

# Sam Altman's Ousting & Possible Return To OpenAI

## Why In News

- **OpenAI stunned employees, investors by ousting Chief Executive Officer Sam Altman**, who more than any other figure had emerged as the face of artificial intelligence following the viral success of his company's chatbot, ChatGPT.



- Several people, including **OpenAI President Greg Brockman**, have resigned, the board is facing investor pressure to reinstate Altman and there's a possibility the board itself resigns in the coming days.
- **Mira Murati, the company's Chief Technology Officer (CTO)** will serve as the interim chief in the meanwhile but there is still a lot unanswered about what went down at the company.



## OpenAI

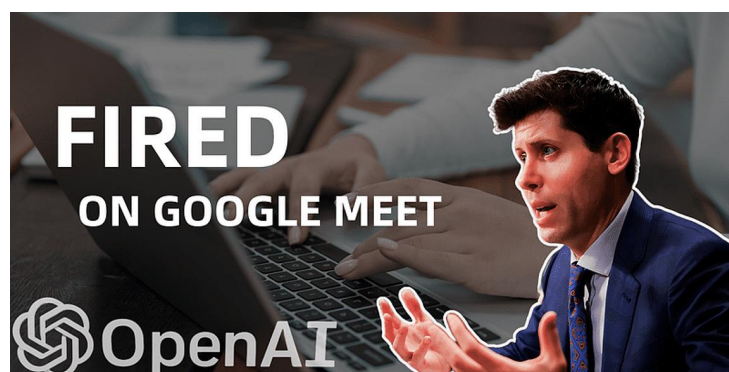
- **OpenAI, a nonprofit co-founded** by billionaire Elon Musk with Sam Altman (Elon Musk exited in 2018), launched ChatGPT on Nov. 30 last year, setting off a global sensation over **generative AI technology** that quickly became the world's fastest-growing software application.
- It set off a wave of **investments and announcements across industries** to use AI to enhance everything from financial services and healthcare to entertainment and media.



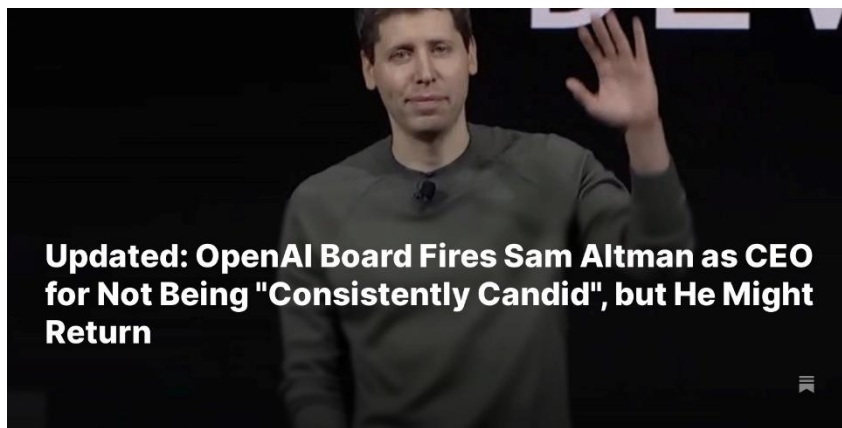
- Trained on reams of data, generative AI can create human-like content, helping users spin up term papers, complete science homework and even write entire novels. After ChatGPT's launch, regulators scrambled to catch up: the European Union revised its AI Act and the U.S. kicked off AI regulation efforts.

## Reasons For The Departure

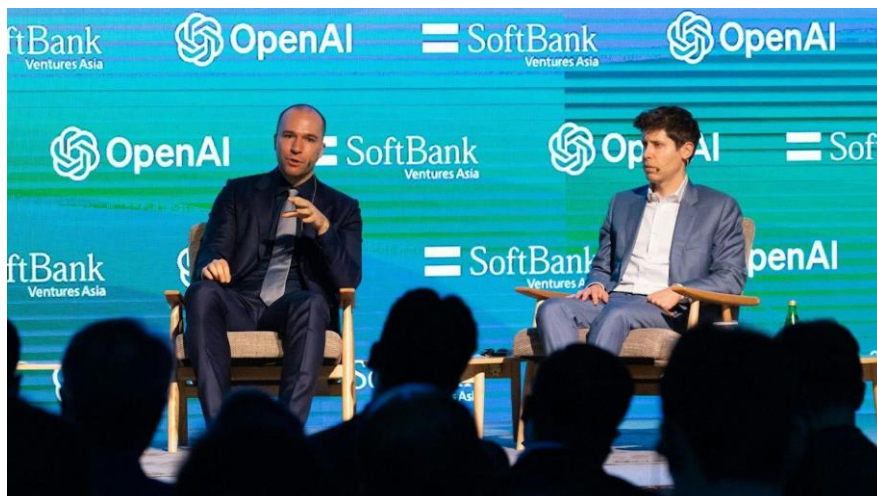
- Mr. Altman's departure follows a deliberative review process by the board, which concluded that **he was not consistently candid in his communications** with the board, hindering its ability to exercise its responsibilities.



