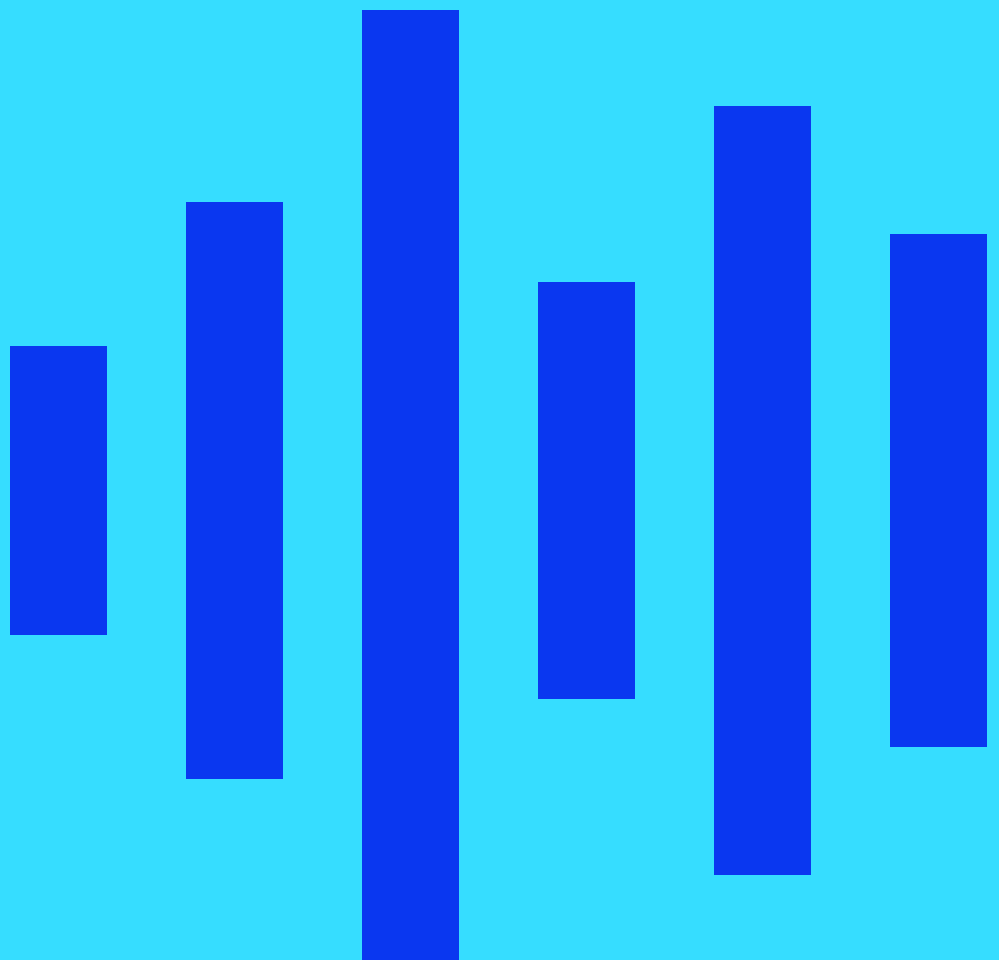


Are Friends Electric?

How finance professionals
really feel about automation

A global study by Tradeshift





Introduction

“Is a robot going to take my job?” According to a widely referenced study by the online marketing company SEM Rush, nearly 200,000 people type this question into the search bar every month.

Digital technology and the rise of automation have had a huge impact on both society and the modern workplace. It was digitalization that enabled an army of workers to transition to working from home when the world went into lockdown; now it’s started a debate whether or not we ever really needed to go into the office at all.

Automation is provoking a similar debate over what the future of work will look like across almost every sector. Finance departments and in particular the accounts payable function are among the sectors where the debate over the future of work is raging the hardest.

