Generative AI – built for business

The disruptive power of GenAl for business operations



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GenAI – a fast-moving technology

In recent years, businesses have been promised many revolutionary technologies, ranging from blockchain to redefine how we share data, nonfungible tokens (NFT) to empower digital asset ownership, and the metaverse, which was supposed to disrupt how we perceive what constitutes the workplace.

Generative AI – or GenAI – is also regarded as transformative. It's a technology that can handle activities that until recently we thought only humans could do, such as brainstorming and generating content.

But is it more than simply the latest craze? In this paper, we're going to look at what it is, what it does, and how it helps.

We'll explore how it genuinely disrupts operations in the main horizontal business functions – and finally, we'll consider the key factors in a strategic, enterprise-wide implementation.

This is a field that's moving fast – and as we'll see, organizations need to keep pace.

"Generative AI is a technology that can handle activities that until recently we thought only humans could do."





Source: Harnessing the value of generative Al. Capgemini Research Institute 51% of consumers are aware of the latest trends in GenAI

Source: <u>Why consumers love generative AI.</u> <u>Capgemini Research Institute</u>

Going beyond the hype

GenAI is a ground-breaking technology that is part of a wider AI and data science toolkit designed to analyze and replicate the characteristics and patterns found within large sets of data.

It can be used for a range of applications, from creating text, images, and videos in different styles to generating tailored content.

And it enables automated business systems to perform tasks previously reserved exclusively for humans – particularly those requiring creativity, empathy, and experience (see Figure 1).

The technology can be conceived as a highly skilled assistant or artist that acts on requests or "prompts," and uses a broad scale of information and experience gathered from open data sources (such as the internet), as well as from closed data sources and experiences, such as those gleaned from within the enterprise.

Like an artist who is inspired by events or environments and takes advantage of styling experiments and available tools, GenAI creates new ideas, solutions, and content.

It's worth noting that some GenAI tools such as large language models (LLMs), which are used to power chat-based selfservice systems, do not possess their own knowledge, but augment their text generation capabilities with patterns found in supplied data sources.

Im

GenAI is not about replacing human creativity or skills, but is rather a means of enhancing or augmenting what we do, carrying out tasks that are predefined and automated.

"GenAI is not about replacing human creativity or skills, but is rather a means of enhancing or augmenting what we do, carrying out tasks that are predefined and automated."



	GenAl applications	Examples
Text	Generating new text/reports, summarizing and translating in to multiple languages	Open Al's GPT-4, Google Palm 2, Scribe, Claude
nages & video generation	Generating new images/videos, analyzing existing images/video (e.g., video games, VR, animation)	Adobe Firefly, Stability AI, Midjourney, Nvidia, Dell-E2, Synthesia, Runway ML
Audio	Generating music and remixing, speech synthesis, sound effects, voice conversation, audio enhancement	Synthesia, Amazon Polly, Sonix.ai
Chatbots	Generate human-like contextually relevant text responses in real-time to expand and improve customer service and advice	OpenAl's ChatGPT, Amazon Lex. Google Bard
Search	Enhanced search functions, adding language capabilities to search e.g., retrieval augmented generation (RAG)	Google Bard, Landing AI, Azure, Facebook Liama 2, Perplexity AI

Figure 1. Generative AI applications across multiple formats

Source: Capgemini Research Institute, Generative AI and the evolving role of marketing: A CMO's Playbook, 2023



For business processes, this means the ability to offer new experiences and more innovative services and products, tailored to the specific needs and interests of customers and augmented by data owned by an enterprise.

The sudden rise of GenAI-enabled products and services shows that concepts previously regarded as futuristic are now growing in number and scale, and are frequently becoming a part of reinvented business processes or even of industry standards.

Use cases include automating routine tasks such as analyzing data hidden within databases, automating answers to client queries, and generating new multi-lingual training manuals.

More importantly, GenAI is not about making a business process "cutting-edge," but applying the next generation of "smart" in a business toolkit to improve client experience, generate more value, and stay ahead of the competition. Data access and data quality are key and require investments to leverage operationally AI and GenAI but large-scale implementation of GenAI requires organizations to make three distinctive decisions:

- The strategic direction in which it will play a part
- How to equip the workforce to take advantage of it
- How to execute it iteratively and move towards scaled value.

