

The Art of Practical AI

Optimizing your business



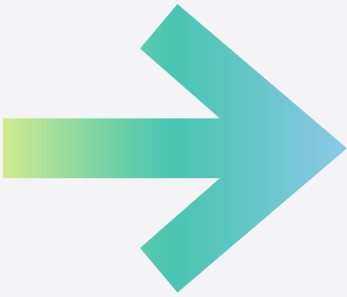


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Take the next steps on your AI
transformation journey

Unlocking the potential of AI

AI is revolutionizing the digital landscape, driving significant advances in innovation, efficiency, and growth. Organizations are sold on AI's potential, but many are struggling to move beyond isolated proofs of concept and scale the technology to deliver real business impact.

It's important to understand that AI in isolation is not innovation. Projects span multiple data silos, including applications of record like enterprise resource planning (ERP) systems, supply chain management, infrastructure, data centers, and the cloud.

AI's potential is unfolding into concrete, actionable business process optimization

66%

of cloud applications will use AI by 2026.¹

150%

increase in work output from automating and scaling processes.²

\$3.50

ROI for every dollar a company invests in AI.³

But where do you start?

First, it's crucial to think about what AI can help you accomplish:

- 1 What business processes can you transform with AI?**
Consider the processes that align best with AI's strengths. Are they about efficiency? Insights? Process integration?
- 2 Is your technology infrastructure scalable?**
AI requires intensive computing resources. Do you have the capacity to advance your infrastructure alongside new workflows?
- 3 Where can you innovate with AI to differentiate your business?**
Although AI has potential benefits across almost every imaginable process, consider the ones that give you a competitive edge.
- 4 Which employees and teams will get the greatest and fastest benefits from AI?**
Not all employees are positioned or excited to capitalize on AI right away. Consider who will unlock the most value and the quickest wins.
- 5 How can AI help you serve customers and partners better?**
Anything that optimizes your business will indirectly benefit your customers and partners. But are there ways this technology can help you surprise and delight them directly?



This e-book offers actionable strategies and real-world insights to help you maximize the benefits of your AI investments. You'll explore ways that AI-first movers have tackled the challenges of successful implementation and where they've achieved the greatest value. It takes collaborative teamwork throughout an entire organization to drive successful AI projects, with holistic strategies that reach across data, applications, security, and infrastructure.

This is your opportunity to uncover strategies for optimizing processes for operational efficiency, engaging with AI-driven analytics, and streamlining workflows through integration with ERP systems. As you read on, you'll discover working examples from real businesses that are already delivering results. By diving into these real-world stories and scenarios, you can find inspiration for your own journey and start working through the practical steps it takes to unlock tangible value for your business.

AI and cybersecurity

The cost of security breaches continues to escalate, but AI can be a powerful ally for eliminating vulnerabilities and reducing risk. AI-powered solutions synthesize data from multiple sources into clear, actionable insights, helping you simplify incident responses, triage signals faster, and surface threats earlier. With AI's assistance, your security teams gain visibility over their environments, learn from existing intelligence, correlate threat activities, and make more informed, effective decisions.

\$1.76 M

The average savings for organizations that use security AI and automation extensively compared with those that don't.⁴

Cultivating trust through Responsible AI

AI readiness is about more than just technology. It also encompasses a new mindset around using these tools responsibly and ensuring trust for both internal stakeholders and external customers. Before your employees are willing to commit to AI, they need to feel secure in trusting it. It starts before you even begin your implementation. By considering Responsible AI principles as you strategize for business transformation, you can build safety and trust into the journey from the very beginning.

These six principles can help you guide AI implementation and usage responsibly:

- 1 Fairness:** AI systems should treat all people equitably.
- 2 Reliability and safety:** AI systems should perform reliably and prioritize safety.
- 3 Privacy and security:** AI systems should be secure and respect privacy.
- 4 Inclusiveness:** AI systems should empower everyone and engage people.
- 5 Transparency:** AI systems should be easy to understand.
- 6 Accountability:** People should maintain accountability for AI systems.

[Learn more about Microsoft's Responsible AI Standards](#)



In this section, we'll explore three areas where AI can improve business processes:

- Enhancing operational productivity.
- Translating data into insights.
- Transforming ERP for the era of AI.

