Scott Guthrie /Alysa Taylor Keynote
Microsoft Ignite 2022

DONA SARKAR: So both Scott and Judson talked about some of the challenges all of our customers, all over the world are having, and things that – you know, universal themes that you two are seeing as you go out and do your customer engagements and conversations?

SCOTT GUTHRIE: Yeah, well, I mean, I'll be – you know, if you think back to the last couple of years, you know, the world's gone through a lot, and you know, a lot of these things we've been going through together, you know, really as a global society, and you know, and technology was actually key to really enabling, you know, work from home, hybrid and a whole bunch of things. And you know, we're in an era right now, where – you know, there's more turbulence on the horizon, you know, whether it's continuing supply chain issues, whether it's inflation, whether it's interest rates and the energy crisis in Europe.

And you know, and then think back to kind of, you know, how do we continue to kind of grow the skills and the capabilities across organizations to kind of confront these challenges. And you know, I think technology is going to be key going forward again as we kind of selectively deal with these types of challenges. And you know, the good news is – and you know, it's part of what's the fun of this conference is hearing some of the stories of companies, you know, that are thriving, despite all the challenges and are, again, using technology to kind of surmount those.

And so, you know, I think this week, for example, there's good sessions talking about, you know, supply chain reinvention, and you know Mercedes Benz is a great example where they're using, you know, things like our Azure Data Services, things like our supply chain software and BizApps and Dynamics to kind of really reinvent, you know, how they – how they run their factories and how they coordinate their supply chain.

You know, I think you'll hear from like FedEx, who is obviously in the logistics business and has lots of retailers that are, you know, trying to figure out how to – how to confront inflation, and so anything they can do to kind of lower shipping costs and lower logistics costs makes a big difference.

And they're using Dynamics 365, and they've been able to lower, you know, several percentage points in terms of overall logistics to their customers. And then obviously, you know, for anyone in Europe right now, you know, the energy crisis that they're – they're facing, in terms of both availability of energy, and then obviously the cost of it, is a big deal.

And we're working with manufacturers across Europe to look at ways to use things like digital twins and the industrial metaverse, to kind of really understand how their – their factories are running, and how do they actually go ahead and reduce those costs. And Coca-Cola Hellenic Bottling is a great example of one of those customers doing that, and

then, you know, for events like this, obviously, it's about scaling, it's about training, our Microsoft Learn Online is being used heavily as well.

And you know, Satya just talked in the keynote, you know, how do we use low-code/no-code tools to also kind of democratize as much of the technology as we can to as much of the employee population as we can? And we've got great examples like PG&E, here in the United States that have already used low-code/no-code, used the skilling capabilities, and they reduced more than 75,000 hours of employee time, and have line of sight to reduce 600,000 hours of tasks that are manual today, you know, all by automating, you know, all by transforming their business.

So, you know, lots of headwinds, but lots of opportunity, and you know, that's what this conference is really all about is, you know, how do we address that opportunity together?

DONA SARKAR: No, absolutely. And Alysa, you get in front of customers, you know, every day, multiple times a day, what are some of the things you're hearing?

ALYSA TAYLOR: Well, Scott touched on the macro trends that we're seeing, but we also see very specific micro trends across every industry. And that's because every industry is unique. You know, we just talked about a few that Scott gave examples on, but if you think about the difference between manufacturing, to retail, to healthcare, they're all facing very unique situations.

And if I just zoom in to healthcare in particular, one of the greatest challenges in healthcare right now is physician burnout. In 2020, 50% of physicians had already reported burnout. That was before the pandemic. So think about what that does in terms of a healthcare organization being able to provide quality care. It really impacts that. And you know, I think technology is not the end-all/be-all to solve that, but technology can play a really interesting role in being able to help the healthcare industry.

