NEW Manufacturing Alliance INDUSTRY 4.0 TASK FORCE – MICROSOFT TEAMS MEETING MINUTES February 22, 2024 – 1:30 PM

INDUSTRY 4.0 SURVEY - Completion Deadline: February 29, 2024

Members are encouraged to complete the industry 4.0 survey by 2/29/2024. SNC shared there are 56 respondents through February 23. The goal is to have at least 100 companies participate.

The link to the survey: https://stnorbert.co1.qualtrics.com/jfe/form/SV_3rVFdyONeA19L1k

The results will also be shared by hosting an Industry 4.0 report out event on May 30, 2024. This will be similar to the event that was held at Lambeau Field in May 2022. Industry and Statewide college faculty reps will unite earlier in the day to tour a manufacturer's facility. Attendees will then arrive at Lambeau Field at approximately 1:00 p.m. to hear the survey results, in addition to participating in roundtable discussions and a networking reception.

Manufacturer reps are asked to consider hosting a college faculty plant tour for the May 30th event. Faculty will tour your company from 10 or 11 a.m. After the tour, you will provide a lunch for the attendees. Tours need to be confirmed with Ann by the 4/25/2024 Industry 4.0 Task Force meeting.

2024 AI & Business Growth – Adoption, Trends, & Landscape Luis Salazar, Founder & CEO of <u>Social Progress & Economic Growth – AI4SP.org</u> Aileen Hannah, Microsoft – AI Compass

Luis Salazar returned to review the 2024 AI & Business Growth – Adoption, Trends, & Landscape PowerPoint, and Aileen Hannah discussed AI Compass more in depth. AI4SP works to demystify Generative AI for small / mid-size organizations and academia, enabling them to tap into AI's extensive tools. 76% of organizations are familiar with AI, while 13% are very familiar. Of the 52% of organizations using AI, 76% are satisfied with the results. AI is often referred to as *business value*. Early trends see 20% of tasks or roles being automated. For every dollar invested, \$10 savings is attained.

Al is affordable and you do not have to be a scientist to use it. Misconceptions are the core reason for not using Al such as cost or ROI. Other reasons for not using Al are trust, skill / awareness gaps. Privacy and security concerns are valid, due to Al working in the Cloud. It is important to get Al from a reputable vendor that ensures your data stays confidential.

Of the 52% of companies using AI, 30% involves early pilots or deep adoption on a group or niche, 15% of AI adoption is driven by updates to existing software, while 7% involves extensive use to optimize their business. 60% of AI adoption is driven by team members, not management. AI focus:

- Automation to reduce costs.
- Automate marketing, sales, & client interactions to increase revenue.
- Employee recruitment, retention & scheduling.
- Data-driven decision-making.
- Optimizing training & upskilling.
- Other

Start embracing AI by identifying repetitive and time-consuming tasks to automate and unleash your team's potential. Leverage your team's energy and provide a framework for responsible and safe AI adoption. There are thousands of apps to choose from or an organization can create their own. Steps to AI adoption:

- Find your baseline by using the free AI Compass.
- Get a no-cost AI consultation with a Microsoft expert.
- Explore AI use cases to see how AI can be applied to your organization.
- Gather insights from all employees.
- Pick a task to automate as a pilot.
- Check your data for preparedness, structure, security, and governance.
- Choose AI tools and test them with safe data. Determine a budget and milestones.

- Create your AI responsible framework. Do a legal compliance check and confirm your AI tools uphold your privacy and ethical standards. Examine potential biases.
- Implement AI pilots. Draft a rollout plan, allocate resources, train your team, and update privacy policies.
- Monitor performance. Set clear objectives, perform routine checks, get continuous feedback from stakeholders, customers, team members, and partners.
- Share outcomes and welcome feedback. Assess how new AI features access your organization's data. Stay updated through trusted sources. Continually revisit and reevaluate ideas.

Of the 12,000 organizations taking the survey, 400 are manufacturers. High use cases for manufacturers are operational efficiency, security and compliance, data and decision-making. Data / knowledge are valuable to AI, allowing new solutions to be created.

AI COMPASS – Aileen Hannah, Microsoft, aileenha@microsoft.com

Over half of U.S. organizations have started to adopt AI to boost revenue, cut costs, enhance team / customer relations, and improve decision-making. Most are satisfied with the results.

