The Five Automation "Have-to-Haves"- You Won't Achieve Your Digital Nirvana Without Them

Peer insights for post-pandemic success

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Executive Summary

From the chaos of the pandemic emerge five automation “have-to-haves”

HFS Research partnered with IBM to conduct an interview-led study of 20 large enterprises to assess the future of automation. **Participants included** global and super-regional firms such as Bacardi, Ericsson, Nestle, Southwest, Spotify, and UniCredit. This customer point of view (POV) report highlights their responses to the pandemic and the evolution of their automation program priorities. These deep discussions are supplemented by a baseline survey of more than 600 enterprise leaders on their evolving priorities in the light of the pandemic. Critical insights include:

1. Where we were pre-pandemic: Automation ambition but not scale. At the start of 2020, the pre-pandemic baseline for enterprise automation programs was cautiously optimistic. Our study revealed a strong alignment of automation program objectives to over-arching company digital transformation objectives, with programs delivering pockets of value. However, all enterprises indicated that they still had to do significant work to realize their full potential and drive meaningful scale.

2. Where we are in the pandemic: Forced digital change and creative leverage. The forced change of the pandemic and continued uncertainty are changing enterprises' investment priorities to focus on digital transformation as an imperative enabled by data, automation, and a clear "use what you have first" mandate. Existing automation investments, while lacking scale, are proving their mettle, delivering and working largely unscathed by the pandemic, garnering recognition and swift increases in demand.

3. Where we are going post-pandemic: Clarity of automation purpose sharpened by digital momentum. The pandemic did not magically scale automation programs. But it has dramatically helped enterprises crystalize the post-pandemic role of automation as a critical enabler for digital transformation that helps improve employee experience (EX) and customer experience (CX). No one plans to go back to the old normal, and optimism is running high despite a myriad of ongoing pandemic-related concerns. But can enterprises really perpetuate the digital momentum?

4. What's missing: Closing the gap between siloed operations and digital nirvana. Enterprises must get the automation essentials right to break down inefficient siloes and achieve success. The HFS Virtual OneOffice model serves as a framework for digital transformation, showcasing the role of automation technologies in digitally transformed enterprises.

The Bottom Line: Pandemic physics only gets you so far. Enterprises can close the gap between aspirations and execution with the five automation "have-to-haves."

When we evaluate all the enterprise insights, five themes emerge as essential for post-pandemic automation success. Find your digital nirvana with the five automation “have-to-haves”:

1. Scope: Pervasive, enterprise-wide scale—not just automation in operations

2. People: Full potential unleashed—employees, customers, and partners

3. Process: Re-engineered processes offering intelligent, self-healing workflows

4. Technology: Integrated Triple-A technologies automation platform

5. Outcomes: Alignment of objectives to the most pressing business priorities

Introduction: The Future of Automation in the New Abnormal

In 2019, HFS Research couched the state of automation as exponential aspirations with incremental results. By automation, we mean the canon of enabling and emerging technologies that automate how business is conducted and work is executed. Enterprises most typically identify lack of scale as the biggest inhibitor to realizing their aspirations for automation, but this is an effect, not a cause. HFS views an unwillingness to change as the single greatest contributor to a lack of automation scale.

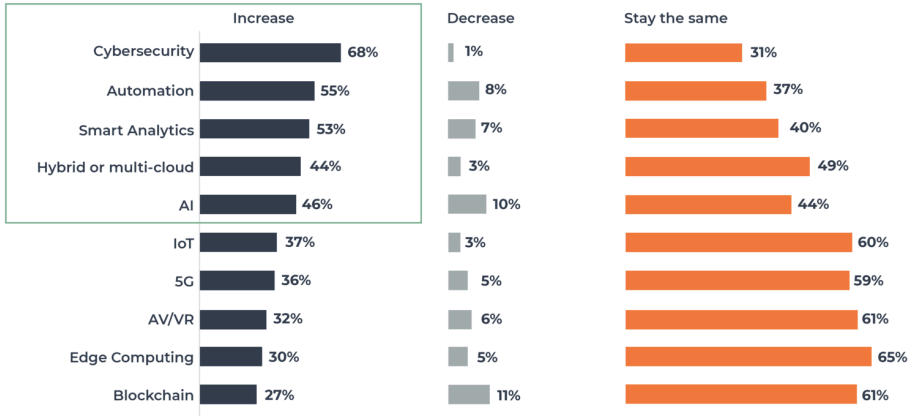
As we entered 2020 buzzing with the dual optimism of a new year and a new decade, enterprises were poised and ready to execute their automation scale and industrialization plans. The science fair was over. The proofs of concept (POC), pilots, and toe-in-the-water implementations were complete, and it was time to drive greater scale within functions and across functions. 2020 was meant to be the year of scale or fail for automation.

Then COVID-19 hit, and everything changed. Initially, HFS lamented the lack of scaled automation programs, exclaiming, "don't you wish you'd done more?" But, as we began to better understand the global business response, we realized that the burning platform for automation might have arrived in the unexpected form of a global pandemic.

Could the forced change of the pandemic—literally driving the world from physical, location-based, often manual operations to virtual, remote, and increasingly automated operations—establish automation as the great enabler of actual digital transformation? As shown in Exhibit 1, enterprises' reactions were swift, with a spike in planned investments in these emerging technologies.

Exhibit 1. **The COVID effect on enterprise automation investments**

How do you expect COVID-19 to impact your spending for any of the following?



Source: HFS Research, 2020.

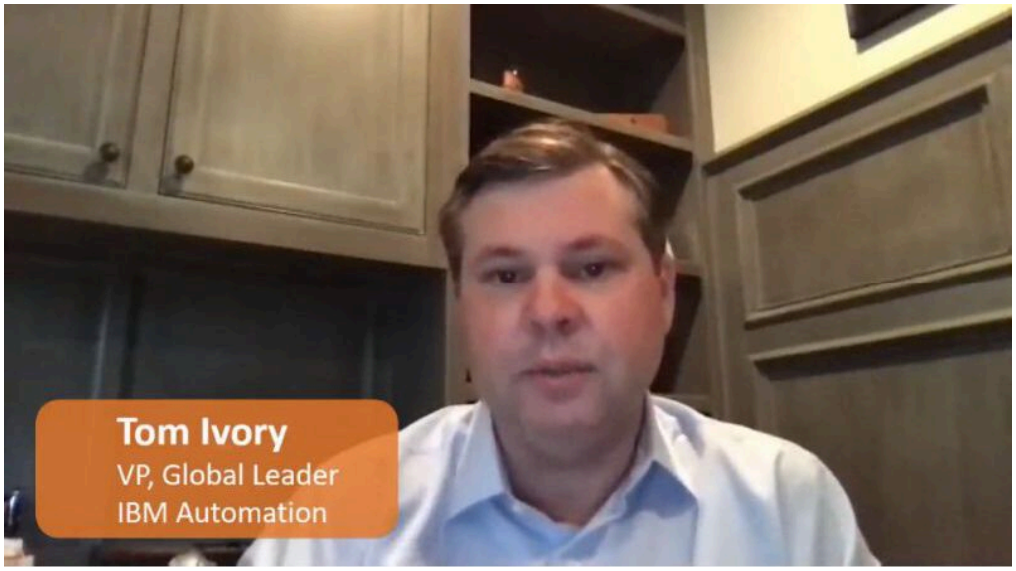
Sample: Coping with COVID-19 study, 631 major enterprises

In a quest to truly understand the impact of the forced change of the pandemic on automation programs and digital transformation aspirations, HFS partnered with IBM to conduct an interview-led study of 20 large enterprises to assess the future of automation. Participants included global and super-regional firms such as Bacardi, Ericsson, Nestle, Southwest, Spotify, and UniCredit.

This customer point of view report highlights their responses to the pandemic and the evolution of their automation program priorities. This POV supplements these deep discussions with a baseline survey of more than 600 enterprise leaders on their priorities in the light of the pandemic.

