

PROCESS INTELLIGENCE, AUTOMATION & AI: DEMYSTIFYING THE CHANGE AGENTS IN ONEOFFICE OPERATIONS



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#HFSSuperSummit

Automation swansong or rebirth?



RPA is Dead. Long Live Intelligent Automation!

June 29, 2016 | [Tom Sawyer](#)

I have been researching the notion of Intelligent Automation and, in particular, the rapid uptake of Robotic Process Automation (RPA) for more than 4 years. It was this work that eventually brought me to HFS. Over the years, I have made many good friends and acquaintances in the automation community - and many of those good folks have graciously suggested I have become a spokesperson for this community. Yet, it is time to take a stance and declare: RPA is dead!

This is not meant to try to grandstand my esteemed colleague Phil, who's eloquently stated that *RPA 1.0* is a done discussion. Phil suggested: "We know what it is, we know what it can do, we know how it can augment operations and help digitize broken processes." I rarely disagree with Phil, but I would argue that that broader market, outside of specialized services, technology and process areas, has no clue as to what RPA really is. We have no common reference points, we have no definitions, we have no clarity as to how successful deployments really are. What we have, is a set of reference technologies and respective case studies that demonstrate potentially significant efficiency gains, if implemented effectively. What we have is a sort of innovative technology providers who use the term "RPA" to get a seat at the table to transform service delivery. However, to quote Lee Coulter, who chairs our Sourcing Executive Council, "In the context of automation we have a Tower of Babel: we have many languages, but we don't really understand each other".

RPA has dominated the conversation with industry novices and this needs to advance to the broader automation outlook

Yet, it is about much more than just semantic nuances. RPA currently is largely about the



RPA is dead. Long live Integrated Automation Platforms

April 15, 2019 | [Phil Forster](#), [Sushabh Gupta](#), [Oliver Christenbauer](#)

The biggest problem with enterprise operations today is the simple fact that most firms still run most of their processes exactly the same way as they did 20/30/40 years ago, with the only "innovation" being models like offshore outsourcing and shared service centers, cloud and digital technologies enabling those same processes to be conducted steadily faster and cheaper. However, fundamental changes have not been made to intrinsic business processes - most companies still operate with their major functions such as customer service, marketing, finance, HR and supply chain operating in individual silos, with IT operating as a non-strategic vehicle to maintain the status quo and keep the lights on.

Enter the concept of Robotic Process Automation (RPA), introduced to market in 2012 via a case study written by HFS and supported by Blue Prism, which promised to remove manual workarounds and headcount overload from inefficient business processes and BPO services. However, despite offering clear technical capability and the real advantage of breathing life into legacy systems and processes, RPA hasn't inspired enterprises to rewire their business processes - it's really just helped them move data around the company faster and require less manual intervention. In addition, most "RPA" engagements that have been signed are not for unattended processes, instead, most are attended robotic desktop automation (RDA) deployments. Attended RDA requires a loop of human and bot interplay to complete tasks. These engagements are not the pure form of RPA that we invented - they are a motley crew of scripts and macros applying add-band-aids to messy desktop applications and processes to maintain the same old way of doing things. Sure, there is usually a reduction in labor needs - but in fractional increments - which is rarely enough to justify entire headcount elimination. Crucially, the current plethora of "RPA" engagements have not resulted in any actual "transformation".

The major issue with RPA today is that it is automating piecemeal tasks. It needs to be part of an integrated strategy



RPA died. Get over it. Now focus on designing processes that deliver superlative experiences.

February 21, 2020 | [Phil Forster](#)



Seriously folks... there's the hype, then the excitement, then even more hype... and then the realization that it wasn't quite what you thought... and there, finally, coming to terms with the fact you're no longer going to hit that elusive jackpot. To hear some people chattering us with cryptic unadorned revenue numbers, and from neolithic analysts still parroting their marketing, just sparks of desperation to keep taking a market that simply isn't there. Can we just push the chandelier on this charade, please?

What, exactly, is "dead" and what, as the siren of RPA, it comes to replace.

What is the automation value proposition?

PATH - UiPath Inc.

