

Automation + Operational Maturity = Major Business Benefits

Our four-part series on operations maturity has examined the ways in which mature firms can distinguish themselves through strategy, technology use, process automation, and governance. The highly mature organizations put themselves in a better position to accomplish the critical work of digital transformation, while also enjoying the business benefits that come from their hard work.

This study shows that automating IT and business processes is important work for everyone. Regardless of maturity level, automating processes leads to business benefits such as better customer experiences (CX), improved employee productivity, decreased costs, and increased revenue (see Figure 1). However, the most advanced operational organizations, referred to as leaders, are more likely to both experience positive outcomes *and* benefit from greater returns. We found that leaders:

- › **Make significantly more progress toward key goals.** Leaders accomplish what they set out to do. More than three-quarters of high-maturity organizations report making positive progress toward top goals, compared to little more than half of low-maturity organizations. Furthermore, nearly all leaders (94%) have been able to unite IT and OT for fuller business automation. This not only helps them create more efficient processes, but it also, as discussed in a previous installment, assists in the adoption of complex emerging technologies like 5G.
- › **Outpace beginners at business-critical KPIs.** Leaders are more likely to experience benefits than beginners are, especially when it comes to the metrics that mean the most to executives such as customer satisfaction, revenue growth, and cost reduction. Nearly all of the leaders in our study (91%) report positive impacts to revenue KPIs (compared to 75% of beginners). They also tend to enjoy *larger* returns. On average, leaders report a 3.65% increase in annual revenue from their operations automation efforts, while beginners report an average 3.04% increase. This is a significant difference that can translate to hundreds of thousands of dollars. Leaders even lead on cost savings, an area that is of particular focus for beginners. While beginners see an average 7.49% decrease in costs, leaders experience an average 7.71% decrease.¹ This shows that achieving operational maturity pays dividends across the board, proving that spending wisely, even in difficult economic climates, leads not only to growth, but savings.



METHODOLOGY

Cisco commissioned Forrester Consulting to evaluate the operations maturity of organizations of 500 or more employees in North America, Europe, and Asia Pacific.

To achieve these objectives, Forrester conducted an online survey with 1,212 IT and operations decision-makers with responsibility for automation strategy.

This is the last installment of a [four-part series](#).

Figure 1

“What are the biggest benefits of automating IT and business processes to your organization?”

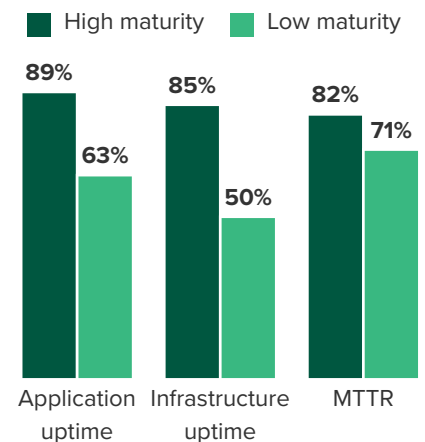


Base: 1,212 global decision-makers of automation strategy and purchasing decisions
Source: A commissioned study conducted by Forrester Consulting on behalf of Cisco, December 2020

- › **Experience better business resiliency.** When it comes to KPIs that help advance the business resiliency of organizations, we see leaders making more positive improvements to critical KPIs like application and infrastructure uptime and mean-time-to-repair (MTTR). The difference is particularly stark on uptime metrics (see Figure 2). Leaders are also able to make more progress toward initiatives that will help them weather the pandemic storm: improving remote work inclusion and technology dependency and identifying root causes of issues faster. The ability of leaders to make a difference on both the big picture metrics and the KPIs that allow them to limit disruption, while also preparing for the next major crisis, bodes well for their success.
- › **Are more agile, collaborative, and responsive.** There are far more leaders than beginners that use agile delivery practices and can rapidly respond to changing customer needs and market conditions. Mature organizations are much more likely to utilize fast feedback loops to manage products, projects, and processes and deploy high-bandwidth, cross-functional collaboration. And they are nearly 2.5 times more likely than beginners to quickly stand-up teams to support emerging opportunities (see Figure 3). These huge differences between leaders and beginners are representative of the compounding effect of operational maturity: As all of these little changes add up, they lead to big benefits.

