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The Future of Work: the Autonomous Enterprise

Saurabh Gupta

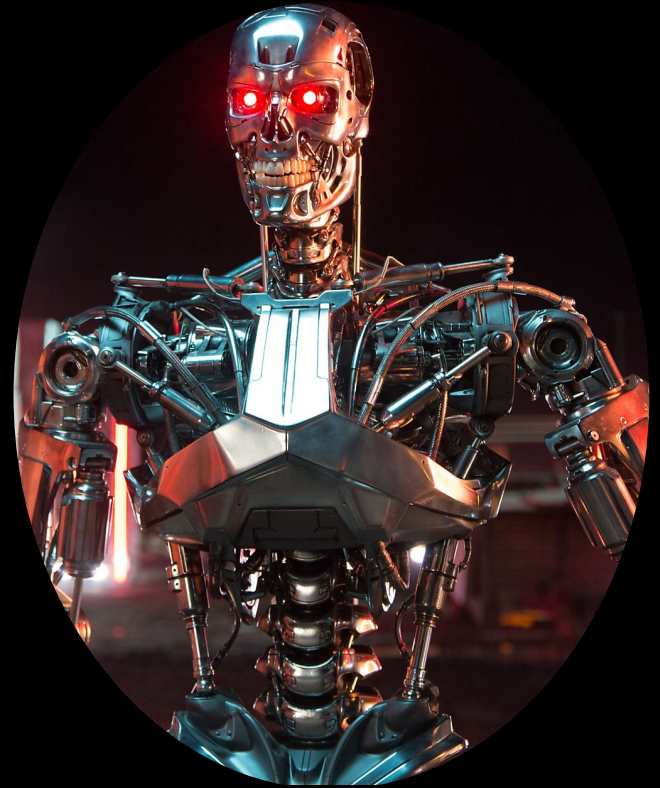
Practice Leader, HFS Research

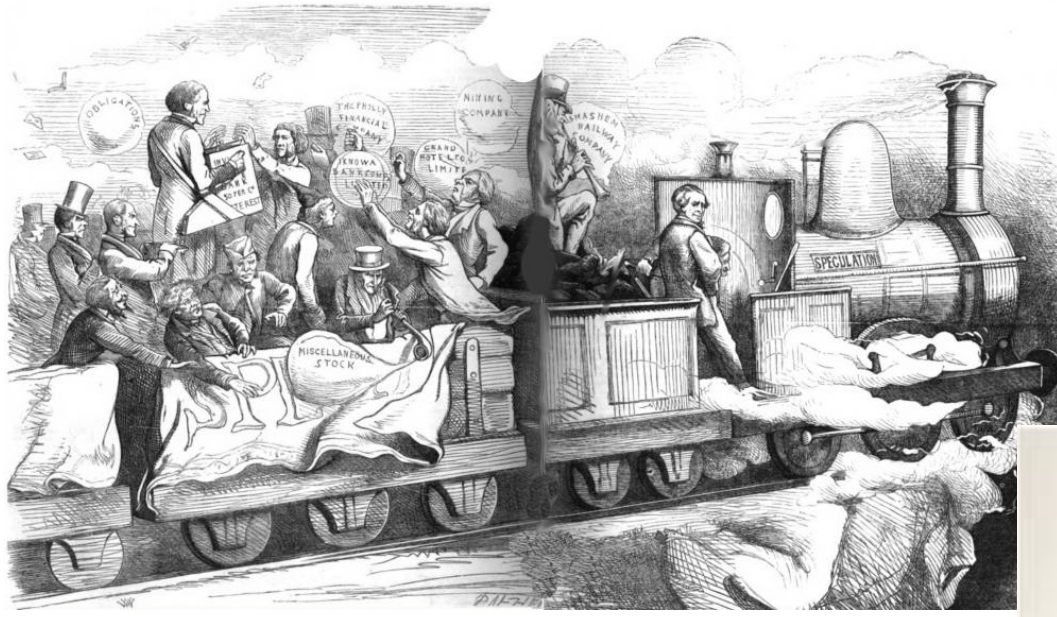
Ken Parmelee

Sr Director Strategy, Pega

HFS







What Makes an Autonomous Enterprise?

