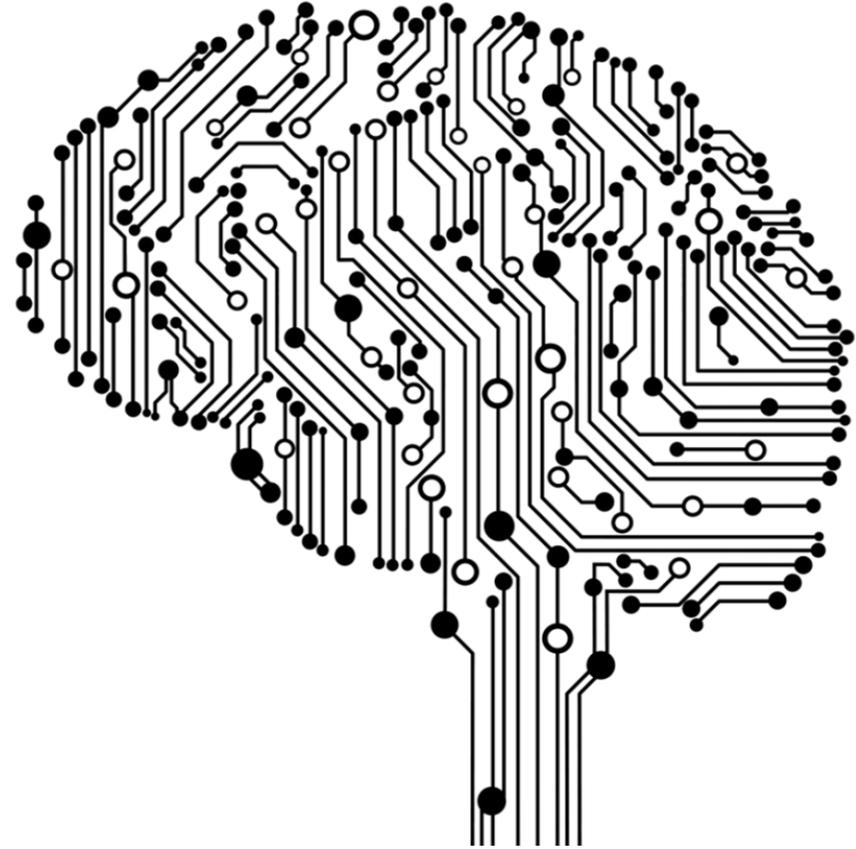


# Intelligence Driven Organizations



**Osama Hanna**  
Industry Digital Strategist at Microsoft  
Energy Industry Core Team



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# AGENDA



## 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

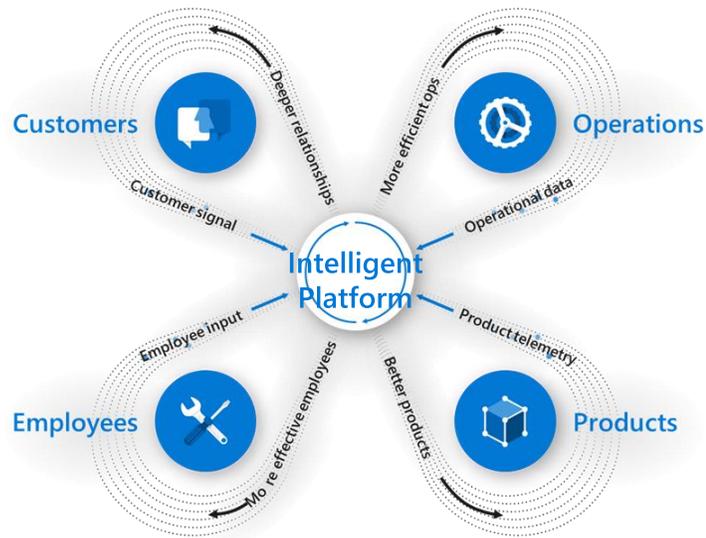
Moving on to "Sustainability by IDS Marc Gigon"

# Intelligence Driven Organizations...



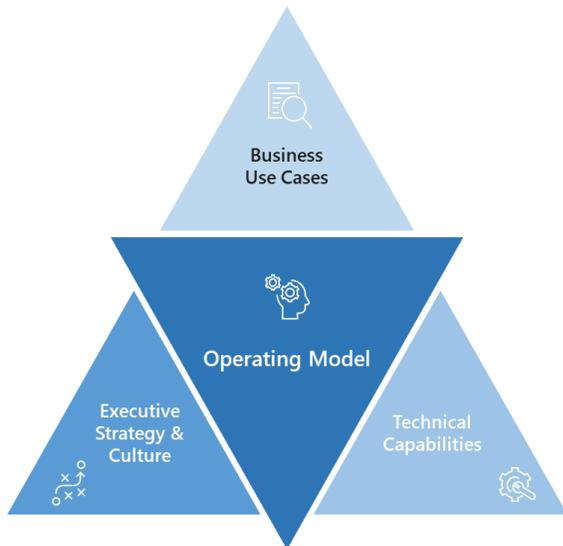
Play Video

# 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.



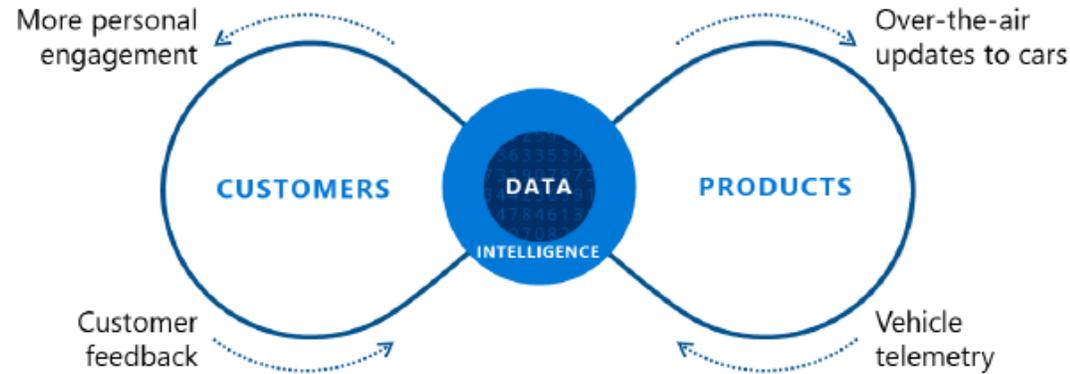
## What is our 'message' with Intelligence Driven Organizations?

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.

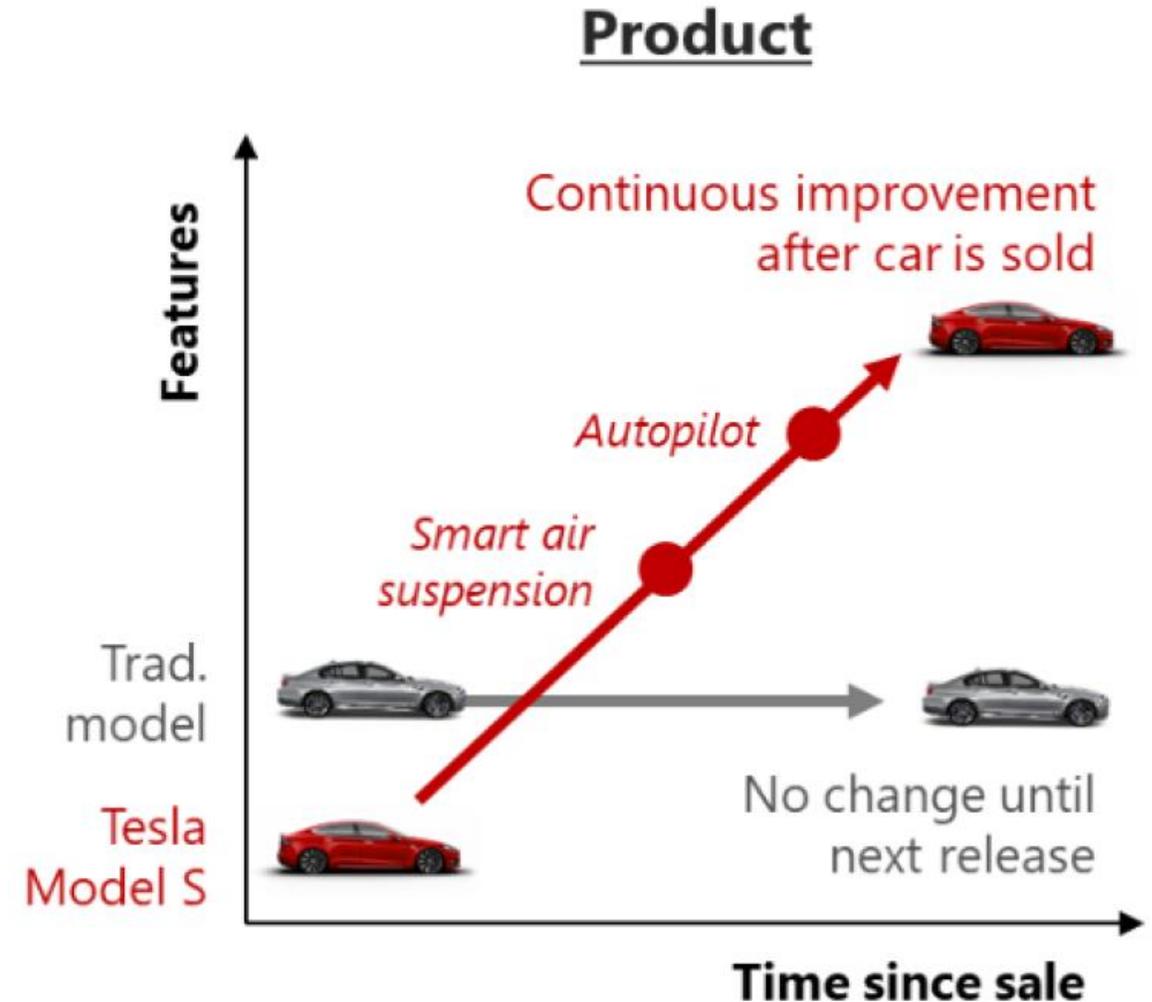
# Evolution of Digital Feedback Loop : Example 1