Optimizing processes through AI innovation

Process optimization comes in many forms. Whether it's about efficiency, information, or integration, AI is a multifaceted technology that can revolutionize how your business does its core work.

Enhancing operational productivity

Optimizing business operations can lead to significant productivity gains and cost savings. By streamlining repetitive tasks, you can reduce the time and effort they require from your team. This process doesn't just improve efficiency—it also allows employees to focus on more strategic or creative efforts.

Many enterprises have internal teams or external consultants working to chip away at time-consuming processes, automate data collection and reporting, and enhance customer service problem resolution. Now, AI is changing what's possible. Organizations are currently experimenting with everything from [eliminating friction in the expense management process for business travel](#) to [summarizing boardroom materials for governance teams](#), from [integrating natural language queries into electronic healthcare record \(EHR\) software](#) to [translating and localizing data input for international aid organizations](#).



As you strategize for AI-driven process optimization at your business, ask yourself the following questions:

- What are the biggest pain points for your employees?
- Where do you see the most waste and inefficiency, and how could AI close those gaps?
- Which processes can you most easily optimize for proofs of concept and early wins?

Real-world use case

Translation and localization

Scenario: Lionbridge Technologies, a global translation and localization services provider, is using AI to deliver hyper-personalized content in multiple languages. By deploying the multimodal GPT-4 model to collect data from text and images and training their workforce to engage effectively with AI assistance, the company has reduced project turnaround times by up to 30% across content production, testing, translation, and localization.⁵

[Read the story](#)

Real-world use case

Financial services

Scenario: Saphyre uses AI, automation, and networking to save time and effort in the pre-trade phase, enabling T+1 compliance, supporting efficient information and document management, and securing counterparty collaboration. It also minimizes post-trade settlement issues, reducing manual effort for customers by 75%. As a result, clients are ready to trade up to five times faster.⁶

[Read the story](#)



The benefits of enhanced process efficiency and accuracy



Predicting and preventing equipment and system failures.



Optimizing resource usage to reduce waste.



Automatically scheduling maintenance for optimal times.



Gaining deeper insights into operations.



Preventing equipment downtime to enable more reliable service.



Minimizing human error that typically occurs during routine tasks.



