

# Navigating the AI-Driven Business Landscape: Insights beyond Technicalities

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## 1. Background and Objective of this Article

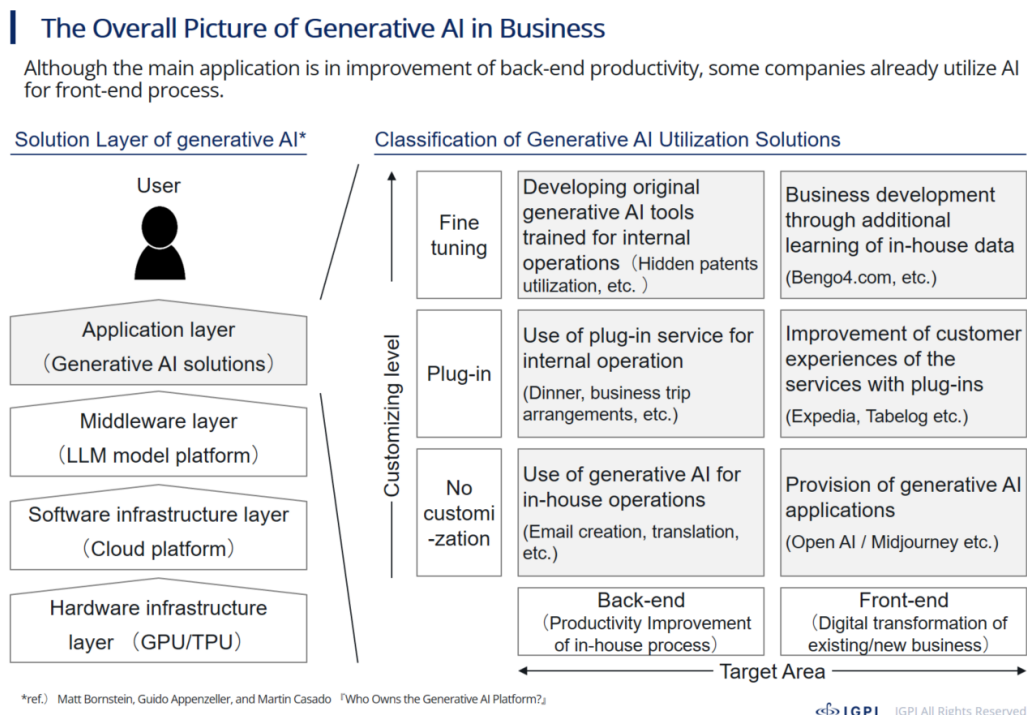
Ever since OpenAI's unveiling of GPT-3.5 in November 2022, there has scarcely been a day without news concerning generative AI. Lots of articles about generative AI are published globally every day, underscoring the insatiable interest from the business community.

However, many articles on generative AI tend to focus on technical aspects, such as effective prompts, handy plug-in services, and regulatory compliance.

This article aims not to delve into these technicalities but rather to provide insights on high-level topics, such as the "sophistication of business activities", "transformation in the workstyle of business professionals", and "societal shifts and business opportunities" due to the advent and proliferation of generative AI.

## 2. The Overall Picture of Generative AI in Business

There are several conceivable patterns for utilizing generative AI in business. The following chart illustrates the broad overview.



As shown on the left, while there are four layers to the value proposition of generative AI, most businesses will likely engage primarily with the topmost "Application Layer".

The diagram on the right breaks down this Application Layer further, emphasizing that, depending on the target area of operation and level of customization, there are a plethora of use cases.

It is anticipated that there will be a surge in use cases related to "Fine Tuning". Notable strides by OpenAI and its partner companies to offer AI services for businesses mean that enterprises can soon develop AI services optimized for their own tasks and operations without security concerns by training on their own data.

### 3. Value Proposition of Business Professionals in the "With Generative AI" Era

#### i) Delivering Value as a Business Professional with AI

Every business professional's job can essentially be defined as "problem-solving", which can be broken down into a five-step process:

1. Identifying the problem.
2. Formulating a solution hypothesis.
3. Testing the hypothesis.
4. Updating the hypothesis.
5. Making decisions.

