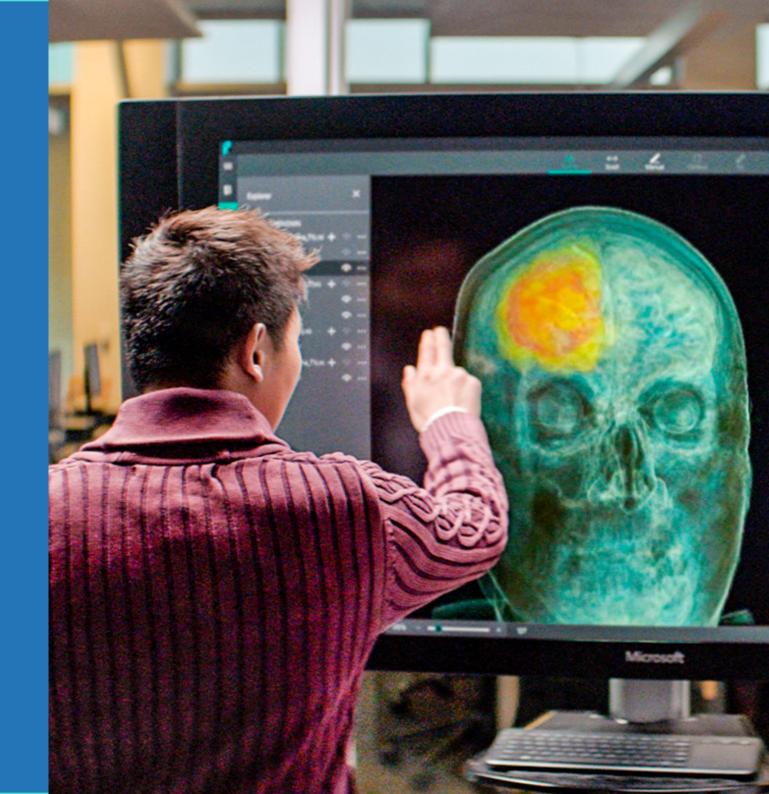


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# Introducing a model for success

We're in the midst of a fevered period of hype about how artificial intelligence will shape the future of work. But, as Nigel Duffy, Global Al Innovation Leader at EY, says: "while there is a lot of noise regarding Al, there's been a lack of in-depth discussion and analysis of how it's actually going to transform businesses."

The journey to digital transformation through Al isn't a clear or straightforward one. Technology is changing and developing all the time. The myriad, almost endless, potential uses of Al are both exciting and overwhelming.

All of which means it can be difficult to know how to structure an approach to Al innovation. What are the conversations that will spark new ideas? How does a company assess whether its culture, and its leadership, promote innovation? What benefits of Al is it really harnessing – and where is it missing out?

With this in mind, Microsoft has developed the Al 360° model. It's a new way to think about digital transformation, built to help spark conversations and provide some strategic structure to digital transformation planning.



## What is the AI 360° model?

To fully understand how AI is being used by businesses across Middle East and Africa, Microsoft partnered with EY to examine AI use in greater detail in the Middle East and Africa Report. Mircosoft received input from 112 companies, across 5 countries and 7 sectors, on the scope of current AI activities and how business leaders view the road ahead.

The findings give unprecedented insight into the application of AI technologies across Middle East and Africa and provide the basis for the new 360° model, designed to help you get the most out of AI for your organisation.

The model has been designed with three primary uses in mind:

- As a strategic model for guiding investment in Al
- 2 To support digital transformation planning
- To identify where AI is currently being implemented in your company and areas where it has the potential to be deployed going forward



### Understanding the model

As you can see, the model visualises four key digital transformation benefits, five AI functionalities and eight AI capabilities.

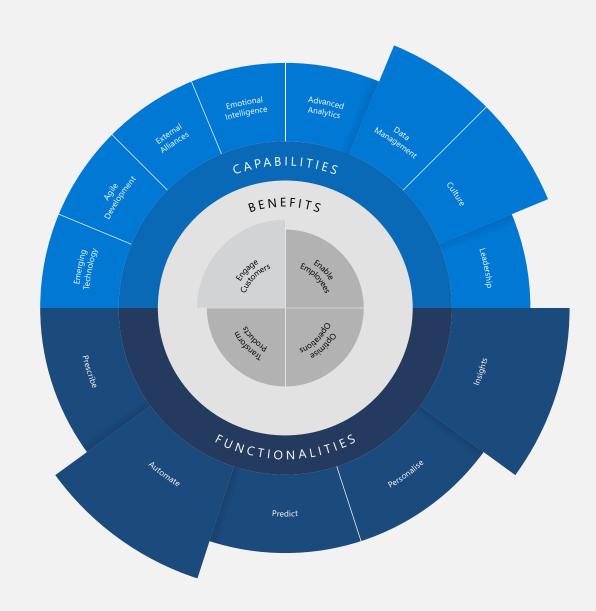
At its centre, the model shows four key benefit domains where AI can be transformative.

Secondly, it identifies the five AI functionalities that can be harnessed to realise these benefits.

