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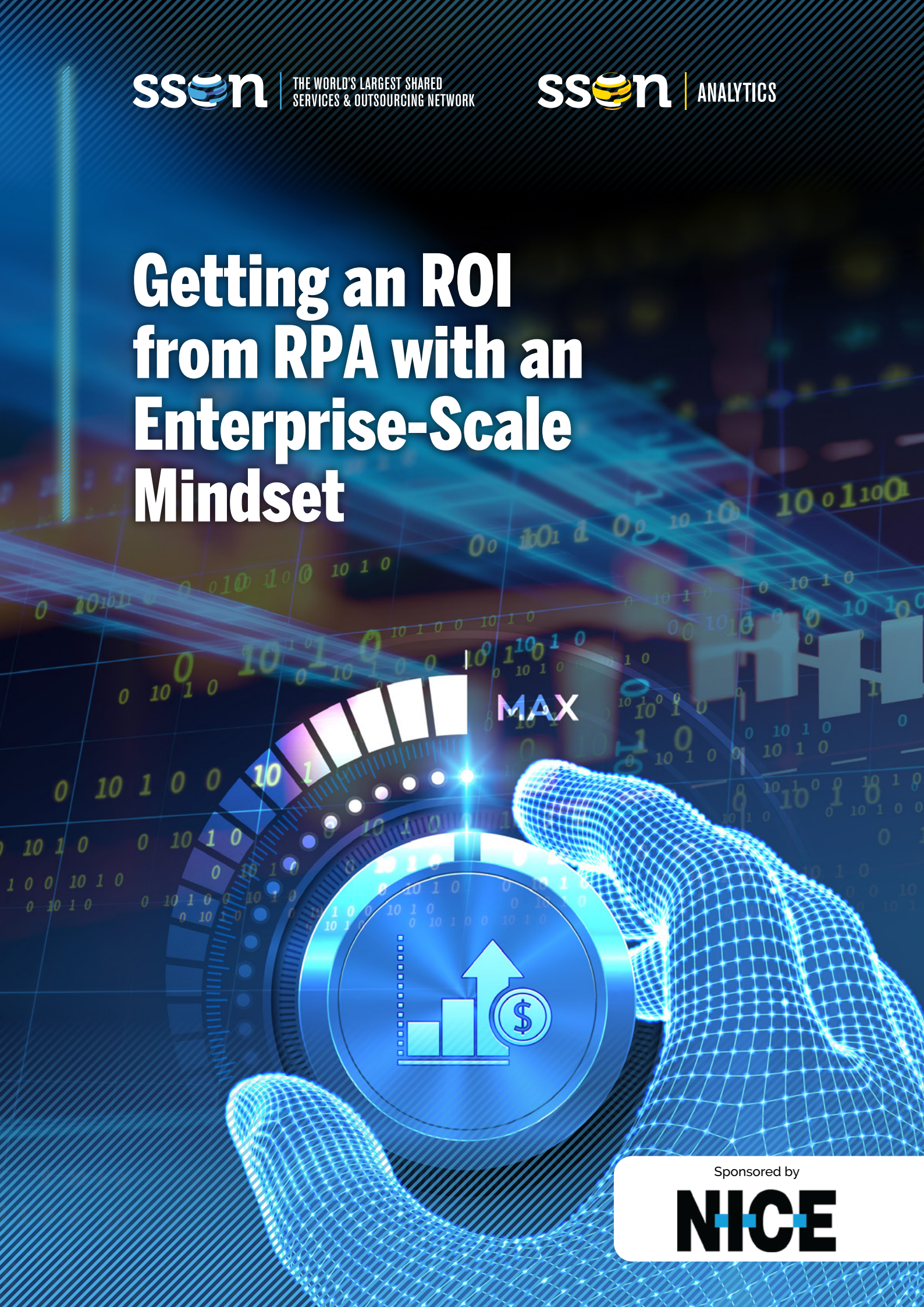
Getting an ROI from RPA with an Enterprise-Scale Mindset



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Introduction

In 2021, the popularity of RPA tools and solutions has exploded. According to the Intelligent Automation (IA) Network 2021 State of the Industry Survey of over 250 senior digital transformation leaders, 43% of survey respondents cited they were currently leveraging an RPA solution. Another 40% said they were looking to invest in an RPA solution within the next year. When over 80% of a market is engaged with or pursuing a solution, the hype can't be understated.

