



Scaling Intelligent Automation: Can It Solve the Talent War?

October 19, 2021

Live Tweeting #EGAnalyst

Introductions



Michel Janssen
Chief Research Officer
michel.janssen@everestgrp.com



Amardeep Modi
Vice President
amardeep.modi@everestgrp.com



Bharath M
Practice Director
bharath.m@everestgrp.com

Discussion points for today



A variety of prevailing business issues is driving the need for automation; however, scaling automation has its own challenges

Business problems driving the need for automation



Unavailability of talent to run/scale the business



Need to enhance customer/employee experience



Supply chain disruptions



Business resilience and risk management



Increased spending/cost levels



Challenges to scaling automation adoption



Removing roadblocks from compliance and security functions



Accessing experienced resources



Implementing the right change management strategy

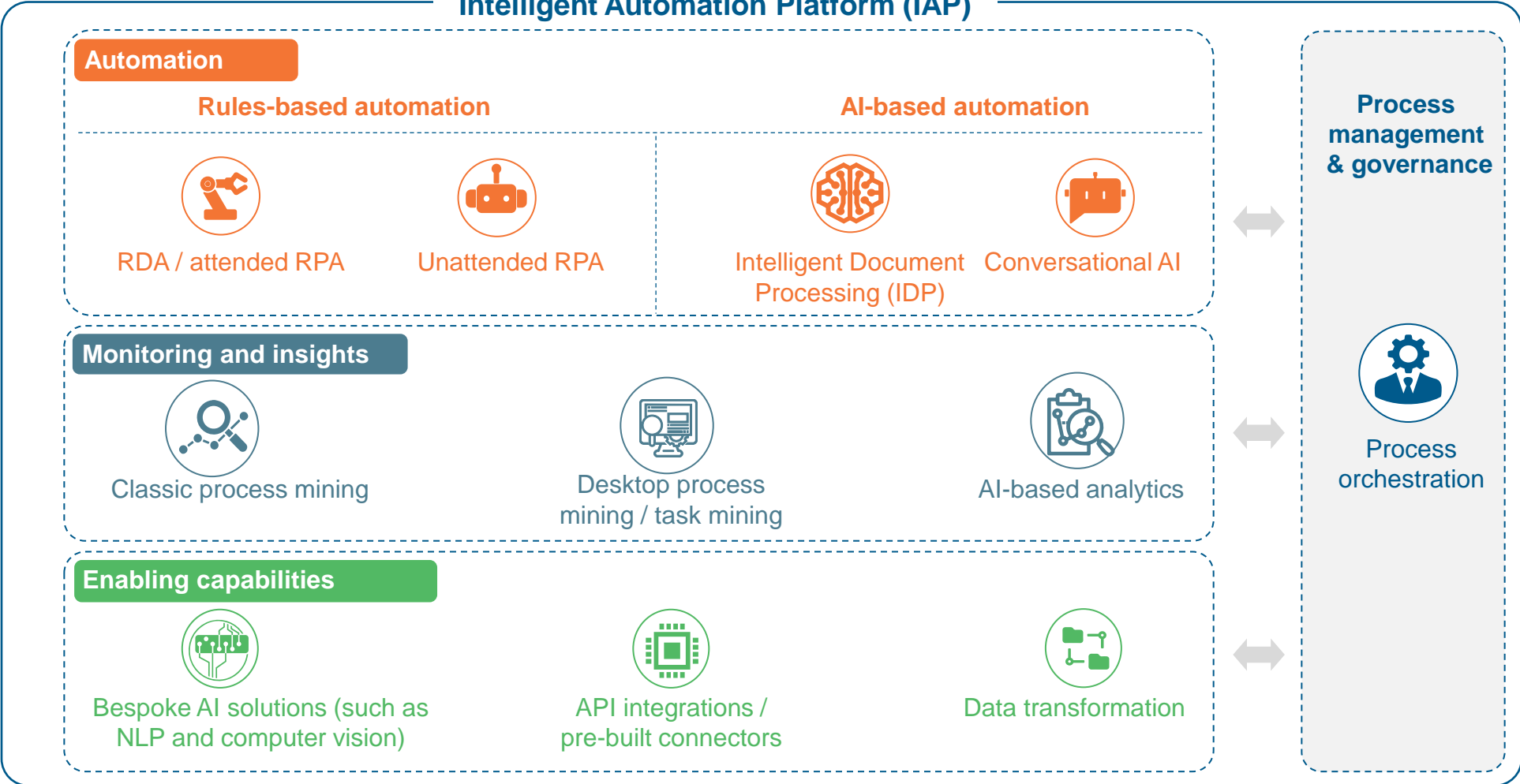


Creating a robust automation strategy and roadmap



Maintaining a healthy pipeline of automation opportunities

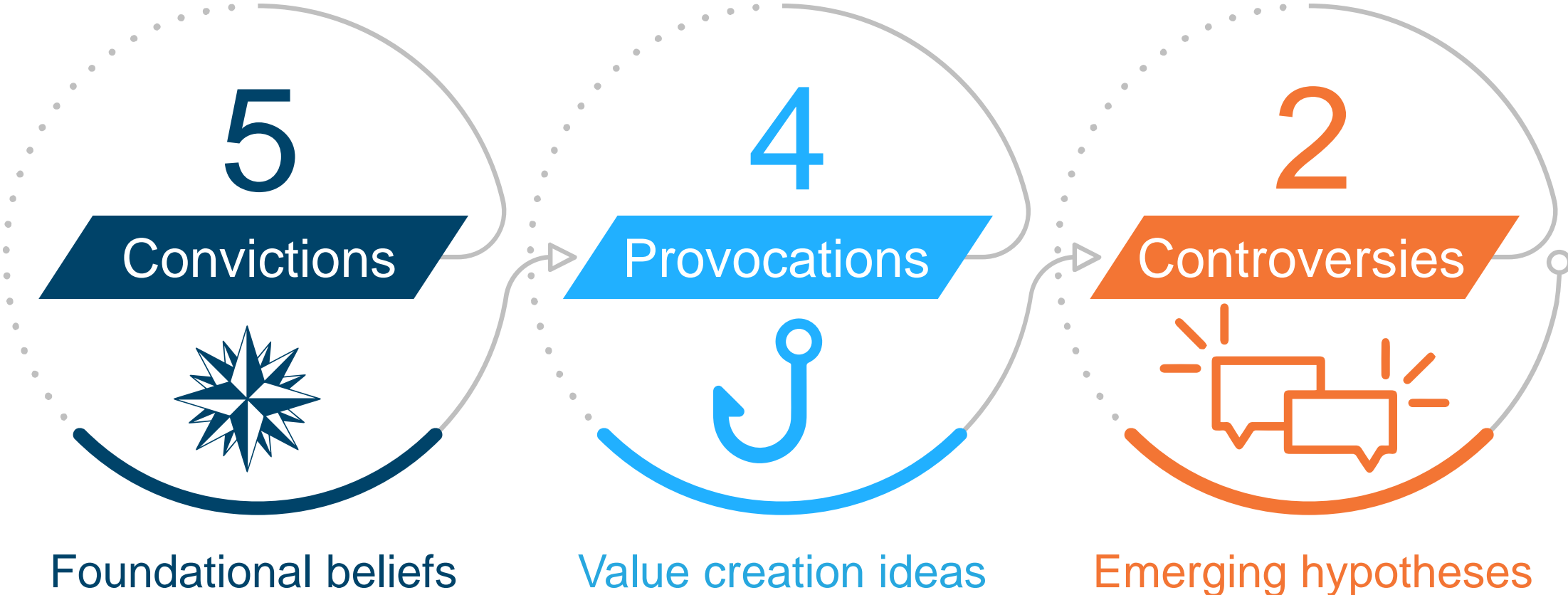
A host of technologies such as RPA, IDP, conversational AI, process mining, and process orchestration constitute the Intelligent Automation Platform (IAP)



