

WorkMarket 2020 In(Sight) Report

What AI & Automation Really
Mean For Work



Rethinking work, jobs and productivity in the age of automation and AI.

Remarkable advancements in technology over the last two and a half decades have fundamentally changed how we live, how we work and how we play. The consumerization of the internet, the proliferation of smartphones and the unprecedented connectivity we've achieved have permanently changed the world as we know it.

But today, we stand on the cusp of another extraordinary period in human history. We're basking in the dawn of a fourth industrial revolution. The rise of algorithms, automation and cognitive technology, such as machine learning and artificial intelligence (AI), are radically altering the trajectory of global economies, labor markets and corporate growth strategies.

The dizzying pace of innovation and disruption has many business leaders and economists asking: what's next?

The dizzying pace of innovation and disruption has many business leaders and economists asking: what's next? How quickly will these new technologies start to manifest themselves? What are the benefits, and drawbacks, associated with the adoption of new digital toolsets? What is the economic and cultural impact of automation and AI to businesses around the country?

These are just some of the questions we set out to explore in this exclusive research report, part of our continued exploration into the impact of disruptive technologies on corporate productivity and engagement. In an effort to produce a comprehensive and representative analysis, we measured the viewpoints and behaviors of several hundred business leaders and employees from four key industries: media/publishing, financial services/insurance, telecommunications/IT, and corporate retail.

This report was developed in partnership with KRC Research, a global research consultancy, and Arun Sundararajan, a Professor at New York University's Stern School of Business.* A recognized authority on the on-demand economy and author of the recently released book "The Sharing Economy," Sundararajan has published op-eds and commentary in the *New York Times*, *Harvard Business Review*, the *Financial Times* and several other prominent business outlets.

**Arun Sundararajan has no financial or commercial ties to WorkMarket, and participated in this as an independent researcher.*



survey highlights

1. Automation holds real business potential, despite differing viewpoints among business leaders and employees.

- More than half (52% vs. 29% employees) of business leaders are interested in workforce automation.
- Employees are most likely to say they feel indifferent (32% vs. 10% business leaders) about automation.

2. The prospect of automation is real and within sight for many businesses.

- 74% of respondents, both business leaders and employees, believe that at least parts of their job could be automated.
- 61% of business leaders believe that automation can be somewhat or very easily utilized in their industry and jobs within their industry in the next 12 months.

3. While IT issues, data processing and time entry are the biggest distractions, they're also the most automatable tasks.

- IT/technology issues ranked highest by both business leaders (43%) and employees (29%) as the task most keeping them from doing more important work.
- 70% of business leaders believe that 10% to nearly 40% of their time is devoted to tasks that are mundane and not core to their job description, equating to approximately 45 minutes to 3+ hours of an 8 hour workday.

4. An overwhelming majority of respondents believe automation possesses real value, and could save them hundreds of hours a year.

- 90% of respondents believe there are advantages to automating tasks at their organization, particularly a reduction in manual errors (48%), an increase in the speed at which tasks are completed (42%) and better quality work product (38%).
- 53% of employees believe they could save up to 2 hours a day by automating tasks; that equates to roughly 20 hours a month. 78% of business leaders believe they could save up to 3 hours a day by automating tasks; that equates to roughly 30 hours a month.

5. Automation has more immediate and applicable value than AI, at least for now.

- 41% are currently using workforce automation technology while only 13% are using AI technology.
- More than half of business leaders (56%) plan to implement workforce automation technology in the next 3-5 years compared to 44% for AI.



key takeaways

The robots aren't coming for your jobs.

Despite the media's fascination with the so-called "Robot Apocalypse," the first wave of automation won't result in massive job displacement. On the contrary, our findings suggest that automation will actually free up business leaders and employees to spend more time perfecting work projects (41%) and improving client relationships (33%). Only a small handful of respondents (6% vs. 3% employees) believe their entire job could be automated.

Our advice: embrace automation. Let the workforce automation software empower your team to focus on what they do best.

Your biggest distractions are very solvable.

A whopping 70% of business leaders report spending anywhere from 45 minutes to 3+ hours of an 8-hour workday on mundane tasks. Both business leaders and employees identified IT/technology tasks as those most likely to keep them from more important work. Fortunately, the 3 tasks ranked highest as distractions (IT issues, data processing, and time entry) also happen to be the most ripe for automation.

Our advice: automate the easy stuff. Allow powerful automation software to streamline repetitive, routine and mundane work.

Most everyone agrees: automation is good for business.

Despite differing viewpoints among business leaders and employees, an overwhelming majority of business leaders (99%) and employees (81%) believe there are advantages to automating tasks at their organization. Only 41% are currently using automation, even though a majority of business leaders think the technology is fairly easy to implement.

Our advice: don't be afraid to experiment. Designate an internal team within your organization to investigate the value automation can have on your business.

Automation can save you and your team hundreds of hours a year.

Now that we know there are advantages to automation, the real question becomes just how big is the impact. Employees believe they could save roughly 240 hours a year by automating tasks; business leaders believe they could save roughly 360 hours a year by automating tasks.

Our advice: don't miss the train. If you're not already utilizing automation technology, you're missing a huge opportunity to increase your team's productivity and boost your bottom line.

We're in the infancy of the AI revolution.

While there's no doubt AI can have a transformative impact on businesses in the coming years, we're still in the early stages of this technology revolution. Only 13% of companies are currently using AI while 44% of business leaders plan to implement AI technology in the next 3-5 years.

Our advice: take it one step at a time. Start experimenting with automation technology, which has proven business utility today, and continue to evaluate new technologies that can boost your team's productivity.



table of contents

Adapting to Automation	6
Dispensable Distractions	7
Task Automation: Today and Tomorrow	9
Automation Advantages & Risks	13
The Impact and Opportunity Costs of Automation	16
Demystifying Artificial Intelligence	20
Conclusion	25
Survey Methodology	26



adapting to automation

The most senior business leaders, particularly those in the telecommunications and financial services industries, express the greatest interest in workforce automation's potential. Both business leaders and employees agree that at least parts of their jobs could be automated.

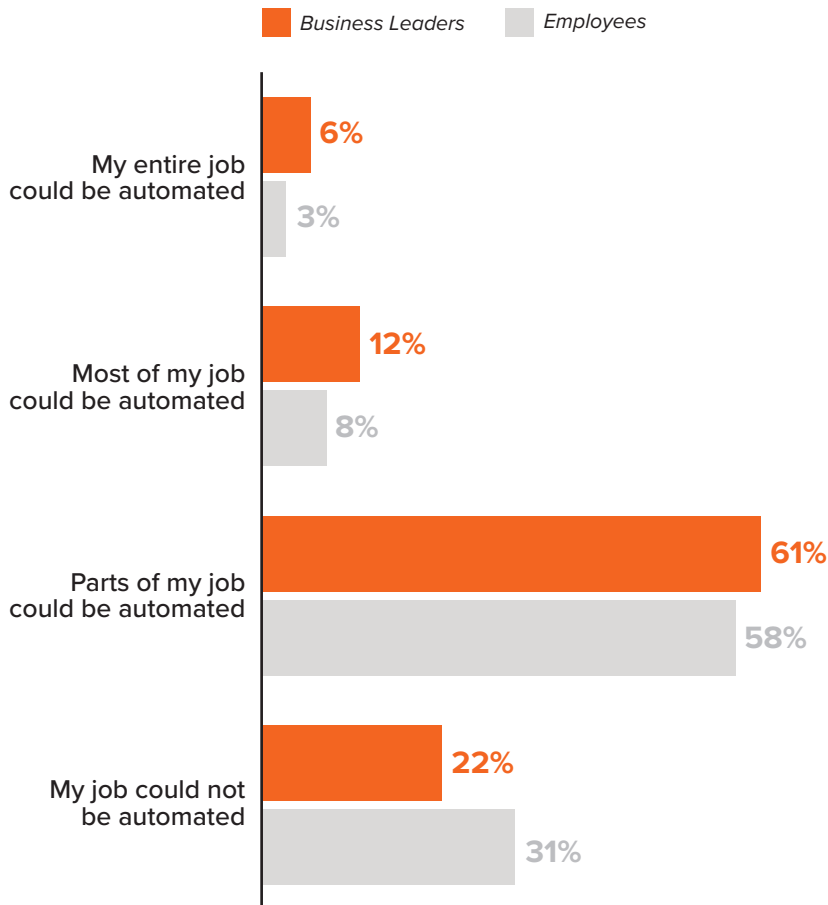
More than half (52% vs. 29% employees) of business leaders are interested in workforce automation while employees are most likely to say they feel indifferent (32% vs. 10% business leaders) about it. Of the business leaders surveyed, C-suite executives were more interested (63%) than their management-level counterparts (50%) about the potential of workforce automation.