But is the hype overrated?

The IA Network's 2021 State of the Industry Survey also reports that 37% - over a third of respondents – said that less than a quarter of their RPA deployments met or exceeded expectations in the past year. This is no small investment: The Wall Street Journal reports that a single bot deployment for the robot licensee alone can cost between $5,000 and $15,000. This doesn't include any service costs, which are the higher costs associated with this investment. It's important to keep in mind that getting a return on RPA investment is doable. PSCU processed over 400 index rate change requests and saved over 150 hours of work in two months; a case study that is explored on pg 10. What's clear though is that the true gains from RPA can only come once they've been scaled at process-level.

However, the struggle to scale is real. In this same IA Network survey, only 12% of respondents had implemented RPA on more than 100 processes. In general, overarching efforts to automate business processes are slow. This same market report cites that 71% of survey respondents had automated less than 40% of their business processes. This data is also reflected in the SSON Intelligent Automation Market report, where 55% of respondents had less than 20 processes automated to date.

Cutting through the data, there are three clear insights from all this information:

1. Investment in Robotic Process Automation is a high priority for senior digital transformation and business-services leaders
2. These same leaders are struggling to see a return on their investment after one year of implementation
3. RPA has yet to reach scale beyond a handful of processes for many senior digital transformation and business leaders

For RPA to deliver a measurable ROI it has to reach critical mass within enterprise processes. This report will discuss the key challenges and opportunities to achieving enterprise-scale with RPA, as well as provide case studies that demonstrate how making RPA at enterprise-scale a priority can deliver an ROI.

What is RPA at Enterprise Scale?

