

EBOOK

# Work Process Integration: Bad News Is Good News

Small Footprint Today Signals Big Opportunities Ahead



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# Introduction

Why wouldn't companies want to integrate their cross-functional work processes to make themselves more efficient, productive, and profitable?

In this digital age—which has automated so many processes, it seems so logical that it ought to be intuitive. Yet the only evidence previously available suggests that seamless integration between processes is the exception rather than the norm.

By shedding light on this disconnect, companies can better understand how they can turn aspiration into reality. That's why Cherwell commissioned Lawless Research, one of the world's preeminent thought leadership market research firms, to conduct a first-of-its-kind survey of 1,000+ information workers.

The result yielded many critical observations, one of which was that, even in large companies, cross-functional processes are most often not highly integrated. What's more, only about one-third of the companies represented in the survey earned a high score for implementing such integration.

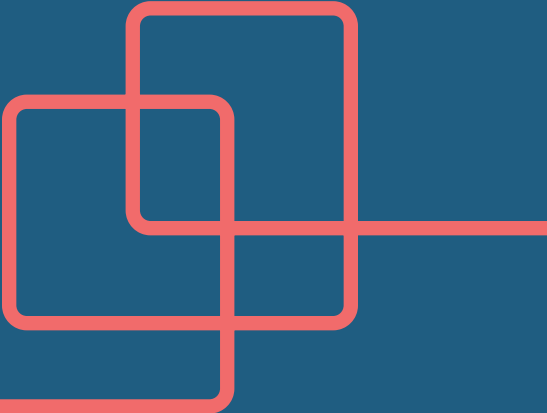
At first glance, this result appears discouraging: It means that most companies are far behind when it comes to collaborating across businesses and getting the most out of the technologies they're deploying. However, such bad news is also good news because it suggests that there's a wide-open opportunity for companies to achieve process integration—and gain significant competitive advantages by doing so.

The survey reveals that those companies that do have highly integrated cross-functional processes are reaping big benefits in the form of organizational productivity, process improvement, cross-functional cohesion, and progress toward digital transformation. In addition, these companies have significantly higher workforce satisfaction and engagement.

All of which adds up to a powerful bottom line: These companies are better able to service their customers, and their employees are feeling invested in shared success.

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## Problems That Work Process Integration Can Solve

# Process Integration Is Far Below Critical Mass

The Lawless research unearthed problems related to work processes as well as technology applications. Assuming that better integration of such processes and apps—via automated sharing of actions, events, data, and communications—can lead to better outcomes, it's important that companies know what these problems are and what they can do to solve them.

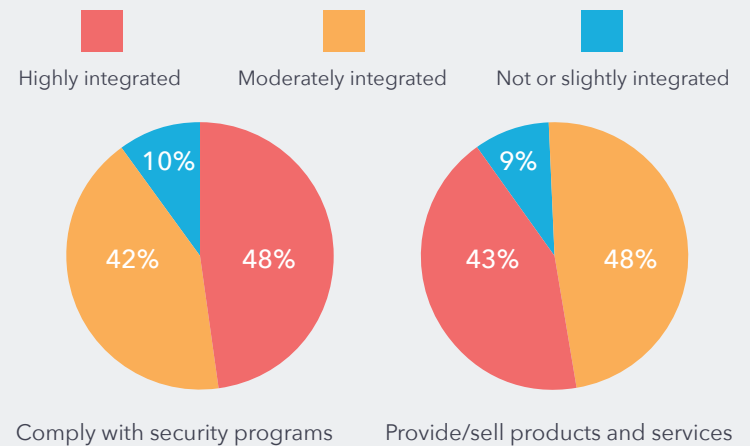
The top problem emerged in the answers to two questions:

1. Respondents were asked, "How integrated are the applications you use in your job?" Just 27% said that their apps were highly or completely integrated.
2. Presented with nine common cross-functional work processes, respondents had to say whether the processes were highly, moderately, or not/slightly integrated. None was deemed highly integrated by even half of respondents. The most highly integrated process—complying with security programs—was named by just 48% of respondents, and as indicated in the chart at right, no more than one-third of respondents rated the other processes as highly integrated.

