



# Navigating AI

Event Insights

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# Curiosity and Acceptance over Resistance

In late 2022, KPMG collaborated with the Australian Information Industry Association (AIIA) to develop the Navigating AI report with a view to guiding government, business and industry on AI use and adoption.

Launched in March 2023, KPMG and the AIIA hosted a series of client events across the country to bring together diverse crowds of interested and engaged stakeholders to discuss AI from a variety of perspectives and contexts.

Each event featured discussion with an eminent panel of specialists representing government, academia and industry, and their views and comments have been captured to form this report.



The Navigating AI event series focused on the key themes of curiosity, acceptance, adoption, continuous learning and workforce evolution.

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**To visually express these concepts, we used Bing and Adobe Firefly to create AI-generated imagery, blending classical elements of human ingenuity with the futuristic potential of technology.**

**Baroque in style, each image aims to inspire and reflect the breadth of AI's possibilities – marrying the wisdom of the past with the innovative spirit of the future.**

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At our Sydney event in July, the panellists shared the following views:

“We’re in an AI revolution. Generative AI has boundless potential, particularly with productivity and efficiency gains. But to fully harness its benefits and safeguard companies from the risks accompanying all new technology, a foundation of ethical and safe-use training is imperative.”

Rowena Westphalen,  
Senior Vice President of Innovation,  
Salesforce APAC

“I’m really interested in the positive potential of AI, but we can only realise the positive potential if we understand and address the risks.”

Prof Edward Santow  
Co-Director, Human Technology Institute,  
University of Technology Sydney

“Whilst I think the demise of humankind may be overstated, I do think we do need to put in place assurance frameworks, in order to understand how we can appropriately use AI.”

Dr. Ian Oppermann,  
NSW Government Chief Data Scientist and Industry Professor at UTS

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### Six key takeaways for leaders

- 1 Balance AI’s benefits and risks with informed governance and human oversight.
- 2 Regulate and guide trustworthy use of AI without stifling creativity and innovation.
- 3 Enhance the quality and framing of questions to extract the most accurate and relevant responses from large language models.
- 4 Take advantage of ChatGPT’s user-friendliness to experiment and explore.
- 5 Focus on identifying, defining and articulating business problems and use cases.
- 6 Enable your workforce to acquire new skills and adapt to emerging technologies in order to discover different and potentially higher value roles.



# Resistance

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Don't let the  
fear of starting  
stop the starting

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**TEXT PROMPT**  
using facial recognition  
on your phone 14454



Resistance  
Resistance  
Resistance

## AI has been with us in simple forms for decades and is here to stay.

The rapid emergence of generative AI and large language models like ChatGPT has resulted in significant opportunities for business – including increased productivity, new ways of working, bridging the digital divide, and the potential for significant economic uplift.

Given the benefits, why do concerns about adopting this technology persist? It's time to view AI as a positive force and embrace it, rather than resist. The debate surrounding AI is topical and emotive and we need to strike a balance, encouraging creativity and curiosity while minimising or eliminating negative impacts.

# 34%

**At the time of launching the Navigating AI report in March, only 34% of people surveyed indicated that they trusted AI.**

**Does this represent a risk or an opportunity?**



# Resistance Resistance Resistance

## **AI is an old friend with new relevance**

The perceived existential threat of AI is a misconception – the technology has been in existence for over 30 years. AI is an integral part of our daily lives, embedded in our phones and computers. It operates silently yet significantly in various applications. For example, AI forms the backbone of social media platforms. Each time you order pizza online, unlock your iPhone using Face ID or communicate with a chatbot, you are interacting with AI technology.

There are many different types of AI solutions already in use and rapidly being deployed. Many people are rightfully excited about the power of generative AI, but it's crucial to remain aware and responsive to its associated risks.

## **Time to accept and engage**

We have reached a point where it is essential for leaders in business and government to not only understand AI and its workings but also to recognise the necessary governance mechanisms and appropriate level of human involvement required to ensure sound judgement in its application. This includes how AI solutions are developed, the way in which they are going to be used and, more importantly, the ability to identify where potentially suboptimal outcomes are being delivered. How do we intervene to ensure that risks can be appropriately managed?