And there's a bunch of different organizations that are working on this. One that we partner with, WellSpan, has actually adopted Nuance's Dragon Ambient Experience technology with Dynamics 365. And they're using that technology to provide the physicians with a device. That ambient technology will actually record the interaction between the physician, analyze that, and then put all of that data into the patient engagement and the electronic health record.

And so what that does for a physician is three very important things. One, it takes time out of all of that manual data entry that they'd have to do. Two, it actually acts as an assistant, so it can provide – it can take the insights from that data and provide predictive medicine and predictive recommendations. And then I would say, third, and the most important, is that it frees up time for the physician to spend with the patient, to provide them that quality care.

And so it's the combination of what organizations have to do at the macro level, what they're facing uniquely in their industry, and how we can partner in health, and I think

we'll see a lot of that today and tomorrow, throughout Ignite of how technology can help organizations in both dimensions.

DONA SARKAR: I'm so glad you said that. Because as we get in front of customers, all of us, many of you, customers are saying, "That's really cool, you have all these parts to the Microsoft Cloud, but for us to take all these pieces and put them together, it's actually a lot of work," especially if, again, we've got a huge talent shortage in the world. Not everyone is a software engineer. So they really rely on these industry clouds to bring all these together, specifically for industries, and like you're saying healthcare, manufacturing, these ain't the same industries.

So what are some things that you'd love to share with everyone about the magic of how these industry clouds work?

SCOTT GUTHRIE: Yeah, I mean, I think, you know, part of what we've tried to do with the Microsoft Cloud is, you know, provide really capability across a broad spectrum of horizontal capabilities. You know, whether it's productivity software, whether it's cloud infrastructure, whether it's data and AI, whether it's business application, security, low-code/no-code, et cetera.

And you know, I think we've got, by far, the broadest and deepest cloud from a core capability perspective, and it spans not just infrastructure, but all the way to SAS. And you know, the ability to kind of put those things together, you don't have to use it all together, but the ability to kind of leverage those pieces, you know, really enables much, much faster time to value, and you know, kind of ultimately leads to – you know, lower cost and the ability to kind of do more with less, that we've been talking about at this event.

Now, what we're trying to do also then is say, OK, let's take that horizontal capability, and then also think about how do we further tailor it even more to these industries, like retail, and healthcare, and manufacturing, and financial services, and more? And so, you know, we're still primarily breathed in horizontal, but you know, we're really looking first at, like what security or compliance or other regulatory needs can we meet and makes sure that we kind of – you know, take healthcare, meet HIPAA, meet all of the – the equivalents around the world in terms of those certifications.

And then we look at what's the ecosystem? So you know, in addition to kind of the Nuance, which is Microsoft first party, but – but how do we think about others in the healthcare space, that are delivering solutions, and integrate them with our overall Microsoft files to make sure they work in Teams, make sure they work with our Power Platform and our low-code/no-code tools, make sure they run on Azure, et cetera?

And then – and then, you know, we're going to look at like, you know, how do we further tailor our own capabilities, you know, for a particular industry? And so you know, I talked earlier about Mercedes Benz, that's using us in manufacturing. You know, Bosch would be another great example of a customer and partner of ours that's using really the

totality of the Microsoft Cloud in manufacturing, and you know, the ability to take digital twins, which run on Azure, you know, use AI and our learning technology to do anomaly detection, and then when an alert fires, you know, how do you then use Teams with Remote Assist, with HoloLens to investigate, and then ultimately Dynamics 365 with Field Service to be able to coordinate, let's say a support ticket?

And you know, the ability to use all of those together, along with a whole bunch of great partners and other software solutions built by others that are integrated, you know, again, helps us kind of accelerate on a per industry basis. And hopefully, you know, again, keep driving that "do more with less" mantra that we've been talking about today.

DONA SARKAR: Do more with less, right? This has been coming up over and over again. Yeah, are you seeing that from the customers you're talking to as well? Is this what they're craving?

ALYSA TAYLOR: Well, and we've highlighted different organizations in different industries. But I think if you build upon that, really, it's the people in an organization, right, because people are the fuel. They bring the creativity, the optimism. They deliver the results.

