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The Kofax 2020 Intelligent Automation  
Benchmark Study

# Part 3: Intelligent Automation Platforms Accelerate Digital Workflow Transformation Success

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Workflows that have a fast time-to-value are key to target first when making investments in automation.

## Executive Summary

In January 2020, Kofax commissioned Forrester Consulting to evaluate the emerging trends, strategies, and organizational lessons learned in the rapidly evolving automation market. Forrester conducted two online surveys — one with 450 automation and AI technology decision makers and the other with 450 individual contributors across business departments. This paper is the third in a series of three seeking to outline these findings.

Our first report found that organizations have a deep need for automation, and an integrated platform approach to intelligent automation yields the greatest benefit at scale. Our second report focused on intelligent automation at scale and how organizations can bridge the usage gap between IT and the rest of the business. In that report, we discussed a new persona of interest: the business innovator, or “citizen developer,” who can and should play an important role in automation strategy. The survey data from that report revealed that the organizations should include the citizen developer persona when identifying, selecting, and harnessing the intelligent automation platform.

This report focuses on digitization as a business imperative that is attained through a focus on 1) rapidly gaining insights from unstructured data (document intelligence); 2) orchestration of multiple automation solutions and human activities from a central platform (process orchestration); and 3) connecting disconnected systems digitally (connected systems).

The goal of these efforts is to drive a high degree of business agility and resiliency that allows an organization to respond to rapidly accelerating challenges, crises, and business opportunities. The data supports a prioritized approach to automating business-critical workflows that require document intelligence, process orchestration, and connected systems. It also details the types of high-value workflows that organizations are focused on in their digital transformation journeys, including finance and accounting workflows, customer engagement workflows, and operational workflows.

### KEY FINDINGS

- › **Intentional spending on automation is more important than ever.**  
Automation initiatives represent an increasingly significant portion of IT budgets. This combined with increased global economic uncertainty makes it crucial to spend on automation cost-effectively.
- › **Invest in digitally transforming workflows with high-value DNA.**  
Workflows that have fast time-to-value are key to target first when investing in automation. High-value workflows are those that include document intelligence, process orchestration, and connected systems; this includes workflows such as customer engagement, finance, and operations.
- › **Effective automation investment yields substantial business benefits.**  
Those who are investing in automating high-value DNA workflows are seeing improvements in their organizations’ customer experience (CX), reduced costs, increased process efficiency, and higher revenues.

# Organizations' Digital Workflows Shift To Adapt To Changing Business Landscape

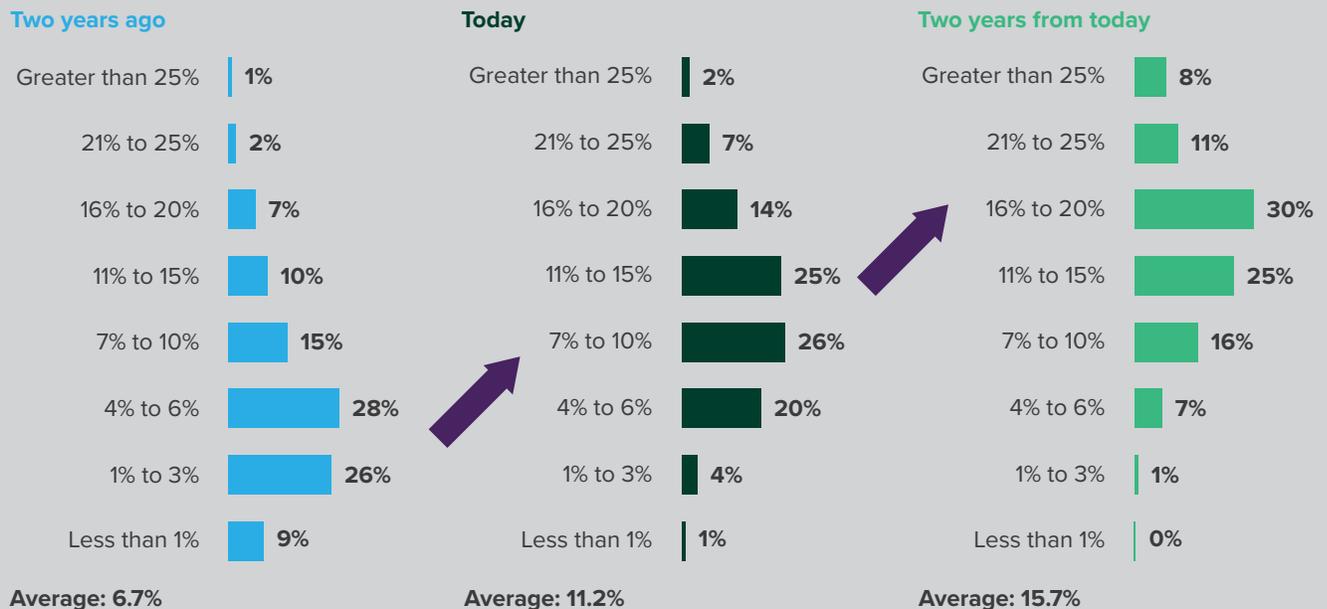
Organizations lean on automation more heavily as they progress further down the path of digital transformation. What was once a nice-to-have is now a must-have, especially as the global pandemic has rapidly accelerated market expectations for frictionless digital experiences, creating new winners and losers in its wake. To automate completely, organizations must digitally transform their information-intensive workflows at scale, requiring a streamlined, integrated intelligent automation strategy. Effective automation platforms must also support business outcomes with minimal technical debt while maximizing agility.

