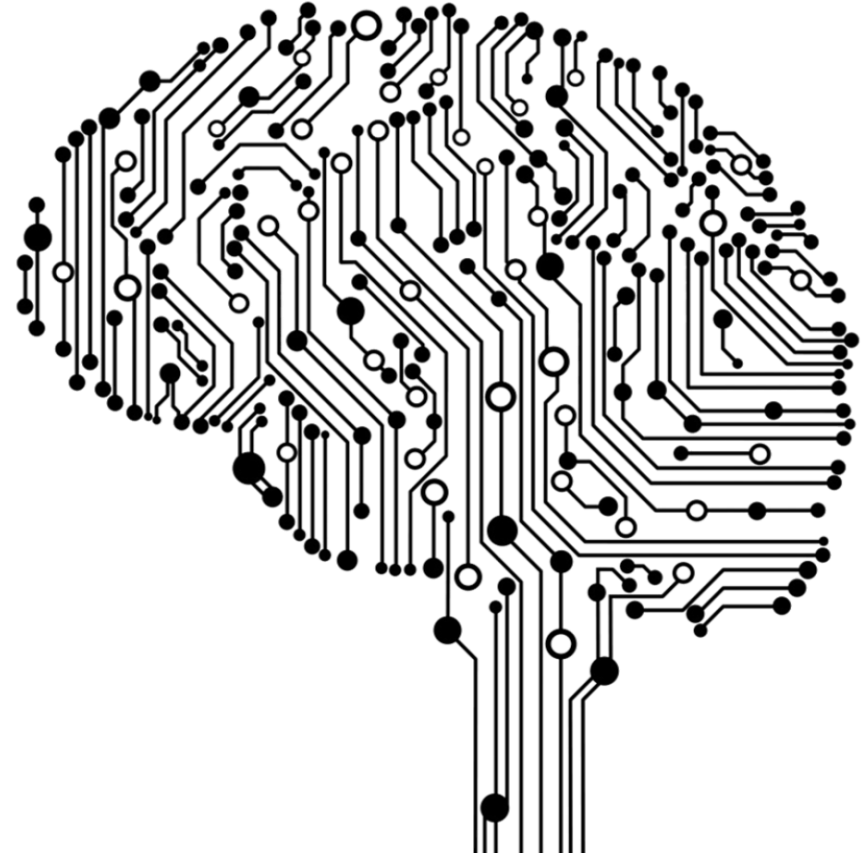


Intelligence Driven Organizations



Osama Hanna
Industry Digital Strategist at Microsoft
Energy Industry Core Team



Osama.hanna@Microsoft.com

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Introduction

Microsoft's Mission & Capabilities



Intelligence Driven Organization

What is an Intelligence Driven Organization? aka "IDO"



Digital Feedback Loop & IDO Pillars

Three examples for IDO : products / services

1. Evolution of Digital Feedback Loop: Tesla EV Example
2. Evolution of Digital Feedback Loop: Microsoft Cloud
3. Hololense 2 from Microsoft



Deep Dive into IDO 4 Pillars

1. Executive Strategy : IDEA Framework & Landing the Vision
2. Business Use Cases
3. The 3 Horizons Business Operating Model
4. Technical Capabilities



Summary & Key Messages

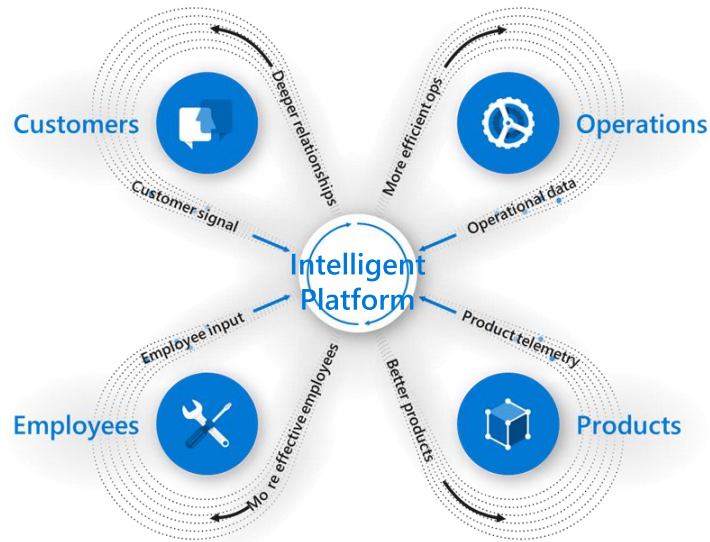
Moving on to "Sustainability by IDS Marc Gigon"

Intelligence Driven Organizations...



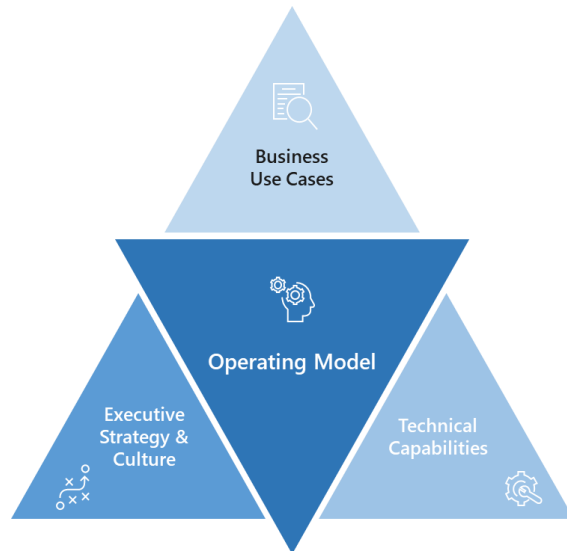
[Play Video](#)

Digital Feedback Loop & IDO Pillars



What is the context?

Customers around the world are working to implement Digital Transformation initiatives that allow them to become Intelligence Driven Organizations, which is leading to real business results. What we have learnt is that transformation requires customers to implement digital feedback loops supported by an Intelligent Platform. We now know what it takes to make digital feedback loops can be articulated along four major axis; Executive Strategy, Technical Capabilities, an agile Operating Model and clear Business Use Cases.



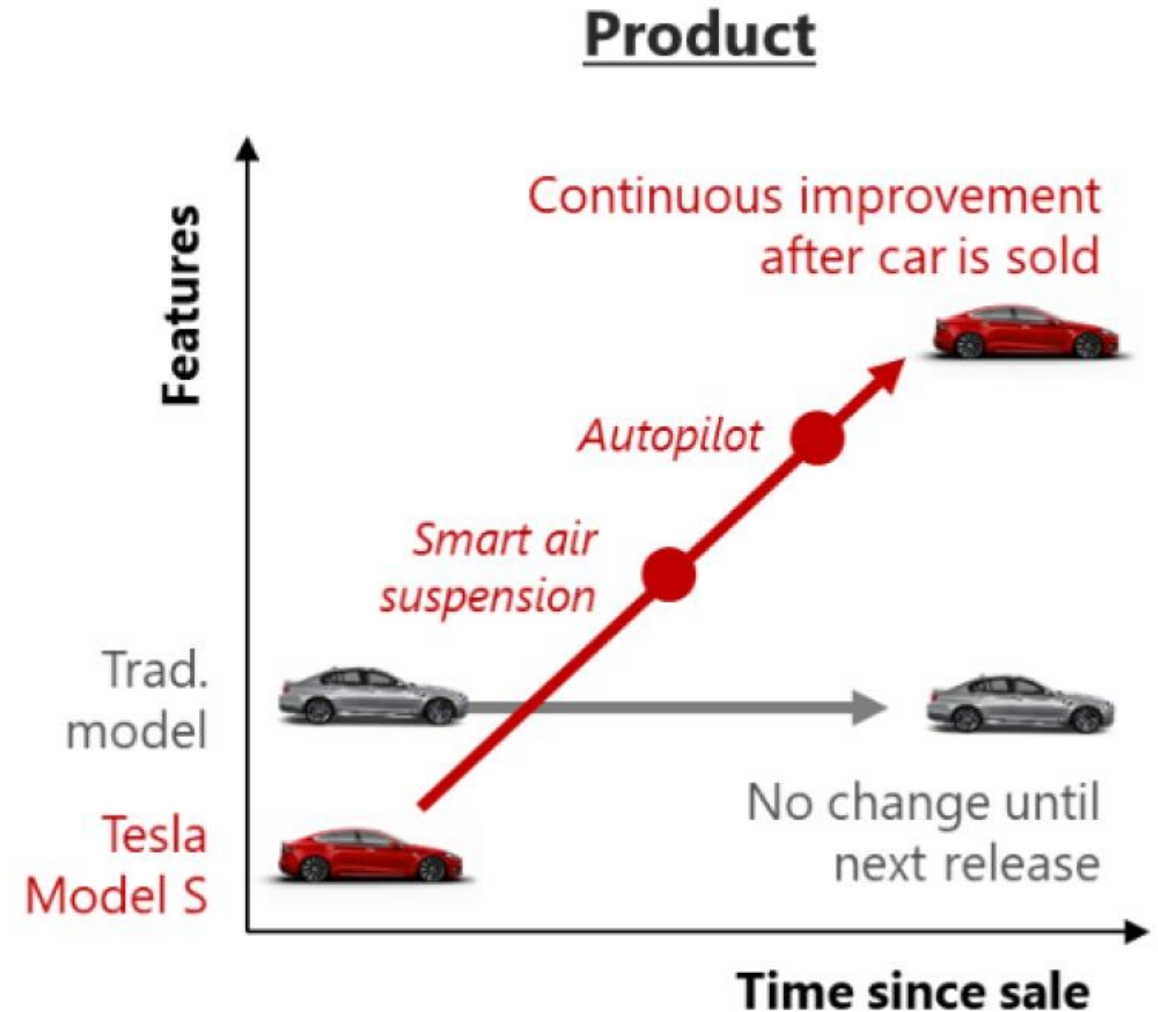
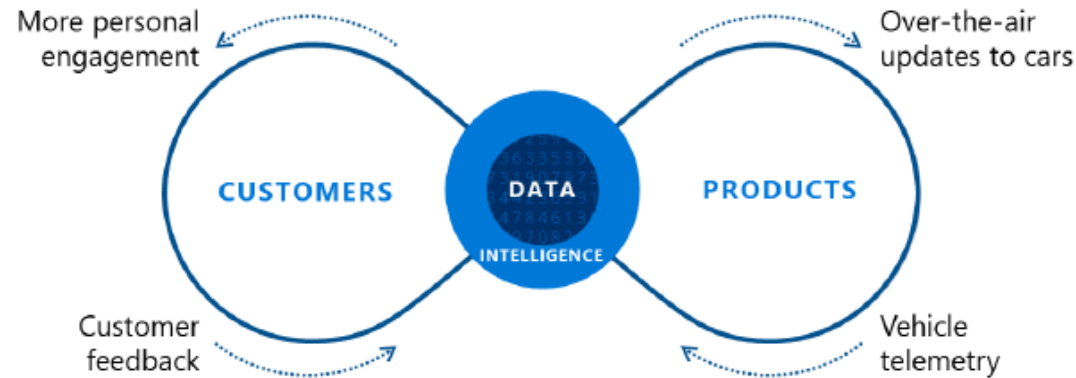
What is our 'message' with Intelligence Driven Organizations?

