

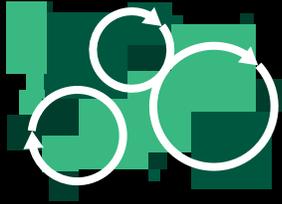
A Forrester Consulting
Thought Leadership Spotlight
Commissioned By UiPath

June 2020

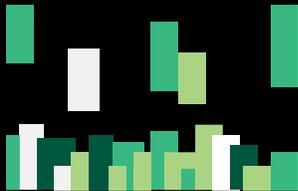
The Future Of Work: A Pandemic Spotlight

In Addendum To The January 2020 Thought
Leadership Paper, “The Future Of Work Is Still
Being Written”





The pandemic has forced organizations to expedite their digital transformation efforts.



Automation technologies are an invaluable asset in a post-pandemic world.

Introduction

The global COVID-19 pandemic has turned the world upside down and brought unprecedented changes. The shock that both workers and businesses have faced is accelerating their march into new territory: the future of work.

The pandemic and accompanying recession have posed immense challenges to organizations as they face continuous disruption to their operations and supply chains, as well as extraordinary financial pressures. The pandemic has forced the world of work to balance the dichotomy of employees seeking assurance and stability with organizations themselves pursuing resilience and agility. Once the pandemic passes, which it eventually will, organizations will see structural changes to work. In fact, with so many people already working from home, employees and enterprises must reshape how they conduct themselves. Automation technologies have emerged as an invaluable asset for organizations to tackle this new world.

UiPath commissioned Forrester Consulting to evaluate the impact the COVID-19 pandemic is having on the future of work and automation. To explore this topic, Forrester conducted an online survey with 160 decision makers from operations groups, shared services, finance, and other lines of business from France, Germany, Japan, the UK, and the US. We found that the pandemic has:

KEY FINDINGS

- › **Accelerated digital transformations and created a surge in automation investment.** Organizations have been undergoing digital transformation for several years, but the pandemic has forced them to expedite their efforts. The world has seen more digital transformation in the past months than in the preceding five years. Intelligent automation (IA), a collection of 19 software technology categories, will support and accelerate this surge.¹ This crisis has divided companies into those that grasp the need for digital transformation and those that don't.
- › **Elevated the need for a people-centered workforce.** Automation is proving to be necessary for organizations to tackle post-pandemic economic challenges and constraints but requires an employee-sensitive approach. Lifetime learning, monitoring employee anxiety, and determining how to manage post-pandemic dispersed resources are new territories for most firms. Providing opportunities for education in the workplace and increasing employees' transferable skill sets will help organizations sustain a growth mindset and make them fit for the future of work.
- › **Catapulted us further toward the future of work.** The workforce has become more spread out than ever before. Videoconferencing and home working for those with a desk job have become the new normal. For example, in the EU, the percentage of workers who occasionally work from home slowly increased from 6% in 2009 to 9% in 2019.² The pandemic has turbocharged this trend, and the pendulum will never swing back completely. Office cost reductions, increased staff retention, solid worker performance, a lower CO2 footprint, higher staff morale, the value of a wider talent pool, and health uncertainties are compelling. The barriers to remote work have suddenly vanished, and flexible ways of working will remain in place.

Pandemic Forces Accelerate The Shift To A New World Of Work

Automation will define the post-pandemic world of work. Organizations have shifted business priorities toward becoming digital with most (82%) expecting progress and acceleration over the next three months. A further 12 months down the line, 83% of surveyed respondents said innovation will become a key business priority. They must innovate to develop new ways of working, adopt new business models, and wring increased efficiency from outdated business processes. In surveying 160 decision makers, we found that under the influence of the pandemic, investment in IA and robotic process automation (RPA) will continue to surge.