In surveying 450 IT automation and AI decision makers at global enterprises and 450 individual contributors across business departments at global enterprises, we found that:

- › **Automation is on the rise.** Spending on automation has almost doubled in the last two years — growing from 6.7% of the IT budget to 11.2%. This spending is still increasing: Decision makers predict automation technology will account for 15.7% of the IT budget by the end of 2021 (see Figure 1). Beyond the level of spending, organizations are increasingly using automation enterprisewide, from the front office to the back and everywhere between.

Figure 1

“Using your best estimate, what percentage of your organization's overall IT budget was spent this year on automation technology? How much was spent two years ago? How much do you expect to be spent two years from now?”



Base: 450 automation and AI decision makers

Source: A commissioned study conducted by Forrester Consulting on behalf of Kofax, January 2020

› **Single-vendor and integration approaches are best-of-breed.** Almost all (99%) of decision makers believe there would be considerable value in working with a single automation vendor and automation platform (see Figure 2). These platforms are the simplest and most cost-effective approach to achieving business outcomes and allow organizations to offset challenges and process inefficiencies they experience.

Budgets are tightening in time with growing uncertainty in the global economy. As automation begins to account for an increasingly large portion of IT budgets, it is more imperative than ever to implement automation intelligently and based on value.

## The DNA Of High-Value Workflows

Enterprises have been evolving their digital transformation plans for several years. But the global pandemic is accelerating this transition as customers increasingly demand frictionless experiences as a condition of their business. And employees must have the digital enablement they need to do their jobs virtually and serve their customers. As a result, organizations are looking at their business-critical processes and workflows to formulate their digital transformation game plans.

However, firms cannot transform everything at once, so they must prioritize automating information-intensive, mission-critical workflows that will result in the fastest time-to-value and the greatest ROI. In this report, we discovered three characteristics that these high-priority workflows have in common — a kind of “DNA” that organizations can look to for guidance as they embark on their own digital workflow transformation journeys. These are workflows that include document intelligence, process orchestration, and connected systems.

### DOCUMENT INTELLIGENCE

To automate manual and time-consuming workflows, organizations must be able to ingest, classify, and extract unstructured data from financial documents, contracts, forms, images, or digital assets and turn that information into actionable data insights for further processing. This is problematic: The data within most organizations’ information and documents is unstructured, making it difficult to ingest, transform, and power a digital workflow.