Telecommunications (47%) and financial services (46%) professionals are more likely than those in the retail (36%) and media/entertainment (32%) industry to initially say they're interested in automation.

74% of business leaders and employees believe that at least parts of their job could be automated, with only 26% saying their job could not be automated at all.



To what degree do you believe your job could be automated?



74% believe at least parts of their job could be automated.



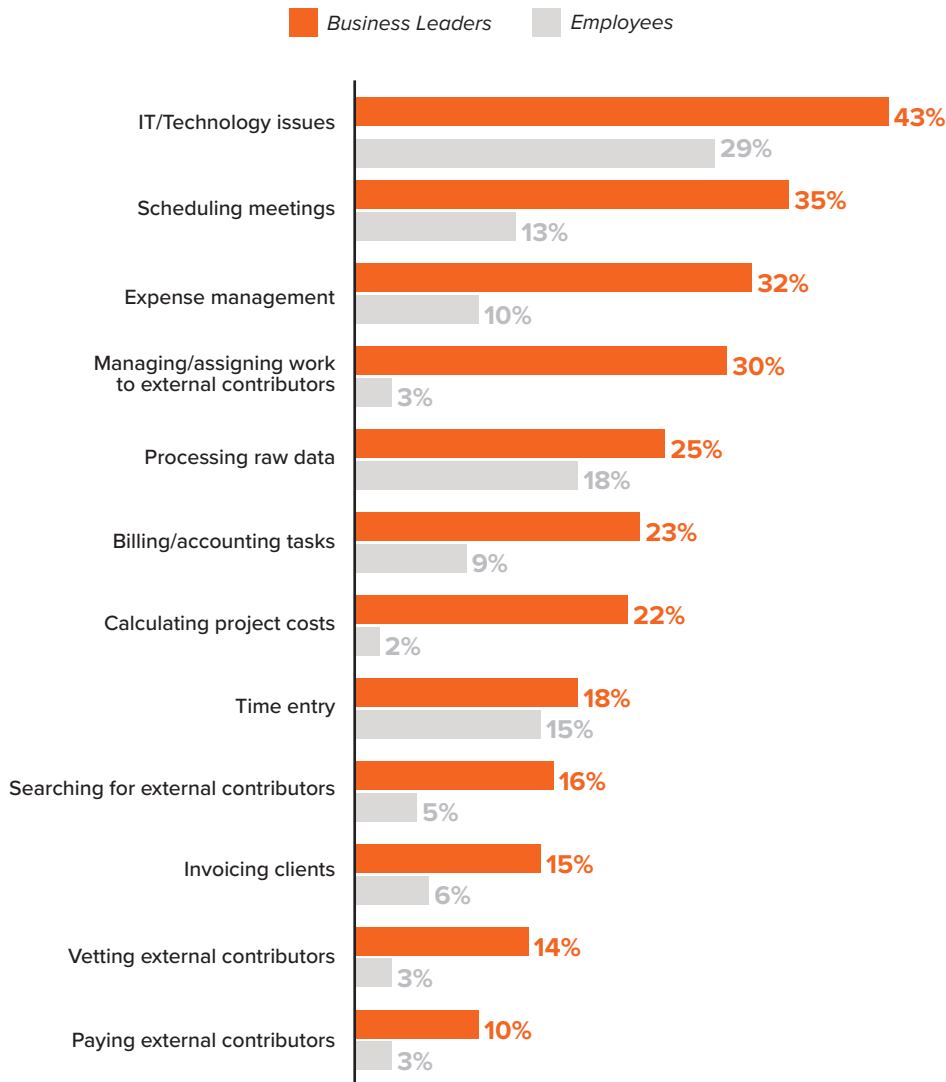
dispensable distractions

Business leaders report spending more time than their employees – as much as three hours each workday – on distracting non-core tasks such as technology issues, scheduling meetings, and expense management.

IT/technology issues rose to the top for both business leaders (43%) and employees (29%) as the task most keeping them from doing more important work. Scheduling meetings, expense management, and processing raw data were some of the other tasks distracting business leaders and employees from focusing on their core mandates.



Which of the following tasks are keeping you from doing the work that you care about most and that are most important to your business?



IT/
Technology
issues

are the biggest distraction for both business leaders & employees.



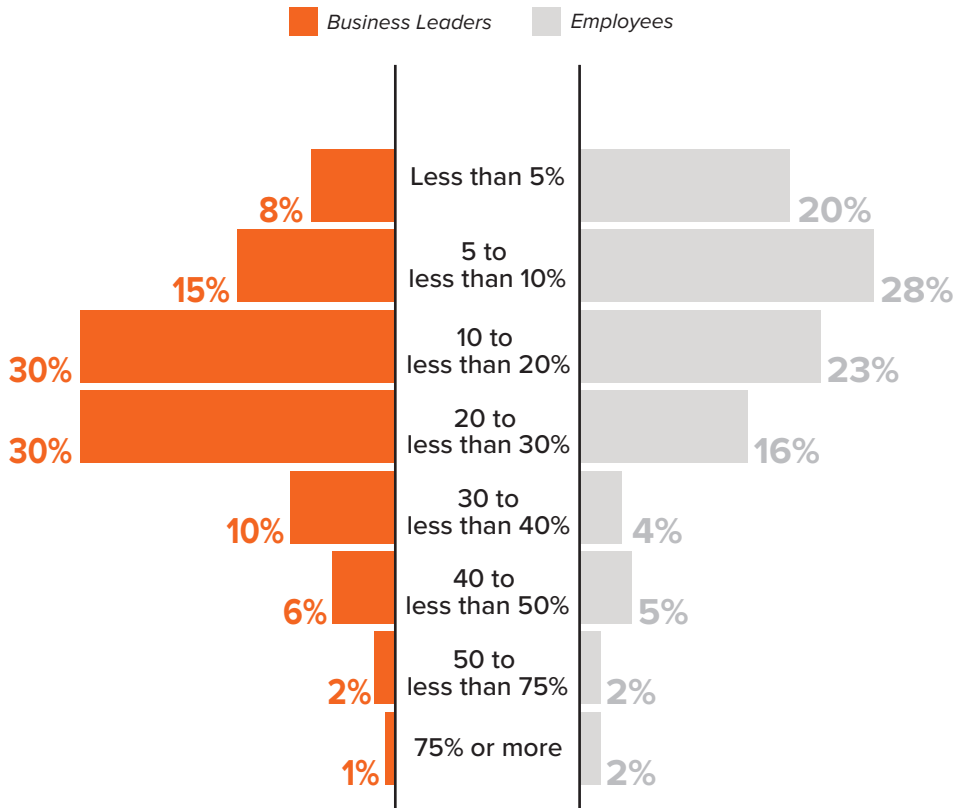
dispensable distractions *cont...*

70% of business leaders believe that 10% to nearly 40% of their time is devoted to tasks that are mundane and not core to their job description, equating to approximately 45 minutes to 3+ hours of an 8-hour workday.

Employees are less likely to feel this way, as 71% say that less than 20% of their time is spent on mundane tasks.



In an average workday, what percentage of your time is devoted to tasks that you feel are mundane and not core to your current job description?



