



Academy RPA

How to get **Robotic Process Automation** right in 2019

What you'll find in this book

Robotic Process Automation has the potential to drastically transform business within the horizon of the next five to ten years. However, successful business transformation requires a holistic approach that encompasses technology, process and people. This e-book describes several best-practices that can be leveraged to expedite RPA adoption.

I. Introduction

Robotic Process automation is poised to become the dominant digital transformation trend. What are the reasons driving its supercharged adoption rate?

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II. Why 50% of RPA opportunities are being missed

Understand the major obstacles in implementing RPA, and prepare to overcome them.

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Selecting the right process is key to success. Dive into RPA use cases, types of processes that can be automated and ways to identify them.

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Standardizing and optimizing processes is where the biggest pitfalls are hiding. Do you have a complete understanding of the process that is being automated?

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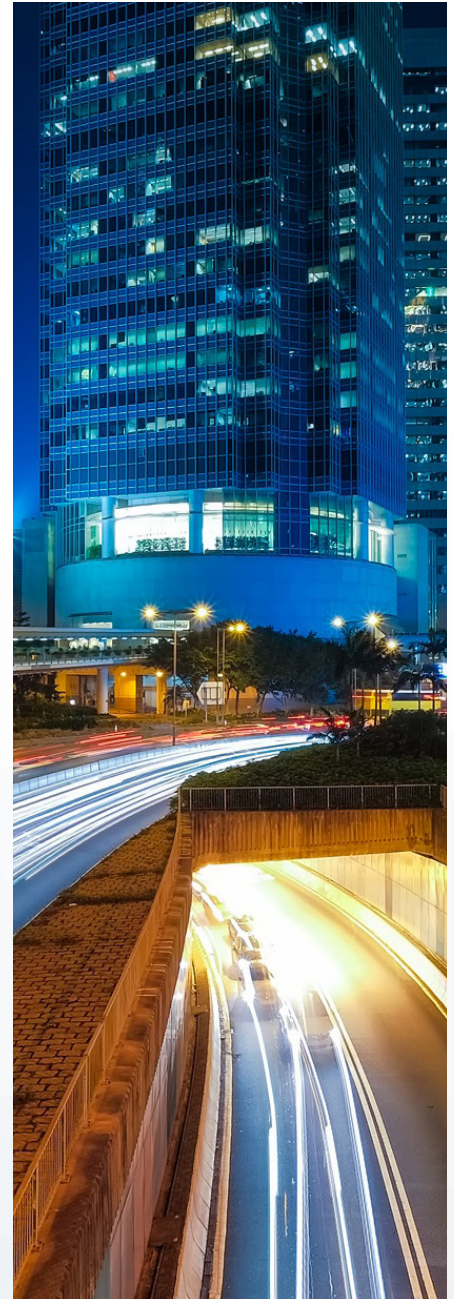
How to evaluate the results? Monitoring performance to drive continuous improvement.

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VII. Questions to ask

A list of questions you need to answer to do RPA right.

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Introduction

Robotic Process Automation is a worldwide phenomenon. This frontrunner in Digital Transformation technology that is changing the business landscape. The rapid acceleration of RPA adoption is logical. It has the attractive promise of reducing costs, improving quality and increasing speed the same way that manufacturing has automated assembly lines.

RPA employs robots to automate repetitive, manual tasks that a human user used to do to. These robots are not mechanical assembling machines. They are software workflow tools armed with business rules, automating tasks and routing the output to the next step in the process. The result is processing without human intervention. This is how RPA frees up employees from mundane tasks, allowing them to focus on more important activities that require emotional intelligence, reasoning and judgment.

