

Business Case Planning for Robotic Process Automation

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How to Evaluate the Complexities

RPA and AI are Game Changers for Boosting Efficiencies and Achieving Cost Savings

RPA is used to automate repetitive, manual, time-consuming, rule-based tasks, or to establish a fully automated end-to-end process with the aid of a “software robot”. Moreover, RPA is the foundation for a broader digital transformation strategy that is proliferating organizations as diverse as insurance, healthcare and manufacturing – as business leaders across the C-suite are attempting to remake how their organizations operate.

In more detail, these RPA tools belong to a class of software that can be configured into BOTs which replicate human interactions with existing applications. RPA adds smart user interface automation, text analysis and document processing to macros, workflows and rules engines. It is beginning to extend into the cognitive domain – leveraging knowledge platforms, machine learning and natural language processing.

A number of product vendors and industry experts suggest that RPA offers direct ways of driving significant cost savings in the short-term – while offering even greater potential for organizational efficiencies in the longer-term. In this point of view, we examine the business case behind these concepts and offer a pragmatic framework on how you can deliver measurable ROI with a program.

Robotic process automation (RPA) and artificial intelligence (AI) are true game changers for boosting efficiencies and achieving cost savings for many large organizations.

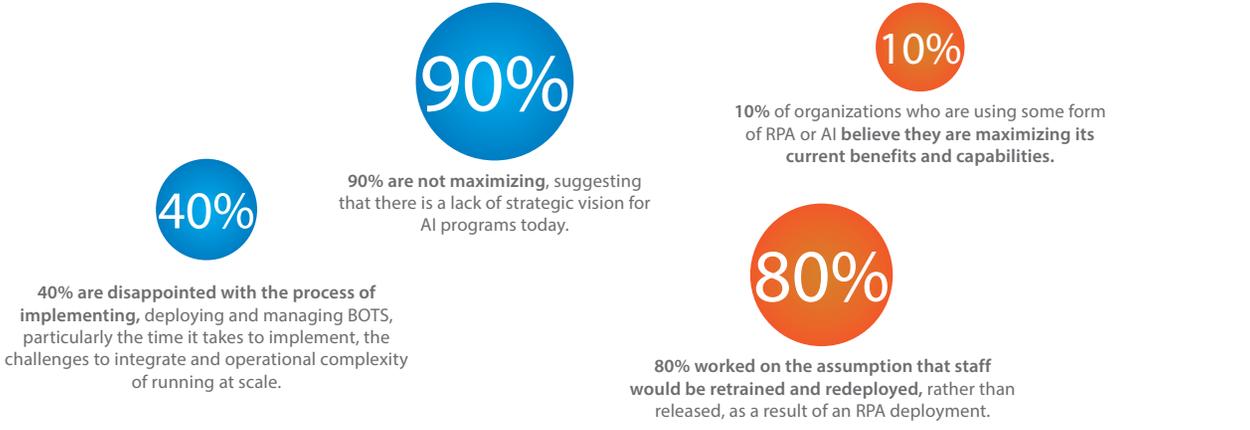
Current State of Automation and AI Adoption

The Opportunity to Maximize Potential Benefits are Great

Recent research by Infosys Consulting on a range of intelligent automation solutions from our highly diverse client base have provided us some interesting take-aways on the current state of the space. These include:

- **10% of organizations who are using some form of RPA or AI believe they are maximizing** its current benefits and capabilities. **Meaning, 90% are not maximizing**, suggesting that there is a lack of strategic vision for AI programs today.
- **Majority face concerns relating to adoption.** There are deep-seated fears about the consequences of deploying intelligent robotic solutions, as there is currently limited thinking around how to manage wholesale change and people impacts across the enterprise.
- **40% are disappointed with the process of implementing**, deploying and managing BOTS, particularly the time it takes to implement, the challenges to integrate and operational complexity of running at scale.
- **80% worked on the assumption that staff would be retrained and redeployed**, rather than released, as a result of an RPA deployment.

We believe that organizations need to establish a lightweight, cross-functional AI center of excellence (CoE) to apply these technologies to the strategic business context. This business-led team can then be positioned to build and curate business cases for future deployments, share and adapt the lessons learned and maximize the value realized from such investments. So, let's explore why RPA solutions offer such an attractive starting point on the automation journey.



Where is the Potential with an RPA Solution?

Work Around the Constraints of Big Legacy IT

Automated business processes using legacy IT landscapes are highly complex, and are incredibly sticky and expensive to change. Businesses and corporate IT have traditionally struggled, both technically and economically, to deliver modern, stratified platforms that offer the level of business agility that are demanded today. Re-architecting business processes and enterprise landscapes is a large challenge, and most proposed solutions take far too long to generate measurable financial value. RPA appears to offer a way to get around some of those constraints and deliver benefits in the near-term.

Along this theme, businesses are no longer fearful of, or averse, to initiating emerging technology-led change programs, as RPA programs are being adopted and driven by front-line leaders who believe they can manage these deliveries successfully with minimal technology input. So, what are some of the primary benefits?

- **Automate administrative tasks** – Doing this is a key driver to release staff to work on more interesting activities where they can deliver greater value for the organization, and perhaps be more engaged and interested in more challenging assignments.
- **Increase efficiency** – This is realized through simpler and reduced human interaction in business processes. For example, we have found great benefit in applying this technology in call centers – providing a much more effective toolset for agents to serve customers.
- **Produce complex outputs in less time** – Whether you are in a life sciences company producing compliance information for regulators, in a financial institution or a government department, RPA capabilities can vastly accelerate the production of complex, standardized outputs versus any manual process.
- **Continuous operation, without fatigue and free from human bias** – BOTs can run close to 24/7. They don't need rest or refreshment. Their performance at the end of a day is identical to that at its beginning.
- **Non-intrusive deployment** – RPA software is designed to mimic human interaction with the underlying systems – it does not need complex technical integration. It is easy to 'start small' with a deployment cycle.