70%

of business leaders are spending 45 minutes to 3+ hours of an 8-hour workday on mundane tasks.



task automation: today and tomorrow

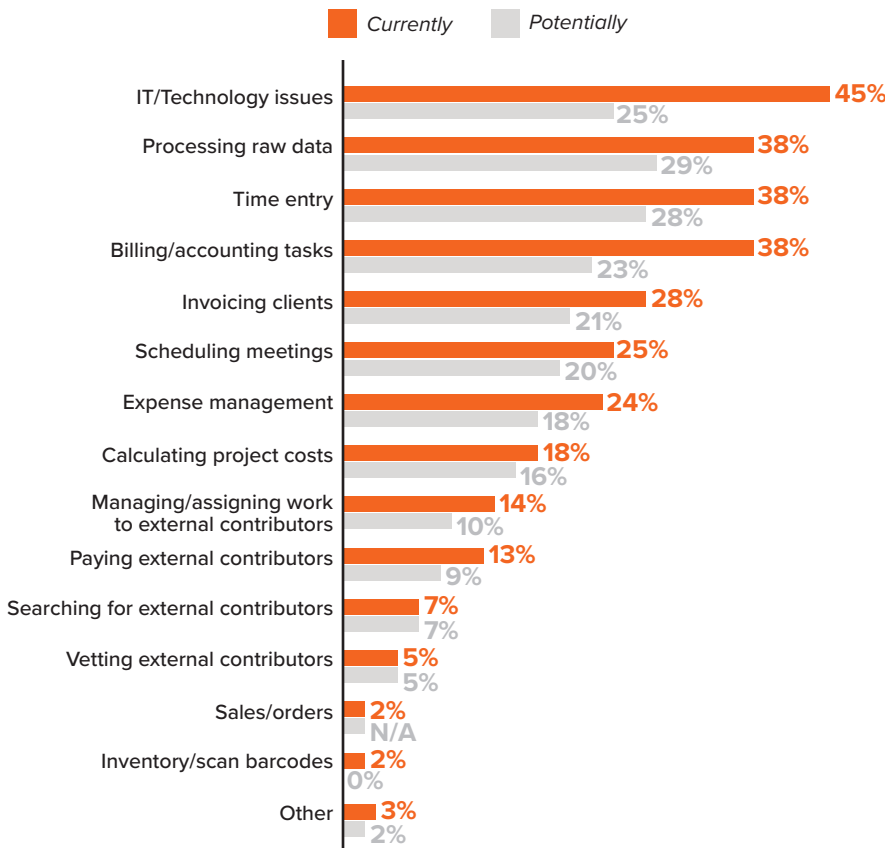
Some industries are already ahead of the curve with regard to automation, particularly telecommunications and financial services. However, most are not yet using automation to manage on-demand workers. While business leaders and employees agree broadly on the types of tasks that may be automated, leaders tend to be more optimistic about the ease of adopting automation.

Professionals in the telecommunications (53%) and financial services (45%) industries are significantly more likely than those in corporate retail (29%) to be currently automating tasks, particularly related to IT/technology issues.

Most are not using automation to manage their external and on-demand contributors, despite the existing technology.



Which of the following tasks is your company automating and which of the following tasks could your company automate that would make your workday more productive?



◀ 41%

are currently using workforce automation while 36% are not and 23% are not sure.



task automation *cont...*

Generally, nearly all (99%) business leaders believe that at least one of these roles in their organization could be automated while 87% of employees say the same.

Both business leaders (54%) and employees (50%) believe that data processing would be the easiest role to automate.



What roles at your organization would be easiest to automate?



◀ 99%

of business leaders believe at least one of these roles in their organization could be automated.



task automation *cont...*

Business leaders and employees tend to agree on which skills would be easiest to automate, but business leaders are significantly more likely to see the broader impact of automation in staffing, communications, creativity and decision making.



Which of the following skills within your company would be the easiest to automate?



“ We see the potential to automate certain tasks to *save time and money.* ”
-business leader

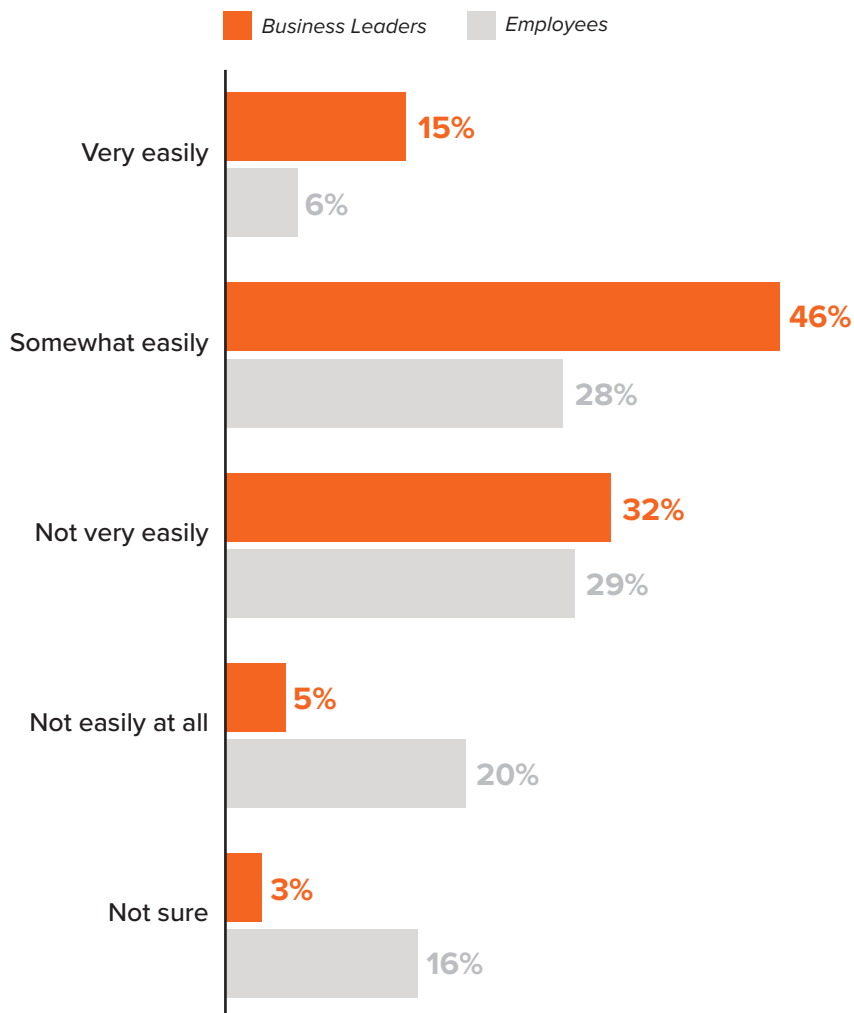


task automation *cont...*

Business leaders are more open to automation and feel that it will be easier to implement than employees.



How easily could workforce automation be utilized in your industry and jobs within your industry in the next 12 months?



◀ **61%**

of business leaders believe that automation could be very or somewhat easy to implement.



automation advantages & risks

Business leaders and employees overwhelmingly agree that there are advantages to automation, but employees are slightly more likely to worry about the risks of automation, such as the potential for job loss.

90% of respondents believe there are advantages to automating tasks at their organization, particularly a reduction in manual errors (48%), an increase in the speed at which tasks are completed (42%) and better quality work product (38%).

Business leaders are generally more open to automation and feel that it will be easier to implement than employees. Nearly all (99%) business leaders believe there are advantages to automation compared to 81% of employees.

Employees and business leaders are evenly split on the business risks of automation, but employees are more likely to be concerned about the lack of personal touch (52% vs. 47%) and potential for job loss (48% vs. 40%).

◀ **99%**
of business leaders believe there are advantages to automation compared to 81% of employees.



What advantages and business risks can come from automating tasks at your organization?