“Automation is becoming more of a transformational play rather than just productivity.”
Tom Ivory, VP, Global Leader IBM Automation

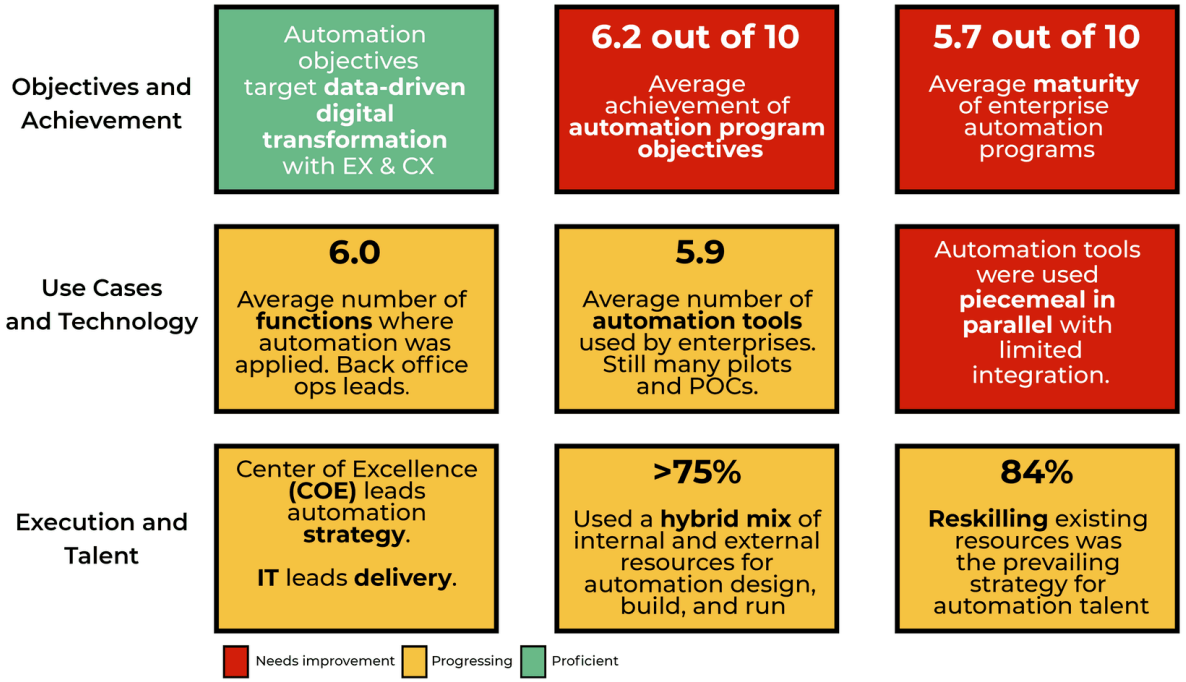
Play the video to hear Tom Ivory, VP, Global Leader IBM Automation discuss the study's major findings.



Where We Were Pre-Pandemic: Automation Ambition But Not Scale

The state of automation at the start of 2020 was cautiously optimistic for those with existing automation programs. The enterprises in our study confirmed that while they lacked scale, adoption was growing, and programs were maturing and earning the right to expand, contributing to distinct progress, as Exhibit 2 shows.

Exhibit 2. **The pre-pandemic automation baseline reflects progress, but there is work to be done**



Source: HFS Research, 2020.

N = 20 deep-dive enterprise interviews

We've summarized the specifics of the pre-pandemic automation baseline across several critical themes: objectives and achievements, use cases and technology, and execution and talent.

Automation objectives and achievements - a mixed bag of progress and needs improvement

As Exhibit 2 shows, enterprises' automation program objectives were well aligned to an overall purpose. Gone are the days when automation was viewed as the latest cheap and cheerful means to drive out cost or prop up legacy while praying for a technology intervention. Cost optimization remained an objective, but the more pervasive objectives were leveraging automation to drive data-driven digital transformation through impacting employee experience (EX) and customer experience (CX). Enterprises were using automation to get rid of manual processes and reinvent how employees execute work and customers engage, with priorities increasingly informed and enabled by data.

Sharath Gopinath, Director, Global IT Services, Finance at Bacardi, articulated the role of automation as enabling Bacardi's digital nervous system:

> **"Our strategy is to use automation as an enabler to achieve digital transformation. Digital transformation for us is the broader context of how you approach your customers. We strive to bring all conversations and customer information back so we can keep customers at the heart of our business. We are building a digital nervous system to do this, and automation plays a crucial role in ensuring the nervous system functions."**
> Sharath Gopinath, Director, Global IT Services, Finance, Bacardi

While the objectives for automation are clear, the achievement of these objectives and the related maturity of automation programs were very much still works in progress:

Enterprises assessed their **achievement of automation objectives at a 6.2 out of 10.** This speaks to achieving some results but wanting and needing more.

The average **maturity of automation programs is pegged at a 5.7 out of 10** in enterprise self-assessment ratings. Enterprises indicated automation maturity is restricted by factors such as lack of scale across the enterprise, the need for people, process, and culture change, proper IT buy-in and governance and orchestration protocols, continued proof of value, and expansion of automation beyond operations. Ultimately enterprises couched the lack of maturity as a lack of automation pervasiveness across the enterprise.

Automation use cases and technology - progressing but lacking integration

Enterprises had a decidedly functional silo focus on where and what they were using automation for. The majority of enterprises applied automation to functional operations silos, such as the enduring poster children for process automation - finance and accounting (F&A) and shared service centers (SSC). Industry-specific use cases remained few and far between. Scaled enterprise-wide automation programs were largely aspirational, but with an average of 6.0 functions supported by automation (Exhibit 2), enterprises were expanding their use of automation beyond the usual suspects, thus securing a "progressing" rating.

Enterprises were also using an increasingly broad range, 5.9 tools on average (Exhibit 2), of enabling automation technology. RPA was the most pervasive tool (used by 100% of our respondents), followed by machine learning (ML) and digital associates (cognitive chatbots). While the number of tools used was growing, we noted many were still in the early pilot or proof of concept (POC) stages. Additionally, they were still most often used in parallel or on a piecemeal basis, with integration occurring opportunistically based on business needs. This is still a far cry from the HFS vision of the Triple-A Trifecta of integrated automation, AI, and analytics functionality to enable scaled and industrialized automation.

Paolo Chiaverini, Head of Group Banking Operations at UniCredit, acknowledges that there are stages of scale and growth, beginning with piecemeal tools and singular functions and then radiating from there:

> **"We started in 2018 with typical tactical RPA. In 2019, we began scouting AI opportunities to enhance our processes and legacy integration. While we have been moving and implementing at a rapid pace ahead of plan, we also recognize that we are at the beginning of the journey to bring various technologies together and drive scale to additional domains across the organization."**
> Paolo Chiaverini, Head of Group Banking Operations at UniCredit

Automation execution and talent—progressing but not

When it came to automation execution, **strategy and delivery had different owners**. Automation program strategy was most typically led by automation Centers of Excellence (COE) with delivery managed by IT. While there is a great need for increased partnership between business and IT for automation programs, the ownership gap between strategy and execution potentially introduces friction unless it is well managed.

