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August 2023

BUSINESS

# RADAR

Understanding the businesses that drive
Australia's economy

Business Confidence
Generative AI

# Who are our mid-market businesses?

## 140 mid-market businesses

Business owners and decision makers

Rev $2m to $500m

Employ 20-200 people

## State

NSW – 44%

Vic – 27%

Qld – 14%

WA – 8%

SA – 7%

## Business life stage

Seed – 6%

Growth – 58%

Mature – 35%

Transition - 1%

## 3 times per year

April

July

October

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# *Generative AI*

## Generative AI

describes algorithms that can be used to create new content including audio, text, video, images, code and more
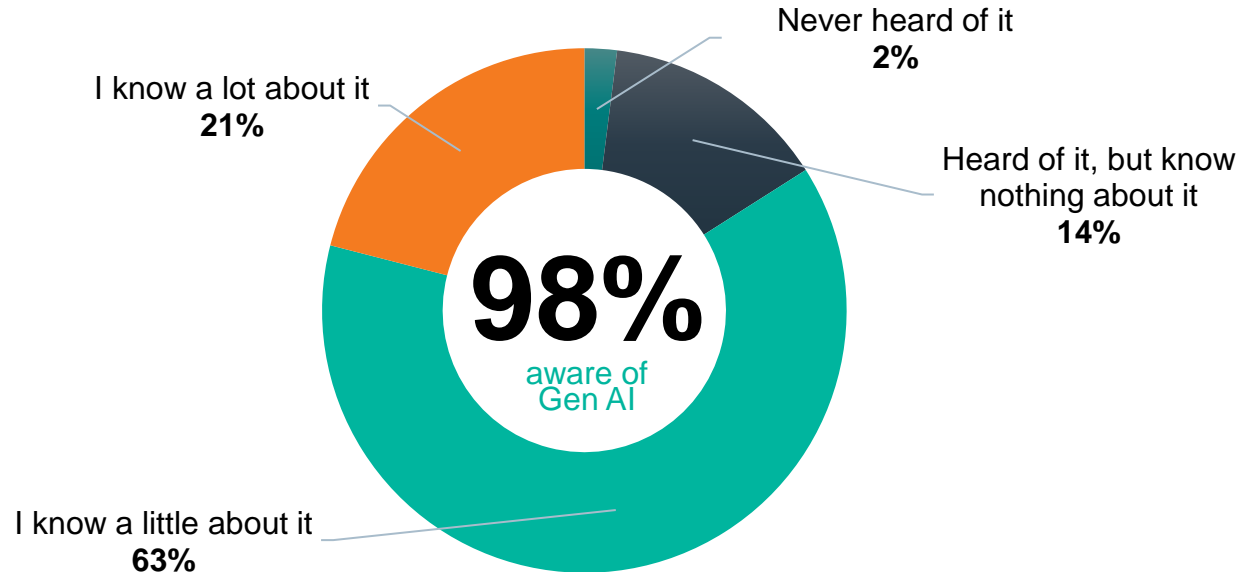
**Platforms include**

- ChatGPT
- Midjourney
- DALL-E
- Bard
- Microsoft Copilot and many more!

# *Generative AI is here*

## *Are business leaders informed?*
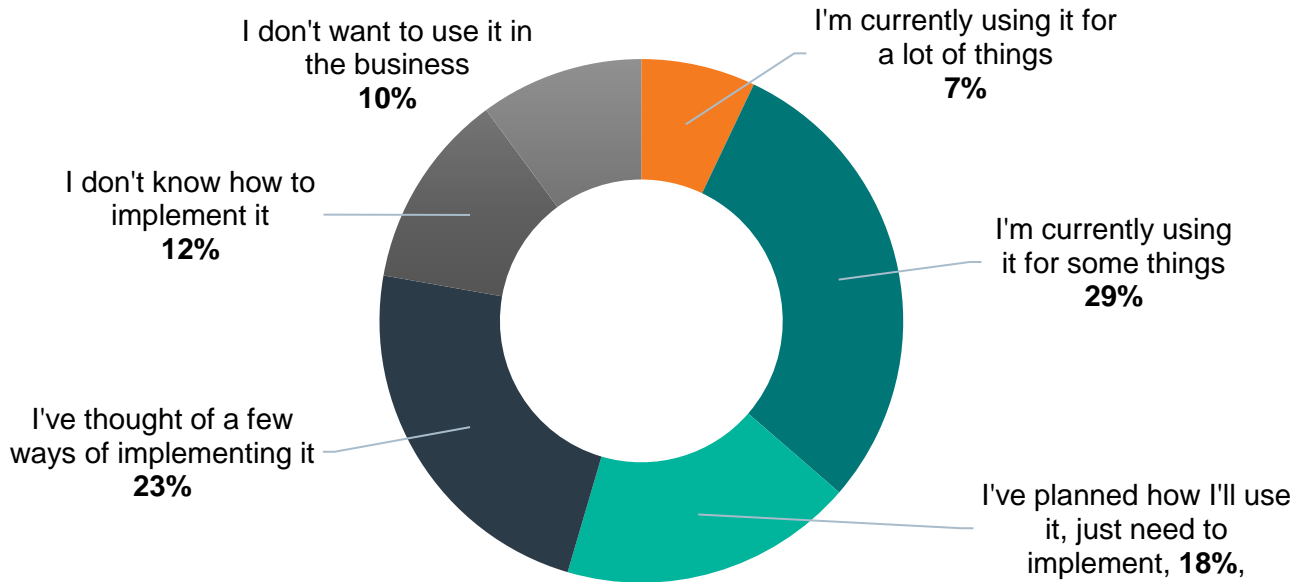
**How familiar are you with Generative AI?**