Discussion points for today



Convictions, provocations, controversies





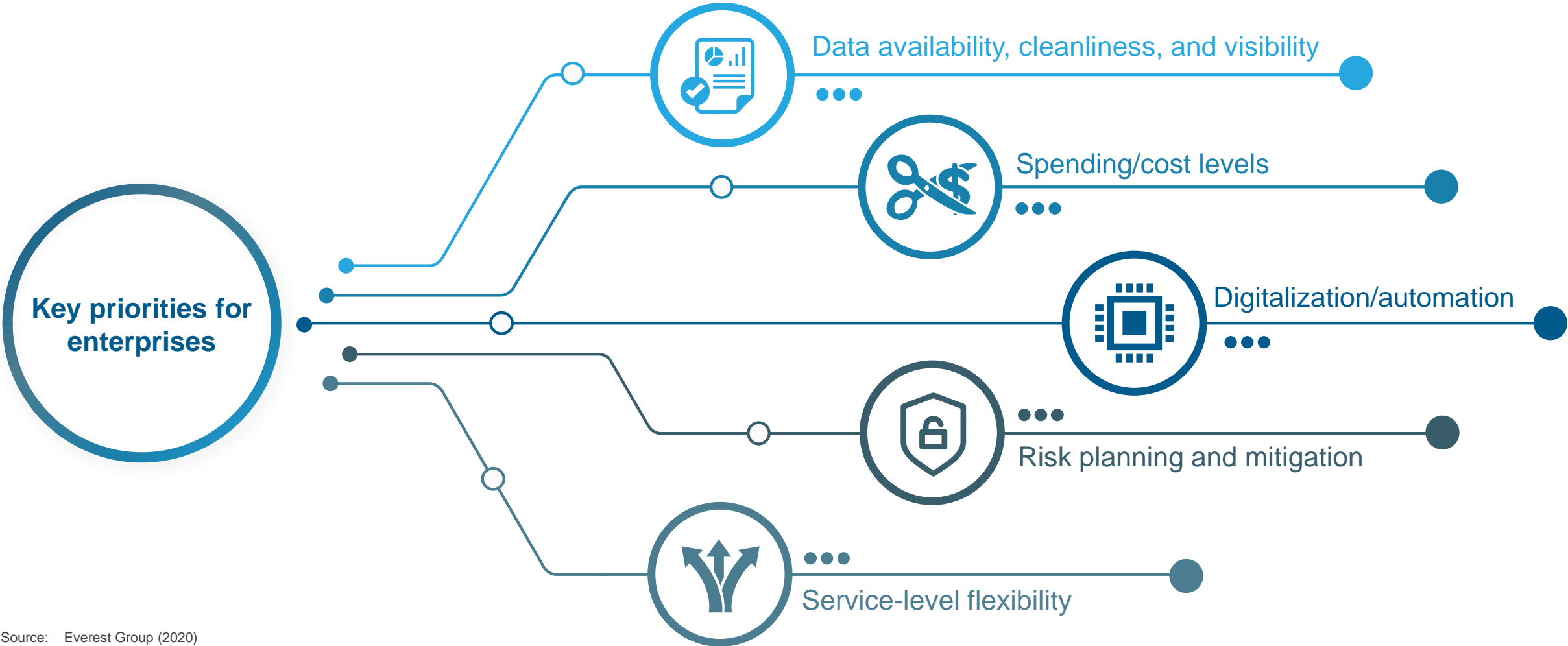
- 1 Automation is becoming a strategic priority for enterprises
- 2 Adoption of a holistic automation solution is delivering greater scale and value
- 3 Automation is delivering significant value across functions and process areas
- 4 GBS is emerging as nerve center for automation capabilities
- 5 A large majority of enterprises are in the early stages of their automation journey



- 1** Automation is becoming a strategic priority for enterprises
- 2 Adoption of a holistic automation solution is delivering greater scale and value
- 3 Automation is delivering significant value across functions and process areas
- 4 GBS is emerging as nerve center for automation capabilities
- 5 A large majority of enterprises are in the early stages of their automation journey




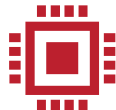

Automation is a key priority to increase business resilience and growth in the aftermath of the COVID-19 pandemic

Top 5 business priorities based on percentage of respondents selecting as highly important



Source: Everest Group (2020)

Enterprises are reorienting their automation programs with a sharp focus on outcomes and quick ROI

	Then		Now
 Driver	Cost/efficiency improvement lever	➔	C-suite agenda item – part of broader digital transformation initiatives
 Primary focus	Target low-hanging fruit, achieve quick wins	➔	Demonstrate tangible business outcomes beyond cost and operational improvements
 Approach	Less organized, largely siloed adoption	➔	Establish operating procedures, greater participation from businesses
 Tools and technology	Largely RPA for rules-based automation	➔	High leverage of AI and other digital levers in conjunction with RPA for complex use cases
 Talent strategy	Greater reliance on the external ecosystem to support talent needs	➔	Greater role for in-house resources – upskill/reskill in-house talent

Where are you on your automation adoption journey?

- Siloed adoption, limited to a few business units – **30%**
- Coordinated adoption, limited to a few business units – **14%**
- Coordinated adoption across multiple business units – **30%**
- Enterprise-wide strategic initiative with a CXO mandate – **27%**

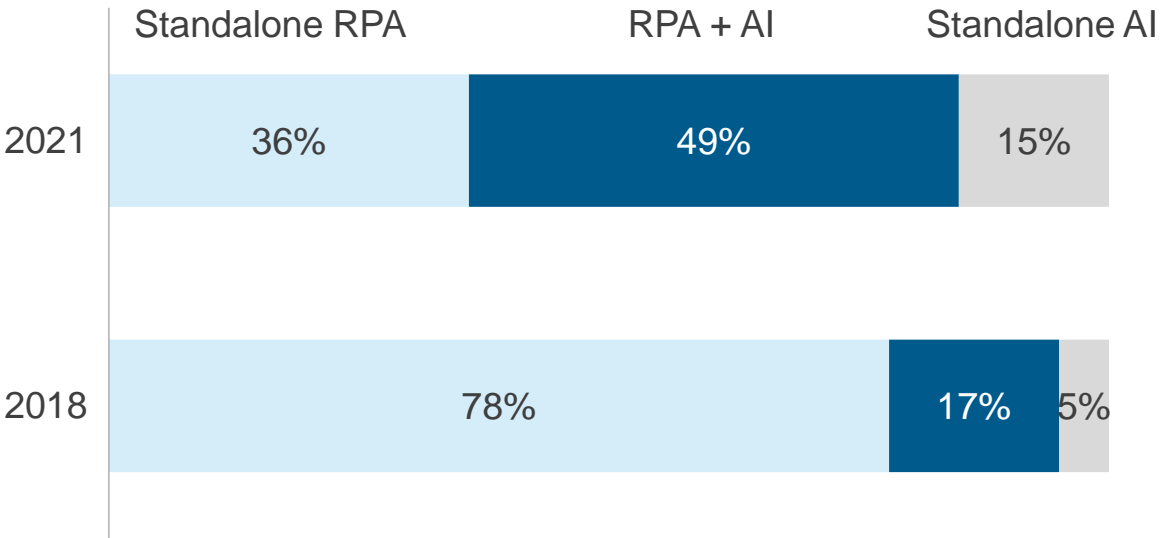




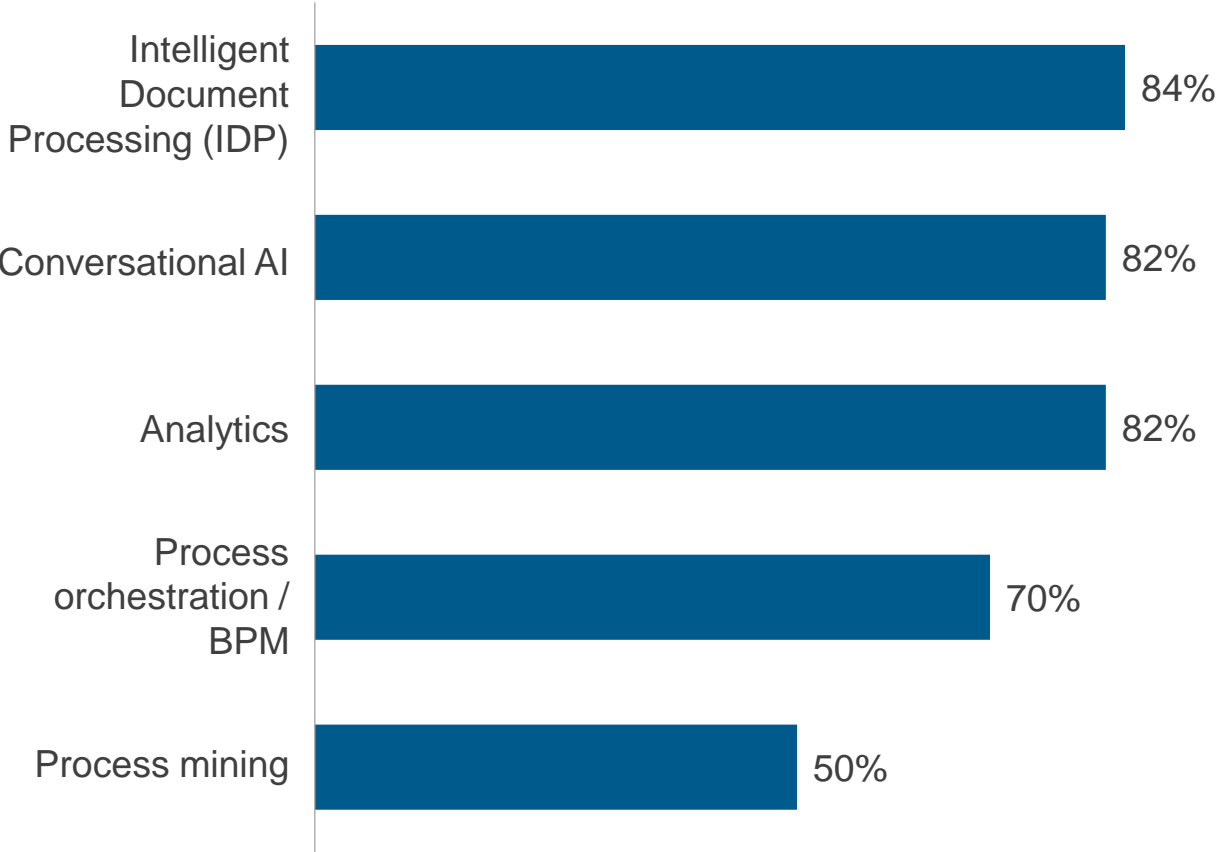
- 1 Automation is becoming a strategic priority for enterprises
- 2 Adoption of a holistic automation solution is delivering greater scale and value**
- 3 Automation is delivering significant value across functions and process areas
- 4 GBS is emerging as nerve center for automation capabilities
- 5 A large majority of enterprises are in the early stages of their automation journey