Tesla EV Example



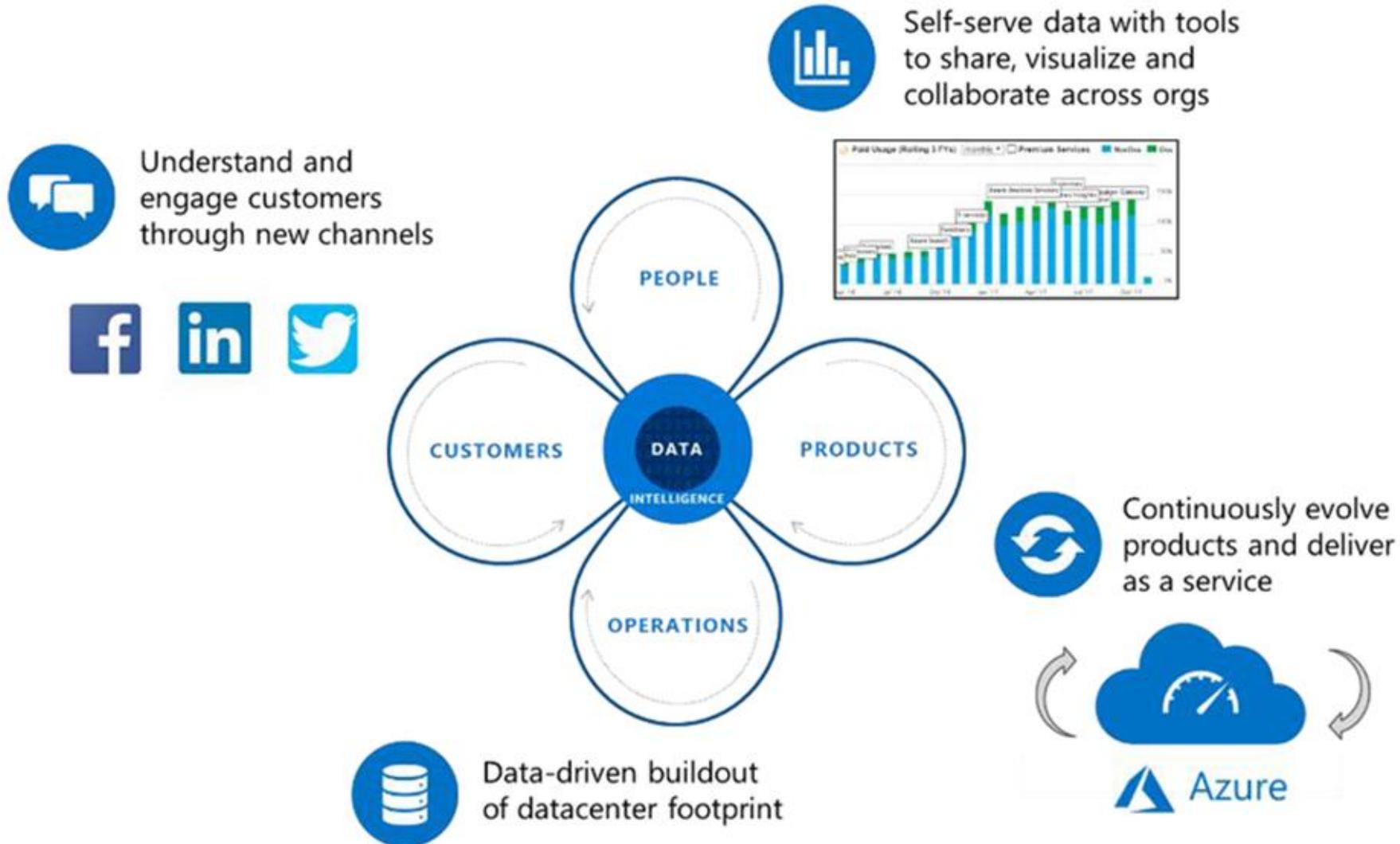
**Paul Franks** @pjfranks1509 · Aug 18, 2017  
@elonmusk can you guys program the car once in park to move back the seat and raise the steering wheel? Steering wheel is wearing.  
37 93 1.7K

**Elon Musk** @elonmusk · Aug 18, 2017  
Good point. We will add that to all cars in one of the **upcoming software releases**.  
268 592 8.6K



# Evolution of Digital Feedback Loop : Example 2

Microsoft Cloud



# Evolution of Digital Feedback Loop : Example 3

Hololense 2 from Microsoft

HoloLens 2 AR Headset: On Stage Live Demonstration

<https://youtu.be/uIHPPtPBgHk>



Julia Schwarz  
Microsoft

Play (k)



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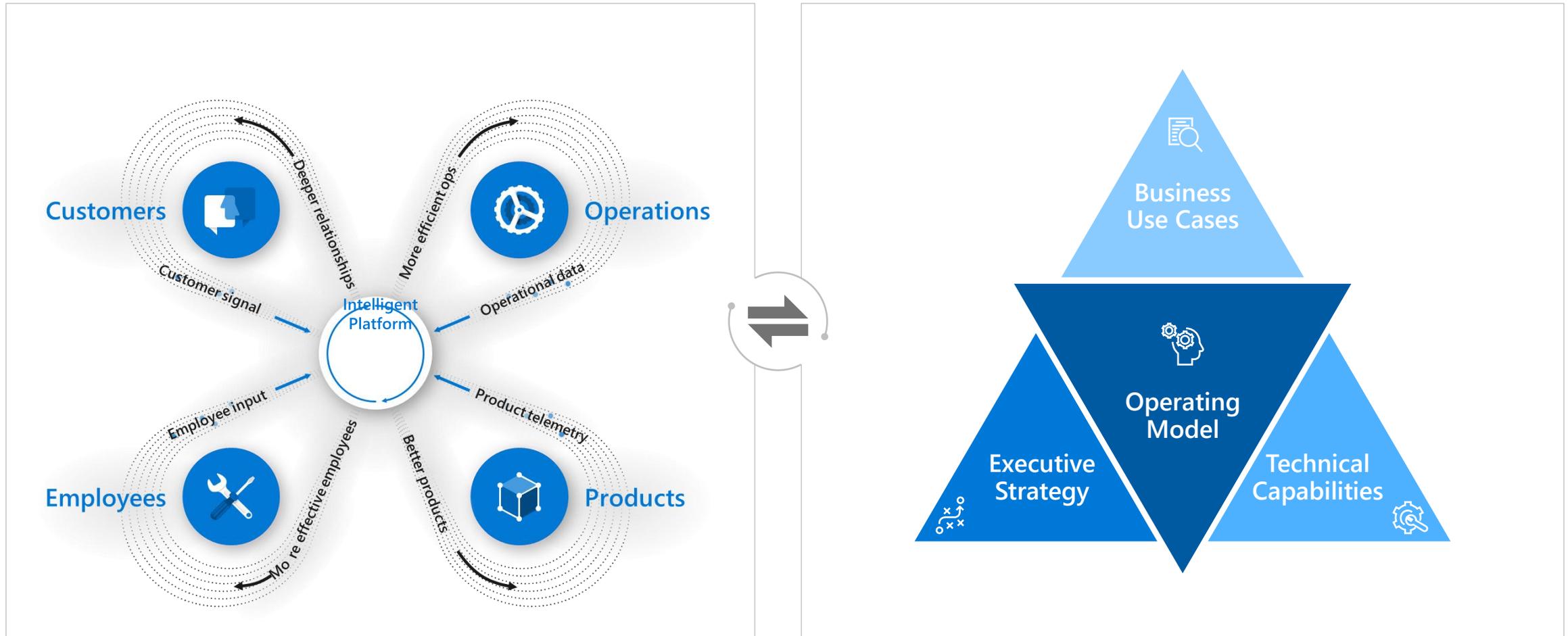
1. Executive Strategy : IDEA Framework & Landing the Vision
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## Summary & Key Messages

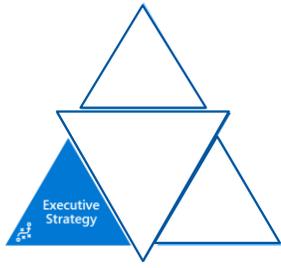
Moving on to "Sustainability by IDS Marc Gigon"