Never heard of it
**2%**

I know a lot about it
**21%**

Heard of it, but know
nothing about it
**14%**

**98%**
aware of
Gen AI

I know a little about it
**63%**

Almost **every** business leader has heard of Generative AI,
but **very few have a lot of knowledge**

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# Some businesses are using Gen AI

## But how seriously?

**How do you intend on implementing Gen AI into your business?**



I don't want to use it in the business
**10%**

I don't know how to implement it
**12%**

I've thought of a few ways of implementing it
**23%**

I'm currently using it for a lot of things
**7%**

I'm currently using it for some things
**29%**

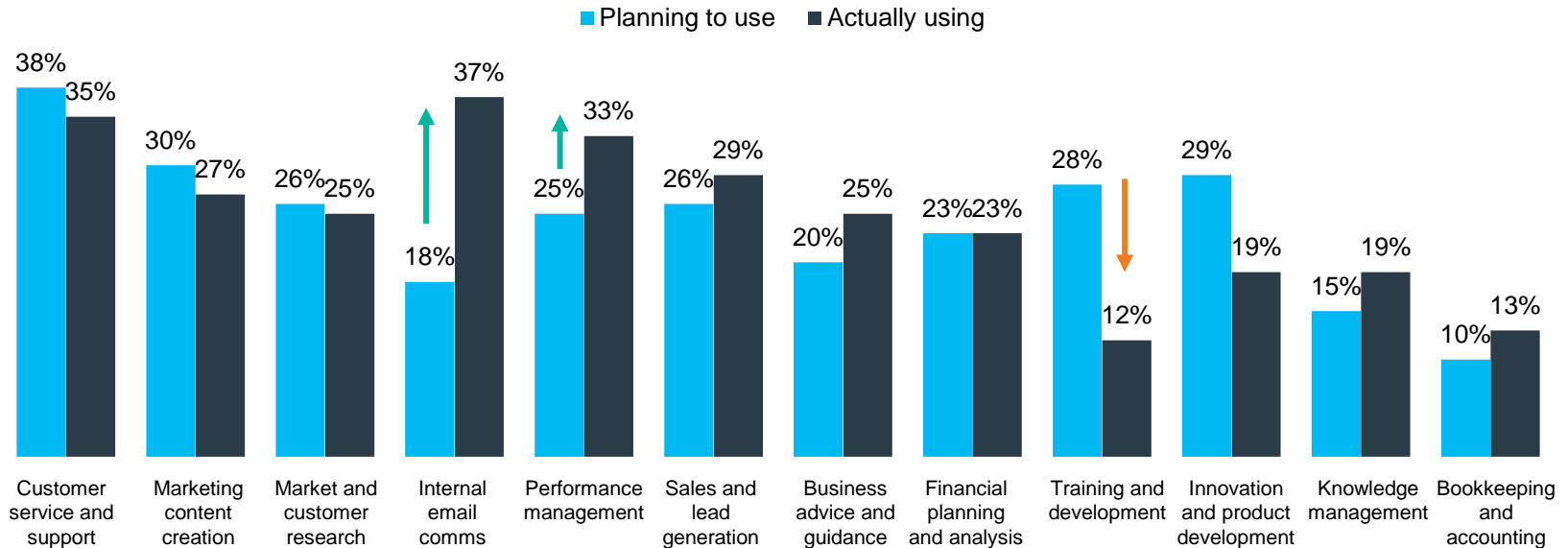I've planned how I'll use it, just need to implement, **18%**,