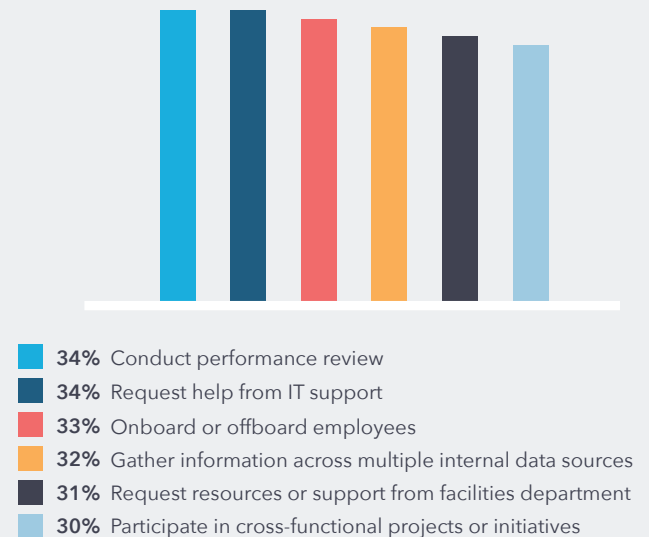
Conclusion: For most companies, meaningful integration of their cross-functional processes has a long way to go. Many might not even be aware that the lack of integration is a serious issue, let alone one whose solution has substantial benefits.

The current level of cross-functional work process integration is low. Relatively few workers say that their apps and cross-functional processes are highly integrated.

Two of nine key processes were considered highly integrated by just under half of respondents...



...and only about one-third of respondents said six of the nine named processes were highly integrated



## Problems That Work Process Integration Can Solve

### Not Enough Cross-Functionality, Too Much Manual Work

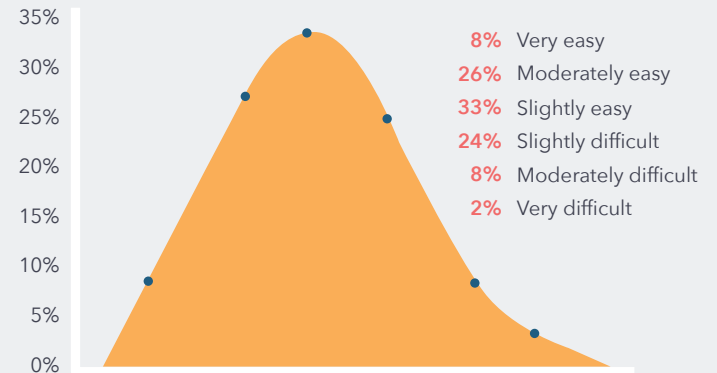
Other problems surfaced when employees were working across departmental or functional lines. 34% of respondents, for example, said that they found it difficult to use apps that involved multiple departments, apps, or data sources. And at least one-quarter of cross-functional team managers expressed frustration that different team members were using different apps. The issues considered most frustrating in this context were inefficiencies (cited by 43% of managers), repetitive work (40%), miscommunication (37%), errors (27%), and software incompatibility (26%).

A major inhibitor of process integration is the absence of automation in many processes. Respondents were asked whether nine named processes were highly, moderately, or slightly manual. At least 69% said that the processes were moderately to highly manual, with the most manual being onboarding/offboarding an employee (86%), resolving customer issues (also 86%), conducting performance reviews (85%), and participating in cross-functional projects (also 85%).

An important related issue is the amount of time that workers spend on manual processes. Respondents reported that, on average, manual processes consumed nearly half of their workday. 43% said that they spent at least half of their workday on manual processes.

Workers find it difficult to use apps involving multiple departments. Cross-functional team managers are frustrated that different team members use different apps. And manual processes remain widespread and overly time consuming.

How easy or difficult is it to use apps involving multiple departments, apps, or data sources?

