



SUTHERLAND

TURNING GOOD INTO GREAT, AND BAD INTO WORSE

Is RPA right for your organization?

Is your organization ready to meet its new entry-level workforce? They are quick learners, follow all rules to the letter, rarely if ever make a mistake and will show up every day of the calendar year and work at speeds that can boggle the mind. They never need a coffee break or take a sick day and just one robot can replace the productivity of four regular full-time employees.

Yes, the robots have arrived and to many their virtues can seem like a magical fix. In this cutthroat, global economy where organizations are looking for every edge, robotic process automation can undoubtedly provide many advantages. These can include increased speed, near-perfect accuracy, rapid scaling to increased workflows, and the convenience of full traceability and regulatory compliance. In addition, automating labor-intensive, mundane tasks can liberate your human workforce to concentrate on more value-added tasks.

All the above comes in addition to increased productivity and cost savings. The cost savings of robots can be significant, as a report by the Everest Group states that RPA implementation can provide companies with cost reduction of 30% or more in as short as six to nine months.¹

In addition, RPA can deliver soft savings as described by Mark Davison, Partner, Robotic Automation Process at ISG. “The RPA benefits we see most clients taking advantage of include not only the hard cost savings by automating work processes previously performed by human workers, but the soft savings that include improved productivity, accuracy, and compliance.”

A report titled “Disruptive Technologies: Advances that will transform life, business, and the global economy” by McKinsey & Company, estimates the use of advanced robots for industrial and service tasks could take on work in 2025 that could be the equivalent to the output of 40 to 75 million full-time equivalents (FTEs).² This report goes on to say sized

¹ Simonson, E & Chandrashekar, R, 'Seizing the Robotic Process Automation Market Opportunity' Everest Group September, 2015; 14-14

² Manyika, J, Chui, M, Bulghin, J, Dobbs, R, Bisson, P, Marrs, A, 'Disruptive Technologies: Advances that will transform life, business, and the global economy' McKinsey Global Institute May, 2013; 72-72

applications of advanced robotics could have direct economic impact of 1.7 to 4.5 trillion per year in 2025.³

The current and future benefits of RPA are certainly undeniable, but is it always the right fit? Not necessarily, per Mark Davison, who says, “RPA is most suitable for repetitive, recurring manual processes, where the same type of work is performed over and over. For processes that are one-time, or infrequently occurring, another automation solution may be more appropriate, and for processes that are more heuristic, an organization may want to look at a cognitive solution.”

RPA: How you get from good to great

Many organizations experience high levels of success with RPA deployment while others seem to only succeed in making a bad situation worse. The key to successful RPA deployment lies in predetermining if your organization's needs, goals, infrastructure, and business culture are suited to benefit from intelligent software automation.

While every deployment is different, organizations that successfully utilize RPA tend to share the following characteristics:

- Data is in a structured and digitized format governed by well-documented business rules
- Repetitive tasks are automated at high volume, pace, and scale to drive overall system value
- Business systems and applications are stable and change infrequently
- Business processes trigger few exceptions, thus end-to-end automation is possible
- A solid infrastructure with mature technology is in place to provide a stable foundation and access to the required systems and applications
- Stable, efficient business processes are firmly entrenched

³ Manyika, J, Chui, M, Bulghin, J, Dobbs, R, Bisson, P, Marrs, A, 'Disruptive Technologies: Advances that will transform life, business, and the global economy' McKinsey Global Institute May, 2013; 73-73



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Mark Davison

Partner, Robotic Automation Process at ISG



- A long-term, incremental, holistic plan for deployment and maintenance across the enterprise to deliver the desired ROI
- A culture of patience with realistic expectations for RPA
- Full organizational support, especially from IT, in combination with an executive level commitment to drive implementation of best practices for automation definition, design, testing, and deployment of robots
- A successfully established and maintained RPA center of excellence

The 7 most important RPA questions

1. Is your data in a digitized, structured format and are your business processes efficient with clearly defined, consistent rules? Robots need easily accessible, structured data with clearly defined rule patterns to deliver maximum results. In addition, it is critical to purge process inefficiencies before automation to prevent a potentially disastrous system-wide proliferation of errors.

2. Are your systems, applications, and infrastructure stable with only infrequent changes? Robots hate change. Simple, repetitive tasks performed by systems and applications

that don't change frequently will minimize exceptions and the need for agent intervention.

3. Do you have a clear definition of the problems you hope to solve and results you hope to achieve with RPA? As you will read in the 3 case studies that we share in this paper, RPA isn't a perfect fit for all processes. For an organization considering automation it is imperative to have a clear understanding of the problems you are attempting to solve the desired results.

4. Do you have a long term, incremental, enterprise-wide plan of deployment that leverages scale and volume? A strong enterprise-wide platform developed over time will leverage maximum results. Trying to automate all processes overnight or deploying isolated silos will inevitably disappoint. It is recommended to start by piloting one or two workflows in areas of highest inefficiency and gradually construct a solid, comprehensive platform increasing scale and volume to improve ROI.

