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Digital Transformation Reset
Rewiring with AI



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About EdgeVerve



EdgeVerve Headquarters, Bengaluru, India

EdgeVerve Systems Limited, a wholly-owned subsidiary of Infosys, is a global leader in developing digital platforms, empowering clients to unlock unlimited possibilities in their digital transformation journey. Our purpose is to inspire enterprises with the power of digital platforms, thereby enabling our clients to innovate on business models, drive game-changing efficiency, amplify human potential, and foster a connected ecosystem. Our comprehensive platform portfolio (EdgeVerve's AI Platform, AssistEdge, XtractEdge, and TradeEdge) across Automation, Document AI, and Supply Chain helps inspire global enterprises to bridge silos in people, processes, data, & technology, discover & automate processes, digitize & structure unstructured data, and unlock the power of the network by integrating value chain partners. With a deep-rooted entrepreneurial culture, EdgeVerve's innovations are helping global corporations across sectors such as financial services, insurance, retail, consumer and packaged goods, life sciences, manufacturing, telecom, utilities, and more.

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Digital Transformation Reset Rewiring with AI

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Digital transformation efforts have intensified over the past decade, yet 80% of organizations report unmet expectations. Fragmented systems, siloed data, and outdated processes stifle innovation, agility, and ROI. Digital success requires moving beyond superficial enhancements to focusing on reimagining core processes, total experiences, and touchless operations.

The fact is that the traditional approach to digitizing operations is no longer relevant in an AI-first era; especially with the advent of Generative AI (Gen AI). What's needed is a fundamental reset—a rewiring of the digital landscape with artificial intelligence (AI) at its core. But that doesn't have to mean for rip and replace of existing digital core—be it legacy systems or modern cloud technologies – that you have made significant investments in. We think of rewiring in terms of a platform-centric, augmentation strategy that enhances your digital core with a 'digital edge.' A platform approach allows the layering of advanced capabilities on top of existing infrastructure to bridge data and process siloes effectively. It not only delivers better ROI on new investments but also helps recover value from past investments in digital core systems.

In this edition of our magazine, we explore how companies across industries are leveraging a platform-centric approach to reimagine their digital transformation journeys, scale Gen AI across the enterprise, and amplify business outcomes.

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The Missing 'Connection': Bridging siloes for enterprise success in an AI-first era



Sateesh Seetharamiah
CEO – Edge Platforms, EdgeVerve

Abstract

Data is crucial for enterprise success but often remains siloed and unusable. A cohesive digital transformation strategy can unlock the full potential of data, ensuring it flows seamlessly across all organizational levels and supports sustainable growth in an AI-first era. This article explores a platform-centric approach to bridge the gap between core and edge systems to unlock digital success.

“Data is the lifeblood of an enterprise.”

“Data is the new oil.”

We've all heard how critical data is for business success. We need those insights to make good business decisions, adapt to market changes etc., etc. So much so that companies have invested millions of dollars in collecting and storing data.



But the unfortunate reality is that this data is no good if it's unusable - sitting in siloes or incompatible with organizational systems.

Successful enterprises know that it's the seamless flow of data and information that makes them innovative, responsive, and competitive. And not just data from within the enterprise but also external data. In fact, according to McKinsey, companies with an externally informed mindset are more innovative and can rapidly course correct as needed.

Take Amazon, for example. It leverages a vast array of data from its customers, suppliers, and internal operations to drive decision-making. Its advanced AI and machine learning algorithms optimize inventory management, personalize customer recommendations, and improve logistics through predictive analytics. The result? A small online bookseller is now one of the most successful companies in the world.

However, connecting this data and processes and integrating the insights across workflows isn't an easy task. Especially considering the state of IT infrastructure within enterprises.

The Great Disconnect

The tech landscape of enterprises is built on a digital core – the ERP, CRM, inventory control, and other data-centric systems that enterprise IT has focused on. While there has been some modernization, these monolithic systems remain largely self-contained and hard-coded. At the same time, business leaders looking for more agile experiences have been deploying emerging technologies on the digital edge. These include AI and automation tools that can be easily deployed and used by business users. In addition, employees themselves are bringing their own tools.

Take inventory management, for example. Core IT systems like central databases and ERP systems handle the overall inventory records—tracking product quantities, managing stock across locations, and balancing purchasing and sales. On the fringes, Edge IT technologies like IoT sensors, mobile scanners, and local data units operate in warehouses or distribution centers, providing real-time updates and tracking product movement.

What if there's no real-time integration between these systems?

The result can be costly errors such as stock-outs or overstocking. Decisions about redistributing inventory or adjusting production schedules are made with outdated data, leading to inefficiencies. Customer service suffers due to longer wait times and fulfillment errors, damaging satisfaction and loyalty.

Edge tools and technologies isolated from the core systems that drive primary business processes have created pockets of unscalable innovation. While these innovations can enhance customer experiences, boost human capabilities, and strengthen business resilience, they have limitations. Failing to integrate across different domains and the disconnect between core systems and edge innovations can severely restrict the overall impact and value of these initiatives.

Platform Approach: A new digital transformation narrative

Data siloes resulting from digital core and edge disconnect are one of the key challenges to digital transformation. Studies show that barely a fifth of companies have seen the results they expected from digital transformation efforts.

Here's a plan: Instead of sinking hundreds of millions into lengthy and rigid ERP system upgrades that dictate business operations for decades, why not consider a leaner, more agile approach? One that is platform-centric.

This involves distilling the ERP into components that truly support strategic goals, creating an intermediary layer to bridge core systems with applications, and customizing the ERP selectively to enhance its value.

Alternatively, starting with smaller, strategic "edge" initiatives could be the way to go. IT departments can identify and prioritize edge technologies that align with the company's strategic aims. Focusing on these can lead to quicker wins in efficiency and scalability.

Let's revisit the inventory management example we explored

earlier. The integration of core and edge IT in this context means that the real-time insights gained at the edge (the warehouse level), like a sudden spike in demand, are seamlessly fed back into the central ERP system. The central system can then automatically adjust purchase orders and initiate a redistribution of stock from other warehouses with excess inventory to meet the increased demand efficiently.

So, where do we start?



Three Levers to Connect the Enterprise

Drawing from extensive experience in implementing digital transformations at varying levels of maturity, we've identified three critical areas to focus on to avoid common pitfalls and ensure successful outcomes: standardization, connectivity, and data governance. Here's how to approach each:

Simplifying Complexity with Standardization: Align various automation tools and technologies across different business units — from robotic process automation (RPA) and application programming interfaces (APIs) to script-based solutions. Without this standardization, each department might use different tools that don't integrate well, leading to data siloes, inefficiencies, and errors. This disconnect can slow down processes, increase costs, and complicate troubleshooting and maintenance.

Ensuring Seamless Integration: Connect and build an effective edge platform that bridges the gap between new technologies and existing legacy systems. Lack of connectivity means key data doesn't get where it needs to go, slowing down decisions and causing businesses to miss out on opportunities. It also makes life harder for the teams, who end up manually moving data between systems, creating bottlenecks and potential errors.

Securing and Standardizing Data: Create a unified set of rules and definitions for data management across varied systems, extending these protocols to include edge computing elements. Neglecting data governance opens the door to data breaches and legal issues. And disorganized data leads to decisions made on faulty grounds, which can seriously dent the organization's financial health.

Closing the Loop with AI

Businesses today are swamped with data coming from everywhere—customer inquiries, complaints, claims, and various reports. Those who master organizing and connecting this data operate far more efficiently. But here's where it gets exciting: AI is not just the end goal; it's a powerful tool to help us get there.



It streamlines the connectors and APIs, making them simpler and more adaptable, which in turn enhances how we harness newer AI technologies. It takes raw data and tidies it up—identifying key entities, categorizing keywords, and even analyzing sentiment.

And when it comes to unifying all that data into a platform or fabric, AI steps up again. It uses data dictionaries to make sense of structured data, introduce new storage our understanding, and helps catalyze new storage like data lakeshouses that redefine how we store and use data. Essentially, AI is not just part of the data journey; it drives it forward, creating a cycle where each improvement in AI enhances the system as a whole. The output of this virtuous cycle is the much-coveted straight-through processing—where everything integrates seamlessly and efficiently.

Disclaimer: Any opinions, findings, and conclusions or recommendations expressed in this material are those of the author(s) and do not necessarily reflect the views of the respective institutions or funding agencies

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Connect the Dots: The platform path to loyalty loops in banking

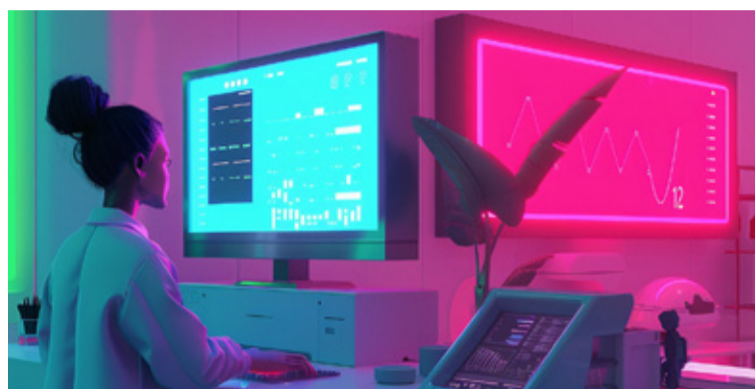


N Shashidhar
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Abstract

Everywhere we look, industries are setting the expectation of instant service—be it middle of the night or mid-flight, customers expect quick and easy solutions. But try opening a bank account, and the smooth sailing stops, at least 33% of the time. Aggressive competition from adjacent businesses and fintech companies added to the survival threat for banks.

Super apps stepped up, too, doing everything under the Sun in a single app faster and better. Their promise of a global takeover might have been overblown, but they point out an important lesson to banks: a frictionless integrated platform can be the next big differentiator.



Customers keep expecting more, and every day, the bar gets higher. So, why should banks chase this moving goalpost of customer experience (CX), at all? Because it hits where it counts—the bottom line. For a big bank with multiple channels, just a single-point jump in their CX score could mean an extra \$123 million. For online-only banks, that improvement could add \$92 million more. And the better the CX is to start with, the more banks stand to capture exponential growth in revenues.

Focusing efforts where it counts

42% of consumers can't differentiate between financial service providers. That's almost half the market unable to distinguish one bank from another! While speed, efficiency, trust, and security are fundamental, they're just table stakes. Then, what are the high stakes in banking?

Not all journeys are made equal

A typical regional bank deals with over 1,500 customer journeys spanning different products and touchpoints. Does every single one need a makeover? McKinsey says no. Some journeys disproportionately affect the overall customer experience and shape how customers feel about their bank. These are where banks should channel their efforts—for example, enhancing the ease and interaction of shopping for new accounts, simplifying application forms, reducing wait times, and improving the speed and effectiveness of resolving customer issues.

Emotions take center stage

The real currency in banking is trust and emotional connection. 87% of customers who feel valued by their direct bank stick around. Banks need to be tuned into their customers' emotional signals and responsive to their feedback in real-time. For instance, by analyzing sentiment data, banks can pinpoint exactly when and why customers get frustrated, allowing them to quickly address and resolve these concerns.



Hybrid, integrated experiences outperform digital

The most compelling banking experiences today are hybrid. They combine the efficiency of digital processes with the personal touch of human interaction. Consumers demand that their banks maintain consistency across all channels, from app to in-person, without missing a beat. They want to switch from an email to a phone call and not have to reintroduce themselves or rehash their issue. Banks need to knit these experiences together so smoothly that the customer barely notices the seams.

But banks are bogged down by endless compliance updates, security concerns, talent shortages, and the ongoing battle to keep up with tech advancements. Not to mention the myriad of point solutions that have been accumulated over the years that refuse to synergize with the rest of them or the core IT. How can banks truly innovate?

Disjointed systems trigger a ripple effect of tech debt

Consider this scenario: What if every customer logging into their digital banking platform receives real-time, personalized financial advice based on their recent transactions and current financial health? For instance, if the system notices that a customer has high monthly entertainment expenses, it could offer tips or products for better budget management or savings plans. For a freelancer customer with fluctuating monthly income, the app could suggest adjusting budget allocations on a particular lower-income month.

An integrated banking solution like this caters to vastly different customer needs, improving the overall CX by making it deeply personal and responsive. However, there's a significant hurdle to achieving this. Traditionally, banks operate with different systems for different functions—one for tracking transactions, another for customer interactions, and yet another for financial advice. These systems often work in isolation, creating data siloes. The lack of real-time communication between these systems means the app can't access immediate transaction data to offer timely advice.



Resolving tech debt with a platform approach

Banks are stuck in a dilemma: they can't simply overhaul millions of lines of mainframe code or discard the massive investments in legacy systems that perform exceptionally well within their specific domains. The core issue isn't the functionality of these individual systems but rather their isolation and the barriers this creates against the free flow of data and insights.

A major North American bank found that juggling more than 1,000 systems and applications was costing it over \$2 billion in tech debt. Meanwhile, another bank nearly spent \$100 million to ditch an outdated system, only to realize that it was so entwined with everything else that removing it wouldn't actually solve any problems. These examples highlight just how complex and entrenched IT challenges in banking can be, making innovation seem like a Herculean task.

This is where adopting a platform approach can make a difference. It's not about scraping existing infrastructure and discarding what works; rather, it's about integrating these isolated systems into a unified network. A platform bridges the gaps between old and new, allowing data to move freely without abandoning proven technologies. The value propositions of such platforms are manifold.

- **Unlock Efficiencies at Scale:** Platforms are inherently more scalable than isolated systems. As a bank grows or as market conditions change, the platform can adapt, integrating new technologies or scaling existing functionalities without the need for extensive redevelopment. This flexibility ensures that banks can respond quickly to market opportunities or threats.
- **Amplify Human Potential:** Platforms also boost productivity while keeping interactions human-centered. It provides the tools and insights needed to enhance every conversation and decision.
- **Harness the Power of a Connected Ecosystem:** Platforms help create a seamless ecosystem, bringing together strategic collaborations and integrated journeys to deliver maximum value directly to the end customer.