\$13.84 -1.75 (-11.23%) 4:00 PM 09/07/22

NYSE | \$USD | Pre-Market: \$13.94 +0.10 (+0.72%) 7:15 AM

[Summary](#) [Ratings](#) [Financials](#) [Earnings](#) [Dividends](#) [Valuation](#) [Growth](#) [Profitability](#) [Momentum](#) [Peers](#)

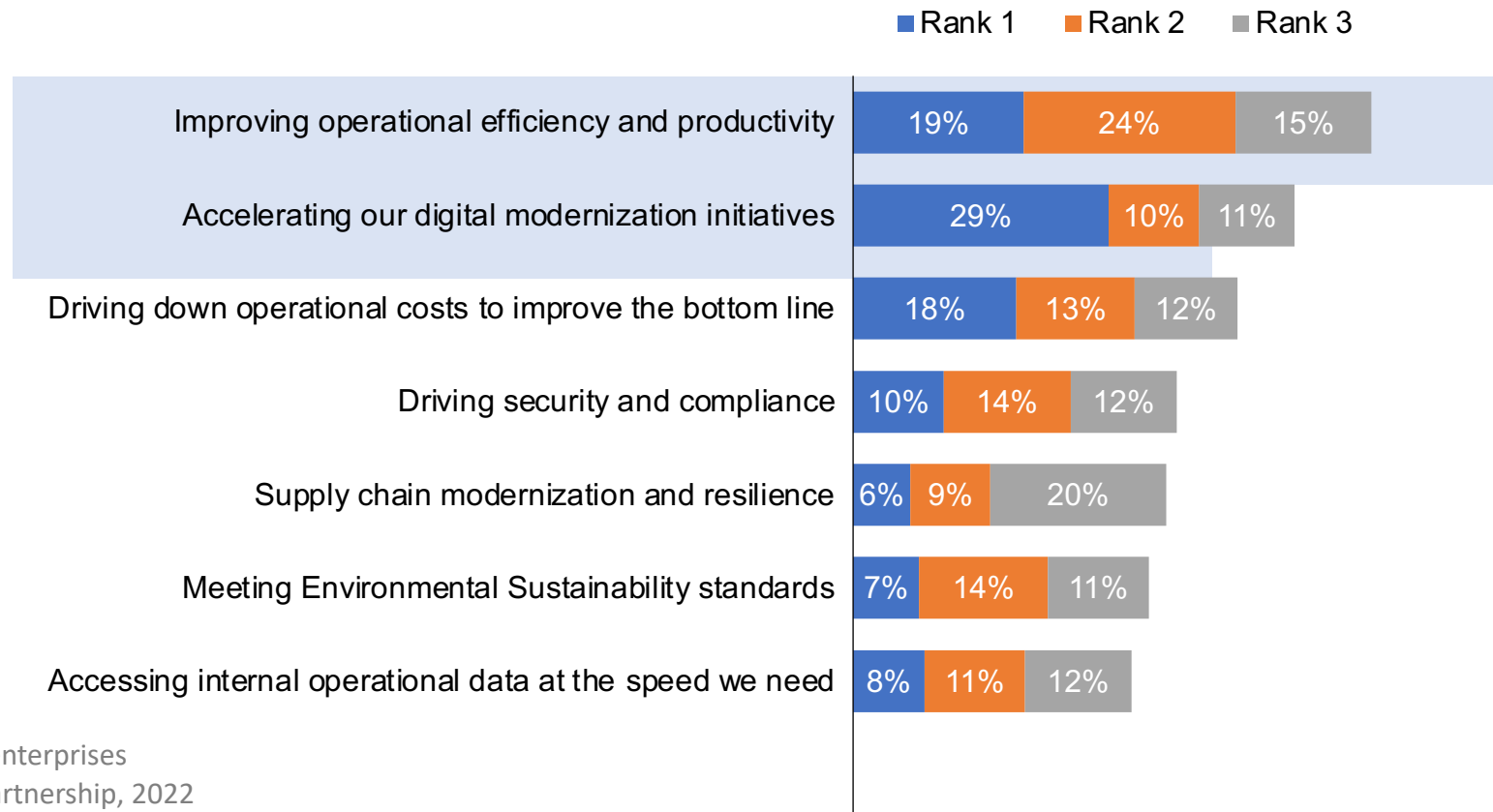
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Cost reduction and productivity still major operational priorities