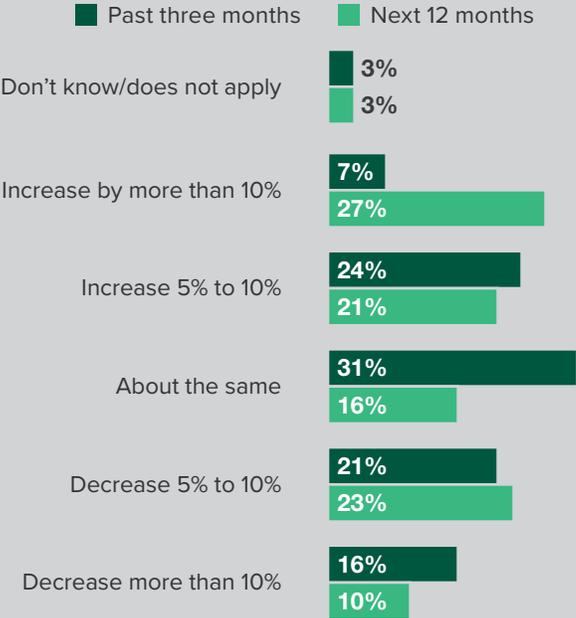
The recession is reducing discretionary IT expenditures. Yet the necessity for digital transformation is more than offsetting this headwind.³ Thirty-one percent of decision makers we surveyed said their firms have increased their spending on RPA in the past three months — a key component in the landscape of IA technology. And as we come down from the pandemic curve and organizations are ready to tackle innovation, we expect to see more months of rapid acceleration and increased investments in the near future. In fact, 48% of respondents said that they're increasing their spend on RPA in the next year.



The pandemic has propelled organizations into the future of work faster than expected.

Figure 1

“How has your spending on robotic process automation (RPA) technology changed with the COVID-19 pandemic and looming recession? How do you expect it to change over the next 12 months?”



Base: 160 decision makers at the manager level or above from operations groups, shared services, finance/accounting, and other lines of business from the United States, Europe, and Japan
 Note: Percentages may not total 100 because of rounding.
 Source: A commissioned study conducted by Forrester Consulting on behalf of UiPath, May 2020.



48% of respondents said their organizations are increasing their spend on RPA in the next year by 5% or more.

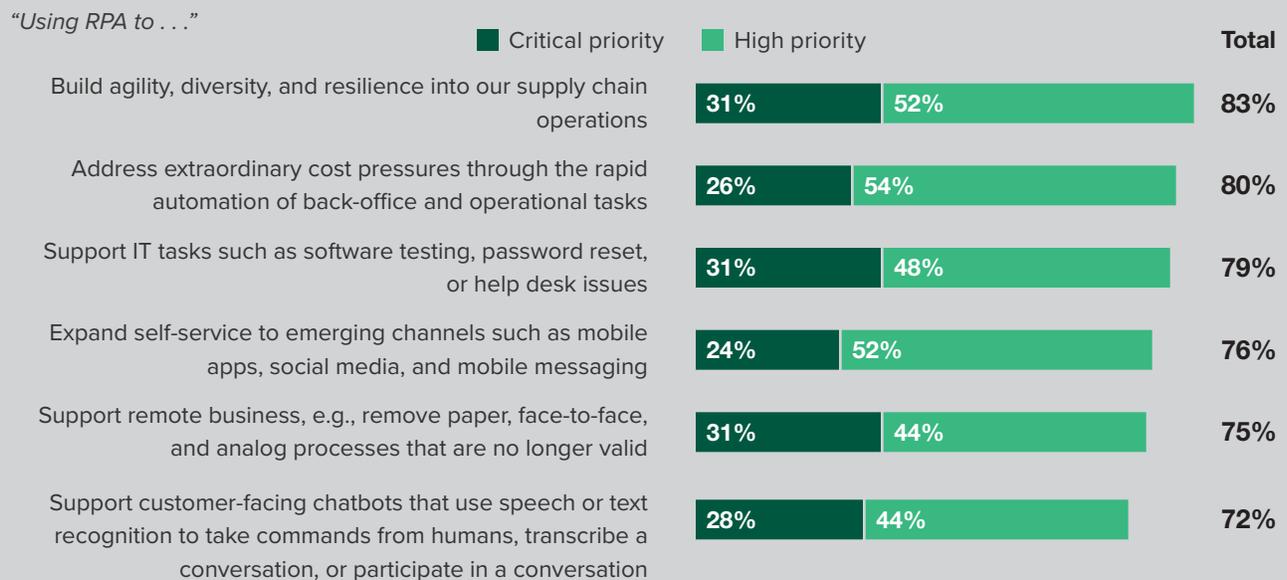
Automation Addresses COVID Challenges Head On

