



**INSIGHT**

# Business Process Automation: Designing an Intelligent Workplace

In partnership with:



## Introduction

In our earlier report, “Business Process Automation: Designing an Intelligent Workplace,” we reported that many business leaders understand the importance and benefits of process improvement and automation. Many are leading the way, attempting to move their organizations forward.

In this new report, we've extracted several highlights from the original. We've also included the full report to provide a complete picture. Our focus is to showcase key areas of importance and present best practices as seen firsthand from our underwriter's experience in working with various clients around the globe.

## AP/AR Lead the Way in Automation

When it comes to process improvement and automation, eighty-one percent of our respondents report that they have a process owner: the individual(s) responsible for how things happen within their department. In fact twenty-eight percent have positioned themselves as Trailblazers regarding their AP/AR processes, indicating that they are ahead of their peers when it comes to automating the processing of invoices and billing.

Of course, some of the benefits of this include faster processing times, better cash flow, increased accessibility, improved client engagement and improved visibility into AP/AR processes.

## Focusing on the Customer Experience

Thirty-four percent of our respondents feel Business Process Management (BPM) is imperative for the success of their business, with more than half focusing their projects on the customer experience. This indicates that while internally AP/AR are delivering benefits, they also recognize benefits to be gained by improving customer interactions through automation.

Think about your own personal experiences where you interact with an online service, bank or retail outlet. Based on your profile, you are presented with personalized options to enhance your customer experience. In this way, analytics and BPM help to enhance and drive customer experience.

## Benefits Gained

When looking at the benefits of process improvement and automation, forty-five percent indicate the greatest benefit is the elimination of manually routing information between individuals. Additionally, for forty-two percent of respondents, improved compliance is where the greatest benefit is realized.

From a value perspective, fifty-six percent cite that the greatest value gained is the ability to process critical activities faster with forty-seven percent reporting a reduction in errors and exceptions.

## Conclusion

Automating business processes should be a primary consideration for every business. Do not simply look to automate the steps of a process. Instead, take a more holistic approach designing the process, incorporating analytics and utilizing decision-making capabilities as needed. There should be integrations between systems and workflows. There should be dashboards and reporting mechanisms that provide insights into how operations function and enable greater responsiveness. Ideally, the technology will be more useable, requiring less customization while centering around the worker—not the content.

# Best Practices Insights – From Our Underwriter

**Every organization has similar yet unique processes and ways they transact business.**

The most effective approach to process automation is to take a holistic view across the entire end-to-end process.

## 1 What do you recommend when considering integration with other systems?

First, identify the “system of record” for the content and data involved in a process. What system consistently contains the most accurate information needed to drive the process forward? This will determine the system that will require integration with the BPA product. The next step will require determining the level of integration needed. Will it be enough to simply scrape data from one system to another, or will the process require bi-directional sharing of data between the two (or more) systems to ensure that they are all accurate and in-sync? Answering these questions will help shape your integration strategy and identify how this data can be leveraged throughout an automated process.

## 2 Where should we begin our process automation journey?

Start small and focus on quick wins. Find a current process bogged down in information silos, delays and errors. Document the process as best you can. Identity all the steps, people and work involved from start to finish. Invest time in truly listening to those most involved with the process; dig deep to discover their most pressing issues with the current process and what they need to do their job more effectively. It is also important to gather metrics on the current process for comparison and ROI calculations. Sharing these key numbers with stakeholders will show how transformative process automation can be for practically any process.

## 3 What should we consider in a reporting dashboard?

Dashboards are an incredibly impactful way to not only assess the health of a process, but also to find areas of improvement to take process automation and efficiency further. A reporting dashboard should be highly visual and intuitive to use. Better visibility into process data leads to better business decisions based on that data. Users should be able to quickly drill down into certain sub-sets of real-time process and business data to uncover trends and create their own personalized views of that data that work best for their job role. A dashboard tool should also be highly customizable and provide a point-and-click interface to quickly create charts, graphs, gauges, maps and more, without the need to engage IT resources.

#### **4 What does it mean to place the worker at the center rather than the content?**

Process automation does not need to equal the elimination of all workers from a process. In many instances, workers must use their knowledge and expertise, and determine the proper next step in a process. In this case, it is the job of process automation to present that user with all the supporting content they need to make the best decision possible. Coupling process automation with a sound digital transformation strategy ensures that the content that user requires to push the process forward is made available to them immediately, without any effort. The content finds them. This eliminates inefficiencies and errors associated with content stored in multiple silos across multiple departments.

#### **5 Is it really possible for a BPA product to be configurable and not always require customization?**

The best BPA products provide a point-and-click configurable toolkit that allows any user to build automated processes. Users should be able to create processes and the business logic that drives those processes using plain language and without the need to perform any coding. Custom coding drives up complexity, cost and delays when implementing process automation. That being said, sometimes customization is unavoidable, and should be reserved for those processes that truly require it. Customization should be an exception, rather than the rule, when it comes to process automation.

#### **6 When will our process automation journey end?**

Even after transforming every process in your organization, with proper metrics and reporting tools, your process automation journey will continue far into the future, reaping additional benefits, value and ROI. Reporting dashboards can compare current process metrics against organizational and industry benchmarks and show areas of potential improvement. New processes will benefit from being “digital first,” but that does not mean they will be perfect at implementation. Continue to monitor the health of your processes, and don’t forget to check in with users as well to fully embrace the mantra of continuous improvement.

**For more tips and resources, visit [www.onbase.com](http://www.onbase.com).**

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# BUSINESS PROCESS AUTOMATION IN 2017:

## Designing an Intelligent Workplace



## About the Research

As the non-profit association dedicated to nurturing, growing and supporting the information management community, AIIM is proud to provide this research at no charge to our members. In this way, the entire community can leverage the education, thought leadership and direction provided by our work. We would like these research findings to be as widely distributed as possible. Feel free to use individual elements of this research in presentations and publications with the attribution – “© AIIM 2017, [www.aiim.org](http://www.aiim.org)”. Permission is **not** given for other aggregators to host this report on their own website.

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## Process Used and Survey Demographics

While we appreciate the support of these sponsors, we also greatly value our objectivity and independence as a non-profit industry association. The results of the survey and the market commentary made in this report are independent of any bias from the vendor community.

The survey was taken using a web-based tool collecting responses from 686 individual members of the AIIM community during the month of January of 2017. Invitations to take the survey were sent via e-mail to a selection of the 195,000+ AIIM community members and through various social media outlets. Survey demographics can be found in Appendix 1.

## About AIIM



AIIM has been an advocate and supporter of information professionals for over 70 years. The association mission is to ensure that information professionals understand the current and future challenges of managing information assets in an era of social, mobile, cloud and big data. AIIM builds on a strong heritage of research and member service. Today, AIIM is a global, non-profit organization that provides independent research, education and certification programs to information professionals. AIIM represents the entire information management community: practitioners, technology suppliers, integrators and consultants.



## About the author

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Bob Larrivee is Vice President and Chief Analyst of AIIM Market Intelligence. Internationally recognized as a subject matter expert and thought leader with over thirty years of experience in the fields of information and process management, Bob is an avid techie with a focus on process improvement, and applying advanced technologies to solve business problems, improve business processes, and automate business operations.

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## Introduction

The phrase “work smarter not harder” truly applies when it comes to increasing operational efficiencies. In fact the phrase quickly turns to “work more intelligently.” In order to do this, businesses need to identify opportunities to improve and automate their manual processes and further improve those that are automated. In many cases, there are opportunities to incorporate business intelligence and analytics technologies to provide greater insight into operational activities, enabling businesses to improve their processes in ways that not only improve internal operations, but also enhance client engagement and the overall customer experience. What this also means is that business organizations of all sizes must consider designing their operational processes rather than letting them happen through serendipitous need and accepting the result as the way to do business.

Research shows that many business leaders understand the importance and benefit of process improvement and automation, and are leading the way, attempting to move their organizations forward. It is also apparent the challenge is still the human factor – user adoption. While many are not directly opposed to change, indirectly, their actions or lack of acceptance indicates the need for education, training and communication as part of a more holistic approach to process automation.

In this study we look at which processes are key targets for automation, how BI and Analytics are providing insight into business operations, the impact process automation is having on workplace productivity, and how businesses are enhancing Case Management and improving customer engagement with process automation. Additionally, we take a look ahead at the next five years to understand where businesses are focusing their efforts and funding.

Some of the terms used in this report include:

|   |  |
|---|--|
| <b>IM:</b> Information Management         | <b>IG:</b> Information Governance        |
| <b>ECM:</b> Enterprise Content Management | <b>DM:</b> Document Management           |
| <b>ERM:</b> Electronic Records Management | <b>CA:</b> Content Analytics             |
| <b>DAM:</b> Digital Asset Management      | <b>DT:</b> Digital Transformation        |
| <b>BI:</b> Business Intelligence          | <b>BPI:</b> Business Process Improvement |
| <b>BPM:</b> Business Process Management   |  |

Personas used include:

- **Trailblazer** – Exceptional capabilities; ahead of the pack in respective market space or among peer groups
- **Citizen** – Average capabilities; on an equal level compared to competition and peer groups
- **Outlander** – Below average capabilities; behind the times, typically waiting until the last minute to implement change

## Key Findings

### In General

- **Ninety-six percent of respondents agree that BPM is a systematic approach to improving business processes.** Sixty-three percent say change management is an essential part of BPM.
- **AP/AR lead the way in automating their business processes with twenty-eight percent of respondents claiming a Trailblazer position.** Falling behind in the Outlanders segment are Research and Development (41%) and Manufacturing and Warehousing (39%).
- **Finance is ahead of the rest of business organizations with eighty-one percent reporting they have a process owner.** Thirty-three percent of R&D and Distribution departments have no process owners.
- **Seventy-nine percent of respondents indicate that BPM is significant (45%) or imperative (34%) for the success of their business – up from a total of fifty-five percent in 2016.** Only one percent sees no importance at all.
- **Outlander is the label forty-one percent of respondents placed upon themselves in relation to routing to an archive or other systems.** Nineteen percent call themselves Trailblazers in reference to the same, as do seventeen percent in relation to automated parallel workflows.

### Business Drivers

- **Top-down mandates and departmental initiatives are the norm for seventy-seven percent of respondents.** Fifty-seven percent indicate the mandates for process improvement and automation come from their corporate executives.
- **When asked about operational processes, twenty-two percent of our respondents position themselves as Trailblazers when dealing with compliance errors.** Likewise, nineteen percent see themselves as the same with process failure rates and fifteen percent with stuck-in-process delays.
- **Process improvement and automation project focus for fifty-seven percent of respondents is on the customer experience.** This turns to process transformation using analytics and re-engineering techniques for forty percent.

# KEY FINDINGS

## Infrastructure

- **When considering use of business intelligence and analytics for operational insights, fifty-seven percent of respondents feel it improves customer insight and engagement.** Forty-five percent see gains in performance monitoring and management with forty-four percent citing improved collaboration.
- **Viewing people as part of the infrastructure, change management is a vital part of process automation with fifty-seven percent of respondents saying they're focusing on education and training to support change.** Fifty-four percent are improving their communications about reasons for change and sharing the vision and expected benefits (50%).
- **Not everyone is sold on the idea of using AI and machine learning in relation to automation, with only six percent positioning themselves as Trailblazers in this area while seventy-three percent are Outlanders.** When it comes to managing multi-channel inbound content, only sixteen percent see themselves as Trailblazers, leaving plenty of room for improvement by the rest.

## Benefits

- **When looking at the benefits of process improvement and automation, forty-five percent indicate the greatest benefit is from routing to and between individuals while forty-two percent say it is increased organizational agility.** For thirty-four percent of respondents improved compliance is where the greatest benefit is seen.
- **Turning our attention to value, fifty-six percent cite their greatest value from process improvement and automation as the ability to process critical activities faster with forty-seven percent reporting a reduction in errors and exceptions.** Forty-five percent say their greatest value comes from increased visibility into their operations.