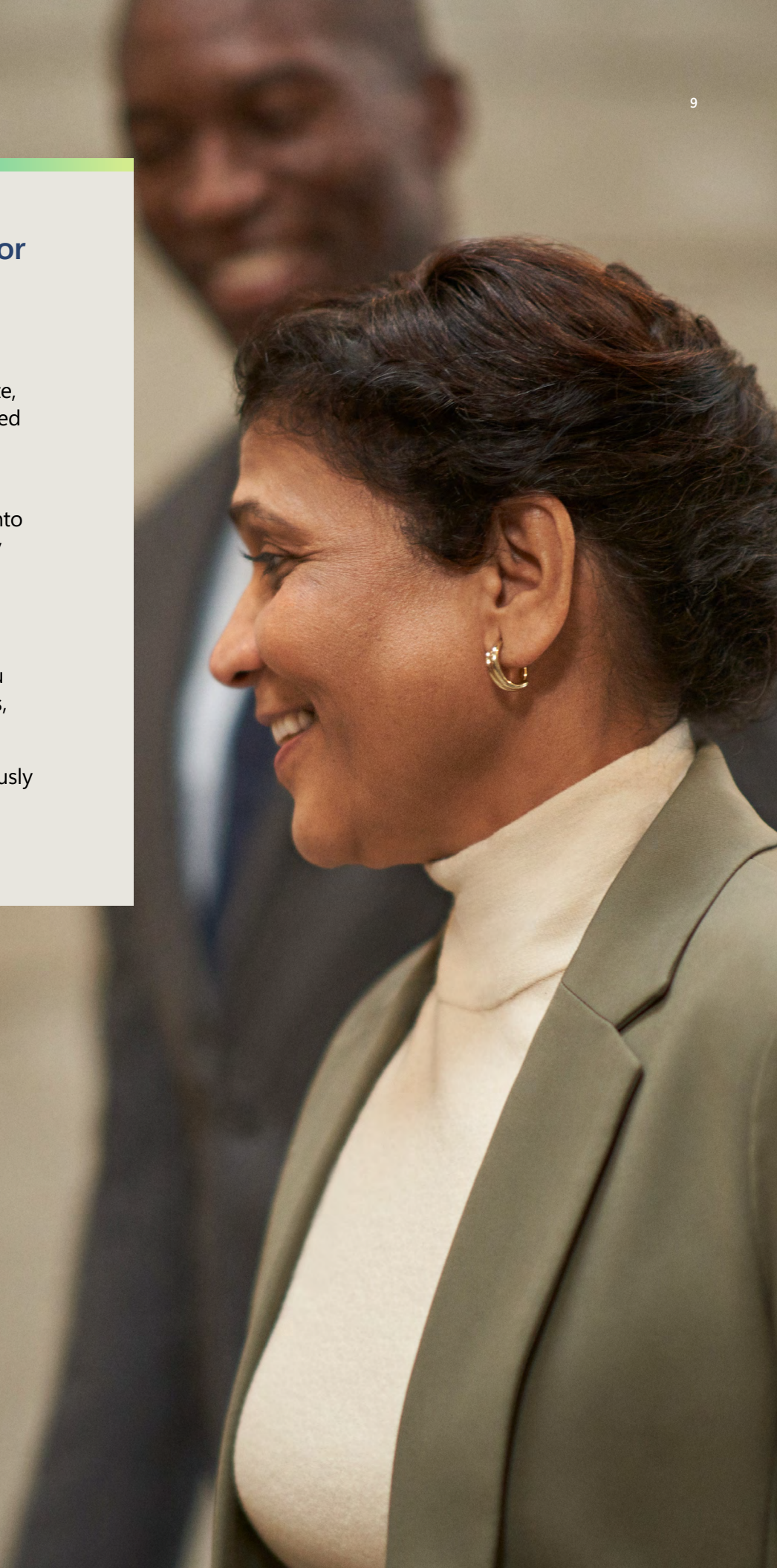
Handling high call volumes without adding pressure for agents.



Collecting data on user inquiries to further improve service.

Technical considerations for intelligent assistance on core processes

- **AI model catalogs:** Select, evaluate, and customize the models you need for your solution.
- **Information retrieval:** Integrate information retrieval capabilities into solutions that impact the accuracy and relevancy of your generative AI experience.
- **Content safety:** Monitor and customize experiences to help you mitigate risk, build trust with users, and remain compliant.
- **Lifecycle management:** Continuously improve AI models to consistently improve performance.



"We've entered a world where agreements come to life and adapt to business demands, powered by AI."

Kunal Mukerjee

VP, Technology, Strategy, and Architecture, Docusign.

AI in action

Docusign

Docusign needed to overcome the limitations of its current systems, scale operations, and automate processes. The document management company wanted to serve its global customer base more efficiently by implementing AI-driven agreement lifecycle management. It turned to Azure to develop the Intelligent Agreement Management (IAM) platform. IAM automates, scales, and enhances the agreement management processes using Azure AI, Azure Cosmos DB, Azure Logic Apps, and AKS.

With its revolutionary Azure-based platform, Docusign can now accelerate growth and scale globally. It supports millions of workflows, reducing contract processing times and enhancing customer satisfaction with advanced AI-powered analytics.

[Read the story](#)

70%

reduction in time and resources dedicated to agreement processes for KPC Private Funds, an early adopter of the tool.⁷

Transforming data into insights

Vast quantities of data on employees, customers, financials, supply chains, and more are crucial for managing and optimizing any business. With so much structured and unstructured data, often siloed by department or function, it's difficult for business leaders to take full advantage of their holistic information ecosystems. By training large language models (LLMs) on enterprise data, you can analyze masses of information to provide insights that help you make more informed decisions. At the same time, predictive analytics gives you the foresight to anticipate trends and adapt quickly to opportunities while mitigating risks.