Gen AI is being used by a third of mid-market businesses,
but **few have effectively operationalised it**

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# Business use is diverse
## *But there's an expectation – reality gap*

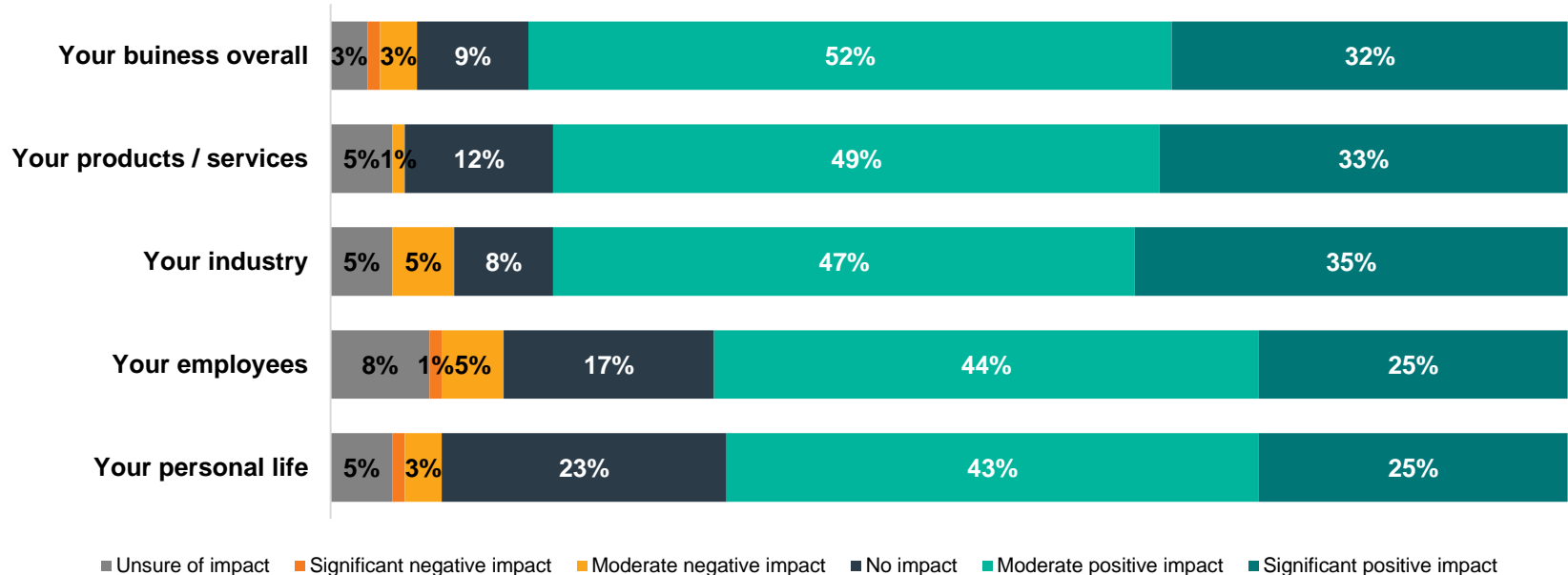**What would be the top 3 ways you could see your business using Generative AI?**

■ Planning to use   ■ Actually using



| Category | Planning to use | Actually using |
|---|---|---|
| Customer service and support | 38% | 35% |
| Marketing content creation | 30% | 27% |
| Market and customer research | 26% | 25% |
| Internal email comms | 18% | 37% |
| Performance management | 25% | 33% |
| Sales and lead generation | 26% | 29% |
| Business advice and guidance | 20% | 25% |
| Financial planning and analysis | 23% | 23% |
| Training and development | 28% | 12% |
| Innovation and product development | 29% | 19% |
| Knowledge management | 15% | 19% |
| Bookkeeping and accounting | 10% | 13% |

**Customer support and back-office processes dominate**
but there's an expectation-reality gap

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# *Businesses see little down side*

