



Unlocking the Power of Generative AI: A Comprehensive Guide for C-Suite Executives

IDC eBook

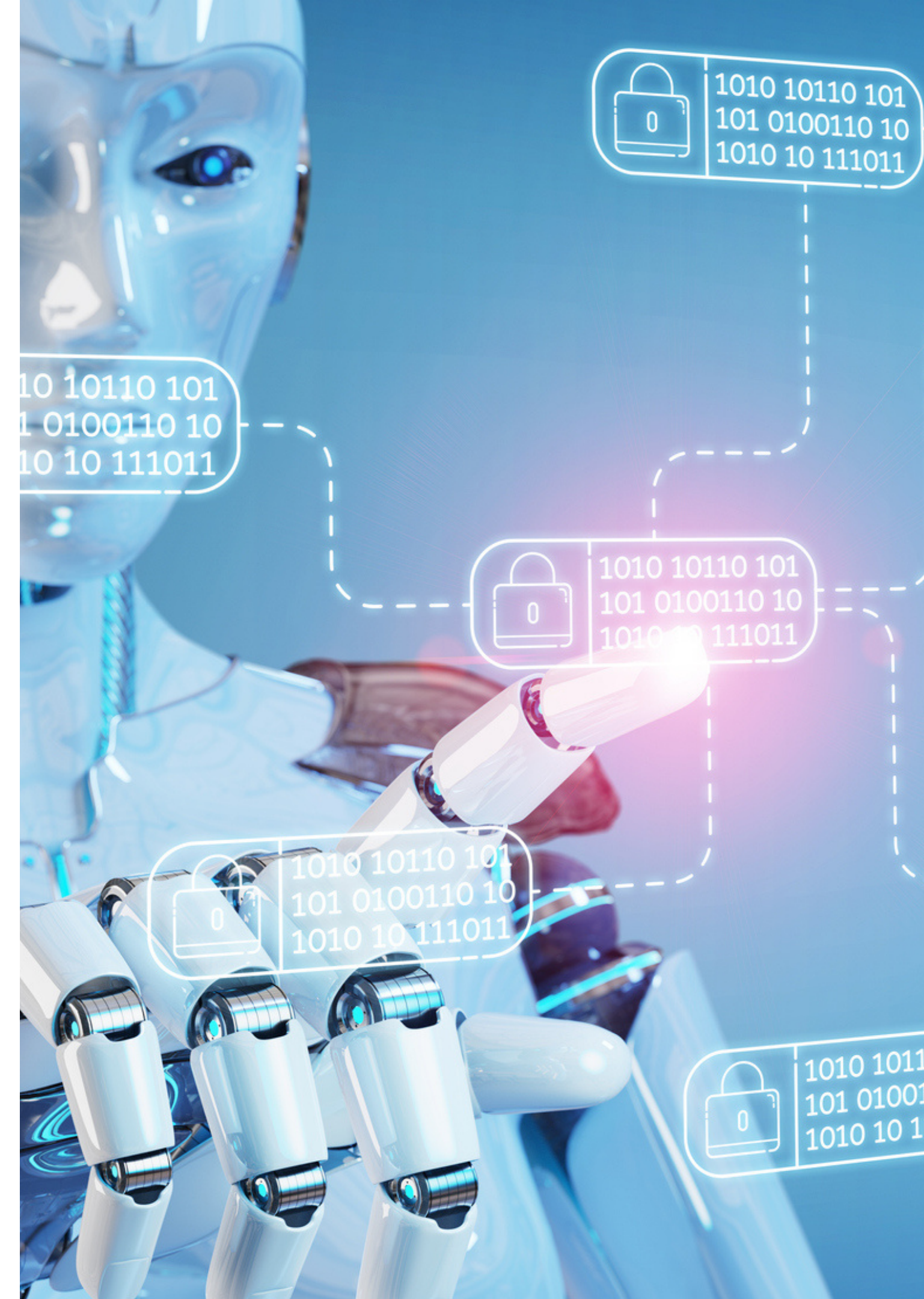


Prepare Your Enterprise for Generative AI

Powerful new digital technologies often pose a "best of times, worst of times" dilemma for C-Suite Executives, and generative artificial intelligence (AI) fits that pattern.

Generative AI offers businesses a **huge variety of opportunities**, ranging from the cost- and time-effective production of marketing content, to more effective knowledge and data management, and even to improved software development productivity. But the broad availability, power, and flexibility of this technology brings potential risk to businesses who have failed to prepare for the avalanche of generative AI vendors and applications.

In this eBook, we will delve into the **role of the C-Suite in providing the education, training, guidance, guardrails, and technical support** to help businesses succeed with generative AI.



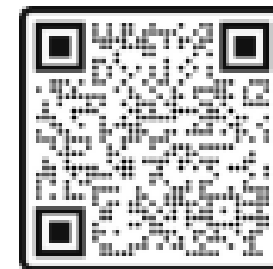
What Is Generative AI?

Generative AI is a form of artificial intelligence technology that can create texts, videos, images, audio, and data from prompts in the form of images, texts, videos, designs, music, or any form of content that a given system can process.

Examples of generative AI include:

- Open AI's GPT-3 and 4 (large language model [LLM]), and DALL-E 2 (image model)
- Midjourney (image model)
- Google's PaLM and LaMDA (Language Model for Dialogue Application) (large language models)
- Meta's NLLB (large language model), Make-a-Video (video model), and data2vec (multimodal)
- Microsoft's DeepNet (large language model) and MetaLM (multimodal)

Generative AI is already solving problems including accelerating drug discovery, writing articles and social media posts, creating new algorithms and writing software, creating engaging customer experiences, and increasing knowledge worker productivity.



