



# “Digitalizing”

Core Business Processes

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# ABOUT THE RESEARCH

As the non-profit association dedicated to nurturing, growing and supporting the information management community, AIIM is proud to provide this research at no charge to our members. In this way, the entire community can leverage the education, thought leadership and direction provided by our work. We would like these research findings to be as widely distributed as possible.

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## About AIIM



Here at AIIM, we believe that information is your most important asset and we want to teach you the skills to manage it. We've felt this way since 1943, back when this community was founded.

Sure, the technology has come a long way since then and the variety of information we're managing has changed a lot, but one tenet has remained constant, we've always focused on the intersection of people, processes, and information. We help organizations put information to work.

AIIM is a non-profit organization that provides independent research, training, and certification for information professionals. Visit us at [www.aiim.org](http://www.aiim.org).



## About the author

**Bob Larrivee,**  
*Vice President/Chief Analyst of  
Market Intelligence - AIIM*

Bob is an internationally recognized subject matter expert and thought leader with over thirty years of experience in the fields of information and process management, and recipient of the Cenadem Brazil — ECM pioneer Award. Bob is an author, lecturer, musician, photographer, and poet.

As an avid tchie with a focus on process improvement, and the application of advanced technologies to enhance and automate business operations. Bob's passion is to share his experience and expertise with individuals and business organizations seeking to improve their information and process management practices.

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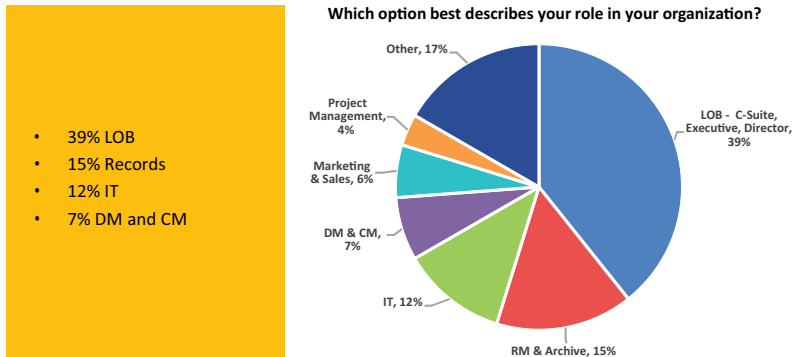
# ABOUT THIS SURVEY

We greatly value our objectivity and independence as a non-profit industry association. The results of the survey and the market commentary made in this report are independent of any bias from the vendor community.

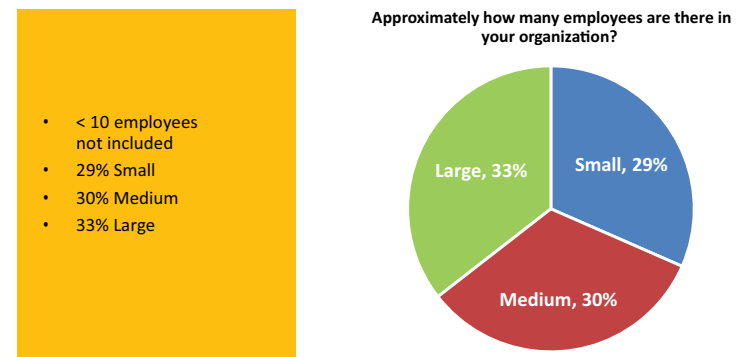
The survey was taken using a web-based tool. Invitations to take the survey were sent via email to a broad base of names associated with AIIM and thereby interested in some way with information and content management, but not necessarily AIIM members. The link was also posted in a variety of social media outlets.

