

ChatGPT has major issues that startups and Big Tech alike should care about

Article

The trend: ChatGPT is one of many powerful AI systems released this year that are raising questions about the future of work, companies, and the ethics of commercial AI.

- The stir prompted **Morgan Stanley** to issue a report saying that the technology could “disrupt **Google’s** position as an entry point for people on the internet,” but that Google is still in a strong position with its [Search upgrades](#) and similar AI products on the way.
- The ongoing [tech recession](#) has affected the valuation and revenue growth of Big Tech companies like Google this year.
- For this reason, **concerned Google employees wonder if commercializing systems like [ChatGPT](#) could help bolster the tech giant’s financial position.**
- The technology is expected to [transform a slew of creative occupations](#), SEO specialists, and content marketers, who could use it to enhance and speed up their work.

The formidable balancing act: Google faces a greater reputational risk over product issues compared with a startup, but **there are also legal risks that should concern any tech company that builds AI products.**

- AI-powered search tools provide authoritative-sounding answers to complicated questions without citing sources.
- This means **they could run afoul of legal and ethical standards if the bots give false or misleading answers** to medical or other topics with social safety implications.
- Despite being impressive, such bots have repeatedly demonstrated that they’ll portray fiction as fact and give biased and offensive responses.
- Some point out that people make similar mistakes, but the difference is that **our legal system is equipped to adjudicate human wrongdoing and hasn’t developed a framework for addressing generative AI’s culpability.**

Careful consideration: Google’s cautious approach could signal that it’s waiting to see what happens with the [lawsuit filed against OpenAI and Microsoft](#) over **Copilot**.

- Based on the [tech giant’s AI investments](#), we can expect to see significant announcements from Google on the AI front in 2023.
- But the technology’s limitations, which include **a lack of explainability, high compute costs, and monetization challenges, won’t be worked out within a matter of months.**
- Going forward, tech companies may want to more carefully **consider whether the publicity benefits of releasing half-baked AI systems for public testing is worth the risk—and expense.**

Challenges in Scaling AI Initiatives at Their Company According to Executives Worldwide, May 2022

% of respondents

Barriers	
Managing AI-related risks	50%
Obtain needed data/input to train model	44%
Implementing AI technologies	42%
Proving business value	40%
Insufficiencies	
Executive commitment	50%
Maintenance/ongoing support after initial launch	50%
Training to support adoption	44%
Alignment between AI developers and the business problem/need/mission	42%
Technical skills	41%
Funding for AI technologies and solutions	38%
Difficulties	
Integrating AI into the organization's daily operations and workflows	46%
AI solutions were too complex/difficult for end users to adopt	44%
Integrating with other organizational/business systems	44%
Identifying the use cases with the greatest business value	42%
Choosing the right AI technologies	38%

Note: n=2,620

Source: Deloitte, "State of AI in the Enterprise, 5th Edition," Oct 18, 2022

279170

[InsiderIntelligence.com](https://www.insiderintelligence.com)

This article originally appeared in Insider Intelligence's Connectivity & Tech Briefing—a daily recap of top stories reshaping the technology industry. Subscribe to have more hard-hitting takeaways delivered to your inbox daily.

- *Are you a client? [Click here to subscribe.](#)*
- *Want to learn more about how you can benefit from our expert analysis? [Click here.](#)*