Robots are here. (Have no fear.)

Navigating the Human Responses to Digital Workforce Implementation

Novatio Solutions

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SUMMARY

Process and task automation is an emerging technology that will change the way we work in the future (and already has). The challenge is how to implement that technology and gain buy-in and cooperation of human workers.

Collaboration between digital and human workforces offers higher productivity potential than each separately. Organization and business leaders have the responsibility to bridge the gap between the two to realize this potential.

To face this challenge, leaders must …

UNDERSTAND THE MARKETPLACE LANDSCAPE
By 2020, 60% of the top global companies will have doubled their productivity by shifting processes from humans to automation. Some jobs, up to 47% in the US, will be replaced but many others will be redefined or augmented by automation technology.

EMBRACE CHANGE AS INEVITABLE AND NECESSARY
Change and disruption, in every industry, is inevitable. Those who embrace, take advantage of and shift with those changes will be more successful than those who resist them.

HAVE A STRATEGIC PEOPLE-MANAGEMENT PLAN
To effectively navigate the incorporation of digital workforces, leaders will need to carefully and diligently manage their people’s responses. This means defining tangible actions to increase visibility and openness, remaining patient and humble and creating a clear worker retraining plan.

KNOW AND COMMUNICATE PERSONAL BENEFITS TO EMPLOYEES
The benefits of digital workforces are immediate and easy to understand … for the organization. Workers may find it hard to see the personal benefit for them, causing hesitancy to buy-in. Help them understand the advantages they gain from automation:
A renewed emphasis on the “human element”
New job opportunities
Increased depth and scope of current roles
Better quality of life and job satisfaction

CHOOSE THE RIGHT PARTNER
When selecting the right digital workforce products, you need a flexible, experienced and knowledgeable leader. Novatio Solutions has the expertise to lead a digital workforce implementation and transformational leadership to help the transition. Their unique solutions give more flexibility, cost savings and overall value to their partners.
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INTRODUCTION: THE EMERGING DIGITAL WORKFORCE

Robotic process automation is a popular, yet divisive topic, especially in the context of business workplaces. As companies start conversations about integrating digital workforces, its human workers could see process automation from emerging technology ("robots") as designed to replace them.

However, if workers and organization leaders embrace collaboration between humans and their digital workforce counterparts, the potential could take us further together than we ever could individually. The potential for automation plus people has now outpaced that of just people.

As Microsoft’s Dr. Hsiao-Wuen Hon claims, computers are “the best-ever left brain” (logic and rationality) and humans have “the best-ever right brain” (creativity, judgment, wisdom). Together, they form the “ideal kind of intelligence,” what some have called collective, amplified, “super intelligence.”

Partnered together effectively, digital workforces can empower human workers to focus on creativity and innovation and less on manual administrative tasks and mundane analysis. Companies benefit from the freedom of their human workers, in addition to the savings of cost and time.

The challenge is navigating the human emotions that arise as a result of change, especially one as possibly threatening as this specific change. And yet, it may be less of an uphill battle than we might think.

Research shows more than half of employees are open to digital progress. When faced with disruptors like digital workforces, 57% of workers say they will actually improve their job prospects.

With that in mind, this white paper lays out key truths, strategies and tactics leaders can lean on to gain the human buy-in needed for digital workforce integration.
1. UNDERSTAND THE CHANGING MARKETPLACE

WHY COMPANIES ARE INCORPORATING DIGITAL WORKFORCES
Digital Workforces shift human tasks to digital platforms through algorithms, machine learning and automation. They use software to automate a range of business processes, like redundant back office tasks, repetitive transaction processing and time-consuming reporting.

The benefits of digital workforces include:

- Increased Efficiency, Reliability and Compliance
- Reduced Errors
- Analytical Insight
- 24x7 Work Capability
- Flexibility and Scalability

Companies, in increasing numbers, are seeing these benefits and assessing how to leverage automation in their organizations. According to one study, by 2020, 60% of the G2000 will have doubled their productivity by shifting processes from humans to software-based delivery. Another study estimates automation could raise productivity growth globally by 0.8 to 1.4 percent annually.