In simple terms it is...

Microsoft Services can help customers realize the full value of transformation by sharing what we have learnt and helping customers implement a cohesive Intelligent Platform and collaborate to implement the Executive Strategy, build the right Technical Capabilities, define and prioritize Business Use Cases and create an agile Operating Model to operationalize those use cases.

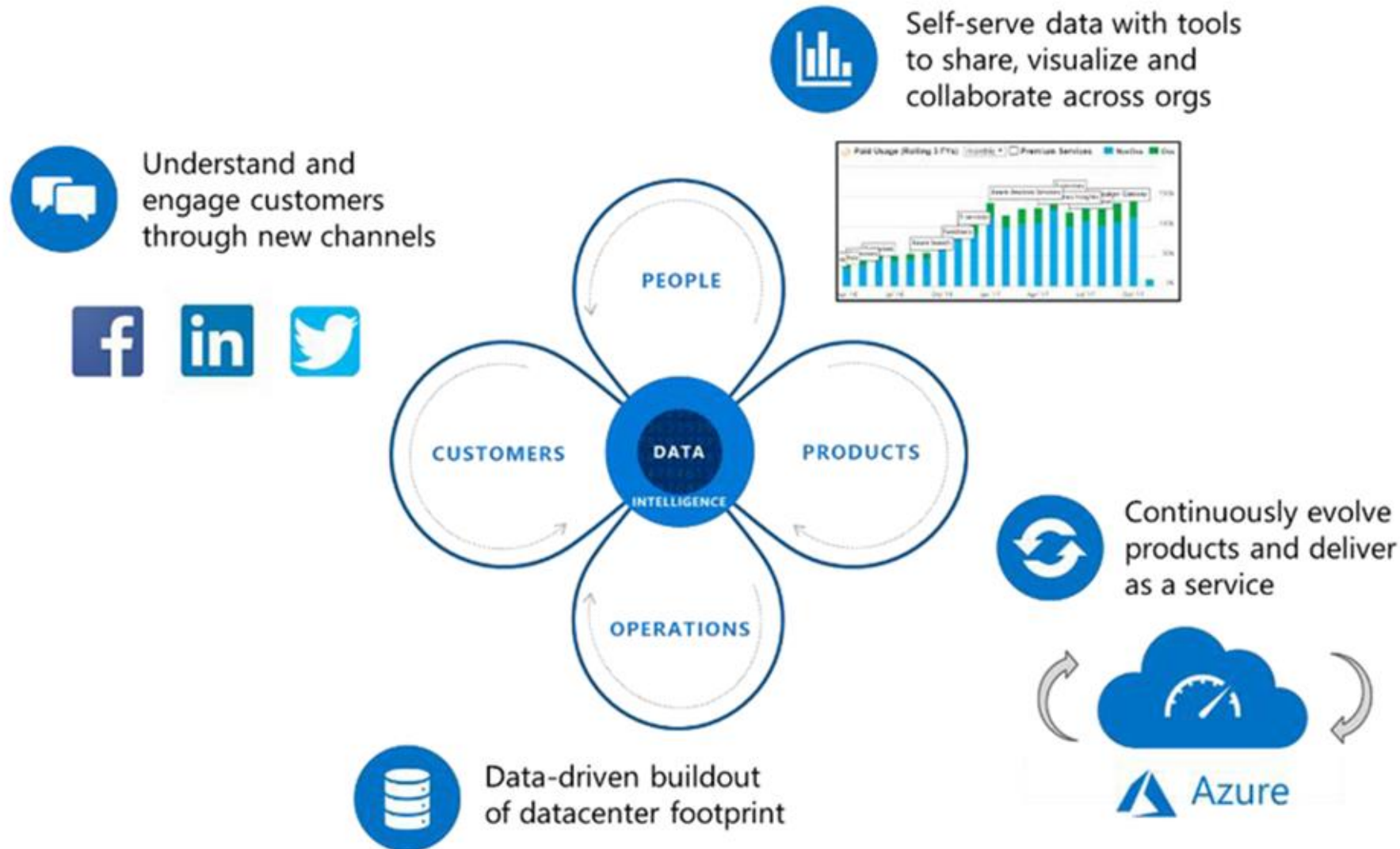
Evolution of Digital Feedback Loop : Example 1

Tesla EV Example



Evolution of Digital Feedback Loop : Example 2

Microsoft Cloud



Evolution of Digital Feedback Loop : Example 3

Hololense 2 from Microsoft



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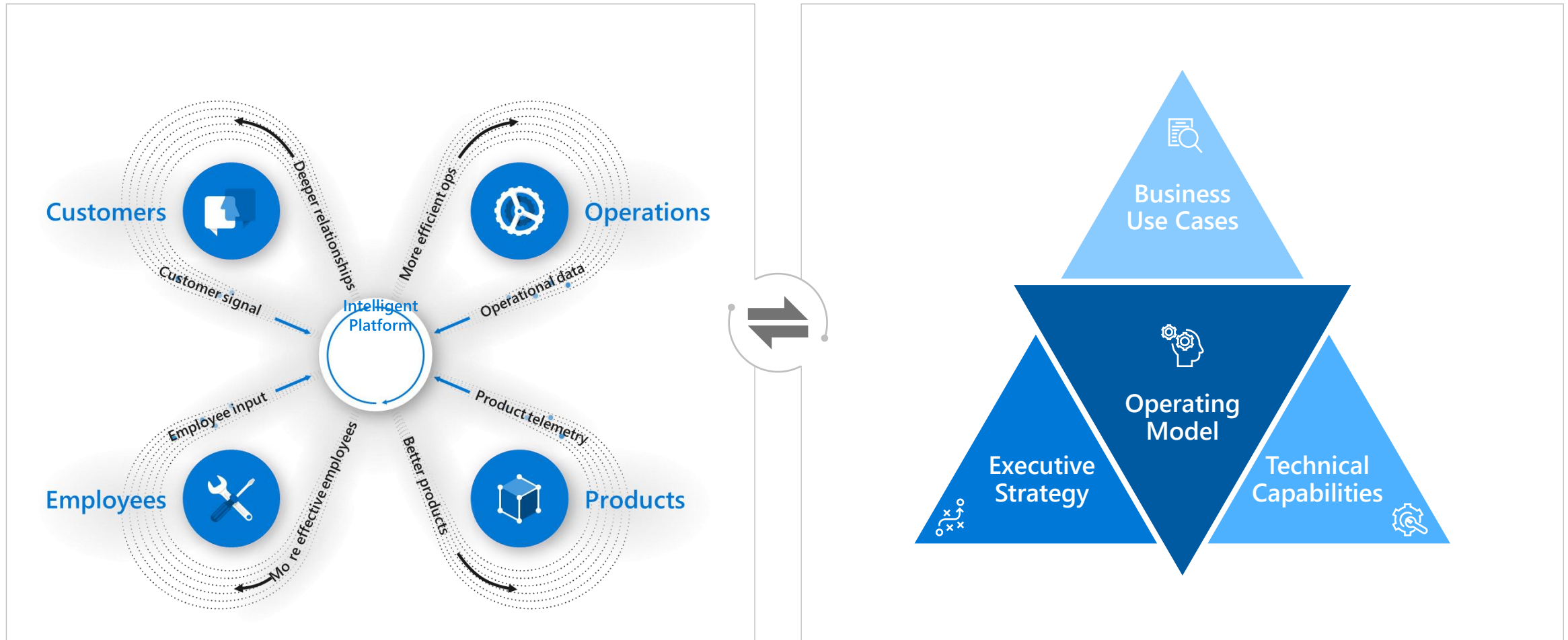
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Summary & Key Messages

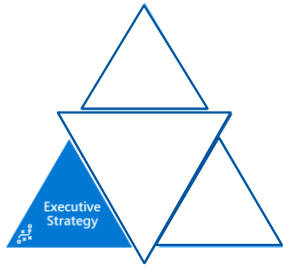
Moving on to "Sustainability by IDS Marc Gigon"