A self-driving business



AI-driven



Automated end-to-end



Self-optimizing

Why Autonomous Now?

Technology innovation



AI Decisioning



Business reality



AI intelligence drives business workflows today

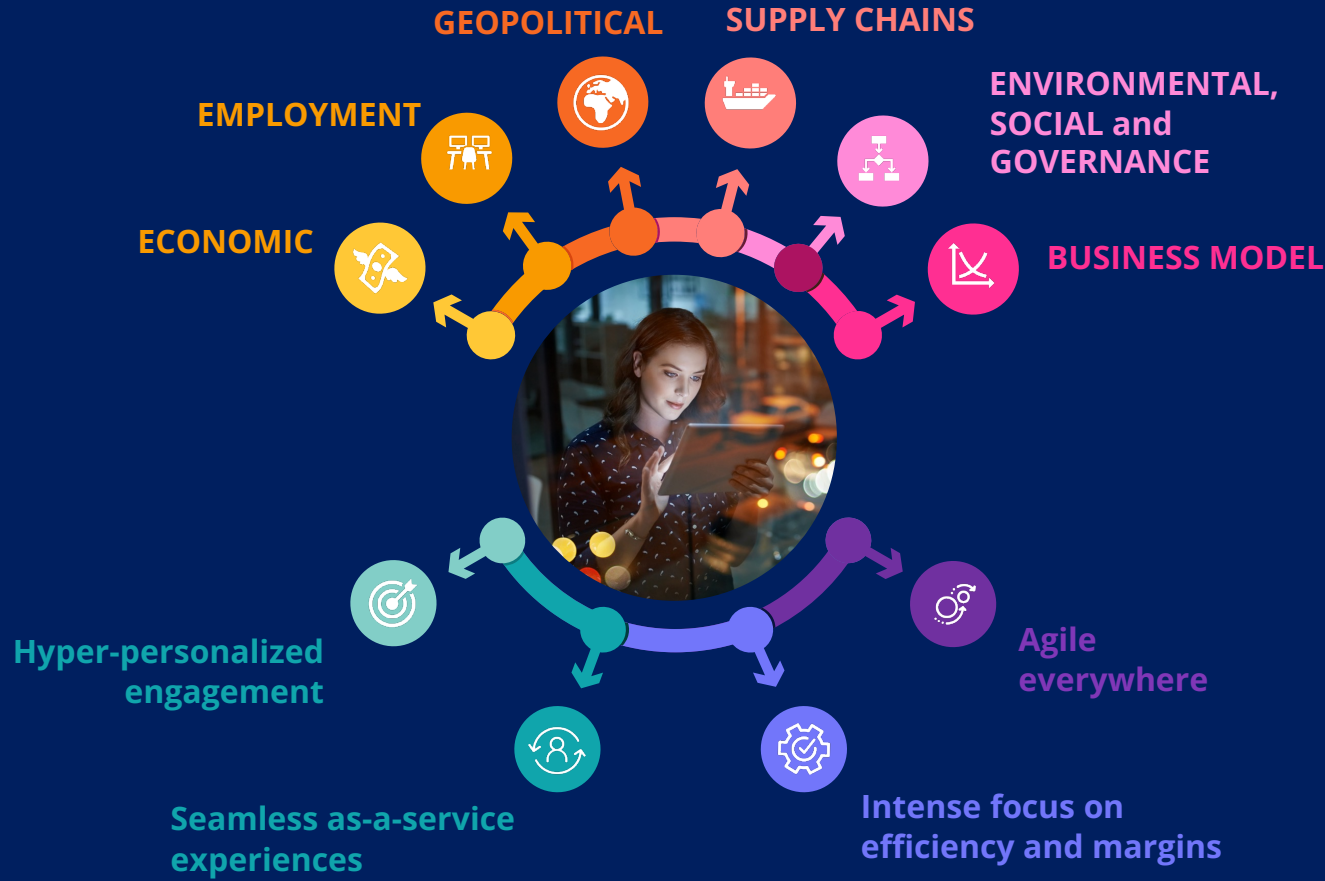


Most Enterprise Buyers See Their Orgs in The *Simple – Intelligent Automation* Phases