A total of 152 individuals participated in the survey, with demographics as follows:

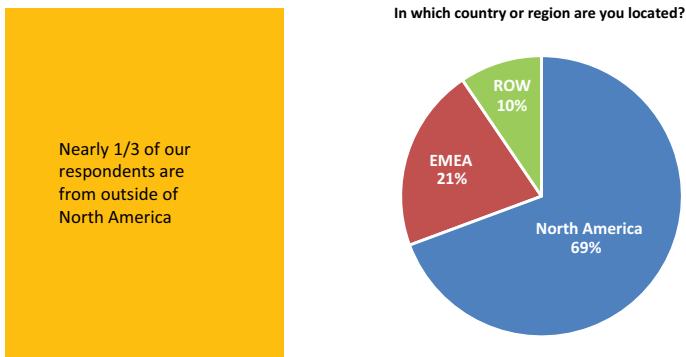
## Core Demographics – Role



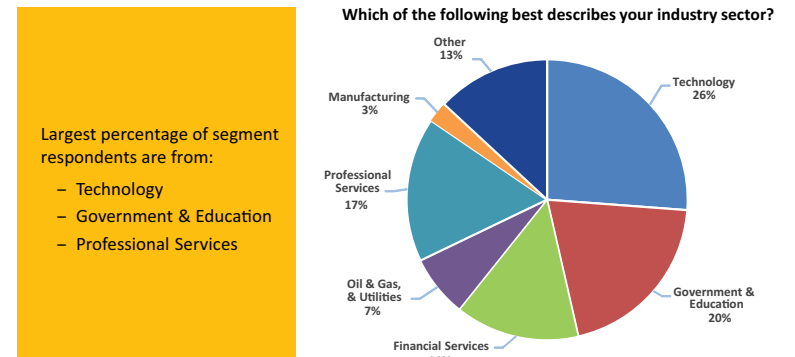
## Core Demographics – Company Size



## Core Demographics – Geography



## Core Demographics – Industry Segment



# ABOUT THIS SURVEY

## Digitalizing Core Business Processes

In "The State of Intelligent Information Management: Getting Ahead of the Digital Transformation Curve," AIIM made the case that every organization is on — or should be on! — a Digital Transformation journey. The heart of this Transformation journey is understanding, anticipating, and redefining internal and external customer experiences. AIIM believes that Digital Transformation effectiveness is imperiled by a rising tide of information chaos and confusion, and that rising tide of information chaos and confusion is creating a demand for new information management practices that extend beyond traditional Enterprise Content Management.

How organizations describe these new information management practices is still evolving.

AIIM believes that four key Intelligent Information Management practices or methodologies — and an associated set of modular and configurable technology building blocks — are critical to Digital Transformation success:

### Practice area #1 — Digitalizing core organizational processes

- Robotic process automation
- Business process management
- Multi-channel intelligent capture
- High-volume process optimization/transactional ECM

### Practice area #2 — Modernizing the information toolkit

- Cloud content management
- Internal & external collaboration platforms
- Low-code and "self-service" development platforms
- Content integration & migration tools

### Practice area #3 — Automating compliance & governance

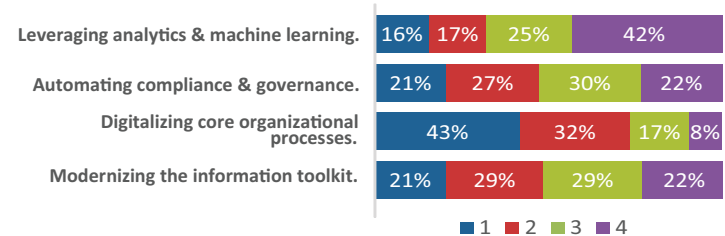
- Records management & digital preservation
- eDiscovery & legal
- Industry & geographic specific compliance
- Blockchain

### Practice area #4 — Leveraging analytics & machine learning

- Artificial intelligence, content analytics & semantics
- Data recognition, extraction & standardization
- Metadata & taxonomy management
- Document classification & personal information identification

Our research in the State of the Industry report identified **Digitalizing Core Organizational Processes** as *currently* the most important of the 4 practice areas for organizations relative to achieving their Digital Transformation goals, and so our objective in this Industry Watch was to probe more deeply into how organizations view process automation and to determine whether the reality of their current efforts is enough to achieve true Digital Transformation.

