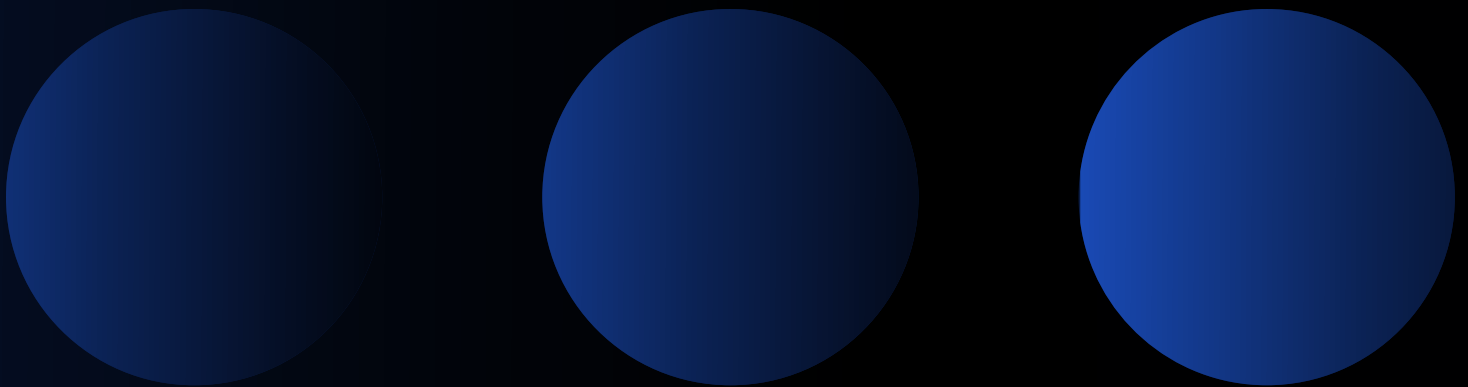


Scaling AI Value in Telecom for CFO's

From AI Experimentation to Enterprise Value

How Telcos Can Prioritize, Scale, and Monetize AI-Native
Workflows With Lessons from Circles and OpenAI



Contents

- 03** From AI Readiness to Investment Strategy
- 05** Where Should Telcos Pursue AI Value First?
- 07** Which AI-Enabled Workflows Deserve Priority?
- 09** What Can Scale Now, and What Needs More Work?
- 11** What Does Prioritization Look Like in Practice?
- 13** What Needs to Change in the Operating Model?
- 14** How Should Leaders Decide Whether to Scale, Redesign, or Stop?
- 15** Turn AI Readiness Into Measurable Enterprise Value

From AI Readiness to Investment Strategy

Our previous white paper, [The AI Readiness Gap in Telecom](#), established that AI readiness provides the foundation for moving beyond experimentation. The next challenge is deciding where to invest. As more AI opportunities emerge across the business, CFOs need to determine which workflows are worth funding, how much they may require, and how quickly they can deliver a return.

AI is not a single investment with one expected outcome. Different workflows can create value in different ways. Some may reduce cost-to-serve or improve operational efficiency, while others may increase revenue, reduce churn, improve productivity, or speed up product development. Each comes with different implementation costs, timelines, and risks.

Before comparing investments, finance leaders need to understand what a workflow is expected to achieve and how to measure that value. A customer-service workflow, for example, might aim to reduce the cost of handling customer queries. A personalization workflow, on the other hand, might aim to increase ARPU or reduce churn. Development tools may be judged by improvements in productivity or product velocity.

Circles' work with OpenAI provides examples of these different value pools. Its CareX architecture supports an AI Concierge that handles customer-service tasks across billing, subscriptions, network management, and account services. Circles reports a 65% autonomous resolution rate across supported workflows, potentially reducing customer service costs.

Xplore IQ takes a different approach, using AI to support personalized customer engagement and delivering a reported 22% increase in ARPU and a 9% reduction in churn in Singapore. Enterprise AI coding agent Codex offers another example, with Circles reporting a 29% increase in development efficiency across design, coding assistance, and unit testing.



Evaluating AI Opportunities as a Financial Portfolio

These outcomes must also be weighed against the investment required to achieve them. A workflow may require additional spending on data, system integration, governance, technology or people before it can deliver its expected value. Therefore, finance leaders must consider what it will take to reach an opportunity's potential return, and whether it is worth it.

Time to impact is another important consideration. Two workflows may offer similar potential value but require very different amounts of time to deliver measurable results. A workflow that can begin showing results within months may warrant different treatment from one that requires a longer transformation before its benefits can be realized.

