SAPinsider

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From The Benchmark Report:

Process Productivity and Efficiency Through Process Automation and Intelligence 2024

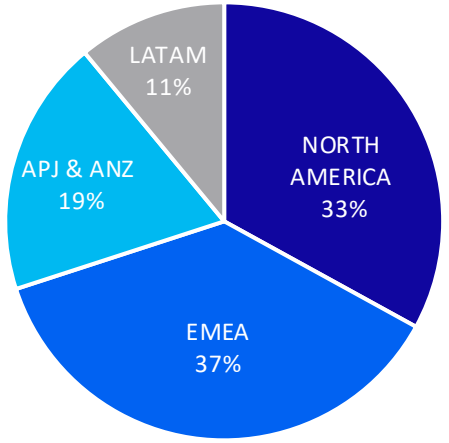
By Mark Vigoroso

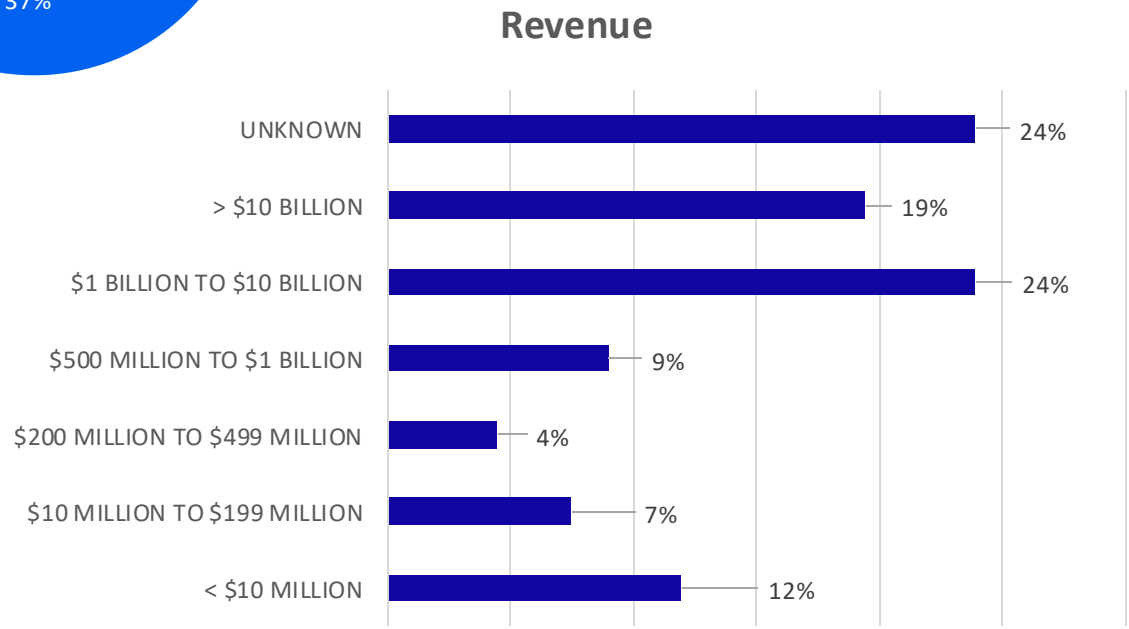
1

Between May and August 2024, SAPinsider surveyed 118 members of its community on strategies, challenges and priorities around business process automation and intelligence.

Survey participants from various geographical regions worldwide represented diverse organization sizes, contributing to a comprehensive dataset.

The primary objective of the survey was to gather insights from professionals who play a pivotal role in taking decisions pertaining to process productivity and efficiency through process automation and intelligence.





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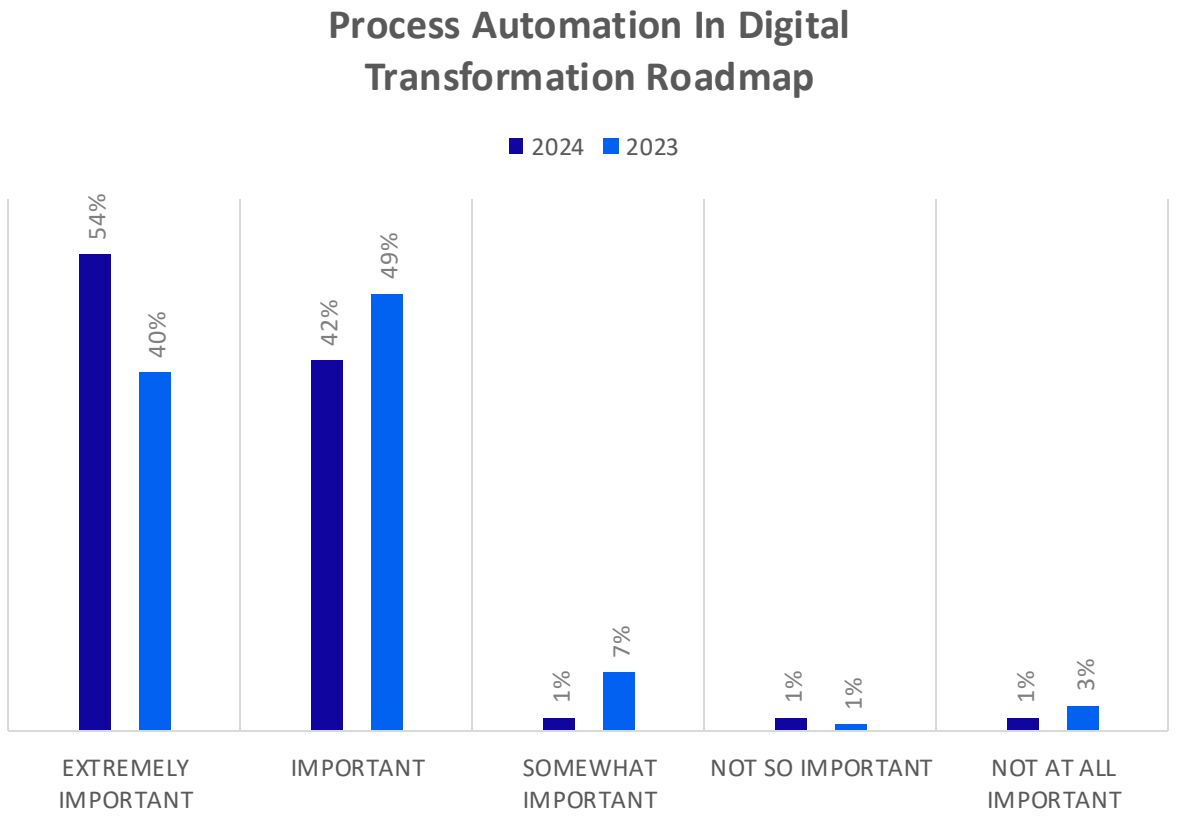
There is a growing emphasis on process automation within digital transformation roadmaps. The perception of process automation as "Extremely Important" has notably increased, jumping from 40% in 2023 to 54% in 2024. This is in keeping with related research that shows companies striving for greater productivity, better expense control, fewer manual touchpoints, and improved profitability in an increasingly global marketplace. While this shift reflects a heightened priority for automation, there is a slight decrease in those who view it as merely "Important," dropping from 49% in 2023 to 42% in 2024.

