



Nomura Research Institute Group

NEWS RELEASE

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Nomura Research Institute, Ltd.

NRI Launches “AI Consulting” Service to Support Generative AI-Driven Management Reforms

In December 2023, Nomura Research Institute, Ltd. (Headquarters: Chiyoda Ward, Tokyo, Chairman and President & CEO: Shingo Konomoto, “NRI”) began offering its “AI Consulting” service (“Service”), which supports companies that are principally utilizing generative AI to carry out operational reforms, business model transformations, and other such management reforms.

■Background to Development of Service

In a survey conducted by NRI in October 2023, approximately 12% of respondents answered that they “currently use” or “are trying” generative AI.¹ Many companies are likewise busy creating safe information system environments and infrastructures for generative AI utilization. In addition, RAG² methods are being used to test out operational reforms that automate the very process of obtaining required information from internal documents and generating answers to support the improvement of help desk operations and facilitate other similar changes.

A growing number of companies have moved beyond the testing and promotion of individual reforms into the planning of overall initiatives – for example, by ranking initiatives from the perspective of business impact and technical difficulty, avoiding overlap, and sharing cases, and setting budgets and roadmaps for reforms. For these activities, scenario building for internal business transformation, monitoring of technological innovations, and other such practices are becoming extremely important.

■Overview and Advantages of Service

The Service supports companies that are attempting to promote major transformations through utilization of generative AI. The overview and advantages of the Service are as follows (for details, see the [Reference] at the end of this document).

Figure: Menu of “AI Consulting” Services



Source: NRI

On-Hand Support from AI CoE (Center of Excellence)³

We provide on-hand support for change management for overall AI-driven management reforms, alongside a CoE often installed directly under management. Specifically, we provide support for the formulation and management of reform roadmaps, intra-organizational knowledge gathering utilizing internal social networking services etc., and visualization and development of AI-related personnel.

AI Business Model Transformation

We formulate scenarios for the industrial business model transformations, discontinuous growth, and destruction that will result from the spread and integration of AI. We also help formulate strategies that can be used by companies in response to these changes. In such circumstances, the promotion of AI-driven business model transformations often cannot be confined to the individual company, so we also support business reform promotion that incorporates various stakeholders.

AI Business Reform

AI has the potential to streamline and enhance marketing, R&D, HR, IT, and many other operations. Our Service seeks out use cases in these areas, promotes operational reform via operational reform PoC,⁴ creates system concepts, and promotes the development and implementation of those concepts.

AI Infrastructure Creation

Generative AI carries many unprecedented risks. This, in turn, requires AI-specific governance, and we help businesses put the policies, rules, and tools for this governance in place. In addition, regarding the data to be utilized, we support data gathering and utilization at hitherto unprecedented quality, under a “good

data” concept that emphasizes not the quantity of data, but data quality amenable to the utilization of generative AI. We also support the creation of systems for these initiatives.

NRI’s aims going forward are to continue evolving our “AI Consulting” service, solve the complex problems faced by the businesses of our client companies, and help those companies realize sustainable growth and enhanced competitiveness.

¹ See: NRI Future Creation Center Research Report, vol. 10, “Visions of a Future Transformed by Generative AI” (released December 2023).

https://www.nri.com/-/media/Corporate/jp/Files/PDF/knowledge/report/souhatsu/2023/miraisouhatsu-report_vol10_202312.pdf

² “Retrieval Augmented Generation” – The process of referring to documents and data specific to a company and then generating knowledge from the same.

³ Center for Excellence – A team focused on reform methods and knowledge. It may be an organization or take the form of a committee or working group.

⁴ Proof of Concept – Empirical trial to verify effects.

Inquiries about this news release:

Sangi Tamaoka, Yuri Takeo
 Corporate Communications Department
 Nomura Research Institute, Ltd.
 TEL: 03-5877-7100
 E-mail: kouhou@nri.co.jp

Inquiries about this matter:

Consulting Division, Systems Consulting Division
 Nomura Research Institute, Ltd.
 E-mail: genai-consulting@nri.co.jp

[Reference] Details of “AI Consulting” Service

On-Hand Support from AI CoE (Center of Excellence)	
① AI Transformation Roadmap Creation	Formulation of roadmaps from short-, medium-, and long-term perspectives for AI-driven operational reforms and business plan creation; consensus building on targets from managerial, business, and operational perspectives; progress monitoring from management perspective.
② AI Case Studies and Knowledge Curation	Various internal and external initiatives are compiled and generative AI etc. is used to summarize them. Information for internal dissemination is transmitted by internal portals or internal social networking services, email newsletters, etc.; viewership of such information is monitored etc.