[In Babson College's case](#), the school developed predictive models that identify students struggling in key areas like financial need, well-being, and academics. These models provide early indicators—often within the first week of a semester—allowing the college to offer proactive support and interventions before problems escalate. In the healthcare field, [Ontada created a novel data platform solution called ON.Genuity](#). This tool implements large language models to target nearly 100 critical oncology data elements across 39 cancer types, significantly increasing the provider's ability to extract important data and clinical details rapidly.⁸

An AI-enhanced approach to data-driven insights starts with understanding the information that's most valuable to your business. Ask yourself these questions:

- What kinds of data are most difficult for humans to collate and interpret?
- What data sources reveal the most important operational and customer information?
- Which goals are most important? Examples include streamlining operations, identifying trends, and mitigating risk.

Real-world use case

Commercial software

Scenario: ServiceTitan creates software for home and commercial contractors. The firm built the Titan Intelligence suite to provide comprehensive automation for call management, job booking, technical dispatch, accounting, finance, and reporting, all powered by Azure AI. As part of the suite, one tool uses generative AI to intelligently analyze missed revenue opportunities, flagging overlooked leads to customer support representatives for further follow-up.

[Read the story](#)

Real-world use case

Pharmaceuticals

Scenario: In partnership with Microsoft Research, pharmaceutical company Novo Nordisk built an AI platform on Azure AI and data stacks to scale its pipeline for drug discovery, development, and data science capabilities with AI and machine learning. In addition to faster product development, their AI models for advanced risk detection in cardiovascular diseases include an algorithm that can predict dangers to patients' heart health more effectively than the leading clinical standards.

[Read the story](#)



The benefits of data-driven insights for decision-making



Collecting operational data from multiple sources.



Predicting potential downtime and suggesting maintenance schedules.



Monitoring equipment in real-time and flagging potential issues.



Providing key metrics and insights.



Identifying unusual patterns or anomalies in transaction data.



Analyzing and scoring transactions based on fraud risk.



Automating response protocols for potential threats and alerting security teams.



Enabling identity and access management to authenticate and authorize users.



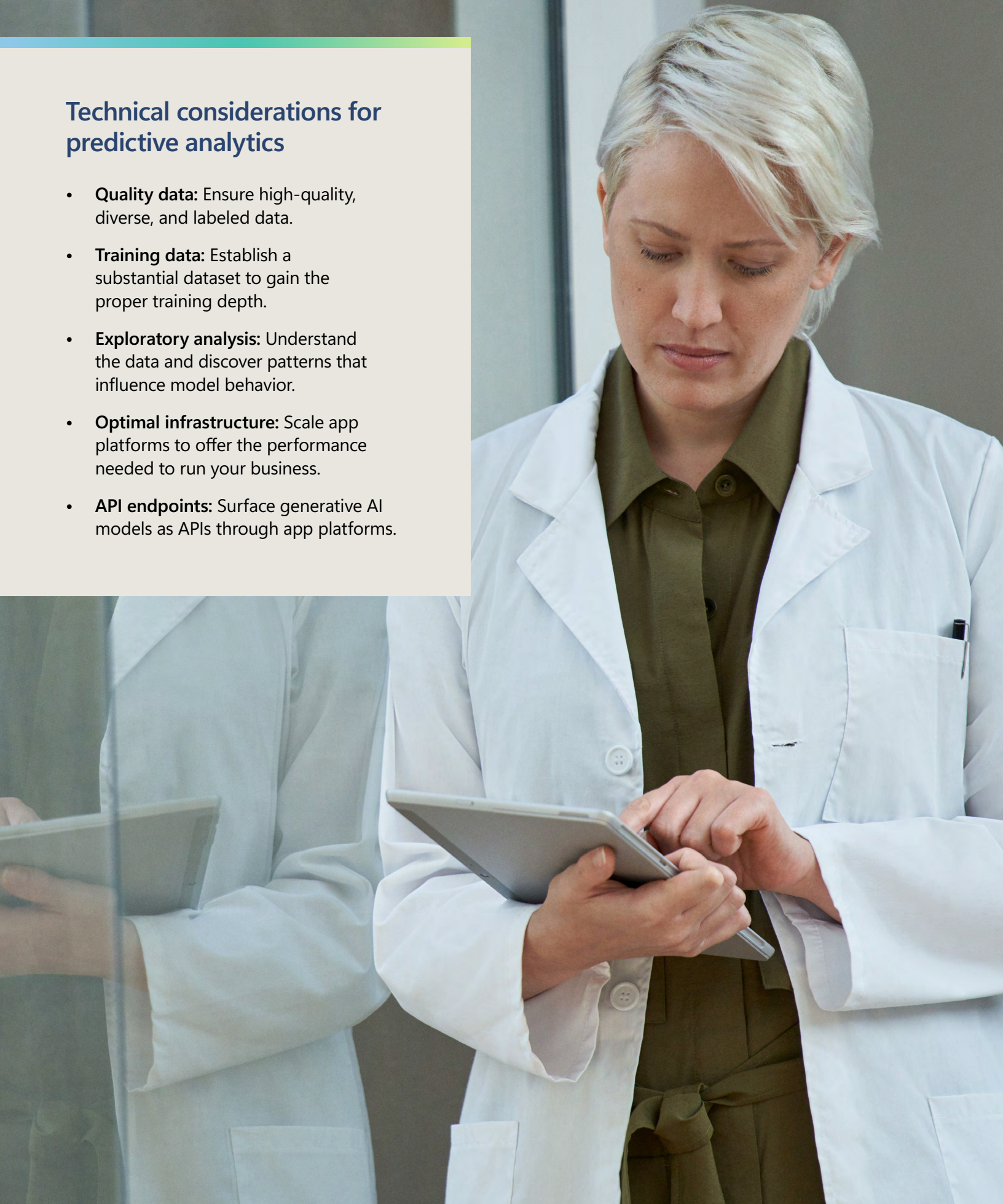
Reducing the need for manual intervention.