But, even with GenAl's enormous transformative potential, there are areas of concern that need to be addressed, including consumer trust in the technology, which can sometimes be misplaced and leave people vulnerable to threats in areas such as security, privacy, and misinformation.

Despite these potential downsides, the impact of GenAI will clearly be massive, maybe the most important one in decades. 74% of executives believe the benefits of GenAl outweigh the risks

Source: <u>Harnessing the value of generative AI.</u> <u>Capgemini Research Institute</u>

"The sudden rise of GenAIenabled products and services shows that concepts previously regarded as futuristic are becoming a part of reinvented business processes or even of industry standards."

The context for implementation

One of the most well-known implementations of GenAI is, of course, ChatGPT. However, a wide range of other dedicated solutions could provide even more efficient results depending on the specificities and data ecosystem used for training.

Trust remains the first piece of the puzzle to be addressed to avoid any misunderstanding or even a complete disconnection from reality.

How can GenAl transform business operations? Here's a brief overview:

"Generative AI presents a transformative force across various business operations, revolutionizing efficiency and effectiveness.

In **finance operations**, it enables predictive analytics for risk assessment, fraud detection, and personalized financial advice.

Supply chain operations benefit from Al-driven demand forecasting, inventory optimization, and real-time logistics management, enhancing agility and reducing costs.

Client operations leverage Generative AI for personalized marketing campaigns, sentiment analysis, and customer service automation, fostering deeper engagement and loyalty.

HR operations are streamlined through Al-powered recruitment processes, talent management, and employee feedback analysis, facilitating better decision-making and employee satisfaction. Moreover, Generative AI facilitates the creation of synthetic data for training models, overcoming data scarcity issues.

By harnessing Generative AI across

these domains, businesses can unlock unprecedented insights, drive innovation, and achieve sustainable growth in an increasingly competitive landscape."



Capgemini's Business Services has been at the forefront to leverage AI and GenAI to transform enterprise process and drive significant efficiency improvements. However, the value for the enterprise goes far beyond cost savings. I strongly believe that through the use of these new technologies we can unleash the power of data to eliminate frictions, drive insights, and generate tangible business outcomes which impact our clients' top and bottom line."

Oliver Pfeil CEO, Capgemini's Business Services Good summary, don't you think?

This was not written by the authors of this paper, but was automatically generated with **ChatGPT** in less than 2 seconds! The original request was simply this:

"You are an expert in business operations and intelligent automation. Please generate a point of view of 150 words on what are the capabilities of Generative AI to transform business operations in the fields of finance operations, supply chain operations, client operations and HR operations."

When the app was asked to perform the same task but with a sarcastic tone of voice, the result was also impressive:

"Oh, Generative AI, the magical solution to all our business woes!

In **finance operations**, it promises to predict the unpredictable, like a crystal ball that never fails to dazzle with its inaccuracies.

Supply chain operations? Ah yes, because nothing says efficiency like algorithms guessing wildly about demand while your shelves gather dust or overflow with excess inventory.

Client operations? Let's automate those heartfelt customer interactions and replace them with robotic responses that scream "we care... about cutting costs."

And **HR operations**, well, who needs human judgment when you have algorithms to sift through resumes and churn out soulless hiring decisions?

Generative AI, the answer to all our prayers – if those prayers involve relinquishing control to glitchy algorithms and praying for mercy from the inevitable mess they'll make. *Oh, what a time to be alive in this brave new world of automation!"*

While these two summaries may perhaps be a bit generic, they provide a fair and simple overview – and they were produced very fast indeed.



Source: <u>Why consumers love generative AI.</u> <u>Capgemini Research Institute</u>



Disrupting business operations with GenAl

Much of the excitement around GenAl is the result of ChatGPT, which was developed by <u>OpenAl</u>. It became hugely popular because it enabled users to interact with it in an easy, natural way, and to see the results of their interactions with it almost immediately – just as we've seen with the two summaries above. It's no surprise that business is exploring its potential.

In fact, 96% of organizations say GenAI is on their boardroom agenda. Their outlook is quite optimistic: executives predict <u>productivity improvements of</u> <u>7–9%</u> resulting from GenAI adoption in just the next three years, and about one-fifth of executives surveyed globally say it will <u>significantly disrupt</u> <u>their industries</u>.