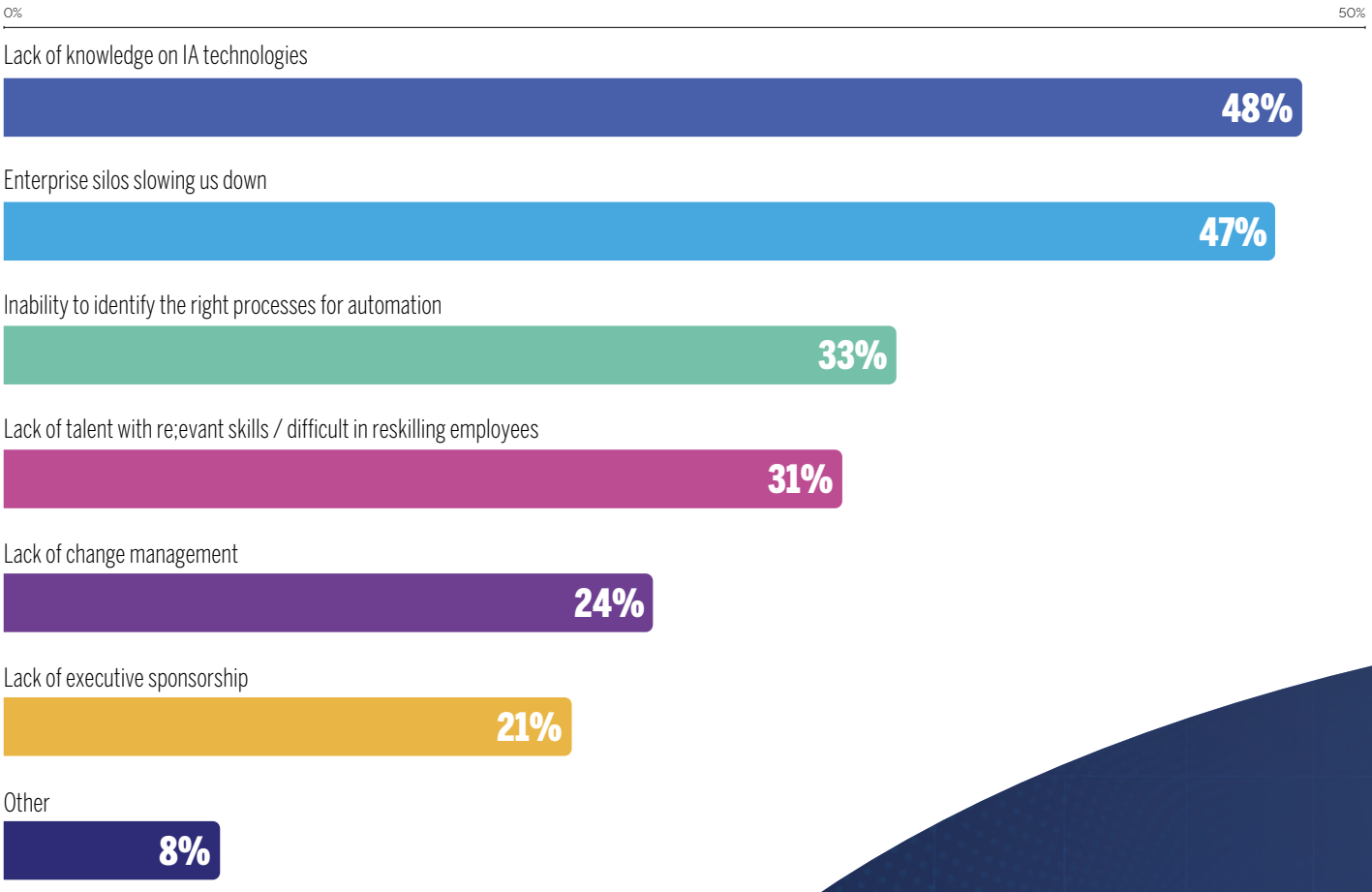
There are a lot of buzzwords floating around, and in this report RPA at Enterprise Scale is defined as the use of an RPA tool (or platform) for the purposes of automating an entire process: which may extend across multiple ERP systems and silos within an enterprise. This type of cross-functional capability moves away from the historic use of singular task-based RPA towards process-level automation and utilizes machine learning and artificial intelligence to provide more "intelligent" decision making power to the heavy-lift RPA provides. Not to limit the definition, Enterprise Automation can also be about automating process segments (not necessarily complete processes) through a very large number of organizational processes.

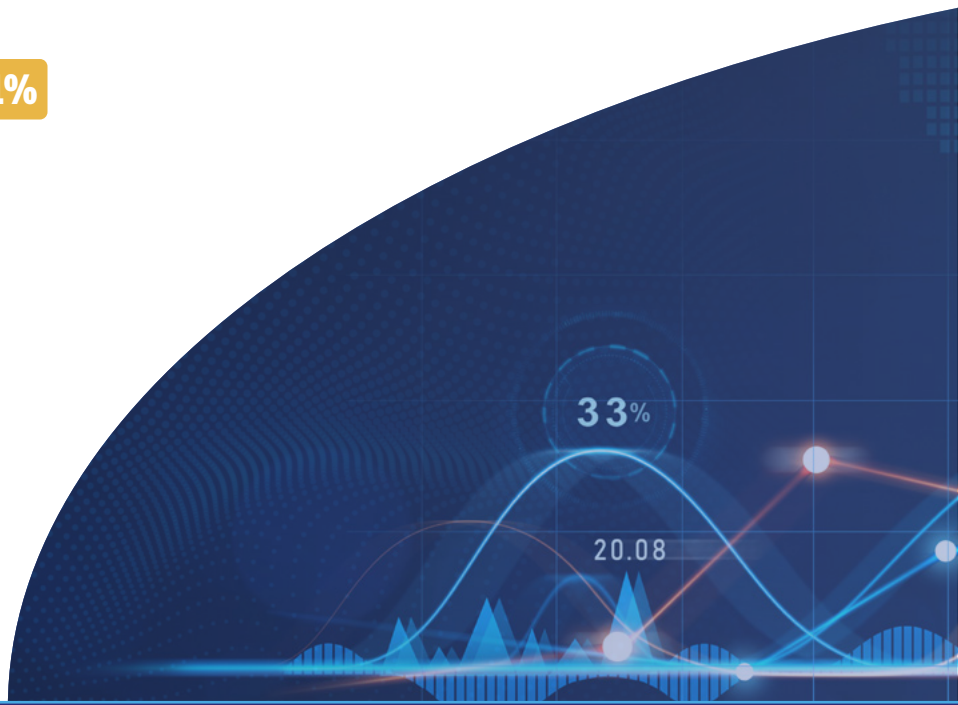
The Challenge and the Opportunity with RPA at Enterprise Scale