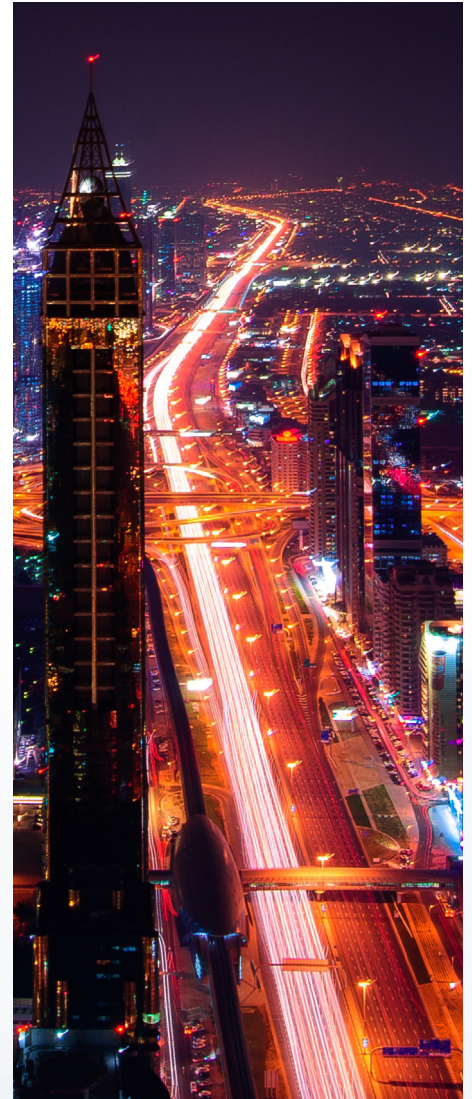
RPA enables rapid implementation, delivering significant and sustainable value in short timeframes as it can be incorporated into an organization's legacy systems and manual processes.

Some key facts

- RPA **frees up to 40% of employees time** to work on other tasks
- RPA is set to **grow by 60% by 2020**
- Up to **55% of executives** plan to use RPA in the future¹
- Deloitte ranked automation as the **2nd most strategic priority** for shared services

RPA Benefits & Advantages

- Reduced delivery risk
- Efficiency or cost base reduction
- Quality, accuracy and risk mitigation
- Auditing and security
- Flexibility and multitasking
- Application integration via user interface
- Average run time decrease of 76%