The pandemic has put immense pressure on supply chains, due to emerging cost constraints and disruptions, and has forced firms to manage a dispersed workforce. Organizations are using their increased investment in RPA to tackle these challenges by (see Figure 2):

- › Prioritizing speed and business-model resilience.** Firms are focusing on incorporating business-model resilience into their overall enterprise strategies. Companies are using RPA to build agility, diversity, and resilience into their supply chain operations (83%) and to address extraordinary cost pressures by using rapid automation of back-office and operational tasks (80%) and supporting remote businesses (75%).
- › Augmenting IT use cases with automation.** Organizations must accelerate the delivery of technology to the business to cope with the pandemic challenges. This puts pressure on development and testing teams to test and deliver software updates and new applications. To help, organizations can leverage RPA technologies to support software testing and other IT tasks such as password resets and solving routine help desk tickets (79%).
- › Expanding self-service capabilities (76%) and further supporting chatbot offerings (72%).** This is beneficial to companies with limited technical resources. The goal of this renewed focus is to get as many queries as possible answered by the virtual agents before any calls or support tickets are handed over to humans, which reduces the burden on call centers and the wait times for users, leading to a better experience.

Figure 2

“How much of a priority, with the COVID-19 pandemic and looming recession in mind, are the following statements around RPA-enabled digital workers?”



Base: 160 decision makers at the manager level or above from operations groups, shared services, finance/accounting, and other lines of business from the United States, Europe, and Japan
 Source: A commissioned study conducted by Forrester Consulting on behalf of UiPath, May 2020

EMPLOYEES ARE INCREASINGLY ANXIOUS WITH THE EVOLVING NATURE OF THE FUTURE OF WORK

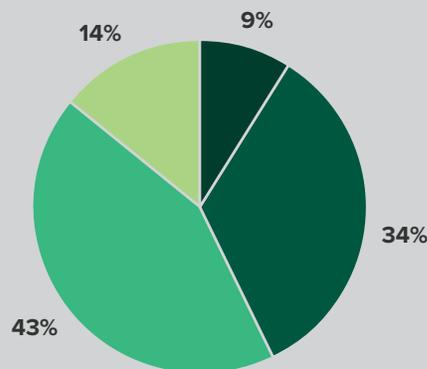
Employees' prepandemic concerns about automation taking jobs have worsened. In short, the impact of job losses is more profound now than ever. Coupled with pandemic health concerns and a lack of human contact at work, people are growing increasingly anxious. With automation advancing at such a rapid pace, 57% of respondents said their employees are moderately or very anxious regarding their ability to succeed in their jobs; 14% went so far as to say their employees feel threatened with the growing complexity of tasks (see Figure 3). In fact, Forrester's PandemicEX research has found that employees in the UK are now more concerned about the impacts on their job security and financial situations than they were at the outset of the pandemic in March.⁴

What does this mean for employees? Routine jobs with cognitive aspects will continue to bear the highest risk; these include sales, administration and support jobs, which were already under pressure.⁵ Organizations that fail to address their employees' anxiety in this time of uncertainty risk having a workforce demotivated and unprepared for the future of work and are in danger of losing valuable skills that automation cannot replace.

Figure 3

“What statement best characterizes the attitude of your employees related to digital skills required during COVID-19 pandemic and looming recession?”

