



The Deloitte On Cloud Podcast

Sahithi Bayana, Managing Director, and Ashwin Patil, Principal, Deloitte Consulting LLP

Title: Deloitte's Sahithi Bayana and Ashwin Patil share key insights on AI-driven app rationalization

Description: In this episode, Deloitte's Sahithi Bayana and Ashwin Patil discuss how AI can enhance application rationalization in digital transformation. They break down how AI can help boost operational efficiency via automation, streamline data integration while minimizing business disruption, and enhance the customer experience with high-value-to-cost ratio initiatives. Sahithi cautions, however, that to achieve expected business value, performance metrics should be tied to ROI.

Duration: 00:12:09

Host:

Sahithi Bayana:

Welcome back to the On Cloud podcast. I'm Sahithi Bayana, managing director here at Deloitte, and I'm here with Ashwin Patil, principal at Deloitte. And as a quick intro about me, I'm a leader within the app rationalization space at Deloitte and I specialize in guiding our clients through the strategic optimization of their application portfolios. So, with that, I will hand it off to Ashwin for a quick intro.

Ashwin Patil:

Thank you, Sahithi. I'm a leader in our AI and data practice, and I spend all my time helping clients focus on core data cloud, on-prem implementation of large-scale programs around data and AI, essentially building outcome-focused analytical capabilities to drive actionable business value through data.

Sahithi Bayana:

Perfect. So, today, we wanted to dive a little bit into app rationalization and the state of affairs within AI and GenAI and how they're all integrated together. So, we wanted to give a little bit of background around how we view and think about app rationalization as a process at different client environments. So, when we look at an application portfolio within any client organization, our goal is to identify redundancies, inefficiencies, any sort of opportunities for consolidation with the eventual objective to eliminate or upgrade outdated systems, so you are in alignment with your business goals for the most cost optimized environment. And with that I wanted to give Ashwin a little bit of a chance to talk through the trends within AI and GenAI as well before we can talk through the integrated process.

Ashwin Patil:

Of course, so Sahithi, as you know, the space around AI and GenAI is exploding with new technologies and new capabilities being churned out there in the marketplace. And really what's happening is, as the technology has evolved now, the speed and the compute power that's available through AI to essentially parse through large amounts of complex data in varied environment locations has gone up through the roof in being able to then drive data-focused decisions to make value come out of pure data.

So, whether that's identifying where there are anomalies or identifying how trends are working or, frankly, making somewhat of a hypothesis-based testing and scenario analysis, all of that is now possible through the current AI and GenAI capabilities that are out there.

Sahithi Bayana:

I love that. And I think with that, Ashwin, there is an interesting trend that we're noticing where app rationalization activities are driving more and more AI automation or GenAI-related trends, and, also, the vice versa is true where GenAI and AI are driving app rationalization in a way to optimize whether it's

business needs or financial efficiencies and or, generally, operational efficiencies. So, I wanted to quickly touch upon how app rationalization within this space, we're noticing AI and GenAI being evolved, and then perhaps I can hand it off to you to kind of talk through how AI and GenAI starting point is driving app rationalization opportunities as well.

I think there are three key trends that I'm noticing from app rationalization to GenAI evolution, and I think the very first one we've noticed is the operational inefficiencies. Where there are opportunities of areas of manual processes and that are time-consuming and are error prone, where you could bring in automation and make it that much more efficient.

And then the second thing that we're noticing is essentially within the data overload space, which I'm sure you're wanting to probably explore more and dive into, but we look for applications that handle large volumes of data, but lack advanced analytical capabilities, and that's a key area of opportunity to bring in AI and GenAI capabilities to make that that much more robust.

And the last thing I wanted to touch on is probably the most important for every organization out there, customer experience, where we focus on applications that directly impact customer interactions and could benefit from personalization or automation, but I wanted to take your thoughts on some of the trends you're noticing as well, Ashwin.

Ashwin Patil:

The trends are fairly broad that I'm seeing in terms of usage. So, when you think about the core capabilities that are required to drive some of the things that you've mentioned here around operational inefficiencies or manage the data overload or think about customer experience, most people think about the things that naturally come out, which is, "Oh, I can do predictive analysis or I can drive some level of robotic automation or process automation through using AI and data technologies or doing data analysis faster by building AI algorithms and models that help you analyze data?"

With the help of GenAI, though, the aperture has broadened a fair bit. So, when you think about natural language processing and the ability to ask questions and get answers in natural language, by looking at curation of content in the background, looking at both structured and unstructured information, thinking about what things are happening not just in terms of transactional data, but also looking at operational data, what is happening in terms of the code that actually works on the data, thinking about driving aspects of personalization, thinking about the simulative capabilities or self-learning, self-healing capabilities as it pertains to AI models, that's really transforming the way people have traditionally thought about using AI and GenAI capabilities to what exists today and what people are leveraging.