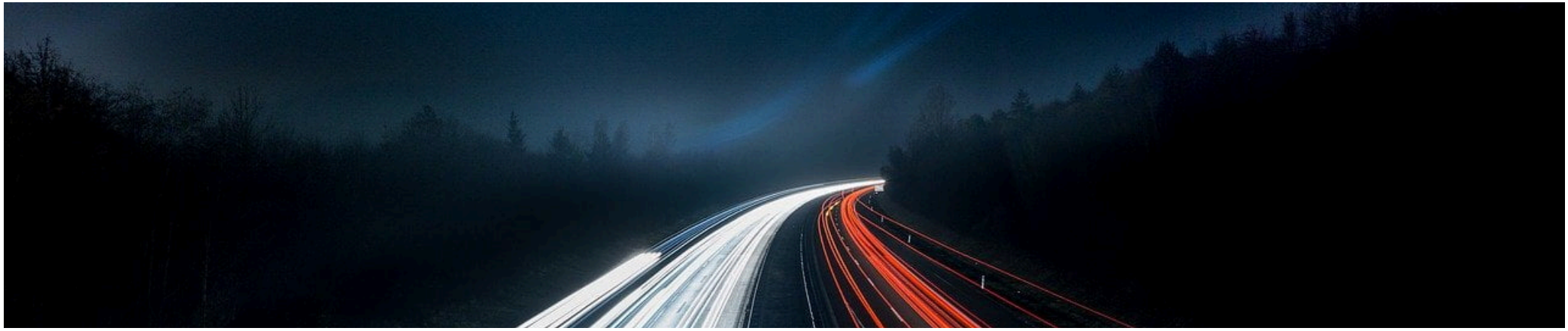
Enterprises want to reskill talent, but they remained heavily dependent on service provider partners. The top response for how to ensure that enterprises have the automation talent they need remained overwhelmingly "reskilling." There was a continued reliance on service providers, with more than 75% of respondents indicating they used a hybrid internal and external mix to manage their ongoing "run" automation environments. Automation talent remained a pain point for enterprises.

Scale was still elusive.

When we consider all of the elements of the automation baseline pre-pandemic, it's clear that automation programs were showing results, but they needed broader scale to showcase their value and have any hope of achieving lofty digital transformation objectives. As explained by the Director of Robotics and Testing at a global media firm, the reality is that so much depends on the culture of your enterprise and a willingness to embrace change:

> **"Automation technology was already our forte before we set-up the robotics practice. We had a great baseline from test automation. We've realized the hard part is not the tech but making people believe in it and driving the necessary change management."**
> Director of Robotics and Testing, a global media firm

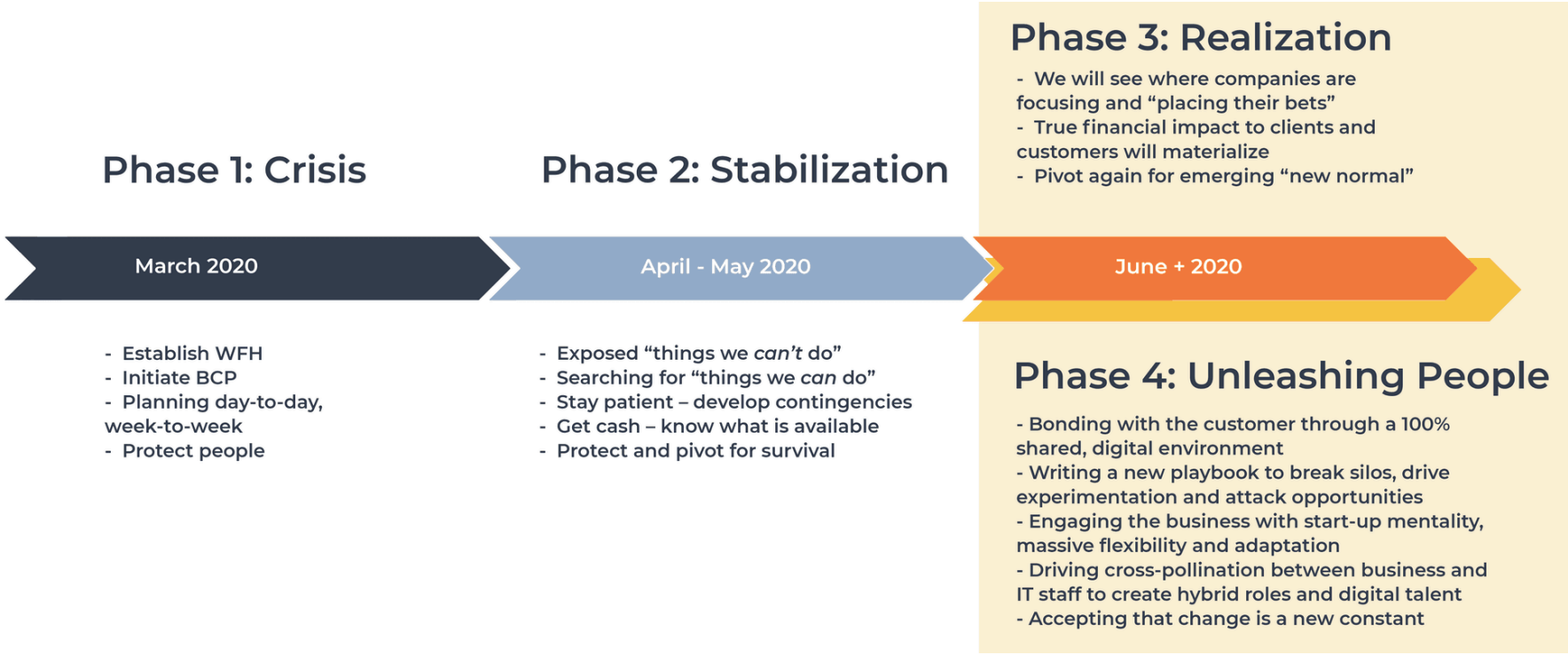
If there were only some way to force change and drive pervasive expansion....



Where We Are In The Pandemic: Forced Digital Change and Creative Leverage

Enterprises' pandemic responses put people first in a new virtual reality, which made them quickly realize the clear link between resiliency and digital transformation investment. Exhibit 3 depicts HFS' "paradigm shock" model, which outlines the stages enterprises have and are working through.

Exhibit 3. **HFS' four phases of the paradigm shock**



Source: HFS Research, 2020

The **crisis and stabilization stages** essentially forced change. Enterprise respondents indicated that their initial pandemic response efforts focused on protecting people, monitoring employee well-being, enabling WFH (working from home), collaboration, and communication. Immediate investments included ordering and deploying loads of laptops, stress testing VPNs, and skyrocketing use of project management and collaboration applications. Business continuity took priority, often including the redeployment of people from non-critical business processes to critical processes. The clear objective was to continue business as usual by whatever means necessary.

As enterprises enter the **realization stage**, they move from forced change to intentional change. Lo and behold, employers are learning their employees at all echelons can be productive working at home—maybe even more productive. All important customer SLAs are being managed and upheld—even improved. Quarter closes are done remotely, and supply chains are being optimized. What works and what does not in the new virtual reality quickly became apparent. Enterprises laud the resiliency of their modernized operations while decrying the frustrating backwardness of untouched legacy technologies and associated antiquated processes, which often require manual, location-dependent work. A Vice President and Technology Manager at a national American financial services firm noted that while challenging, their prior investments in automation helped them address waves of unprecedented demand:

"As a bank, we had to deal with both our internal response as well as supporting customers due to financial pressures. To support the CARES Act, we had to revamp process integration to a level not supported for 100+ years in terms of volume, traffic, and transactions. But we had a phenomenal response because of all of our prior investments and work with intelligent automation."
Vice President and Technology Manager at a national American financial services firm

As enterprises contemplate an uncertain future, there is an urgent need to make the resiliency of modernized and digitally transformed operations pervasive across their businesses. Changing investment priorities focus on digital transformation as an imperative enabled by data, automation, and a clear "use what you have first" extension mandate.

Here are the key themes that our respondents shared with us about their pandemic priorities—embellished with quotes and examples from our enterprise interviews.

