3 Predictions about Converged AI and Automation Systems

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Prediction

By 2025, the G2000 will allocate over 40% of core IT spend to AI initiatives, leading to a double-digit increase in the rate of product and process innovations

By 2027, the spending on server accelerators compared with server CPUs will invert to 55/45%

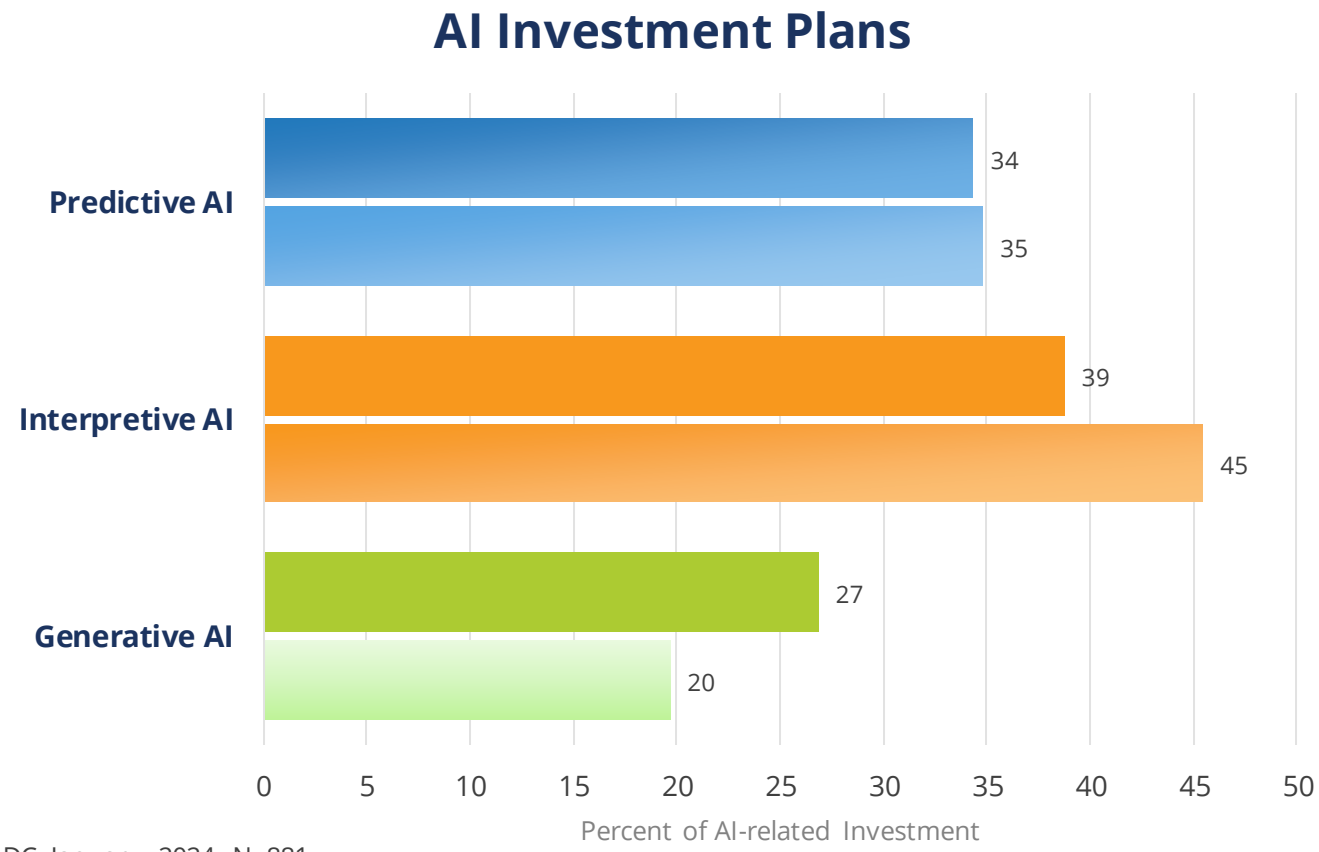
What Was AI Before Generative?

What is your best estimate of how your AI-related investments will be allocated over the next 18 months?

