

Beyond the hype: Creating business value from generative AI

Use of generative AI for business is on the rise, and it's easy to see why. Generative AI promises businesses advantages such as productivity gains, unparalleled experiences and new business models.

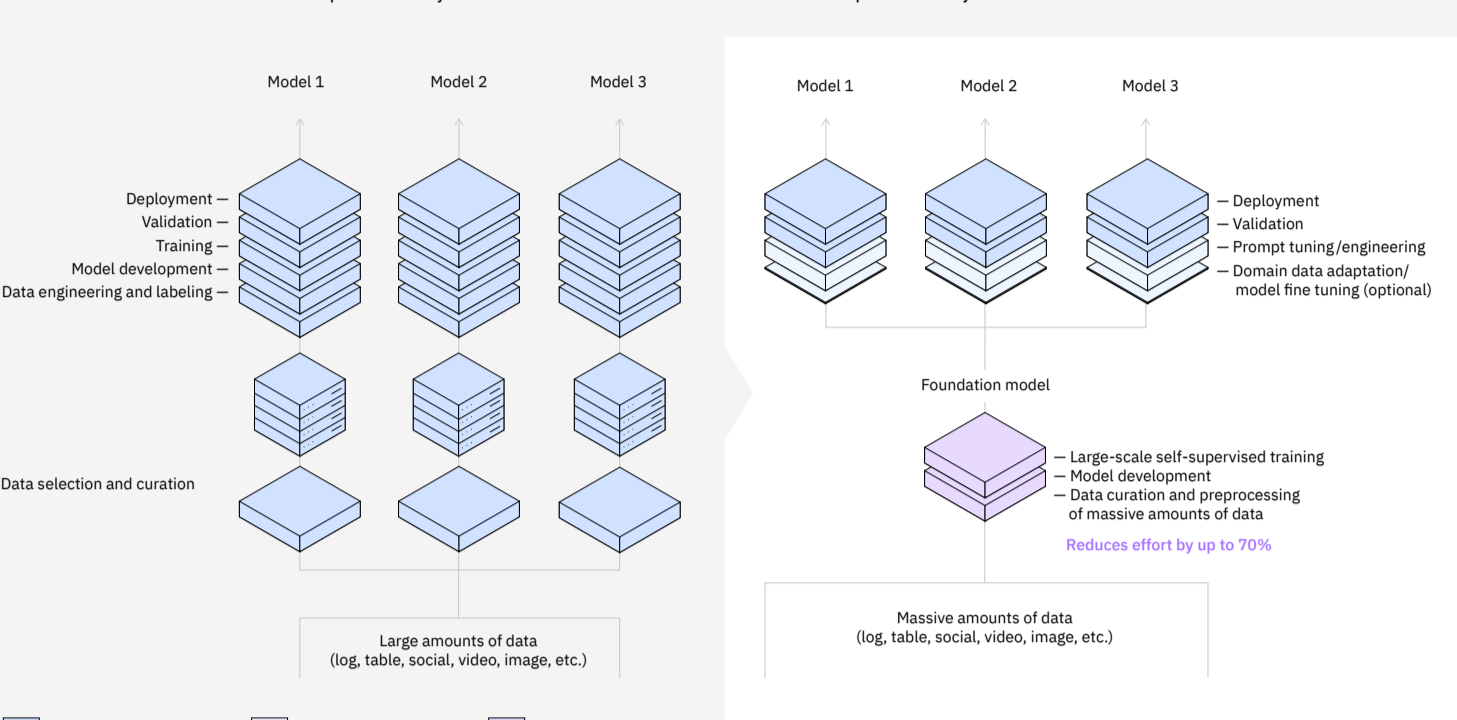
But to define a successful AI strategy, enterprise leaders must balance a complex set of factors, such as:

- Where should AI be applied to realize strategic impact?
- How can AI models be deployed while mitigating bias?
- Who's responsible for security and compliance?
- How do AI models scale across the enterprise?

Fortunately, with the right outlook and guidance, your enterprise can build, refine and scale important AI initiatives.

