



**ELEVATE YOUR BUSINESS:
UNLOCK THE POTENTIAL OF
ENTERPRISE AUTOMATION!**

A pricing mismatch between shelf and cash register in retail shops, a belated delivery of replacement assets for an electricity maintenance crew: what is common with those issues? Both will impact the satisfaction of end customers and the revenues of the company, and both require seamless execution of business processes, underlined by IT operations, from infrastructure to applications.

So how can organizations face the challenges to optimize processes, reduce operational costs, enhance IT service delivery, and gain a comprehensive 360-degree view of their customer's applications and infrastructure services?

By harnessing cutting-edge technologies and intelligent systems, automation has the power to revolutionize traditional IT operations and unlock substantial savings to deliver enhanced business value.

In this study, Everest Group explores how to tackle these challenges and realize business value by driving enterprise automation adoption. On the automation adoption journey, you can transform data into valuable insights to drive operational improvements and achieve business objectives through effective analysis and intelligence. Key characteristics outlined by Everest Group are to integrate interrelated KPIs and provide centralized control, ensuring scalability and cost optimization while promoting sustainability.

At Capgemini, we believe a successful automation journey is the one that helps improve business outcomes for our customers. To achieve this goal consistently we make use of our tried and tested methodologies coupled with our Enterprise Automation Fabric. The fabric, powered by Artificial Intelligence, facilitates an end to end zero touch automation system across the customer's landscape.

Enterprise Automation Fabric is an insights-driven, purpose-built, plug-and-play system to unlock a seamless digital IT-management ecosystem. It enables effective infrastructure & applications services, and business operations delivery to provide data-insights-driven automation at its full potential for businesses to reap maximum value across the entire operation, and at scale.

Based on state-of-the-art technology, it facilitates the capture of events produced by the operational system and synthesizes it into business-relevant insights, by generating an intuitive view to provide real-time health of the client's business operations. Additionally, diverse technological capabilities are weaved in to enable standardized and effective service management and governance resulting in an enhanced end-user experience.

Finally, Enterprise Automation Fabric helps businesses to move from operations-focused, limited value, isolated deployment of automation to an enterprise-wide, automation-first approach. It means that our clients can now accelerate their automation journey and unlock business value across business and IT operations.

Whatever your automation maturity level, our flexible platform will seamlessly integrate with your technology stack. We will tailor the perfect automation solution by enabling just the required modules for your context.

Get started on your automation journey with Capgemini's Enterprise Automation Fabric Today!



Emergence of Enterprise Automation

The Next Frontier for Realizing Superior
Business Value

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Introduction

Over the past decade, automation has played a significant role in transforming business processes and operations. What began as a rule- or script-based automation in its early days has evolved into a comprehensive ecosystem of Artificial Intelligence (AI)-based automation technologies. These technologies are capable of handling both simple transactions and complex processes that require decision-making and judgment.

Initially, the adoption of automation aimed to reduce costs and improve process efficiency. However, automation is now more focused on generating business value and helping organizations become lean, resilient, and agile in response to evolving customer expectations, growing competition, and increasing administrative costs. As a result, automation is being applied to a wide range of processes, including both business and IT domains. This has led to the emergence of two primary forms of automation – business process automation and IT automation.

Business process automation involves utilizing technologies such as Robotic Process Automation (RPA), Intelligent Document Processing (IDP), process mining, task mining, and conversational AI to automate repetitive and routine tasks in business processes. This approach can be implemented in various areas such as finance, HR, procurement, customer service, and industry-specific processes. On the other hand, IT automation utilizes tools and technologies such as integration platforms, low-code/no-code tools, scripts, and workflow automation to streamline and automate repetitive IT tasks, including provisioning, configuration, deployment, monitoring, and maintenance.

Currently, enterprises rely mainly on siloed IT or business process automation, which has provided some benefits. However, it often hinders the full potential of automation. Therefore, a new approach called enterprise automation has emerged, which integrates both business process and IT automation. This approach is primarily focused on realizing value and typically driven from the top down, with C-suite (CXO)-level sponsorship and decision-making. Its scope spans the entire organization and includes business processes, applications, and infrastructure.