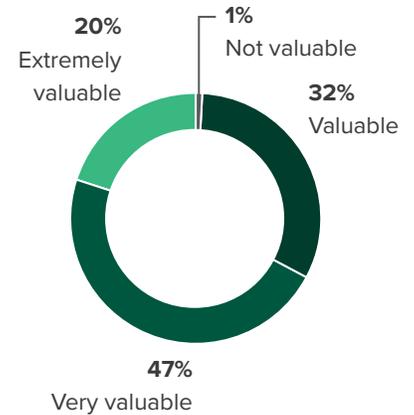
This is where document intelligence capabilities come into play. For example, think of document intelligence within an intelligent automation platform as prebuilt intelligent document processing (IDP) capabilities that make AI accessible to nontechnical business users. Document intelligence functionality combines intelligent document processing and AI to convert unstructured data locked in documents into data insights. By combining cognitive capture, machine learning (ML), natural language processing (NLP), and workflow orchestration, document intelligence lets organizations classify documents, extract information, and take action with data.

Organizations’ high-priority use cases for workflow automation therefore require a platform with strong built-in document intelligence capabilities.

Decision makers rank RPA (61%), AI/machine learning (43%), and digital process automation (40%) as critical automation use cases — use cases which, by definition, require document intelligence to succeed (see Figure 3).

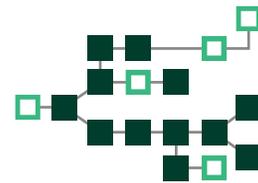
Figure 2

“How valuable do you believe it would be for your organization to work with a single vendor with a broad breadth of complementary automation technologies?”



Base: 450 automation and AI decision makers

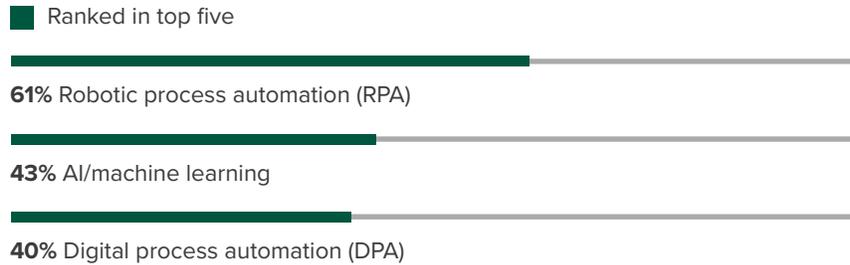
Source: A commissioned study conducted by Forrester Consulting on behalf of Kofax, January 2020



High-value workflows are those that include document intelligence, process orchestration, and connected systems.

**Figure 3**

**“Rank the following use cases in order of importance to your organization.”**



Base: 450 automation and AI decision makers

Source: A commissioned study conducted by Forrester Consulting on behalf of Kofax, January 2020