Figure 2

Positive Impact To KPIs



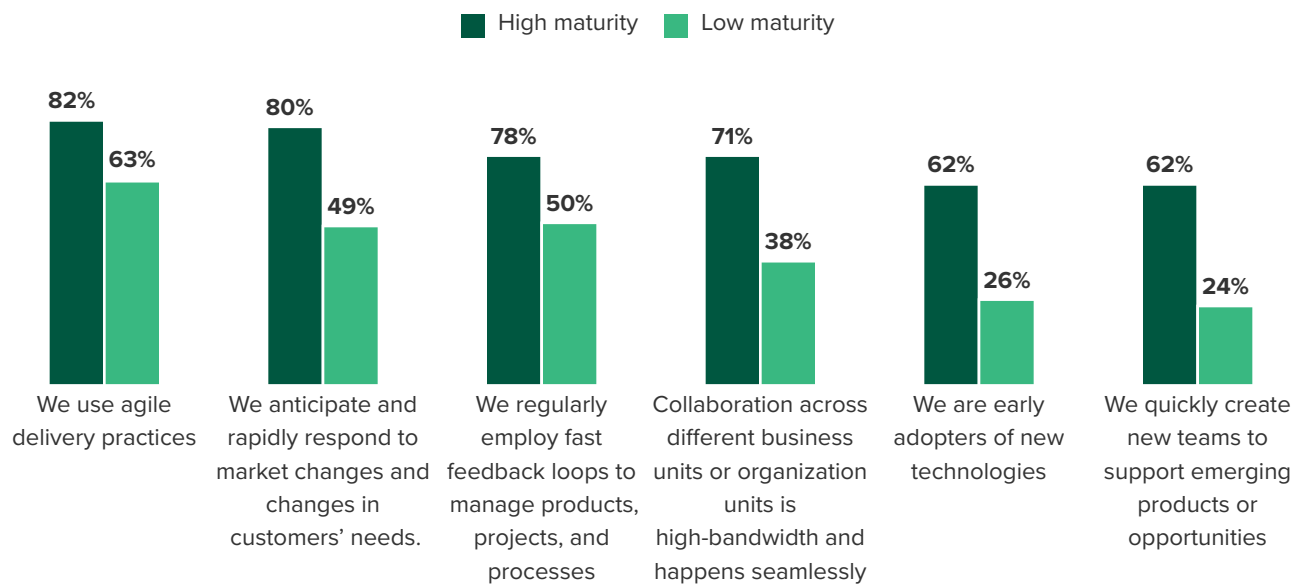
Base: 201 high-maturity global decision-makers of automation strategy and purchasing decisions and 255 low-maturity global decision-makers of automation strategy and purchasing decisions
Source: A commissioned study conducted by Forrester Consulting on behalf of Cisco, December 2020

These qualities of agility, collaboration, and responsiveness are important because they effectively set leaders up for success during times of both relative stability *and* great change. Remember that this research was conducted near the end of 2020 when most geographies were still suffering through the economic impacts of COVID-19. Given that leaders were able to move forward, delivering on key goals and producing tangible financial benefits, speaks to their ability to thrive during times of disruption and uncertainty. Operational maturity must therefore be considered an important factor for organizations that want to be able to survive a world that is increasingly fast-moving and unpredictable. Succeeding here means being able to not only weather the inevitable storm but to also emerge stronger from the recovery.

Operations professionals who are hoping to improve their organization’s maturity should heed the following recommendations.

Figure 3

“How would you rate your company’s agility across the following dimensions today?”
 (Percent describes respondents’ organizations)



Base: 201 high-maturity global decision-makers of automation strategy and purchasing decisions and 255 low-maturity global decision-makers of automation strategy and purchasing decisions

Source: A commissioned study conducted by Forrester Consulting on behalf of Cisco, December 2020

Key Recommendations

Forrester's in-depth survey of operations and IT decision-makers yielded several important recommendations for any organization that is looking to mature their operations practice:



Passionately pursue data integrity. Countless decisions rely on data — whether they are processed by humans or machines. The classic adage, “garbage in, garbage out,” has never been more appropriate. Every organization is swimming in an ocean of data, yet general trust in that data is at an all-time low. There is too much of it, it is dispersed, it may be tainted by malicious actors or innocent mistakes, and too many copies render confusion about what the right data is. Discover, map, track, and maintain your data with tight policies and technology. Leverage AI and automation to ensure the integrity of your data because it is impossible to do it manually. Your data will be more trustworthy, and you can therefore trust the results you seek.