In this paper, we discuss the:

- Key challenges that enterprises face in the current automation scenario
- Key drivers of enterprise automation adoption
- Characteristics of an enterprise automation solution
- Approach to enterprise automation adoption

Key challenges that enterprises face in the current automation scenario

In this section, we look at some of the major challenges that enterprises are facing in their siloed automation initiatives, which are resulting in sub-optimal or unintended outcomes such as increased operational costs, reduced savings, and unoptimized Full Time Employee (FTE) capacity.

Narrow vision for automation

Many enterprises focus on component optimization, which covers a specific part or process of the entire value chain, rather than taking a holistic approach to automation that is focused on achieving shared business outcomes. As a result, automation initiatives are targeted toward the improvement of individual IT- or business-focused Key Performance Indicators (KPIs), rather than overall business goals.

In the case of siloed automation initiatives, the TCO is higher due to the need for separate investments in technology, support, and upgrade systems

Organizational siloes

Typically, enterprises operate under a federated structure where business units or departments have isolated sales channels and cost centers that run independently, resulting in limited synchronization among teams. This siloed structure often influences decision-making and buying patterns, resulting in the confinement to a limited automation scope. In addition, organizational siloes result in a lack of terminal responsibility or accountability for initiatives, such as change management, and end outcomes. This can lead to inefficiencies and an inability to realize the full potential of automation initiatives.

Lack of value-based thinking

Many enterprises lack fundamental elements such as a strategic investment roadmap or a value measurement framework to identify and track business-aligned outcomes on a holistic and ongoing basis. In addition, limited organizational maturity to adopt and sustain a Value Stream Management (VSM)-centric thinking, which is a process-driven approach to managing the flow of work and value in an enterprise, hinders enterprises' ability to maximize outcomes.

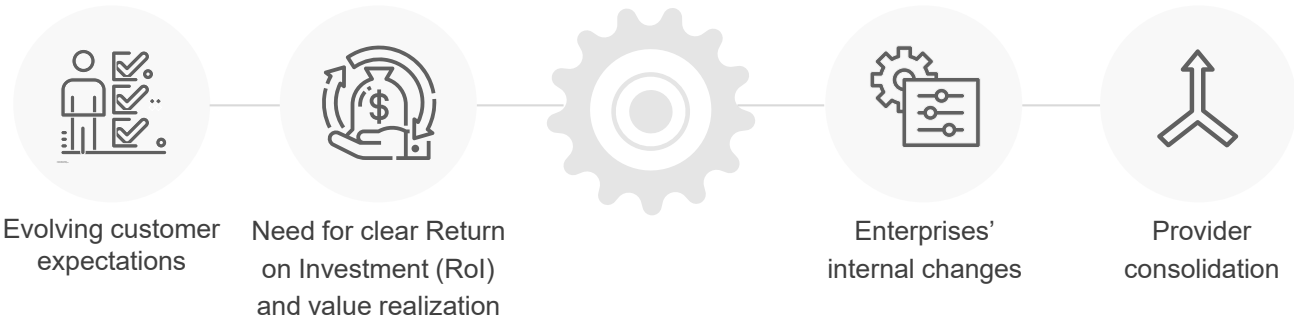
Higher Total Cost of Ownership (TCO)

The TCO for an automation initiative encompasses all costs associated with acquiring, implementing, operating, and maintaining the automation technologies throughout their lifespan. In the case of siloed automation initiatives, the TCO is higher due to the need for separate investments in technology, support, and upgrade systems. This can lead to increased operational costs and reduced savings, limiting the potential for maximizing business outcomes.



Key drivers of enterprise automation adoption

Enterprises are increasingly adopting enterprise automation, a holistic approach that combines business process and IT automation, to address challenges and achieve better outcomes. Several factors are driving this adoption, shaping the nature of automation demand and paving the way for enterprise automation.



Evolving customer expectations

In today's digital-first world, customers expect superior experiences from enterprises. To offer such experiences and maintain lean, relevant, and resilient operations, enterprises must ensure quick incident resolution and minimize operational costs. Integrated automation approach enables enterprises to reduce the time required to execute new requests and enhance performance, thereby ensuring high-quality delivery. Moreover, the increasing adoption of AI, including in higher-order decision-making, is further driving the adoption of enterprise automation.

Need for clear Return on Investment (RoI) and value realization

Amid ongoing economic uncertainty and changing regulatory norms, enterprises are taking meaningful steps toward cost optimization and sustainability. With enterprise transformation budgets under scrutiny, several enterprises are prioritizing the need to derive maximum value from their automation initiatives. Enterprise automation provides value by offering end-to-end visibility and solidifying impact analysis across IT systems and business processes, delivering an effective solution for cost optimization and sustainability.