**Looking out over the next 12 months, please rank the relative importance of each of the following broad IIM practices and methodologies to your Digital Transformation goals (1 = "most important" and 4 = "least important")**



Our research leads to these three core findings:

1 — True Digital Transformation requires more than just digitizing back end processes.

2 — Many organizations have yet to do the very basic work of process automation, putting them at a severe disadvantage in their efforts to embrace Digital Transformation. Despite the relative maturity of many core process improvement technologies, there is still significant market opportunity here for solution providers, although this kind of basic process standardization should not be confused with true Digital Transformation.

3 — New technologies — like Robotic Process Automation, Blockchain, Low and No-code Process Engines, and Intelligent Capture — open up opportunities to not only improve process, but to totally rethink them.

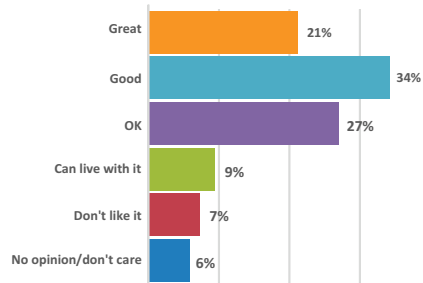


# “DIGITALIZING” CORE BUSINESS PROCESSES

## Terminology – Digitalizing Core Business Processes

The majority of those polled (82%) overall, are comfortable with the term Digitalizing Core Business Processes.

On a scale of 1 ("don't like it") to 5 ("great") do you think the term "digitalizing core business processes" is a good description of the broad process challenges that lie ahead? (All Respondents)



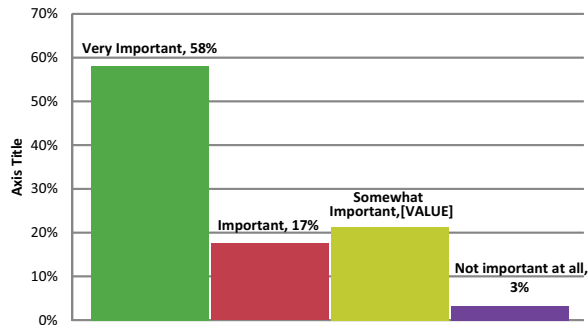
“We are a work in progress and that has taught us to learn along the way.”

“Digitalization is perceived too much as a move from paper to digital.”

## Perceptions – Importance of Process Automation

Process automation is a must do in the business models of 75% of respondents; making it more of a requirement than a nice-to-have.

On a scale of 1 (very important) to 4 (not important at all), please rate the overall importance of process automation to your organization.



# “DIGITALIZING” CORE BUSINESS PROCESSES

## 1. True Digital Transformation requires more than just digitizing back end processes.

Most organizations and departments have a mandate to continuously improve operations. A conventional change agenda involves better tools and technology, better behaviors, and better processes, all focused on generating better efficiencies and improved productivity.

In disruptive times, process efficiency is a necessary but not sufficient condition for Digital Transformation. Ultimately, AIIM believes Digital Transformation is *about doing things differently* — and doing *different things* as well. And different not just for the sake of being different, but in support of the key strategic objectives facing every organization in the age of digital disruption.

That’s why we believe the core IIM process challenge for organizations is *digitalizing* core business processes rather than just *digitizing* them. *Digitization* of manual and paper-intensive processes has long been shown to increase efficiency. *Digitalization* goes beyond digitizing the steps in a workflow and is all about redesigning the business as a digital business, not just improving what you currently have.

The best approach in addressing this transformation is to view it as a journey from the current ways of doing business to a new digital state, based on intelligent information management (IIM) practices that integrate people, process, information and technology in support of achieving greater operational efficiency, meeting regulatory and legal compliance, enabling more agility to change, and enhancing the customer experience.

### Key Findings

- 82% of organizations are comfortable with the term “Digitalizing Core Business Processes” as a description of the broad process challenges that lie ahead.
- 75% of organizations view process automation as “important” or “very important” to their organization.