There is an accelerated adoption of, and demand for, a more holistic automation solution

Distribution of projects by type of automation technology deployed
Percentage of projects



Technologies that are part of enterprises' automation journey
Percentage of enterprises

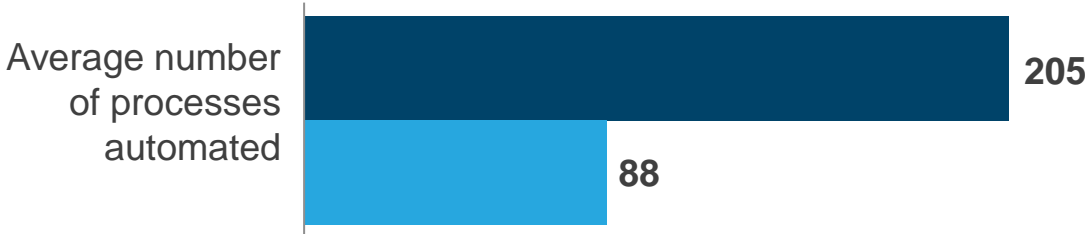


Source: Everest Group (2021); based on inputs collected from 50 enterprises

Enterprises with a holistic automation approach are achieving greater scale and value realization

■ Holistic automation adopters ■ Standalone RPA adopters

Scale of automation achieved



Scope of automation achieved



Impact achieved over pre-automation scenario



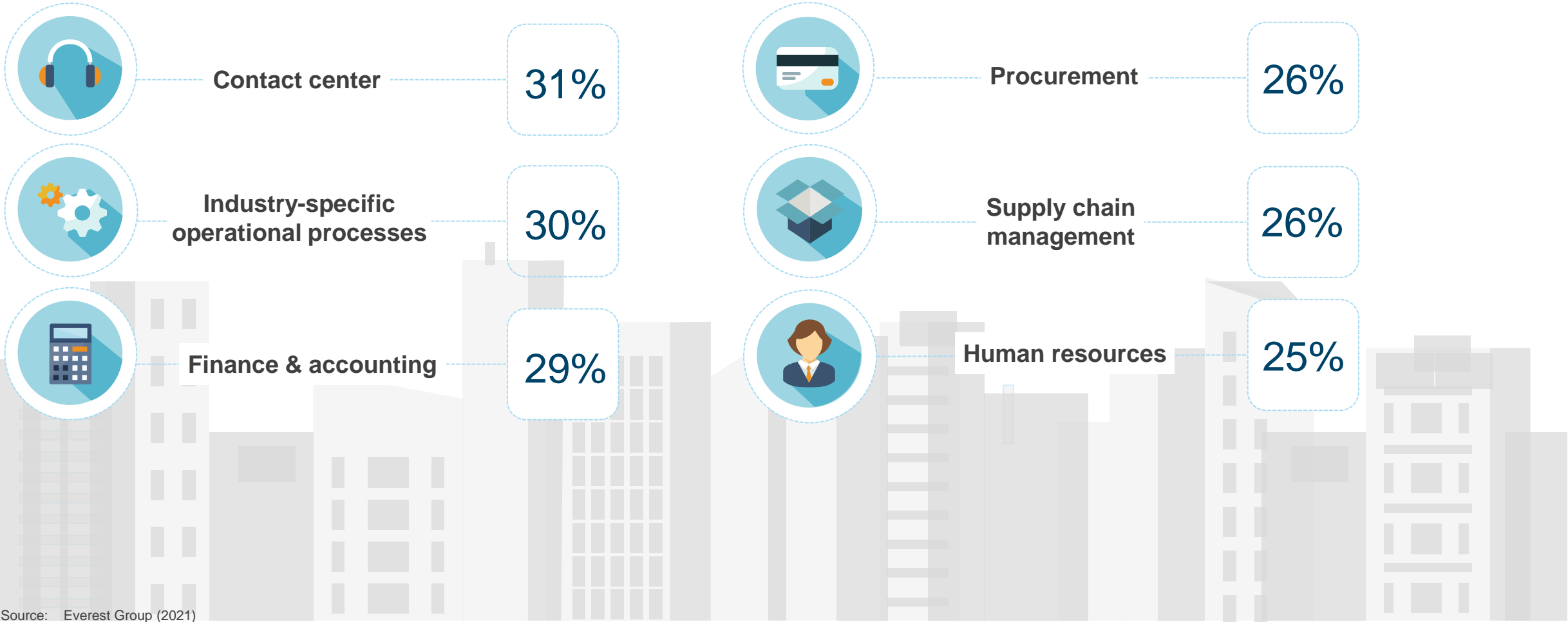
Source: Everest Group (2021); based on inputs collected from 50 enterprises



- 1 Automation is becoming a strategic priority for enterprises
- 2 Adoption of a holistic automation solution is delivering greater scale and value
- 3 Automation is delivering significant value across functions and process areas**
- 4 GBS is emerging as nerve center for automation capabilities
- 5 A large majority of enterprises are in the early stages of their automation journey

Enterprises expect automation to deliver significant benefits in nearly every function

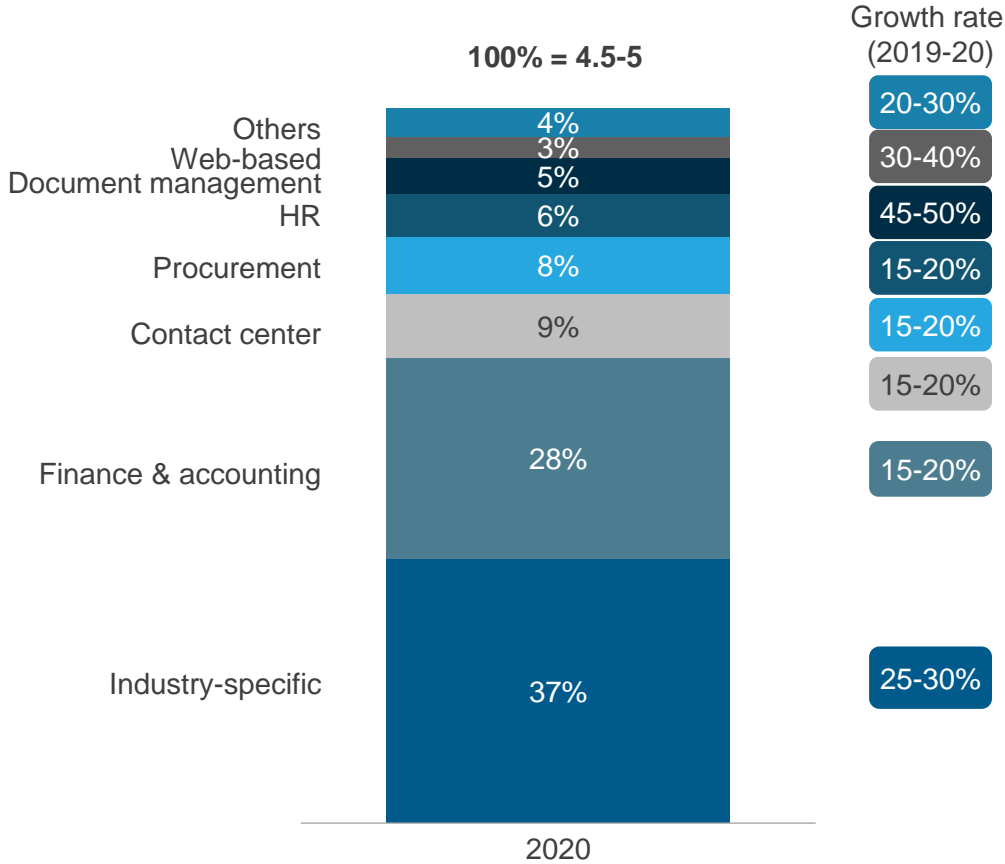
Anticipated average cumulative labor savings generated by automation from 2019 through 2021