## *Including for employees*

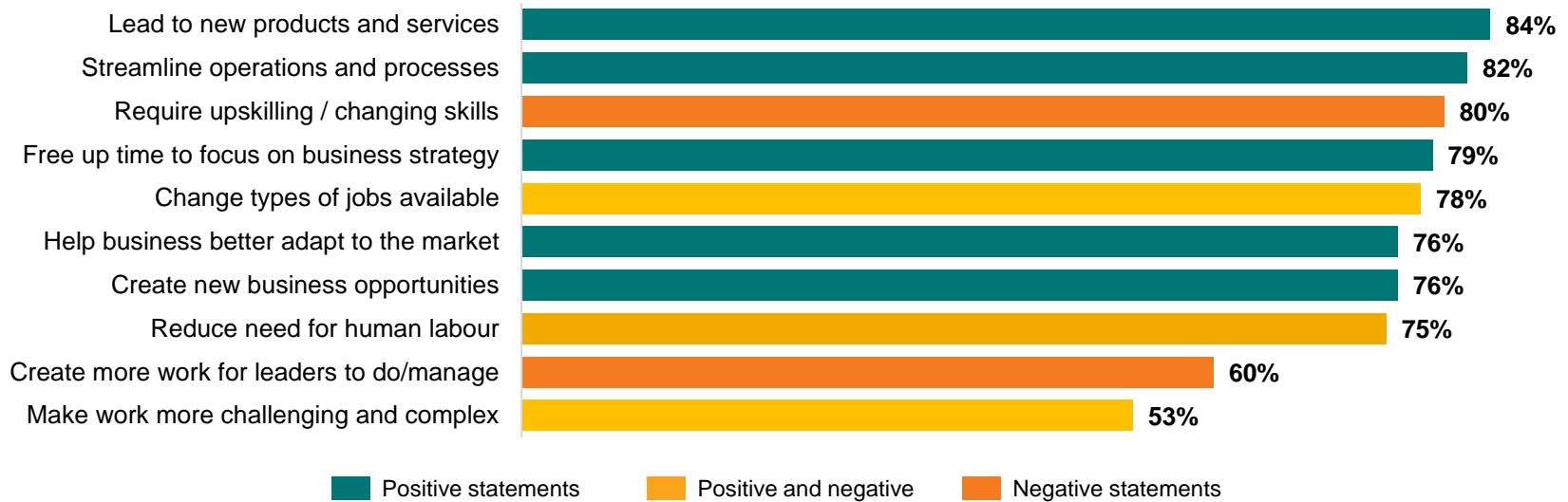**Thinking about the next five years, how do you anticipate Gen AI impacting…**



| | Unsure of impact | Significant negative impact | Moderate negative impact | No impact | Moderate positive impact | Significant positive impact |
|---|---|---|---|---|---|---|
| Your buiness overall | 3% | 3% | | 9% | 52% | 32% |
| Your products / services | 5% | 1% | | 12% | 49% | 33% |
| Your industry | 5% | | 5% | 8% | 47% | 35% |
| Your employees | 8% | 1% | 5% | 17% | 44% | 25% |
| Your personal life | 5% | | 3% | 23% | 43% | 25% |

■ Unsure of impact  ■ Significant negative impact  ■ Moderate negative impact  ■ No impact  ■ Moderate positive impact  ■ Significant positive impact

**Overall businesses see largely positive impacts from Generative AI**

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# *Business impact is significant*
## *And mostly rosy*

### Gen AI could impact these aspects of your business
To what extent do you agree or disagree? % that agree (4) or strongly agree (5)

| Aspect | Percentage |
|--------|-----------|
| Lead to new products and services | 84% |
| Streamline operations and processes | 82% |
| Require upskilling / changing skills | 80% |
| Free up time to focus on business strategy | 79% |
| Change types of jobs available | 78% |
| Help business better adapt to the market | 76% |
| Create new business opportunities | 76% |
| Reduce need for human labour | 75% |
| Create more work for leaders to do/manage | 60% |
| Make work more challenging and complex | 53% |

**Legend:** Positive statements | Positive and negative | Negative statements

Businesses agree that Gen AI will impact a range of business operations, requiring many to **upskill and/or pivot resources**

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# Gen AI isn't without its challenges
## Primarily data security and accuracy

**What are the top three challenges in implementing Gen AI?**

| Challenge | Percentage |
|---|---|
| Security and data privacy | 36% |
| Trusting accuracy and quality of outputs | 33% |
| Staff concern over losing hours / their job | 29% |
| Training staff on how to use | 26% |
| Not personal or human enough | 25% |
| Cost considerations and ROI | 24% |
| Legal and ethical implications | 23% |

Business **planning** to use AI – **trust** is the biggest challenge
Business **actually** using AI – **cost** is the biggest challenge

