Applying AI to Engineering:

A perspective inspired by systems thinking

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IBM **Engineering**



New rewards New risks New unknowns

Source: <u>Theatrvm orbis terrarvm</u>, 1570 US Library of Congress

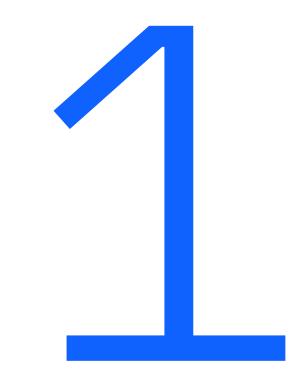
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Systems Thinking





The context

The whole and the parts

Interconnections

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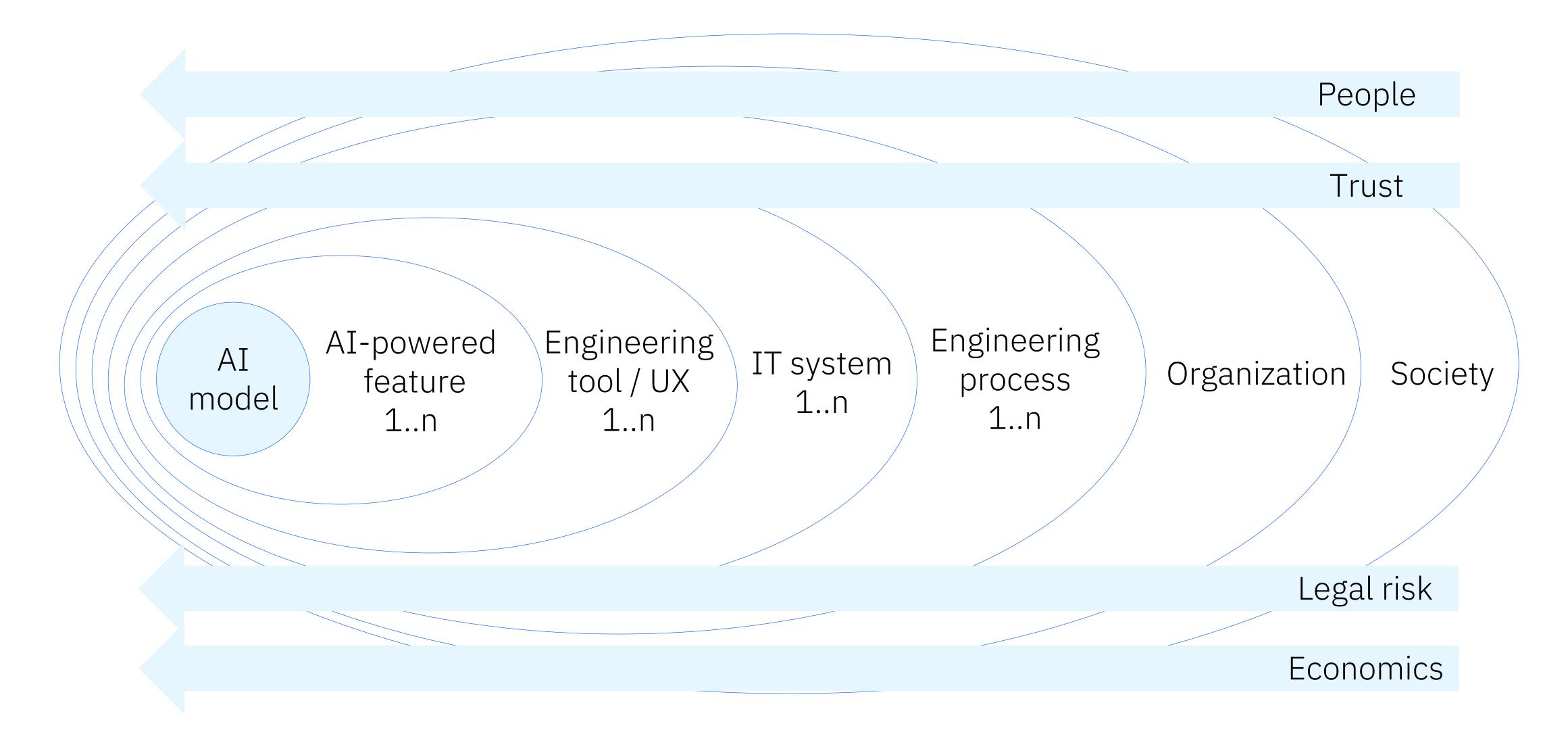
Feedback loops