Intelligence Driven Organizations : 4 Pillars

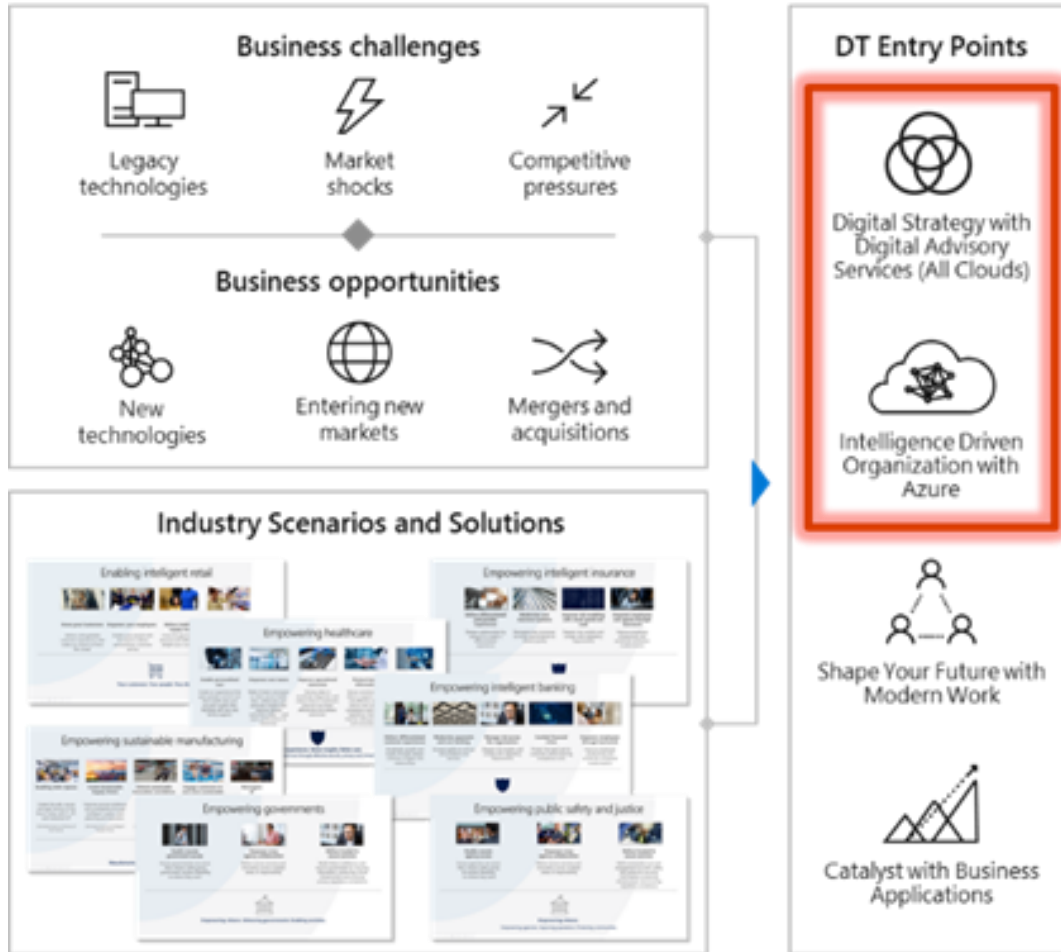


"From Microsoft Services global collective experience we have learnt that making digital feedback loops a reality for our customers starts with having a conversation articulated along four major axis: Executive Strategy, Technical Capabilities, an agile Operating Model and clear Business Use Cases. "

1. Executive Strategy

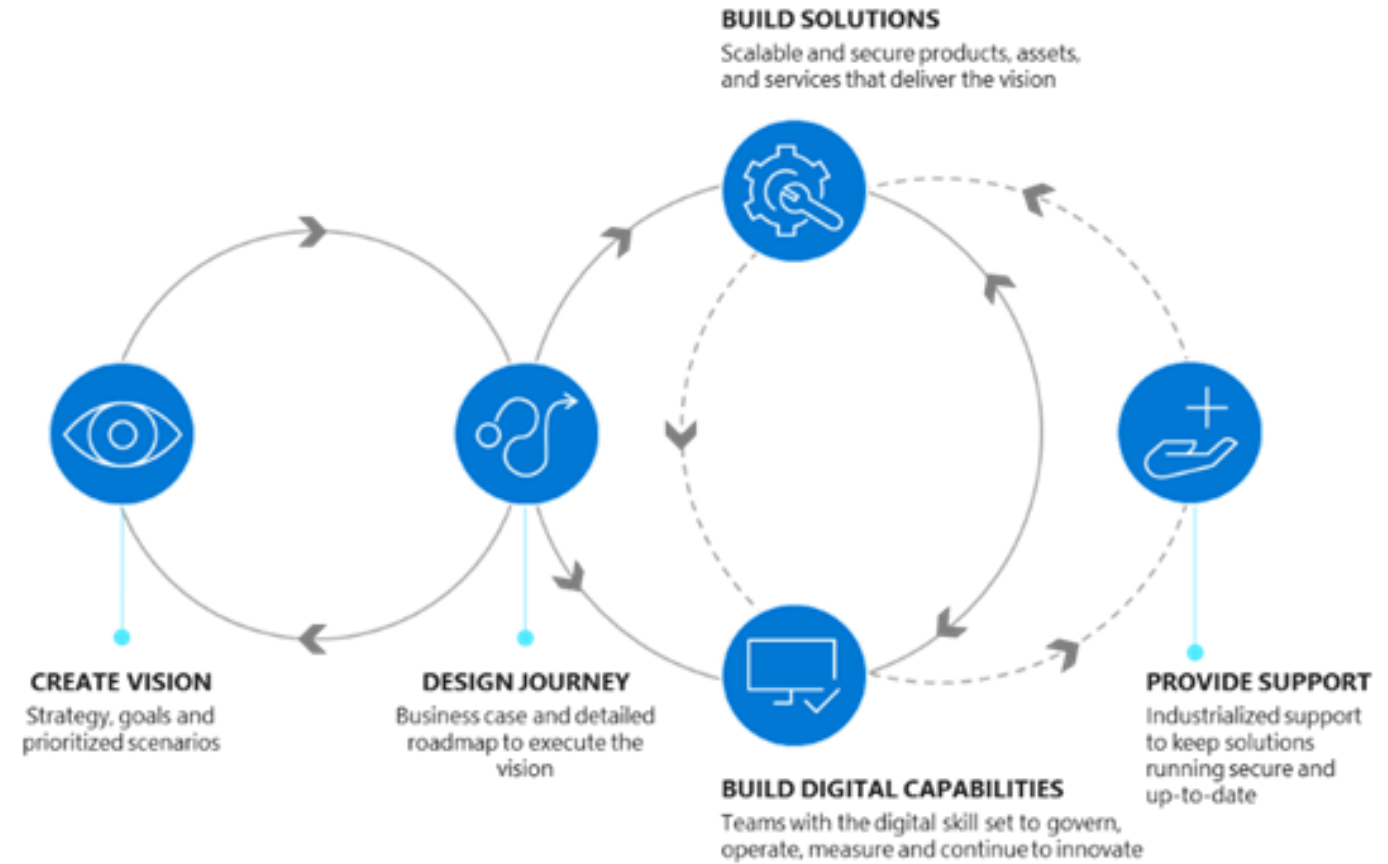


WHY TRANSFORM?



WHAT TO TRANSFORM?

HOW TO TRANSFORM?

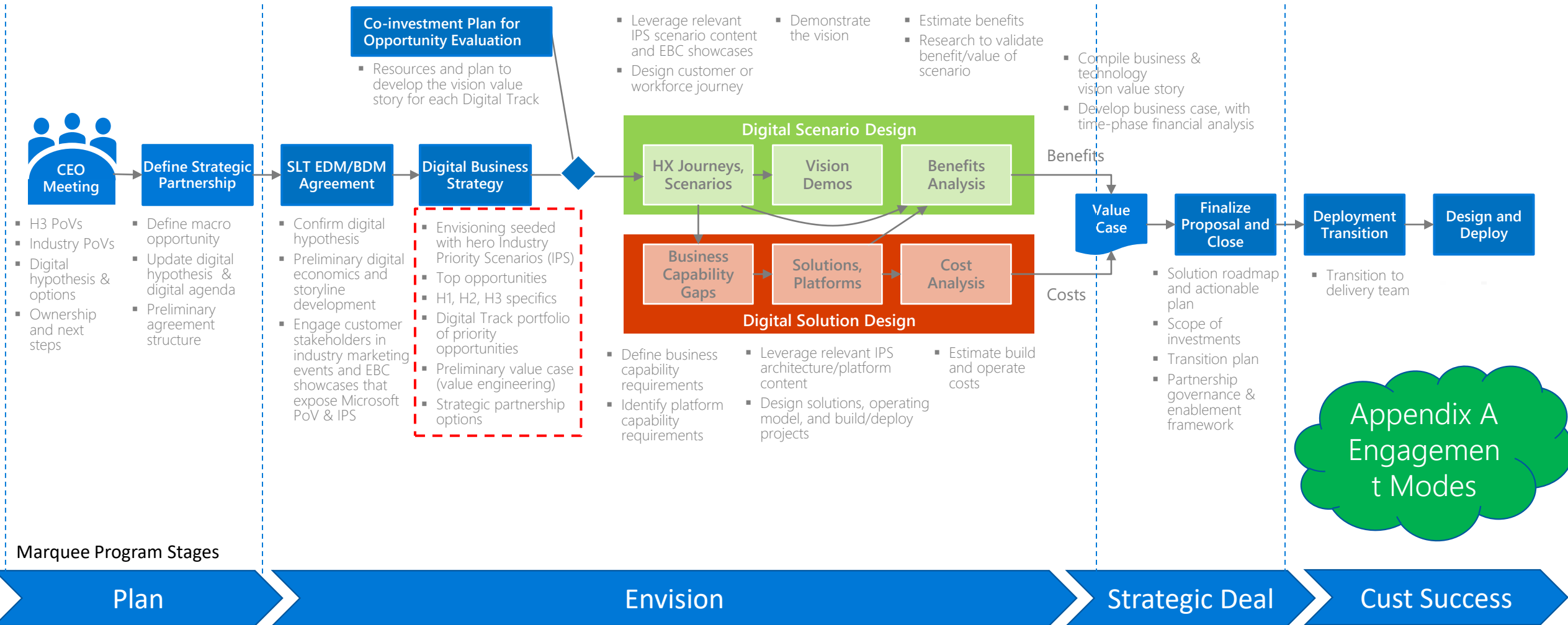


DIGITAL STRATEGY

DIGITAL ENABLEMENT

IDS Ignite Methodology

...to engage as a strategic partner in customer's digital transformation strategy



IDEA Framework

Inspire – Design – Empower – Achieve



CREATE VISION

Strategy, goals and prioritized scenarios



DESIGN JOURNEY

Business case and detailed roadmap to execute the vision

Create Vision and Design Journey
Digital Strategy Delivery Framework

18

Digital Strategy



Inspire

Understand market trends and MSFT's POV to imagine what transformation could mean for your business with a customized list of priorities

Thought leadership and envisioning workshop



Design

Ensure buy-in and understanding of the vision and scenarios across your organization with visual assets and immersive experiences

Strategy design and solution demonstration



Empower

Quantify and qualify the value of your business transformation with an executive-ready proposal and business case