# 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



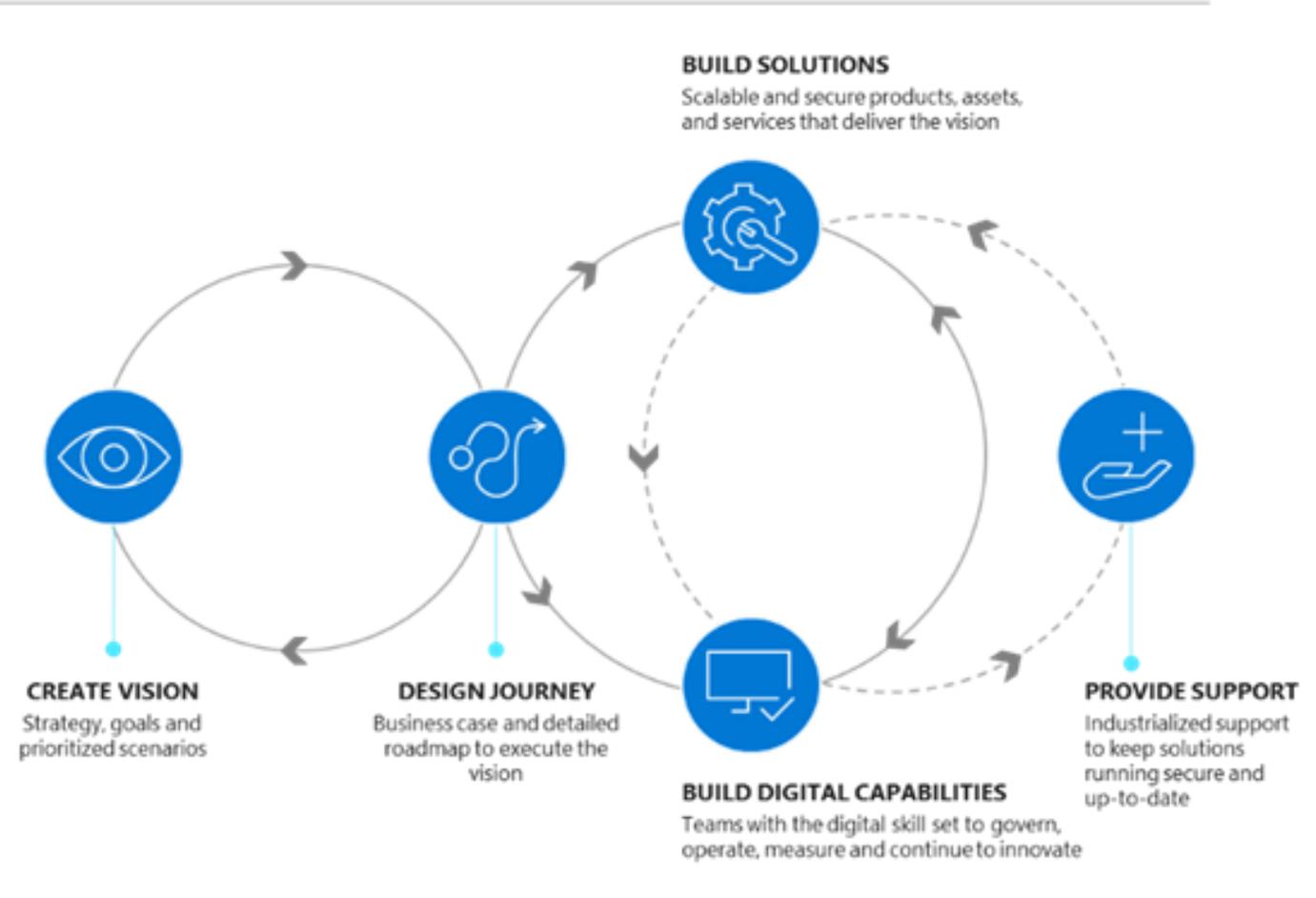
## WHY TRANSFORM?



## WHAT TO TRANSFORM?



## HOW TO TRANSFORM?

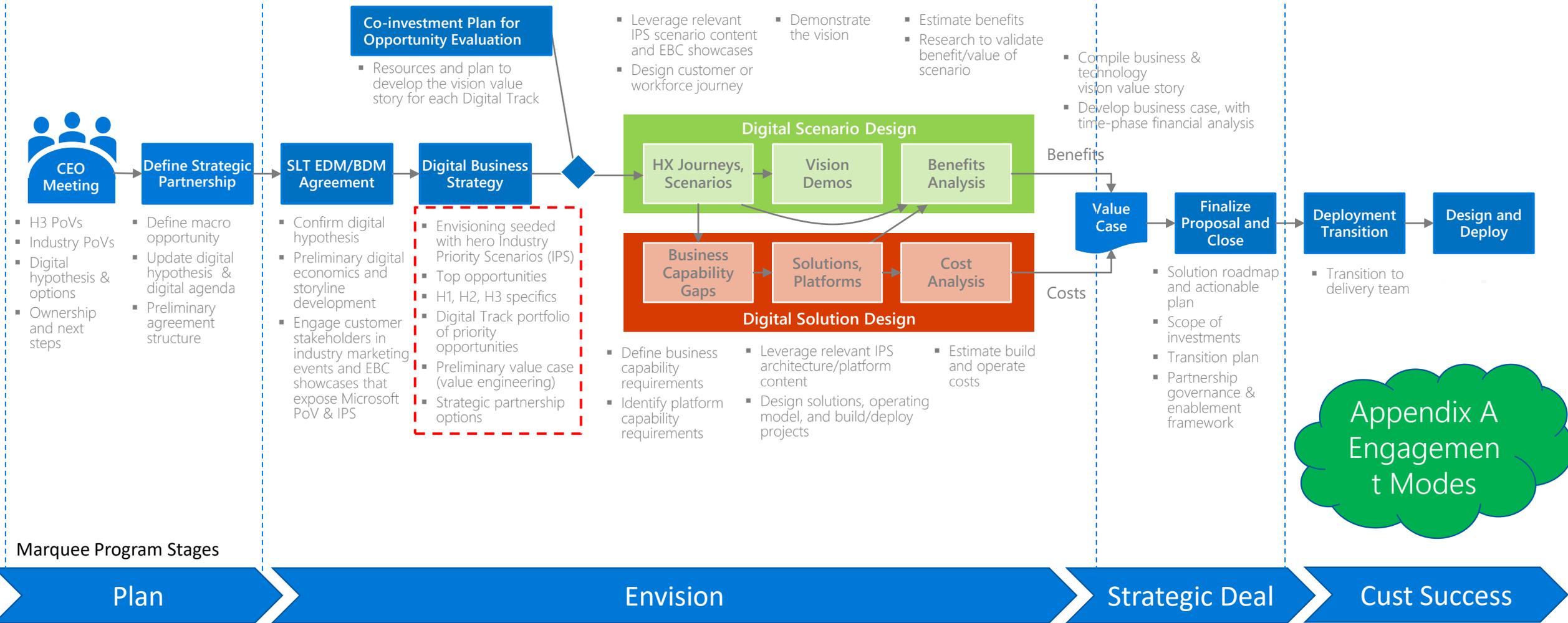


DIGITAL STRATEGY

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 and Design Journey  
*Digital Strategy Delivery Framework*