Systems Thinking Dynamic complexity

Emergent properties

Multiple perspectives

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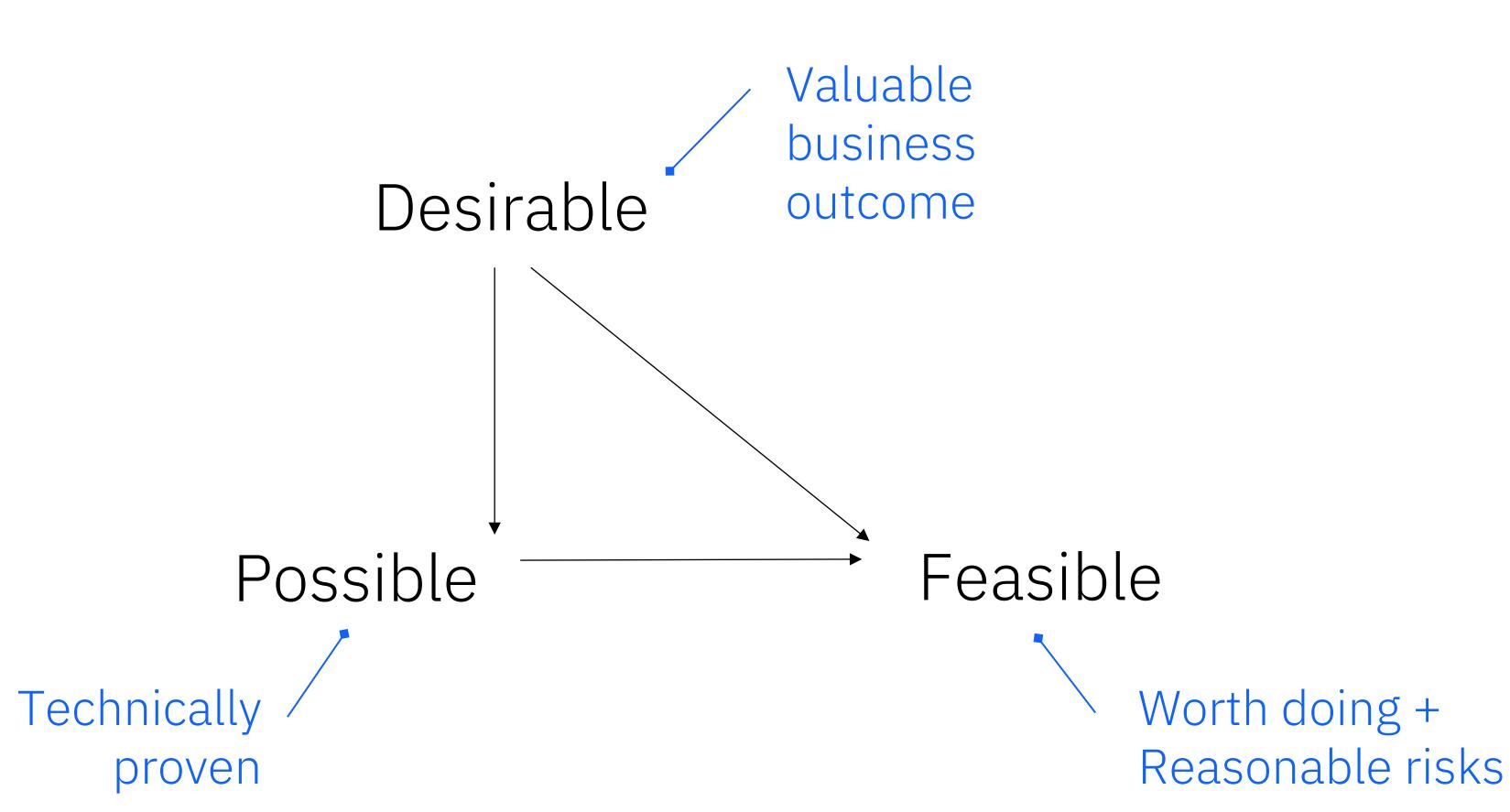


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The AI dynamic



Where to focus

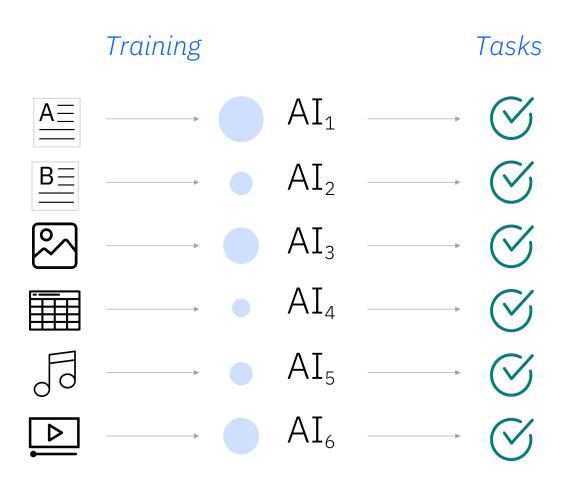


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Generative AI establishes a new paradigm for AI capabilities