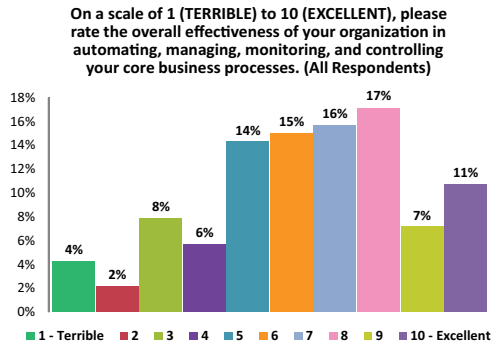


# “DIGITALIZING” CORE BUSINESS PROCESSES

## Perceptions – Effectiveness Managing Processes

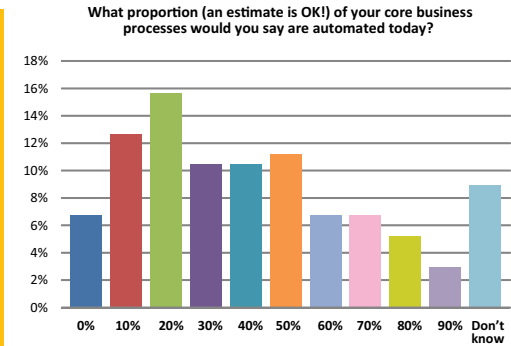
Looking across all sizes of organizations, we see that the majority of respondents feel their organizations are doing a good job in managing their business processes effectively.

Using a weighted average calculation, we find the average to be 6.35%



## Automation – Process Management

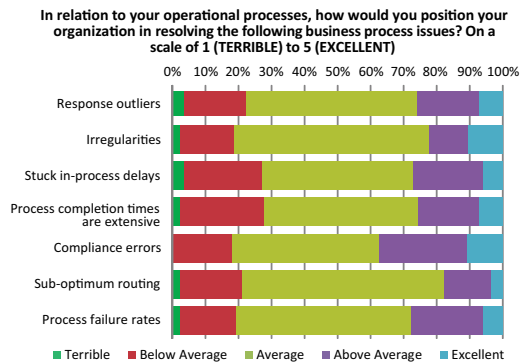
67% report having less than half of their processes automated. Only 3% are showing they have reached the 90% plus level.



## Resolution – Business Process Issues

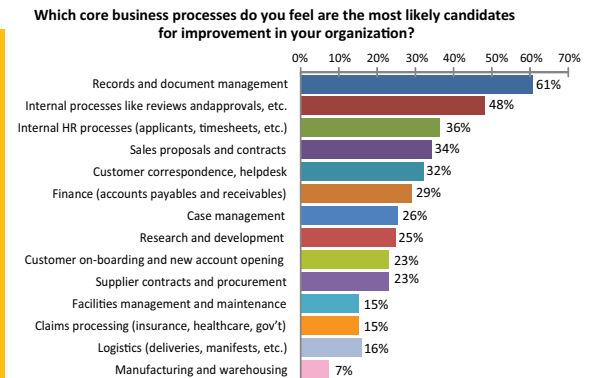
For the most part, the majority of our respondents feel they are on par with their peers when it comes to resolving business process issues.

Better than 1/3 feel they are above average (27%) to excellent (11%) when addressing compliance errors.



## Targets – Process Improvement

While back-end operations is cited as prime target for process improvement, the greatest customer facing benefits can be gained by improving and automating processes related to sales, customer correspondence, on-boarding, and case management.



# “DIGITALIZING” CORE BUSINESS PROCESSES

2. Many organizations have yet to do the very basic work of process automation, putting them at a severe disadvantage in their efforts to embrace Digital Transformation. Despite the relative maturity of many core process improvement technologies, there is still significant market opportunity here for solution providers, although this kind of basic process standardization should not be confused with true Digital Transformation.

