

Generative AI's fast and furious entry into Switzerland

Usage and attitudes of the Swiss workforce towards Generative AI

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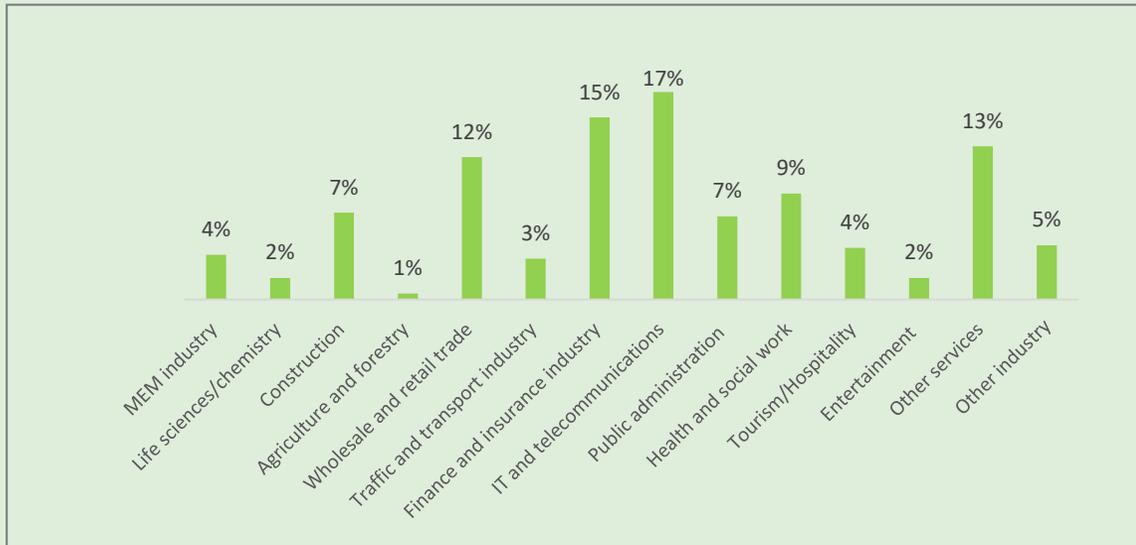


Research methodology

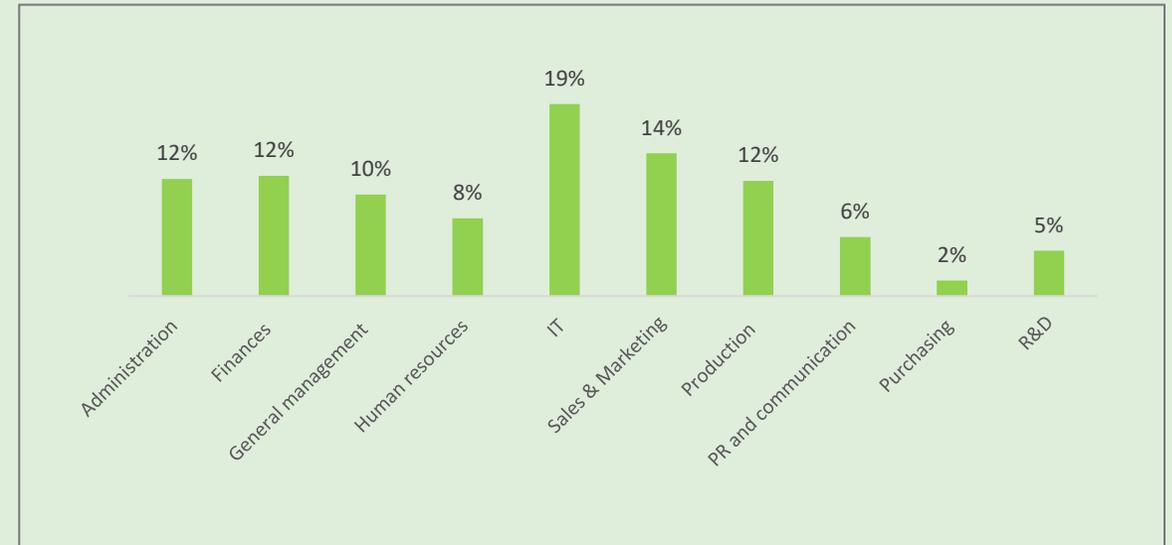
This report is based on a survey of 1,002 people in Switzerland working with a computer or similar device. The survey was conducted in June and July 2023. Generative AI was defined fairly widely and not limited to using a specific tool.

Since respondents were required to be working with a computer, the sample is not representative of the Swiss workforce as a whole, but rather a snapshot of how widespread Generative AI usage is among those who can potentially integrate it into their work. The sample distribution is consequently skewed towards more technology-heavy sectors and functions.

Survey respondents by sector



Survey respondents by function



Text and images in this report were created by Deloitte employees with the assistance of AI tools, in particular Chat GPT and Midjourney.

Numbers in the charts may not add up to 100% due to rounding.



Key takeaways

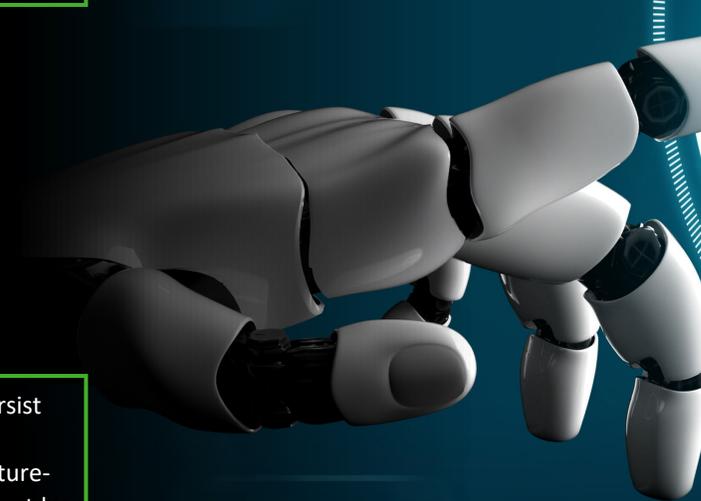
Executive summary

Generative AI is already making significant strides in Switzerland, with a large proportion of computer-based professionals using the technology feeling rather positive about its potential and satisfied with its output. In this way Generative AI is spearheading the democratisation of AI, making these powerful tools widely available. While there are numerous risks associated with AI, survey respondents express commendable levels of risk awareness.

However, the rapid adoption of generative AI by eager employees risks outstripping both risk management measures and businesses' ability to systematically integrate these tools into their value chains. The objective? Maximising AI's potential to bolster productivity growth and business transformation. We see four areas in which to make that happen: understanding and mitigating risks; learning by doing; embracing transformation; and taking the initiative to disrupt existing models.

Generative AI's entry into Switzerland has been fast and furious and bottom-up instead of top-down. Companies can realise much more potential by organising their employees' enthusiasm, analysing their value chains to identify areas where AI can be most beneficial, and moving from publicly available to proprietary models. This requires substantial investment but promises substantially higher gains. New forms of co-operation should be explored, such as AI ecosystems to allow companies across the board to usefully employ AI models.

Despite the prevailing optimism, concerns about AI's impact on the labour market persist among the survey participants, especially among those most acquainted with AI. This underscores the importance of upskilling, both to fully exploit AI's potential and to future-proof employees against replacement. However, the actual risk may not be replacement by AI but rather by a fellow human employee with superior AI skills. The adage seems to hold true - a technologically-skilled human is likely to be far more productive than either a human without technology or technology devoid of human influence.



Executive summary

Key study results

Almost half (43%) are at least somewhat concerned that 'AI is coming for their jobs'. Among those using AI the most (power users) the proportion seeing high risks for their jobs is significantly higher: 69% are at least somewhat worried.

Most usage is non-intensive. 73% use AI tools on average for 2 hours or less per day, 27% use them for more than 2 hours per day. This also shows, however, that early adoption is taking place and that numbers might rise further in the future.

The most casually used AI tool is text. 72% use it non-intensively (defined as less than 2 hours on average per day). Conversely, more complex applications such as video are used more intensively by more of the respondents – video, for example, by 53% intensively.

Respondents are in general quite content with the output of generative AI, with scores of 7 out of 10 for output for both work and private purposes.

Generative AI usage is already widespread in Switzerland. 61% of the survey respondents (people working with computers) are using generative AI, 39% are not. Private usage is a bit more common.

Survey respondents are in general fairly open to and optimistic about generative AI. 46% feel more excitement than fear about generative AI; for 16% fear dominates; 35% feel a mixture between fear and excitement.

Slightly more than half (54%) believe that learning about AI tools is important for their career and maintaining employability, with this figure rising to 80% among power users. Almost half (48%) feel that the responsibility for their upskilling lies mainly with their employers, while only 35% see it as primarily their own responsibility.

However, 61% of respondents report that their employer lacks a policy to regulate AI usage and to apply risk management. Merely having a policy is insufficient; it must be adhered to by all employees.

Risk awareness is quite elevated, particularly regarding incorrect output, and concerns over data privacy and security are mentioned most often.

Intrigued? Read on to delve into the full scope and complexity of generative AI's potential and challenges.



AI explained

What is new about Generative AI?

Artificial intelligence (AI) isn't new. It comprises several different technologies, some of which have existed for years or decades. In general, AI describes any computer systems that are capable of performing tasks that typically require human intelligence, like learning, logical thinking, resolving problems, and making decisions. AI comprises a cluster of technologies that together can create AI solutions.

Generative AI is an AI solution that leverages several technologies. It creates original content across various modalities (e.g., text, images, audio, code, voice, video) that would before have taken human skill and expertise to create.

Innovations in machine learning and the cloud tech stack, coupled with the viral popularity of publicly released applications, have recently propelled Generative AI into the zeitgeist.

