The **Big** Debate

By James Tate, Editor at sourcingfocus

Here at the Global Sourcing Association (GSA), we don't hide away from the big and controversial issues that are sweeping the industry. One of those trends was placed under the microscope at our Symposium in June, Robotic Process Automation (RPA) and its impact on the wider society, not just our own industry. Over the coming years, the GSA is expecting to hear a lot more about the realities of automation and how the benefits of implementation (increased efficiency and productivity while reducing running costs) cannot always be balanced with the negative impact on the human workforce and the way we work.

We don't want to hear anymore hyperbole about automation, we've already heard how it will revolutionise the workplace and introduce a new industrial golden age of productivity. We all know the prophecies of doom and despair, all jobs will be replaced by robots, get ready for the Terminator films to become reality. The industry is sick of blue sky thinking and analysts painting landscapes in a far-off future, disregarding much of the reality of business. To gain some clarity, the GSA invited trade unions, automation providers and buyers alongside industry analysts to the 'Big Debate' as we tried to wrap our heads around one of the major issues facing business and society in the next 30 years. We invited Sampson Low of Unison, David Hulston of Community and Ed Batchelor of Unite to debate the social impact and the effect of automation on the workforce. The unions appear to recognise the need for change and that progress is being made that will damage some employment options, however, all agree that the counter balance to the disruption caused by automation is education. The key prescription coming from the unions is that business must have a transition process and that education schemes must be available for people to reskill. "We need to change the curriculum to reflect the needs of employers today" commented Mr Batchelor.

Carole Murphy, Head of BPO Business Transformation Services at Capgemini defended the move to automation as a step in the right direction for business, as CEO of the GSA, Kerry Hallard pushed her on the topic of recent restructures at Capgemini. Terry Walby, CEO of Thoughtonomy reiterated the key point of the debate, "automation will replace some jobs but, it will create new ones, it is about upskilling the workforce". Phil Fersht, the Award-Winning analyst and CEO of HfS research noted that change like RPA comes along every decade and is overhyped. "Ten years ago we were discussing how operating systems would transform business and replace jobs but it didn't have a major effect, now it is RPA".

The Big Debate touched on some of the key issues surrounding RPA, let's start with the business case. The brutal fact of the matter is that automation is the best choice for an increasing amount of companies and organisations. The gains in efficiency and productivity are obvious to most and as an increasing amount of processes are available to be automated the potential cost savings are increasing as well. To scrape out profit margins and to deliver reliable service at a lower cost, automation is the correct path. However, it is unlikely to bring about a new industrial revolution tomorrow, the process will take time and although automation is a game changer, it won't have the same effect as the Watt steam engine did in the late 1700's. The effect of automation will likely be the hollowing out of certain jobs that are heavy in repetitive processes, from office admin to warehouse management.

That moves us onto jobs. The truth is that jobs will go and some people will be displaced, but automation replaces tasks not jobs specifically. It may be that repetitive tasks are removed from employees who then focus on creative tasks or soft skills such as communication and negotiation. Some of the jobs that go will be replaced by jobs created through automation, systems need maintenance and many western economies lack computer programmers, which automation (especially Artificial Intelligence) desperately requires. However, some industries will see the human workforce removed, with the key demographics most at risk being the old and the young. The old will need reskilling to focus on computers and coding. The same can be said for the young and we need the curriculum to change and reflect this, but many of the low paid and repetitive admin jobs that will go were once the gateway to a career and the first 'proper job' after university.

There is hope that this shift to automation could inspire a new creative wave, a technology generation of cyber workers, a synergy between man and machine. We need a reset in our policy to adapt to the automation wave, thankfully it's a process and it will take time but we need to face reality now so we don't repeat the mistakes of the past and leave a vulnerable gap in our employment market. We witness daily updates in the battle for reality in automation, ideas of a robot tax have been suggested but our panel reflected upon them as stifling business innovation. Unsurprisingly, our service providers look upon a robot tax with disgust, but ways of getting money to those left behind by disruption must be found or, as Mr. Hulston noted "we risk a repeat of the mining communities in the 1980s". Automation is here to stay and will only grow as business finds new uses for the technology, how society adapts to that change is a process that no answer truly exists. Our debate was the opening act of a much longer process, I doubt we can automate this one.