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# What now…

## Embrace – and ring-fence – GenAI

### Build knowledge

Get to know the range of Gen AI tools

Consider which will help reach business goals

Consider 'private' tools

### Govern its use

Identify appropriate use cases

Build policy and limitations around use

Implement review and vetting process for outputs

### Train your people

Communicate appropriate use

Strengths and weaknesses of Gen AI

Risks – in particular data security and privacy

### Manage change

Prepare the business for the impact on organisation and culture

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**Ruth Callaghan**
*Director & Chief Innovation Officer*
*Cannings Purple*

# *The big questions we hear from clients*

**1** Is there an GenAI use case for us?

**2** Is there a risk that this could disrupt our operations?

**3** Does this change assumptions in our business model?

**4** Can we tailor AI so it fits our business needs?

**5** What are the risks and how do we institute good governance?

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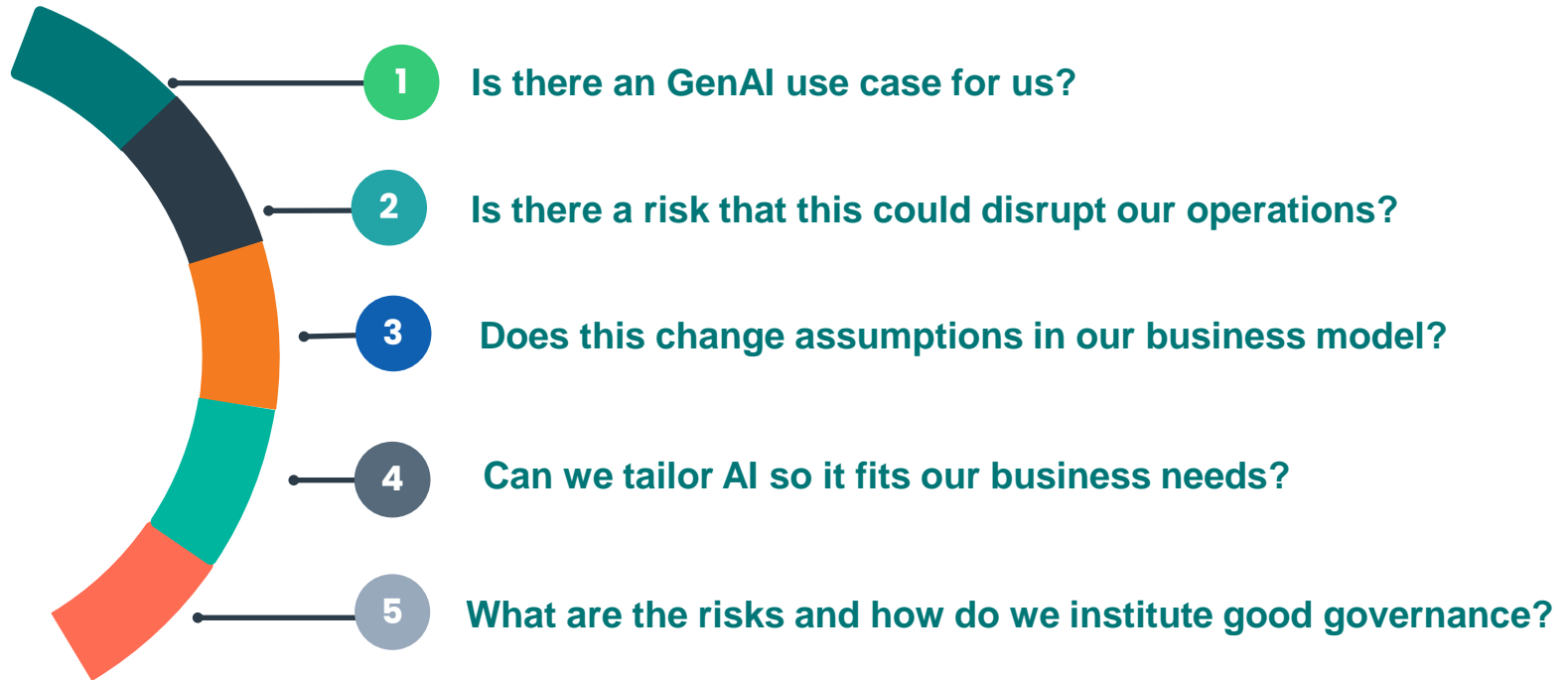
# *Assessing the use case: What works?*

| | | |
|---|---|---|
| **1** | **Repetitive work** | Anything that has standard components that fit within a bigger piece of work — agendas, meetings, briefing notes, summaries |
| **2** | **Repurposed work** | Anything that is shifting content or information from one format to another — a report to a summary to an email to a structured table to some social posts |
| **3** | **Templated work** | Anything your business does where there is a standard operating procedure or one or two 'right ways' to do things — structured tables, regular reports, |
| **4** | **Would-if-I-could work** | Anything you would like to do if you could but you never have the time or resources — scenario planning, videos, more engaging content, personalised marketing, or better design |

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...gines Melbourne in the future

# *What doesn't work?*

- Tasks that rely on maths, facts, or delivering the same result every time without fail.