**CREATE VISION**  
 Strategy, goals and prioritized scenarios



**DESIGN JOURNEY**  
 Business case and detailed roadmap to execute the vision

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

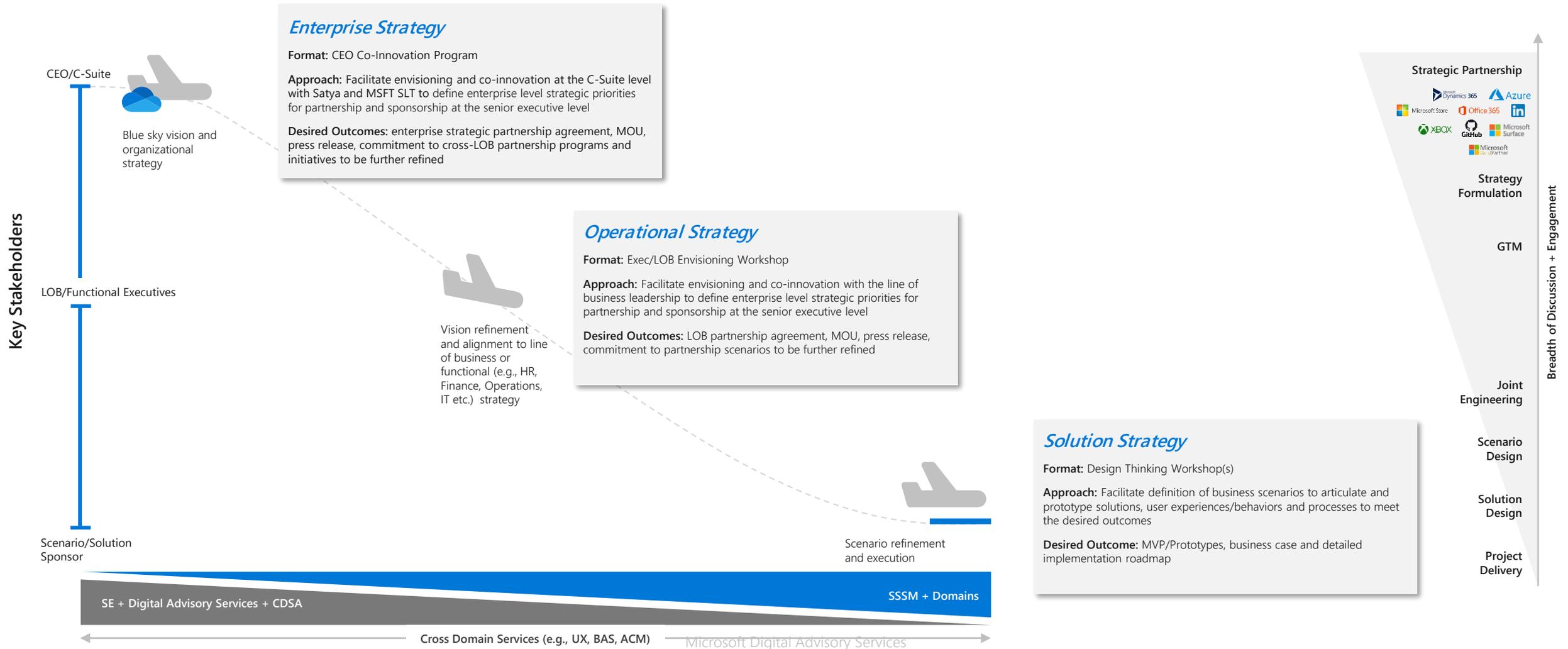


#### Achieve

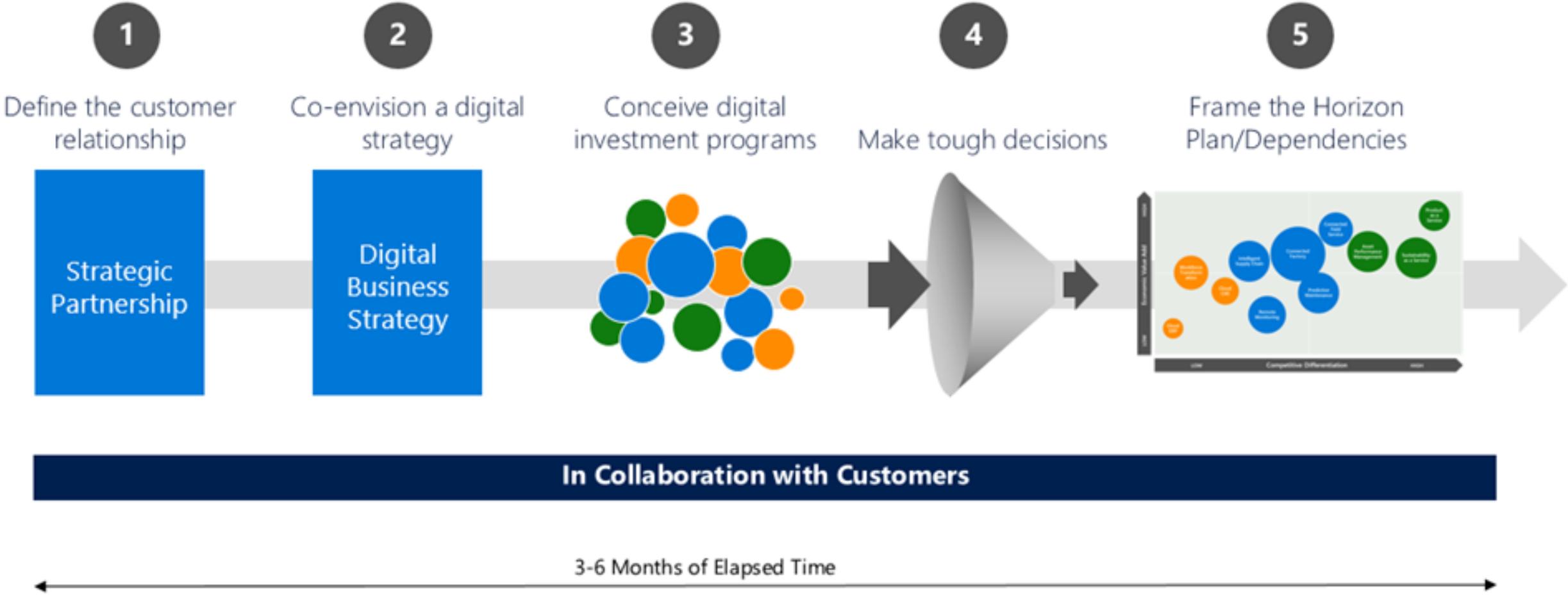
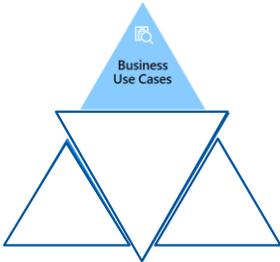
Executable strategy and plan to ensure a smooth launch with the right resources, focusing on the desired outcomes

Transformation and delivery plan

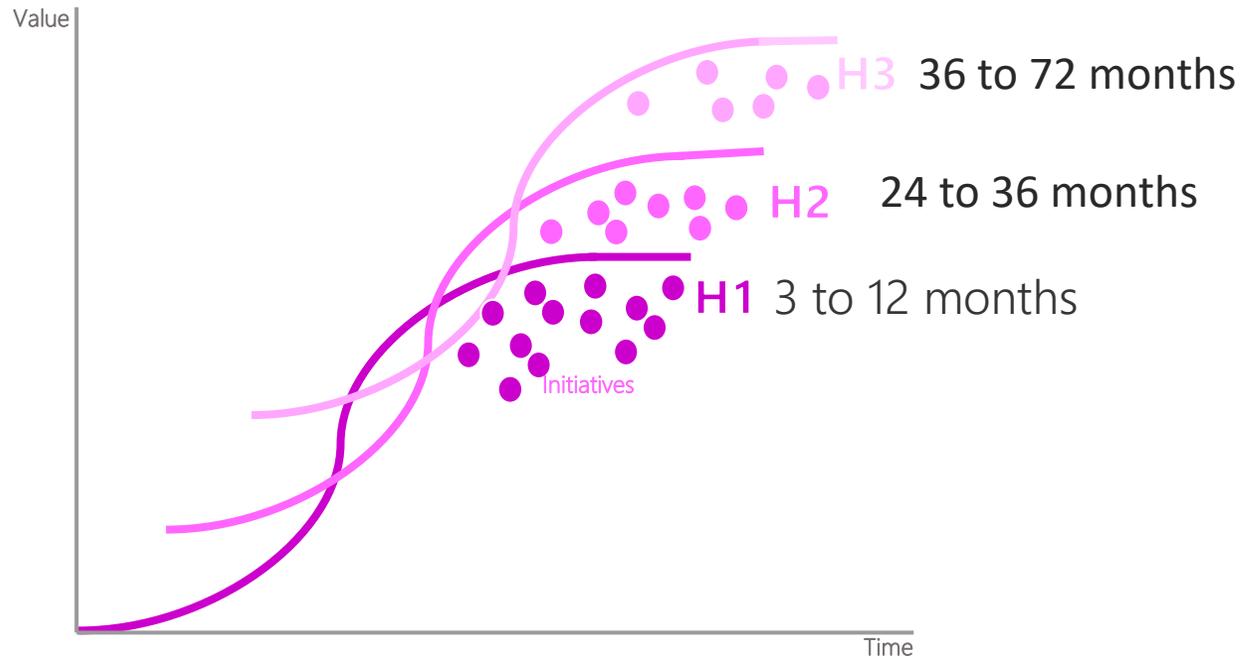
# Landing the vision through the IDEA Framework



# 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

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

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

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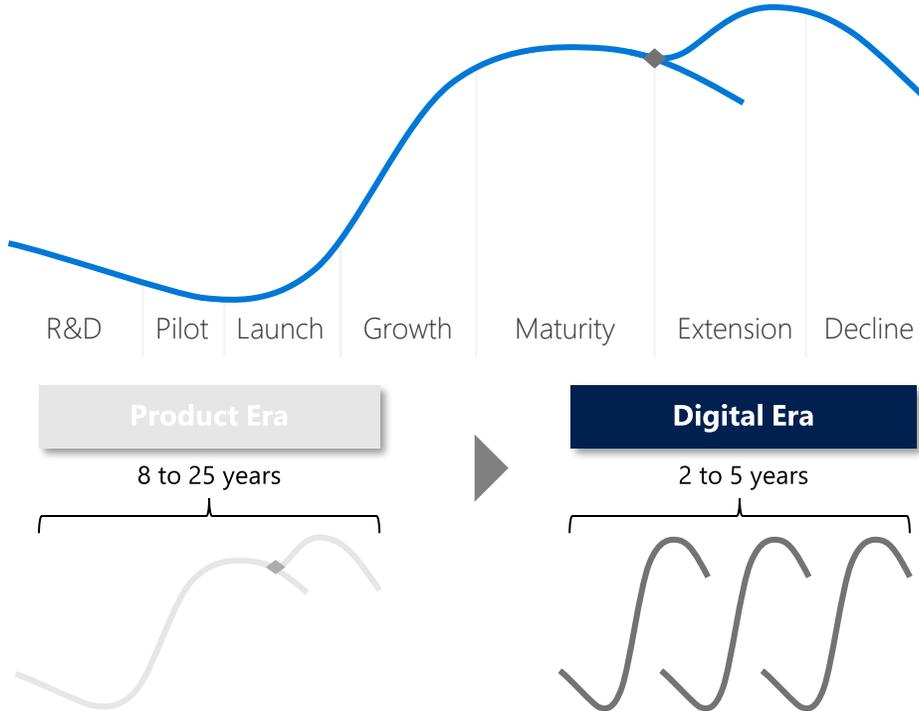
Performance improvements to maximize the remaining value of the current business.