This suggests that organizations are increasingly recognizing the critical need for robust automation strategies to drive their digital transformation efforts forward.



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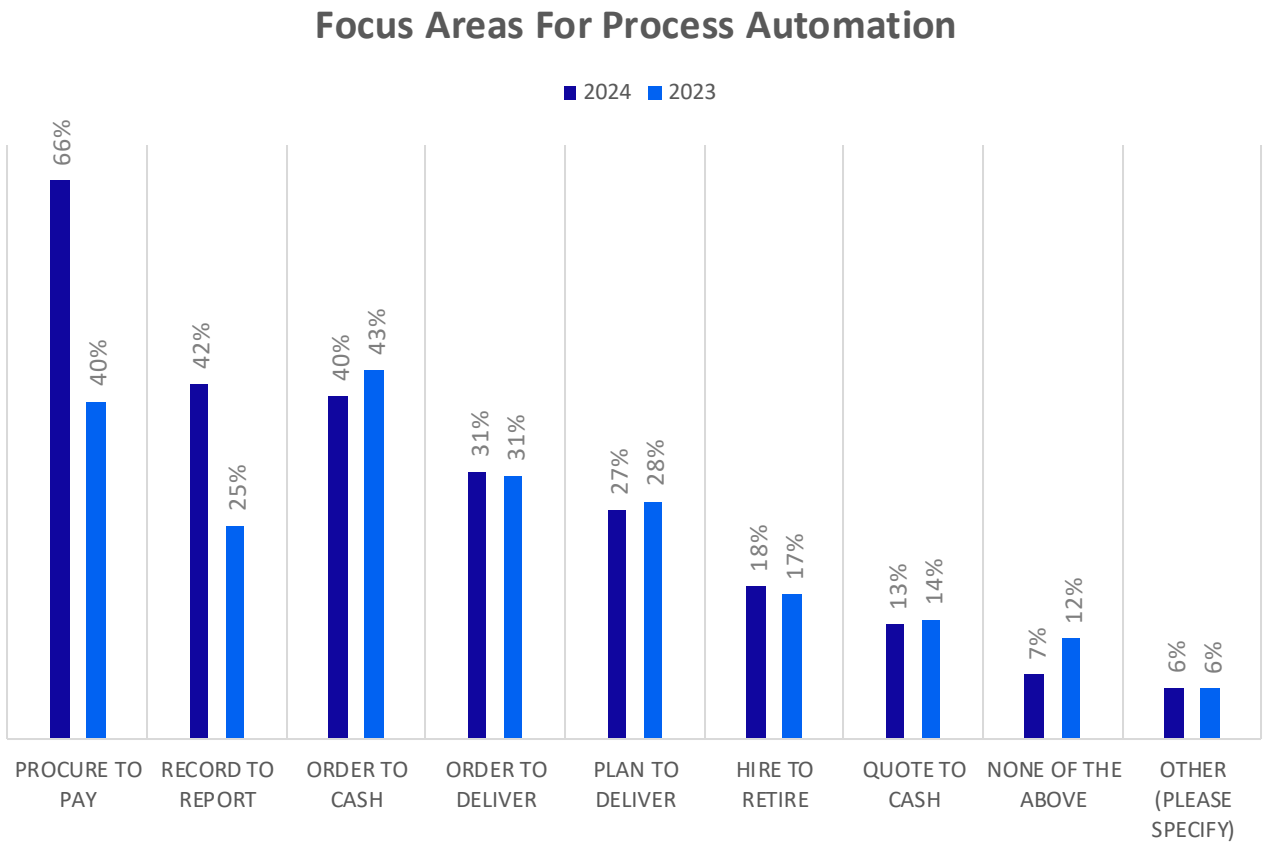
The research data highlights that finance processes are the key focus areas for process automation, demonstrating notable shifts in priorities.

The "Procure to Pay" process is the most prioritized area, showing a substantial increase from 40% in 2023 to 66% in 2024, indicating a strong focus on optimizing procurement and payment processes. Components of procure-to-pay automation include automated purchase requisition, goods receipt and invoice processing, and automated supplier selection. "Record to Report" also sees a significant rise, from 25% in 2023 to 42% in 2024, suggesting a growing emphasis on enhancing financial reporting efficiency.

However, "Order to Cash" slightly decreased from 43% in 2023 to 40% in 2024, while "Order to Deliver" and "Plan to Deliver" maintain similar levels across both years.