According to a [study by Mckinsey¹](#) current in-use technologies can automate 42% of finance activities and mostly automate another 19%. Some frontline workers are understandably nervous about what the future holds for them when machines have proven themselves so adept at an increasing array of tasks.

But our research shows a more nuanced picture. It revealed that employees who have embraced

automation in their day-to-day work have found that any residual fears around robots stealing their jobs quickly fade away. Frontline workers who have experienced high levels of automation report that they are happier and more likely to see a solid future in their chosen career.

Unsurprisingly, the workers we surveyed do not want to be forever fated to perform low-value, repetitive tasks. By handing the bulk of this work to a machine, they saw an opportunity to do more strategic, interesting work while also preserving a healthy work-life balance.

It’s no great secret that automation excels at low value, laborious tasks. Depending on what makes you happy at work this is either an existential threat or something far more empowering.

If data entry is what gets you out of bed in the morning, you’re likely to face an unwinnable battle for relevance against automation. Similarly, if you’re a line manager who lives to double-check other people’s work, automation isn’t your friend. But if you’re ready to become more strategic, more collaborative, and ultimately more visible within the business, technology can be an important ally in your journey.

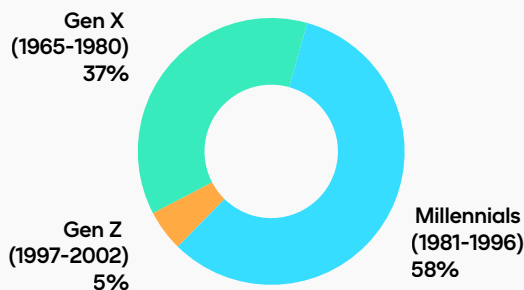
— **Mikkel Hippe Brun, co-founder and general manager, payments automation, Tradeshift.**

¹ Bots, algorithms, and the future of the finance function, published January 9th, 2018

About the research

Tradeshift commissioned specialist research firm Coleman Parkes to conduct an online survey analyzing attitudes to automation among 500 finance and accounting professionals in the US, UK, France and Germany. Respondents ranged from junior employees to mid-level managers within the finance department at medium to large-sized companies. All respondents had a high level of understanding of the investment their company had made in technologies related to automation in their current job.

Audience profile

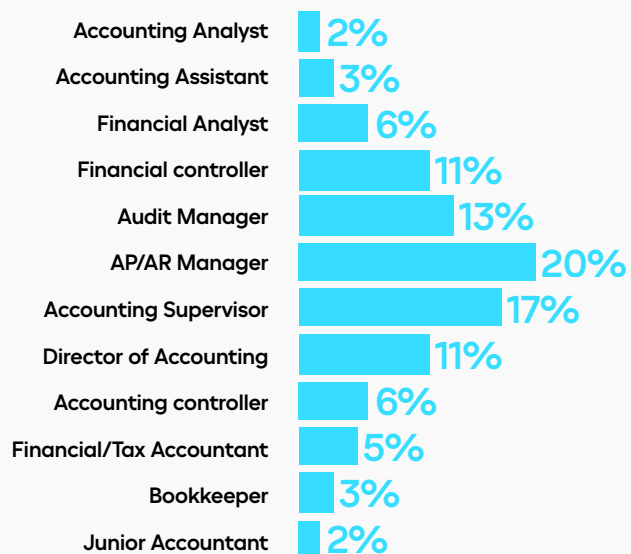
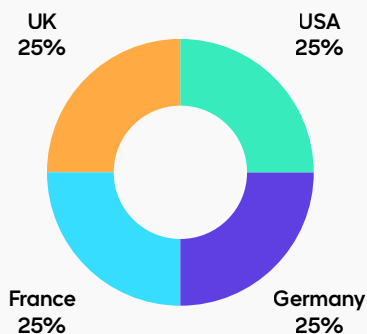


Average company size:

3,547

Average length of time in current role:

4 years



Executive Summary

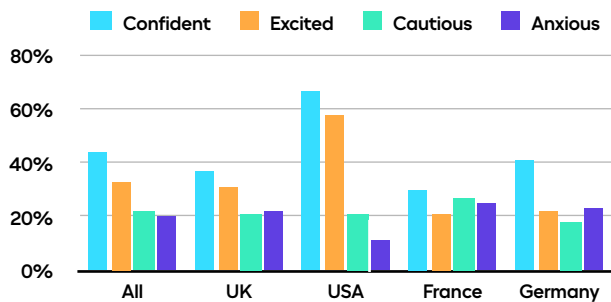
- 1. The more frontline workers embrace automation, the happier they are likely to be in their job.** Globally, 54% of finance and accounting professionals say they are very happy in their job. In the US, where automation levels are highest, 75% of respondents rated themselves as very happy. In Germany, which had the lowest level of automation, just 40% of respondents said they are very happy.
- 2. Finance workers are optimistic about the role automation will have on their careers.** 71% of respondents said they believe automation will have a positive impact on their future career prospects. A majority say they are confident and excited about any changes automation will bring to their current role.
- 3. An end to drudgery. Employees believe automation will make their job more interesting and less stressful.** Automation that reduces the time spent on low-value repetitive tasks will have the biggest impact on employee happiness. Respondents believe automation will give them time to climb the career ladder and do more interesting work, without sacrificing a healthy work-life balance.
- 4. Companies that invest in automation stand a better chance of attracting and retaining talent.** 62% of respondents said they would be more likely to apply for a job with a company if it had a clear strategy for investing in automation. In the US, 74% of respondents said companies that invest in automation are more attractive employers than those that are not investing.
- 5. Employees are increasingly comfortable using technology to inform their decision-making.** 43% of respondents said they already felt very comfortable handing over low-value and repetitive tasks to a piece of software. A similar proportion of respondents also felt comfortable using software to support a range of tasks that include checking work, monitoring performance and setting tasks.
- 6. Middle managers will face pressure to stay relevant and demonstrate value.** 40% of the frontline workers we surveyed said they thought a piece of software would be a more effective line manager than their current boss, rising to 48% in the US.
- 7. Workers admit that keeping up with the pace of change can be a struggle at times.** 52% of respondents expect departmental investment in automation to accelerate in the coming 12 months. For most employees change is happening at about the right pace. But a quarter of workers believe change is happening too fast.
- 8. Businesses must prioritize upskilling and training to help workers make the transition.** 45% of frontline finance workers we surveyed felt their employer was very committed to education and upskilling employees to cope with change. But nearly a third (29%) of respondents gave their employer low marks here. Worryingly, nearly one in five employees said they currently had no plans to address changes to their job role triggered through automation.

Automation: Threat or opportunity?

Far from fearing automation, the vast majority of respondents believe it will have a positive impact on their careers in both the short and long term. Overall, almost three-quarters (71%) of respondents said that they believed automation would have a positive impact on their overall job satisfaction, rising to 76% in the US.

Respondents were far more likely to say they felt confident and excited about the impact that increased automation would have on their jobs.

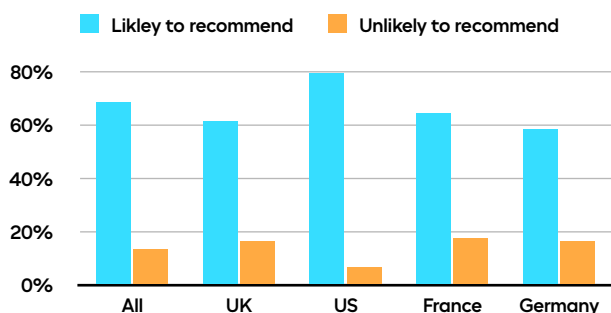
How does the prospect of automation make employees feel about their job?