Traditional AI models



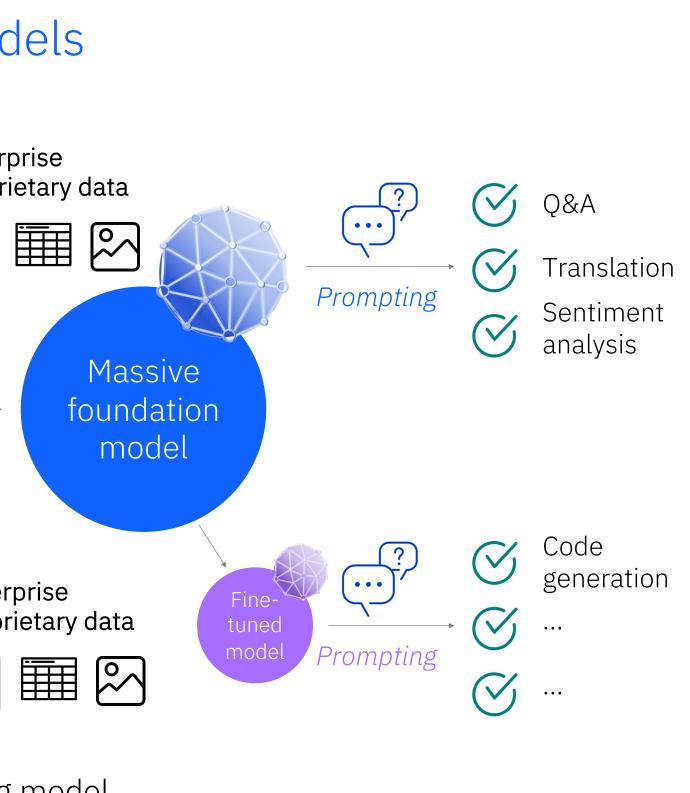
- Individual siloed models
- Require task specific training
- Lots of human supervised training

Foundation models

External data

000 >	50	+ Enter propr <u>A</u>
		Pre- trained
A A A A A		
@ <u> </u>		+ Enter propr

- Massive multi-tasking model
- Adaptable with minimized training
- Pre-trained unsupervised learning



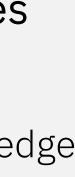
Enhanced capabilities

- Summarization
- Conversational knowledge
- Content creation
- Code co-creation

Key advantages

- Lower upfront costs through less labeling
- Faster deployment through fine tuning
- Equal or better accuracy for multiple use cases
- Incremental revenue • through better performance

up to 70% reduction in certain NLP tasks







What's possible? Where is the frontier for engineers?

Working Paper 24-013

Navigating the Jagged Technological Frontier: Field Experimental Evidence of the Effects of AI on Knowledge Worker Productivity and Quality

Fabrizio Dell'Acqua Edward McFowland III Ethan Mollick Hila Lifshitz-Assaf Katherine C. Kellogg Saran Rajendran Lisa Krayer François Candelon Karim R. Lakhani