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

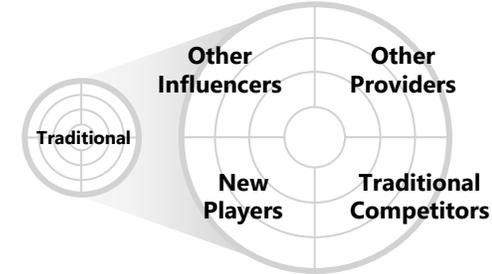
- Dr Steve Blank  
[Harvard Business Review](#)

# 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

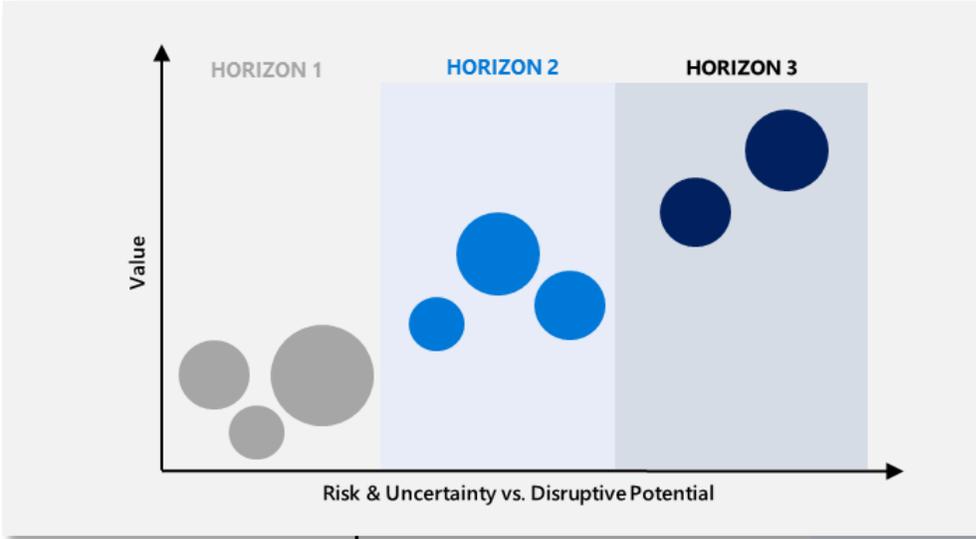
- Accelerating business cycles
- Expanding competition incl. non-traditional competitors
- Creative, surprising new business models
- Rapid imitation and commoditization
- Highly information intensive digital business designs
- Extended, complex information chains