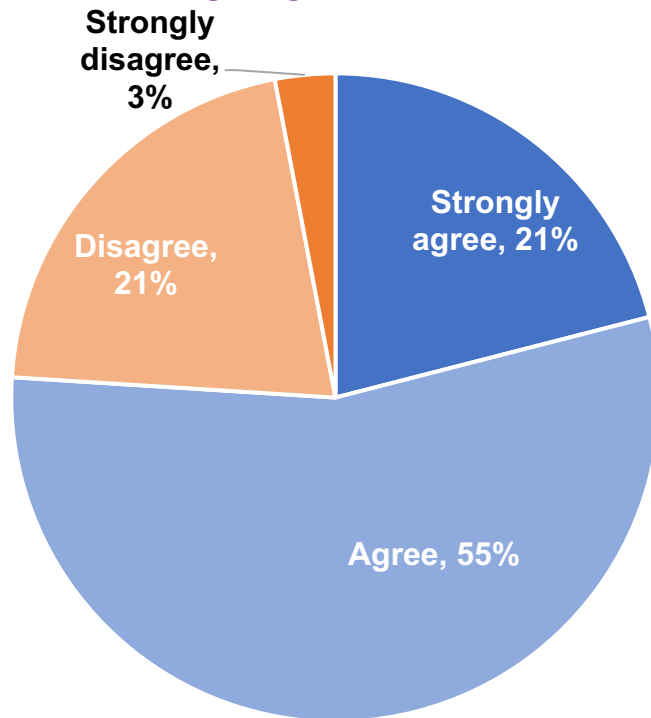
But digital modernization is becoming critical for many firms

Rank the 3 biggest operational challenges that your organization is facing?



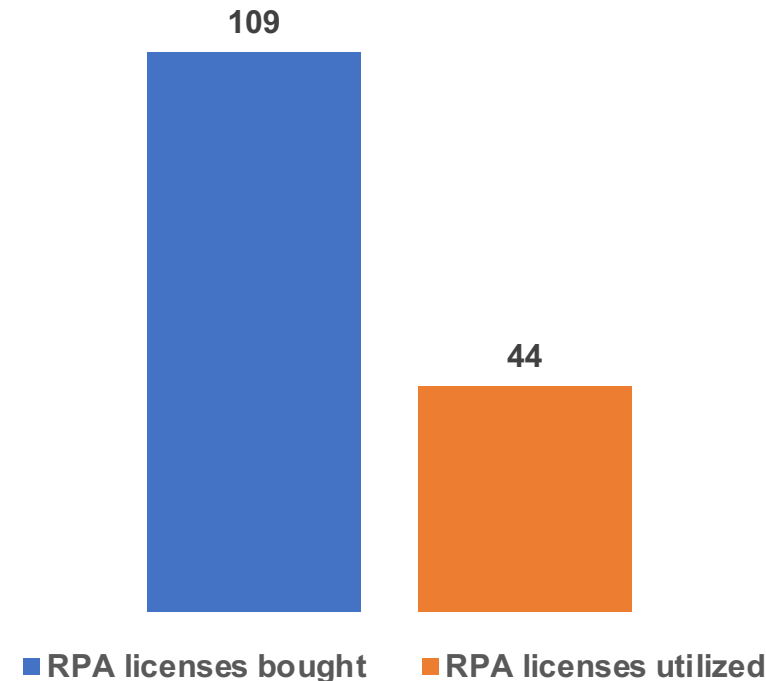
60% of automation tool capacity is shelf-ware!

“We have bought licenses to automation products, but are still figuring out the value”



Only a third of RPA licenses used are effectively utilized

Weighted average across number of RPA licenses



What customers mean by automation

Q: What solutions have you invested in to deliver automation in the last year?