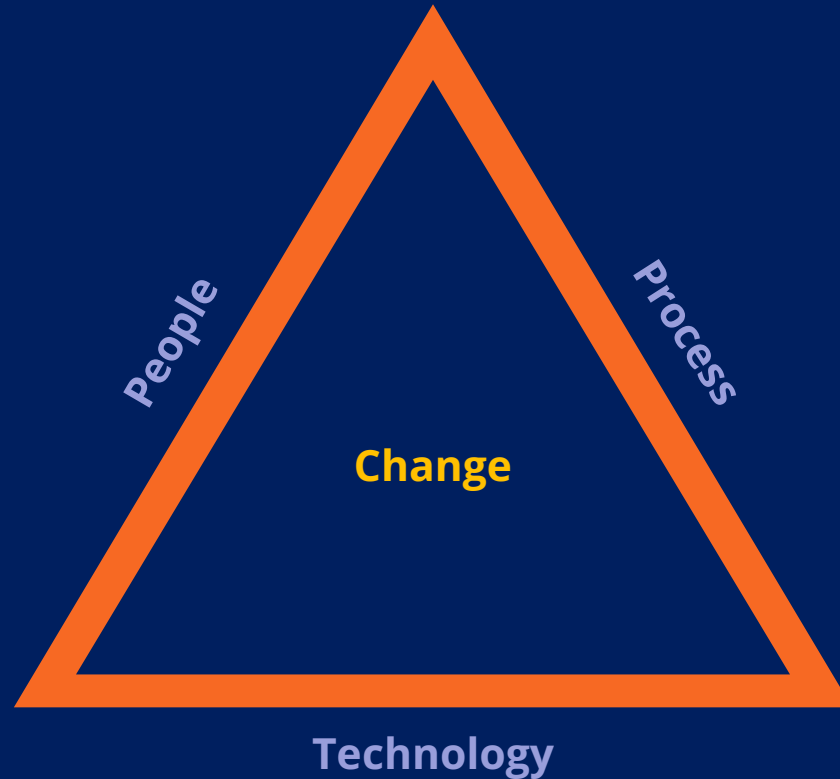
Which of the following describes where your organization currently is in the process of becoming an autonomous enterprise?

<i>Phase</i>	Low autonomy	Directional assistance	Simple automation	Intelligent automation	Full autonomy	Don't know / not sure
Enterprise	11%	19%	40%	29%	1%	0%
Mid-size	12%	20%	36%	31%	0%	1%