**Key to success is to address all 3 Horizons simultaneously**

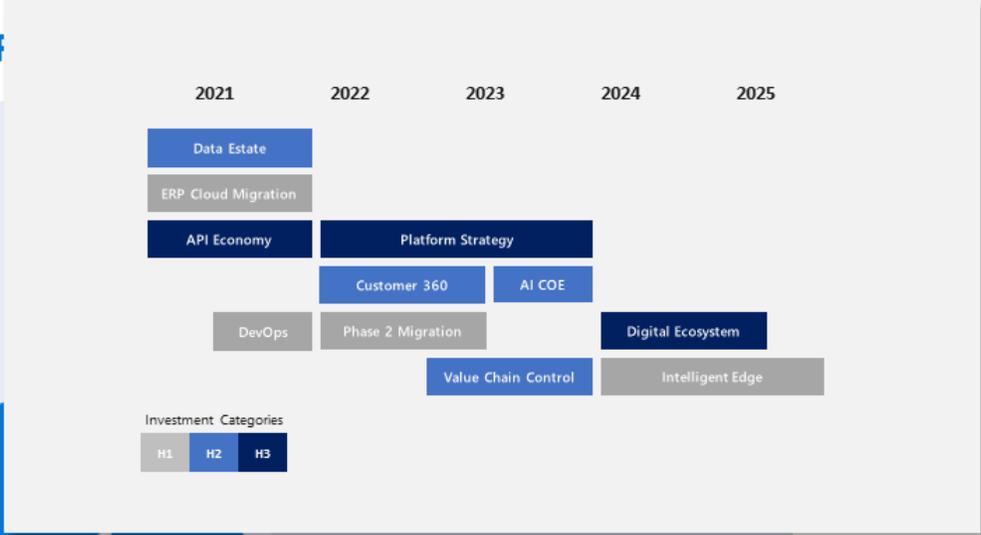
# The Modern Three Horizons Fram



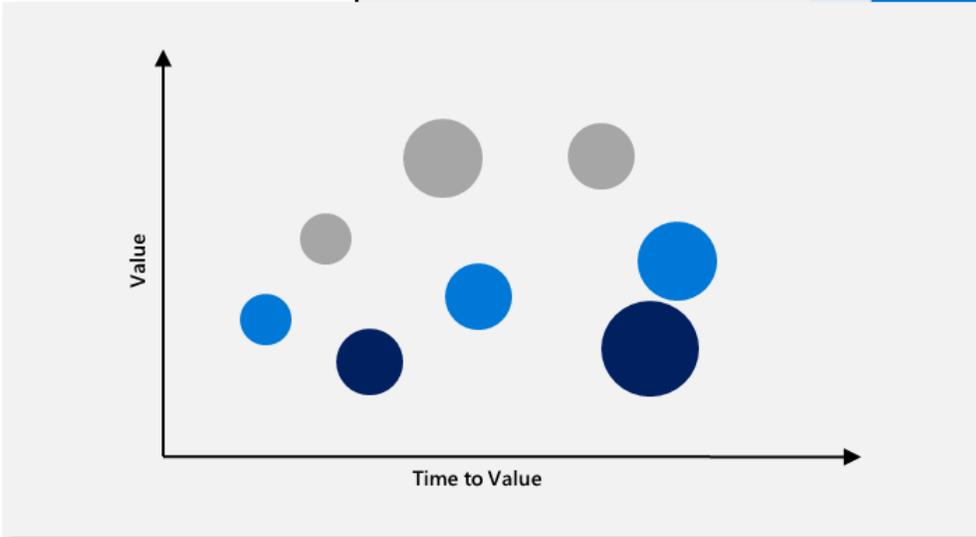
VALUE TO RISK VIEW



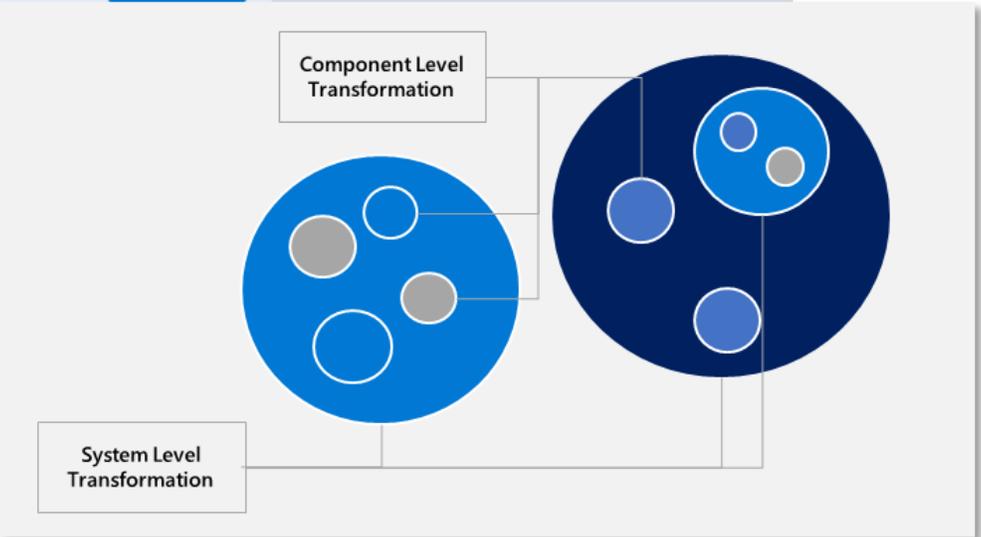
DELIVERY VIEW



TIME TO VALUE VIEW



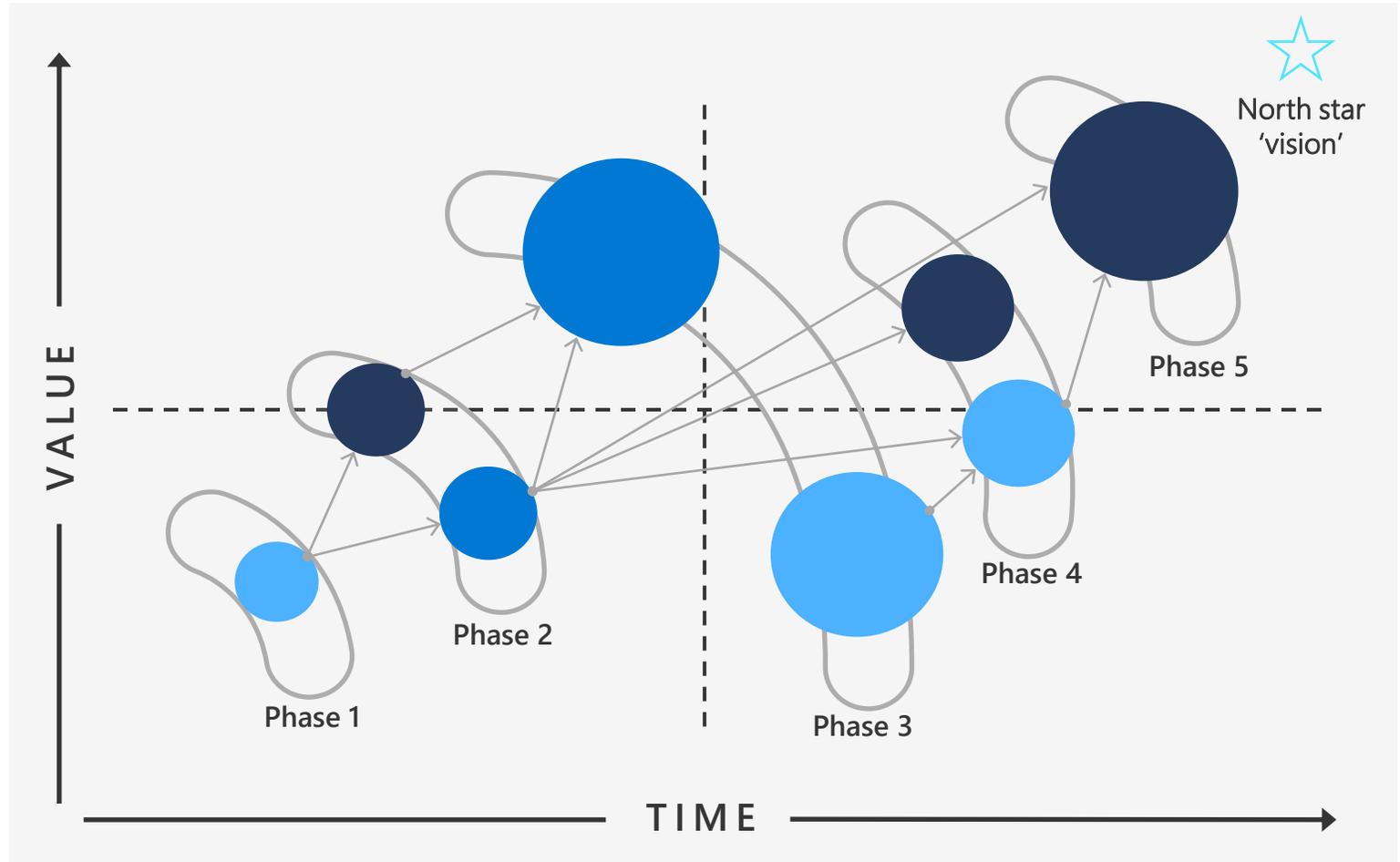
SYSTEM COMPONENT VIEW



# 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.



HORIZON 1

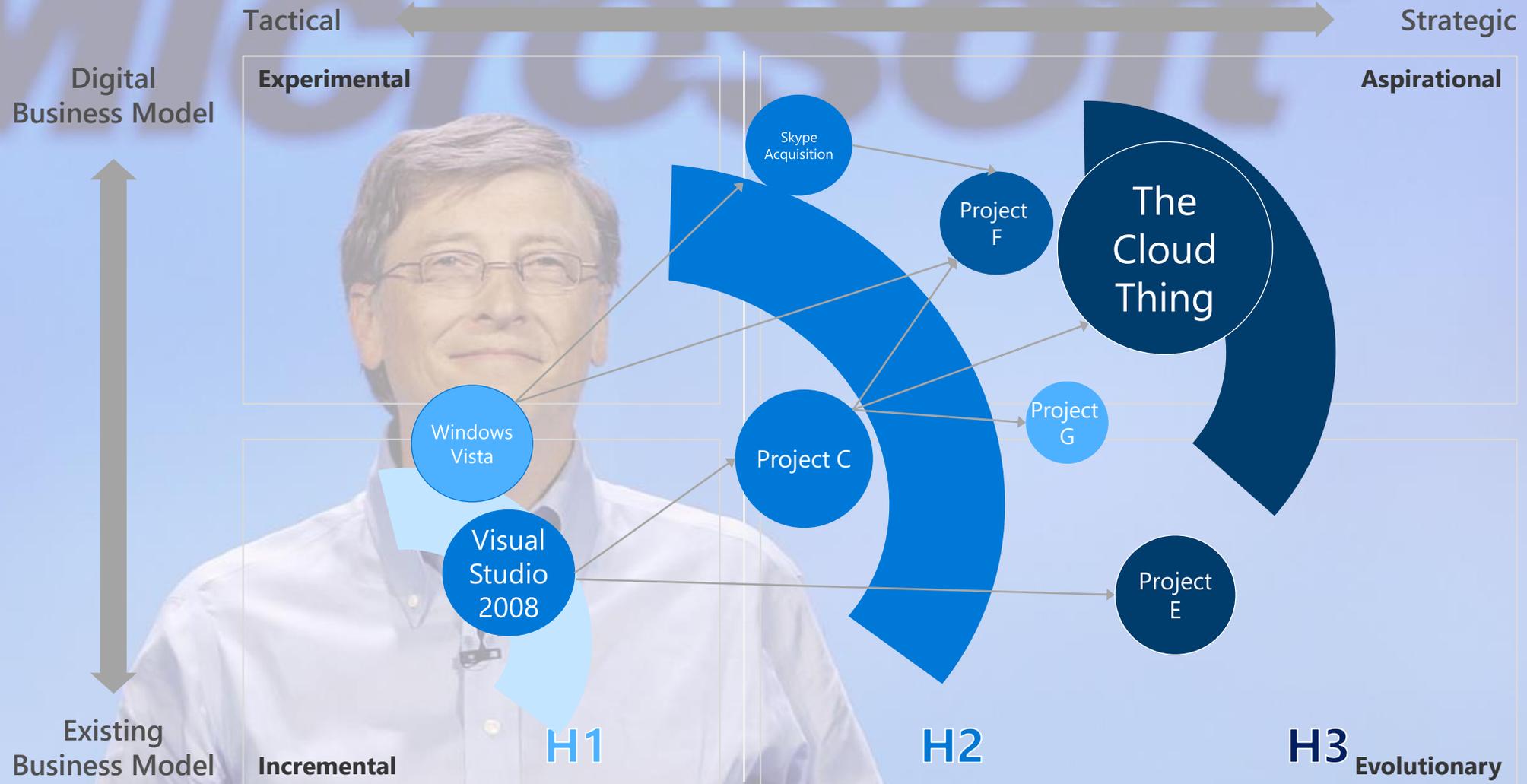


HORIZON 2

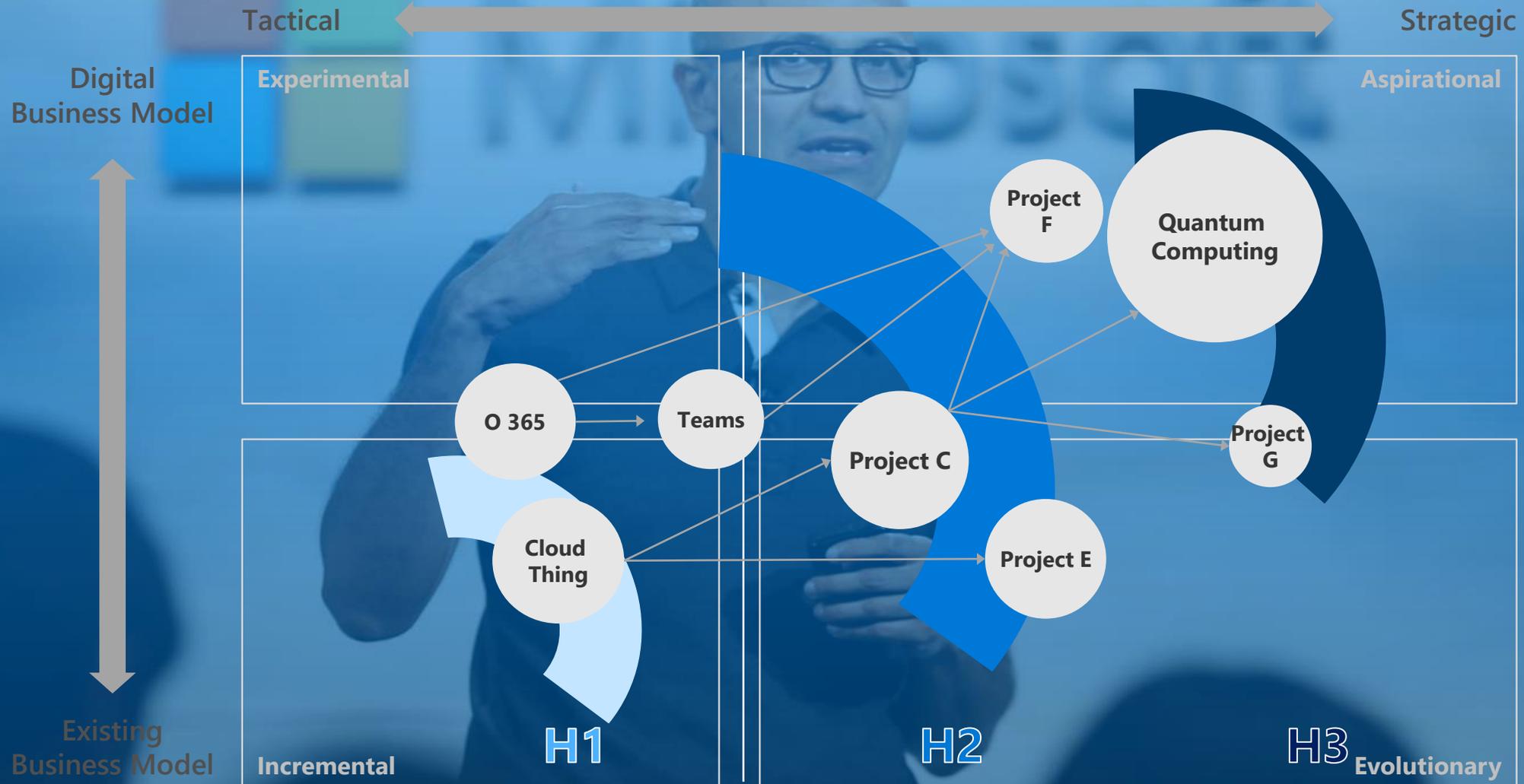


HORIZON 3