## Opinions and Spend

- **Forty-nine percent agree that alerts and notifications are a mandatory requirement for any solution they choose.** Forty-seven percent say configurability over custom coding is mandatory.
- **It is the line-of-business manager conducting solutions evaluations for thirty percent of our respondents.** In sixty-two percent of organizations, it is the C-Level executive making the purchase decision.





# PERCEPTIONS

of

# BPM



## Overview

In 2017, our research finds that finance departments are ahead of the rest when it comes to process improvement and automation with eighty-one percent of our respondents reporting that they have a process owner: the individual(s) responsible for how things happen within their department. In fact twenty-eight percent have positioned themselves as Trailblazers in relation to their AP/AR processes, indicating that they are ahead of their peers when it comes to automating processing of invoices and billing. Of course some of the benefits in this are faster processing times, better cash flow, increased accessibility, improved client engagement and improved visibility into AP/AR processes. This is supported by the fifty-six percent of our respondents who cite their greatest value from process improvement and automation as the ability to process critical activities faster. Forty-seven percent report a reduction in errors and exceptions as the greatest value, while forty-five percent say their greatest value comes from increased visibility into their operations.

We also see that forty-five percent of respondents indicate that BPM is significant and thirty-four percent feel it is imperative for the success of their business, with greater than half focusing their projects on the customer experience. The indications here are that while internally AP/AR are delivering benefits, there is also recognized benefit to be gained in improving customer interactions through automation. Think about your own personal experiences where you interact with an online service, bank or retail outlet. Based on your profile, you are presented with options that the system predicts you will like and that you might possibly be interested in purchasing or at least reviewing. In this sense, your customer experience has been personalized and enhanced to make it pleasurable and memorable. In this way, analytics and BPM help to enhance and drive customer experience.

As you read through this report, take time to reflect on how this information applies to you in both your personal and business life. Try to position yourself in terms of where you fit within these statistics and among your peers.

## Perceptions of BPM

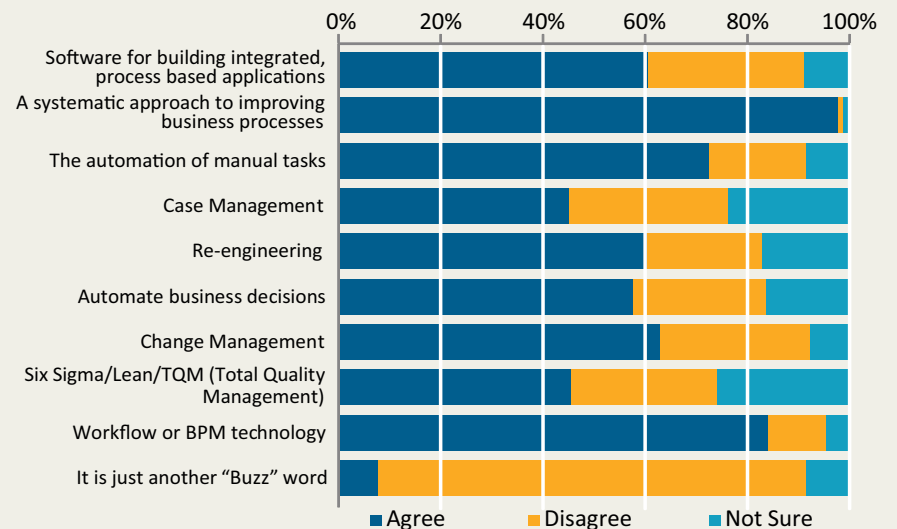
When asked to describe or define Business Process Management (BPM), the feedback we received is wide ranging. For some, "BPM is a term for technology practitioners; it's not a term for the business. For the business the term is process, used to produce the service or product being delivered, be it internal or external to the business."

For others, "BPM should be used to assist the company to handle repetitive tasks simply and effectively. It should automate or digitize tasks using workflow to allow for productivity, increase efficiencies, and establish standardization."

Ninety-six percent of our respondents see BPM as a more holistic, systematic approach to improving their business processes with seventy-three percent seeing BPM as the automation of manual tasks. For eighty-four percent, BPM is viewed as pure technology, which stands to reason after so many decades of being taught and trained that way. (Figure 1)

The reality of it all is that BPM is all of these things and much more. It is the combination of people, process, governance, information, technology, on-going improvement methodologies, and a commitment by the business as a whole to change the ways in which we work. This is not just a one-time initiative but an ongoing practice to constantly improve the way they operate, improve their effectiveness, and enhance their customers' experiences. As one respondent stated, "BPM can take many forms, but it's all about driving business efficiency in whatever form it takes."

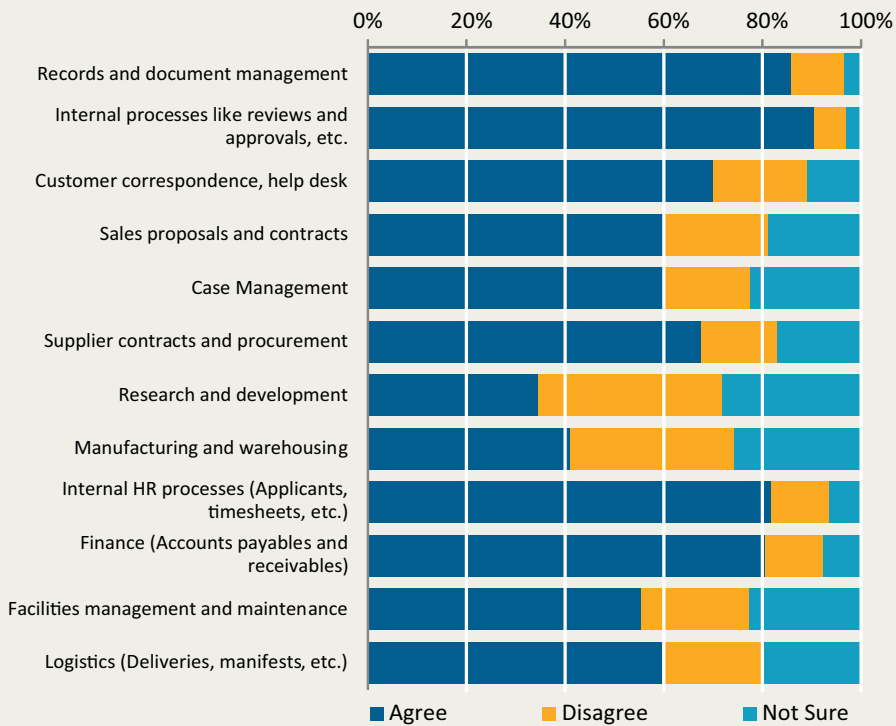
Figure 1: In my view, BPM is:



# PERCEPTIONS OF BPM

So where are the opportunities for process improvement in today's businesses? Many of our respondents told us that they are looking at labor-intensive processes and tasks in an effort to reduce labor costs. When we asked for specific examples, ninety-one percent agreed that review and approval processes are the most likely candidates followed by records management (86%) and internal HR processes like applicant tracking and timesheets (81%). (Figure 2)

Figure 2: Which common business processes do you feel are the most likely candidates for improvement in your organization?

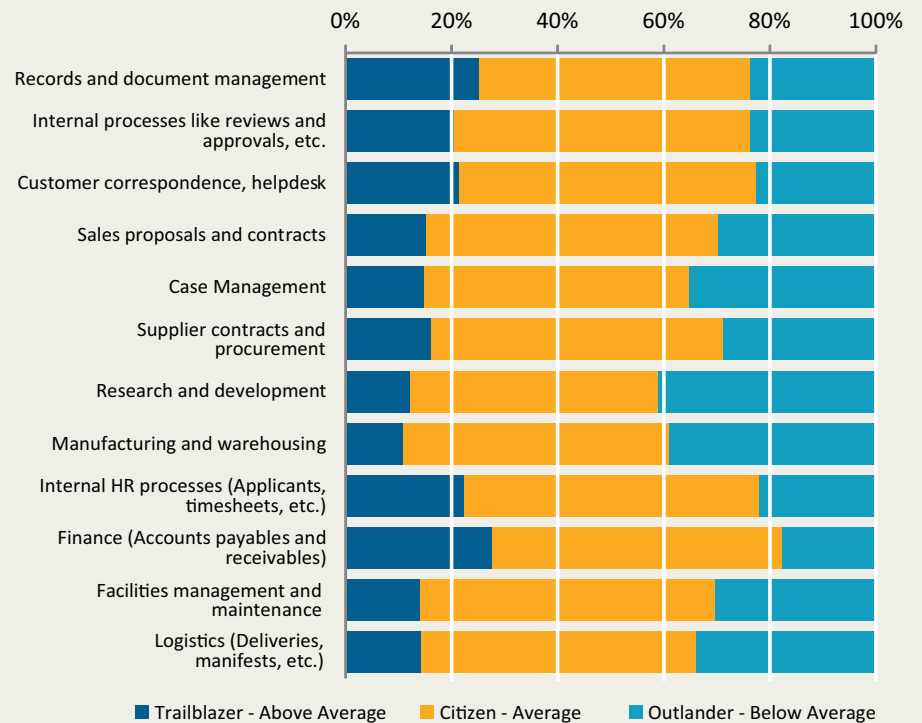


Turning attention to how much progress is being made within our respondents' businesses, we asked for their feedback and to position themselves as Trailblazers, Citizens, or Outlanders in different operational areas like records and document management, research and development, manufacturing and warehousing, accounts payable (AP), and accounts receivable (AR). Twenty-eight percent of our respondents feel that they are Trailblazers in AP/AR, with 18%

placing themselves in the Outlander segment. When looking at R&D, 41% feel they are Outlanders in automating business processes and surprisingly, 39% in manufacturing and warehousing feel the same.

The reason the latter is surprising is that businesses have been automating the manufacturing operations and warehouses for many years, yet when it comes to the "business" processes, they become laggards. This is definitely an area where they can leverage what they've learned from automating the factory, and apply it to the business side of their operations. (Figure 3)

Figure 3: In your opinion overall, how much progress is your organization making in relation to automating the following business processes?

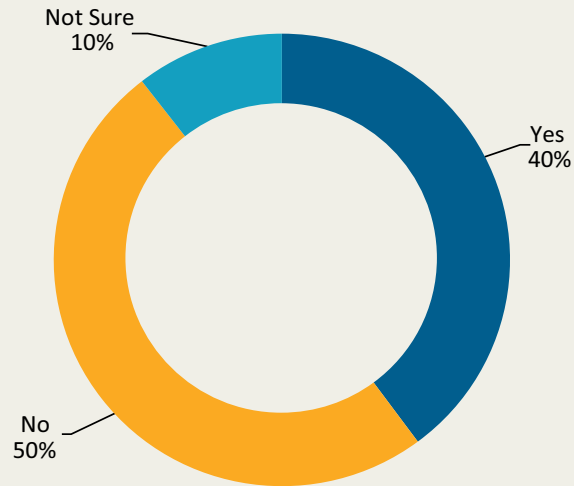


So who is responsible for process in a business organization? Is there a group tasked with process oversight and BPM initiatives? When we asked this question of our respondents, forty percent of them indicated that yes, they do in fact have a specific group responsible

# PERCEPTIONS OF BPM

for BPM initiatives while fifty percent say they do not. (Figure 4) Even though the number of organizations without group oversight is still high, a few years ago, this would have been significantly more.

