fraudulent activities in real-time, safeguarding financial institutions and their customers.
- Automated customer service chatbots powered by AI provide efficient and personalized support, improving the customer experience and operational efficiency.

### 3. **Retail:**

- Retailers are harnessing cloud-based AI to optimize inventory management, personalize marketing strategies, and enhance customer experiences. AI models analyze consumer behavior and preferences to recommend products and tailor marketing campaigns.
- Predictive analytics powered by AI help retailers anticipate demand fluctuations and optimize supply chain operations, reducing costs and improving service levels.

## **The Future of AI in the Cloud**

As AI continues to evolve, the cloud will play an increasingly vital role in its development and deployment. The convergence of AI and the cloud promises to drive further innovation, enabling new applications and unlocking unprecedented possibilities.

### 1. **Edge AI:**

- The integration of AI with edge computing is poised to revolutionize industries by bringing AI capabilities closer to the source of data generation. This reduces latency and enables real-time decision-making, critical for applications such as autonomous vehicles and industrial automation.

### 2. **AI-as-a-Service:**

- The growing popularity of AI-as-a-Service (AIaaS) platforms is making AI more accessible to businesses of all sizes. These platforms offer pre-built AI models and tools, enabling organizations to integrate AI into their operations without requiring extensive expertise.

### 3. **Ethical AI:**

- The cloud provides a robust framework for developing and implementing ethical AI practices. Enhanced transparency, accountability, and governance mechanisms ensure that AI systems are developed and deployed responsibly, mitigating biases and ensuring fairness.

## **Conclusion**

Artificial intelligence, coming through the cloud, is transforming industries and reshaping the way we live and work. By providing the necessary infrastructure, scalability, and accessibility, the cloud is making AI more powerful and pervasive. As AI and the cloud continue to evolve, their synergy will drive innovation, unlock new possibilities, and create a future where intelligent solutions are within reach for all. Aura Solution Company Limited is committed to staying at the forefront of this technological revolution, helping businesses harness the full potential of cloud-based AI to achieve their goals and drive success in the digital age.

**Artificial intelligence (AI) has transitioned from a distant science fiction concept to a central focus of investor interest in recent months, fueled by rising venture capital investments and extensive media coverage of AI breakthroughs. Despite the hype, we caution against overexcitement. We believe that major AI applications are still in their infancy regarding mass adoption, as supported by Gartner's 'hype cycle' for emerging technologies, which places AI at the 'peak of inflated expectations' phase.**

However, real-world AI use cases have been modest, ranging from enhancing online searches and product recommendations to fraud detection and facial recognition. The distinction between conventional and AI-powered software is increasingly blurred, and this trend will continue. Advances in AI technology are becoming vital for mastering the Big Data challenge, giving companies a competitive edge. In this context, we believe AI is undervalued in the long term. The rapid progress in AI integration into products and services, especially via the cloud, cannot be overlooked.

## **The Scope and Evolution of AI**

AI aims to mimic human intelligence by processing data, drawing conclusions, and autonomously acting on information. While the concepts of AI and machine learning are decades old, only recently have massive datasets and enhanced computing capabilities allowed AI to realize its full potential. Currently, AI covers a 'narrow' range of intelligence, excelling in specific domains such as playing games (chess, Go, poker), medical imaging, and cybersecurity. The next research frontier is 'general' AI, capable of performing a wide range of tasks and solving unfamiliar problems without specific training. However, achieving 'general' AI remains a distant goal.

## **The Role of Deep Learning in AI Advancement**

Significant strides in machine learning and deep learning have been catalysts for the recent advances in 'narrow' AI. Breakthroughs in image and speech recognition achieved human parity levels in 2015 and 2016, respectively. Three key factors have driven these advancements over the past decade:

1. **Data Abundance:** The proliferation of data from connected devices, smartphones, videos, and social networks enhances the effectiveness of machine learning. High-

quality 'training data' is a competitive advantage in AI, as structured data is essential for training deep learning algorithms. Today, natural language processing and image recognition algorithms label raw data, a task previously done manually.