Indeed, there are some use cases where the benefit potential is for efficiency improvements of 60–80% or more (see Figure 2).



Figure 2. Expected future benefits of generative AI in three years from today, average % projected increase

Source: Capgemini Research Institute, Generative AI Executive Summary, April 2023, N=800 organizations





Source: <u>Harnessing the value of generative AI.</u> <u>Capgemini Research Institute</u>



Source: <u>Why consumers love generative AI.</u> <u>Capgemini Research Institute</u>

Consumer expectations of GenAl

According to a study conducted by the Capgemini Research Institute in April 2023, over 40% of surveyed consumers would like to see GenAI implemented as a part of their interactions with organizations – mainly as a part of automating customer service (selfservice), AI-powered search and insights, and new forms of content creation across text, video, images and audio.

In the same report, 70% of consumers say that GenAI tools such as ChatGPT are becoming the new go-to when it comes to seeking product or service recommendations, replacing traditional methods such as search.

There are three specific areas in which clients and customers have expectations.

Enhanced service/product personalization and experience

Clients today are not merely seeking new products or services with GenAI built in for its own sake. Rather, they are looking for more personalized experiences tailored to their specific context (location, time, socio-economic situation and personal needs) and preferences.

GenAI is a rising transformative tool that can provide these experiences on demand by employing various casespecific fine-tuned large foundation models (LFM) connected to new or existing experiences.

Furthermore, the efficiencies delivered by AI in the contact-focused part of the business through AI-driven self-service experiences (contact center, marketing, or on-demand products) ensure that clients have both prompt and relevant responses available to them 24/7 – without the need to "wait for the next available agent" that interrupts this experience.



Innovative business solutions with factual proactiveness

The rising awareness of GenAI among consumers also suggests that they are increasingly looking for innovative solutions that bring value to them. For years, global businesses have been talking about growing closer to clients and becoming more proactive – not just to increase client satisfaction, but also to reduce the operating costs associated with solving ad-hoc queries.

GenAl opens new opportunities for businesses to reinvent their operating procedures, products, and services. By taking advantage of the ability of AI-based systems to analyze large quantities of unstructured data and act on identified patterns, businesses can predict client needs and offer solutions – even before the client realizes the need.

This gives organizations that adopt GenAl opportunities not just to meet, but to exceed, client expectations and position themselves as forwardthinking and client-centric leaders in their respective industries.



40% of consumers would like to see GenAI implemented as a part of their interactions with organizations

Source: Why consumers love generative AI. Capgemini Research Institute

> **70%** of consumers say that GenAI tools are the new go-to for product or service recommendations

Source: Why consumers love generative AI. Capgemini Research Institute

"Clients are not merely seeking new products or services with GenAI built in for its own sake. Rather, they are looking for more personalized experiences tailored to their specific context and preferences."

¹Generative AI in organizations, Capgemini (2023), <u>https://www.capgemini.com/insights/research-library/generative-ai-in-organizations/</u>

Trust through transparency and responsibility

As businesses increasingly integrate GenAI into their processes and solutions, it is vital to maintain transparency and responsibility – especially in how client data is used to make an automated decision.

Clients are more likely to trust such automated services from a company that not only fulfils legislative requirements (such as the <u>European</u> <u>Union's AI Act</u>) but also is able to demonstrate practical guardrails and considerations such as ethical AI (including the ethical sourcing of data), respecting privacy and data security, and also by being completely transparent on how systems will be updated in future.

This may mean not only ensuring the technical transparency of GenAlbased systems but also providing business-related safeguards including a <u>Code of Ethics for Al</u>, which is what we have developed here at Capgemini.

Being more up-front with clients should raise their trust in GenAI-based systems, and in effect build a more satisfied and loyal customer base.

Automating processes and improving customer experience

GenAI shouldn't be seen as a bolt-on. It's true transformative potential is realized if combined with automation as well as with the organization's data and its enterprise systems.

Let's consider two scenarios where in each case, a relatively new employee is asking a digital business process assistant: "How do I raise an invoice in the procurement system?"