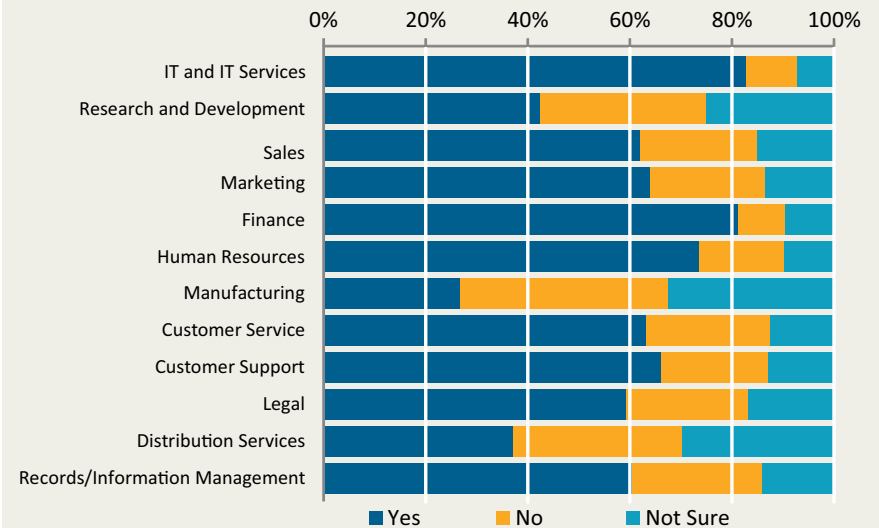
Figure 4: Does your organization have a specific group responsible for BPM Initiatives?



**“A growing number of organizations do in fact have specific groups responsible for their BPM initiatives.”**

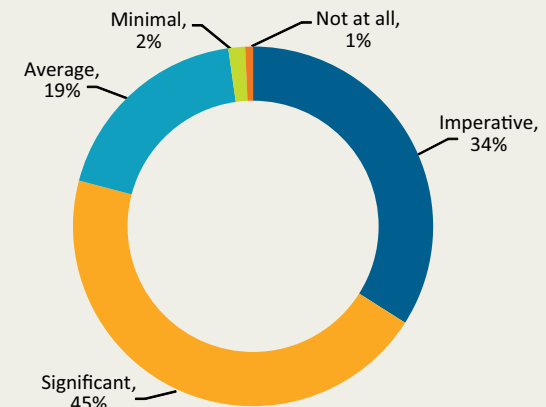
So, while a growing number of organizations say they do have a group responsible for BPM initiatives, do they have someone at the departmental level that is responsible for process? This is dependent upon the department, according to our respondents. Feedback we received shows that for some, “Customer service has multiple owners, each group is responsible for their own,” and “As a governmental entity, some functions don’t exist.” Eighty-one percent of our respondents said their finance department has a process owner as do twenty-eight percent of IT and IT services. Over a third in R&D and Distribution say they do not have a process owner. (Figure 5)

Figure 5: To the best of your knowledge, do the following departments in your organization have a process owner?



So, we see that there are groups responsible for BPM and individuals assigned as process owners, indicating some level of importance is placed on process improvement and automation. But really, how important is process automation overall? For thirty-four percent of our respondents, process automation is seen as imperative with an additional forty-five percent citing it as significant to their business’ success. Only two percent report it as being minimal. (Figure 6)

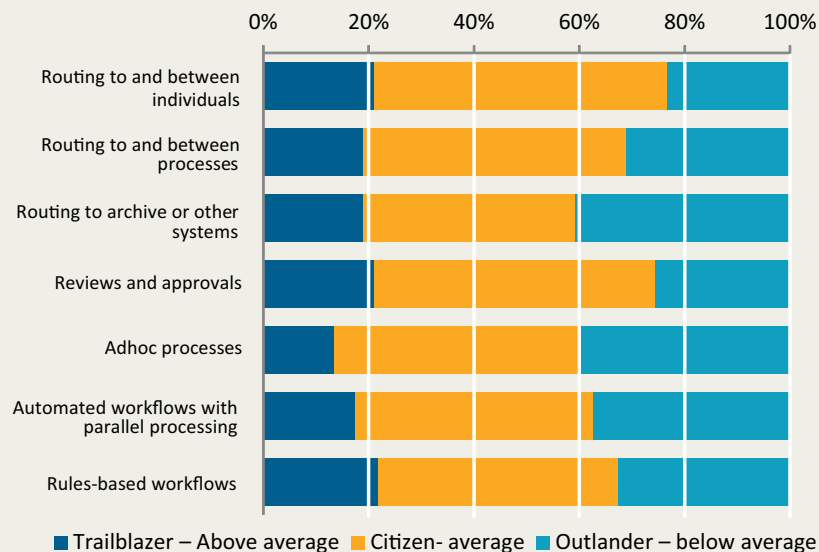
Figure 6: In your opinion, how important is process automation to your organization’s business goals and success?



# PERCEPTIONS OF BPM

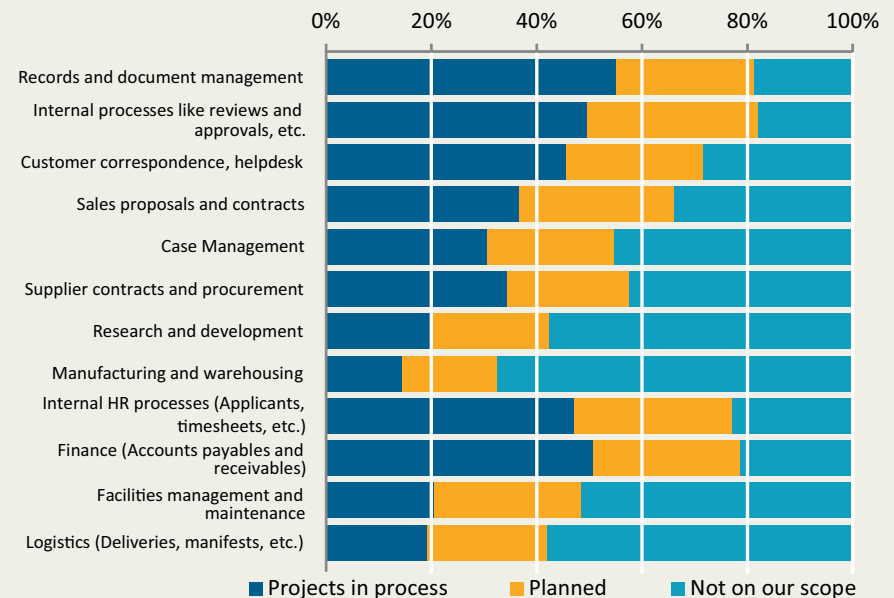
Given that there are groups in place, people responsible, and a focus on process automation as imperative, one would think that automation would be much more in play than it currently is in business. Forty-one percent of respondents indicate they are Outlanders when it comes to automated routing to archives and other systems, while thirty-seven percent see themselves the same in relation to the use of automated parallel workflows. (Figure 7) Some of the feedback we received indicates the reasons as being “We are currently behind the curve on process automation, largely due to a poor technology choice several years ago. We are moving to technology that is a better fit for our organization.” For others, “All the processes are still at an evolving stage, not fully perfected.”

Figure 7: How would you position process automation for the following, within your organization?



All hope is not lost, even after decades of trying to move businesses forward. There are projects in progress for the majority of AP/AR and RM departments to enhance their automation capabilities. Where we find things falling behind is in manufacturing (67%) where the emphasis is typically on the production of product not automation of information services, and in R&D (58%) where both entities indicate process automation is not even on their scopes. (Figure 8) This aligns with the mantra of businesses today where the emphasis is on customer engagement as echoed in this feedback: “Our focus is on the projects associated with customer service and customer data (CRM) in process.”

Figure 8: How would you position your organization’s focus on process automation capabilities for the following, within your organization?



## Putting The Pieces Together

It is clear that there is some movement, though not as much as one might like to see, when it comes to improving and automating business processes. Still today, as it was decades ago, the emphasis for some businesses is the automation of their manufacturing operations rather than their information processes. For others, the focus and approach is still siloed rather than holistic, across the entire end-to-end process.

The bright side is that there is forward motion with more organizations realizing the importance and benefit of process improvement and automation as well as the correlation between process and information. Where once we heard that business as usual was acceptable, we now hear that business must be more flexible, responsive, and move at the speed of consumer demand.

We are seeing in our survey that BPM is imperative to success, which means change is inevitable, and processes must be more agile. We are also seeing that individuals and groups are now taking responsibility for process at the corporate and departmental levels, a sign that process improvement and automation has become an embedded part of the corporate culture. So what is really driving businesses to think in this way?





# DRIVERS

for

# Change

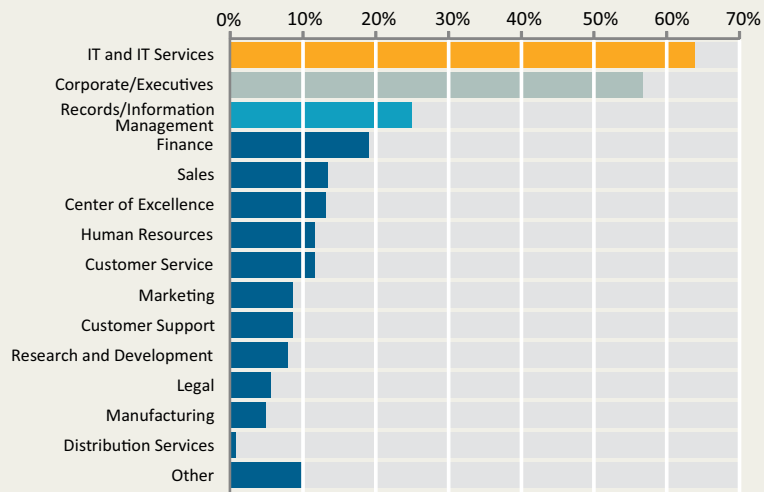


## Drivers for Change

It is important to know why a business is moving to automate but just as important to know where this is coming from and who is behind it. When we asked which department is driving process automation projects, IT and IT services topped the list at sixty-four percent with corporate Executives following second at fifty-seven percent. Interestingly, records and information management fell in third place at twenty-five percent. Given the importance placed on compliance, consistency, and defensibility, one might think this number would have been much higher. (Figure 9)

It is likely that IT and the Executive segment have taken a more holistic perspective in addressing process automation across the enterprise and are looking to build and extend their information ecosystems and digital processes in ways to support the needs of the various departments within their business organizations. This could be the reason we see such low responses from the individual departments. If this were true, one would hope that the vision is being communicated and shared in ways that enable the organization as a whole to embrace the pending changes.

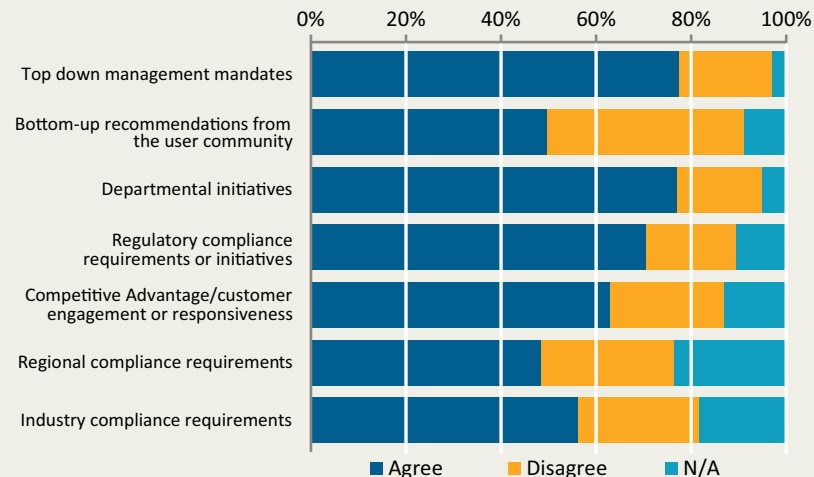
Figure 9: In your opinion, which department is driving your organization's process automation projects?



