



Robotic Process Automation

Transformation tool
for corporate services



Robotic process automation (RPA) offers tremendous value proposition in business and IT processes. Corporate Services (CS) are the horizontal support activities that every organization, regardless of the industry or domain it belongs to, needs to perform. The scope therefore includes automating the entire landscape of back-office and middle-office tasks. To be more specific, we are talking about three key areas – finance and accounting, procurement/supply chain, and human resource management. These processes are structured and rule based, have heavy number of transaction requirements, and criticality and dependencies built around them, and are prone to human errors. RPA can transform and automate a whole lot of these process areas.

RPA Applicability in CS

RPA and CS have a deep-connect and value proposition at their disposal. Figure 1 gives a snapshot of RPA applicability on CS canvas. Here, we estimated the percentage of RPA applicability from the number of process steps that can be automated through robotics to the total number of steps in the process. Results will vary according to the due-diligence of the process.

The processes of record to re-port (RTR), procure to pay (PTP) and order to cash (OTC) have higher applicability than the HRO processes. Here, high applicability translates into RPA potential of 50% or greater, medium is 20% to 50%, and low applicability is automation of less than 20%. We need to target the high and medium processes first during automation deployment to strengthen the RPA case.

Challenges in automating CS processes

CS functions typically liaise with a multitude of vendors and customers across geographies, and hence, number of variant scenarios and exception rates tend to be high.

At the grassroots, a key inhibitor for adoption of RPA are highly fragmented processes and multi-trained resources. So, while we may be able to automate over 50%-70% of three different processes, the resources aligned to these hypothetical processes would be only seven. With business criticality in mind, we would keep a minimum human resource back-up even after deploying the bots. This would translate to negative or barely positive ROI.