Enterprises' internal changes

Several enterprises are undergoing internal structural changes such as the formulation of common automation Centers of Excellence (CoEs) for IT and business processes, an increasing proportion of CXOs leading enterprise-level automation decisions, and the growing popularity and influence of roles such as data officers, innovation heads, and customer experience heads. These changes are driving a shared business outcome- or value-centric thinking, paving the way for an enterprise automation solution.

Provider consolidation

To better manage their relationships and reduce costs or effort, many enterprises are looking to consolidate their provider/vendor portfolio. Additionally, enterprises are demanding out-of-the-box capabilities and shorter transformation timelines, which can be fulfilled by a platform-based approach. Enterprise automation plays a vital role in this approach.

Characteristics of an enterprise automation solution

So far, we have discussed enterprises' challenges in the current scenario, along with the factors driving enterprise automation adoption. In this section, we will outline some of the key characteristics of an enterprise automation solution.

Interrelated KPIs

Interrelated business and IT KPIs provide a snapshot of the status of the entire process or system and can help enterprises understand how well they are achieving their overall business outcomes. For example, in a bank, the number of mortgages approved (business outcome) can be improved by minimizing the approval duration (business KPI), which is dependent on the infrastructure health (IT KPI). Enterprise automation solutions monitor and display these interrelated KPIs to help enterprises gain a deeper understanding of their automation or process performance. By identifying areas for improvement and making data-driven decisions, enterprises can drive better outcomes.

Integrated analytics

An enterprise automation solution offers comprehensive visibility into the operational specifics of distributed business and IT processes. It can analyze and solve issues that span both business and IT domains. Moreover, it helps analyze historical data and identify patterns that can be used to predict future events. By leveraging this analytical capability, enterprises can make informed decisions, allocate resources more effectively, and improve outcomes.

Centralized control

In enterprise automation, centralized control refers to the management of automation processes from a single/central location. This approach provides enterprises with greater visibility and control over their automation processes, along with tighter security and improved collaboration. As a result, centralized control enables enterprises to manage and monitor their operations more effectively.

Scalability

In enterprise automation, scalability refers to the ability to accommodate increased demand, processing power, or data volume without disrupting the functionality of the automation system. Scalability is a critical aspect of enterprise automation because it enables enterprises to accommodate growth and maintain the performance and reliability of their automation systems over time.

Autonomous system

An enterprise automation solution can analyze and identify system- or process-related issues. Based on the complexity of the issues and preset threshold, it can recommend actions to users or trigger actions on its own. The ability to automatically take actions gives it the characteristic of being an autonomous or self-healing system.

The characteristics of an enterprise automation solution help minimize friction, reduce bottlenecks, and increase efficiency, resulting in an improved overall user experience. This leads to a frictionless enterprise, where employees, customers, and partners can accomplish tasks easily, increase productivity, and drive growth.