Predictive AI – Analysis of large data sets to identify long-term patterns in behavior

Interpretive AI – Analysis of unstructured data such as language, images, or event data streams to discover patterns and insights

Generative AI – Creation of new content/code from previously created content/code



Source: Future Enterprise Resiliency & Spending Survey Wave 1, IDC, January, 2024, N=881

Source: GenAI ARC Survey, IDC, August 2023, N=1304

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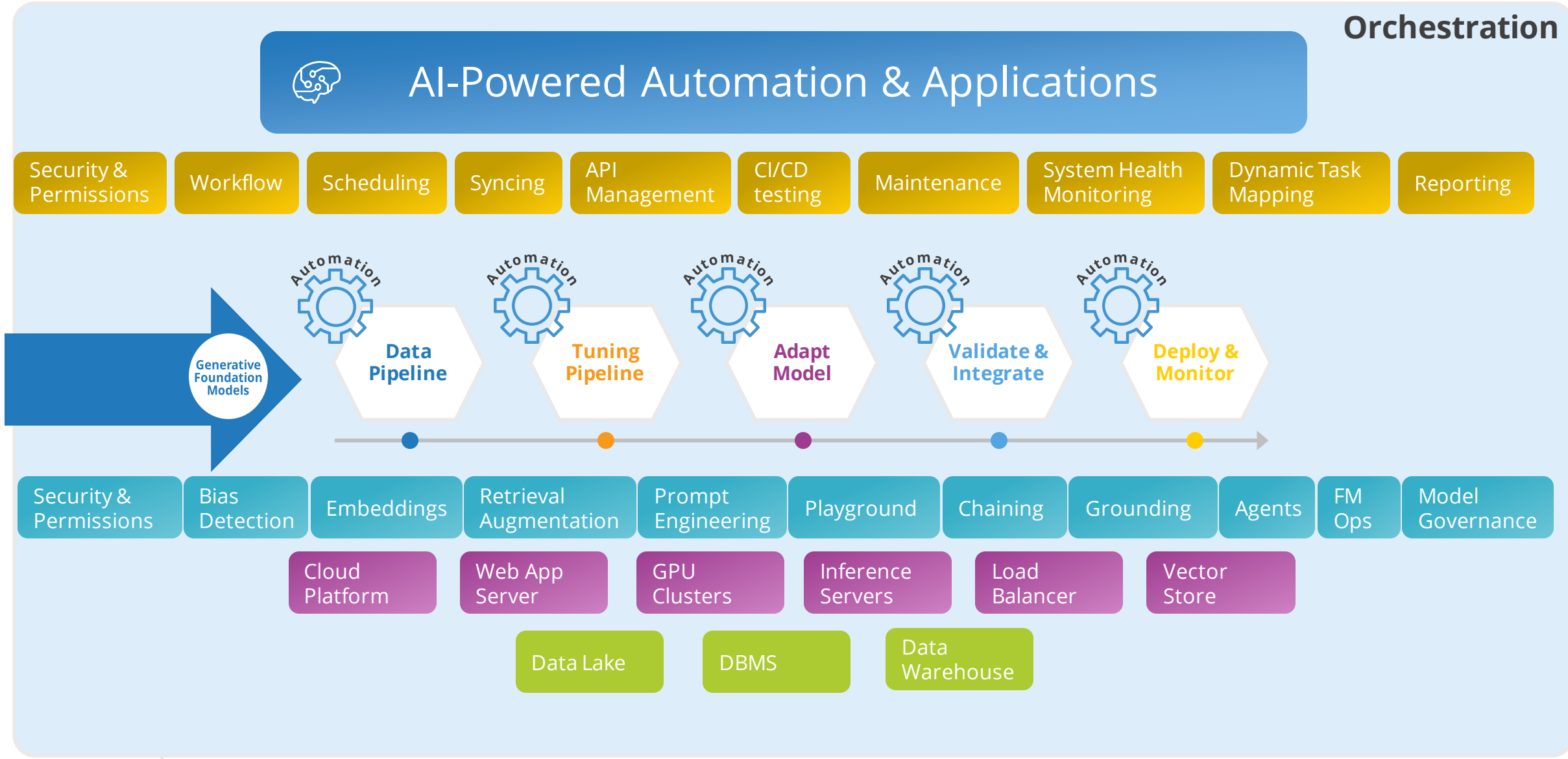
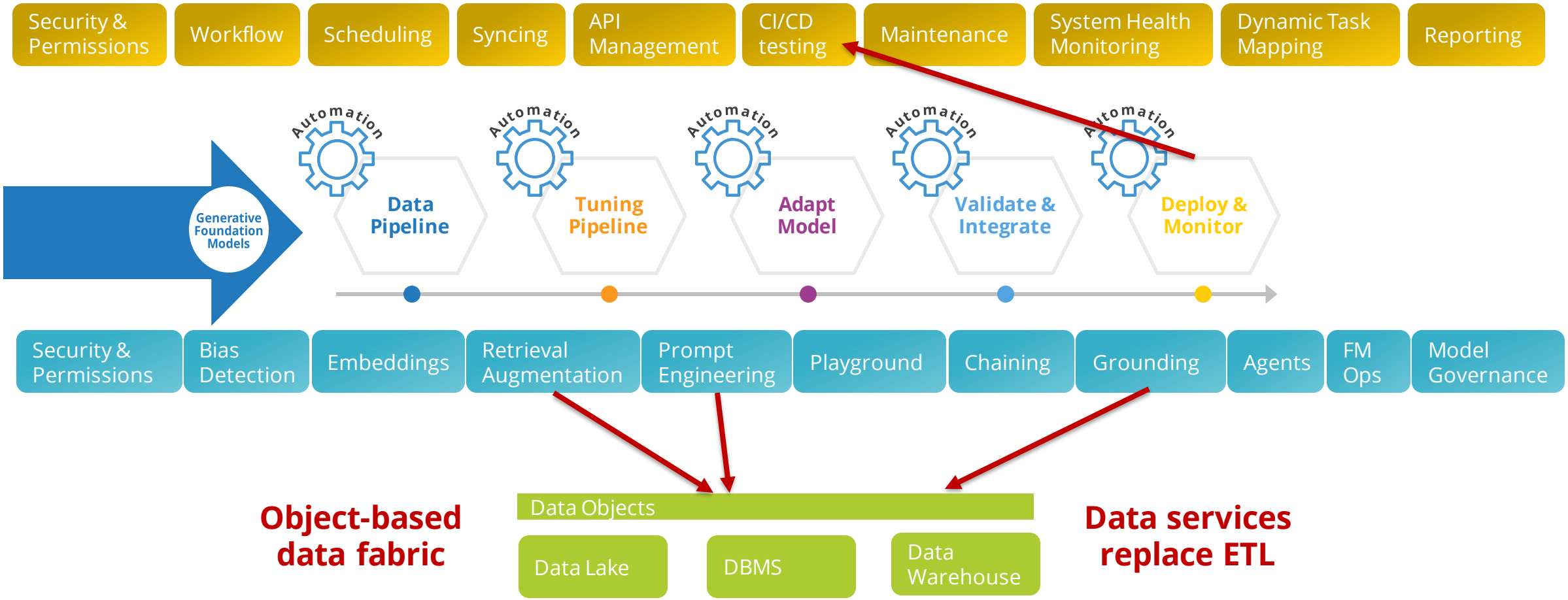
Building and Integrating GenAI is Orchestration Intensive