Automate responsibly. Automation is a phenomenon sweeping across organizations everywhere and for good reason: You can execute faster and more accurately while relieving people of mind-numbingly mundane work. However, automation can be disastrous if pursued carelessly. Automate the easy things like infrastructure configurations and clerical processing first. Learn from the mistakes made here and verify the corrections before expanding the scope of your automation. Your business will reap extraordinary benefits if you automate responsibly.



Promote a philosophy for change. Aversion to change is a disease to any organization, yet it is common even among technologists. People dislike change because it is often done wrong, and the results are painful. Develop a program to socialize the attractive results of change done right, and remain relentless in its promotion. An idea becomes a movement only when it becomes a lifestyle. Persistent reinforcement will make people desire change, and not just tolerate it. That is when the magic happens.

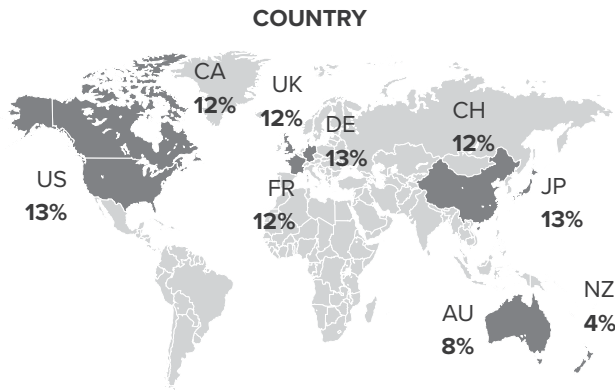


Abolish the “us vs them” mentality. Everyone knows organizational silos are toxic, but they remain firmly entrenched. Again, this will only change through diligence with force. The silos will crumble when you reward collaboration and punish parochial isolation. Openly celebrate joint successes to send a message that everyone is in this together. Deploy collaboration technologies that help remove the friction of communication and joint development among physically dispersed contributors.

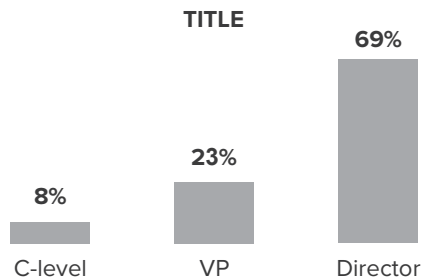


Embrace risk, to a limit. Innovation requires more risk than most people can tolerate. However, nobody ever changed the world by taking the comfortable path. Your business's future viability — and probably your own — demands experimentation and creativity. Try a new approach or a new technology, even if you are unsure of its success. You will fail, and that needs to be acceptable if you learn and improve for the next attempt. Exercise good engineering as you proceed. Risk is good, but careless risk is not. If you can depart your comfort zone to develop a new idea, that idea may transform your business. The future favors the innovators who are willing to try the impossible.

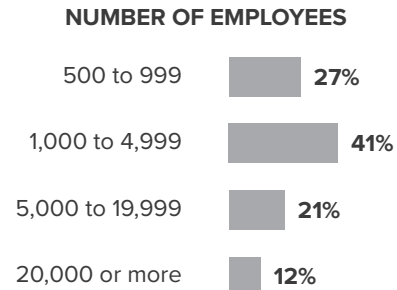
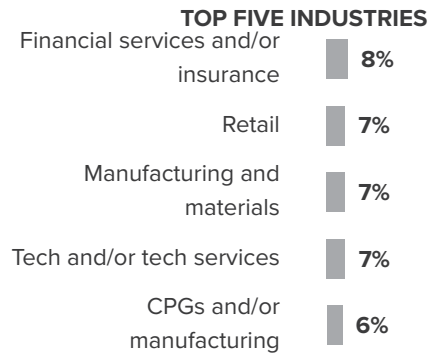
Appendix A: Demographics



NA: **25%** EU: **37%** APAC: **38%**



DEPARTMENT
50% IT
50% Operations



PRIMARY ACTIVITY
66% Tech infrastructure and/or ops
34% App development and/or support

Base: 1,212 global decision-makers of automation strategy and purchasing decisions
 Source: A commissioned study conducted by Forrester Consulting on behalf of Cisco, December 2020

Appendix A: Demographics

¹ For a discussion of how leaders' and beginners' goals differ, see the second installment of this series, "Operational Maturity Is Critical To Business Success."

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