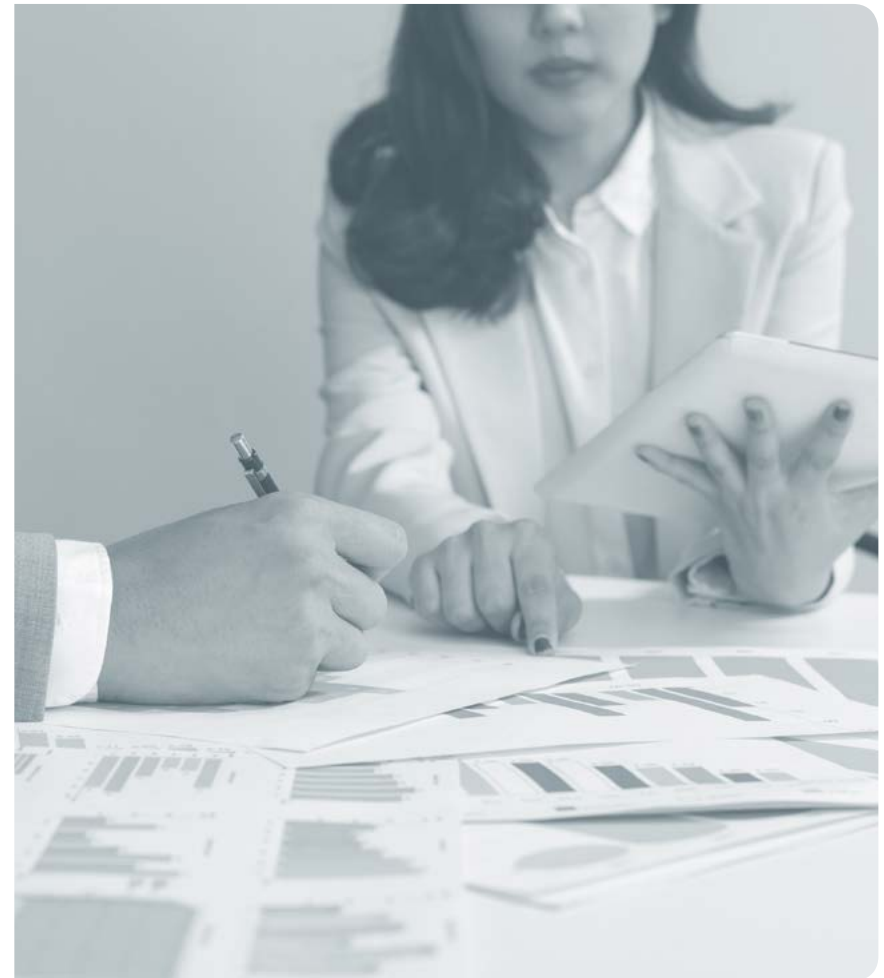
## Key Findings

- Only 35% of organizations would rank their organizations as an 8, 9, or 10 on a ten-point scale measuring their overall effectiveness in automating, monitoring, and controlling their core business processes. The average self-assessment is 6.35.
- 67% of organizations report that less than half of their processes are automated.
- Those that embraced the first wave of process technologies did a good job of attacking many core process problems; less than 30% of organizations rank their organizations as below average relative to such core process metrics as: response outliers, irregularities, stuck-in-process delays, process completion times, compliance errors, sub-optimum routing and process failure rates.
- Fairly traditional back-end operations are cited as the prime targets for process improvement. These include processes like internal reviews and approvals (48%), HR processes (36%), sales processes and contracts (34%), customer correspondence (32%), and finance (29%).

“

*“There is a strategy in place to improve internal and external processes and collaboration.”*

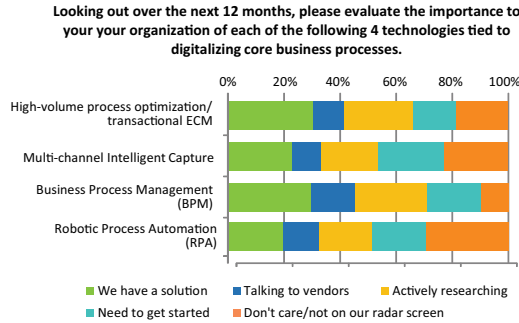
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# "DIGITALIZING" CORE BUSINESS PROCESSES