Solution assessment and business case

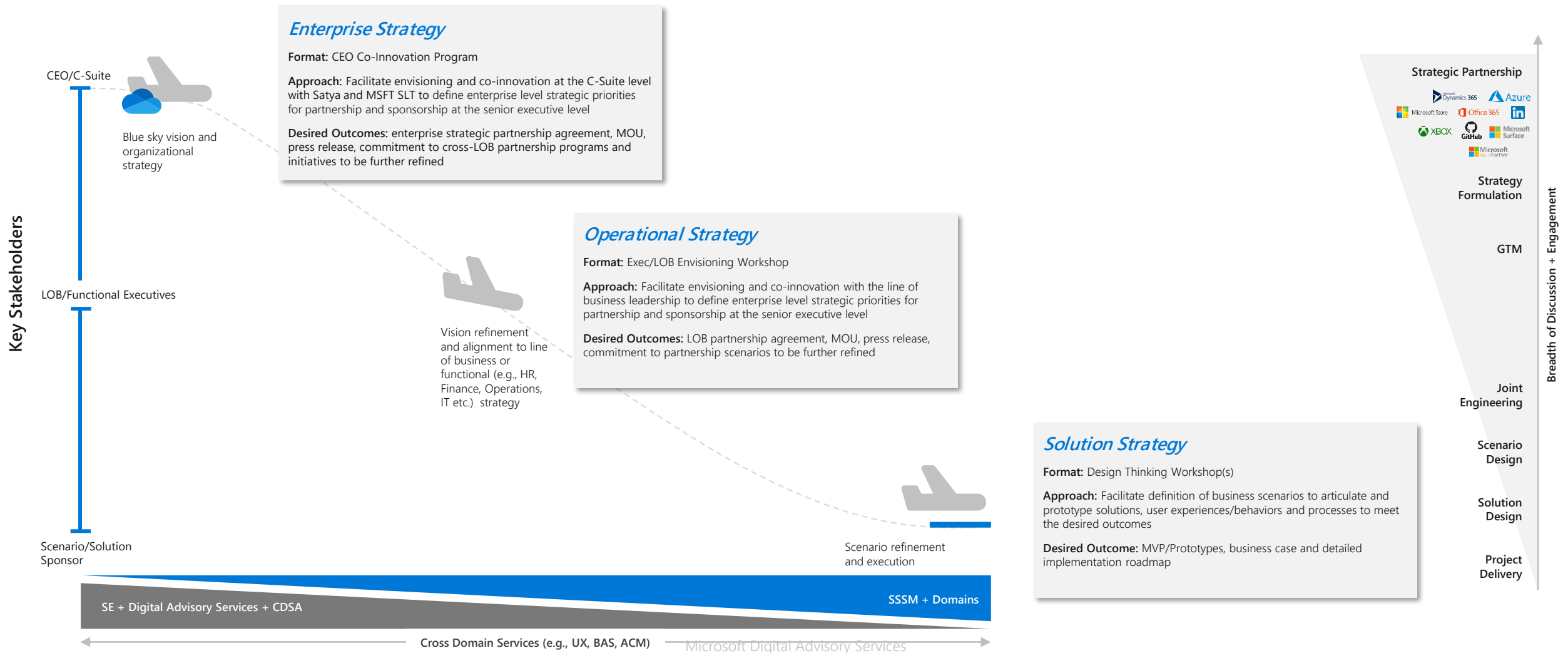


Achieve

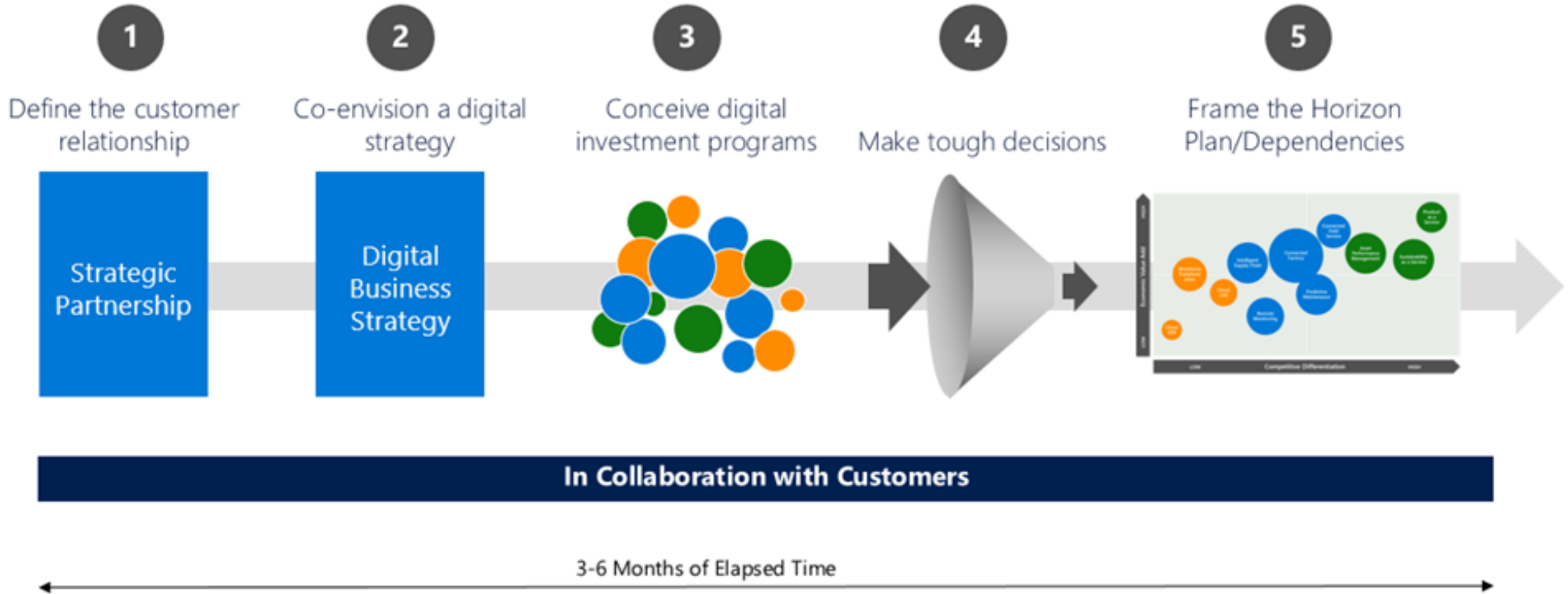
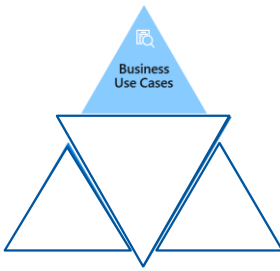
Executable strategy and plan to ensure a smooth launch with the right resources, focusing on the desired outcomes

Transformation and delivery plan

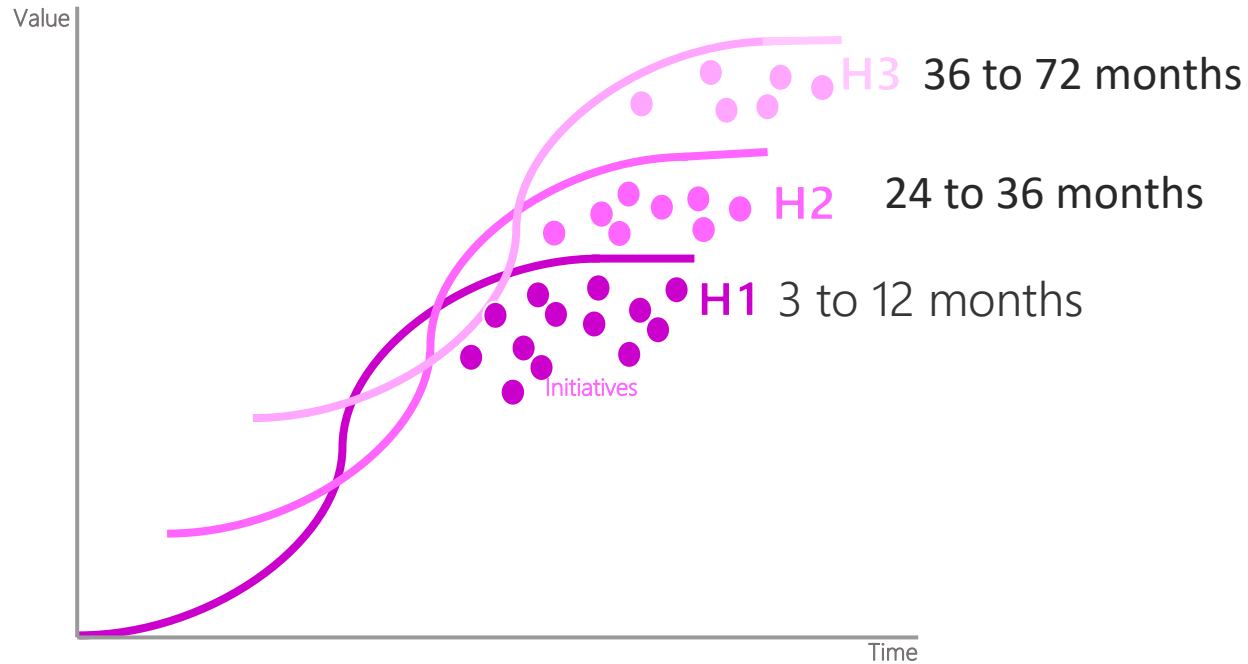
Landing the vision through the IDEA Framework



2. Business Use Cases



The 3 Horizons model : History



Horizon Three – Ideas for profitable growth down the road, research projects, entrepreneurial ventures and/or minority stakes in new businesses.

Experiment with new capabilities, offers and business models and promote viable options to Horizon 2.

Horizon Two – Emerging opportunities likely to generate substantial profits in the future but that could require significant investment.

Introduction of new, differentiated offers possibly serving new customers and markets.

Horizon One – Pertains to core businesses readily identified and currently providing the greatest profits and cash flow.

Performance improvements to maximize the remaining value of the current business.

First articulated by [Baghai](#), Coley, and White in 2000, in "*The Alchemy of Growth*"

In the 21st century the Old Three Horizons model has a fatal flaw that risks making companies lag behind competitors — or even putting them out of business. "Harvard Business Review"

The Original three horizons model by

McKinsey

No Longer applies today

Horizon Three – Ideas for profitable growth down the road, research projects, entrepreneurial ventures and/or minority stakes in new businesses.

Experiment with new capabilities, offers and business models and promote viable options to Horizon 2.

Horizon Two – Emerging opportunities likely to generate substantial profit in the future but that could require significant investment.

Introduction of new, differentiated products possibly serving new customers and markets.

Horizon One – Pertains to core businesses readily identified and currently providing the greatest profits and cash flow.

Performance improvements to maximize the remaining value of the current business.

