

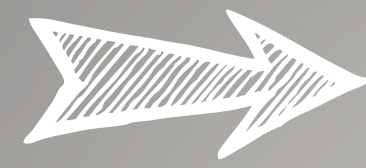
# COMPLETE <sup>THE</sup> PRODUCTIVITY PICTURE

A GUIDE TO ROBOTIC  
PROCESS AUTOMATION



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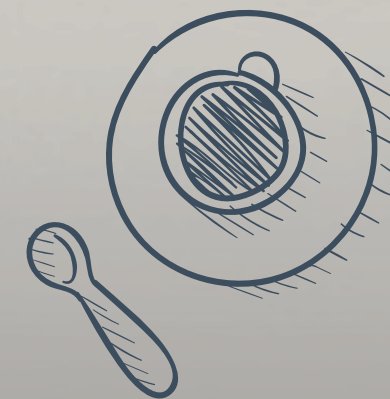
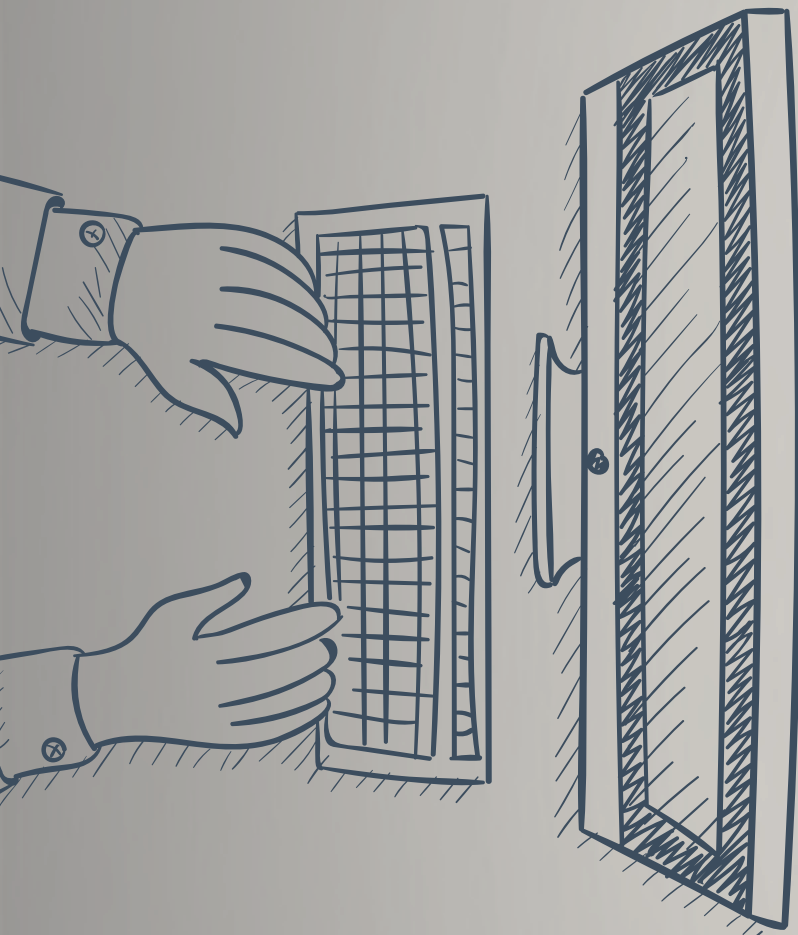


# Introduction

Despite advances in process automation, vital business processes consisting of data-driven tasks such as collecting, reviewing, and inputting information still exist in most organizations. These tasks are mundane, repetitive and... okay, boring.

IT groups struggle to respond rapidly to these high priority customer demands. Out of necessity, less urgent initiatives — even those deemed important by business groups — tend to get postponed, rescheduled, and forgotten (by everyone but the person left holding the manual process together).

Remedial tasks are performed manually, requiring individuals to log in and out of multiple systems, copying and pasting data between different sources and formats. This data must then be further researched and analyzed to make sure decisions are sound. Frankly speaking, time spent by these workers could almost always be put to better use. Aside from being mind-numbing for the person performing the work, manual tasks performed by people are also notably inefficient and inaccurate — especially when compared to the predictability of automated work processes.



*Organizations are automating, on average, only 25-40% of their workflow today.*

- Cognizant Center for the Future of Work, 2015<sup>1</sup>

<sup>1</sup> <http://www.cognizant.com/InsightsWhitepapers/the-robot-and-i-how-new-digital-technologies-are-making-smart-people-and-businesses-smarter-codex1193.pdf>



# Complete Automation Is Vital for World-Class Businesses

Global businesses are in a continual race to evolve. This is especially true for process automation, a growing category of technology solutions. With the quick pace of automation adoption, enterprises that still rely on manually performed tasks will be behind the times – the equivalent of unfolding a map while others are using GPS.



Because it allows work to be done much more quickly and accurately, automation reduces cost, improves efficiency and lays the groundwork for an improved customer experience. The bottom line is, following best practices to implement a gapless process automation solution is a milestone step in ensuring that your customers will be happier than your competition's.

*A study of 304 IT professionals by PMG IT shows that 98% of respondents view the automation of business processes as **VITAL** to driving business benefits in today's corporate environment.*

- 2014 PMG IT Survey<sup>2</sup>

<sup>2</sup> <http://www.pmg.net/portfolio-items/2014-pmg-it-automation-survey/>

# The Rise of Swivel Chair Automation

Complete process automation has been out of reach for many organizations due to a limited set of technology options. Each of these options has its own drawbacks.

In many businesses, processes consist of activities and tasks which haven't yet been automated. These tasks require a human worker to act as the conduit between several systems, moving between applications, physically keying, re-keying, copying and pasting information.

This is often referred to as “**swivel chair automation**,” bringing to mind an image of frenzied workers, spinning to and fro in their chairs, fingers a blur. Not exactly the picture of purposeful and efficient operations.







## 8 Drawbacks of Swivel Chair Automation

Below are eight ways manual completion of tasks widens the efficiency gap.



### 1. Reduced Productivity

No matter how well-skilled, employees can only work so fast; we also need a lot more food and rest than computer software. Despite complaints that may be overheard near water coolers, none of us is really able to work 24 hours a day, 7 days a week.



### 2. Diluted Customer Experience

Inefficient processes cause a ripple effect that impacts many areas of the business, especially customer service. For example, customer service reps spend an inordinate amount of time simply gathering the data they need to provide customer service.