Once again we saw that respondents in the US were also the most likely to feel confident or excited, and the least likely to feel cautious or anxious. In France, Germany and the UK, where automation levels were significantly lower, the split between positive and negative sentiment was far more evenly distributed.

Roughly two-thirds of respondents felt that there were aspects of their job that would always demand a human touch. And while a quarter of respondents were worried that automation might eliminate their job, our findings suggest this is more a case of a 'fear of the unknown' than it is a reflection of reality.

Would you recommend your current job role to someone just about to enter the workforce?



Fear of the unknown:

25%

Believe automation will eliminate their current role

63%

Believe there will always be aspects of their role that demand the human touch

71%

Believe automation will have a positive impact on their career

Respondents in countries where there are high levels of automation already in place were much more likely to say they would recommend their current job role to someone about to enter the workforce for the first time. This strongly implies that employees who have seen the benefits of automation first-hand see a bright future and plenty of opportunity in their chosen careers.

Key Takeaway

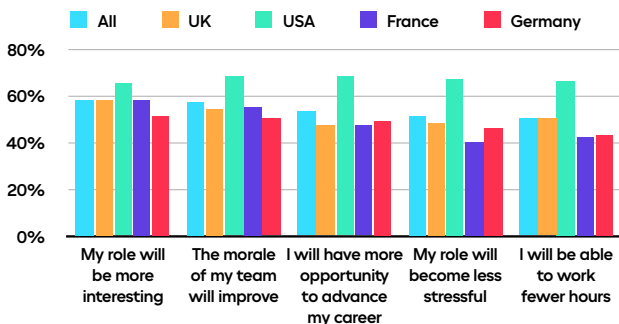
Confidence comes from experience and that's certainly what we're finding among employees who have been exposed to the benefits of automation. Not only are these employees more optimistic about their own future career path, but they also recognize automation as a way to empower humans rather than replace them.

The upsides of automation: Today and tomorrow

Automation enables businesses to reimagine long-practiced yet inefficient business processes. Invoice processing is a great example: Accounts Payable (AP) teams currently spend around a quarter of their time chasing and correcting errors, and the most recent estimates suggest it takes around 8 days of checking, fixing and re-checking information just to process a single non-digital invoice.

Even the most dyed-in-the-wool data entry clerk will tell you there are more valuable things they could be doing with their time. It's no surprise then that, among the perceived benefits associated with automation, respondents chose eliminating low-value, repetitive tasks as the thing most likely to make them happier. But that's not the whole story.

What impact will automation have on current job roles in the finance department over the next 3-5 years?

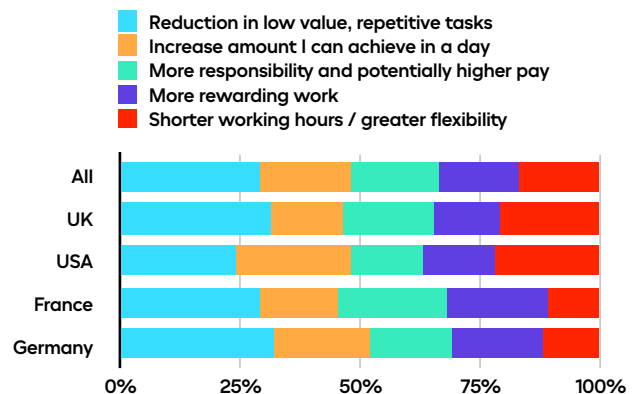


In the US, eliminating low-value tasks is table stakes in terms of benefits. With automation levels already high, respondents were just as likely to say that time is the most precious gift that technology could deliver—time to get more done in a day, even time to take off or to leave work a little earlier than usual, time to concentrate on learning a new skill perhaps.

But with all that extra time how do employees feel this will impact their job roles? Most felt

their job would become more interesting, with less focus on low-value tasks and more opportunities to stretch themselves on higher-impact strategic work. Respondents also agreed that more time would lead to higher team morale and reduce the risk of burnout from stress.