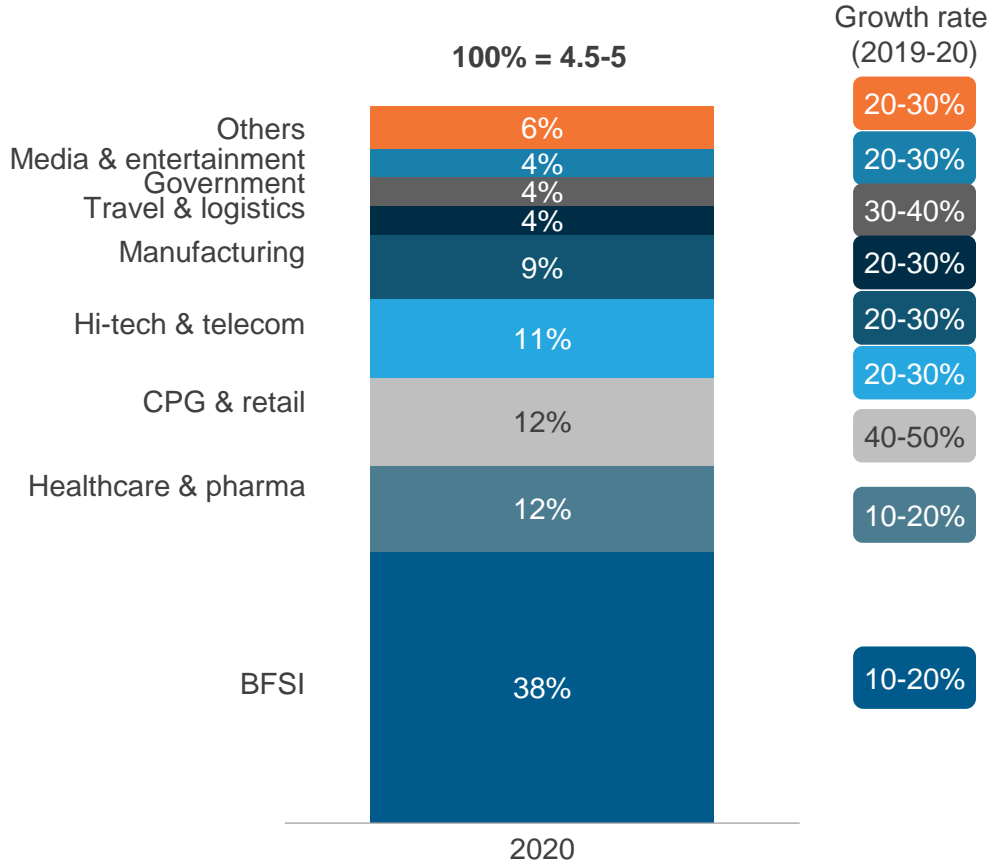
Source: Everest Group (2021)

Consequently, adoption of automation is growing significantly across functions and industry verticals

Adoption trends by buyer function / process area
Percentage split of IPA revenue; US\$ billion



Adoption trends by buyer industry
Percentage split of IPA revenue; US\$ billion



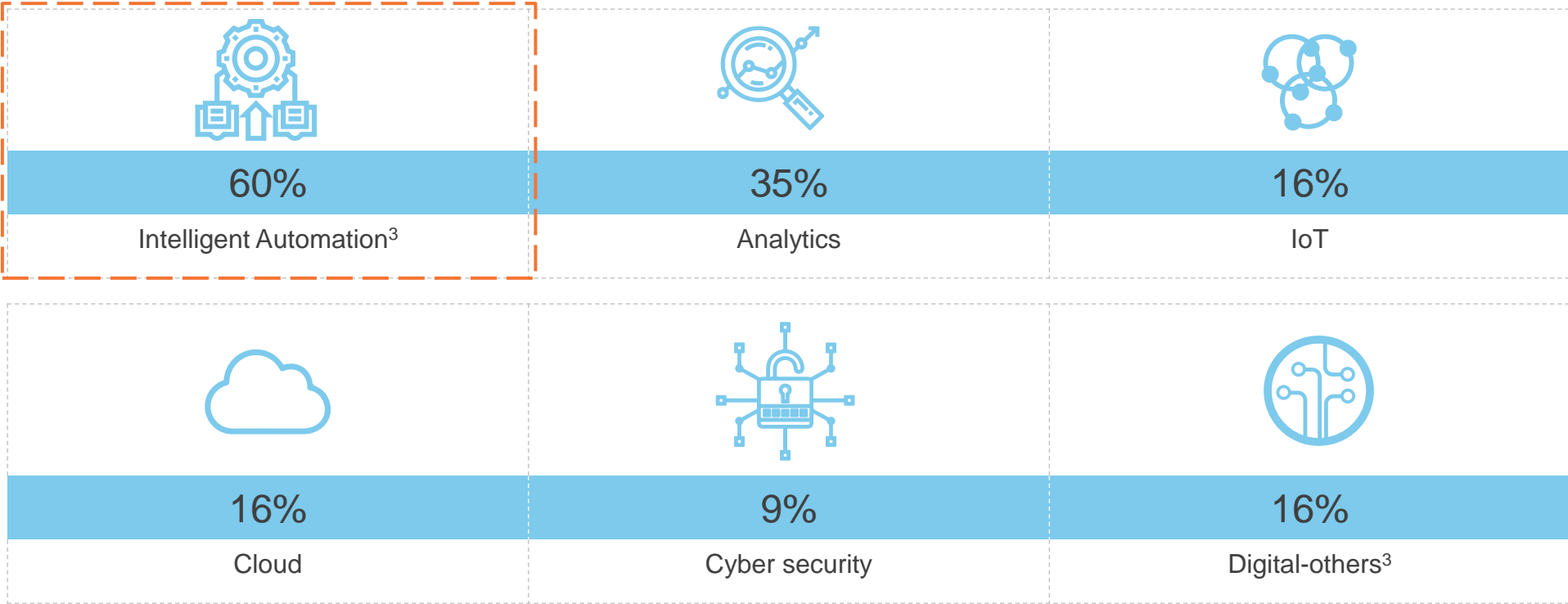
Source: [Powering Business Processes with Intelligent Automation – Intelligent Processes Automation \(IPA\) State of the Market Report 2021](#); Everest Group (2021)



- 1 Automation is becoming a strategic priority for enterprises
- 2 Adoption of a holistic automation solution is delivering greater scale and value
- 3 Automation is delivering significant value across functions and process areas
- 4 GBS is emerging as nerve center for automation capabilities**
- 5 A large majority of enterprises are in the early stages of their automation journey

Automation has the highest adoption rate within GBS centers that deliver digital services

Distribution by digital components
2020; Number of GBS center setups^{1,2}

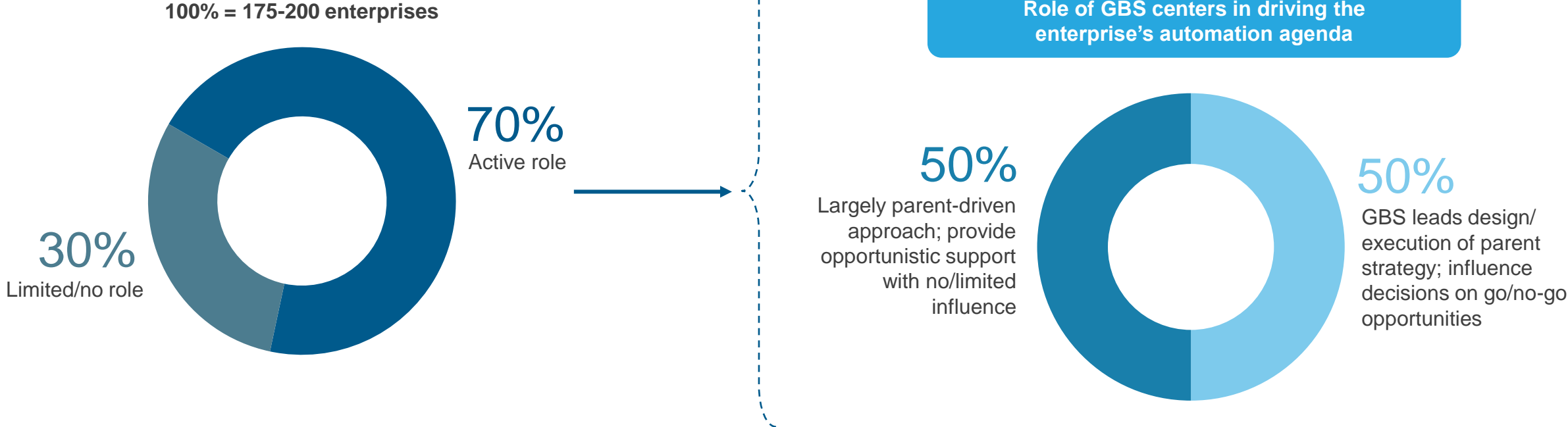


Every 3 in 5 GBS centers setup since 2020 providing digital services to the enterprise has automation as a part of its delivery portfolio

¹ Includes centers that support digital as well as traditional services
² Total does not sum to 100% as many new GBS setups support multiple digital components
³ Advanced automation includes AI, Robotic Process Automation (RPA), cognitive, and ML
⁴ Includes digital services such as social, mobility, and blockchain

Increasing instances of GBS organizations playing a strategic role in driving intelligent automation initiatives across their enterprises

Distribution of GBS centers by level of participation in automation initiatives 2020; percentage