Source McKinsey. Provides structure for companies to assess potential opportunities for growth without neglecting performance in the present.

Time

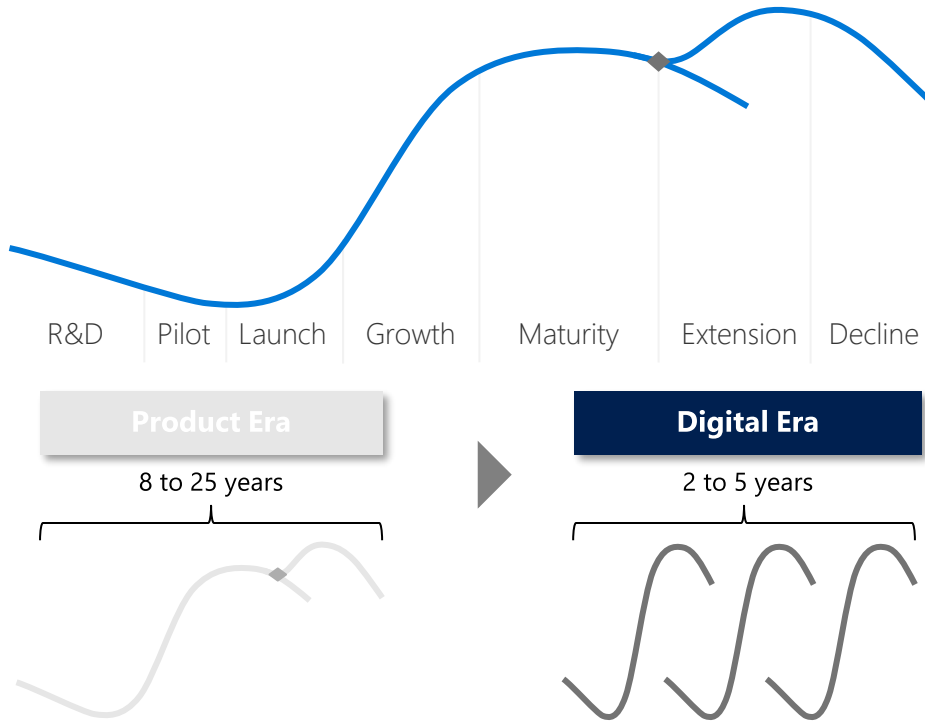
“This time-based definition made sense in the 20th century when new disruptive ideas took years to research, engineer, and deliver. That’s no longer true in the 21st century.
The three horizons are no longer bound by time.”

- Dr Steve Blank

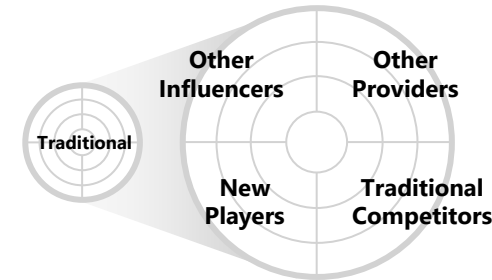
[Harvard Business Review](#)

Horizon lines are blurring under the pace of Digital change

Shortened services & offers lifecycle in the Digital Era



Non-traditional threats



Beyond traditional growth moves



Investments shifting towards rapid innovation

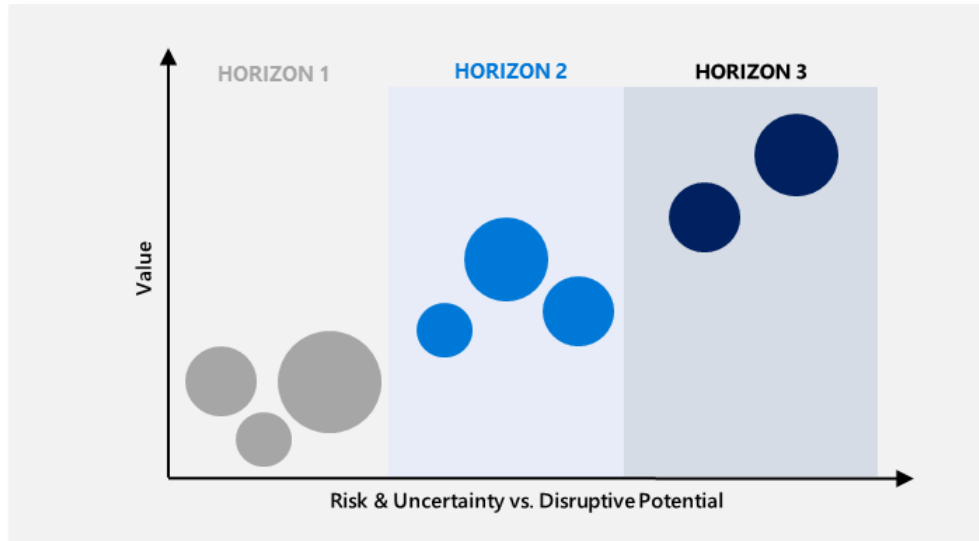
- Accelerating business cycles
- Expanding competition incl. non-traditional competitors
- Creative, surprising new business models
- Rapid imitation and commoditization
- Highly information intensive digital business designs
- Extended, complex information chains