*Pega Research Study



Leavitt's Diamond Model



HFS Research

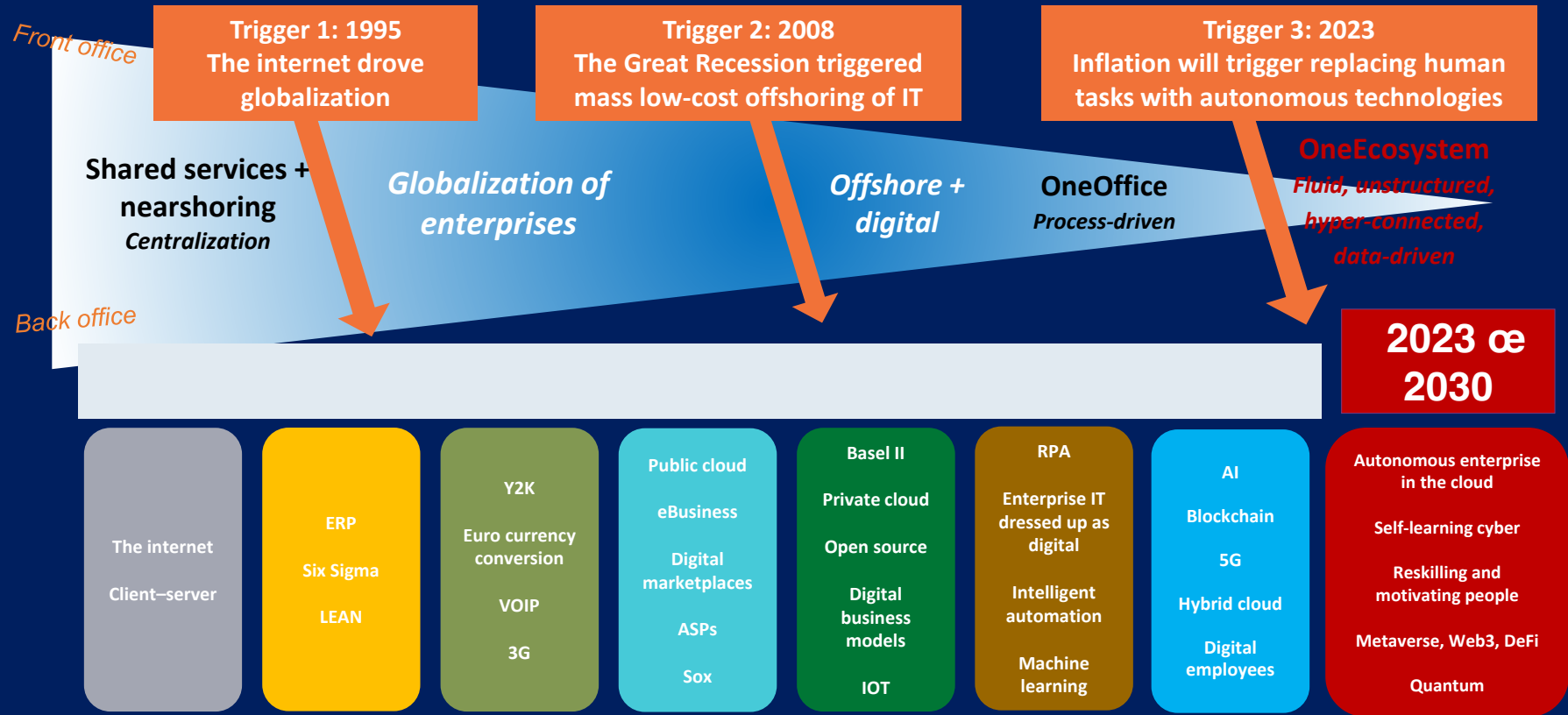
The autonomous enterprise

Saurabh Gupta

Practice Leader



The Third Trigger of Change is Driving the Autonomous Enterprise



The Digital Dichotomy is Accelerating the Advent of the Autonomous Enterprise

The Slowdown

- Enterprises face **multiple macroeconomic headwinds** and challenges assaulting their strategic goals.
- **IT budgets** are tightening.
- The **talent crunch** will not improve unless we find a hidden continent under the ocean.