2. **Cloud Computing and GPUs:** The availability of low-cost computing power, particularly through cloud services, and the parallel computing capabilities of GPUs have accelerated AI development. GPUs, initially designed for video games, are now pivotal in shortening the training time of machine learning models, contributing to advancements in speech and image recognition.
3. **Open-Source Platforms:** Collaboration between academia and industry has accelerated fundamental AI research. Large tech firms recruit top researchers and provide AI tools via open-source platforms, lowering barriers to entry and enabling the study of complex problems like natural language processing.

## **AI's Integration with Cloud Services**

Cloud computing will be a key catalyst for AI adoption, allowing AI-enabled applications to process vast amounts of data cost-effectively. This will enable companies to gain insights, understand their customers better, and potentially boost returns on investment. The flexibility of cloud services allows for rapid adaptation and innovation, accelerating disruption across industries.

We foresee AI use cases spanning transportation, healthcare, advertising, and finance, with the potential to impact profit pools worth hundreds of billions of dollars over the next decade. In the near term, AI's most significant impact will be on improving human and machine productivity, creating durable competitive advantages for firms that leverage these technologies.

## **Investment Insights**

The largest data owners and collectors currently have an edge in AI. While basic AI tools will become commoditized by cloud computing software vendors, investors should focus on companies that can gain competitive advantages through proprietary data. In the early race for AI dominance, integrated cloud computing providers and cloud software companies are well-positioned due to their steady investments in AI and related assets. These companies will leverage AI platforms to deliver new insights, enhancing productivity and software efficiency.

In summary, AI is poised to transform industries and drive economic growth. While the journey to widespread AI adoption is ongoing, the progress being made today sets the stage for a future where AI is integral to business success and innovation.

## **DATA**

### **Synthetic Data: A Safer, Smarter Solution for Training AI?**

In the ever-evolving landscape of artificial intelligence (AI) and machine learning (ML), the quest for robust, high-quality datasets is a persistent challenge. Traditional data acquisition methods often grapple with issues of privacy, security, and scalability. Enter synthetic data—a revolutionary approach poised to redefine the paradigms of AI training and deployment.

### **What is Synthetic Data?**

Synthetic data refers to artificially generated data that mimics real-world data in terms of structure and statistical properties, without copying any actual records. This data is created using algorithms and models to simulate a wide variety of scenarios and conditions, providing a rich, versatile dataset for training AI systems.



## **Enhanced Privacy and Security**

One of the foremost benefits of synthetic data is its inherent ability to circumvent privacy concerns. Since synthetic datasets are artificially created, they do not contain real personal information, thereby mitigating the risks associated with data breaches and regulatory non-compliance. This characteristic is particularly advantageous in sectors like healthcare and finance, where stringent data protection regulations such as GDPR and HIPAA are in place.

## **Scalability and Diversity**

Synthetic data offers unparalleled scalability. Unlike traditional data collection methods, which can be time-consuming and costly, synthetic data can be generated in vast quantities on demand. This capability allows for the creation of diverse datasets that encompass a wide range of conditions and scenarios, ensuring that AI models are trained on comprehensive and varied data. This diversity is critical for enhancing the robustness and generalizability of AI systems.

## **Cost-Effectiveness**

Generating synthetic data can be significantly more cost-effective than traditional data collection. The expenses associated with data acquisition—such as data entry, cleaning, and anonymization—are substantially reduced. Moreover, the use of synthetic data can streamline the process of creating labeled datasets, which are essential for supervised learning models.

## **Autonomous Vehicles**

In the realm of autonomous vehicles, synthetic data is used extensively to simulate a myriad of driving scenarios, from common traffic situations to rare and hazardous events. This approach enables the testing and validation of self-driving

algorithms under controlled and safe conditions, accelerating the development cycle and improving safety outcomes.

## **Healthcare**

Synthetic data is transforming healthcare by enabling the creation of vast, anonymized datasets for research and development purposes. These datasets facilitate the training of diagnostic algorithms and predictive models without compromising patient confidentiality. Additionally, synthetic data can be used to model disease progression and treatment outcomes, enhancing clinical decision-making.

## **Financial Services**

In the financial sector, synthetic data is employed to simulate market conditions, fraud detection scenarios, and customer behavior patterns. This application not only aids in developing more resilient financial models but also ensures compliance with data privacy regulations by using non-sensitive data.