Generative AI excels at steps 2 and 3 and can manage step 4, though with limitations when it comes to ChatGPT due to outdated or inaccurate data. Nevertheless, using metrics like plug-ins can ameliorate these limitations to some extent.

In the "With generative AI" era, two major takeaways emerge for business professionals. Firstly, the value of AI-non-compliant steps 1 and 5 will rise. Secondly, for 2 to 4, rather than AI entirely replacing human tasks, humans will collaborate with AI to dramatically boost productivity—a point often overlooked.

Many people often debate statements like "Job A will be replaced by AI, but Job B will remain." However, every process requires judgment, and judgment inherently comes with responsibility. Given the current legal system, where AI cannot bear legal or economic responsibility, any task involving judgment will always necessitate human involvement. Therefore, the crucial question is not "Which jobs will be replaced by AI?" but rather "In which tasks, and how, can humans leverage AI to dramatically enhance their own productivity?"

#### ii) Message to Leadership

To be a valuable leader in the future, it's essential to: define problems, decide what not to tackle and focus on high-impact areas, and be prepared to take responsibility.

As top talents become more productive with AI tools, they may be more inclined to go independent. To retain them, businesses will need to empower these individuals with unique assets.

The potential use cases for ChatGPT are still evolving. Companies may need to innovate in-house, and leaders should encourage bottom-up initiatives for finding use cases.

- Embrace a blacklist approach over a whitelist, defining what shouldn't be done and letting departments decide on their best use cases.
- Foster inter-departmental competition and sharing of success stories, which can catalyze a DX (Digital Transformation) culture within the company.
- Some data suggests frontline staff may be more cautious about introducing ChatGPT than executives. Ensuring psychological safety for these employees is paramount.

### iii) Message to Staff member

Everyone now essentially has an excellent AI assistant at their disposal. Work with them, and try to solve higher-level problems.

Essential skills for this new landscape include: the ability to frame issues, proficiency in one's native language (preferably English), and the courage to provide sharp insights.

AI can be the best mentor or coach. They're always available, always patient, and customizable in their feedback style.

On the other hand, transitioning between industries or roles might become more challenging. The future might require investing in new experiences like internship programs and reaping the benefits once one climbs the ladder.

## **4. Societal Shifts and Business Opportunities with the Advent of Chat GPT**

Throughout history, numerous cutting-edge technologies have tackled and resolved societal challenges. Conversely, reflecting upon the past, we realize that while these tech innovations emerged to solve existing issues, they sometimes inadvertently introduced new dilemmas. Most likely, people from the 2010s never anticipated that the then-innovative technologies of smartphones and social media platforms could lead to pervasive feelings of anxiety and stress due to excessive interconnectedness.

Lastly, I'd like to delve into the potential societal transformations stemming from the widespread adoption of Chat GPT, a particularly notable generative AI, and the resultant business opportunities that may arise.

### i) It will become commonplace for humans to interact with each other through AI assistants.

In the foreseeable future, it might become common for individuals to relay their messages to a generative AI, which would then reformulate them into more polished communications before delivering them to the recipient. The recipient might then utilize another AI to craft a

response. For instance, when sending an email in the local language to an overseas executive, many business professionals might rely on ChatGPT to ensure their messages remain courteous and error-free. Eventually, human involvement might merely entail approving, disapproving, or requesting modifications to AI-generated message drafts. There is a school of thought that suggests that human agency might become confined to something akin to the "free won't" concept proposed by Benjamin Libet's experiments on free will.

The following business opportunities might arise in this scenario:

- Development of services to construct "person-specific" message/response via personal AI.
- Creation of applications allowing humans to manage and edit AI-generated content.

### **ii) Humanity's linguistic ability (prompting skills) improves**

Technology not only supplements human abilities but often reshapes them. As interfaces evolved, so did humanity's skills in blind typing, keyword searching, and concise writing within 140/280 characters.