High Cost of AI Requires Extreme Focus on Efficiency

Zero overlap or confusion between MLOps and DevOps



Prediction

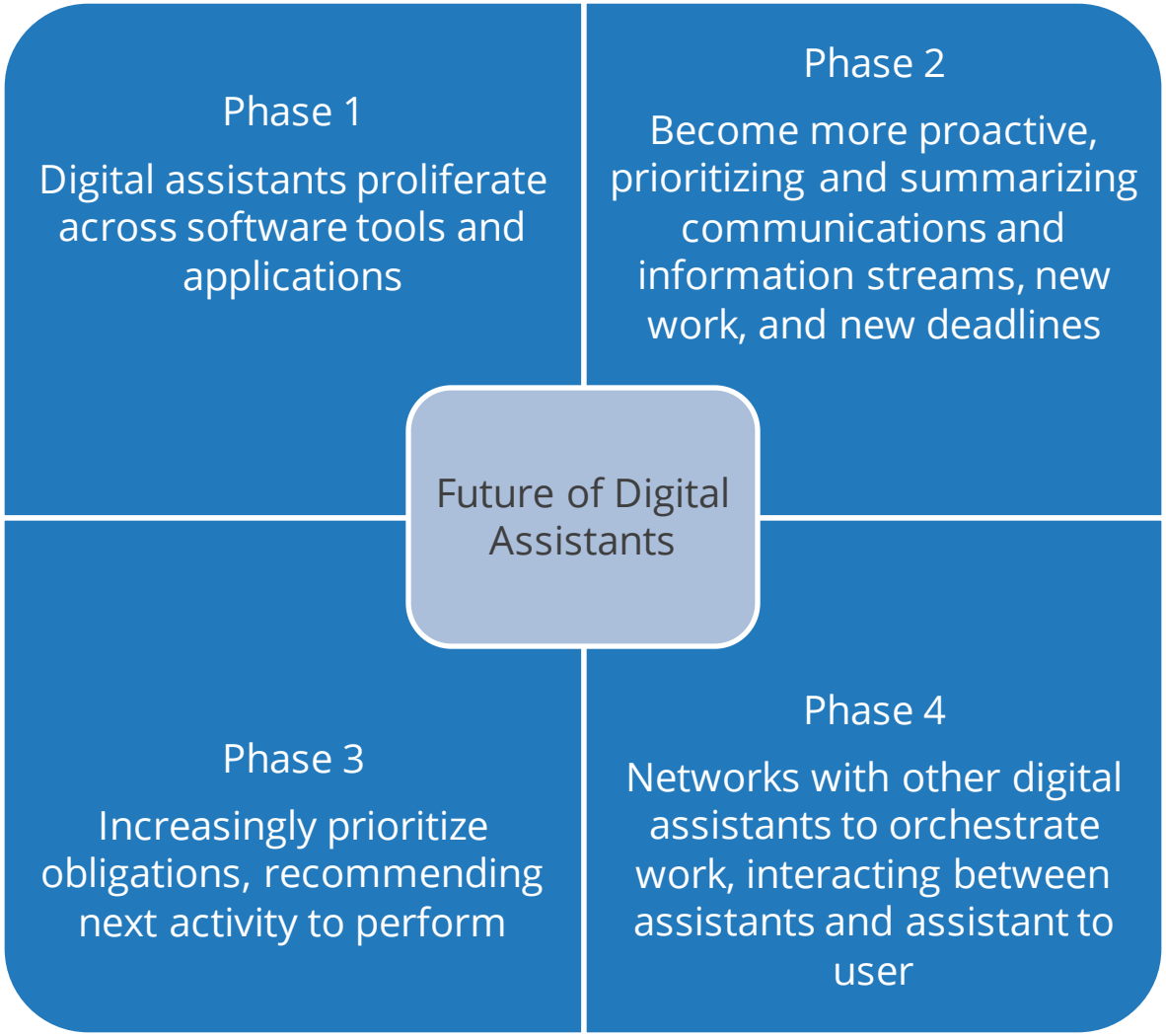
By 2027, GenAI digital assistants will be the UI for 25% of interactions with enterprise software, including software development and the applications we use to run our business

Digital Assistants Become Ingrained in Automated Value Streams

The introduction of GitHub Copilot and ChatGPT sparked a digital assistant frenzy

2027 Assumptions

- All applications will have an embedded copilot, autopilot or digital assistant
- Enterprises will have begun training their repository of rules, procedures, regulations, calendars to support OS embedded copilots across the workplace
- Digital assistant capabilities will evolve to become more proactive, more administrative and operate within a network of assistants