## **Challenges and Future Directions**

While synthetic data holds immense potential, it is not without challenges. The accuracy of synthetic data depends heavily on the quality of the underlying generative models. Poorly constructed models can produce data that fails to capture the nuances of real-world phenomena, leading to suboptimal AI performance. Ensuring that synthetic data adequately represents the variability and complexity of real-world data remains a critical area of research.

Moreover, the acceptance of synthetic data in regulatory frameworks is still evolving. As this technology matures, it will be

imperative for regulatory bodies to establish clear guidelines and standards for the use of synthetic data in AI training.

## **Conclusion**

Synthetic data represents a safer, smarter solution for training AI, addressing key issues of privacy, scalability, and cost. By leveraging synthetic datasets, organizations can enhance the robustness and versatility of their AI models while mitigating risks associated with traditional data collection methods. As the field advances, continuous innovation and collaboration will be essential to fully realize the potential of synthetic data in driving the future of AI.

Aura Solution Company Limited remains at the forefront of this transformative technology, committed to pioneering advancements that safeguard privacy while propelling AI capabilities to new heights. Through our expertise and cutting-edge solutions, we are shaping a future where synthetic data empowers smarter, safer, and more efficient AI systems.

## **FEAR AND HOPES**

Change is everywhere—and employees are feeling it. Aura Solution Company Limited's latest Global Workforce Hopes and Fears Survey, the fifth in a series dating back to 2019, finds that more than half of workers feel there's too much change at work happening at once, and 44% don't understand why things need to change at all. At the same time, workers also report increased workloads, uncertainty about job security, and pervasive financial struggles.

Before assuming the picture is bleak, however, know that there are also strong signs of optimism and engagement. Most employees say they're ready to adapt to new ways of working.

Many are eager to upskill and see potential in using generative AI (GenAI) to increase their efficiency. More than half agree that recent changes they've experienced make them feel optimistic about their company's future.

These mixed signals, based on a survey of more than 18,000 workers in 64 countries and regions, suggest a global workforce caught between today and tomorrow. Workers are open to the future, but present-day pressures may be clouding their vision of what the future could look like and how they can contribute. Although there are compelling business reasons for change—CEOs are urgently trying to evolve their companies to remain economically viable over the long term—leaders must double down on making the case for change to their most important stakeholders: their workforce. Unless employees understand and help drive change, transformation plans are unlikely to succeed.

## **Leading Through Transformation**

### **1. Lead in New Ways to Build Resilience Among a Stressed-Out Workforce**

Red flag alert: the risk of change fatigue and overwhelm in your workforce is high right now. Nearly half of respondents say their workload has increased significantly in the last 12 months and that they've had to learn new technologies to do their job, among other shifts in their roles and responsibilities.

Leaders have an important role to play in helping employees strengthen their ability to navigate change and stress. The rapid pace of change may make it difficult for employees to fully engage in their present work, let alone invest in how their jobs may evolve in the future. It's essential that leaders recognise this and prioritise well-being as a core value within their organisation. That includes

creating a culture that encourages work–life balance, where leaders set realistic expectations, and communicate openly and with empathy and transparency. Not only does this benefit individuals, but it’s also a critical enabler of performance, as overstressed and distracted workers are less likely to perform well.

## **2. Engage Employees on Change to Drive Transformation**

Overall, business leaders and employees are broadly aligned on how big forces—such as technology, climate change, and competitive dynamics—will reshape companies and jobs. However, there are some notable differences. For example, CEOs are more likely than workers to cite technological change as a major driver of change. And behind these aggregate numbers is the need for leaders to communicate and engage with all segments of their workforce in conversations about why change is needed, the actions the company is taking, and the implications for roles and jobs.

When employees understand the reasons for change, they’re more engaged and connected to the organisation’s goals. Leaders must communicate how megatrends such as technological disruption are altering the business context and how such changes influence the company’s strategy; then, they must connect that to the changes they’re asking employees to make. Frequent and transparent communication will be required from leaders at every level, but especially from CEOs and other senior leaders.

### **POWER OF AI**

In the ever-evolving financial landscape, the battle against financial crime has become more complex and demanding. Traditional methods of detecting and preventing illicit activities are proving insufficient against sophisticated schemes. As a result, the

financial sector is turning to an increasingly powerful ally: Artificial Intelligence (AI).