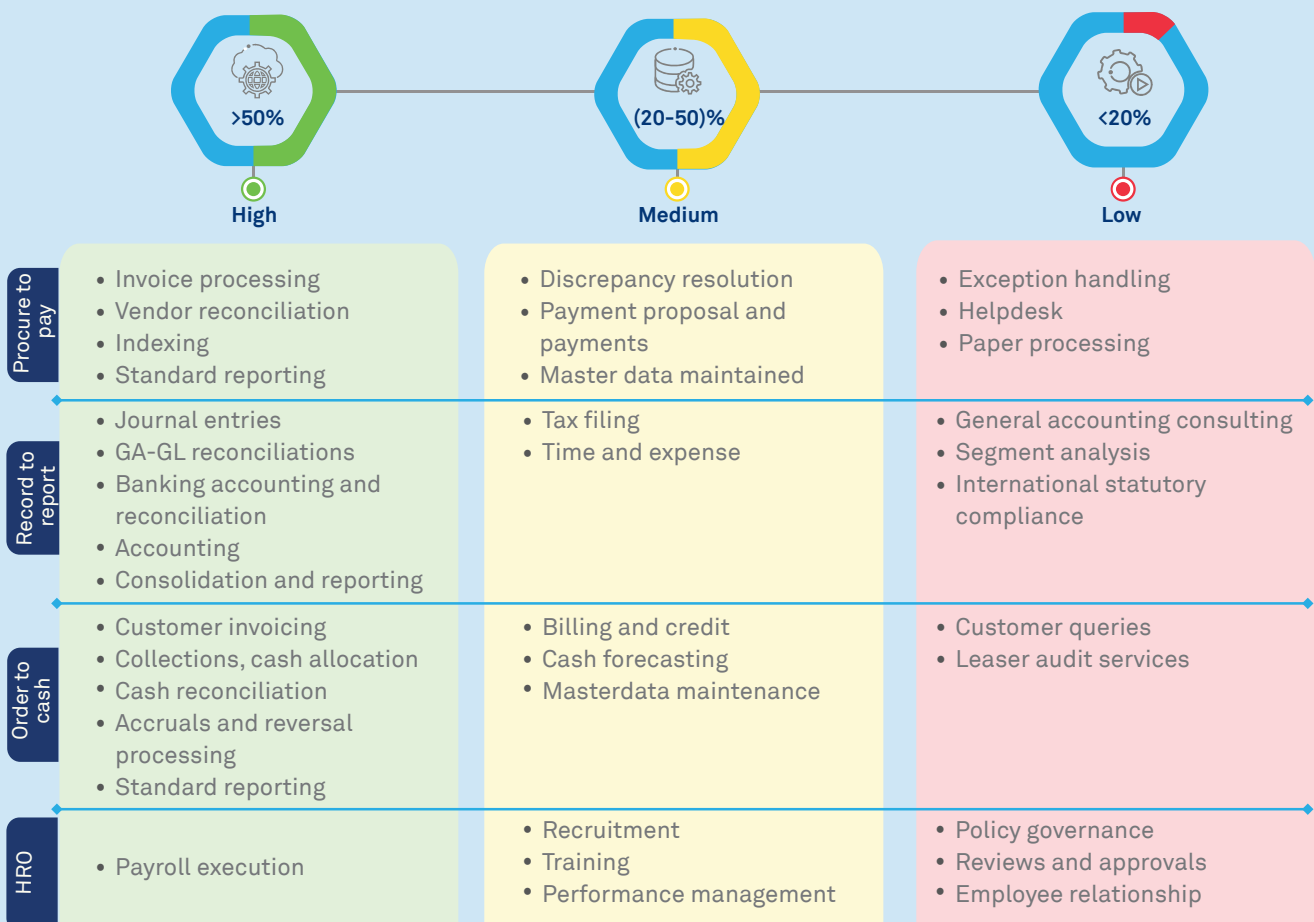


Figure 1: RPA heat map in CS processes

A strong mechanism to deal with such a situation is to have a broader scope of processes rather than just the few that the operations leader believes are too cumbersome. Collaboration between business and IT units of an organization makes broader scope possible. Under the business units, process experts, operational leaders and automation experts work together to first create an inventory of the processes, then standardize or simplify them, and eventually prioritize them from business case perspective. IT units support such engagements by keeping in mind the future scalability, resilience, security and recovery mechanisms. IT unit is also key to ensure the replication of efforts and utilization of bots across other departments. This helps ROI turn largely positive and optimizes the efforts that go in from a deployment and commercial standpoint.

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An American semiconductor company automated two key processes where the resources were cross trained and used as per need/demand amounting to a total of 3.5 full time equivalent. Post automation, since both processes still required back-up resources for exception management, the ROI was negative in double digits. To circumvent the situation, the company included three more business areas in RPA scope which helped increase the overall scope to 45 full time equivalents. The bots were optimized for five key processes and 22 sub-processes, resulting in bot utilization going up from 35% to 90% and 33% increase in ROI.

It has been challenging for organizations to identify and plan the right approach and timeframe for involving artificial intelligence and robotic process automation as they look for faster benefits realization. To realize maximum gains, both software automation and cognitive solutions should be used in tandem after a thorough process assessment.

The recommended approach

It is best to simplify, harmonize and capture process inputs and outputs elaborately to get the most out of a robotics automation implementation. Usually this standardization of processes is a precursor to a successful robotics go-live.

For the generally fragmented processes in CS, we should look out for process ‘allies’ – steps or tasks that can be combined under a singular robotics software license to drive scale and hence higher profits.

For example, a retail major from the US, evaluated RPA for a single task of transaction report download for accounts reconciliation. This company had grown both organically and inorganically over the past few decades leading to a highly distributed and scattered technology landscape across globe. Processes were split into several product lines and used different technologies to achieve the same business outcomes.

Therefore, it deployed automation program in a module and object oriented mechanism to bring in reusability of deployed bots. Because of the sheer size of the company portfolio, every Record to Report process/product team downloads this type of information. This report is further used in processes dealing with reconciliations, discrepancy in payment, etc. In short, the company derived a considerable amount of benefit from automating a single activity across processes because of reusability-based mechanism. The other critical elements for RPA success include change management, compliance controls, robust user support, and the overall organization commitment to adapt to the new environment. In CS, matching RPA to the right process is at times still ‘an art form’.

About the author

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Sanyog has over 11 years’ experience spanning across research, consulting, government relations, capacity management, pre-sales and solutions for industry domains such as software, hi-tech, manufacturing, information technology, retail, telecommunications, and energy. He currently leads the RPA practice at Wipro, helping clients harness the power of robotics, workflow management and customer experience, through Wipro's Enterprise Operations Transformation (EOT) framework.



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