Digital finally has a broadly understood context. COVID-19 has created an impetus to accelerate digital transformation initiatives—eliminating physical in favor of digital. It has made certain digital tools and behaviors necessary, forcing change. But making digital pervasive will still take some doing. In many cases, it boils down to changing ingrained opinions. Chuck Yerich, Vice President, Enterprise Excellence & Information Technology with Medtronic, indicated that changing opinions comes down to proof of same or similar patient outcomes through digital means:

"Traditional medtech has always emphasized high touch and high service in hospitals, with a firm belief that physically being there helps support the best patient outcomes. The pandemic has shown that we can do less in-person with similar or the same outcomes. This has created an inflection point accelerating our ability to do things remotely. Pandemic problems created the necessity of innovation in order to keep serving our mission of helping patients with technology."
Chuck Yerich, Vice President, Enterprise Excellence & Information Technology, Medtronic

The rise of the data-driven enterprise. Data, access to data, and dashboards took on new importance during the pandemic. Data dashboards have come to the fore and are relied on for decision making throughout rapidly changing circumstances. The need to tell the future via data-enabled predictive analytics and scenario planning became wildly important. Several enterprises believe the pandemic is enabling them to push toward being data-driven versus being merely data-enabled. Leaders are now more willing to believe the data. Sandeep Dadlani, Chief Digital Officer at Mars, chalks this shift up to a fundamental mindset change driven by the pandemic:

"The pandemic changed the game we are playing. Many of my colleagues believe that we went from chess, where you are thinking five moves ahead and trying to make the perfect move, to poker, where you must live with incomplete information and bet on the most likely scenario. This mindset shift helped us simplify how we looked at major imperatives like supply chain and improve visibility. Company leaders started believing even more in the data-led predictions and multiple scenarios."
Sandeep Dadlani, Chief Digital Officer, Mars

Automation heroes of the pandemic are contextualizing automation to a broader base. One enterprise described pandemic-driven automation use cases as "the best internal marketing ever." Visible success stories like handling spikes in processing volumes like CARES Act small business loans, travel refunds, supporting remote quarter close (a first for most), or enabling digital e-signatures are accelerating the demand for automation beyond its natural habitat of operations. Andrew Shapcott, Product Owner—Intelligent Automation at Lloyds Banking Group, describes the pandemic effect on automation as a massive magnifying glass:

"COVID-19 has put a massive magnifying glass on the capability of automation and the benefits it can give you—giving profiles of what it can do, and how resilient and scalable it is, and how it's able to run large-scale things straight away."
Andrew Shapcott, Product Owner—Intelligent Automation, Lloyds Banking Group

The creative leverage of using what you have. This theme was the top pandemic (non) investment priority. All enterprises are very focused on cost containment, given pandemic uncertainty—doing more with less. While this is creating new opportunities for digital technologies and automation, the onus is on enterprises to leverage and extend existing investments with an emphasis on process reinvention, not perpetual technology influx. This point is well made by Angela Marano, Managing Director, Business Transformation at Southwest Airlines:

"Because we had to cut investment dollars, it is forcing us to look at internal tools and existing capabilities rather than new tech. Some initiatives have been put on hold or cut altogether, but some critical initiatives like a finance/supply chain effort will continue. We are approaching it differently, however, than we planned six months ago. We are approaching this in multi-disciplinary way and bringing together continuous improvement, data science, human-centered design, and technology as potential solutions. In the past, efforts were often siloed, and we lacked visibility to other initiatives. We hope that by working differently, we can get to the heart of the problem and solve for the challenge in the most effective way at the lowest cost."
Angela Marano, Managing Director, Business Transformation, Southwest Airlines

Spotlighting the automation tech that is helping businesses run digitally during the pandemic. When you're suddenly forced to operate digitally, what tech made it possible? In addition to analytics and automation, as noted above, enterprises made substantial use of the following technologies as part of their pandemic responses—chatbots to support self-service, collaboration tools to enable work from home as well as training and televisits (even for pet care), e-signatures to replace physical signatures, RPA with unattended bots processing scads of transactions and attended bots supporting over-burdened WFH teams, and cognitive OCR to support remote document processing. Additionally, enterprises also got creative with the integration of automation tools to meet specific use cases. In some cases, enterprises pushed forward certain initiatives to help with volume challenges. Kathy Natriello, former VP, IT Service Provider Evolution at Bristol Myers Squibb, describes how its cognitive chatbot came to fruition:

"We were trying to get a chatbot accelerator capability approved, but it was getting delayed. We used the pandemic as leverage to get it signed off. The approval of the accelerator enabled us to build a COVID-19 chatbot in seven days and get it out on the company website. This chatbot helped us with staffing as it can respond 24x7, and we are using natural language processing (NLP) to refine it quickly because it gets so many questions. This was not for saving lives but contributing to employee and customer experience."

Kathy Natriello, former VP, IT Service Provider Evolution at Bristol Myers Squibb

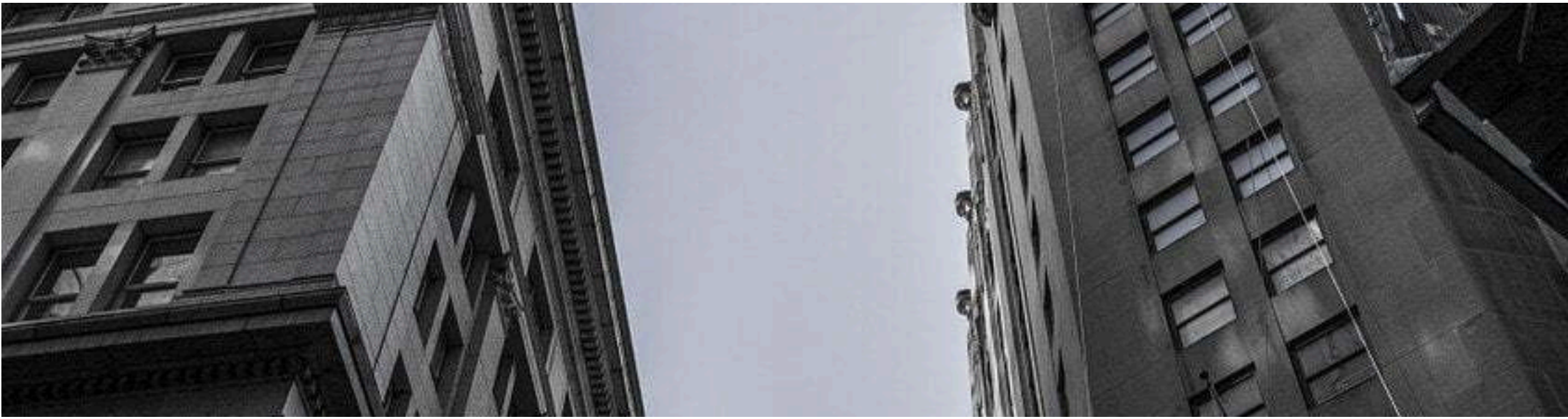
Where We Are Going Post-Pandemic: Clarity of Automation Purpose Sharpened by Digital Momentum

So, what does this all mean for the post-pandemic future? When we queried enterprises on their top post-pandemic priorities, the responses consistently centered on maintaining the current momentum to drive digital transformation in the new normal. We have affectionately termed this “pandemic physics.” While we were forced to change, it’s driving digital demand, accelerating automation, and removing roadblocks at a record-setting pace. Several firms believe they’ll get more done in the next 18 months than in the last 10 years.

Terry Biddell, Head of Automation—Personal Banking at NatWest Group, pointed out that retaining the momentum is critical because it is actually enabling better service and experience:

"Necessity is the mother of invention. With the pandemic restricting many of our customers from being able to leave their homes, they have had to adapt to new ways of banking, be that online or digitally through our mobile banking app. Habits were changed as there was no alternative option, and it was simpler and easier than they thought. Going forward, we want to help customers use the banking channels that are safe, secure, and most convenient for them for the services they need. Digital has a big part to play in this, but customers will always value the support from colleagues in the moments that matter."

Terry Biddell, Head of Automation—Personal Banking, NatWest Group



As for the future of automation post-pandemic, it is still scale or fail. The pandemic did not magically scale automation programs, but it helped enterprises more broadly recognize automation as an enabler of digital transformation, paving the path to their future digital nirvana. Despite protracted pandemic woes, the enterprise outlook for 2021 is quite bullish in its hopes for automation-enabled digital progress. Never waste a crisis. COVID is horrible, but it is the unexpected change agent that is helping crystalize enterprise priorities and accelerate digital progress at an unprecedented speed. When we asked enterprises what 2021 would be the year of (Exhibit 4), the core themes were change, scale, acceleration, outcomes, and Triple-A.

