BUSINESS TRANSFORMATION

servicenow.
Partner

Elite

Hyperautomation Leads To Transformative Business Outcomes

Process Insight And Integration Will Drive Employee Experience And Innovation

Hyperautomation Is Central To Business Transformation

Decision-makers continue to navigate their way out of the pandemic. In doing so, they must rethink their automation strategies. Currently, eight in 10 decision-makers (82%) feel automation strategy is important to overall business strategy, however, siloed and tactical automation has often befallen firms of late. After emerging from the pandemic, a more strategic hyperautomation — or intelligent automation — approach is needed to help firms improve their automation maturity, connect disparate systems, and ultimately deliver more business value today and in the future. ServiceNow commissioned Forrester Consulting to explore how firms can improve their automation strategy and technology to drive business impact through a global survey of 450 automation strategy and implementation decision-makers.

Key Findings

Firms have low automation maturity. They struggle with employee skills and technology proficiency, disconnected legacy systems, andprocess transformation.

Poorly integrated automation hampers business processes and negatively affects brand reputation and employee experience (EX).
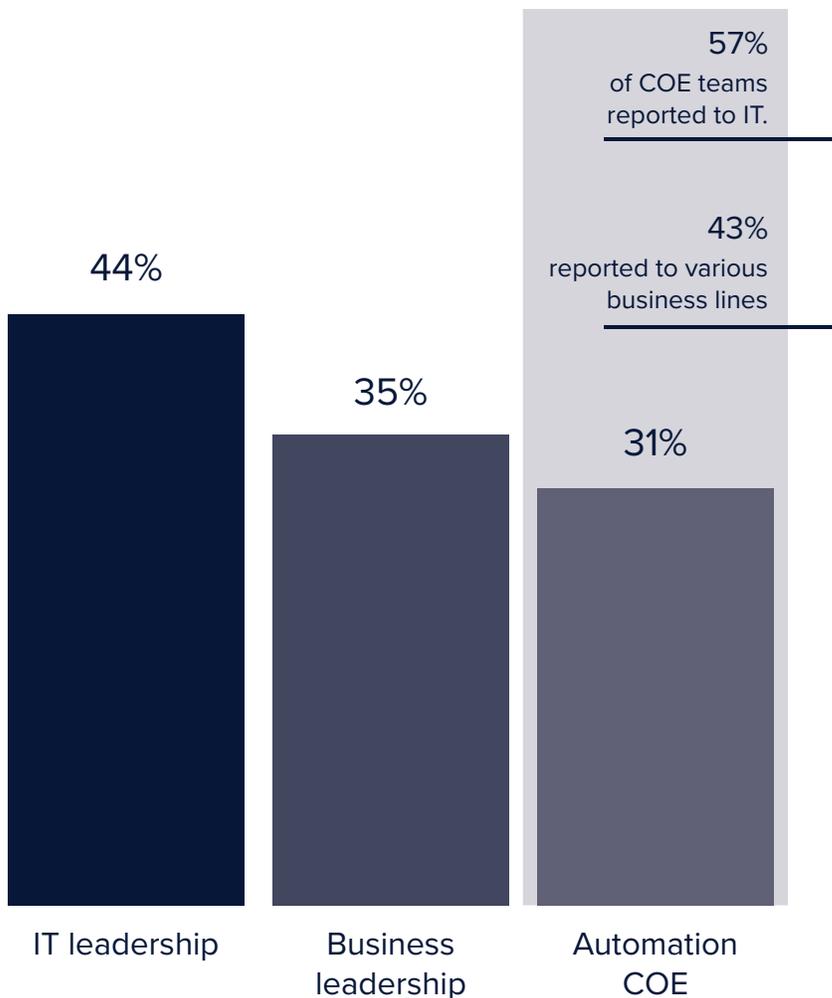
Automation leaders are focused on speed and productivity, but they see potential for improved automation integration to benefit EX and support business transformation and shared services across the organization.

While IT Remains The Biggest Influence On Automation Strategy, Business Leadership Has A Growing Stake

Most decision-makers understand the potential of automation. IT leadership continues to exert the most influence in this sphere, but business leadership is not far behind. Importantly, it is becoming increasingly critical for business and IT leaders to collaborate on a joint automation strategy given its importance to business strategy.