Which potential benefits of automation would make you happiest when it comes to work?



Interestingly, it was fairly even between the number of respondents who viewed automation as an opportunity to climb the corporate ladder and those who saw an opportunity to gain greater control over their work-life balance. With an increasing number of countries looking at trying out four day weeks and more flexible working hours, business leaders should look at automation as a way to offer employees more of what they want in their jobs.

Key takeaway

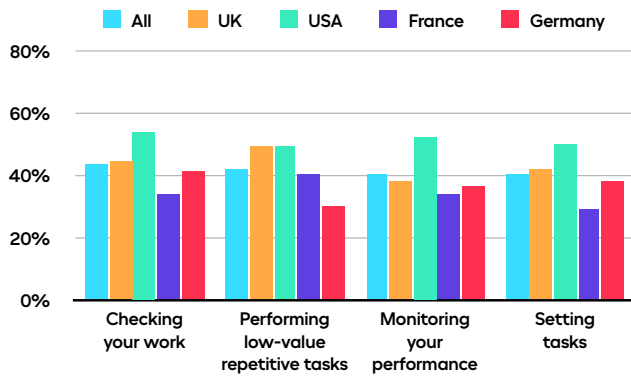
Automation frees up employees to focus on tasks they find more interesting and more rewarding. Freed from low value, repetitive tasks, they can look forward to a richer and more rewarding career. Importantly, this extra responsibility will not come at the expense of a healthy work-life balance.

Could a machine replace your line manager?

Science fiction likes to paint a picture of a world where human beings are forced to bow before their robot overlords. The reality is a little more mundane, with our research suggesting that workers are increasingly comfortable collaborating with, and even taking direction from a piece of software.

Respondents we surveyed were surprisingly comfortable about allowing a piece of software to check their work, monitor their performance and set tasks.

Proportion of respondents who would feel extremely comfortable with the following aspects of automation



The more respondents are exposed to automation in their working environment, the more comfortable they are taking their cues from technology, as evidenced by the high comfort levels across the board among US employees. By contrast, employees in France and Germany, where automation is significantly less embedded, were far more cautious about handing over certain responsibilities to a machine.

The days when android line managers stalk the office may well belong in dystopian fiction but that's not to say frontline workers wouldn't swap their boss for machines of a different kind.

40% of the frontline workers we surveyed said they thought a software program would be a more effective line-manager than their current boss, rising to 48% in the US. Respondents in France and Germany were more skeptical with only a third agreeing that a machine could be an effective line manager.

Key Takeaway

Automation is brilliant at sifting and checking high volumes of data. So when it comes to checking work, spotting problems, and providing potential solutions, the machines win hands down. Instead of putting ourselves into a competition we will always lose, we need to see automation as an essential partner that enables us to perform more strategically valuable roles. Not only do machines take responsibility for the daily drudgery; they provide us with actionable data and anticipate problems, enabling humans to do what they do best: make intelligent decisions and dream up smart solutions for the challenges their department and business face.

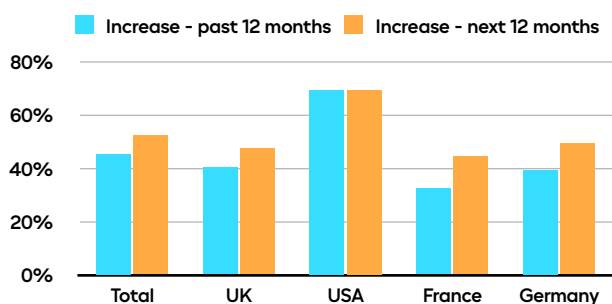
Percentage of respondents who agree with the following statements

	All	UK	US	France	Germany
Technology is more effective at spotting and addressing problems than my manager	42%	50%	50%	33%	36%
Technology is better at decision making than my line manager	40%	47%	50%	27%	37%
A software program would be a more effective line manager than my current boss	40%	46%	48%	32%	34%
I'd consider asking a software program for advice on an issue before I asked my boss	33%	48%	50%	28%	30%