50% of RPA opportunities are currently being missed²

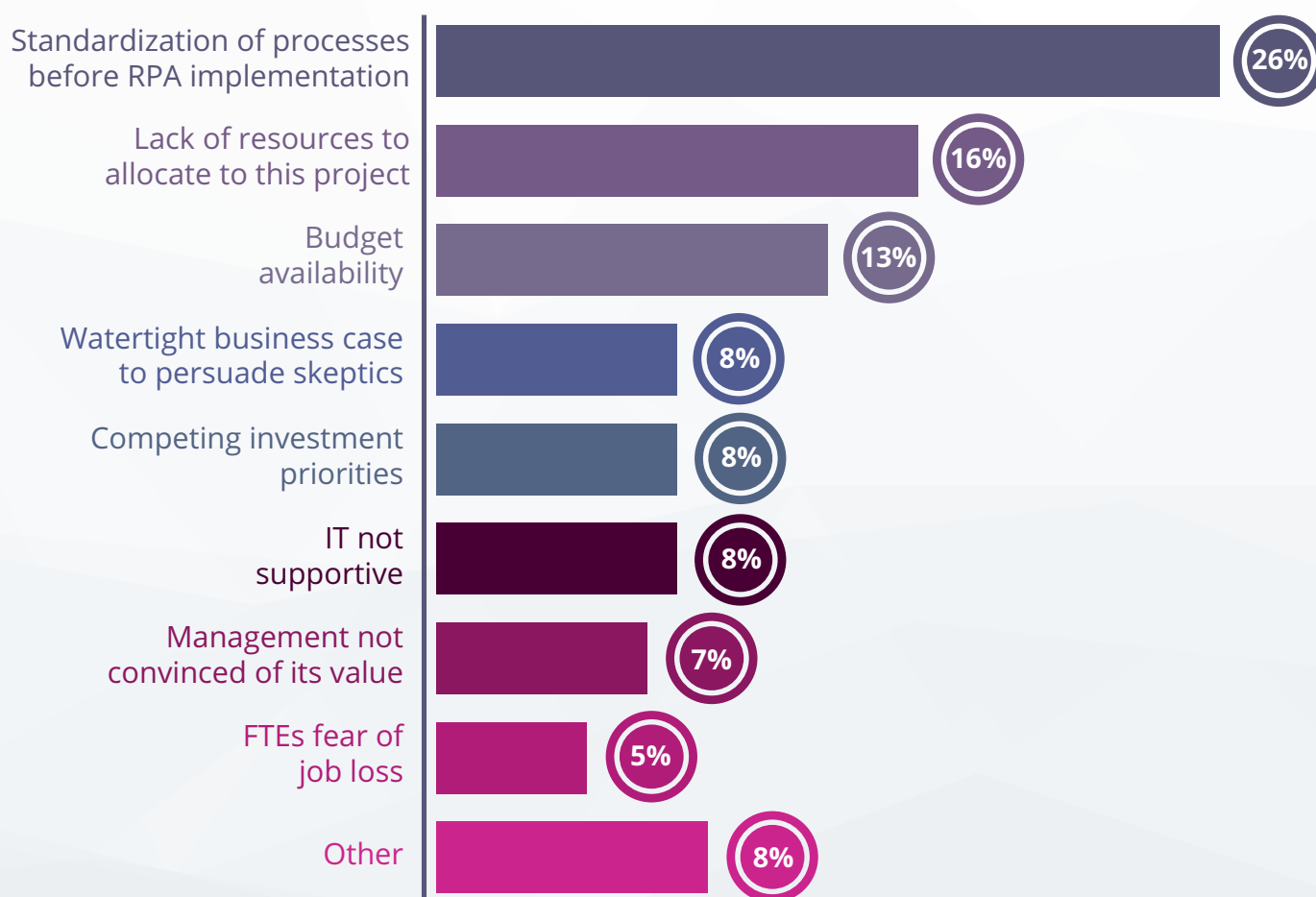
Successful RPA initiative requires the combination of business value, velocity, and re-usability. Many organizations struggle to achieve the necessary holistic approach that encompasses technology, process, and people.

Organizations find transforming processes and leveraging innovative technology difficult, particularly when those capabilities used to be outsourced.

In the RPA & AI Benchmarking report from PEX Network 2017, the survey respondents cited standardization of process before RPA implementation as the main obstacle in implementing an RPA solution at 26%, followed by lack of available budget at 13%.

RPA enables rapid implementation, delivering significant and sustainable value in short timeframes as it can be incorporated into an organization's legacy systems and manual processes.

What do you see as the main obstacle when implementing an RPA solution?



Source: PEX Network survey, March 2017 with over 150 banking, financial services and insurance executives.

Identifying RPA Candidates

The beginning of every RPA journey is finding the right processes to automate. Ones with strategic value, that create new opportunities for the business to grow their top as well as bottom line, that take customer experience to a new level.

The typical candidate for RPA would have these essential characteristics:




- The actions are consistent, with the same step being performed repeatedly. Typically, repetitive processes are also susceptible to human error.
- The process can be broken into unambiguous rules that apply to the majority of transactions.
- It is template driven, with data being entered into specific fields in a repetitive manner.
- It is rules-based, to allow decision flows to alter dynamically.
- The process, once started, needs limited human intervention. Decision-heavy processes can also be partially automated.
- The process should require only limited exception handling.

Organizations should automate simpler processes first and focus on more complex processes only when the company is RPA mature.

In reality, managers are not entirely familiar with their employee's workflows and do not know which processes would make a good candidate. Process documentation is often out of date or lacking entirely. Process intelligence tools such as Minit can automatically map as-is processes and provide a thorough audit of activities done on a daily basis to identify potential candidates.