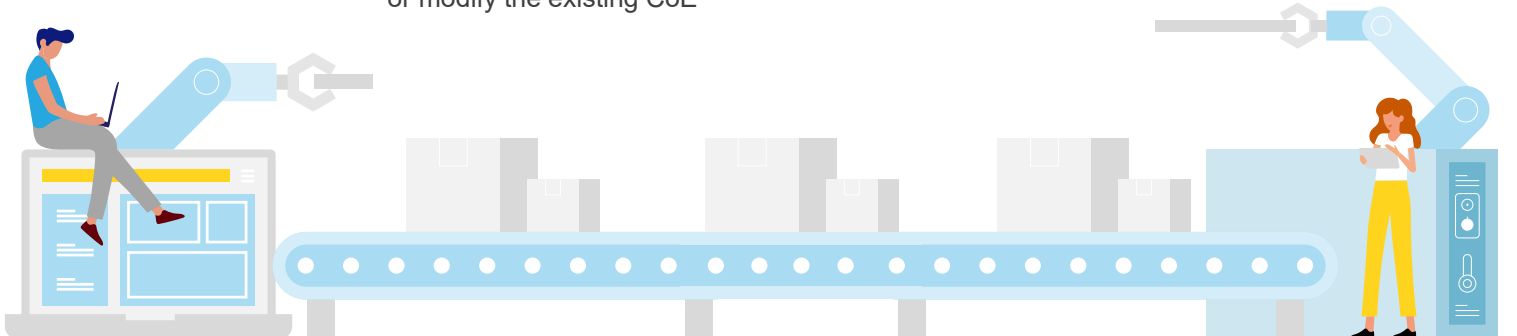
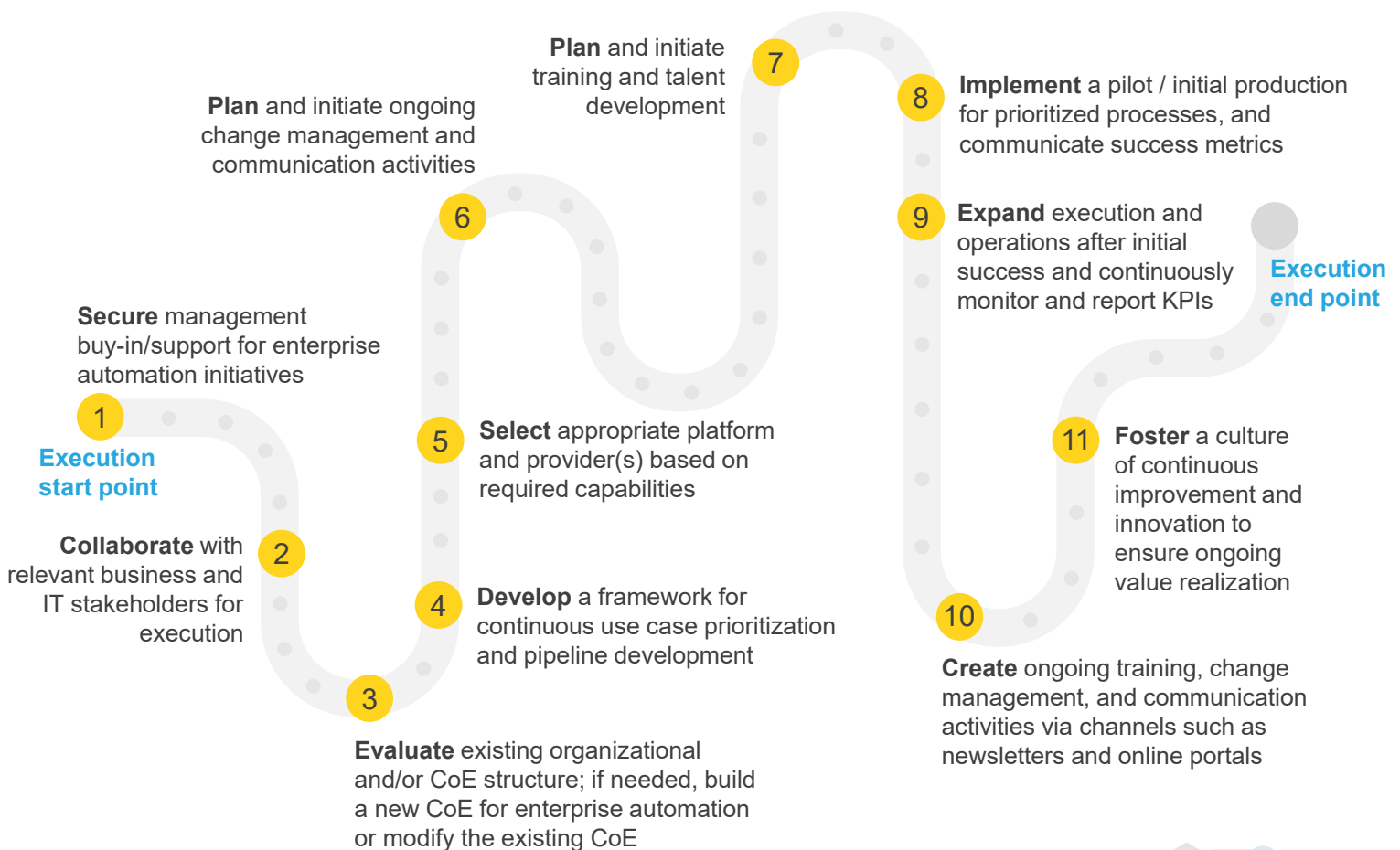
Approach to enterprise automation adoption

As organizations embark on their enterprise automation adoption journeys, they should follow a systematic approach that enables them to realize maximum benefits. Enterprises must execute their plan in a structured manner, making course corrections as needed. They should identify potential challenges and leverage best-practice frameworks and tools to ensure successful execution. Exhibit 1 outlines the steps that enterprises should consider when embarking on enterprise automation journeys.