In the first scenario, the response is created by a standalone GenAI implementation:



• "Happy to help. Here are step-bystep instructions on how to create your invoice in the XYZ Procurement System" ... followed by a long list of steps generated by AI retrieved from the software manual. While the organization is significantly improving the search and learning experience of the employee, it's still a fully manual process.

The second scenario is derived from an automation ecosystem enhanced with GenAI. Here, the response could be something like this:

• "Happy to help. I'll send you step-bystep instructions on how to create your invoice in the XYZ Procurement System so you will know for the future. But I can also walk you through it while you try it out for yourself. Alternatively, I'm happy to do it for you. Just drag and drop the file to the chat window. In fact, I can even automate this process for you for the next time."

This is a very different experience for users, with a new level of value generated for the business – moving from a fully manual process to the option of an automated one, while still giving users the opportunity to gain the requisite knowledge for themselves.

> **71%** of executives believe GenAI will enable them to create more interactive experiences for their customers

Source: Harnessing the value of generative AI. Capgemini Research Institute

"As businesses increasingly integrate GenAI into their processes and solutions, it is vital to maintain transparency and responsibility – especially in how client data is used to make an automated decision." With permission, the most advanced automated implementation would pull the relevant file from an inbound email, automate the business process, and send a notification to the employee: "I have resolved this case for you, so you can focus on the client."

The key limitation of GenAI is obtaining a sufficient level of confidence in its results, the knowledge base that is used to train the model can't be verified. Obviously, the more data that can be obtained on the required scope of work, the more relevant and accurate the results will be, but this isn't always a straightforward proposition, especially in a business context.

One problem is knowing which data is necessary: if that's unclear, the only option is to gather, store and update vast quantities that will never be used, which is not only costly but also has an impact on sustainability. Getting the right balance between too much data and not enough for the individual needs of an enterprise can be a real challenge.

By implementing intelligent process automation into the core of its clients' transformation journeys, Capgemini has built the necessary foundation needed to accelerate into its near future with GenAI.

Companies who initiated this datadriven transformation with generating new insights based on data that is powered by automation and AI are currently the most advanced organizations accelerating with GenAI.

Improving the now – and creating the future

There are two main types of activity to which GenAI can be applied in the enterprise:

• Current daily tasks – GenAl can optimize productivity and



efficiency for basic processes involving documents, slides, email, and more with significant quality improvements

Innovating and creating value

 developing services, products
 or even processes that were not

possible before.

Companies will of course want to pursue both these opportunities, so they can lower their costs and optimize their time to market while also generating new revenues.

To do so, they can implement an offthe-shelf solution, create their own customized model, or adopt a hybrid approach. The first of these options will be generic, but efficient enough and will certainly be cost effective, based on pretrained models with global data, which is the case with ChatGPT.

The bespoke option will generate concrete outcomes specific to industry or market needs and will be a distinctive and competitive proposition, but it will need a dedicated data ecosystem and specific models or LLMs – and as we've seen, establishing and maintaining

We've been applying automation to make our services radically more efficient for a while. With GenAI we're taking the next step and reimagining all our services with an innovative and responsible approach."

Lalitha Kompella

Head of the Analytics and Intelligent Automation Practice, Capgemini's Business Services

the necessary data resources can be a challenge.

Whatever the approach, there will be significant costs – either direct (to implement the solution) or indirect (cloud consumption for example) – and there will also be too many temptingly shiny targets to pursue.

Organizations will need to consolidate the full scope of possibilities for each domain of their activities and prioritize the most relevant ones, considering the sustainability implications and the expected business outcomes. Not that simple, when the opportunities are almost limitless.

"By implementing intelligent process automation into the core of its clients' transformation journeys, Capgemini has built the necessary foundation needed to accelerate into its near future with GenAI."

Applying GenAl across key business areas

We have analyzed several main possibilities in four key business areas: human resources, finance and accounting, supply chain, and contact centers – looking at the expected impacts per use case.

Human resources

The introduction of GenAI in HR is transforming every aspect of moments that matter to employees – from recruitment, through development, to retirement.

Enhancing efficiency and precision in recruitment processes by

utilizing AI-powered tools. This is not a technological novelty and there are many enterprise-grade systems fulfilling this promise. But with advances in GenAI, companies can move swiftly through large volumes of candidate profiles, identifying the most suitable candidates based on actual skills, experience, and cultural fit, while providing a seamless and proactive experience to each.