Improving demand forecasting based on market conditions.

Technical considerations for predictive analytics

- **Quality data:** Ensure high-quality, diverse, and labeled data.
- **Training data:** Establish a substantial dataset to gain the proper training depth.
- **Exploratory analysis:** Understand the data and discover patterns that influence model behavior.
- **Optimal infrastructure:** Scale app platforms to offer the performance needed to run your business.
- **API endpoints:** Surface generative AI models as APIs through app platforms.





AI in action

Crediclub

To optimize the audit process and reduce costs, Crediclub made a significant leap in its digital transformation by implementing an AI-based solution. With Microsoft's support, the company developed an innovative system on the Microsoft Azure infrastructure, integrating services that include Microsoft Azure AI, Microsoft Azure Cosmos DB, and Microsoft Azure OpenAI Service.

The financial services company designed the system to enhance scalability and efficiency by automating the capture, storage, and analysis of meeting data in real time. It automatically records, transcribes, and stores each call in Microsoft SharePoint and Cosmos DB. The system then analyzes the collected data using GPT language models in Azure, which extract key topics, identify relevant points, and generate automatic evaluations based on predefined metrics like attendee engagement and decision-making.

[Read the story](#)

96%

monthly reduction in operating costs.⁹

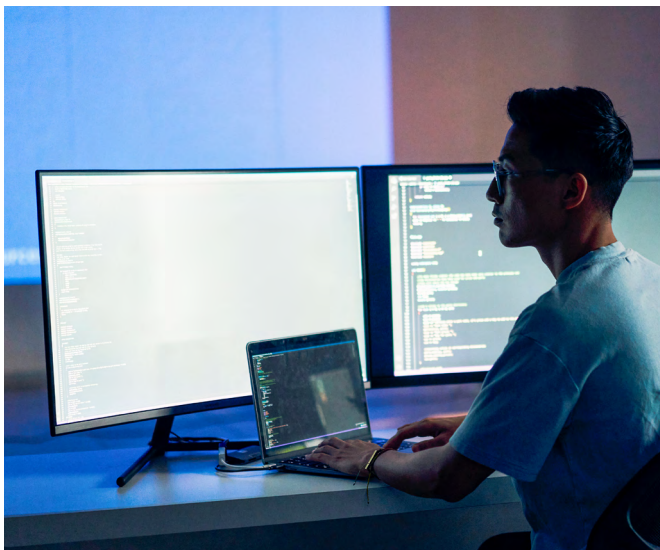
150

meetings evaluated per hour.⁹

Transforming ERP for the era of AI

ERP systems are complex, multi-domain platforms. Managing these tools and extracting actionable insights is time-consuming for business leaders who rely on spreadsheet-driven analytics. Integrating AI into your ERP system helps you optimize processes by providing real-time insights into operations and putting automation into play. Through integration, you can find opportunities to optimize inventory management, supply chain efficiency, and financial performance.