Banks will also have access to deeper insights that were previously inaccessible due to siloed data. This can lead to better customer segmentation, more tailored products, and predictive analytics that anticipate customer needs before they even arise.

Creating a loyalty loop through connected banking

In a world dominated by the likes of Amazon and Uber, where immediate satisfaction is a given, customers seek a frictionless, personalized service experience in banking, too. Offering faster loans, quick transactions, and easy bill payment isn't just about convenience—it's about keeping customers around long enough to learn from their behaviors. The longer they stay, the more data we collect, and the better we tailor our services to their needs. This cycle of loyalty and data collection – better services lead to happier customers, whose data, in turn, fuels even more personalized experiences – forms a powerful loop. Is your organization in this loop or out of it?

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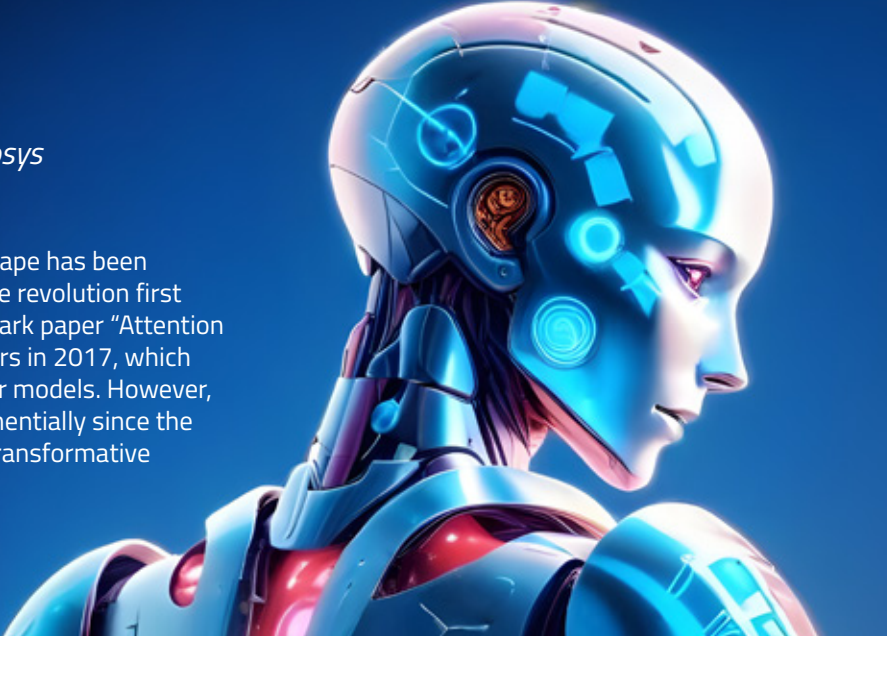
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Digital Transformation Reset: Embracing ai-first at scale



Ashok Panda
 VP - Delivery Head, Infosys

"The enterprise generative AI landscape has been evolving tremendously ever since the revolution first began with the release of the landmark paper "Attention is All you Need" by google researchers in 2017, which showed us the power of transformer models. However, large scale adoption picked up exponentially since the launch of ChatGPT showcased the transformative potential of the technology."



Since then, we have witnessed several tectonic shifts both in terms of technological advancements and how the larger ecosystem of model providers, system integrators and industries responded and adapted.

Through the pandemic era, we saw businesses adapting to become more resilient by building their digital core and accelerating their move to the cloud, digitalizing their core processes to best serve their customers. This shift paved the way for the upcoming AI led disruption, as organizations already had the foundation in place.

With the Gen AI revolution, businesses were far more agile and adaptive in swiftly evolving their digital core to an AI powered cognitive core to help them unlock efficiencies at scale, amplify human potential and deliver exponential impact. They have moved from simple proof-of-concepts to full scale production grade deployments in knowledge management, AI augmented software development, service management, documentation and collateral generation etc.

These organizations are further building on this momentum and setting themselves on a trajectory to be "AI-first", where AI is bringing both parts of the enterprise brain together, by launching new products and services, enhancing existing offerings, improving operational efficiencies, and building a sentient ambidextrous organization that connects multiple signals to generate the right insights at the right time. Like the previous cloud and digital revolution, enterprises that had the proper strategy were able to leapfrog and gain a distinct advantage.



Below I have listed 10 major aspects of a successful AI-first strategy:

1. A platform-based, poly-AI approach is the ideal approach to stay future-proofed and democratize effectively:

Models are becoming perishable. In the last year, as per the Stanford HAI index report, a total of 149 foundation models were released, more than double the amount released in 2022. We are already looking at beating that number in the first half of 2024 itself. As newer models with more efficient design, trained with better quality data and having enhanced capabilities are released, enterprises would need the flexibility to switch between models and deployment architectures. It is important to build an abstraction layer that allows enterprises to select and integrate AI providers, models, micro-AI platforms, and tooling that best suit their unique requirements.

A poly AI approach helps leverage the best models for the right task, ie having specialized models for code generation, one for summarization, one for report generation and another for customer service etc. This is best done by creating a flexible enterprise grade platform that has capabilities of rapidly building, finetuning and deploying models. For a major telecom player, we built a similar platform with features like semantic search, summarization, conversational AI, and text to code that catered to 50,000+ users and delivered millions in savings.

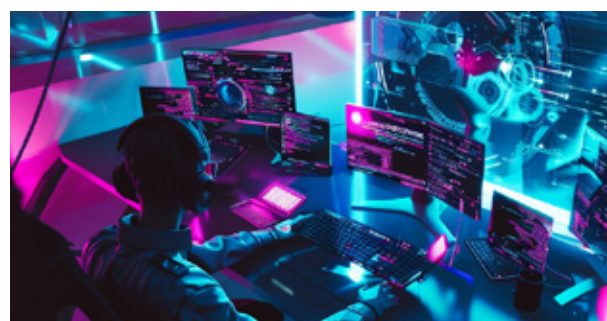
2. Structured Discovery Approach to unlock value:

A structured discovery approach is required to unlock possibilities and enable us to identify the right use cases where AI can make an impact. Strategic AI value map analysis identifies high business impact areas rather than siloed use cases. At Infosys, we do this by leveraging our verticalized blueprints, industry catalogues, AI canvas. We consolidate and prioritize use cases with maximum impact and ROI leveraging AI Radar and refine and detail out the use cases using AI & Automation Canvas, which are our specialized assets. We have created playbooks for industries that clearly lay out a structure to embed and mature Gen AI into core processes and operations. Increasingly, Gen AI is getting embedded in all aspects of day to day life, so no industry can afford to overlook infusing it in their core products and services.

In our own IT services landscape, we have applied the same value map analysis to reimagine our services and offerings, and transformed how we approach application development and maintenance, IT operations, service management, legacy modernization etc. For example, in application development, we are using Gen AI for code generation, test case generation, documentation generation, Project Planning & Analysis, User Stories & Backlog Development, Refactoring. In IT infrastructure maintenance we are using Gen AI for automated resolutions and self-healing. It's also used in migration and modernization of activities including data migration tasks by automating data cleansing, transformation, and mapping, analyzing code, documentation, specifications, and user manuals associated with legacy systems.

3. Human + AI Approach i.e. AI Assistants for everyone:

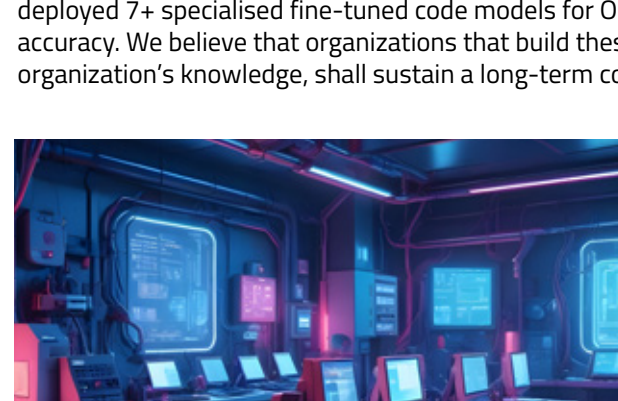
At Infosys, our primary aim is to amplify human potential, aligning with our company's purpose. To realize this, we have developed multiple AI assistants tailored to various roles. For developers, a code assistant enhances productivity in tasks like coding, testing, and documentation. A consultant will have a knowledge assistant to help him retrieve the best knowledge assets with the least turnaround time. A personalized learning assistant supports continuous learning as per unique needs, while a sales assistant consolidates collective knowledge for client-facing teams.



4. Domain Adaptation is the key, specialized models are outperforming general models:

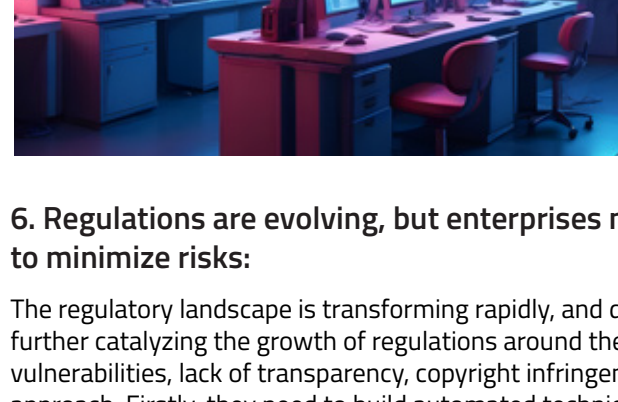
AI adoption is evolving from personal to specialized and custom AI applications using closed models and APIs. As Gen AI gets democratized, enterprises will create narrow Gen AI by fine-tuning the foundational generative AI open models on specific enterprise data to create custom applications. The focus will shift to industry-specific AI applications using specialized pre-trained models to deliver exceptional accuracies in specific domains or tasks.

There are two different approaches to using large language models (LLMs). One is to scale up the model size and increase the performance of general-purpose models that can handle various tasks. Large companies and AI startups are competing via this approach to build the biggest and most efficacious models such as GPT-4 with over a trillion parameters. The other approach is to scale down the model size and fine-tune open access models for specific domains and tasks via finetuning methods like PEFT. Despite its current lack of popularity, Infosys has used this approach which we term as the "narrow transformer" successfully and believes enterprises will follow suit for customized and cost-effective solutions with the requisite data privacy and security. Both scale-up and scale-down approaches have their respective advantages and objectives. They both work with a base of closed-access models and open-access models. Big and powerful models, often proprietary, are good for retrieval-augmented generation (RAG) and are used in business applications such as dialogue systems, semantic search, question answering, and summarization. They do not require any model adaptation. However, for specialized tasks where customization and cost are important, fine-tuning of open access models is the path to success. Open-access models are best suited for auto-completion tasks such as code completion and machine translation. These models are much more efficient and effective when they are fine-tuned with instructions using supervised learning or through extended pre-training with self-supervised learning. At Infosys we have deployed 7+ specialised fine-tuned code models for Oracle, SAP, Finacle etc in production that are able to deliver 80%+ accuracy. We believe that organizations that build these specialized models by augmenting and finetuning with their organization's knowledge, shall sustain a long-term competitive advantage.



5. The Bimodal approach:

There is a need to innovate at speed, and also to innovate at scale. To tackle both these, we have our bimodal approach of AI foundry and AI factory. Establishing an AI foundry to experiment and incubate new technologies and develop new patterns and use cases will help the enterprise innovate at speed. The AI-factory-like approach will help bring in extreme automation and productization of learnings from the AI foundry. This approach will help balance and manage the risks associated with AI evolution while scaling its adoption within the enterprise. Both these approaches have their own platforms, tools and accelerators for implementation.

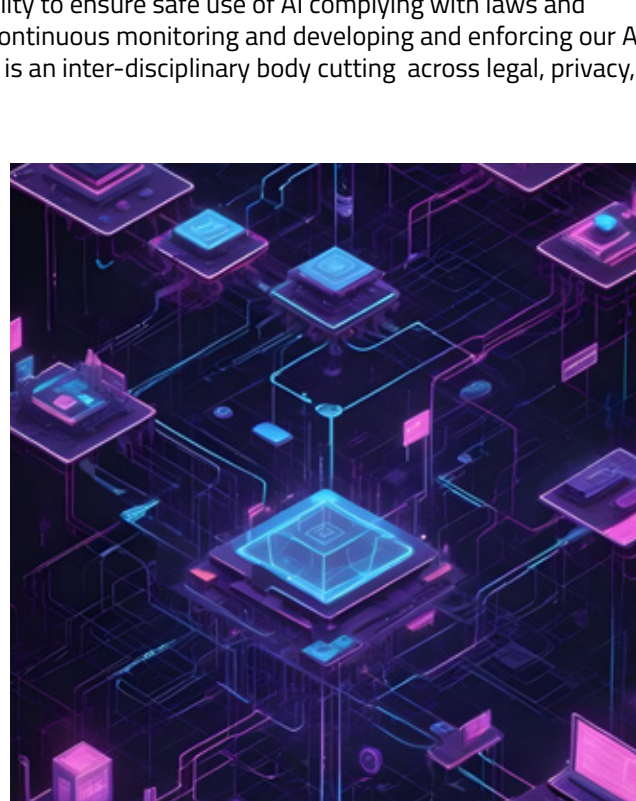


6. Regulations are evolving, but enterprises need to have a strong focus on Responsible AI to minimize risks:

The regulatory landscape is transforming rapidly, and different provisions of the EU AI Act is coming into effect this year, further catalyzing the growth of regulations around the world. There are myriad risks also like bias, privacy, security vulnerabilities, lack of transparency, copyright infringement etc. Organizations need to address this via a three-pronged approach. Firstly, they need to build automated technical guardrails, that intelligently detect and mitigate these threats in the input and generated output, with mechanisms to explain the rationale behind it. Secondly, they need to build process guardrails to ensure Responsible AI by design, ie embedding ethical consideration throughout the AI lifecycle, from data preparation and training to testing and inferencing. At Infosys, we took this project on earlier than most and we are the first organization to be certified in ISO 42001:2023 for AI management systems. Thirdly, enterprises need to institute and streamline AI governance via a centralized point of accountability to ensure safe use of AI complying with laws and regulations by conducting reviews, assessments and audits, continuous monitoring and developing and enforcing our AI policies. Infosys has launched the Responsible AI Office which is an inter-disciplinary body cutting across legal, privacy, security and AI professionals for this.

