

Challenges of Generative AI (GenAI) for Business

Apéro Digital



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What is GenAI

- AI systems that produce text, images, video or other types of data
- They learn patterns from training data & produce new data based on prompt input
- Examples of GenAI systems include ChatGPT, Dall-E, Co-Pilot & Llama
- Assessing reliability & transparency of GenAI is particularly challenging

GenAI Use Cases

- Virtual Assistants & Chatbots
- Text summarization / translation / generation
- Semantic search in (large) documents
- Generating programming code
- Text, Image, video generation & editing for entertainment / art
- (Semi)automatic content creation for marketing

Technical Challenges

- **Accountability** methods for GenAI, such as privacy-preserving design, are underdeveloped.
- **Confidentiality** is a source of concern, due to the risk of leaking confidential information.
- Efforts needed to build **responsible GenAI systems**, such as applying ethics assessment frameworks, are underestimated.
- Concerns that implementing **trustworthiness safeguards** may decrease the GenAI performance are present.

Organizational Challenges

- Companies feel pressure to find use cases for GenAI, rendering the **trustworthiness of the system an afterthought**.
- Organizations & customers expect GenAI to “make life easier”, yet are often **unwilling to pay for necessary controls**.
- **Negative consequences on the work environment** are expected, as some professions may risk to “die out”.
- **Domain experts’ experiences are challenged**, making them often the least acquainted with AI technology.

Regulatory Challenges

- **Lack of clear guidelines** pushes organizations to “wait and see”.
- **Fears of copyright infringement** widely exist, even though legal risks may be lower than perceived.
- **Legal demands for explainability** are high yet hard to guarantee.
- **Need for constant refinement** to stay compliant with current standards.

Addressing the Challenges

- **GenAI-appropriate risk management strategies** need to be adopted into regular processes.
- **Upskilling strategies** covering both technical & non-technical aspects should be developed, and addressed to all hierarchy levels.
- **Change management strategies** can support AI governance implementation plans more effectively.