With the widespread use of ChatGPT's interface, there might be an enhancement in humanity's skills to pose low-context questions or make requests. Paradoxically, a "prompt divide" may arise between those with high and low prompting skills. As societal systems are generally designed for the majority, services in the future might be primarily tailored for those with elevated linguistic capabilities. For example, those who can't engage in chat-centric communications, like the trending "Chat Commerce", might find themselves unable to access a vast array of products and services.

Business opportunities in this domain might include:

- Development of new customer journeys starting with user prompts.
- Establishment of communities where individuals compete, share, and boast about their prompting skills.
- Offering training sessions for those with weaker prompting abilities.

### **iii) Talented professionals increasingly operate independently, utilizing AI as staff**

As previously highlighted, the explosion in productivity potential due to generative AI hints at the likelihood of top-tier managers, who previously oversaw human subordinates, embracing this cost-effective tool and venturing independently.

Prospective business opportunities here might encompass:

- Developing generative AI platforms tailored to support the jobs of freelancers.

### **iv) The search & advertisement revenue model collapses, and writers refrain from public dissemination**

Traditionally, a bulk of web content was monetized by integrating relevant ads, providing incentives for writers and creators.

However, the current landscape lacks a mechanism to compensate creators of blogs or web articles that have been incorporated into generative AI, leading to a situation where content providers aren't duly rewarded.

Such circumstances might eventually cause the collapse of the ad-driven model based on search engines. Consequently, writers and creators might confine their publications to closed platforms (like online salons) that aren't reached out to by web crawlers.

Emerging business opportunities could involve:

- Establishing platforms that manage and offer intellectual property rights and revenue-sharing incentives for writers.
- Innovating data security solutions for these enclosed spaces.

## 5. How can IGPI Singapore help?

IGPI has deep experience in strategizing, developing, analyzing, and implementing cutting-edge technology into your business. We have a team that focuses on AI/Analytics strategy: IGPI Digital Intelligence. We don't just suggest the implementation of technologies into your operation, but co-develop your business by leveraging technologies hand in hand.

To find out more about how we can support your value-creation endeavors, get in touch with us.

IGPI Singapore offers a range of services to support Singapore businesses in their overseas expansion. Services can be broadly divided into:

- ◆ Management consulting, where we help companies identify growth opportunities, develop strategies to establish a presence in the target market. In the process, we often employ business matching techniques to find suitable local partners which could be crucial to successful market entry
- ◆ M&A advisory, where we guide companies through the end-to-end deal process, ensuring successful transactions

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IGPI Singapore can support your company in its business development and maximize its chances of success – Get in touch with us [here!](#)

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## About the author

**Mr. Tadasuke Noguchi** is a Manager at IGPI Singapore. Before joining IGPI, Tadasuke worked in an IT company and a think tank in Japan, where he engaged in consulting projects such as new business development in various industries: automotive, logistics, retail, finance, etc. He has experience in hands-on new business development while on loan to Toyota Motor Corporation's R&D department. In IGPI, He mostly focuses on consulting projects such as market entry/expansion in the ASEAN market, M&A advisory, and the formulation of long-term visions.

Tadasuke graduated from the University of Tokyo with a B.A. in Language and Culture and acquired a certification from the Graduate School of Public Policy of The National University of Singapore. He enjoys traveling and has visited around 50 countries.

## About IGPI

[Industrial Growth Platform Inc. \(IGPI\)](#) is a premier Japanese business consulting firm with presence and coverage across Asian markets. IGPI was established by former members of Industrial Revitalization Corporation of Japan (IRCJ) in 2007. IRCJ, a US \$100 billion Japanese sovereign wealth fund, is known as one of the most successful turn-around funds supported by the Japanese government.

In 2017, IGPI collaborated with Japan Bank for International Cooperation (JBIC) to form JBIC IG, providing investment advisory services and supporting overseas investment. In 2019, JBIC along with BaltCap has jointly established Nordic Ninja, a €100 million venture capital fund to focus on deep tech sectors such as autonomous mobility, digital health, AR/VR/MR, artificial intelligence, robotics and IoT in the Nordic and Baltic region. In 2019, IGPI established IGPI Technology to focus in the area of science and technology. The company invests in technological ventures and provides hands-on management support. The company also provides business development support towards commercialisation and monetisation of technologies.

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