EXHIBIT 1

Key steps in enterprises' automation journeys

Source: Everest Group (2023)



Below we discuss the essential steps in enterprise automation adoption journey:

Secure executive buy-in and funding

To successfully adopt enterprise automation, it is essential to secure executive buy-in and sponsorship from both the business and IT teams. Advocates of enterprise automation should back their claims with solid numbers and convincing metrics to track them. This will help the executives understand the potential benefits of enterprise automation and its impact on the organization. Moreover, it is important to ensure that the organization's structure is conducive to the adoption of enterprise automation. To this end, enterprises should consider bringing together the Chief Information officer (CIO) / Chief Operating Officer (COO) siloes to build a unified automation strategy for the execution of enterprise automation. This will eliminate organizational silos and broaden the vision for automation.

Set up a common CoE

Setting up a common or dedicated CoE is a key step in ensuring successful adoption of enterprise automation throughout the organization. A common CoE provides a strong centralized structure and governance for sharing skills, resources, assets, and best practices. It ensures that the organization learns once and shares its knowledge and skills multiple times. Organizations should set up a common CoE at the start of their enterprise automation journey. Below are the key services provided by a common CoE for enterprise automation:

- **Governance:** align with both business and IT leadership regarding objectives and priorities; develop a roadmap for adoption and growth of enterprise automation; monitor and report progress to the executive sponsors to ensure course correction based on feedback and learnings along the way
- **Change management:** employ a change management program, including training, awareness, and education, to get the most out of the investments made; evangelize enterprise automation and empower automation teams and end-users to adopt insights derived from different capabilities for daily use; create a culture of continuous improvement and promote the adoption of best practices

Create a healthy transformation pipeline

Maintaining a healthy transformation pipeline is essential to ensure successful enterprise automation adoption. Organizations must carefully identify use cases for enterprise automation that offer the greatest potential for success. The potential for enterprise automation is relatively higher in mature verticals/horizontals or in those processes where business and IT teams are already working together closely. Additionally, processes where some form of automation has already been applied can also be good candidates for enterprise automation due to process improvement, standardization, reengineering, and change management already applied.

After identifying the automation/transformation opportunities, the organization should prioritize them by evaluating the associated RoI. While doing so, it is important to look beyond cost savings for enterprise automation and factor in associated operational (for example, quality, speed, and efficiency) and strategic (for example, customer/stakeholder experience and top-line growth) benefits. Organizations can leverage process intelligence

solutions, such as process mining and task mining, to identify opportunities, perform what-if simulations, and analyze the impact of transformation levers on target business KPIs. This, in turn, will help prioritize enterprises' transformation use cases.

Choose an appropriate automation provider

An enterprise automation provider offers not only technology solutions but also business, domain, and process expertise. It can also assist during the identification of use cases for automation, process reengineering, process standardization, etc. However, organizations have the option to choose different or the same provider for the enterprise automation platform and services based on their specific requirements, the provider's capabilities, and prior experience.

Service partners can also assist during challenges in areas such as change management, CoE setup, governance, business case realization, and scaling up. While considering a provider, factors such as existing relationships, the provider's automation capabilities, and experience in automating the process / use cases are essential. Additionally, organizations should also look at the provider's technology capability to bring IT and business automation together in the form of packaged/verticalized solutions for quicker implementation and RoI.

Conclusion

Currently, many enterprises are pursuing automation through either siloed business process or IT automation approaches. Although opportunities for these siloed approaches will continue to exist in the near to mid-term, the landscape is gradually shifting. Evolving organizational needs and constructs, increasing emphasis on value realization and resilience, and a growing need for provider consolidation are driving enterprises to adopt a holistic approach to automation. This approach is expected to provide scalability, integrated analytics using interrelated business and IT KPIs, and centralized control over automations. To realize maximum benefits, enterprises should adopt a structured, programmatic approach that includes securing executive buy-in, creating a healthy transformation pipeline, and selecting the appropriate automation provider. Adopting enterprise automation not only has the potential to unlock superior value but can also lead to a significant competitive advantage.

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