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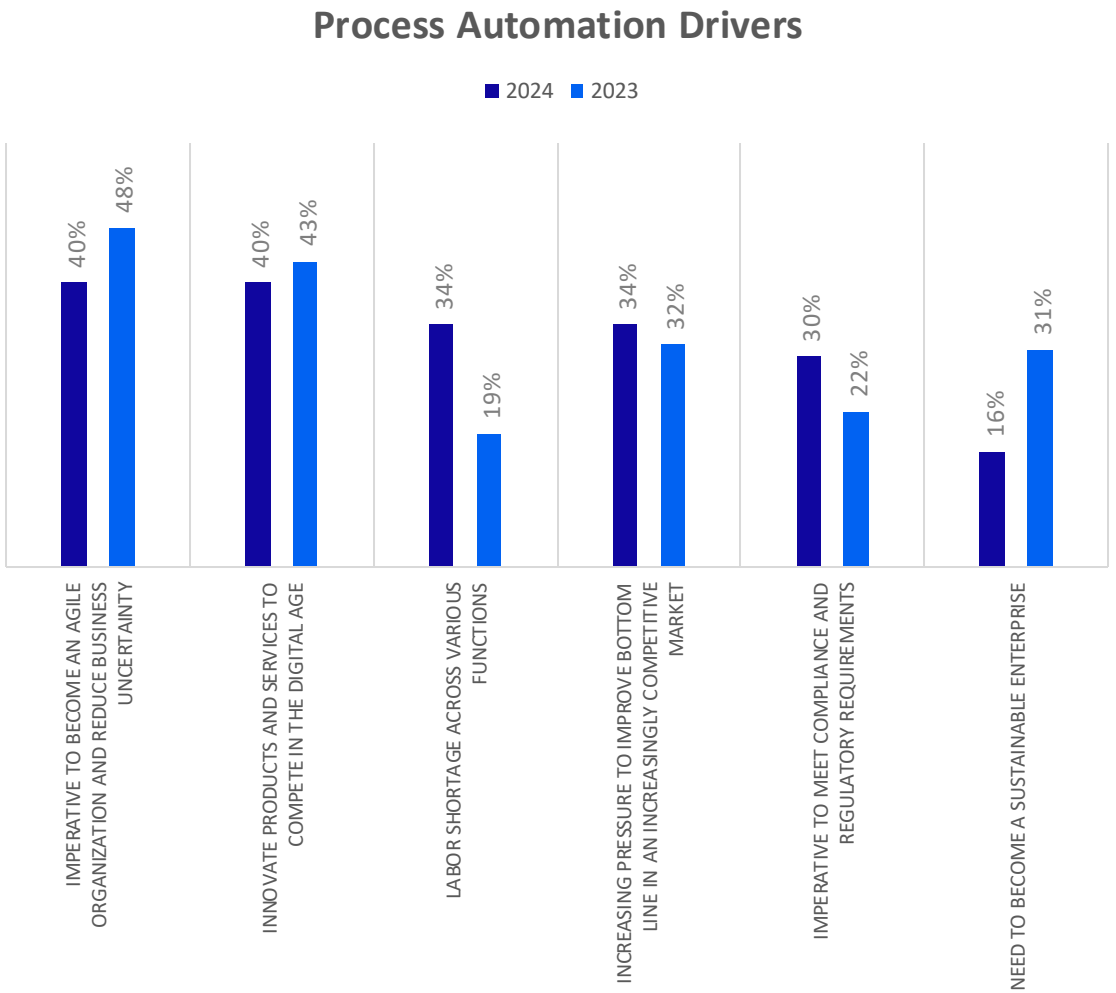
While the drive to become an agile organization and reduce business uncertainty remains a top motivator in 2024, its importance has slightly decreased from 2023. In contrast, concerns over labor shortages have grown significantly, suggesting an increasing reliance on automation to address workforce gaps.

The importance of meeting compliance and regulatory requirements has also risen, indicating a growing recognition of automation's role in maintaining compliance. Meanwhile, the priority of becoming a sustainable enterprise has notably decreased, reflecting a shift away from sustainability initiatives. Overall, while traditional motivators like agility and cost efficiency remain important, emerging concerns such as labor shortages and regulatory compliance are becoming more prominent in shaping automation strategies.