③ AI Specialist and Utilization Staff Development	Employees etc. are provided with education and enrichment programs on utilization policies for AI including generative AI, and on methods and rules for safe and effective AI use. Support is provided to improve literacy and facilitate use of AI throughout the company, and to expand utilization at a practical level.
AI Business Model Transformation	
④ AI Business Strategy Formulation	We regard improving the precision of the products of generative AI's advancement, evolving various technologies, and changing systems and societal norms as the driving force behind AI-based transformation, and accordingly we provide, based on the impact of and uncertainty surrounding those factors, scenario planning for company business and management (i.e., imagine various possibilities and formulate strategies in light of them).
⑤ AI Business Model Design	<ul style="list-style-type: none"> · On the principle of using AI to “transform implicit knowledge into explicit knowledge”, new business models are designed which depend on sharing explicit knowledge among various business divisions. · AI-based value chain transformations and disruption scenarios are constructed. · In addition, the bottlenecks that will be eliminated and newly created by AI are estimated, business models based on them are designed, and these designs are treated as disruption scenarios to engender a sense of urgency for internal transformation.
⑥ AI Ecosystem Growth	Plans for the company- and industry-transcending AI utilization needed to solve societal problems are created to support the growth of the overall ecosystem.
AI Operational Reforms	
⑦ AI Use Case Discovery	<p>Support is provided to discover use cases for operational reforms in keeping with the realities and conditions at individual companies.</p> <p>NRI's industry-specific use case knowledge is mobilized to identify a wide range of cases, while ideas are shared through discussion to unearth promising use cases.</p> <p>To ensure that generative AI utilization is a means and not an end itself, transformations centered on business challenges are developed and embodied from the following four perspectives (CX, OX, EX, ITX).</p>

	<ol style="list-style-type: none"> 1. CX (Customer Experience): Redefinition of new customer experiences and transformation of service marketing through optimal combination of elemental technologies, including generative AI. 2. OX (Operation Experience): AI-based operational transformations to improve productivity at production sites and back offices and refine quality assurance. 3. EX (Employee Experience): Creation of AI tools for employees, transformation of how employees work based on utilization of unique internal data etc. 4. ITX (IT Transformation): AI-based IT operation transformation to facilitate steps from system design to development and testing, and maintenance and operation and other productivity innovations for IT-related operations.
⑧ AI Operational Reform and System Building	<ul style="list-style-type: none"> · Operational reform concepts are advanced to the concrete planning level to support prototype development, proof of concept, and implementation in businesses. · Business effects to be expected of operational reforms are clarified, and necessary functions not limited to generative AI are identified to facilitate design of overall services, leading to prototype development and proof of concept. · Comprehensive support is provided, including for various problems that need to be solved for implementation in businesses (laws and regulations, security risks, data quality, etc.).
⑨ AI Change Management	<p>For AI-driven operational reforms and services, NRI is on hand to support ongoing improvements in line with user feedback and technological advances. To ensure that existing organizations and personnel can integrate new operational processes into their actual operations, NRI's change management methods are utilized to provide wide-ranging support to transform the mindset and behavior of existing organizations and personnel with the aim of producing concrete effects.</p>
AI Infrastructure Creation	
⑩ AI Governance Creation and Execution	<p>Generative AI-related risks to companies are identified, and support for the creation and institutional integration of risk control policies is provided through the creation of governance policies and rules, the formulation of security evaluation policies, etc.</p>
⑪ AI Architecture Design and Creation	<p>To facilitate the introduction of generative AI throughout companies, support is provided for the design and realization of overall architecture that will mitigate risks, integrate with existing systems while coordinating multiple LLMs (large language models), and link flexibly with the data that is the source of value for LLMs.</p>

⑫ Good Data Management	To ensure safe and seamless generative AI utilization throughout companies, support is provided for the creation of data management systems that allow effective data to be utilized for quality enhancement, safety, and cycle acceleration.
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