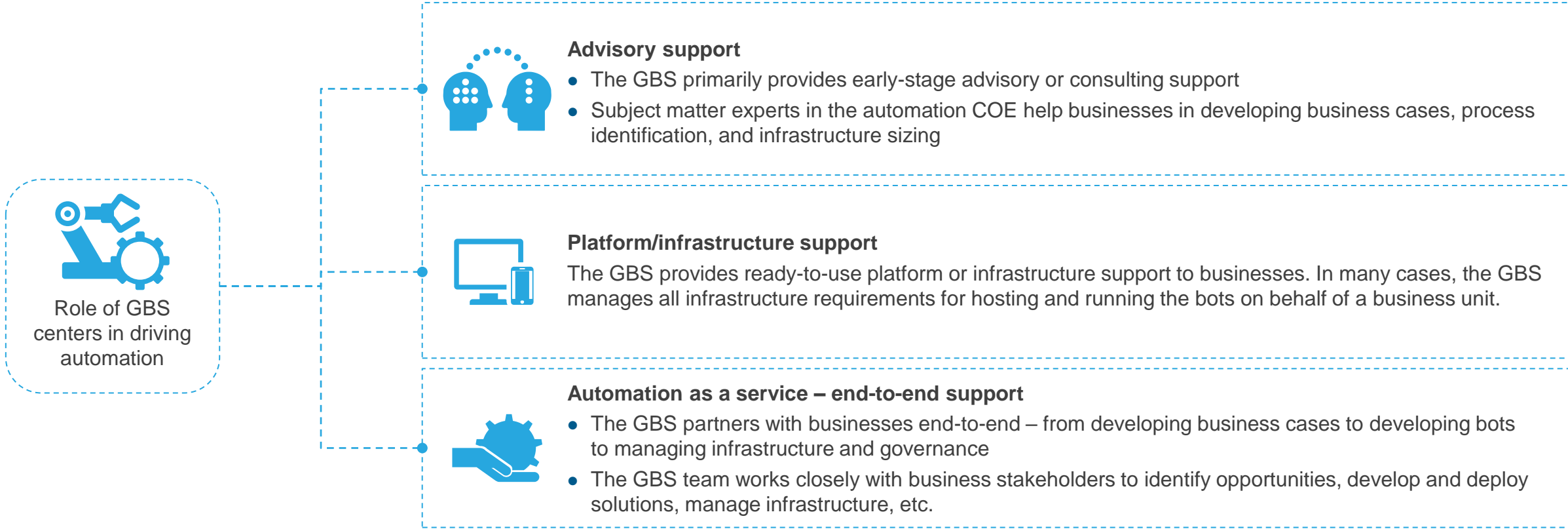


Over the past two to three years, there is a clear shift in the role of GBS – from helper to leader/ influencer

Based on analysis of 175-200 enterprises with GBS centers

Some mature GBS centers have automation COEs that offer a wide range of services to their enterprises

There are three broad types of support provided by GBS centers in collaboration with the IT Function



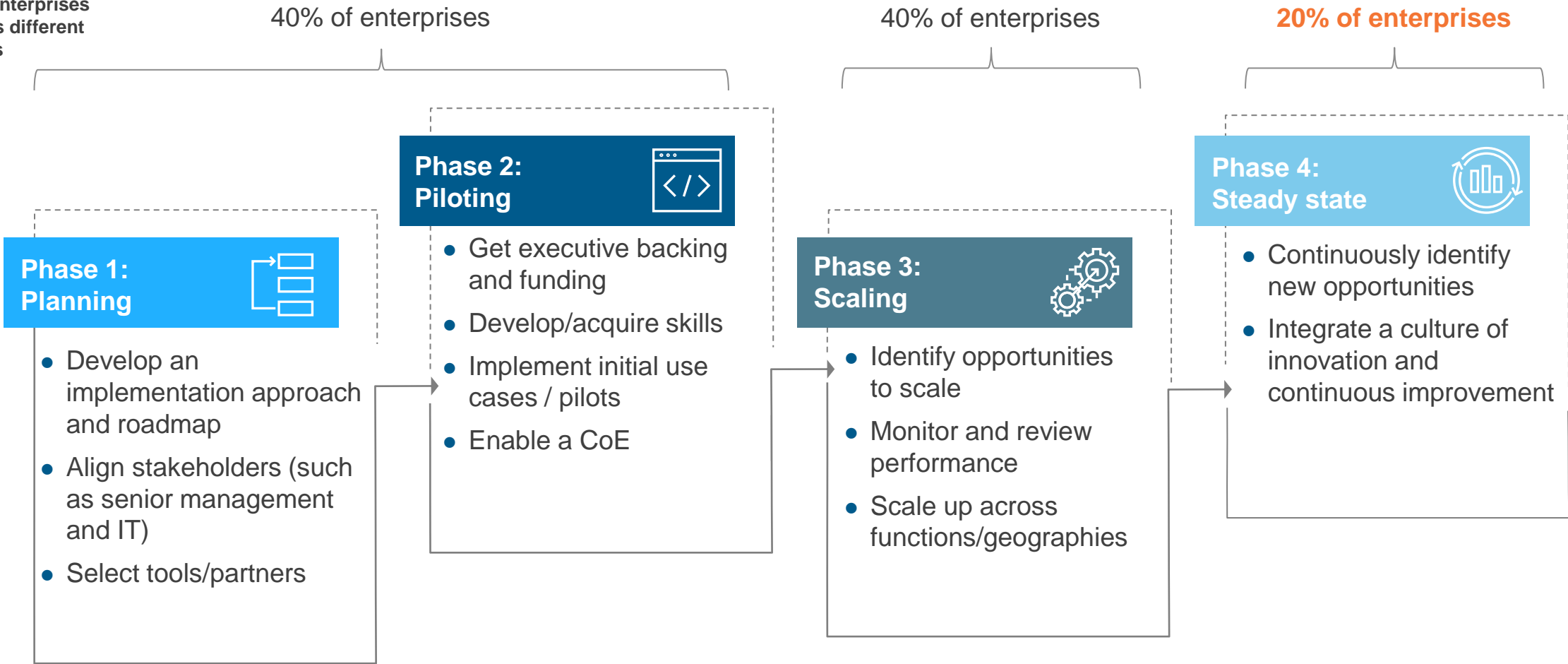
Note: In some cases, GBS also provides ad-hoc support, such as bot development for complex automations



- 1 Automation is becoming a strategic priority for enterprises
- 2 Adoption of a holistic automation solution is delivering greater scale and value
- 3 Automation is delivering significant value across functions and process areas
- 4 GBS is emerging as nerve center for automation capabilities
- 5 A large majority of enterprises are in the early stages of their automation journey**

While many enterprises have successfully piloted automation initiatives for low-complexity use cases, they continue to struggle with scaling to enterprise-wide programs

% of enterprises across different stages



Source: Everest Group (2021)

What challenges did you face when scaling up automation in your organization?

- Maintaining a healthy pipeline of automation opportunities – **29%**
- Implementing the right change management strategy – **45%**
- Finding automation talent (availability of talent) – **26%**
- Creating a robust automation strategy and roadmap – **48%**
- Removing roadblocks from compliance and security functions – **39%**



Provocation #1

Citizen developers can help scale automation and its benefits within the organization

The increasing maturity of no-code/low-code automation tools along with broad-based automation awareness have enabled business users to contribute meaningfully to enterprise automation efforts



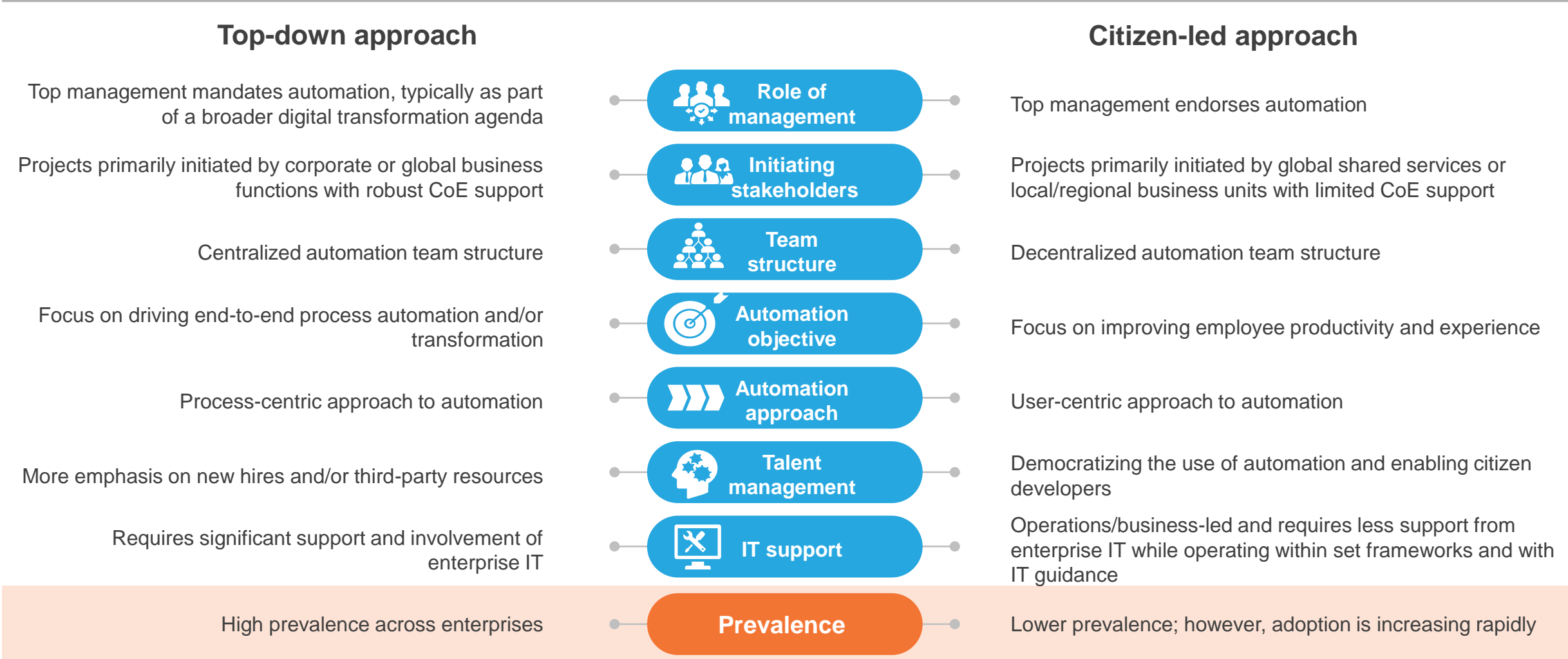
In a citizen-led model, business/operations resources actively identify automation opportunities, develop business cases, and support automation development

