

Transforming enterprise service management with generative AI

Revolutionize your operations and unlock limitless potential with Gen AI-powered ESM processes

Insight, *meet* action.

Capgemini 



Your strategic *advantage*

In an era marked by rapid technological evolution, the integration of generative AI (Gen AI) within enterprise service management (ESM) emerges as a strategic imperative rather than a mere technological upgrade.

As organizations navigate through increasingly complex operational landscapes, Gen AI offers transformative potential by automating routine tasks, enhancing decision-making processes, and delivering personalized user experiences.

By 2026, over 80% of enterprises will have deployed Gen AI-enabled applications, a significant leap from less than 5% in 2023¹. This transformation promises not just enhancements in operational efficiency and customer satisfaction but also a significant competitive edge. Companies that leverage Gen AI in their ESM frameworks can expect substantial gains in productivity and efficiency, while those who delay adoption risk falling behind in an increasingly agile and innovative marketplace.

¹"Gartner Says More than 80% of Enterprises Will Have Used Generative AI APIs or Deployed Generative AI-Enabled Applications by 2026." 2023. Gartner. October 11, 2023.

How *generative AI* can impact ESM practices

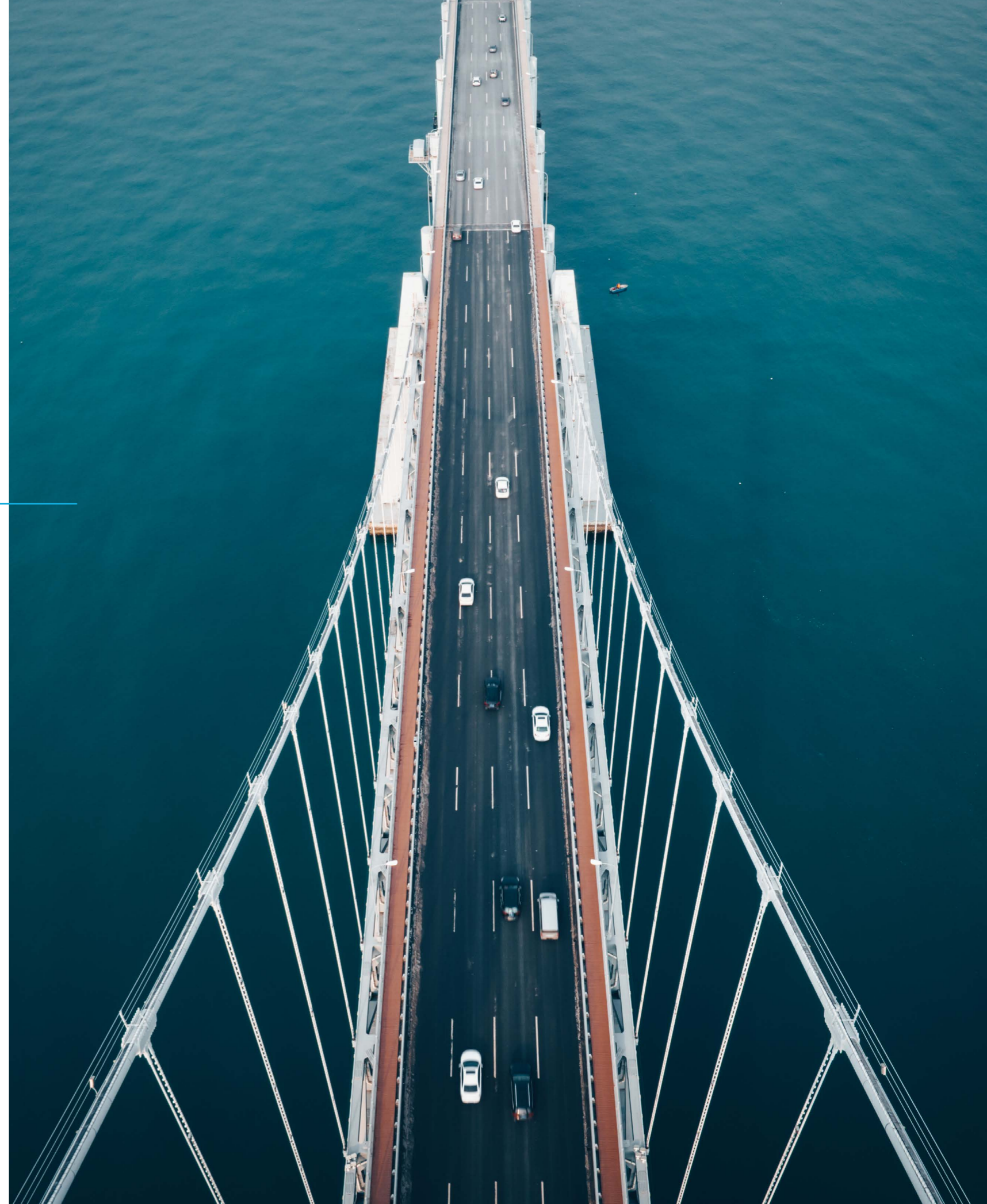
The adoption of Gen AI in ESM brings a paradigm shift in how organizations manage and deliver services. It can significantly benefit service management practices by creating intelligent workflows that automate routine tasks, thus freeing up human resources for more complex and strategic work.