# 3-Horizon Time Machine : Microsoft in 2006



# 3-Horizon Time Machine Microsoft in 2018



# H1/2/3 Is not Static

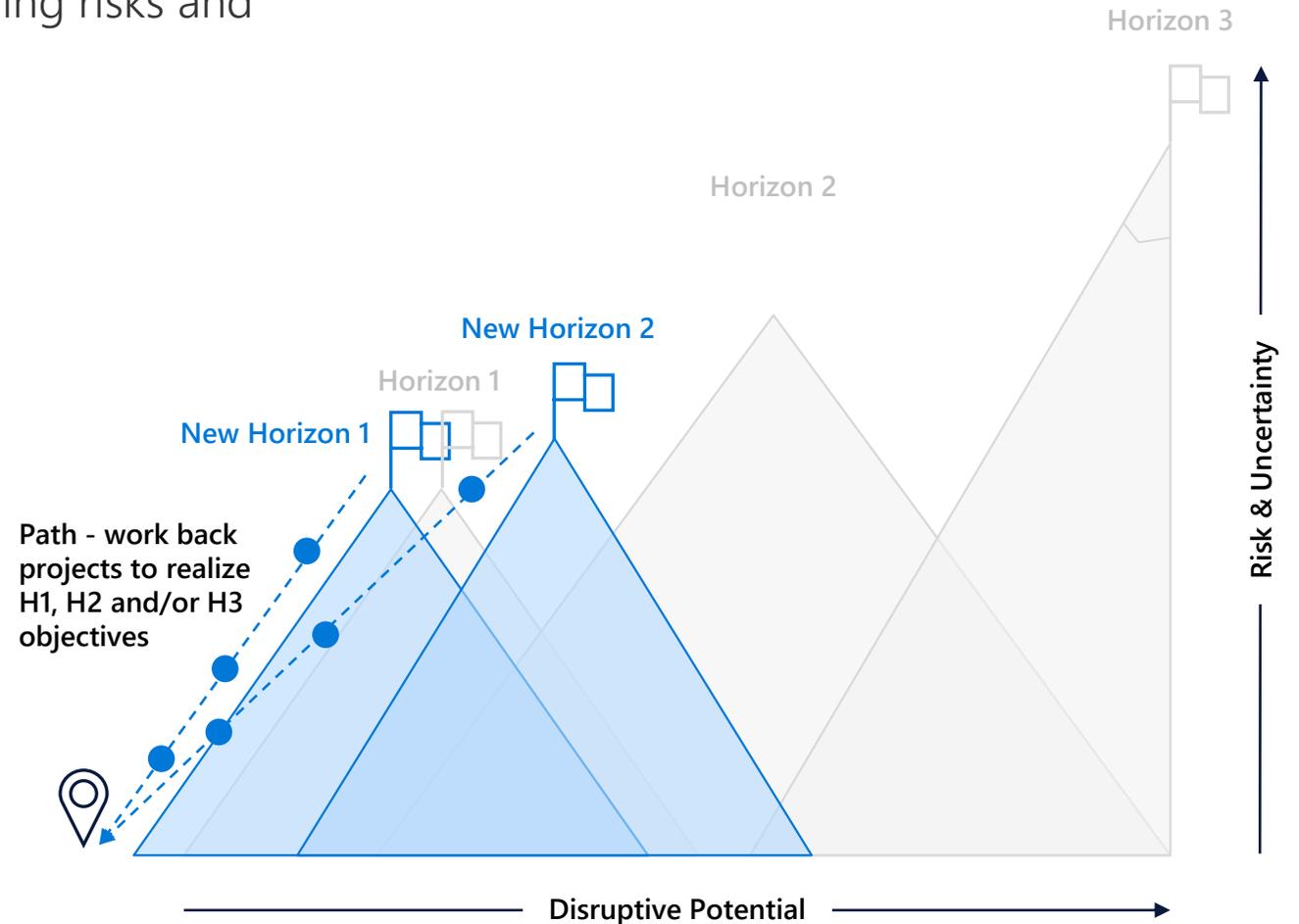
As market conditions evolve and change, we need to be constantly helping our clients recognize emerging risks and trends to continuously re-prioritize initiatives.

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.

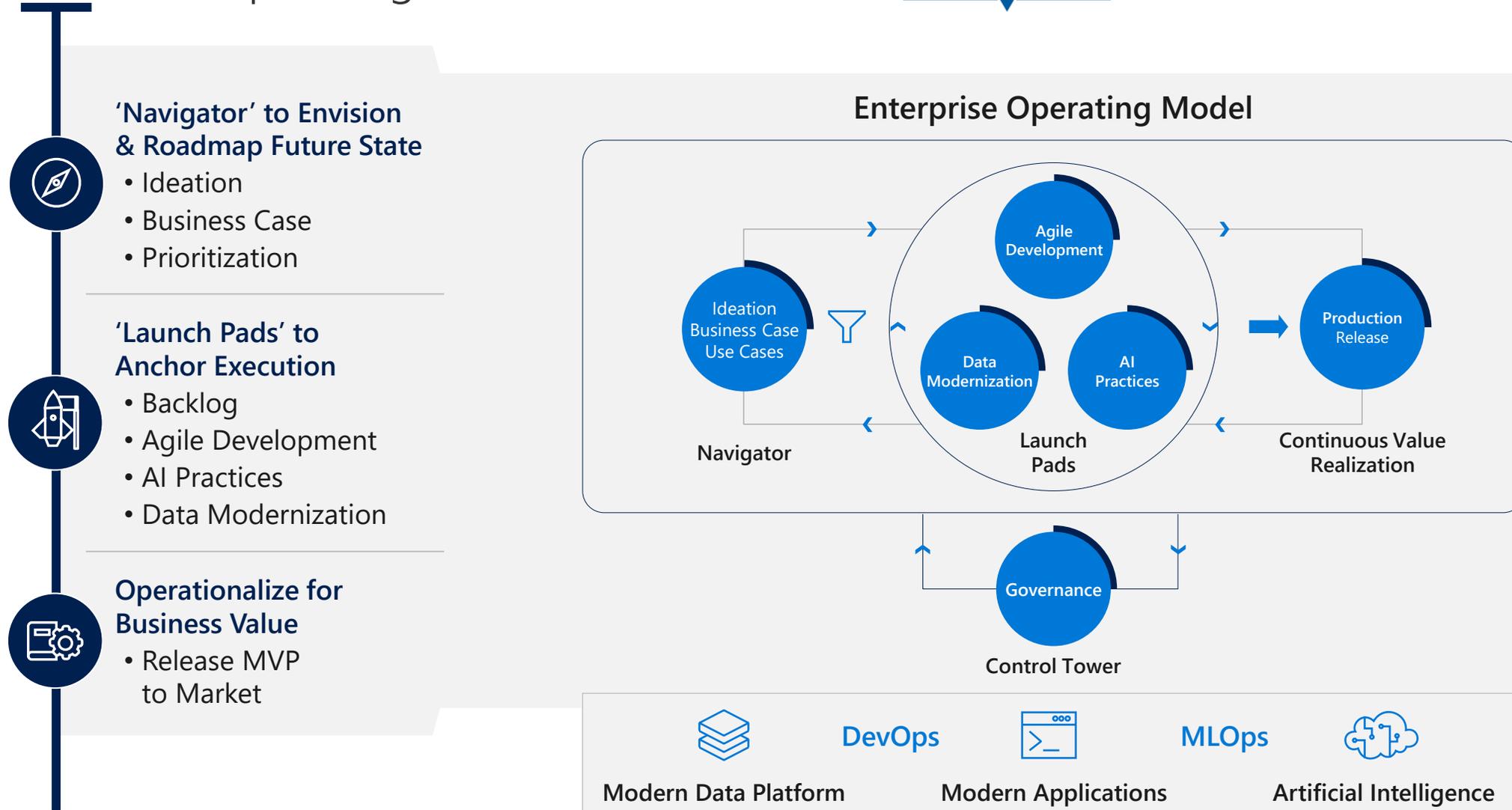
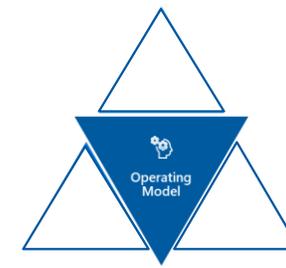
In order to **build the necessary long-term trust** with our customers, we need to be mindful of our customers business context and help them through both the good as well as the challenging times.

