AI IN THE NORDICS: FROM VISION TO REALITY WITH INFOSYS AND MICROSOFT

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Small Countries, Big Impact: The Nordic Model

Imagine a region where cutting-edge innovation seamlessly merges with sustainability, creating a blueprint for the future. Despite comprising less than 1.5% of the global GDP, the Nordic region emerges as a global leader in value creation thanks to its unique business landscape rooted in education, social welfare, and environmental responsibility.[1] The Nordics have fostered a culture of entrepreneurship and technological advancement with robust infrastructure, high digital literacy, a long-term mindset, a focus on differentiation, and a supportive regulatory environment.

Yet, their growth has lagged the global average since 2002 owing to high base effects from already-developed economies, aging populations, export dependency, high labor costs, limited domestic markets, challenges in productivity growth, and structural changes in key industries.

However, Nordic countries are well-positioned to overcome these challenges and enter a significant growth phase. They already possess the fundamental elements — a solid digital infrastructure, high broadband, and mobile device usage levels, a solid talent base and a progressive approach to data privacy and cybersecurity.

But these elements are no longer sufficient. Businesses increasingly turn to artificial intelligence (AI) to enhance operational efficiency and unlock new revenue streams. That's why the AI market is expected to reach a staggering $1.8 trillion by 2030. [2] A 2019 McKinsey report also suggested that AI can unleash $80 billion in value for Nordic companies[3].

For Nordic companies, it's time to infuse AI into their business solutions. This paper shows how a robust partnership between Infosys and Microsoft can help Nordic companies on this journey.

[1]How Nordic companies can spur growth to win | McKinsey
[2]Artificial Intelligence Market To Reach $1,811.75Bn By 2030 (grandviewresearch.com)
[3]Nordic AI: Transforming businesses | McKinsey

Accelerate, Enhance, Create: Mastering the AI Journey

While Nordic businesses are eager to adopt AI, the journey varies in pace and sophistication. As businesses navigate the complexities of the AI landscape, the Taker-Shaper-Maker framework offers a valuable lens for understanding their maturity and potential growth. According to McKinsey, a 'taker' is a user of available tools, often via APIs and subscription services, a 'shaper' is an integrator of available models with proprietary data, and a 'maker' is a builder of LLMs.[4]

Microsoft Copilot lends itself to the three different maturity levels, making it easy for organizations to adopt AI.

The Taker Starts With Efficiency and Productivity

In the early stages, Nordic companies championed by the CFO or CIO seek to leverage AI for immediate productivity gains. This often involves implementing off-the-shelf, basic AI solutions, such as AI-powered chatbots or virtual assistants, or utilizing Microsoft Copilot to automate routine tasks such as data entry, scheduling, and email management. The quick wins of increased efficiency make these initial steps attractive and provide a solid return on investment.

The Shaper Evolves Towards Customization and Enhancement

CEOs are keen to integrate AI into core operations as their organization grows more comfortable with AI. This means customizing existing AI models like Microsoft Azure Open AI models or Microsoft Copilot to include industry-specific terminology and workflows, enhancing their ability to provide relevant insights and recommendations. While this requires higher technical expertise, the potential for significant competitive advantage makes it worthwhile.

[4] The competitive advantage of generative AI | McKinsey

The Maker Pioneers New Business Models

For pioneering companies or sufficiently mature ones, the goal is to utilize AI to create entirely new business models or Gen AI models specifically for their business. So, different business units can harness Microsoft Copilot's APIs and development tools to build custom AI applications. This challenging stage demands advanced AI capabilities and heavy R&D investments, crucial for long-term growth and differentiation.

The Taker-Shaper-Maker model offers organizations a structured approach to adopting AI by aligning capabilities with strategic goals and providing a clear path for maximizing value. At the same time, it's crucial to consider aspects like technical expertise, talent availability, and experience. However, these are known issues for Nordic businesses. That's where a partnership like what Infosys and Microsoft have will make a massive difference to companies on this path.