By focusing on scaling RPA to enterprise-wide processes, automation initiatives can solve for many of the challenges that leaders are facing. However, there is a short-sighted trend towards single deployments and task-based goals. SSON Analytics survey respondents report that the top three factors for determining process selection for IA are time saved through automation (61%), the repeatability of the process (57%), and the potential for scaling (37%).

RPA implementation has not been easy or straightforward. This same survey reports that a lack of knowledge on IA technologies (48%), Enterprise silos slowing down implementation (47%), Inability to identify the right processes for automation (33%) and a Lack of talent with relative skills or difficulty reskilling (31%) are major impediments to implementing IA solutions.

What challenges are you facing in implementing IA solutions [Multiple-Choice]





One insight to be taken from this data; in focusing on "time-saved" as a key metric for selecting what to automate, these leaders are focusing on the low-hanging fruit that will deliver immediate results. Typically, focusing on the low hanging fruit is the recommendation that professional services and value realization experts would give to enterprises to help them succeed with RPA value and scale. However in doing so, they are at risk of not targeting strategic, overarching impact. Another insight is that if enterprise siloes are such a big impediment to implementation, then perhaps the initiatives being selected either are not having their value communicated to enterprise stakeholders or are just plain failing to deliver value to other areas of the business. Lastly, the self-reported lack of knowledge on IA technologies and struggle to identify the right processes to automate demonstrates that there is a lack of governance and centralized knowledge

In taking all of this into account, if these leaders were to place the potential for scaling at the top of their priorities then what they'd really be doing is prioritizing RPA that has the biggest impact to the business at the center of their decision-making.

This is easier said than done. It is not hard to understand why scaling RPA at the enterprise level is proving difficult. When 59% of Deloitte survey respondents believe that the automation initiatives they are piloting don't have the requisite workforce capacity of skills needed to deliver on the strategy, then how can they possibly scale? Those that do scale report process standardization, IT buy-in and support, integration and solution flexibility, and stakeholder impact, as top challenges met along the way.

The next part of the report will suggest three opportunities leaders can take if they are looking to get a greater ROI out of their automation initiatives by placing scale as their top priority. These suggestions not only help to prioritize getting an ROI from RPA but will also combat the knowledge drought, provide greater governance for enterprise-impact and reduce the isolation of silos.

Placing Scaling at the Center of RPA Initiatives

Automation COE

The Intelligent Automation (IA) Network 2021 State of the Industry Survey reports that 58% of respondents had an Automation Center of Excellence or were planning to establish one in the next two years.

By pooling resources together in centers of excellence, organizations can overcome the two biggest hurdles to implementing intelligent automation tools. As mentioned in this document on page 5, these are a lack of knowledge on IA technologies and enterprise silos slowing down implementation. Not only do COEs maintain a record of knowledge on each tool, they also rely upon the experience of both business and IT to work collaboratively rather than in competition. In doing so, business-leaders can tap into the subject matter expertise of their IT counterparts and IT leaders can likewise act as guardians, rather than gatekeepers, of technology.

The purpose of an automation COE should be to concentrate and consolidate standards around governance as well as set an overarching mission for the purpose of automation in any organization. The actual model can vary in three different forms.