Paper / Blog

Jagged Frontier of AI Capabilities

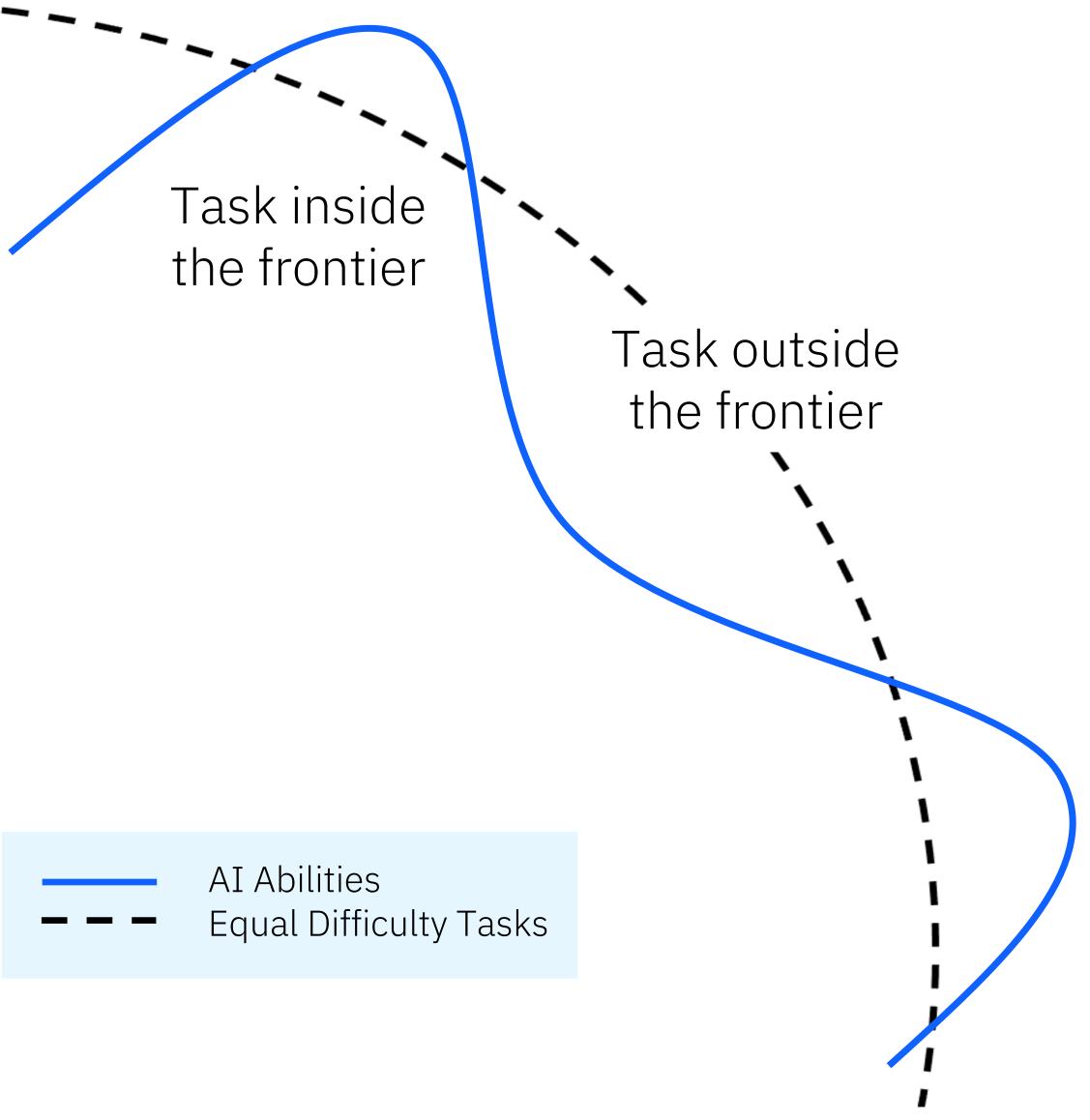


Figure 1: The Jagged AI Frontier, page 27



Feedback loopIf we• Wiexamples• Wi• Wi

- If we automate use case A ...
 - Will it short-circuit something important?
 - How will our work council respond?
- What level of additional inaccuracy will [our users / our customers / society] accept if it increases their productivity?
- What risks are there to our brand?



Limiting risk ...





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Legal / ethical / organizational

- Training data provenance ullet
- Intellectual property management ullet(yours and your customers')
- Bias? Accuracy? Transparency? •

→ Governance

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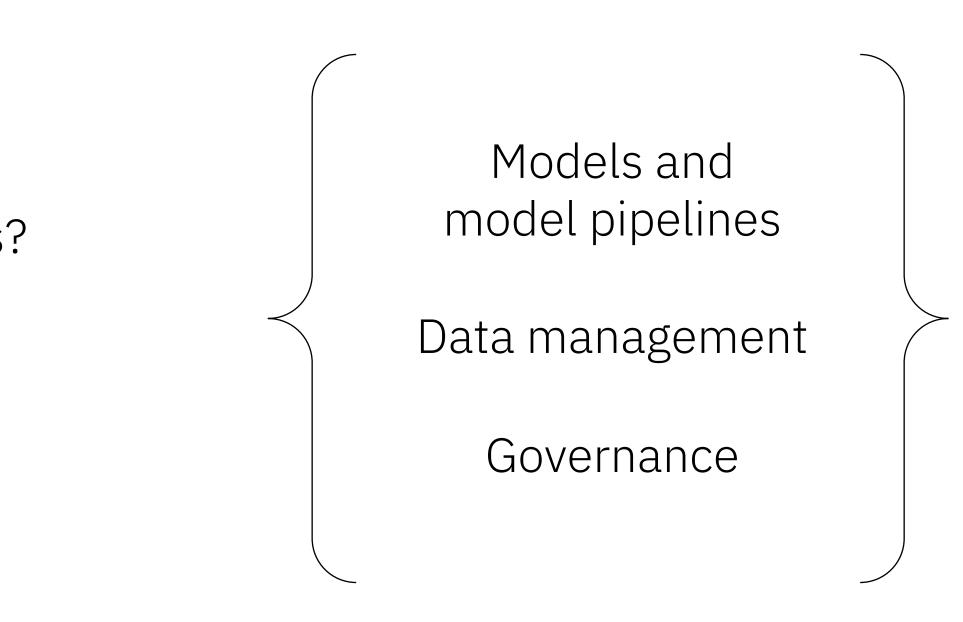
Governance to limit risk

What models are available?

What teams may use which data, which models and for which purposes?

What work was done to ensure model performs OK?

What development process are teams following?



