



How AI is Revolutionizing Service Management

How to Leverage Xurrent and AI to Improve Efficiency, Quality, and Customer Satisfaction

Introduction

The Internet has connected the globe, turning information into an at-your-finger-tips, easily accessible resource. Smartphones have become our indispensable companions, placing the power of the Internet in our pockets.

These two complementary technologies have enormously impacted our daily lives, transforming how we communicate while revolutionizing nearly every aspect of our existence — making life easier and more convenient than ever before.

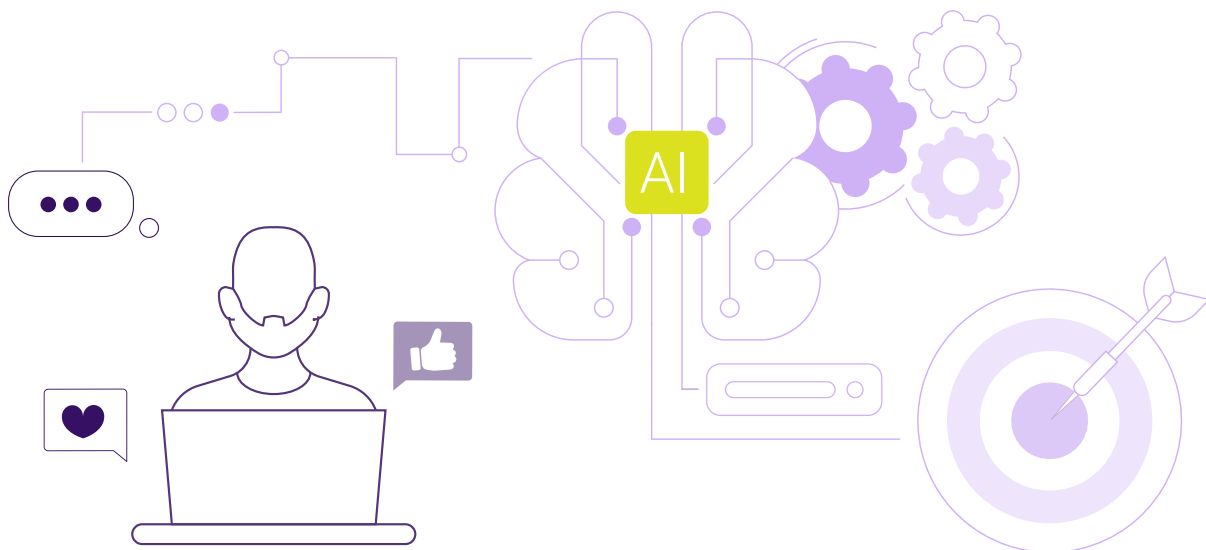
However, there is another much-talked-about, yet often poorly understood, technological revolution on the horizon here now: Artificial Intelligence, or AI.

AI's capacity to mimic human intelligence and perform complex tasks stands at the forefront of a monumental global transformation.

Service Management is no exception: AI is — and will continue to — revolutionize how businesses operate. **With AI, companies will significantly improve operational efficiency, service quality, and customer satisfaction.**

While Xurrent understands AI's real-world benefits, we also know the real — yet not always obvious — risks.

This whitepaper will delve into the profound impact of AI on each of these vital aspects while providing a detailed examination of AI's capabilities and potential dangers, real-world service management use cases, and Xurrent's AI strategy — one which enables customer control of how and where AI is leveraged, ensuring effective risk management, compliance, and data privacy.





How Is AI Different From Machine Learning and Algorithms?

AI uses *computer systems and software* to perform tasks that typically require human intelligence, including problem-solving, reasoning, and understanding language. AI mimics these cognitive functions to perform tasks autonomously or with human assistance.

Machine learning is a subset of AI, consisting of algorithms that allow computers to learn from data and make predictions or decisions based on this data. Algorithms are step-by-step sets of instructions or procedures for solving specific problems or performing tasks.

Algorithms are an important enabler of AI, but only one element in a broader range of techniques and technologies.

What is AI?