Main uses of RPA

| | | |
|---|---|---|
|  <h3>Automating</h3> |  <h3>Capturing Data</h3> |  <h3>Digitization</h3> |
| <p>Automating repetitive tasks so that they are completed faster, with reduced risk and error.</p> | <p>RPA can capture and sort valuable data much faster than any human.</p> | <p>Digitizing manual processes such as inputting data to allow employees to focus on more complex, knowledge-based tasks.</p> |

Typical use cases

Operational Processes

Operational tasks which are time-consuming and impacted by changes in demand can be automated to free employees for more meaningful tasks.

Example: Reporting

Outsourced activities

Outsourcing reduces the ability to monitor compliance. Automating the outsourced processes allows more control as RPA robots can log their actions, making it easier to monitor and spot the cause of exceptions.

24/7 processes for 9-5 jobs

Many service providers receive orders and complaints around the clock. RPA can address these high volume tasks by working all day, every day, where employees tend to work limited hours.

Example: Invoicing

Recurring tasks

These activities are rules-based, and data-driven and are usually back-office functions. Front-office functions tend to require more judgment.

Example: Payroll



The challenge is standardization of processes

At its core automation is all about the process. Understanding that a process, its inputs, steps, outputs, variations, and rules that govern it is key to getting the automation right.

The as-is documented process model and analysis of data collected from process execution are a necessary baseline before starting automation effort.

Standardization is a roadblock with capital R. Companies inevitably experience setbacks when automating non-standardized processes in RPA. RPA robots can't think for themselves. They can only do what's predefined within their algorithms, which can quickly cause a major headache if an external or internal business process isn't aligned. The only remedy is a combination of meticulous planning, intense communication between business users and implementation team and strong governance framework. [See questions in chapter VI.](#)

There are many ways to err with RPA. Automating a good business process poorly will result in numerous mistakes. While competently automating a bad business process equals wasting the benefit of RPA, as every error becomes a systemic and widespread issue across that business process and data set. Automating an inefficient or poorly controlled process will only amplify problems in it.

Analysis and optimization of the underlying business process is necessary to eliminate residual inefficiencies from legacy ways of doing things.

RPA is most effective when you address both the process and automation together. Invest in process excellence capabilities and consider tools such as Minit with the ability to perform automated process discovery and analysis.

- Minit will highlight exceptions, unusual transactions, bottlenecks, deviations, and potential risks in the process, to ensure automated activities are not incomplete or incorrect.
- Optimizing the process with small, simple changes usually results in the robot doing a more significant part of the process.



The frustrations awaiting past the POC

Just three years ago RPA was mostly about POCs and exploring the technology and opportunities for its use within organizations. Now the understanding of the technology has grown, and the core question has become one off value – what are the actual gains of implementing Robotic Process Automation? **The frustration of business customers is rising when their initial RPA implementations fail to deliver on the promises and expectations of ROI.**

Always have a backup plan

After the initial year of testing RPA, the organization is ready to start an enterprise-wide, rapid deployment of robots. The problem here is not the speed or scale, but the fact that processes within the organizations are constantly changing.

Currently, people in RPA development teams are usually involved through the whole cycle up to maintenance of the robots. Contrary to expectations the last part of the process turns out to be much more difficult than anybody counted on and is usually overlooked when estimating ROI. Since the spending on RPA needs to be effective, teams often end up trying to implement new robots while maintaining the changing requirements of the currently running ones.

In other cases, new transformation initiative where multiple systems are put into a single platform takes place, and all the work done on RPA goes out the window. Whenever a new platform is implemented all processes must be automated anew.

Scalability

Regarding RPA scalability, the problem is not with the technology but lies again in choosing the right processes to automate. At first glance, there is a ton of potential within processes, but upon closer inspection, there is high variability and many different inputs. So even though thematically correct these processes are difficult to automate.