More than 65% of best-in-class enterprises leverage the citizen-led model as part of their automation strategy

Example: a multinational bank has implemented this model to create robots that have saved 500,000 hours of routine work

Source: Everest Group (2021)

The citizen-led model follows a different approach and offers a different value proposition than the traditional model



Source: Everest Group (2021)

While there are multiple benefits to the citizen model such as easier change management and accelerated opportunity identification, there are some challenges



Benefits



Accelerated opportunity identification



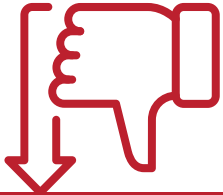
Better change management



Better business context



Higher automation penetration



Challenges



Requires investments in training



Attrition of trained resources is higher



Quality of solutions



Balancing regular delivery vs. automation support



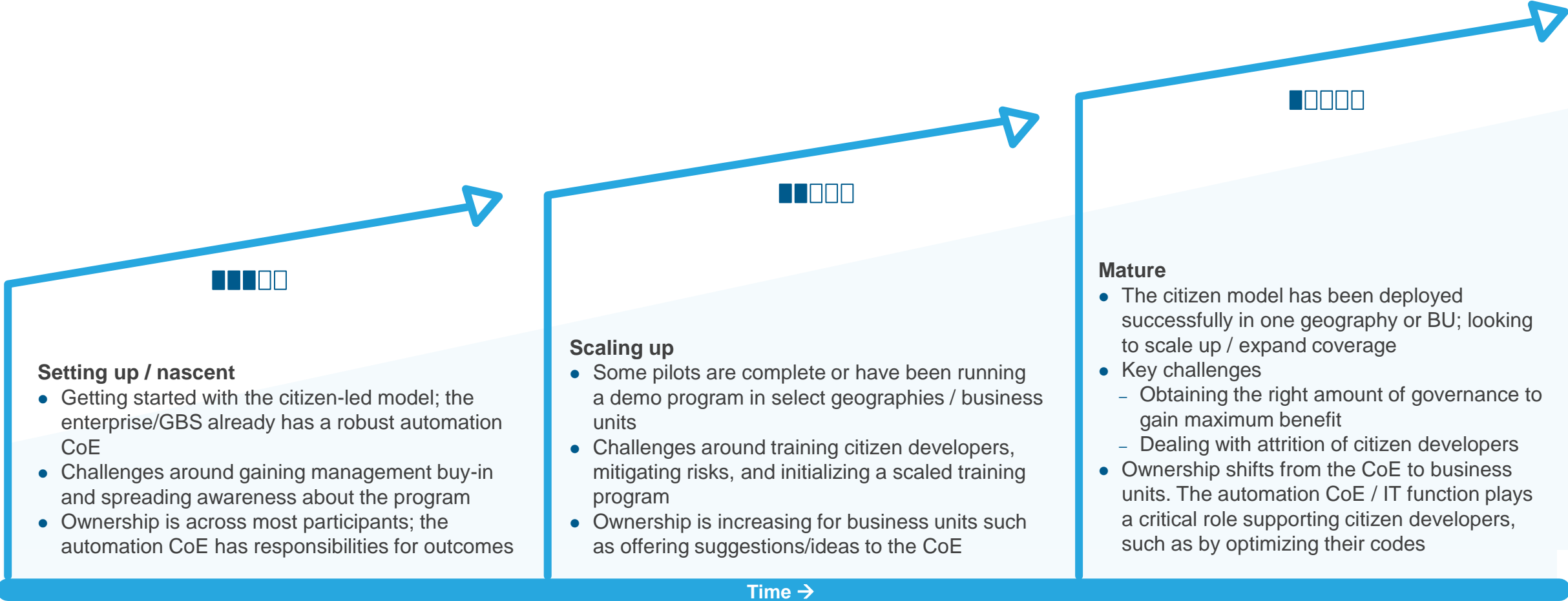
Provocation #2

How can organizations extract greater leverage from a citizen model?

The evolution of the citizen model is typically associated with increased ownership for businesses; the CoE plays an enabler role

Share of citizen model adoption by stage

Prevalence Low High



Setting up / nascent

- Getting started with the citizen-led model; the enterprise/GBS already has a robust automation CoE
- Challenges around gaining management buy-in and spreading awareness about the program
- Ownership is across most participants; the automation CoE has responsibilities for outcomes

Scaling up

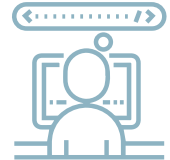
- Some pilots are complete or have been running a demo program in select geographies / business units
- Challenges around training citizen developers, mitigating risks, and initializing a scaled training program
- Ownership is increasing for business units such as offering suggestions/ideas to the CoE

Mature

- The citizen model has been deployed successfully in one geography or BU; looking to scale up / expand coverage
- Key challenges
 - Obtaining the right amount of governance to gain maximum benefit
 - Dealing with attrition of citizen developers
- Ownership shifts from the CoE to business units. The automation CoE / IT function plays a critical role supporting citizen developers, such as by optimizing their codes

Best practices in scaling adoption of the citizen model

NOT EXHAUSTIVE



Training internal resources

Governance

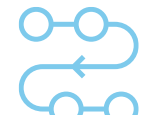
The citizen model is easier to start with resources that have basic IT/coding skills; identify employees within business units who understand Excel VBA and/or have basic coding skills



Curate training programs to include both theoretical and practical aspects



Work with an initial set of citizen developers to scale up the training program, having them play the role of program champions and mentors



Identify and define processes or work types that can be included as part of this citizen-led program



Create a risk-benefit framework to analyze each process that citizen developers handle

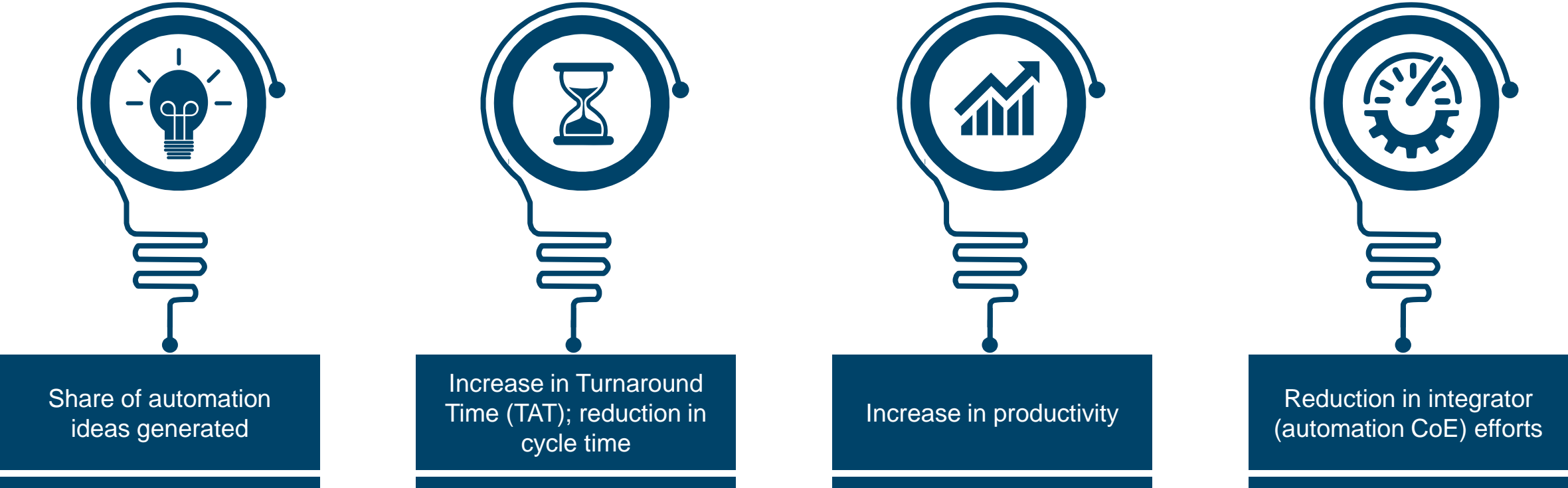


Create separate platforms for bots developed by citizen developers and other bots present in the enterprise



Initiate the program with more regulation and supervision – have the CoE / IT groups play a larger role in the initial stages

