# The AI Control Tower

# An Interview with Bill McDermott, Chairman and Chief Executive Officer, ServiceNow

**EDITORS' NOTE** Bill McDermott was named Chairman in 2022 and has served as a member of the Board of ServiceNow since 2019. Previously, he was Chief Executive Officer and a member of the Executive Board of SAP. Before joining SAP, he served in senior executive roles with Siebel Systems and Gartner, Inc. He launched his business career at Xerox Corporation, where he rose to become the company's youngest corporate officer and division pres-

ident. McDermott got his start as a young entrepreneur running a small delicatessen business on Long Island, New York, at age 17. He received his bachelor's degree from Dowling College and his MBA from the Kellogg School of Management at Northwestern University.

**COMPANY BRIEF** *ServiceNow* (*servicenow.com*) *is* putting AI to work for people. The company moves with the pace of innovation to help customers transform organizations across every industry while upholding a trustworthy, human-centered approach to deploying its products and services at scale. As the AI platform for business transformation, ServiceNow connects people, processes, data, and devices to increase productivity and maximize business outcomes.



# How do you describe ServiceNow's culture?

Dreams are the shaping force of destiny! ServiceNow is 27,000 people all united by one dream: to become the defining enterprise software company of the 21st century. Our founder, Fred Luddy, sums it up best: "There is no better experience than giving someone a piece of technology that lets them do something they never thought they could do." Since the very beginning, we put people at the center of everything we do.

ServiceNow's culture is hungry and humble. I take great pride in this team's growth mindset. We have a relentless drive to improve, push boundaries, and never become complacent with the status quo. For instance, the first use case for our platform was IT service management. When we became the undisputed leaders in this category, we knew it was time to expand beyond our core business. Today, ServiceNow connects all people, data, and processes across the enterprise with one fully integrated platform that replaces chaos with clarity.

The innovation ethos of our team leads us to be at the forefront of progress. Six years ago, we started building Large Language Models (LLMs) into our platform - well before Agentic AI emerged as the biggest opportunity of our era.

Fast-forward to today, AI has become the greatest battle for civilization of this century. It is also the gateway to prosperity and the requirement for survival. I'm so proud that ServiceNow is leading the AI revolution with thousands of customers on the AI journey with us, including brands such as AstraZeneca, Stellantis, Wells Fargo, Visa, Rolls Royce, Adobe, and many more.

### What have been the keys to ServiceNow's industry leadership, and how do you define the ServiceNow difference?

Simply put, we are built for this moment. The next industrial revolution is being unleashed by AI agents that can reason, plan, and execute actions. The question many leaders ask me is: how good will their actions be? The answer is simple: as good as their knowledge. Think about it - humans can only make the optimal decisions when they have access to all the necessary facts. How would AI agents be able to activate the next best action when they run on siloed architectures that provide access to only a fragment of your enterprise data?

ServiceNow is The Knowledge Company the only one of our scale that delivers the full software stack in one platform, with one data model, and one architecture. We don't pass any tech debt to our customers. Our platform goes east to west, connecting all departments, and north to south, integrating data from any system,

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Bill McDermott speaking at ServiceNow's Knowledge 2025 event

on-prem or in the cloud. We bring all that data into a single foundation model – transforming scattered information into actionable knowledge that fuels our fleet of AI agents. Think about ServiceNow as the AI control tower: governing, managing, and securing all AI agents – whether native or third party.

I talk to CEOs every day. One told me: "YES I want operational efficiency, YES I want growth, but what I want the most is SPEED because change is coming towards me relentlessly and I want to be the first to react." The biggest barrier to speed? Teams spending up to 40 percent of their time manually bridging gaps between siloed applications - copying and pasting data just to keep business moving. This inefficiency amounts to a staggering \$10 trillion annual productivity tax, or about 7 percent of global GDP. It's no wonder only one in four companies have achieved ROI from their transformation efforts due to lack of integration. The single greatest dilemma of the digital age is the destruction of time.

The ServiceNow AI Platform gives leaders the speed advantage. For example, Siemens has saved one million hours by connecting customer service, IT, HR, and operations. Together, we are strengthening shopfloor security and driving AI-powered automation for operations. Our AI also supports real-time problem-solving, providing detailed instructions in natural language to factory employees.

AstraZeneca is another standout. While most major pharma companies launch two new

medicines per year, AstraZeneca aims for 20 by 2030. They are accelerating medicine development, with ServiceNow serving as the unified platform connecting researchers, scientists, and commercial teams. Processes that once took 30 minutes – like requesting new materials – now take seconds. The dynamism of real-time is finally here.

In short, ServiceNow's industry leadership comes from turning complexity into simplicity through a single AI platform for end-to-end business transformation. That's why the software industrial complex of the 21st century is converging on ServiceNow as the AI operating system for the enterprise.