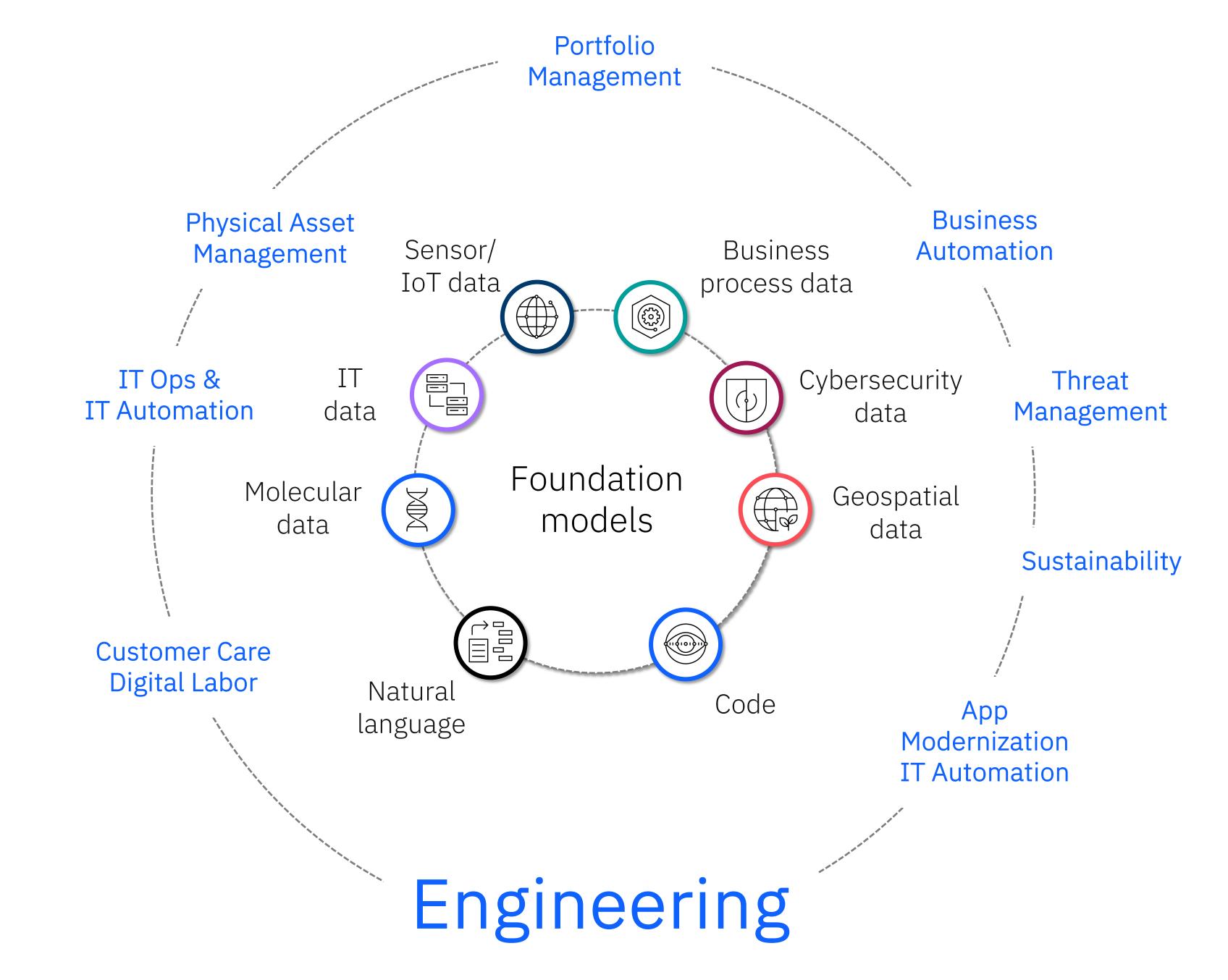
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Go bigger