Al Compass, built on the Azure platform, helps people navigate the journey. Al Compass measures your organization's digital maturity level. If your index is determined to be 60 or above, you are ready to embrace Al. In minutes, you will be given a personalized report, with suggestions, to get started. You can get benchmarking and ideas to use Al. You will also be able to contact Microsoft for a no-cost consultation with one of their experts. Aileen reviewed the personalized report questions.

Self-assessment:

- 1. How do you use technology to automate everyday business tasks and streamline operations to reduce costs?
- 2. How do technology and data analytics inform your business decisions?
- 3. How do you leverage technology for customer engagement and service?
- 4. What marketing, sales, public relations, and advertising tools and strategies are you currently using to drive growth, expand and retain market share?
- 5. How secure is your business's data, digital infrastructure, and sensitive customer information?
- 6. How do you manage digital privacy, compliance, and governance?
- 7. How do you use technology to enable collaboration within your team and with external partners?
- 8. How do you engage and train your team on emerging technologies, including AI and automation?
- 9. Reflecting on the 8 questions you just answered, what will be your organization's primary focus over the next 12 months?
 - Reduce costs and streamline operations
 - Data-driven decision-making to optimize operations and results
 - Data and systems security
 - Privacy and compliance
 - Drive customer engagement, retention, and growth
 - Enable or improve team / customer engagement or collaboration
- 10. What is your expected growth over the next 12 months (profit, income, clients, or markets served)?
- 11. Submit assessment. The report can be run twice, providing different answers to compare suggestions.

RESULTS: Your digital maturity and AI readiness index is calculated based on your responses. You will be given your organization's AI readiness score out of 100. You can see how your organization ranks compared to others of the same sector and size. A free downloadable report is available to discuss the results with your team. A free consultation with a Microsoft expert can then help your organization explore actionable steps and AI solutions to accelerate your organization's growth and optimize operations.

FOUNDATIONAL POWER OF AI – Presented by StellarBlue.ai

Presenters: Lou Aranda, Cvetko Georgevich, Jim Dobinski StellarBlue.ai | strategy@stellarblue.ai | 920.931.4250

Stellar Blue web design was founded in 2004 and became Stellar Blue Technologies in 2010. Now StellarBlue.ai, the organization has entered the era of AI. They leverage AI to keep their clients on the leading edge of technology. Through tools and data-driven insights, they help organizations redefine what is possible. StellarBlue.ai will work to understand

your business needs and coach you through the process with data-driven conclusions, enhanced customer and employee satisfaction, while staying on the forefront of AI innovation.

Web 3.0 technologies are starting to take over. Businesses are eager to embrace AI due to generative AI having the potential to produce substantial profits. This is revolutionary and affecting businesses of all sizes. Large organizations have been using AI for many years. ChatGPT has democratized the process.

Al is the most powerful tool ever developed for human productivity that increases efficiency and quality, while automating process improvement. For businesses, Al will be to the 21st century what electricity was to the 20th century. Al is designed to perform a task without specific instructions. It learns through input and feedback, meaning Al can adjust its own algorithms. Al changes how you interact with your own data, allowing you to leverage your organization's data. Al can be used on the production floor and is good at providing classifications, predictions, and anomaly detection.

Al is a good fit for manufacturing because it generates many identical parts and huge amounts of data. The data can be fed into algorithms. This can help the Al learn and improve operations. Supply chain / warehouse improvements include creating a more efficient workflow, while enhancing customer service and supply chain management. Predictive maintenance gives the ability to analyze machine data and predict failures. This provides a significant reduction of unplanned downtime and maintenance costs, in addition to less defective parts. There is an energy cost savings, quality control improvements, and reductions in waste. Generative Al has the capability to create better designs. Most importantly, an entire company can work off the same information in a narrow time frame. Al speeds and condenses information distribution, allowing for rapid decisions.

Next Steps: See the StellarBlue.ai contact information above to setup a meeting to learn where custom AI solutions can benefit your specific business.

UPCOMING ALLIANCE EVENTS

March 5 - 7th Cohort of the NEWMA Project Management Training

March 6 - Quarterly Full Membership Meeting - REGISTRATION

March 6 – Lunch and Learn: Recruitment, Retention and Rewards

March 12 – Lunch and Learn: Youth Apprenticeship - REGISTRATION

March 13 – You Can Make It Career Expo at Greenville Middle School

March 23 - Green Bay Blizzard Game Featuring NEWMA 2024 All Stars

May 1 – Al Part 2 Training

NEXT MEETING

The next Industry 4.0 Task Force meeting is on April 25, 2024, 1:30 p.m. Location is TBD.