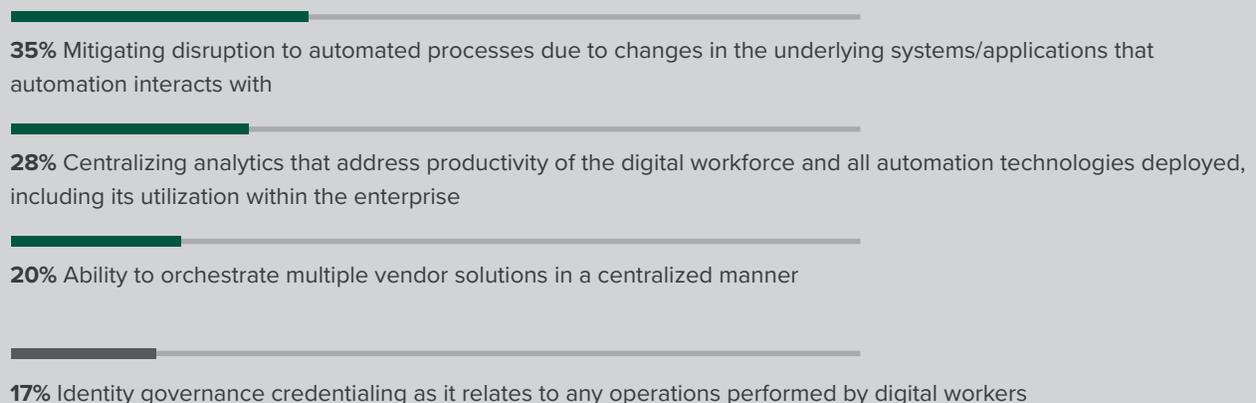
### **PROCESS ORCHESTRATION**

According to survey respondents, automations are put at risk when organizations cannot manage and scale that automation over time. For instance, more than a third of respondents (35%) report they need to be able to mitigate automation disruptions due to changes in underlying systems and applications. Respondents also require digital workforce management analytics (28%) and the ability to orchestrate multiple vendor solutions in a centralized manner (20%) (see Figure 4). These automation priorities reflect the need for scale, compliance, and enterprise-strength digital workforce management functionality.

To address this requirement, any intelligent automation platform used for digital workflow transformation must include tightly integrated process orchestration capabilities. A platform capable of handling process orchestration allows organizations to add and manage digital workforce capacity on demand, with the flexibility and agility needed to scale and optimize service levels. This frees up bandwidth so employees can move away from mundane, repetitive tasks and focus on the high-value, strategic work, improving employee satisfaction and productivity.

**Figure 4**

**“Which of the following automation capabilities is the most immediate need for your organization?”**



Base: 450 automation and AI decision makers

Source: A commissioned study conducted by Forrester Consulting on behalf of Kofax, January 2020

RPA is an important component of end-to-end workflow automation. But it is just one piece. An intelligent automation platform — providing process orchestration as well as RPA task management to augment digital process automation through application development and back-end integration — makes it easy to build, run, and manage high-value process workflows. Some example workflows include new customer onboarding, claims processing, loan automation, citizen service provision, supplier management, and bespoke operational processes.

The need to improve operational excellence and strengthen security and compliance motivates about half of respondents' digital transformation ambitions. This implies that the intelligent automation platform must make it easy to scale and manage the digital workforce on an ongoing basis. For instance, by moving from paper-based to digital business models, organizations better ensure adherence to compliance regulations. Likewise, by automating myriad operational workflows — like document management, recruitment/HR, legal and IT ops, bookkeeping, and records management — companies can harness digital workflow transformation to increase operational excellence. An intelligent automation platform with built-in process orchestration capabilities enables ongoing automation management at scale.

## **CONNECTED SYSTEMS**

Not all automation platforms are alike. Some provide a single native capability, like RPA, and then use services or APIs to loosely integrate with other essential automations, like cognitive capture and process orchestration. Other vendors preintegrate multiple, or all, of these capabilities natively on an end-to-end underlying platform. Most decision makers (54%) prefer the latter (connected systems) approach. Truly integrated platforms can scale sufficiently to efficiently and securely leverage data across documents, digital workforce, and systems — bringing together business systems (applications, legacy, chatbots, mobile, etc.) across internal and external business processes.

High-value automation will often start and end with organizations' key business systems. Automations must efficiently and securely leverage data across all of an organization's documents, workforce, and systems. An intelligent automation platform needs to bring together key business systems (applications, legacy, chatbots, mobile, etc.) across internal and external business processes. The automation platform, therefore, must be able to connect these systems to streamline data flow, thus enabling organizations to harness automation to bring new innovative business models to market — faster (see Figure 5).

Despite the strong preference for a single-platform vendor delivering connected systems, one automation solution, or even one platform, won't be enough to solve all business workflow transformation challenges. Sometimes, firms need a broader ecosystem of technology options to connect automation to organizations' systems, data, and applications.