Ready for change: The upskilling imperative

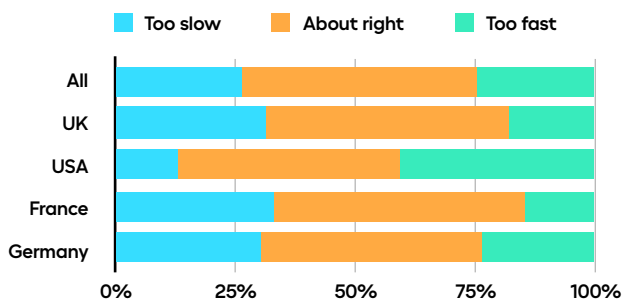
Faced with labor shortages and an unmanageable workload, finance chiefs are hastening investment in automation initiatives to better manage their companies' finances and operations. In our own study, 45% of frontline finance workers had seen the level of investment in automation within their department accelerate over the past 12 months, and 52% thought that investment would accelerate further over the next 12 months.

How has investment in automation changed over the past 12 months, and how do workers expect investment to increase in the year ahead?



Change is happening fastest among US employees. While our research shows that most US respondents see automation as a significant benefit, respondents were also more likely to agree that the rate of technological change was moving faster than they would like.

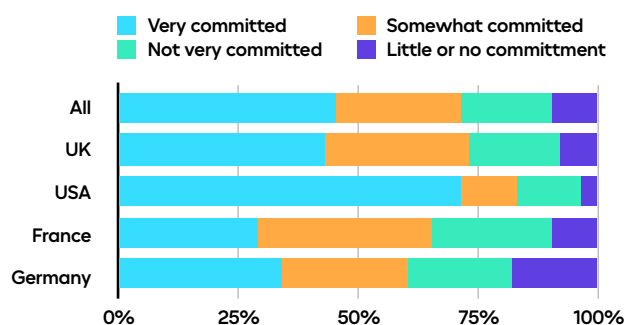
What is your perspective on the current pace of technological change impacting your job role?



Business leaders should be wary of the pitfalls of forcing change on staff too quickly. A recent study by Boston Consulting found that 70% of large-scale digitalization projects fail to achieve their objectives, with poor internal change management a significant hurdle.

While 45% of frontline finance workers we surveyed felt their employer was very committed to education and upskilling employees to cope with change, it's concerning that nearly a third (29%) gave their employer low marks here.

How would you rate your employer's commitment to education / upskilling?



Just as concerning was the 17% of employees who said they had no plans to stay up-to-date with changes in technology that could impact their job role. In Germany, one in five employees say they are not engaged in any formal or informal training to keep up with technological changes impacting their industry.

What are you doing to stay up to date with changes to workplace technology?