Infosys and Microsoft: A Strategic Partnership for AI-Driven Transformation in the Nordics

Nordic businesses often struggle to bridge the gap between AI aspiration and realization, as many companies are challenged to transition from proof-of-concepts to real-world applications. The Infosys and Microsoft partnership becomes instrumental in helping companies achieve their goals. The convergence of Microsoft's cutting-edge AI capabilities and Infosys' deep industry expertise presents a compelling opportunity to drive transformative change in the Nordic region without compromising security or compliance, an essential requirement.

In addition to its Microsoft capabilities, Infosys has invested heavily in Infosys Topaz, an AI-first and secure set of services, solutions, and platforms using Gen AI technologies.

Furthermore, Infosys is building solid connections with country and industry leaders while establishing key partnerships and analyst relations. Its efforts to craft local brand narratives are underway, supported by new offices and strategic engagement with universities. Additionally, it promotes major engagements and hosts regional events to showcase Infosys' capabilities, ensuring its strengths resonate strongly with the local market.

In essence, Infosys brings sound industry knowledge and process expertise, while Microsoft provides a robust and trusted AI platform and ecosystem. Together, this partnership can help Nordic businesses confidently embark on the AI journey.

Our joint approach focuses on three key areas:

Accelerating Cloud Adoption

Many Nordic organizations have started their cloud journey, but there is significant untapped potential. By leveraging Microsoft's trusted cloud platform, Infosys can help businesses migrate their workloads, modernize applications, and create a solid, secure foundation for AI initiatives.

Empowering Employees with AI

By integrating AI into the workplace, Infosys can help enhance employee productivity, improve decision-making, and create a more engaging work environment, triggering better customer experience. Infosys uses AI-powered tools such as GPT Workspace to empower employees to self-serve and access information efficiently and securely.

Driving Business Outcomes

Ultimately, the success of any AI initiative depends on its ability to deliver tangible business value. This partnership helps organizations identify high-impact AI use cases, measure ROI, and scale successful initiatives enterprise-wide.

Infosys and Microsoft's combined expertise can help Nordic businesses navigate AI complexities and securely achieve their strategic goals.
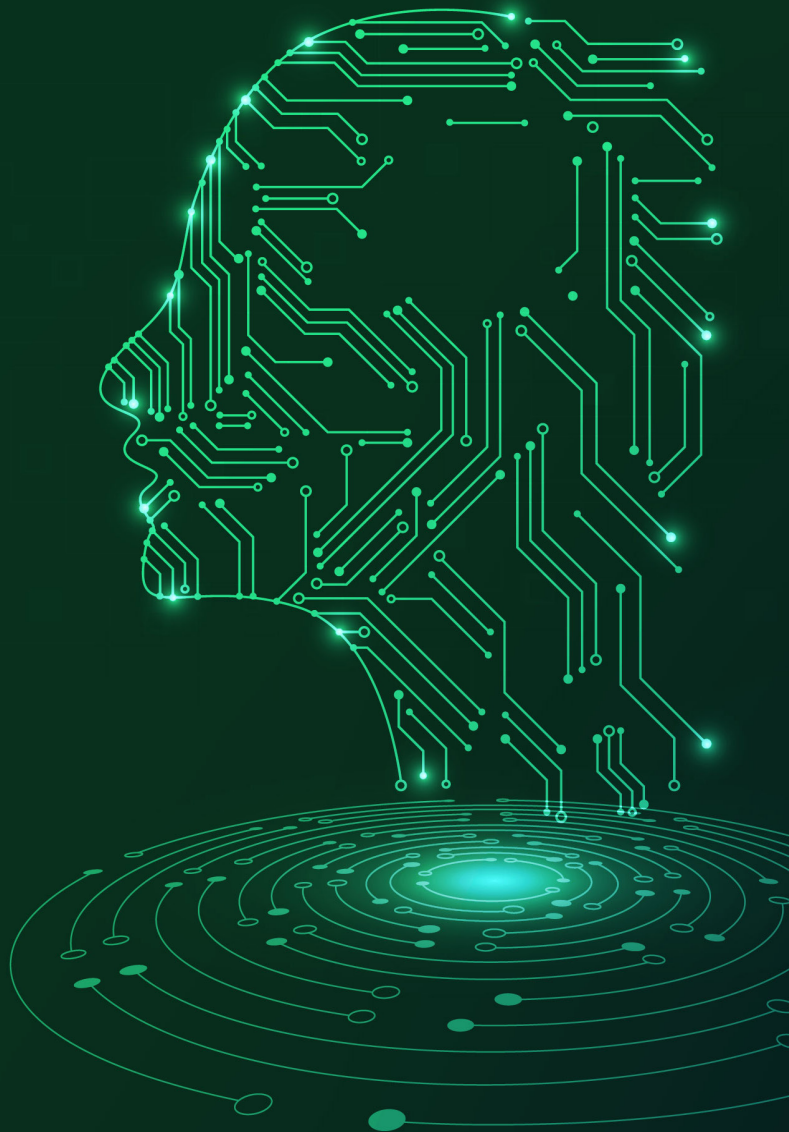
The Partnership in Action in the Nordic World