And so, as we think about technology, we'll talk about productivity, but I actually like the CEO of Crayon, a woman named Melissa Mulholland, actually phrased it as technology is the enabler for people to free people up to focus on what matters the most.

DONA SARKAR: Love that.

ALYSA TAYLOR: And so, in Crayon's example, they – their what matters the most is that they deliver exceptional customer value. And the technology that they're implementing is Microsoft Viva Sales. Satya talked about it in the keynote. And that technology takes all of the disparate sales data, so what data lives in a CRM system, what data lives in email, all that customer information, actually aggregates it, and brings it into the environment that a salesperson lives in every single day, which is Microsoft Office and Teams.

But it goes beyond streamlining the data. It's actually about the AI enabled insights that it then provides to that salesperson, so they get a holistic view of their customer. They understand customer preference. They can do kind of the sentiment analysis of a customer. So, all of that is in pursuit of providing exceptional value, which is Crayon's mission.

And so, we talked about do more with less, but it's also about putting people first. And Viva Sales is a great example. We'll see a lot throughout the conference of where technology is able to do just that, it's to put people first.

DONA SARKAR: I love that you both are talking about this where it's not just, here's all the tech, do stuff with it. It's how can we, Microsoft, who've created this, help you

actually use it the best, choose exactly what you need specifically for your organization, and implement it, empower your customers, your employees. I think that's super, super powerful.

In addition to these topics around the cloud, which I love, obviously, we know that a core priority for Microsoft is trust, right? It's a big topic. Satya talked about it, Judson talked about it, big theme in the world right now. And we found recently a study by IDC showed that 90% of CEOs consider trust between their organization and their technology suppliers to be a top priority, not one of, but a top priority. What do you two think about that?

SCOTT GUTHRIE: Yeah, I mean, I think trust is obviously paramount in terms of thinking about cloud and really running your business. And I think trust starts with the platform, both in terms of the technology, in terms of, as you mentioned, compliance, security, and both the operational role we have, but also what are the security controls and products that we offer, so that you can also protect your own applications, and your own custom workflows and logic as well.

And then also, it comes down to business model alignment. I mean, I think part of what's made Microsoft a trusted partner is the fact that we don't compete with our customers. We're not a retailer, we're not in a bunch of the industries that, say, some of our other hyperscale competitors are in. And that also needs to build – helps build deeper business trust, because at the end of the day, as you digitize more, you really need to know the platform's secure, and you really know that you need to know your partner is going to be there, trying to make you successful.

And I think we're unique in that, and we're trying to extend that even further in terms of how we deliver it. Twenty years ago, we pioneered the secure development lifecycle, which is going to be essential for software. We're also trying to pioneer now responsible AI.

As you think about as AI becomes more intrinsic, as data becomes more intrinsic, how do we make sure that our models don't have bias? How do we make sure that we're training these models and not sucking up our customer data incorrectly? Our customer's data is their data, again, going back to the technology and the business model trust. But how do we let them use AI to kind of augment and make their data even more powerful.

So, I think we're also really pioneering trust on the AI side, in addition to kind of, obviously, the operational and software side as well.

And then, just from a scale perspective, I think what makes us unique, is just the fact that we're doing this on such a broad scale. We process more than 43 trillion security signals per day now. And we've issued more than 70 billion alerts over the past year, in terms of anomalous activities that we've helped them warn customers about to help, again, protect their workloads, and their applications and their employees. And so, you'll continue to see us deeply, deeply invest in trust, going forward.

DONA SARKAR: I love that. I think it's incredibly important. And like you're saying, it is our responsibility. We do not compete with our customers. And people look to us to role model the behavior that they'd like in an organization. And I know you have a lot of conversations about those.