	Advantages		Business Risks	
Business Leaders	TOTAL ADVANTAGES	99%	TOTAL BUSINESS RISKS	92%
	A reduction in manual errors	52%	Lack of personal touch	47%
	Better quality work product	45%	Potential for job loss	40%
	An increase in speed	43%	Employee inability to adapt to automation	36%
	Greater levels of productivity across experience levels	43%	Poor customer service	34%
	Increased availability for you and other employees	41%	Lack of in-depth industry experience	23%
	Increased utilization and productivity levels	38%	Inaccuracies	-
	Decreased labor costs	31%	Other	2%
	Other	-	No business risks	8%
	No advantages	2%		
Employees	TOTAL ADVANTAGES	81%	TOTAL BUSINESS RISKS	89%
	A reduction in manual errors	44%	Lack of personal touch	52%
	Better quality work product	30%	Potential for job loss	48%
	An increase in speed	41%	Employee inability to adapt to automation	32%
	Greater levels of productivity across experience levels	24%	Poor customer service	37%
	Increased availability for you and other employees	34%	Lack of in-depth industry experience	24%
	Increased utilization and productivity levels	21%	Inaccuracies	2%
	Decreased labor costs	25%	Other	-
	Other	-	No business risks	10%
	No advantages	19%		

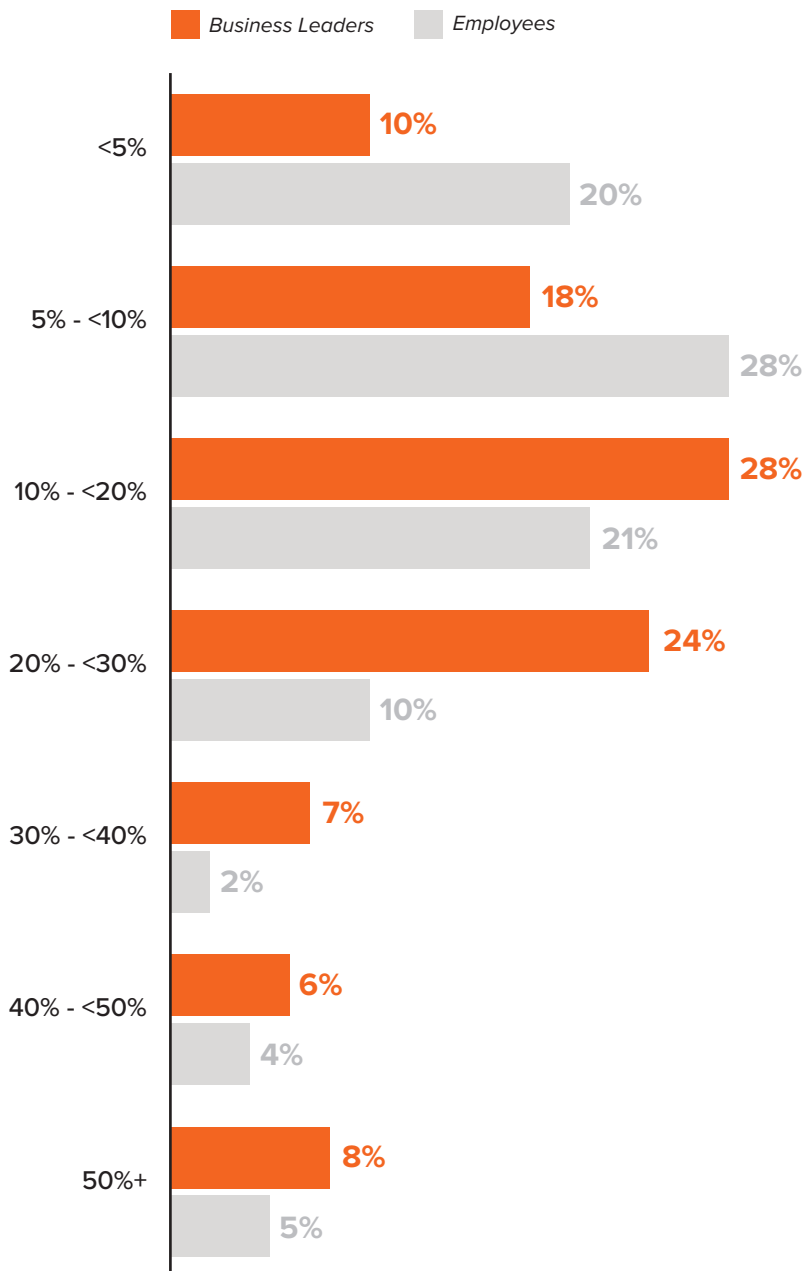


automation advantages *cont...*

Business leaders are more likely than employees to believe that a larger percentage of their tasks can be automated. A majority of business leaders (52%) believe they could automate 10-30% of their tasks.



Q: What percentage of tasks in your average workday do you believe can be automated?



◀ 52%

of business leaders believe they could automate 10-30% of their tasks.



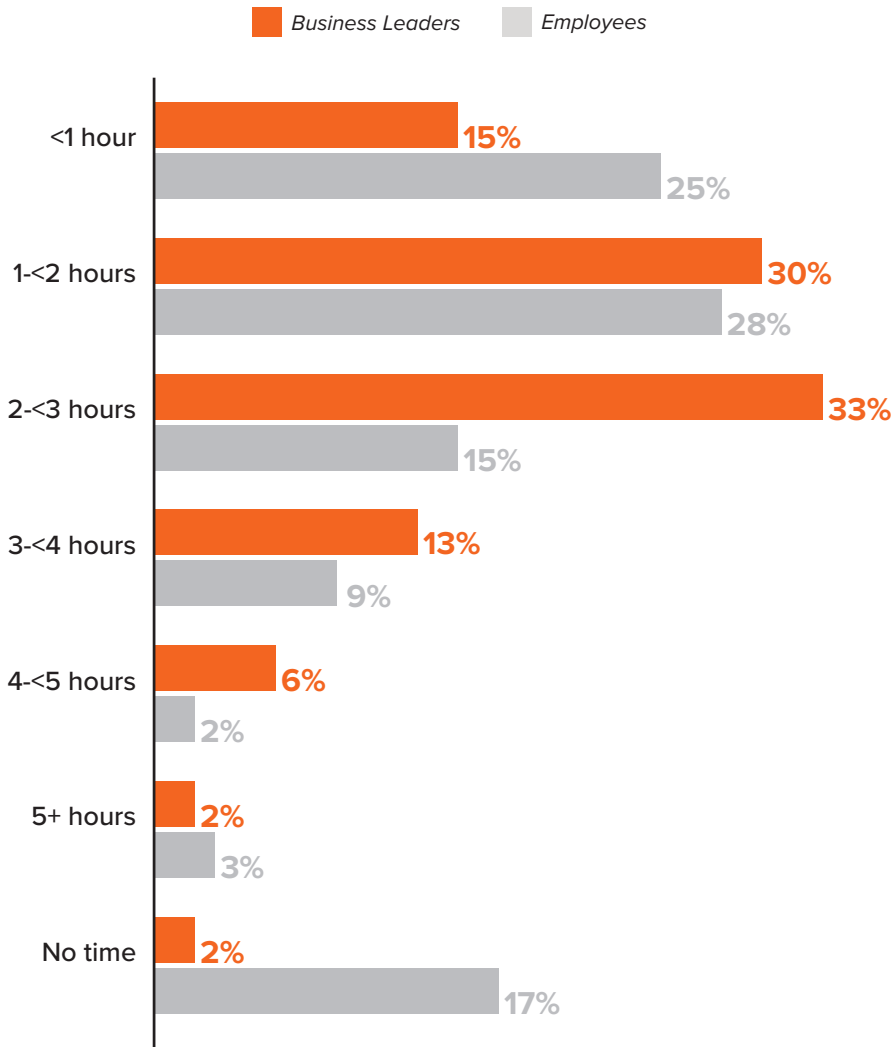
automation advantages *cont...*

The majority of employees (53%) believe they could save up to 2 hours a day by automating tasks. That equates to approximately 5 hours a week or 20 hours a month of time saved by automating tasks. 14% of employees believe they could save 3-5+ hours a day, while 17% think that automation wouldn't save them any time per day.

A majority of business leaders (78%) believe they could save up to 3 hours a day by automating tasks. That equates to approximately 7.5 hours a week or 30 hours a month of time saved by automating tasks. Only a meager 2% of business leaders believe that automating tasks wouldn't save them any time per day.



How much time do you think automating tasks can save you and your direct reports (per person) during an average work day?



Hours saved a month by automating tasks:

Business Leaders: **30**

Employees: **20**

Business Leaders' Direct Reports

<1 hour: **17%**

1-<2 hours: **34%**

2-<3 hours: **29%**

3-<4 hours: **13%**

4-<5 hours: **4%**

5+ hours: **2%**

No time: **2%**



the impact and opportunity costs of automation

Employees and business leaders alike believe that time saved through automation will be used to improve overall quality of work. However, business leaders are currently more optimistic than employees about the positive impact of automation.