- GenAI struggles with some things that should seem simple — it isn't a calculator, Google or Wikipedia.

———————————

- Tasks that are only meaningful when a human does them.

- GenAI shouldn't be providing emotional support, write love letters, be used to convey distressing news or make difficult, risky decisions.

# *Addressing disruption*

- It challenges the way we market businesses

- It redefines human-to-machine communication

- It breaks down traditional silos for knowledge and skills

- It can address glaring resource challenges including in human services

- It works without complaint and has the scope for self improvement

Midjourney imagines Newcastle in the future

# *What does disruption really mean?*

**80%**

of the U.S. workforce could
have at least

**10%**

of their work tasks affected by
the introduction of GPTs

**19%**

of the U.S. workforce could
have at least

**50%**

of their work tasks affected by
the introduction of GPTs

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Midjourney imagines Brisbane in the future

*"While 49% of people say they're worried AI will replace their jobs, 70% would delegate as much work as possible to AI in order to lessen their workloads."*

**Microsoft: Will AI Fix Work?**

# *Changing business model assumptions*

**So many questions**

- Should it change the way we structure our teams?

- Is some of our work now precarious?

- How will it change customer demand?

- Is our unique selling point going to remain unique?

- Does it allow us to explore new markets?

- Will human work become too expensive?

- Will AI work be devalued?

- Will it reduce a a long-standing barrier to entry?

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*Case study*
## Tailoring **AI for your work**

Commercial real estate business in Western Australia focused on sales and leasing.

Team of 40+ including agents, managers, support team and functional roles.

Like most service businesses, people are the secret sauce — both the biggest cost and the reason the agency can win and retain business.

The question: What can they do in **FIVE MINUTES** to be more competitive?

Midjourney imagines Perth in the future

## Chat GPT **Prompt**

**Turn the following information into a commercial real estate post for a well-located office in East Victoria Park with a range of uses.**

Improvements comprise:
- 2,015sqm office
- Fully fitted out
- Single floor with dedicated entry
- Reception area
- Staff breakout/dining area (operable walls)
- Boardroom (operable walls)
- Training room (operable walls)
- 145 workstations
- 21 offices
- 7 meeting/quiet rooms
- Store rooms
- IT room- Multiple utility areas
- Three sets of male and female bathroom facilities
- Shower and lockers
- Cat 6 cabling

## Chat GPT **Answer**

🔳 Discover Versatile Office Space in East Victoria Park! 🔳
Looking for the perfect commercial real estate opportunity? Look no further! We present to you a prime office space located in the heart of East Victoria Park. With its strategic location and extensive range of features, this office is tailor-made to suit your business needs.

📝 Property Specifications:
✨ Spacious 2,015sqm office space
✨ Fully fitted out, ready for immediate use
✨ Convenient single floor layout with dedicated entry
✨ Elegant reception area to welcome clients and guests
✨ Innovative operable walls for flexible space configuration
✨ Comfortable staff breakout and dining area for relaxation
✨ Well-equipped boardroom and training room with operable walls
✨ Ample workspace: 145 workstations and 21 private offices
✨ 7 meeting and quiet rooms for productive discussions
✨ Store rooms and IT room for efficient storage and operations
✨ Multiple utility areas to cater to your business requirements
✨ Modern male and female bathroom facilities on-site
✨ Refreshing shower facilities and lockers for your convenience
✨ Equipped with Cat 6 cabling for seamless connectivity

❄️ Why Choose This Space? This office space offers the perfect blend of functionality and style. Whether you're a startup, established firm, or seeking expansion, this property caters to a variety of uses. The open layout combined with the flexibility of operable walls ensures that you can adapt the space to match your business requirements effortlessly.

💼 Ideal Location: Situated in the vibrant East Victoria Park area, this office boasts a strategic location with easy access to major transport routes and essential amenities. Your team and clients will appreciate the convenience and accessibility of this prime location.