- Not anxious: They do not have any ambition to enhance their digital skills
- Anxious: They are slightly concerned that their existing digital skills may not match what their job will require in the future
- Moderately anxious: They are concerned in their ability to succeed at their existing job but are not interested in advancing their digital skills
- Very anxious: They feel threatened with the growing complexity of the tasks they face now and will in the future



Base: 160 decision makers at the manager level or above from operations groups, shared services, finance/accounting, and other lines of business from the United States, Europe, and Japan

Source: A commissioned study conducted by Forrester Consulting on behalf of UiPath, May 2020

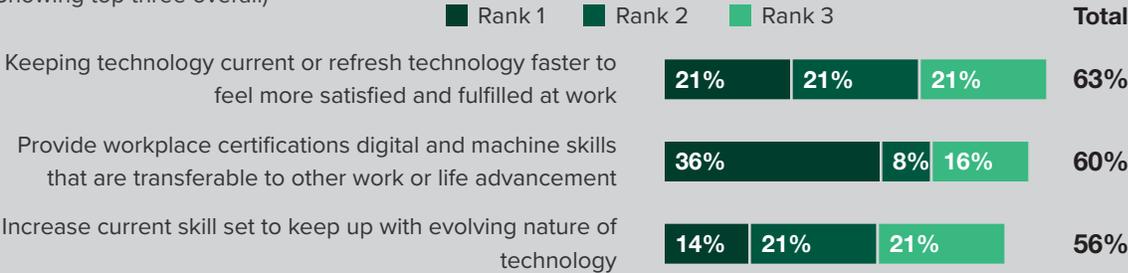
Organizations Must Develop A Post-Pandemic Employee Experience

To successfully navigate this era of automation and robotics, organizations are required to develop a deeper understanding of how automation impacts employee experience (EX). Directly addressing EX is one of the most powerful ways a company can see continued and sustained growth. Our study found that:

- Education in the workplace encourages employees to become future-ready.** Organizations need immediate and impactful ways to prepare their workforces. Before the pandemic, we argued that education in the workplace will boost career prospects — but it will do so much more in a post-pandemic world.⁶ It will reduce employees’ anxiety and give them more confidence, as well as encourage and allow them to overcome fears around automation and embrace it as a productivity-boosting asset. Sixty percent of decision makers agreed that providing workplace certifications for transferable digital and machine skills helps their employees cope with the potential effects of automation and prepares them for the future of work; 56% said their companies are working to equip their workforces with the right skills to keep up with the evolving nature of technology (see Figure 4).
- Firms should tailor learning to cater to different needs across the workforce.** Learning opportunities are essentially viewed most positively if they are inclusive and fair. For example, many adults with higher educational backgrounds hold far fewer roles than those in low-skilled jobs. This must be broadened to ensure that the entire workforce can benefit from retraining and refining their skills. For instance, the survey revealed that new formal work certifications/vocations for different levels of automation are likely to have major or at least some beneficial (88%) effects in dealing with automation anxiety (see Figure 5). Decision makers also expect certification programs provided by technology vendors to have major (86%) effects. With this, new career paths will emerge, and fresh efforts will undoubtedly be required to understand, support, and navigate the new landscape for learning and development opportunities. Only then will people improve their potential in the future of work.

Figure 4

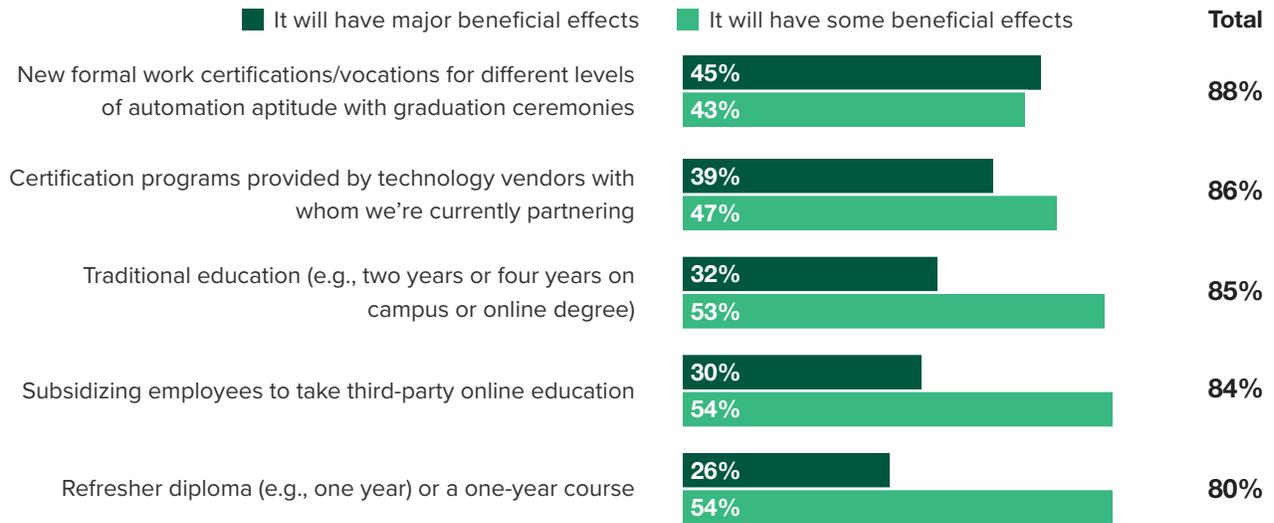
“What would be most successful activities within your organization (post COVID-19 pandemic) to cope with the potential effects of automation and to improve the employees’ working experience? (Rank your top three.)”
 (Showing top three overall)