7. It is an ecosystem play, deep integration within the AI value chain is needed:

The AI value chain consists of multiple hardware (specialized CPU and GPU's) and platform providers, like NVIDIA, Intel, etc, hyperscalars like Microsoft, Google, AWS etc. Increasingly specialized AI computing hardware and software stack are coming as tightly coupled ie, the models are optimized to deliver best performance on the specialized hardware stack. There are also multiple startups that are building specialized solutions for particular business problems, as well as accelerators for securing and accelerating generative AI deployments. It is imperative for AI first business to have a rich ecosystem of partners across the value chain. Through the Infosys Innovation Network we are able to collaborate with a rich ecosystem of start-up partners working in different arenas which increases the business value of our AI projects. As the AI landscape is evolving rapidly, and new services, offerings are being released, we need a listening post or watchtower function in enterprises that will monitor the market and continuously scan for the best-fitting solutions.



8. Robust Data Management is the backbone:

The enterprise data architecture has not evolved for several years, and potential value remains locked in a hybrid of cloud-based systems and there is still a large footprint in legacy monoliths. Organizational knowledge remains locked in documents, systems, and an aging workforce. There is a need for a robust and responsible data governance, and data strategy for value maximization. A proper data architecture and platform enables rapid accessibility, discoverability and builds a robust backbone on which Gen AI delivers impact.

9. Executive sponsorship:

Executive sponsors have the authority and influence to champion the AI initiatives. Their endorsement lends credibility and encourages broader acceptance and adoption of AI initiatives within the organization. They also need to be involved in building a roadmap, fast-track resource acquisition, overcome hurdles by securing stakeholder buy-in, resolve conflicts during transition, and building strategic partnerships. To build an AI-first enterprise, AI pursuits can no longer be solely driven by data scientists and ML engineers in siloes. AI projects are increasingly becoming multi-faceted; use-cases are cross-cutting with critical social, legal, privacy, and IP considerations. Executives can ensure harmonious cross-functional, inter-disciplinary, multi-level collaboration to build resiliency and scale beyond the PoC/pilot phase.

10. Having a robust AI Talent strategy is key to getting the most out of the investments:

AI-first approach includes our talent strategy as an important pillar, with focus on three levels of enablement and upskilling.

- Level 1 is called AI Aware, wherein we are working on making everyone aware of emerging AI technologies, basic operations like prompt engineering, responsible usage and how AI assistants can help them be more productive and relevant to clients.
- Level 2 refers to AI builders who can reimagine experience and processes to build industry-specific AI-led solutions.
- Level 3 refers to masters who understand the under-the-hood workings of ML (machine learning), DL (deep learning) and LLMs. They are working on harder problems like fine tuning, pre-training, runtime optimization and responsible AI. With the right investments in training and enablement, we are able to drive adoption and employees are excited about the potential of technology, as it will help amplify their potential.

We have created multiple learning journeys which requires one to follow a clearly defined learning path, complete certifications, gain hands-on experience via projects and master a specific set of skills to gain proficiency. We also have regular enablement programs from different partners like hyperscalars, NVIDIA, etc to reskill talent in state of the art technologies. Our partnership with leading academia, helps us get access to top notch AI talent.

Lastly, to conclude, I would like to say that the exact implementation of these strategic elements would depend on the journey, and the industry, the core operating model and organizational culture. Each organization would have to walk its own journey, and Infosys being a strategic partner would be more than happy to bring its learnings, assets and expertise to make it a tremendous success.

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Behind the AI Curtain: People and platforms for change at scale



Priyanka Haldipur
Principal - Business Consulting, Infosys Knowledge Institute

Abstract

The initial thrill of experimental projects in Generative AI (Gen AI) has subsided, making way for in-depth discussions about deploying these proofs of concept (POCs) on a grand scale. However, a notable 66% of leaders are unimpressed with their progress in scaling AI. While most recognize that pilots are simplified representations, not intended to mimic real-world complexities, they often underestimate the effort required to transition Gen AI solutions from experimental to operational. Leaders across industries have now stumbled upon the challenging reality that evolving a POC into a customer-ready product is both costly and labor-intensive.

Did any organization really score big with Gen AI? Absolutely! Reports are coming in that some have ramped up productivity by up to 40% in certain areas, giving everyone a major push to think bigger and scale up. But what does scaling actually mean? Scaling our Gen AI isn't just about volume; it's about versatility, too. Firstly, does our system have the muscle to support 10,000 simultaneous users? That's our baseline. Next, we look at expansion. If we have an infobot, we consider adapting it to handle ten additional functions that our business needs. That's how we scale step by step.



Scaling up Gen AI is, however, more than just a numbers game. Sure, we can boost the system's capacity, but the real challenges—like keeping our AI accurate, seamlessly integrating different systems, fine-tuning and sharing our data across the enterprise and beyond—are what really matter. The secret lies in not tackling these issues separately. The real magic happens when these efforts are not isolated but interconnected to bring the entire enterprise together into a cohesive and effective whole.

From a collection of systems to a cohesive, connected whole

Solving individual challenges is still easy. Take the use of generative AI in customer service of a financial services firm, for instance. AI captures and summarizes every interaction between customer service agents and customers. This technology doesn't just save time—it ensures no important detail slips through the cracks, making every customer interaction smooth and consistent.

But here's where it gets really interesting. Gen AI goes beyond the basics and it's like posting a personal financial advisor for every customer, one that knows their history, keeps an eye on the market trends, and understands exactly what financial products move their goals forward. This AI doesn't simply log and respond to queries. It offers tailored advice, shaped perfectly to fit the customers' financial landscape, changing as they change, learning as they grow.

To pull this off, Gen AI needs a rich blend of data, from detailed customer histories to the current market dynamics. Only then can Gen AI offer advice that's not only right but also right for the customer.

This is AI at its best—turning complex data into simple, actionable, and highly personalized advice, making every customer feel like the only customer.

We have this technology available to us today, which can be incredibly on point. But 66% of leaders have yet to see significant ROI. Why?

To achieve this level of personalization, it's not enough to solve challenges in isolation. We need to bring all these tech pieces together into a single, streamlined system—a connected enterprise platform. This is where everything clicks into place, making our technology not just functional but fantastic at what it does.

Cognitive pivot creates a world of difference

In the article "AI-First Essentials: Moving Toward an AI-First Future," we investigate what it takes to build out generative AI effectively. Once the technical groundwork is laid, the bigger task is about guiding change and building trust. The true power of technology is not just in the systems we set up. It is in how people adopt and adapt to them.

Building AI Fluency Among Employees

Here's a striking fact: for every dollar spent on developing a Gen AI model, about three dollars go into change management, largely due to training needs. Successful companies know that to keep these costs in check, it's crucial to engage end-users right from the start. This involvement helps steer clear of common pitfalls like launching a chatbot that looks good on paper but falls short in practice because not enough thought went into the user interface.

Start with a team-oriented approach and bring in domain experts early. These experts make sure the AI doesn't just work; it works well within the specific framework of your company and leverages your internal data effectively. Directly addressing organizational inertia by embedding a collaborative spirit from the get-go helps turn generative AI investments into real, lasting value.



Building AI Fluency Among Employees

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Start with a team-oriented approach and bring in domain experts early. These experts make sure the AI doesn't just work; it works well within the specific framework of your company and leverages your internal data effectively. Directly addressing organizational inertia by embedding a collaborative spirit from the get-go helps turn generative AI investments into real, lasting value.

Enhancing Customer Trust by Committing to Responsible AI

There's huge potential to innovate with generative AI, yet many consumers still feel uneasy about the technology. In fact, a whopping 93% have ethical concerns, ranging from fears about deepfakes and losing the human touch to data privacy issues. It's clear that good intentions aren't enough. To build real trust, we need a solid plan that commits to ethics, fairness, and inclusivity from the start. Good intentions are not good enough. To build real trust, we need a solid plan that commits to ethics, fairness, and inclusivity from the start. We need to build our AI Responsibly to strengthen trust, making our AI solutions more palatable and welcomed by your customers.

Change is a process, not an event

Generative AI is like a fast-moving train of innovation, constantly evolving and bringing fresh developments to the table—sometimes just weeks or days apart! This fast and furious pace is making decision-making stressful for leaders. The best thing to do is to collaborate, delegate, and let the entire organization shoulder the responsibility. Set the IT and infrastructure as the groundwork and put this cutting-edge technology directly into the hands of the people who use it in a sandbox. Letting them really get a grip on what it is and how to make it click will help when it's time to scale big. Despite the initial ups and downs, like hype and disappointments, and the mix of fear and hope among leaders and customers alike, the future is looking incredibly bright for Gen AI.

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The Generative AI Revolution: Transforming mortgage lending from the ground up

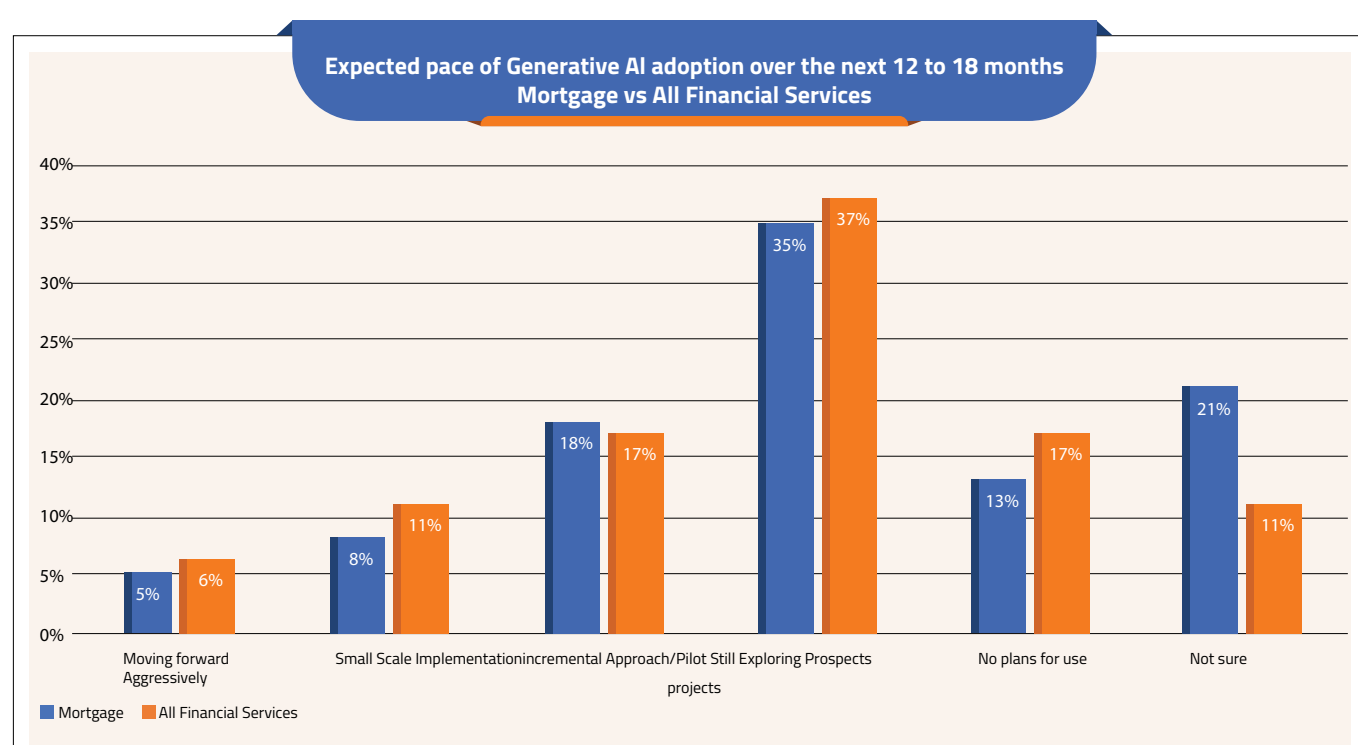


Sam Felix
Principal Consultant, Infosys

Abstract

The mortgage lending industry has leveraged AI historically to help drive efficiency and customer experience. However, reliance on supervised learning and limitations on creativity limits these benefits from traditional AI. Bloomberg Intelligence findings state that Generative AI (Gen AI) will help expand the mortgage market at a CAGR of 42%, growing from \$40 billion in 2022 to \$1.3 trillion over the next ten years. This article highlights the potential for leveraging Gen AI to transform mortgage lending business operations.

The mortgage industry is gradually beginning to leverage Gen AI, and the rate of adoption among mortgage lenders could use some additional traction, as evidenced in the findings from the Arizent survey. It is, however, expected that the increase in the number of LLM (Large Language Model) providers and the capabilities offered by these models will help drive increased adoption in the future. While there are encouraging signs of some lenders beginning to embrace this cautiously, it's critical for those not yet considering Gen AI as part of their technology strategy to recognize that delaying adoption could prove detrimental.



Source: Arizent

As lenders begin to embrace Gen AI, a few different use cases could be considered highlighting the role of Gen AI in making a significant impact on the review and loan purchase process.

A. Streamlining Correspondent Lending with Gen AI

Most large US lenders have correspondent lending relationships with smaller banks that sell their loans to maintain cash flow. The process typically involves assessing risk before purchase by reviewing loan packages that are typically 150-250 pages. Reviews are comprehensive and cover insurance, collateral, borrower/loan, and compliance, with users spending about 30 minutes on each review. On average, loans undergo 5-7 reviews, totaling ~4 hours/loan. Pre-processing involves manual data preparation by operations teams or leveraging OCR (Optical Character Recognition) from third-party vendors. While the review process is standard, the loan characteristics may require detailed review. Gen AI provides immense potential to accelerate the review process and streamline loan purchases.