📞 Contact Us Now! Don't miss out on this exceptional opportunity to elevate your business in a thoughtfully designed office space. Contact us today to schedule a viewing and secure your spot in East Victoria Park's thriving business landscape.

📧 Email: info@examplecommercial.com
📞 Phone: (123) 456-7890
Embrace the future of work with this remarkable office space. Your success begins here! 💼🏙️

## Chat GPT **Prompt**

**Redo this to be shorter and more compelling.**

**Create LinkedIn Posts.**

## Chat GPT **Answer**

🏢 Elevate Your Business at East Victoria Park's Finest Office Space! 🏢

💥 Prime Location, Limitless Potential: Unveiling a 2,015sqm fully-fitted office in East Victoria Park. From a welcoming reception to versatile operable spaces, it's designed for success.

🏛 Features:
💥 Single floor with exclusive entry
💥 Breakout and dining zones with operable walls
💥 Boardroom, training room, 7 meeting spots
💥 145 workstations, 21 offices, storage galore
💥 Modern amenities, showers, lockers
💥 Seamlessly connected with Cat 6 cabling

🚀 Why Choose Us? Adapt to your needs. Thrive in a strategic locale. Contact us at info@examplecommercial.com or (123) 456-7890. Your business's new home awaits! 🚀🏢

**LinkedIn Post 1**

"🔍 Prime Investment Opportunity! We're thrilled to present a fully fitted, single-floor office space in the heart of East Victoria Park. Spanning a massive 2,015sqm, this property is ready to accommodate a thriving workforce. Stay tuned for more details! #RealEstate #InvestmentOpportunity #EastVictoriaPark"

**LinkedIn Post 2**

"🚀 🗓 Dive deeper into our East Victoria Park listing! This office space boasts 145 workstations, 21 private offices, and versatile spaces including a boardroom and training room. Plus, it's equipped with Cat 6 cabling throughout for seamless connectivity. Perfect for businesses ready to level up! #OfficeSpace #RealEstate #EastVictoriaPark"

## Chat GPT **Prompt**

**Redo and this time focus on this for an investor who already has a property portfolio in this suburb.**

## Chat GPT **Answer**

**Prime Addition to Your East Victoria Park Portfolio**

Capitalise on this exceptional opportunity to enhance your East Victoria Park portfolio with a premium, fully fitted 2,015sqm office space.

This single-floor property offers a professional reception, 145 workstations, and 21 private offices. Versatile spaces include a boardroom, training room, and seven meeting rooms, all with operable walls for adaptability.

The property boasts staff amenities like a breakout/dining area, comprehensive bathroom facilities, and Cat 6 cabling throughout.

This office space is a strategic addition to your investment portfolio, promising attractive returns in a prime location. Contact us today to explore this lucrative opportunity.

## Chat GPT **Prompt**

**Add a table that highlights each of the key points and includes the benefits.**

## Chat GPT **Answer**

This property is a strategic addition to your East Victoria Park portfolio, offering a blend of versatility, convenience, and potential for attractive returns. Don't miss this opportunity to invest in a prime commercial real estate asset. Contact us today for more information or to arrange an inspection.

| Key Feature | Benefit |
| --- | --- |
| **Location: East Victoria Park** | Prime location in a sought-after commercial area, enhancing portfolio value. |
| **Size: 2,015sqm** | Spacious office space to accommodate a large workforce or multiple tenants. |
| **Fully Fitted Out** | Ready-to-use space, saving on setup costs and time. |
| **Single Floor with Dedicated Entry** | Easy access and navigation, enhancing business image. |
| **145 Workstations and 21 Offices** | Ample space for staff, promoting productivity. |
| **Versatile Spaces (Boardroom, Training Room, 7 Meeting Rooms)** | Flexibility for various business activities, increasing utility. |
| **Operable Walls** | Adaptable layout to suit changing needs, adding convenience. |
| **Staff Amenities (Breakout/Dining Area, Bathrooms, Showers, Lockers)** | Enhances staff comfort and satisfaction, boosting morale and productivity. |
| **Cat 6 Cabling** | High-speed connectivity, supporting efficient operations. |

## Chat GPT **Prompt**

**Right - now I want this as a really exciting 1 minute YouTube script for the agent.**

## Chat GPT **Answer**

[Opening shot: Aerial view of East Victoria Park, zooming in on the office building]

**Narrator (Voiceover)**: "Investors, get ready to take your portfolio to new heights! We're thrilled to present a prime opportunity in the heart of East Victoria Park."