HOW DIGITAL WORKFORCES IMPACT THE HUMAN WORKFORCE
Over time, robots will take on challenging, time-consuming or labor-intensive tasks and perform them faster, cheaper and more efficiently. Some jobs will be replaced but many others will be redefined or augmented by automation technology.

A study by Oxford University and Deloitte researchers found that, over the next 20 years, around 47% of jobs in the United States and 35% of jobs in the United Kingdom are at high risk of being automated. The World Economic Forum estimates, by 2020, 5.1 million jobs will have been replaced globally by automation.

INDUSTRIES AND JOBS IMPACTED
Some job categories are more at risk than others. Jobs in office and administration, manufacturing, and construction are most at risk of being impacted by automation.

Roles that require human-to-human contact (health care), negotiation, social intelligence, or idea generation are more likely to remain in demand.
2. EMBRACE THE COMING CHANGES

Change and disruption, in every industry, is inevitable. New technology creates solutions to common problems. New problems arise to replace the old ones. And the cycle continues.

According to research by McKinney & Company, up to 60% of all occupations have at least 30% of activities that could be automated. Even though only 5% of current occupations have the potential to be replaced by automation, most will evolve because of its influence.4

One estimate claims 65% of children entering elementary school today will end up working jobs that don’t yet exist. Yet you could say something similar 20 years ago.

There will be a repositioning of people into jobs that we don’t even have today that we will have in the future.

“There will be a … repositioning of people into jobs that we don’t even have today that we will have in the future,” says Garry G. Mathiason, a specialist in robotics employment law issues. “If you look back in history, you’ll see that this disruption has been going on for some time.”

Agriculture, he points out, employed 70%-80% of the population in 1870, but today that number is less than 1%.

In the automotive industry, process automation on assembly lines have shifted human workers to other tasks. The benefit, as we’ll explore later, is that automation has allowed human workers to devote more mental capacity to areas with more value. Cars are safer now than they ever have been, thanks to the innovations made by humans free to explore.

In 2000, we could not have foreseen how online shopping, ride sharing, streaming video, and social media would impact retail, transportation, network and cable television, and the news media. And yet, workers have adapted. The unemployment rate in 2016 (4.6%) is largely consistent, if not lower, than those before these modern disruptors.

There’s no evidence to suggest the emergence of AI and digital workforces will be anything other than net positive.
3. HAVE A STRATEGIC PEOPLE-MANAGEMENT PLAN

“As we continue to experience technological advances, corporate leaders face a dilemma between retaining skilled employees and enhancing the workplace with automation,” says Pam Marmon, corporate change management consultant at Point B.

“Leaders need a clear plan to share the vision, remove roadblocks and communicate what success will look like for their company in the future,” she explains. To equip teams for the digital workforce transformation, Marmon stresses the following key components for strategic people management plan:

BE VISIBLE.
“Transformational initiatives fail when leaders fail to be visible throughout the entire change process,” says Marmon. “They need to consistently communicate and empower their teams to embrace the change.”

BE PATIENT.
Change is a process and most leaders experience the transformation prior to their teams even becoming aware of the shift in technology. While rumors might stall your progress, you can combat stagnation.

Communicate the reason for change, what’s in it for your employees [see Section 4], and how they can become informed of the progress associated with the transformational initiative.

BE OPEN.
As it is with any large transformation, leaders will encounter early adopters, laggards and everyone in between. Resistance is a normal part of the process and leaders should prepare for it.

“Organizational cultures that manage change effectively allow employees to express their concerns and questions without negative consequences,” says Marmon.