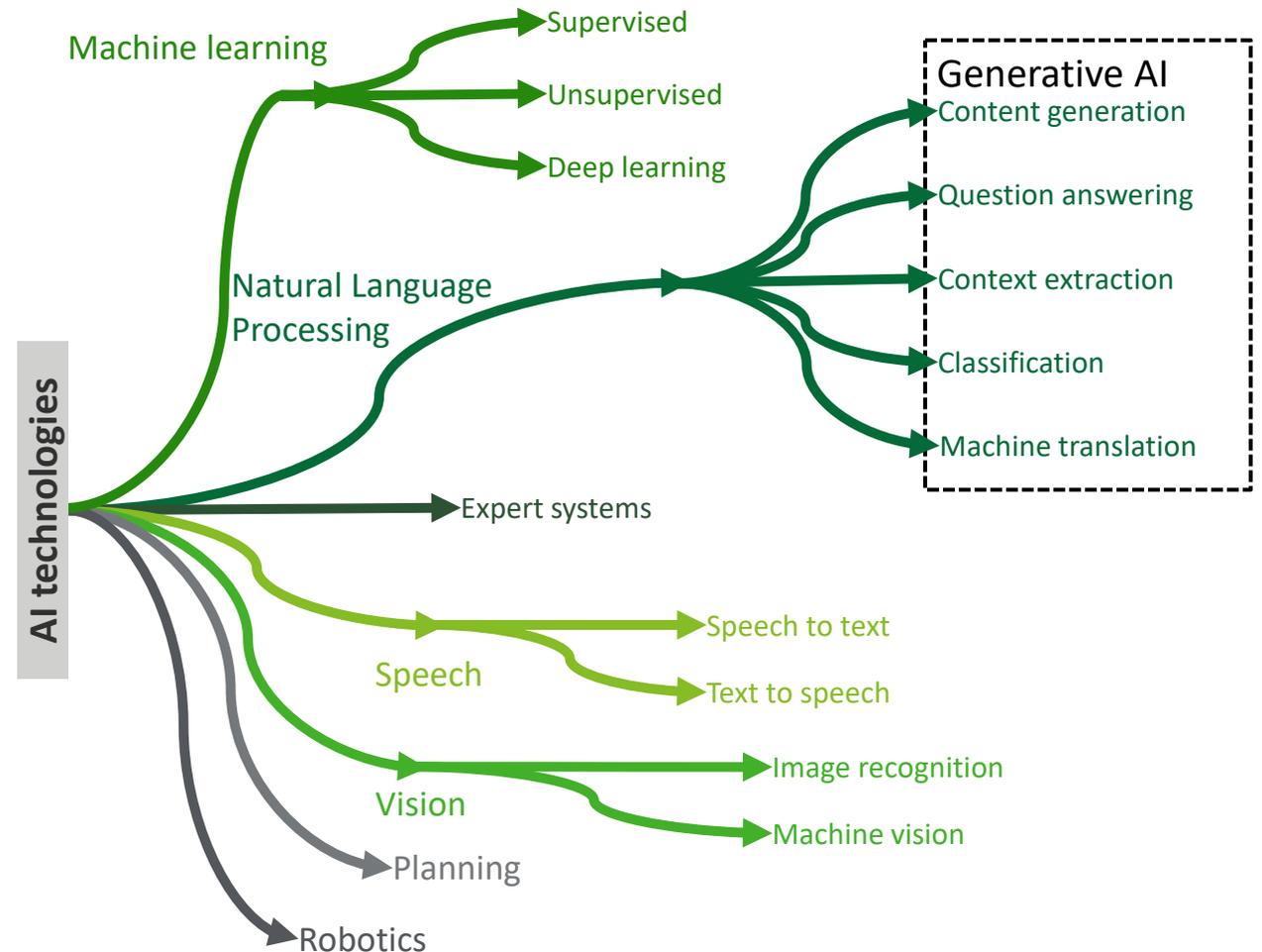
Generative AI is powered by foundation models such as OpenAI's GPT-4, NVIDIA's Megatron, Google's PaLM or Amazon's Bedrock and Titan models, which are trained on vast amounts of data and computation to perform a broad range of downstream tasks.



Business impact: The peripheral cost associated with the production of early iterations of knowledge-dense material—like IT coding, promotional text, and inventive design—could see a marked decrease.

Economic impact: Generative AI holds the potential to address the productivity enigma – the incongruity of having subdued productivity growth despite the escalating utilisation of IT technologies.

Chart 1: AI technologies and where Generative AI fits in



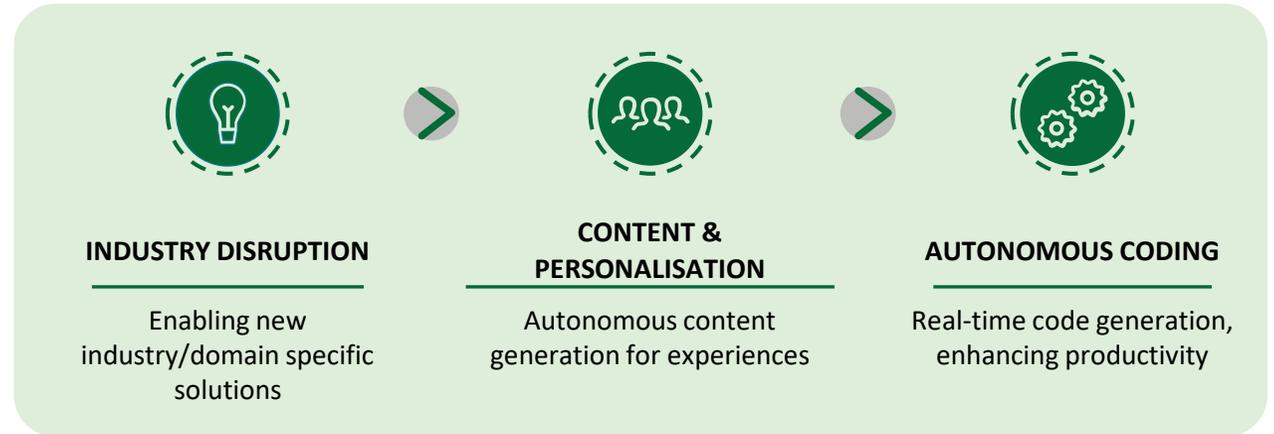
Generative AI is disrupting in 3 main ways and leads to the democratisation of AI

Generative AI is catalysing disruption in three primary ways:

- **Industry Disruption:** By introducing new paradigms and methodologies it is reshaping traditional business models and processes.
- **Content and Personalisation:** Generative AI enables the creation of tailored content, providing unprecedented personalisation and engagement in user experiences.
- **Autonomous Coding:** It supports the automation of coding tasks, allowing for more efficient development processes and potentially reducing errors.

Not only is generative AI a force of disruption, it is also an empowering tool. It isn't confined to use by highly specialised software engineers; it can be utilised by professionals across various fields and even by individuals with little technical expertise. This broad accessibility enables the creation of enhanced or entirely new outputs for both professional and personal purposes. In doing so, generative AI is spearheading the democratisation of AI, making these powerful tools available and applicable to a wider audience.

Chart 2: Generative AI enables 3 forms of disruption

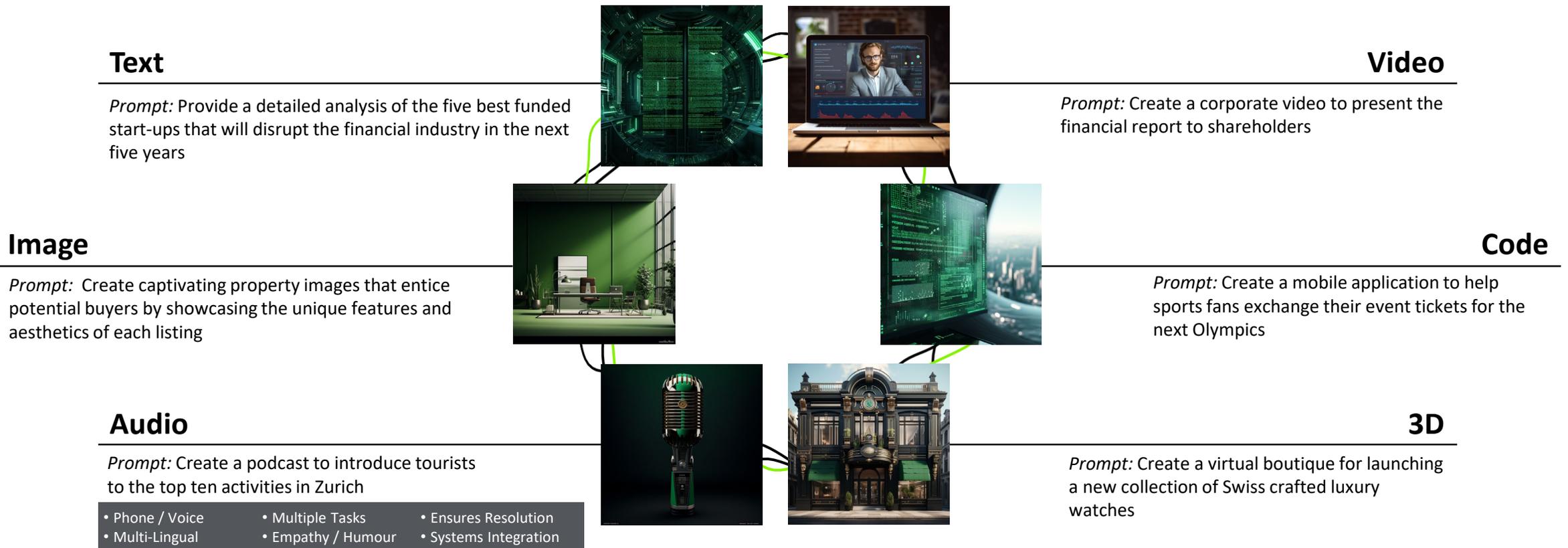


What can Generative AI do? The Broad Spectrum of Possibilities with Generative AI



Generative AI possesses the ability to produce a wide variety of outcomes, dependent on the specific application and the nature of the data required. Below are some common use cases that are particularly relevant to the business sphere.

Chart 3: The Broad Spectrum of Possibilities with Generative AI



Business impact of Generative AI: Selected use cases



Generative AI has the potential to unveil entirely novel and previously unconsidered business applications. While these may be dramatic and attention-grabbing, substantial benefits can also be gained by 'simply' utilising AI to more effectively address longstanding core business challenges. These include identifying customer preferences, determining the best ways to meet those preferences, deciding whom to offer which product or service and when, setting prices, organising logistics, enhancing visibility of real-time financial data, improving insight into sales venues, and many other aspects, as illustrated in this chart. These enhancements may be realised sooner than the completely new applications and could potentially benefit any business.

Chart 4: Selected business use cases

Industry-specific use cases

There are transformative Generative AI use cases specific to each industry that could **enable revenue growth and/or expenditure reduction**

Consumer	Energy, Resources & Industrial	Financial Services	Life Sciences & Health Care	Technology, Media & Telecommunications	Government & Public Services
<ul style="list-style-type: none"> • Hyper-personalised marketing • Personalised product recommendations • Product design • Product attribution • Store layout optimisation • Virtual try-on • Website content creation 	<ul style="list-style-type: none"> • Design optimisation • Predictive maintenance • Process optimisation • Quality control • Resource allocation • Digital twins 	<ul style="list-style-type: none"> • Customer segmentation • Financial forecasting • Fraud detection • Loan underwriting • Portfolio optimisation 	<ul style="list-style-type: none"> • Drug discovery • Medical imaging • Personalised medicine • Precision diagnostics • Synthetic control data generation • Personalised virtual patient coaching and care • Personalised preventive health 	<ul style="list-style-type: none"> • 3D assets for video games • Ad and marketing creation • Audio translations • Content creation (e.g., scripts, videos, music) • Telecoms network optimisation 	<ul style="list-style-type: none"> • Fraud, waste, and abuse prevention • Regulation and oversight • Open-source intelligence and sensemaking • Personalised interface with citizens

Economic impact of Generative AI : Will AI lead to greater economic productivity gains?

For many years many countries have been grappling with tepid productivity growth; to safeguard and enhance wealth, greater gains are necessary. [Some](#) commentators assert that the largest productivity advancements were achieved prior to the 1970s. [Others](#) are steadfast in their optimism about revolutionary technologies, such as AI. The question arises, can it truly deliver? Can the business applications of AI elevate productivity within organisations and, in turn, boost economic productivity? And if the answer is affirmative, how swift could this progress be?

Revolutionary Progress with Generative AI:

Efficient Processes: Generative AI can automate and streamline tasks, reducing manual labour and the time taken. This enhanced efficiency could boost productivity by allowing for more effective resource allocation.

Creativity and Innovation: Generative AI has the potential to inspire novel ideas, designs, and solutions, fostering unprecedented creativity and innovation. This can pave the way for the development of new products, services, and business models, driving economic growth.

Data Analysis: Generative AI's ability to analyse vast amounts of data and detect patterns and insights beyond human grasp further underpins its value.

Despite these significant advantages, businesses are still figuring out how best to incorporate AI. Two specific challenges stand out:

Investment to Productivity: Companies may require time to convert their AI investments into measurable productivity gains.