Business leaders and employees are both more likely to use the time saved through automation to prioritize their work and clients as opposed to their own personal lives. On average:

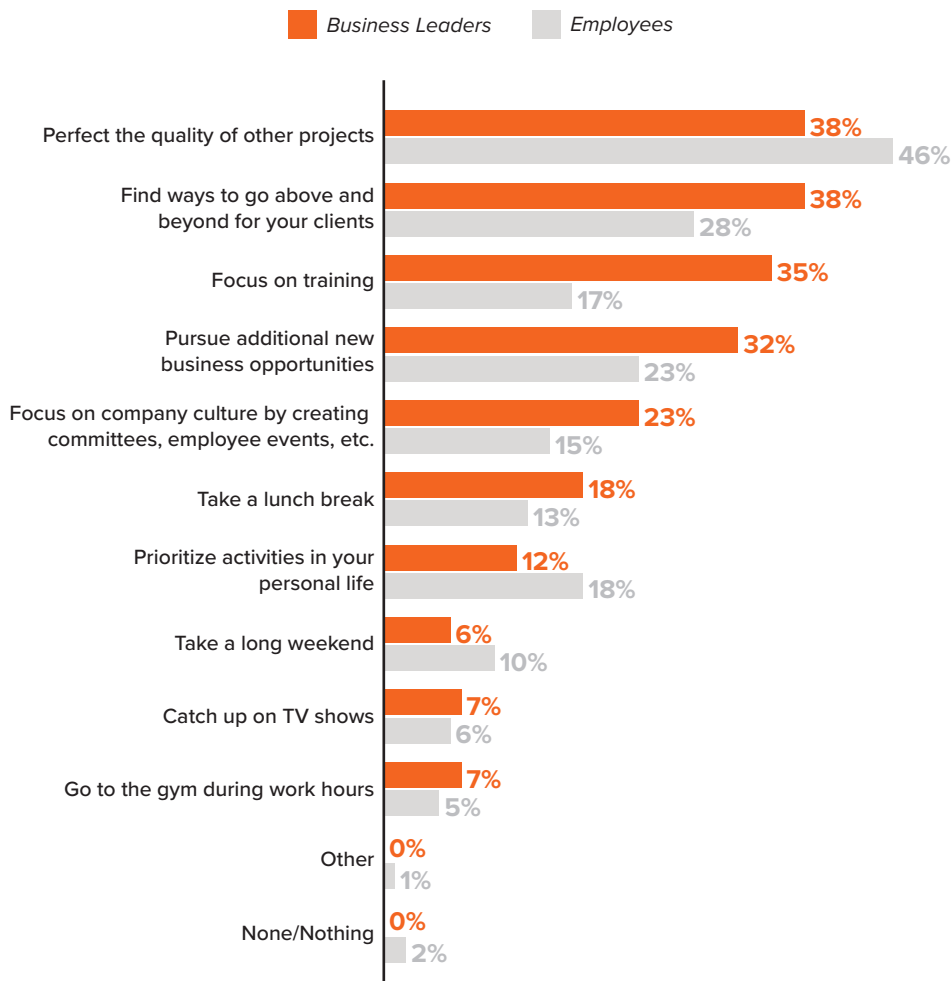
- 41% will perfect the quality of other projects
- 33% will find ways to go above and beyond for their clients
- 28% will pursue new business opportunities
- 26% will focus on training others

◀ 41%

will use the time saved through automation to perfect the quality of other work projects.



What would you do with the time that you saved from automating tasks?





the impact and opportunity *cont...*

Business leaders see the impact that automation can have on their companies, particularly that it will allow them to spend time on what matters most and that it will propel their company into the future.

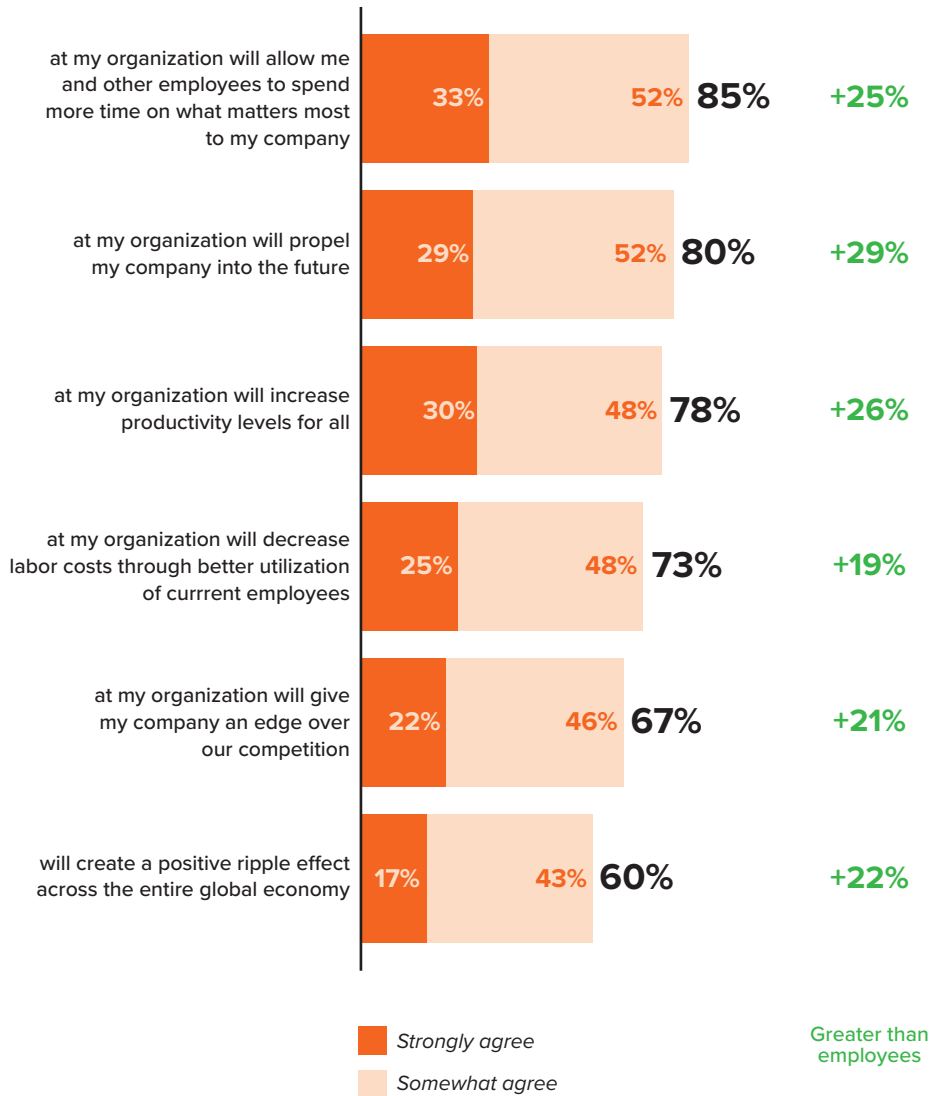
Business leaders are more likely to agree than employees with all of these positive statements about automation.



To what extent do you agree or disagree with the following statements?

automating tasks...

+/- Employees



78% of business leaders believe that automating tasks at their organization will increase productivity levels for all.