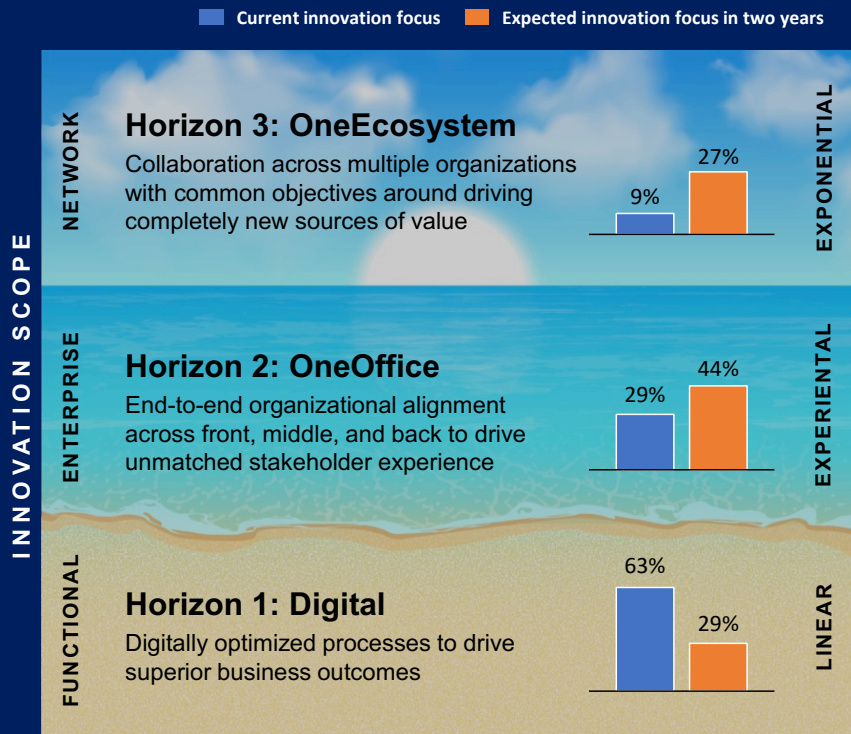
Both things are true

The Big Hurry

- **Digital** is essential for survival.
- Customer experience and employee experience improvements require much greater **organizational alignment** to business strategy and between the front and back offices.
- There is a thirst to create new business models boosting **ecosystems**.

The case for building an **autonomous enterprise** is stronger than ever before

Driving Unmatched Experiences and Ecosystems are No Longer “Five Years Away”– They are Unfolding Right Before Our Eyes



Organization characteristics

Horizon 2+

- Infinite mindset
- External collaboration
- Data-monetization
- Creative talent
- **Autonomous processes**
- Physical-digital convergence

Horizon 1+

- Growth mindset
- Internal collaboration
- Data-led decision making
- Digitally fluent talent
- Human + machine processes

- Efficiency and effectiveness mindset
- Unified data reporting
- Domain expertise
- Process workflow

Enabling technology

Horizon 2+

- Industry cloud
- Blockchain
- Web3 and metaverse
- 5G
- Quantum computing

Horizon 1+

- Cloud native
- **Artificial intelligence**
- Prescriptive analytics
- Internet of things

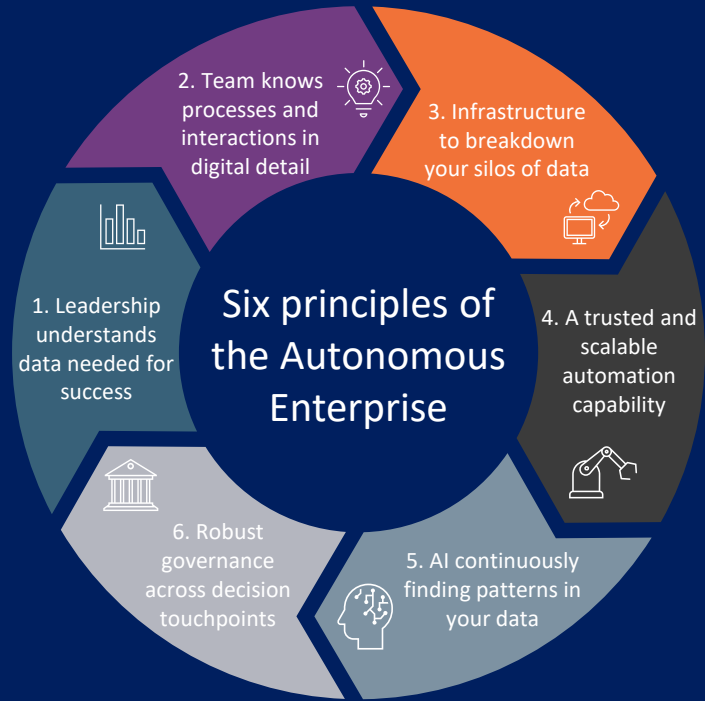
- Cloudification
- Cybersecurity
- **Automation**
- Machine learning
- Predictive analytics

What's an Autonomous Enterprise?