#### How critical has it been to maintain culture as ServiceNow has grown in size and scale?

Staying hungry and humble is not just advantageous for us – it's the bedrock of our organic growth strategy. Complacency is the enemy of innovation. Every day, we remind ourselves that we're better than yesterday, but not as good as we'll be tomorrow. Our team's mantra, "create always," drives us to continuously innovate, because we believe that the best brands are those that build solutions the world doesn't know it needs, but once it finds them, it doesn't know how it ever lived without them. This mindset has shaped how we transform the world's biggest challenges into even bigger opportunities.

Since I became CEO of ServiceNow, leaders have navigated a global pandemic, the

great resignation, cybersecurity threats, record inflation, tightening monetary policy, wars, and tariffs. Through it all, we've remained relentlessly focused on enabling leaders to navigate the shock waves of uncertainty while reinventing their company for the next decade. For example, our customers told us that siloed customer relationship management software (CRM) - disconnected from the broader value chain – led to poor customer experiences. We listened and decided to revolutionize the category. We recognized that the net present value of a satisfied customer is a company's greatest asset. That's why we built an AI-powered platform to manage end-to-end customer journeys, with AI guided selling for complex product bundling. Now, sellers can focus on delivering solutions and adjusting pricing on the fly, rather than piecing together parts.

Underlying all of this is a culture rooted in trust. To me, trust is the ultimate human currency – built in drops, lost in buckets. I'm proud that ServiceNow is recognized by *Forbes* as one of the most trusted companies. We're ranked #1 in the software category of the American Opportunity Index, exemplifying trust as a foundational element in corporate success. That's why nearly two million people apply to join us every year. At ServiceNow, we know excellence is a race without a finish line. As we look to the future, we remain committed to building the solutions that will define tomorrow. "The tech industry is undergoing a revolution unlike anything we've seen before. The Intelligence Supercycle is poised to be even more significant than the internet, mobile, and cloud revolutions combined."

#### How important is it to balance technological advances, especially AI, with the need to maintain the human touch?

It's all about people. There is no artificial intelligence without human intelligence. Thinking Machines are now able to handle the complexity that humans never wanted to deal with in the first place. A report by Boston Consulting Group revealed that 48 percent of workers are currently grappling with burnout.

Modern work is nothing but the constant iteration between humans and machines to create value. Agentic AI plays a pivotal role in facilitating said iteration by bridging the communication gap between humans and machines. For instance, only 7 percent of human communication consists of words – the rest comes from tone and body language. Multimodal AI analyzes multiple data streams, including text, audio, and video, to capture nonverbal cues such as tone and micro-expressions, making human-machine interactions more intuitive. AI agents provide a unique chance to make work more human.

Forward-thinking leaders now see AI as the ultimate amplifier of human potential. Rolls Royce, for example, preserves the meticulous craftsmanship of its engines while maximizing efficiency through ServiceNow's AI agents. By reducing manual effort, their teams are freed to focus on high-value work. Together, we are streamlining operations while enabling faster, data-driven decision making.

No matter the industry, the most successful products and services will be the most intelligent. While LLMs and AI agents are critical to futureproof any business, the technology is here, and it's ready. The real challenge lies in scaling AI through people-centric factors: effective change management, robust governance, and cultivating AI talent. That's why ServiceNow's AI design principles have four components: human-centered design, inclusivity, transparency, and accountability. Our Agentic AI workflows allow humans to be in the loop at any point. In our view, AI is a tool to empower people to do their best work and live their best life.

Putting AI to work for people is the only gateway to global economic growth. By 2030, the world will face a labor shortage of up to 50 million workers, especially in developed economies such as the U.S., U.K., Germany, and Japan. Physical and digital AI agents will be the ideal partners, complementing the human workforce, helping us rise to meet the challenges ahead.

What do you tell young people about the type of career the industry offers?

I am excited for the younger generations who are stepping into their careers at a time of exponential transformation. The tech industry is undergoing a revolution unlike anything we've seen before. The Intelligence Supercycle is poised to be even more significant than the internet, mobile, and cloud revolutions combined. For young people, this represents a once-in-a-lifetime opportunity to create prosperity for themselves and society. By 2030, AI is expected to deliver a staggering \$22 trillion in global economic impact and eliminate \$4 trillion in operating costs.

To seize this opportunity, we must empower people of all ages to thrive in the era of AI. The challenge is urgent: according to Bain, the AI skills gap is widening at an unprecedented rate. In the United States, it's projected that half of all AI jobs could go unfilled by 2027. This is a global issue. Germany could face the world's largest AI talent gap, with up to 70 percent of AI roles unfilled by 2027, and the United Kingdom may see shortages exceeding 50 percent.

That's why we launched ServiceNow University, a program open to everyone. As The Knowledge Company, our mission is to unleash human potential on a global scale. Our goal is to equip more than three million people worldwide with the skills needed to thrive in the AI era. We're harnessing Artificial Intelligence to amplify Human Intelligence – reinventing learning through a free, personalized program accessible to all. This is the new frontier, designed to elevate people to the next level of greatness. ●

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