Leading the Charge: How to Implement Generative AI in SMEs in Singapore

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In our first article of this series, *"Unlocking the Power of Generative AI: Transforming Marketing for SMEs in Singapore,"* we explored the immense potential of Generative AI (GenAI) to transform marketing for small and medium enterprises (SMEs). But knowing the benefits is just the beginning. Incorporating GenAI into your business is not a strategy in itself—it is simply a tool to achieve your broader business goals. The true value of GenAI lies in how effectively you use it to drive meaningful outcomes, whether that's improving customer engagement, streamlining your operations, or boosting efficiency. One of the key challenges lies in effectively implementing these GenAI tools within your business. In this guide, we will walk you through the steps to successfully lead your GenAI transformation. From setting clear goals to overcoming common challenges, you'll learn how to implement GenAI to drive growth and efficiency of your processes.

While GenAI's potential is vast, successful implementation requires a strategic approach led by your leadership team. In their recent paper, [Rajaram and Tiguley (2024)](#) introduce the ***sailing metaphor framework***, which reveals vital **strategic**

dimensions for GenAI deployment: employee competency, effective leadership and work values, organizational culture, collaboration and cooperation, and relationships with third parties.

Gartner predicts that by the end of 2025, at least 30% of GenAI projects will be abandoned after the proof of concept phase due to poor data quality, inadequate risk controls, rising costs, or unclear business value. How can you avoid wasting your effort and investment? Here's how you can get started:

- **Step 1 - Establish Clear Goals**: According to Gartner, early adopters of GenAI experienced an average of 15.8% revenue growth, 15.2% cost savings, and a 22.6% boost in productivity. These business improvements vary across industries, use cases, job types, and skill levels. Knowing your goals will help you select the right GenAI or technology tools that align with your needs and deliver measurable results.

  Jumping into GenAI adoption with a plan can save resources. Start by defining your business objectives. Do you want to streamline content creation, improve customer service, or personalize your marketing efforts?

  Once you've set clear goals for how GenAI can support your business, the next step is to consider the cost of implementation and the potential return on investment (ROI). Understanding the financial commitment upfront, alongside the long-term benefits GenAI can bring, will help ensure your investment is both strategic and sustainable.

- **Step 2 - Assess Cost of Implementation and ROI**: The initial cost of adopting GenAI can feel significant, but government initiatives like the **Generative AI Sandbox** and the **Digital Enterprise Blueprint** can help ease the financial burden by offering subsidies of up to 50% of tech-related expenses. While these programs can offset costs, it is essential to recognize that the long-term ROI —through increased productivity, enhanced customer
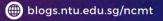
engagement, and more efficient processes—can far outweigh the short-term expenses.

According to a McKinsey report, GenAI's value for marketing lies in boosting customer interactions and creating more engaging marketing content. By focusing on areas where GenAI can deliver tangible and measurable outcomes, your investment can lead to sustained competitive advantages.

While evaluating financial ROI is crucial, it is just as important to look beyond financial gains. As you implement GenAI, creating an ethical framework becomes essential to ensure responsible use. Let's explore how to build a framework that balances innovation with ethical considerations, protecting your brand's integrity and fostering trust with your audience.

- **Step 3 - Create a Framework for Ethical Use**: Like any advanced technology, GenAI comes with ethical challenges, particularly when handling customer data or generating content. Establishing a framework for ethical GenAI use can help you to ensure that your AI-driven initiatives are aligned with your brand's values and customer expectations. The use of such a framework in your implementation of GenAI can help protect your brand's reputation and foster trust with your audience.

As GenAI use cases are relatively new and always evolving, it is not an easy task for your leadership team to figure out what should be included in such a framework. You can start by reviewing frameworks that are already available, such as the Model AI Governance Framework for Generative AI, co-developed by the Verify Foundation and Infocomm Media Development Authority. This framework outlines nine dimensions to help create a trusted environment for safe and innovative GenAI use. It's been widely endorsed by local and international companies as a comprehensive approach to addressing GenAI concerns.

While it's important to focus on how GenAI impacts your customers, it's equally vital to consider its effects on your employees. As key stakeholders, employees are also impacted by GenAI implementation and play a crucial role in its success. Let's explore how to ensure your team is fully engaged and supported throughout your GenAI transformation.

- **Step 4 - Invest in Training and Upskilling**: Many SMEs may need more in-house technical expertise to fully utilize GenAI, making it essential to take advantage of programs like [WSQ](#). These programs are designed to upskill your team in AI-related fields, empowering them to use GenAI effectively and independently without relying on external consultants. While the [PWC Global Workforce Hopes and Fears Survey 2024](#) found that 61% of workers have dabbled with GenAI over the past year, regular usage remains low. Only 12% of workers use GenAI on a daily basis. The true potential for transformative innovation with GenAI will come from those who integrate it into their daily work. This underscores the importance of investing in training your employees to harness the full power of GenAI, turning it into a cornerstone of your operations.