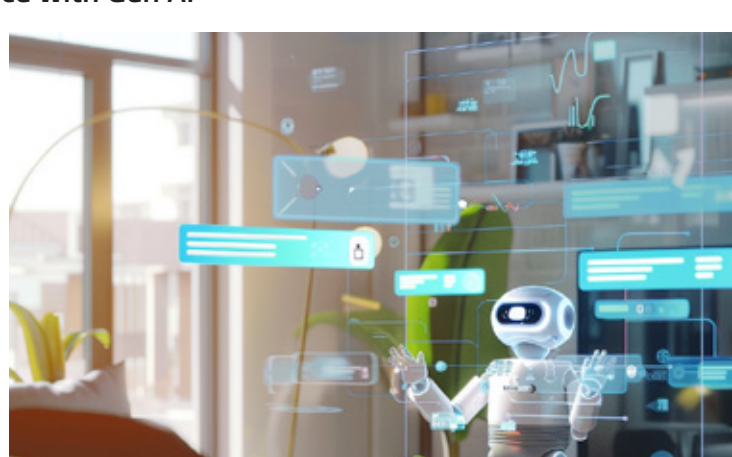


- Transforming OCR with Gen AI: Accuracy Redefined for Document Extraction:**
 Traditional OCR solutions by leading mortgage technology companies rely on pattern recognition algorithms with rules to convert extracted text into machine-readable form. The poor image quality of scanned documents and the varying formats for non-standard documents like income statements, credit reports, and insurance records pose challenges in processing. While traditional OCR performs well with standard documents, it has challenges with non-standard ones, dropping the accuracy to 70-80% despite vendor claims of >90%. The emergence of Gen AI, particularly with newer LLMs, has revolutionized OCR by enabling learning and improvement. While the jury is still out, OCR tools from leading LLM providers demonstrate promising accuracy upwards of 99%. This provides Correspondent lenders a significant opportunity to leverage Gen AI-powered OCR for enhanced data extraction and automation.

- Empowering Lenders with AI-Driven Insights for Informed Decision-Making:**
 The correspondent lending process is crucial for ensuring a quality mortgage loan portfolio. Loan data made available through extraction or operational processes undergoes comprehensive reviews to meet the bank's underlying criteria. These reviews typically include a series of checks to cover insurance coverage, qualified mortgage, compliance, collateral/property, borrower qualification, and appraisal. Each review is handled by individual departments, with users logging into the application to assess data points. Generating a suspense notice to the correspondent lender determines whether loans are approved or require additional conditions to be met. Gen AI has immense potential here to help generate suspense notices, which contain the total sum of all conditions added by each reviewer.

B. Transforming Mortgage Customer Experience with Gen AI

The ability to provide customer support via chatbots is critical in retail mortgage to allow customers access to periodic information updates. Unlike opening a checking or savings account, mortgage cycles typically take 30-60 days to close. Lenders need to build customer confidence during this time and avoid lapses in communication that could damage relationships and hinder cross-selling opportunities. Traditional chatbots rely on NLP (Neuro-Linguistic Programming) and rules based on extracted keywords, often leading to unsatisfactory responses. Gen AI-powered chatbots, however, use LLMs trained on vast amounts of data and customized to the lender's environment, providing a more human-like experience.



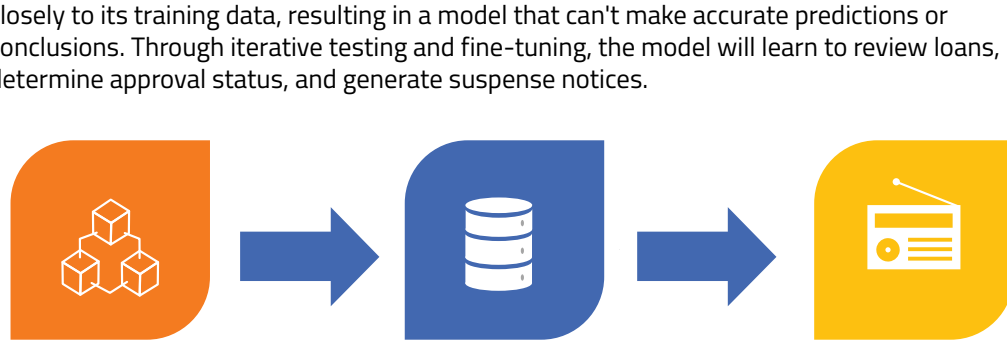
C. Accelerating Property Appraisals with Gen AI

Mortgages typically can take 30-60 days to close, largely due to the time-consuming appraisal process, which can take up to 2 weeks. The appraisal reports can vary in their nature and are a function of the type of property type and resulting inspection. While some automated solutions exist, appraisals require a thorough assessment of multiple factors, including property types, location, flood zones, neighboring property values, and legal guidelines. Gen AI has immense potential to generate accurate valuations by processing vast amounts of data from Large Language Models, including past sales, market trends, and neighborhood characteristics. Combining these insights and using vision algorithms to identify anomalies in property images and area data provides a compelling way to have Gen AI produce accelerated appraisal reports, facilitating faster mortgage closings.

Elevating Mortgage Correspondent Lending Reviews with Gen AI: Key components

The Mortgage Correspondent Lending Review Next Case is heavily influenced by the review parameters defined at the lending bank. While Prompt Engineering helps with basic understanding, fine-tuning a foundation model is recommended for this unique use case. Here's the proposed solution overview:

- Selecting the Optimal Foundation:** Choose a model that aligns with the enterprise architecture and expectations to avoid building something from scratch, which would be expensive and time-consuming. The idea is to have a base model already trained on a vast corpus of text, retaining a broader context comprehension.
- Crafting the Perfect Dataset:** Create a dataset specific to the use case, focusing on factors reviewers could flag as conditions for correspondent lenders to act upon. Convert standard parameters and actions, historical out-of-box conditions, and key loan review parameters into Prompt-Completion pairs. This is currently a manual process, though tools exist whose efficacy is not yet validated.
- Fine-Tuning Models for Peak Performance:** Train the foundational model on the prepared dataset to recognize patterns and relationships within the data. Validate the fine-tuned model's success by its ability to generalize without overfitting; this typically occurs when an algorithm fits too closely to its training data, resulting in a model that can't make accurate predictions or conclusions. Through iterative testing and fine-tuning, the model will learn to review loans, determine approval status, and generate suspense notices.



SELECT FOUNDATION MODEL

- Pre-Trained Model
- Trained on Vast Corpus of Data

DATASET PREPARATION

- Loan Data-Conditions Data
- Historical Loan Approval Data
- Prompt Completion Pairs

FINE TUNING

- Train Model
- Iterative Validation and Testing

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{ "messages": [{"role": "user", "content": "<Hazard Policy Expiration Date=4/26/2023>"}, {"role": "assistant", "content": "<The Hazard Policy Expiration Date should be within 30 days from current date. Please provide an updated policy>"}]}
```

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{ "messages": [{"role": "user", "content": "<Flood Zone=A>"}, {"role": "assistant", "content": "<The Property is in a High Risk Flood Area and requires Flood Insurance Policy that meet FEMA Standards>"}]}
```

Key Considerations in Adopting Gen AI

As is the case with any new technology, the adoption of Gen AI raises concerns about privacy, security, compliance, and IP while its scope and options continue to expand rapidly. Banks and lenders must consider the following when embracing the Generative AI space: to leverage the technology effectively and put it to good use.

- Open-Source Vs. Proprietary:** As with most IT solutions, selecting open-source players like Open AI and Meta AI versus proprietary/closed-source players like Google and Microsoft will play out for dominance. The selection of the right Gen AI tool/platform should be based on a comprehensive analysis of factors like pricing, integration capabilities, performance, ease of implementation, time to market, and security, tailored to the business's specific requirements and long-term objectives.
- Data Availability:** The success of any AI initiative depends on the quality of the data (and the model). While current models like GPT-4 are built on vast amounts of data, they don't address every industry-specific question. Fine-tuning the model to specific use cases and requirements requires enough data and domain knowledge.
- Security:** Security is paramount in Gen AI implementation, particularly in the mortgage industry, which deals with sensitive personal data. Lenders should thoroughly assess providers' security frameworks and build guardrails on data handling. Tokenization can help convert human language into machine-readable formats, protecting PII (Personally Identifiable Information).
- Enterprise Landscape:** Adopting Gen AI should align with enterprise goals. Continuing with existing cloud or analytics providers can ensure operational continuity and ease of integration. The role of domain SMEs and operational resources is key in validating the success of the fine-tuned model, making it more than just a technology implementation.

The Gen AI- Led Future of Mortgage

The mortgage industry has started embracing Gen AI, primarily through a pilot of chatbot use cases. However, there are broader applications where Gen AI could be a game-changer and disruptor, as outlined in this paper. Additional areas within the mortgage industry, such as rate sheet generation, reporting, application tracking, and cross-selling among other things, also have the potential to leverage Gen AI and derive the benefits of increased efficiencies and cost savings as well. The winners will be those who take bold and measured steps in their technological adoption to lead the way with Gen AI.

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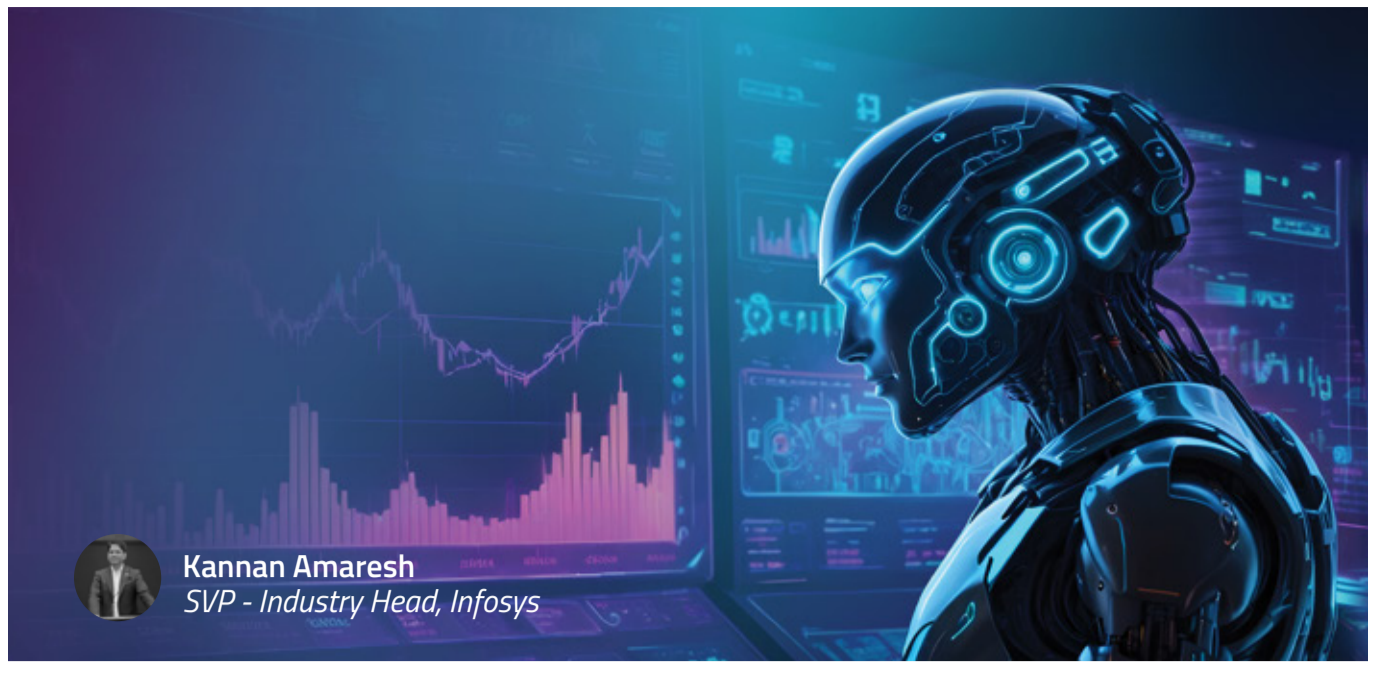
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Generative AI in Insurance: A digital reset



 **Kannan Amaresh**
SVP - Industry Head, Infosys

Abstract

The insurance industry has traditionally been relatively slower in adopting newer, disruptive technology. However, the advent of Generative AI (Gen AI) is setting the stage for the industry by looking at new ways to handle the tasks of underwriting, selling, and servicing through digital channels. Given the pace at which we operate in an increasingly digitized world and the potential for cyber-attacks, establishing trust through digital mediums becomes paramount. In this article, we seek to examine how insurance companies can grow and retain their customer base while still trying to protect their privacy and provide the most relevant information.

A McKinsey survey of over 1300 business leaders and 3000 consumers indicates that growth and consumer expectations are largely achieved when there is trust established in products and experiences that leverage AI, digital technologies, and data. A benefit of organizations positioned to build digital trust is a likely annual growth rate of at least 10% on their top and bottom lines, as evidenced by the research.

Most respondents say it's important for companies to provide transparency around their digital-trust policies.

Consumers want to know a company's data and AI policies before buying its products or services.



85% of respondents say that knowing a company's data privacy policies is important before making a purchase

72% of respondents say that knowing a company's AI policies is important before making a purchase

1. Digital Trust: The catalyst for insurance innovation and growth

When it comes to human vs AI-powered interaction, we find that customers appear to have a higher degree of confidence in AI-powered products and services versus those that depend mostly on humans. This provides more confidence to customers that the companies they do business with protect their data.