ALYSA TAYLOR: Scott talks a lot about how we are embedding trust into the solutions and services that we provide. But you also touched on the importance of trusting an organization you partner with. And I think more and more, we see organizations gravitate to like-minded organizations that share similar values.

And that's really been an evolution that the world holds organizations to a higher standard than just profitability, like if you think about what's happening at the board level, and what the board expects, but then there's also the value that you're providing to your customers and to consumers. And it really it meets in the middle at this notion of value-based success metrics. And we've seen the industry go to that.

And a great example of value and the organizations providing value is sustainability. There is a phenomenal stat. Over 70% of millennials will take a decision, a purchasing decision on whether or not a good or service is sustainable. That's radically different than anything we've ever seen before.

And so, when you think about how do organizations meet that, those types of objectives for their consumers, we at Microsoft actually have been on our own sustainability journey. And we took all of the learnings around how we would reduce our carbon emissions footprint. We packaged up that IP, and we just recently announced the Microsoft Cloud for Sustainability.

And our goal with that is to not only continue to, at Microsoft, reduce our carbon footprint, but enable our customers, our ecosystem, to take that technology and be able to reduce, report, record, and ultimately bring down carbon emissions and the global carbon footprint. So, it's a great example of providing value, but also making sure that an organization meets their objectives, and all of us coming together to make the planet a better place.

DONA SARKAR: OK, not to get on my soapbox, but I'm about to get on my soapbox. Sustainability, so important. And like you're saying, 70% of millennials and Gen Z make buying decisions based on sustainability and accessibility, just pointing that out, of the organization that they're doing business with. We hear it over and over again, and I absolutely love that we, at Microsoft, have "empower everyone on the planet to do the thing" written on our badge, but we live it every day in how we do that work, right, how we do that work to make a better planet for generations to come.

And those of you here at Ignite, Seattle will notice that this is a swag-free event, because we're trying to be more sustainable. And it turns out a lot of that swag ends up in landfills, which does not help any sustainability costs.

So, Scott, and Alysa, thank you so much for joining us. What are some last words you have, wisdom, inspiration, anything for this audience?

ALYSA TAYLOR: Wisdom and inspiration, OK. Well, I would say we've talked, you've heard the themes, and I will, for the rest of the time at Ignite – and thank you, everyone, for being here. You'll hear do more with less, as you talked about, putting people first, and this notion of trust, and trusting your cloud provider, trusting the organizations you work with.

And so, these are the core themes that'll be threaded throughout. And I'm just so excited that we get to be back in person and digitally, and it's phenomenal to be here. So, thank you, Dona, for having us.

DONA SARKAR: Thank you. And Scott?

SCOTT GUTHRIE: Yeah, no, and I think just building on everything that Alysa said, in terms of how do we enable in this time, how do you keep doing more with less. I think also, just really, how do we enable every organization, and everyone here, and everyone helping support organizations to really drive the digital agenda?

I mean, I think we've seen with COVID, technology was essential to help the world get through, both in terms of keep running businesses, providing vaccines, and everything we've had to go through, and I think hopefully, that's also been a real clear call of just how impactful technology can be to every organization.

And I think in the years ahead, let's keep using that technology, let's keep solving the hard problems that both face our immediate organizations with the world at large, like sustainability. And I think it's going to be an exciting future as we kind of leverage more and more of the text to do better and better things.

So, looking forward to conversations this week, and looking forward to the feedback. And let's go and take advantage of this opportunity together.

DONA SARKAR: I love that. Just a pro tip for everyone. I know that everybody has talked about OpenAI, and GitHub Copilot, and Power Automate Automatic Flows, and Power Apps Ideas; use them. If you haven't used them, I know no one asked me, but I'm asking me now, use them, because there's nothing better than watching a machine do the most boring parts of your job. It's actually the coolest thing ever. It is magic, you know? We get to make magic every single day, and I feel so fortunate to be here with all of you and both of you to do this Ignite thing.

All right, we're going to toss back to the studio. Thank you so much for joining us.

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