Finally, it shows the eight capabilities required to enable successful implementation.

Each point on the model is a potential conversation starter or jumping-off point. But it is when combined with points from other layers that the insights become more prescient, linking the various functionalities and capabilities of Al to its core benefits.

By navigating the model, and linking the potential benefits, functionalities and capabilities of Al, new opportunities for transformation reveal themselves. A structure is created, around which conversations can flourish and strategies for innovation and change can be developed.



#### Benefits explained

There are four key domains in which you can benefit from Al.

1 Engage customers

Perhaps customer engagement is the domain that's seen to have the most business benefits. Al can increase the effectiveness of customer engagement by providing advice, shortening conversation cycles and reducing time to resolution.

(2) Enable employees

Al can enable employees to be more efficient and capable by expanding organisational knowledge, enhancing predictive capabilities, enabling support and automating repetitive tasks.

(3) Optimise operations

Planning can be improved, and costs reduced, through the use of intelligent prediction, operational efficiency and deep insights.

(4) Transform products and services

Transforming products and services can help you stay ahead of the competition. Al and advanced analytics can be applied to speed up the product innovation and discovery process, enable new value-addition services and provide real-time support.



### **Functionalities explained**

Companies that are the most Al-advanced see Al being driven from a combination of technology push and business pull. This layer categorises five of Al's key functional uses to help identify key push factors.

1 Prescribe

Al technologies such as suggestion engines and decision recommendations can help salespeople and advisors prescribe solutions to defined problem.

2 Automate

Automation allows you to handle tasks without human intervention, by training chatbots to transform the way information is acquired, for example.

(3) Predict

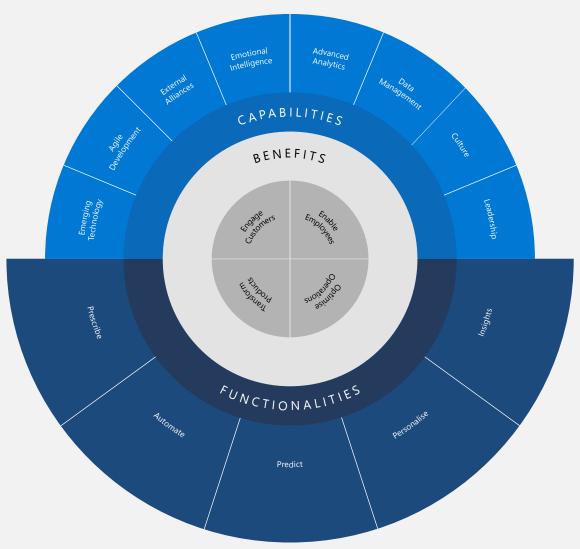
Prediction allows you to anticipate events and outcomes, including churn analysis, predictive analysis and predictive maintenance.

(4) Personalise

Tailoring content and user experience is an effective way of driving mass-personalisation, including the use of chatbots and virtual assistants.

5 Insights

Al can help you to identify and understand patterns and trends in order to make better decisions, speed up data analysis and inform future research.



#### Capabilities explained

This section of the model explores the eight capabilities necessary to develop advanced AI maturity, realise tangible business benefits, and minimise risks.

Some of the eight capabilities centre around human elements (Al Leadership, Open Culture, Agile Development, and Emotional Intelligence) while others are more technology oriented (Advanced Analytics, Data Management, Emerging Tech and External Alliances).

1 Advanced Analytics

Advanced analytics allows you to obtain and deploy specialised data science skills to work with AI by attracting talent and working with external parties.

2 Data Management

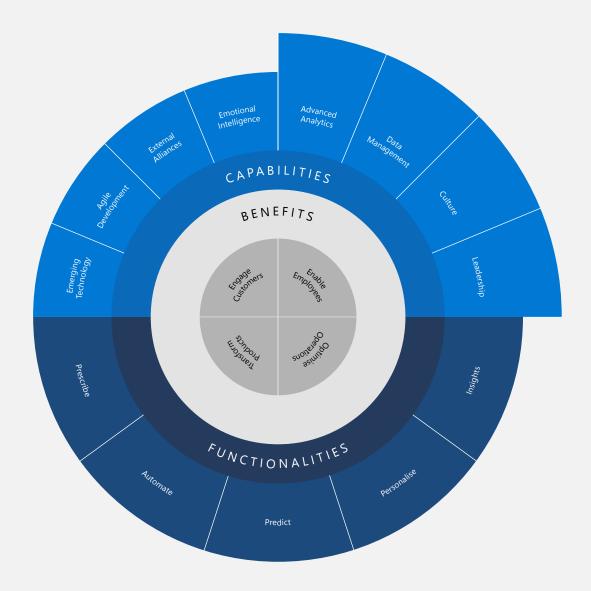
Developing the ability to capture, store, structure, label, access and understand data in order to build the foundation and infrastructure to work with Al technologies.

(3) Open Culture

Creating an open culture in which people embrace change, work to break down silos, and collaborate across the organisation and with external parties

(4) Al Leadership

Using AI technology to set defined goals, capture business value and achieve internal and external buy-in by the organisation.



