



Daniel Newman: Hey everyone. Welcome back to The Six Five Summit. I'm Daniel Newman, one of the hosts here at The Six Five. It's day one, we're in the AI track. It is a red-hot conversation starter, probably the most surprising trend of the year, not that AI was surprising. It's just been surprising how fast it's taken off since the ChatGPT boom of late 2022 and now it is all the rage. It's all we're talking about. And our next guest is Dave Wright. He's the Chief Innovation Officer at ServiceNow. And we're going to talk a little bit more about innovating in the AI age. Dave, welcome first timer, to The Six Five Summit. Super excited to have you here.

Dave Wright: Thanks for inviting me on, Dan. I'm happy to be here.

Daniel Newman: That was great. Picking up our conversation from ServiceNow's knowledge event where you and I had the chance to sit down and you do have to say, it was like we talked about a lot of things, but I think everyone walked away from the event. It was just AI, AI, AI, and just looking at every part of your business, how does this help us be more productive? How does this help our workflows? How does this help our infrastructure, our utilization of data? Everything, as I was leaving that event and pretty much every other event I've been to this year, it's been all about AI.

Dave Wright: I agree. It's really caught everyone's imagination. And it's interesting because AI's been around so long and even the traditional AI with things like prediction virtual agents, people have been doing that for a while. But I think what people didn't have before was this public access to AI. Well, actually they did have public access, but they didn't realize that it, it was just being used in the background. But when people suddenly got the capability to go onto a generative AI model like ChatGPT and just be able to use it for everything, that's what really seemed to have changed it. And it's quite weird to see the consumer world drives the enterprise world sometimes from things like UI, but I never expected it would do it from an AI perspective. I think it was just the massive adoption rates. But the interest in it is phenomenal.

Daniel Newman: It seemed like it was the slow boat to China, Dave, it seemed like we were on this enterprise AI slow boat that we were on, across the seas, we were moving. It's like we were doing analytics and we were doing ML and we were doing it and it was just progressing. And then like you said, the consumerization went boom. And it was like one day, all of a sudden every enterprise was like, "Wow, we can do this fast." And it all started because you could ask it to summarize how to take a five-day trip to Australia and make that easier. And it's like, "Oh, well we could maybe do this to offer service to our customers."

Dave Wright: And I think it was the fact you suddenly noticed your kids had worked out ways of using it. Or even when I was using it, I was like, "Well, you think of what we do for a living. You do something where you are presenting. The hardest thing to do is come up with, it's not what I'm going to say. It's coming up with what subjects you're going to talk about." Just for me, the capability to say, "Hey, I'm doing a presentation on this, what should the areas be?" And get that outlined. That saved me so much time with just a piece of white paper that even I started using it to look at how I generated things. And then I think the problem at the moment we have with generative AI is people can confuse it with artificial general intelligence, which are two different things. The one thing I'm still not a hundred percent confident with is I think there's an urge



sometimes to use it for content. And unless you're going to go through and validate that content, that's still a challenge.

Daniel Newman: Interesting question though for you is have you used it in any ways like that you don't expect? For instance, I've started using it when I transcribe a conversation like this and then I ask it to summarize it. I don't want it to necessarily use the open internet data for content creation because I'm still worried about the hallucinations. But when I've provided the transcript and then I just take it and I drop it into an LLM like ChatGPT or Bard, and then I say, "Summarize this 15 minute conversation I had with Dave Wright," it does a really killer job. I can't believe how easy it is and how much time it's saved me. Have you found any killer app for you that you're using?

Dave Wright: One thing I was using it for that I hadn't really thought about was I was practicing giving presentations. I was just recording a presentation so we could send it out to other people in the company, just so they could learn how I presented it. And I recorded it on Zoom and then I went to the Zoom playback and I was looking at the transcript on the side and I thought, "I wonder what had happened if I just cut and pasted that transcript and then used ChatGPT to summarize that or get it to reframe it or do it in a different voice." And you can play around with the way that you present and have it come up with different ideas or different suggestions or different points of view.