the impact and opportunity *cont...*

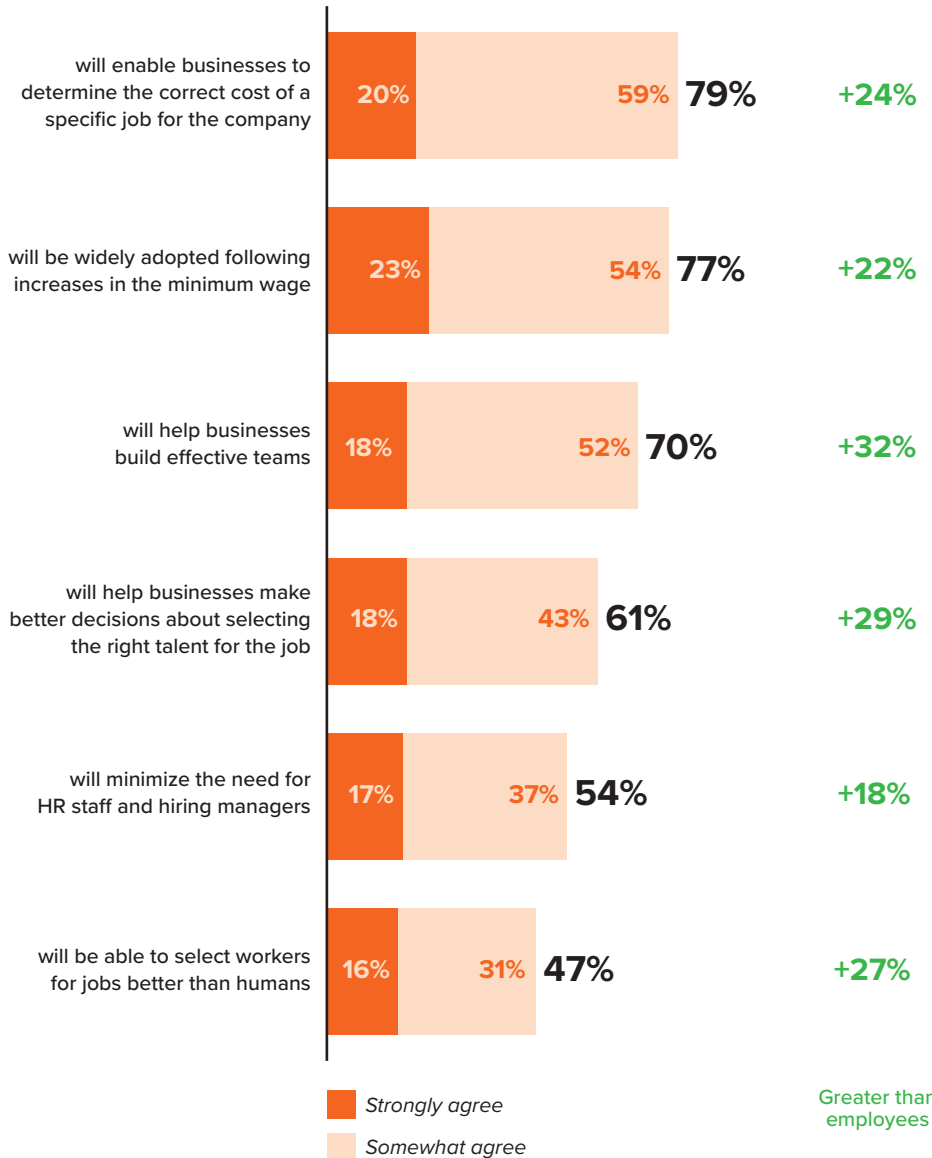
Nearly 8 in 10 business leaders (79%) believe that automation technology will enable businesses to determine the correct costs of a specific job, while 61% believe that automation technology will help businesses make better decisions about selecting the right talent for the job.



To what extent do you agree or disagree with the following statements?

automation technology...

+/- Employees



79% of business leaders believe that automation will enable them to correctly price specific jobs.

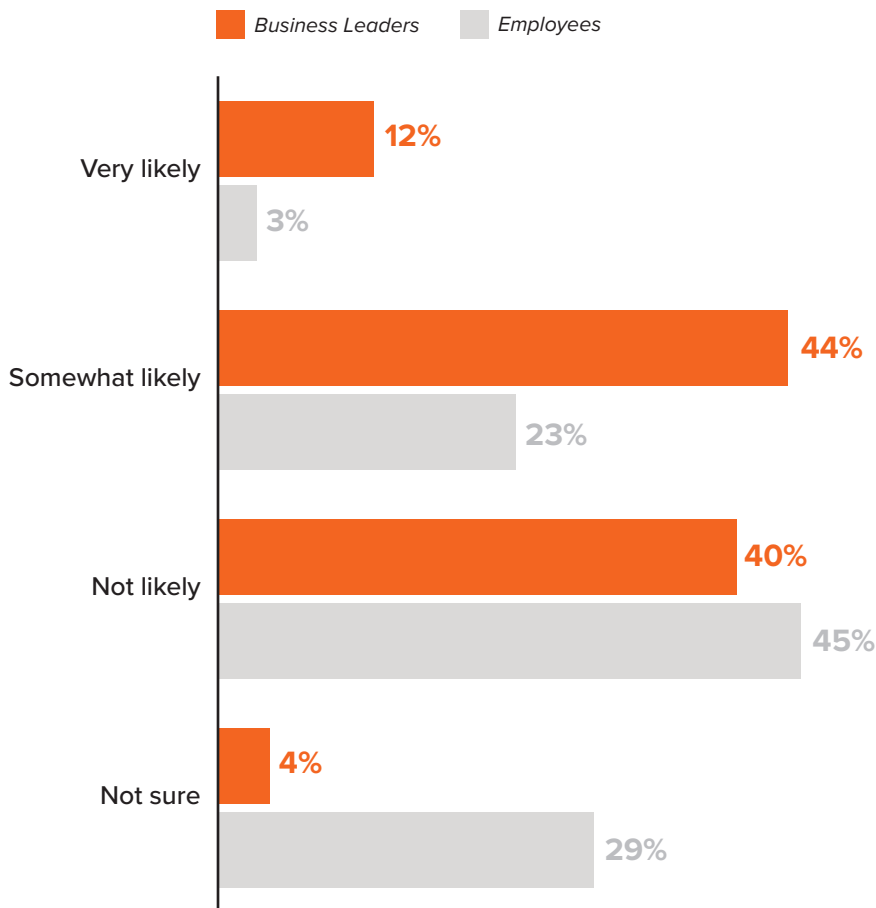


the impact and opportunity *cont...*

Business leaders (56%) are significantly more likely than employees (26%) to believe their company will be implementing automation in the near future, indicating a potential lack of knowledge in these decisions among employees.



How likely is it that your organization will implement any type of workforce automation software in the next 3-5 years?



◀ 26%

of respondents will dedicate budget towards workforce automation software in the next 12 months.



demystifying artificial intelligence

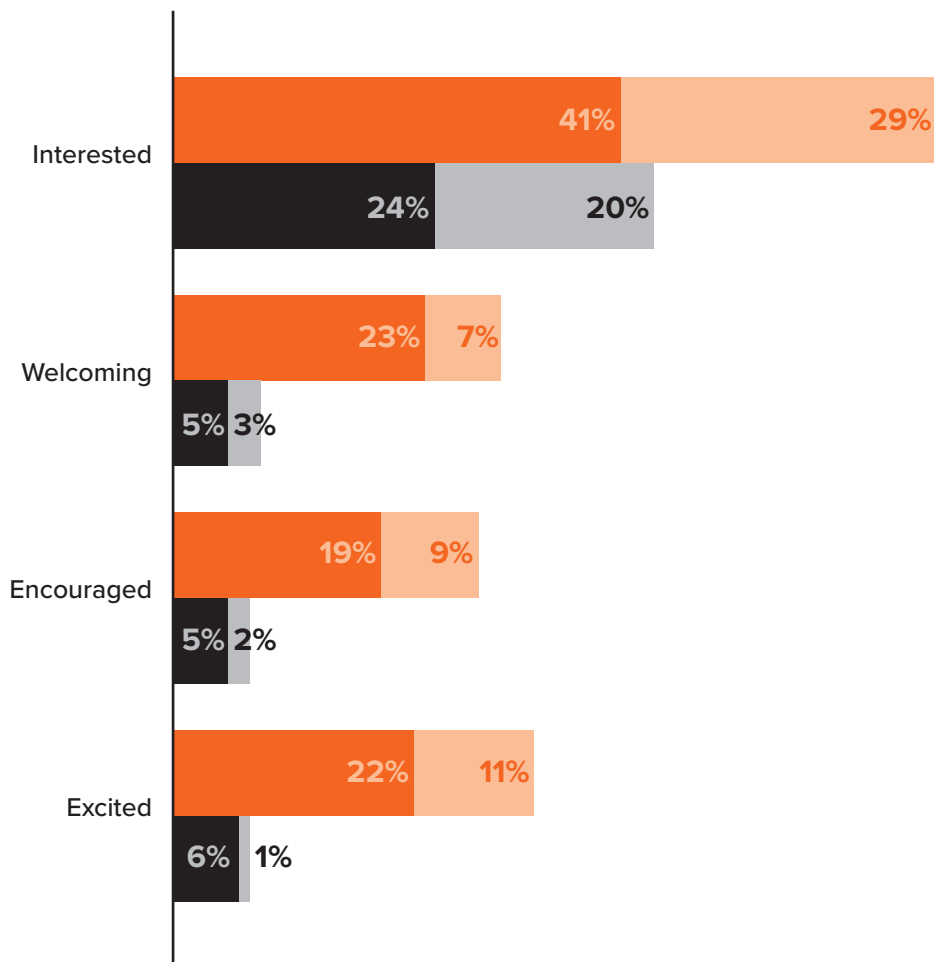
Business leaders are interested in AI, but express greater enthusiasm for work automation to bring tangible value to their business in the near term.