Reporting lines for automation centers of excellence (COEs) are similarly balanced, with teams nearly as likely to report to various business lines as to IT. This distribution across business lines and IT stems from the emergence of robotic process automation (RPA) and low-code platforms, which have accelerated business-led automation development and allowed business developers greater ability to automate capabilities.

"How much do the following groups influence decision-making for your company's automation strategy?"

57%
of COE teams reported to IT.

43%
reported to various business lines

44%

35%

31%

IT leadership

Business leadership

Automation COE

windward | **servicenow**

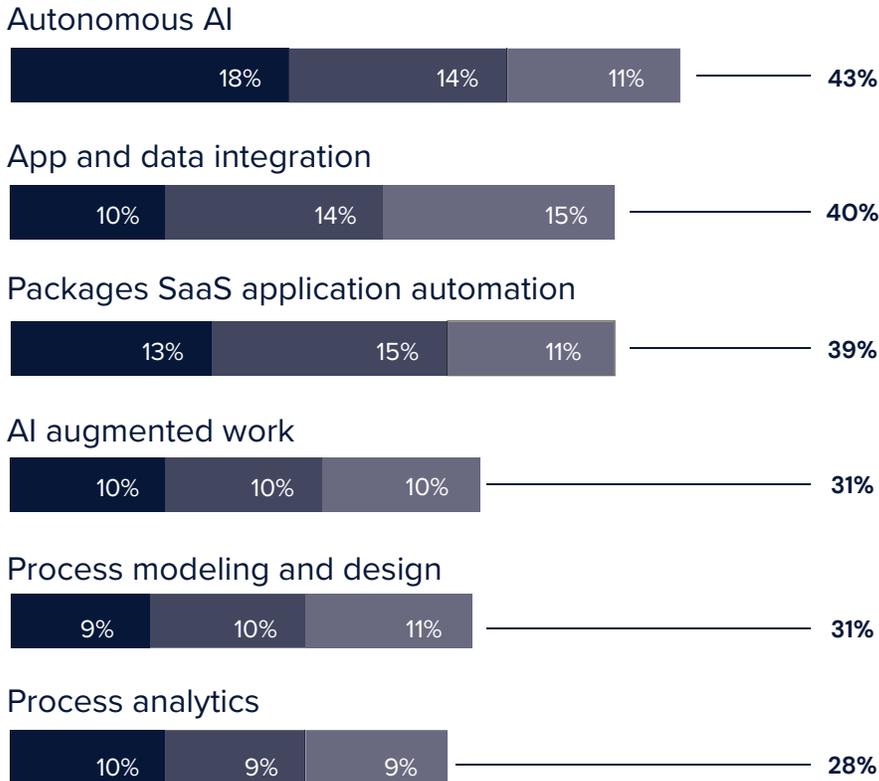## Today's Key Drivers For Automation Are Speed And Productivity

The global pandemic exposed businesses like few market forces ever have. To keep up with rapidly changing demands, the majority of today's automation initiatives focus on productivity, speed, and agility. Resiliency is top of mind for decision-makers in support of near-term automation goals. Forty-three percent of decision-makers ranked autonomous, self-guided, and dynamic processes that leverage AI as a top priority. With companies dealing with decades of legacy siloed systems, four in 10 said solving data problems through app and data integration is a top priority. Meanwhile, 39% of automation leaders see an opportunity to enhance productivity and cost savings by integrating their many software-as-a-service (SaaS) and legacy apps through modern workflows with packaged SaaS application automation.

Respondents ranked increasing productivity, speed, and agility as their top priorities for building automation.

"Which of the following capabilities are the highest priority for your near–term automation goals?"

● Rank 1   ● Rank 2   ● Rank 3

Autonomous AI

| 18% | 14% | 11% | **43%** |

App and data integration

| 10% | 14% | 15% | **40%** |

Packages SaaS application automation

| 13% | 15% | 11% | **39%** |

AI augmented work

| 10% | 10% | 10% | **31%** |

Process modeling and design

| 9% | 10% | 11% | **31%** |

Process analytics

| 10% | 9% | 9% | **28%** |

## Picking The Wrong Automation Strategies Places Processes, The Brand, And EX At Risk

Resilient processes depend on sound data integrity and logic. Yet 46% of decision-makers are concerned that poor automation will lead to data integrity issues and business logic errors, followed by negative effects to brand or company reputation (44%).