IT and the Executive team are the departments driving projects, but where is the direction coming from? Feedback we received shows "Process improvement is being driven by multiple agents. Opportunities for improvement are examined and delivered on regardless of the

source." According to seventy-seven percent of our respondents, process automation is actually driven from top-down mandates and departmental initiatives. At the same time, seventy-one percent feel it is driven from meeting regulatory requirements, reflecting an objective to avoid non-compliance and fines rather than from a proactive approach and one of cultural embrace. (Figure 10)

Figure 10: In your opinion, process improvement and automation projects in your organization are primarily driven by:



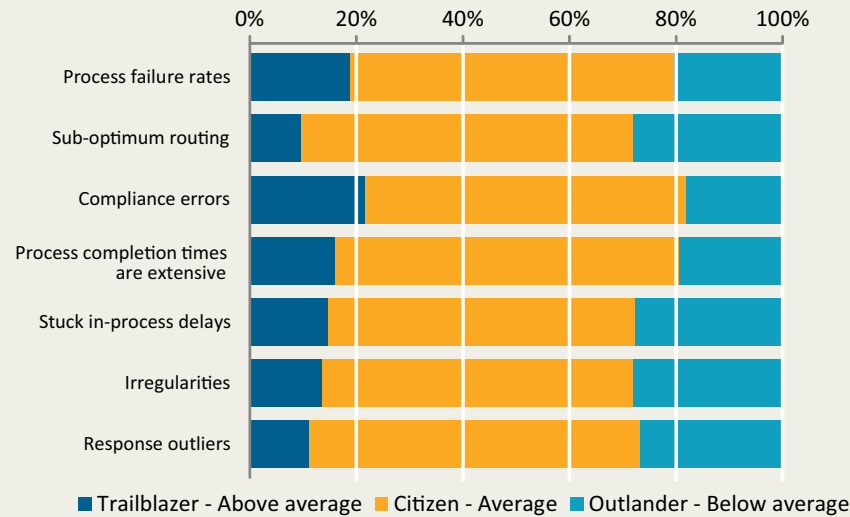
**"Corporate mandates and departmental initiatives are the primary drivers for process improvement and automation projects."**

If corporate mandates and departmental drivers are behind the scenes in moving businesses forward, how are things progressing? Less than one quarter see themselves as Trailblazers when dealing with resolving process-related compliance errors. In fact, eighteen percent see themselves as Outlanders in this area. When looking at stuck-in-process issues, only fifteen percent are Trailblazers with twenty-eight percent positioning themselves as Outlanders. (Figure 11)

The point is, even with the mandate from on high, many organizations are still struggling to move forward and have a great deal of opportunity to improve, especially when it comes to the areas of process completion times and meeting compliance requirements.

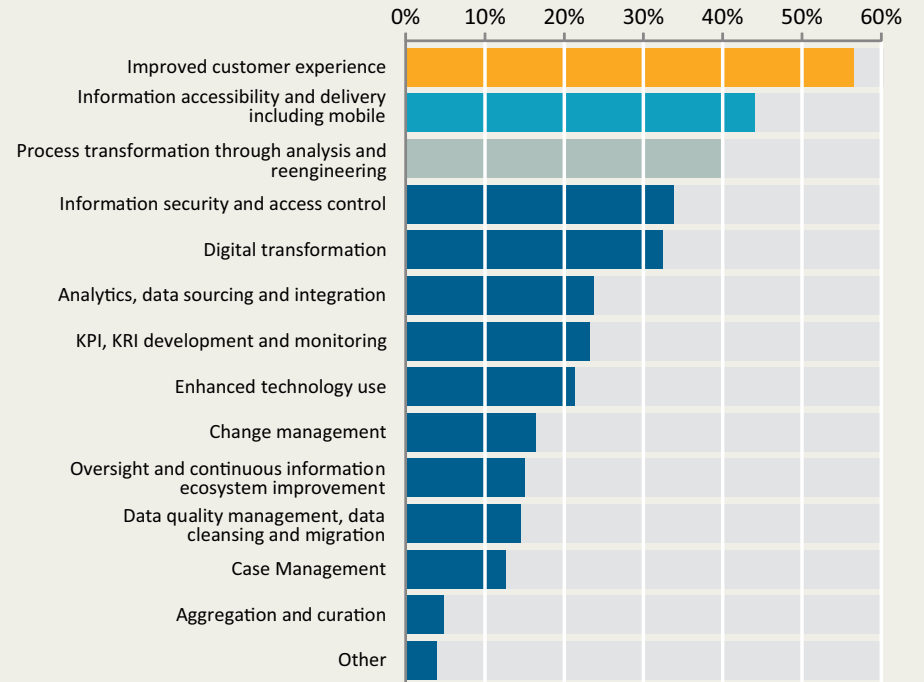
# DRIVERS FOR CHANGE

Figure 11: In relation to your operational processes, how would you position your organization in the resolving the following business process issues?



This leads one to ask, where is the focus? Where are businesses looking now to improve and automate their processes? Feedback provided ranges from, "It is mostly reactive and depends on what incident happens at the time, then we react" to "We focus on customer outcomes while making reasonable profits." Overall, our research finds that customer experience is the top choice for fifty-seven percent of our respondents followed by information access and delivery for forty-four percent. From an enhancement or continuous improvement perspective, process transformation using analysis and re-engineering is the area of focus for forty percent of respondents. (Figure 12)

Figure 12: In your opinion, what do your organization's process improvement and automation projects focus on?



Not all processes are managed internally. In fact in some cases, it makes better business sense to outsource them. When we asked about outsourcing processes, payroll and benefits topped the list for thirty-three percent of our respondents. This is followed by outbound print (32%) and outbound mail (28%) processes. (Figure 13)

There were a few surprises in the "Not ever" segment. For example, we hear a lot today about outsourcing capture, yet sixty-two percent of our respondents say this is something they would never consider for inbound capture. Yet in our Industry Watch report titled "Paper-Free in 2016 – Are we there yet?" we found that when it comes to outsourced services, forty percent of respondents said they plan to use more document process/data capture services, indicating that the disconnect between content and process still needs to be bridged and the management of content and process projects is still siloed in many organizations.

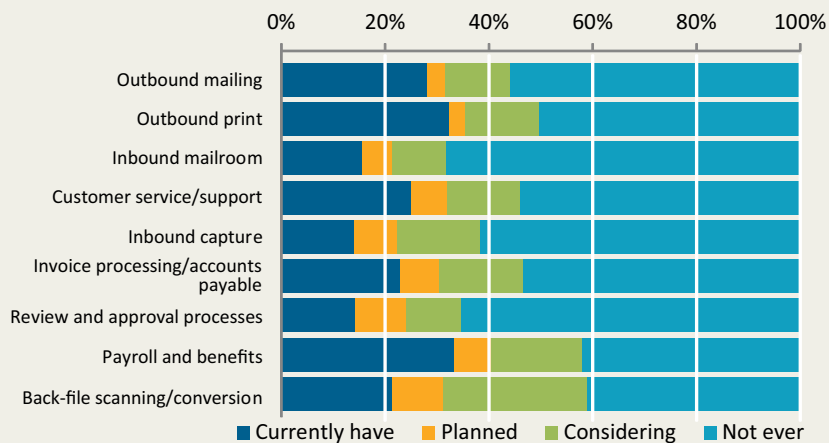




# INFRASTRUCTURE



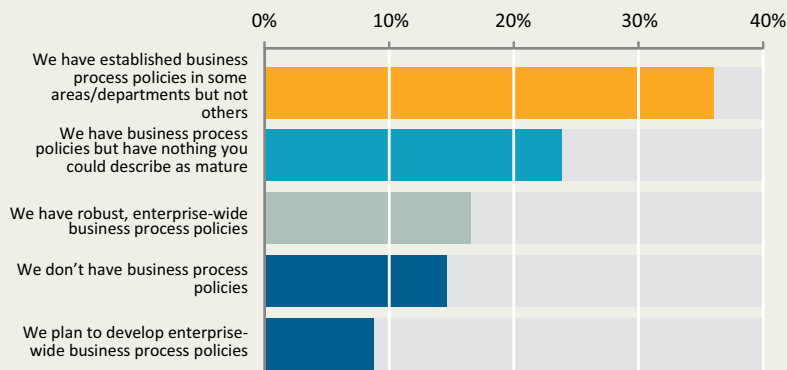
Figure 13: What is your understanding of the following processes being outsourced by your organization:



As with ECM, process automation is not technology alone; it requires a combination of people, process of course, technology, and governance. When we look at governance, thirty-six percent of our respondents say they have established business process policies in some areas or departments but not in others.

Twenty-four percent say they have policies but nothing they consider as being mature, and fifteen percent have no business process policies at all. Only seventeen percent of our respondents indicate having robust, enterprise-wide business process policies, and one could surmise that these are in highly regulated industries where there is no choice. (Figure 14)

Figure 14: How mature are your organization's business process governance policies?



## Putting The Pieces Together

Top-down mandates and departmental initiatives typically would mean an organization would move quickly toward change, yet when it comes to process, there is still much room for improvement. There also remains a large disconnect between content and process where process and content projects are conducted in siloed efforts, rather than jointly.

Stuck-in-process initiatives and compliance errors are issues to be dealt with, yet process governance is lacking, pointing to operational deficiency and a lack of executive leadership when it comes to back-office automation.

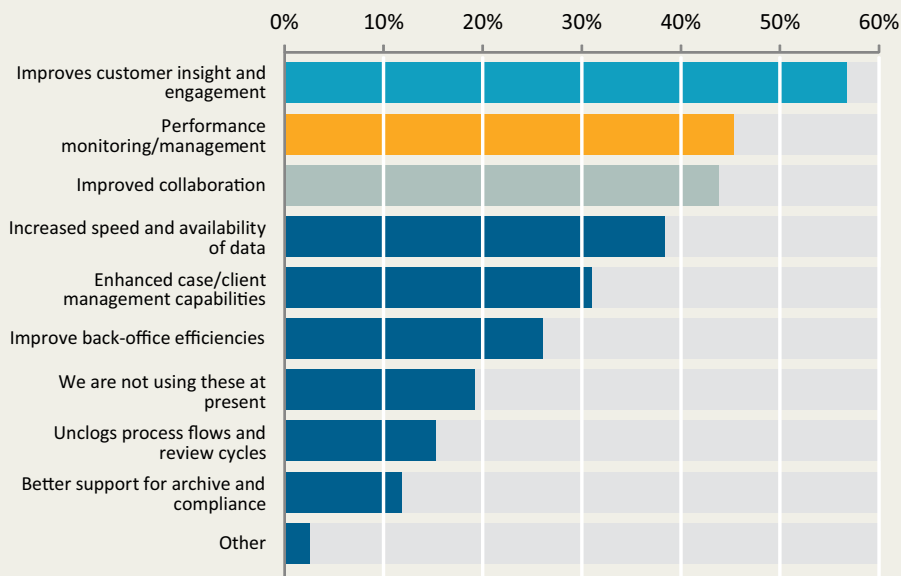
Planning and strategic initiatives are much discussed with the customer in mind but still there are a lot of reactive mode projects taking place to address immediate need rather than long-term goals. In best practice scenarios, even in reactive mode, there is room to include some strategic elements that align with the corporate vision in support of departmental goals.

## Infrastructure

Technology is not simply workflow tools in process automation. The use of business intelligence (BI) and analytics tools can prove quite beneficial in providing operational insight. When we asked about the use of these tools specifically for that purpose, we heard back from individuals that BI and analytics helped with the improvement of sales, in decision-making, improved compliance processes and even enhanced operational event reporting.