Its goal is to allow us (humans) to remove ourselves from some parts of the system so we can make continuous improvements to the whole ecosystem

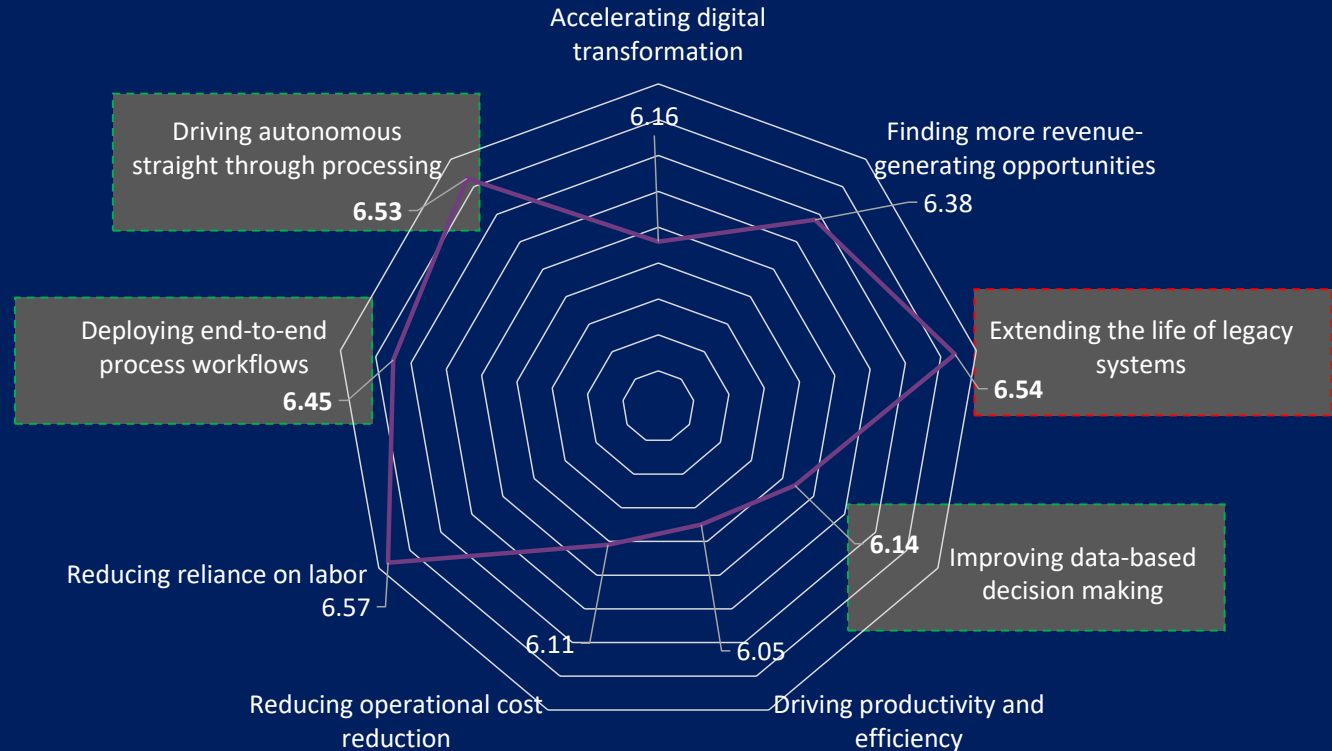
An autonomous enterprise is one whose leadership continuously seeks to refine the data it needs in real time to be successful.

Its governance capability ensures it has the talent, tech infrastructure, automation, and AI to deliver the data that will drive success with minimal manual interventions impeding progress and speed.