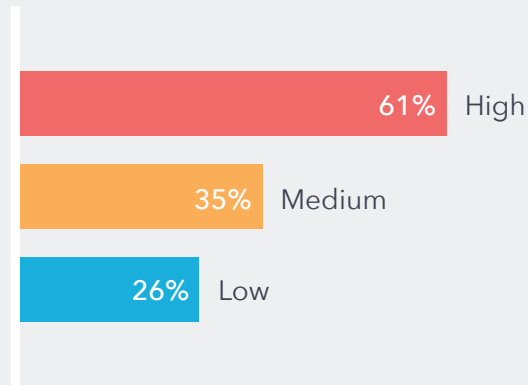


**43%**  
of respondents spend at least

**50%**  
of their workday  
on manual processes

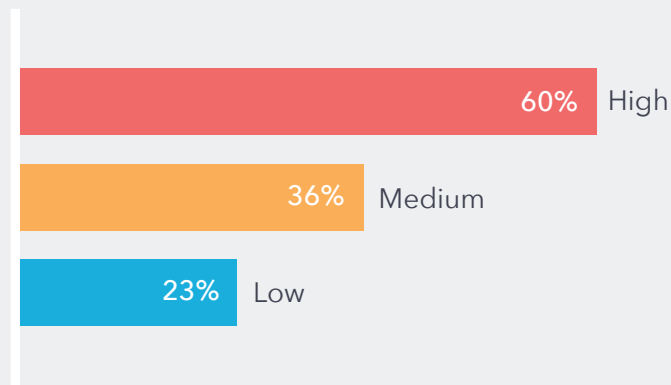
## Highly Productive

Workers in companies with highly integrated processes are more likely to say their apps and software considerably or greatly increase productivity.



## Highly Collaborative

Workers in highly integrated companies are more likely to rate their apps and software as good or excellent at facilitating collaboration.



## The Power of Work Process Integration for Companies

### Boosting Productivity and Collaboration

If, as respondents have indicated, there are significant obstacles to the adoption of cross-functional work process integration, then why should companies do it in the first place? What's the upside?

In addressing this question, the survey revealed a bright light at the end of the tunnel: The benefits of integration are both plentiful and too strong to ignore.

Key evidence can be seen in the charts to the left, demonstrating the clear link between process integration and productivity. 61% of respondents from companies whose level of process integration was high said that the apps and software they used for their jobs increased their productivity either considerably or a great deal. The corresponding percentages for companies with medium and low levels of integration were dramatically lower at 35% and 26%, respectively.

Improved collaboration among employees within and across departments would be another expected positive outcome from process integration. Survey results validate this.

Among respondents from highly integrated companies, 60% rated their apps and software either good or excellent in terms of facilitating collaboration with co-workers. Just 36% of respondents from companies with medium-level integration and 23% from low-integration companies answered similarly.

The survey also asked how easy or difficult it was to use apps or data sources that involved multiple departments. 48% of respondents from highly integrated companies replied that their usage was moderately or very easy, while the respective proportions from companies with medium and low integration were 28% and 25%.

The benefits of cross-functional work process integration are both plentiful and too strong to ignore.

## Beneficial Steps Taken by Highly Integrated Companies

- 84% Have a digital transformation initiative
- 81% Provide a central location for accessing apps and services
- 81% Appoint someone responsible for shared services
- 72% Ask employees how work processes can be improved
- 71% Redesign processes to improve efficiency
- 62% Are very committed to improving work processes workers use
- 61% Increase productivity with apps and software
- 60% Rate apps and software good/excellent at facilitating employee collaboration
- 58% Do a good or excellent job of training on applications used

## The Power of Work Process Integration for Companies

### Full Speed Ahead for Digital Transformation

Much has been made—and rightly so—of the importance of having and executing a digital transformation strategy: the application of digital capabilities to processes and products to improve efficiency and enhance customer value.

At a minimum, companies that aren't heavily investing in digital risk losing customers, suppliers, and even employees to competitors that are moving ahead more aggressively. Digital laggards may lose their marketplace relevance and, potentially, go out of business altogether.