Overall, fifty-seven percent of our respondents told us they feel BI and analytics improves customer insight and engagement with forty-four percent saying it improves their collaboration capabilities. For forty-five percent, the benefit of BI and analytics is seen in performance monitoring and management, providing better insight into internal operations. (Figure 15)

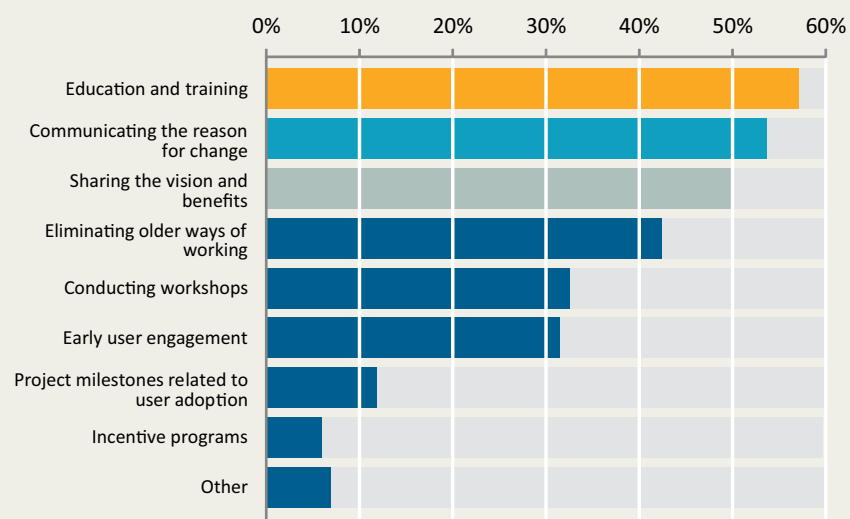
Figure 15: How do you view the use of business intelligence and analytics to gain operational insights within your organization?



While it may sound cold to some, people are also part of the process infrastructure, and it is this part of the infrastructure that often presents the most difficult challenge in the form of user adoption. As a result, change management becomes a large part of process projects, and so we asked about the actions taken to address change management in order to move process projects forward. In some cases, it is seen as such a monumental task to overcome. We are told by one individual, "You can do nothing about it," and by another, "Process improvement in my organisation is spotty, not organized. There is no governance, and it all depends on whose pet project get funded. No change management elements to be found."

Taking a larger view, fifty-seven percent of our respondents are focusing on education and training while fifty-four percent are turning attention to communication about their reason for change. Fifty percent say they are sharing the vision and benefits of change. (Figure 16) The reality is that all of these should be part of a larger change management project that aligns with the process program – where communications about the vision, reasons, benefits and tools are delivered and training is provided to help the user community accept the new ways of working.

Figure 16: What change management steps is your organization taking to move the organization's process automation projects forward?



Infrastructure today must also support the growth of the information ecosystem and access to information and interactive processes by internal resources and from those beyond the corporate walls – meaning remote workers, partners, suppliers, and customers. It must also be capable of managing multiple sources of incoming information, ideally using a combination of technologies to streamline and automate those inbound processes.

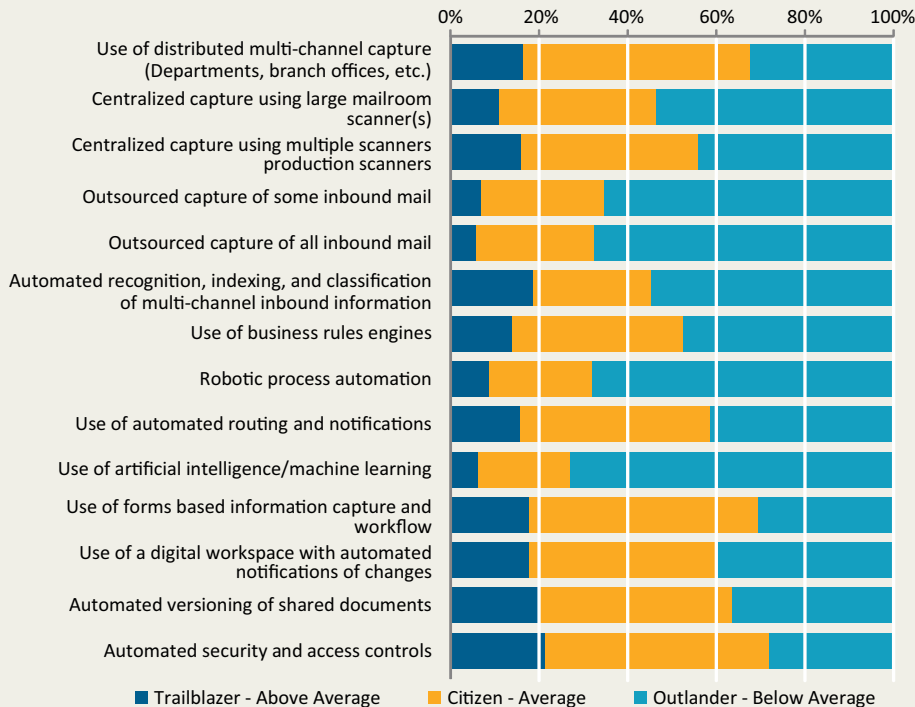
When we asked how businesses are managing various capture related processes, more specifically in a distributed environment – given that work today is not restricted to a singular location – the results were somewhat disheartening yet not surprising.

When looking at the use of multi-channel inbound capture, only sixteen percent of our respondents positioned themselves as Trailblazers while more than a third say they are Outlanders. When we asked about the use of tools like AI and machine learning to help automate their processes, nearly three quarters of our respondents placed themselves as Outlanders with only six percent indicating they are Trailblazers in this area. (Figure 17)

The reason these figures are disheartening is simply that this technology, while ever-advancing in capability, is not new. The ability to perform distributed capture for example has been around for many years. The

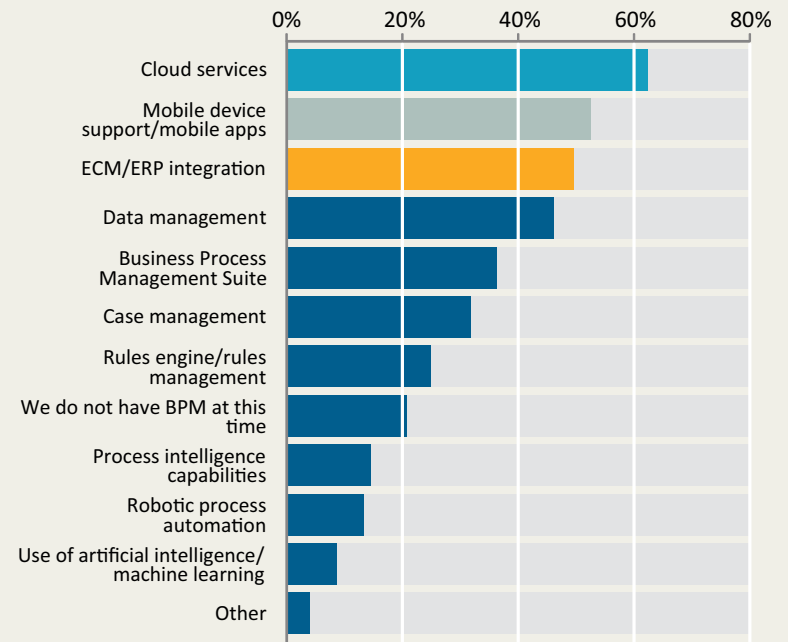
same is true of mailroom capture, recognition technologies, auto-classification, and automated routing and notifications. This is an indication and affirmation that content and process projects remain in isolation rather than joined together for maximum gain and benefit to the organization.

Figure 17: In your view, how would you rate your organization in relation to the following:



Looking beyond capture to collaboration, information sharing and access, we now look at the use of mobile devices, mobile apps, cloud services and integration across various systems in relation to process. When we asked about these types of functionality, sixty-two percent of our respondents told us that they are using cloud services with fifty-three percent reporting use of mobile devices and mobile apps. Additionally, fifty-percent say that they have integration with their ECM and ERP systems in place. (Figure 18)

Figure 18: Which of the following functionality is used within your organization?



Cloud, mobile, integration across repositories: all of this requires some method or approach to make it all work, whether it is the use of a Service Oriented Architecture (SOA), Enterprise Service Bus (ESB), Enterprise Application Integration (EAI), or some other means. More than one third of our respondents indicate their preferred approach is SOA, with twenty-seven percent reporting they prefer EAI. However, the majority – more than half – say they prefer the use of web content or process management, and e-forms tools. (Figure 19)

**“The majority of businesses are using web content or process management and electronic forms tools as their preferred development approach.”**

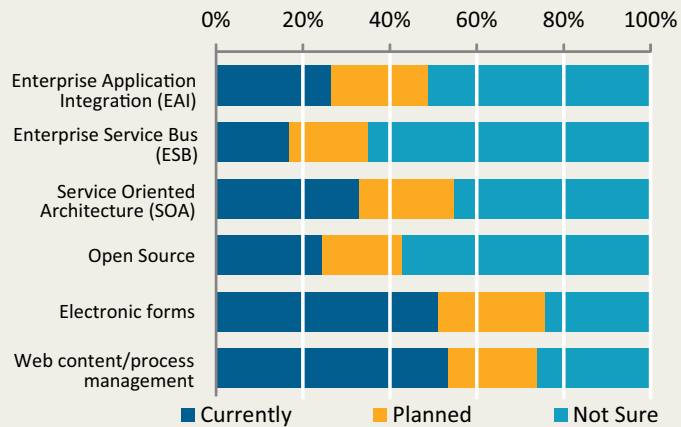


# BENEFITS





Figure 19: In your view, what development approach does your organization use?



## Putting The Pieces Together

Infrastructure is often only thought of in terms of system-to-system connections and networking, it involves people and process as well. In order to establish, maintain, and constantly improve and automate business operations, all of these must be addressed and managed as a whole.

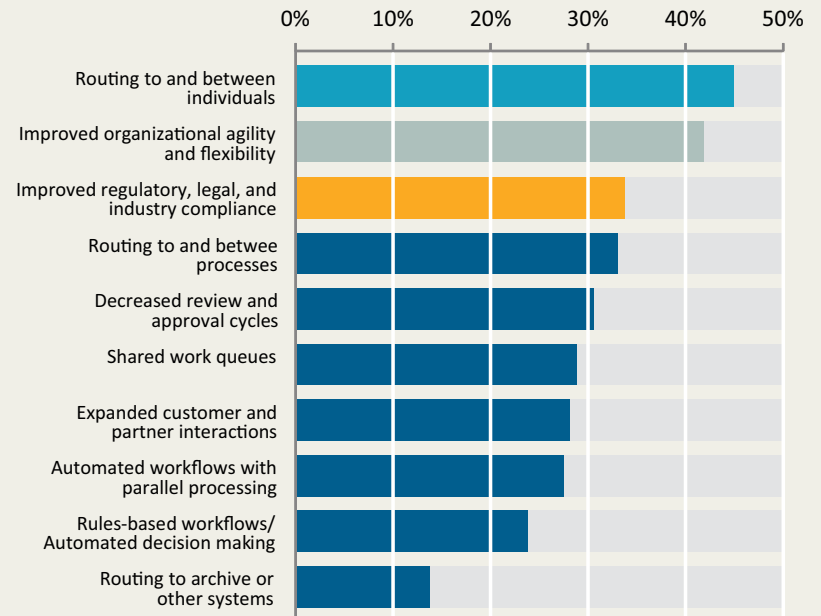
Infrastructure takes on an entirely different look and feel in relation to process, one where tools like BI and analytics play a significant role in providing insight into performance, customer engagement, and internal operations. As such, businesses analyze and leverage this data to enhance and strengthen the underlying information ecosystem and supporting infrastructure; improve and automate their business processes; and implement continuous improvement programs that keep their organizations moving forward.