Even the best candidates may have learning and experience gaps that need to be addressed to ensure they reach their potential, and GenAI will identify these potential deficiencies. The enhanced recruitment process will also look more appealing, digitally inclusive, and attractive to a more diverse pool of applicants.

Tailoring the employee experience

by reinventing HR business processes so they are specific to each employee's career aspirations, experience, and individual strengths and needs. GenAI makes this a reality as part of augmented selfservice for employees, providing recommendations, creating bespoke development content, proactively



automating most routine tasks such as year-end performance reporting, or boosting morale with individually customized communications.

Enhancing engagement and well-

being by providing anonymized insights from employee feedback and implementation recommendations, enabling HR teams to make data-driven decisions that improve the working environment, directly impacting the satisfaction, productivity, and loyalty of employees.

"Reinventing HR business processes enables them to be tailored to each employee's career aspirations, experience, and individual strengths and needs." **60%** of executives say that GenAI would completely revolutionize their way of working



Source: <u>Harnessing the value of generative AI.</u> <u>Capgemini Research Institute</u>



Finance and accounting

Transforming the finance and accounting function from a purely operational focus on delivering timely reports and transactional record keeping to something of much more value. GenAI can serve the strategic intelligence unit of the business by improving the automation ratio of data preparation and analysis tasks.

With its ability to understand documents, to generate recommendations, and act as a proactive analytical assistant on demand, it can support and enhance the work of specialists within dedicated functions.

Automating F&A for accuracy

and insight to improve business processes beyond productivity, capacity, and automation quick wins such as document processing. This brings the next level of precision and insight gained from the contextual understanding of emails, notes, and policies – thereby enhancing financial reporting, budgeting, forecasting, and analytical commentary.

By expanding the scope of automation, the business can not only gain deeper insight into contextualized financial performance, but can also enable more persona-driven insights.

Why? Because analysts and CFOs will require different levels and different

kinds of analysis support to inform their strategic or operational level decisions. GenAI will also enhance footnotes and comments sections in financial reports, making them more readable for stakeholders and third parties.

Rethinking the management of risk and compliance by providing advanced analytics and predictive capabilities with comprehensible simulations, explanations and recommendations – not only detecting financial anomalies, but also aggregating information about market trends, news and evolving regulations.

This increases the organization's proactive ability to manage expectations and safeguard financial health, while reinforcing its transparency, integrity, and reliability as a business partner.

Supply chain

Globally, the supply chain will benefit from GenAI by reducing working capital, increasing automation at scale, and increasing revenue.

Let's focus on six main areas:

• Master data management – automatic verification for duplicates; merges of similar records; automatic extractions from complex documents; relationships and dependencies between entities; and more • Planning optimization – optimizing demand, supply, and inventory planning much more efficiently by analyzing multiple data sources to propose new solutions and concrete decisions; simulating various scenarios to provide intuitive and interactive recommendations; predicting lead times for POs; improving production and transit lead times; generating summaries from dashboards and complex information; automatic benchmarking of equipment/materials, and more





Source: <u>Harnessing the value of generative AI.</u> <u>Capgemini Research Institute</u>

"GenAI can serve the strategic intelligence unit of the business by improving the automation ratio of data preparation and analysis tasks."

- Fulfillment understanding unstructured documents; enabling users to participate in conversationbased learning; identifying the root cause of the delays/risks; automating reports with multilingual GenAI-powered conversational AI; optimizing inventory management and efficient order fulfilment at scale; providing early warnings for erratic order identification; and generating automatic responses for query resolution
- Sourcing/category management providing real-time market insights from multiple platforms; generating automatic recommendations
- Product lifecycle management automating data analysis and fuzzy matching to achieve coherence and quality; detecting anomalies with automated quality control; recognizing patterns and features
- Procurement quickly analyzing complex business activities and predicting future market developments; unlocking unmatched insights and efficiency; assisting in supplier selection by evaluating multiple factors (such as cost, quality, reliability, and performance history); continuously monitoring supplier performance and flagging potential issues before they arise, thereby strengthening vendor relationships.

Contact centers

The customer ecosystem will be completely reinvented with GenAI, providing new, dedicated, and highly customized insights to every client via human avatars or augmented agents.