And that is quite cool because, as you said, it's working with your data, you tend to get less around the hallucination side. But I've done that and it's come up with ways of me presenting ideas and I thought, "Wow, that's completely different to what I would've said normally." That was a use case that surprised me. Obviously I've got the same thing that everyone else has got with watching kids use it to generate essays and summations for school. But I think, as soon as you saw ChatGPT out there, then you saw ZeroGPT trying to detect if it was happening, there was this arms race as well around whose using AI.

Daniel Newman: It's like security, the black hats and the white hats. And it's same thing now, but at the same time it's like we need to actually rethink education because we need to rethink the fact of what we needed to know and what we needed to learn and what we needed to memorize. Now we don't. What is the way we uplevel all of society? I think the educators, in the short term, yes, we need to make sure the kids aren't cheating on writing an essay, but the question of why they wrote the essay and the requirement to learn that material the way versus being able to generate more quickly, I don't know. It's like should a business try to save 90% of their cost on content creation or should they try to create a thousand percent more content?

And I think we're trying to do the cut 90% and maybe we should actually be doing, "Hey, let's do a thousand percent more because the way we learn, the way we become, you do knowledge, but knowledge able versus being knowledgeable." It is different now and I think these tools are going to change that.

Dave Wright: If you imagine reversing the use of something like that, from an education perspective, if you use that to understand the way that people like to learn and the concept of being able to present the data in a way that was more consumable form, it could actually advance education rather than hindering it. And much the same way, I don't think when we look at what



technology did for math for example, it's not like when we suddenly came out with a calculator, everyone suddenly lost the ability to perform any kind of mathematical calculation.

I think there is a fear sometimes that go too far, but there's so many benefits you can get from it. I think when I look at people, if we're moving back to a work environment, when I look at people in a work environment, still feels like it's quite mundane, it's quite issues of people are looking at it and going, "Hey, I'll be able to look at all the information I've got and summarize that information. I'll be able to have an interactive conversation," but all you're doing is doing what you did before in a better way, rather than having to click the links.

Now you've got the summation. I don't think people have quite made the link that you could look at massive projects and process the data from that and say, "How could I do it better? How could I actually improve this next time?" I think people, they've got this really narrow view of what they're looking at at the moment when I think give it a while, people start to expand out and realize what they really could do.

Daniel Newman: I think so too. And I think that's something that we can have some fun and we'll keep talking about. You being the Chief Innovation Officer, AI has got to be one of the big trend lines. I'd love for you to pair that up with some of the other big emerging trends that you see and then talk a little bit about how you see this broader set of trends changing the way companies and employees work. And this is something in ServiceNow you have to be thinking about all the time.

Dave Wright: It's funny watching it go in cycles. If I went back, maybe if I went back 12 months, at least once a week, someone would want to have a conversation about the Metaverse, "What's ServiceNow's role going to be in the metaverse? Let me show you what we're going to do in the metaverse." And then about three months ago that just died out. People didn't want metaverse conversations. I think as people had realized that there was interoperability challenges and what they were showing me wasn't really the metaverse, it was just what they did in a 3D model. That peaked and trough really quick. I have a lot of conversations coming up now around the world of IoT and that's this concept as well where people are taking things more towards the business. A lot of people use our software to reduce bottom line costs.

It was, "Hey, how do I optimize? How do I automate?" Now it's like, "What could I actually do to do something that drives revenue for the company?" If I can look at the events from a server and predict if it's going to fail, that's interesting if your job's managing servers. But if I can then take that same technology and apply it to a welding robot in a car plant and predict if some production device is going to fail, that production device being out of commission costs them money. It's a completely different value proposition. Seeing more and more conversations now around, "What can we do from an IoT perspective? How can we manage that? How can we use that data?" It'll be interesting to see as we consume more and more data into the world of AI, whether DLT comes into play a lot more.