**The first step is to accept and remain curious, not to resist.**



# Curiosity

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# AI is maths not magic

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**TEXT PROMPT\_**

Data is key, ask the right questions to extract relevant and accurate responses, unreal engine, cyberpunk.



We are seeing rapid progression through the hype and doom cycles that are prevalent whenever a new emerging technology or solution arrives. We also know that this typically involves the highlighting of everything that could potentially go wrong rather than identifying opportunities and benefits.

Fortunately, we are overcoming the initial resistance and fear surrounding ChatGPT.

It has become increasingly clear that ChatGPT and its applications – like all AI solutions – hinge on the quality, security, and value of its data. Importantly, how data can be used to enhance productivity is increasingly being explored.

## **This shift is giving way to a growing curiosity, energy and excitement about its potential.**

For many months at the beginning of 2023, almost every newsfeed had a reference to AI and ChatGPT – with the heightened exposure and discussion being part of a much broader community level of interest and concern.



**Curiosity**  
**Curiosity**  
**Curiosity**

# Curiosity Curiosity Curiosity

## **The right questions are crucial**

In this exploratory phase, we see more leaders accepting ChatGPT as an accelerator. They are appreciating its ability to rapidly process and respond to queries. This experience is highlighting a key insight: the quality and framing of questions is crucial in extracting the most accurate and relevant responses.

Also, the inherent nature of large language models means that the responses can vary based on the persona, specific question or dataset. As a consequence, asking the same question multiple times can yield different answers.

## **Regulation not resistance**

While there is no intent to stifle innovation or limit creativity, discussion at the Navigating AI event series recognised that there is a need for regulation. Transparency is a must and since that is not always readily available from the technology firms developing AI solutions, government must explore and seek ways to balance both opportunities and risks.

We must learn to use these new tools effectively, ensuring that AI solutions not only meet expectations but also comply with established regulations, guardrails and guidelines.

At the Adelaide Navigating AI event, a panel of machine learning experts conveyed a key message: AI is maths not magic. It operates through algorithms that draw on data, presented digitally. The rapid rise of ChatGPT acts as a catalyst, encouraging widespread participation in the conversation. ChatGPT's accessibility and user-friendliness means it is not only easily available for everyone to experiment with, but it is also an ideal entry point to the world of large language models and AI.

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**As an example, KymChat, a proprietary version of ChatGPT accessing KPMG data, is demonstrably improving with each use. Response accuracy has increased from 40–50% to around 70–80% since launch. Continuous refining and defining of the data that KymChat draws on to ensure its quality is a key and ongoing process.**

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# Adoption

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Don't just embrace it,  
learn about it

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**TEXT PROMPT**

digital existential threat.  
3d render, unreal engine

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# Adoption Adoption Adoption

## The swift rise and popularity of ChatGPT has compelled people across all levels of digital literacy to explore what it is and what it does.

Along with identification and application of tangible and pragmatic use cases, the mass take-up of ChatGPT has demonstrated that AI does not pose an existential threat. In a relatively brief window of time, broad ChatGPT usage has shown many people that there is value in AI solutions that are appropriately designed and deployed.

Governments need to embrace tools like ChatGPT and focus on identifying, defining and articulating business problems and use cases so that AI (like any software solution) can be an enabler, drawing on data as the mechanism by which value can be extracted and informed decisions can be made.

**NSW was Australia's first state government to establish an AI advisory committee in 2021 to gain better understanding of the ethical implications of AI. NSW Government has also developed the AI Assurance Framework, and there is a call for a consistent national standard across all States and Territories.**

*"You cannot stop people doing the wrong thing, but you can try to build frameworks for assurance of appropriate use of that AI."*

Dr. Ian Oppermann,  
NSW Government Chief Data Scientist  
and Industry Professor at UTS



# Adoption Adoption Adoption

## Calculated confidence

As the Navigating AI events progressed, we observed an increasing number of participants confidently interacting with ChatGPT. They not only explored its functionalities but also gained an understanding of its fundamental reliance on datasets. Additionally, there was a growing awareness of the necessity to continuously validate and maintain guardrails, ensuring that the AI meets expectations.

Information must be appropriately validated, targeted and refined for better outcomes and reliability. AI solutions also require appropriate governance and an informed human-in-the-loop.

## Scrutiny and lessons learned

There were many references at the Navigating AI events to the recent royal commission into the Commonwealth Government delivery of benefits payments.