## Benefits

Process is a key element of any business, bringing all parties and information together with a focused purpose like contract creation, reviews and approvals, and even client engagement. Benefits are wide-ranging based on the purpose of the process – meaning it could be the closing of a sale, signing of a contract, approval of a bid, or even recommendation of a structural change of a building plan. This also means that timing is key and impacts how benefit is seen and calculated.

Forty-five percent of our respondents see benefit in routing to and between individuals. Forty-two percent are seeing benefit from increases in organizational agility while thirty-four percent are benefiting from improved compliance capabilities. (Figure 20) While these are all sound individual examples, one could also find connections in that routing to and between individuals increases organizational agility and supports compliance through better control, thus bringing yet an even higher level of overall benefit.

Figure 20: In your opinion, what benefits has your organization seen resulting from process improvement and automation?



Benefit is one thing, but what of value: Where is the value and how do you place that value on improved and automated processes? Fifty-six percent of our respondents have found value in their ability to process critical activities faster, while forty-seven percent have seen value through a reduction in errors and exceptions. Faster processing with fewer errors means less time spent at a lower cost to process more accurately. Forty-five percent of respondents have seen value in their increased visibility into operations, allowing them to implement change and adjust operations accordingly, making their business more agile. (Figure 21)



# TECHNICAL

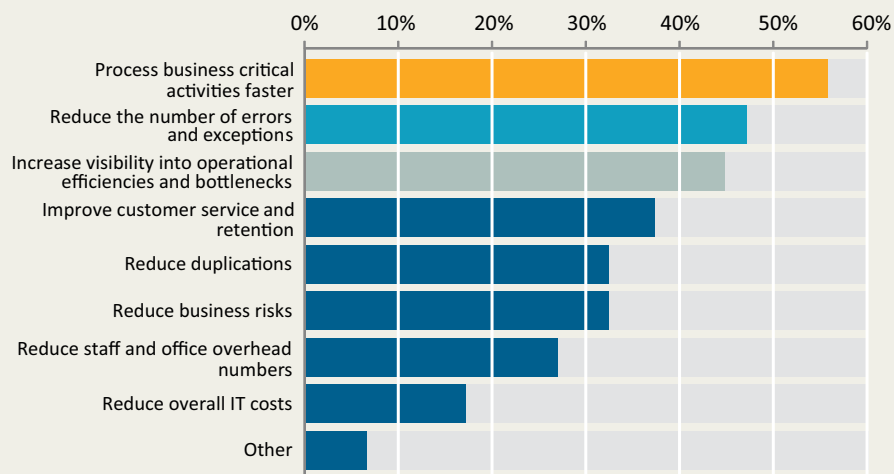
## Requirements

2009 2010 2011 2012 2013 2014 2015



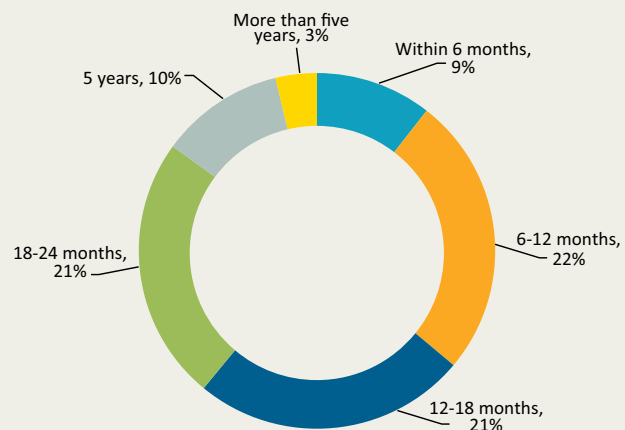
# TECHNICAL REQUIREMENTS

Figure 21. In your opinion, where has your organization seen the biggest value to be gained from process improvement and automation?



Of course, as with any business project, there is an investment to be made consisting of time, resources, technology, etc. Along with this, there is an expectation of payback in that at some point in time, there is a return on the money spent. When asked about the payback period for their process automation projects, thirty-one percent of our respondents indicate seeing payback within a year, with nine percent of those citing payback within 6 months. (Figure 22)

Figure 22: What do you feel has been the payback period for your organization's



## Putting The Pieces Together

Trailblazers step back and take into consideration the impact they will have in changing the way business is transacted, how processes function, and the human interactions required in order to be successful. While it may not be a small task, it is one that must be taken else the full benefit will not be realized and the potential for less than expected results increases.

They also understand that benefit and value are perceptions based and calculated on stated goals and objectives. If the goal were to reduce time to process, the benefit and value gained would be lowered costs. The key is to focus on a business issue, identify the goal, derive a benefit and calculate the value of that benefit.

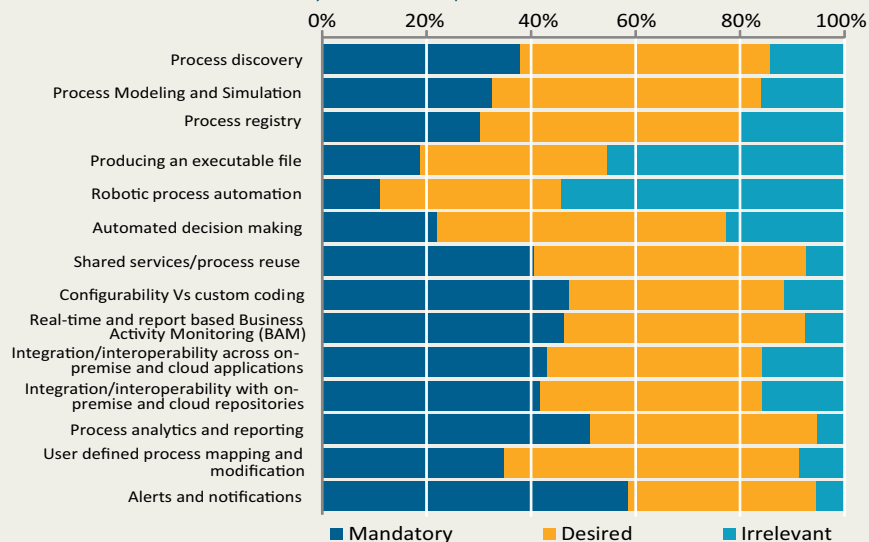
For example, if the goal is to process applications faster, than the first step it to determine how many applications are being processed now, set a goal to define "faster" and work toward that goal. So if the number today is 5,000 applications processed each day and the goal is to process that same number in four hours, you now have a goal and can plan how to get there.

## Technical Requirements

There are business requirements and there are technical requirements. For example, the business requirement might be the ability to process 10,000 applications per day and the technical requirement is what it would take to accomplish that goal. Many organizations feel they are still learning about the technical capabilities of BPM, even though it has been around for many years. However, fifty-one percent of our respondents say that analytics and reporting are mandatory requirements of BPM as are alerts and notifications. For forty-seven percent, configurability is a mandatory requirement over custom coding as the feeling now is shifting to one of usability and placing the power in the hands of the business rather than depending on IT. (Figure 23)

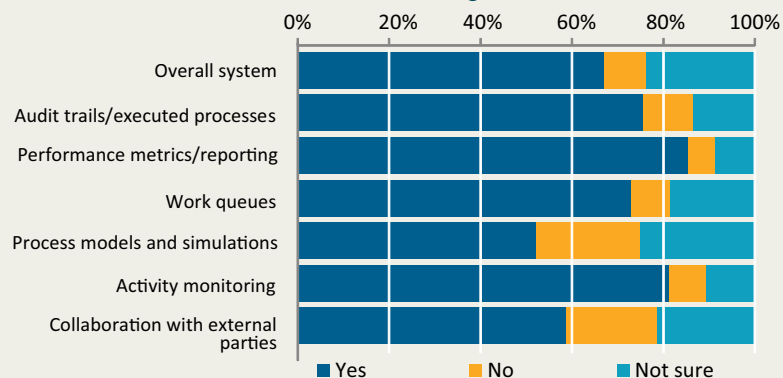
# TECHNICAL REQUIREMENTS

Figure 23: How important are the following feature/technologies in meeting your BPM requirements?



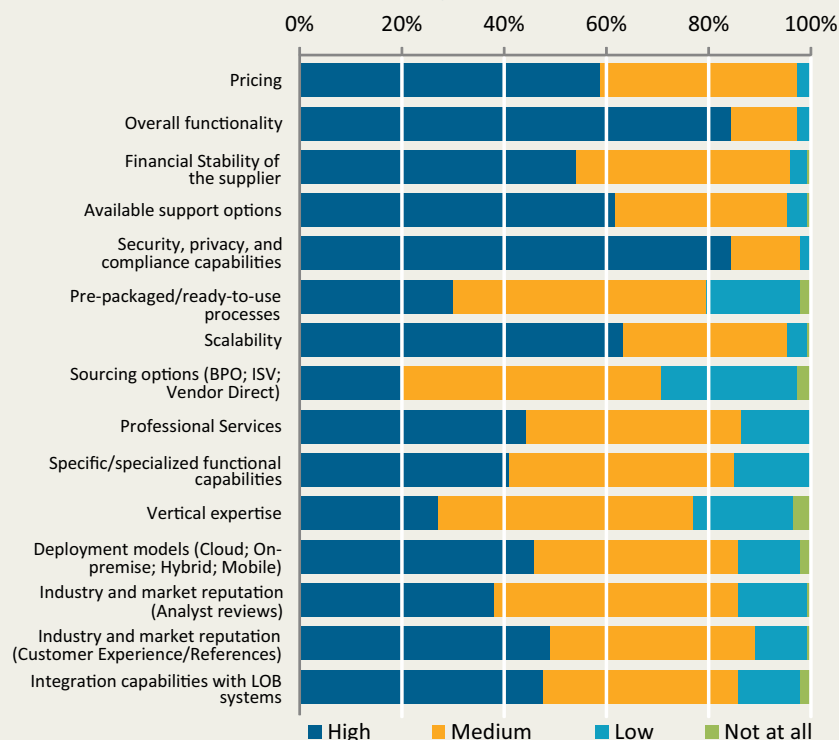
Automation of manual process is one topic of discussion in this research, but we also found that when discussing technical requirements, automation in other areas is also of high interest. In this case, eighty-five percent of our respondents agree that there is a need for automated performance metrics and reporting while eighty-one percent agree on a need for automated activity monitoring. (Figure 24) This highlights not only the need but the desire to take certain activities out of the hands of humans and make them part of a rules-based systematic environment that is capable of monitoring operations, tracking activities, and sending notifications and reports when needed.

Figure 24. In my opinion, my organization sees a need for automated capabilities in the following areas:



Technology capabilities are part of the criteria when making a selection for a solution provider, but they are not the only criteria. There are price, stability, support, and event services options to consider. When asked to rank the levels of importance as part of their selection criteria, eighty-four percent of our respondents rate overall functionality, security, compliance and privacy capabilities as high criteria. Sourcing like BPO, ISV or Vendor Direct (26%) and vertical expertise (27%) fall lower on the list, as does out-of-the-box pre-packaged processes (30%). (Figure 25)

Figure 25: Please rank the importance of the following when considering solution providers.



## Putting The Pieces Together

Technology must support the business requirement else it will be doomed to fail, or at minimum, fail to meet full expectation. Many a technology has been purchased without purpose or goal only to be tossed out and replaced. Pricing is not the only reason to select a technology, nor is an ability to plug-n-play.