Exhibit 4. 2021 is the year of_____?

Source: HFS Research 2020

Jamie Head, Chief Digital & Technology Officer at Ocean Spray Cranberries, succinctly summed up the game plan for 2021:

"There needs to be real focus on what really matters versus the past focus on obtaining lots of shiny objects."
Jamie Head, Chief Digital & Technology Officer, Ocean Spray Cranberries

Here are the key findings our enterprise respondents shared with us about their plans for automation and digital transformation post-pandemic.

Post-pandemic automation priorities focus on EX and CX across the enterprise enabled by data. Enterprises view the post-pandemic role of automation as a critical enabler for digital transformation that helps improve EX, but also drives greater CX as well as the potential for differentiation through digital business models and improved data flows. Cost impact will always exist as a requirement, but it's no longer the only priority. To achieve this, there is a clear want to expand automation beyond operations to be pervasive throughout the enterprise. Krzysiek Znaleziony, Global Manager IT Finance Business Services Solutions at Philip Morris International, outlined how Philip Morris is prioritizing pervasive automation expansion:

"Our north star is to automate everything that can be automated. We want to achieve this through engagement with functions and markets by sharing capabilities. Previously, we were very finance-oriented. Now we are taking automation to operations, supply chain, leaf processing (industry-specific—tobacco), procurement, taxes, and customs."

Krzysiek Znaleziony, Global Manager IT Finance Business Services Solutions, Philip Morris International

The continued need for proof of value to support scale. The areas that need to change to enable the post-pandemic vision for automation largely center on improved opportunity identification, proof of value, speed to value, and effective communication of value. While many enterprises have done these successfully in one or more functional silos, industrialization of the approach is a critical path item for scale. As Jose Luis Di Rauso, Business Relationship Manager for Integrated Business Services, Head of Business Process Automation and Business Continuity at Nestle shared with us, trying to gain buy-in also has a cost, but if it's done well, it can support scale:

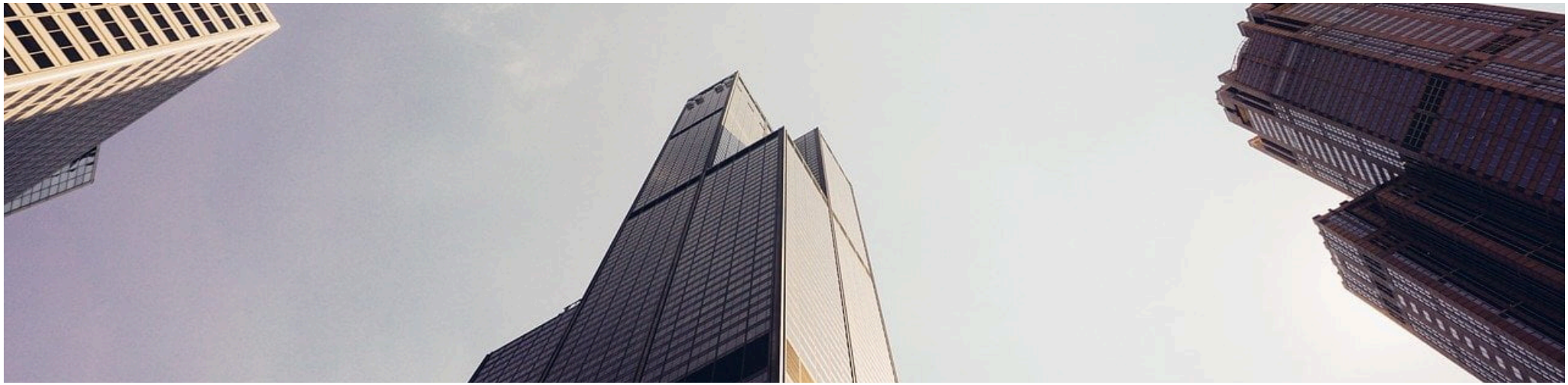
"Buy-in is critical. When we started delivering on the potential [of automation], the opportunities grew and grew. You start tactically, and then you grow. But at some point, you need to stop testing and piloting because you know it works. Trying has a cost. Starting small every time in every country with every business unit is a waste once you know it works. This is where consulting comes in—we conduct assessments in business units, countries, operations, functions—and then define the top priorities, allocating funding, and charging back the development. This is a key factor to scale."

Jose Luis Di Rauso, Business Relationship Manager for Integrated Business Services, Head of Business Process Automation and Business Continuity, Nestle

The power of AND is greater than the power of OR. Respondents believe that the combined use of emerging technologies is more beneficial than using any of the technologies in isolation, in line with HFS' Triple-A Trifecta model. There is a growing realization that integrated tools and resources are needed to create end-to-end automations. This inclusion of ancillary technology fits with the fact that "data driven" is emerging as a basis for automation solutions to enable cognitive, self-healing workflows, and it points to the need for a platform to orchestrate these technologies. The toolkit approach requires various tools to solve various problems in various permutations. Alexander Hübel, Global Head, Automation, AI & Analytics Transformation at Ericsson, shared that integrated, solution-level Triple-A technologies have become a priority for 2021:

"The Triple-A combination has been powerful across the company. We are using analytics to visualize the effect of COVID-19 on Ericsson for things like occupancy rates, IT, infrastructure, how to move from office to home on Teams. Data dashboards are of high value to our Crisis Management Task Force. We are creating chatbots for Ericsson employees to globally access externally available as well as internal information and see internal policies, information finding, and FAQs. We are integrating with different data sources to give a full picture to employees, and it's appreciated by the employees. Integrated, solution-level Triple-A is a priority for 2021."

Alexander Hübel, Global Head, Automation, AI & Analytics Transformation at Ericsson



Cloud, yes. Automation, yes. Together, no. Or at least not yet. Despite many enterprises we interviewed being cloud-first, few enterprises have gone this route for automation. Respondents cited worries about the expense of consumption-based models when volumes are high as well as the ever-present security risks. Several indicated that as their current implementations, particularly for RPA, are on prem, they fear time, cost, and progress set-backs if they migrate. Some enterprises acknowledged the inevitability of cloud-based models in the future, with a few putting forth a vision of a curated and nimble platform that enables the Triple-A toolbox with swift integration and orchestration capabilities. Rohan Ranadive, SVP, Director Intelligent Automation at Truist, shared his vision for what this could look like:

"We now have experience with various third-party automation tools. We need something like a cloud-enabled marketplace as a canvas to help us build and deploy automations rapidly within the risk framework of our organization. As we work on a project or initiative, we scope the value, shop for tools at the marketplace based on needs, snap it together, and deploy. This is what future companies look like—frictionless and fast."
Rohan Ranadive, SVP, Director Intelligent Automation at Truist

The role of service providers will continue as an essential source for automation talent and capabilities for the foreseeable future. Study respondents have and will continue to make substantial use of service provider partners to support their automation and broader digital transformation programs. While providers are most often used for implementation capabilities, they are deemed as essential ongoing resources for continued build and expansion of automation efforts as well as maintenance and support. Enterprises continue to reskill and hire externally to help strike the right balance. Sven Koehler, Head of Digital Center of Excellence at Nokia, reminds us that collaboration with external partners can offer exciting potential:

