service council™

RESEARCH REPORT

FROM AI INTENT TO OPERATIONAL REALITY: REIMAGINING THE SERVICE BLUEPRINT

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Neuron7.ai

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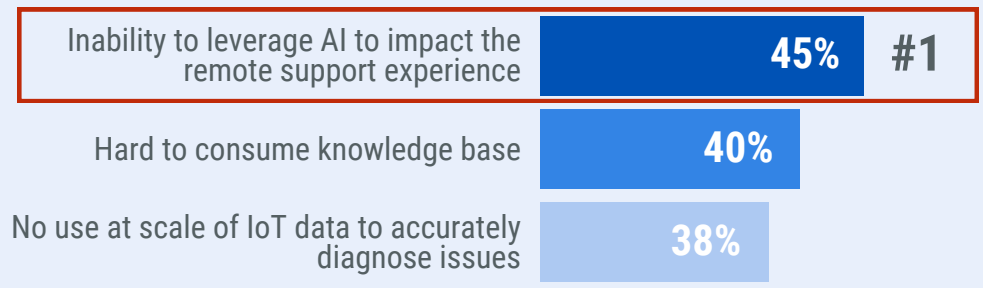
EXECUTIVE SUMMARY

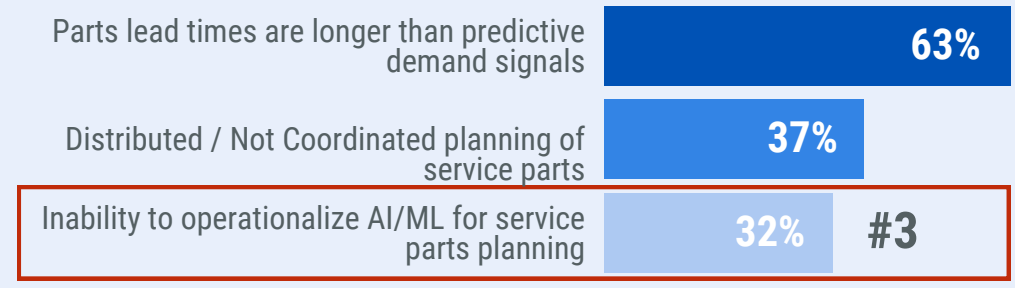
Leading service organizations are shifting their focus from digital ambition to operational execution, emphasizing the importance of turning strategy into scalable and human-centered transformation. During Service Council's recent IdeaShare™ session, executives from Karl Storz, 626, and Daktronics joined over 20 of their peers to share their perspectives on what it takes to revise the service blueprint in the era of AI.

The insights gathered from these industry leaders highlight that merely obtaining AI and automation capabilities is not enough to unlock value. This aligns with Service Council's research where service leaders say the 'inability to operationalize and leverage AI' is amongst the top three reasons for the challenges they face. True impact hinges on the clarity and effective (re)design of the interaction between people, processes, and platform. In today's environment, this approach is necessary for measurable outcomes to be achieved and sustained.

What are the main reasons for the challenges currently faced by your remote support operation? [1]



What are the main reasons for the challenges currently faced by your service parts operation? [2]



Across industries, there is a growing recognition that legacy service frameworks which were historically optimized for efficiency, are no longer adequate for managing the complexities of today's environment. This report distills the key themes, lessons learned, and field examples discussed during the IdeaShare session. It illustrates how leading organizations are successfully bridging the gap between intention and impact as they strive for AI-enabled service excellence.

[1] 2025 State of Service Supply Chain survey. Service Council.
[2] 2025 State of Remote Support and Self-Troubleshooting survey. Service Council.

REIMAGINING THE SERVICE BLUEPRINT

Service leaders are under pressure to meet rising customer expectations, improve operational efficiency, and achieve better business outcomes from technology. Yet many organizations continue to operate within legacy frameworks that are optimized for stability and efficiency rather than agility and intelligence. This misalignment between modern expectations and legacy models hinders successful digital transformation.

Technology adoption alone does not modernize service. Processes remain rigid, frontline teams struggle with fragmented tools and excessive data, and organizational silos hinder visibility and collaboration. To capture the true value of technology, participants emphasized that the flow of value from customer to company must be redefined. Data, processes, and human expertise must interact in a connected, iterative system.

The IdeaShare identified three key pressures accelerating the need to revise the service transformation blueprint:

1. **Market Dynamics.** Expanding services, complex products, and increased pressure to improve performance goals challenge operations, while talent shortages and the drive for innovation demand adaptability.