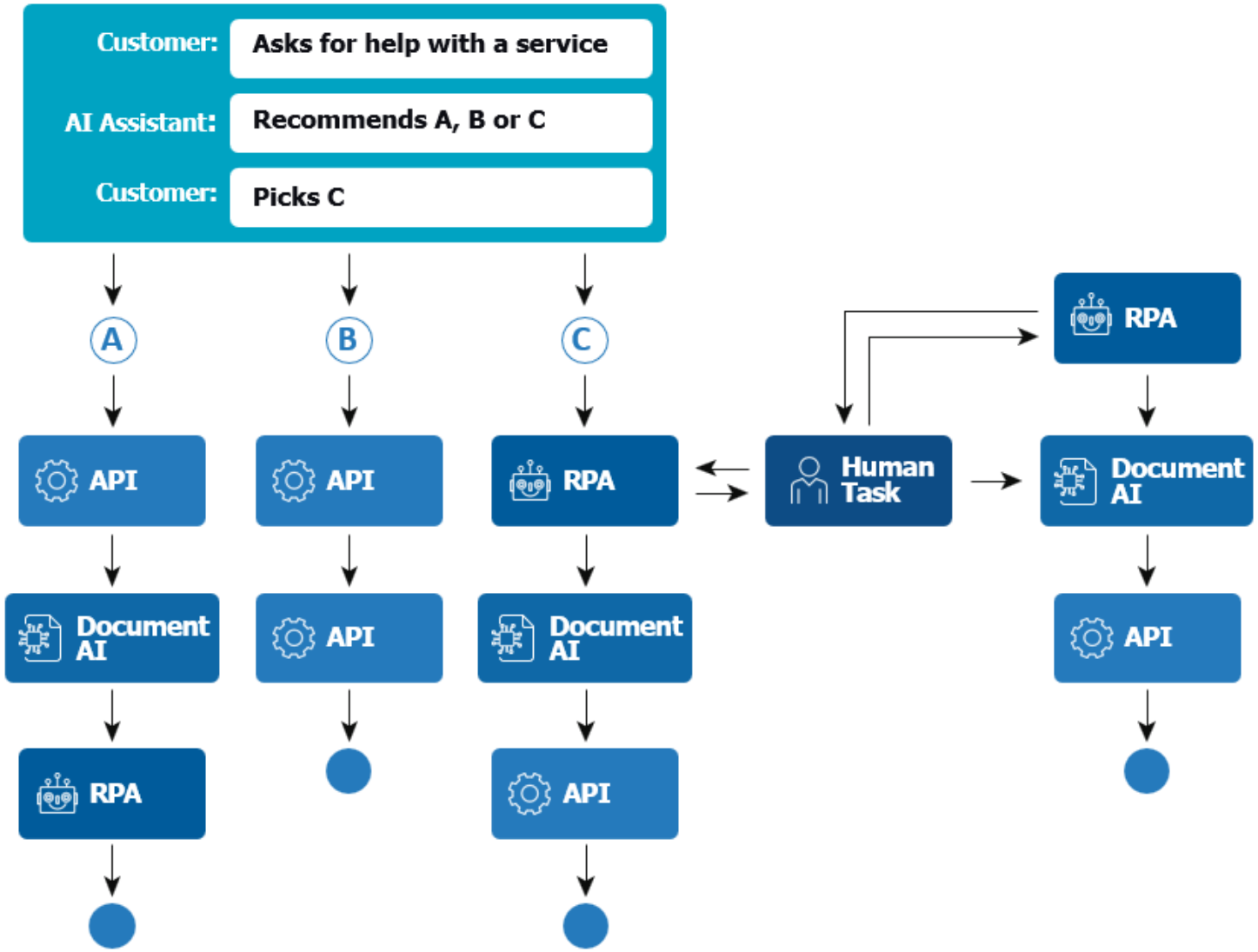
Digital Assistants Intertwine with Process Orchestration

Enterprises are moving to straight-through automation using a variety of technologies with some human tasks.

Currently, digital assistants trigger orchestrations and embed in human tasks to assist with the work.

As digital assistants grow in capabilities, the need for user subscriptions to enterprise apps will decline for part-time and infrequent users.

Querying the digital assistant and delivery of tasks via single page apps will displace the use of applications



Prediction

After a temporary focus on GenAI, 60% of enterprises will refocus on mandating automation strategies based on outcomes rather than specific technologies by 2025

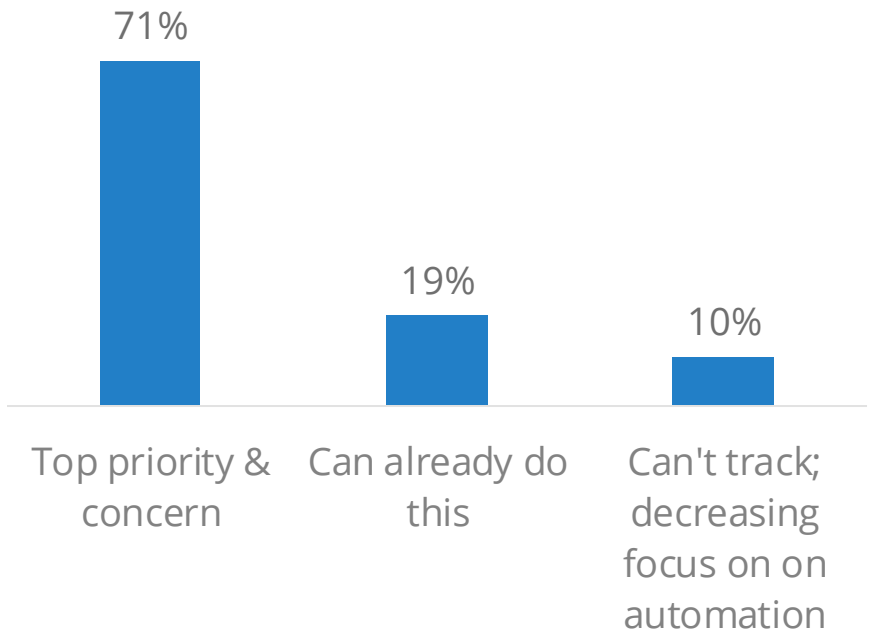
Sharper Focus on Value Realization from Technology Investments

Business and IT are more heavily questioning and assessing tangible benefits

- If we migrate our ERP, what is the ROI?
- Cloud was supposed to lower our costs. What happened?
- If task automation increases productivity, why hasn't that improved our bottom line?