(5) Emerging Tech

The capability to continuously discover, explore and gain value from new solutions, applications and data platforms.

(6) Agile Development

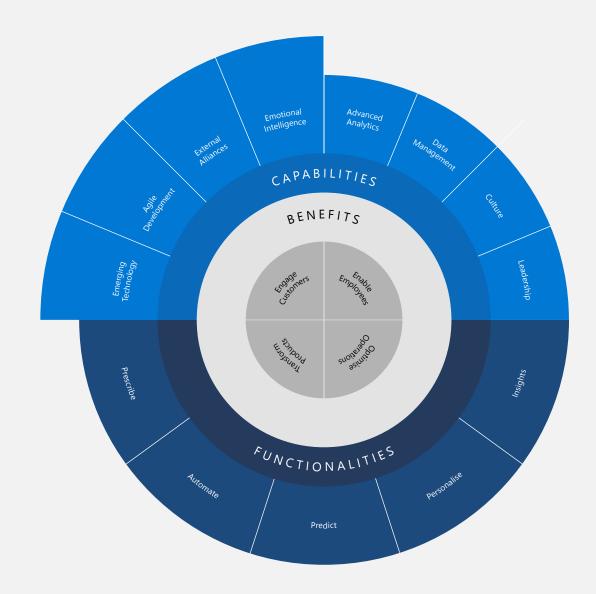
Collaborative, cross-functional teams work in short project cycles and iterative processes to effectively advance Al solutions.

7 External Alliances

Entering into partnerships and alliances with third party solution providers, technical specialists, and business advisors to access technical capabilities, best practices and talent.

(8) Emotional Intelligence

Applying behavioural science capabilities to understand and mimic human behaviour, address human needs, and enable ways to interact with technology and develop more human-like applications.



# Navigating the model

When navigating the model, the centre is a good place to start. A focus on the four benefits of digital transformation to your organisation positions the conversation around strategic priorities rather than technology.

Within each of the four benefits there is a real-life story to be drawn from and used to reinforce the positive impact that Al can have for your organisation. These could be direct impacts on your customers and employees, or indirect impacts such as the automation of routine tasks and how this allows for the reallocation of human resources towards more edifying challenges.

When reviewing each benefit domain, try to draw out tangible examples that tap into the strategic aims of your organisation. Use this assessment to identify new business opportunities that Al could help unlock.

Focus on the benefits that are most relevant to your organisation. This will lead to more tangible, real-life conversations. Different sectors will place more or less emphasis on specific benefits and it is important to consider which of these will be most applicable to your situation.



### How to use the functionalities

Reviewing the five functionalities is a great way to quickly determine how your company is currently using Al. It is also a way of bringing to life the potential benefits of Al to your organisation. Connecting functionalities to benefits makes it is easy to envisage new use cases for the application of Al technologies.

For example, the benefit of 'enhanced customer engagement' could be developed in the following ways by the five functionalities:

- 1 Personalising the way sales reps engage with customers;
- (2) Making customer experience more efficient by automating certain processes;
- Accurately predicting customer responses to a proposition and preparing considered alternatives in advance;
- Prescribing relevant next steps for customers' digital transformation road maps; or
- Providing customers with relevant unexplored insights into aspects of their work.

It's important to have an appreciation of AI use cases in order to grasp the opportunities and threats the technologies pose to your organisation. The functionalities layer can be used to identify how your company can build from narrower specific use cases that support existing business, to more advanced AI solutions. Use the functionalities to identify clearly what the business is currently doing and to explore specific ways in which the organisation could benefit from an enhanced AI solution.



# How to use the capabilities

Consider the eight capabilities as a strategic activation layer and key factors when developing a 360° Al strategy. Emphasise the fact that a truly 360° Al strategy requires the activation of all these elements and that organisations that are the most advanced with Al are those that embrace and attempt to harness all of the capabilities that Al can offer.

It may be useful to articulate your understanding of what these capabilities might mean within the context of your business and industry and to assess your organisation's relative competence within each capability.

Each capability can and should be considered through the lens of a specific benefit and functionality to ensure the user is considering both technology push and business pull.



# A successful future, powered by Al

By helping to unlock new benefits, identify strengths and weaknesses within your capabilities, and highlighting key barriers that need to be negotiated along the way, the Al 360° model is a powerful tool in digital transformation planning.

We hope this model will be more than just a conversation starter. We believe it can be a catalyst for you to take a hard look at how Al is currently being harnessed by your organisation – and help you to define a vision for the future.

A full overview of how companies across Middle East and Africa are currently using AI can be found by downloading the AI in MEA Report. We recommend reading this report to gain insights into how other companies are maximising AI to realise the benefits outlined in AI 360° model, and to learn what the most AI-mature companies are doing to set themselves apart.

#### Take the next step with the AI Business School

In partnership with INSEAD, we've created the Al Business School – a masterclass series designed to empower business leaders to achieve more with Al. To learn more about this immersive, self-paced learning experience, <u>click here</u>, or search 'Microsoft Al Business School'.

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