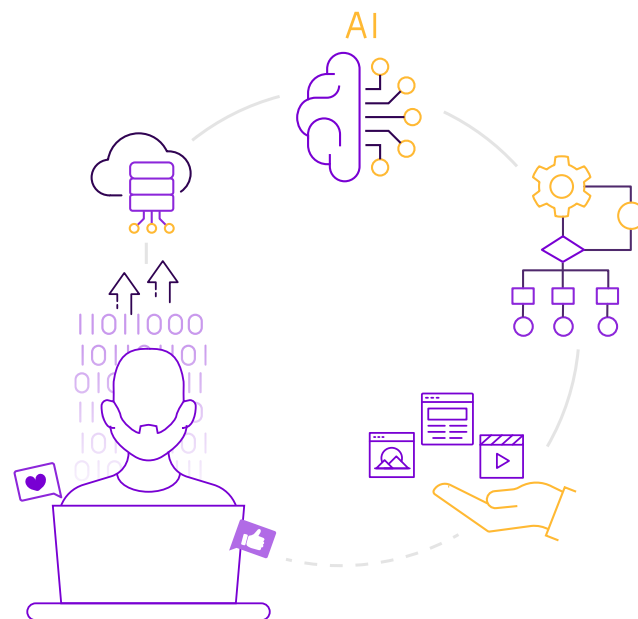
We know. That's a loaded question. And it depends on who you ask.

In this case, we asked Anthropic's Claude 3.5 Sonnet (an AI platform, of course), "What is AI?" on 18-Sep-24. Here is what she said:

“ Artificial Intelligence (AI) represents a transformative technological paradigm, leveraging computational systems to emulate human cognitive functions. This encompasses machine learning algorithms, natural language processing, and advanced data analytics. AI solutions drive innovation across sectors, optimizing operational efficiency, enhancing decision-making processes, and unlocking new revenue streams. Organizations implementing AI strategically position themselves for competitive advantage in an increasingly data-driven marketplace.

Claude, AI Platform

Not bad ... for a non-human..



While you are likely to hear these terms used interchangeably, they are not really the same but are certainly interrelated.

Why Is AI Suddenly Everywhere Now?

While some form of AI has been around for decades, the “big splash” moment arrived on November 30, 2022, when OpenAI, an AI company based in San Francisco, launched ChatGPT* to the public.

*Fun fact: GPT stands for Generative Pre-Trained Transformer.

Seemingly overnight, the world was introduced to an easy-to-use consumer-facing AI. It took ChatGPT a mere 5 days to reach 1 million users. It's been estimated that ChatGPT hit 100 million monthly users in just two months. Those numbers are now estimated to be double, close to 200 million.

While ChatGPT put AI on the proverbial map, the ubiquity of AI can be attributed to several other key factors.

- 1 The exponential growth of data has provided AI systems with the raw material they need to learn and improve.
- 2 Advances in computing power have made it possible to process vast datasets swiftly.
- 3 The emergence of open-source AI frameworks has democratized access to AI tools, making them more accessible to businesses of all sizes.
- 4 AI's transformative potential has become increasingly evident, motivating organizations across sectors to embrace it.

However, while AI is seemingly everywhere, that doesn't mean it's being used effectively (or at all) to solve customer problems. Why? Today, most AI innovations have been focused at the infrastructure level and in “deep tech.”

The next phase is ensuring this deep tech is actually solving customer problems using domain expertise and domain-specific data. Only then can the expertise and data load into operational frameworks and be codified in software.



The Many Promises of AI

AI offers a vast array of promises — assurances that will reshape how businesses operate and how they serve their customers. A few of those promises include:

- **Better Customer Experiences:** AI-driven personalization and automation enhance interactions, meeting customers' expectations for rapid, tailored responses.
- **Enhanced Employee Productivity:** By automating repetitive tasks, AI frees up employees to focus on higher-value work, fostering innovation.
- **Reduced Cost of Service:** Automating processes leads to cost savings. Predictive analytics can optimize resource allocation.
- **24/7 Availability:** AI-powered chatbots provide round-the-clock support, meeting customers' needs in near real-time.
- **Enhanced Self-Service:** AI-driven [self-service portals](#) and mobile apps empower users to find answers and resolve issues without the need for human intervention.
- **Leveled-Up Junior Resources:** AI assists less experienced team members with the resolution of more complex issues and tasks.