Foundation models make AI more scalable

Foundation models are consolidating the cost and effort of model training by up to 70%.¹



LLMs help power AI for business

One type of foundation model—large language models (LLMs)—represents a major advance in how AI can be applied to language. Trained on large amounts of data, LLMs can provide a wide range of functionality by themselves and be tailored to particular use cases.

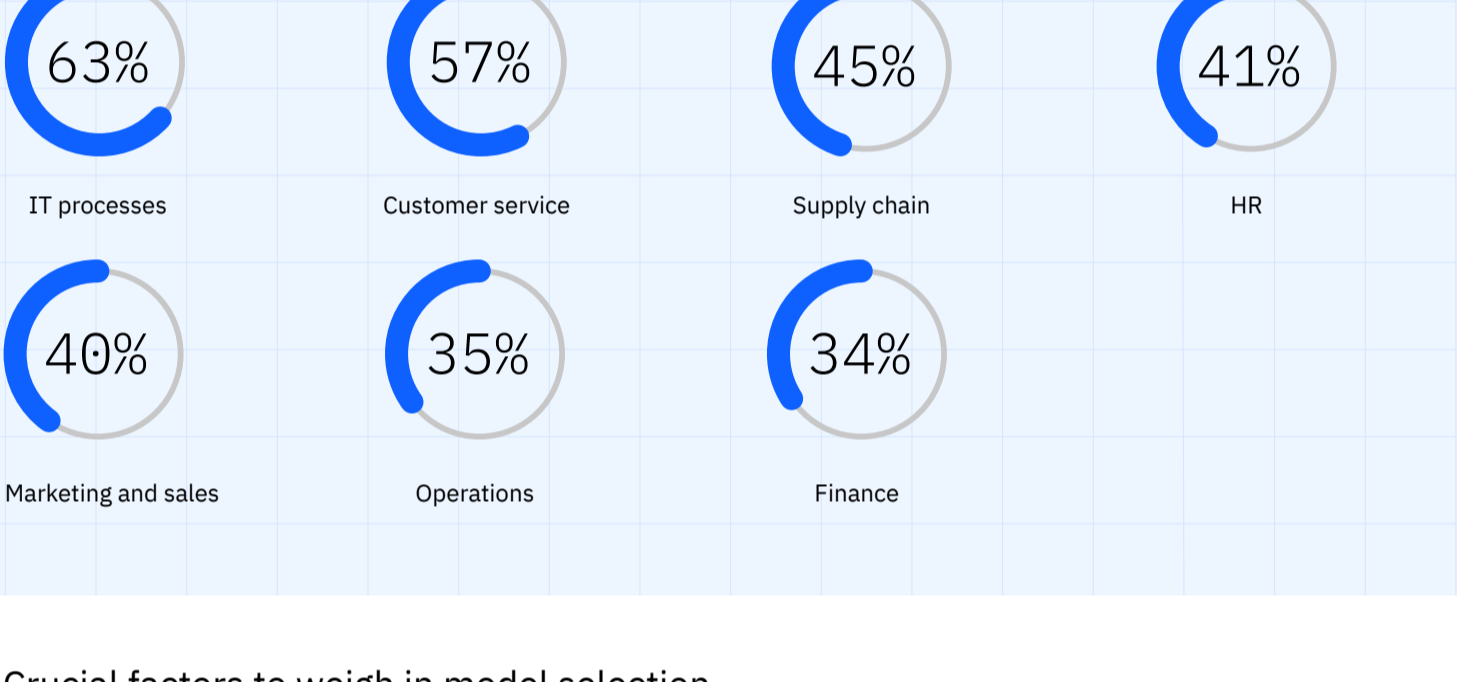
The AI market is rapidly bifurcating into two categories, both of which involve foundation models. One category is the consumer-oriented LLMs with little or no domain curation. OpenAI's ChatGPT is one example.

The other consists of narrower, highly curated, domain-specific models that are tuned and built for enterprise needs. These models can run atop a general LLM with additional minor tuning—but only if that underlying foundation is fit for enterprise use.