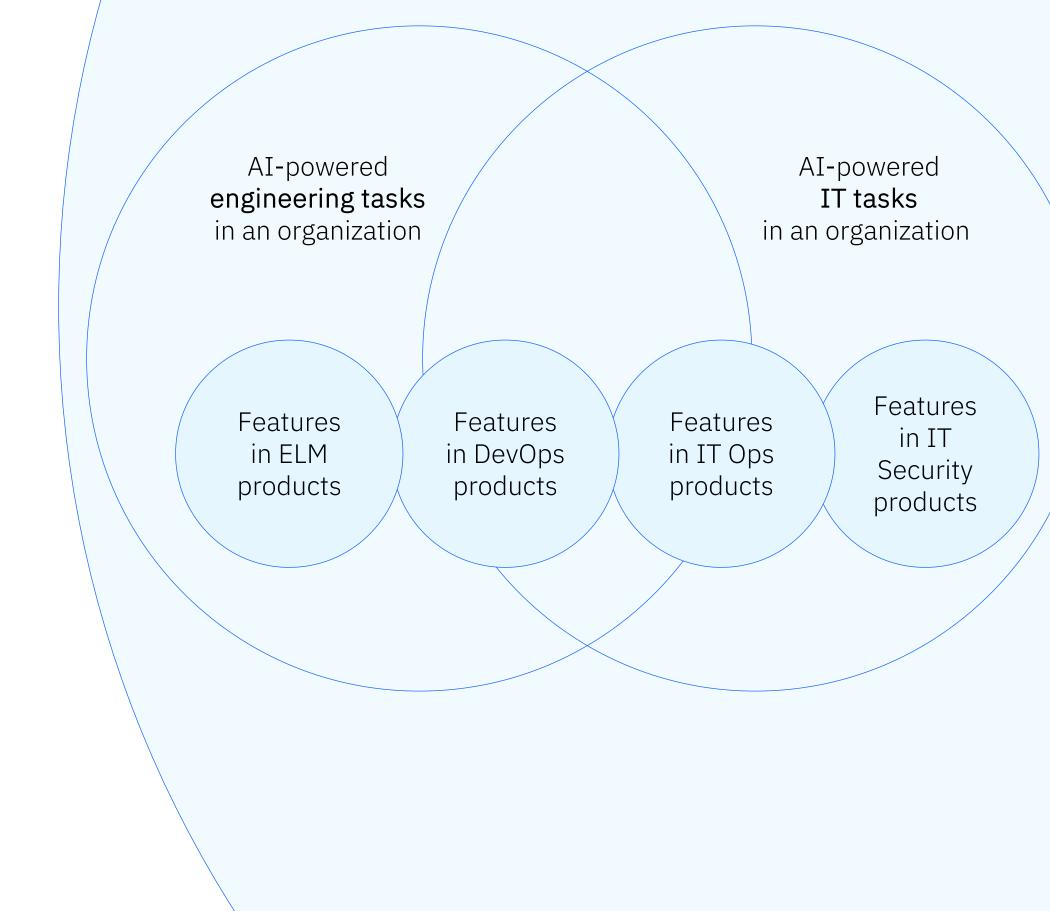




Opportunity to unlock business advantage with foundation models trained across the breadth of enterprise data

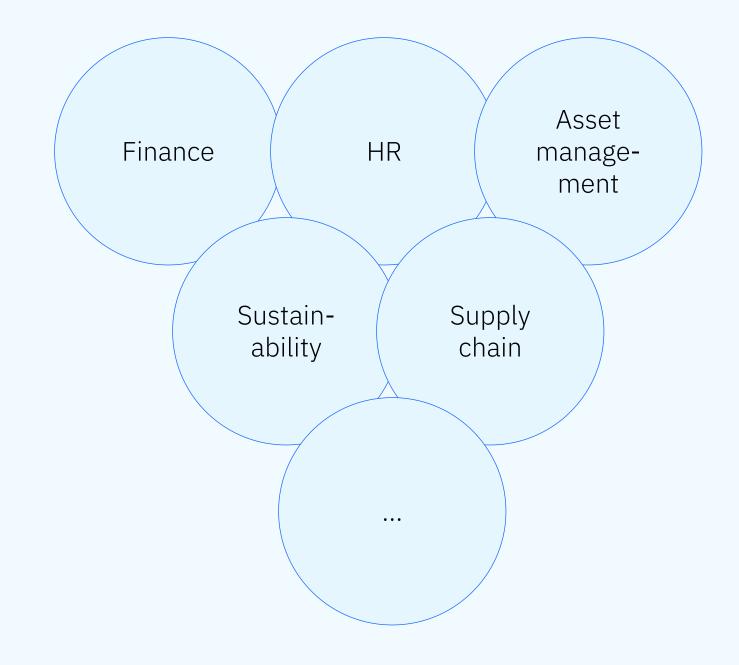


AI opportunities all over the place



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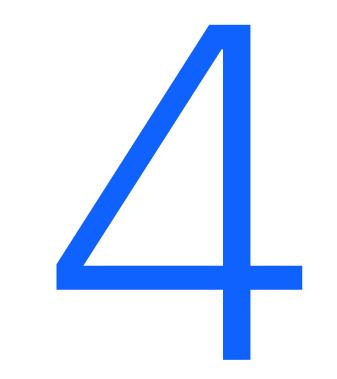
AI-powered enterprise





Watsonx

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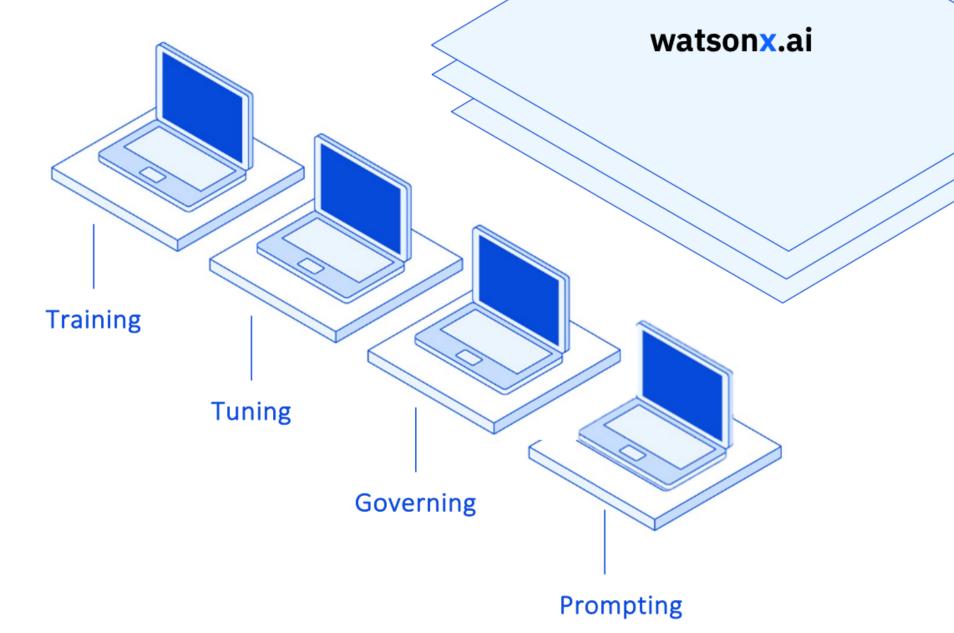