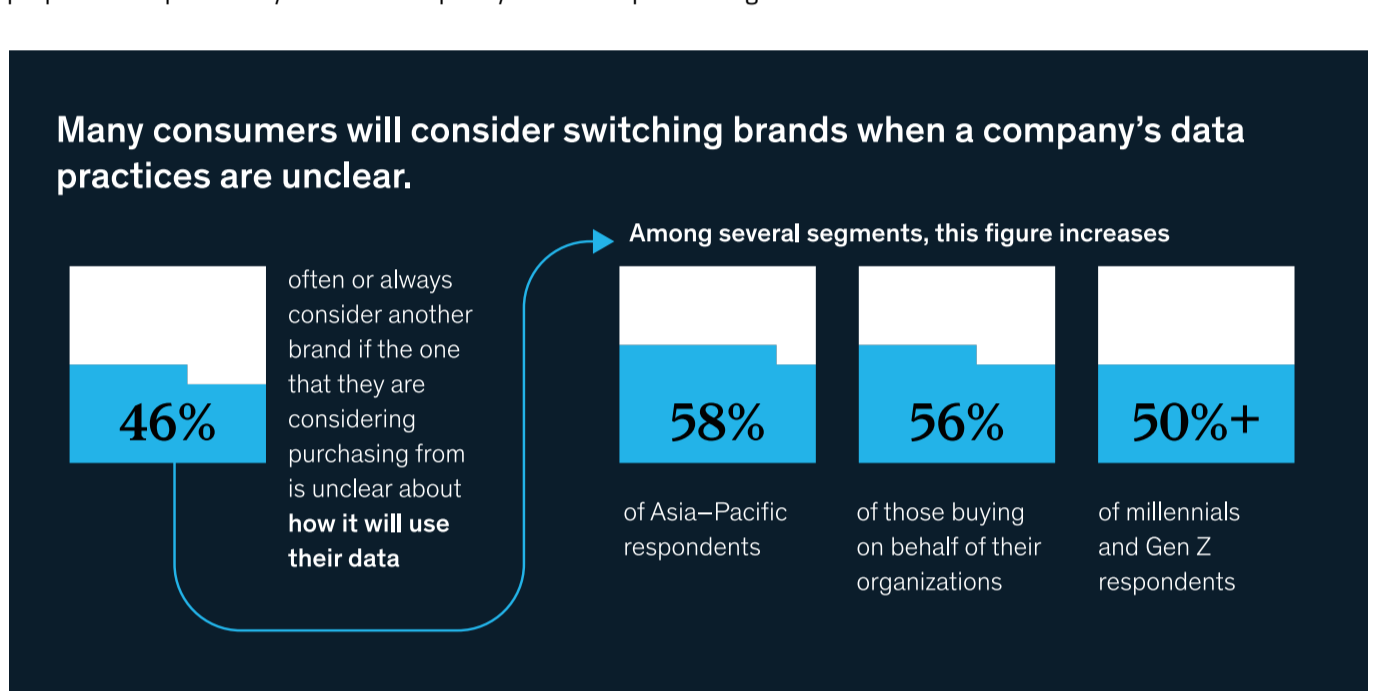
Extending this foundational principle of digital trust to the insurance industry, it becomes imperative for insurers to maintain an open line of communication with customers. This is typically achieved by having customers feel acknowledged, valued, and protected. Industry recognition is best achieved by a multitude of factors, including constant feedback, word-of-mouth recommendations, and an overall positive digital sentiment.

Digital trust: Why it matters for businesses | McKinsey

2. Preserving Privacy in a Connected World: Your guide to digital security

We're increasingly seeing instances of customers being inundated with various outreach mechanisms, such as online pop-ups, telemarketing calls, or other tactics like cyber phishing. This creates a situation where customers divulge personal information, and there is a growing risk of losing autonomy over their data each day.

Given the nature of evolving and sensitive data privacy issues, Companies must demonstrate their support for the adoption of progressive and beneficial data privacy legislation by the publication of detailed research papers and reports in the public domain. This will go on to reassure customers that their data is being used for legitimate purposes and potentially thwart attempts by unwanted parties to gain access to valuable information.



Source: McKinsey

3. The Profound Impact of AI and Quantum Computing

The use of newer technologies and the rapid pace of adoption also bring with them new risks that need to be mitigated and managed. The combination of AI and Quantum Computing is posing unprecedented challenges in the way we look at cyber and privacy today. Quantum computing has the potential to not just magnify the current threats – together with AI; it has the potential to create an exponential increase in the frequency and severity of cyberattacks and breaches.

While these technologies are still in the early stages of adoption, insurance companies must think ahead and invest significantly in people and technology to take a lead position and develop quantum-safe algorithms to ensure data protection and arrest attacks and leaks in their footsteps.

The opportunity and the potential to transform insurance through Gen AI

Research from Bain & Company puts the size of the financial opportunity for the insurance industry from Gen AI to a staggering \$50 billion, allowing for a combination of revenue boost and cost cuts. We look at four use cases briefly to help illustrate some of the potential benefits of Gen AI.

1. Underwriting and Risk Management

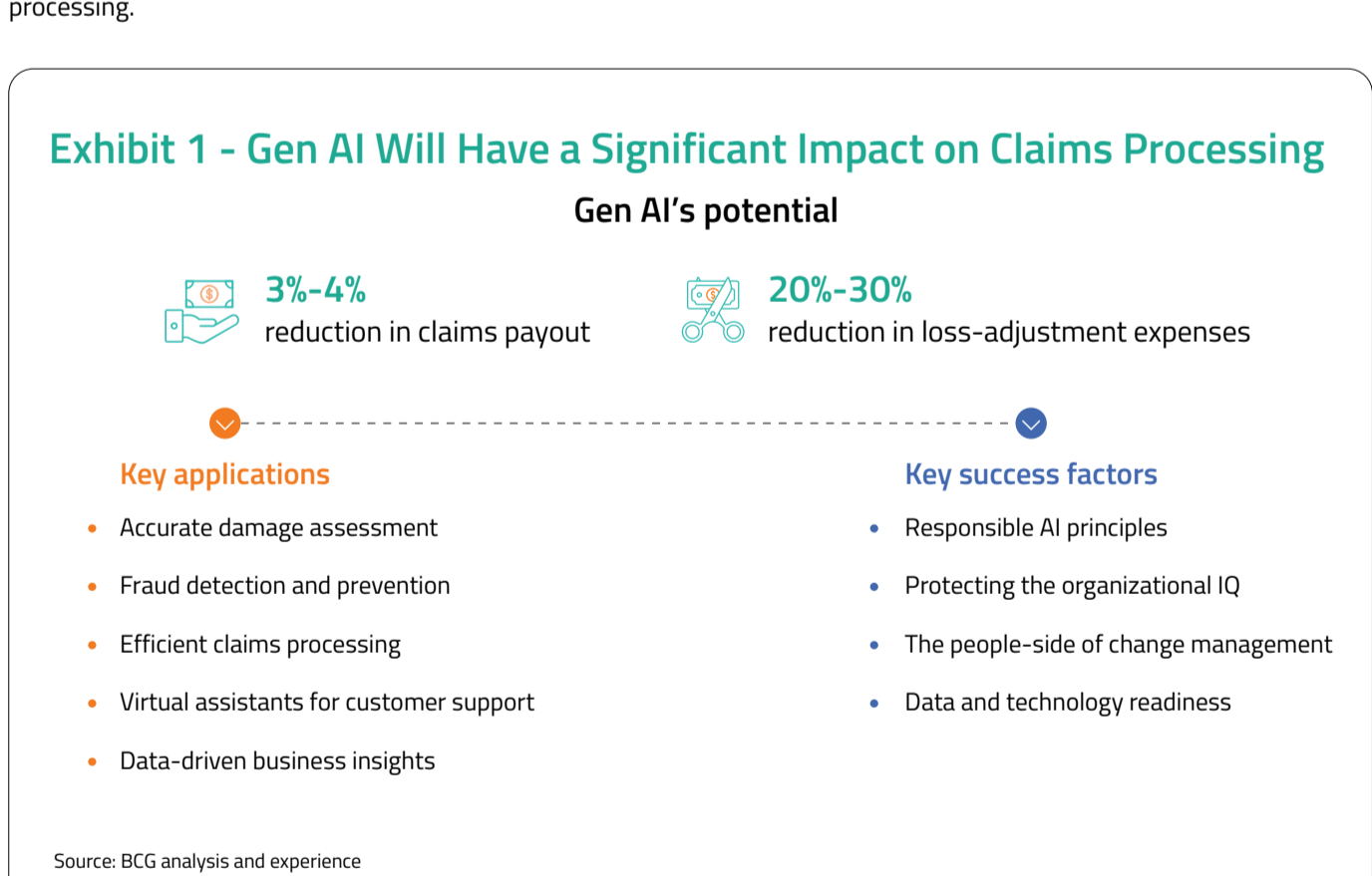
Insurance underwriting can be a very complex effort, involving several different algorithms and pricing strategies tied to the need for an accurate assessment of risks and the need to understand customer needs very intricately. Generative AI can help underwriters conquer these challenges by automating each stage of risk assessment and providing accurate information when needed.

As insurers begin to leverage nascent technology like Gen AI, there's a need to adopt a stance of deploying a responsible AI strategy that continually learns and evolves from iterative cycles of use cases, testing, and learning on the go. The result: better-informed decision making, and more time to spend with customers.

2. Claims Processing

Traditional claims processes have mostly been manual and people-driven. With Gen AI, these can be automated and accelerated – however, one needs to outweigh the benefits of greater efficiency and accuracy with the potential risks that come with deployment.

The wide-scale deployment of Gen AI may pose some risks and issues relating to data privacy and security. With the right deployment strategy and implementation, Gen AI could potentially create a game changer in the area of claims processing.



\$50 billion opportunity emerges for insurers worldwide from generative AI's potential to boost revenues and take out costs | Bain & Company

Insurance Claims Process is Changing due to Gen AI | BCG

3. Customer Experience

Gen AI is best being leveraged in the insurance industry to drive conversational interfaces; the technology is being used to improve the communication skills of chatbots and virtual agents.

- Gen AI-powered chatbots do more than just transactional interaction – they are better at conversation now and can help agents navigate and produce content faster. This will help answer more queries from customers, and the improvement can boost the support desk productivity by almost 40-60%.
- The chatbots can be available 24/7, ensuring agents can access assistance whenever they need it for service and sales support.
- Hyper-Personalization: The chatbots will be able to handle tailored conversations and provide contextualized offers more suited to individual customer needs.

4. Advanced Fraud Detective And Prevention (Anomaly Detection)

As is the case with any new technology, the use of gen AI may pose new fraud risks for insurers. Some of the risks include the possibility of hacking of devices and cameras, exploitation of software updates, hacking of various smart devices, etc., creating concerns around data privacy and security.

Insurers will need to improve their data security methods and tools to focus on these challenges. The development of a digital platform to detect, manage, and prevent fraud at the application and claims level could pave the way to shift to a smarter model when it comes to fraud.

In the case of advanced fraud detective and prevention, generative AI can identify unusual patterns, behaviors, claims, etc., and spot them ahead of time with behavioral analysis.

5. Riding the Waves of Change

It is the opportunity NOW for insurance executives to plan and chart a course that can adapt with evolving technology. Gen AI is a hot boardroom topic today, and we must acknowledge that new models of Gen AI are being developed at breakneck speed. We need to find ways to amplify human potential by supporting global clients, unlocking values through the Gen AI platform, using cases relevant to the enterprise, and building the equation of trust through online interactions.

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Building the Bionic Insurer: Mapping the future of connected insurance

This article is based on a webinar between –



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Todd Soisson
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Christopher Frankland
CEO, Insurtech360

Abstract

No one sets out to fail, but 70% of digital transformation efforts do fail. In data-heavy, highly regulated, knowledge-intensive industries like insurance, these failures extend beyond the obvious costs. They distract employees, add to their already hectic schedules, involve long learning curves, and ultimately fail to deliver the sweeping change they promised. To top it off, insurers are also limited by what they can and cannot do and the amount of risks they can or cannot take, especially around policyholders. These compelling reasons are why insurers do not turn on a dime every week with every new tech tool.

How can insurers ensure their digital transformations are successful? Success today requires a solution that is built around the customer—cohesively linking all functions, from customer service to internal operations, into one connected enterprise. Generative AI (Gen AI) brings a new dimension to this integrated framework. Unlike traditional tools, Gen AI democratizes AI, radically simplifying the interface to a point where anyone, regardless of their programming skills, can tap into the power of AI.



Predictably, it truly turned the heads of insurers. The past year was marked by rampant experimentation across the board. Some insurers chose the vertical path—integrating Gen AI across different touchpoints of a customer journey. Others took a more use-case approach by integrating non-core insurance functions, which have no direct impact on the policyholder but help improve the bottom line. It is an efficiency play for some, while for others, it is about differentiation and capturing more market share.

The expanding scope of ROI

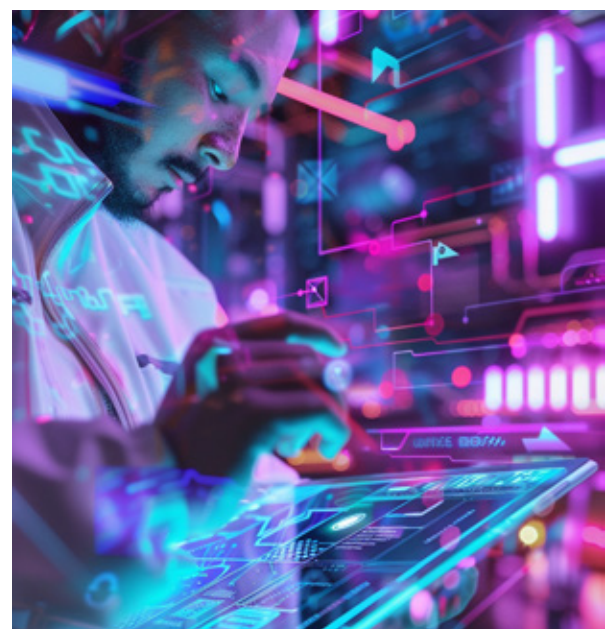
A decade ago, when robotic process automation (RPA) emerged, insurers dove into automating high-volume tasks, particularly in operations and finance. The return on investment (ROI) was impressive, leading to continued investment in these projects. However, automation wasn't scaled across all functions as tasks with lower volume and frequency didn't promise the same substantial ROI.

Today, our understanding of ROI has evolved. It now includes not just financial returns but also improvements in work quality and employee quality of life. This broader perspective on ROI leads the way for more extensive AI integration. With Gen AI now within reach and capable of processing large datasets and synthesizing information, the potential use cases have multiplied.