Unstructured Data

Another big issue is that data is not structured, and some of the experts estimate. This concerns about 80% of all the data used within organizations. Even with OCR and NLP now being firmly embedded in the solutions, the issues have not gone away.

Lack of a systemic way to estimate ROI

Most RPA experts agree that this is more of an art than a science, as the predictions on ROI are mostly based on experience, lottery or crystal ball forecasts rather than numbers. Teams trained within the companies lack long-term experience and therefore estimates on new implementations aren't accurate, to say the least.

Creating capacity and activity models is very subjective with many vague attributes going into the equation giving wildly different results.



Poor design, change management can wreak havoc

Many implementations fail because design and change are poorly managed. In a rush to get something deployed, some companies overlook communication exchanges, between the various bots, which can break a business process. Before implementation, it is necessary to think about the operating model design and map out how the various bots work together. It's also important to conduct performance testing on desktop automations using legacy systems, to ensure the desktop can handle the additional infrastructure requirements of the automation.



Case in point

One of our partners has done a project on Order Processing and the assumption was that there is a 60% automation potential.

The problem was that without knowing the data and the process in detail, the assessment of the ROI potential was based on the average duration of processing of an order which was 4 minutes. There was an assumption of saving 0.5 FTE. A very quick win with a straightforward implementation, right?

Once RPA went into production, the wrong assumptions were suddenly apparent. Although the average processing time was 4 minutes, it was mostly due to straightforward orders that the robots automated easily, but also didn't take much time initially, when human resources did them.

Another problem was that when estimating ROI, the team looked at the wrong metric. Only later did they find that most of the total time was taken up by the problematic orders that took up to 8 minutes to process. Therefore, the ROI expectations weren't met. The 80:20 rule applies here - just 20% of the invoices took 80% of the total time.



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Chief Product Officer
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Monitor to ensure it's working as intended

Automation is not a one-time process but an ongoing journey. Without continuous monitoring of the results that automation brings to your organization, it's impossible to improve the efficiency of the process.

Monitor the performance of robots and make continuous amendments and get the best return on investment. It's usually difficult to measure a process. RPA tools provide clean and accurate data that can be applied to drive higher rates of automation.

Consider using process intelligence tool such as Minit, to compare performance before and after automation and monitor process KPIs to make continuous improvements.

Despite rigorous testing before deployment, it is only by seeing the robot live in processing that you uncover the unknowns in the production environment. Review the processing and decisions made by the robot, early in deployment and make corrections of rules and logic as necessary.

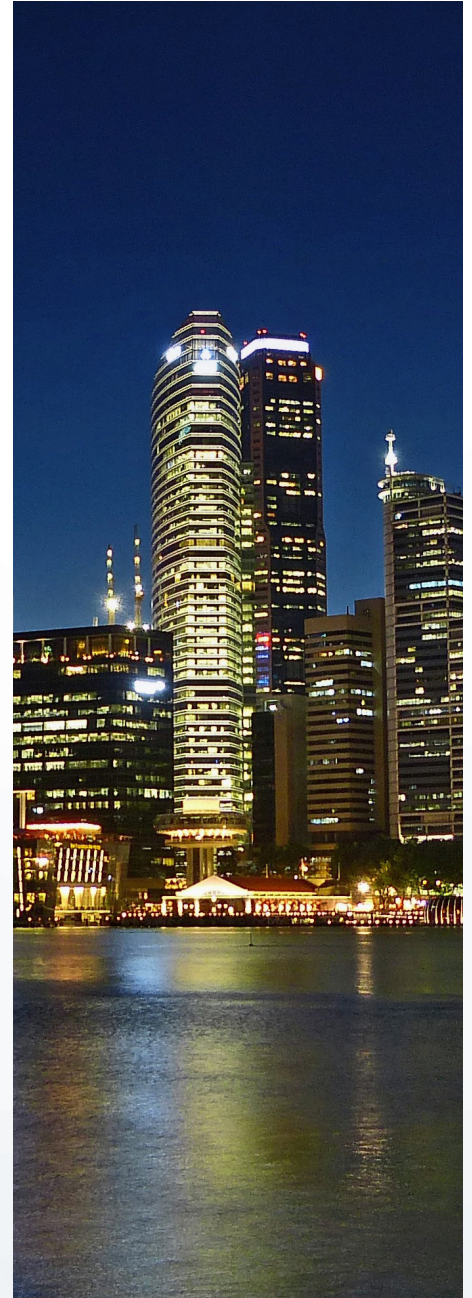
Analyze event logs generated by the robots with Minit to visualize transactions, identify process inefficiencies, bottlenecks, control and data quality issues and identify to what extent transactions follow their prescribed paths versus the actual paths.