Further, EX has become a growing concern as it relates to automation strategies, as digital solutions have increasingly supplanted human roles and responsibilities. Decision-makers rank the negative effect on EX or mental state as the third-most likely consequence of poor automation (43%), which is a growing concern as companies fend off the great resignation trend.
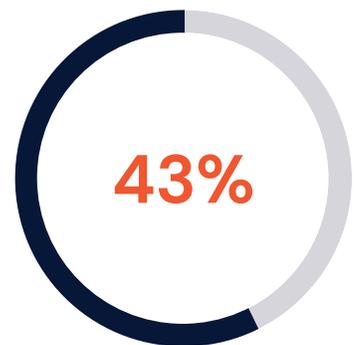
"What consequences of deploying the wrong automation strategy for your company do you envision?"

46%
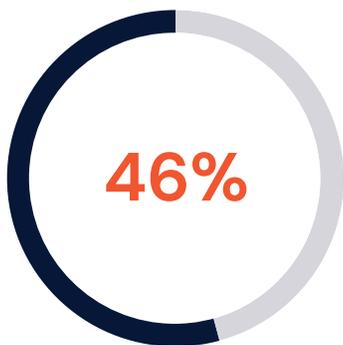
Potential errors due to data problems or in logic/algorithms

44%
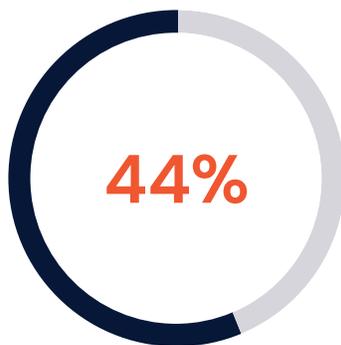
Potential negative effects of automation on the brand or enterprise reputation

43%

Negative effect on EX or mental state (e.g., trust in the process, attitude towards enterprise, anxiety, self-esteem)

windward | servicenow

Process Visibility, Integration, And Control Are Automation Platform Must–Haves

Selecting the right automation platform is difficult. However, three criteria bubble to the surface for decision-makers:

- Fifty-three percent of automation leaders said visibility into their firm with an end-to-end view to identify cost savings and productivity gains is a top consideration when choosing an automation platform.

- Fifty-two percent prioritize fit with overall strategy, including operating models and governance.

- About half said the platform's integration with diverse systems, apps, and data ranks as a top criterion.

❝ [Automation vendors] can help us increase efficiency, productivity, and create better business outcomes. Plus, they can work alongside our human workforce, using the same systems, and seamlessly carry out our key business processes. —Vice President, India

"Which of the following criteria are most important when selecting an automation platform for executing your automation strategy?"

● Rank 1 ● Rank 2 ● Rank 3

The extent to which the automation platform offers an end-to-end view of enterprise processes and tasks for continual improvement

| 19% | 16% | 18% | — 53% |

The automation platform's fit with the overall strategy, operating model, and governance of the organization

| 19% | 17% | 16% | — 52% |

The automation platform's integration with diverse systems, apps, and data

| 13% | 16% | 20% | — 49% |

windward | **servicenow**

People, Process, And Tech Maturity Are Strategy Roadblocks

Resilient processes depend on sound data integrity and logic. Yet 46% of decision-makers are concerned that poor automation will lead to data integrity issues and business logic errors, followed by negative effects to brand or company reputation (44%).

Further, EX has become a growing concern as it relates to automation strategies, as digital solutions have increasingly supplanted human roles and responsibilities. Decision-makers rank the negative effect on EX or mental state as the third-most likely consequence of poor automation (43%), which is a growing concern as companies fend off the great resignation trend.

"To what extent are the following issues challenging for your organization in developing a successful automation strategy?"

- ● Moderately challenging
- ● Very challenging
- ● Extremely challenging

There is a lack of employee training and skills required for process transformation

| 30% | 22% | 14% | **68%** |

Automation maturity is too low and the organization lacks expertise with emerging RPA, AI, and other process tools and methods

| 26% | 23% | 13% | **67%** |

End-to-end (value-stream) view of company processes is needed but they are currently siloed

| 28% | 22% | 12% | **66%** |

There is a lack of real-time documentation, understanding, and insights of company processes

| 28% | 19% | 14% | **63%** |

windward | servicenow

Process Visibility, Integration, And Control Are Automation Platform Must–Haves

Beyond the internal barriers impeding strategic development, many automation leaders struggle with something much more elemental: How will an automation platform integrate with existing infrastructure and meet their organization's current and evolving needs?

