

It's Time to Get Excited About Automation

Should we spend less time worrying about 'robots taking jobs', and more time embracing the opportunities that AI brings?

Technology-driven change in the workplace is inevitable. The workplace of today is remarkably different from even the recent past and the pace of change is accelerating, with zero pauses.

In truth, the 'robots' are here to create jobs and make existing jobs easier. The value proposition for employees becomes greater, not diminished: mundane repeatable admin is taken away by automation and replaced with more value-added, creative work.

In fact, people have more trust in robots than their managers, according to the <u>Oracle and Future Workplace AI at Work</u> survey of over 8,000 employees across 10 countries. Contrary to common fears around how AI will impact jobs, 64 percent of employees trust a robot more than their manager and, amazingly, half have already turned to a robot instead of their manager for advice. Clearly, the relationship between human beings and machines in the workplace is undergoing major transformation. The question is, how can organizations and their employees ensure they are future ready?

Change is Progress

Although some roles are in decline as a consequence of automation, this is not a new phenomenon. In 1851, almost a quarter (22%) of all UK workers were agricultural labourers; now, thanks to machinery and automation, it's just one percent. That didn't mean that 21% of the population became unemployed. New jobs and entire industries came on-line, and many jobs became more gratifying and intellectually stimulating, too.

There will always be technology-driven change in the workplace, and it will be cyclical change as technologies develop and mature. Sometimes that change takes generations; now, change is arguably faster than ever.



In the Oracle & Future Workplace Al@Work Study 2019, as many as 50% of our survey respondents said they're currently using some form of Al at work. That's an impressive jump from the 32% who said this in the previous year's survey.

As Emily He, our Senior Vice President, HCM Marketing, put it: "People are no longer afraid of the robots. They have experienced how AI and machine learning can improve the way they work in a very pragmatic way. And the more they use these technologies, the more excited they are about them."

This is benefitting the economy, too: analysis by PWC predicts that AI could contribute up to a whopping \$15.7 trillion to the global economy as soon as 2030. Of this, \$6.6 trillion will likely come from increased productivity; \$9.1 trillion, from consumption side effects.²

Time to Ditch the Manual

Email may have eliminated the need for pools of secretaries, stenographers, typists and mailroom clerks, but it is only a tool. It isn't more powerful than its user; it does nothing alone. So, as we put more automation into the workplace, rather than fear that it will replace what we do now, we should think about how to acquire the skills to use these new tools. That will make us even more valuable in the future.

For example, The Oracle Value Realization HCM Cloud Benchmark Report: Reduced Time to Hire, found that automated recruiting processes enabled organisations to reduce the overall time to hire by 44%. Some were able to reduce compliance costs by 70% and eliminate manual processes by simplifying compliance for all employees. A large retail brand even saw savings of USD \$1 million simply by avoiding risks and meeting compliance standards.

Cost reduction alone, however, is no longer enough. In a qualitative survey conducted by LACE Partners in 2019 of HR practitioners from leading global firms, the top two business priorities were growth (95 per cent) and operational excellence (91 per cent); cost reduction trailed further behind the list of priorities at 77 per cent. Al, automation and real-time data allow for improved & faster processes, reducing time, enabling faster deployments, smoother upgrades, lower maintenance, and fewer customizations.³

What happens when you introduce automation within a workplace? Rather than instil a fear that "the robots are coming", you in fact make people's job's more productive, and therefore happier. <u>Our research</u> finds that our customers were able to increase reporting productivity by 79 per cent with Oracle HCM Cloud. Through self-service, customers were able to reduce HR staff time spent on routine activities by 34 per cent.



Adapt and Thrive

Some worry that there are people who are either culturally or generationally unable to understand and adapt to working with new technology. Interestingly, Oracle's AI research found that Asia are a step ahead: workers in India (60 percent) and China (56 percent) are excited about AI, whereas the supposedly more 'mature' economies are much less so: Australia/New Zealand (26 percent), US (22 percent), UK (20 percent), and in France just 8 percent.

HR therefore has a significant role to play in ensuring a smooth transition. Automation and AI is here to stay and will increasingly play a part in people's working lives. The benefits and opportunities of this need to be made loud and clear from the start. The robots are here to help, not to hinder.

As we look back through history, we've seen this pattern over and over: automation transforms some jobs and others are created. Those that embrace the new technology are always the ones that adapt and thrive. They are future ready.



¹ Alan Jones, The Independent, Less than 1% of British workers now employed in agriculture for first time in history

² PWC, Sizing the prize What's the real value of AI for your business and how can you capitalise?

³ LACE Partners (2019), The role of HR and HR Operations in the Future.