Sahithi Bayana:

I love that. So, with that, I also want us to bring to a quick conclusion here in noticing how app rationalization efforts are driving AI and GenAI and vice versa, any thoughts on how we want to summarize this bigger, broader discussion into maybe bytes of chunks for our audience?

Ashwin Patil:

Yes, absolutely. Look, I would think about it largely in maybe three areas. The first area is the analysis of usage patterns and performance metrics. So, as you think about applying predictive analytics, automation, observability, some of these types of capabilities to say, "What applications are being used in what way, by whom, and how efficiently are those applications being leveraged?" This is where a lot of process mining can also be leveraged in terms of input information or benchmarking information to identify where we've got anomalies or areas of optimization available.

The second is really matching up the business value with the cost efficiency you can get from driving app rationalization. And this is where there's a heavy amount of customer-related influence that can come in, as well as where a company wants to go in terms of driving their interaction, their exchange both internally as well as externally, whether it's customers, whether it's partners, and so on. So, we are leveraging a lot of those personalization capabilities and the ability to manage the interaction between applications through Agentic AI and other frameworks to drive a low-latency way of interaction across different applications to drive business value.

Thirdly, it's focused around integration and interoperability. So, whether it's master data that you're fixing at the core or whether it's managing a data mesh-like environment where you don't have to aggregate all of your enterprise data into one place and you're looking at essentially a unified platform and architecture network to drive that data integration and drive that interoperability and commonality around key domains of information to truly understand how your data is synchronized across the organization, is going to play a big role in terms of how you are not only driving the app rationalization process, but also how are you making sure that business as usual is not getting affected because you've got data that's lost in the bargain of rationalization or data that's no longer available for querying and analysis. So, those are the three areas that I feel customers have to be thinking about most as they think about app rationalization and the use of AI and GenAI data capabilities.

Sahithi Bayana:

That's fantastic, Ashwin. And if I can add one more success criteria to unlocking this potential integration between AI and GenAI to app rationalization is how can you possibly measure as you take on this journey, once you identified your business case, once you identify your use case for that business case, and making sure you're putting all the right checks and balances, ensuring that ROI is actually real and you're tracking against all your investments that you've put in, I think that is exactly what is needed early on to setup for you to get to that meat of the matter quicker and making sure that you're doing all the right things for the organization.

So, with that said, I truly appreciate your time, Ashwin, and we're really happy to be sharing this type of integration and the evolution of trends between different capabilities and how they're coming together to solve our client solutions. So, please feel free to reach out to Ashwin or me. I'm on LinkedIn and my name is Sahithi Bayana, and I am predominantly focused on health care clients, but always interested in app rationalization and evolving this capability, Ashwin.

Ashwin Patil:

Thank you, Sahithi. As we leave here, I want to make sure that everybody here, there's three concluding things that they take away with. One, there's a lot of technology evolution that's happening here in this space and understanding what can be leveraged, so that you don't have to start from ground zero and build anything foundational is important. So, leverage partners, leverage assets and accelerators, as you are trying to go through this journey. Two, take a broad enterprise view as you think about things like application rationalization and the application of AI and GenAI. Taking that broader view is going to ensure that you're not only approaching this from a technology footprint front, but also looking at from the standpoint of how your organization is going to be pervasively driving the usage of these technologies and how you're going to drive that into your business on a day-to-day basis. And then last, make sure that you have measurable success criteria along the way so that you are getting an effective view of return on investment as you drive through this area.

If you keep these three things in mind and walk away with leveraging the use of AI and GenAI into driving your app rationalization process, you're going to drive tremendous success and value out of it. Thank you, Sahithi for having me.

Sahithi Bayana:

Thank you.

Operator:

This podcast is produced by Deloitte. The views and opinions expressed by podcast speakers and guests are solely their own and do not reflect the opinions of Deloitte. This podcast provides general information only and is not intended to constitute advice or services of any kind. For additional information about Deloitte, go to [Deloitte.com/about](https://www.deloitte.com/about).

This publication contains general information only and Deloitte is not, by means of this publication, rendering accounting, business, financial, investment, legal, tax, or other professional advice or services. This publication is not a substitute for such professional advice or services, nor should it be used as a basis for any decision or action that may affect your business. Before making any decision or taking any action that may affect your business, you should consult a qualified professional advisor.

Deloitte shall not be responsible for any loss sustained by any person who relies on this publication.

Visit the On Cloud library
www.deloitte.com/us/cloud-podcast

About Deloitte

As used in this podcast, "Deloitte" means Deloitte Consulting LLP, a subsidiary of Deloitte LLP. Please see www.deloitte.com/us/about for a detailed description of our legal structure. Certain services may not be available to attest clients under the rules and regulations of public accounting. Please see www.deloitte.com/about to learn more about our global network of member firms. Copyright © 2024 Deloitte Development LLC. All rights reserved.