Digital humans will be able to interact in any language, 24/7, reproducing human elements such as tone of voice, body language, facial expressions, emotions, and lifelike conversations to make interaction more natural.

For example, Capgemini created a custom digital avatar solution for a global life science company to support patients' day to day needs,



with efficient knowledge bases that are specific to their conditions and treatments – just like a dedicated specialist in a hospital.

Redefining the customer center so it becomes the client's favorite part of doing business with the organization by switching the focus from average handling time (AHT) to actionable net promoter score (NPS). GenAI-powered solutions in contact centers can not only improve handling inbound queries but automate the whole process end-to-end in a self-service model, creating unparalleled client experience along the way.

Advanced self-service systems powered by LFMs can understand, respond, and trigger the automation needed by clients with degrees of precision, personalization and scale that are unmatched by humans – making every interaction feel uniquely tailored to the client context.

Elevating customer Interactions by giving the business a friendly

face through a digital avatar that provides multilingual, multi-channel, context-driven emotion, and empathy, regardless of when or how clients make contact. All enquiries will be handled with speed and accuracy, but responses will also be personalized, unscripted, and in line with your operating procedures, policies, strategy, and brand values.

Tailor customer engagement by

anticipating customer needs and offering proactive solutions, ensuring that everyone feels understood and valued for their business, while maintaining standardization and optimization of business processes on a global scale.

By analyzing global patterns in communication and preferences, GenAI can provide an unparalleled capacity to foster deeper relationships and greater loyalty – and without increasing operating costs.

"The customer ecosystem will be completely reinvented with GenAI, providing new, dedicated, and highly customized insights to every client via human avatars or augmented agents.."

Innovating or reinventing – is one step at the time the right approach?

When it comes to implementation, the most important question is not just about whether GenAI should be treated as another technological approach to business process re-engineering, but rather about how to realize its potential in reinventing the very DNA of work.

GenAI capabilities shouldn't be considered as a series of isolated decisions or small-scale automation projects to address process inefficiencies, but should rather be seen as an opportunity to take step back, holistically assess the value that the business process should create, and reinvent it by redefining experiences from the ground up.

Selecting the right use cases for GenAI is crucial. It needs to be aligned to organizational objectives and strategy, identifying areas where its application will make the most significant difference, both for the organization and the process stakeholders, internally and externally.

The selection process should look beyond the typical low-hanging-fruit or proof-of-concept project types that address minor efficiencies, and focus instead on areas where AI (including GenAI) can fundamentally transform business operations, enhance customer and employee experiences, and, most importantly, generate new value.

The right use case needs also to be benchmarked against the strategic goals of an organization, addressing core market and existing software gaps to unlock new opportunities not



only for efficiency or performance but for top-line growth.

Moreover, immediate focus on large-scale deployments from the very beginning is essential to ensure long-term business value, cost, and process controls. While it might be tempting to test the water with smaller projects, the true value of GenAI comes from its transformative potential to unify business processes into a frictionless chain of experiences rather than, say, small steps in documentation.

In addition large-scale deployments do not mean ill-considered implementations across multiple use cases, but a thoughtful, strategic implementation which considers the preexisting data and automation estate of an organization, undertaking transformation initiatives and responding to market trends, thereby changing customers' buying behaviors.



Source: <u>Harnessing the value of generative AI.</u> <u>Capgemini Research Institute</u>

"GenAI capabilities shouldn't be considered as a series of isolated decisions or small scale automation projects to address process inefficiencies, but should rather be seen as an opportunity to take step back, holistically assess the value that the business process should create, and reinvent it by redefining experiences from the ground up.."



Furthermore, GenAl provides a great opportunity to set a strategic agenda to reconsider the value flows, to refresh procedures, and to integrate business processes. By doing this, companies can ensure that the benefits of artificial intelligence are not just incremental improvements but significant steps forwards, impacting the organization at every level.

Finally, GenAl presents a unique opportunity not just to improve the technological foundation of business processes or innovate automation estate, but to truly rethink and redesign how business is done and what the work of employees is really about. This technology is not just an addition to change current ways of working, but to fundamentally reengineer the DNA of operations. It's an opportunity to ask questions, to challenge the status quo, and to redefine how value is being generated.