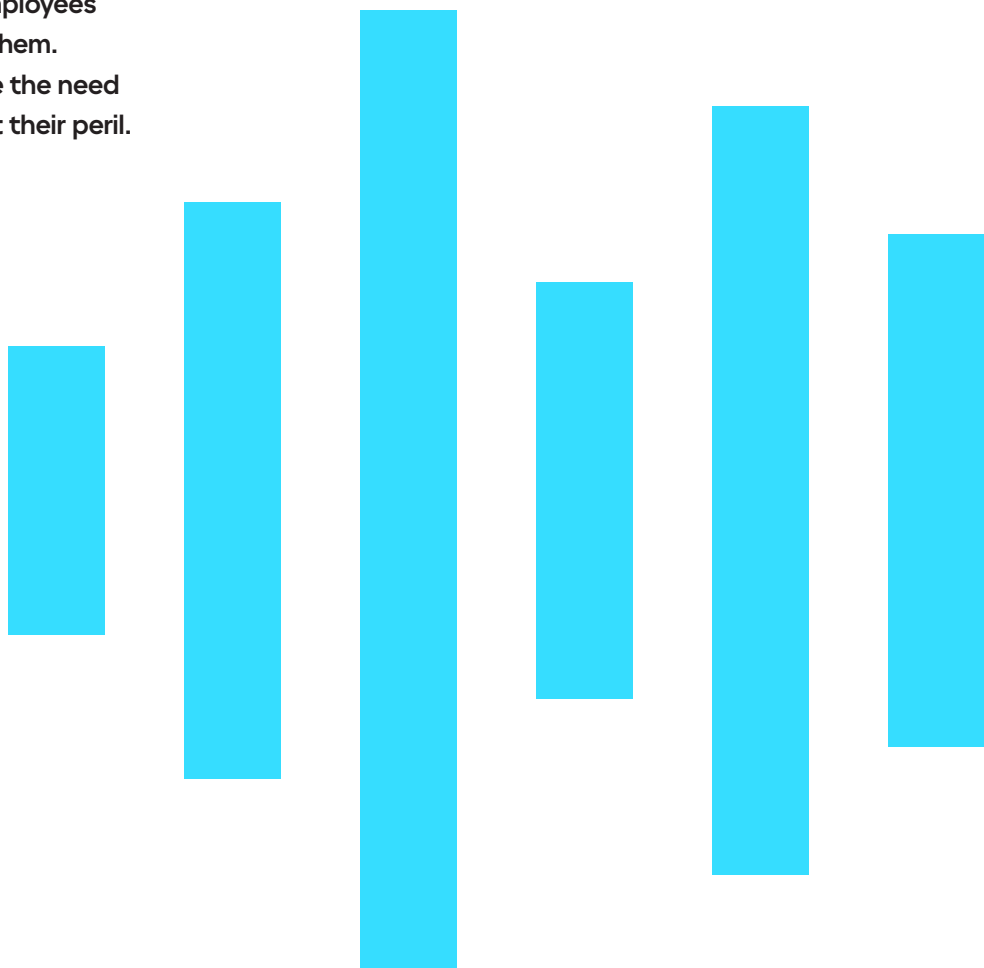


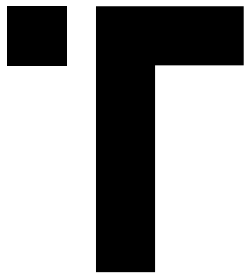
It's hard to underestimate the importance of upskilling and training when it comes to preparing workers for a future that will see many traditional, manual tasks replaced by automation. The sheer pace of change can feel daunting at times, but technology can also play a part in ensuring this transition takes place at a pace workers are comfortable with.

For example, Tradeshift allows users to select from different levels of automation depending on their own comfort level. As users start to see the benefits, an “automation dashboard” allows the user to model the impact of higher levels of automation and see the potential impact before they take the plunge. Early adopters of the system have reduced manual coding interventions by an average of 60 percent, with one top-performing customer saving nearly an entire week’s worth of work (35 hours) in a single month.

Key Takeaway

Automation may seem like the answer to any number of challenges. But despite all its promise of enhanced efficiency and reduced cost, deploying the technology is the beginning of the journey, not the end. Business leaders must think carefully about how to bring employees on that journey, at a pace that suits them. Similarly, frontline workers that ignore the need to adapt and learn new skills do so at their peril.





About Tradeshift

Tradeshift is a market leader in e-invoicing and accounts payable automation and an innovator in B2B marketplaces and providing access to supplier financing. Its cloud-based platform helps buyers and suppliers digitize invoice processing, automate accounts payable workflows and scale quickly. Headquartered in San Francisco, Tradeshift's vision is to connect every company in the world, creating economic opportunity for all. Today, the Tradeshift Network is home to a rapidly growing community of buyers and sellers operating in more than 190 countries. Find out more at: [Tradeshift.com](https://www.tradeshift.com)

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