Decision-makers don't want to add another layer that doesn't fit with current processes. Yet just under half of respondents said it's unclear how automation platforms will integrate with current infrastructure. Further, automation leaders indicate automation platforms often don't offer enough packaged out-of-the box automation support or visibility into processes, with nearly four in 10 saying these are very-to-extremely challenging for their business.

"To what extent are the following challenges having an effect on selecting the right automation platform to achieve your automation goals?"
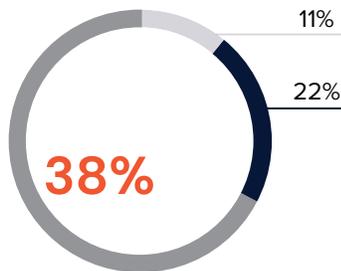
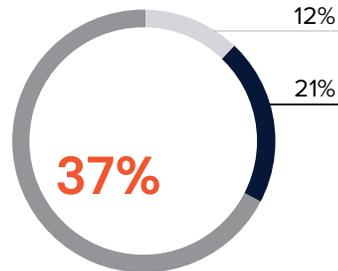● Very challenging   ● Extremely challenging

17%
20%
43%
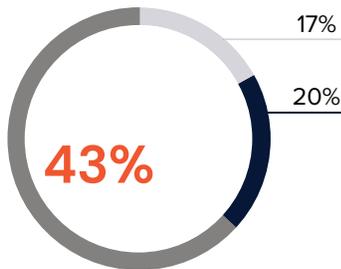
It's unclear how the platforms will integrate with existing processes and how much work is really involved

13%
24%
38%
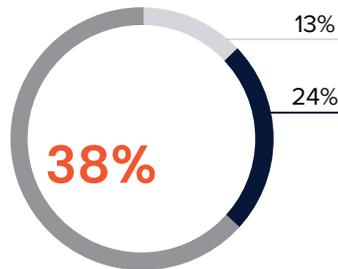
Automation platforms don't have enough packaged out-of-the-box automation support

11%
22%
38%

There's concern that a new platform can't capture a complete view of the organization's processes

12%
21%
37%

A platform may not be able to support the organization as it grows in automation competency

