Leveraging Generative AI for Digital Transformation

By INSEAD Knowledge with Chengyi Lin, INSEAD

Opportunities and risks for companies incorporating generative AI as part of their digital transformation strategies.

From language model ChatGPT to text-to-image model Stable Diffusion, businesses are using generative AI tools for a variety of functions: be it writing marketing copy, coding or plugging gaps in medical imaging data.

Indeed, ChatGPT notched 100 million monthly active users just two months after its launch, setting the record for the fastest-growing consumer application in history. OpenAI then debuted GPT-4, which accepts image inputs and boasts enhanced processing capabilities compared to its predecessor.

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While many organisations may jump on the GPT-4 bandwagon and try to reap the tremendous benefits generative AI has to offer, leaders need to understand that GPT-4 in itself does not build the organisation’s digital
strategy. Companies must consider whether their existing technological infrastructure can support the adoption of generative AI, how it fits into their strategy to meet their business goals and, more importantly, how it may challenge their current business model.

In addition, generative AI can expose businesses to potential risks, both internally and externally. As INSEAD Affiliate Professor of Strategy Chengyi Lin states in this podcast, firms must first understand the technology and how it can help them achieve their unique aims. They should aim to integrate generative AI into their wider digital transformation strategy, rather than incorporating it piecemeal.

Backed by years of research and teaching focused on the strategic impact of digital technologies, Lin is well-placed to explain the buzz around generative AI. Besides advising global conglomerates on their digital strategies, he’s also led the school’s creation of its online programmes. In this podcast, he outlines the implications of the technology across various sectors and offers key strategies to help CEOs, managers and entrepreneurs implement it more successfully across their organisations.

Find article at
https://knowledge.insead.edu/strategy/leveraging-generative-ai-digital-transformation

About the author(s)
INSEAD Knowledge is the expert opinion and management insights portal of INSEAD, The Business School for the World.

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About the series
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Delve deeper into developments in artificial intelligence, especially the disruptions across value chains. This series examines AI’s impact on a range of sectors, including business consulting, education and the media. It also sizes up the regulatory and ethical questions tied to this game-changing
technology.