[Cut to: Exterior shot of the office building]

**Narrator (Voiceover)**: "This is a fully fitted, single-floor office spanning a massive 2,015sqm."

[Cut to: Interior shots - Reception, Workstations, Offices]

**Narrator (Voiceover)**: "Step inside to find a professional reception, 145 workstations, and 21 private offices, all ready to accommodate a thriving workforce."

[Cut to: Interior shots - Boardroom, Training Room, Meeting Rooms]

**Narrator (Voiceover)**: "Versatility is key here, with a boardroom, training room, and seven meeting rooms, all featuring operable walls for ultimate flexibility."

[Cut to: Interior shots - Breakout/Dining Area, Bathrooms, Showers, Lockers]

**Narrator (Voiceover)**: "Staff amenities? We've got them covered. A breakout area for downtime, comprehensive bathroom facilities, showers, and lockers."

[Cut to: Close-up shots of Cat 6 cabling]

**Narrator (Voiceover)**: "And let's not forget the Cat 6 cabling throughout, ensuring seamless connectivity."

[Final shot: Aerial view of the office building, contact details appear on screen]

**Narrator (Voiceover)**: "This is more than an office space. It's a strategic addition to your East Victoria Park portfolio. Don't wait, contact us today and let's turn this exciting opportunity into your next investment success story."

[End of video: Fade out, with the company logo and tagline]

*Case study*
# Tailoring **AI for your work**

You can save hours by knowing what to ask, in what order, and the kind of output you are looking for

You *don't* need domain knowledge to create great output

You *do* need domain knowledge to sense check the final product but

Over time, you *can build* a new kind of knowledge based on testing and refining GPT's work

Midjourney imagines Adelaide in the future

# How to make
## *Artificial Intelligence*
## work for you

For best results, add a role, parameters, context & examples

## Ask it to produce something

*Prompt: Write me a …*

- Summary
- Blog
- LinkedIn post
- Review
- Twitter thread
- White paper
- Technical description
- Non-technical

- description
- Email
- Newsletter
- Video script
- Speech
- FAQs
- Job description
- Tender response
- Award entry

## Ask it to be someone

*Prompt: You are …*

- A proactive assistant
- A friendly chatbot
- A senior colleague professor
- A helpful guide
- A smart strategist
- A top executive
- A concerned citizen

- A supportive co-worker
- A cybersecurity expert
- A sales executive
- A marketer

## Ask it to plan something

*Prompt: Help me…*

- Plan a workshop with timings
- Develop a run sheet
- Outline the content for some slides
- Prepare a media strategy

- Identify a set of marketing tactics
- Align tactics with channels
- Develop a risk plan
- Turn the plan into a table with a column on mitigations

## Ask it to guide your thinking

*Prompt: I want to do X for Y reasons*

- What do you need from me for us to achieve this?
- Can you provide a critique of this plan? Now you have a critique, revise your output to reflect the following changes

- What would make this better?
- What are the flaws in this argument or position?
- How can this be made safer/more effective/more persuasive?

# *Good governance*

- Set guidelines for what is and isn't appropriate for AI

- Skill up your teams so they can use AI safely and responsibly

- Expect hallucination and have checks in place

- **Never** use confidential material or private data

- Start small with low-risk cases and share lessons

- Continue to build your governance framework over time

Midjourney imagines Sydney in the future

# *Avoiding the 'secret cyborg'*

- Banning GPT can push it underground

- People will still use it, but they won't seek advice or help

- The risks increase as you have no capacity to identify how much is human, and how much is GPT

## GPT has my entire company believing I am a wizard

`Other`

I'm sure there are thousands of posts like this but I needed to tell someone lol. I'm relatively new to a company in a data analyst role. I have been using it regularly to address data issues, quality improvement, and pretty much everything else being thrown at me. It is to the point where every single person in leadership (including the CEO) refers to me as "The wiz."

On one hand it feels so amazing to feel so valued at work, on the other hand I feel a bit ashamed by not telling them *how* I do it. I'm not dishonest with them, I always tell them I'm just resourceful. My fear is that eventually I'll be "exposed" and thought of as a cheater.

It has gotten so nuts that our contracts department obtained some new obscure software that they were struggling to use so the CEO advised them that they need to get with me because I'd probably be able to figure it out for them. I'm like I don't know shit about contracts or contractual software but OK lol. So yeah, GPT is crazy. What a time to be alive.

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Q&A

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# Making business *personal*

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