Companies that view GenAI as a chance to reimagine their entire business model and associated business processes have a chance not just to make incremental changes to stay relevant in the market, but to lead industry-wide changes by shaping new experiences that clients seek and for which they are willing to pay.

By taking this broader objective into consideration, businesses can take advantage of GenAI not just to automate business processes across HR, the supply chain, finance and accounting, or the contact center, but to create entirely new models, setting new standards in efficiency, customer satisfaction and strategic growth. "Companies that view GenAI as a chance to reimagine their entire business model and associated business processes have a chance not just to make incremental changes to stay relevant in the market, but to lead industry-wide changes by shaping new experiences that clients seek and for which they are willing to pay."

Critical considerations for implementing GenAI

Update the operating model – the rise of LLMops

GenAI implementation is not just about the new implementation of a new technology. It's also about the development of improved operating models that will allow long-term sustainability.

Such a new approach should encompass the management of AI models by the business, ensuring up-to-date safeguards, efficiency, and reusability.

Balancing the scales – managing the cost

While the benefits of GenAI to business are immense, so too can be the costs associated with its operation and maintenance. Companies must carefully balance the scales, ensuring that the investment in AI technology is proportional to the value it delivers.

This includes considering not just the initial project costs but ongoing operational costs, which are subject to ongoing technological advancements like model cascading and caching.

Maximizing the value – the importance of reusability

To take full advantage of the transformational power of GenAI, the focus should be on the reusability of AI capabilities across different applications and departments.

By doing this, businesses can maximize the value of GenAl investment, ensuring that the technology doesn't just serve a single purpose, but becomes a scaled toolkit addressing various business needs.



The same applies to reusability of prompts, guardrails and the architecture of solutions.

Safeguarding the use – need for advanced trust solutions

As GenAl becomes more ingrained in business processes, the need for advanced trust solutions becomes critical.

This means implementing robust security measures, ensuring data privacy, the implementation of trust and testing tools, and maintaining ethical AI principles to build trust with stakeholders. The proactive design of reusable guardrails should be considered as standard.

Feeding the machine – LLMs need your data

Business stakeholders must understand that enterprise data is the fuel that drives GenAI, and managing this data effectively is critical for the success of AI initiatives.

This is true not only to train or finetune models but also in rising use cases such as retrieval augmented generation, allowing AI to contextualize responses using business data.



Staying ahead – continuous validation of technologies

The GenAI technology landscape is rapidly evolving, and both IT and operations need to stay up to date with its developments.

This requires continuous validation of GenAI-enabled additions to new or existing systems, ensuring they remain effective and relevant in a changing technological ecosystem.

More than just a tool – automation as ecosystem

GenAl should not be seen as just another tool in the transformational technology toolbox.

Its integration requires a wellorganized ecosystem approach, considering how different technologies, platforms, and processes interact and complement each other to create a cohesive interconnectivity and maintenance strategy.

Adapting to the changes – an evolving legal and ethical landscape

As GenAI technologies advance, so too does the legal and ethical landscape surrounding it – see the European AI Act, for example.

Businesses must be prepared to adapt to these changes, ensuring compliance and the ethical use of AI in all their solutions.

Creating new horizons – opportunities for employee growth

The introduction of GenAI in organizations opens new horizons for employee growth and development.

Businesses should build a cohesive strategy that enables employees to take advantage of this technology fully and securely, thereby fostering a culture of innovation and continuous learning.

Unified vision – the imperative for strategic change management

The integration of GenAI can rai se many questions from the business, and to be successful, a unified vision and strategic change management program is needed.

This involves aligning all AI initiatives, including GenAI, with overall business goals, ensuring all stakeholders are on board and moving in the same direction.

Scale – the name of the game

Finally, the successful integration of GenAI is all about scale.

Businesses must look beyond pilot projects and small-scale implementations and envision how AI can be scaled-up to transform entire value chains, reinvent the understanding of business processes, and drive significant improvements in efficiency, innovation, and customer experience.

Companionship on the road ahead

As we've noted, GenAI is moving fast, and the scenarios described in this article are becoming realities with each week that passes.

Does that mean that organizations should scramble to get started?