Proactive and predictive analytics allow for early detection of potential issues, minimizing downtime and improving overall service reliability. Enhanced and future-proof customer and user experiences are achieved through personalized interactions and faster resolution times, ensuring higher satisfaction and loyalty.

Gen AI's ability to process and analyze vast amounts of data in real time allows for proactive issue resolution, predictive maintenance, and continuous improvement in service quality. Moreover, Gen AI optimizes change risk assessment by analyzing historical data and predicting the impact of proposed changes, thereby reducing the likelihood of disruptions. Crude cost analysis and resource optimization become more precise with Gen AI, leading to more effective budgeting and resource management.

These advancements not only lead to higher customer satisfaction but also empowers service teams to focus on more strategic initiatives. As CIOs and IT leaders recognize the profound impact of Gen AI, the focus shifts towards integrating these capabilities seamlessly into existing ESM systems to maximize ROI and drive sustainable growth.

The potential of Gen AI to revolutionize service management is vast, and its strategic implementation will be key to staying competitive in a digital-first world. Organizations can leverage Gen AI to enhance various ESM processes such as incident management, problem management, change management, and service request fulfillment. By embedding Gen AI into these processes, organizations can achieve greater efficiency, accuracy, and scalability, ultimately driving innovation and maintaining a competitive edge.





Transforming hype into tangible business value

As businesses continuously evolve and adapt to new challenges, maintaining operational efficiency, enhancing customer and employee experiences, and staying ahead of the competition become paramount. The integration of generative AI into enterprise service management offers a transformative solution by automating processes, personalizing interactions, and optimizing resource utilization. However, while the hype around these advancements is compelling, their implementation requires caution and strategic planning.

When considering the introduction of Gen AI, it is crucial to identify your specific objectives and the problems you aim to solve. What do you need to introduce Gen AI into your organization? What is the purpose, and how do you intend to use Gen AI to achieve your goals? These questions are fundamental in guiding a successful AI-focused strategy. Once these objectives are clear, the next step is to ensure the quality of the data that will drive your Gen AI initiatives.

A successful AI-focused implementation depends on high-quality data that is accurate, relevant, reliable, and complete. Poor data quality can significantly hinder the effectiveness of Gen AI systems performance. Inaccurate or incomplete data can lead to misleading outputs, poor decision-making, and inefficiencies. For example, bad data in Root Cause Analysis (RCA) reports can result in incorrect analyses, unresolved issues,

and repetitive problems. Inaccurate incident resolution information can create redundant or low-value knowledge, causing Gen AI's large language models (LLMs) to misinterpret data and generate false information.

IT leaders face many major hurdles to the effective adoption and scaling of Gen AI, including talent shortage, poor data quality, lack of comprehensive AI governance, and challenges in risk mitigation and control. Through 2025, at least 30 percent of Gen AI projects will have been abandoned after organizations perform a proof of concept (POC) due to these and other challenges, [according to a report by Gartner Research²](#). Escalating costs and unclear business value are other leading causes of Gen AI project failure, according to Gartner.

In conclusion, while Gen AI holds the promise of transformative impact, organizations must handle its integration into ESM with meticulous planning and data management to turn the hype into real business value. Organizations must have clear objectives for their AI projects, focusing on addressing specific business problems if they wish to harness the full potential of AI while minimizing risks and maximizing rewards.

Prioritizing business value, fostering AI literacy, ensuring responsible AI practices, and promoting continuous learning and collaboration will be key to overcoming challenges and realizing the full benefits of Gen AI.

From challenges to solutions:

Mastering Gen AI implementation

1. From operational inefficiencies to productivity

Manual processes are time-consuming and prone to errors, hindering productivity. Tasks like incident logging and root cause analysis consume significant time and are susceptible to human error. By automating these tasks, generative AI boosts productivity.

Support agents using Gen AI can be up to 14% more productive, while less experienced agents see improvements of up to 35%³. This automation streamlines workflows, reduces time spent on repetitive tasks, and minimizes errors. It also frees up human resources for strategic initiatives, enhances service delivery, and improves employee satisfaction by reducing monotonous tasks. Adopting Gen AI drives productivity, supports strategic goals, and improves overall organizational performance.

2. From eroding profitability to optimized costs

Inefficiencies and a lack of automation lead to higher operational costs and wasted resources, affecting profitability. That's why integrating Gen AI into enterprise service management (ESM) and automating repetitive tasks with Gen AI can lead to substantial cost reductions. In fact, 54% of leaders expect Gen AI to deliver financial benefits in 2024, with many anticipating savings exceeding 10%⁴. These savings are primarily driven by operational efficiency, reduced labor costs and error rates, and enhanced decision-making capabilities by quickly analyzing vast amounts of data and providing actionable insights. Organizations can reduce waste and optimize resource allocation.