### 3. Diminished Accuracy

Employees can be error-prone, especially when completing a large volume of work. Even an experienced worker will fluctuate in accuracy, despite their skill and best intentions.



### 4. Increased Expense

When you factor in payroll, training, facilities and benefits, you're paying a lot for what is, in many cases, a copy/paste task. Highly repetitive work siphons valuable time away from workers who could be applying their skills to more lucrative tasks.

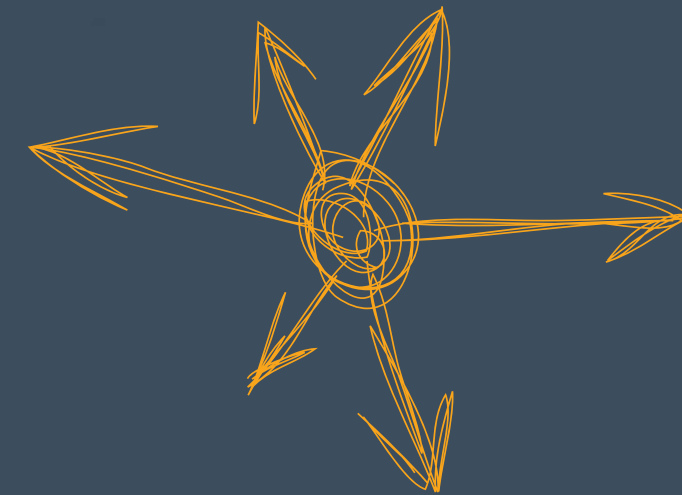


## 8 Drawbacks of Swivel Chair Automation



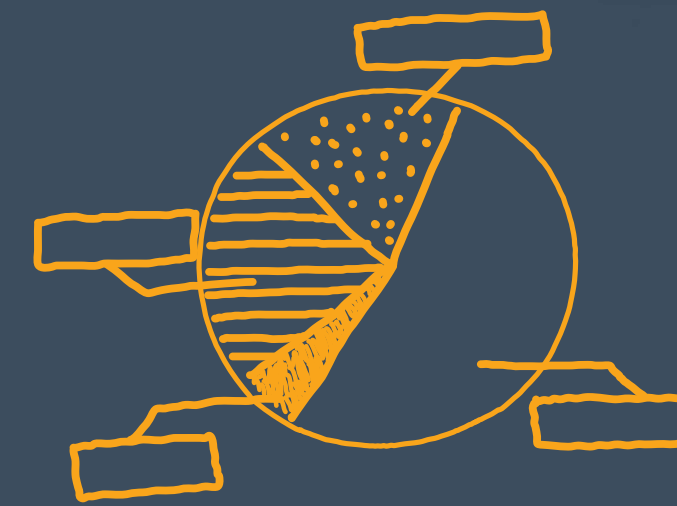
### 5. Weakened Compliance and Security

People are famously good at bending the rules, and often adopt less-than-secure shortcuts when under pressure. Even those who intend to comply with corporate policies make mistakes. Manual processes set the stage for regulatory non-compliance.



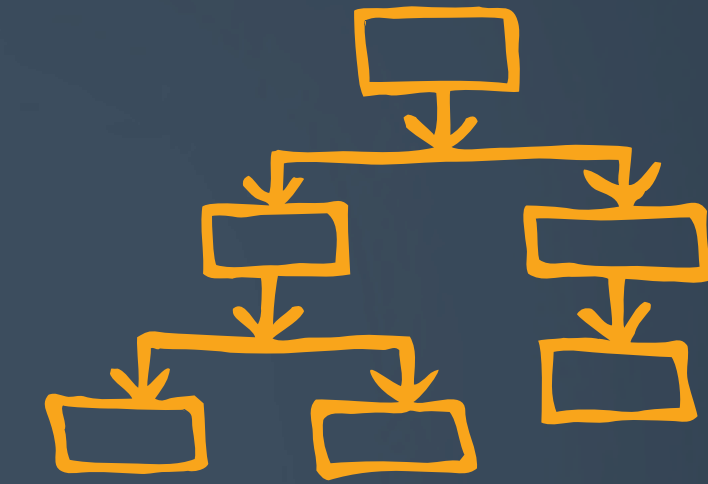
### 6. Insufficient Standardization

Each person has his or her own work style and preferences. Multiplied across dozens or hundreds of workers, reconciling these workflow variations is costly. Manual processes are highly inconsistent when it comes to standards like routing, file naming and exception handling.



### 7. Incomplete Process Visibility and Analytics

Manual processes are inconsistent and much harder to track than automated processes. Because you're not starting with 100% accurate data, insights gained from processes that involve manual task completion will be inherently flawed.



### 8. Limited Elasticity

New workers must be guided up the learning curve over time, making expansion cumbersome. When repetitive tasks depend on human workers to complete them, scaling up or down rapidly is extremely difficult, if not impossible.





