

IBM–Verizon Alliance: Data-Driven Intelligent Operations Framework

AI-led finance and operations transformation for Verizon.

Award standing: **Finalist**

IBM emerged as a Finalist in the 2026 HFS SaS Awards, selected from more than 250 submissions across the awards program. The recognition centers on IBM's submission, "IBM–Verizon Alliance: Data-Driven Intelligent Operations Framework", in the category of Best Services-as-Software Transformation.

The challenge behind the IBM entry

Verizon and IBM's co-creation initiative identified critical operational bottlenecks within their international financial operations, primarily driven by fragmented software systems, unstructured data siloes, and heightened risk exposures. Operating across a complex global landscape that spans over 20 countries, multiple distinct legal entities, and 10 languages, the legacy back-office architecture depended heavily on reactive, manual intervention. These systemic friction points severely constrained cash flow velocity, extended operational cycle times, and ultimately degraded the overall customer experience.

What they built

- IBM and Verizon evolved their 13-year strategic alliance by shifting from "simple processing" to a data-driven, intelligent framework.
- The initiative transformed the operation from a "Practicing" to a "Leading" maturity level by deploying the following solutions:
 - Optimized Dispute Management: IBM leverages design thinking and predictive analytics to streamline dispute resolution and enhance efficiency.
 - Root Cause Identification: Advanced analytics and machine learning analyze dispute trends, enabling proactive issue resolution and prevention.
 - Predictive Insights: AI-driven models hosted on Verizon's environment provide real-time, actionable insights, prioritizing high-value disputes for faster resolution.

Results

The transformation delivered significant financial, operational, and strategic results:

- Financial Impact: 30% Reduction in aged debt, Automation and design thinking driven initiatives led to opex savings in millions. 40% Reduction in unapplied cash and credit allocation.
- Operational Excellence: Reduced dispute resolution lead times by 7 days while reaching 100% accuracy in critical workflows and a 100% same-day cash allocation rate.

Bottom line

IBM's entry backs its claims with production evidence rather than a roadmap: \$30M in total cost savings and a 30% reduction in aged debt, delivered across 80+ legal entities in 10 languages. That is the kind of evidence this category was built to reward.

Learn more about IBM at ibm.com

Appendix: About the Category and the Awards

Best Services-as-Software Transformation

This category recognizes the enterprises and providers furthest along in merging services and software into a single delivery model. Rather than fitting into one of the three emerging Services-as-Software paths HFS Research has mapped out, transformation entrants are judged on how completely they have moved from people-led delivery toward outcomes produced by a combination of codified IP, AI agents, and human oversight, at production scale rather than in pilot.

Every submission in this category was evaluated by HFS analysts and board members against five shared criteria:

- AI-driven delivery – is the solution genuinely autonomous, or is AI still assisting humans doing the work?
- Agentic adaptability – does the platform learn and orchestrate across workflows, or does it execute fixed rules?
- Outcome orientation – are commercial terms tied to results? Is there a quantified business case?
- Scalable architecture – is the IP reusable across clients and industries, or bespoke to one engagement?
- Proven enterprise success – verifiable, production-scale evidence with named or named-tier clients.

The HFS Services-as-Software Awards recognize the enterprises and technology providers leading the shift from labor-based delivery to AI-native, software-defined operations. Finalists in each category were selected by the HFS analyst team following a structured review of submissions against the criteria above. Winners were then determined by the HFS board of external advisors, who scored and ranked the finalists to reach a final result.

About HFS Research

HFS Research is the leading global analyst firm focused on business operations, digital transformation, and enterprise modernization.

For over a decade, HFS has shaped market language – from OneOffice to Services-as-Software – helping enterprises and providers understand where operating models are headed.

We work with global enterprises, IT and business services providers, software and cloud vendors, investors, and innovators.

The Services-as-Software Awards extend that leadership by recognizing organizations delivering measurable transformation in the market.