Three COE Governance Models

- **Centralized:**
  A single team is the owner of every automation initiative. It sets the standards, mission and purchasing requirements of its selected automation tools and then works with a steering committee to govern and manage it.
- **De-centralized:**
  Each department assembles its own team to head an automation roll-out while also working with the IT department to ensure that it remains in line with technology requirements
- **Hybrid:**
  Also known as a "hub-and-spoke model" or federated model, there is one repository of information and one purchasing body when it comes to automation tools. In this model the COE works as a consultative resource with each business unit to ensure they have the resources, insight and tools it needs to deploy its own automation initiative

How does this help scale RPA Enterprise-Wide?

A COE's main value – in any model – is that they provide a structure to monitor and manage the bots already deployed as well as the ones in production. This drives back to the original challenge of scaling automation at an enterprise-level: without a governance structure in place, there is no mechanism to ensure previous deployments are delivering on their original predicted value.

What do Automation Leaders have to say?

" My advice is "be prepared." If not prepared to manage maintenance and monitoring in addition to developing new automations, your ship may go belly-up as your number of automations approaches 50. Maintenance and monitoring start requiring much more time."

Laura Hendrix, *SVP, Director RPA and Process Improvement,* ***First Horizon***

COEs also provide a mechanism to measure the impact of RPA before deployment, during deployment and in the long-term. Documentation not only establishes a benchmark, it also ensures that deployed automations receive the maintenance and management they require. Without it, automation rollouts risk being halted to go back and take care of previous automations.

" The biggest trap to watch out for is getting 2-3 processes successfully deployed and having your initiative approved for larger roll-outs. Then, later down the line – it could be 10 processes, it could be 6 months – you go back realize there was all this documentation that needed assembling for maintenance and management."

Zachary Toner, *Director, Automation Services,* ***American Modern Insurance Group***

While COEs help to coordinate governance across siloes, as well as manage and maintain deployed RPAs, Automated Process Discovery can be used by them to help them make it easier and more accurate to predict which processes to select – a key challenge for many COE leaders.

Q+A with...

Gareth Hole, *Director, Robotics and AI,* ***NICE***

Q: What mindset shift do organizations have to undergo when thinking about RPA at scale?

A: Organizations often start too small. They don't think strategically about RPA. That means they often miss the highest value use cases. Some of the most successful rollouts of RPA I've been involved with have focused on having hundreds of robots deployed in the first phase, often to the customer services side of an organization. Those robots sit on the desktops of the customer services agents, helping them with customer interactions. That has a direct and positive impact on the experience of both end customers and employees, as well as unlocking revenue and compliance benefits, in addition to efficiency savings.

Q: What are some challenges organizations face when they try to prioritize business areas to rollout RPA?

A: Prioritizing where to use RPA is a key challenge that isn't always addressed in a systematic way. Many organizations still focus on areas where people are shouting the loudest. This doesn't generally lead to the best return on investment.

There are also assumptions made about what RPA can be used for. These tend to limit its use within an organization. For example, I've been involved with some great projects where automation isn't even a key part of the deliverable. Real-time compliance, dynamic guidance for complex processes and customer insights provided during an interaction can all deliver huge benefits but aren't always considered to be part of RPA.

Q: Do you have any practical advice for automation leaders looking to be more data-driven in their automation strategy?

A: Let the machine learning and AI do the hard work. With a capability that can identify sequences of work, spot interaction patterns with systems and uncover process execution gaps, like NEVA Discover, it is possible to optimize an organization's automation strategy.

Your employees can continue to do their work, and the AI does the rest with no additional effort required. It becomes a virtuous feedback loop of identification of opportunities, solution generation, deployment and measurement of impact. There's nothing more practical than being able to press a button that says "click to automate".

What is Automated Process Discovery?