Success metrics evolve as the citizen-led model matures



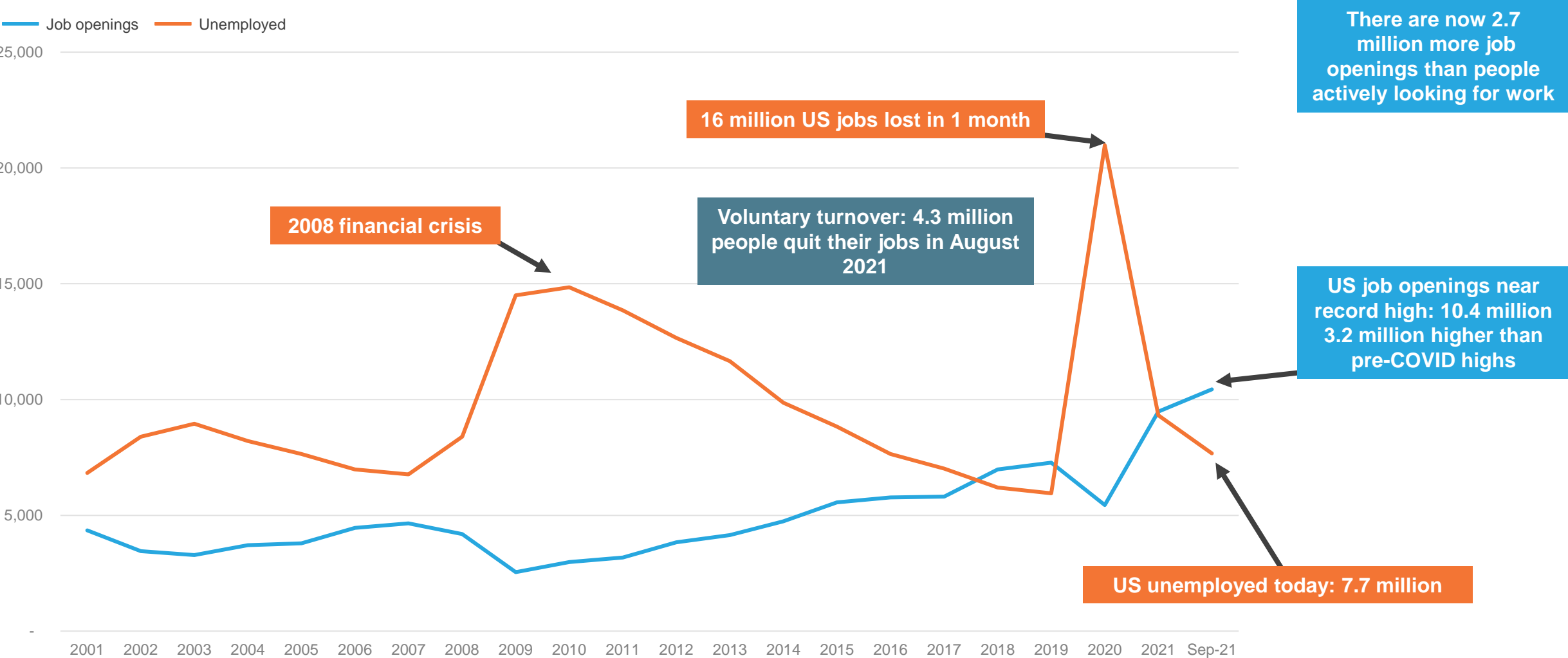
As the citizen-led model matures, there is a clear shift in the types of metrics they use: while early-stage adopters focus on metrics such as TAT, mature adopters track metrics such as productivity gains within a business unit and reduction in work for the automation CoE



Provocation #3

Can automation help win the talent war?

The talent supply demand gap is getting worse in the US as 4.3 million people quit in August, up from 3.0 million one year ago



Source: US Job Opening and Labor Turnover Survey August 2021 US Unemployment Data, Bureau of Labor Statistics, September 2021

Automation can help improve employee productivity and experience, which can help to increase capacity and retention and reduce hiring requirements



On average, enterprises realized a **38%** improvement in **employee productivity** post-automation



Furthermore, they had a **40%** improvement in **employee experience**, over the pre-automation results

“ Automation helped us save over 21,000 staff hours in the last 12 month, which in turn helped the firm realize significant productivity gains. With repetitive tasks being automated, employee engagement improved significantly, enabling employees to focus on more value-added work. ”
– *Multinational insurance firm*

“ We could save more than 2,300 manual work hours with automation RPA in the start-up year. Further, it has enhanced employee experience, with people realizing that RPA allowed them to focus on more complex tasks. It also led to a reduction in hiring administration for the temporary workforce. ”
– *Large European airline*

“ We have deployed automations in more than 100 processes in the last two years. Overall firm productivity has gone up, with Straight Through Processing rates of 93%. Machine learning tools and chatbots have helped significantly enhance employee productivity and experience. ”
– *Global information services firm*

Source: Everest Group (2021)



Provocation #4

Are you partnering with an enterprise-grade automation technology provider?

Key capabilities to look out for in an enterprise-grade automation solution

Enterprise-grade automation solution characteristics

Product capabilities



Client training and support



Service partner ecosystem



Technology partner ecosystem

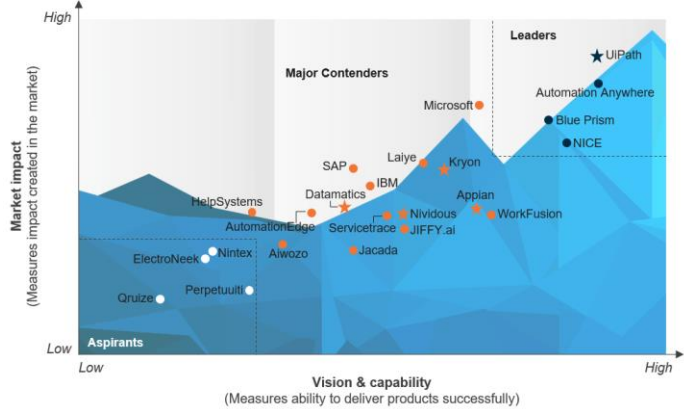


Commercial models

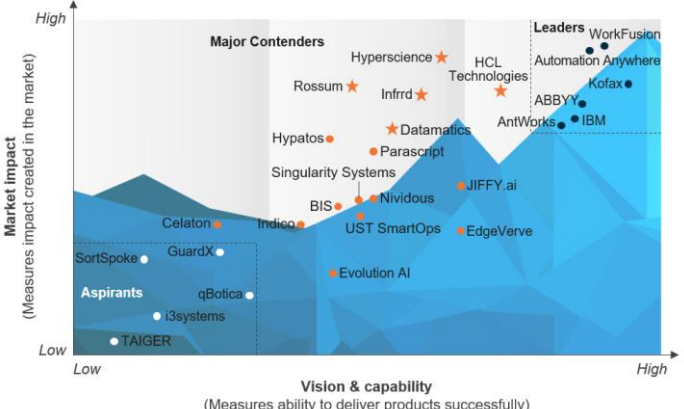


Everest Group PEAK Matrix® Assessments help you understand how various technology providers stack up

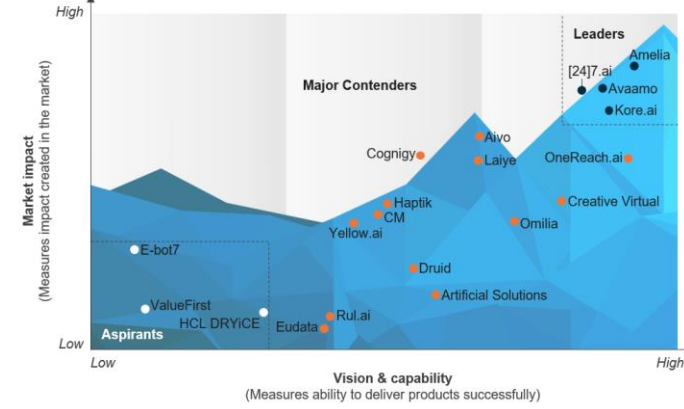
RPA Products PEAK Matrix® Assessment 2021



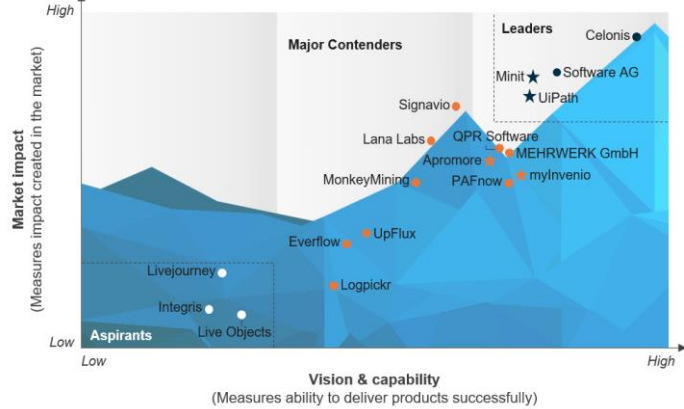
IDP Products PEAK Matrix® Assessment 2021



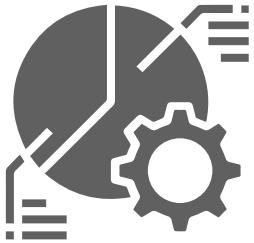
Conversational AI Products PEAK Matrix® Assessment 2021