Capabilities of LLMs

- Summarize key takeaways from large complex documents, text or videos.
- Enable a semantic search against a company's proprietary data or customer knowledge bases.
- Develop and convert code, run testing and help with debugging.
- Create text, images or video.

Executives are embracing generative AI and LLMs to optimize and automate:²



Crucial factors to weigh in model selection

The right AI model selection and deployment will vary by domain, industry, and use case. Beyond development costs and speed, enterprises must consider tradeoffs and implications around precision, risk and security. The key is to ensure that your AI model delivers reliable results while helping to keep data secure.

	Public	Managed	Hybrid	Private
Pricing method	API usage	API usage	Hosting, compute	Hosting, compute
Development effort	\$	\$	\$\$	\$\$\$\$
Enterprise data security	Low	Med-high	High	High
IP and security risk	High	High	Medium	Low

Six steps to get started with generative AI for business

- 1 Define goals and priority use cases.** Let the business strategy guide the AI strategy. To be most impactful, AI should integrate into existing workflows and systems, automating and augmenting key processes.
- 2 Identify the right data sets and model.** AI is only as trusted as the data that fuels it. Businesses must consider enterprise-ready data architectures to accommodate broad AI use.
- 3 Consider the ethics.** Build in steps to improve transparency, governance and reduce hallucinations. Establish company-wide policies, practices and guidelines.
- 4 Ensure you have the right skills and stakeholders.** Collaborate across business, operations and technical teams to prioritize AI use cases that balance ROI, risk and precision. Ensure you have access to a team of experts to execute with speed and agility.
- 5 Find the right partner.** Few companies have access to the skills they need in-house. Partner with external experts to round out your team at every step.
- 6 Start small, test and scale.** Apply generative AI to a specific task or workflow in a low-risk environment. Once the process has been refined, scale it across the business and move forward.

Partner with a proven leader in AI technology and consulting

Enterprises will need a hybrid AI approach that is:

- Open**
 - Based on the best AI and cloud technologies available
 - Giving access to the innovation of the open community and multiple models
- Targeted**
 - Designed for targeted business use cases that unlock new value
 - Including highly curated models that can be tuned to proprietary data and company guidelines
- Trusted**
 - Offering security and data protection
 - Offering with governance, transparency, and ethics that support increasing regulatory compliance demands
- Empowering**
 - On a platform to bring your own data and AI models that you tune, train, deploy and govern
 - Running anywhere, designed for scale and widespread adoption to truly create enterprise value

Only IBM combines the technology and consulting expertise that allows the enterprise to quickly and effectively put AI to work.

Work with IBM to:

- Maintain use, control and ownership of your data.
- Deploy flexibly through the Red Hat® OpenShift® platform.
- Achieve AI explainability and transparency thanks to ethics and governance built into every solution and engagement.
- Interface with domain-specific and industry-specific models from multiple sources, including your own, IBM's, and open-source or ecosystem AI models including SAP, Salesforce, Adobe, Microsoft and AWS.

IBM Consulting is already working with clients and partners to co-create what's next in AI. Our diverse, global team can help you quickly and confidently design and scale AI and automation across business operations.

Our AI engagements include industry-recognized work in ethics and responsibility, coupled with a focus on upskilling and reskilling departments to maximize adoption and business value. In a field given to hype, we have a solid AI track record.

IBM Consulting's AI expertise

- 20,000+** AI experts
- 1,000+** professionals at the Generative AI Center of Excellence (CoE)
- 1,250+** active AI clients worldwide
- 40K+** AI and analytics engagements

Put AI to work with IBM Consulting

Ready to take the next step in transforming your business with AI? Explore an IBM Consulting expert client briefing. Collaborating with our IBM Consulting experts in generative AI, you'll zero in on priority AI use cases.

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1. What is generative AI, what are foundation models, and why do they matter? IBM blog, March 2023.

2. Survey of C-suite executives, conducted for Seven bets, IBM Institute for Business Value, May 2023