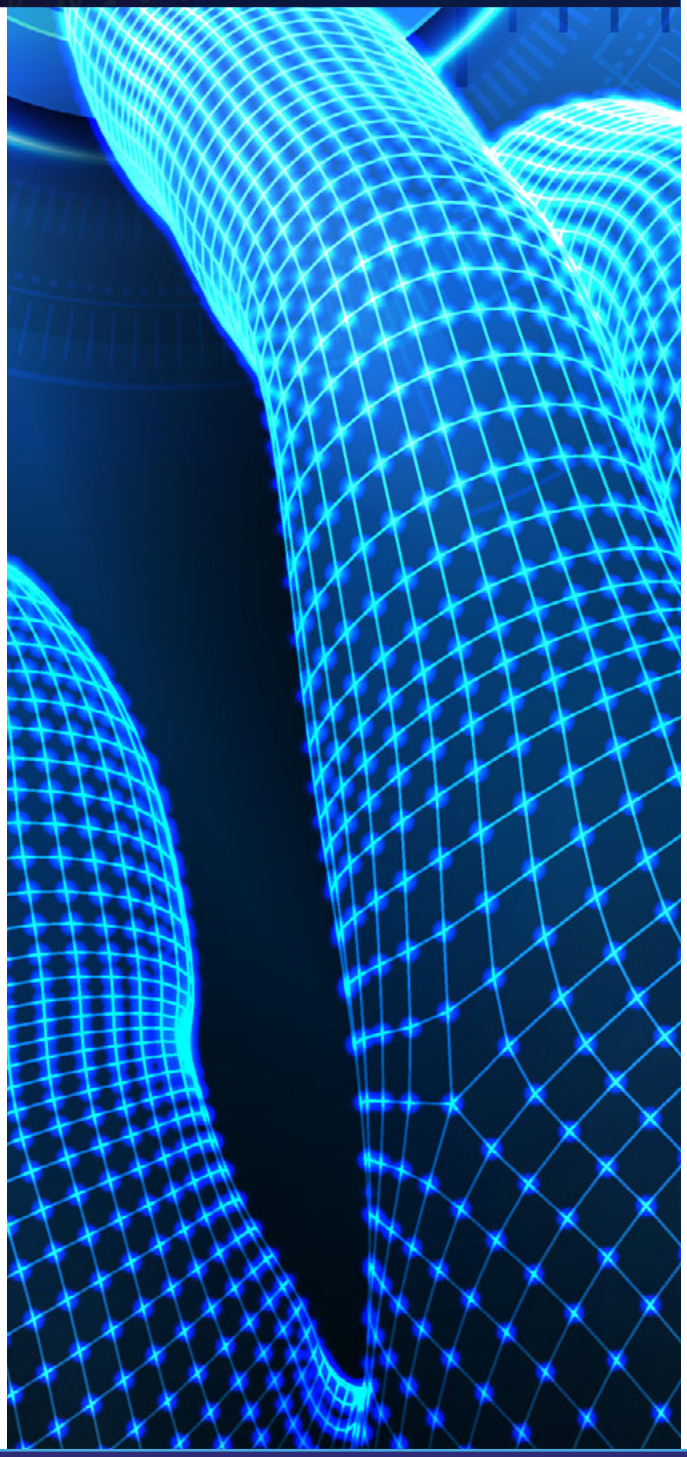
Automated Process Discovery tracks, maps and analyzes end-to-end business processes. By automating process discovery, Artificial Intelligence assesses where the inefficiencies, bottlenecks and most manual burdens complicate business processes. In doing so, it provides a framework for which process would gain the most from automation. Building a pipeline of processes ripe for RPA backed by data not only maintains objectivity during the selection process but also reduces the need for trial-and-error (an expensive and time-consuming route) and keeps track of each automation initiative on an enterprise map.