Three Tips to Encourage Openness
1. Create the space and the permission for employees to have a voice in how the change will impact them directly.
2. Engage in creative thinking that’s inclusive to increase collaboration.
3. Allow employees to participate in discussions, workshops, meetings, focus groups and other formal and informal communication efforts so you can understand and mitigate resistance.
BE HUMBLE (AND FLEXIBLE).
Your initial plan may evolve throughout the implementation of a digital workforce, and that too is normal. By being inclusive, you’ve learned what aspects of the transformation will work well in the culture of your organization.

You’ve received input from your team, and you’ve considered what’s at stake as it relates to your employees. Adjust your plans accordingly to reflect on the feedback and collaborative thought from your team.

The encouraging news? In a recent survey, workers who believe changes brought on by digital technology will improve their work experience outnumber the pessimists ten to one.9

WORKER RETRAINING
When it comes to education and reskilling, employers will have to evaluate whether it is possible to retrain workers whose jobs will be replaced, to work along with digital workforces or in new roles.

Employees also have a responsibility to be involved in the retraining process. They need to stay informed, participate in the transformation activities, attend training designed to equip them for success and provide feedback throughout the transformational process.

“By developing their skillsets in areas where the company will excel, employees can transform themselves as a vital part of the future of the organization,” explains Marmon.

Businesses will need to prioritize talent development and future workforce strategy in order to grow. It’s not enough to just invest in digital workforces. Investment in people will also need bolstering.

4. KNOW AND COMMUNICATE PERSONAL BENEFITS TO EMPLOYEES
While benefits of using digital workforces may be clear for the company — time and money savings, efficiencies, reduced errors and 24x7 work capability — the advantages to employees may not be as immediately obvious. Communicating the unique benefits to each person will go a long way to getting buy-in.

RETAINED IMPORTANCE OF THE “HUMAN ELEMENT”
The digital workforce cannot replace the unique skills that humans possess. Tasks requiring complex problem solving, nuanced communication, empathy, interpretation and wise judgment, will still need a human touch.

The “human element” is still significant to consumers. Survey after survey shows that customers are more likely to be loyal to brands when they have positive face-to-face experiences. Apple, for example, is a brand with strong customer loyalty. Add in a personal interaction with an Apple
team member, and repeat purchase rate is boosted an additional 60%.

Human service agents will rise in importance as intricate thinkers, trusted advisors and compassionate guides for their fellow humans. Employees with these natural talents will see their value boosted. Others can work to improve these skills and expand their career options.

The UK government uses facial-recognition AI to help protect its borders. At the introduction of this technology, some security guards approached the solution with hostility, feeling the system was taking away their jobs.

However, guards soon realized having AI do the mundane tasks of patrol freed them up to focus on the nuanced behavior of border entrants. Guards were also called in to resolve situations too complicated for robots, ultimately giving them an elevated status and higher self-value.

For executives and people-leaders, learning how to manage the subtleties of both human and digital workforces will be skills that stand out against their peers.

Apple is a brand with strong customer loyalty. But add in personal interaction with an Apple team member, and repeat purchase rate is boosted an additional 60%.

NEW JOB OPPORTUNITIES
In a survey of businesses, almost three quarters say they will employ more people in the future. Some of these will be new roles, as digital workforces take over certain tasks. A 2014 report from the UK shows technology has likely created 3.5 million higher-skilled jobs, compared to the loss of 800,000 lower-skilled jobs.5

One specific example of new job creation is the recent rise of crowdsourcing micro-tasks on platforms like Mechanical Turk. Mechanical Turk is a marketplace that employs groups of workers (called Turkers) to check the work of digital workforces, help them learn how to do the work better or do the work they can’t do. Sometimes described as “artificial artificial intelligence,” Turkers are usually highly educated and enjoy the flexibility of working whenever and wherever they want.

While this is only one example of new jobs being created by the adoption of digital workforces, many more are sure to emerge.