[For Sonata](#), that meant bringing their customer Alltech's travel spend data under one umbrella by using Microsoft Fabric to develop its core offerings across cloud modernization, data solutions, and a sustainability-first AI platform, Harmoni.AI. [For StarKist](#), a new intelligent planning tool minimized the company's reliance on spreadsheets and improved reaction time by reducing the planning cycle by 94%.¹⁰ [And for Animal Supply Company \(ASC\)](#), AI solutions built by Microsoft partner Neudesic free up employee time and attention by comparing invoices to ERP data and matching invoices, orders, and receipts.



Ask the following questions to discover the best places to implement AI into your ERP systems:

- Which functions or modules make the most sense to connect and correlate through AI?
- What manual inputs can you replace most easily with AI-driven workflows?
- How can automation minimize the need for human intervention and eliminate error?

Real-world use case

Logistics

Scenario: To streamline their shipping work, C.H. Robinson created a proprietary tool that classifies incoming emails, pieces their details together, finds missing information, then performs the steps a person would normally take to fulfill the customer's request. As a result, the logistics firm has reduced speed to market from hours to seconds for its shippers, driving better business outcomes.

[Read the story](#)

Real-world use case

Information and product discovery

Scenario: The Icertis Contract Intelligence platform empowers users to create, view, manage, and collaborate on contracts in the tools and applications they use every day. The platform delivers better access to critical information, enabling more strategic decisions within its enterprise application environment so its employees don't lose productivity by switching back and forth between different tools.

[Read the story](#)

The benefits of real-time insights into business operations



Monitoring operations in real time to detect bottlenecks.



Optimizing resource allocation.



Finding the most consistent and efficient ways to execute processes.



Minimizing the need for manual human actions or interventions.



Technical considerations for integrating AI into ERP systems

- **Data access and processing capacity:** AI consumes compute and GPU resources faster than traditional workloads, so ensure you have the infrastructure in place.
- **Agile scaling:** AI scales your infrastructure and platform dynamically.
- **Optimal performance and cost:** Collocate infrastructure, data, applications, and AI to streamline development and deployment, ensuring optimal resource utilization and maximum ROI.
- **Foundational architecture:** Migrate to the cloud to provide a solid foundation for agility and innovation.



“Dynamics 365 is having a big impact on our company—improving the efficacy of back-office functions, the accuracy of inventory levels, costs, predicting demand, and providing greater data visibility.”

Larry Bedrosian

CEO, Bedrosians Tile and Stone

AI in action

Bedrosians Tile and Stone

When the global pandemic struck, Bedrosians Tile and Stone had to deal with a massive surge in demand, volatile supply chains, and sudden shifts in business variables. But out-of-the-box functionality within Dynamics 365 smoothed the implementation of AL and ML for demand forecasting, even though it took place completely remotely through Microsoft Teams. Using roughly five years of purchasing history to train a best-fit statistical model, Azure Machine Learning precisely tunes the model with flexible, preset parameters, then generates a forecast. Now, the purchasing team uses those demand forecasts to make data-informed decisions about what inventory to order over the next six to eight months. Meanwhile, planning optimization runs every 15 minutes to balance the supply and demand signals as buyers place orders throughout the day.

Dynamics 365 ensures that Bedrosians is proactive on the purchasing side of the business and has the right inventory at the right moment to capitalize on sales opportunities despite months-long lead times.