## Action – Technology Focus on Process Automation

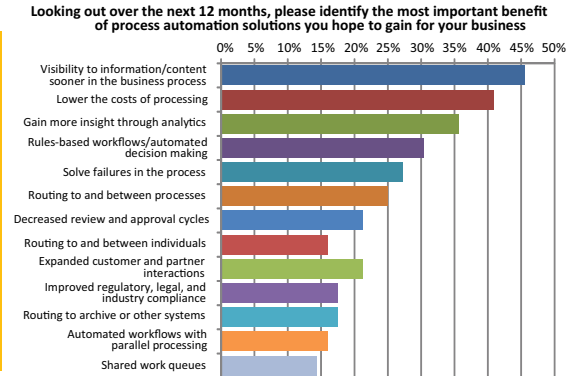
Looking at RPA, 20% say they have a solution already while nearly 30% indicate they could care less about it.



## Automation – Perceived Benefits

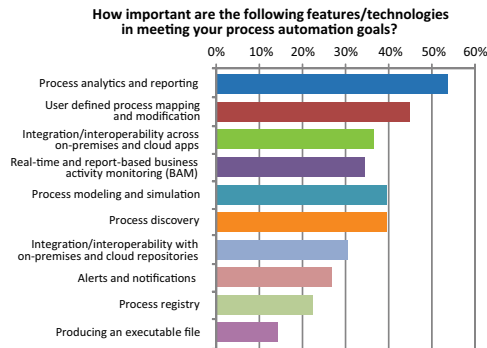
The top 4 benefits organizations hope to gain from process automation include:

- Gaining greater visibility of information as early as possible in a process.
- Lowering processing costs.
- Better monitoring, using analytics.
- Use of rules engines to help in decision making.



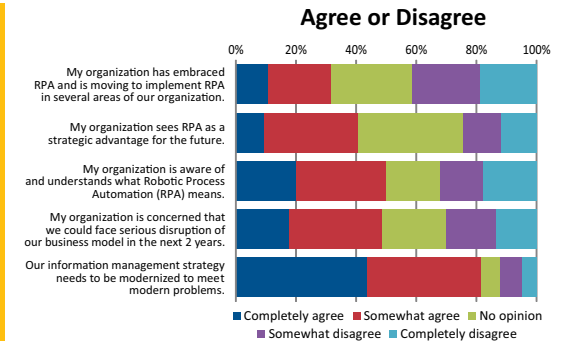
## Functionality – Process Automation

The high ranking of both process analytics and real-time business activity reporting reflect the importance of insight into business operations.



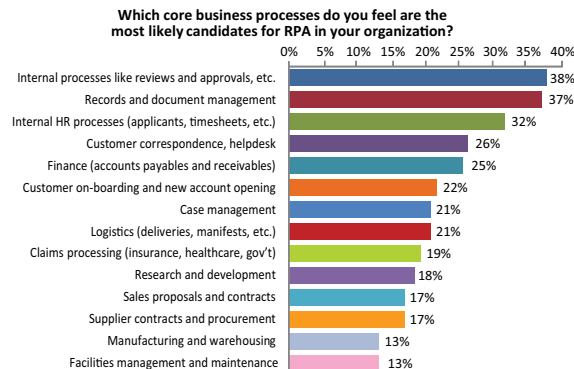
## Perceptions – Impact of Technology

Modernizing their IM strategy is on the scope for 82% of respondents



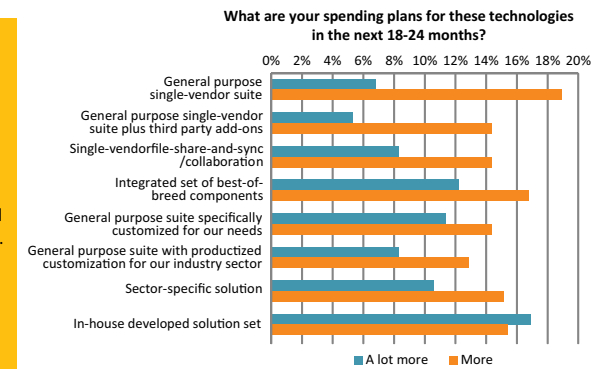
## Targets – Robotic Process Automation (RPA)

RPA candidates cited closely align with the process improvement targets, yet the greatest returns can be found in processes related to Finance, Case management, and on-boarding.