Challenges for Smaller Businesses: Smaller enterprises, which form the backbone of many economies, could find the implementation of AI solutions particularly challenging.

In addition, potential disruptions and asymmetrical distribution of gains and losses during the transition period might limit the immediate economic benefits. Previous innovations, such as the computerisation of the workplace, took several years if not decades to show up in productivity statistics. On the other hand, Generative AI could be adopted faster than previous technologies, such as the internet, since barriers to usage (e.g. required infrastructure or skills) are lower.



In order to extract business and economic productivity benefits from AI, it is critical to apply the technology beneficially whilst mitigating risks. This means businesses need to proactively explore AI implementation and employees capitalise on these new technologies. Given the pivotal role employees play, their perspectives are of significant interest.

Chart 5: Labour productivity growth of the G7 countries, in %



Source: OECD



Survey results

How dangerous is Generative AI?

Overall, those surveyed have a generally positive outlook on Generative AI. Nearly half, or 46%, express more excitement than fear, while for 16% fear takes precedence. A considerable 35% harbour a blend of both fear and excitement.

There are several ways in which AI could be dangerous, ranging from the emergence of a truly intelligent AI that, in extreme forms, threatens humans with extinction, to the comparatively mundane threat of outcompeting mankind in the workplace. The former worries appear overblown at the moment. Generative AI analyses and utilises vast amounts of data; it is, however, not intelligent, self-aware or able to act on its own behalf.

The fears relating to jobs are, however, being discussed and will be explored further in this report. Among the survey respondents, almost half (43%) are at least somewhat concerned that 'AI is coming for their jobs'.

Among those who employ AI tools intensively – in the following referred to as 'power users' (see page 18) – there is a noticeable uptick in job-related concerns, with a significant 69% being at least somewhat worried. This could be for two possible reasons. Firstly, the jobs of these users are likely to be ones where AI can yield substantial benefits, making workers in these positions more susceptible to AI replacement. Secondly, those most familiar with AI, given their frequent usage, would naturally have a more profound understanding of AI's potential and the corresponding risks, resulting in heightened worry.

Regardless of the reasoning, these findings underscore the critical role of AI and the importance of learning how to utilise it effectively.



While Generative AI tools are generally viewed positively, there is a significant underlying apprehension about job security due to AI advancements. The higher levels of fear among frequent AI users suggest that greater exposure to and understanding of AI's capabilities fuels concerns about job replacement. Therefore, education about AI and strategic preparation for its increasing integration into the workplace are necessary steps to mitigate these fears.

How dangerous is Generative AI?

Chart 6: Answers to the survey question: What is your general feeling about Generative AI, do you fear it or admire it?

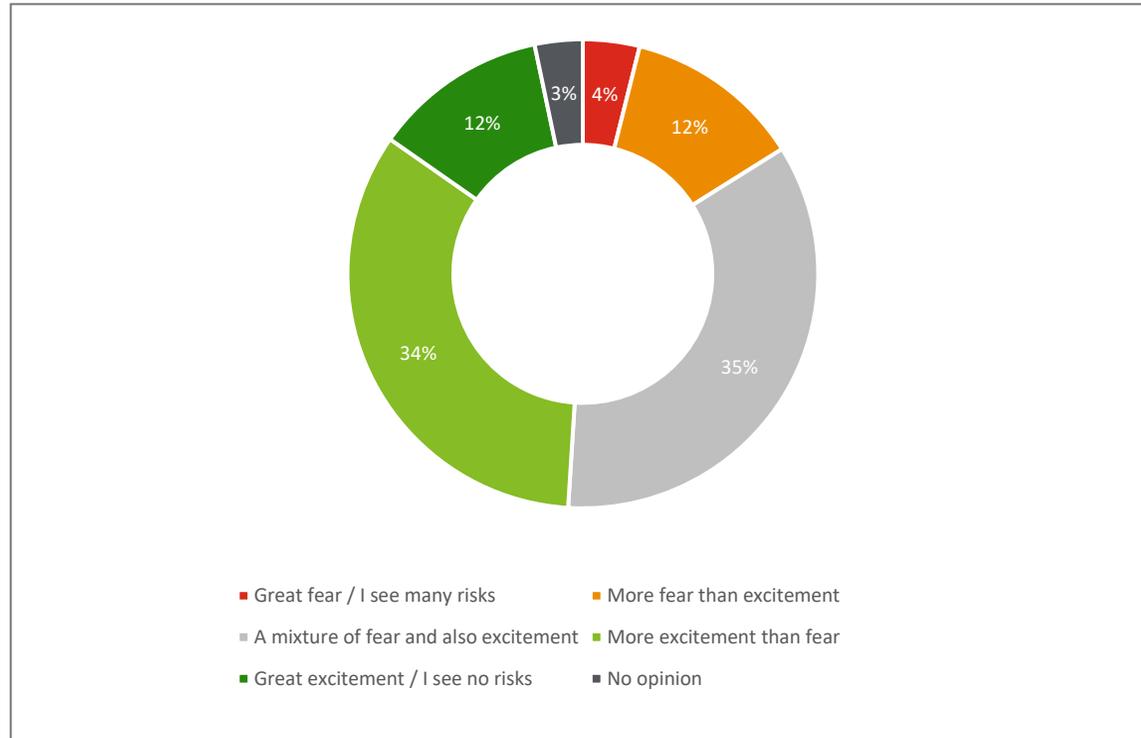
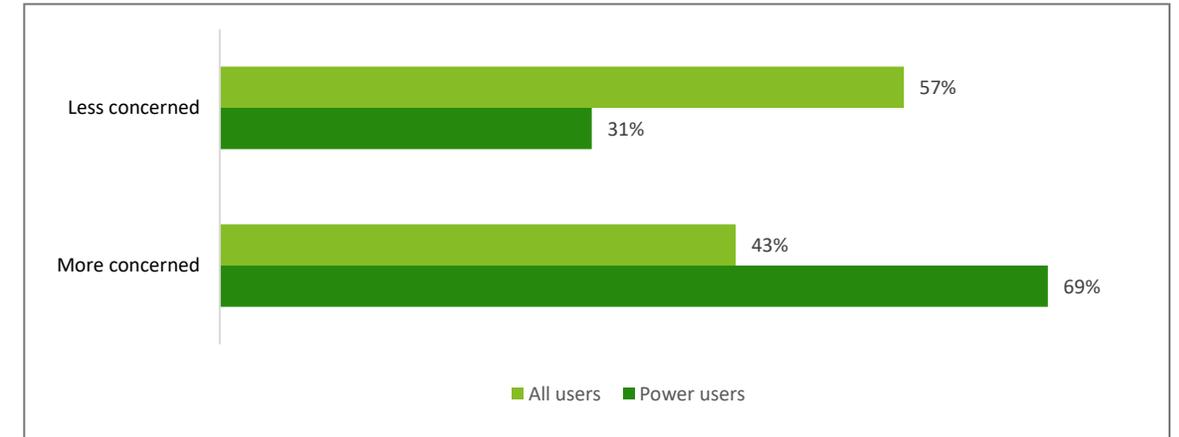


Chart 7: Answers to the survey question: On a scale from 1 to 10, how concerned are you about AI tools replacing your current job in the next 5 years? (Less concerned: 1-5, more concerned 6-10)



Who is using Generative AI? And for what?

Generative AI usage is already becoming widespread in Switzerland. 61% of the survey respondents are using Generative AI at work, 39% are not. Private usage is a bit more common (64%). Most often used are text applications, both for work (47%) and for private purposes (41%).

By comparison, the usage of Generative AI for other outputs such as image, audio, code, video or 3D is lower (17-26% at work and 15-35% in private life).

Usage is also driven by a relatively small group of individuals who use Generative AI tools not only for one but many types of applications. Respondents using four or more Generative AI applications at work account for about 16% of respondents.

It should be noted that at the time of writing many AI tools are stand-alone products and not integrated into widely used software. It is expected that this will soon change and that many Generative AI functions will be integrated into, for example, email programmes or text applications. AI usage should therefore increase seamlessly in the future, almost automatically, as long as these software applications are used. However, leveraging AI functions at scale and optimally is not an automatic process, either for employees or companies.



While the adoption of Generative AI tools is increasing in the workplace, there is still room for growth, particularly in non-text applications. Companies should use this opportunity to diversify their use of AI and foster a more AI-integrated workforce by encouraging broader AI usage and learning from those already using AI more intensively. Companies should not, however, neglect risk management. Having risks under control is a necessary first step in AI introduction (see page 29).

Who is using Generative AI? And for what?

Chart 8: Answers to the survey question: For which applications/outputs do you use Generative Artificial Intelligence (AI) tools in your job or in private life?

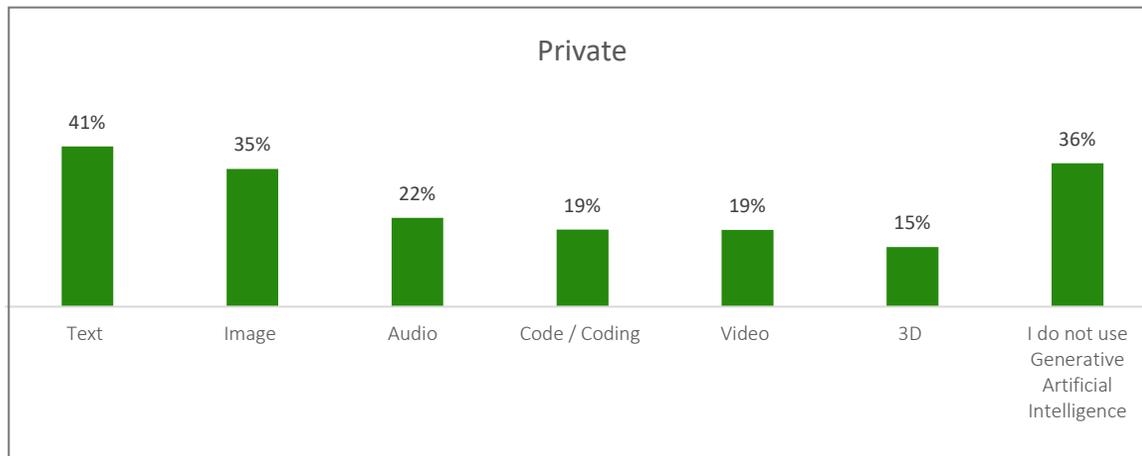
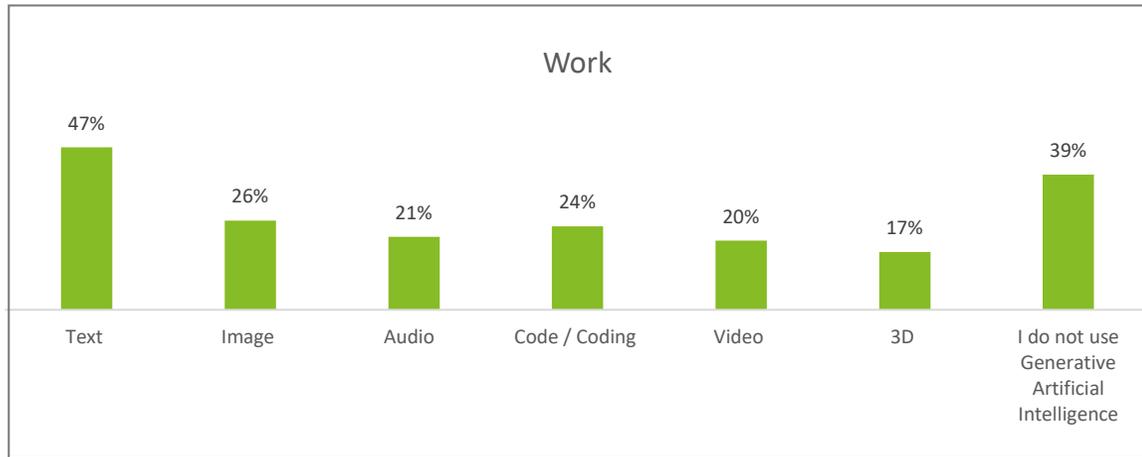
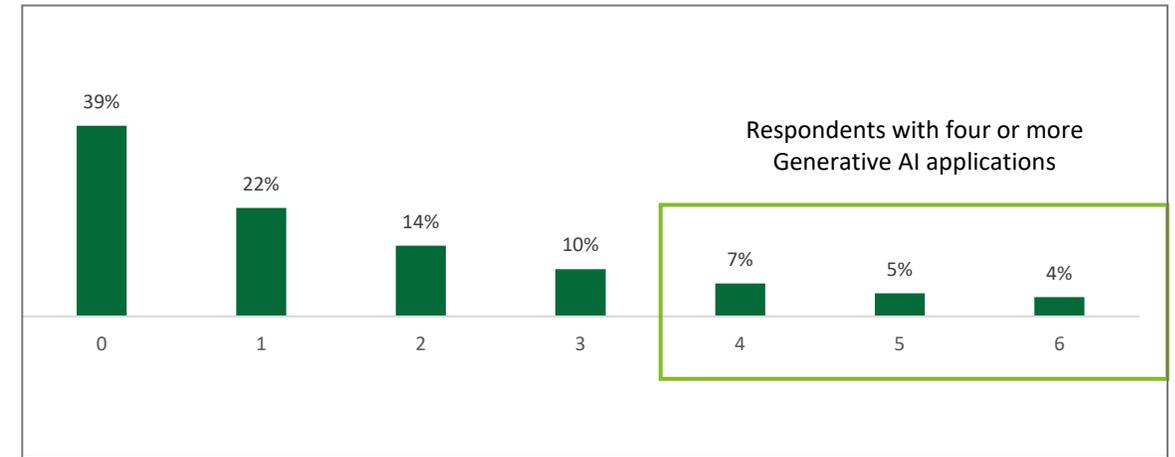