Key to success is to address all 3 Horizons simultaneously

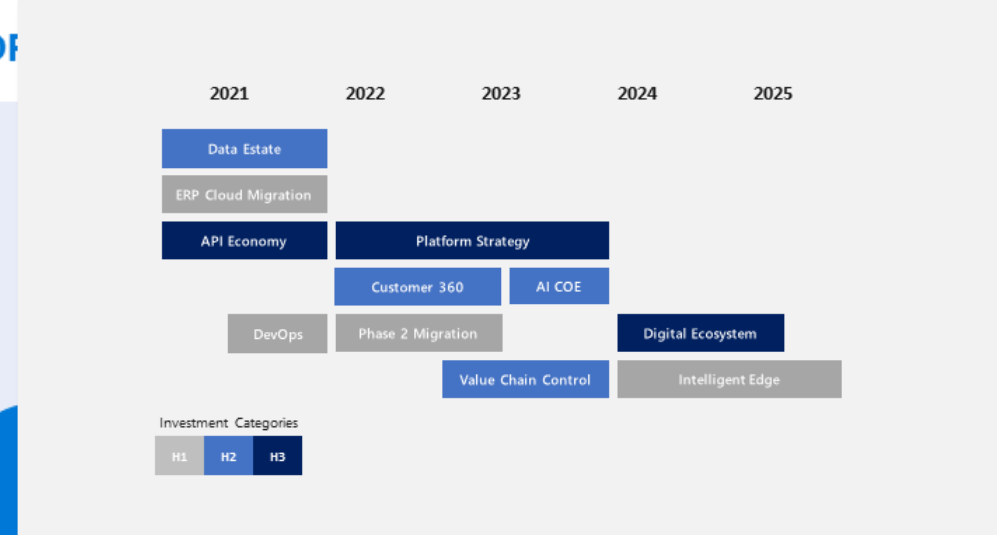
The Modern Three Horizons Fram

H1 H2 H3

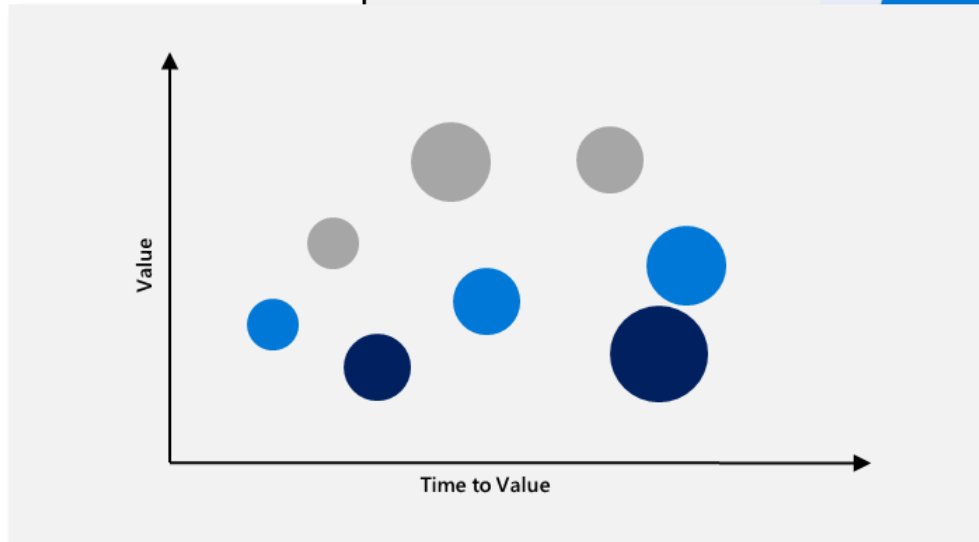
VALUE TO RISK VIEW



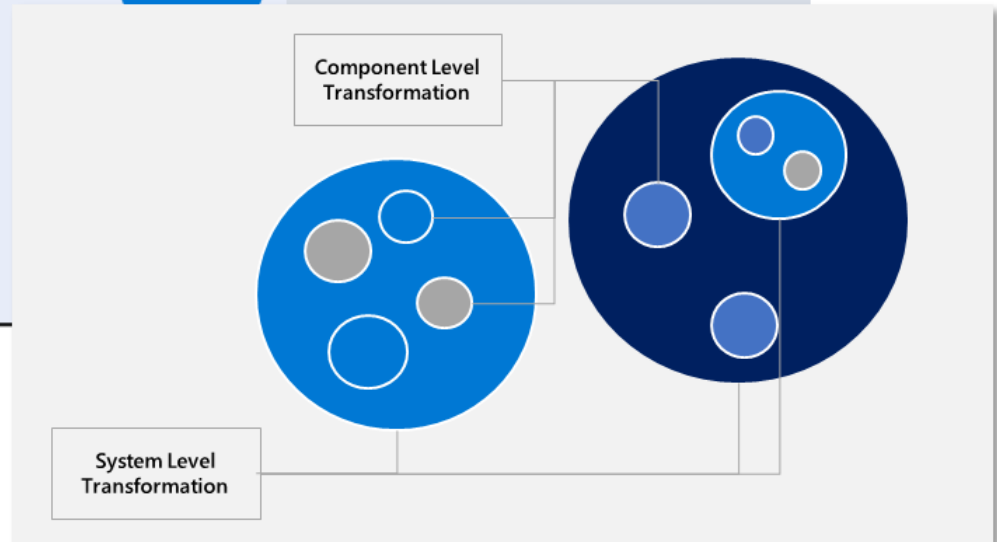
DELIVERY VIEW



TIME TO VALUE VIEW



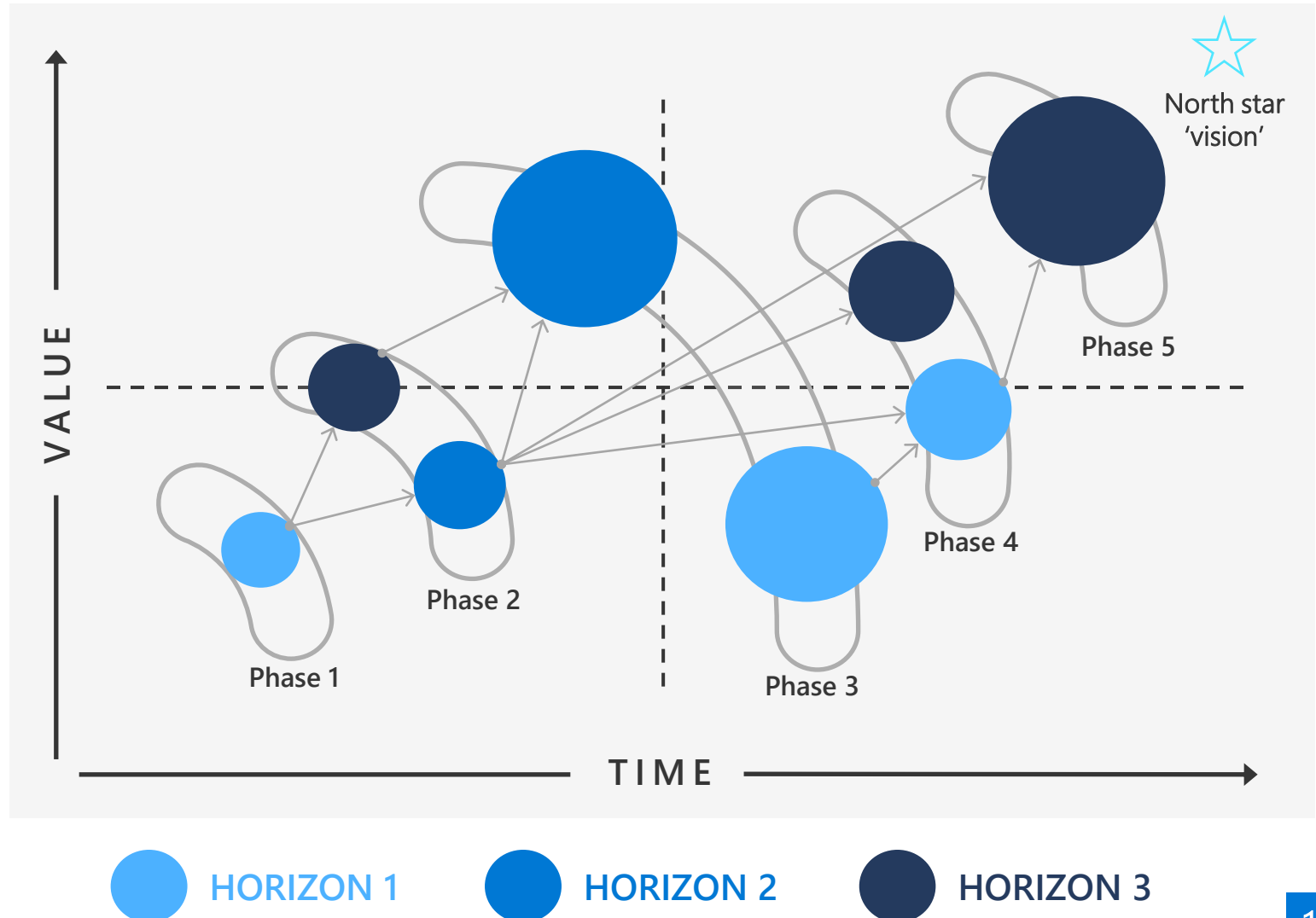
SYSTEM COMPONENT VIEW



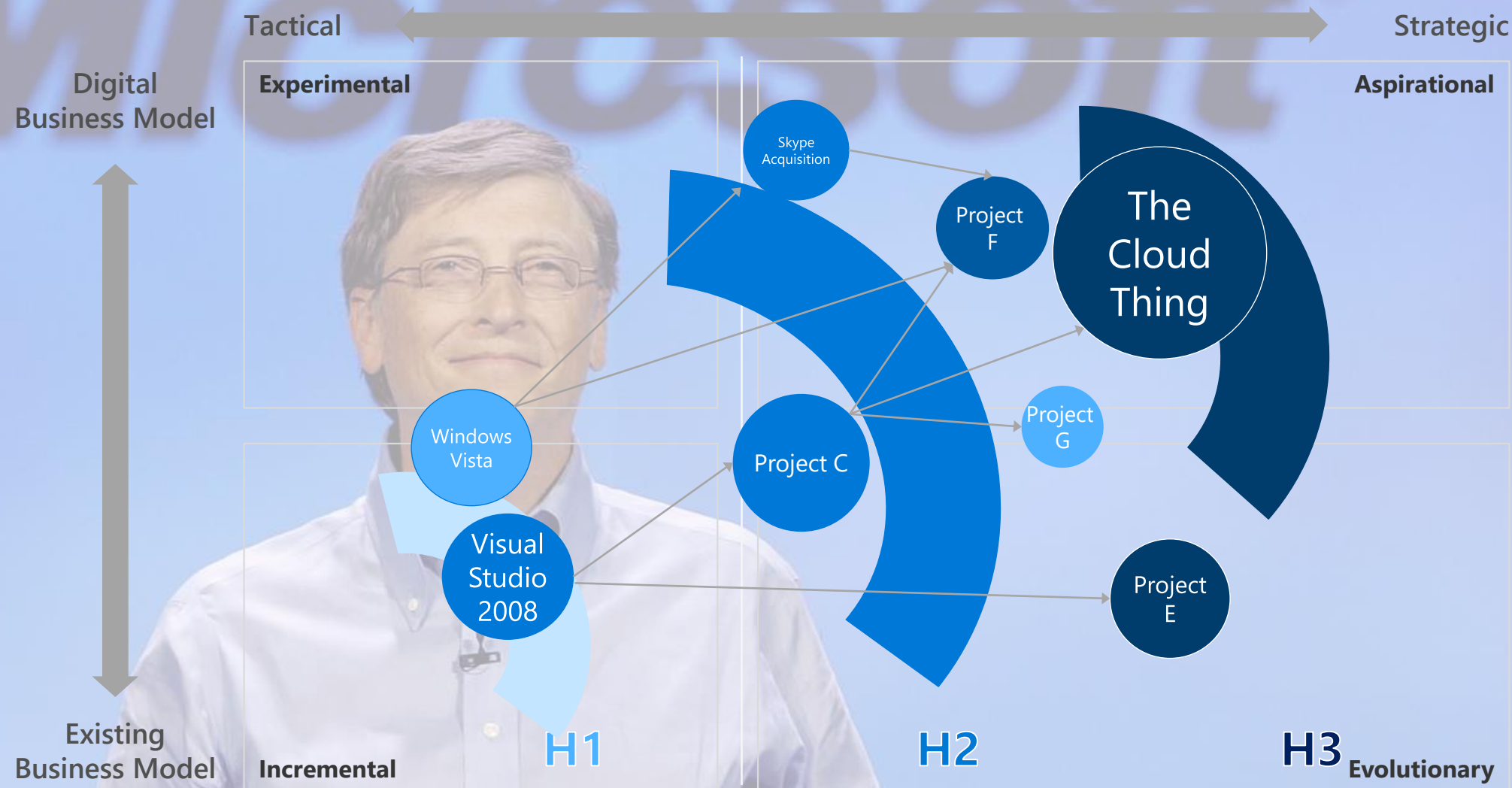
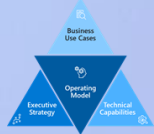
21st Century 3-Horizon-based transformation

The horizons-based framework provides a **structure** for organizations to assess potential opportunities for growth without neglecting performance in the present.

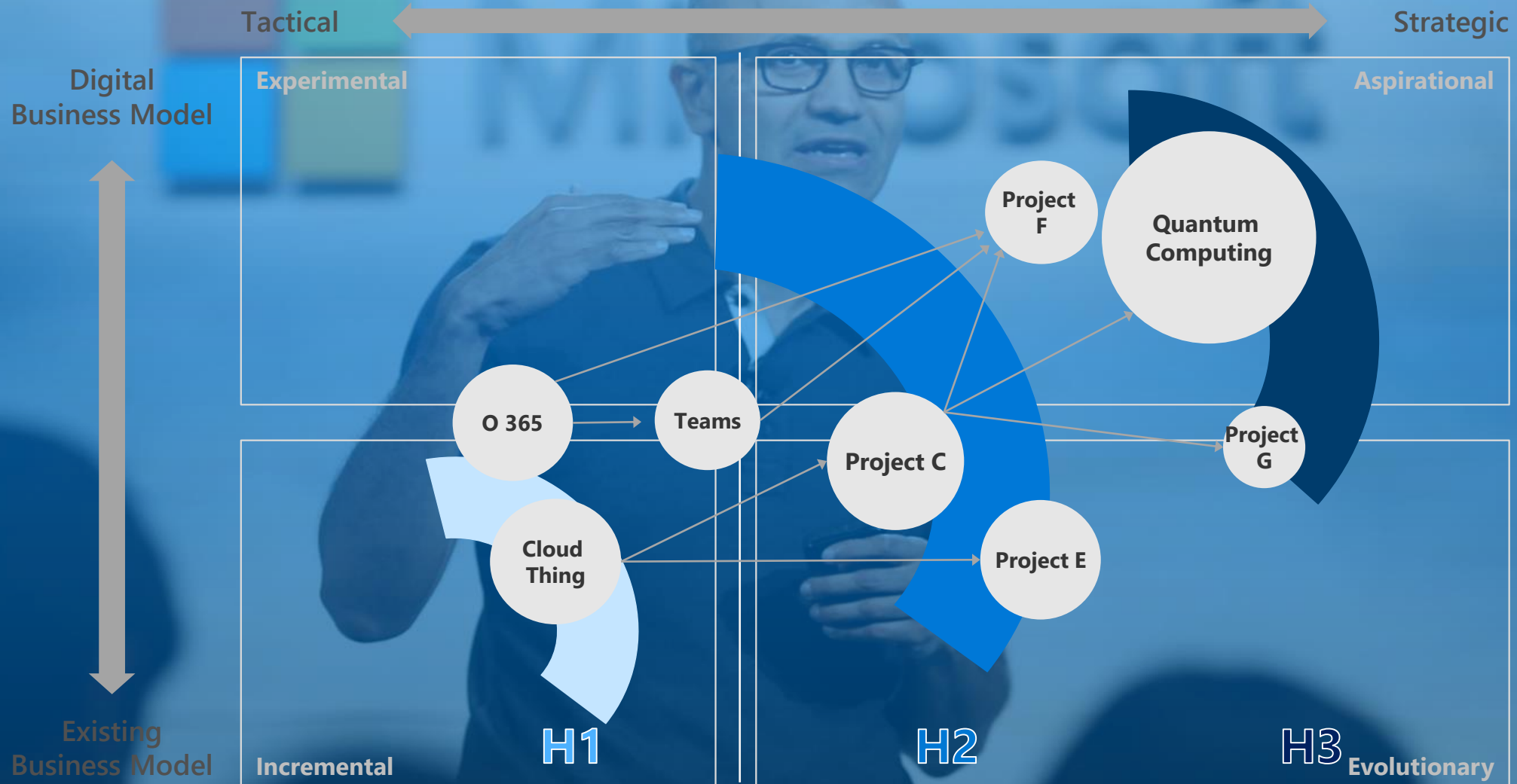
All horizons map to the **north star**—which represents the vision for the organization's future relevance.