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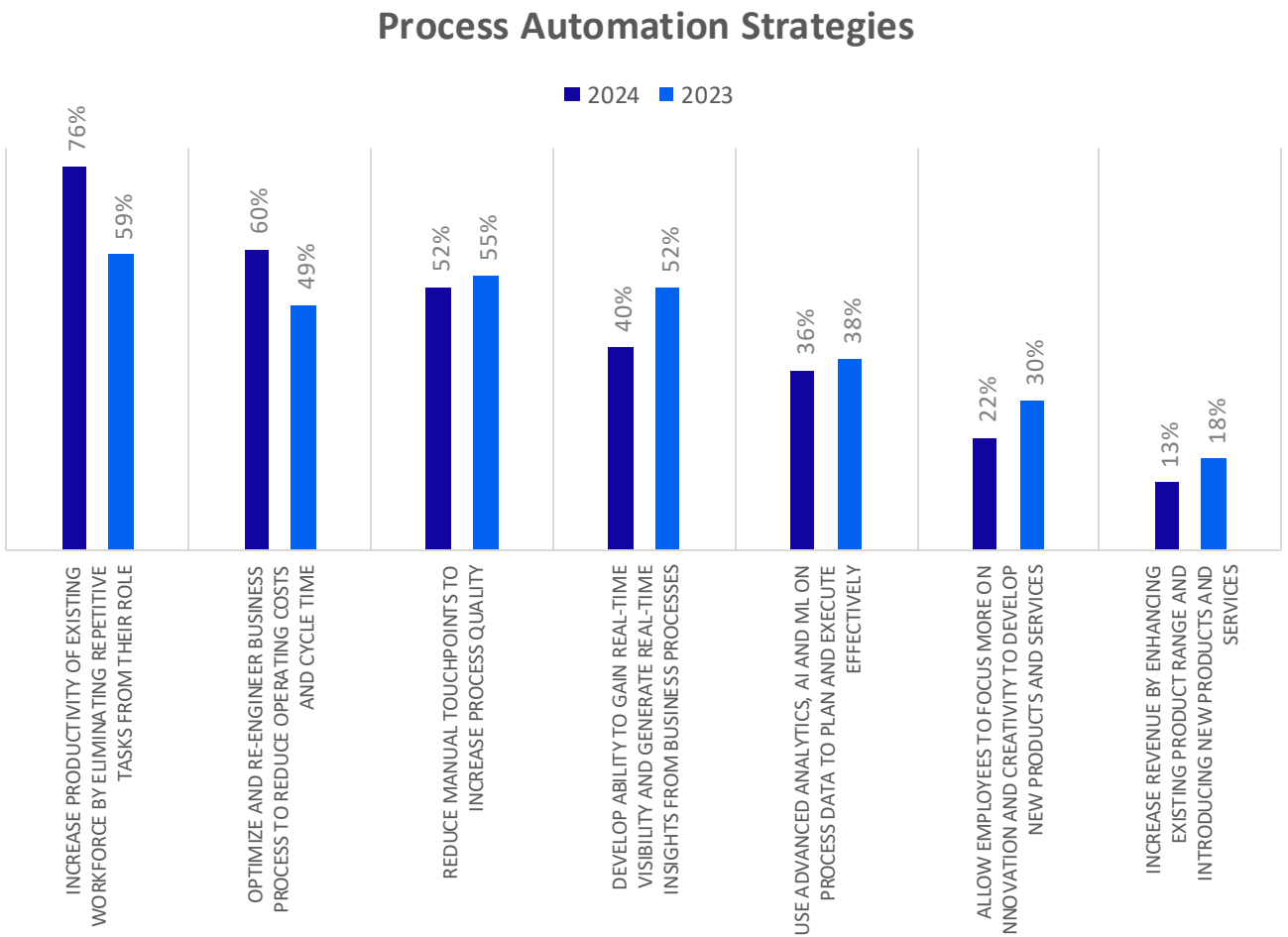
There is a significant focus on enhancing workforce productivity and optimizing business processes. In 2024, the top priority is to boost productivity by automating repetitive tasks, with 76% of respondents prioritizing this, up from 59% in 2023. This reflects a strong emphasis on using automation to enable employees to focus on higher-value activities. Strategies to optimize and redesign processes for cost reduction have also gained importance, increasing from 49% to 60%.

While there is a slight decline in the focus on reducing manual touchpoints for process quality, interest in utilizing advanced analytics and machine learning remains steady. Additionally, there is an increased focus on allowing employees more time for innovation, rising from 22% to 30%. Overall, the data suggests a commitment to leveraging automation for greater productivity, efficiency, and innovation.



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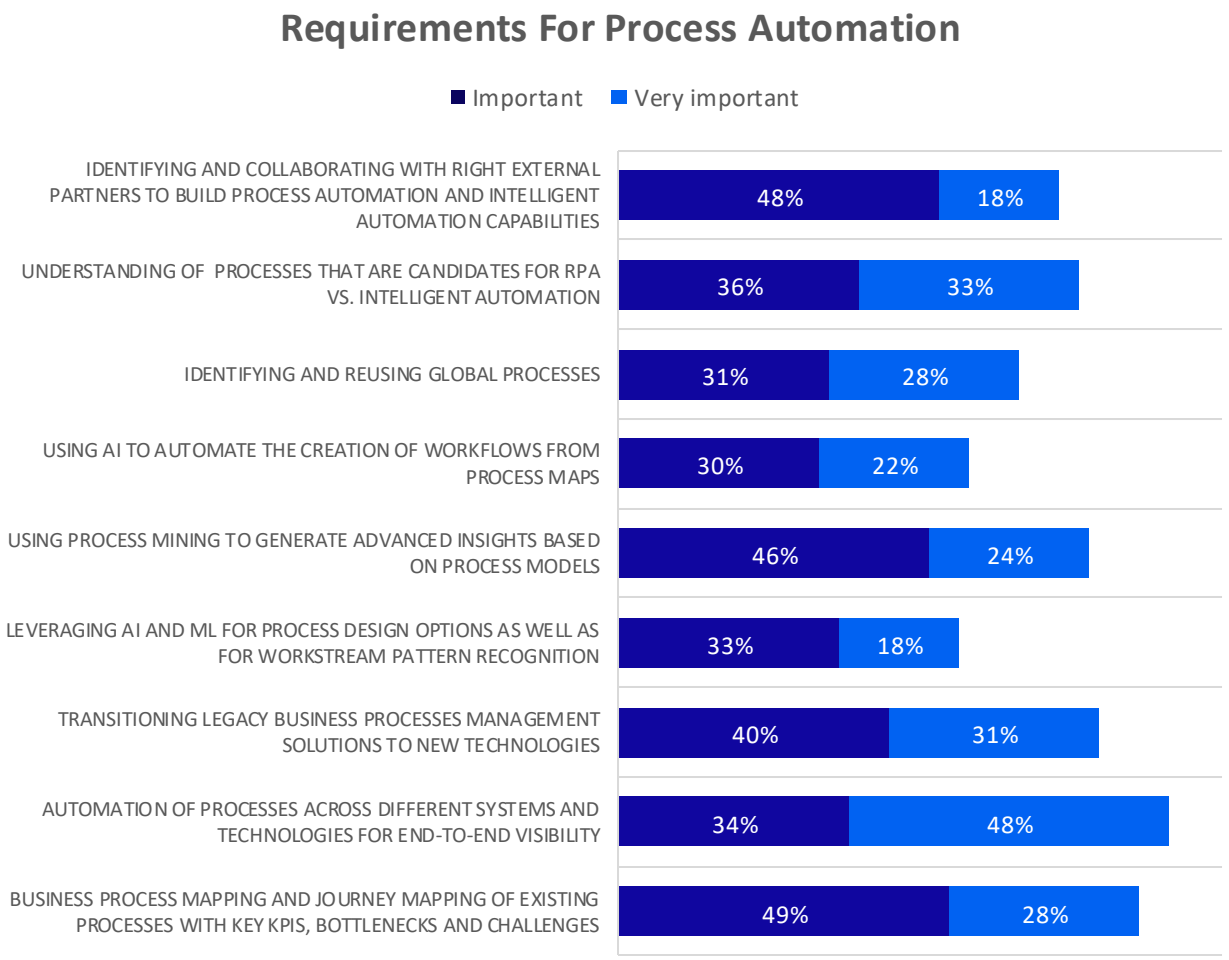
We asked SAP organizations about the underlying capabilities required for process automation. 48% consider automation of processes across different systems and technologies for end-to-end visibility as “Very Important" and 34% "Important." This suggests a significant focus on ensuring seamless integration and visibility across various technologies and systems, highlighting the need for comprehensive automation solutions.