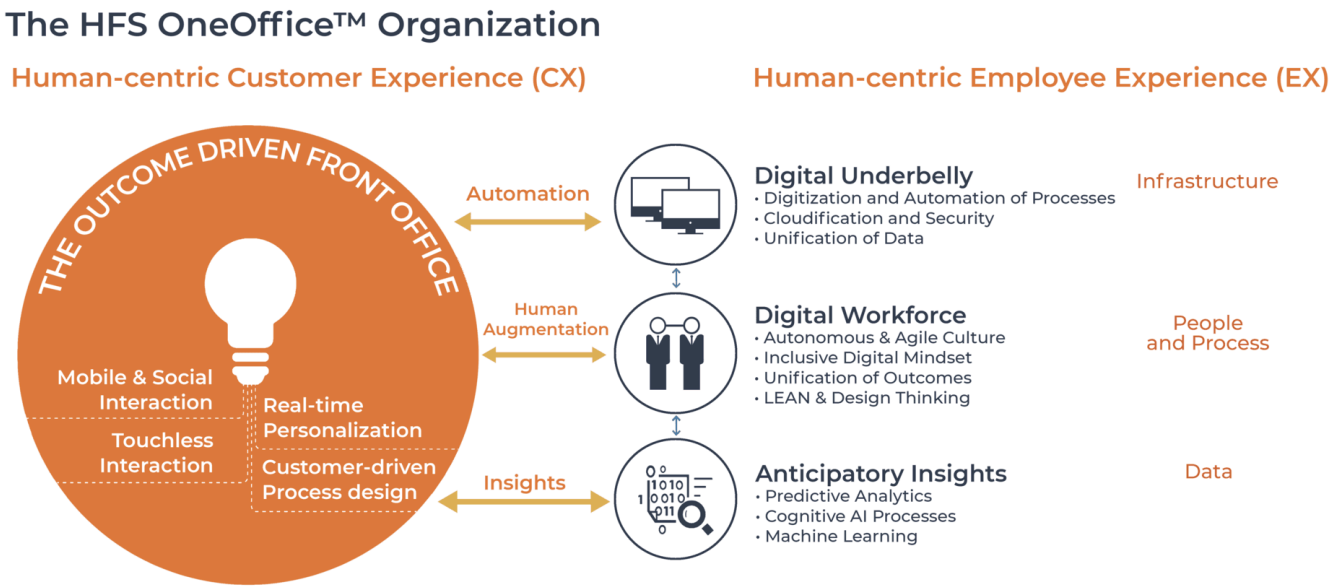
"Nokia has regularly stayed ahead of the market by connecting our strong internal skillsets in automation, digitalization, analytics, and process transformation with the expertise of suppliers and partners from other industries. The growth in experience through connecting these should be an inspiration to the whole automation ecosystem and a win-win collaboration."
Sven Koehler, Head of Digital Center of Excellence, Nokia

What's Missing: Closing The Gap Between Siloed Operations and Digital Nirvana

Digital nirvana is where emerging technologies will take your digitally transformed enterprise. At its heart is the core concept that emerging technologies combined with people, process, and data innovation can break down the siloes that limit our success—literally dissolving barriers between the front and back office to create the only office that matters—OneOffice. HFS originally introduced our OneOffice model way back in the digital olden days of 2016. It was and remains our vision for digital nirvana.

Based on the insights gleaned from this study and others throughout the pandemic, we have again refined our OneOffice model. Our OneOffice Experience (Exhibit 5) is the foundation of the "virtual workforce," where the gamut of automation tools augment employees' digital capabilities and the workplace becomes a "plug-and-play," work-from-anywhere scenario enabling superior, similarly virtual experiences for customers and partners, allowing them to seamlessly transact and engage as needed. It is all about creating touchless, frictionless digital experiences connecting the front and back offices to facilitate them within a virtual setting.

Exhibit 5. **The HFS OneOffice™ Organization serves as the "why" for digital transformation**



Source: HFS Research, 2020

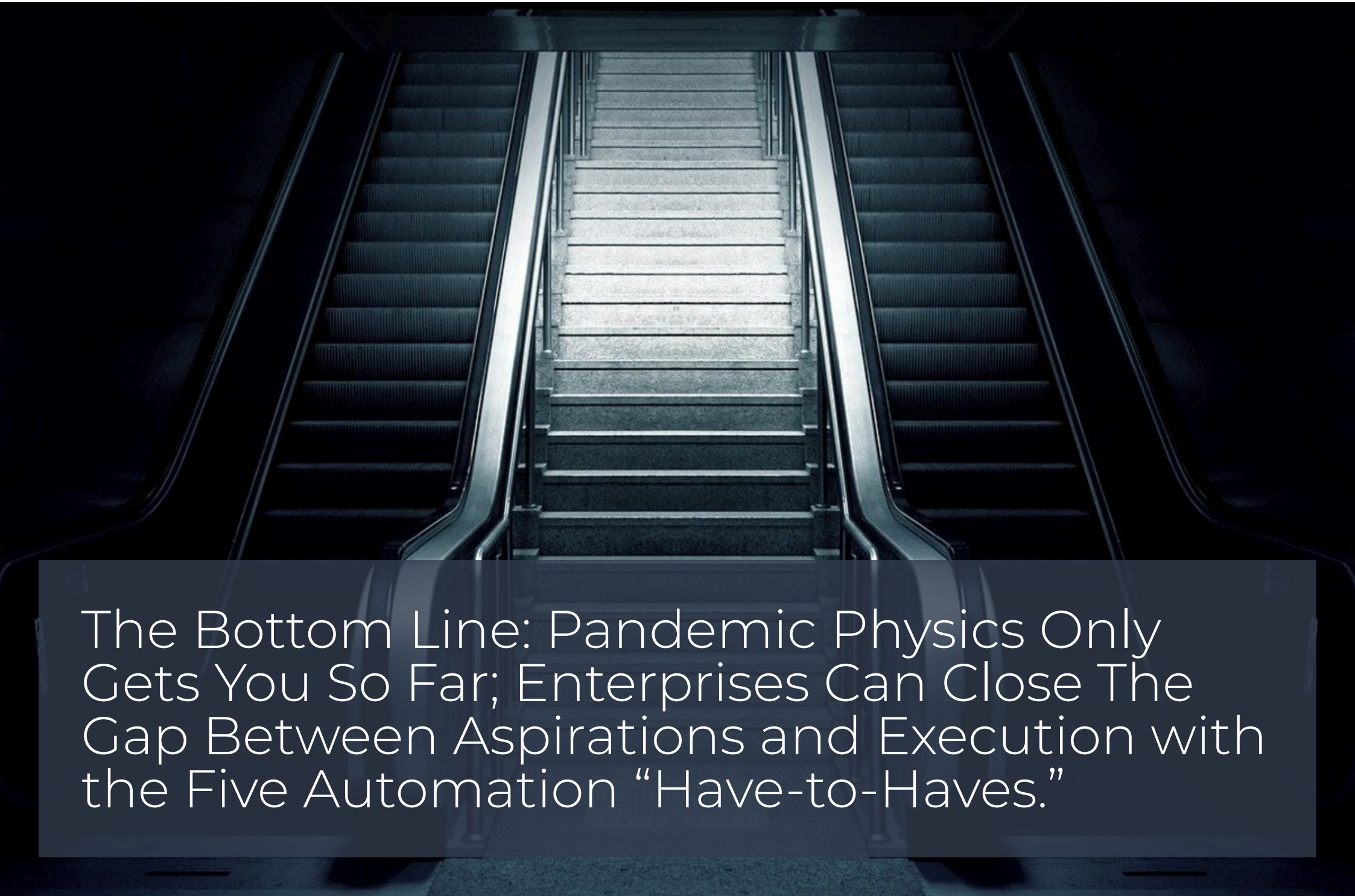
The OneOffice experience is the foundation of the 'virtual workforce,' where automation tools augment the employee's digital capabilities and the workplace becomes a "plug-and-play," work-from-anywhere scenario

The enterprises interviewed for this study are clearly on the path to the OneOffice, but most don't yet have the scale to showcase results. The pandemic is serving as a magnifying glass to showcase the good, the bad, and the ugly of current business operations. While it cannot scale automation programs, it is helping enterprises more broadly understand the critical role automation plays in reinventing how business is executed. Killing manual work, creating data-driven workflows, and generating anticipatory insights all directly enable the path to digital nirvana and the Virtual OneOffice. Sidney Madison Prescott, Global Intelligent Automation Leader (RPA, AI, ML) at Spotify, shared her views on how her firm is forging the road ahead:

"Automation is all about taking a new look at how work is done. We are a digital native and don't have loads of legacy. Often, RPA is all about integration work with legacy systems while waiting for some sort of future technology intervention. For us, it is much more about driving innovation and getting work done in between teams. We want to run at peak efficiency through minimizing the manual work Spotifiers are completing each day and gaining insights into projects so we can track benefits."

