

BPO's next wave of Robotic Process Automation

a **virtual workforce** unlocking value...



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Across industry, robots have revolutionized the way companies operate. Most famously that happened in a manufacturing context with the robotic vehicle assembly lines. Now, though, the next wave of Robotic Process Automation (RPA) is hitting the back office.

In the manufacturing world physical "robots" replaced human workers doing repetitive tasks; in the back office environment, software automation replaces many of the repetitive tasks delivered by BPO services. For example tasks that involve people moving data, checking, validating, aggregating and re-keying can be simply automated step by step.

Mature BPO providers have, of course, been automating back office processes for some time. However the ever-increasing sophistication, and consequent application, of RPA in the BPO domain is now swelling a virtual workforce as never before. The new wave of RPA can so dramatically increase the capacity to do work, in such a cost effective manner and with such a heightened level of accuracy, that labor intensive back office functions are being 'picked up' by rapidly advancing RPA technologies.

How RPA makes 'Big IT' smaller

Used correctly, RPA can dramatically shorten the 'long tail' of inefficiency which routinely builds up on the edges of ERP and back office systems. Whatever the industry or service there will always be significant challenges that the ERP system cannot solve demanding a manual workaround or point solution. Each one is small in itself but when aggregated together they can translate into massive costs.

RPA can solve such challenges in a cost effective manner, without the risk of interfering with the main 'Big IT' systems. In effect, making large ERP investments more useful to the business. For our BPO clients it unlocks the value in their existing ERPs, which is a key contributor to achieving world class outcomes that drive value into the organizations we work with.

It is important, though, to automate the right thing. For example, if an unnecessary process step can be eliminated, it should be done before automating. The robotic technology is then helping to streamline the business as well as taking out cost. Transformational BPO looks at the whole process, in detail and through a technology lens. It applies best practices to standardize and automate the end-to-end process, whether that is finance, supply chain, procurement or any other function.

Where it is most effective..

A classic candidate for RPA would be one where three key characteristics are fulfilled, normally within an end-to-end process that crosses multiple applications:

1. That the actions are consistent, with the same step being performed repeatedly;
2. That it is template driven, with data being entered into specific fields in a repetitive manner;
3. That it is rules-based, to allow decision flows to alter dynamically.

In such situations the employee sits in the middle, having oversight for the robotic performance without wasting time on the manual tasks involved.

On the ground the need can be anywhere in the organization, and Capgemini has used RPA solutions to unlock value for a host of multinational organizations in a wide range of areas that include:

- Data entry and validation
- File and data manipulation
- Automated formatting
- Multi-format message creation
- UI manipulation
- Web scraping
- Text mining
- Uploading and exporting
- Downloading and importing
- Workflow acceleration
- Currency/Exchange rate processing
- Reconciliations

What we are seeing in the marketplace is that, although the appetite exists to streamline the process, often the funding does not. So the robots remain, silently delivering value while the transformation debate rages around them.

Employees will develop into "uber administrators" whose role is to manage the decisions, deal with exceptions and provide oversight of far more than is now conceivably handled by a single resource.

The exception-based culture will reach a point where technology is driving end to end completion in an entirely automated way – exceptions will simply be fed into an environment that pushes it to the right person. In other words, with the right rules the technology will begin to focus on delivering business outcomes.

And why it is a low cost ‘Quick Fix’ for business..

RPA can sit ‘in front of’ the application estate as it currently exists. No need for complex and costly integration, and no danger of unintended technology consequences, such as those that bedevil complex projects to modernize, integrate or fix a client’s application estate.

A typical scenario in today’s commercial environment is a CIO request for an SAP upgrade that cannot be funded. Rather than simply leave the business hamstrung by the inefficiencies, a BPO provider can offer ‘non-invasive surgery’ at a fraction of the upgrade cost. For example, a sub optimal SAP process with an overly complex user interface can be carried out with RPA technology, giving the organization better performance with fewer Full Time Employees (FTEs) - and fewer mistakes.

Clearly this answers a need, without solving the fundamental issue, which is that the illogical process requires re-modeling. Therefore the parallel stream of work, where funding exists, is to remove the broken processes, and so turn those robots off. What we are seeing in the marketplace, though, is that although the appetite exists to streamline the process the funding doesn’t. The robots remain, silently delivering value while the transformation debate rages around them.

But come the revolution....

In the short to mid-term RPA is an increasingly sophisticated execution tool. It enables existing processes to be carried out faster and with fewer mistakes. Even at this level it helps to de-emphasize the importance of labor arbitrage in the office environment, because labor is no longer all that’s on the table.