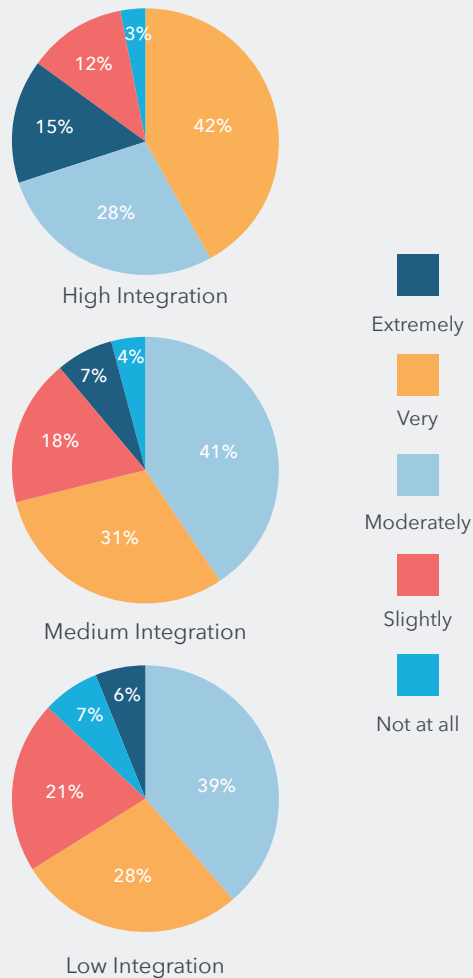
When asked whether their companies had a digital transformation initiative in place, an overwhelming majority of highly integrated companies (84%) answered affirmatively. Not surprisingly, the percentages for medium- and low-integration companies were much lower (65% and 44%, respectively).

The survey identified a number of other potential benefits from work process integration in the form of steps that highly integrated companies have taken. The chart to the left summarizes these steps.

Highly integrated companies understand that digital transformation is crucial to competitiveness and survival—and an overwhelming majority have a digital strategy in place.

## More Integration, More Enthusiasm

How enthusiastic are you about the work you do?



Employees of high-integration companies report superior levels of engagement with their work. They're more productive and enthusiastic and get more done, more easily—and with more enjoyment.

## The Power of Work Process Integration for Employees

### Higher Integration Leads to Higher Engagement

For the benefits of cross-functional work process integration to have maximum impact, they should accrue to individual employees as well as to the company as a whole. The survey strongly supports this hypothesis.

Employees were asked about the intangible benefits from integrated work processes they'd experienced. Among the responses from employees in highly integrated companies:

- 90% said they could get more done
- 89% said it was easier to perform tasks
- 87% said it was easier to work with others
- 71% said they enjoyed their job more
- 64% said they had more opportunity for professional growth
- 54% said it was easier to stay on budget

The corresponding percentages of workers in medium- and low-integration companies were significantly lower.

Perhaps the most important potential benefit of work process integration for employees is its ability to increase their sense of engagement. According to Gallup's *State of the Global Workplace*<sup>1</sup>, companies with the highest levels of employee engagement achieve 21% higher profitability than those with low engagement levels and an earnings-per-share growth rate 4.3 times faster.

The Lawless survey found that 57% of respondents from high-integration companies reported feeling very or extremely enthusiastic about their work. Similar sentiments were expressed by just 38% and 34% of respondents from medium- and low-integration companies, respectively.

## Methodology

- 10-minute online survey using Qualtrics conducted by Lawless Research between April 16 and April 22, 2019
- Blind survey (i.e., respondents didn't know Cherwell was the sponsor)
- Respondents were from Dynata's B2B panel
- 1,045 of the respondents met the following qualifying criteria:
  - At least 18 years old
  - Full-time employees in U.S. companies with 1,000 or more employees
  - Used a computer, laptop, tablet, and/or smartphone at least 25% of a typical workday
  - Used at least one cross-functional work process in the past 12 months
- N = 1,045 unless otherwise indicated

## Conclusion: Opportunity Is Knocking

Companies have tremendous resources at their disposal to make their cross-functional work processes seamless, fluid, and effective both for customers and employees. Yet somehow, most haven't yet found a way to put it all together.

Those organizations that successfully integrate their processes have an extraordinary opportunity to create major advantages versus their competitors. They're likely to be more productive, more collaborative, and much further along on the road to digital transformation. Their workforces should be more engaged, more enthusiastic, and more committed to getting the job done not just well, but better.

Based on the survey, here are some action steps companies should take to integrate their processes:

- If you haven't at least discussed the possibility of integrating, do so on a priority basis.
- Weave your integration plan into your digital transformation strategy, or vice versa.
- Get buy-in from top management and communicate your integration plan's goals clearly, consistently, and often.
- Create a shared services team to oversee IT procurement across the company rather than for each individual business/functional unit.
- Provide effective training and enablement services to support plan implementation.

Process integration offers an extraordinary opportunity to service customers and engage employees more effectively than competitors. Companies that seize this opportunity can decisively differentiate themselves in the marketplace.