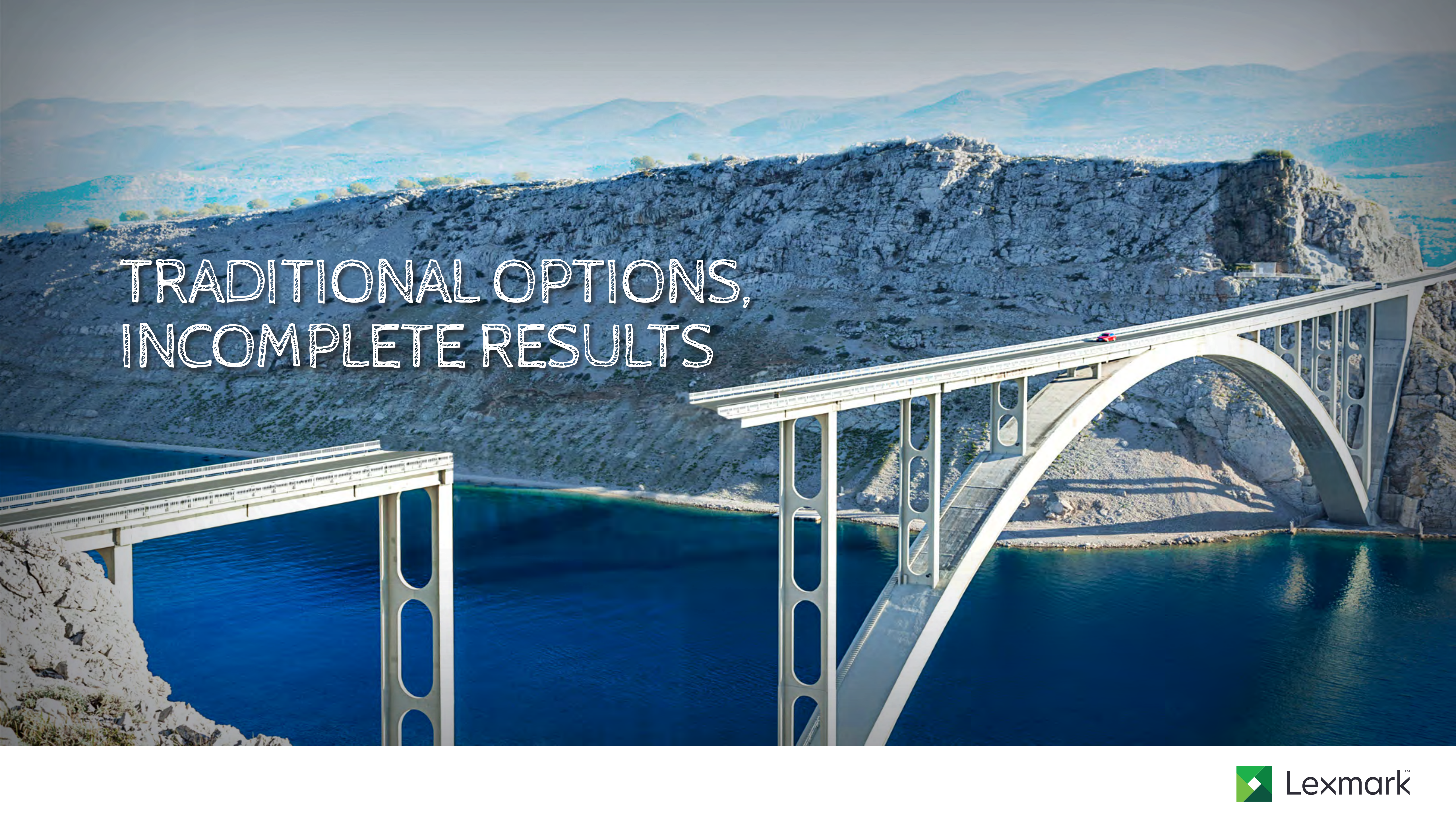
## IT and the Very Long Tail of Change

Regardless of the organization, IT always has more projects than can be accomplished within a reasonable time frame.

Although process automation projects are often driven by business groups, they still require IT involvement. Many of these projects settle near the bottom of the priority list, where they lie dormant indefinitely while other, more immediate needs are addressed.

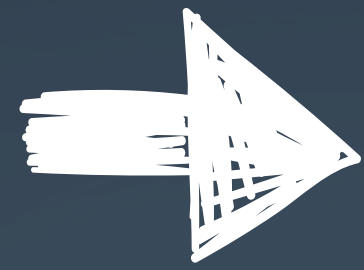
Developing custom solutions falls under the category of projects which are important, but not urgent. Because these “long tail” initiatives are easily bumped for pressing day-to-day priorities, it’s common for them to never actually get completed. When progress is made, it tends to be intermittent – resulting in a project that lacks commitment, not quite getting the internal traction it needs for success.



