

The fallacy of the One-Person Billion-Dollar company

It's time to stop focusing on the AI takeover of human expertise in business development and distribution. There is a thesis du jour that from the rise of AI and automation will soon emerge relatively autonomous, billion dollar companies operated by a single individual. While this thought is captivating, we believe this is fundamentally unrealistic as it underestimates the complexity of business operations - such as business development and distribution - that extend beyond the capabilities of AI, and still requires human nuance and expertise.

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AI and automation have unlocked countless opportunities for entrepreneurs to operate more quickly and intelligently, but it's also important to explore the role of human nuance and expertise in balance. Here I'll break down a few elements of significance to consider when contemplating the raft of AI and automated opportunities on offer.

Complexity of business operations

Running a successful business involves far more than automating tasks, although granted, that can speed things up considerably. It requires strategic vision, adaptability, and the ability to build deep relationships and navigate complex networks, as well as lived experiences - skills that are inherently human.

Strategic vision and adaptability

AI is great at processing vast amounts of data and identifying partners, but lacks the nuanced understanding and intuition required for strategic decision-making. Company leaders must consider not only quantitative data but also qualitative factors such as market sentiment, cultural trends, and geopolitical developments. Strategic vision involves foresight, intuition, creativity, and the ability to adapt to rapidly changing environments (in particular ones where there are blind spots of information and data). These attributes are uniquely human. So while it is true that both frontier models and open source models for AI will rapidly make strides in providing advanced insights, it is important that we don't neglect the development of strategic and leadership skills of team members.

Distribution networks

The ability to market, sell, and distribute your product is essential to business success but is an area where AI will struggle to dominate. AI and automation have made significant strides in areas such as customer service, sales development (SDRs), chat, email, phone, and even video and social content. However, long term distribution value is created through relationships, markets, and customers, and remains a human-centric art requiring diplomacy, negotiation, and the ability to manage multiple stakeholders with diverse interests - again showing the requirement to balance AI with human intervention. This is in particular true for businesses that move physical goods - *Amazon's reported reliance on human labor to verify Just Walk Out shopping a recent example.*

Relationship building

Business development is fundamentally about people. That's building and

maintaining relationships. Whether explicit or indirect, people like being sold to by people who come from similar backgrounds and creeds. Whether it's forging partnerships, negotiating deals, or understanding customer needs, human interaction and network in particular is crucial. AI can assist by providing data-driven insights and automating routine communications, but it cannot replace the trust and rapport built through personal interactions. While AI will greatly accelerate the creation of opportunities to build interactions such as through event APIs and email prompts (e.g. Superhuman), it will still need to be steered by humans who are better at creating deep relationships, navigating networks, and understanding peer-to-peer decision-making, activities that are difficult to completely replace with algorithms.

Limitations of AI in business contexts

Despite the astounding recent advancements in AI and machine learning, there are several limitations that make the idea (as famously cited by *Sam Altman* and *Alexis O'Hanlian*) of a one-person, AI-driven billion-dollar company implausible in the near term.

Contextual limitations

AI systems are only as good as the data they are trained on. They lack the ability to understand context in the way people do. For instance, an AI might flag a sudden drop in sales as a concern, but it cannot comprehend contextual factors such as seasonal trends, economic downturns, or competitor actions without explicit programming. These datasets will continue to improve, and people will be needed to better train AI to build expertise and knowledge.

Governance

Business operations are governed by a complex web of legal and ethical

standards. Ensuring compliance requires not only a thorough understanding of these regulations but also the ability to interpret and apply them in varying contexts. AI can help with compliance tracking, but the responsibility ultimately lies with human managers who must navigate these complex landscapes.

Innovation and creativity

Innovation is the lifeblood of any successful business. While AI can assist in analysing data to identify opportunities for innovation, the creative process itself is inherently human. Innovation requires a blend of imagination, risk-taking, and the ability to think outside the box—qualities that AI, despite its capabilities for imitation, does not possess - ChatGPT being famously bad at jokes is an easy example. AI is also currently limited in its ability to multitask and string together complex multistep requests, and to explain how it arrives at its output (*reference, reference*). All of this to say that AI will fundamentally free up human workers to perform new, more meaningful, and more interesting tasks.

The Role of human expertise

The notion that AI could render human expertise obsolete overlooks the fundamental role that people play in driving business success. AI and automation should be viewed as tools that augment human capabilities, not replace them.

AI can handle data processing, predictive analytics, and routine tasks, freeing up humans to focus on higher-order functions that require creativity, empathy, and strategic thinking. By leveraging AI, businesses can enhance productivity and make more informed decisions, but the ultimate direction and vision of the company rests with its human leaders.

Furthermore, successful businesses thrive on collaboration, culture and teamwork. Different perspectives and skills come together to solve complex problems and drive innovation. A single individual, no matter how capable, cannot replicate the collective expertise and creativity of a diverse team. AI can facilitate collaboration by providing tools and insights, but it cannot substitute the dynamic interplay of ideas and skills that occur within a team.

Tangible advice for businesses

Here are some strategies to consider to help to manage the delicate balance of AI and automation.

1. Identify areas where AI can streamline processes and enhance efficiency, but avoid overly relying on it for critical relationship-building and strategic decision-making.
2. Invest in developing and nurturing human skills such as emotional intelligence, creativity, adaptability, and building a team as these will remain essential. These skills are crucial for building relationships, driving innovation, and making strategic decisions that consider a wide range of factors.
3. Invest in team members becoming AI operators to leverage the things that AI can do much faster and better than people so that AI can become valuable helpers in the workplace and home.
4. Regularly assess the impact of AI on your business operations and make data-driven decisions to optimise its integration. Monitor key performance indicators such as customer satisfaction, employee

engagement, and social impact to ensure that AI is enhancing rather than detracting from business goals.