- The board **no longer has confidence in his ability to continue** leading OpenAI,” OpenAI’s decision to fire Altman followed wide-ranging disagreements between the chief executive and his board, according to a person familiar with the matter.
- The debates included **differences of opinion on AI safety**, the speed of development of the technology and the commercialization of the company, the person said.



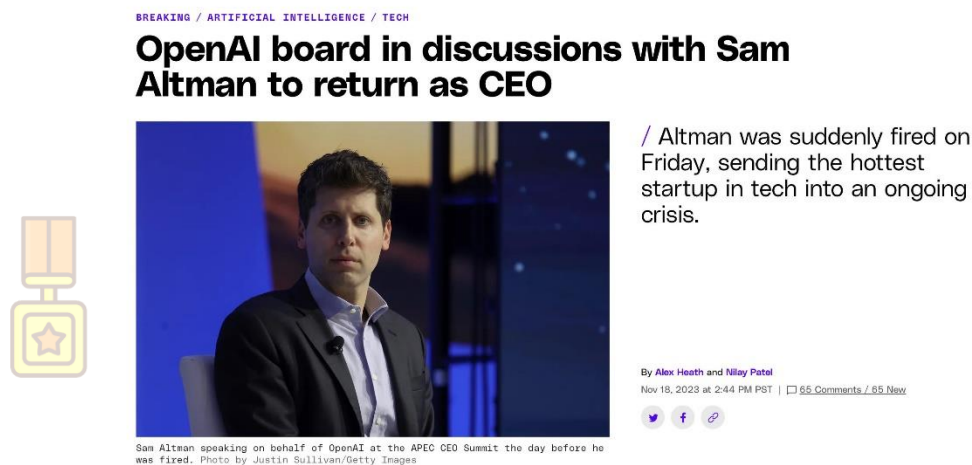
- Altman’s ambitions may have also played a role. Altman has been looking to **raise tens of billions of dollars from Middle Eastern sovereign wealth funds** to create an AI chip startup, according to a person with knowledge of the investment proposal.
- Altman was also courting **SoftBank Group Corp. chairman Masayoshi Son** for a multibillion-dollar investment in a new company to make AI-oriented hardware in partnership with former Apple designer Jony Ive.



- The board may have been put off by Altman raising funds off of OpenAI's name and these new companies not sharing the same governance model as OpenAI,

## Board Under Pressure To Reinstate Altman

- Reports this weekend suggested his sacking had **angered current and former employees** who were worried it might affect an upcoming **\$86bn (£69bn; €79bn) share sale**.
- A day after OpenAI's board of directors fired former CEO Sam Altman in a shock development, **investors in the company are plotting how to restore him** in what would amount to an even more surprising counter-coup.



- Venture capital firms holding positions in OpenAI's for-profit entity have discussed working with Microsoft and senior employees at the company to bring back Altman, even as he has signaled to some that he intends to launch a new startup.
- The firm's venture capitalist backers and the *tech giant Microsoft - which has a \$10bn stake in OpenAI* - have also called for his return, Despite being OpenAI's biggest backer by far, Microsoft Corp. had only a few minutes advanced notice about Altman's firing, said a person familiar with the matter.
- **Microsoft CEO Satya Nadella was blindsided by the board's decision**, and has been in touch with Altman and pledged to support him in whatever steps he takes next.
- The **tech giant bet billions on OpenAI** and used its partnership with the startup to add AI features to many of its best-known software products and seemingly

leap ahead of rivals like Alphabet Inc.'s Google in the artificial intelligence arms race.



- In a public statement, Nadella tried to ease any concerns Altman's departure could hurt his company's long-term AI plans. **"We have a long-term agreement with OpenAI** with full access to everything we need to deliver on our innovation agenda and an exciting product roadmap; and remain committed to our partnership,".

## Sam Altman Reaction

- The ex-boss of leading artificial intelligence firm OpenAI has posted a photo of himself at its HQ, following reports he is set to return.
- Writing on X, formerly Twitter, Sam Altman is pictured holding a guest ID pass and comments: **"First and last time i ever wear one of these"**.

first and last time i ever wear one of these





- A day after the board fired him in a surprise move that rocked the tech world, Altman was talking with OpenAI executives about **improving the company's governance structure** while he discusses with some core OpenAI researchers and others loyal to Altman how they could start a new AI company.
- The former OpenAI's co-founder and president- **Greg Brockman** (who also resigned from OpenAI, following Sam's sacking) is **expected to join the effort** and the project which is still under development.



- It further stated, **“The exact nature of the venture wasn’t immediately known.** More details, meanwhile, have also emerged about Altman’s broader ambitions in developing AI.”
- It is said that it has been in talks with semiconductor executives, including Arm- the chip designer.