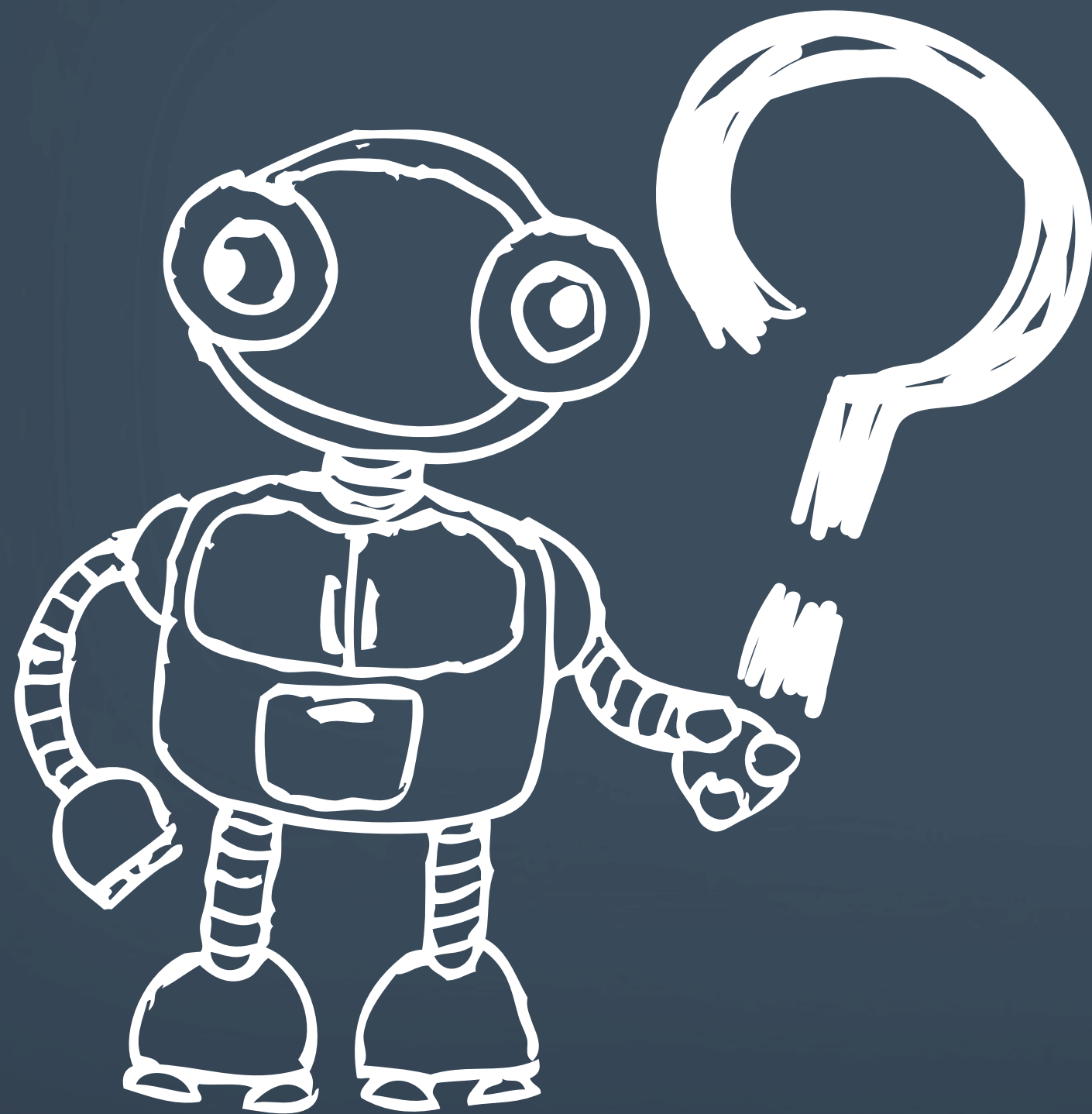


# TRADITIONAL OPTIONS, INCOMPLETE RESULTS





## A Question of Automation



Businesses that want to leverage the power of complete process automation are faced with a challenge. You may have adopted modern BPM and Case Management platforms and built service-oriented architectures to enable applications to work together. These systems acquire data from multiple sources, and enhancing and properly delivering the information requires some significant IT skills. The challenge is further compounded when dealing with automating processes that span across internal enterprise applications and external partner and customer systems, websites, online services, and so on. You get the picture.

Although you may have adopted some form of process automation already, having a fully integrated network of systems tied to processes is very rarely the case. Building a solution to connect every system and possible source of information and automating every manual task would be a headache in terms of complexity, time and budget.

To handle increasing transactions and data volumes, front and back office processes must become automated. But the ideal solution must also avoid considerable delays and development costs, if it's to be worth the effort.



# Why Custom Development Falls Short

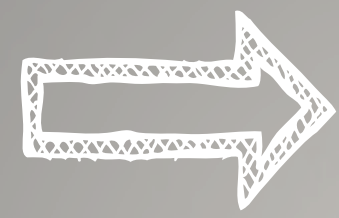
When researching software solutions to replace the tedium and waste of swivel chair automation, you may only be considering technologies which have traditionally been available to you. With a little research, you'll discover that there are now more flexible and reliable options from which to choose.

When you consider building a solution on top of technologies and tools you've already used, not all business needs may get addressed, because:

- ❗ **It's often cost- and time-prohibitive to build a solution that meets all business needs**
- ❗ **Business needs can evolve and change more rapidly than development, leaving the intended solution lagging one step behind**
- ❗ **Partners and customers won't always help to exchange data and integrate with your internal systems as you had hoped**
- ❗ **Integrating multiple applications and data sources and connecting processes is complex - sometimes seeming downright unsolvable within a specified timeframe**
- ❗ **It's especially complex to customize for interaction with legacy systems and external data sources such as websites, web portals, and online services**
- ❗ **Many internally developed solutions have challenges successfully interacting with established desktop applications such as email and Microsoft Excel**

When making a case for change, document the roadblocks encountered as you attempt to reconcile repetitive manual tasks with automated processes used in other parts of the business.





# Closing the Automation Loop: Traditional Options Q&A

Let's look at the three options traditionally considered by businesses burdened with the inefficiency of lingering manual processes:

**Q. Should we continue to have repetitive tasks performed manually, risking competitive disadvantage?**

**A.** Utilizing people to swivel between applications is no more viable long-term than to communicate using printed memos instead of email. More data is being generated than ever before, spread across applications and locations. Combined with pressure to achieve and maintain competitive edge, this explosion in data creation should make continued manual completion of repetitive tasks a last resort for your businesses.

**Q. Should we invest in redeveloping or replacing existing systems that may not be able to grow with the organization's needs anyway?**

**A.** Traditional solutions are limited and often require re-engineering - or even replacing - existing infrastructures. This approach tends to be expensive, as well as complex and slow.

**Q. Should we outsource and/or offshore repetitive tasks to a less cost-prohibitive (but potentially more error-prone) workforce?**

**A.** Although it's possible to find very reasonable pay rates when outsourcing, accuracy generally suffers. And, no matter how reasonable the labor pay rate, outsourcing can segregate important business processes, resulting in diminished visibility and potentially causing negative customer outcomes. Finally, manual processes are limited in the efficiency they can achieve. Using automation instead of outsourcing delivers greater productivity at less cost.





## A Glance at the Gaps

The way your organization addresses the completion of repetitive tasks is a key decision. It has real impact on the bottom line, especially as automation best practices evolve over time. Unfortunately, due to rapidly changing business needs, traditional technology approaches either never gain support and momentum or fall short of delivering an ideal outcome.

### Drawbacks of Manual Task Completion

- Advanced skills go unused while workers are tethered to monotonous tasks
- Human needs and schedules – including unexpected absences – must be factored in
- Not easily adaptable; cannot scale up quickly
- People are significantly more error-prone than automated solutions