There is also a financial risk if a workflow does not deliver the expected results. Leaders need to know when to keep investing, change the approach, or stop. Clear measures help make that decision. For example, autonomous resolution can show whether a customer-service workflow handles more interactions without human intervention, while changes in cost-to-serve can show whether it is reducing the cost of serving customers.

An investment can also have value beyond the first workflow it supports, and capabilities developed for one use case may be useful elsewhere in the business. CareX, for example, already supports multiple customer-service areas, showing how the same investment can support more than one workflow.

For CFOs, the challenge is to view AI as a portfolio of investments, with each workflow offering different levels of value, cost, risk, time to impact, and reuse potential. A consistent way to compare these opportunities can help leaders decide where to invest now and where further work is needed before funding.

Where Should Telcos Pursue AI Value First?

As AI investment accelerates, telecom leaders face an increasingly complex portfolio of opportunities spanning customer experience, network operations, product innovation, and revenue growth. The challenge is determining which opportunities will deliver meaningful, measurable business impact, rather than prioritizing technologies or individual use cases in isolation.

A business–outcome–led approach provides a more disciplined foundation for investment decisions. To figure out where to pursue value first, telco executives must start with their desired outcome, such as:



Cost-to-serve

Reducing the cost of serving customers, for example through automation.



Customer retention

Reducing churn by identifying customers at risk of leaving and taking targeted action.



Product velocity

Developing, testing, and launching new products and services faster.



Operational efficiency

Improving internal processes so they are faster, simpler, or less resource-intensive.



Revenue growth

Finding new ways to increase sales and generate additional revenue.



ARPU growth

Increasing the average revenue generated by each customer through more relevant products, services, or offers.

Starting with the intended business outcome shifts the priority from technological capabilities to financial and operational impact. It helps organizations prioritize end-to-end workflows that can drive widespread improvements, rather than using resources to complete a single AI task that solves a narrow problem. Organizations can further avoid scope creep by addressing technology, data, integration, or governance only where they affect the workflow's ability to scale.

Circles' work with OpenAI provides examples of how AI can be applied to different value pools across the telecom business:



CareX

Demonstrates the potential of AI-driven customer-service automation, achieving a reported 65% autonomous resolution rate across supported workflows. By resolving eligible customer requests without human intervention, the solution creates opportunities to reduce cost-to-serve, improve service availability, and allow customer-service teams to focus on more complex interactions.



Xplore IQ

Supports customer retention and ARPU growth through personalized recommendations, with a reported 22% increase in ARPU and 9% reduction in churn in Singapore.



Codex

Supports development efficiency and product velocity, with Circles reporting a 29% increase in development efficiency across design, coding assistance, and unit testing.

“Circles is using OpenAI to transform the customer experience by improving network diagnosis and billing triage... reducing churn by 9% and driving product growth.”

Denise Dresser

Former CRO, OpenAI

Understanding what business outcome each AI capability is designed to improve and how the impact can be measured gives telcos a much clearer basis for deciding which AI workflows to prioritize.

Which AI-Enabled Workflows Deserve Priority?

Telcos have more AI opportunities than they can pursue at once. Leaders need a clear way to identify which ones to prioritize. The framework below helps telcos compare potential AI-enabled workflows across five dimensions:

Dimension	What to consider
1. Business value	• What business outcome could the workflow improve? • How significant is the opportunity? • Which metric would show whether it is successful?
2. Execution readiness	• What systems, data, processes, operating structures, and governance are needed? • What is already in place, and what is missing?
3. Time to impact	• How quickly could the workflow begin delivering meaningful results? • Is there a realistic near-term path to value?
4. Risk	• What operational, customer, regulatory, privacy, financial, or execution risks need to be considered?
5. Reusability	• Could the capabilities developed for this workflow also support other opportunities, functions, or workflows?

The AI Value Sequencing Matrix provides a structured approach for comparing potential AI investments across business impact, execution readiness, time to value, risk, and reusability.

Assess each workflow against a defined business baseline, expected financial or operational improvement, implementation requirements, and measurable success criteria. This helps leaders distinguish opportunities that can generate near-term value, those requiring targeted enabling investments, and longer-term transformation initiatives.