Cloud and AI Solutions Optimize KONE's Operations

KONE, a global elevator and escalator industry leader, uses digital transformation to enhance people flow in urban environments. This transformation is powered by the Infosys and Microsoft strategic partnership, utilizing advanced AI and cloud technologies.

KONE's initiatives include deploying predictive maintenance and AI-driven insights to improve operational efficiency and customer experience. Infosys brings expertise in AI integration and digital services, while Microsoft's cloud platform provides the scalability and security necessary for these innovations.[5]

Empowering Nordic Businesses: The Infosys and Microsoft Partnership

Something remarkable happens when a platform powerhouse like Microsoft, with its comprehensive, trusted cloud ecosystem centered around data, joins forces with Infosys, a global system integrator with deep industry knowledge and IT expertise. Together, they can help Nordic organizations securely harness the latest technologies to drive innovation at scale and achieve their business goals.

Danske Bank's AI-Driven Path to Competitive Advantage

Danske Bank, at the forefront of the financial industry's AI revolution, partnered with Infosys to accelerate its digital transformation.[6]

The bank's strategic investment in Gen AI technologies aimed to improve operational efficiency and employee experience. Notable initiatives include DanskeGPT, Microsoft 365 Copilot, GitHub Copilot, and DanskeGPT as a Smart Assistant.[7]

These tools enhance productivity and enable employees to focus on value-added tasks, contributing to a more efficient work environment. The bank's vision is to utilize secure and compliant Gen AI solutions across various business units.

This strategic focus on secure, compliant AI solutions, and cloud adoption positions Danske Bank as a leader in the Nordics, paving the way for future growth and innovation.

Empowering Employees Through Digital Transformation at the Ingka Group

Ingka Group, IKEA's largest retailer, sought to enhance the speed, scale, and flexibility of digital tool delivery to co-workers, streamlining operations and supporting its vision of a more accessible IKEA. The company believed this was essential to building a more resilient and assured future.[8]

Without it, employee productivity, customer experience, and the ability to achieve strategic goals of becoming more accessible, affordable, and sustainable would be impacted. So, the company partnered with Infosys to accelerate digital tool delivery, enhance core business functions, and streamline operations.

[5] Leveling Up With the Cloud | Infosys
[6] Danske Bank Selects Infosys as Strategic Partner to Accelerate Digital Transformation | Infosys
[7] Danske Bank Increases Investments in Generative AI | Danske Bank
[8] Ingka Group enhances digital efficiency and services through strategic partnership | Ingka

About the Author

Morten Thomsen is the Global Partner Solutions Lead at Microsoft Denmark, where he plays a pivotal role in driving digital transformation and AI initiatives in a strong collaboration between Microsoft and the Partner Ecosystem in Denmark. With a strong background in technology and leadership, Morten is dedicated to fostering collaboration between Microsoft and partners like Infosys to deliver innovative solutions. Morten has a background in consulting within strategy and organizational change and has held various positions focusing on building up new business units and creating new revenue streams in various IT companies.

Rohit Verma is a senior leader with over 24 years of experience in IT and digital transformation. He has held leadership roles in prominent consulting environments, overseeing the delivery of cloud, infrastructure, and end-user services. Rohit has a strong history of managing large projects, enhancing operational efficiency, and implementing innovative and AI-led solutions for clients in various sectors. He currently heads the Microsoft Practice for Infosys in Europe with a prime focus on integrating AI into all the Microsoft Solutions offerings the Practice delivers.

For more information, contact askus@infosys.com

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