



CIONET

DISCUSSION SUMMARY

**EXCLUSIVE
EXECUTIVE DEBRIEF:
TOWARDS THE
FULLY AUTOMATED
ENTERPRISE**

Following a six-month study that included interviews with fifteen of Europe's leading CIOs on the topic of Intelligent Automation, sponsored by UiPath, CIONET convened an elite round table of study participants on 23rd June to review and confirm the findings prior to publication. Here is a summary of the discussion.

Why should companies automate?

With the passing of the pandemic and the rise of the digital natives, many incumbent organisations find themselves engaged in an existential battle for survival. We see this being played out in every sector – Tesla versus VW; Disney versus Netflix; Amazon versus Walmart. What the delegates recognise today is that online customers are more demanding, hybrid working is more complex, and start-ups are adopting aggressive postures towards established players.

In this environment, the winner takes all. This implies that successful organisations must be excellent in all three value disciplines: operational excellence; customer experience; product innovation. Digital businesses have succeeded in the past two years due to agile models that tick all these boxes. Traditional efforts to modernise legacy cultures, processes and systems have not delivered the necessary leap forward. In the words of UiPath's European CEO, productivity across EMEA has flatlined for two decades. Something radical needs to happen. Intelligent automation may be the only way forward for today's incumbents.

What are the different approaches to automation?

The journey to the fully automated enterprise can start at many different points for established companies. Some have already made the move to fully integrated cloud and mobility platforms as witnessed by WiZink, a Spanish bank. Others accept that a hybrid state between legacy systems such as ERP and modern agile software applications may be a continuing reality well into this decade and beyond.

The delegates described several ways forward. All are using robotic process automation (RPA) to eliminate repetitive tasks. The general assumption here is that around 30% of office work can be automated through RPA techniques. Others see an opportunity to integrate legacy and modern systems by using RPA to act as an automated bridge to enable uninterrupted data flows. Some are adopting a more

radical approach that involves the redesign of core processes and the development of entirely new digital businesses.

Generali commented that it is adopting a decentralised approach to automation, encouraging each national subsidiary to pilot and implement RPA and process mining tools to achieve efficiencies and improve customer experience. Others such as Barry-Wehmiller and Affinity Water are applying automation across the entire supply chain using data integration methods.

Where does the automation sit within the busy CIO agenda?

CIOs and their organisations have been busy in recent times with the move to hybrid working, 'online' customer interactions and structural changes such as cloud and mobility first. In addition, all CIOs face a rapid increase in cyber-attacks. There has been little capacity to invest time and skills in new techniques such as intelligent automation. The pandemic itself has forced a major reduction in numbers of new projects due to pressures on cashflow in many sectors.

However, as delegate organisations emerge from COVID-19 and see a return to high growth rates, the case for automation becomes ever more compelling, especially against a backdrop of flat productivity and a decline in real wages over the past two decades. Euroclear mentioned that automation has moved from low to medium priority and is establishing a centre of excellence to assess RPA savings. Signify is following the same path with RPA and is seeking high value opportunities in areas such as process redesign.

How is RPA being deployed today?

All the delegates recognised that intelligent automation techniques such as RPA and AI are at a relatively embryonic stage of development. However, the prospect of 'robots everywhere' has galvanised action within the CIO community to ensure an orderly roll-out. Many see a random proliferation of robots as a dangerous extension of 'grey IT'.

Tate & Lyle has exhausted many traditional automation approaches and sees RPA as a new language to engage the businesses, worldwide. For example, RPA could transform sales effectiveness by pooling and analysing data from every deal. Barry Wehmiller is applying RPA to automate procurement processes across the

supply chain, thus achieving better pricing from its suppliers. WiZink sees RPA and artificial intelligence as a way of helping it provide instant credit decisions to first time customers.

What should the CIO role be in guiding intelligent automation?

The study suggested that IT can have a crucial roll in accelerating enterprise automation through the adoption of RPA and associated methods. In this respect IT has a vital role:

- Helping to pilot and assess RPA benefits within the businesses by establishing centres of excellence
- Introducing standards, platforms and governance to enable full scale industrialisation of RPA with appropriate interworking and security controls
- Educating business users on how best to deploy RPA and Low Code/No Code techniques through a process of 'citizen development'

Zeiss sees IT as becoming an integral part of everyday business. The two together can produce a 'digital powerhouse'. Affinity Water sees IT providing a fast, agile response to business issues by applying incremental improvements such as RPA.

What can we learn from the study?

All delegates agreed that businesses must accelerate their automation efforts to meet rising customer demands and competitive threats. Traditional methods have fallen far short of expectations, and it is time for new concepts to be deployed such as RPA and AI. However, such tools are at an embryonic stage of development and will need careful governance to ensure beneficial outcomes. CIOs see themselves as custodians of intelligent automation and are making active efforts to assess and deploy associated tools by providing governance, education and platform support to their business partners.



About CIONET

CIONET is the leading community of more than 10,000 digital leaders in 20+ countries across Europe, Asia, and the Americas. Through this global presence CIONET orchestrates peer-to-peer interactions focused on the most important business and technology issues of the day. CIONET members join over a thousand international and regional live and virtual events annually, ranging from roundtables, programs for peer-to-peer exchange of expertise, community networking events, to large international gatherings. Its members testify that CIONET is an impartial and value adding platform that helps them use the wisdom of the (IT) crowd, to acquire expertise, advance their professional development, analyse and solve IT issues, and accelerate beneficial outcomes within their organisation.

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