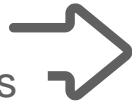
Process Mining Products PEAK Matrix® Assessment 2021



Offer for enterprises | Get a head start on your automation journey with Everest Group's PEAK Matrix® analysis



Select any one of the following priorities



PEAK Matrix® product segments

- Robotic Process Automation (RPA)
- Intelligent Document Processing (IDP)
- Conversational AI
- Process mining



You will get



Complimentary executive summary

- Leading technology providers and their positioning on the PEAK Matrix
- Relative assessment of their market success and vision & capability

HOW

To request your complimentary PEAK Matrix insights (enterprises only), indicate your interest or contact Michel, Amardeep, or Bharath (email addresses on an upcoming slide)



1 Best of breed vs. single platform approach – which one will prevail?

2 How far can we push the citizen-led model?

Discussion points for today





To ask a question during the Q&A session

- Access the **Questions** panel within the Zoom console, which is typically located on the bottom of your Zoom window.
- Type your question in the dialogue box, then select **Send** to submit the question to our session Organizers/Panelists
- Attendees will receive an email with instructions for accessing today's presentation
- To ask a specific follow-up question, or for a complimentary assessment of your organization's digital effectiveness, please contact:
 - Michel Janssen, michel.janssen@everestgrp.com
 - Amardeep Modi, amardeep.modi@everestgrp.com
 - Bharath M, bharath.m@everestgrp.com

Check out our blogs for the latest perspectives on automation

Four Reasons Enterprises Aren't Getting Full Value from their Automation CoEs | Blog
Bharath M | Practice Director | APRIL 2, 2019 | SHARE

- Facilitates best practices and skill development, which eventually help in faster scaling
- Provides structure and governance to the automation program, e.g., clarifies roles and responsibilities
- Enables optimization of software and license costs
- Fosters sharing and pooling of resources
- Develops strong cross-functional collaboration among stakeholders.

While many enterprises have established CoEs to overcome challenges and accelerate their automation, here are some common pitfalls that limit the true potential of an automation CoE.

- No enterprise-level mandate to go through the CoE
- Lack of relevant capabilities with
- Loosely defined roles and respon

The Evolution of the Automation CoE Model - Why Many GBS Centers Are Adopting the Federated CoE Model | Blog
Param Dhar | Senior Analyst | APRIL 15, 2020 | SHARE

Automation CoEs in Global Business Services (GBS) centers or Shared Services Centers (SSCs) have evolved over time. Most have made conscious decisions around the structure and governance CoEs, evolving to extract maximum value from their the benefits they have hoped to gain from the evolution include:

- Faster scaling
- More efficient use of automation assets and components, such as licenses and reusable modules
- Better talent leverage
- Greater business impact

The typical CoE model evolution
CoE models generally evolve from siloed model to centralized and then to a federated.

Siloed model - kick starting the journey
Most GBS centers start their automation initiatives in silos or specific functions. In the early stages of their automation journey, they aim to gain a stronger understanding of capabilities and benefits of automation and also to achieve quick results.

However, this model has its limits, including suboptimal bot usage, low bargaining power with the vendor, lower reusability automation capabilities, and limited scale and scope.

The centralized model - building synergies
As automation initiatives evolve, enterprises and GBS organizations recognized the need to integrate these siloed efforts into the centralized model. This model enables benefits such as introducing standard operating procedures (SOPs), better govern automation assets and components, optimized usage of licenses and resources, and enforcement of best practices. This is on an enterprise-wide automation strategy, which is lacking in the siloed model.

Microsoft Acquires Softomotive to Accelerate Its Dominance in RPA | Blog
Amardeep Modi | Practice Director | MAY 28, 2020 | SHARE

Near the end of 2018, Microsoft added various RPA features to Flow, its automated workflow service, and rebranding it as Microsoft Power Automate. It's surprising to see Microsoft getting into this space to embed RPA into its products such as Excel, PPT, Outlook, etc. It uses to automate tasks directly from these products. Now, with its acquisition of RPA software vendor Softomotive, RPA software market, accelerating its positioning in the RPA space, and offering greater depth and breadth of RPA solutions.

This acquisition has come at a time when the demand for automation is being amplified due to the COVID-19 pandemic. And it positions Microsoft as a serious contender for automation software needs as organizations are rethinking their automation strategies.

Here's our take on the deal.

What Softomotive brings to Microsoft
Founded in 2006, Softomotive is a leading RPA software vendor with roots in desktop automation. Its popular product, Softomotive's desktop automation product, used primarily for attended RPA use cases, is executed on a user's desktop in attended mode. It doesn't have centralized control, monitoring, or governance. It's suitable for small and medium-sized businesses.

- Attended and unattended RPA for organizations of all sizes, through
 - WinAutomation, Softomotive's desktop automation product, used primarily for attended RPA use cases, is executed on a user's desktop in attended mode. It doesn't have centralized control, monitoring, or governance. It's suitable for small and medium-sized businesses.
 - ProcessRobot, Softomotive's enterprise RPA offering, delivers both attended (SideBot) and unattended (ControlBot) RPA solutions, with centralized control, monitoring, and governance functionalities.
 - RobiQ, Softomotive's open source RPA language for programmers. Microsoft's immense presence in the developer community to force several other vendors to adopt it. And it could become a help Microsoft establish its thought leadership in the market.

Why Invest in Artificial Intelligence (AI)? | Sherpas in Blue Shirts
Amardeep Modi | Practice Director | AUGUST 16, 2017 | SHARE

"Facebook shuts down robots after they invent their own language." This headline was splashed across myriad news outlets just a few weeks ago. And although the story itself made the event seem like just a normal science experiment, this type of alarming news in media reports is becoming the norm and is sowing seeds of doubt, fear, and uncertainty among consumers and even some businesses.

However, behind the vendor hype and the media fear mongering, there are real, bona fide reasons for organizations to invest in artificial intelligence (AI).

Humans can perform various expert tasks with relevant training and experience. For example, a research analyst trained for and with experience in market research, can predict future market size and growth with considerable accuracy. Using machine learning, a system can be trained to perform the same task. Yet, with their enormous computational power, such expert systems/machines can beat humans' speed, accuracy, and efficiency in this and many other tasks. This is the reason why many organizations are investing heavily in developing and creating AI-enabled systems.

Narrow AI
Have you ever encountered a situation where you're talking to a customer service executive over chat, and wondered if you're actually talking to a real human agent or a virtual agent/computer program?

I recently attended IInfo's Amelia 3.0 launch event. Amelia is an AI-powered virtual agent platform that uses advanced machine learning and deep learning techniques to get progressively better at performing tasks. In one of the more interesting demonstrations, Amelia went head-to-head with a real person in answering questions posed to it in natural language, by real-time processing of unstructured data from natural language documents such as Wikipedia pages. It was fascinating to see how Amelia could answer questions with considerable accuracy.

Such domain-specific expert systems that can simulate human-like capacities and even outperform human expertise in specific domains are called Narrow AI.

While most AI vendors typically focus on building Narrow AI systems for a specific purpose such as virtual agent capabilities, some large vendors such as IBM, under its Watson brand, offers multiple individual Narrow AI systems to cover a wide range of use cases. For example, it is being used in several top cancer hospitals in the U.S. to help with cancer research by speeding up DNA analysis in cancer patients. In the finance sector, DBS bank in Singapore uses Watson to ensure proper advice and experience for customers of its wealth management business. And in retail, an online travel company has created a Discovery Engine that uses Watson to take in and analyze data to better link additional offers and customize preferences for individual consumers.

Experts in digital transformation

www.everestgrp.com/blog/

Related content

- [Scaling up Intelligent Automation](#)
- [360-degree Enterprise Automation Playbook](#)
- [Process Mining Playbook 2021](#)
- [Scaling Up Intelligent Automation Adoption in GBS Centers](#)
- [Enterprise Intelligent Automation Adoption Maturity | Pinnacle Model[®] Analysis](#)
- [Accelerated Intelligent Automation \(AIA\) in Enterprises](#)
- [Intelligent Automation: Accelerating from Short-term Wins to Long-term Strategic Business Outcomes](#)
- [Intelligent Process Automation \(IPA\) – Solution Provider Landscape with Solutions PEAK Matrix[®] Assessment 2021](#)
- [Conversational AI – Technology Vendor Landscape with Products PEAK Matrix[®] Assessment 2021](#)
- [Enabling Data-based Process DNA Analysis – Process Mining State of the Market Report 2021](#)
- [Enterprise Process Orchestration](#)

www.everestgrp.com



Stay connected

Website

everestgrp.com

Social Media

 [@EverestGroup](https://twitter.com/EverestGroup)

 [@Everest Group](https://www.linkedin.com/company/everest-group)

 [@Everest Group](https://www.facebook.com/everestgroup)

 [@Everest Group](https://www.youtube.com/everestgroup)

Blog

everestgrp.com/blog

Dallas (Headquarters)

info@everestgrp.com
+1-214-451-3000

Bangalore

india@everestgrp.com
+91-80-61463500

Delhi

india@everestgrp.com
+91-124-496-1000

London

unitedkingdom@everestgrp.com
+44-207-129-1318

Toronto

canada@everestgrp.com
+1-647-557-3475