**Figure 5**

**“Which of the following best describes your organization’s approach to purchasing automation technologies?”**

**15%** We procure disparate best-of-breed point solutions from different automation vendors but have not integrated them together

**29%** We procure disparate best-of-breed point solutions from different automation vendors and integrate them together

**47%** We leverage a primary vendor to provide some or most automation technologies that also provides preintegration with external best-of-breed solutions

**9%** We leverage a single vendor to provide all or most automation technologies that are preintegrated with each other

Base: 450 automation and AI decision makers

Source: A commissioned study conducted by Forrester Consulting on behalf of Kofax, January 2020

Sixty-one percent of respondents expect their intelligent automation platform providers to have a strong ecosystem strategy. Ecosystems add flexibility and the power of choice by providing a network of technologies, applications, and services that operate within the platform’s open, dynamic, and integrated architecture — ensuring that companies can quickly solve unique business problems. With access to an ecosystem built around the platform, enterprises will spend less time building integrations by providing access to a network of services, prebuilt connectors, templates, and solutions that make it easy to transform and streamline data across enterprise workflows (see Figure 6).

**Figure 6**

**“How important are each of the following when it comes to automation technologies?”**

**■ Important/Critical requirement**

**80%** The automation platform is intuitive and easy to use for users

**78%** Advanced users are supported with flexibility to accomplish more technical and complex design

**75%** There is easy integration/native support for emerging technologies (i.e., decisioning capabilities, AI)

**71%** The automation platform has a modern, cloud-first architecture

**64%** The automation platform can be personalized to users’ needs

**61%** The tech vendor has a strong ecosystem strategy (i.e., existence of a marketplace and/or community)

**56%** The automation uses “low-code”

Base: 450 automation and AI decision makers

Source: A commissioned study conducted by Forrester Consulting on behalf of Kofax, January 2020

# Prioritize Workflows That Contain This DNA

Document intelligence, process orchestration, and connected systems are key elements of the business workflows businesses are prioritizing in their transformation journeys. But what specific types of workflows containing these elements are organizations prioritizing? Customer engagement workflows, financial and accounting workflows, and operational workflows.

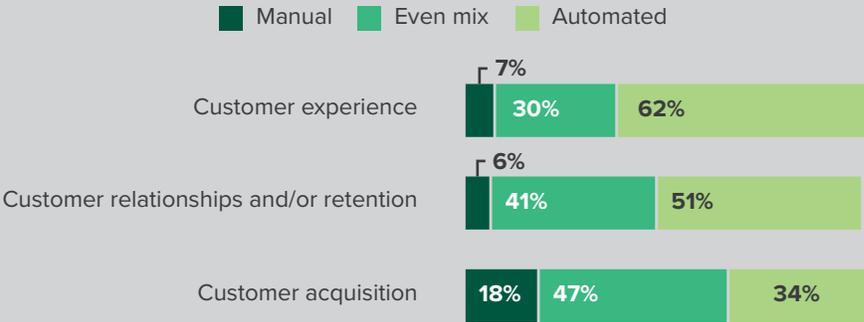
## CUSTOMER ENGAGEMENT WORKFLOWS

Organizations want to delight their customers and prospects by eliminating friction from slow, analog, manual interactions. To do this, they must be agile and able to create on-demand capacity to engage prospects and customers and fulfill their needs at every step of the buyer and customer journey.

According to our survey, automating customer engagement workflows has been a clear priority; many organizations have already automated customer experience (62%) and customer relationship/retention workflows (51%). But there remain large gaps where these workflows are only partially automated, meaning enterprises still have a long road ahead of them on their journey toward end-to-end digital workflow automation (see Figure 7). Moreover, 65% of decision makers say customer acquisition workflows are still largely manual or only partially automated. Process automation efforts should support CX through automation of critical steps (as defined by CX professionals) such as customer onboarding, mobile ID/verification, claims processing, customer management, referral management, call center automation, online/self-services, and e-document delivery.

Figure 7

“How automated are the processes/operations in which you're involved?”



Base: 450 automation and AI decision makers  
Note: Not all responses shown  
Source: A commissioned study conducted by Forrester Consulting on behalf of Kofax, January 2020

## FINANCIAL AND ACCOUNTING WORKFLOWS

Many firms focus their digital transformation efforts on optimizing their financial and accounting workflows — the lifeblood of any organization. Almost half (48%) of decision makers say their organizations have either manual or only partially automated processes, leaving significant opportunity to improve in this area (see Figure 8). Example workflows ripe for automation include accounts payable, invoice processing, vendor onboarding, procure-to-pay, quote-to-cash, record-to-report, planning and control, supplier onboarding, and regulatory reporting.