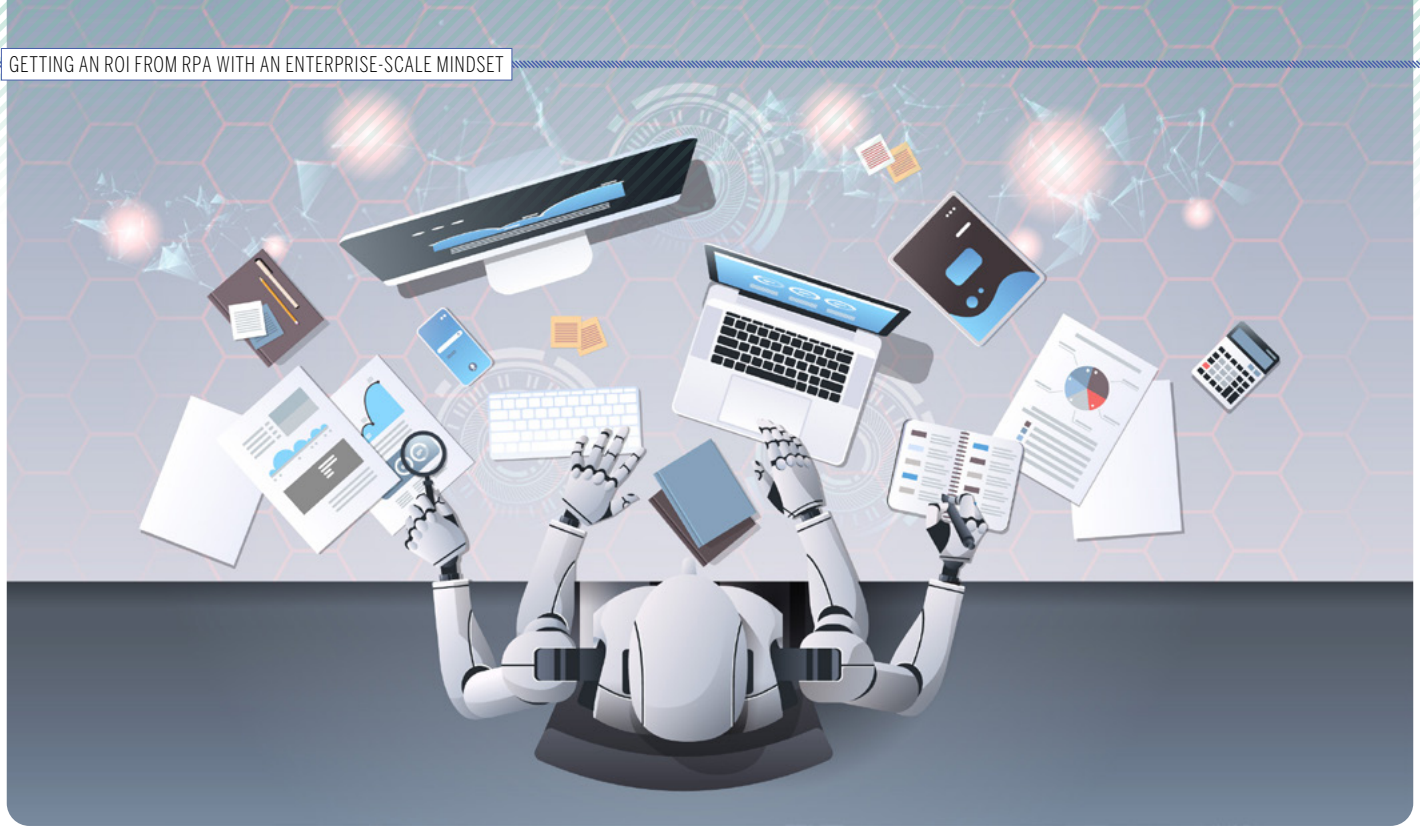
The Data Behind Automated Process Discovery

In an SSON Survey on Process Excellence, 50% of survey respondents were using RPA in conjunction with Process Discovery, Process Mining, or both.

When asked what the greatest advantage was to using these tools together, 50% cited discovering inefficiencies and identifying root causes of deviation.

As mentioned earlier on page 5, prioritizing the right process to automate is a key challenge for senior leaders implementing IA technologies. This interest in process discovery is reflected in the IA Network's spend and trends report. When asked, "Are you currently leveraging automated process discovery?" 52% said they were or were looking to in the next year.





PSCU: RPA Eliminates the Impact of Dynamic Demands in the CUSO Industry

PSCU is the leading credit union service organization (CUSO) in the United States, providing services for traditional and digital payments, risk management, analytics, digital banking, loyalty programs, and comprehensive 24/7 customer support. Based in St. Petersburg, Florida, the company supports more than 1,500 credit unions nationwide and over 3.8 billion transactions annually. PSCU has 2,100 employees and contact centers in five U.S. states. The company's Fraud Call Center handles more than 1.9 million contacts each year, while the general contact center support line fields an annual average of over 10 million interactions.