5. Does your organization have a culture of patience and realistic expectations for RPA deployment? Don't expect perfection on day one from RPA. Initially, robots can be slower and less productive than a human agent. They typically take longer to train and require



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thirty to ninety days to adapt and evolve. In addition, RPA isn't a fixed, permanent solution that can be installed and taken for granted. It will require reconfiguration, adaptation to changes in process flow, and maintenance over time. RPA should be viewed as a tool to work alongside humans, not as a cure-all replacement.

6. Will your organization be able to deploy an end-to-end, in-house platform?

Looking outside the organization to meet your RPA needs can come with a host of burdensome issues and challenges. First, finding one comprehensive product that will meet all your automation needs. Next, the complications of installing multiple, disparate technologies in a piecemeal arrangement must be considered. Finally, the high cost of licensing can significantly reduce the savings provided by RPA. Being able to deploy an end-to-end, in-house automation platform can deliver significant savings, flexibility, and independence for your organization.

7. Is your entire organization on board and committed?

Successful RPA deployment requires full organizational commitment and support from the top down. IT involvement and backing in all phases of deployment is critical. All potential causes of resistance must be addressed beforehand, especially employee concerns. Employees should be informed of opportunities for growth and advancement within the organization.

To better understand if RPA deployment is right for your organization, it will be helpful to examine the specifics of the following three cases. The first case, policy creation and renewal from a financial protection provider, proves to be a poor fit for RPA. The second case, customer service support for a major media & communications company, appears to be a good fit but isn't the best choice. This case is an example of how certain processes can be automated but don't end up being the best use cases for robotic software. The third case, ordering and delivery for a global retailer, proves to be an excellent fit for RPA.

RPA Case Study 1: Sometimes complexity creates more complexity

The Challenge: A financial protection provider needs two disparate applications split into dozens of regions to accommodate business rules for coverage creation and renewal. Hundreds of fields of non-digitized data need to be captured and entered, then compared and validated by the two systems. Typically, this process takes multiple days to manually complete after an agent has received four to five months of training. A thorough double check of the entire process is required to ensure all business rules are correctly applied. This process can double the cycle time. To complicate matters, processes and applications are evolving daily to accommodate business expansions. The presence of non-scalable IT systems mandates all applications be accessed via Citrix for read and write operations and IT team support is lacking to enable copy and paste functionality. In this scenario, end-to-end process flow is going to be very difficult at best.

The Attempted Solution: The team designed robotic automation software housing all business rules to create and renew policies. A data collection and rule application robot is designed independently to accommodate the extra time required to read data via Citrix using vision capabilities. Data write is designed separately to handle validations, application slowness and data mapping challenges.

The Result: The overall process study to go-live took eight months due to data validation and complexity issues. Frequent changes are required in robots due to data dislocation and the representation format. Sixty percent of rules had data mismatches and validation errors resulting in majority of transactions moving to exception. There is minimal cycle time reduction observed due to the large volume of complex data.



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Summary: Case #1 isn't a good choice for RPA deployment for several reasons. Data isn't digitized and business rules aren't well documented or defined. Frequently changing processes and applications cause over two thirds of cases to trigger exceptions. Finally, the IT team doesn't provide necessary support to ensure stability and availability of the application.

RPA Case Study 2: Remember, automated processes aren't always great customer experiences

The Challenge: Customer email and Wi-Fi passwords need to be reset by the customer service call center of a large media & communications provider. The business processes are well laid out and the workflow is high volume, repetitive, and digitized. However, systems and screens change frequently with disparate systems often requiring identical information across multiple touchpoints. A higher than average handle time results from the need for multiple checks and balances. The time-consuming nature of post-call follow up negatively impacts agent productivity and operational cost.

The Attempted Solution: The team designs multiple robots to retrieve account information, do security checks, and login into Wi-Fi or email password applications to complete single transactions. In addition, third party natural language processing technology is adopted to serve live customer interactions for email and password resets. The data flow between third party

avatars and robots is orchestrated using web application program interfaces and exceptions are handled by live agents.

Result: The collection and entry of data into avatars in addition to repeated switching of screens and systems results in extended customer wait times and doubling of the total service time. The natural language processing system's lack of maturity and application slowness cause thirty percent of volume to move into exception.

Summary: RPA appears to be a good choice here because of the high volume of repetitive tasks and data being in a well laid out, digitized format. However, RPA isn't actually the best choice here because of the required system adjustments, and data extraction results in extended wait times which negatively impact the customer experience. This negative impact is reflected by a twelve percent dip in customer satisfaction (CSAT and NPS) scores.