> *"We've automated the old process, but we haven't rethought the process itself."*
>
> *– IdeaShare Attendee*

2. **Technology Pressure.** AI and automation have raised expectations for service outcomes, but many deployments underperform because tools are layered onto legacy workflows.

3. **The Adoption Gap.** Investments in digital solutions frequently fail to achieve expected performance gains.

AI AS A TRUSTED PARTNER IN THE MODERN SERVICE BLUEPRINT

AI's greatest value lies not in the pursuit of efficiency through automation but in supporting better decisions, especially at the moments that most influence the service experience.

AI AS A TRUSTED PARTNER IN THE MODERN SERVICE BLUEPRINT, CONT...

Participants highlighted three critical roles that AI plays:

1. **Capturing and structuring tribal knowledge** from senior technicians to validate best practices and make the resulting intelligence accessible across distributed teams.
2. **Offering real-time guidance** to support technicians and support agents at the point of action.
3. **Providing predictive analytics** that can forecast demand, optimize resource allocation, and help prevent service disruptions.

Trust emerged as essential to adoption, built through continuous feedback loops where technicians validate and refine AI outputs, improving system performance while reinforcing confidence in its use. Adoption increased significantly when AI was embedded directly into workflows rather than layered onto existing processes, ensuring ease of use, contextual relevance, and day-to-day value.

Together, these principles form the foundation of a modern service blueprint, which includes characteristics such as:

- Integrated systems and workflows spanning service, supply chain, and finance.
- Embedded intelligence at decision points, ensuring insights are actionable in real time.
- Outcome-aligned metrics measuring customer satisfaction (CSAT), time to resolution, and employee effectiveness, not just operational cost.
- Empowered local decisions informed by enterprise-level visibility.
- Continuous feedback loops that allow AI and workflows to improve over time.
- Strategic orientation that positions service as a driver of growth, not merely efficiency.

Participants described this evolution as moving from *static process maps* to *living blueprints* that adapt as teams interact with both technology and customers.

KARL STORZ: UNIFYING THE JOURNEY

Fernando Morales, Vice President, Surgical & OR Integration United States, for Karl Storz, shared his organization's journey during the IdeaShare. Karl Storz operates in a high-stakes, heavily regulated, and global medical environment, where service quality directly affects patient outcomes and operational reliability across multiple markets. This makes consistency, standardized processes, and clear handoffs critical for delivering reliable care.

KARL STORZ: UNIFYING THE JOURNEY, CONT...

Before the blueprint redesign, the organization faced fragmented operations: regional teams used different procedures, customer info was isolated, and staff relied on personal experience, leading to inconsistent service. Karl Storz unified service, sales, and support teams to create a connected process. They identified handoff gaps and information shortages, establishing one standardized workflow for all regions.

Once the journey was aligned, the organization brought in AI to support human decision-making. This included:

- Real-time contextual assistance to help field technicians diagnose issues based on equipment history, error codes, and usage patterns.
- Embedded AI recommendations, surfaced within existing workflow tools, to guide technicians without requiring them to switch interfaces or search multiple knowledge repositories.
- Human feedback loops that allow technicians to accept, reject, or refine AI suggestions, continuously improving accuracy while increasing technician trust.

Because AI is woven into workflow and validated continuously by the people using it, the organization is seeing steady improvement in first-time fix rates, faster onboarding of new technicians, and stronger alignment between customer-facing roles. Most importantly, the unified journey ensures that every customer receives consistent, predictable experiences across Karl Storz's global markets.

626 DIAGNOSTIC IMAGING: CODIFYING KNOWLEDGE FOR SCALE

626's Chief Service Officer, Shawn LaRocco, also shared how his organization effectively scaled top performers' skills organization-wide. 626 services all medical technology manufacturers and modalities, specializing in complex hospital imaging systems. Their main challenge was that critical expertise remained with a few experienced technicians, leading to inconsistent troubleshooting methods and overburdened senior staff who spent more time mentoring than resolving issues directly.

626 DIAGNOSTIC IMAGING: CODIFYING KNOWLEDGE FOR SCALE, CONT...

626's transformation focused on turning expert-driven troubleshooting into repeatable, scalable knowledge assets:

- Senior technicians documented the steps they took and the reasoning behind their actions.
- AI tools were leveraged to develop detailed, step-by-step guidance pathways that replicate how top performers diagnose and resolve imaging system issues.
- Guidance pathways underwent validation by subject matter experts to ensure accuracy.