### Drawbacks of Reworking Current Technology

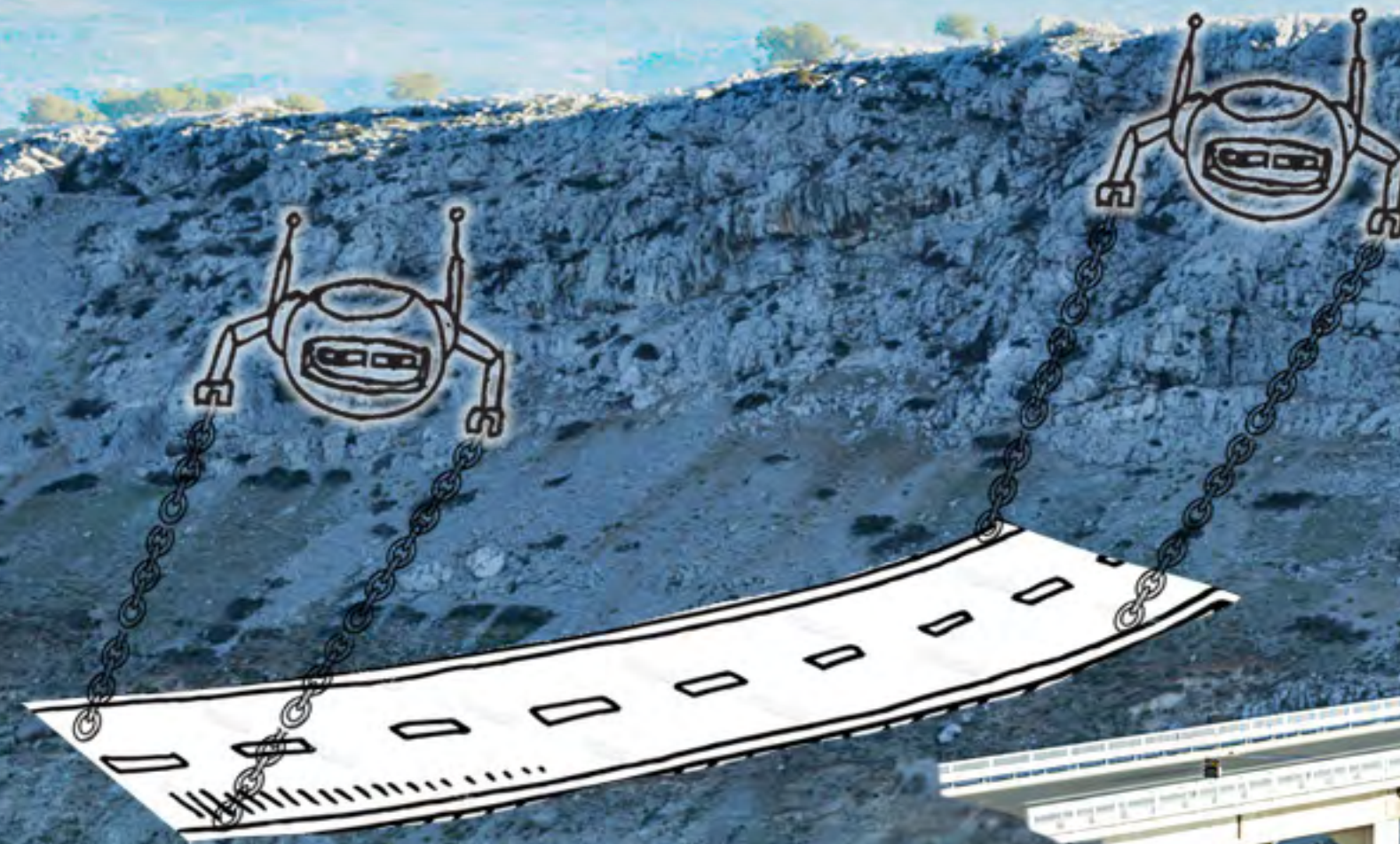
- Requires significant coding and many months of planning and development to implement
- Has difficulty extracting and integrating data from multiple systems, especially applications and external sources
- Doesn't easily handle processes which involve partners and customers directly
- Lacks true flexibility; changes require costly developers

### Drawbacks of Outsourcing or Offshoring

- Does not solve for human errors and productivity limitations
- Competitive edge erodes as other businesses adopt automation
- Visibility into day-to-day processes is often reduced, not increased

To become agile and efficient, your organization needs a combination approach – a flexible solution that embraces both the power of the core platforms as well as the innovation of new technologies.





# THE MISSING PIECE: ROBOTIC PROCESS AUTOMATION



*Robotic process automation is the application of technology that allows employees in a company to configure computer software or a “robot” to capture and interpret existing applications for processing a transaction, manipulating data, triggering responses and communicating with other digital systems.*

- The Institute for Robotic Process Automation.<sup>3</sup>

<sup>3</sup> <http://www.irpanetwork.com/what-is-robotic-process-automation/>

## What Is Robotic Process Automation?

Robotic process automation (RPA) doesn't involve physical robots who sit at desks typing and occasionally revolting against their human supervisors. No, the robots used in RPA are software robots, comprised of powerful and dynamic process flows. What do these intangible integration and automation flows do? It's simple: they mimic specific actions a person would take while working on a computer. This includes actions taken when interacting with an enterprise application, website, web portal, legacy green-screen application, email, Microsoft Excel, and more.

For example, Carl works in a credit and collections group and is responsible for researching and resolving payment collections. In order to do so, he must log in and out of external web portals and internal systems, gathering data and placing it into other systems for tracking and resolution. Robotic process automation takes the exact steps Carl takes, with results that are more reliable and free from error – so that Carl can work on more strategic tasks.

One step at a time, RPA completes the same tasks as humans within enterprise systems, in desktop applications such as Microsoft Excel and across external sources such as websites and web portals.

Because RPA sits on top of (rather than replacing) an organization's existing technology, it is both complementary to core systems and non-disruptive for day-to-day business. In short, robotic process automation solves problems that were previously unsolvable.

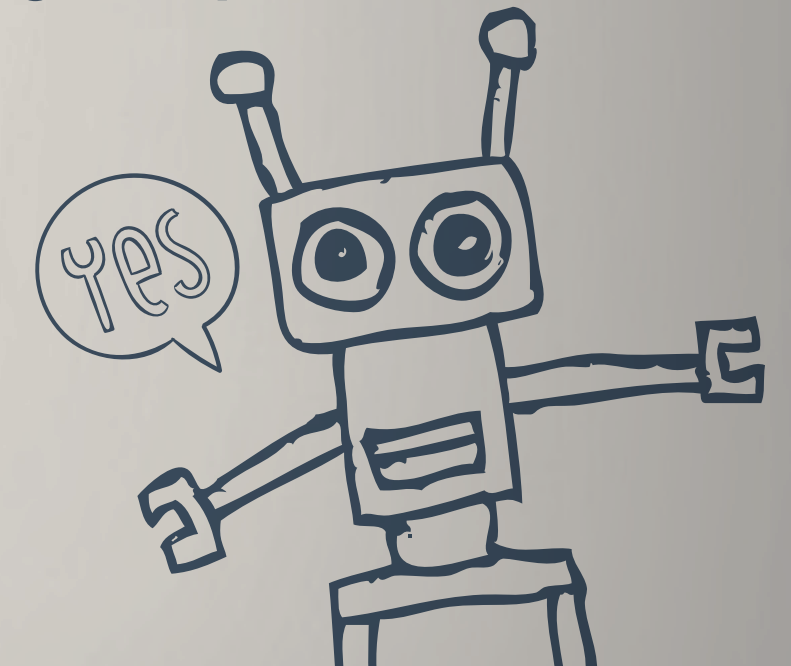


# Versatility Meets Utility: How Robotic Process Automation Is Used

RPA replaces labor-intensive, multi-step tasks across multiple systems and data sources, including:

- + Customer or employee onboarding
- + Regulatory compliance reporting
- + Order scheduling & tracking of shipments
- + Loan application opening
- + Credit collections
- + Shipment load research
- + Financial account aggregation
- + Customer service: complaint handling
- + Supply chain management
- + Insurance claims handling
- + Insurance Patient Eligibility Verification
- + Sales operations

Regardless of the industry, automating common tasks can result in considerable time and cost savings as well as an improved customer experience.