❝ **"The perfect integration with the tools and apps is very important, and the automation vendors play a very important role in it. The stakes are high as any small error will lead to complete chaos."**
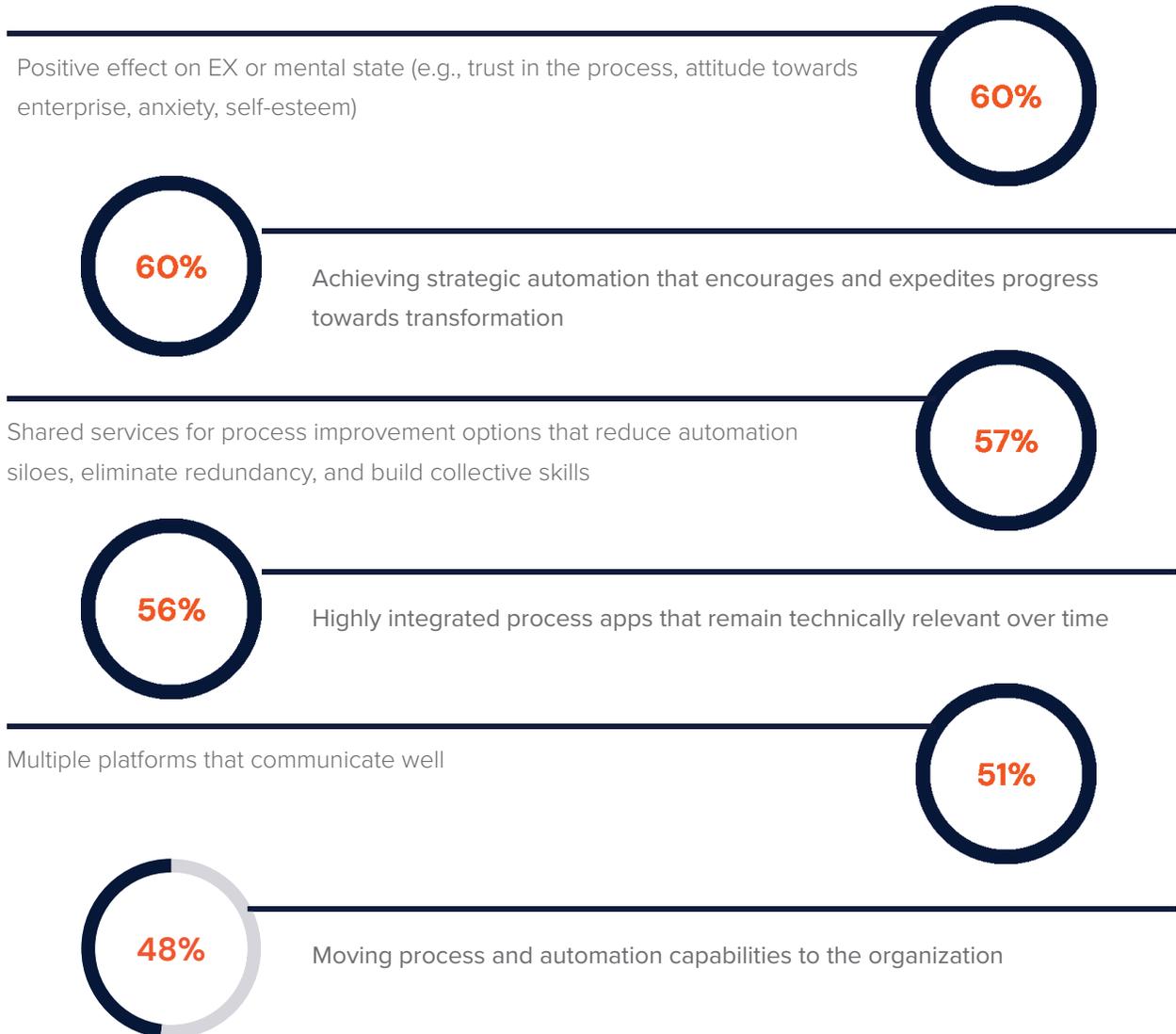
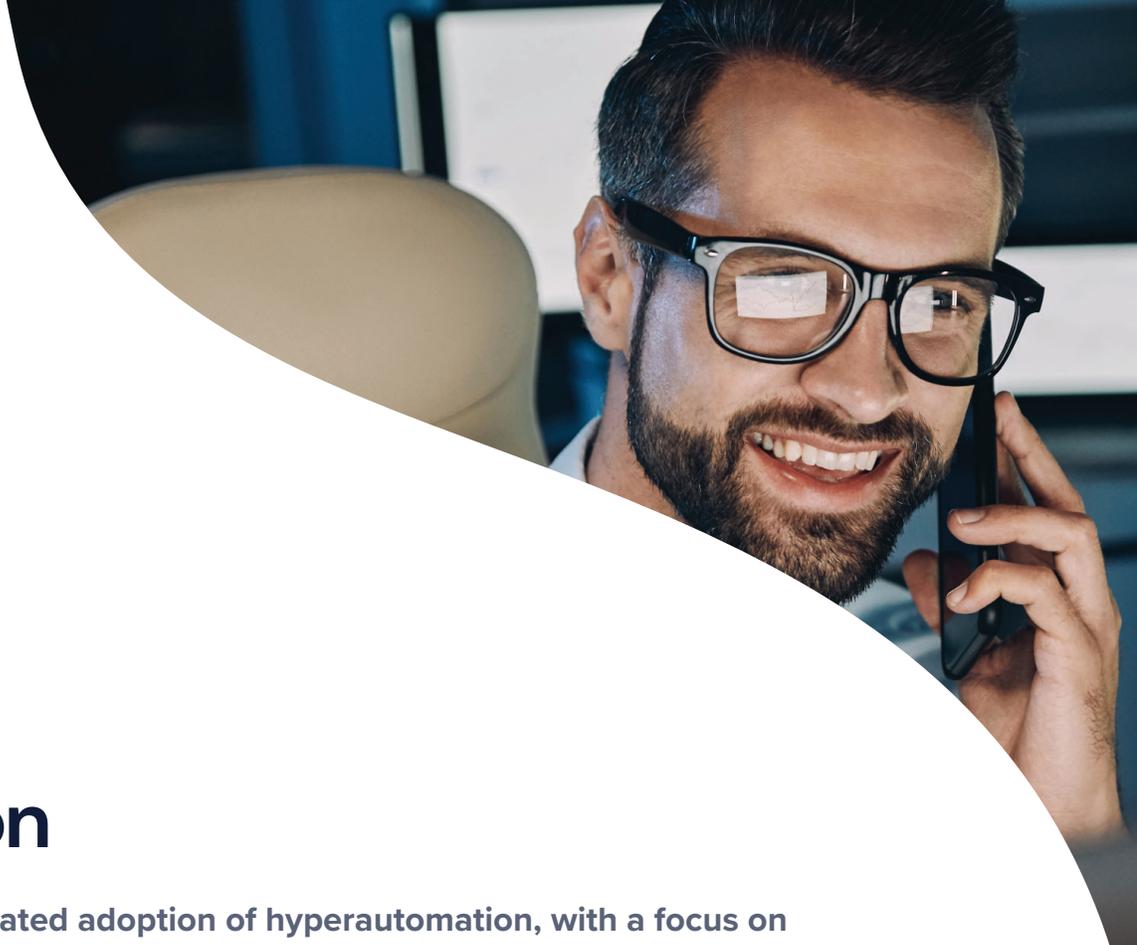—**Manager,** India