For instance, consider the work of an underwriter evaluating waivers for a children's day camp. Previously, reviewing a two or three-page waiver for specific legal terms could take hours. Now, with Gen AI, this can be done in seconds. It doesn't mean every output gets green-lighted. There is a human in the loop. While the system quickly identifies compliance with most requirements, it can be instructed to flag items needing further review. For example, if the waiver should mention both "bodily injury" and "accidental death" but only addresses "bodily injury," the underwriter is alerted to this oversight.

The ROI here is not just in saving time but in the overall precision of risk assessment and management and allowing underwriters to start their review with a clear focus on a few critical items instead of starting from scratch.

As we move from rudimentary automation to more sophisticated AI, it's a good moment to reflect on where our organizations fit in this evolution.



The AI-maturity spectrum: From automation to connected enterprise

The insurance sector is niche and demanding, and it's about to face a major shift, with an estimated 50% of current professionals expected to retire by 2036. This significant turnover and demographic shift highlights the need to augment the teams' abilities with AI. Insurers must shift their focus from isolated tasks to systems that the teams engage with and utilize in daily operations.

While this sounds straightforward, it's far from simple. The industry's traditional focus on tactical, siloed efforts geared towards effort and cost savings is proving to be a significant barrier. Often, the drive for quick, visible wins results in fragmented initiatives scattered throughout the organization. These efforts help only a handful of specialists and fail to connect data across the enterprise. How can insurers avoid falling into the trap of adopting point solutions for quick wins? What can insurers do to advance in this maturity spectrum?



Take a platform approach and build an ecosystem:

Take a scenario where a severe hurricane—a Category 5 or 6 storm—is forecasted to hit a particular state. Previously, the response from claims organizations might have been sluggish, kicking into gear only after the event.

But now, we have a whole ecosystem of automation and AI capabilities available. With real-time data feeds, such as those from a new weather forecasting channel, organizations can immediately align their response. The system can pull data from various treaties and policy repositories and then predict the financial impact on specific zip codes in the hurricane's path.

Stakeholders and claims processors gain immediate access to critical data, including which zip codes and policies are most at risk and which key clients have properties in the affected areas.

By leveraging these 'Lego blocks' from various sources, we can now craft a fully integrated system that doesn't just react but predicts and recommends based on unfolding events.

Start a cultural shift to cohabit with bionic workers:

All said and done, people still want to work, contribute, and create value, and this wave of change is no different. What is different is the significant cultural shift required. For example, Gen AI co-pilots help summarize documents, manage Excel tables, and even provide summaries of our meetings. But with great tools comes the need for new skills, like learning to prompt effectively to get the most out of AI tools like ChatGPT. The concept of the 'bionic worker'—whether it is an underwriter or an agent—where we're essentially supercharging the daily tasks of our employees should become the norm.

Integrating Gen AI in the insurance industry begins with solid foundational steps, but these are merely starting points. To truly transform, we need strong data governance, refined process discovery, and a deep understanding of customer journeys—areas where insights from a technology partner could prove invaluable.

Create the future state workflows

Over the last year, experts in technology and insurance have teamed up to spot potential uses for Gen AI. Insurance companies can tackle these ideas one at a time, scoring small wins project by project, easing friction along the way. But what if we could aim higher?

Gen AI could be the magic bean that helps us stitch together these individual efforts and connect all these pieces into coherent, efficient systems and workflows ready to handle whatever comes next. Considering these exciting possibilities, it is essential to evaluate where your organization stands on the AI maturity spectrum. Are you moving in the right direction?

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Navigating the Digital Frontier: Healthcare and insurance in the age of transformation



Based on a Forrester Consulting study commissioned by **EdgeVerve**

Abstract

Digital transformation allows some firms to realize better outcomes than their peers. Why are most healthcare organizations still far from achieving stages of digital maturity despite having embarked on the transformation journey? Likewise, how can insurance companies contend with an evolving technology landscape and new disruptive distribution/service models? This article examines how pivoting to a platform-based strategy can help solve key issues plaguing efforts toward digital transformation and help balance business objectives with superior customer experience.



Digital transformation is reshaping industries, driven by the need to improve efficiency, customer experience, and adaptability in a rapidly evolving market. Organizations in the Healthcare and Insurance sector are being challenged like never before. They must adapt to new digital capabilities in an increasingly Brittle, Anxious, Non-Linear, and Incomprehensible (BANI) environment. The current business landscape is fraught with multiple issues relating to skilled workforce shortage, dependence on legacy technologies, newer players in the space, supply chain issues, and a recessionary situation overall.

The changing nature of the business and the emergence of increasingly savvy customers calls for organizations to make a paradigm shift in their efforts for digital transformation and pivot towards a platform approach – this will serve as a solution by the leverage of AI and automation, among other things like digital operating models and help develop compelling customer insights and translate business objectives to tangible value.

The expanding scope of ROI

Healthcare Sector Priorities

A recent EdgeVerve-commissioned Forrester study conducted interviews with business and IT decision-makers from Healthcare firms responsible for their business, IT, supply chain, and process automation strategy to explore the effectiveness of digital transformation initiatives and outline the top priorities to be addressed. Interestingly enough, the IT team focused on driving the transformation towards operational resilience while the Business focused on digitizing for the customer. Bridging these gaps to drive business and IT connectivity is, therefore, a core part of the transformation agenda today that a platform-based strategy would help to achieve.

- <https://www.edgeverve.com/ai-first-platform/forrester-edgeverve-thought-leadership-paper/healthcare/>
- Reimagine Growth with A Platform Centric Digital Strategy – An EdgeVerve commissioned Forrester Study

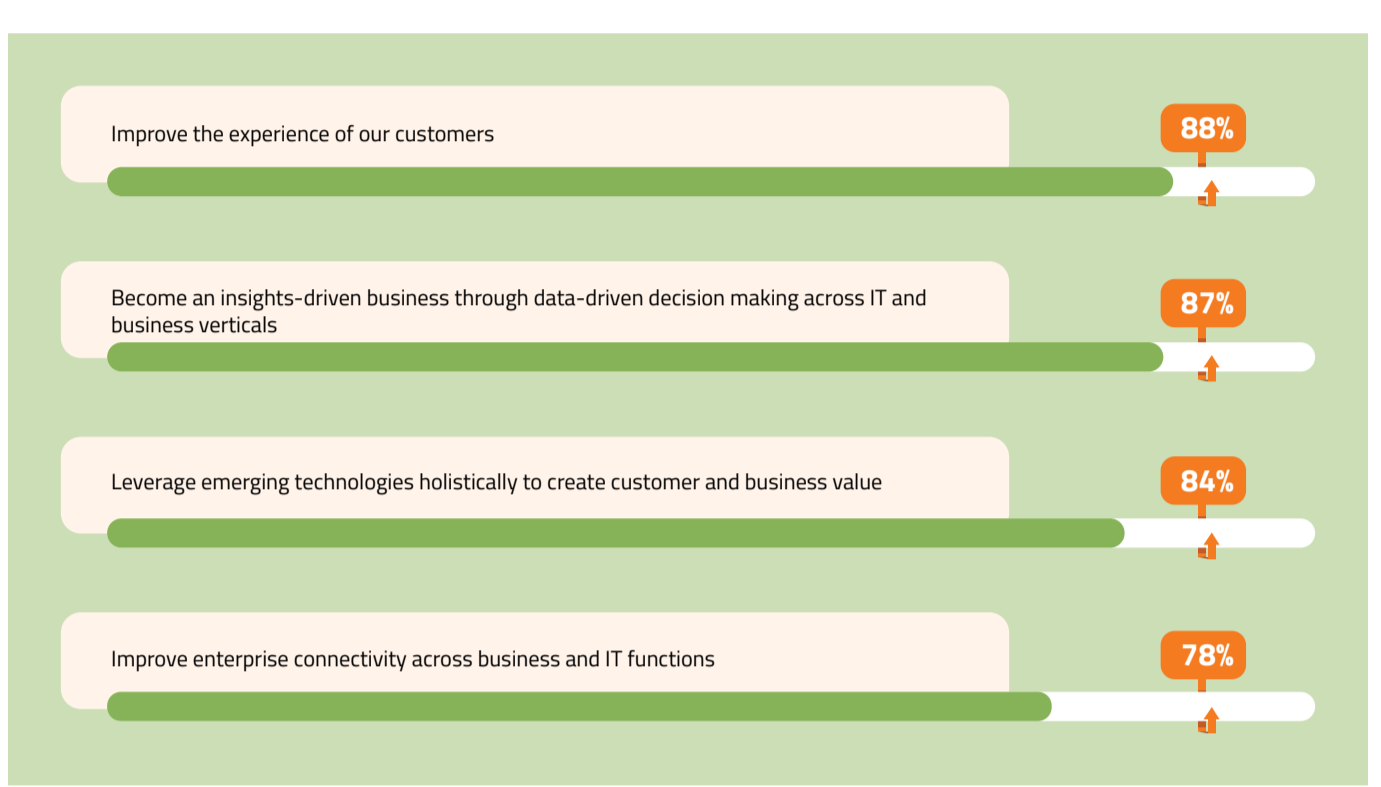
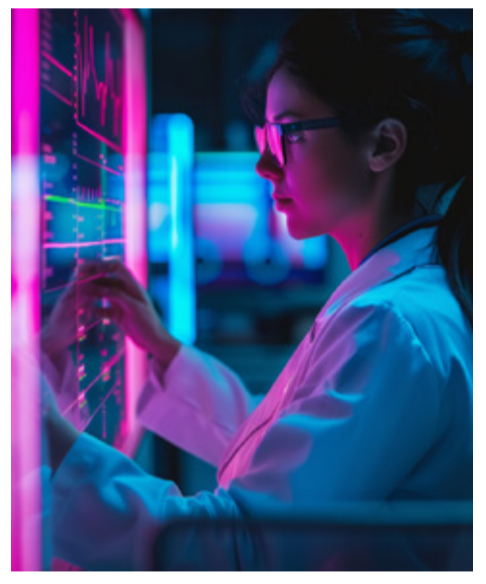


Figure 1: Top Organizational Business Priorities

- Customer Experience (CX):** 88% of healthcare decision-makers viewed this as the most critical, making it a top priority to improve CX. Improving CX is a top priority, with 88% of healthcare decision-makers viewing it as critical. This involves leveraging technology to create personalized, seamless experiences for patients and healthcare providers.
- Data-Driven Decision-Making:** The ability to steer towards becoming an insights-driven business is essential, with 87% of respondents emphasizing the need for data-driven decision-making across IT and business functions.
- Enterprise Connectivity:** This is the most critical of them all, integrating data, infrastructure, and applications to create a cohesive ecosystem. Operational efficiency improvements and achievement of business outcomes are a direct benefit. Enhancing connectivity across business and IT functions is crucial for improving operational efficiency and achieving business outcomes.



Insurance Sector Priorities

- Operational Efficiency:** The insurance industry is about reducing costs and improving productivity. Streamlining operations through automation and AI is a key focus, achieved by automating claims processing and enhancing underwriting with data analytics.
- Customer Retention:** Customers are increasingly becoming more aware of the many players in the Insurance marketplace, necessitating the focus on prioritizing CX to drive customer retention and satisfaction. This also calls for increased innovation and the need to provide products and services quickly and effectively to help maintain competitive differentiation.
- Risk Management:** The insurance business is all about risk; insurers are able to make informed underwriting decisions by leveraging AI for predictive analytics and risk assessment, with an effort to have plans tailored to individual requirements.

Leveraging AI and Platform-Centric Approach for Better Outcomes

<https://www.edgeverve.com/ai-first-platform/forrester-edgeverve-thought-leadership-paper/insurance/>

It's increasingly evident that most healthcare decision-makers rely on a platform-based strategy that unifies business and technology to help accelerate the efforts at digital transformation and create some tangible impact. True transformation by way of improved patient experience and clinician productivity is best achieved by having the organizations leverage emerging technology, innovation, asset management, and smart ways to interpret and integrate data. Organizations that can scale the platform and partner approach can accelerate business results and better adapt to changing conditions in an uncertain market.

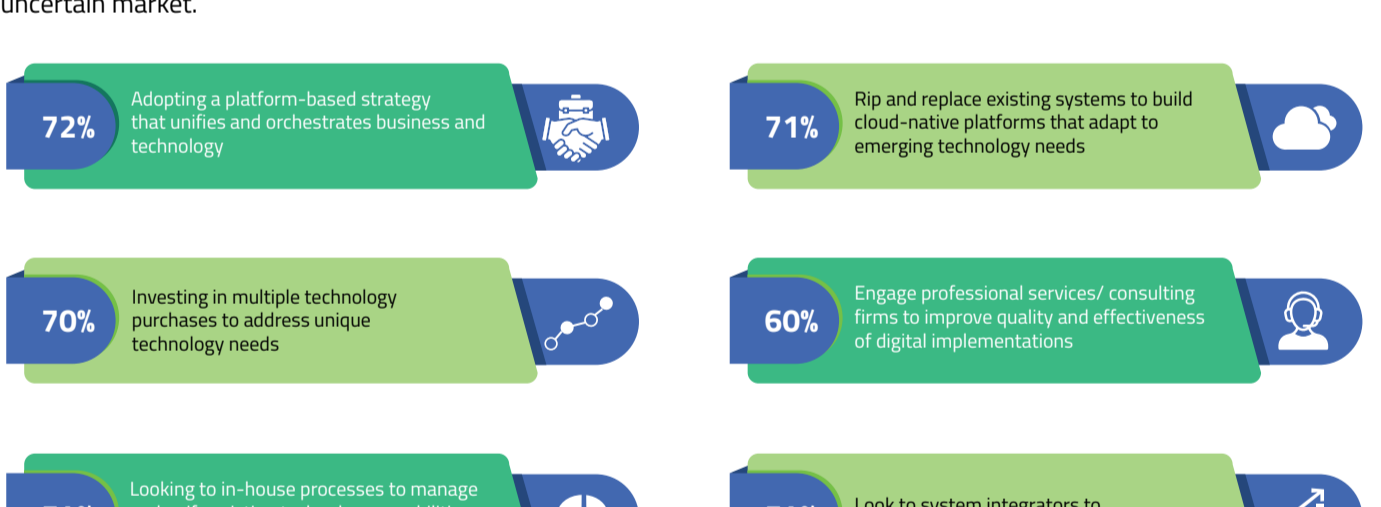


Figure 2: Technology Approaches to Drive Digital Transformation Initiatives

Key findings from the EdgeVerve commissioned Forrester study (Figure 3):

- Healthcare decision-makers believe that a platform-based strategy remains a priority to accelerate their organization's digital efforts.
- A partner ecosystem helps Healthcare firms bridge the knowledge and capability gap.
- Healthcare firms rank connectivity, operational efficiencies, and customer value as top priorities on platforms.