watsonx

The platform for AI and data

Scale and accelerate the impact of AI with trusted data and an open architecture



Watsonx.governance

watsonx.data

watsonx.ai

Train, validate, tune and deploy AI models

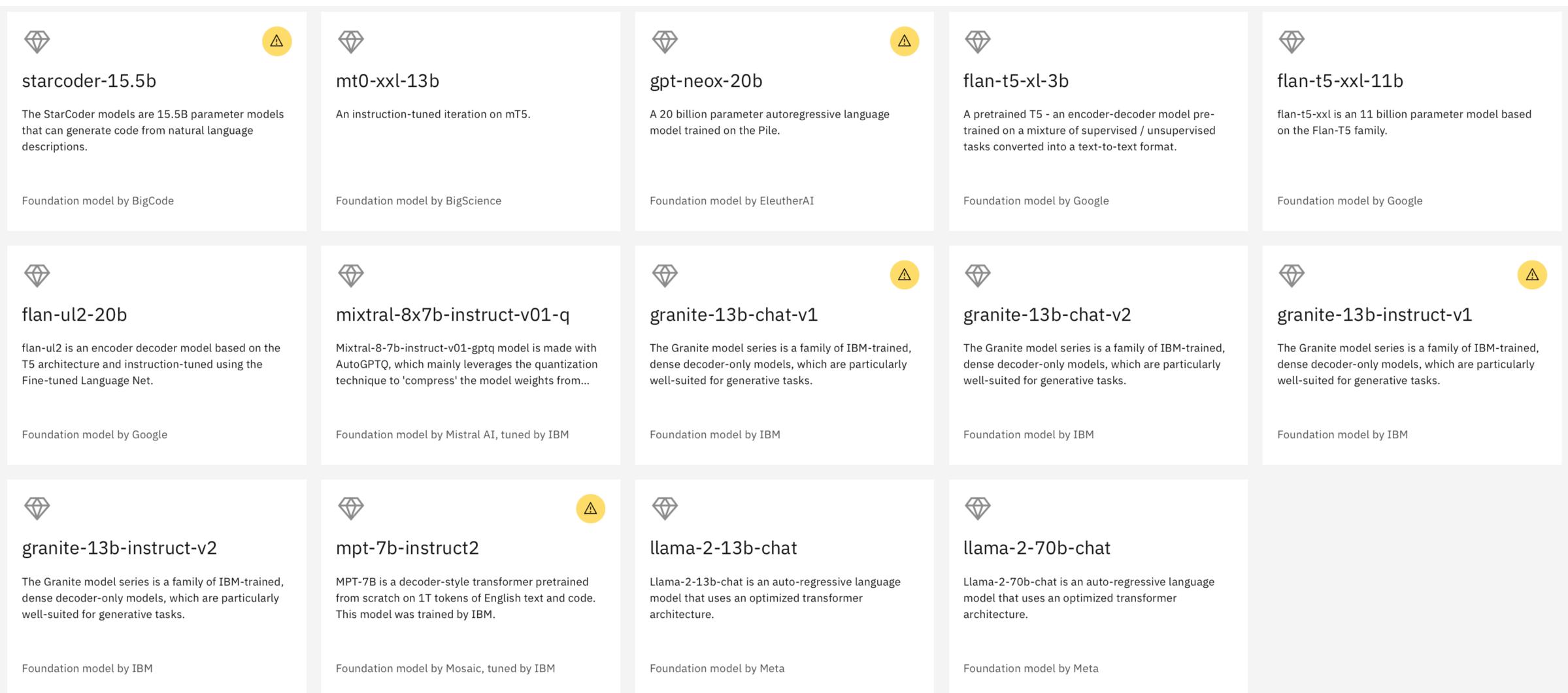
watsonx.data

Scale AI workloads, for all your data, anywhere

watsonx.governance

Enable responsible, transparent and explainable AI workflows

IBM watsonx.ai Foundation Models Library: from open source, IBM, partners, your own



Why watsonx?

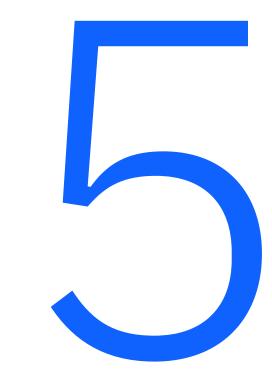
- 4.

- 1. Hybrid models: open source, IBM, partners, your own
- 2. Manage IP ownership / IP risk
- 3. On-prem or on cloud: your choice
 - Whole-lifecycle governance
- 5. Cost of inference



IBM Engineering Litecycle Management

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Gen AI offers many opportunities along the 'V', for example...

