

# Automation with intelligence

## REIMAGINING THE ORGANIZATION IN THE “AGE OF WITH”

**2**020 LOOKS TO be a breakout year for intelligent automation, as more organizations explore technologies such as robotic process automation (RPA) and other artificial intelligence (AI) tools to automate work that formerly required human intelligence to perform. Fifty-eight percent of the executives in our 2019 global intelligent automation survey reported that their organizations had “started their intelligent automation journey,” with 8 percent saying they were automating at scale (51 or more automations)—double the percentage that said the same in 2018.

Surveyed executives estimated that intelligent automation would decrease costs by 22 percent and increase revenue by 11 percent, on average, over the next three years. Notably, organizations that were automating at scale reported that their implementations had already reduced costs by 27 percent. Intelligent automation efforts may also exceed expectations: Respondents whose organizations were piloting intelligent automation (1–10 automations) said that they expected an average payback period of 15 months, but respondents from organizations that were automating at scale reported an average payback period of only nine months.

A surprising proportion of respondents seemed unaware of the implications of intelligent



automation for their workforce. Forty-four percent of surveyed executives said that their organizations had not yet calculated how their automation strategies will affect roles and tasks within their workforce, while 60 percent reported that they had not looked into whether automation will require their workers to retrain. This finding is the more surprising because automation has the potential to yield greater value when combined with workforce redesign—as well as giving organizations an opportunity to improve the human experience as roles are redesigned and work is made more meaningful.

Our findings point to six success factors among respondents that were achieving value from intelligent automation:

- **An enterprisewide strategy for intelligent automation.** Companies with an enterprisewide strategy reduced costs by an average of 24 percent and increased revenue by an average of 8 percent. Organizations without an enterprisewide strategy reduced costs by an average of only 14 percent and increased revenue by an average of 3 percent.
- **Combining RPA with AI.** This appears to be one of the most powerful factors driving the extent to which an organization’s automation efforts increased revenue. Organizations that had combined RPA and AI as part of their intelligent automation strategy reported a 9 percent average revenue increase as a result of their automations; those using only RPA reported just a 3 percent revenue increase.
- **Adequate technology, infrastructure, and cybersecurity.** Organizations with a supportive IT function and that had the required technology, infrastructure, and cybersecurity in place reported an average 21 percent cost reduction, compared to an average 13 percent cost reduction among organizations that lacked these attributes.
- **Mature process definitions, standards, and processes.** Organizations that had mature process definitions, standards, and processes were able to increase back-office workforce capacity by an average of 19 percent, compared to only 12 percent among organizations that did not.
- **A clear understanding of how to capture value.** This appears to be a strong factor driving the extent of an organization’s cost reductions from automation. Respondents who reported having a clear understanding of how to capture value from intelligent automation said that their organizations reduced costs by 21 percent on average, while those who lacked a clear understanding reduced costs by only 15 percent.
- **Radical simplification driven by a need for cost reduction.** Seventy-three percent of the organizations automating at scale said that the main purpose of their strategy was radical simplification driven by a need for cost reduction; only 61 percent of piloting organizations took the same stance.

The future of intelligent automation is full of potential. To successfully exploit the possibilities, organizations will need to develop a clear path to scalability that delivers quantifiable results and return on investment. ●

To learn more, read *Automation with intelligence* on [www.deloitte.com/insights](http://www.deloitte.com/insights).