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.

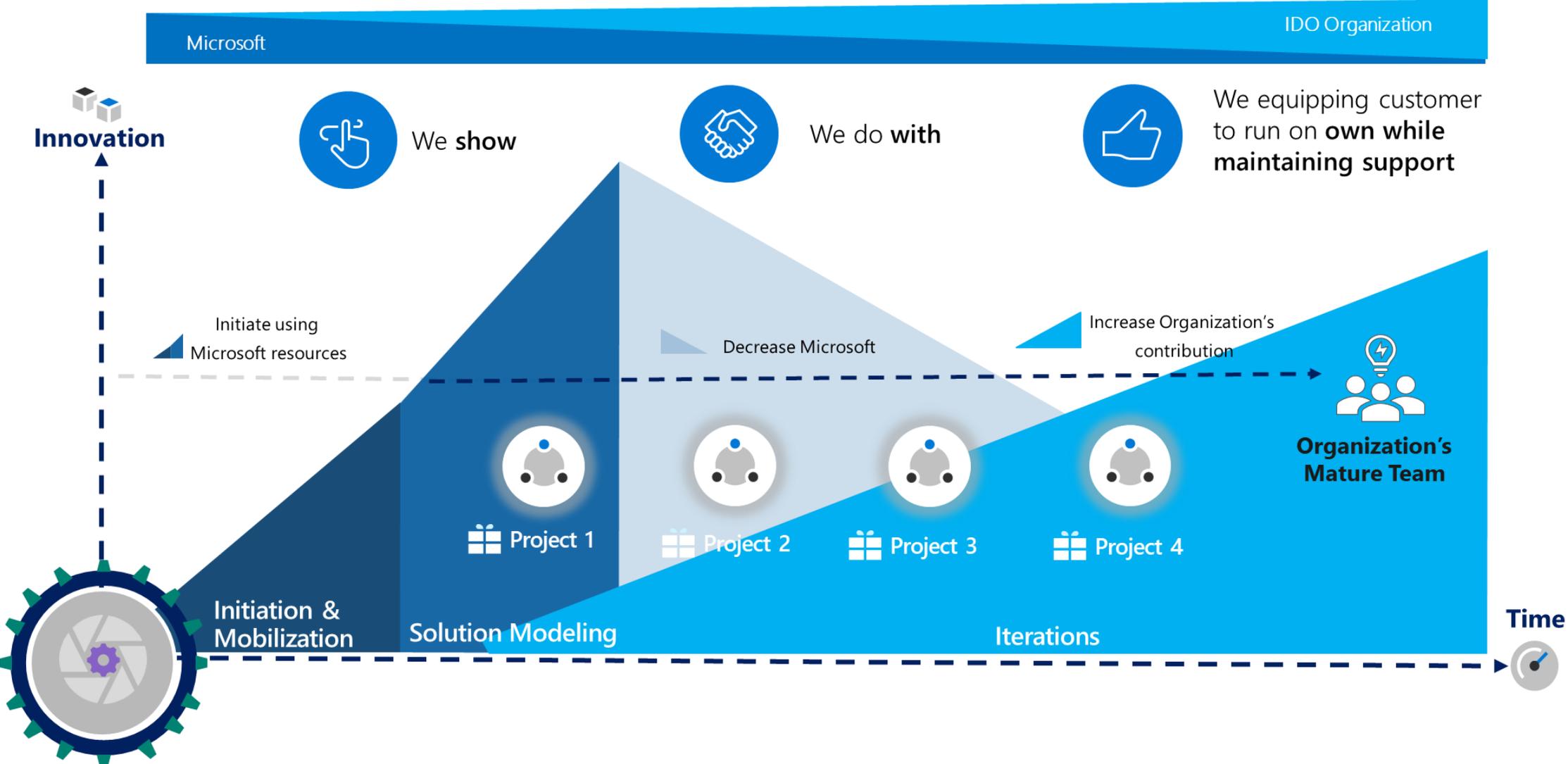
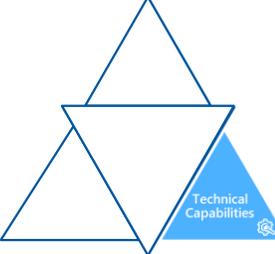
North Star 'Vision' is critical to defining the Horizons



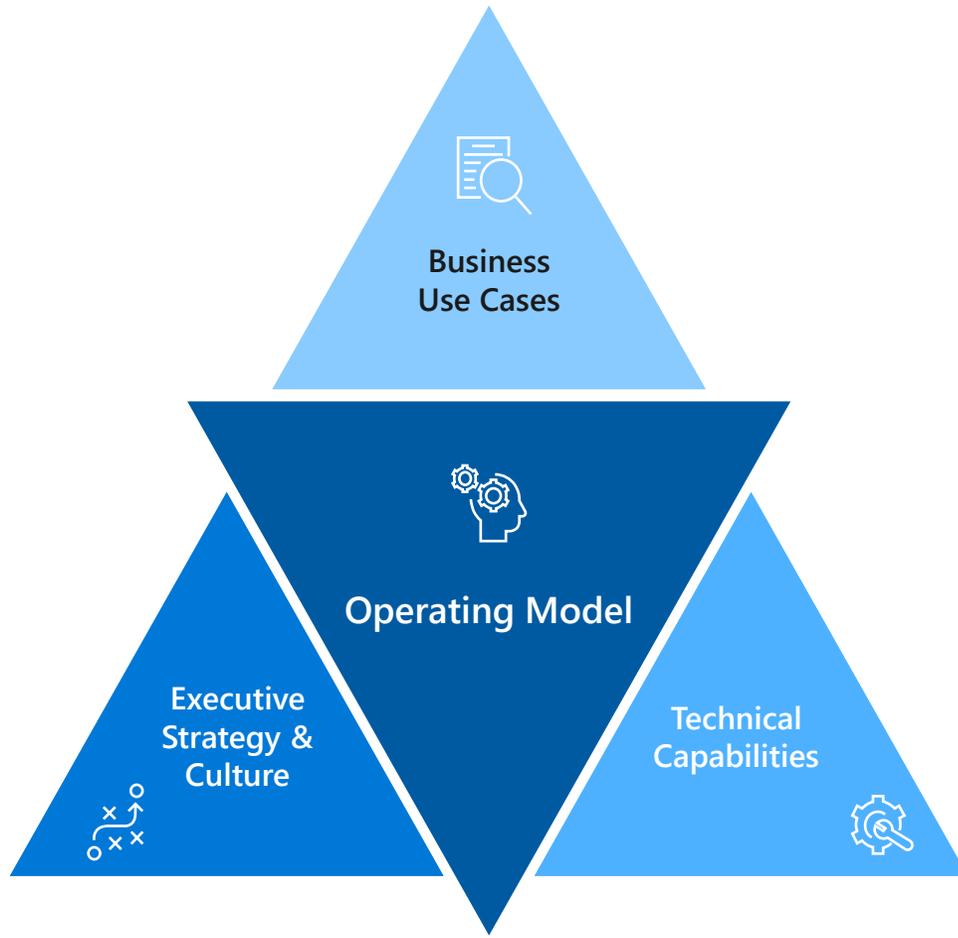
### 3. Operating Model



# 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

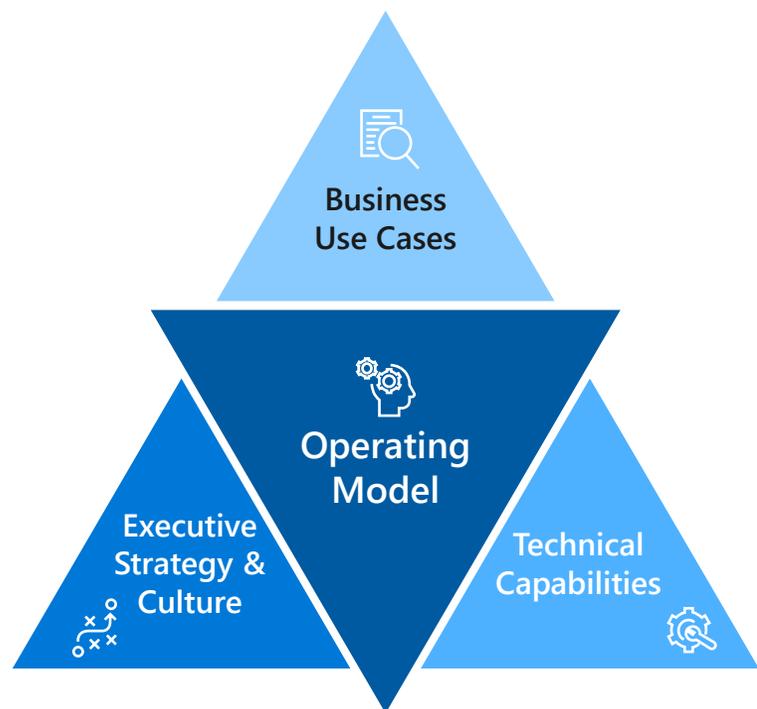
## Operating Model

- 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

شكريه

Terima Kasih

Dziękuję

Hvala

Köszönöm

Tak

Dank u Wel

дЯкую

Tack

Mulțumesc

спасибо

Danke

Cám ơn

Gracias

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