## Future Spend – Technology

Looking at those respondents who plan to spend more or a lot more, we find emphasis is being placed on in-house development, and best-of-breed products for increased spending.



# “DIGITALIZING” CORE BUSINESS PROCESSES

## 3. New technologies — like Robotic Process Automation and Multi-Channel Intelligent Capture — open up opportunities to not only improve processes, but to totally rethink them.

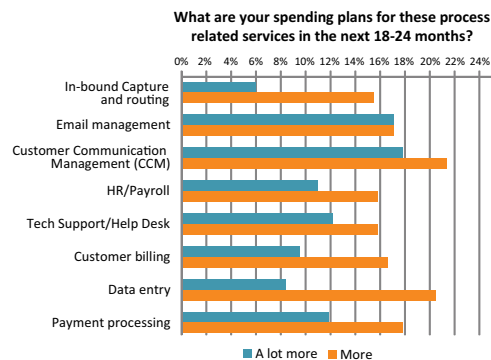
Organizations have yet to fully grasp the potential impact of the new wave of process technologies. It is growing increasingly clear that while new technologies become available, and terms like multi-channel intelligent capture and RPA are bantered about by consumers and evangelized by suppliers, there will not be widespread adoption in a short period of time unless the operational value of the technologies align with the goals and vision of the organization.

Understanding of the potential transformative impact of RPA and intelligent capture technologies is still in its very early stages, indicating a need for basic industry education on the technologies and development of use cases to better understand its content-specific applications.

In order to gain consumer acceptance and grow their confidence, education must be provided on both the technology and the benefit they deliver to the organization as a whole and the groups and individuals impacted by its introduction. An important question to answer is how the technology will support information security, operational efficiency, regulatory compliance, and improving the customer experience.

### Future Spend – Services

Looking at those respondent citing they will spend more to a lot more, we find that customer communication management (CCM) and email management top the list for increased services spending.



## Key Findings

- The relative importance placed on the four core technology building blocks tied to Digitalizing Core Organizational Processes reflect a legacy focus that needs to evolve in the years ahead. Over 40% of survey participants either already have an ECM or BPM solution or are actively looking at one. The corresponding lower percentages for multi-channel intelligent capture and RPA indicate a set of technologies that are not yet mainstream but offer a significant set of capabilities for moving from tactical process improvement to strategic process transformation.
- When asked about the most important benefit they hope to achieve over the next 12 months from process automation, organizations reflect the dichotomy between the traditional process management focus on cost reduction (42% = “lower the costs of processing”) and a more transformative goal of value creation (46% = “visibility to information sooner in the business process” and 36% = “gain more insight through analytics”)
- The top two priorities for new process automation capabilities — “process analytics and reporting” and “user defined process mapping and modification” — reflect a desire to move process improvement to a more strategic level and to better democratize its capabilities.
- Opportunities abound for RPA, but it is still in the very early stages of adoption, particularly among those with a “content” focus. Less than 50% of organizations are aware and understand RPA; Only 30% have actively embraced RPA and are moving to implement RPA. Potential desired RPA targets closely align with current points of process pain — internal reviews and approvals, HR processes, sales processes and contracts, customer correspondence, and finance.
- Increased spending plans over the next 18-24 months indicate a degree of confusion about process management platforms (should be investing in in-house capabilities or focus on leveraging best of breed?).
- Increased spending plans over the next 18-24 months for specific processes indicate rich opportunity for RPA and Intelligent Capture solution providers — all of the targets would benefit from these next generation capabilities.