Mechanistic work can and will be done by RPA which can continue to apply rules, however complex those rules become. RPA is taking more and more of the table space from traditionally manual tasks, such as when an employee needs to create a spreadsheet to get ‘outside’ the ERP system when carrying out a process step. The levels of sophistication will continue to grow, both through discovery of new ways of employing the RPA technology as well as improvements in the tools themselves. Right now we are abstracting the software robots away from physical desktops and adding levels of analytics that allow monitoring of every action they perform.

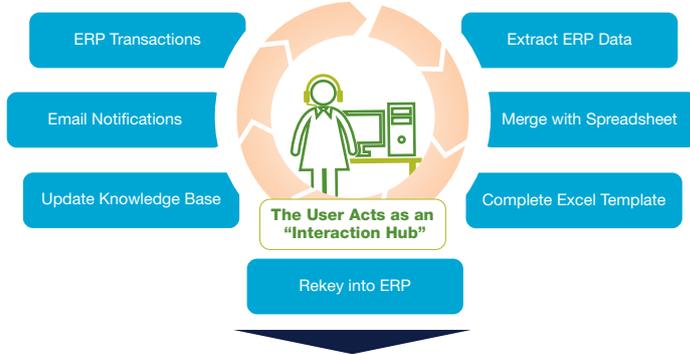
The exception becomes the rule

Below we show a very common set of activities which can be replaced with software robots providing point automations for key tasks. These are then strung together (orchestrated) by a controlling entity that replaces the user as the “interaction hub”. It feeds out requests for human intervention when a decision point is reached or when an exception is experienced. Employees develop into “uber administrators” whose role is to manage the decisions, deal with exceptions and provide oversight of far more than they could manage as individuals responsible for delivering the processes. The net result is increased throughput, improved accuracy, and improved control with the human labor delivering more for less and at a higher level of value.

RPA is therefore an increasingly important part of the recipe for straight through processing, managed by exception. The exception-based culture will reach a point where technology is driving end-to-end completion in an entirely automated way – exceptions will simply be fed into an environment that pushes it to the right person. In other words, with the right rules the technology will begin to focus on delivering business outcomes.

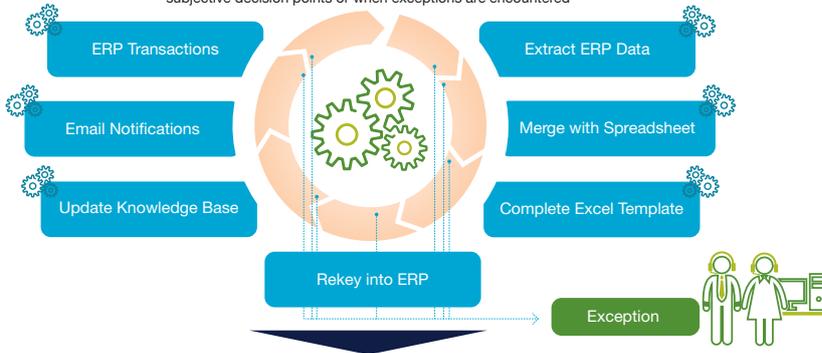
Common Scenario - Limited Automation

Each step is a discrete piece of work where much of the activity is repetitive



Advanced Scenario - Robotic Automation

Software "Robots" replace Human Interactions only calling out to a user at subjective decision points or when exceptions are encountered



Enterprise Robotic Automation

The robot "team" sends all requests for decision and exceptions to the "uber administrators"



Those sophisticated systems will then see RPA becoming a crucial element of how organizations address, in a cost effective manner, inefficiencies of their corporate applications, delivering automation benefits while the estate is evolving. RPA itself will then grow and evolve into more subjective areas, becoming more autonomous and blending with artificial intelligence and more cognitive technologies.

Capgemini continues to invest and apply advanced tools to augment our BPO activities and harness the fast-improving technology to continue driving better outcomes for our clients.



About Capgemini

Capgemini is a recognized global leader in the provision of Business Process Outsourcing (BPO) solutions and services. We collaborate with some of the world's largest multinational companies, helping them transform their business processes and accelerate business outcomes in the areas of Finance & Accounting, Supply Chain Management & Procurement, Customer Operations Management, and Human Resources. Capgemini leverages the strength of its proprietary Global Enterprise Model (GEM) to deliver powerful analytics-driven BPO solutions tailored to each client's individual needs. As part of Capgemini's Rightshore® delivery network, a team of over 16,700 BPO professionals provides services to more than 100 globally diverse clients in 38 languages, 24 hours a day, seven days a week. This is done from an integrated global network of delivery centers in Australia, Brazil, Canada, Chile, China, France, Germany, Guatemala, India, the Netherlands, Poland, Sweden and the United States.

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