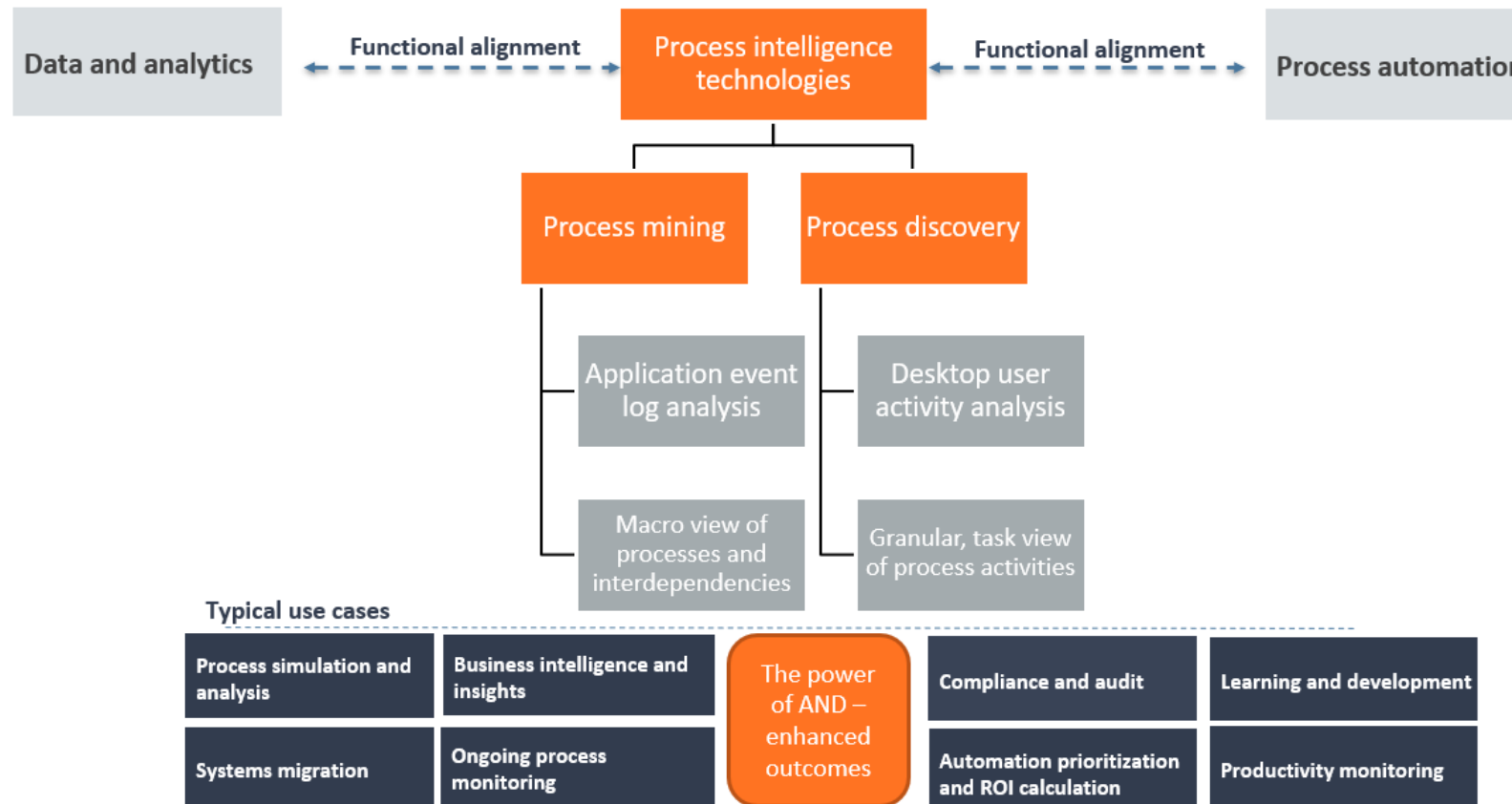
Areas of automation invested in last year

1	Digital platforms (e.g., Azure, AWS, GCP, IBM)	75%
2	ERP suites (e.g., SAP, Oracle, MS Dynamics)	51%
3	Workflow suites (e.g., ServiceNow, Appian, Pega)	45%
4	RPA (e.g., Blue Prism, Automation Anywhere, UiPath)	35%
5	Service Provider solutions (e.g., Accenture, TCS, Infosys etc.)	18%