## What’s Next?

Many of the organizations responding to our survey have a fair sense of where they are today and future opportunities for digitalizing their core processes. Digitalization of processes is not just the application of technology, it is the improvement of those processes, governance over how the processes function, updating current and implementing new technologies to meet the growing and changing business demands, and educating the user community in the new ways-of-working. AIIM believes that four key Intelligent Information Management **practices or methodologies** — and an associated set of modular and configurable technology building blocks — are critical to Digital Transformation success:

- Modernizing the information toolkit.
- Digitalizing core organizational processes.
- Automating compliance & governance.
- Leveraging analytics & machine learning.

Digitalizing your core business and organizational processes, shown here as one element of IIM, requires actions in each of the four practice areas in order to be successful. When digitalizing processes is not just about automating the steps in the process, it is changing the way the business functions. Digitalizing processes focuses on goals to improve responsiveness, increase organizational agility to transform and compete in the changing business landscape, and enhance the customer experience to drive adoption, establish loyalty, and increase satisfaction.



## AIIM’s Certified Information Professional (CIP) program

It is time to move your organization forward in the automation and transformation journey. AIIM can help. Become a leader in your organization and your market space through AIIM’s Certified Information Professional (CIP) program.

AIIM worked with industry experts and focus groups to define the body of knowledge necessary for information professionals to understand core IIM practice areas and methodologies, built a certification and test based upon this body of knowledge that is available at locations around the world, and created a set of training courses and materials to help information professionals prepare for the examination.

The path to CIP should be fairly simple for information practitioners who already have expertise and work experience. AIIM has a number of resources that can help practitioners at all levels prepare to become a Certified Information Professional:

- [CIP Data Sheet](#)
- [CIP Exam Outline](#)
- [CIP Study Guide](#) (free to professional members; non-member fee is \$60 USD)
- [AIIM Training Courses](#)
- [Online CIP Prep Course](#)
- [In-Person CIP Prep Classes](#)
- [Practice Exam](#)

CIPs reflect a more integrated, more holistic view of information and process management. Changes in one process, technology, or practice invariably affect others in the organization. CIPs are able to see both the forest, and the trees, and understand and plan for these outcomes. Because of this, CIPs will identify and understand changes that could cause compliance issues, thereby reducing liability.

Organizations that manage their information and processes more effectively enjoy reduced costs, faster time to market, increased revenues and cash flow, and increased business agility. CIPs are uniquely positioned to help organizations achieve these benefits because they understand the interactions between different information intensive processes and activities.

We thank you for your interest in Digitalizing Core Organizational Processes, AIIM, and our research. We also thank our underwriters, without whom we would not be able to conduct and share our research in the ways we do today.





CANON BUSINESS PROCESS SERVICES

## Canon Business Process Services

### **Canon Business Process Services: Intelligent solutions for the future of work.**

Global competitiveness and a challenging economic climate are driving enterprises to explore business process outsourcing (BPO) to elevate performance and remain competitive. The struggle to meet ongoing operational needs can drain the essential resources needed to achieve strategic objectives and overall growth.

As a leading BPO provider, Canon Business Process Services helps organizations meet these challenges. We manage and improve critical non-strategic business processes, thereby freeing internal resources. Our passion is to deliver quality service and operational excellence. Our mission is to help contain costs while enabling enterprises to become more efficient and build strong, agile businesses.

We achieve these and other results by implementing a wide range of services that include: business process optimization, robotic process automation and workflow automation, source-to-pay services, warehouse management, logistics, digital intake centers, managed workforce services, mail center operations, digital imaging, records and information governance, legal discovery services, print services and application, forms and claims processing.

One capability that sets us apart is our flexible service delivery model, which enables us to implement solutions onsite, offsite or offshore. For our clients, this approach can enhance business agility.

As a subsidiary of Canon Inc., we play an important role in our parent company's goal of setting the global standard for advanced technologies and service. With \$31 billion in global revenue, Canon ranks third overall in U.S. patents granted in 2017, and is dedicated to the Kyosei philosophy of social and environmental responsibility.

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# LOOKING FOR YOUR NEXT STEP?

Do you have a question about this research?  
Would you like to discuss these findings with  
other members of AIIM?

[CLICK HERE TO JOIN THE ONLINE DISCUSSION](#)



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