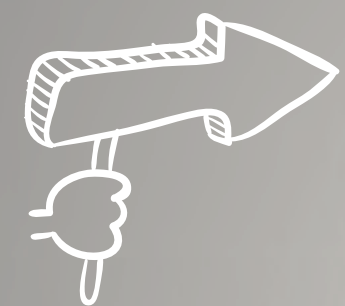


*Additional labor **productivity** from robotic process automation could equal the output of 110 million to 140 million full-time workers by 2025.*

- McKinsey, Disruptive Technologies.<sup>4</sup>

<sup>4</sup> [http://www.mckinsey.com/insights/business\\_technology/disruptive\\_technologies](http://www.mckinsey.com/insights/business_technology/disruptive_technologies)





# How RPA Complements BPM and Case Management

A leading robotic process automation solution will augment and complement your organization's Business Process Management and Case Management solutions, not replace them. To become an agile and efficient business that can get all the work done—not just part of it—your organization needs both BPM suites and robotic process automation.

With the addition of RPA, you gain true big-picture visibility into how processes connect and work together. Because data for tasks previously completed manually can be incorporated into analytics, process reports are more accurate and comprehensive. Over time, process improvements

can be made by analyzing and monitoring data in the context of that business process. A diversified approach that includes software robots, people, and existing BPM and Case Management solutions is an ideal, forward-thinking option.

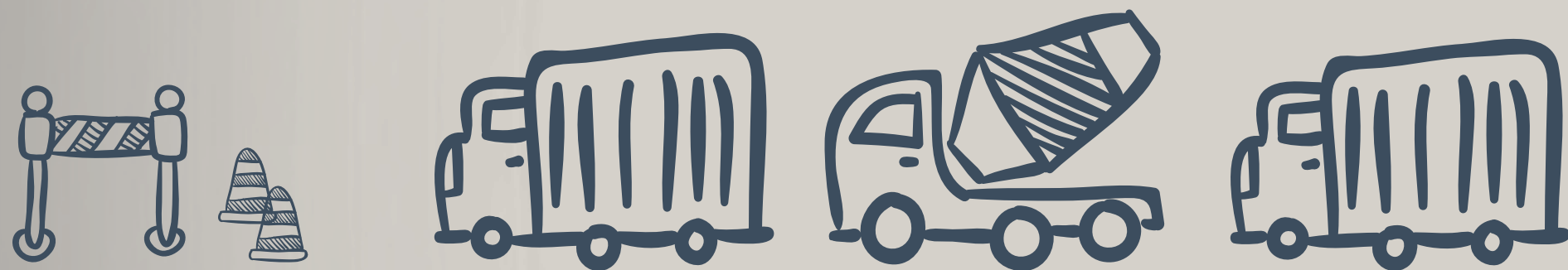




# ➡ The Proof Is in the Data: Use Cases

Robotic process automation is a key benefit for just about every enterprise business, and is an especially good fit for some industries. We've included three use cases from different industries as a guidepost to how RPA can be leveraged to fill those pressing productivity gaps.

## Transportation & Logistics



One of the largest full-truckload motor carriers in the US was having growing pains. Traditionally, when data entry wasn't getting done quickly enough, they simply added personnel. Then they discovered robotic process automation as a solution. Using RPA, they could complement existing systems for order scheduling as well as update and enter data on customer web portals. With the RPA solution in place, they could easily retrieve files and upload them to a customer's document filing system.

## Outcome



*Costs were cut by 90% and nearly 100% of less-than-truckload shipments were closed without any manual effort, allowing staff to focus on exception handling, which yielded benefits in efficiency and cash flow.*



# Healthcare Patient Eligibility



A nationwide leader in medical supply distribution through an at-home delivery service was struggling to verify health insurance eligibility for individuals calling in to their customer service center. Manual processes for verifying healthcare coverage and eligibility with hundreds of insurance companies had resulted in millions of dollars of insurance denials. With robotic process automation, the medical supply distributor now automates the retrieval of clients' coverage data from insurer web portal sites, catching potential eligibility issues early while meeting the customer response times mandated by their service level agreement.

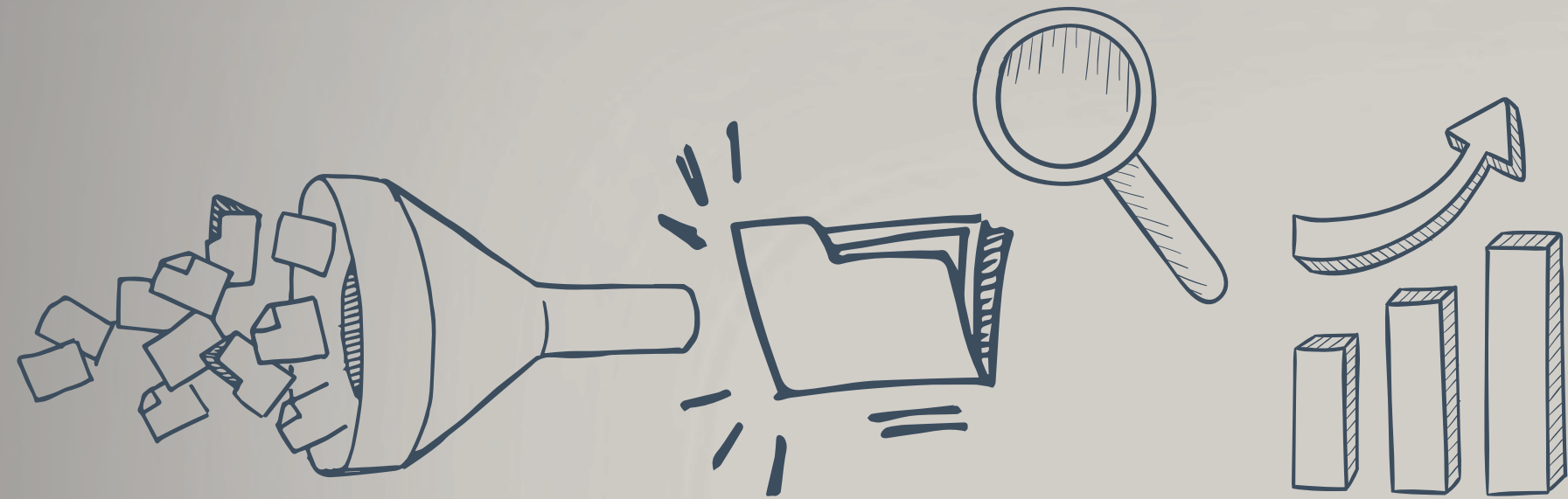
## Outcome



***Robotic process automation helped this company verify thousands of patients' insurance eligibility daily while saving \$1 million annually.***



# Loan Servicing



A student loan servicing organization with more than ten million students or student loan borrowers needed a comprehensive automation solution that could handle an enormous workload. Struggling with how to automate what was previously “out of bounds,” they looked into whether robotic process automation could complete their automation picture, including integrating with external websites and internal systems – without APIs or IT. Once the RPA solution was in place, the lender was able to automatically identify and route borrower documents as well as extract check images, reports and borrower data from banking lockbox websites.

