

... as a Strategic Business Innovation within the Digital Ecosystem of AI-powered Career Counseling

Semester Paper

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Declaration of Authenticity

The submitted work is of the commitment of the undersigned. It is certified that all material in this document, which is not produced by the undersigned, has been identified and acknowledged. No materials are included, for which a degree has been previously conferred upon the undersigned.

Olten, May 2023

A handwritten signature in black ink, appearing to be 'D. Rordorf', with a long horizontal stroke extending to the right.

Dietrich Rordorf

Source code and versioning:

<https://github.com/rordi/sbi-2023>

Abstract

Contents

1	Introduction	6
1.1	Career Counseling	6
1.2	Potential for AI Tools in Career Counseling	7
2	Customer Perspective	8
3	Drivers	9
3.1	Human Drivers	9
3.2	Customer Drivers	9
3.2.1	Value Proposition Canvas	9
3.2.2	Persona	9
3.2.3	Customer Jobs	9
3.2.4	Pains	9
3.2.5	Gains	9
4	Enablers	10
4.1	Uniqueness & Operational Excellence	10
4.2	Gain Creators	10
4.3	Pain Relievers	10
4.4	Customer Centricity: Addressing Customer Needs	10
4.5	Need For Collaboration & Co-creation	10
5	Business Model	11
5.1	Business Model Canvas	11
5.2	Customer Segments	11
5.3	Value Proposition	11
5.4	Channels	11
5.5	Customer Relationships	11
5.6	Key Activities	11
5.7	Key Resources	11
5.8	Key Partnerships	11
5.9	Cost Structure	11
5.10	Revenue Streams	11
6	Contribution	12
6.1	Business Idea	12
6.2	Assessment of the Innovation	12
6.3	Digital Ecosystem Fit	12
7	Evaluation	13

8	System Fit	14
8.1	Fit of Uniqueness	14
8.2	Fit of Management	14
8.3	Fit of Structure	14
8.4	Fit of Partnering	14
8.5	Fit of Customer Understanding	14
9	Conclusion	15

1 Introduction

Latest developments in generative AI have unleashed a new wave of speculations on how industries are going to evolve over the next few years, see, e.g., Chui, Roberts, and Yee (2022). Many companies are reconsidering how AI in general and generative AI in particular will affect their industries and ecosystems. Once such industry is career counseling, which is also known as career guidance. Career counseling is the discipline and set of services related to designing career paths and consulting individuals regarding their career opportunities.

In this paper we explore a new innovative business model in career counseling, namely AI-powered career counseling embedded in a social and digital ecosystem of career counseling. We will first describe the customer perspective of this business model using the Value Proposition Canvas (Osterwalder, Pigneur, Bernarda, & Smith, 2014). In particular, we will look at the customer perspective in terms of possible customer segments and their respective needs (*gains* and *pains*) in Section 2. Further, we will describe the drivers and enablers of this new business model. Drivers encompass societal, technological and environmental trends and developments that make this business model possible and are described in Section 3. Enablers encompass the resources available to the innovating company thereby increasing the likelihood of realization and viability of the new business model, and are described in Section 4. Then, we will describe the business model itself using the Business Model Canvas (Osterwalder, Pigneur, & Smith, 2010) in Section 5. In particular, we will look at the value proposition, customer segments, channels, customer relationships, key resources, key activities, key partnerships, revenue streams, and cost structure of this business model. Further, we will detail the specific contribution of (strategic) innovation in this business model in Section 6. We will then evaluate the business model in terms of its viability and feasibility in Section 7. Finally, we will describe the fit of this business model with the system in which it is embedded in Section 8. We will conclude with a summary of our findings in Section 9.

In the remainder of this section, we will give a background on career counseling as well as the strategic innovation potential that stems from the latest generation of AI technologies.

1.1 Career Counseling

Specifically, the services in career counseling include:

- Career Assessment: Assessment of the traits of the client, including identifying their preferences, strengths, skills, and values and matching those with suitable career paths.
- Development & Training
- Job Search Assistance
- Career Transitions
- Entrepreneurship-related services

While LinkedIn is arguably the most dominant player in terms of employee data in Western countries, there are plenty of other companies that have access to employee data. However, the databases of competitors are not as large as LinkedIn's or are focused on a particular country or regions. While these databases are certainly relevant in some career paths and countries, they are not as relevant in others or for international careers.

In Germany, there is Xing, which is a German company that is also active in Switzerland and Austria. In China, there is Maimai, which is a Chinese company that is also active in China. In India, there is Naukri, which is an Indian company that is also active in India. In Russia, there is HeadHunter, which is a Russian

company that is also active in Russia. In Japan, there is Wantedly, which is a Japanese company that is also active in Japan. In South Korea, there is Saramin, which is a South Korean company that is also active in South Korea. In Brazil, there is Vagas, which is a Brazilian company that is also active in Brazil. In Mexico, there is OCC, which is a Mexican company that is also active in Mexico. In the United States, there is Indeed, which is an American company that is also active in the United States. In Canada, there is Workopolis, which is a Canadian company that is also active in Canada. In Australia, there is Seek, which is an Australian company that is also active in Australia. In New Zealand, there is Trade Me, which is a New Zealand company that is also active in New Zealand. In South Africa, there is CareerJunction, which is a South African company that is also active in South Africa. In Nigeria, there is Jobberman, which is a Nigerian company that is also active in Nigeria.

1.2 Potential for AI Tools in Career Counseling

2 Customer Perspective

3 Drivers

3.1 Human Drivers

3.2 Customer Drivers

3.2.1 Value Proposition Canvas

3.2.2 Persona

3.2.3 Customer Jobs

3.2.4 Pains

3.2.5 Gains

4 Enablers

- 4.1 Uniqueness & Operational Excellence**
- 4.2 Gain Creators**
- 4.3 Pain Relievers**
- 4.4 Customer Centricity: Addressing Customer Needs**
- 4.5 Need For Collaboration & Co-creation**

5 Business Model

5.1 Business Model Canvas

5.2 Customer Segments

5.3 Value Proposition

5.4 Channels

5.5 Customer Relationships

5.6 Key Activities

5.7 Key Resources

5.8 Key Partnerships

5.9 Cost Structure

5.10 Revenue Streams

6 Contribution

6.1 Business Idea

6.2 Assessment of the Innovation

6.3 Digital Ecosystem Fit

7 Evaluation

8 System Fit

8.1 Fit of Uniqueness

8.2 Fit of Management

8.3 Fit of Structure

8.4 Fit of Partnering

8.5 Fit of Customer Understanding

9 Conclusion

References

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List of Figures

List of Tables

Appendix