“Understanding Processes for Robotic Process Automation (RPA) vs. Intelligent Automation” is seen as crucial by 36% of respondents who find it "Important" and 33% who consider it "Very Important," showing the importance of distinguishing between more mature automation approaches like RPA and newer approaches like AI-enabled automation to maximize efficiency.

The research data highlights a strong emphasis on comprehensive process mapping, system integration, and leveraging advanced technologies like AI and process mining to enhance automation strategies.



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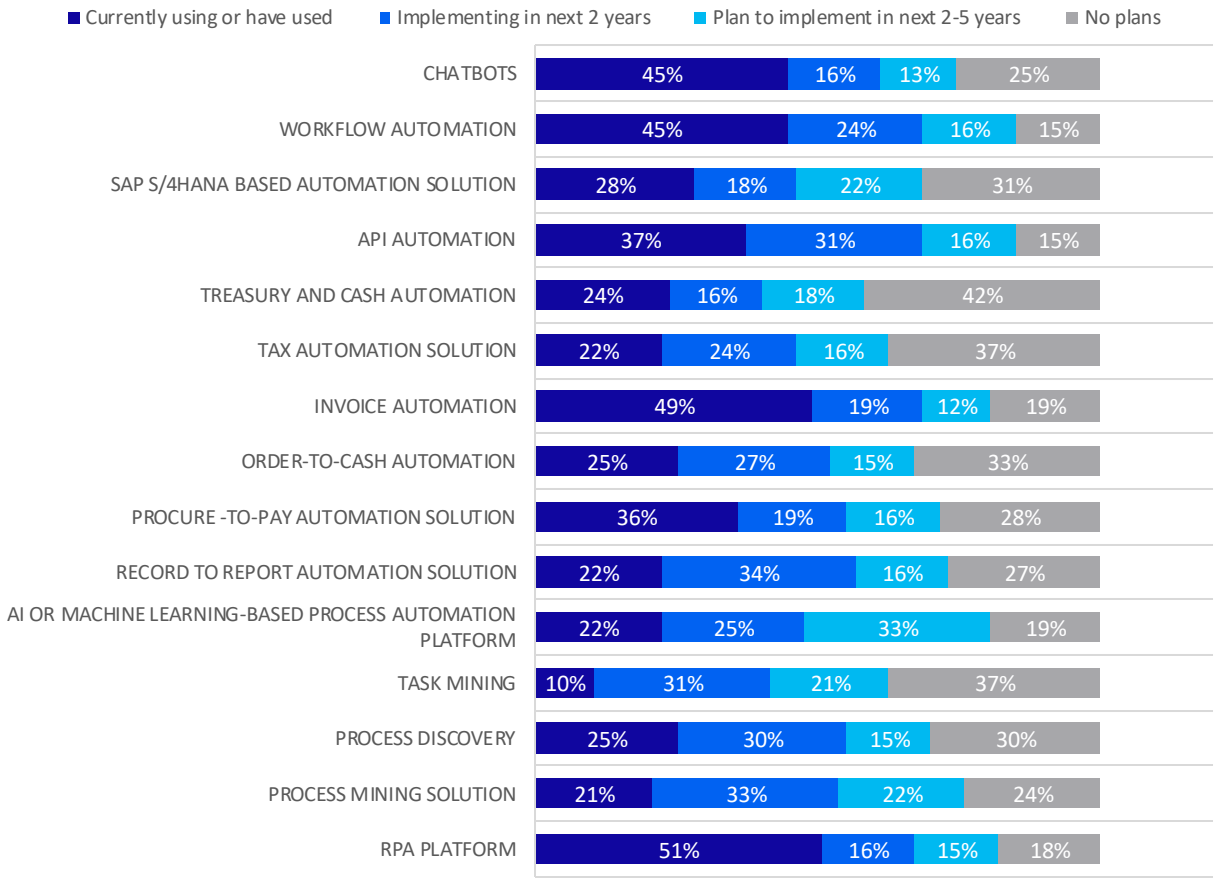
The research data shows a balanced approach to expanding automation capabilities, integrating established technologies with emerging solutions to improve efficiency and agility.

RPA platforms and Invoice Automation are the most widely adopted, used by 51% and 49% of organizations, respectively, indicating a focus on automating routine tasks. Invoice automation covers the entire lifecycle of an invoice, from receipt and validation to approval and payment, with minimal human intervention. Workflow Automation and Chatbots also have significant adoption, each at 45%, emphasizing their role in streamlining operations.