Base: 160 decision makers at the manager level or above from operations groups, shared services, finance/accounting, and other lines of business from the United States, Europe, and Japan
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Figure 5

“With the pandemic in mind, please rank the education approaches in terms of how effective they are at dealing with workplace automation issues”



Base: 160 decision makers at the manager level or above from operations groups, shared services, finance/accounting, and other lines of business from the United States, Europe, and Japan

Source: A commissioned study conducted by Forrester Consulting on behalf of UiPath, May 2020

MONITORING AND SAFEGUARDING EMPLOYEE HEALTH IS THE PRIMARY DRIVER OF THE NEW EMPLOYEE EXPERIENCE

Health is influenced by and connected to anxiety and stress levels. If organizations can track their employees' anxiety stemming from new technology, they have powerful insights to help refine their change management and approach for specific groups of employees. Fifty-five percent of respondents we surveyed deemed this an important automation initiative to support a remote workforce post COVID-19 and demonstrate their commitment to employees.

While monitoring anxiety has raised concerns about privacy in the past, the pandemic has broken down some of these barriers. Now, 43% of decision makers think monitoring employees' anxiety should be required, compared to 29% in 2019.

Key Recommendations

Forrester's survey of 160 decision makers on process automation strategy and initiatives from finance/accounting, operations, human resources, and shared services departments about the influence of the pandemic on automation yielded several important recommendations:



Use IA to address COVID-19 challenges head on. Review your automation roadmap proactively. Don't wait for the C-suite to call. Prioritize automations that reduce costs, work from home (WFH), supply chain resilience, remote business, chatbot offerings, and use of RPA technologies to support software testing and other IT-related tasks.



Prepare for a workplace that is flat and wide. Take a fresh look at your organizational structure in conjunction with technology investments and rollouts. Plan to reduce positions for coordinator and middle management. View advancing collaboration and intelligent automation technology as an opportunity to enhance worker self-esteem and build small innovative work teams. Recognize that flattening organizations, along with a progressive WFH program, can lead to a better EX.



Drive innovation with a flatter organizational structure. Over the next 12 to 36 months, companies will invest in IA to improve business continuity, drive process resilience, reduce the risk of human error, fill in for missing human labor, and create scale. As this happens, management can embrace these changes. For example, they must support emerging job roles, like "botmasters" who manage and act as subject matter experts (SMEs) to intelligent software. Future-fit managers use digital transformation to create cross-functional teams from IT, business, operations, and data science. With a flatter structure, employees react to changes rapidly and spend less time on cumbersome and ineffective communications.