Market

Analysis

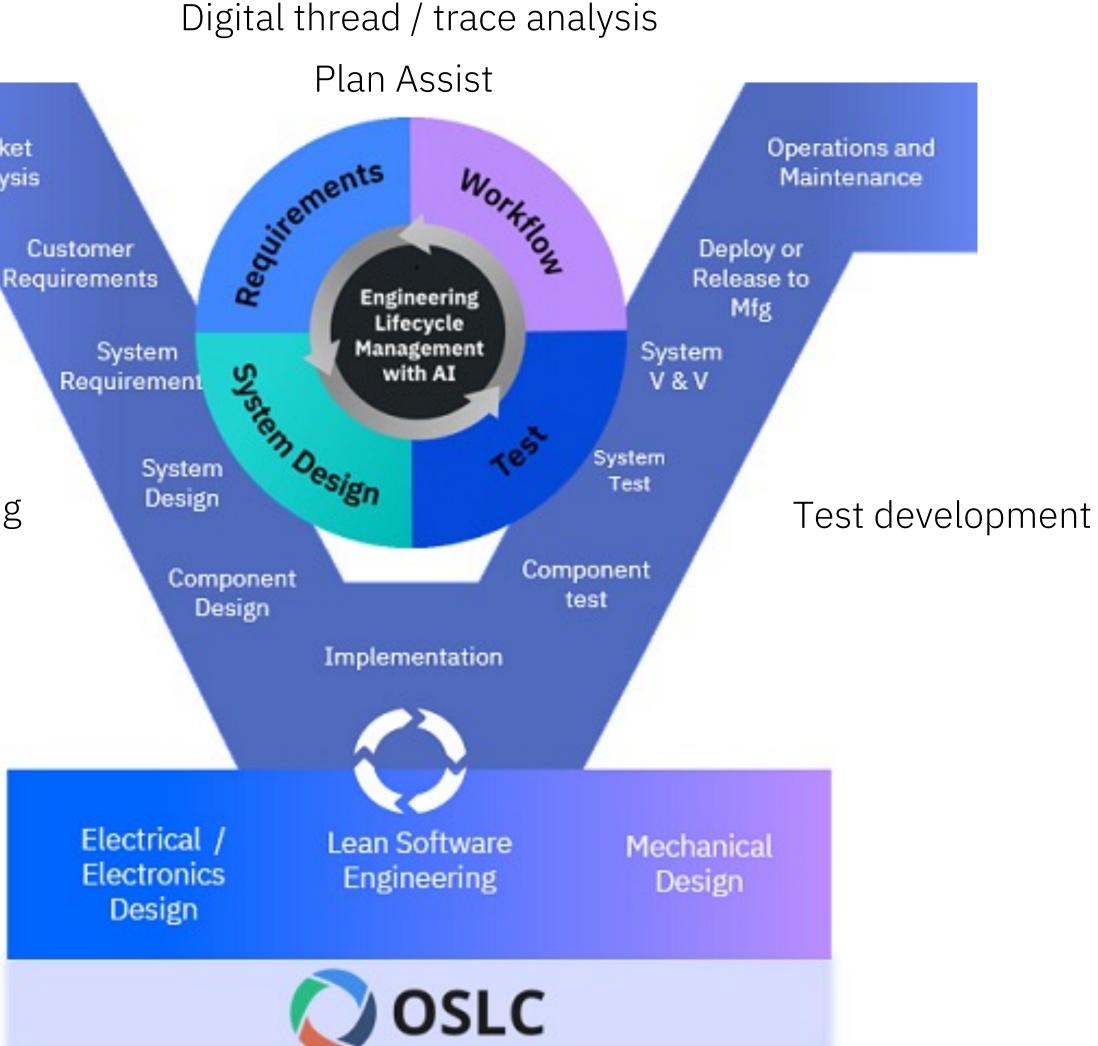
Assess requirements from customer

> Find duplicate and conflicting requirements

> > Requirements quality

Accelerate systems engineering model development

Code Assist





Some scenarios are more interesting than others

Market Analysis

Assess requirements from customer

Find duplicate and conflicting requirements

Requirements quality

Accelerate systems engineering model development

Code Assist

Customer Requirements

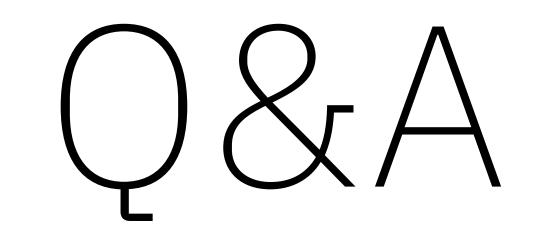
> System Requireme

Why these scenarios?

Unbounded problems

"Shift left" acceleration





Put AI to work with **watsonx**.



Learn more

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Learn more

https://www.ibm.com/watsonx

https://www.ibm.com/products/engineering-lifecyclemanagement

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