



## Nearly 90 percent of Australian companies have sights set on artificial intelligence investment, IFS study reveals

Increasing employee productivity a key focus for AI investments, but success requires disruption to current business strategy to reap rewards

Sydney, November 20, 2019 – IFS, the global enterprise applications company, today announces the findings of a global research study into the attitudes and strategies towards artificial intelligence (AI) among business leaders. The study polled 600 business leaders in countries including Australia, Canada, Denmark, France, Finland, Germany, Sweden, UK and the US and a broad spectrum of industries involved with their companies' enterprise technology including enterprise resource planning (ERP), enterprise asset management (EAM), and field service management (FSM). Key findings: About 90 percent of respondents (Australia and globally) reported at least some plans to implement AI in various parts of their business. Inventory planning and logistics was the most commonly reported area of investment in Australia with 54 percent planning AI projects (39 percent globally), while customer relationship management (CRM) was second at 46 percent (39 percent globally). Globally, industrial automation was the most common area of AI investment at 45 percent (28 percent in Australia). When asked how they plan to use AI, 57 percent in Australia (61 percent globally) said they expected it would help them make existing workers more productive. Less than half, 39 percent in Australia (48 percent globally), said they would use AI to add value to products and services they sell to customers. About 29 percent in Australia (18 percent globally) said they would proactively use it to replace existing workers. While a majority of respondents anticipated productivity increases from AI, only 21 percent in Australia (29 percent globally) anticipated AI would lead to a reduction in headcount in their industry. To manage this, 57 percent of Australian respondents (56 percent globally) stated that society could best prepare by changing educational programs to prepare workers to make direct use of AI tools to increase their own productivity. Another 29 percent (23 percent globally) said they expect the market to create new jobs for people displaced by AI, while 11 percent (15 percent globally) suggested a shortened 30-hour work week. "AI is no longer an emerging technology. It is being implemented to support business automation in the here and now, as this study clearly proves," IFS VP of AI and RPA Bob De Caux said. "We are seeing many real-world examples where technology is augmenting existing decision-making processes by providing users with more timely, accurate and pertinent information. In today's disruptive economy, the convergence of technologies such as AI, RPA, and IoT is bolstering a new form of business automation that will provide companies that are brave enough with the tools and services they need to be more competitive and outflank larger competitors." An early adopter of industrial automation solutions that make use of robotics to transform its business strategy is leading North American packaging manufacturer Cheer Pack, who deployed a fleet of AI-powered autonomous vehicles to robotise material movements in its US factory and has already seen strong returns on the investment. Cheer Pack Director of IT, Alex Ivkovic noted, "We expect the costs savings to be over 1.5 million US dollars per year. In addition, each and every employee will be re-tasked to a higher-skilled position helping us with our labour shortage." Bob De Caux concluded, "The findings of the study and the real-world scenarios being realised at our customers point to the conclusion that the time is right for companies to reap both business and financial benefits from technology automation. Falling for the hype of AI is easy, but success requires disruption to existing business models. The technologies themselves are not a panacea, nor are they a universal solution to any problem. However, with the right data model and viable use cases, AI can support improved productivity and deliver significant benefits to both operations and the wider business. AI will be used by the vast majority of organisations in some form in the near future, extracting real value from intelligent processes, for the long-term." Download the complete IFS study, "How are Companies Planning to Adopt Artificial Intelligence and Adjust to Resulting Disruptive Change", here. About IFS IFS develops and delivers enterprise software for customers around the world who manufacture and distribute goods, build and maintain assets, and manage service-focused operations. The industry expertise of our people and solutions, together with a commitment to delivering value to every one of our customers, has made IFS a recognised leader and the most recommended supplier in our sector. Our team of 3,700 employees and growing ecosystem of partners support more than 10,000 customers around the world challenge the status quo and realise their competitive advantage. Learn more about how our enterprise software solutions can help your business today at [ifs.com](http://ifs.com). Follow us on Twitter: @ifs Visit the IFS Blog on technology, innovation and creativity: <http://blog.ifs.com/>

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