I'm getting a few customers now that are interested in distribution ledger technology and what can I actually do around things like, some cases are smart contracts, some is looking at carbon offset and being able to have veracity around the data for carbon offsets. Distributive ledger technology could be interesting as we start to see more distribution systems going out there.



And the other thing, this is a cyclic, this comes up all the time as well. The other thing that comes up is AR and VR.

I think VR got a lot more interest when the metaverse came out, but I do see more and more people now starting to talk about the application of AR in the workplace to be able to use augmented reality in everything from field service to being able to get real time prompts about data. AR seems to be coming up again. And I suppose Apple's on that train now with its new glasses that it's providing. I'd say I suppose if you went all the way out then what's going to change the world? You could go into quantum compute conversations, but I'm not at a level with customers were they're talking about what's the impact of quantum compute going to be, because I suppose your seven years out on that, but a lot of different areas that people are interested in.

Daniel Newman:

We've got some interesting segments here on The Six Five Summit with some leaders from companies like IBM on quantum. Definitely if you are interested in quantum, check that out. But I do think you, there's a lot of converging in those different things you talked about, ambient data, metaverse, AR, I know you said distributed ledger, I think people used to call that blockchain. I don't know if we've gone away from that because it got poo-pooed a little bit when everything in crypto, it all got mixed up and it got conflated and then we stopped talking about the smart contracts and we're just talking about altcoins and problem was a lot of that during the frothiest time, it just got all mixed up. But I look at things like generative AI and distributed ledger/tokenization and I think a lot of companies are going to want to token their proprietary data because people are going to be getting it out of systems and we're not going to want people to then drop it into large language models and then be training publicly available databases with your proprietary data.

You need some way to shelter that off and make sure it's been encrypted if it gets dropped. I see technology like that all coming together, but it's still a little bit murky. Your CEO Bill McDermott, someone I've gotten to know well and respect very much, had a great keynote. It was one of the most rip-roaring keynotes I've seen in a long time and he was really, really focused on the CEO. And this is something that I walked away with a thesis that the CEO, CIO partnership is going to be more critical than ever before.

And the fact of the matter is, it used to be the CEO's closest partners where the CFO and COO and that's what it was always known. But now the IT, where ServiceNow, its legacy way of describing it might have been the ERP for IT, but now it really is the workflow for the entire business. And Bill was really communicating, "Look, the CEOs are asking for things that we can do. And there's a disconnect though between the CEOs and IT departments in terms of getting that done." Talk a little bit about how companies can start to unlock that vision of the CEO through the capabilities that you're building in ServiceNow.

Dave Wright:

I think the relationship, it's interesting watching that relationship change and I think one of the drivers is that you do see this convergence between IT and the business. In the past, IT was a shared service that supported whatever the business was. But now even just going back to the examples we were talking about before, if someone's in a manufacturing process and they're heavily dependent on IoT, all of a sudden they need things to be on the network. They're starting to look to IT to say, "Well, you are the network guys where, where's the overlap here?" Or I was on a call right before this with a bank in New York and they were saying the same thing



about AI. All of a sudden the business is like, "Well, why haven't I got generous AI now in the company doing this?" And again, it's that glance over to IT saying, "Hey, this feels like you guys should be getting involved in it."

The challenge I've always had in the 12 years I've been here, is quite often when you go into the world of looking at how you manage workflows across an enterprise, you realize that the workflows tend to flow between different departments. Yes, you can sell something to IT, you can sell something to human resources, but really it's the CEO that cares about everything. It's the CEO that cares how work flows through the entire company, how productivity is affected. Everyone else is much more concerned about their departments. I think the challenge is that the CEO understands the challenge, but it's how does he get the rest of the company, or how does she get the rest of the company to think about that challenge? And that's where I think IT, for example, can step in because IT is the one person that can say, "Hey, this company is all about providing a service." Whether it's a product related service or whether it's a service where you're actually delivering something, IT knows how to manage service.