Sidney Madison Prescott, Global Intelligent Automation Leader (RPA, AI, ML), Spotify

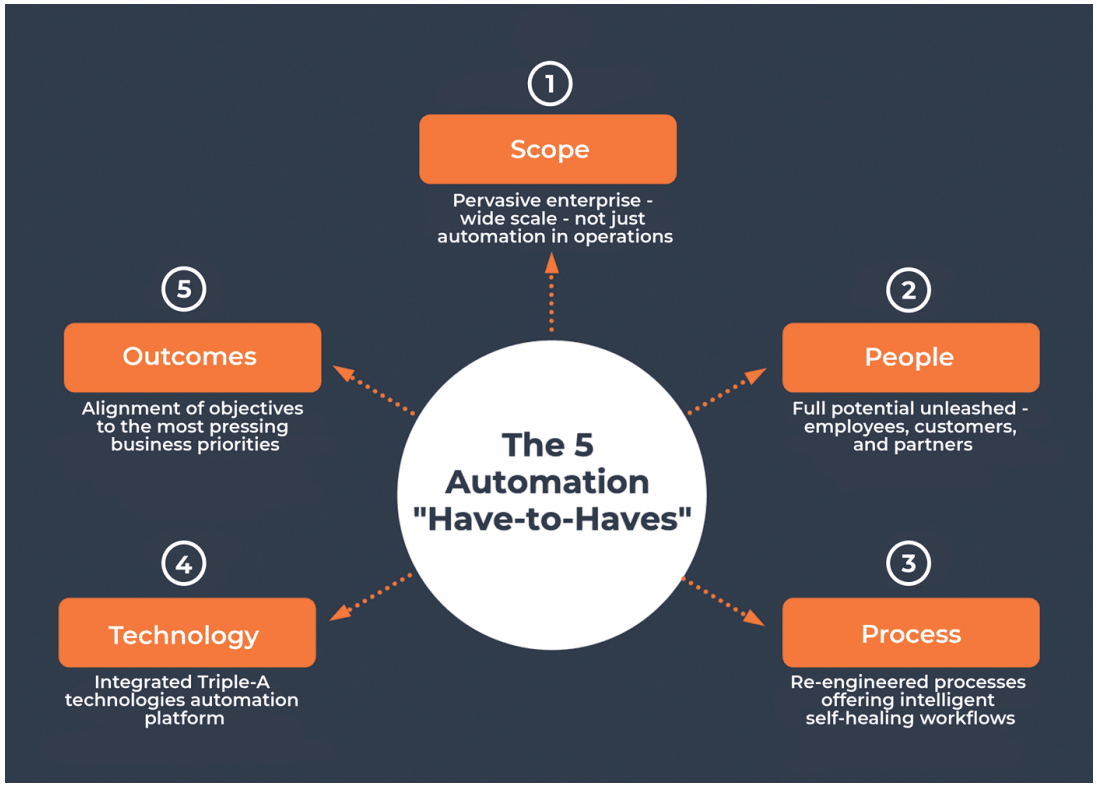
Play the video to hear Elena Christopher, SVP, HFS Research explain the HFS OneOffice model.



The Bottom Line: Pandemic Physics Only Gets You So Far; Enterprises Can Close The Gap Between Aspirations and Execution with the Five Automation "Have-to-Haves."

The forced shift to digital business happened right before our very eyes. But pandemic physics only gets you so far. When we evaluate all the insights we derived from enterprises across the levers of scope, people, process, technology, and outcomes, five themes emerge as critical for post-pandemic automation success and the achievement of the OneOffice. We've christened these the five automation "have-to-haves"—what's required to achieve pervasive automation success post-pandemic (Exhibit 6).

Exhibit 6. **The five automation "have-to-haves" for post-pandemic success**



Source: HFS Research, 2020

Further detail on each "have-to-have" is as follows:

1. **Scope: Pervasive enterprise-wide scale.** Automation moves from being operations-centric to pervasive in every corner of the enterprise, scaling from functional regionally to enterprise-wide, globally underpinned by industrialized opportunity identification, management, and governance protocols involving partnership between business and IT and a curated balance between central control and federated enablement.

2. **People: Full potential unleashed.** Realize full human potential with the hybrid workforce and changing notions of where, when, and how work is done, underpinned by training, education, and enablement. The people in question are your employees, customers, and ecosystem partners. Leverage automation to reduce manual work, enable refined or new digital experiences, and ease of collaboration orchestrated seamlessly between human and digital workers at scale and on-demand.

3. **Process: Re-engineered processes offering intelligent, self-healing workflows.** Automate the right processes with an eye toward prioritizing strategic impact over quick task-oriented wins. Enable this ability through process intelligence, such as mining or discovery. Develop new processes as intelligent workflows that are data-driven and AI-enabled so they can be extensible and self-healing.

4. **Technology: Integrated Triple-A technologies automation platform.** Data-enabled Triple-A Trifecta solutions running on a platform that offers the right combination of pre-integrated and trained functionality to meet a range of challenges. This is the integrated automation stack vision that brings together the right infrastructure, data, applications, workflows, libraries, orchestration, and control tower functionality, consistently and increasingly via the cloud.

5. **Outcomes: Alignment of objectives to the most pressing business priorities.** Create or reinvent how work is done in support of overarching business priorities and measure the heck out of them. Be clear about the mission and whether it's operational efficiency, customer experience (CX), or employee experience (EX) with attentiveness to bottom-line and top-line impact. Work across the change management continuum; process, IT, and organizational change are all required to be successful.

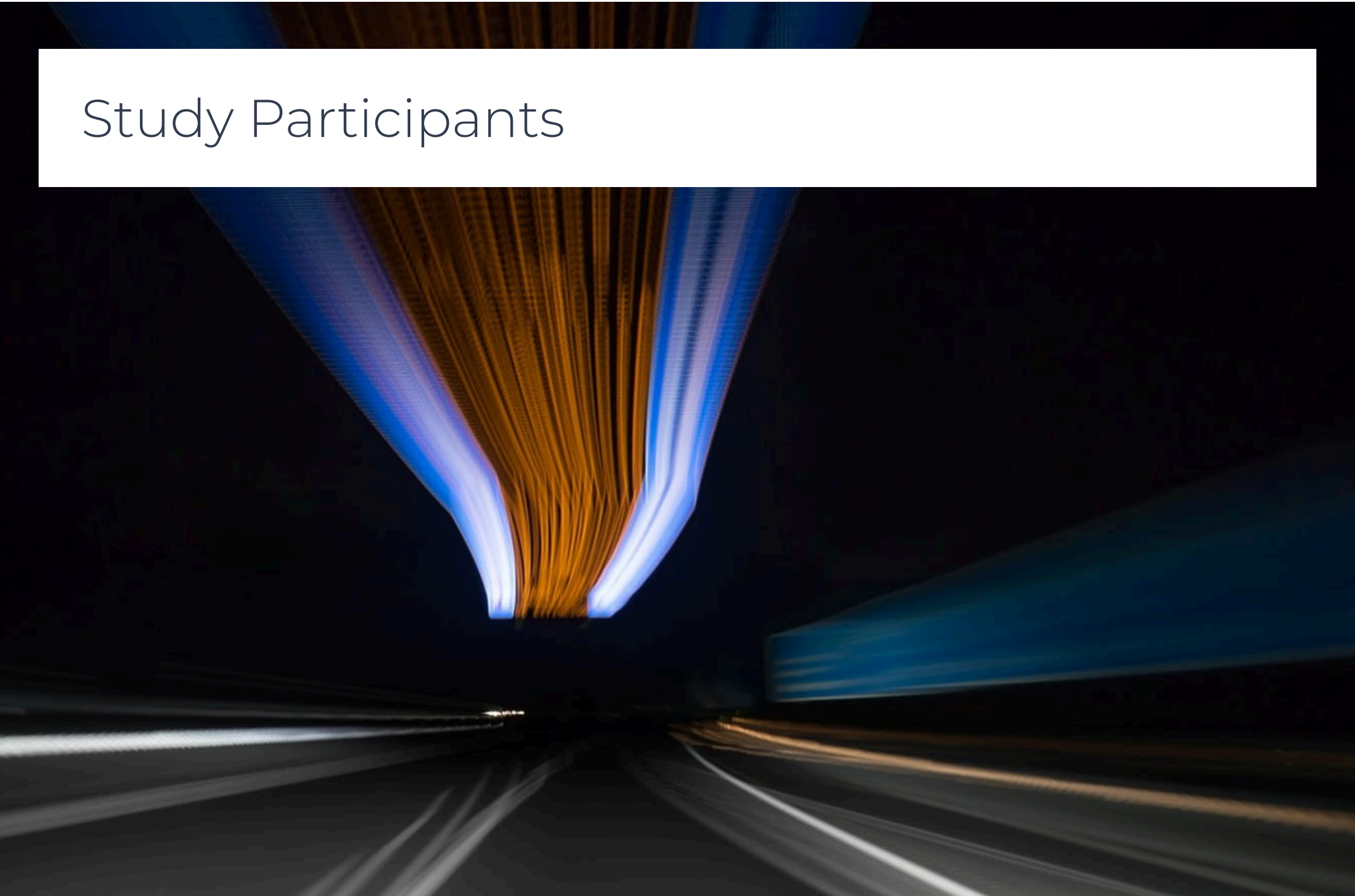
Expect the five-year transformation horizons of the past to shrink substantially. The time to scope, define, develop, change, improve, and manage are all condensed to iterative cycles of days and weeks rather than months and years through striking the right balance between speed and good-enough solutions supported by distributed agile approaches and the nimbleness of cloud. We need real agile, not waterfall in agile clothing, if we are going to create digitally transformed resilient enterprises post-pandemic.