INCREASED DEPTH / SCOPE OF CURRENT JOBS
Automation means workers can take on higher value roles with increasingly specialized skills sets. This gives opportunities to become more of an expert in specific disciplines, making
workers more indispensible to their organizations.

One example might be the field of journalism. Some estimate that machines could write 90% of news 15 years from now. But that doesn’t mean that 90% of journalist jobs would be replaced. Freed from writing everyday, facts-and-figures news articles, journalists could expand their coverage and dig deeper into complex stories.7

**BETTER QUALITY OF LIFE AND JOB SATISFACTION**
Higher wages, more challenging and rewarding tasks to perform and less idle time mean workers should enjoy their jobs more when collaborating with digital workforces.

For leaders, time that would previously have been spent micromanaging organizational and knowledge management processes can now be devoted to more valuable activities, such as innovation.

Of the new jobs created by technology in the UK, 3.5 million are jobs that require higher skills. Those new jobs have added an estimated £140 billion to the UK’s economy in new wages, paying £10,000 per year more than jobs lost, on average.5

Employees in the U.S. currently work 25% more than their European counterparts (See Figure 1).12 Digital workforces can help buck that trend.

In one study, MIT estimates an 85% decrease in idle time when workers collaborate with robots.13 Less idle time means more productive time in the office, and less time at work overall. Shorter days, longer weekends, more vacation and leisure time could all be welcomed results.

These trends would fuel higher demand for workers in the service sector, like travel and hospitality, which now accounts for 81% of employment in the U.S. Those who lose jobs in manufacturing or construction will find opportunities in these thriving industries.
5. CHOOSE THE RIGHT PARTNER

When selecting the right digital workforce products, you need a flexible, knowledgeable leader. Trust a partner who can give experience-based guidance on how to accommodate for a digital workforce implementation and transformational leadership to help the transition.

For 25 years, Novatio Solutions has provided this leadership in managed business process (BPO) outsourcing for Fortune 100 clients. They have returned more than 500,000 hours back to their partners, so that those organizations’ employees can focus on higher-value work. They have helped free managers from micromanaging. They have helped empower people to harness the cognitive skills that make them human.

"The Novatio team understands automation and what it takes to transform business operations," says Gokul N. Solai, head of products and alliances for Novatio. "Our goal is to use digital workforce solutions to make everyone’s life easier, from the CEO to the person answering the phones."

Novatio Solutions provides a versatility of implementations for a wide variety of companies in fields such as tech, finance, government, transportation, insurance, healthcare, retail and manufacturing.

"Imagine a workforce that is cost-effective, reliable, flexible, instantly scalable, consistent, 100% accurate and operates 24x7x365," adds Solai.

"Now imagine empowering your best employees to dedicate their time to their most important responsibilities. This is the power behind Novatio Digital Workforce."

MORE THAN “TRADITIONAL” AUTOMATION

“Traditional” automation solutions usually fall short in their rigidity. They are limited in scope and benefits and too expensive to update or change. There’s a long change process that is highly disruptive to teams and systems. And, they require more internal technical resources.

In many cases, companies rely on legacy applications or systems that are no longer supported. When changes or integrations are needed, technical support resources are difficult to find.

Novatio Solutions harmonizes multiple and previously disconnected robotic process automation (RPA) tools and combines them with next-generation technology to create a customized digital workforce. Robotic process automation with digital workers gives agility and flexibility to accommodate change; decreases time to value; and is less expensive to set up and maintain.
The Novatio online portal offers advanced business intelligence tools, an online marketplace and service catalog and visibility into usage and billing. Simulator tools provide real-time input on cost-savings, which prioritizes time and cost efficiency. The portal also provides insight into forecasting and demand prediction, which allow for data-driven staffing and a more proactive decision-making.