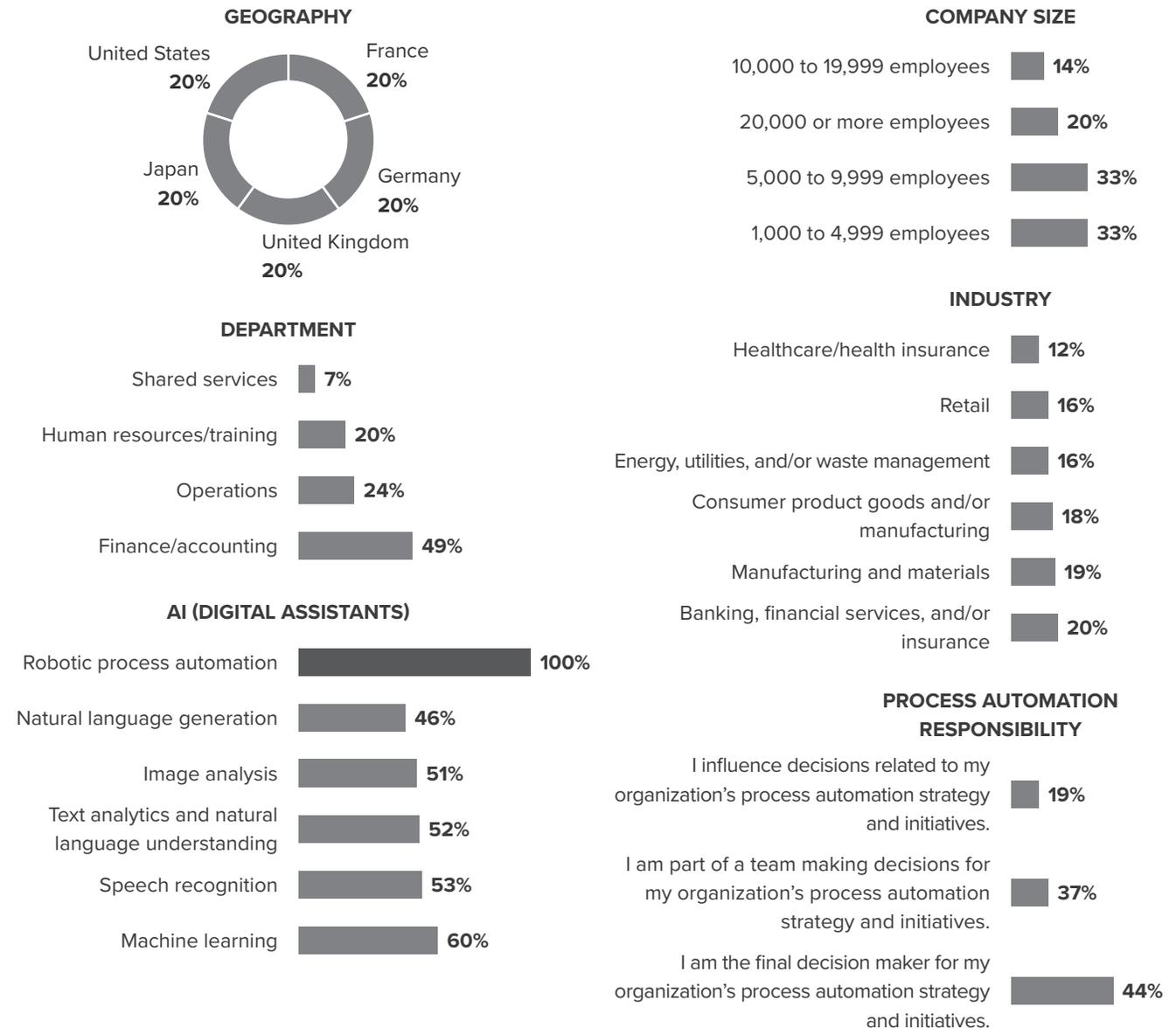


Take automation anxiety seriously. Acknowledge that automation and the pandemic shift how we work and may lead to new forms of digital anxiety. For example, people are happiest at work if they are making progress, but if the automation doesn't help them, then anxiety results.⁷ If we show them the data that supports a machine decision, they will trust the machine more and exhibit lower levels of stress. Today, there is no measurement, reporting, or requirement to consider stress for workers. Today's performance metrics leave organizations unaware of how advancing automation is impacting employees. Investigate identification and treatment options that deal with machine and work stress issues.

