

Use case

Reducing AI spend by 10–15% and accelerating approvals by up to 40% with an Enterprise AI CoE

Overview

Environment Azure + Power Platform	Engagement type Funded Assessment	Duration 8 weeks
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Scope

AI CoE framework design, governance, environment strategy, cost management, architecture review, support model, and knowledge transfer

Client engaged Sonata Software's AI center of excellence (CoE) team to assess, design, and operationalize a governed AI framework across their Azure and Power Platform ecosystem. Over eight weeks, the Sonata team conducted a comprehensive current-state assessment, defined a target operating model for the AI CoE, designed environment controls, and delivered an AI support model, equipping the client to scale AI responsibly and sustainably.

Customer snapshot

Industry TMTE	Headquarters Dublin, Ireland	Company size 4000 employees	Revenue Approx \$2B
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The business challenge

- Fragmented AI initiatives across the organization, multiple teams running independent GenAI experiments (Azure-based pipelines, RAG implementations, agentic AI flows) without centralized oversight, resulting in duplication of effort and inconsistent quality.
- Recent 'bill shock' incidents caused by uncontrolled Power Platform and Azure OpenAI consumption, with no cost attribution mechanisms to trace spend to specific projects or business units.
- Security and compliance gaps in AI deployments – absence of environment segregation between experimental agent flows and production, exposing the organization to data security and regulatory risk.
- No formal AI governance structure – lack of defined roles, approval processes, policies, or a project intake mechanism to evaluate and prioritize new AI use cases.
- Absence of a structured AI support model – no defined SLAs, escalation paths, or integration with existing ITSM tooling (e.g., Jira / ServiceNow) for AI-related incidents and requests.

Impact of the problem

Cost	Unattributed Azure OpenAI and Power Platform cost overruns ('bill shock'); no visibility into AI spend by project or business unit
Cycle time and productivity	Delayed AI project approvals due to undefined intake process; engineering effort wasted on redundant initiatives
Risk exposure	Compliance and data security risk from ungoverned AI experimentation in production environments

PoC objective

- Design a comprehensive AI CoE operating model
- Establish governance, compliance, and cost control mechanisms
- Define scalable architecture and environment strategy
- Enable controlled experimentation and production deployment of AI solutions
- Create a sustainable AI support model for ongoing operations

The Sonata solution – what we did

Sonata delivered a structured, multi-phase approach to establish an AI CoE and governance framework:

- Conducted a **current state assessment** of existing AI use cases, architectures, and tools (Azure pipelines, RAG, agentic AI, Power Platform, Copilot usage)
- Designed a **target AI CoE operating model**, including governance structure, roles, and policies
- Defined **environment strategy and provisioning approach** across Azure and Power Platform with clear separation of experimental and production environments
- Developed **cost management frameworks**, including tagging strategies, dashboards, and monitoring approaches
- Delivered **architecture recommendations** to improve scalability, traceability, and performance
- Designed an **AI support operating model**, including processes, roles, and service structures
- Enabled **knowledge transfer and handover** to customer teams for operationalization

Microsoft technologies used

Azure OpenAI Service	Azure	Power Platform
Microsoft Fabric	Power BI	Azure Monitor

Microsoft + Sonata credibility

30+ years of partnership	Microsoft AI Business Solutions Inner Circle member	Microsoft Frontier Firm Partner
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How we did it

- Structured 8-week engagement with phased delivery (assessment → design → validation → handover)
- Weekly stakeholder workshops and reviews for alignment and feedback
- Combination of technical assessment, governance design, and operational planning
- Iterative validation of deliverables with client's leadership and IT teams
- Alignment with Microsoft best practices for AI governance, security, and architecture

Deliverables

- Current state assessment report
- Draft and final AI CoE framework document
- Environment and governance plan
- Governance policy guidelines
- Architecture recommendations document
- AI support model and processes document
- AI project intake guide
- Cost management and reporting guide
- Transition plan
- Handover package (including all documentation and architecture diagrams)
- Knowledge transfer sessions

Results and benefits

Metric AI governance maturity	Improvement Structured CoE framework with policies resulting in ~ 50% improvement in governance maturity
Cost management	Improved cost attribution dashboards and tagging resulting in ~ 10 to 15% savings in Azure/Power platform spend
Cycle time for approvals	Defined intake and approval workflows leading to reduced approval cycle time by up to ~ 40%

Next steps for you

Contact Sonata

*Sonata Software is recognized as a Microsoft Frontier Partner, underscoring its leadership in AI transformation through an AI-first, human-led approach that drives innovation and scalable impact across cloud and AI platforms, AI business solutions, and security.

Explore how we drive innovation through the Microsoft–Sonata alliance:
<https://www.sonata-software.com/sonata-and-microsoft/>