Chart 9: Number of applications/outputs used at work per individual



Intensity of use of Generative AI tools

Who is using AI tools and how intensively?

Most usage is rather non-intensive, in terms of the time spent on using AI tools. 73% use AI tools on average for 2 hours or less per day, 27% use them for more than 2 hours per day. The latter we refer to as 'power users'. Power users are heavily skewed towards more IT-intensive functions: 42% work in IT, for example, 8% in Finance, or 5% in R&D.

Which tools are used how intensively?

The most casually used AI tool is text. 72% use it with lower intensity (defined as less than 2 hours on average per day). Conversely, more complex applications such as video are used more intensively by more of the respondents – video, for example, by 53% intensively.

The deployment of more complex tools is spearheaded by power users. These individuals play a significant role in AI utilisation, both in the overall time used as well as, particularly, in complex applications such as coding or 3D.



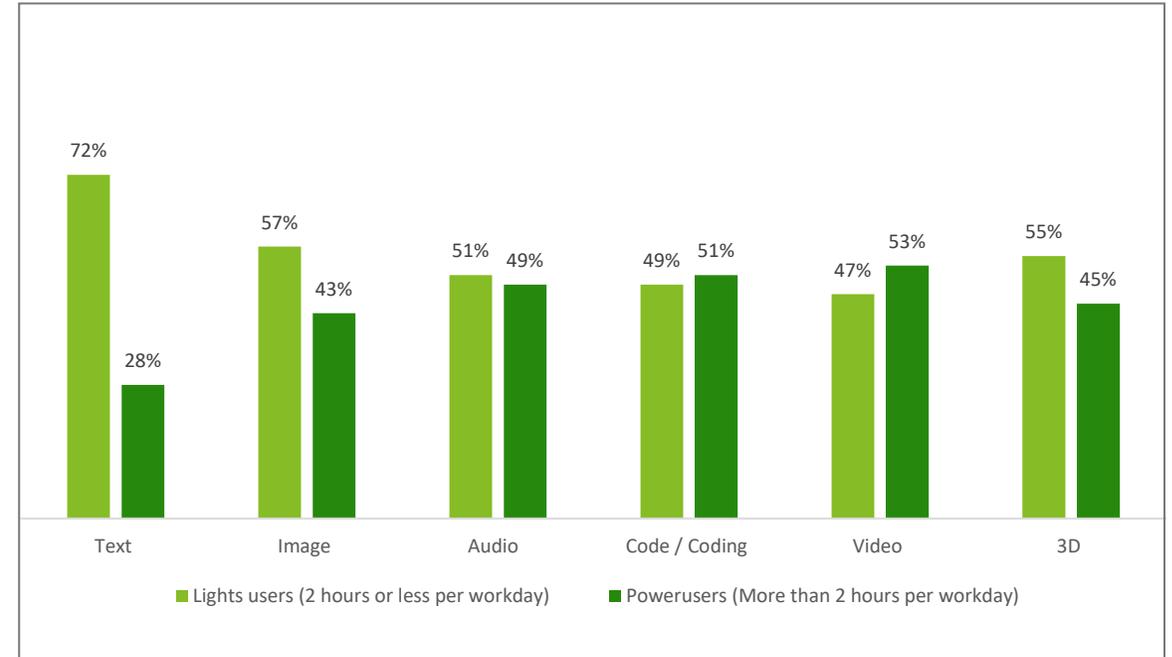
Businesses should note that while the usage of AI tools is widespread, intensity varies greatly with the complexity of the tool. Recognising and tapping into the potential of 'power users' is an important strategic approach that creates enthusiasm for the topic, driving more intensive adoption of complex AI applications and thereby unlocking greater productivity and innovation.

Intensity of using Generative AI tools

Chart 10: How many light users and power users are there?



Chart 11: Intensity of usage per tool (average number of hours per work day)



Using Generative AI for private purposes

Generative AI usage is slightly less widespread for private purposes than for work purposes (see page 17), with various forms of output. Most often mentioned is writing texts, followed by searching for information. A bit further behind and clustered more closely together are photography and video creation, editing, and translation.

When it comes to writing, generative AI can help make creative content, assist with writing emails, or even help create stories and poems. When searching for information, AI can provide personal recommendations and tailored search results, making it easier and faster to find what you need.

When creating photos, generative AI allows users to add artistic filters and visual effects, or even completely new images. This feature makes it possible to create attractive content without needing advanced editing skills. As for translations, generative AI can instantly translate languages, helping to overcome communication barriers.

On the whole, people rated the quality of things made by generative AI for personal use quite high, at 7 out of 10, with 10 being the best.



The widespread use and high-quality rating of Generative AI tools in private life provides a compelling reason for businesses to further integrate and leverage these tools in their operations and customer interactions.



The ability of AI to create content, aid in communication, offer tailored search results, and overcome language barriers can be leveraged by businesses to enhance customer experiences, product offerings and operational efficiency, and enhance their value proposition.

Using Generative AI for private purposes

Chart 12: Answers to the survey question: For what purposes do you use Generative AI in a private context?

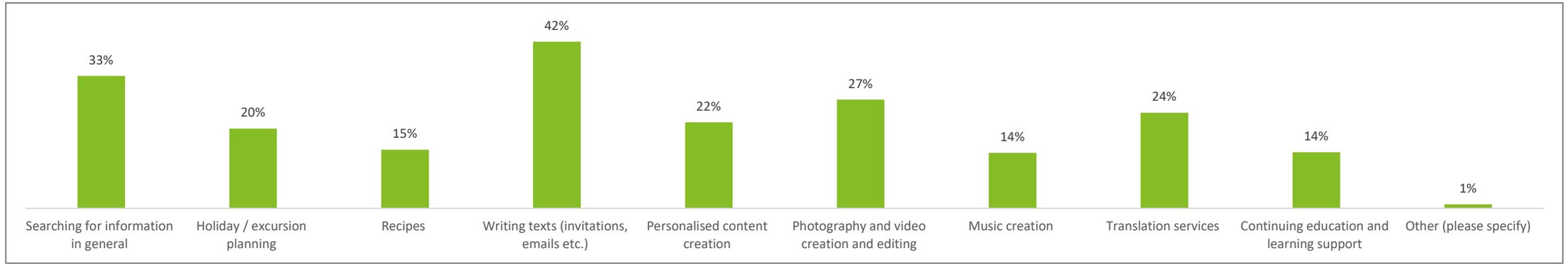
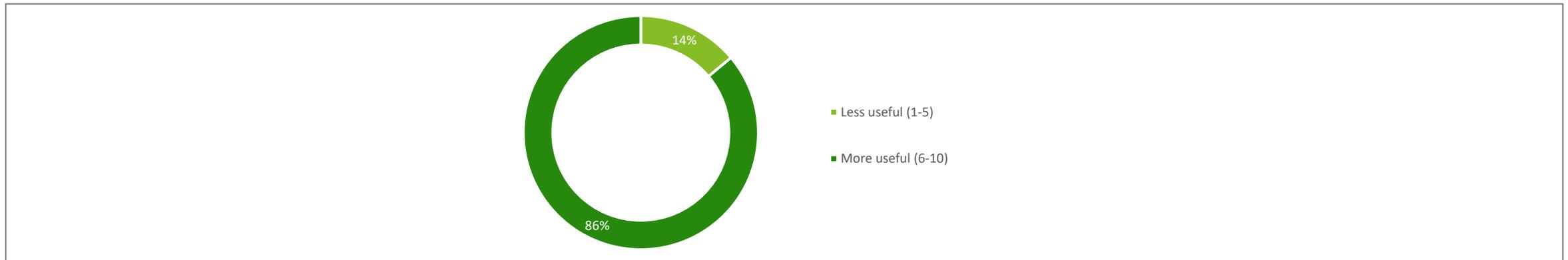


Chart 13: Answers to the survey question: How useful do you find the output you are getting from Generative AI for private purposes in general, on a scale from 1 (useless) to 10 (so good that it can be used without amendments)?



Benefits of using Generative AI for work – for the users

Survey respondents report numerous benefits for work from using AI, with two standout advantages being higher efficiency and higher creativity, mentioned by 63% and 54% respectively.

Increased efficiency: Using generative AI can automate tasks that usually need a lot of human effort, making work more efficient. This can save time and resources, allowing professionals to focus on more complex aspects of the work. A majority of people said that using AI tools greatly reduces the time needed for tasks.

Boosted creativity: Generative AI can create new and imaginative content, sparking fresh ideas and solutions. It can make unique designs, art, and even written content, encouraging more creativity and inspiration in teams. This creative input could lead to new products or services.

Survey respondents are generally satisfied with what generative AI produces, rating the work output quite highly, at 7 out of 10, the same score given for personal use.

Not everyone might be benefitting to the same degree, however. Beyond individual differences in skills and job suitability, AI can act as a leveller, enhancing technology and compensating for low employee skills, at least to some extent. This can significantly improve the work of poor writers or programmers, for example, potentially benefiting them more than top performers. This has been confirmed by a [study](#) on call centres, for example, which found that while call centre productivity increased overall by 14%, the productivity of less-experienced employees increased by 30%.