As we look to the future, Sandeep Dadlani, Chief Digital Officer at Mars, shares his views on leveraging the current velocity of change:

“Like many others, we hope and aim to become a faster digital-first organization. 2021 could be the year of 1000X speed. We’ve been aiming for 100x. Now let’s take this to the absolute next level. Imagine the next level of 1000x—think of products, create products, launch products, etc., even faster. The speed limit right now is ridiculous, and we can feel it. Let’s take it to outrageous using the current velocity of change even as we maintain our levels of empathy for our associates and the right balance. Let’s accelerate the acceleration for 2021. This is what automation and digital agility enable.”
Sandeep Dadlani, Chief Digital Officer, Mars

So, all together now, let’s channel our Churchill and use this crisis as the impetus we all need to achieve our respective versions of digital nirvana guided by the five automation “have-to-haves.”

Study Participants



HFS would like to extend a hearty thank you to the enterprises that supported this research:

Source: HFS Research, 2020

N = 20 global and super-regional enterprises

Authors

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Phil Fersht is a world-renowned analyst, writer, and visionary in emerging technologies, automation, digital business models, and the alignment of enterprise operations to drive customer impact and competitive advantage.

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Elena Christopher is Senior Vice President – Research at HFS. Elena leads HFS' coverage of Triple-A Trifecta change agents—AI, automation, and smart analytics. She is also responsible for driving the industry-specific research agenda for HFS, digging into the major trends impacting each in-scope industry and the implications for business process and IT services.

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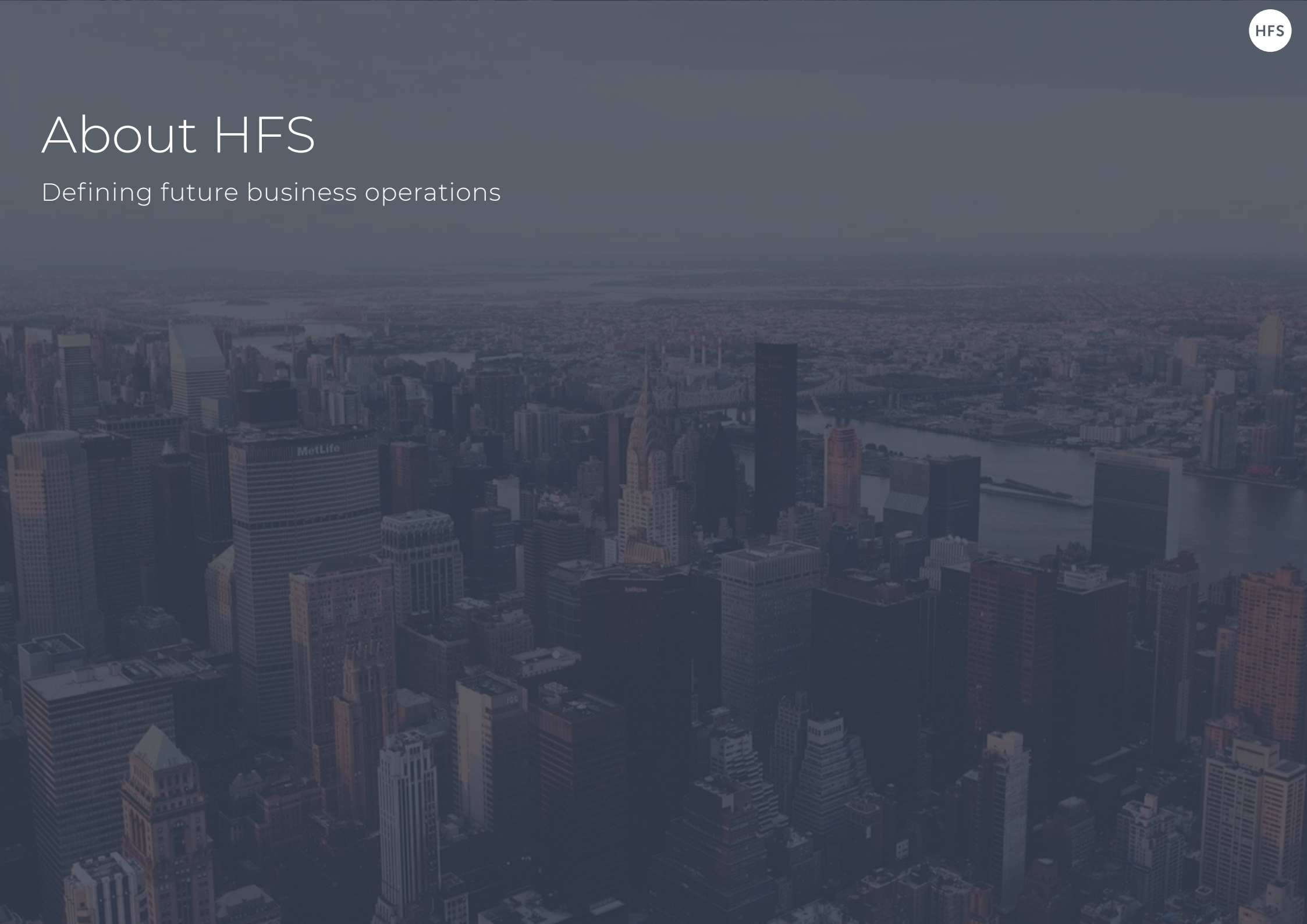
About HFS

Defining future business operations



The HFS mission is to provide visionary insight into major innovations impacting business operations, including: automation, artificial intelligence, blockchain, Internet of things, digital business models, and smart analytics.

HFS defines and visualizes the future of business operations across key industries with our Digital OneOffice™ Framework.

HFS influences the strategies of enterprise customers to help them develop OneOffice backbones to be competitive and to partner with capable services providers, technology suppliers, and third-party advisors.

Read more about HFS and our initiatives on www.hfsresearch.com or follow @HFSResearch

Thank you for reading

The Five Automation "Have-to-Haves"- You Won't Achieve Your Digital Nirvana Without Them

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