Figure 8

“How automated are the processes/operations in which you're involved?”



Base: 450 automation and AI decision makers

Note: Not all responses shown

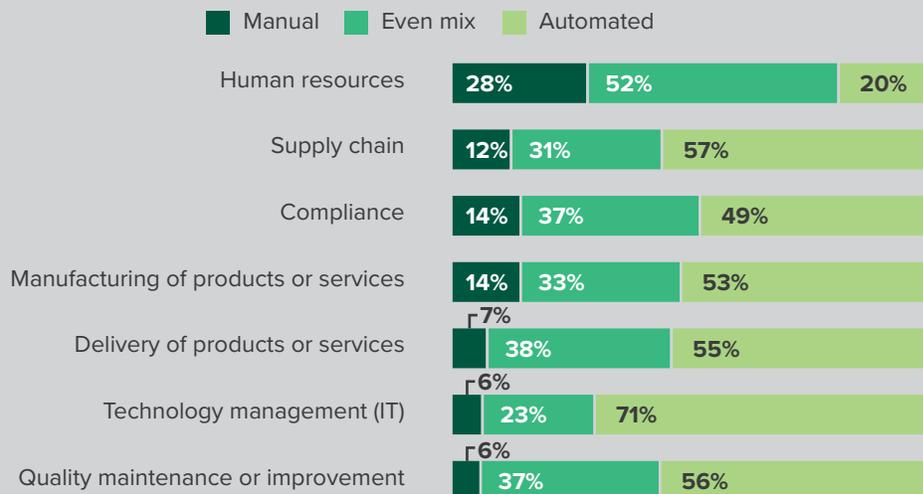
Source: A commissioned study conducted by Forrester Consulting on behalf of Kofax, January 2020

## OPERATIONAL WORKFLOWS

Finally, organizations are also prioritizing operational workflows as part of their digital transformation efforts, which are still largely only partially automated at best (see Figure 9). For instance, 80% of decision makers report their organizations' HR workflows remain either partially automated or manual. The same is true for their compliance workflows (51%), manufacturing workflows (47%), and product/services delivery workflows (45%).

Figure 9

“How automated are the processes/operations in which you're involved?”



Base: 450 automation and AI decision makers

Note: Not all responses shown

Source: A commissioned study conducted by Forrester Consulting on behalf of Kofax, January 2020

# Prioritizing Workflow Automation Supports Strategy And Execution

When firms prioritize automating the right types of workflows and processes, they can expect to achieve numerous benefits, such as enabling their innovators, unlocking document value, accelerating work, driving productivity, and enabling automation today with room to scale in the future. These benefits play out across myriad metrics, including improved CX (50%), cost savings (46%), efficiency savings (44%), and increased revenue (42%), to name a few (see Figure 10).

Further, harnessing the right intelligent automation platform to digitally transform organizations' high-priority business workflows can:

- › Empower citizen developers, administrators, and professional developers with a low-code experience to solve business problems and scale innovation across the entire organization while leveraging a sanctioned IT solution.
- › Empower employees to drive automation, solve business problems, and become a new source of innovation to drive transformation.
- › Achieve efficiencies in processes and workflows and bring manual processes online to a managed platform, freeing up IT to focus on more critical tasks and reduce development costs.
- › Provide significant benefit to organizations' bottom lines.

**Figure 10**

**“Which of the following have your automation initiatives helped you to achieve?”**



Base: 450 automation and AI decision makers  
Source: A commissioned study conducted by Forrester Consulting on behalf of Kofax, January 2020

# Key Recommendations

Forrester's in-depth survey yielded several important recommendations:



**Prioritize automation based on business value.** Not all business workflows are created equally. Organizations must determine which automations will have the most positive impact on customers and employees, such as customer engagement, finance and accounting, and operational workflows. Set a strategy that allows for process discovery and automation at scale and drives prioritization of highest-value initiatives based on strategic business objectives.