This level of efficiency allows businesses to allocate their resources more strategically, further enhancing profitability.

³Brynjolfsson, Erik, Danielle Li, Lindsey Raymond, Daron Acemoglu, David Autor, Amitai Axelrod, Eleanor Dillon, et al. 2023. "Generative AI at Work."

⁴Apotheker, Jessica, Sylvain Duranton, Vladimir Lukic, Nicolas de Bellefonds, Sesh Iyer, Olivier Bouffault, and Romain de Laubier. 2024. "BCG AI Radar: From Potential to Profit with GenAI." BCG Global. January 8, 2024.





Revolutionizing incident management with *Gen AI*: A seamless solution

3. From poor customer and employee experience to personalized engagement

Personalization is crucial for enhancing customer and employee satisfaction. Tailoring interactions based on individual preferences shows care, making customers feel appreciated and employees valued.

In today's competitive landscape, personalized experiences are essential. AI-driven personalization prevents generic interactions, reducing dissatisfaction. Trends emphasize hyper-personalization, predictive analytics, and omnichannel personalization to create optimized experiences.

AI analyzes behaviors to suggest relevant products, services, and support, meeting expectations for dedicated promotions and tailored marketing. Employees benefit from customized tools, training, and growth opportunities, reducing workloads and enhancing job satisfaction. Personalization fosters loyalty and retention, as individuals feel more connected and engaged with the brand or employer.

4. From lack of expertise to successful Gen AI implementation

Implementing generative AI without proper expertise presents substantial challenges. General-purpose models are expensive and resource-intensive, requiring substantial investment. Lack of specialist knowledge and quality data can lead to delays, increased costs, and suboptimal performance, negating Gen AI's benefits.

AI hallucination, whereby the system produces inaccurate outputs, is a high risk without proper oversight. Some products also show low maturity, limiting their effectiveness. Intellectual property and security concerns require careful management to prevent breaches and ensure compliance. Integration with existing systems can create operational silos. In summary, successful Gen AI implementation demands deep understanding, robust data management, and comprehensive security measures to avoid significant hurdles and maximize benefits.

The integration of Gen AI in enterprise service management (ESM) marks a consequential leap in operational efficiency and service delivery. Imagine a scenario where a user calls the service desk line. Before engaging with an agent, the caller is first authenticated by call center telephony system. Upon call completion, the conversation is transcribed into a data record. This data is then automatically transformed into a corresponding ticket, whether it be an incident or a request.

The generated ticket is comprehensive and detailed. It includes vital information such as the caller's details, the service desk agent involved, and a short description derived from the call. Moreover, Gen AI creates a full description by summarizing the entire transcript, ensuring no detail is overlooked. The priority of the incident is intelligently set based on the urgency and tone of the user's issue. If the problem is resolved during the call, Gen AI can even mark the status as resolved and provide detailed resolution notes.

To enhance accountability and service quality, the incident is linked to the original call record for audit purposes. Once the incident has been logged, ServiceNow sends an email to the user, informing them of the logged incident. Simultaneously, a review request is sent to the service desk agent to ensure the incident was correctly recorded and handled.

This process not only reduces the time and effort required to manage incidents but also ensures higher accuracy and faster resolution times. The adoption of Gen AI in incident management exemplifies how advanced technology can transform traditional workflows, leading to enhanced customer satisfaction and operational excellence. By embracing Gen AI, organizations are well-equipped to meet the dynamic demands of modern service management, showcasing the profound impact of intelligent automation on business processes.



Unlocking *Excellence*

Capgemini leverages generative AI to transform enterprise service management (ESM), enhancing productivity, efficiency, and overall performance. Our Gen AI solution, built on the robust ServiceNow platform and integrated with Microsoft Copilot and other AI technologies, enhances ESM processes by automating workflows, accelerating decision-making, and providing personalized interactions.

By transforming manual, error-prone processes into automated workflows, we aim to reduce costs and enhance service delivery. Intelligent systems capable of predictive analytics and proactive problem-solving are at the core of our vision for ESM. Our comprehensive approach seamlessly integrates with your existing IT ecosystems, enhancing functionalities and addressing critical business challenges. Even if you have existing investments with other providers, we collaborate effectively to incorporate these into the ServiceNow platform.

Choosing Capgemini means partnering with a leader who helps you achieve your digital transformation goals through an innovative approach tailored to your needs. With our expertise, organizations can expect increased efficiency, competitive advantage, and improved service delivery, ensuring they remain agile and competitive in a rapidly evolving digital landscape.

Furthermore, we continuously develop and implement new ESM use cases internally, demonstrating our commitment to enhancing productivity and unleashing the creativity of support teams. This ongoing practice not only improves our operational efficiency but also enriches the overall experience for both our teams and clients.

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