# OPINIONS

## and Spend



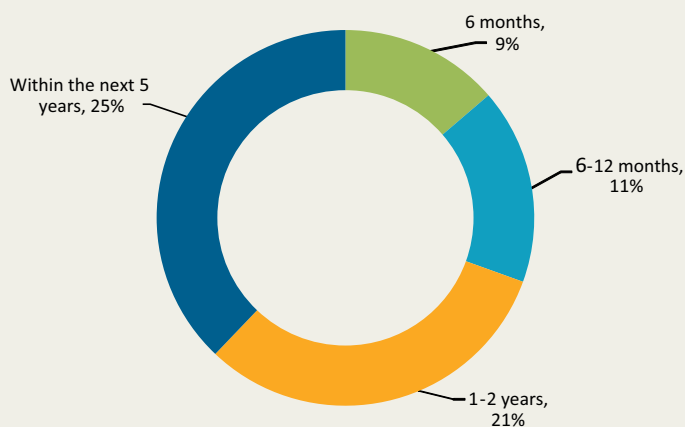
Trailblazers understand that in order to gain full benefit from technology, clear business requirements must be drawn and technical requirements must be aligned to address those business requirements. If the requirement is simply to automate a decision-making process, linear process capabilities to move information from point A to point B will not be enough and will fail. Begin by identifying the true business requirement, and even more so, the underlying business problem to solve, then chose the right technology to meet those requirements.

Again, using the example from the previous section, if the goal is to process 5,000 applications in half the amount of time it presently takes, this is the business requirement. So now that you have the business requirement, you can develop a technology requirement based on the business requirements, assess the current technology you have in place and match it against the requirements, then acquire the technology that you need to fill that gap.

## Opinions and Spend

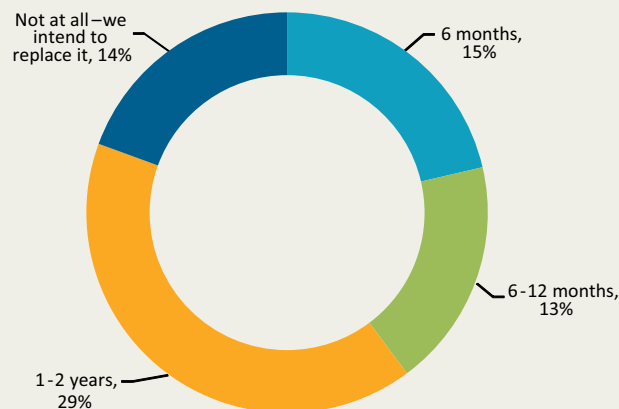
Growth and expansion is on the horizon with twenty percent of our respondents saying they will make a purchase within a year, and nine percent within 6 months. (Figure 26)

Figure 26: Our organization is planning to purchase a solution within:



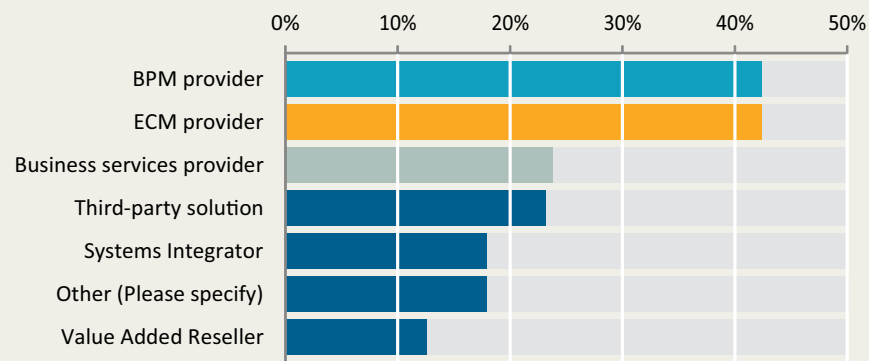
When it comes to expansion, twenty-eight percent of our respondents say they will expand their current systems within a year, with fifteen percent indicating they will within 6 months. (Figure 27)

Figure 27: Our organization is planning to expand our solution within:



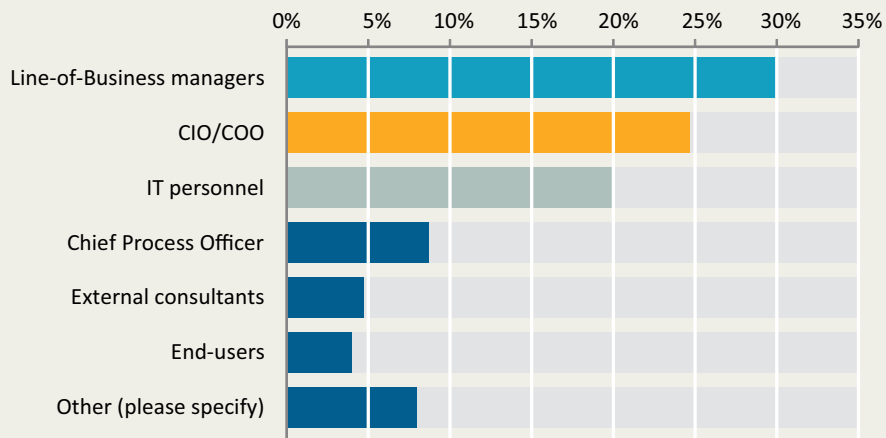
Buying and expansion is all good, so the obvious question is simple: Who is getting this business? Forty-two percent of our respondents say they will look to a BPM or ECM supplier, twenty-four percent are going to a services provider and twenty-three percent will turn to a third party for their solutions. (Figure 28)

Figure 28: Where will you look for your process automation solution?



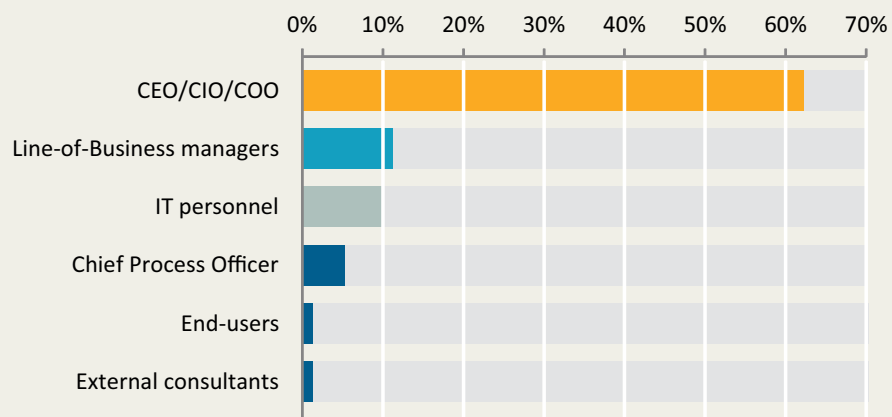
In order to make a purchase or expansion decision, someone has to evaluate the products and services first and ensure they will not only do what the provider says, but more importantly, that they will meet the business requirements. According to thirty percent of our respondents, it is the Line-of-Business (LOB) manager who will initially evaluate the solution while twenty-five percent say it is their CIO/COO who will be directly involved with the evaluation process. (Figure 29)

Figure 29: Who do you feel will initially evaluate and vet the process automation solution?



Once the evaluation is complete, it is time to make the decision, so where does this responsibility fall? For sixty-two percent it is the C-Level executive who will make the purchase decision while eleven percent say it is the LOB manager, and ten percent say it is their IT department. (Figure 30) Truth be told, all of this should be a team effort to evaluate and decide which product, service and supplier to choose.

Figure 30: Who do you feel will make the purchase decision for your process automation solution?



## Putting The Pieces Together

So there are indications that business organizations will be focusing on automation, although it remains to be seen how these will impact the projected spending and project success rates. Evaluation will take place by the business unit, and a C-Level executive will be involved in the decision-making process as will IT; however the reality is that all parties should be involved in each step from evaluation to purchase through implementation to ensure that the right product and services are chosen to meet the business needs.

This will also help with change management in that the users will watch as a unified team works to resolve business problems, improve operational efficiencies, and strengthen the organization; not just one individual or IT alone – a team that includes the C-Level as an active participant.

In many organizations, leadership often provides a message but falls short of engaging in the project. Trailblazer organizations have leadership that truly is involved in the movement of the organization toward digital transformation, paper-free processes, and an environment that embraces continuous improvement and change. These are the organizations working as a team to identify opportunity, improve and automate their processes, and implement change in order to maintain a competitive edge.





# CONCLUSIONS

&

# Recommendations





## Conclusions & Recommendations

AIIM research shows that while process improvement and automation are not screaming along at the fever pitch the supplier community had wished for a decade ago, they are truly in motion and gaining momentum. Recognition of process improvement, automation, and BPM as imperative or significant by the majority of our respondents is an indicator of the role process automation is taking in today's business world. Where once there was talk of working at the speed of paper, there is now talk of working at the speed of process. The more efficient, effective, and responsive your processes, the more engaged you are with your suppliers, employees, and most importantly – your clients.

It is also becoming clear that department heads and business executives are coming to realize the important connection between process and information, in that process without information serves no purpose and information without processes goes nowhere. There must be consideration given in each project, whether information/content- or process-related, for the other. When the way information is managed is changed, the processes associated with that information are likely to be impacted. The same holds true for process. When a process is changed, the way it interacts not only with people but also with information is impacted, thus the reason a more holistic and intelligent approach to information and process management is needed. In order to be more effective and take action today, here are some recommendations and steps you can take now to begin your journey.



## Recommendations

- Identify a potential business process where paper-based information still exists and manual processes are still heavily in use.
- Document where the process slows down, what information is involved, the sources of that information, and who interacts with it.
- Identify how and where that process could be improved, like the elimination of a bottleneck or creation of a parallel process.
- Capture relevant information as early in the process and as close to the first touch point as possible.
- Implement recognition and auto-classification technologies that will identify, store information, and trigger related workflows automatically at the time of capture.
- Develop a strategy to leverage captured and analyzed information across multiple departments and for multiple purposes. Embrace the mindset of repurpose not recreate.
- Establish a continuous improvement program that will periodically review and refine those changes made now. When a project ends, it should be the beginning of an on-going process improvement practice that looks for ways to improve upon the foundation set and extend those capabilities to other departments within the organization.

If unsure of where to begin or how to begin, seek professional assistance and/or training to help determine the right path. Look to current suppliers and service providers for guidance. Turn to professional associations and peers to find advice and training that will provide best practices. It is better to take a step forward and learn than to take no step and fall behind.



# SURVEY DEMOGRAPHICS



# APPENDIX 1: SURVEY DEMOGRAPHICS

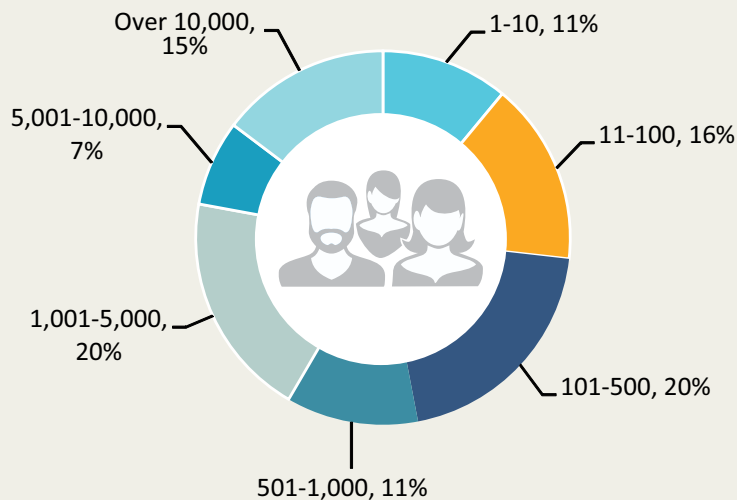
## Survey Demographics

### Survey Background

The survey was conducted with a web-based tool collecting responses from 272 individual members of the AIIM community during the month of April 2017. Invitations to take the survey were sent via e-mail to a selection of the 195,000+ AIIM community members and through various social media outlets.

