Telstra frontline AI tools

IMPLEMENTED 2023–2024 · TELECOMMUNICATIONS · AUSTRALIA · BAND D · CLAIMED ONLY
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Telstra gave contact centre and store staff two generative AI tools: a one-line summary of a customer's history and a search across internal knowledge. The time savings are Telstra's own figures, and Telstra says its job cuts are not the result of AI.

ABOUT THIS SYNOPSIS

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NOTICE WORDING LAST UPDATED 16 NOVEMBER 2026

AT A GLANCE

AI used: Generative AI tools for frontline staff: a customer history summary and an internal knowledge search, built on Microsoft Azure OpenAI.

Implemented: 2023–2024. Grade: band D, Task support, Claimed only.

Headline result, as reported: Over 8,000 frontline staff use Ask Telstra and agents save over a minute per call, by Telstra's account

1 · The case

The facts, as reported by the 7 sources listed at the end. Where a source is silent, the field says "Not reported".

Organisation

Telstra. Australia's largest telecommunications company. Just over 29,000 staff at the end of 2025, per Information Age. Canvas block: 4. Operations and process. Also 5. People and skills, 3. Customers and proposition.

Business challenge

The challenge. Telstra said it wanted to arm frontline teams to support customers more effectively: to see a customer's recent history without the customer repeating it, and to search the company's extensive internal knowledge bases quickly.

How it was addressed. Telstra built two tools in-house on Microsoft's Azure OpenAI capabilities.

Who implemented it

In-house (In-house): Telstra built both tools.
Microsoft (Model or cloud provider): Supplied Azure OpenAI Service and Azure AI Search.

Technology (SEAM pillar E)

SEAM types: T3 API integrations, T4 RAG / vector search over your own data. Deployment: Cloud APIs. Vendors and products: Microsoft, Accenture, One Sentence Summary, Ask Telstra, Microsoft Azure OpenAI Service, Azure AI Search.

Where it was built in: Built in-house for contact centre and store teams: One Sentence Summary draws on recent customer notes, interactions and transactions; Ask Telstra searches Telstra's internal knowledge bases through a simple search interface.

What changed

Before: Not reported in detail. After: contact centre and store staff get an AI summary of a customer's recent history and AI answers from internal knowledge bases. No change to roles or to the service process is reported for these tools. In August 2026 Telstra said its AI-powered digital assistant and self-service tools were resolving more customer enquiries and that it had added generative AI search to telstra.com and the My Telstra app; these are separate from the frontline tools. [1] [2] [3] [4] [5] [6] [7]

What it cost

Not reported for these tools. The joint venture with Accenture was reported as a $700 million, seven-year arrangement, per Information Age.

What it saved

2023 pilots, by Telstra's account: 90% of staff using One Sentence Summary saved time and were more effective, with 20% less follow-up contact; over 80% of Ask Telstra pilot users agreed it had a positive impact on customer interactions. May 2025: the head of Telstra Consumer said AI call summaries had taken about 30 to 60 seconds out of average handle time. April 2026, by Telstra's account: over 8,000 staff use Ask Telstra, they have asked more than 2 million questions, and agents save over a minute per call on average. Money saved: Not reported. [1] [2] [3] [4] [5] [6] [7]

Governance and control

Telstra said the tools were built in its secure platforms to protect consumer privacy, that Ask Telstra is grounded in its own corporate information, and that frameworks and controls cover responsible, ethical and secure AI development. In February 2026 the chief financial officer told investors Telstra was scrutinising AI deployments for running costs that could offset the benefits, and was set up to swap vendors and models. Accountable owner and review of

S2 · Accountable owner · Not reported
Kim Krogh Andersen, Group Executive Product and Technology, spoke for the tools at launch; a named accountable owner is not reported. [1]

A1 · Safe use · Claimed
Telstra says the tools were built in its secure platforms to protect consumer privacy, under frameworks and controls for responsible, ethical and secure AI development. [1]

A2 · Human in the loop · Claimed
Both tools are used by contact centre and store staff, who handle the customer interaction themselves, by Telstra's account. [1] [2]

A3 · Monitoring and assurance · Claimed
Telstra reported pilot feedback and call-time figures, and its chief financial officer told investors it was scrutinising AI deployments for costs that could offset the benefits. In August 2026 Telstra said it had a company-wide AI control plane and moved executive incentives from AI adoption to measurable impact. [1] [5] [6] [7]

A4 · Vendor AI · Claimed
The tools run on Microsoft Azure OpenAI; the chief financial officer said Telstra is set up to swap vendors and move between language models. [1] [5]

A5 · Agent controls · Not reported
Telstra said in February 2026 it was beginning to deploy AI agents; controls on them are not reported. [4]

A6 · Standards and regulation · Not reported
Not reported.

What worked, what did not, what is unproven

WORKED

– Time saved on calls, by Telstra's account.

– Less follow-up contact in the 2023 pilot, by Telstra's account.

– Take-up: over 8,000 staff use Ask Telstra, by Telstra's account.

DID NOT

– No failure of the tools is reported.

– Staff had voiced concerns internally about what the focus on AI and cost efficiency could mean for their jobs, the chief executive said in February 2026, per Information Age.