BOTs perform tasks exactly as they are instructed. If the underlying functions are stable – then RPA can offer a quick way to optimize them. However, there is much more that needs to be considered if an organization is going to sustain a viable business case for large-scale RPA deployment.

The Challenges of Building a Business Case

7 Key Areas to Analyze

When analyzing at deep level if an RPA program can benefit your organization, it's a bit more complex under the surface. There is more to building, deploying and sustaining a program than just evaluating the cost benefits of labor versus the cost of individual BOTS.

Mapping RPA to employee headcount savings

First, an individual BOT deployment rarely maps on to functions performed by a whole number of employees. Typical ranges we've experienced with our clients are between 0.3 full-time employees (FTE) per BOT up to 3 FTEs per BOT.

Assessing the value delivered by a BOT when it replaces only part of an employee's role can only be assessed through careful analysis and having given thought about what the most appropriate organization and process model will be to sustain these adjusted operations. Benefits are often deferred for months after the initial deployment. Costs of retraining, redeployment and sometimes organizational adjustment need to be considered.

Maintain a team of SMEs to ensure business continuity

In the event that the majority of operational staff are redeployed, how is the business sustained in the face of a catastrophic failure? If there are only a handful of staff remaining who understand how to operate the underlying processes, how can you rapidly re-staff the function to enable temporary manual operation in the event of a failure? How can you ensure that you retain complete knowledge of your processes when they are sustained by BOTS? These are business critical considerations.

Operating a BOT factory is different to running a handful of processes.

There needs to be effective control-tower technologies, which allow for flexible (and ideally intelligent) operation of the BOT farm, supported by highly knowledgeable people. The whole gamut of configuration management tools, run-time monitors, error flagging and tracking, performance monitoring and management, recovery and deployment tools need to be considered to run RPA at scale. Key staff need to be able to handle RPA tools on top of the other technologies deployed across a business. Many of today's RPA products do not offer adequate tooling for a scaled operation.

The Challenges of Building a Business Case

Integrating with security tools can be challenging

Process automation BOTs are designed to replace human activity within a process. Because of increasing security challenges across the workplace, biometric and two-factor authentication are becoming increasingly widespread. BOTs do not possess their own biometric data, and struggle with two-factor authentication. Enterprises cannot reasonably allow automated processes to operate in a less secure environment than one that is human operated.

Think broader organizational process redesign

The deployment of modern automation and AI solutions offers a chance to disrupt an operation massively. In some case, the strategic, scaled implementation of these disruptions can completely transform business performance. There is a danger that mass-industrialization of processes using BOTs can completely miss the opportunity to redesign an organization's broader operation, which outside of the individual line function, is likely what senior leadership is truly after.

Focus on scaled agility of the IT landscape

This is especially true in complex environments where the technology landscape hasn't yet been organized into well-defined layers, with stable APIs. A tactical or poorly planned RPA deployment can significantly reduce the agility an organization has, tightly coupling automated processes to the underlying platforms. RPA processes can be quite fragile – sensitive to even minor updates to the core systems they drive. RPA and AI solutions at scale should be governed within the overall architecture framework that underpins the business, not as a stand-alone solution sitting outside of the enterprise architecture.

The tools market is still immature

The tools across this space are developing quickly. Today's winner will not necessarily be around in its current form in a year or two. Switching from one RPA vendor to another is difficult and expensive. The risk and consequences of new versions and new products need to be factored into your journey.

A Smart Approach to the Transformation Journey

A Software Plus People Model

Mature organizations that are currently leveraging advanced automation capabilities have started on the transformation journey with more 'deterministic' RPA driven automation across all business processes. Driving substantial business value through automation can only be achieved through adopting a 'software plus people' model, which could enable predictive diagnosis and process discovery, and eventually cognitive decision making.

The tremendous business value potential that could be driven across the automation continuum could be enabled through knowledge curation capabilities, thereby pushing organizations towards creating intelligent knowledge ecosystems.

To be successful in taking advantage of the automation and AI revolution, businesses should establish a lightweight, cross-functional automation and AI center of excellence to define the vision and manage the business case. The CoE can curate the learnings, oversee delivery, govern the development of the strategy, support organizational change and ensure that the needs of the business remain central to every initiative.

Automation technologies offer huge opportunities to help business transform into the future and realize value on entirely new levels. Companies should set themselves up to move quickly and deploy the right technologies with care – considering how to make their own journey sustainable.

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About Infosys Consulting

We are a global advisor enabling organizations to reimagine their future and create sustainable value leveraging disruptive technologies. And as part of technology leader Infosys, we have access to a global network and delivery capability of 200,000 professionals that help our consultants implement at scale. To see our ideas in action, please visit InfosysConsultingInsights.com.

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1) 'BOT' is vernacular derived from Software Development conventions to describe web interactions with "intelligent agents"

2) *Amplifying Human Potential: Towards Purposeful Artificial Intelligence* January 17, 2017

3) *Elon Musk, July 2017, "AI is a fundamental existential risk for human civilization, and I don't think people fully appreciate that"*

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