CareX illustrates how an AI workflow can be assessed across all five dimensions:

- 1 Business value is demonstrated by a 65% autonomous resolution rate across supported customer-service workflows.
- 2 Execution readiness is supported by an orchestration agent that can access the customer information needed to understand a request and route it to specialist agents for billing, subscriptions, network management, or account services.
- 3 Time to impact is demonstrated by an early deployment that reached 55% autonomous resolution within its first week.
- 4 Phased rollouts, scoped access to customer information, and human escalation manage operational and customer risks.
- 5 Reusability is demonstrated by using the same architecture across billing, subscriptions, network management, and account services, showing its potential to support multiple customer-service workflows.

A workflow can have high business value but still require further work before it is ready to scale. Likewise, ease of implementation alone should not make a low-impact workflow a priority.

	Scale now	Enable next	Transform for
Workflow	Proven AI workflows that can expand using capabilities already in place	High-value workflows that need specific barriers removed before they can scale	Cross-functional opportunities that require broader changes to systems, processes, or operating models
Value opportunity	Extend demonstrated business value while monitoring performance and risk at greater scale	Unlock additional value by addressing gaps in data, integration, governance, processes, or technology	Create new value through intelligent, connected operations across multiple functions
What this can look like	Expand proven automation across more interactions, users, or use cases	Strengthen integrations, data access, and controls to prepare the next workflow for expansion	Use AI agents to orchestrate workflows across customer engagement, billing, provisioning, network operations, and product management

What Can Scale Now, and What Needs More Work?

The Sequencing Matrix above identifies which workflows deserve attention. The Three-Horizon Model in this section organizes opportunities by how ready they are to deliver results. In this case, it separates AI workflows that are ready to scale, workflows that need further work, and longer-term opportunities that require broader changes. This gives leaders a way to decide where to invest now, and what to plan for later.

Leaders can turn this prioritization into an investment sequence, linking each investment to the specific AI workflow it is intended to enable rather than a broader modernization project.

Scale now

Horizon 1

These high-priority workflows score well across the Sequencing Matrix and can move forward using capabilities already in place. A workflow belongs in this horizon when it has demonstrated business value, the needed capabilities are already in place, and the risks can be managed. At this stage, the aim is to expand the workflow and measure whether it continues to deliver the expected business outcome as its scope increases.

CareX is already used across billing, subscriptions, network management, and account services, with 65% of supported customer-service interactions resolved without human intervention. Circles also used a phased rollout, which allowed the workflow to expand while monitoring performance and risk.

Enable next

Horizon 2

Some high-value workflows are not yet ready to scale because of specific constraints, such as gaps in data, integration, governance, processes, or technology. The priority is to address these barriers so the workflow can scale.

Expanding an AI customer-service workflow may require stronger integration with customer systems or additional controls for handling personal information. These investments can help remove barriers to implementing the workflow. For example, if CareX expanded to handle additional customer-service workflows, it would need to assess the specific data, integrations, and controls required before expanding.

Transform for

Horizon 3

Some opportunities extend beyond a single function or existing process. They may require multiple systems to work together, new operating models, or more advanced agentic workflows. These belong in Horizon 3 when the potential business value justifies the larger transformation required.

Horizon 3 represents the opportunity to move beyond function-specific automation towards intelligent, cross-functional telecom operations. In an AI-native operating environment, AI agents could orchestrate complex workflows across customer engagement, billing, service provisioning, network operations, and product management, enabling more personalized and proactive customer experiences.

Circles' planned expansion of CareX into real-time voice support illustrates one potential direction for this transformation. The initiative targets 95% autonomous resolution across text and voice, subject to successful development and deployment.

The broader opportunity is to connect AI capabilities across the telecom operating environment, enabling operators to improve efficiency, accelerate innovation, and explore new digital business models.



The key question leaders must ask is:

What would the transformation enable, and does the resulting business value justify the investment?

What Does Prioritization Look Like in Practice?

The Sequencing Matrix becomes most useful when it helps leaders compare competing investments. Each assessment should reflect the operator’s existing capabilities, available evidence, and the specific work required to deliver an outcome. McKinsey’s Scaling the AI-native telco (2025)¹ recommends prioritizing related workflows within a business domain and reusing proven AI capabilities across initiatives to help operators build on earlier investments, reduce duplication, and accelerate deployment.

