

# AI unleashed: Tips for small and medium enterprises



## How can small and medium businesses unlock the potential of GenAI?

Diligent Institute, in partnership with the Institute of Directors (IoD), posed this question to 60 UK-based directors to determine how they are approaching the adoption of GenAI in their businesses.

[Download the full report here →](#)

“ AI isn’t a luxury for big corporations only; it’s an essential tool for small businesses.

**Rob Noble**  
Chair at The Webinar Vet, MBA-IT and Founder of Fidem Consulting

### Balancing risks and opportunities:

Achieving AI-powered efficiency and innovation without compromising moral, legal, and regulatory principles.

### Achieving governance with humans in the loop:

Developing strong AI governance and ensuring human oversight.

### Maintaining confidentiality and security:

Ensuring corporate data is protected – especially when exposed to public AI systems.

## 6 universal AI pain points for SMEs

### Using AI ethically and effectively:

Maintaining ethical standards while deriving maximum benefit from GenAI.

### Employee engagement:

Educating the workforce on AI’s promise and pitfalls.

### Financing investment in a fast-evolving technology:

Keeping up with competitors with only limited resources when AI technology is changing fast.

## 8 best practices for strategic GenAI integration

### 1. Ensure robust human oversight and governance

- Make sure corporate leaders have an understanding of AI system opportunities and risks
- Establish a clear governance framework for AI adoption and use

### 2. Use trusted AI providers

- Maximise ROI and minimise risk by choosing closed-system AI tools from providers with strong data privacy and security controls
- Look for credentials such as ISO27001 and SOC2 certifications and plans to achieve the ISO/IEC 42001 AI management standard for AI governance

### 3. Learn from larger companies’ experiences

- Instead of designing and building an AI in-house, opt for solutions that have already been proven in larger corporate environments

“ Use the tools that are being honed at larger corporations and bolt them into your existing processes from the start.

**Rob Noble**

### 4. Identify high value quick-win use cases

- Get fast ROI by selecting one or two use cases where the value proposition is clear and quickly realisable

### 5. Invest in employee training and upskilling

- Build AI literacy in areas such as prompt engineering
- Ensure employees are confident using the tools they have access to for the right purposes and that they understand company policy and incident reporting procedures

### 6. Prioritize transparency and accountability

- Conduct regular audits to track AI usage and maintain alignment with business goals
- Designate a leader who is accountable for how AI projects are prioritized and implemented

“ Transparency is key, making sure everyone understands the journey and how AI is linked to the business objectives is incredibly important.

**Craig Bentley**  
Cofounder of Ignite Partners and Branch Chair, IOD

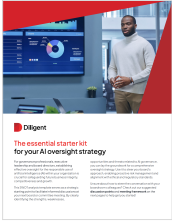
### 7. Monitor the regulatory environment

- Regularly review and align policies with new regulations
- Stay informed of regulatory changes

### 8. Implement robust cybersecurity policies

- Mitigate inevitable risks of new technology with an overarching AI policy incorporating strong security and privacy requirements
- Avoid overreliance on single providers or in-house experts

## What to do next



### Download the essential AI oversight strategy starter kit

Our comprehensive insights into AI governance for SMEs will get you started with AI integration.



### Explore AI governance tools:

Learn how **Diligent’s GovernAI** eliminates manual board meeting prep and enhances decision-making.



### Keep learning

Discover resources such as the **Corporate Director Podcast**, where AI is a frequent discussion topic among guests.



### Explore how UK SMEs are using AI to drive smarter growth and innovation

Read **this report**, tailored for forward-thinking business leaders.