## Outcome



*Successfully met the goals of the initiative, including integration with external websites and systems without APIs; achieved ROI in less than one year.*



# 6 Ways RPA Solves the Process Puzzle

The overarching benefit of robotic process automation is increased productivity, which means lower cost. Here are six specific benefits:

## 1. Matches the Speed of Business

Not only does robotic process automation yield near-real-time data in many instances, the no-coding approach means it's much quicker to build and deploy than traditional solutions – in days and weeks instead of months. Interfaces are generally easy to learn and most don't require a developer to deploy.

## 2. Gets Along Well with Others

A leading robotic process automation solution will complement, rather than replace, existing systems. With the ability to access data from multiple, disparate sources such as legacy, ERP and external systems, robotic process automation doesn't require re-engineering of old processes.

## 3. Flexes and Stretches with the Organization

To be successful, a robotic process automation solution must be adaptable to a variety of business needs and scalable to enterprise-size. In addition, solutions must be compliance-ready and secure, storing nothing locally.

## 4. Returns Time to a Busy Workforce

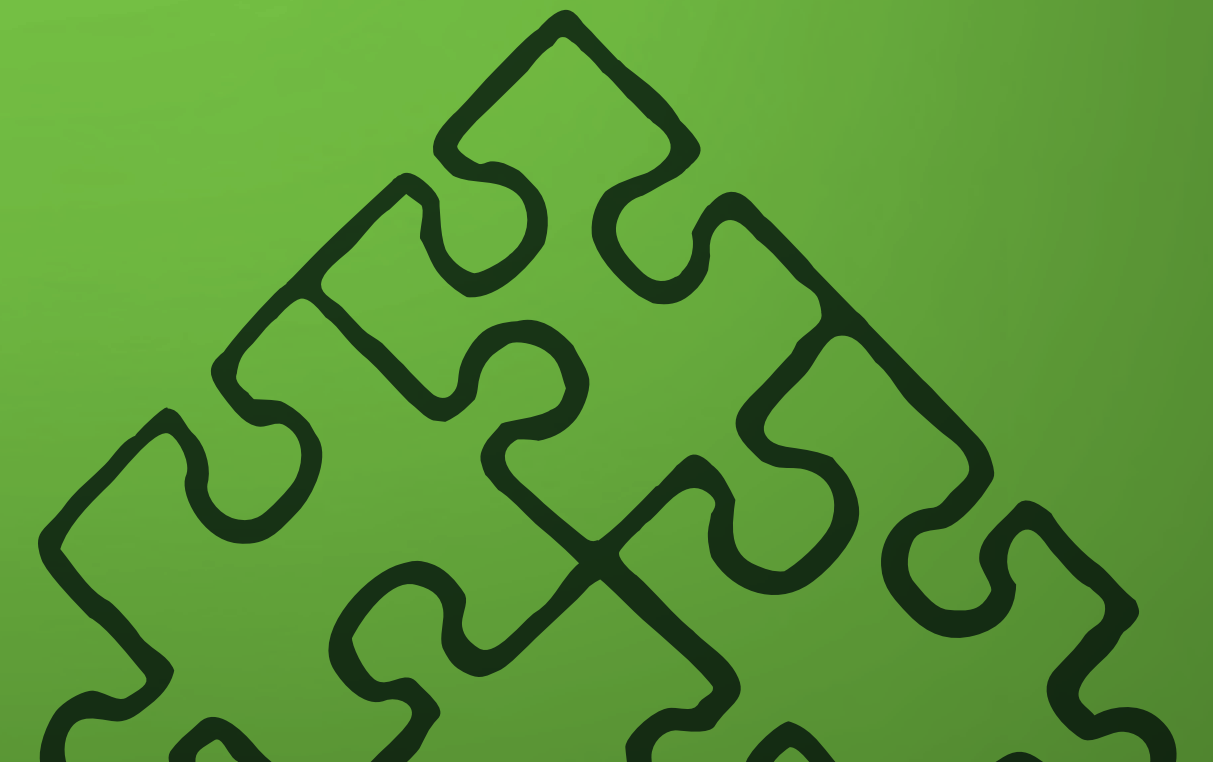
Robotic process automation releases employees from repetitive tasks so they can apply their skills to scenarios that require a human touch.

## 5. Keeps Moving 24/7

With a workday that never ends, robotic process automation maximizes the ROI available from bolstering efficiency.

## 6. Eliminates Human Errors

Automated technology eliminates human error and completes processes the same way, every time – resulting in more accurate and reliable outcomes.





# The Right Fit for RPA



Typically, an organization that would benefit from robotic process automation:



**Is customer-oriented**



**Uses processes which are highly rules-driven**



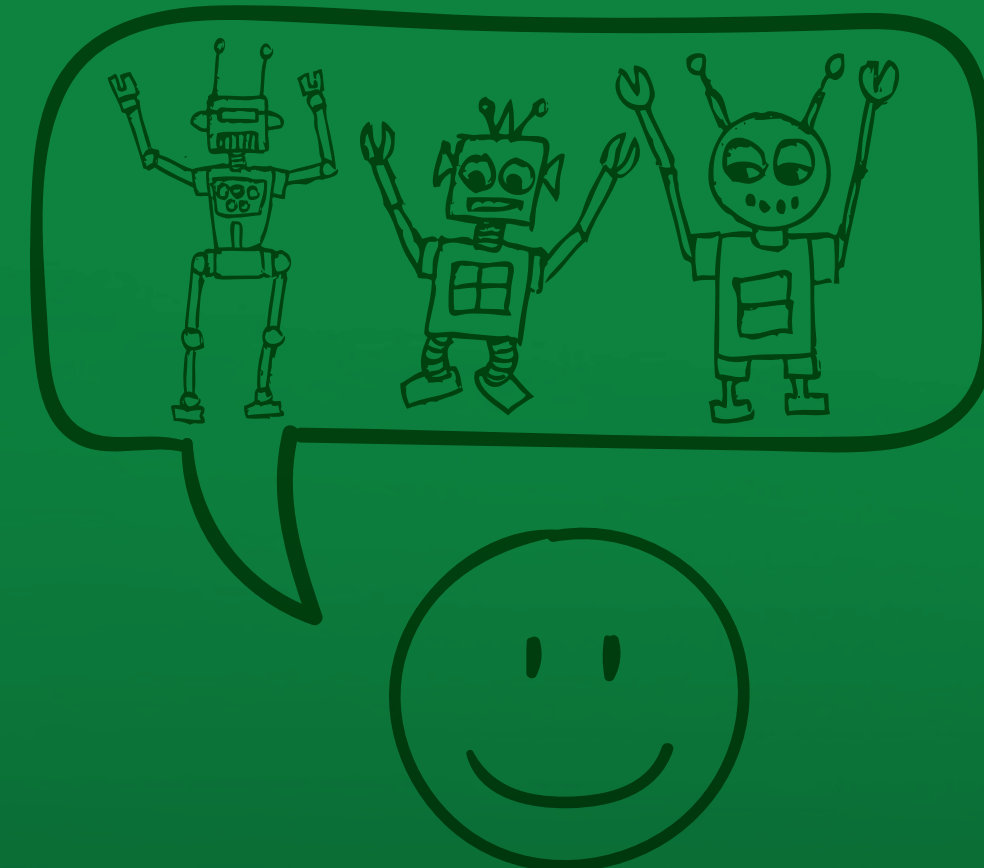
**Requires repetitive back- and front-office tasks**



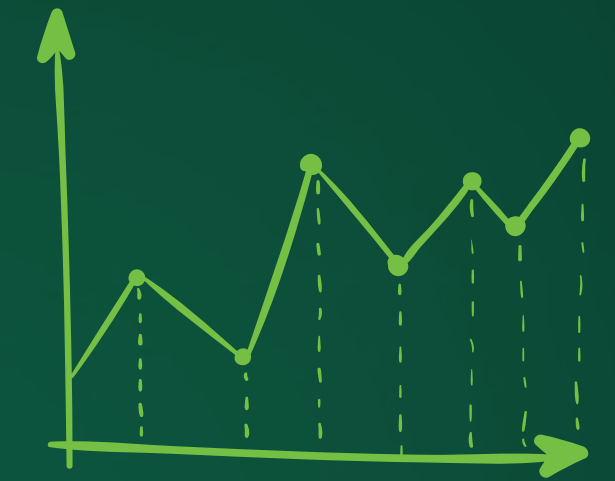
**Transacts business-to-business**



**Uses internal and external apps as well as websites, web portals, and other data sources**



# The View from a Leading Analyst



In a TechRadar™ report titled “Digitizing Operational Processes, Q2 2015,” the analyst firm Forrester posited that:



**Support for less structured and more human-centric processes will drive investment in case management and collaboration**



**Technologies built on the paper use case will experience rapid decline**



**As a tactical solution, robotic process automation delivers value quickly, offering short-term ROI**

- Forrester, TechRadar™: Digitizing Operational Processes, Q2 2015



# Filling in the Blanks: Before and After RPA



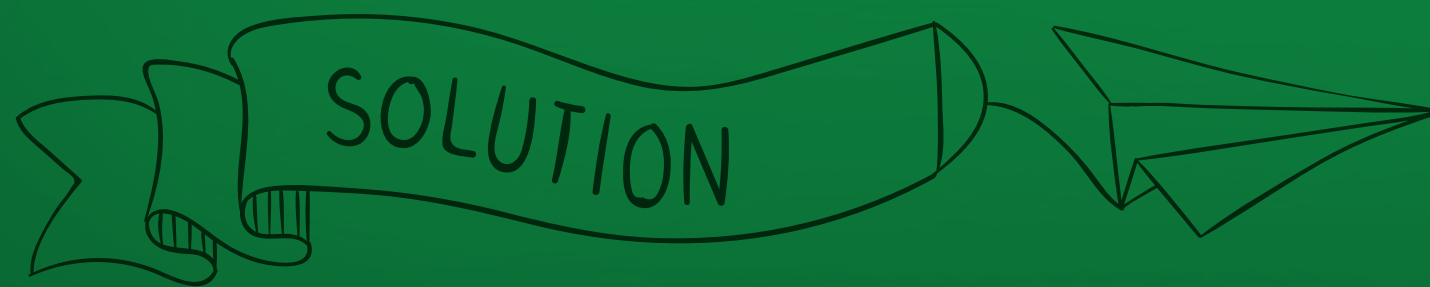
## Before Robotic Process Automation

- Data entry errors
- Manual tasks managed separately
- Individuals apply rules differently
- Not easily scalable
- Not easily repeatable
- Often requires extensive training

## After Robotic Process Automation

- Data accuracy
- Centrally managed
- Systematic; rules are applied consistently
- Easily and quickly scalable
- Easily repeatable
- Does not require extensive training

# Three Must-Haves for Your RPA Solution



If you've decided to investigate robotic process automation as a potential solution for your organization, it can be helpful to consider factors which may influence your decision. For example, make sure your robotic process automation solution:

- 1 Doesn't require coding or developers
- 2 Is scalable and flexible
- 3 Can extract and use data from multiple sources - especially websites, web portals, and web apps





## Additional Resources

**Learn more about how robotic process automation can benefit your organization:**

- Kofax Kapow: Robotic Process Automation
- Creating a Best-In-Class Customer Experience with Innovative Integration and Automation Solutions
- Transforming Trinity Logistics with Back-Office Automation
- Arrow Lets the Data Flow with Automated Procurement Processes





## Match Tasks to Talent with Robotic Process Automation

The faster rate of business and demand for a faster rate of change can only be addressed by considering innovative new options like robotic process automation. Otherwise, business agility will be limited by, rather than liberated by, human interaction.

To succeed, businesses need a mixed solution: the insight and nuanced decisioning that comes from skilled employees as well as the efficiency and accuracy that the right robotic process automation solution delivers.

*Fifty percent of more than 500 surveyed see automation as delivering a positive impact on processes in three to five years.*

- Cognizant Center for the Future of Work, 2015<sup>5</sup>

<sup>5</sup> <http://www.cognizant.com/InsightsWhitepapers/the-robot-and-I-how-new-digital-technologies-are-making-smart-people-and-businesses-smarter-codex1193.pdf>





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