The Challenge

PSCU partners with credit unions to help them meet evolving member demands, leveraging digital technology in providing various types of payment services. This has been an expanding industry for some time, as reflected in PSCU's continued year-over-year growth.

The increasing scope and scale of PSCU's business activities drove the company to search for ways to add efficiency without sacrificing quality or member experience. One area that felt the challenges posed by the company's growth, becoming more and more time-consuming and costly, was the process for implementing federally-mandated index rate changes.

Whenever the Federal Reserve Board makes a change to the interest rates, this impacts any credit union with a variable rate credit card. PSCU, as the manager of their card programs, processes the rate change requests. This type of request required more than 10 borrowed resources from other teams, a delay in business as usual, and extensive employee overtime and weekend hours to ensure all rate changes were properly implemented in a timely manner.

The need for company resources to meet the demands of index rate change requests is unpredictable and completely dependent on the decisions of the Federal Reserve Board. It was a heavily manual process, as well as a difficult one for which to forecast staffing – and it was getting more costly and challenging as PSCU grew.

The Solution

PSCU considered options for addressing the scalability issue, in order to make available resources more effective in handling dynamic demands. One of the primary tools the company adopted for this purpose was robotic process automation. PSCU selected the NICE Robotic Process Automation (RPA) solution, as it is a recognized leader in its field. NICE RPA uniquely and seamlessly combines desktop (attended) and robotic (unattended) automations in real time, with the capability to take over repetitive, administrative, routine processes. Critical aspects of the NICE automation for PSCU were the solution's ability to ensure regulatory compliance with 100% accuracy, and its responsive, rapid scalability.

The decision was made to implement NICE RPA as part of the company's Center of Process Excellence within its Member Experience division. Molly Walker, PSCU's Manager of Business Excellence, noted, "We knew that there also had to be a partnership with our internal IT department, including bringing our Information Security and architecture teams up to speed, to ensure that we put the appropriate security measures in place while not limiting the potential of the technology."

Holistic Implementation with a Hard Stop

An initial RPA implementation was in the index rate change process. In this case, the timeline for implementation included an unknown hard stop, driven directly by the Federal Reserve Board decisions to change the prime rate. In early September, the Fed announced that a rate change would go into effect on the 18th of the month.

The RPA initiative at PSCU was approached as a holistic, enterprise-based project. This meant preparing the organization as a whole by building out the infrastructure and the Center of Excellence (CoE), as well as creating standard processes for RPA development and internal change management. In addition to building out the foundation, an initial unattended automation was successfully deployed. In addition to structuring its CoE to best support a successful RPA program, PSCU took measures to ensure that the entire organization understood what RPA was, why PSCU was investing in this technology, and what that meant for each individual employee.

To that end, the company shared information and held over 15 RPA-centered events, including team meetings, webinars, "lunch n' learns," and a PSCU product and solutions expo. These sessions created an open dialogue within the organization, including various opportunities for feedback and SME questions.

The Outcome

Between September and October, PSCU processed over 400 index rate change requests from credit unions. Using NICE RPA, the company:

- Saved over 150 hours in two months
- Reduced time to serve
- Achieved improved accuracy
- Required no additional resources
- Experienced minimal business disruptions
- Scaled the process up and down to meet dynamic and unforeseen demands.

Moreover, back-to-back interest rate changes such as those in September and October would previously have substantially impacted the business. However, with the move from manual processing to the unattended NICE RPA bot, there was no impact whatsoever.

In addition, NICE RPA has benefited PSCU employees, freeing them from routine, and at times frustrating, tasks. They are now able to focus their attention on more valuable business priorities in support of credit unions and their members.

> "We knew that there also had to be a partnership with our internal IT department, including bringing our Information Security and architecture teams up to speed, to ensure that we put the appropriate security measures in place while not limiting the potential of the technology."
>
> **Molly Walker**, Manager of Business Excellence, **PSCU**

Learn More:

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