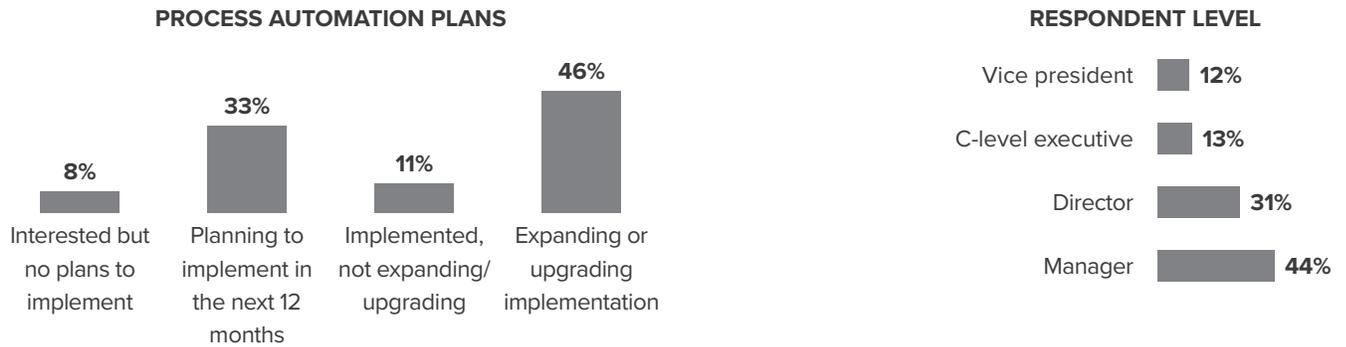
Appendix A: Methodology

In this study, Forrester conducted an online survey of 160 decisionmakers at the manager level or above from various industries in France, Germany, the UK, Japan, and the US to evaluate the influence of the COVID-19 pandemic on the future of work and automation. Survey participants included decision makers from finance/accounting, operations, human resources, and shared services departments who influence or make decisions on their organizations' process automation strategies and initiatives. Questions provided to the participants asked about their business and automation priorities, challenges and benefits of the technology, and how they perceive their employees' anxiety during the COVID-19 pandemic. The study began and was completed in May 2020.

Appendix B: Demographics



Base: 160 decision makers at the manager level or above from operations groups, shared services, finance/accounting, and other lines of business from the United States, Europe, and Japan
 Note: Percentages may not total 100 because of rounding.
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Base: 160 decision makers at the manager level or above from operations groups, shared services, finance/accounting, and other lines of business from the United States, Europe, and Japan

Note: Percentages may not total 100 because of rounding.

Source: A commissioned study conducted by Forrester Consulting on behalf of UiPath, May 2020.

Appendix C: Supplemental Material

RELATED FORRESTER RESEARCH

“Your Automation Psychology And Roadmap Just Shifted Gears,” Forrester Research, Inc., May 29, 2020.

“The COVID-19 Crisis Will Accelerate Enterprise Automation Plans,” Forrester Research, Inc., May 5, 2020.

Appendix D: Endnotes

¹ Source: “The Forrester Tech Tide™: Intelligent Automation, Q1 2020,” Forrester Research, Inc., January 8, 2020.

² Source: “How usual is it to work from home?,” European Commission, Eurostat, April 24, 2020 (<https://ec.europa.eu/eurostat/web/products-eurostat-news/-/DDN-20200424-1>).

³ Source: “Your Automation Psychology And Roadmap Just Shifted Gears,” Forrester Research, Inc., May 29, 2020.

⁴ Source: Martin Gill, “How UK Employees Feel About COVID-19 Now: A PandemicEX Update,” Forrester Blogs, May 15, 2020.

⁵ Source: “The COVID-19 Crisis Will Accelerate Enterprise Automation Plans,” Forrester Research, Inc., May 5, 2020.

⁶ Source: “The Future Of Work Is Still Being Written,” a commissioned study conducted by Forrester Consulting on behalf of UiPath, January 2020.

⁷ Source: “Focus On Employees’ Daily Journeys To Improve Employee Experience,” Forrester Research, Inc., April 20, 2018. A traditional view of employee experience spans the employment lifecycle from recruitment to exit and is too broad to uncover and address all the issues that most affect employees’ daily work. Our research shows that daily work, and employees’ ability to succeed with it, is more important. As a result, focusing on the technologies that enable employees to succeed in their daily work is critical.

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