3-Horizon Time Machine : Microsoft in 2006



3-Horizon Time Machine Microsoft in 2018



H1/2/3 Is not Static

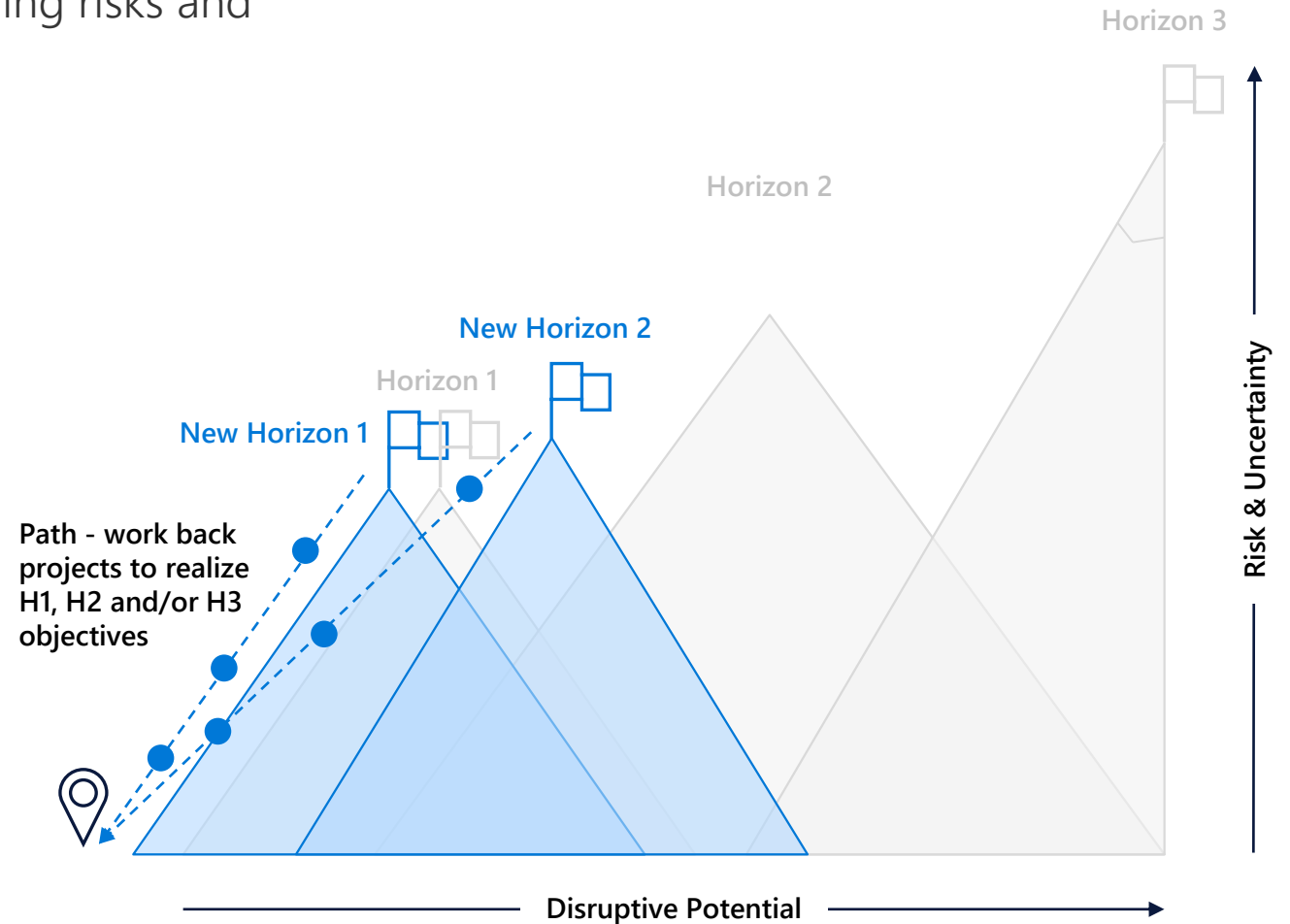
As market conditions evolve and change, we need to be constantly helping our clients recognize emerging risks and trends to continuously re-prioritize initiatives.

The 2008 Financial Crisis and the 2019 Novel Coronavirus Outbreak are examples of where rapidly changing market conditions have forced companies to re-evaluate their priorities to survive.

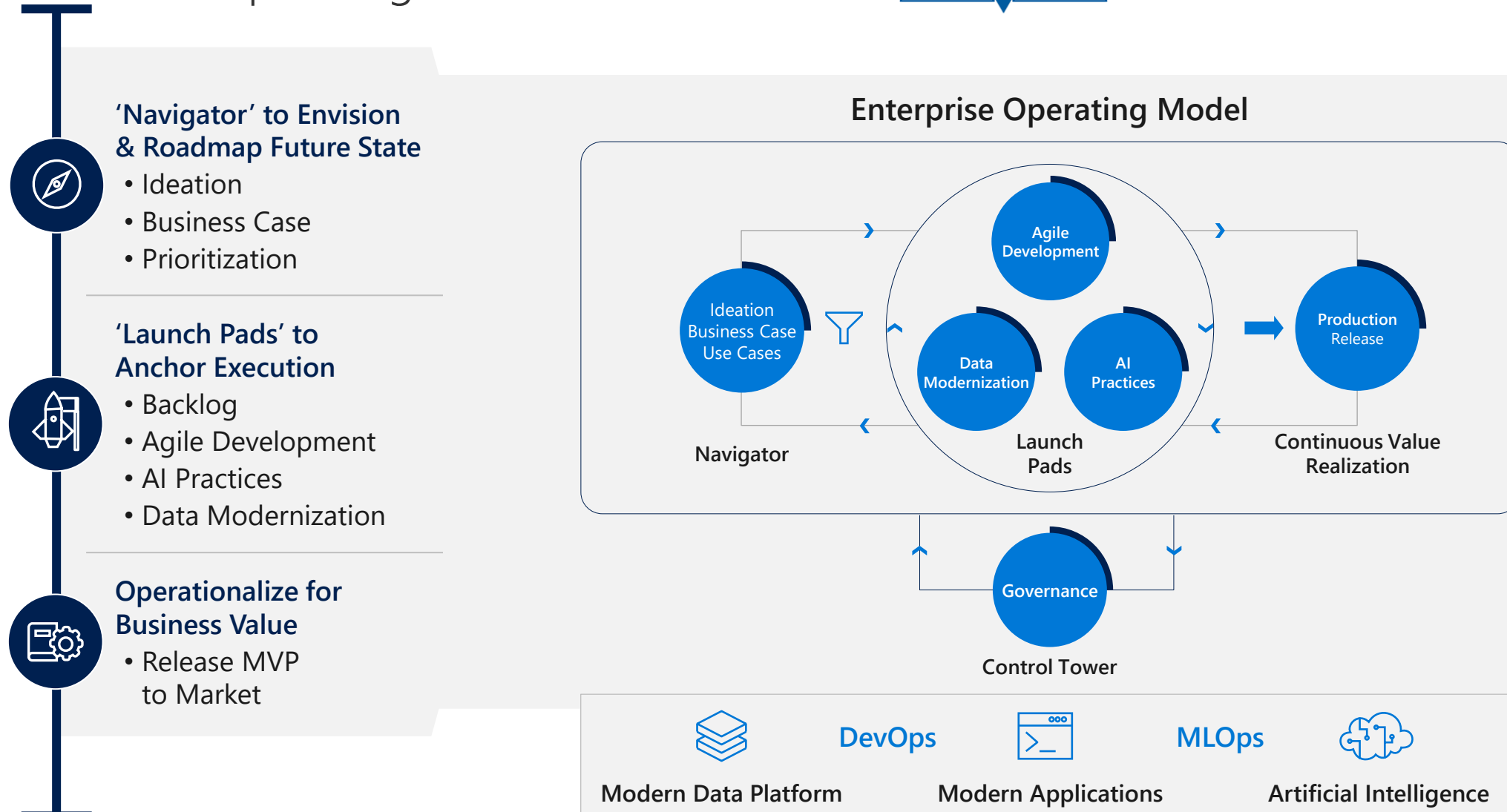
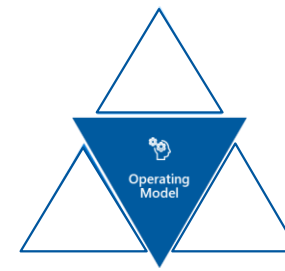
In order to **build the necessary long-term trust** with our customers, we need to be mindful of our customers business context and help them through both the good as well as the challenging times.

This may mean helping our clients focus on modern workplace initiatives to support remote working during the 2019 Coronavirus Epidemic rather than more transformational initiatives, but by consciously looking out for our customer's needs and best interest, we will continuously build ongoing trust in the long term.