IT is the only part of a company that's had disciplines for 30 years in how you optimize service, how you measure my service. They're the people that get punished every year with, "Here's less budget, do more." Why wouldn't you be able to take some of those concepts and just take them to the rest of the enterprise? Say, "Hey, this is how we manage demand, this is how we manage projects, this is how we produce services, this is how we support services." That's applicable in any part of a business. And now I think to go back to what Bill was saying, perhaps now is the time where the CEO is prepared to give the CIO enough air cover to say, "Hey, step up and tell everyone the story and let's see what we can do from a business perspective." And that's a change.

Daniel Newman: Absolutely. Dave, it's been such a good time chatting to you. We got a couple of minutes left and then I'm going to have to leave you hanging, but I'm already starting to dream up a follow-up conversation because there's so much work you're doing and this is where I'd love to just have you talk for a minute. Innovation at ServiceNow is a real priority. You've got labs, you've done a lot with product advisory, executive briefings, tons of partnerships, a number of which were announced. Just talk a little bit about how innovation is inspired and how you're using these different innovation practices to really drive better experiences to your customers.

Dave Wright: The cool thing about this company, and this is why I joined it was innovations always been at the core. It's always been about, "We understand what you could do at the platform, how do we explain to everyone else what we can do at the platform?" Having these type of forums to do this, it's a great chance to get people in and actually have them physically experience what the platform's like. To be able to show them examples of what other customers have done, to be able to bring them to together into groups. Even watching people when you get a group of telecommunications companies together and one of them can say, "Hey, this is how we manage the 5G migration using this technology." Then you start to see people understanding, "Okay, I can understand how I can manage upstream and downstream devices."

And then that flows through to perhaps a customer service conversation. How do I manage downstream sales from a customer service perspective? But it's also that balance between innovation and iteration. The whole Steve Jobs, "No one asked me for an iPhone, I had to produce it," concept. You have to strike a balance between going out there with something



completely new and presenting it and making sure that when people have made an investment that you are constantly iterating on that investment. Some of the advisory councils are just how do we improve what we've got? But some of the things like lighthouse programs are a great opportunity for us to say, "Hey, we've got an idea, but you guys understand the business. Can you help us actually build the product and start to maximize what you can do with it?" And then I think there was another great move was the whole separation we did years ago.

We created a NowX group where they weren't focused on sustained engineering, they weren't looking at red lines so much. They were looking to incubate adjacent products to then be able to migrate them to other business units. And that meant that they weren't tied down to anything. We've been able to bounce all kinds of ideas off them. It's led to process automation, RPA type solutions, and then completely new solutions like ESG that's all come out of that group. A lot of different routes to go down. And it's interesting, as the company gets bigger and bigger, there's more and more people that come in with influence around what you innovate. Innovation doesn't sit with a person or it doesn't really sit with a team if you want an innovative culture that has to sit with the company.

Daniel Newman: Absolutely. And as I wrap this up, I can say I sat in your financial analyst day, I listened to how some of the vertical solutions got created. There's a very tight bond between the customer and the innovation team in terms of building out solutions and taking your time and building them, making sure that they're not just veneers but they are truly deeply integrated solutions that work for specific industries. And it's a lot of customer feedback that ultimately led to that. Like I said, Dave, I wish I could keep going because I have so many more things I want to ask you. But what this does lead to for me is a chance to set up a follow-up to have you back on the show.

Dave Wright: Absolutely.

Daniel Newman: But I just want to say thank you so much for joining me here at this year's Six Five Summit.

Dave Wright: All right, thanks. I really appreciate it. Good to catch up again, Dan.

Daniel Newman: Absolutely. All right, there you have it everyone. That was Dave Wright, he's the Chief Innovation Officer at ServiceNow, and we talked AI, but we really talked so much more. We talked about AI and a number of emerging trends and innovation, definitely something that is deeply entrenched in the company and his DNA as you can see. Hey, there's so many more Six Five Summit sessions. I hope you'll tune into all of them. Remember, they're available on demand, if you can't watch them all in real time, come back, watch them later. But for this one, I got to say goodbye for now. But we'll see you on another one soon.