**NOVATIO DIGITAL WORKFORCE**  
Noninvasive, technology-agnostic workforce  
100% compliance  
Zero errors  
3-5 times greater productivity  
1/10 price of traditional workforces  
2-3 times faster implementation than other solutions

**THE NOVATIO SOLUTIONS DIFFERENCE**

- We are experts on automation, technology and innovation.  
- We futureproof your digital workforce by keeping you ahead of the game.  
- We can streamline your practices in a fraction of time.  
- We provide solutions that are highly efficient, cost-effective, reliable and scalable.  
- We integrate across multiple platforms and industries.

Novatio allows your organization to accelerate the convergence of intelligence automation and artificial intelligence,” says Solai. “We are able to combine our emerging technology with our industry-leading expertise to deliver an unrivaled experience to our customers.”
FIGURE 1.

EUROPE GOES HOME EARLY, WHILE U.S. STAYS LATE
Hours worked per person per week in selected countries

<table>
<thead>
<tr>
<th>Country</th>
<th>Hours Worked</th>
</tr>
</thead>
<tbody>
<tr>
<td>U.S.</td>
<td>26.1</td>
</tr>
<tr>
<td>Switzerland</td>
<td>25.1</td>
</tr>
<tr>
<td>Czech Republic</td>
<td>23.4</td>
</tr>
<tr>
<td>Portugal</td>
<td>22.7</td>
</tr>
<tr>
<td>Denmark</td>
<td>22.7</td>
</tr>
<tr>
<td>Austria</td>
<td>22.7</td>
</tr>
<tr>
<td>Greece</td>
<td>22.2</td>
</tr>
<tr>
<td>Ireland</td>
<td>22.2</td>
</tr>
<tr>
<td>U.K.</td>
<td>22.2</td>
</tr>
<tr>
<td>Sweden</td>
<td>21.9</td>
</tr>
<tr>
<td>Norway</td>
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</tr>
<tr>
<td>Spain</td>
<td>21.2</td>
</tr>
<tr>
<td>Netherlands</td>
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</tr>
<tr>
<td>Hungary</td>
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<tr>
<td>Germany</td>
<td>20.2</td>
</tr>
<tr>
<td>Poland</td>
<td>19.8</td>
</tr>
<tr>
<td>Belgium</td>
<td>19.4</td>
</tr>
<tr>
<td>France</td>
<td>19.3</td>
</tr>
<tr>
<td>Italy</td>
<td>18.4</td>
</tr>
</tbody>
</table>

*Hours Worked Europe and the U.S., New Data, New Answers,* by Alexander Bick, Bettina Bruggemann, and Nicola Fuchs-Schundeln, 2016

*Overall hours per person, not just for people with jobs, incorporating time at work along with retirement, vacation, unemployment, and other time spent out of the workforce.
CONCLUSION

Companies that thrive in the digital age will be those that identify opportunities for automation and embrace the technology it takes to get there. To do so, business models, products, services and the mindsets of human leaders and employees will have to adapt to the new future.

History tells us that the oncoming rise of machine learning, artificial intelligence and digital workforces is nothing to fear.

However, in order to overcome this human emotion, leaders will need to:

- Understand the changing marketplace
- Embrace the coming changes
- Have a strategic people-management plan
- Know and communicate personal benefits to employees
- Choose the right partners

By harnessing the power of digital workforces, like those provided by Novatio Solutions, companies can get ahead of their competitors and offer better lives to their employees and customers.
SOURCES AND ADDITIONAL RESOURCES

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ABOUT NOVATIO

Novatio is a Digital Workforce solutions provider from the founders of Solai & Cameron Technologies. The company capitalizes on Solai & Cameron's 25 years of experience developing best practices in operational transformation.

Novatio harmonizes multiple robotic process automation (RPA) tools along with next generation technology to create a customized digital workforce. Consequently, Novatio’s clients benefit from added capacity, scalability and efficiency.

Novatio has streamlined business processes for clients across a variety of industries, including IT, healthcare, finance, insurance and government. For more information, visit NovatioSolutions.com.

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