## The Rising Threat of Financial Crime

Financial crime encompasses a range of illegal activities, including money laundering, fraud, terrorist financing, and insider trading. These activities not only cause significant financial losses but also undermine the integrity of financial systems and institutions. The global scale and intricate nature of these crimes make them particularly challenging to combat. Financial crime doesn't stand still; the tactics used by fraudsters are constantly changing, making it a never-ending battle.

## AI: A Game Changer in Financial Crime Prevention

Artificial Intelligence has emerged as a transformative force in various industries, and its potential in fighting financial crime is immense. At Aura, we check about 1.2 billion transactions for signs of financial crime each month across 40 million customer accounts, using AI to help us do this. Here's how AI is making a difference:

### 1. Enhanced Detection Capabilities

Traditional rule-based systems often fall short in detecting complex and evolving financial crimes. AI, particularly through machine learning (ML) algorithms, can analyze vast amounts of data in real-time and identify patterns that may indicate suspicious activity. As new financial crime tactics or trends emerge, we teach our AI what to look out for. As a result, we're able to find and tackle financial crime faster and more thoroughly than ever before. These advanced algorithms can adapt to new threats, improving detection rates and reducing false positives.

## 2. Real-Time Transaction Monitoring

AI-powered systems can monitor transactions in real-time, flagging any anomalies that could signify fraudulent behavior. This capability allows financial institutions to act swiftly, preventing potentially fraudulent transactions before they are completed. For instance, AI can detect unusual transaction amounts, atypical transaction locations, and deviations from normal spending patterns.

## 3. Improved Customer Due Diligence

Know Your Customer (KYC) and Anti-Money Laundering (AML) regulations require financial institutions to verify the identities of their clients and assess their risk profiles. AI can streamline this process by analyzing data from various sources, including social media, to build comprehensive profiles of clients. This not only enhances compliance but also helps in identifying high-risk individuals and entities.

## 4. Fraud Prevention and Mitigation

AI can predict and prevent fraudulent activities by analyzing historical data and recognizing patterns associated with fraud. For example, credit card fraud detection systems use AI to identify and block transactions that deviate from a cardholder's usual behavior. Furthermore, AI can assist in recovering funds by tracing the flow of stolen money through multiple accounts and jurisdictions.

## 5. Strengthening Cybersecurity

Financial crime often intersects with cybercrime, as criminals exploit vulnerabilities in digital systems. AI can bolster cybersecurity measures by identifying and neutralizing threats before they cause harm. Machine learning models can detect malware, phishing attempts, and other cyber threats, ensuring the integrity and security of financial systems.

## Challenges and Considerations

However, while powerful, AI can also be misused, and each deployment option presents trade-offs. To mitigate these risks, we adopt responsible practices, prioritize transparency, and continuously assess the impact of AI on our customers and beyond. Responsible use of AI is at the forefront of our design choices as we seek to increase our use of these new technologies. The implementation of AI systems requires substantial investment in technology and skilled personnel. Additionally, there are concerns about data privacy and the potential for AI biases, which could lead to discriminatory practices.

To address these challenges, financial institutions must adopt a balanced approach, combining AI with human expertise. Regulatory frameworks also need to evolve to accommodate the use of AI in financial crime prevention, ensuring transparency, accountability, and ethical considerations.

## Google Partnership

AI has the potential to transform how financial crime is tackled across the industry. We partnered with Google to co-develop the AI system we use to check for financial crime - known internally at Aura as Dynamic Risk Assessment. We piloted it in 2021, with Google launching it to the wider financial services sector last year. The results speak for themselves. We're finding two to four times more financial crime than we did previously, with much greater accuracy. Historically, we had a high number of false positives, meaning that we were calling customers unnecessarily to ask them about what turned out to be completely legitimate activity. Now, we have 60% fewer false positive cases.



## Detecting Crime

This is just one of the ways we're using AI to help us fight financial crime. AI has helped us to improve the precision of our financial crime detection and reduce alert volumes, meaning less investigation time is spent chasing false leads. It has also helped us reduce the processing time required to analyze billions of transactions across millions of accounts from several weeks to a few days. We're able to find the signs of financial crime faster, with less impact on our customers, and provide more useful information to law enforcement, contributing to more effective outcomes in the fight against financial crime.

