

AI in Managed Services: better results at lower costs

A view on AI in Managed Services from a Dutch perspective

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Never before has there been a technology that developed faster than AI, and this is also noticeable in Managed Services. Of course, AI has been around in this field for quite some time, just like other tools that make predictions based on extensive analyses. What is really different now is the rise of generative AI, which provides new and interesting ways of working with this technology. To determine how AI could help in Managed Services, it is necessary to understand its strengths and weaknesses. Whereas human intelligence is based on the ability to learn, reason, solve problems and to think creatively, Artificial Intelligence is about pattern recognition, decision-making, and language processing based on predefined algorithms and data. When it comes to routine work, which is a large part of Managed Services, using AI is an effective, cost-saving solution.

Cost-efficient solutions

Humans remain essential in many work processes, but what makes these work even better, is the combination of humans and AI. Whereas control is still necessary to monitor the output and to prevent biases, and humans are still essential for complex decisions and oversight, AI can fully automate routine tasks without any human input. To ensure that AI indeed optimizes solutions with due regard for the right context, it needs to be kept in check by typical human qualities such as experience, emotions and consciousness.



Which basically explains the advantages of combining AI and Managed Services. Plus, of course, there is the additional benefit of cost-efficiency when combining AI and Managed Services. With the help of specialist advice and implementation teams the necessary technologies can be set up quickly. Fewer consultancy hours are required, which also produces more efficient and accurate results. Any specialist knowledge that is temporarily needed can be deployed quickly at the same time. In short, costs remain low.

AI and Managed Services (MS)

Some of the areas in which AI can play a role in Managed Services are, for example:

- **Intelligent Document Processing (IDP):** AI makes extracting and summarizing information from complex documents, such as legal contracts, easier and more effective.
- **Know Your Customer (KYC):** AI helps in monitoring transactions and recognizing patterns to detect fraud.
- **Procurement:** AI allows companies to perform real-time data analysis, leading to more informed decisions and more efficient supply chains. AI algorithms identify patterns and optimize inventory management, resulting in cost savings and less waste. Furthermore, AI predictive analytics can help in anticipating market trends and price fluctuations, allowing companies to respond proactively.
- **Hyperautomation:** This goes beyond traditional automation by using AI, machine learning, and RPA (Robotic Process Automation) to automate as many business processes as possible. This maximizes efficiency and minimizes the need for human intervention, leading to significant cost savings and improved accuracy.

The importance of data for an optimal use of AI

In essence, an optimal use of AI in Managed Services lies in effective data use and management. Managed Services provide standardized technologies for data storage, delivery and structuring to increase efficiency. Key aspects include good data governance for quality assurance and ethical use, data integration for a holistic view and data feeds for AI models, real-time data processing to improve response time and decision-making, and data security to protect data against cyber threats. By combining these elements, companies can leverage AI for accurate analytics and proactive decision-making, leading to increased operational efficiency and a competitive advantage.

Are you taking advantage of Managed Services?



Data governance for quality assurance and ethical use



Data integration for a holistic view and data feeds for AI models



Real-time data processing to improve response time and decision-making



Data security to protect data against cyber threats

Human in the loop

Ultimately, the question is not whether AI should be used in Managed Services, but rather how you can make optimal use of the combination of AI and human professionals. If you do this well, the results, speed of work and efficiency will increase, while costs are often lower thanks to a greater efficiency and precision. Nevertheless, it is important not to become completely dependent on AI solutions. Always keep in mind that AI is just one of the tools we can use to make life easier. It's the human factor that makes the difference.

Want to know more about KPMG's Managed Service Solutions? Please contact **Jasper van der Wulp**.



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