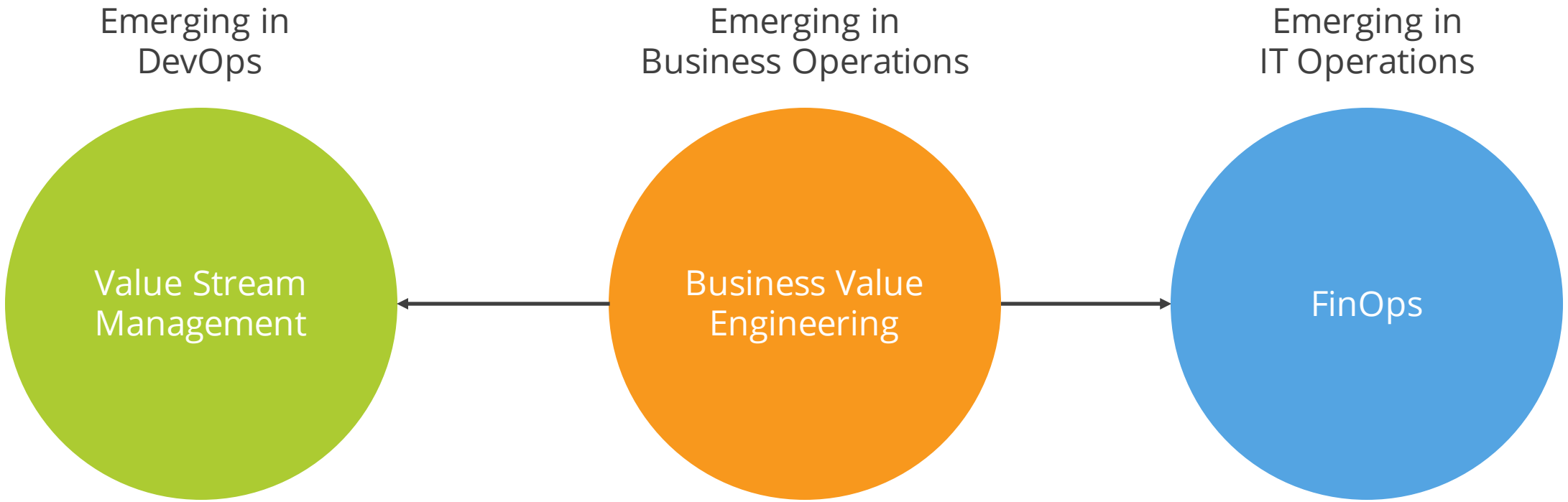
Questions about showing value for GenAI will shift enthusiasm to pragmatics

How important is it to your automation strategy to tie automation to business value delivered?



Source: IDC Worldwide IT Spending Guide 2023; IDC Worldwide Automation and Process Improvement Survey, 2023

Focus on Business Value of Technology Investments Is Cross-Enterprise



GenAI Outcomes Will Use the Same Tools and Align with Existing Metrics

Business value engineering is a data and insights driven methodology and set of tools for automation planning and continuous improvement.

- Built on a BPM foundation, value engineering replaces a technology-first approach to automation and process improvement by aligning technology selection with purpose
- Delivers a metrics-based business case with closed loop measurement as improvements move into production
- Spots business problems quickly for rapid improvement
- Early detection of process inefficiencies

Data Capture & Analysis

- Metrics-Based Performance Assessment
- Process Mining
- Task Mining
- Simulation
- Improvement

Documentation & Design

- BPMN Modeling
- DMN Modeling
- Process Definition Document
- Improvement Design
- KPI Definitions
- Process Design Document
- Enterprise Architecture Tools
- Improvement Pipeline

Observability

- Closed Loop Metrics
- Predictive Analytics
- Monitoring
- Policies
- Reporting
- Notifications
- Orchestration

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