  It's essential that employee training aligns with your broader business transformation, particularly when it comes to the redesign of job roles affected by GenAI. By upskilling your team and reshaping roles to work alongside GenAI, you can foster a more adaptive workforce that's ready for the changes ahead. This not only empowers employees but also fuels innovation. With the right training in place, your employees can experiment, collaborate, and drive the creative use of GenAI to push your business forward.

- **Step 5 - Foster an Innovative Culture**: This [McKinsey research](#) emphasizes that driving new growth with GenAI hinges on a commitment to experimentation and continuously evolving your approach. GenAI thrives in an environment that promotes innovation and experimentation. Encourage your employees to test new ideas, analyze outcomes, and iterate on strategies to

maximize the value GenAI can bring to your business. Key strategies include breaking down silos to create cross-functional teams, making product

management a core competency, and regularly aligning resources with the most impactful opportunities.

Fostering an innovative culture goes beyond just human collaboration—it extends to working effectively with GenAI as well. Embracing GenAI as a partner in your innovation efforts can unlock new possibilities, allowing your team to push boundaries and experiment in ways that weren't possible before. To truly leverage GenAI's potential, it's essential to adopt a collaborative mindset, where GenAI becomes a powerful tool working alongside your employees to enhance creativity, productivity, and problem-solving.

- **Step 6 - Adopt a collaborative mindset with GenAI:** Andrew Ng, one of the most influential figures in AI and a recent honoree on the Time100 AI list, highlighted in a Wall Street Journal interview that AI—including GenAI—will automate some tasks but not others. The real advantage comes from people who use AI, not those who are replaced by it. The PWC 2024 Survey supports this view. It shows that 76% of employees believe GenAI will open opportunities to learn new skills, 73% think it will boost creativity, and 72% expect it to enhance work quality. These insights emphasize the need for a collaborative approach to fully leverage GenAI's potential in driving productivity and innovation.

  Collaborating with GenAI represents a new way of working, where your employees can harness GenAI's capabilities to complement their skills and drive innovation. To ease into this new dynamic, it's important to start small and manageable. Let's explore how to effectively pilot your GenAI initiatives to ensure a smooth integration into your business operations.

- **Step 7 - Pilot your GenAI initiatives**: To smoothly integrate GenAI into your operations, starting small is wise. Instead of overhauling everything at once,

you can begin with a pilot project in a specific area, like content creation or customer service, and then scale up as your employees gain confidence with the technology.
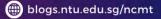
[Gartner](#) recommends a five-step approach in piloting your GenAI initiatives. Gartner's structured approach focuses on careful planning and execution, ensuring the technology aligns with your business goals. By following such a systematic process, you can minimize risks while identifying the most valuable use cases. A well-considered and systematic implementation of pilots can facilitate effective integration, reduce disruption, and build a solid foundation for broader implementation.

As you move beyond the pilot phase, it is important to anticipate potential challenges and have a solid risk management plan in place. Let's explore additional ways to safeguard your GenAI projects, ensuring smooth integration while minimizing potential setbacks. Let's take a look at this issue from the angle of implementing applications based on [large language models (LLMs)](#), a type of GenAI.

- **Step 8 - Mitigate Risks of GenAI projects:** [Project Moonshot](#) is a toolkit designed by Verify Foundation to help you manage the risks of deploying LLMs. You can use this evaluation tool to give you a clear picture of your LLM applications' performance. Whether you are a developer or managing compliance, this open-source tool—available on GitHub and currently in beta—makes it easier to safely roll out LLM in your business without worrying about unexpected issues.

Moving Forward with GenAI: Don't Just Follow the Trend, Lead with Strategy

If you are thinking about adopting GenAI, it is essential to approach it strategically. GenAI can streamline operations, enhance marketing, and improve customer engagement, but it is vital to implement it where it adds real value to your business. Do not adopt GenAI simply because it is trendy or due to your fear of missing out

(FOMO). Instead, you should carefully evaluate how GenAI can value and contribute to specific strategic goals, considering your explicit business needs and weighing the balance of your limited resources ([Rajaram & Tinguley, 2024](#)).

With support from Singapore government initiatives like the [Generative AI Sandbox](#) and [Digital Enterprise Blueprint](#), you can turn GenAI into a real competitive advantage. With the right approach, GenAI can future-proof your business, boost efficiency, and deliver personalized customer experiences that make you stand out.

Now is the time to explore how GenAI can fit into your strategy and take your business to the next level.

#smes; #asme; #smegrowth; #smesinaction; #GenAI; #AI

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