In our view, no. Businesses can't afford to be left behind, but at the same time, it's vital to enter this field with defined objectives and a sense of direction. A headlong rush won't deliver long-term strategic benefits. They need to hurry, but hurry slowly.

What major enterprises should therefore consider is working with a partner to keep them company on the road to a GenAI-empowered future.

What should the selection criteria be? In an enterprise-wide GenAI implementation, what would be the ideal attributes of a solutions provider?

Here are a few criteria to consider:

- A strong vision and a creatively open mind on the way new technologies can be adopted
- A long experience of enterprise-wide systems development, specifically including artificial intelligence in general and GenAI in particular
- The infrastructure needed to support global implementations at scale, including multinational operations in multiple languages, centers of excellence, and certified professionals across major geographies

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• A verifiable track record of success against basic metrics including productivity, efficiency, savings, spend visibility, and compliance

- Well-established relationships with leading third-party GenAI providers
- Recognition from respected thirdparty organizations, such as leading analyst groups.

GenAI will likely be the greatest source of disruption to business operations in years – in decades, perhaps.

It's an exhilarating journey, but also a challenging one – and that's why it's a good idea to seek out a dependable traveling companion. **77%** of executives say their organization is conscious of the need to implement and scale GenAI in a sustainable way



51% of executives cite the lack of clarity on underlying data used to train generative Al programs as a challenge

Source: <u>Harnessing the value of generative AI.</u> <u>Capgemini Research Institute</u>

"What major enterprises should therefore consider is working with a partner to keep them company on the road to a GenAlempowered future."

Working with Capgemini

Based on more than 20 years of business transformation experience for hundreds of customers, Capgemini's Business Services has been at the forefront of AI-driven process transformation breakthroughs.

Have you already started your automation journey with RPA and AI at the core of your processes? If so, you have a strong foundation to accelerate this massive change to get even more value and outcomes from it in a short period of time.

Thanks to our deep use cases analysis on finance and accounting, supply chain, customer or HR processes, as well as the assets, methodologies, and frameworks we developed specifically with GenAI, we know the best way to support your next game changing transformation to ensure you get the most out of it. We also take advantage of our partnerships with the key actors from the market such as Microsoft, AWS, and Google, as well as more specific companies such as Mistral AI. We work closely together with them in strong partnership to disrupt the market.

Starting with the target operating model (with or without a center of excellence, transversal or dedicated per domain, selecting the right tools and solutions from the market, developing a customized solution at scale with optimizing CO2 emissions, etc.), we'll support you from end to end, from design to build to run, to maintain your objective of generating sustainable business outcomes, enhanced value, and continuous innovation.

Contact us to find out how we can help your organization leverage GenAI to transform your business operations through seamlessly orchestrating an intelligent, connected ecosystem of people, processes, data, and technology.



Sebastien Guibert leads the portfolio <u>Capgemini's Business Services Global Business Line</u>. After a number of years as the projects and processes portfolio head for a Capgemini client, Sebastien worked in the Data & AI space, leading the AI Center of Excellence in France. Sebastien infuses AI and technologies such as the metaverse into the heart of client solutions, driving a sustainable transformations journey to deliver enhanced productivity, efficiency, and concrete business outcomes.



Marek A. Sowa is the Head of Intelligent Automation Offering & Innovation for <u>Capgemini's</u> <u>Business Services Global Business Line</u>. He empowers clients to revolutionize business operations with GenAI, AI, and RPA, helping many Fortune 500 companies to create scalable, high-performance automation solutions that enhance efficiency, employee satisfaction, and transformation. His current role involves shaping market-leading offerings, GTM strategies, and aligning global services in the Data & AI portfolio of Intelligent Automation.

About Capgemini

Capgemini is a global business and technology transformation partner, helping organizations to accelerate their dual transition to a digital and sustainable world, while creating tangible impact for enterprises and society. It is a responsible and diverse group of 340,000 team members in more than 50 countries. With its strong over 55-year heritage, Capgemini is trusted by its clients to unlock the value of technology to address the entire breadth of their business needs. It delivers end-to-end services and solutions leveraging strengths from strategy and design to engineering, all fueled by its market leading capabilities in AI, cloud and data, combined with its deep industry expertise and partner ecosystem. The Group reported 2023 global revenues of €22.5 billion.

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