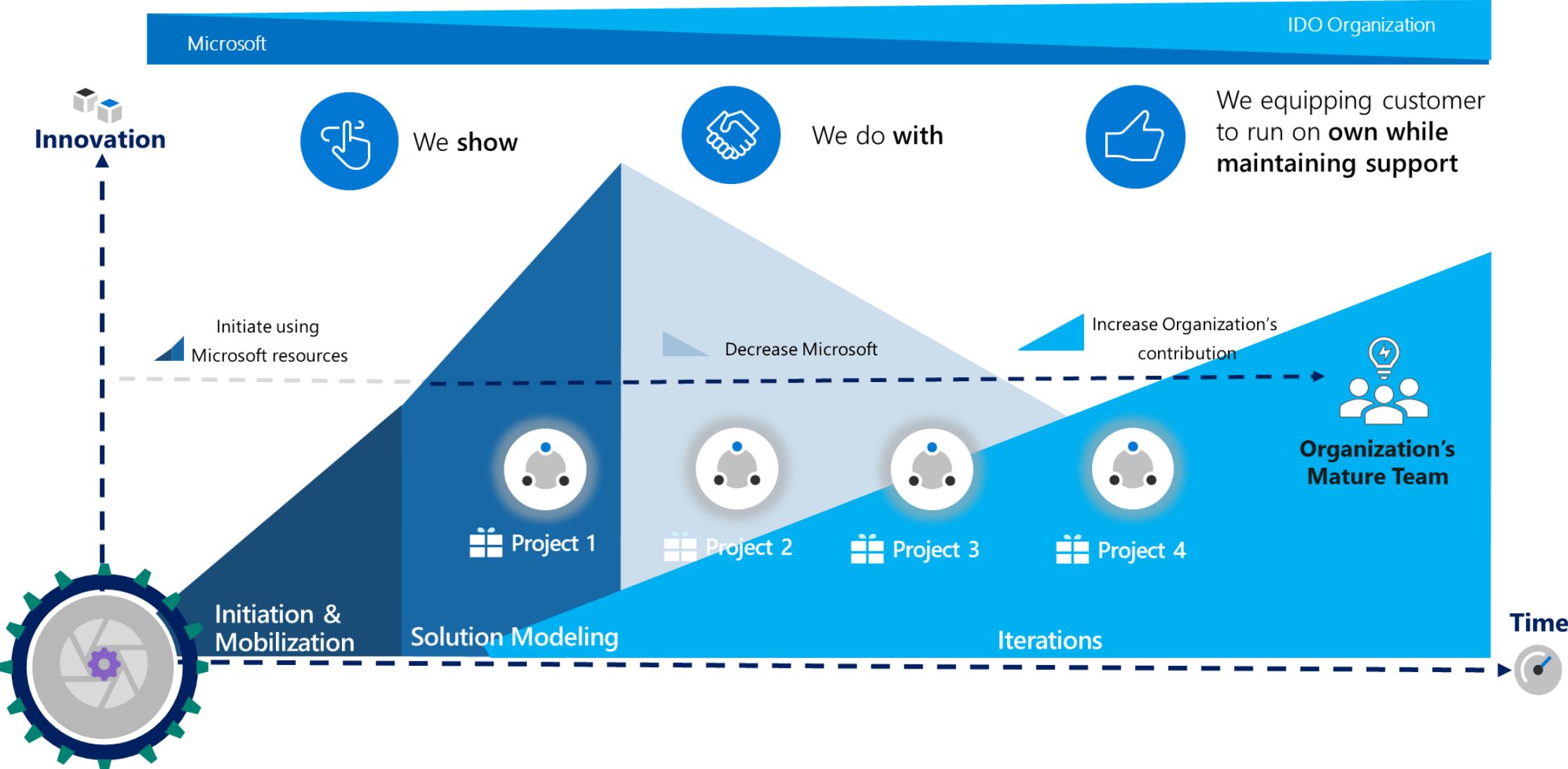
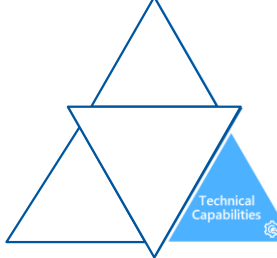
North Star 'Vision' is critical to defining the Horizons



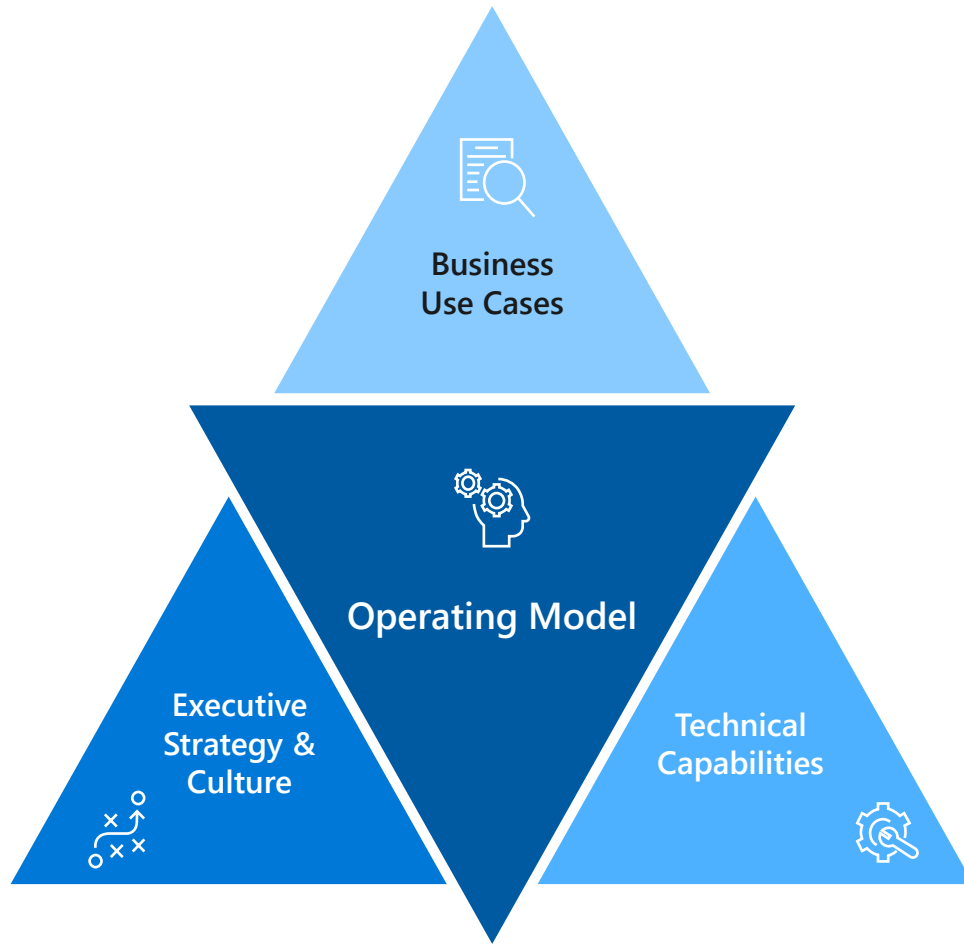
3. Operating Model



4. Technical Capabilities



IDO Summary



Executive Strategy

- Create digital culture
- **Set data driven goals**
- Assess organizational structure

Business Use Cases (Business/LoB Execution)

- Define Use Cases, business outcomes
- Drive Adoption
- Create Organizational Knowledge

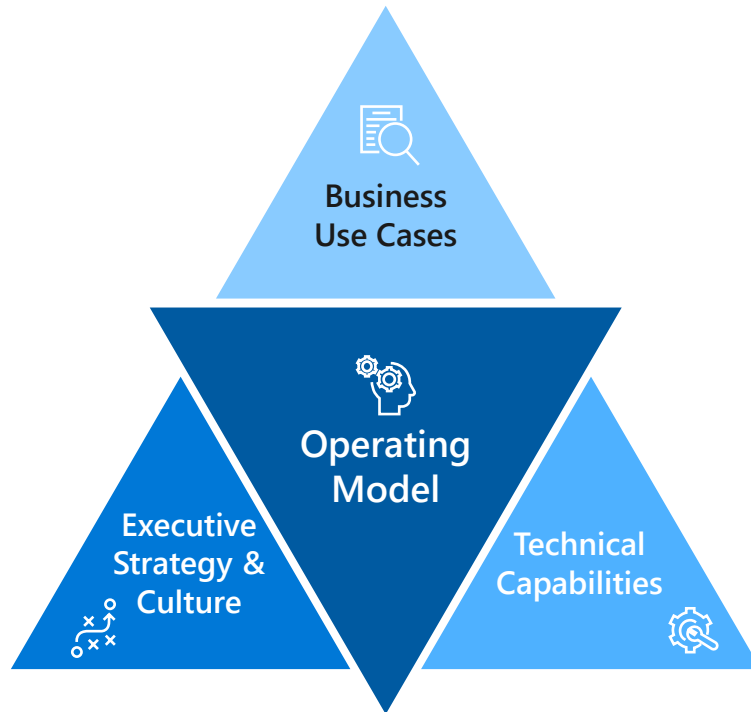
Operating Model

- Organize around continuous delivery
- Data Governance/DataOps
- DevOps/MLOps

Technology Capabilities

- Leverage Based Practices
- Understand current and target State
- Create a Data & AI platform
- Set up data governance, security and compliance model

IDO Key Messages



Message #1

We are the world's largest software company with a collective and global experience supporting the creation of Intelligence Driven Organization and the Digital Transformation of our customers

Message #2

Microsoft Services is really good at solving hard problems (see examples throughout the presentation) and can be strategic partner of your digital transformation

Message #3

Our point of view is shaped by the lesson learned/previous experience. This experience has been distilled into frameworks / checklists to simplify, structure and accelerate adoption

Thank you

ευχαριστώ

Salamat Po

متشكرم

شكراً

Grazie

благодаря

ありがとうございます

Kiitos

Teşekkürler

谢谢

ขอบคุณครับ

Obrigado

شکریہ

Terima Kasih

Dziękuję

Hvala

Köszönöm

Tak

Dank u Wel

дякую

Tack

Mulțumesc

спасибо

Danke

Cám ơn

Gracias

多謝晒

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감사합니다

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