However, those with less skill are more likely to rely on AI uncritically, meaning high performers can still maintain their advantage. Content created by skilled employees using AI competently will still surpass that of mediocre employees. High-quality content will, therefore, increasingly depend on skilled employees using AI, as discussed on the section on page 30 regarding upskilling.



Businesses stand to gain considerably in terms of efficiency and creativity by adopting Generative AI tools enhancing both productivity and innovation.

The high rating given for the quality of work output generated by AI further substantiates the value of incorporating AI tools into business operations. Given that this rating matches that given for personal use, it is clear that the high level of satisfaction with AI spans the personal and professional spheres.

Optimising the benefits of generative AI from a company perspective requires more than just having employees adopt publicly available tools. Companies that go further stand to gain greater benefits, as explained on page 26.

Benefits of using Generative AI for work – for the users

Chart 14: Answers to the survey question: What are the main advantages of using Generative AI in a work context?

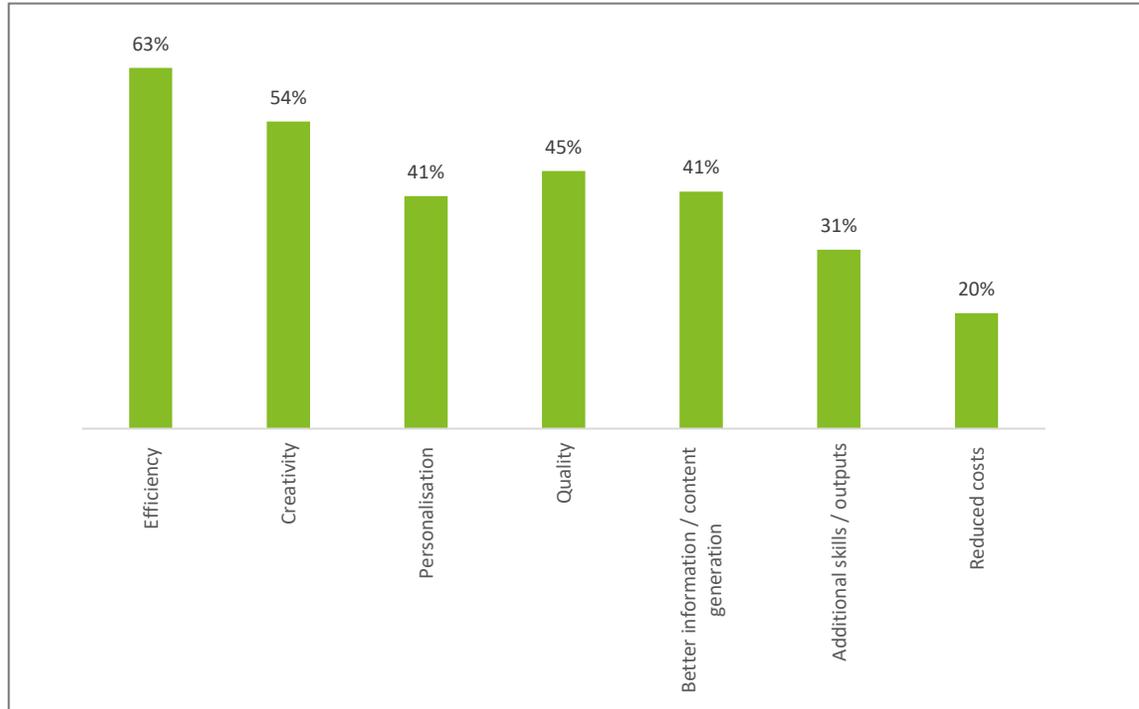
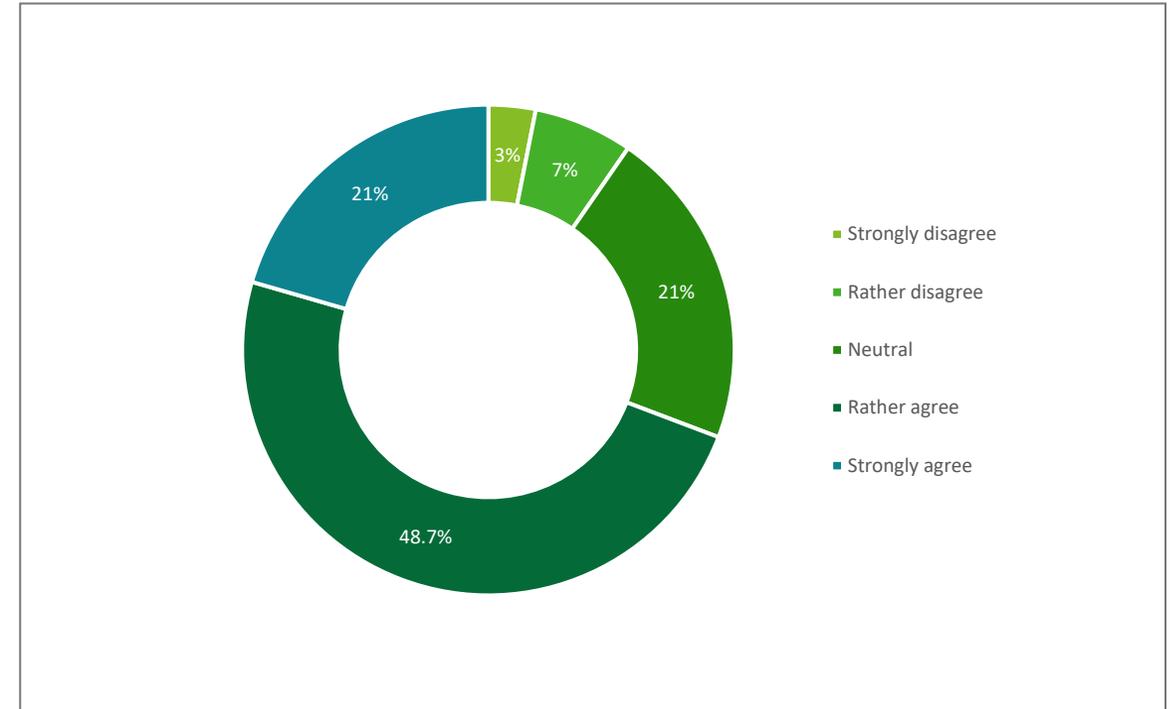


Chart 15: Answers to the survey question: How much do you agree with the statement: "Using AI tools significantly reduces the time I spend on tasks"?



Challenges and obstacles in employing Generative AI for work purposes

While generative AI holds significant utility, it also brings notable drawbacks for work-related applications. One primary concern is the possibility of yielding inaccurate or misleading results, particularly when handling complex and sensitive data. Over-reliance on AI-generated content without thorough human scrutiny and verification could result in critical errors and misinterpretations.

Another considerable issue is data privacy and security. The use of generative AI often necessitates inputting large volumes of data into the system, provoking concerns about data ownership, confidentiality, and the risk of unauthorised access. Ensuring the safety of sensitive data becomes of utmost importance to safeguard both individuals and organisations from potential breaches and legal consequences.

The relatively high percentage of individuals acknowledging these disadvantages indicates there is widespread understanding of the key drawbacks and limitations of generative AI, especially the risk of incorrect results.

These concerns are mirrored in the perceived main obstacles to using more generative AI at work, with the top three being worries about data privacy and security, Intellectual Property (IP) issues, and the reliability of the output.



While Generative AI offers significant benefits, its usage comes with noteworthy risks related to accuracy, data privacy, security, and IP. Businesses should adopt comprehensive strategies to mitigate these risks, ensuring a balanced and responsible approach to AI integration that safeguards both operational integrity and compliance with legal regulations.

Challenges and obstacles in employing Generative AI for work purposes

Chart 16: Answers to the survey question: What are the main disadvantages or risks of using Generative AI in a work context?

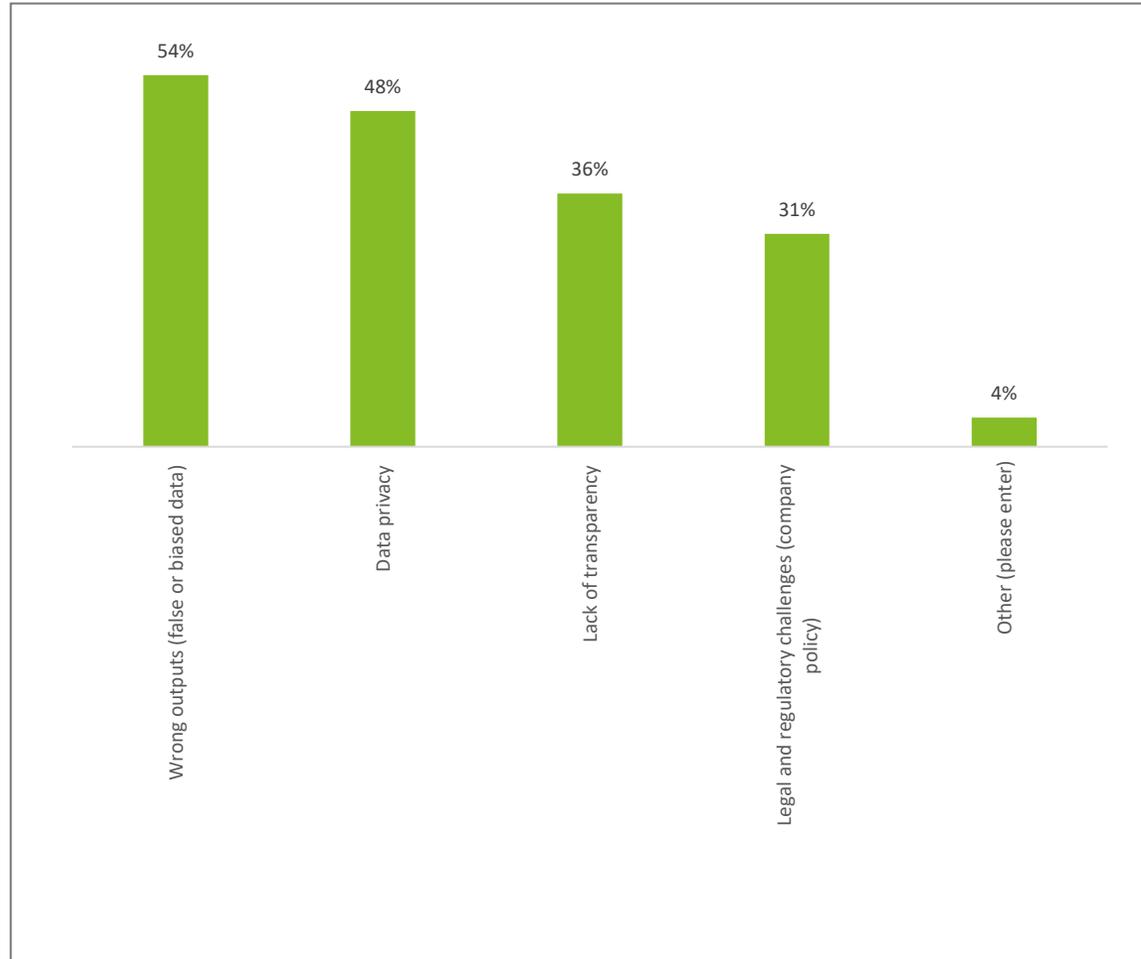
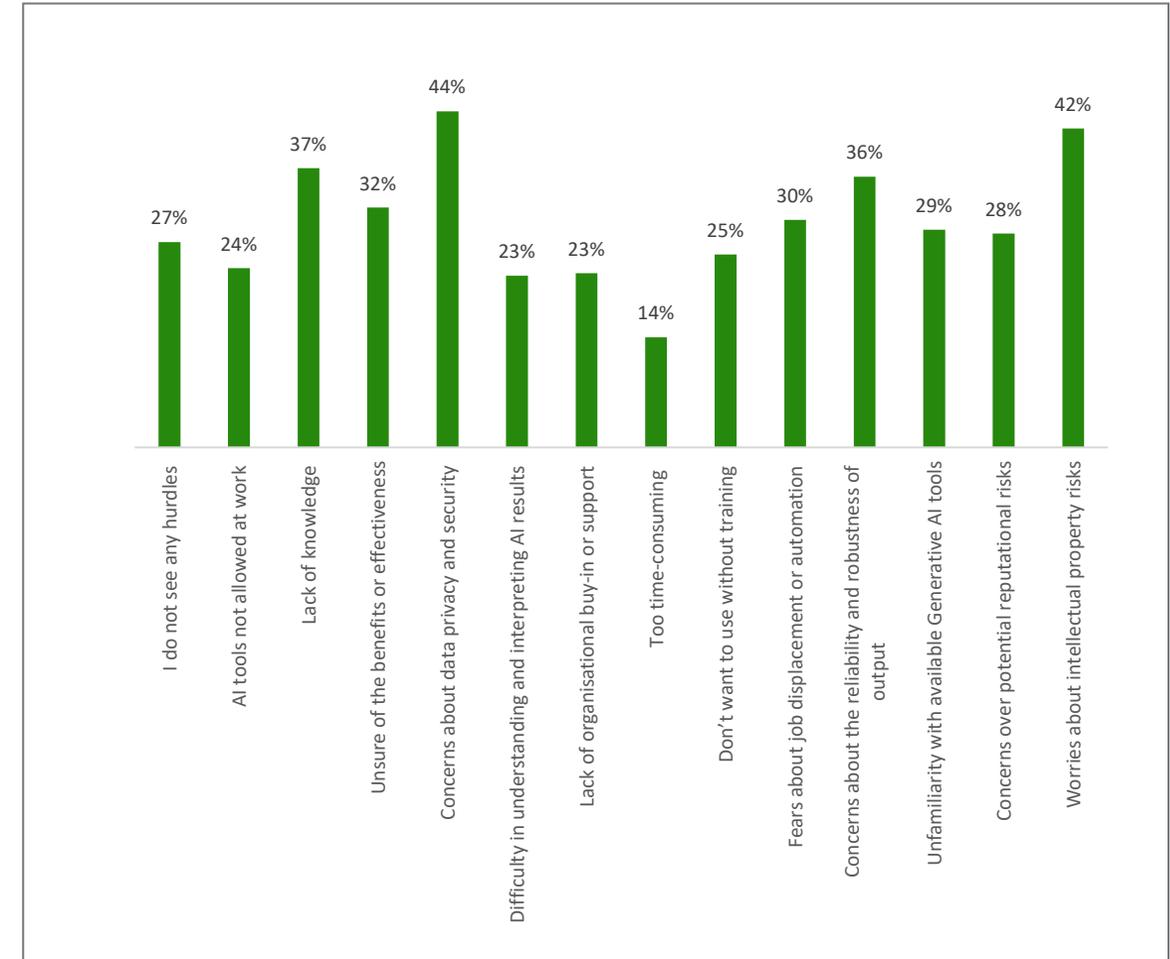