API Automation, currently used by 37% with 31% planning future implementation, reflects the need for system integration and data flow enhancement. APIs can automate complex workflows by triggering actions across different systems based on predefined rules. There is also strong interest in Process Mining Solutions and AI or Machine Learning-based Automation Platforms, highlighting a trend toward advanced analytics and intelligent automation.

Process Automation Technologies



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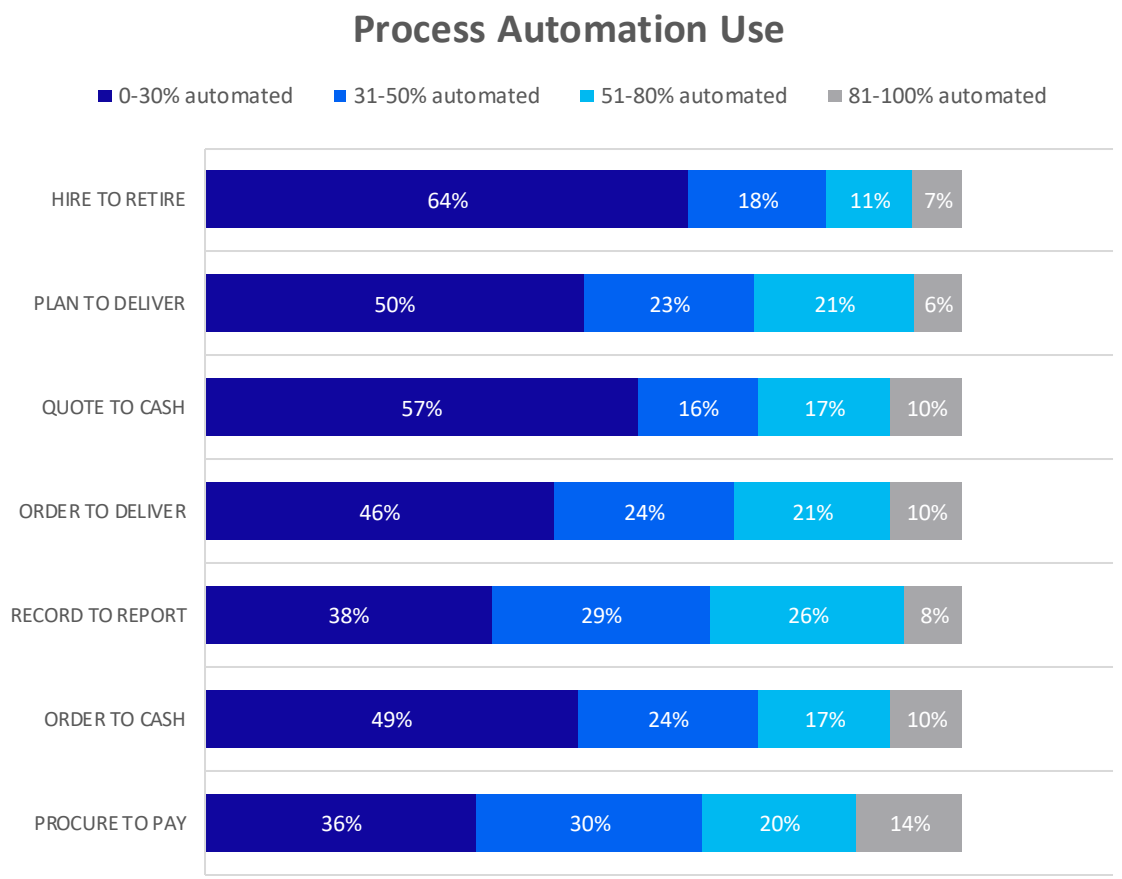
Finance-related processes have been the focus of most process automation initiatives, as the initial focus is removing manual touchpoints and eliminating headcount. "Procure to Pay" shows more advanced automation, with 30% of respondents indicating 31-50% automation and 20% reporting 51-80% automation, highlighting a more substantial focus on automating procurement processes. "Record to Report" also demonstrates higher levels of automation, with 26% in the 51-80% range, suggesting a stronger adoption of automation in financial reporting. "Order to Deliver" and "Quote to Cash" processes have a moderate level of automation, with around 46-49% of organizations automating up to 30%, but with significant portions moving into higher automation brackets (21-24% for 31-50% automation and 17-21% for 51-80%).