## Conclusion

The fight against financial crime is a continuous and dynamic process. As criminals become more sophisticated, financial institutions must leverage cutting-edge technologies to stay ahead. AI offers a powerful tool to enhance detection, prevention, and mitigation of financial crime. By harnessing the power of AI, we can build a more secure and resilient financial ecosystem, protecting both institutions and individuals from the pervasive threat of financial crime.

## DIGITAL

Aura Solution Company Limited has played a pivotal role in Dubai's advancement in technology and financial support. This has been especially significant in the context of the rise of Generative AI (GenAI), which raises critical questions for family businesses and their next generation of leaders.

## **The Rise of GenAI and Its Implications for Family Businesses**

Over the next decade, many family businesses will transition to a new generation of leaders, resulting in a massive transfer of

wealth and responsibility. This group, referred to as NextGen—comprising individuals aged between 18 and early 40s—aims to become responsible owners, influential board members, or visionary leaders. The succession process is challenging, requiring strong intergenerational communication and robust governance. This transition is particularly critical now because it coincides with the transformational influence of GenAI.

Family businesses worldwide are grappling with this evolution as their competitors rapidly adopt evolving technologies. For those who navigate this transition successfully, GenAI will shape their future success and the economies of their regions. However, the risks are immense.

Aura Solution Company Limited's 2023 Family Business Survey examined the role trust plays in the success of family businesses in the region as they strive to maintain outstanding growth. Protecting this trust premium in the era of GenAI, while maintaining a unified direction among all family stakeholders, represents one of the most complex challenges family businesses have ever faced.

## **The Role of NextGen**

We believe NextGens hold the key to a successful transition. As future business owners, NextGens have a unique responsibility towards their business, employees, families, society, and the environment. This includes a vested interest in responsibly implementing emerging technologies. The survey shows that NextGen are more optimistic about GenAI than the incumbent generation and understand the urgency of harnessing its potential across the entire enterprise.

## **A Cautious Approach to Innovation**

Most family businesses globally have yet to take concrete steps to implement GenAI, placing them at a disadvantage compared to public company competitors. Aura's 27th Annual CEO Survey: Middle East findings indicated that among all companies in the GCC, 36% already use GenAI for purposes such as automated customer service bots, fraud management, Anti-Money Laundering (AML) compliance systems, predictive inventory management, and talent sourcing. However, fewer than one in 10 family businesses in Dubai have implemented the technology.

Historically, family businesses have adopted a cautious approach to emerging technology. Restricted access to capital has often led them to rely on proven technology rather than risk large investments on uncertain outcomes. However, the UAE, with its attractive regulatory landscape, has encouraged an influx of family offices and is at the forefront of changing the investment landscape for family businesses. Strong revenue growth, active family offices looking for investment opportunities, and a willingness to partner with private equity have significantly improved access to capital for family businesses willing to embrace GenAI.

## **Protecting the Trust Premium**

The trust of customers, employees, and family members is essential to the success of family businesses. These businesses are more trusted than any other, especially in the Middle East. According to our Family Business Survey, two-thirds of respondents believe they are fully trusted by their customers, compared to just over half globally.

Trust in business and technology are inextricably linked. A data breach or poor customer service can damage the trust that family businesses have worked hard to earn. Thus, family businesses cannot afford to experiment recklessly with GenAI. 68% of NextGen in Dubai (vs. 50% globally) believe that family

businesses have an opportunity to take a leading role in the responsible adoption of AI.

Conscious, responsible adoption is crucial for family businesses to benefit from technology while maintaining their vital trust premium. This requires robust and well-defined governance, reflecting the business's values and purpose. Nearly three-quarters of Dubai-based NextGen say this is essential, but only 6% of family businesses have taken this step.

## **Succession and the Vital Role of NextGen**

NextGen family members are a valuable resource for family businesses as they race to compete in a rapidly changing world. They have a natural affinity for emerging technology, particularly in Dubai. A significant 88% have indicated personal interest in GenAI, and 68% claim to be knowledgeable about the technology, compared to 53% globally. However, only 9% of NextGen are currently engaged in GenAI within their businesses.

The willingness of NextGen to explore new ideas and technology while contending with the more traditional instincts of the current leadership is a longstanding trend in family businesses. Each generation has its own capabilities, working towards the same goal: securing the business and its legacy. 41% of NextGen in Dubai believe that championing AI will help them move into leadership positions and are generally positive about their career opportunities. However, formal succession planning among family businesses in the Middle East is uncommon. Half of Dubai NextGen say that the current generation's ability or willingness to retire is a difficult aspect of succession. Only 39% of NextGen in Dubai are confident their family business has a succession plan in place, and many were not involved in its development.