windward | servicenow

Transformation And Improved EX Are Main Benefits Of Improved Automation Strategy

Six in 10 decision-makers said a positive effect on EX, and particularly employee's mental state, was the top benefit of an improved automation strategy. This reflects post-pandemic issues as well as the dramatic shift in labor markets.

Sixty percent similarly indicated that progress towards transformation was an expected outcome of more strategic automation. Finally, more than half of automation leaders (57%) expect enhanced shared service capabilities, importantly allowing for both improved process and automation capabilities.

Transformation And Improved EX Are Main Benefits Of Improved Automation Strategy

Positive effect on EX or mental state (e.g., trust in the process, attitude towards enterprise, anxiety, self-esteem) **60%**

60% Achieving strategic automation that encourages and expedites progress towards transformation

Shared services for process improvement options that reduce automation siloes, eliminate redundancy, and build collective skills **57%**

56% Highly integrated process apps that remain technically relevant over time

Multiple platforms that communicate well **51%**

48% Moving process and automation capabilities to the organization

windward | servicenow

Conclusion

The pandemic accelerated adoption of hyperautomation, with a focus on productivity, speed, and agility. Firms largely have the right mindset for developing an automation strategy, but they fall short on organizational and technical maturity. Siloed legacy systems and lack of process visibility hinder business transformation. Advances will focus on the following challenges:

- **Improved EX.** The pandemic pushed firms to build digital pathways to support remote business and work. Employee retention was not the focus for many of these efforts, but EX support has become a priority with worker shortages.

- **Tracking automation.** Knowledge of tools and methods are key barriers and areas to develop maturity metrics against.

- **Automation operating models.** Managing guardrails for distributed automation design and execution plus user training and business engagement will yield strong business outcomes.

Project Director: Jason Daniels, Market Impact Consultant

Contributing Research: Forrester's Enterprise Architecture research group

windward | servicenow

Methodology

This Opportunity Snapshot was commissioned by ServiceNow. To create this profile, Forrester Consulting supplemented this research with custom survey questions asked of 450 automation technology strategy and implementation decision-makers. The custom survey began and was completed in January 2022.

About Forrester Consulting

Forrester Consulting provides independent and objective research-based consulting to help leaders succeed in their organizations. Ranging in scope from a short strategy session to custom projects, Forrester's Consulting services connect you directly with research analysts who apply expert insight to your specific business challenges. For more information, visit forrester.com/consulting.

Demographics

GEOGRAPHY	
North America	33%
EMEA	33%
APAC	33%

COMPANY SIZE	
500–999 employees	19%
1,000–4,999 employees	38%
5,000–19,999 employees	27%
20,000 or more employees	16%

INDUSTRY (TOP SELECTIONS)	
Tech/services	11%
Financial services	9%
Manufacturing	7%
Retail	6%

TITLE	
C–Level	19%
Vice president	24%
Director	32%
Manager	25%

windward | servicenow

LET'S TALK

Ready to find flow?

Windward helps companies create an IT operations strategy that connects your vision to a roadmap for success. If you'd like to learn more and discuss a strategic IT Ops plan for your organization, feel free to email us at info@windward.com or go to www.windward.com.