Extending the Life of Legacy Systems is More Challenging Than Enabling Autonomous Processes

On a scale of 1-10, how challenging is it to meet the following organizational priorities? (1 = not challenging at all, 10 = almost impossible; summary of mean)



Sample: Automation State of the Union study, 511 executives across Global 2000 enterprises
Source: HFS Research, 2023

Enterprises are Embarking on Critical Initiatives That are the Building Blocks of the Autonomous Enterprise

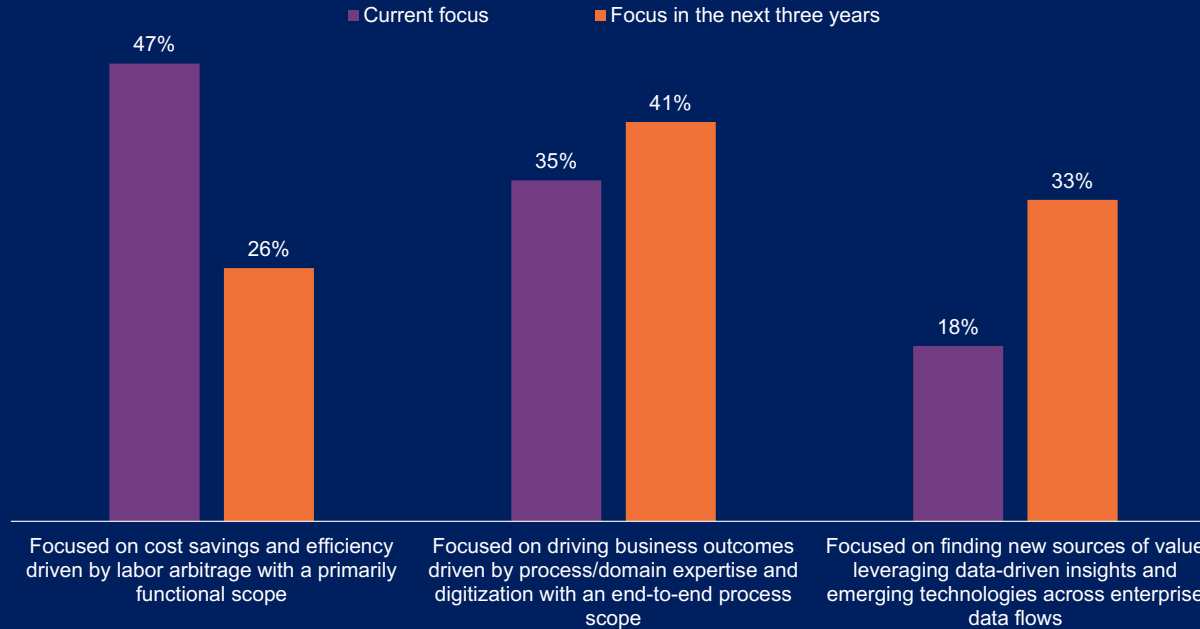
What initiatives are you currently undertaking to help meet your organization's strategic priorities? (Total % of rank 1, 2, and 3)



Sample: 602 executives across Global 2000 enterprises
Source: HFS Research Pulse Study, 2023