Chart 17: Answers to the survey question: What hurdles are stopping you from making greater use of Generative AI tools at work? (Select all that apply)



Are companies reaping the full potential of Generative AI?

There are more employees leveraging AI tools in their work than employers with formalised AI policies in place. An intriguing 26% of employees are utilising AI without informing their line managers, suggesting that the adoption of AI by individual employees may be outpacing that by companies, often unbeknown to the organisations or their line managers. And as some respondents might have been hesitant to confess to using AI covertly, the true number could be even higher.

To unlock the full potential of AI, several steps must be taken. Initially, the fundamentals need to be nailed down, ensuring that risks are managed effectively. Subsequently, it's imperative to ensure that the gains to productivity are beneficial for both employees and the company. The establishment of best practices is crucial to fully realising heightened productivity. The final step to unlock the full benefits is to look beyond the immediately apparent benefits.

The survey results reveal that employees regard their line managers highly for their understanding of AI, which is a promising sign for benefitting from Generative AI. However, the full potential might be higher than many realise today, including many line managers. The application of generative AI tools holds the potential to revolutionise business offerings, conceive new products and services, and modify business models.

To fully leverage AI's benefits within a company, it's essential to go beyond mere employee adoption of off-the-shelf AI tools. Employee productivity hinges on various factors, including skillset and technology. A first aspect to consider is the technology side: Generative AI is a way to upgrade the technology used, with the effect to reduce underperformance in areas where AI can offset lower employee skills. This holds true even if skill levels remain constant, as long as they meet the basic threshold for utilizing generative AI, which is often the case due to its user-friendly nature.



Are companies reaping the full potential of Generative AI?

A second aspect is not to leave employee skills the same, which points to the importance of upskilling (page 30). A skilled writer proficient in AI would significantly outperform an unskilled writer struggling with AI. Concurrently, the subpar performance of the less skilled writer would likely see enhancement. While AI might not enable subpar or average employees to completely reach the level of top performers, proficient usage could propel them to at least attain average performance (which would naturally rise compared to the pre-AI average).

A third aspect companies should address is that the AI-driven technology upgrade isn't universally uniform or automatic. Initial adoption has commonly involved similar tools for similar purposes. Often, employees have driven these adoptions rather than the companies themselves, resulting in seemingly automatic implementation from the company's standpoint. The trend toward automatic adoption is likely to intensify as Generative AI becomes more integrated into existing software applications.

However, productivity gains might be more pronounced when analysing the value chain to identify application areas for AI and when moving from publicly available tools to proprietary AI models. These would extend any competitive advantage a company might have to AI models.

In order to fully benefit from AI, companies will need to transform themselves. Proprietary data will get far more focus as, for example described in [The Economist](#). The adage holds that data is the new oil. In the generative AI age we might want to upgrade that (data as the new electricity?). To maintain data, to keep it clean, to share but also to protect, all these aspects will gain importance. Data quality will become very important for publicly available tools as well. Given the vast amount of AI output, there is the risk that Generative AI is trained increasingly with AI-generated output, which could lead to any imperfections becoming ingrained and magnified. Companies with proprietary models could differentiate themselves further by utilising higher quality data input.

To be well trained, however, AI models need large amounts of information, and introducing proprietary models requires substantial investments, which leaves small and mid-sized companies at a disadvantage. To make the most of AI, new models of co-operation or joint ventures or the creation of AI ecosystems open to several companies could be explored.



Businesses need to formalise AI policies to catch up with the pace of individual AI adoption and unlock the full potential of these tools. They must establish clear guidelines for AI use to ensure consistent, ethical, and effective utilisation across the organisation.



Looking beyond immediate productivity gains, AI holds the potential to revolutionise business operations, necessitating a long-term strategic approach to AI integration.

Are companies reaping the full potential of Generative AI?

Chart 18: Answers to the survey question: Have you informed your direct line manager about your use of AI tools in your work?

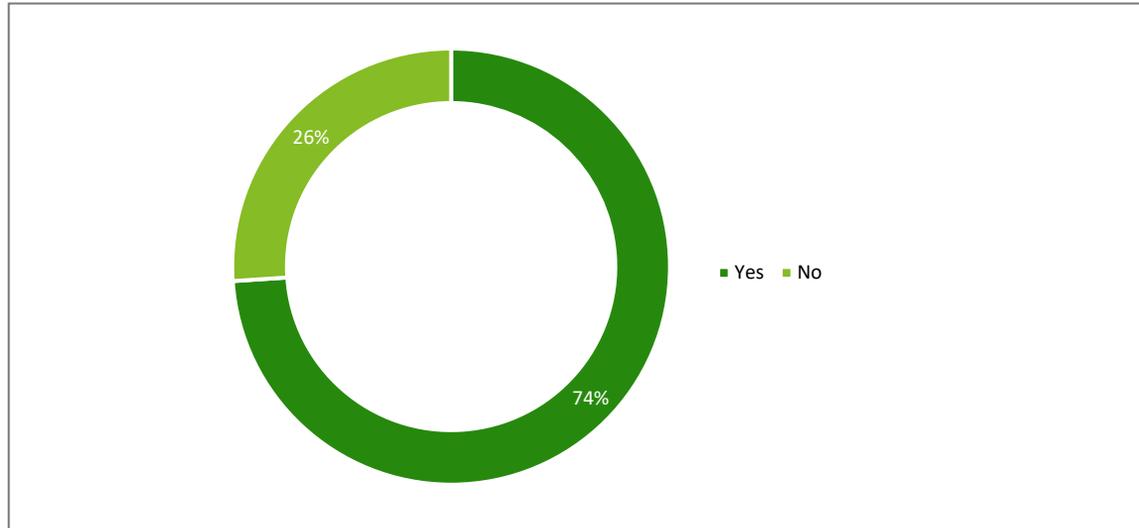
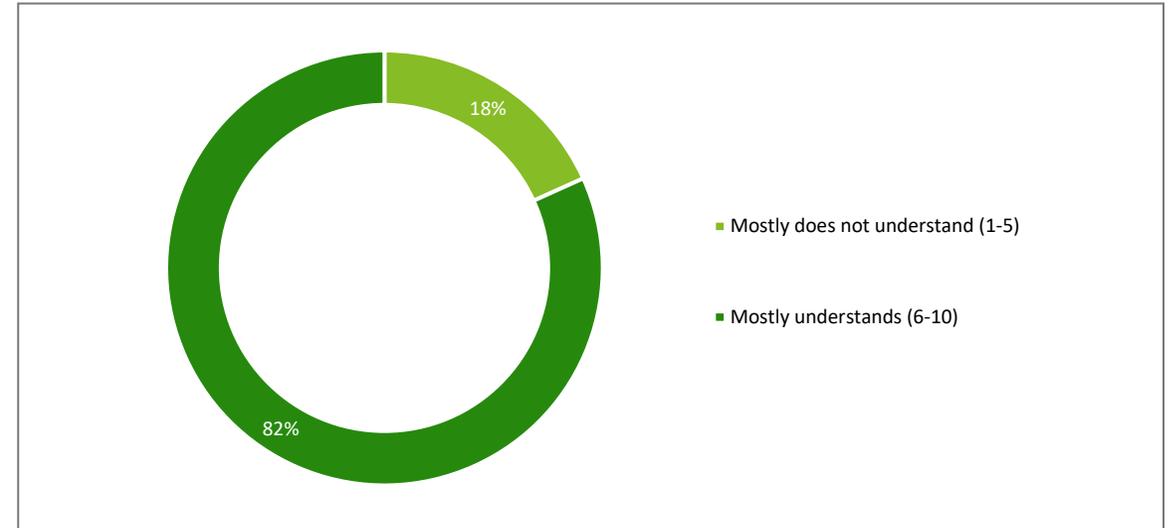


Chart 19: Answers to the survey question: How much does your direct line manager understand the impacts (both benefits and risks) of Generative AI in your job?



Risk awareness and company reactions

Employers might not be utilising the full potential of AI – but they are bearing (some of) the risks.

Almost 60% report using their private devices when using generative AI for work purposes, some exclusively (19%), some use both work and private devices (31%) or hybrid devices (9%). This shows that ‘bring your own device’ (BYOD) is very widespread, and the corresponding risks need to be managed.