UNPROVEN

– Whether the pilot results held once the tools reached all frontline teams; the method is not published.

– Whether time saved per call has reduced cost. No figure is reported.

– Whether AI will lead to the smaller workforce Telstra expects by 2030. Telstra has said its cuts so far are not the result of AI.

– Whether Telstra reaches top quartile AI maturity: its 2026 annual report ranks it in the second quartile.

Timeline

2023 One Sentence Summary and Ask Telstra piloted with frontline staff [1]

May 2024 Telstra announces an overhaul of its Enterprise division with about 2,800 job cuts [4]

Apr 2025 Seven-year data and AI joint venture with Accenture begins [3]

May 2025 Chief executive tells investors the workforce will likely be smaller by 2030, partly through AI [3]

Jul 2025 Telstra plans about 550 role reductions and denies they result from AI [4]

Feb 2026 Half-year results: 2,356 roles cut in 2025; 380 internal AI use cases reported [4]

Apr 2026 Telstra says over 8,000 staff use Ask Telstra [2]

Aug 2026 Full-year 2026 results: Telstra says it has a company-wide AI control plane, uses about 15 billion tokens a day (56% in its customer engagement layer) and spent about $206 million on redundancy [6]

Aug 2026 Annual report ranks Telstra's AI maturity in the second quartile against a goal of top quartile by FY30, adds AI impact to executive incentives and says the workforce is likely to be smaller in 2030 [7]

2 · Grade and SEAM assessment

MarLuc's opinion, made on the evidence above. How cases are graded: marluc.co.uk/case-studies/how-we-rate

Level of change and impact

Claimed: Not applicable. Grade: D, Task support. Proof: Claimed only. Level of change: Task support.

Task support (Level 1, band D). Telstra expects a smaller workforce by 2030, partly through AI; that is a plan and is not graded.

Task support: frontline staff handle the same calls faster with a summary and a search tool. The time savings are Telstra's own figures, with no method published. Telstra has cut roles since 2024, but it has said those cuts are not the result of AI, and in February 2026 its chief executive suggested she could not think of a role directly replaced by AI, per Information Age.

The SEAM view and lessons learnt

The tools did a narrow job: they shortened the time staff spend reading notes and looking things up. The open question sits at the join between technology and people. Telstra tells investors AI will help make the workforce smaller, and has said publicly that the cuts so far are not the result of AI. For a larger organisation, the transferable point is to keep the two accounts consistent and to publish how the time savings were measured.

1. Start with staff-facing tools that use your own knowledge base.
2. Publish how time savings were measured, and against what baseline.
3. Say plainly which job changes are linked to AI and which are not.

Evidence

Score 1 of 4. Self-reported: pilot and usage figures are Telstra's own, published with Microsoft and on Telstra's site; the jobs reporting comes from Information Age and iTnews.

Evaluation method. Self-reported company figures: pilot feedback and later usage and call-time figures; baseline and method not published.

Sources disagree. On the Accenture joint venture, iTnews reports that Telstra planned to outsource 209 roles to India; Information Age reports around 200 jobs in scope for cuts, with some roles offshored to India.

Status. Ongoing: Telstra said in April 2026 that over 8,000 staff use Ask Telstra.

3 · Original sources

Read these in full. To challenge a fact or a grade, use the contact form at marluc.co.uk or the link on https://marluc.co.uk/case-studies/telstra-frontline-ai-tools

[1] Microsoft Australia News Centre: Telstra scales up AI adoption following promising pilots of generative AI solutions (February 2024)
https://news.microsoft.com/en-au/features/telstra-scales-up-ai-adoption-following-promising-pilots-of-generative-ai-solutions-improving-customer-experience/

[2] Telstra Exchange: How Telstra is preparing its workforce for AI (April 2026)
https://www.telstra.com.au/exchange/how-telstra-is-preparing-its-workforce-for-ai

[3] Information Age (Australian Computer Society): What AI means for Telstra and Optus workers, customers (June 2025)
https://ia.acs.org.au/article/2025/what-ai-means-for-telstra-and-optus-workers--customers.html

[4] Information Age (Australian Computer Society): Telstra posts $1.2b half-year profit as 1,000 jobs cut (February 2026)
https://ia.acs.org.au/article/2026/telstra-posts--1-2b-half-year-profit-as-1-000-jobs-cut.html

[5] iTnews: Telstra says AI cost-benefits need close examination (February 2026)
https://www.itnews.com.au/news/telstra-say-ai-cost-benefits-need-close-examination-623729

[6] Telstra: Full-year 2026 results presentation transcript (13 August 2026)
https://www.telstra.com.au/content/dam/tcom/about-us/investors/pdf-i/telstra-full-year-results-fy26-presentation-transcript.pdf

[7] Telstra (ASX filing): Financial Results and Annual Report for the year ended 30 June 2026
https://announcements.asx.com.au/asxpdf/20260813/pdf/072pt28bmdvlr1.pdf

Telstra website: https://www.telstra.com.au

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VERSION HISTORY

v1.1 15 November 2026 Added Telstra's August 2026 results and annual report: AI control plane, token volumes, second-quartile AI maturity, AI in executive incentives, and workforce expected to be smaller in 2030.
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