**Scan the code to learn more
about how to use generative
AI to boost your business.**



Why Should the C-Suite Focus On Generative AI?

IDC's March 2023 Future Enterprise Resiliency and Spending Survey found that 46% of respondents in North America are already either investing in or exploring potential use cases, a number that rises to 70% in Asia/Pacific, and 76% in EMEA.

No surprise, as generative AI has many advantages for a growing business:

- **Generative AI can address many business needs.** From content marketing to improved knowledge worker productivity, there is an application for nearly every business need;
- **Generative AI is genuinely transformative:** Due to its exponential growth in power and its extensive scope of applications and use cases, this technology has the potential to revolutionize the way work is conducted;
- **The technology is approachable and easily learned:** Generative AI apps allow anyone with an internet connection to use simple prompts to create content. No surprise that tech giant Microsoft has already announced its intention to embed generative AI in the form of its product Copilot into its office productivity suite.





Generative AI has several unique characteristics that make it not only more promising but also risky and that require different approaches to adopting and managing implementations.

Marc Strohlein, Adjunct Research Advisor, IDC IT Executive Programs (IEP)

Some Key Concerns With Generative AI

Generative AI has tremendous potential for enterprises, but it's essential to recognize its current limitations and challenges. To responsibly adopt this technology, organizations must establish appropriate guardrails.

Key issues include:

- **The technology is powerful but not mature:** Generative AI can be inaccurate as pre-trained language models like ChatGPT have limitations like outdated training data. Additionally, recent advancements in language models have led to more persuasive and eloquent speech, which can lead to inaccurate information.
- **Guardrails are mostly provided by the creators:** While certain creators of generative AI applications have integrated safeguards to prevent misuse, there is a prevailing admission that a comprehensive understanding of the inner workings of Language Model Models (LLMs) remains elusive, rendering these models somewhat impenetrable.
- **This technology brings new combinations of threats:** Generative AI poses substantial risks to an organization's brand and reputation and potential for litigation. Threats range from the use of personally identifiable information for training purposes to plagiarism and false information.





Generative AI's potential for innovation and disruption is on a scale comparable to the introduction of the internet and the smartphone.

*Ritu Jyoti, Group VP, Artificial Intelligence (AI) and Automation Research,
IDC*

Preparing The Organization

Start building knowledge and expertise by applying generative AI to IT applications.

The best way to understand this technology is to apply it to solve your organization's needs. Identify potential use cases where generative AI can bring value with a low risk factor and that align with your business goals and requirements. For example, you could consider using generative AI for data generation, anomaly detection, natural language processing, or even code generation.

Build generative AI support structures to prepare for rapid uptake by employees.

Now is the time to create scaffolding for enterprise-wide usage of generative AI. Establish a Center of Excellence (COE) by leveraging knowledgeable IT and LOB staff and strategic partners to educate, train, guide, and support users. This can help channel your efforts while avoiding blunders.

Devote resources to guiding and channeling how generative AI is deployed throughout the enterprise.

To guide and channel the deployment of generative AI throughout your enterprise, establish a dedicated team and governance framework while defining clear objectives and guidelines. Conduct thorough risk assessments, foster cross-functional collaboration, and provide training to employees. Monitor and evaluate deployments, stay informed about regulatory and ethical considerations, and consider seeking external expertise when needed to ensure responsible and innovative use of generative AI.



Preparing The Enterprise

The C-Suite faces unique challenges in preparing the enterprise for the influx of generative AI applications and tools. One significant challenge is the potential for conversational AI to create a sense of unquestioning acceptance among users, despite the need for critical evaluation of answers and results generated by these applications.

Steps to lay the groundwork to prepare the enterprise include:

- **Educate** starting with the board and executive team to set expectations and garner support in managing the introduction, adoption, and management of generative AI.
- **Train** potential users on optimal usage, prompting, refining, and vetting accuracy of answers.
- Work with HR, legal, finance, and marketing to **identify risks**, plan **preventative and mitigating strategies**, and create **policies** for fair and effective use of the tools.
- Encourage experimentation, but with **precautions and transparency**.

Strategies for Managing Generative AI

Managing generative AI in the enterprise is essential to harness the transformative potential of the technology while ensuring alignment with strategic goals and ethical considerations. By taking an active role in guiding generative AI initiatives, the C-suite can effectively navigate risks, drive innovation, and leverage the technology to gain a competitive edge.

Steps that CIOs should take in managing generative AI in the enterprise include:

- **Focus on people**, not just technology, as adoption and appropriate usage will be make-or-break factors in the success of leveraging generative AI.
- Use **metrics** to set **priorities** and manage use.
- **Validate** content and answers generated by generative AI early and often.
- Make employee and customer **privacy and security** a high priority.
- Fine-tune **adoption strategies** to match the speed of technology evolution — avoiding undershooting or overshooting the velocity of change.

The majority of companies are in the early stages of exploring generative AI as a transformative technology. Although its potential is highly promising, numerous businesses are currently focusing on comprehending its inner workings and identifying potential use cases that can be adapted to their specific organizational needs.

If you are interested to find out more about how to integrate generative AI into your business we have the research that can help.

Are you ready to grow?

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