

LEADERSHIP & SOCIAL RESPONSIBILITY



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Microsoft and the Future of Al

As Artificial Intelligence (AI) moves from the realm of science fiction to applications that touch our everyday lives, leading technologists have predicted a range of outcomes ranging from utopian to doomsday scenarios. Microsoft's business strategy is built on the belief in the power of AI and the prediction that "AI will be pervasive across devices, apps and infrastructure to drive insights and act on your behalf." Yet Microsoft leadership states, "while we believe that AI will help solve big societal problems, we must look to this future with a critical eye. There will be challenges as well as opportunities. We must address the need for strong ethical principles, the evolution of laws, training for new skills and even labor market reforms."

As an example, Microsoft reports "AI and automation are already influencing which jobs, or aspects of jobs, will continue to exist. Some estimate that as many as 51 million jobs will be lost within the next decade; but, new areas of economic opportunity will also be created, as well as entirely new occupations and categories of work (The Future Computed, 90).

Microsoft is committed to develop AI systems that will enable people worldwide to more effectively address local and global challenges, and to help drive progress and economic opportunity. One way the company has sought to do this is through the recent launch of TechSpark, a "national civic program aimed at fostering greater economic opportunity and job creation through partnership with rural and smaller metropolitan communities."

The TechSpark initiative has an initial focus on five areas:

Digital Transformation – Partnering with companies to reimagine how to design and build products using the latest advances in technology.

- <u>Digital Skills Development</u> partnering with non-profits and schools to strengthen their ability to offer digital skills and computer science education to youth.
- <u>Career Pathways</u> focuses on enabling people to acquire skills and connect with jobs that require less than a 4-year degree.
- <u>Rural Broadband</u> working to help eliminate the rural broadband gap for the 23.4 million Americans living in rural communities.
- Non-profit Support financial and technological support for nonprofit groups in each TechSpark region.



Examples of Initiatives

The following four examples demonstrate applied ways that Microsoft is approaching this challenge:

Titletown Tech

Microsoft and the Green Bay Packers (NFL) have partnered on <u>Titletown Tech</u>, a three pronged economic development initiative with a startup tech accelerator and venture capital fund as well as a digital lab to consult with more established businesses. Titletown Tech represents another example of how Microsoft is partnering with communities to leverage their technological expertise to make a significant economic impact in communities and populations that have been historically passed over by the opportunities that technology creates.

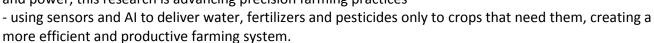
Artificial Intelligence (AI)

Microsoft aims to develop AI systems that will enable people worldwide to more effectively address local and global challenges, and to help drive progress and economic opportunity. TechSpark initiatives exist in an ecosystem that focuses on the power of Microsoft's ability to unleash the potential of AI to transform industries, businesses, and communities. "Harnessing the explosion of digital data and computational power with advanced algorithms to enable collaborative and natural interactions between people and machines

that extend the human ability to sense, learn and understand" is a key to leveraging technology that can make a significant economic impact in communities.

FarmBeats

An example of how Microsoft is integrating advanced technology and AI in rural communities to help solve the world food problem is <u>FarmBeats</u>. Overcoming the rural issues of access to broadband and power, this research is advancing precision farming practices



Airband

The Microsoft Airband Initiative seeks to empower the billions of people worldwide who do not have affordable access to the Internet, with projects to close the digital divide in 17 countries over the last five years. 23.4 million Americans still lack broadband access. The Rural Airband Initiative is committed to bring broadband connectivity to 2 million people in rural America by 2022.

Application of AI to Solve Bigger Problems

Julie Zunker, Director, Microsoft Corporate Social Responsibility has asked your team to study Microsoft's application of AI to solve bigger challenges.

- Through the application of technology, what tactical applications, including AI, can take advantage of the five TechSpark focus areas or current CSR programs in place?
 - Perhaps there is a sixth area of focus beyond TechSpark that should be considered to help engage different stakeholder groups, or communities around the world that will positively affect the lives of people and that balances the positives of digital transformation and helps to overcome the threat of disruptions?



• You are encouraged to consider how Microsoft can leverage their assets and market position as a thought leader on digital skills and computer science education to combat the negative connotations around big tech, AI and job disruption to change perception.

Julie has asked you to consider the risks, rewards, and implications for stakeholder constituencies involved in your recommendations as well as the potential impact on Microsoft's reputation.

You have the next 72 hours to develop your presentation for the panel of judges who will represent the leadership of Microsoft. You will have 15 minutes to make your presentation and to convince the panel that your team's recommendations represent the best course of action at this time. The judges will then have 10 minutes to ask you questions about your recommendations. Be prepared to defend your position in a professional manner. You may use any <u>publicly available</u> information about Microsoft, technology, artificial intelligence, rural economic impact, CSR strategy and related topics. You may not contact any organizations for additional information nor consult anyone outside your team.