Once deployed, feedback from technicians led to AI updates based on real-world effectiveness. Experts also reviewed patterns to enhance guidance accuracy, to increase the system's reliability. This significantly reduced onboarding time, improved consistency, and enhanced resolution accuracy for new and mid-level technicians, providing them with embedded expert intelligence in their workflow.

DAKTRONICS: DYNAMICALLY STANDARDIZING TO SCALE

Sarah Rose, Vice President of Global Services for Daktronics, shared how her organization created an environment where knowledge is structured, validated, and continuously improved. Daktronics services complex, high-visibility electronic display systems used in sports stadiums, transportation hubs, and commercial venues.

Daktronic's challenge was that troubleshooting was inconsistent due to varying environments, configurations, and product generations. New technicians faced steep learning curves and required frequent escalations; team-specific processes reduced standardization and slowed resolutions, while leaders lacked insight into effective troubleshooting. To address these issues and ensure consistent service, Daktronics implemented expert-validated, AI-driven pathways with clear, step-by-step instructions for technicians.

Key differentiators in Daktronic's approach included:

- Structured knowledge capture from experts that documented decision logic in addition to steps.
- AI driven, embedded guidance within technicians' tools, reducing friction and improving adoption.
- A continuous validation loop where frontline technicians could provide real-time feedback, allowing AI to refine guidance.

DAKTRONICS: DYNAMICALLY STANDARDIZING TO SCALE, CONT...

However, Daktronics didn't treat resolution accuracy as just a metric. Instead, it became a strategic lever for operational efficiency and customer experience. By achieving over 90% resolution accuracy, the company was able to significantly reduce the number of escalations. This higher level of accuracy led to faster and more predictable outcomes. Additionally, the ability to resolve issues more quickly and accurately lowered resolution time, while greater consistency across teams enhanced scalability and minimized reliance on individual experts.

Their blueprint demonstrates how standardized, yet dynamically optimized, AI-guided workflows can scale high performance, reduce operational noise, and produce measurable business impact across a global service operation.

THE PATH FORWARD: SHARED THEMES ACROSS ORGANIZATIONS

Despite coming from different industries, participants identified common principles driving sustainable transformation:

INTEGRATION OVER ISOLATION

Value arises when service, supply chain, and finance understand their interrelationships and collaborate around shared KPIs.

ADOPTION OVER INSTALLATION

AI is most effective when built into daily workflows, with usability and context driving adoption.

FOCUS ON USABLE DATA, NOT PERFECT DATA

AI readiness does not require perfect data. Messy data can be valuable if outputs are validated with human feedback. Focus on usable data, test in real workflows, and iterate to build trust and reliability.

THINK SMART, NOT FAST

Rolling out changes carefully, with input from across the team, reduces the risk of costly mistakes and builds trust in the process.

LEARN AS YOU GO

Continuous feedback loops enable timely calibration and keep progress moving forward without waiting for perfection.

IMPLICATIONS FOR SERVICE LEADERS

Service leaders must approach AI-enabled transformation as process redesign enhanced by decision intelligence, not as a technology deployment alone.

Critical steps identified during the IdeaShare include:

1. **Assess and Redesign (as-needed) workflows first.** Ensure technology amplifies efficient, adaptable processes that align with the intended service experience.
2. **Embed AI in operations.** Appropriate integration into daily routines drives adoption, promotes innovative thinking and maximizes value.
3. **Leverage technician feedback.** Technicians' input validates AI outputs, improving accuracy, promoting engagement and building trust.
4. **Focus on measurable outcomes.** Track leading and lagging experience indicators, such as CSAT, time to resolution, as-intended adoption, or escalation rates, to link resolution accuracy directly to business value.
5. **Foster a change-ready culture.** Encourage innovation, learning, and iterative improvement as part of your organization's work culture.

The modern service blueprint is no longer static. It is a living system that evolves with feedback, operational experience, and AI insights. Organizations that successfully align technology, human expertise, and workflow design are already seeing measurable gains, with some surpassing 90% resolution accuracy from AI-supported triage and steady improvements in deflection as diagnostic confidence grows.

> *"We're not just building smarter systems. We're learning how to make smarter decisions, together."*
>
> *– IdeaShare Attendee*

The organizations that succeed will be those that integrate AI into workflows, validate and build confidence on outputs through human feedback, and measure results in terms of both resolution accuracy and business impact.

Operational AI is here. How organizations execute on adoption and embed it into daily practice will separate the leaders from the followers.