Business leaders and employees are primarily more interested in AI, with business leaders being significantly more so than employees.



When you hear artificial intelligence used in the context of your business and your current job, which of the following words best describes the way you feel?

Business Leader Top Choice Employee Top Choice
Business Leader All Choices Employee All Choices



“I’m interested in the capability of AI to replicate *human intelligence.*”
-business leader

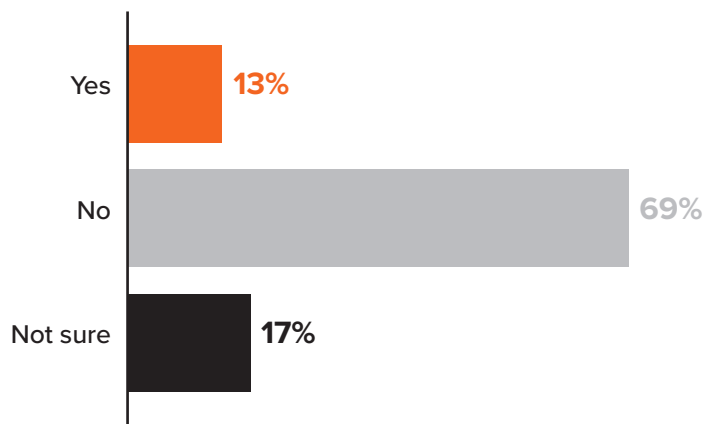


demystifying *cont...*

Only 13% of companies are currently using AI, leaving nearly 7 in 10 (69%) that are not and only 17% who are not sure.



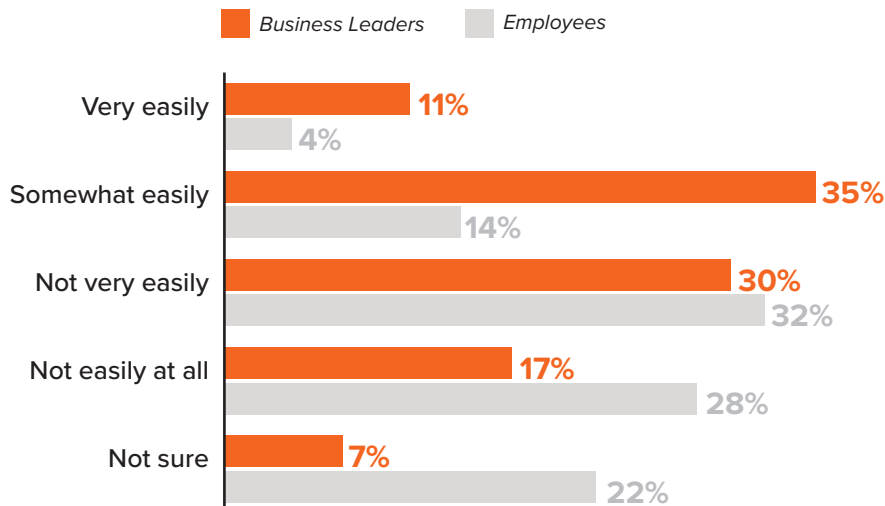
Is your company currently utilizing any sort of artificial intelligence system?



When it comes to implementing AI, business leaders are much more likely to believe it would be easy while most employees disagree.



How easily could artificial intelligence be utilized in your industry and jobs within your industry in the next 12 months?



◀ **13%**
of companies are currently using AI.

◀ **46%**
of business leaders believe AI would be very or somewhat easy to implement.



demystifying *cont...*

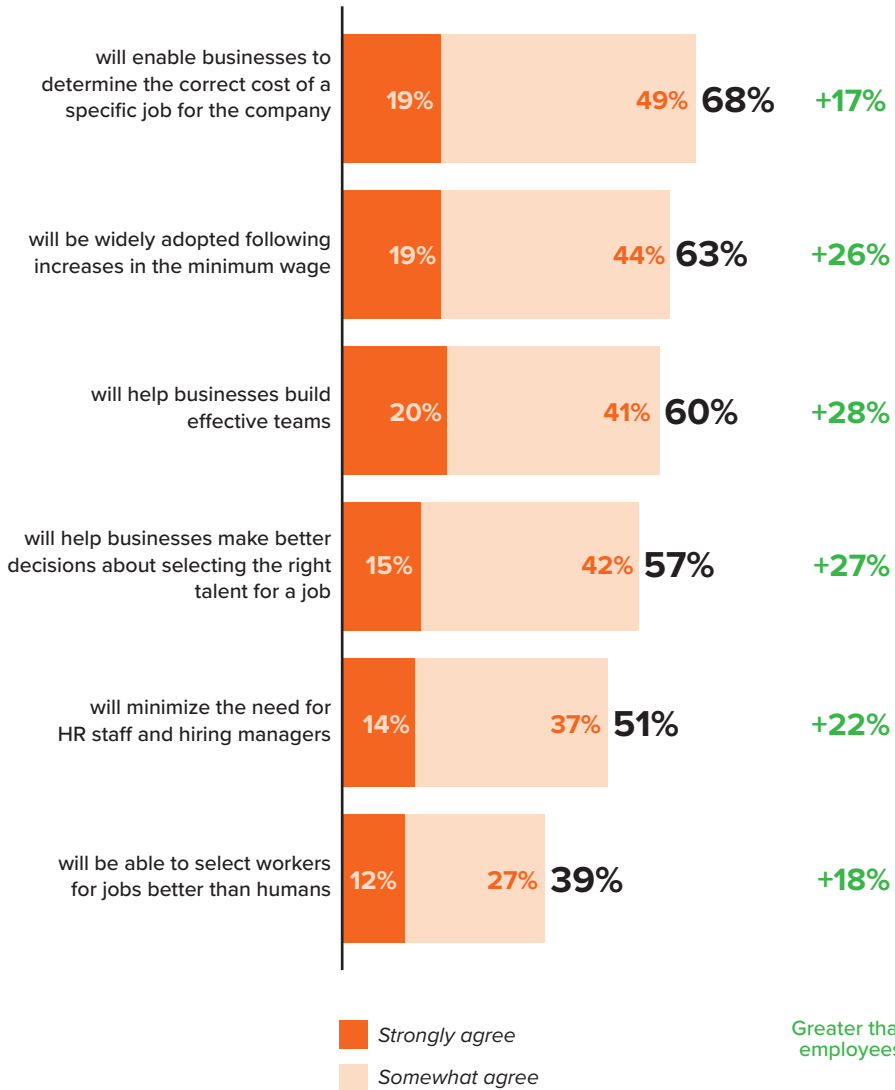
Business leaders, while confident in the ability of AI, are less enthusiastic about it compared to workforce automation.



To what extent do you agree or disagree with the following statements?

artificial intelligence...