Consider a hypothetical operator that has validated an AI billing-support workflow, but still has fragmented customer-engagement data and limited coordination between network operations and customer care. Its assessment might look as follows:

Dimension	Billing–query resolution	Personalized retention offers	Proactive service recovery
Business value	Reduce cost per resolved inquiry and repeat contacts.	Improve customer retention and contribution margin.	Shorten service disruptions and reduce related complaints.
Execution readiness	A validated deployment, reliable billing access, and established escalation paths are already in place.	Usage data, complaints, offer eligibility, and campaign execution still need to be connected.	Network, customer-care, and field-service systems need coordinated processes and decision rights.
Time to impact	Near-term expansion within the proven scope.	Results depend on completing targeted data and integration work.	A longer implementation and validation cycle across functions.
Risk	Incorrect explanations, unauthorized account changes, or unresolved inquiries.	Results depend on completing targeted data and integration work.	A longer implementation and validation cycle across functions.
Reusability	Identity checks, account access, and case histories can support other service workflows.	Results depend on completing targeted data and integration work.	A longer implementation and validation cycle across functions.

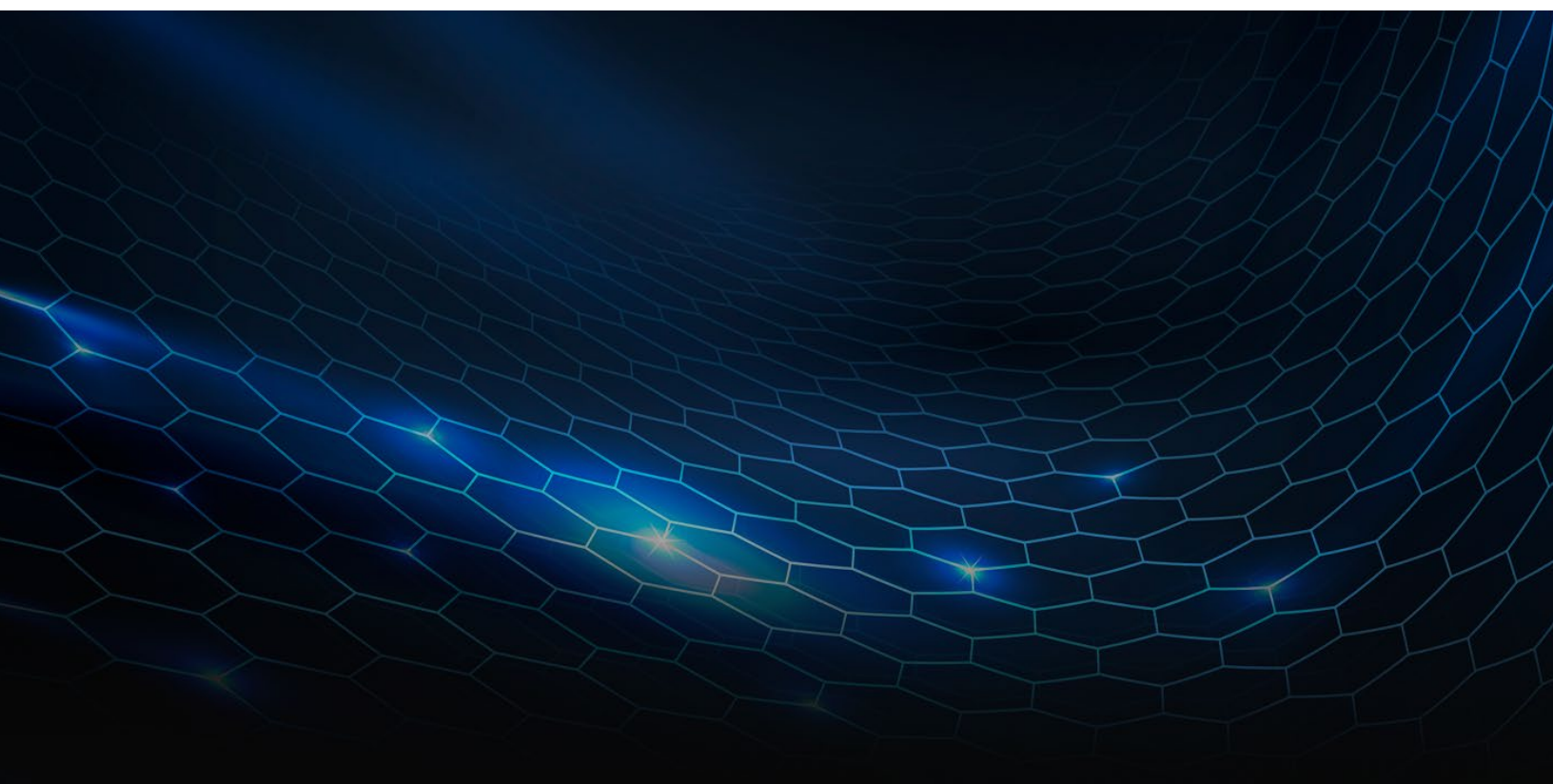
Horizon 1: Scale now

Horizon 2: Enable next

Horizon 3: Transform for

The operator would first expand the validated billing workflow within its approved scope and invest in the data and integration work to support personalized retention offers. It would then test proactive service recovery in a controlled environment before expanding it more widely.