Only a quarter of respondents report that their employer has a policy regarding the application of generative AI. This figure is considerably higher among power users, at 53%. They report a greater proportion of employers not only having a policy in place but also being supportive of AI use. Therefore, it appears that an employer's attitude can facilitate the adoption of AI, if not actively stimulate it.

There seems to be a relatively high level of risk awareness overall. Aspects such as misinformation, confidentiality, and legal implications represent significant risks for companies that need to be prudently managed. Consequently, it is reassuring that many respondents are aware of these organisational risks.

Power users perceive a similar level of risks to all respondents. The risks do not seem to diminish with better understanding and usage of AI tools and therefore they appear to be based on more than just a lack of information.



Businesses should strive to bridge the gap between AI adoption and formal policy implementation while managing the risks associated with BYOD practices.



Recognising that supportive employer attitudes can facilitate AI adoption, companies should actively encourage the use of AI, providing clear policies and comprehensive training.

The high level of risk awareness among employees underscores the need for stringent risk management strategies to ensure secure and effective AI use.

Risk awareness and company reactions

Chart 20: Answers to the survey question: Which of the following best describes your employer's position regarding Generative AI?

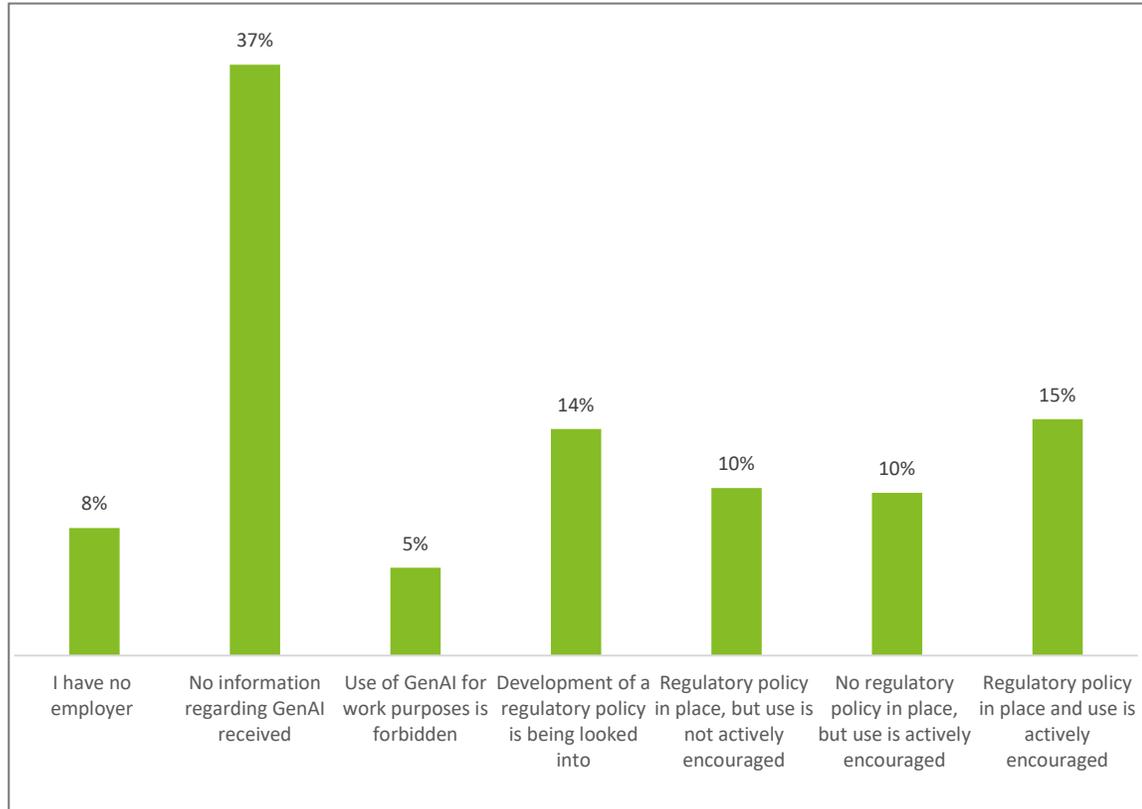
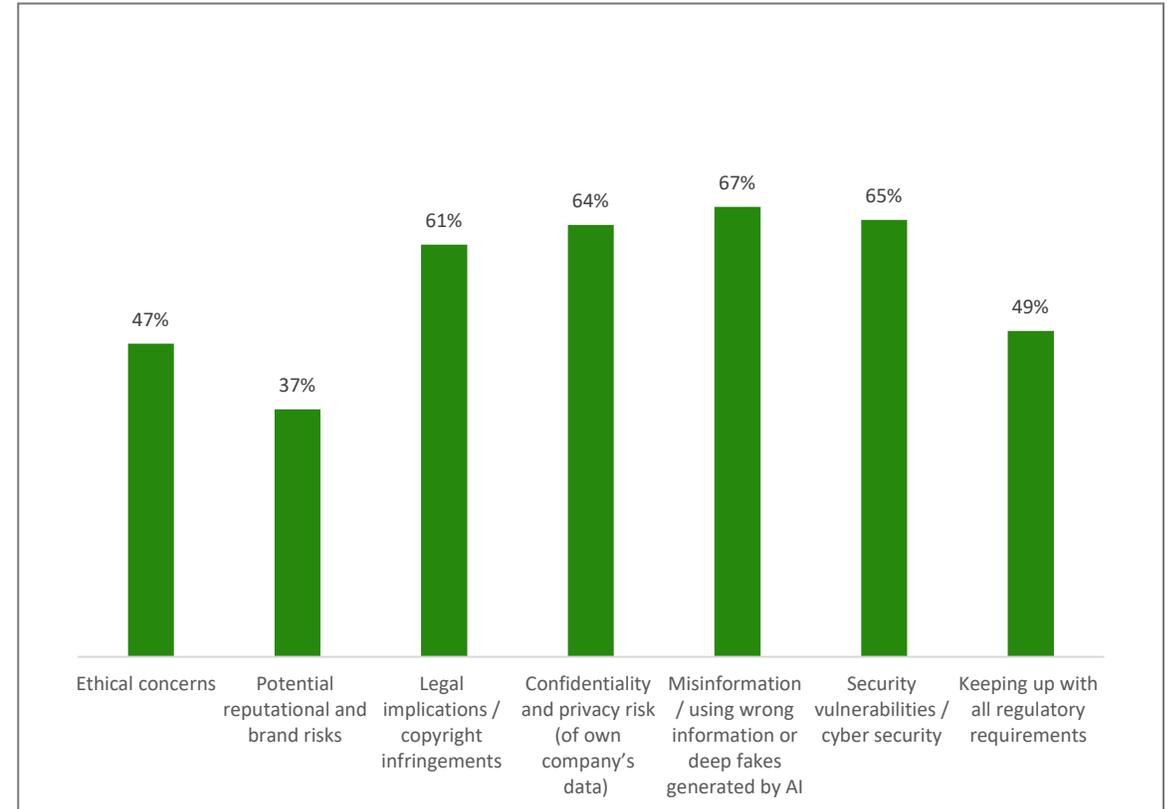


Chart 21: Answers to the survey question: Which of the following risks do you see for your company from using Generative AI tools?



Upskilling

Given the already fairly widespread usage and fear about AI replacing human employment it is not surprising to see how important AI is rated for people's jobs and careers. A bit more than half (54%) think it's important to learn about AI tools for their job/career and to remain employable, while among power users it is 80%.

Learning more about AI is correspondingly widespread. While learning by doing, arguably the most natural first step, is most mentioned (38%), other types of education are relatively widespread as well, such as reading articles about AI (35%) or online courses and tutorials (27%).

Taking charge of one's own career progression does not appear to be prevalent. Primarily, it is the employer who is viewed as responsible for further training, upskilling, and maintaining one's employability, according to 48% of the respondents. Only 35% see this responsibility as primarily their own. Power users show no difference in attitude towards self-responsibility, with 59% believing their employer mainly holds the responsibility.

31% of all respondents report having received training or support from their employer. This figure increases for power users, 78% of whom state they have received training or support.

Several respondents would appreciate more guidance on what skills to acquire. Overall, there appears to be an opportunity for employers to offer more guidance and training, which might result in higher adoption of generative AI and a greater potential for realising productivity gains.

The relative importance of skills may undergo significant changes. Some skills previously considered 'safe from automation,' as noted in our 2017 [report](#), could become less crucial. Social intelligence, for instance, has become something that machines can imitate. They might even surpass many humans in low-level business interactions, such as customer service hotlines or chat functions. This raises the question of which human interactions people will still value, and in what settings and for what purposes. This is a question that has been relevant for several years, for example in financial advisory, and it could become even more significant.



Businesses can facilitate the adoption of AI tools and realise productivity gains by providing more guidance and training to their employees. Moreover, as power users receive more support, they could be utilised as champions or mentors to foster AI adoption and upskilling within organisations.



Identifying the importance of various skills to a company, assessing how well employee skills might be enhanced or supplanted by AI, and upskilling employees according to these priorities will enable companies to make the most of AI, to the benefit of both the organisation and its employees.

Upskilling

Chart 22: Answers to the survey question: Have you taken any steps on your own initiative to educate yourself about AI tools applicable to your work? Multiple answers possible.