+/- Employees



68% of business leaders believe that AI will enable them to correctly price specific jobs.



demystifying *cont...*

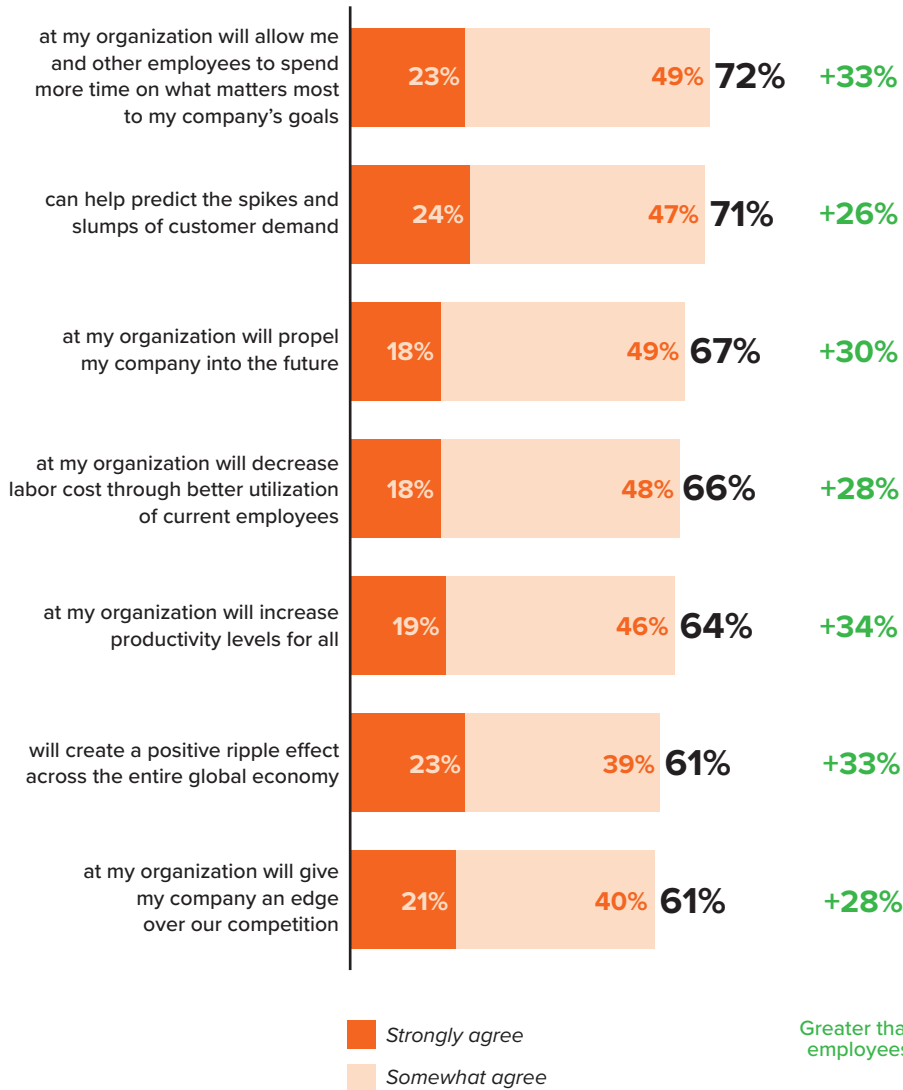
Business leaders do see how artificial intelligence can have a larger impact not only at their company but also across their industry and the economy.



To what extent do you agree or disagree with the following statements?

artificial intelligence...

+/- Employees



71% of business leaders believe that AI can help predict the spikes and slumps of customer demand.

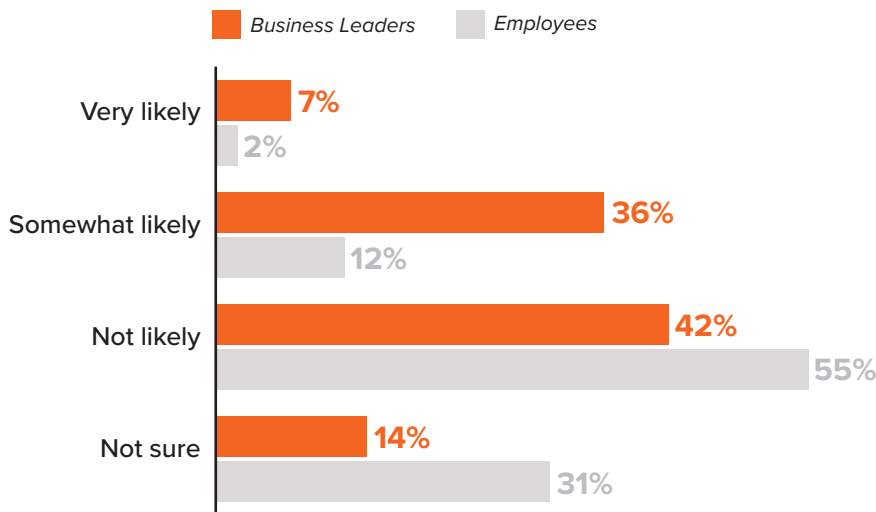


demystifying *cont...*

Far fewer business leaders (44%) and employees (14%) say their company plans to implement AI compared to workforce automation. This is particularly true for those working in the media/publishing industry.



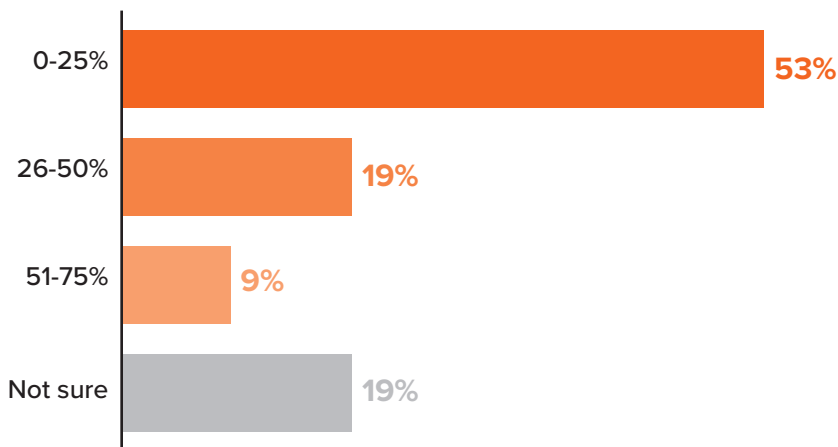
How likely is it that your organization will implement any type of artificial intelligence in the next 3-5 years?



Of those planning to dedicate budget towards AI, 53% say it will only be a quarter or less.



What percentage of your company's budget will be dedicated towards artificial intelligence in the next 12 months?



◀ 56%

of business leaders plan to implement workforce automation technology in the next 3-5 years compared to 44% for AI.



conclusion

Despite a great deal of noise and a few bold claims about robots taking over human jobs, only a very small percentage of workers believe their role could be completely automated. Instead, automation stands ready to free human workers from tedious non-core tasks so they can focus on what they're most passionate about, and what delivers the most value.

While the narrative around automation has suggested only the most junior employees will see their jobs impacted by automation, there is as much (or more) opportunity for automation in the executive ranks. The most senior business leaders report wasting more hours on non-core tasks like expense reporting – exactly the same kinds of tasks that are ripe for automation.

Employees and business leaders view automation somewhat differently, but both groups believe there are advantages to automation at work, and would use time saved through automation to go above and beyond in their core function.

While AI is still in its infancy with regard to work, more than half of business leaders expect to implement work automation in the coming years – and many more are interested in exploring how AI can play a role in the future.

more than
half
of business leaders
expect to implement
work automation in the
coming years.



About the WorkMarket 2020 In(Sight) Report

The WorkMarket 2020 In(Sight) Report surveyed both business leaders and employees from four key industries: media/publishing, financial services/insurance, telecommunications/IT, and corporate retail. Fielded in April 2017, the online survey polled 200 business leaders and 202 employees. Business leaders are defined as having a lot or some influence in business decisions at their companies, are at least management or C-Suite level, and manage a certain number of employees based on their company size. Employees are defined as having little to no influence in business decisions at their company, are either mid or entry-level, and do not manage anyone. Participants were selected as a representative sample of the U.S. economy. The margin of error is $\pm 3.5\%$.

About WorkMarket

WorkMarket, the OS for work, helps businesses automate work to build and scale a flexible workforce. Our cloud-based labor automation platform helps businesses unlock new levels of productivity, engagement and growth by managing their entire mosaic of labor – from freelance and full-time to everything in between – all from a single platform. WorkMarket seamlessly integrates into the cloud-based business apps – Oracle, Salesforce, SAP, ServiceNow, and Workday – trusted by today’s biggest enterprises. To learn more, visit www.workmarket.com.

About KRC Research

KRC Research is a global full-service nonpartisan opinion research and strategy firm. A unit of the Interpublic Group of Companies (NYSE: IPG), KRC Research offers the quality and custom service of a small firm with the reach of a global organization. For over 30 years, KRC Research has worked on behalf of corporations, governments, not-for-profits and the communications firms that represent them. Staffed with multidisciplinary research professionals, KRC combines sophisticated research tools with real-world communications experience. For more information, visit www.krcresearch.com.