**To avoid the “digital illusion,” automate from end to end.** To digitally transform these types of processes, intelligent automation platforms must be able to ingest, classify, and extract unstructured data from financial documents, contracts, forms, images, or digital assets, and turn that information into actionable data insights for further processing. Harnessing the platform's intelligent document processing (IDP) and AI capabilities to convert unstructured data locked in documents into data insights is therefore critical to successfully driving end-to-end automation in support of digital transformation.



**Automation at scale requires process orchestration.** Processes are messy and cross not only organizational boundaries but heterogenous technology as well. That requires agility to add and manage digital workforce capacity on demand, with the flexibility and agility to scale and optimize service levels. RPA, document classification, software development, and integration are all important components of end-to-end workflow automation. Process orchestration brings together complex task automation and deep process automation within end-to-end business workflows, creating seamless collaboration between human and digital workers, and orchestrates and monitors sophisticated, long-running processes.



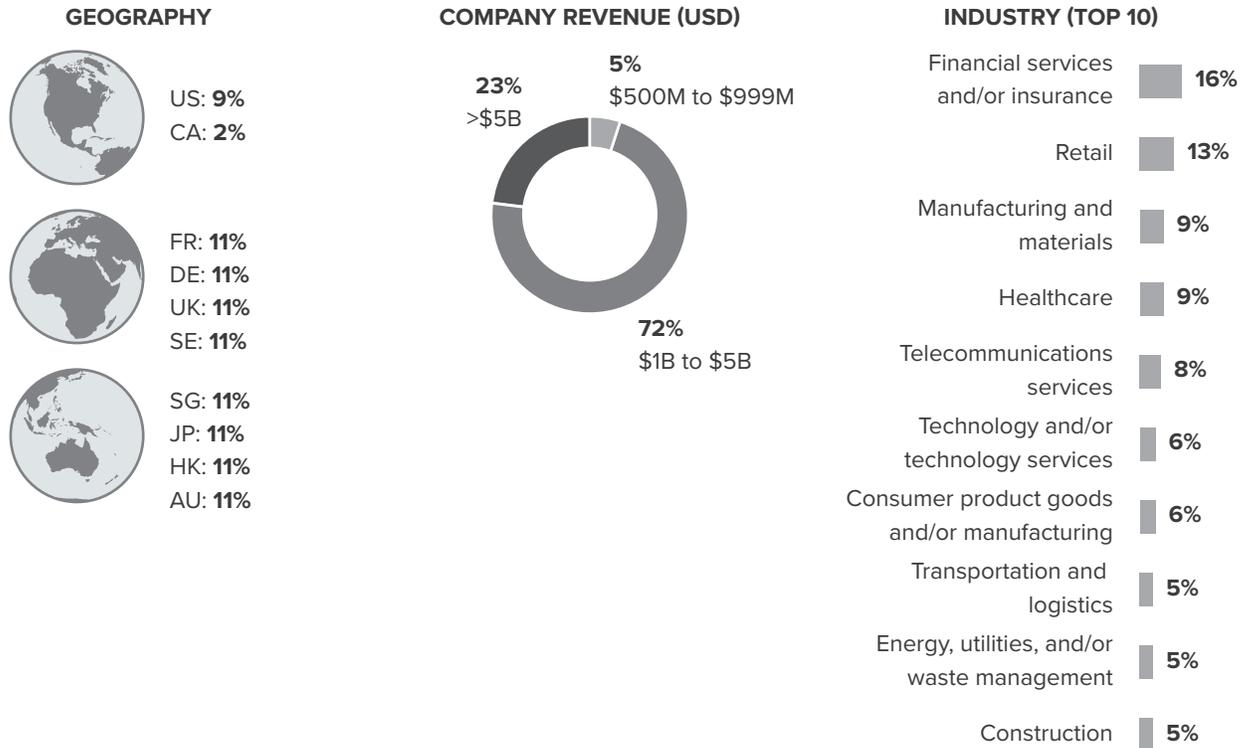
**Don't fall into the integration trap; set a foundation for agility.** Intelligent automation is made up of a large and growing number of disparate technologies — from DPA to RPA to rules and decisioning to document intelligence, just to name a few. What's next? No one really knows. But we do know that a well-designed intelligent automation strategy must push the complexity and cost of integration of this heterogenous landscape. Identify a vendor that will provide a portfolio of capabilities that meet all of your technology needs as part of the core platform. Leveraging a primary vendor relationship to support your intelligent automation strategy will lower cost and complexity, reduce technical debt, create a platform for forward agility, and allow your vendor to integrate “the next big thing.”