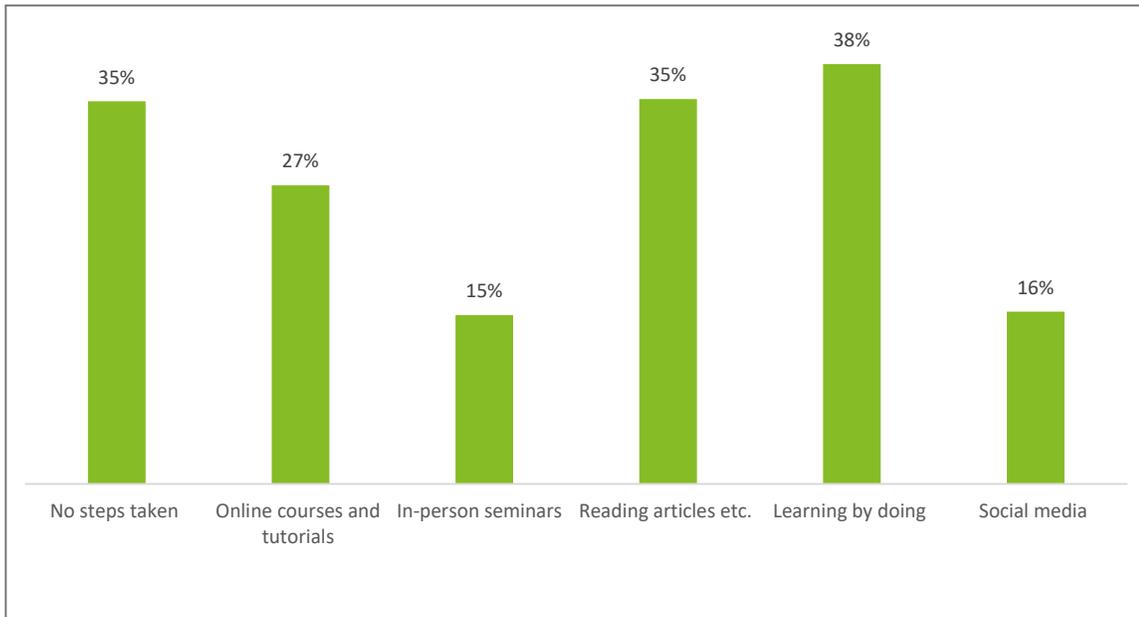
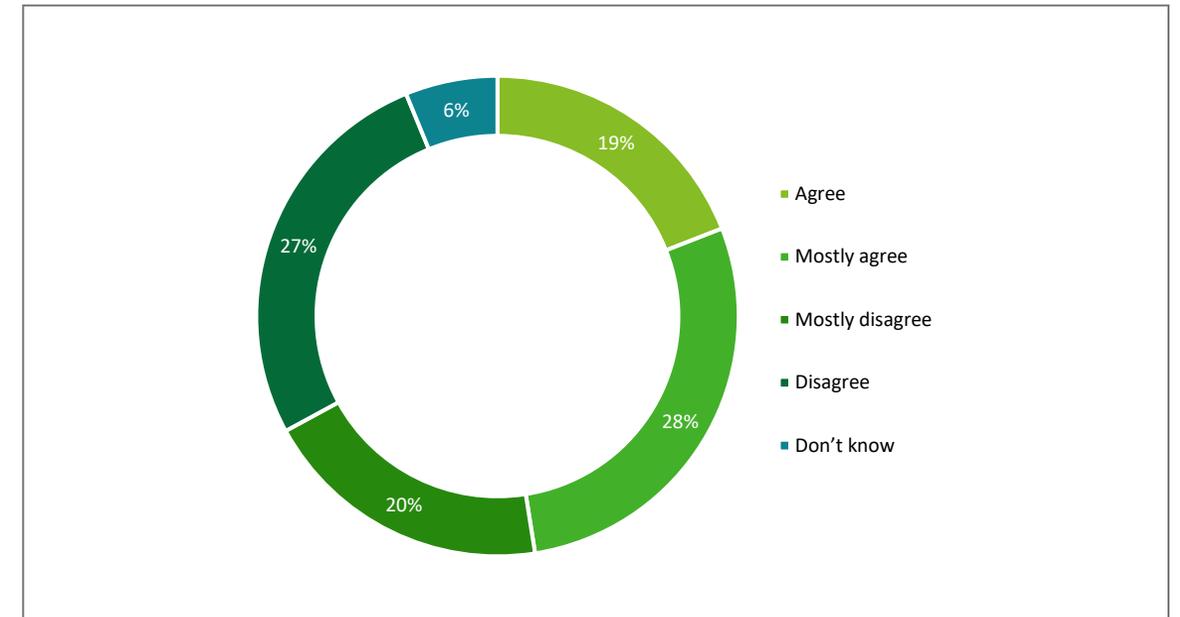


Chart 23: Answers to the survey question: How do you assess the following statement regarding learning generative AI tools: I do not receive advice on what to learn about AI tools





Navigating Risks and Opportunities with Generative AI from a business perspective

Understanding and mitigating risks in business applications



As we enter an era where Generative AI becomes central to business, we face a balance between opportunity and risk. This technology opens up new possibilities but also brings unique challenges, especially given its rapid rise to public attention. It's vital for companies to utilise these opportunities while carefully managing the inherent risks. The complexity of generative AI means the rewards are vast, but so are the potential pitfalls.

Below are six key risks associated with Generative AI in business, along with insights and strategies for risk mitigation, guiding companies in this new and dynamic landscape.

► Navigating bias: a double-edged sword

The saying "Bias in, bias out" is particularly true in AI. AI is only as good as the data it learns from, so if the input is biased, the outputs inevitably reflect these prejudices. This could lead to unintended consequences like reinforcing societal stereotypes or favouring certain demographic groups. It is imperative to meticulously scrutinise your training data for bias and ensure human supervision during model training.

► The ethical tightrope: AI's purpose and use

An ethical conundrum arises when pondering the proper use of AI. Is AI being deployed in line with the overarching goals of your business? Are there processes in place to ensure a human verifies AI's suggestions before they are put into action? Could AI-generated content inadvertently cross ethical boundaries? In order to avert these risks, a clear ethical framework for AI use is vital.

► Hallucination: chasing shadows in AI's outputs

AI models can produce outputs that are simply untrue, a phenomenon known as "hallucination". These models often lack sources and citations, making it a challenge to verify their accuracy. Due diligence in content validation is critical to prevent misinformation from polluting your operations or decision-making processes.

► IP protection & infringement: a balancing act

Confidential data shared with SaaS-AI companies could inadvertently be used in training future AI models, leading to potential intellectual property (IP) infringement. How might this compromise your company's competitive edge? Implementing strong data governance practices can help protect your valuable intellectual property.

► Pre-empting malicious behaviour: the hidden danger

Minimising risks from malicious behaviour, such as revealing sensitive information to hackers, is paramount for maintaining business operations and customer trust. It's not just about preventing system breaches—it's also about preparing for the unlikely event that your AI tool itself becomes a security risk.

► Confidentiality & privacy: data use and compliance

Generative AI Models rely heavily on data sharing. Ensuring consent for data use, especially with confidential and personally identifiable information, is essential. Additionally, the geographical location of data must comply with legal and contractual obligations, adding another layer of complexity to data governance.

Learning by doing: Mastering Generative AI as a competitive advantage



Mastering the application and leverage of Generative AI (GenAI) is rapidly becoming a key competitive advantage across various industries. This is particularly true in the service sector, where GenAI is heralding a new era of democratised hyper-personalisation. To fully exploit this powerful force, organisations must engage in a continual process of testing, learning, and defining how GenAI can contribute to their unique success.

1. The Importance of experiential learning

- Hands-on experience: By actively engaging with GenAI, businesses can develop a nuanced understanding that goes beyond theoretical knowledge. This hands-on approach fosters innovation and helps in identifying opportunities for implementation.
- Pilot projects: Starting with small-scale, controlled projects enables companies to explore the potential and limitations of GenAI without significant risk, laying the groundwork for broader application.

2. Scaling Generative AI across the enterprise

- Gradual expansion: Building on initial successes, organisations can incrementally expand GenAI across different departments, customising applications to various needs and goals.
- Cross-functional collaboration: Collaboration between different units within a company ensures that the benefits of GenAI are leveraged holistically, maximising impact.

3. Democratised Hyper-Personalisation

- Tailoring Products and Services: GenAI allows businesses to offer highly personalised experiences, strengthening customer relationships and enhancing brand loyalty.
- Dynamic Interaction with the Brand: The ability to personalise interactions builds a more engaging and responsive relationship between customers and the brand, fostering long-term connections.

4. Constantly evolving strategies

- Iterative learning process: Continuous assessment and refinement of GenAI strategies help in keeping pace with evolving technology and market demands.
- Feedback loops: Implementing feedback loops where insights from ongoing projects are used to inform future initiatives ensures that learning translates into ongoing improvement.



Adopting a "Learn by Doing" mentality is crucial for businesses aiming to fully exploit the capabilities of GenAI. By relentlessly testing, assessing, and perfecting, companies can convert this groundbreaking technology into a distinct and enduring competitive advantage. GenAI signifies more than just a technological transition; it symbolises a revolutionary perspective on products, services, and customer interactions, with the capacity to reshape industries. By understanding and integrating GenAI into the core of their strategies, businesses position themselves at the forefront of a dynamic and rapidly changing landscape.

Embrace transformation: Moving beyond incremental improvements with Generative AI



The emergence of GenAI has shifted the paradigm from merely seeking incremental improvements to pursuing profound transformation. In a highly competitive business landscape, relying solely on optimising costs and enhancing existing services might fall short against the creativity and innovation of GenAI-native companies. The future calls for a bold approach, where GenAI is harnessed to create new value, opportunities and revenue streams.

1. Transformational vs incremental thinking

- Beyond improvements: While improvements in existing processes are valuable, they often provide only short-term gains. GenAI offers a pathway to transcend traditional boundaries and reimagine business models.
- Innovation and Differentiation: Fostering an environment that encourages experimentation with GenAI enables the creation of unique products, services, and interactions that set a business apart.

2. Becoming GenAI-native

- Embracing a new paradigm: GenAI-native companies inherently understand and integrate GenAI at the core of their operations. The journey towards becoming GenAI-native involves cultivating a mindset that values transformation over mere enhancements.
- Learning from Digital Natives: Similar to how digital natives adapted to the digital era, companies must embrace a transformative approach to harness the exponential opportunities provided by GenAI.

3. Generating new value and opportunities

- Exploring uncharted territories: Through GenAI companies can venture into new markets, develop novel products, and redefine customer experiences.
- Creating New Revenue Streams: By going beyond conventional strategies, businesses can tap into lucrative opportunities that may have previously been inaccessible or non-existent.

4. A continuous journey of evolution

- Iterative process: Transformation is not a one-time event but a continuous journey. Regular reassessment and realignment with changing dynamics ensure that the transformation remains relevant and effective.
- Cultivating a culture of transformation: Embedding a culture that seeks transformation rather than mere improvement ensures that the organisation stays ahead of the curve, fostering resilience and adaptability.



Generative AI offers more than just a tool for incremental improvements; it represents a frontier for transformation. As the business landscape continues to evolve, those who seek to redefine rather than merely refine will likely be the ones leading the way. By aiming for transformation and embracing the ethos of GenAI-native thinking, companies can position themselves at the cutting edge of innovation and growth. The era of transformation calls for bold strategies, innovative thinking, and an unwavering commitment to shaping an evolving future.

Stay ahead of the curve: How Generative AI is redefining disruption in the digital age



Generative AI is revolutionising the way we produce and consume digital content, offering an exponential democratisation of digital assets creation. This shift has the potential to significantly impact customer interactions, product launches, and information consumption. Companies must act quickly to disrupt traditional paradigms with GenAI, or risk being disrupted themselves.

1. The new age of digital content production

- Democratising Creation: GenAI enables businesses and individuals alike to produce high-quality digital content with ease, transforming the creative process.
- Personalising interactions: Customised, responsive content generated through GenAI provides a new level of personalisation in customer engagements, elevating user experience.

2. Changing consumption patterns

- Beyond traditional browsing: Soon, we will consume information through GenAI-generated content, rather than navigating multiple websites. Whether planning travel or exploring products, GenAI offers a seamless and intuitive experience.
- The decline of traditional channels: Conventional methods like written newsletters are giving way to more dynamic and responsive GenAI-driven channels, reshaping how information is received and processed.

3. Innovating customer acquisition and product launches

- Revolutionising marketing: GenAI enables a dramatic shift in reaching and acquiring customers, offering personalised and adaptive strategies.
- Reimagining Product Launches: By leveraging GenAI, businesses can create buzz, engage audiences, and launch products in more effective and innovative ways.

4. Preparing for the paradigm shift

- Adopting proactive strategies: To lead rather than follow, companies must embrace GenAI with strategic foresight, adopting it as a core element of their business model.
- Investing in skills and technologies: Building the necessary skillsets and infrastructure to harness GenAI effectively is vital for staying ahead in the race.



The advent of Generative AI represents a significant shift in digital content creation and consumption, as well as potentially greatly enhancing the productivity of companies' core processes, such as improving customer service or dramatically speeding up internal response times.

Businesses must take the initiative to disrupt existing models with GenAI before they themselves become the disrupted. This requires a combination of bold innovation and strategic investment. Those who rise to this challenge will find themselves at the helm of a new digital era, shaping the future with creativity and foresight. The question is not if this change will occur but how swiftly businesses adapt and thrive in a landscape redefined by Generative AI.

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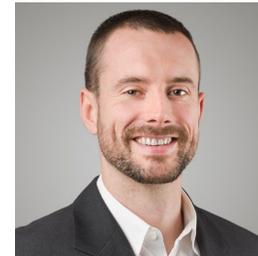
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