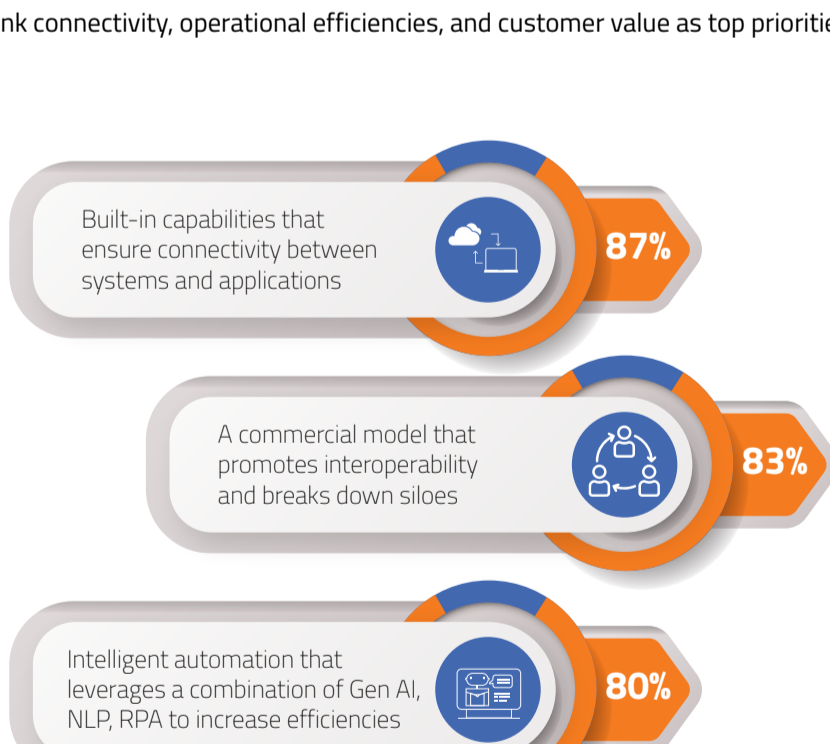


Figure 3: Healthcare Firms' Investment Strategy Priorities for Platform-Based Capabilities

AI-powered Claims Processing

Forrester's research found that a top American insurer had projected \$500 million in run-rate cost savings by 2023 from its investments in robotics, machine learning, and other AI technologies to develop insights into underwriting and claims while improving efficiencies. The healthcare and insurance sectors are in a pivotal position to leverage AI for claims processing by automating manual tasks, reducing errors, and speeding up the reimbursement process. AI technologies such as natural language processing (and machine learning can analyze unstructured data, detect fraudulent claims, and predict potential issues before they occur. This not only improves efficiency but also enhances the accuracy and timeliness of claims processing, leading to better financial outcomes and customer satisfaction.

How to Develop a Platform-Centric Digital Strategy for Maximum Impact

Healthcare and Insurance leaders must seize the moment and use the opportunity before themselves to focus on the reinvention of their organizations and smartly integrate data, asset management, innovation, and the use of emerging technology to improve the customer experience for their clients and productivity for their workforce.

Recommendations:

- Drive a customer-centric tech strategy by building connectivity. Align business and IT stakeholders early on to focus on transformation priorities while enabling a connected enterprise with the tools, systems, and metrics all factored into the planning.
- Remove traditional barriers with end-to-end capabilities. Do away with siloes and workflow inefficiencies to focus on true end-to-end capabilities.
- Set priorities for leveraging AI and automation capabilities to drive employee outcomes. Using automation for application processing helps reduce process time, increases employee productivity, and drives a customer-centric strategy.
- Embrace emerging technologies with clearly defined use cases. Identifying the right set of use cases and capabilities is important to leverage emerging tech to help achieve business success.
- Optimize partner ecosystems to drive accountability and efficiency. Leverage a platform strategy that enables you to capture value through efficiencies, insights, and growth from business, IT & partner ecosystems.

Our learnings demonstrate that firms need to tap into a future-fit platform strategy to be successful in their digital transformation, allowing for connectivity within and outside the organization. This allows for a true integration of the experiences of customers, employees, partners, and societies with the many back-end systems, technology, and processes of an organization.

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From Linear to Living: Activating real-time supply webs

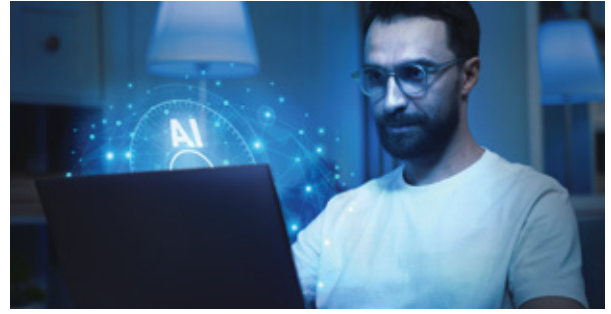


Santhosh Subramaniam
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Abstract

Traditional supply chains, typically linear in nature, suffer from significant hurdles that can turn a smooth operation into a logistical nightmare. Visibility—or rather, the lack of it—in these archaic systems makes understanding how each participant interacts at various stages more guesswork than evidence-based. The challenge is not just about not sharing the data; it is about not having the technological backbone needed to even start those conversations.

The conventional linear chains are set in their ways—rigid and siloed. When something unexpected hits—be it a sudden market shift or a geopolitical upset—it can send shockwaves down the entire line. Imagine a factory forced to stop production cold because it can't get the materials it needs on time. The rigidity and lack of visibility limits the company's ability to scout for and engage with multiple, potentially more efficient suppliers. It is potentially disastrous and ripples far and wide, stifling the factory's ability to alert upstream suppliers and downstream clients quickly.



Fortunately, the paradigm is shifting towards supply chain networks—a dynamic, interconnected web that thrives on cooperation—making way for agility, transparency, and innovation.

Exponential Problems of Linear Chains

Consider the world of fashion, where trends come and go in the blink of an eye. Now if a company is gearing up to launch its latest designs, even a one-week delay can render a new fashion line outdated before it even hits the shelves. The solution to this is straightforward: real-time production updates and the ability to find a solution quickly, aka transparency and agility.

For that to transpire, factories within this supply chain must act like integral cogs in the machine. They need to have a mechanism to alert the company the moment production kicks off, provide ongoing progress reports, and signal any potential issues immediately. This level of transparency allows the company to switch gears or alter plans.

But, in contrast to the expectations, in the linear model of supply chains, when problems arise, they do so unannounced, communication tends to be sluggish, decisions are delayed, and costs balloon as the entire chain scrambles to find quick fixes. A single disruption—like a delayed shipment—could have catastrophic ripple effects.

So, how do we address this fragility?

A network platform approach changes the scenario dramatically. With all partners connected on a single platform, when disruptions occur, the company can quickly assess alternatives and implement contingency plans. Whether it's switching to air freight or rerouting shipments to different ports, the decisions are informed, swift, and cost-effective. This not only saves on unnecessary expenditures but also significantly cuts down on time lost.

One Platform, Infinite Possibilities



Let's look at the supply chain management through a more connected lens. All stakeholders, from major players to small suppliers, customers, and even regulatory bodies, are brought into a unified, networked platform. Data is shared not just internally but across the entire network of partners in real-time or as close to it as possible, facilitating rapid, informed decision-making.

The benefits of such a platform are manifold and beyond the obvious.

1. Boosting brand integrity with responsible sourcing

What sets apart these supply chain networks is their capability to offer visibility into the ethical and environmental aspects of sourcing. Businesses can track and verify the sustainability practices of their suppliers in real time and make informed choices with confidence. This level of traceability and ethical consideration can only be achieved through advanced network platforms.

2. Bringing regulatory compliance into the mix

Integrating regulatory frameworks directly into the platform changes the game in compliance management. The platform can integrate regulatory bodies directly, making compliance a real-time affair. This means customs documentation and international trade regulations are handled on the platform, with automatic updates and checks. This integration prevents delays and fines—or even operational shutdowns—associated with non-compliance, smoothing out global operations.

3. Automated document management reduces overhead

Integrating regulatory frameworks directly into the platform changes the game in compliance management. The platform can integrate regulatory bodies directly, making compliance a real-time affair. This means customs documentation and international trade regulations are handled on the platform, with automatic updates and checks. This integration prevents delays and fines—or even operational shutdowns—associated with non-compliance, smoothing out global operations.

4. Enhanced revenue potential, not just cost efficiency

Faster market times mean better responsiveness to consumer demand, less stock sitting idle, and a stronger competitive edge. In a landscape where speed and reliability are as valuable as the product itself, these platforms offer companies the tools to not only keep up but lead the market. This is the future of supply chain management—smart, agile, and responsive to both market trends and global challenges.

5. AI-inclusion of technologically immature value providers

Global supply chains often struggle with the technological disparities between different regions. Take, for example, a cotton farmer in a remote village in a developing country who lacks the tech infrastructure to contribute data digitally. This gap is critical to bridge because every player, no matter how small, is vital in the supply chain network.

Blockchain technology provides a straightforward solution for integrating those with limited IT capabilities. A farmer with just a mobile phone can engage through mobile APIs. For those with no internet access, simpler methods like templated Excel sheets or even capturing data from physical documents with OCR (Optical Character Recognition) or IDP (Intelligent Document Processing) ensure that no one is left out. Agencies within the network manage these integrations, making sure everyone, everywhere, can connect.

Breaking Traditional Ties

Every product that makes its way to consumers is the result of a complex feat performed by multiple organizations. But what's the ultimate goal of these chains? It's not just to meet customer demand or manage inventory. The true purpose of a supply chain is to drive growth. And, to achieve this purpose, much like spiders that expertly adjust their webs based on the prey they target, supply chains must be adaptive, modular, and ready for anything.

Platforms enable that agility. They offer more than just tools; they provide insights into factory conditions and compliance with the latest regulations, updated in real-time. This means platforms are not just facilitators but decision-making partners. They make a measurable impact and tick upward all the KPIs in the catalog. They make the supply web agile, resilient, connected, and autonomous, exactly what it needs to be: a living organism.



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Wired for Change: Telecoms dialing up connectivity with a platform approach



Based on a Forrester Consulting study
commissioned by **EdgeVerve**

Abstract

Telecom companies sit squarely at the center of our ever-connected universe into which we are all wired (or wifi-ed). They power the daily interactions in our homes, businesses, and sprawling enterprises, and with every device that lights up, the landscape of their responsibility widens. Unsurprisingly, enhancing customer experience is top of the telecom leader's to-do list. They are leaning on technology and digital transformation to bring the desired agility, but many find themselves struggling to keep up. This article explores the findings from an EdgeVerve-commissioned Forrester Consulting Survey of 630 business and IT executives to understand the roadblocks to digital transformation, key priority areas, and the power of a platform-centric approach.

A Forrester Consulting report commissioned by EdgeVerve found that despite pouring over \$100 million into digital transformation efforts to enhance customer experience (CX), only 14% of telecom companies consider their efforts successful. So, what's holding back the rest? Telco is also an industry that faces fierce competition. Products and services offered mostly mirror one another, and the main source of differentiation is customer experience. However, even a slight change in customer expectations can quickly escalate into an intense reality for these companies, given the sheer scale and volume of their customer base. Most leaders are well aware that embracing digital transformation and AI technologies is their golden ticket to boosting CX, operational efficiency, and cost-effectiveness. They have even pinpointed the most promising opportunities—enhancing security and privacy (87%), refining their operating models (75%), and streamlining query resolution (72%)—and critical levers to move the CX needle.

Knowing the path is half battle won, but executing on this knowledge is a whole different beast, with multi-layered complexities and formidable challenges that stymie even the most well-intentioned strategies.

Vision vs Viability: The rocky road of telecom's Digital makeover

Telcos launch into digital transformation with high expectations. But these aren't just any straightforward projects; they're complex, long-term efforts that intersect with the unpredictable twists of today's market. Ironically, while these initiatives promise groundbreaking outcomes when they start out, many companies end up seeing a drop in productivity, efficiency, and customer satisfaction—a harsh wake-up call in a sector that thrives on differentiation and innovation.

Over half of the telecom companies surveyed are hitting internal roadblocks. A significant 58% battle with a corporate culture that resists digital changes, while 52% face the challenge of conflicting priorities from working in siloes. And about a big third of these firms are stuck at square one, not knowing where to begin their digital transformation.

The broader issue, however, is the disjointed digital strategies that fail to align technological capabilities with business needs. 35% of the leaders caught on to the fact that a digital experience (DX) framework— a unified platform— that could integrate data, networks, and workflows might just be the missing piece. However, few (10%) respondents believe they have solid strategies to connect systems and processes. This isn't just a minor gap—it's a significant barrier that stops these companies from succeeding in their technological investments.

While the ambition is clashing with the ground realities for telecom companies, the road to success is also quite clear.

Platform Power Play: Telecom leaders bet on Platform-based transformations

An impressive 82% of telecom leaders are advocating for a major overhaul: swapping out their outdated systems for cloud-native platforms shift to cloud-native platforms that flex with their tech needs. This perspective outstrips the industry-wide average of 75%, stressing just how important flexibility and adaptability are to telecom companies.