- Minit will monitor the performance of robots and the entire process.
- Quantify the benefits of RPA optimized process vs. the original.
- Evaluate the RPA impact on jobs that are being performed manually.
- Monitor the impact on the IT infrastructure and information systems as such.

The analysis is also essential to keeping up with changing business environments. As systems change and industry regulations evolve, RPA systems must adapt to new requirements. The "Monitor and Optimize" approach is pivotal to the success of your RPA implementation. Overlooking it may leave your RPA system ineffective over a period of time.

Always have a backup plan

While RPA technology is advanced and reliable, it is not infallible. Prepare for times when a technical glitch blocks the system. Have a failover option to fall back upon when you need to handle the processes manually.



Questions to ask²

To ensure you take full advantage of all the benefits robotic automation brings to your business you will need consider the full framework, governance, support and operating model to manage the new robotic workforce.

Following are some key questions for executives to consider when starting to implement Robotic Process Automation.

- How does RPA fit into the overall IT enterprise architecture?
- Have we selected the right processes to automate?
- Have we optimized these processes before we automate?
- How is the process integrated with up and downstream business processes?
- Have the requirements for IT disaster recovery and scalability been defined and addressed and broader resilience considered?
- Will RPA capture a complete audit trail to confirm the origin of data and provide transparency of alterations?
- Will distinct user IDs and passwords be assigned to each robot – who is accountable for the management of these accounts and the robot actions?
- How do we manage changes to the robot configuration and any integrated up and downstream processes in a controlled manner?
- How do we ensure the robotic workforce have turned up for work – i.e. are logged in, functioning, balancing workloads and meeting SLAs? Who manages the control room?
- What is the incident management framework to respond to instances where the robotic workforce is impacted by unforeseen process changes?
- What user access management controls apply to the robot user – do our current processes and security policy allow for such a ‘system’ user?
- How do we ensure the access privileges assigned to the robot are not inappropriately used or accessed by other parties?
- Are we regularly assessing the failover and recovery capability and plans to ensure any disruption in the robotic availability does not impact the business operations?
- What is the fallback plan when the human workforce no longer knows the manual steps that were previously undertaken?
- Do we regularly assess that the configuration of the rule set and processing logic remains relevant to our business needs and demands?

Discover more about process mining with Minit for RPA

Minit turns company data into value by providing visual insights into processes and highlighting opportunities for improvement. Discover how to boost revenue and savings, and improve efficiency across the entire enterprise.

Pre-implementation:

- identify core processes at the heart of business strategy
- identify parts in those processes suitable for RPA implementation
- optimize and standardize processes before RPA implementation so that robots can do more

Post implementation evaluation:

- measure the results by comparing the robotized process to the original one
- monitor the performance of robots and the impact of robotic automation on the non-automated parts of the process, IT infrastructure and environment

For more information go to www.minit.io or contact us directly at sales@minnit.io.

Sources used in this e-book

¹ <https://www.cognizant.com/whitepapers/the-future-of-it-infrastructure-codex2946.pdf>

² <http://www.kofax.com/-/media/Files/Kofax/whitepaper/wp-guide-to-choosing-robotic-process-automation-solution-en.pdf>

³ <http://www.pwc.com.au/rpa>