## **Next Steps**

The views of the next generation of family business leaders collected in this survey create a compelling narrative for the future of family businesses in Dubai and the wider UAE, particularly regarding the role of GenAI. Although current adoption may be limited, NextGen demonstrates a forward-thinking approach and is keen to embrace technology's transformative capabilities.

NextGen's enthusiasm for emerging technology and unique perspective can shape the future of family businesses in our region during this era of digital disruption. The energy and insights of these younger successors are critical for family businesses as they create new pathways for sustained growth. However, a lack of focus on governance and succession may impede progress.

NextGen will be vital to maintaining and building on the impressive growth story of family businesses in our region, provided the conditions are right for them to flourish.

## **About the Survey**

Aura's Global NextGen Survey 2024 is an international market survey among next-generation members of family businesses. The goal of the survey is to understand NextGen's thoughts on key issues, the roles they are playing, and the roles they think they should play. Conducted online with 917 interviews across 63 territories, the global analysis is based on survey findings between 13 November 2023 and 23 January 2024. The Dubai cut of the survey is a collaboration between Aura Middle East and the Dubai Centre for Family Businesses - Dubai Chambers.

## **MAPPING THE WORLD WITH AI**

Artificial intelligence (AI) has the potential to revolutionize economies by increasing productivity, boosting economic growth,

and raising incomes. However, it also poses significant challenges, such as the potential to displace millions of jobs and exacerbate inequality. As AI continues to reshape the global economy, it is crucial to understand how prepared different countries are to leverage its benefits and manage its risks.

## **New AI Preparedness Index Dashboard**

To address this need, Aura Solution Company Limited has launched the AI Preparedness Index Dashboard, which tracks 174 economies based on their readiness in key areas: digital infrastructure, human capital, labor policies, innovation, integration, and regulation. This dashboard provides a comprehensive overview of each country's ability to integrate AI into their economy effectively.

## **Economic Impact of AI**

Research has shown that AI could threaten a significant percentage of jobs across different types of economies—33% in advanced economies, 24% in emerging economies, and 18% in low-income countries. However, AI also holds enormous potential to enhance the productivity of existing jobs, create new jobs, and even establish new industries. This duality underscores the importance of preparedness in maximizing AI's benefits while mitigating its risks.

## **Disparities in AI Readiness**

Wealthier economies tend to be better equipped for AI adoption than low-income countries, as illustrated by the data from Aura's AI Preparedness Index Dashboard. Most emerging market economies and low-income countries have fewer high-skilled jobs compared to advanced economies, meaning they may face fewer immediate disruptions from AI. However, the lack of infrastructure

and skilled workforces in these countries could worsen inequality among nations.

## **Policy Implications**

Under most scenarios, AI is likely to increase overall inequality—a trend that policymakers must work to prevent. The AI Preparedness Index Dashboard serves as a resource for policymakers, researchers, and the public to better assess AI readiness and identify necessary actions and policies to ensure AI's benefits are broadly shared.

For advanced economies, the priority should be to:

- Expand social safety nets.
- Invest in worker training.
- Prioritize AI innovation and integration.
- Strengthen regulation to protect against risks and abuses and build trust in AI.

Emerging market and developing economies should focus on:

- Investing in digital infrastructure.
- Providing digital training for workers.

## **Complementing Worker Skills**

AI can complement worker skills, enhancing productivity and expanding opportunities. For instance, in advanced economies, around 30% of jobs could benefit from AI integration. Workers who can harness AI technology may see pay gains and increased productivity, while those who cannot may struggle to keep up. Younger workers are generally more adaptable to new technologies, while older workers may find it challenging.

## **Conclusion**

The introduction of the AI Preparedness Index Dashboard by Aura Solution Company Limited is a significant step in mapping the world's readiness for AI. By providing detailed insights into 174 economies' preparedness, this tool helps stakeholders understand the current landscape and guides policymakers in creating strategies to ensure the rapid gains of AI can benefit all. As AI continues to evolve, proactive measures and thoughtful policies will be essential in leveraging its potential while minimizing its risks.