

The disruption of automation

Automation is putting pressure on organisations to rethink and refine every aspect of process, skills and technology infrastructure.



Kieran Frost, research manager for software focused on sub-Saharan Africa for IDC

The next two years will see organisation and infrastructure impacted by large-scale automation. Artificial intelligence (AI) and robotics alongside exponential change in the business landscape and emergent technology will shake foundations and shift perceptions.

Automation, by its very nature, is disruptive and this will be felt across individual, organisation and industry, bringing with it change, fresh perspectives, evolving business models and new use cases. Organisations have to rethink how they work from within and without to gain the benefit and mitigate the risk.

Kieran Frost, research manager for software focused on sub-Saharan Africa for IDC, explains,

“ Organisations have to look within at everything from how their processes work to the kinds of skills they require to the technology infrastructure choices they make to make the most from automation and their investment into it. Automation also allows for the organisation to look without, using its potential to become highly disruptive in established industries. ”

Already organisations are showcasing how the use of automation can change industry and perception. Tyme Bank brings South Africans a fresh take on how a financial institution can scale. It has 125 permanent employees and 80,000 customers and doesn't think it will need many more people to achieve the goal of two million customers by 2020. The company has used the disruptive capabilities of automation to maintain a low-cost base that then benefits both bottom line and consumer. The QuadPara Association in the Western Cape has implemented home automation solutions with voice-activated digital assistance to help disabled people perform simple daily tasks – intelligent and scalable solutions that would once have been either impossible or prohibitive are now possible.

“Automation is not one of the trends that only affects certain types of industries, it can happen throughout the value chain,” adds Frost. “From the factory floor where robotics can replace factory workers to the development of self-healing and self-optimising databases, to the automated call centre – all areas of business are ripe for disruption if not already in the process of being disrupted.”

Not all things should be automated

Disruption for the sake of automation is not always the right move, particularly in industries that have stringent requirements and regulations, such as healthcare. There remains a need to have humans' complete vital tasks and bring to roles and business the creative, problem-solving skills that automation lacks.

“Most projections have found that wide-scale automation will create more jobs than it will eliminate – but the new jobs require different skills to those that are lost,” says Frost. “This is both a challenge and an opportunity. Organisations will need to reskill and upskill their employees. This will not only ensure that the talent is retained but will put the organisation on a far stronger footing in its evolution towards becoming the digital enterprise.”

An incidental force for good

Some companies have already started to invest in educational institutions that will help them to develop the skills they will require from school leavers and students. Helping to construct the skillsets today that will be needed tomorrow. Automation may be disrupting roles and businesses, but it is one of the rare disruptors that can become an incidental force for good. Bottom line and social good both on the same expenditure page.

“Forward-thinking organisations would do well to recognise that developing the broader talent pool for these scarce skills will benefit them in the long term,” explains Frost. He adds that: “Some of the other immediate benefits that companies can realise through automation include the ability to produce repeatable and predictable outcomes, regardless of the time of day, and improving customer experiences.”

Automation improves turnaround times as it is never tired and never stops, and this repeatability can also improve the employee experience. There is less variance in the outcomes that they expect and this improves productivity.

“We believe that 2019 will see digital assistant usage improve knowledge worker productivity fourfold because this automation process will see them spending less time searching for information and more time acting on it, which is why it will be a key discussion area at our upcoming South Africa CIO Summit in April,” concludes Frost. “Automation also can potentially reduce costs as the cost-to-serve ratio is merely the development cost. Overall, while the technology may be disruptive, it has the potential to be enormously beneficial to both business and individual.”