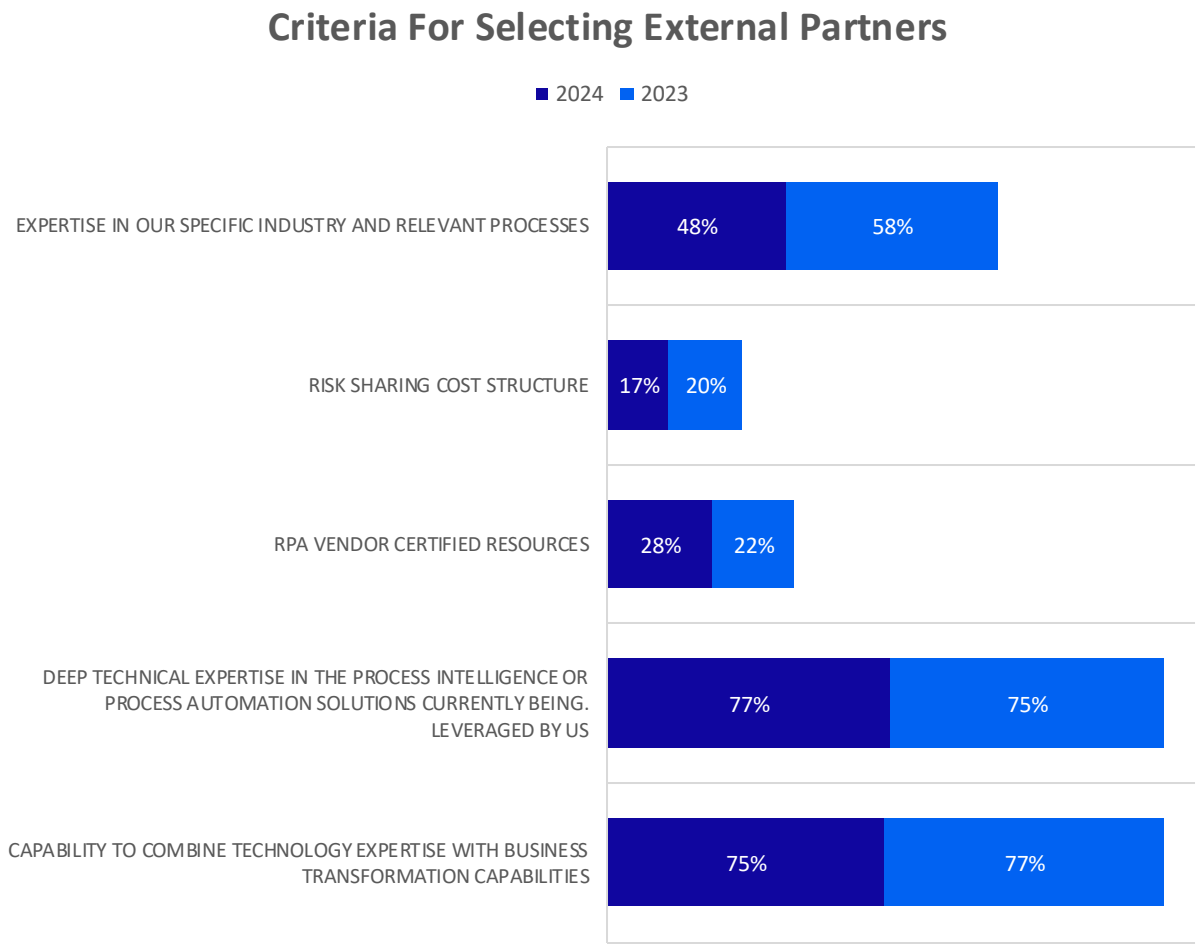
The "Hire to Retire" process has the lowest automation levels, with 64% of organizations reporting 0-30% automation, indicating significant room for automation growth in human resource functions. Similarly, the "Quote to Cash" process also has a high percentage of low automation, with 57% in the 0-30% range, reflecting limited automation in sales and revenue operations.



The research findings suggest that organizations are prioritizing deep technical expertise and the ability to deliver transformative business outcomes over other factors when selecting partners for their process automation efforts.

The criterion "Deep technical expertise in process intelligence or automation solutions," slightly increased from 75% in 2023 to 77% in 2024. This indicates a consistent preference for partners with advanced technical skills, reflecting the importance of specialized knowledge in driving successful automation initiatives.

Similarly, the criterion "Capability to combine technology expertise with business transformation capabilities" is highly valued, with a slight decrease from 77% in 2023 to 75% in 2024, suggesting a continued emphasis on partners who can align technical solutions with broader business goals.



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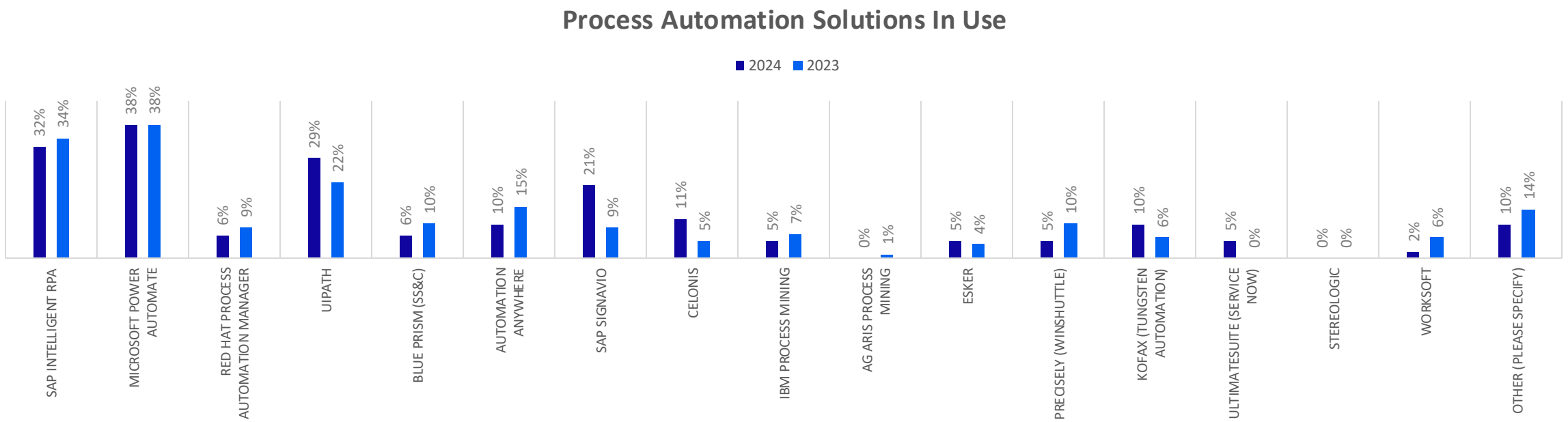
We asked SAP organizations about specific solutions they are using for process automation. Microsoft Power Automate leads with consistent use at 38% in both years, reflecting its strong position as a preferred automation platform. SAP Intelligent RPA follows, showing a slight decrease from 34% in 2023 to 32% in 2024, indicating steady but slightly declining usage. UIPath also maintains a significant presence, increasing from 22% in 2023 to 29% in 2024, highlighting growing adoption and trust in its capabilities. Other solutions such as Automation Anywhere and SAP Signavio have seen notable increases, rising from 10% to 15% and 9% to 21%, respectively, suggesting expanding adoption of these platforms for automation needs. On the other hand, tools like Red Hat Process Automation Manager and Blue Prism (SS&C) have relatively low usage, with only slight increases, indicating limited but present interest.