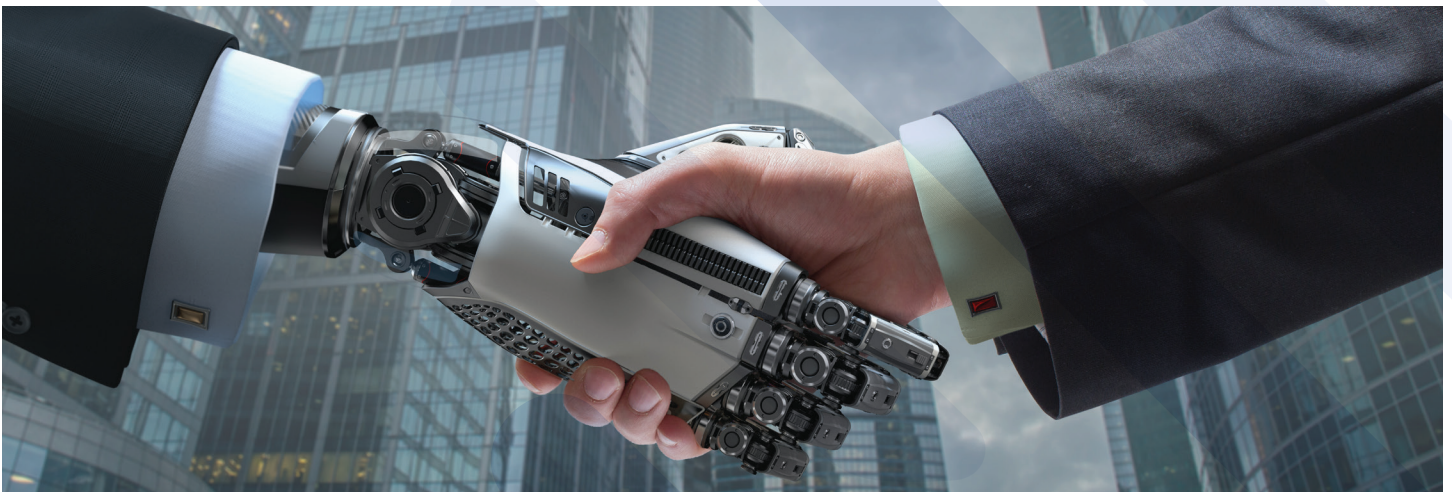
RPA Case Study #3: When it works, it works great

The Challenge: A global retailer needs to facilitate \$30,000 USD in monthly orders through non-standard processes. The revenue and cycle times are directly impacted by differing time zones and the difficulties of multi-lingual agents understanding the application and purchase orders from retailers. Local delivery centers need to be established for sales and resource coordination.

The Attempted Solution: Processes are transformed for end-to-end automation utilizing optical character recognition, business process management, and robotic software. A single-entry window system is created for sales to upload purchase order copies using a business media platform and information is sent to an optical character recognition engine for data extraction. Business rules are applied to extracted data and orders ready for processing are kept in single queue where multiple robots are designed to pick up cases. A single robot is designed to handle multiple regions based on order processing instructions. An exception management system is also designed and integrated for follow-up cancellation and hold of any orders that need sales intervention.

The Result: Thirty days into the project, robots are processing transactions slower than a human worker with a thirty percent exception rate. At this stage of development, it's important for an organization to keep in mind RPA deployment is a process requiring patience. Sixty days into the project, data is analyzed to lower the exception rate from thirty to ten percent. Ninety days into the project, the daily monitoring and analysis of processed transactions continues to reduce robot processing times.

It's also important to remember that despite slower individual processing times during the development phase, robots can work 24/7 thus decreasing



overall cycle times. A twelve percent decrease in overall cycle time and a labor cost savings of \$900,000 USD is achieved by replacing forty agents with sixty robots capable of working around the clock seven days a week. In addition, a ninety percent savings was totaled on local delivery center setup costs.

Summary: RPA is an excellent choice in case #3 because data is in an easy to capture, structured format. In addition, business rules are well defined and systems are stable with few changes.

Most importantly, the organization demonstrates patience and allows the necessary time for robots to mature.

Getting RPA Right

If you can answer yes to our seven questions, RPA may indeed be a good fit for your workplace. Success lies in identifying the correct situations and employing the right tools to automate the mundane, thus freeing humans to think, analyze, empathize, and create in ways only they can. There is no substitute in the workplace for the role of human intellect. RPA is best viewed as a tool capable of providing the right solution, but only if applied to the correct problem. The ideal workforce of the future will strike the perfect balance between man and machine, placing them side by side in roles best suited to maximize productivity, reduce cost, and provide unparalleled customer service.



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Is your organization ready for a new model of process transformation that puts exceptional customer experiences first? For more information on how we can help you transform your process to optimize the customer experience, please visit us at www.sutherlandglobal.com, email us at sales@sutherlandglobal.com, or call 800-388-4557 ext.6123.

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