But with promise comes risk.

The Possible Concerns of AI

While the potential of AI is exciting and enticing, there are potential pitfalls to consider, including:

- **AI May Erode Service Quality:** Relying too heavily on AI without human oversight can lead to service quality deterioration.
 - **Data Privacy Concerns:** Generative AI models can create content that, if mishandled, poses privacy risks
 - **Security Risks:** AI systems are not immune to cybersecurity threats, making them potential targets for attacks.
 - **Premature AI Adoption:** Rushing to implement AI without providing sufficient context and historical data for learning can lead to suboptimal outcomes.
 - **Over-Broad Usage:** Misusing AI across all areas without discernment can overshadow areas where it offers genuine benefits.
 - **Historical bias:** AI and machine learning tend to analyze historical patterns to form forward-looking predictions.
- Luckily, many — if not most — of these risks can be minimized.

Strategies for Mitigating AI Risk

Service management professionals can take proactive measures to mitigate AI-related risks and ensure the responsible and effective use of artificial intelligence. Here are key strategies to consider:



Develop a Clear AI Strategy: Begin by creating a comprehensive AI strategy that aligns with your organization's goals and values. Define the scope of AI implementation and set clear objectives for its use.



Ethical Guidelines: Establish ethical guidelines that prioritize fairness, transparency, and accountability in AI systems.



Data Privacy and Security: Prioritize data privacy and security. Implement robust data protection measures, comply with relevant regulations (such as GDPR), and regularly audit AI systems for vulnerabilities.



Human Oversight: Maintain human oversight of AI systems. While AI can automate many tasks, human judgment is essential for complex decision-making, especially in critical areas like healthcare or finance.



Regular Audits and Assessments: Conduct regular audits and assessments of AI algorithms and models. Ensure they are performing as expected and not exhibiting biases or unintended behaviors.



Transparency and Explainability: Choose AI systems that offer transparency and explainability. Users should understand how AI decisions are made and have access to explanations when needed.



User Education and Training: Provide training to employees and users on how to interact with AI systems safely and effectively. Make them aware of the capabilities and limitations of AI.



Responsible AI Governance: Establish a governance framework specifically for AI. Assign roles and responsibilities for AI oversight and compliance within your organization.



Robust Vendor Selection: When selecting AI vendors or partners, evaluate their commitment to ethical AI practices, data security, and transparency. Choose vendors that align with your values.



Feedback Loops: Establish feedback loops for users to report issues or concerns related to AI. Act on this feedback promptly to address any issues.



Regulatory Compliance: Stay informed about evolving AI regulations and ensure compliance with relevant laws and standards in your industry or region.

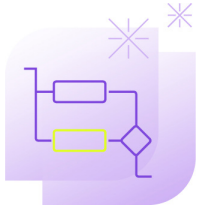
While there will always be risks associated with any new technology — especially those moving as exponentially as AI — we have some suggestions about how AI can be best used by service management pros.

How Service Management Professionals Can Leverage AI Today

Artificial Intelligence is already making a profound impact on service management, specifically around:

- >> Increasing Efficiency
- >> Maximizing Customer Satisfaction

Let's break each one down, detailing the impact of AI-powered capabilities:



Increasing Efficiency

Artificial Intelligence is transforming business operations, driving unprecedented levels of efficiency. By automating routine tasks, providing data-driven insights, and optimizing resource allocation, AI empowers organizations to streamline processes, reduce bottlenecks, and make informed decisions, ultimately enhancing productivity and service quality.

Here are a few specific examples:

- **Automated Request Classification:** AI classifies, assigns, and prioritizes incoming requests across various channels like email, chat, and messaging apps.
- **Data Summarization:** AI quickly summarizes assignment details, aiding swift comprehension of the issue and its resolution progress.
- **Optimized Resource Allocation:** AI automatically assigns tasks to teams or specialists based on their workload and availability.
- **Bottleneck Identification:** AI identifies time-consuming, repetitive activities ripe for automation.
- **Pattern Recognition:** AI uncovers similarities and group-related requests, preventing duplication of effort.
- **Improving Quality and Anomaly Detection:** AI identifies trends and deviations, automatically registering risks and problems for affected services.
- **Knowledge Creation and Enhancement:** AI autonomously [creates and improves knowledge articles](#), learning from resolved incidents.
- **Solution Suggestion:** AI proposes solutions based on historical data and knowledge articles.
- **Predictive Data Analysis:** AI detects anomalies and potential bottlenecks, generating accurate forecasts.
- **SLA Adherence Monitoring:** AI issues warnings for impending SLA breaches and declining performance.