Initially, this matter was cited as an example of AI's dangers, but it soon became clear that AI actually played no role in this scenario. The issue was a disproportionate reliance on automation over human decision-making, coupled with a lack of accountable human oversight capable of intervening when negative outcomes emerged from this automated process. In reality, the inclusion of AI might have actually led to more favourable results. The misconception that this high profile, destructive and extremely concerning government program was an AI-related problem has since been debunked.



# Acceptance

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# Balancing technology, governance and an informed human-in-the-loop

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**TEXT PROMPT**

technology assumes roles traditionally held by people, impressionist painting, unreal engine



# Acceptance Acceptance Acceptance

## AI is more than a shiny new tool; it offers a significant opportunity for collaborative problem-solving and co-creation.

Organisations should start by clearly defining the business problem and the specific use case for which the AI solution is being developed and deployed. Government posture should not be predominantly regulatory or policing in nature. Instead, it should facilitate the use of technology to yield societal benefits. This requires government to both understand the technology and also to foster an environment where skills, knowledge and opportunities are effectively cultivated, empowered and de-risked.

In many ways, AI is no different from any other system or software solution that draws on data. If the source data is poor, the results will be either incomplete or inaccurate. There needs to be mechanisms in place, including a human-in-the-loop, to ensure valid and trustworthy outcomes are delivered.



# Acceptance Acceptance Acceptance

## Generative AI breaks down barriers

Recently, there has been a growing interest in low-code and no-code solutions, reflecting a trend towards the democratisation of technology and data. With the increasing use of user-friendly tools like copilots and ChatGPT now accessible to all, there is a growing importance for professionals who understand business contexts, challenges, and operating models to influence and shape solution design. They play a crucial role in defining problem statements and collaborating in solution development.

This shift is bridging the long-standing divide between business and technology sectors. Historically, IT departments, technologists, data scientists, and digital experts have often operated in a silo, using a specialised language and approaches that excluded non-experts. Now, these barriers are breaking down, allowing for more inclusive participation and value contribution from various perspectives.

These tools foster enhanced collaboration and better alignment between business objectives and the effective use of technology, data, and digital solutions. They are instrumental in meeting and adapting to business needs and implementing solutions that tangibly demonstrate business benefits.

## The rise of new roles

During the Navigating AI events, we observed considerable concern regarding workforce displacement and the potential impact on employment as technology assumes roles traditionally held by people. However, those willing to acquire new skills and adapt to these emerging technologies will discover different and potentially higher-value roles.

The importance of human participation remains paramount, as critical thinking and informed decision-making cannot be fully replicated by AI. Humans are essential for validating, rationalising, and testing AI-generated decisions. While the jobs of the future may evolve, they will not be wholly replaced by computers. AI, rather than hindering, will enable individuals to continue being productive contributors in the businesses, governments and organisations of tomorrow.



# A thank you to our event series panellists

## Canberra

### **Dr. Chen Soon Ong**

CSIRO,  
Data 61 & Director of National AI Centre

### **Simon Bush**

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Australian Information Industry Association

### **Belinda Dennett**

Director Corporate Affairs,  
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## Adelaide

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Centre for Augmented Reasoning (CAR)  
Australian Institute of Machine Learning (AIML),  
University of Adelaide

### **Peter Worthington Ayre**

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SA Department of the Premier and Cabinet

### **Simon Lucey**

Director,  
Australian Institute for Machine Learning

## Sydney

### **Prof Edward Santow**

Co-Director, Human Technology Institute,  
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### **Dr. Ian Oppermann**

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Tasmanian Government

### **Peter Padd**

Chief Executive Officer,  
Fortifyedge

### **Francine Hoo**

Director Data Ethics and Governance,  
KPMG Australia

# Unlocking the value of generative AI

KPMG continues to work with our clients to navigate the AI and emerging technology landscape. Together, we develop clear quality and risk management practices which focus on trust, transparency and accountability. We also provide targeted advice and solutions to help governments deliver regulatory reform to protect citizens and the broader community.

Get in touch to see how we can help you navigate AI.

**Dean Grandy**  
**Lead Technology Partner**  
**Infrastructure, Government & Healthcare**  
**KPMG Australia**



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