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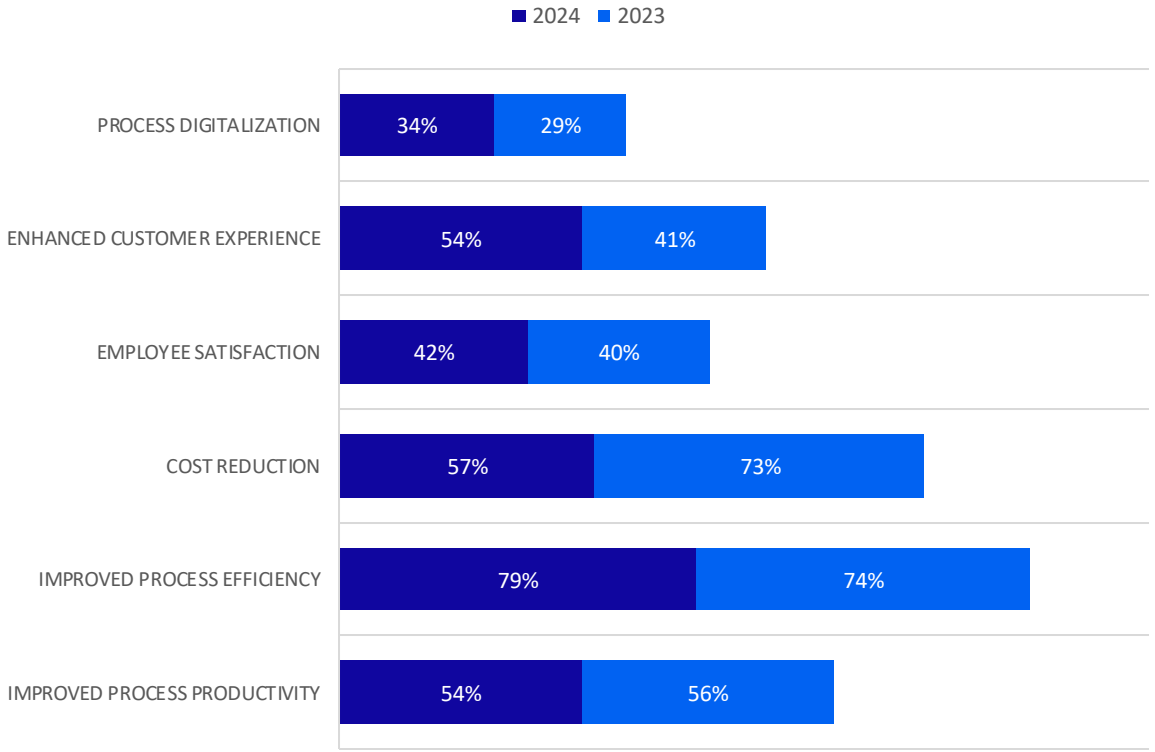
11

There is a shift towards measuring success based on efficiency, customer experience, and digital transformation, with less focus on cost reduction. Improved process efficiency is the top criterion in both years, increasing from 74% in 2023 to 79% in 2024, indicating a heightened focus on streamlining operations as a key measure of success. Automated processes can operate continuously without the delays inherent in human-dependent tasks, leading to faster completion of processes like order fulfillment, customer service responses, or financial transactions.

Cost reduction, however, has seen a notable decrease in importance, dropping from 73% in 2023 to 57% in 2024, suggesting a shift away from cost-saving as the primary objective of automation.

Criteria For Measuring Success Of Process Automation Initiatives



DART
MODEL FRAMEWORK

Process Productivity and Efficiency Through Process Automation and Intelligence

DRIVERS

- Imperative to become an agile organization and reduce business uncertainty (40%)
- Innovate products and services to compete in the digital age (40%)
- Labor shortage across various functions (34%)
- Increasing pressure to improve bottom line in an increasingly competitive market (34%)
- Imperative to meet compliance and regulatory requirements (30%)
- Need to become a sustainable enterprise (16%)

ACTIONS

- Increase productivity of existing workforce by eliminating repetitive tasks from their role (76%)
- Optimize and re-engineer business process to reduce operating costs and cycle time (60%)
- Reduce manual touchpoints to increase process quality (52%)
- Develop ability to gain real-time visibility and generate real-time insights from business processes (40%)
- Use advanced analytics, AI and ML on process data to plan and execute effectively (36%)
- Allow employees to focus more on innovation and creativity to develop new products and services (22%)
- Increase revenue by enhancing existing product range and introducing new products and services (13%)

REQUIREMENTS

- Business process mapping and journey mapping of existing processes with key KPIs, bottlenecks and challenges (49%)
- Identifying and collaborating with right external partners to build process automation and intelligent automation capabilities (48%)
- Transitioning legacy business processes management solutions to new technologies (40%)
- Using process mining to generate advanced insights based on process models (46%)
- Understanding of processes that are candidates for RPA vs. Intelligent automation (36%)
- Automation of processes across different systems and technologies for end-to-end visibility (34%)

TECHNOLOGIES

- Microsoft Power Automate (38%)
- SAP Intelligent RPA (32%)
- UiPath (29%)
- SAP Signavio (21%)
- Celonis (11%)
- Automation Anywhere (10%)
- Kofax (Tungsten Automation) (10%)
- Blue Prism (SS&C) (6%)
- Red Hat process Automation Manager (6%)
- IBM Process Mining (5%)
- Esker (5%)
- Precisely (Winshuttle) (5%)

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THANK YOU

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