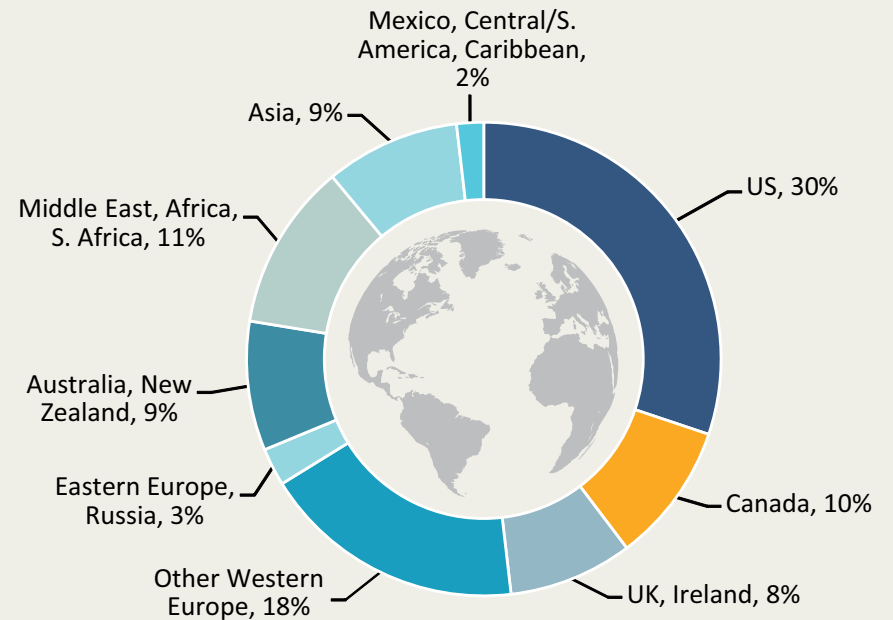
### Organizational Size

AIIM survey respondents represent organizations of all sizes. Larger organizations over 5,000 employees represent 22%, with mid-sized organizations of 501 to 5,000 employees at 31%. Small-to-mid sized organizations with 1 to 500 employees representing the largest segment of survey takers at 47%.



### Geography

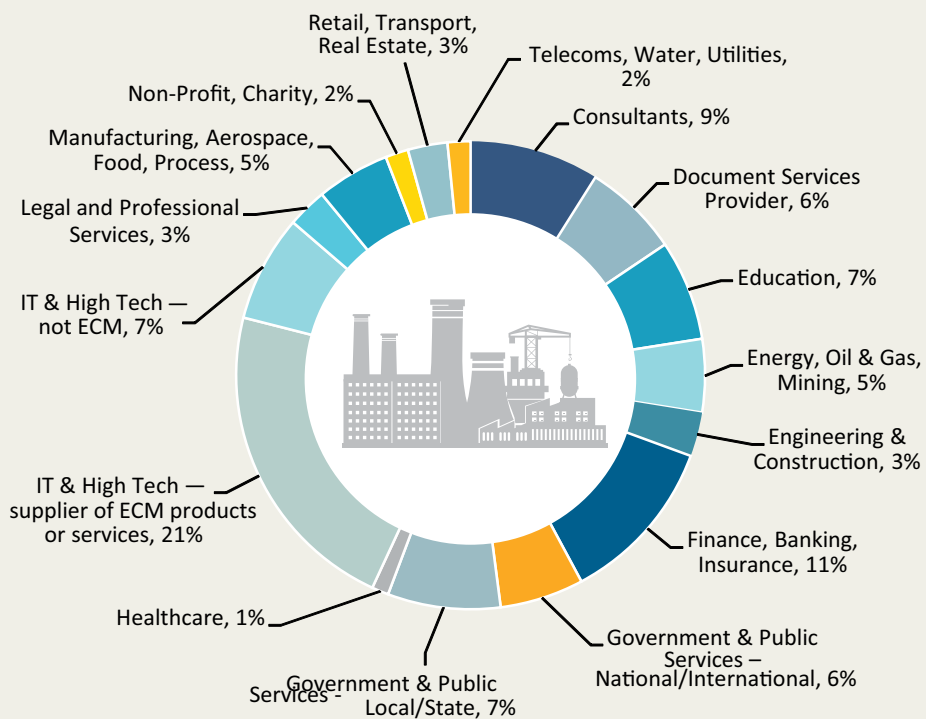
Forty percent of the participants are based in North America, with 40% from EMEA-R, and 20% rest-of-world.



# APPENDIX 1: SURVEY DEMOGRAPHICS

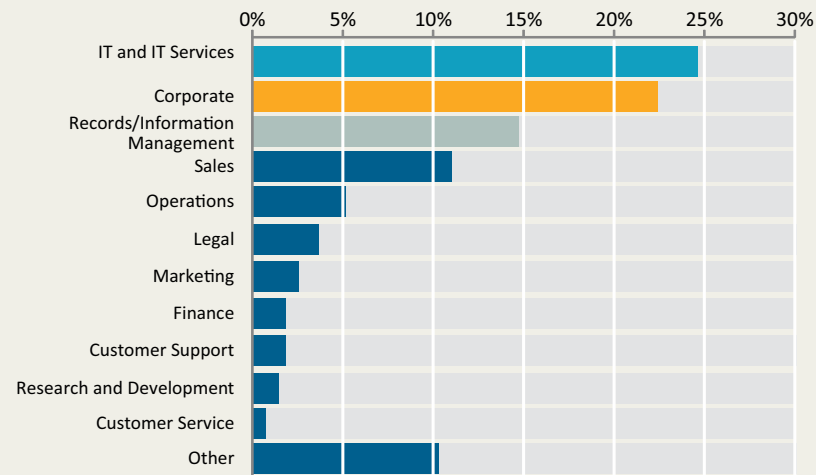
## Industry Sector

Local and National Government together make up 13%, and Finance, Banking, and Insurance 11%, Education 7%.



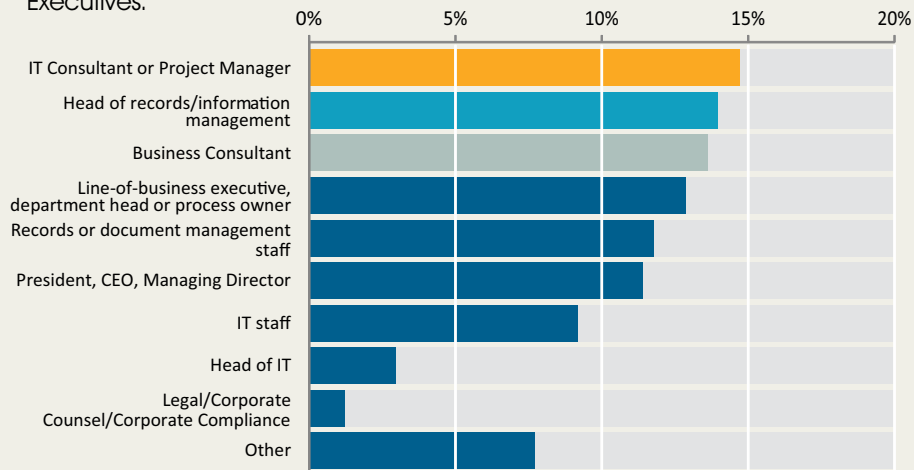
## Departments

25% of departments represented are from IT/IT Services, 22% corporate, and 15% records and information management.



## Job Roles

15% are IT Consultants/Project Managers, 14% heads of records and information management, 24% C-level Executives, Presidents, CEOs, and Line-of-Business Executives.



## Open-ended Comments

Respondents were able to provide open-ended comments about digital transformation. Here are a select few that represent the general:

- I believe that process automation systems are key to all organizations.
- Our present process automation needs is tailored to our business and would like to improve our process to have a competitive edge in the industry Future strategies for IM are not clear and the organization needs to take an enterprise approach rather than a siloed approach
- We are a manufacturing company and process automation for improving productivity across the enterprise will be a key differentiator in future.
- We have automated many of our processes but are only about 50% done with our goal of improving businesses process District wide, whether through automation or just improving practices.
- We are moving forward in key areas first (HR, Finance, IT). No idea about tying in departments and schools.



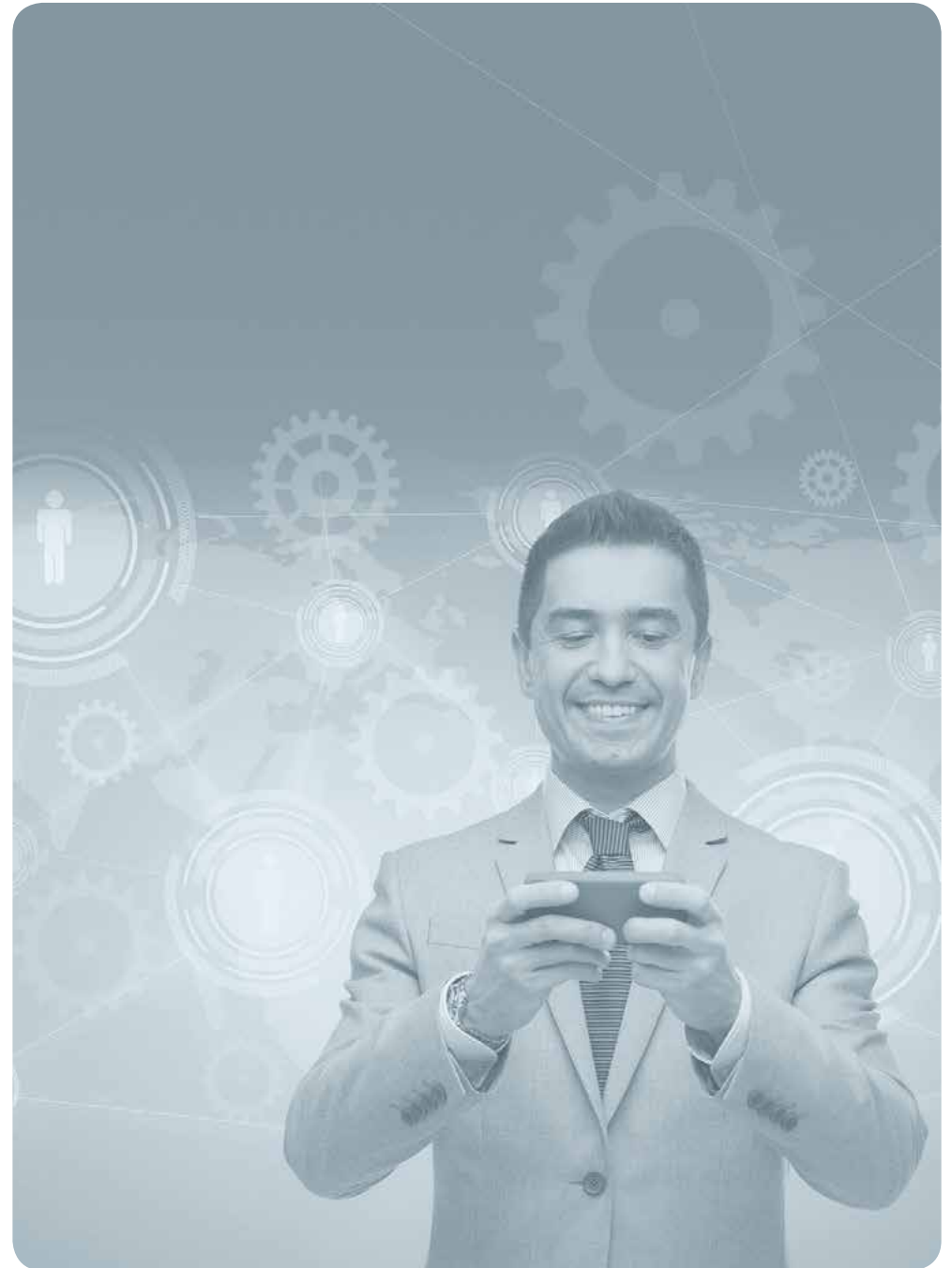
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