These placements are illustrative and depend on the operator's starting conditions. An operator with mature network automation could prioritize differently. Leaders should record the evidence and dependencies behind each assessment, then update priorities as readiness and results change. Unresolved risks should remain explicit conditions for expansion, even where the potential business value is high.



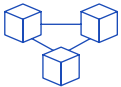
What Needs to Change in the Operating Model?

Scaling AI also requires changes to how work is owned and managed. As Brynjolfsson, Rock, and Syverson explain in *The Productivity J-Curve* (2021)², new technologies such as AI depend on complementary investments to realize their productivity benefits. For telcos, this means developing employee skills, clarifying responsibilities, and adapting operational processes as they introduce and scale the technology.



Assign an accountable business owner.

Give one owner responsibility for the business outcome and authority to coordinate across departments. For customer service, this means overseeing resolution quality, customer experience, and cost-to-serve together.



Maintain a team beyond launch.

Define responsibilities for maintaining integrations, updating rules, investigating failures, and prioritizing improvements. McKinsey similarly emphasizes clarifying human and AI roles throughout the workflow.³



Set clear decision boundaries.

Specify what AI can complete independently, what requires approval, and who handles exceptions. A billing explanation might be automated, while a disputed credit requires human review.⁴



Embed training and feedback.

Train employees to recognize failures and escalate effectively. Regularly review repeat contacts, incorrect resolutions, and employee feedback, then incorporate findings into workflow improvements.

These arrangements connect everyday operations with the evidence needed to scale, redesign, or stop.



How Should Leaders Decide Whether to Scale, Redesign, or Stop?

When launching a prioritized workflow, leaders need clear measures and decision points to determine whether it is delivering as expected and whether they should invest further. Each workflow should have a clear business owner responsible for its performance and for decisions about its future.

Before expanding, leaders should agree on the desired outcome and define how they will measure success. This should include both business results, such as cost-to-serve, ARPU, churn, or development efficiency, and operational measures, such as resolution rates, escalations, errors, customer complaints, or data incidents.

Leaders should measure both how well a workflow operates and whether it is delivering the intended business outcome. For CareX, the 65% autonomous resolution rate provides an operational measure of performance. Another example is Xplore IQ, where Circles reports a 22% increase in ARPU and a 9% reduction in churn in Singapore.

Together, these measures provide a fuller picture of whether an AI workflow is creating value and whether it is ready to expand. These measures can form three decision gates:

- **Scale** when the workflow is delivering its intended business outcome, operational performance remains within acceptable limits, and risks are controlled.
- **Redesign** when the workflow shows potential but falls short of its business target or encounters execution problems that can be addressed.
- **Stop** when the workflow is not creating sufficient value, risks cannot be managed, or there is no credible path to improvement.

Evidence determines what happens next and prevents successful deployment from becoming the end goal.

Turn AI Readiness Into Measurable Enterprise Value

AI readiness provides the foundation for adoption, but scaling AI requires the right technology, data, and operating environment. Enterprise value depends on the business results AI delivers and the ability to measure them. Circles helps telecom operators apply AI across customer experience, operations, and revenue through an AI-native platform built to support multiple workflows.

Advance your AI transformation. Connect with our global leadership team or your regional lead to discuss your strategic priorities and opportunities to create measurable business value.

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¹McKinsey & Company. (2025, February 27). Scaling the AI-native telco. <https://www.mckinsey.com/industries/technology-media-and-telecommunications/our-insights/scaling-the-ai-native-telco>

²Brynjolfsson, E., Rock, D., & Syverson, C. (2021). The productivity J-curve: How intangibles complement general purpose technologies. *American Economic Journal: Macroeconomics*, 13(1), 333–372. <https://doi.org/10.1257/mac.20180386>

³McKinsey & Company. (2026, February 26). Telcos' AI inflection point: What leaders do to capture value. <https://www.mckinsey.com/industries/technology-media-and-telecommunications/our-insights/telcos-ai-inflection-point-what-leaders-do-to-capture-value>

⁴National Institute of Standards and Technology. (2023). Artificial Intelligence Risk Management Framework (AI RMF 1.0) (NIST AI 100–1). U.S. Department of Commerce. <https://doi.org/10.6028/NIST.AI.100-1>