5. Stay informed about the latest developments in AI and automation, but maintain a realistic perspective on their limitations and the enduring value of human expertise. Collaboration with industry peers, experts, and research institutions can provide valuable insights and best practices.
6. Prioritise building strong relationships with customers, partners, and stakeholders, as these will continue to be the foundation of successful businesses. Human interaction remains a critical component of business development and distribution.

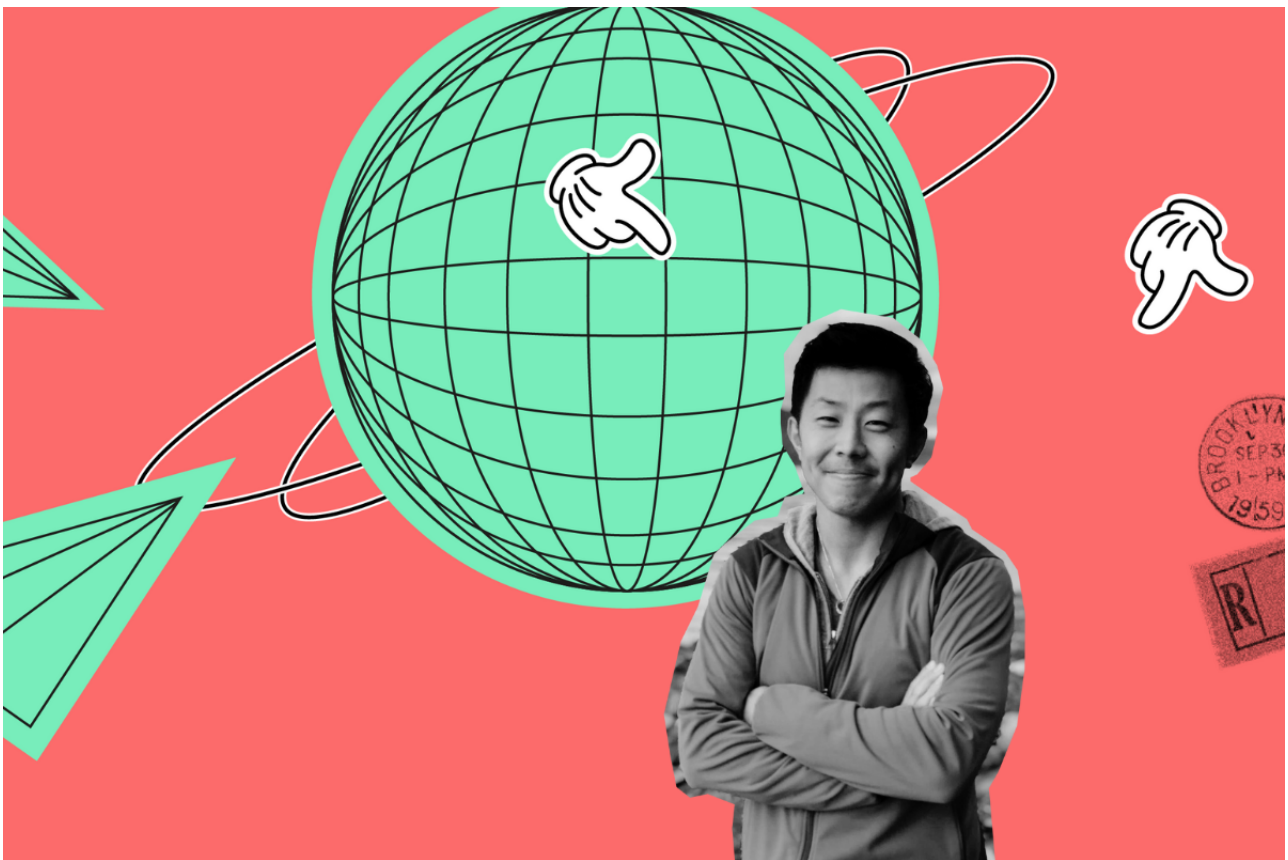
Industry context: The role of AI in philanthropy

AI has the potential to transform and modernise the philanthropic sector by enabling more efficient resource allocation, data-driven decision making, and impact assessment. At Fana, we see key gaps in how non-profits receive and deliver data and information around “who and what my donation helped”, an area certainly that AI can help deliver critical transparency with speed.

However, the human element also remains essential in building trust, fostering partnerships, and driving social change. Philanthropic organisations should leverage AI to gain insights into social issues, optimise their operations, and measure the effectiveness of their interventions. However, they must also prioritise building strong relationships with donors, communities, and stakeholders to ensure

sustained support and collaboration.

Trust is so critical for organisations working in the philanthropy ecosystem, and this can only be built through human collaboration between peers, experts, donors, and beneficiaries. AI will play a crucial role in the nonprofit sector, and the organisations with teams that can leverage this technology will create advances and separate from their peers.



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Conclusion

While the advancements in AI and automation are undeniably transformative, the idea of a one-person, AI-driven billion-dollar company is a reductive oversimplification (*Alexis being case and point*). Business

operations involve a level of complexity and human expertise that extends beyond the reach of AI. Strategic vision, relationship building, distribution management, and innovation are areas where human skills remain indispensable. Rather than viewing AI as a replacement for human capabilities, we should embrace it as a powerful tool that, when used effectively, can enhance and augment our abilities to navigate the multifaceted world of business. Human ingenuity will always remain at the core of a successful business.

By maintaining a balanced perspective and recognising the enduring importance of human skills, businesses can harness the true potential of AI to create more efficient, innovative, and successful operations. Embracing a collaborative approach between AI and human expertise, and finding that balance, is key to thriving in the modern business landscape.

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