# Appendix A: Methodology

In this study, Forrester conducted an online survey of 450 IT automation and AI decision makers at global enterprises and 450 individual contributors across business departments at global enterprises to explore their use of automation, its current implementation, and the way it can affect employee experience and sense of purpose. Respondents were offered incentives as a thank you for time spent on the survey. The study was completed in January 2020.

# Appendix B: Demographics/Data

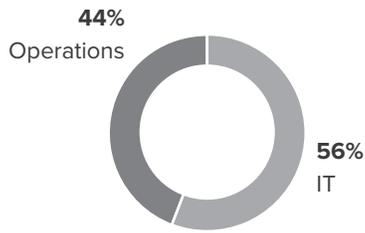
## FIRMOGRAPHICS



Base: 450 automation and AI decision makers  
 Note: Percentages may not total 100 because of rounding  
 Source: A commissioned study conducted by Forrester Consulting on behalf of Kofax, January 2020

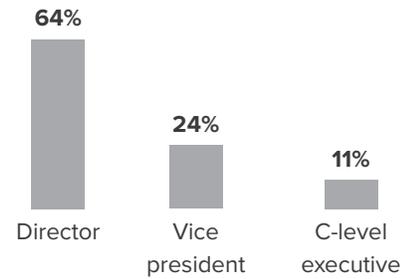
## RESPONDENT DEMOGRAPHICS

### CURRENT POSITION/DEPARTMENT



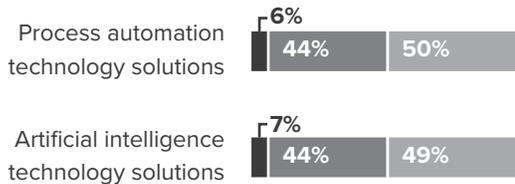
100% of respondents are responsible for purchase decisions

### RESPONDENT LEVEL

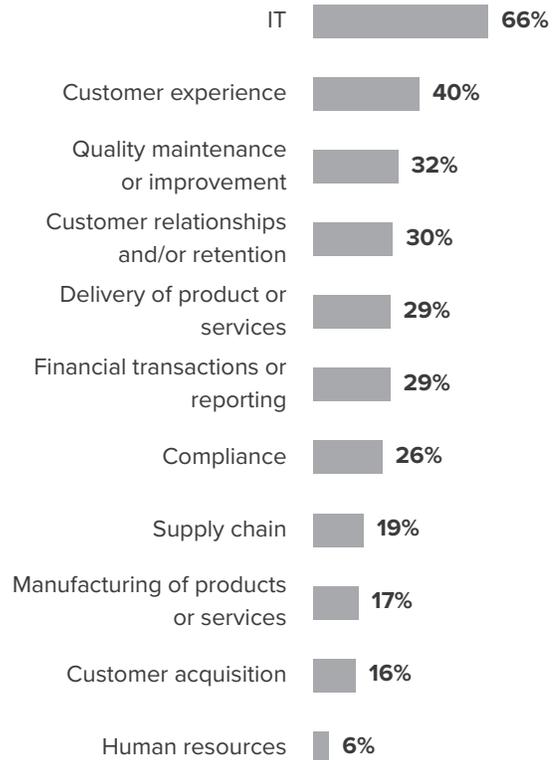


### LEVEL OF RESPONSIBILITY

Final decision maker
  Part of a team making decisions
  I influence decisions



### INVOLVEMENT



Base: 450 automation and AI decision makers

Note: Percentages may not total 100 because of rounding

Source: A commissioned study conducted by Forrester Consulting on behalf of Kofax, January 2020