And more. Much much more. The capabilities for AI to increase operational efficiency are just starting to surface.



Maximizing Customer Satisfaction

AI revolutionizes customer service by providing round-the-clock, personalized support across multiple languages. Through advanced natural language processing and sentiment analysis, AI delivers quick, context-aware solutions, enhancing responsiveness and significantly improving overall customer experience and satisfaction levels.

Here are a few specific examples:

- **24/7 Availability:** AI-driven chatbots and virtual assistants provide round-the-clock support, ensuring customers receive assistance whenever they need it.
- **Natural Language Processing:** AI understands the context of requests or interactions, eliminating the need for users to rephrase or use specific terminology.
- **Multilingual Support:** AI is multilingual, offering support in users' preferred languages.
- **Quick Resolutions:** AI-powered service desks deliver rapid responses and resolutions, minimizing customer frustration and downtime.
- **Sentiment Detection:** AI discerns sentiment in interactions and generates appropriate responses and actions.

AI has an awesome power to both improve operational efficiency and maximize customer satisfaction. But again, that's just the tip of the proverbial iceberg.

Here is how Xurrent is thinking about AI and Service Management.



Xurrent's AI Philosophy

AI is not just a wave of the future; it's already reshaping the ITSM and service management landscape in profound ways.

The transformative potential of AI — in the form of productivity gains alone — is simply too significant to ignore. We firmly believe incumbent industry players who fail to fully embrace and seamlessly integrate AI into their solutions are at risk of becoming obsolete in the very near future.

Given this perspective, Xurrent places a strong emphasis on harnessing the power of AI *within our solutions*.

But know this: We don't adopt technology for its own sake.

For any technology — and AI is no exception — to make its way into our platform, it must demonstrate a clear and tangible benefit to our customers without compromising security, data privacy, or the trust our customers place in our service.

Xurrent customers always are in the driver's seat with AI features. They have full control over which AI capabilities they choose to enable and how these features interact with their data.

Our commitment to AI is driven by a customer-centric approach, ensuring that AI enhances experiences and benefits operations.

So what is the current state of AI and Xurrent?

Is AI Technology Generally Available on the Xurrent Platform Today?

In short, yes.

Unlike other vendors, Xurrent's cloud-based, multi-tenant architecture and weekly release schedule allow us to develop, test, and deploy powerful new features quickly.

Xurrent and its partners have [released a number of AI-powered capabilities](#) over the last year, including the ability to:

- >> Automatically summarize service request histories
- >> Generate and publish knowledge base articles based on closed requests
- >> Provide multi-directional translations of comments and requests to overcome language barriers

And much more. Additionally, we have a host of new AI features on our roadmap, which will continue to be released over the coming weeks and months.

AI's Ongoing Transformation of Service Management

Let's be clear about one thing: **AI is catalyzing a transformation in service management by delivering operational efficiency, elevating service quality, and maximizing customer satisfaction.**

Organizations that skillfully harness AI's capabilities position themselves to gain a substantial competitive edge. By offering top-tier services while simultaneously reducing costs and achieving greater agility, forward-thinking companies will be prepared for success in today's ever-evolving business landscape.

What does this mean for you and your organization? How can you take advantage of AI and its increasing role in Service Management?

[Contact us](#) to speak with a subject matter expert to learn how AI can transform your service management.



Xurrent is a service-oriented platform designed to be the ITSM solution for tomorrow. We replace incumbent service management systems with a new model, focused on a service-centric approach which we believe is better suited to drive the agility, connectivity, and visibility today's IT leaders need. Our multi-tenant, highly scalable, secure cloud platform raises productivity, empowers your teams, and transforms your business into an agile, service-driven enterprise.



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