Source , HFS 2022, 200 automation leads

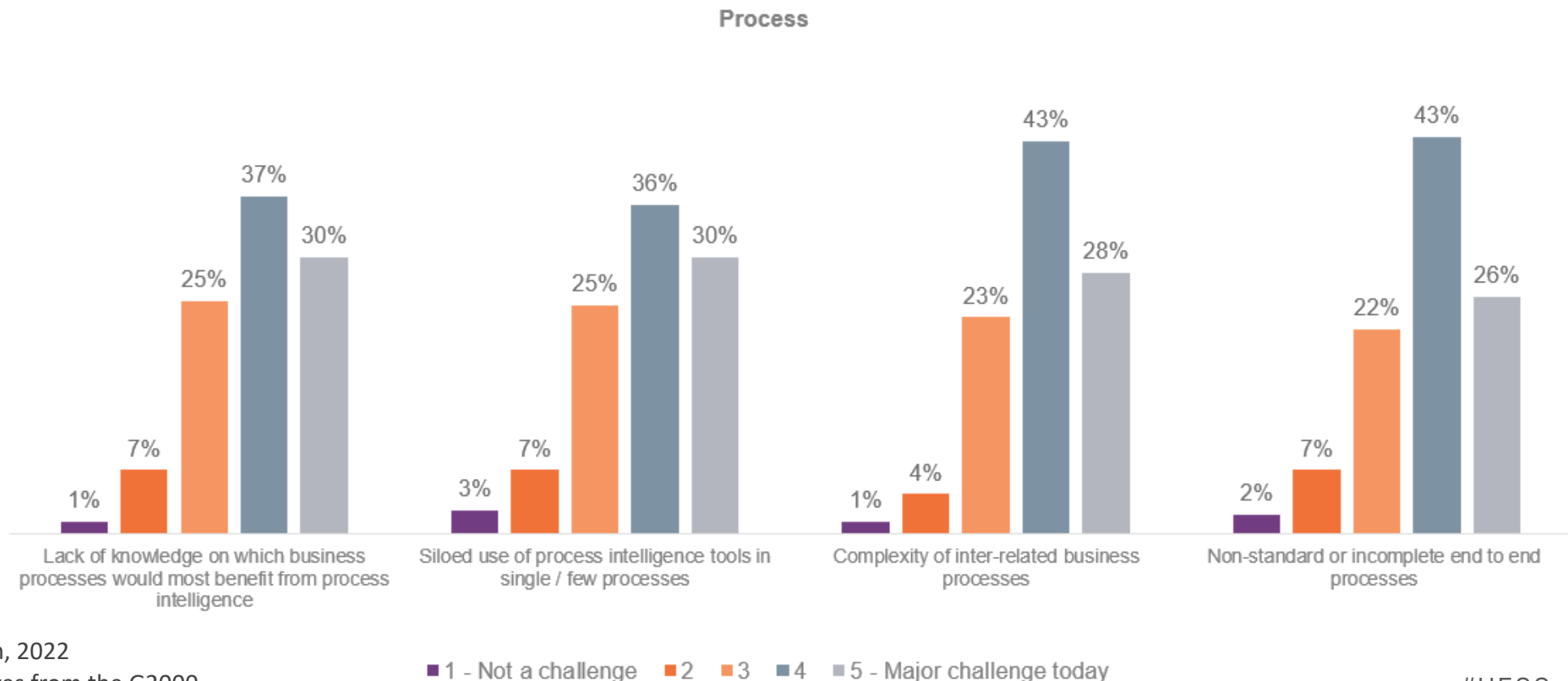
Process intelligence: change agent du jour

Process intelligence: The umbrella term that refers to the multiple ways that enterprises can apply emerging technologies to glean better insights and intelligence out of their applications and business processes and then apply them to a variety of use cases.



Enterprises are still struggling to identify which areas they should deploy process intelligence products

Q: What are the biggest challenges holding you back from getting more business impact with process intelligence?