The big question hangs in the air: Which new systems should they adopt? With technology evolving at a breakneck pace, finding a solution that's long-term, cost-effective, agile, and resilient isn't straightforward. After all, we can't just toss aside million-dollar investments every time a new tech trend pops up.

While the majority of leaders are convinced it's time to move beyond their cumbersome legacy systems with a modern cloud strategy, 70% are betting on a platform-based approach as the best path forward. Though they're not quite ready to go all-in on scaling AI due to concerns about tech maturity (39%) and potential security issues (38%), visionary telecom firms are eager to capitalize on the benefits of a connected ecosystem to boost customer satisfaction. They understand that enhancing system connectivity is a strategic move that can lead to better service and sharper operational efficiencies. Here's what they're zeroing in on over the next few months:

- 88% are stepping up with peer-to-peer networking and partner integration. This is about making the entire supply chain more transparent and responsive, helping them sense and meet customer demands in real-time.
- 86% are setting up built-in capabilities to make integration smoother. By ensuring systems and applications communicate with each other, they're aiming to break down data siloes, enabling quicker and smarter decision-making.
- 85% are betting big on intelligent automation by mixing general AI, NLP, and RPA. They are collecting on the AI's promise of minimizing human error, speeding up processes, and boosting reliability across the board.
- 81% are focusing on crafting an end-to-end delivery model. From discovery all the way to managed services, they're building pathways that not only meet but anticipate customer needs, enhancing satisfaction and building loyalty.



Consulting the Future

The strategy is set, and the challenges are marked; there's a game plan ready to tackle them head-on. Yet, there's a snag—36% of telecom firms are hitting a skills gap that goes beyond tech. They need people who can bridge tech with business smarts to unlock greater value. That's why these firms are turning to a more consultative approach, aiming to drive transformation outcomes alongside their partners. A significant 70% of respondents are eyeing professional services or consulting to amp up the quality and effectiveness of their digital strategies. They're also looking to platform-based vendors to clarify and lead their cloud adoption and migration strategies—66% believe this could define their path forward.

The telecom industry fuels everything from our smartphones to our broadband, all the way to the media we consume. They are at the heart of all things digital, yet ironically, they're still finding their way around their own digital transformation. An industry known for connecting the world still needs to connect its internal pieces. By leaning into a platform-based approach, telecom companies are preparing to handle the next wave of changes effectively. All things considered, it's shaping up to be a promising year with a positive outlook.

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Revolutionize Value Chain Visibility And Collaboration through connected partner ecosystems

This article is based on a webinar between -



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Abstract

Global supply chains are operating in a constant state of flux where traditional approaches don't work anymore. The need of the hour is to swiftly access alternative suppliers, distribution channels, or fulfillment partners, adapting to rapidly changing market dynamics. In this article, we explore how shifting from linear models to a connected, cognitive, and responsive supply chain network can boost visibility, collaboration, and, ultimately, resilience.

Supply chains worldwide continue to grapple with economic uncertainties, geopolitical tensions, and unpredictable demand shifts. Events like COVID-19, canal blockages, and fluctuating demand have only highlighted the vulnerabilities within traditional supply chains. In response, companies have focused on improving visibility, agility, and collaboration, as well as adopting multi-shoring, onshoring, and nearshoring practices. Despite these efforts, increased complexity and macroeconomic challenges continue to pose issues like latency and lag.

In addition, the unpredictability of demand has added urgency to the need for real-time decisions. Last month's shipment data can't address the sudden demand boost triggered by a social media post - companies need weekly or even daily sales visibility to improve forecasting accuracy and react swiftly to changes in demand. It is no longer enough to make supply chain decisions sequentially; rather, there is a need to know everything simultaneously—a comprehensive, real-time understanding of events to respond swiftly and efficiently to market changes.

Enhancing Agility and Responsiveness with Supply Chain Orchestration



Traditionally, supply chains have used siloed solutions and control towers to manage specific issues. However, the trend is moving towards supply chain orchestration that provides a holistic view integrating all parts of the enterprise - both horizontally across functions and vertically with partners.

IDC predicts that by the year 2028, 35% of G2K companies will use supply chain orchestration tools to improve responsiveness by 15%.

Source: IDC FutureScape: Worldwide Supply Chain 2024 Predictions

Think of supply chain orchestration like the body's proprioception. When you're walking or running and step on a bump, your body instantly knows what's happening and adjusts to prevent injury. Supply chains, however, aren't quite there yet. They don't have that immediate, comprehensive awareness to make integrated, intelligent decisions.

But technology is catching up. We're moving towards end-to-end and vertical integration, allowing for greater responsiveness. This means our supply chains can start to function more like that proprioceptive system, with real-time adjustments and scenario modeling. We're beginning to balance factors like sustainability, cost, and execution more effectively, aiming for optimized decisions rather than constant trade-offs.

A higher degree of orchestration would make supply chains more adaptive and resilient, but that road is not without challenges.

Challenges to supply chain visibility and connectivity

Supply chain orchestration requires each element in the value network—from suppliers and channel partners to warehouses and logistics providers—to work in harmony. Companies need to have visibility of what is happening across the value chain, be able to collaborate, exchange data, and orchestrate supply chain processes with partner ecosystems seamlessly in near real-time. However, achieving seamless collaboration and real-time data exchange across the value chain remains a significant challenge. According to recent studies, only 21% of organizations have complete supply chain visibility, and many acknowledge their network collaboration as a work in progress¹.

A key roadblock to building connected supply chains is partner readiness. External partners vary greatly in their technological and process maturity. Some are adaptable and ready to collaborate, while others may be unwilling or unable to do so. Second, even if partners are willing, they may lack the resources or desire to invest heavily in meeting collaboration standards. And finally, there is the element of trust and concerns about sharing data and processes.



Even if an organization is able to meet its partners where they are, data and systemic issues stand in the way. An IDC survey reveals a surprising reliance on legacy tools like phone calls, emails, and spreadsheets, which introduce latency and lag. The first challenge is ensuring the right tools for collaboration are in place. Another issue is the inconsistency in how companies talk about data. For example, in a company, what is the meaning of "sales"—does it refer to units, dollars, or something else? These differences can lead to confusion and miscommunication. In addition, each function often uses its own data sources, leading to discrepancies. Sales might use one data set for planning, while marketing and supply chains use different ones. There is a need to standardize terminology and data views so all functions within an enterprise operate from the same version of the truth.

Going beyond integration to drive interoperability

The key to effective collaboration is going beyond mere integration to achieve true interoperability. Integration brings in data, but to make sense of it, you need to understand it in your context. For example, as a brand, you may have your own product codes, but your partners might use different codes for the same products when reporting sales. This means you need to harmonize the data to make it meaningful for your systems. Using a platform with defined canonical data models can help achieve this. By ensuring seamless interoperability, you can respond quickly and effectively to changes in your ecosystem, making better use of the data you receive from your partners.

Connecting Partners in a value network

Supply chain responsiveness requires moving inventory quickly from the closest supply source possible to meet the demand. Traditional, linear supply chains with one-on-one partner connections do not allow for this agility as they lack visibility beyond those connections. Many e-retailers struggle to take orders if they don't have the product in stock, even if another partner does. By viewing the supply chain as a many-to-many network, companies can scout and scan for inventory across all partners, ensuring orders can be fulfilled even when their own stock is low. This connectivity beyond their direct customers and suppliers helps plug demand-supply gaps in near real-time and maximize fulfillment.

Case Study: Visibility = Revenue Growth

One of our clients, a well-known sports apparel retailer, decided to bypass a leading online marketplace and run their own online store. However, they couldn't do it alone due to limited inventory. They needed to rely on their retail partners. We helped them create an ecosystem that provided real-time visibility of retail inventory. When a customer visits their online store and a product is out of stock, the system can allocate stock from nearby stores. This way, customers can either buy online or pick up in-store, often leading to additional purchases. This collaborative approach allowed them to grow significantly without the added costs of new warehouses, leveraging the value of their retail network.

Using platforms like TradeEdge can make it easy to connect and onboard multiple retailers and distributors all at once. Once partners are on the platform, data sharing becomes almost instantaneous, allowing for quicker and more accurate forecasting. This setup offers near real-time demand sensing, improving forecasting accuracy by up to 20% and reducing stockouts. Additionally, tools and applications on the platform can help digitize operations, especially in emerging markets where partners may still rely on manual processes.

A clear understanding of demand, sales rates, and inventory levels across the network enables more accurate suggested ordering and auto-replenishment. This network visibility is a key step toward building an autonomous supply chain.

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The ROI of Happy Employees: Why employee experience is your new competitive advantage

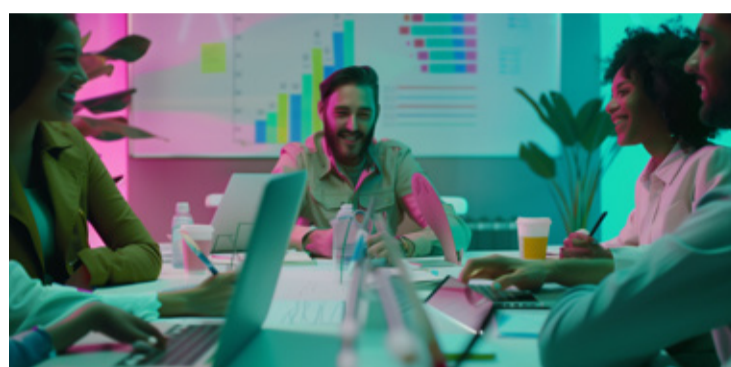


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Abstract

Executives talk about customers ten times more than they talk about employees. This reflects a common corporate view where customers are seen as opportunities to be seized, while employees are often seen as potential risks. Then came the Great Resignation. The workforce started reassessing their priorities, forcing companies to recognize that employees are a company's largest investment and deepest source of value. And that definition of digital transformation should put employees on the same pedestal as customers.

Would we ask your customers to flip between multiple tabs to make a purchase or reach out for queries? Of course not. We all strongly believe that smoother customer interactions boost revenue, and most companies go out of their way to ensure just that. But think about this: do we always treat our employees with the same consideration? Often, they're stuck with disjointed systems, unclear roles, and inefficient workflows, all of which can diminish job satisfaction and hamper productivity.



Here's something to consider: McKinsey recently found that great employee experiences are directly linked to better shareholder value. If we ever needed a reason or a push to design our employee experience just as carefully as we do the customers', this is it. Our digital transformation efforts should not just make things easier for our customers while leaving our employees to pick up the slack. After all, what's the benefit of saving customers' time if it just adds more to our employees' plates?

Disengaged employees to committed brand ambassadors

The recent democratization of Generative AI has seen many experiments across the different functions. HR teams are using AI to predict who might leave the company next, customize training programs, and even make sure they have the right people in the right spots. On manufacturing floors powered by Industry 4.0, AI is keeping an eye on tools to predict when they will wear out, helping to use energy more wisely and ensuring every worker is as productive as possible. AI tools in finance are able to juggle and handle complex dealings like working capital and treasury operations across diverse currencies, banking ties, and payment platforms.

We're just scratching the surface and still discovering new opportunities every day. While we're at it, why not use the same Gen AI technology and customer experience principles to rethink the employee journey? But the big question is, where do we start?

It makes sense to pinpoint areas where technology can take on the heavy lifting, freeing our teams to focus on what truly matters. Here are a few scenarios where this can make a big difference.

Reduce cognitive stress and make them feel valued:

Consider the frontline service workers who often juggle multiple apps to complete tasks while simultaneously interacting with customers. It's a lot, right? This cognitive stress can detract from the quality of both their work and their interaction with customers. And so, most Gen AI experimenters consider this to be a use case with the highest impact. Imagine implementing similar solutions internally. For instance, deploying chatbots to handle routine inquiries in a helpdesk setting could drastically reduce the load on your team. No more getting bogged down by the same old questions—this frees your IT staff to tackle the tougher issues and enhances job satisfaction for everyone involved.



Continuous learning with a one-on-one virtual mentor:

The business landscape is a blur these days. Technology is racing ahead, automation is taking over rote tasks, and even the "thinking jobs" are getting a cognitive boost from AI. But it also means our people need to be constantly learning and evolving.

The old model of training programs, those one-size-fits-all lectures, and outdated manuals are not cutting it anymore. They leave knowledge gaps wide and employees disengaged. We need new training and development models that are agile, efficient, and personalized. Why not turn to Gen AI to fill this gap, too?

Gen AI can spot exactly where our employees need a life and can lay out a real-time skills map for the entire workforce. It can also anticipate when and where employees might stumble. And that means we get to deliver targeted interventions, and personalized learning pathways – the exact support each employee needs to thrive. McKinsey studies show it can dramatically accelerate the upskilling process – software engineers are mastering new skills twice as fast! The impact on the bottom line is about a 14% increase in productivity, a happier, more engaged workforce, and a significant reduction in employee churn.

Measure and celebrate internal successes:

When it comes to client-facing projects, we meticulously track metrics, analyze results, and celebrate wins. These success stories become powerful testimonials, build trust, and demonstrate our value proposition. But what about the internal customer: our workforce? Shouldn't we extend the same rigor and enthusiasm to our internal AI implementations? Absolutely. By mirroring our client-focused approach, we can cultivate a culture of trust and excitement around AI within our own organization.

Here's how: First, meticulously measure the impact of internal initiatives. Track hard metrics like time saved on administrative tasks through AI assistants, improvements in project delivery using AI-powered tools, or the impact of new learning and development models.

And just like those client testimonials, internal success stories are powerful motivators. Share real examples and highlight the achievements of individuals and departments; their contributions become a source of pride and inspiration for others.

A commitment from the leaders

We are no longer in the days of top-down pronouncements. Smart leaders recognize what is needed from them for large-scale change management, and that is actively engaging with all employees from the start.

For instance, take the anxiety around AI taking away jobs. A series of town halls and workshops led by your AI champions with clear, engaging sessions that demystify AI and explain its practical applications across different functions help immensely. Instead of sugarcoating the transition, these forums should openly address employee concerns. After all, customers will never love a company until the employees love it first.

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The Editorial team would like to thank all the key stakeholders involved in conceptualizing and creating The Edge Quarterly.

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