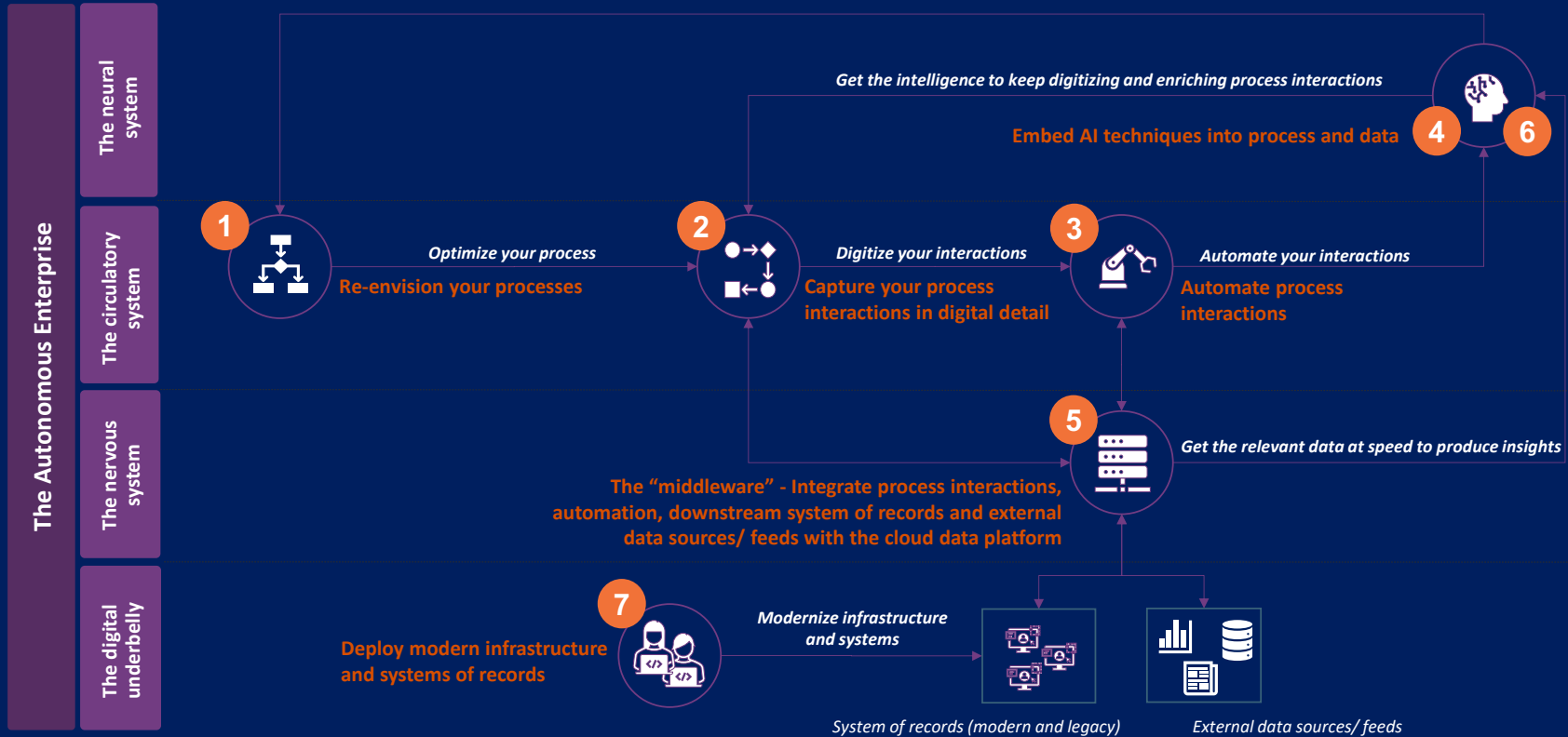
Business and IT Service Providers Have a Significant Role in Helping Enterprises Become More Autonomous

Which of the following statements most accurately represent your current model with business and IT service providers?



Sample: 602 executives across Global 2000 enterprises
Source: HFS Research Pulse Study, 2023

The Autonomous Enterprise is a Living Organism That Keeps Evolving Through an Iterative Process



The Autonomous Enterprise Journey – How to Start?

1. It's all about experiences, from EX to CX. Select a customer facing process but always think end-to-end to drive front and back office alignment. One outcome at a time
2. Rethink how the process can be re-envisioned through process step elimination or simplification
3. Define how the autonomous enterprise building blocks can be integrated to support the end-to-end process
4. Define a COE structure supported by cross divisional guild to drive and embed the autonomous enterprise vision
5. Establish management monitoring activities to continuously control and measure the effectiveness of the autonomous enterprise
6. Capture and showcase benefits – roadshows, roadshows and more roadshows. It's all about promoting the vision and demonstrate benefit realization



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