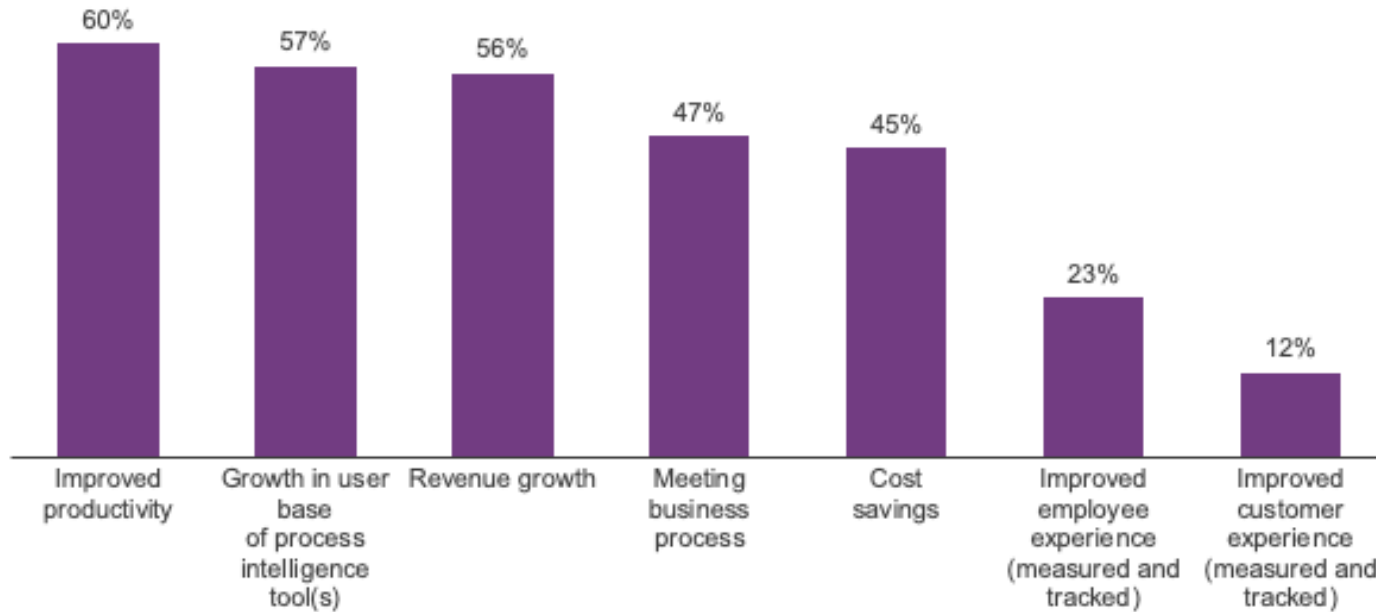


Source: HFS Research, 2022

Sample: 400 Executives from the G2000

Biggest measure of success for process intelligence? Productivity improvements. Sound familiar?

Q: How are you measuring success for process intelligence technologies?



Growth in the user base of process intelligence tools surprisingly came up as the second most selected success measure, with over half the organizations tracking it. This shows us how new this category is – it is easier to track the rate of adoption of a tool, vs. measuring business benefits resulting from it. Also an IT metric of success vs. a business one.

Employee and customer experience measures must be a part of the success criteria for this set of technologies in the future.

Deconstructing automation

**DON'T PANIC
JUST EMBRACE**

~~RPA~~

~~INTELLIGENT
AUTOMATION!~~

OUTCOMES!!!



We want to hear your take

1. Through which lens should we look at automation? Is the RPA lens just myopic or can it morph into something valuable?
2. How do we increase the success of automation initiatives?
How can we cut through the market noise?
3. Are Process Intelligence and ServiceNow the new cool kids?
Or are they just playing on different playgrounds?

About HFS

Insight. Inspiration. Impact.



HFS is a unique analyst organization that combines deep visionary expertise with rapid demand side analysis of the Global 2000. Its outlook for the future is admired across the global technology and business operations industries. Its analysts are respected for their no-nonsense insights based on demand side data and engagements with industry practitioners.

HFS Research introduced the world to terms such as "RPA" (Robotic Process Automation) in 2012 and more recently, the HFS OneOffice™. The HFS mission is to provide visionary insight into the major innovations impacting business operations such as Automation, Artificial Intelligence, Blockchain, Internet of Things, Digital Business Models and Smart Analytics.

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