[Read the story](#)

Implementing AI in your organization

Successful AI implementation starts with a clear understanding of your strengths and opportunities for growth. Consider these five pillars as you plan your projects:

- **Business strategy:** Define the business challenges AI will address. This process guides your model selection, success metrics, and investments. In the exploration stage, ensure your AI projects closely align with your business objectives.
- **Technology and data strategy:** Data powers AI, but infrastructure drives it forward. Scaling beyond proof of concept requires robust cloud infrastructure optimized for running AI models at scale.
- **AI strategy and experience:** Implementing AI requires more than knowledge about different models. You also need a repeatable process for AI development and a diverse team of people to support your projects.
- **Organization and culture:** Sponsorship from senior leaders is crucial. Leaders need to communicate their vision and commitment actively, fostering an organizational culture ready for AI adoption.
- **AI governance:** Implementing processes, controls, and accountability structures to govern AI at scale is critical to reducing risk and maintaining trust. Effective governance fosters security, data privacy, and the responsible development and deployment of AI.

Once you've considered each of these pillars, you can begin your implementation process.

Three steps for implementation:

- 1 Identify relevant data sources**
These may include internal data like sales and customer information and external data like market trends and conditions.
- 2 Choose the right AI tools**
When selecting AI tools, consider scalability, ease of use, and compatibility with existing systems to streamline integration and enhance efficiency.
- 3 Integrate AI into business processes**
To ensure actionable insights, integrate AI into processes across the entire lifecycle. From employee training to continuous monitoring and optimization, these steps lay the foundation for sustained impact.

Reimagine business processes with Microsoft

Microsoft tools are already helping businesses drive impact through AI:

284%

return on investment over 3 years when using Azure AI.²

77%

of users said once they used Copilot, they didn't want to give it up.¹¹

1,100+

Copilot Studio plug-ins to the apps and data that matter most.¹²

Uncovering AI's possibilities for your organization

Leveraging AI for business optimization can significantly accelerate vital operations while enhancing employee productivity. Organizations gain a competitive edge and drive sustainable growth by automating processes, accessing AI-driven analytics and insights, and integrating AI into ERP systems.

Now is the time to unlock the full potential of AI-driven optimization for transforming your business. Through Azure cloud services, Microsoft Copilot, and Copilot Studio, you can revolutionize your core processes so they're more efficient, strategic, and streamlined. With the scenarios and strategies laid out in this e-book, you have the tools you need to imagine a future powered by AI and start driving impact for your business. Take the next steps toward adopting and implementing AI today, and chart your course through the AI-enabled future.



Take the next steps on your AI transformation journey

No matter where your organization is on its AI journey, resources are available to help you implement this technology to capture deeper insights and drive greater business value.

Step 1

Take an AI Readiness assessment

Answer a few simple questions to assess your readiness for extracting meaningful business value from AI.

 [Take the assessment](#)

Step 2

Read Microsoft AI blogs

Stay up to date on the latest advancements in artificial intelligence and their integration into Microsoft products and platforms.

 [Read blogs](#)

Step 3

Explore Microsoft AI solutions

Find out how Microsoft is empowering the world to achieve more with AI and discover the technology driving transformation.

 [Explore solutions](#)

Step 4

Dive into training on Microsoft Learn

Learn how to plan, strategize, and scale AI projects in your organization.

 [Build your skills](#)

¹IDC, [FutureScape: Worldwide Cloud 2024 Predictions](#), 2023.

²Forrester, [Total Economic Impact of Microsoft Azure AI](#), 2023.

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⁴IBM, [Cost of a Data Breach Report](#), 2024.

⁵Microsoft, [Lionbridge disrupts localization industry using Azure OpenAI Service and reduces turnaround times by up to 30%](#), 2024.

⁶Microsoft, [Saphyre helps institutions be ready to trade 300–500% faster with Microsoft Azure](#), 2024.

⁷Microsoft, [DocuSign transforms agreement management with Azure](#), 2024.

⁸Microsoft, [Ontada transforms 150 million unstructured oncology documents with Azure OpenAI Service](#), 2024.

⁹Microsoft, [Crediclub saves 96% per month in audit processes and analyzes 150 meetings per hour with Azure](#), 2024.

¹⁰Microsoft, [StarKist cuts planning time by 94% with Board, powered by Microsoft Azure](#), 2024.

¹¹Microsoft, [Work Trend Index](#), 2024.

¹²Microsoft, [Announcing Microsoft Copilot Studio: Customize Copilot for Microsoft 365 and build your own standalone copilots](#), 2023.