Quick Wins in Cost Efficiency?

RPA for SMEs

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EY
Building a better
working world

Robotics Process Automation (RPA) defined

RPA delivers repetitive process executions and data handling that humans do across legacy, desktop and web applications, but without the humans and at a fraction of the cost.

Robots and People – a powerful combination
- ▶ Robots deliver repetitive, deterministic, high-volume tasks efficiently
- ▶ People build relationships, provide subjective judgement, deliver low-frequency exception tasks, and manage change and improvement

RPA Key Features

Robots are a virtual workforce **controlled by the business**	They sit alongside existing infrastructure, which is **governed and supported by IT**
Processes can be **automated by business users** with very little IT knowledge	Robots automate as-is, with **no changes required to existing systems or processes**
Robots automate **low value or repetitive tasks** where humans add little or no value	Processes are executed with a **full audit log**, in a **centrally monitored secure** environment

Quantifiable benefits of implementing RPA

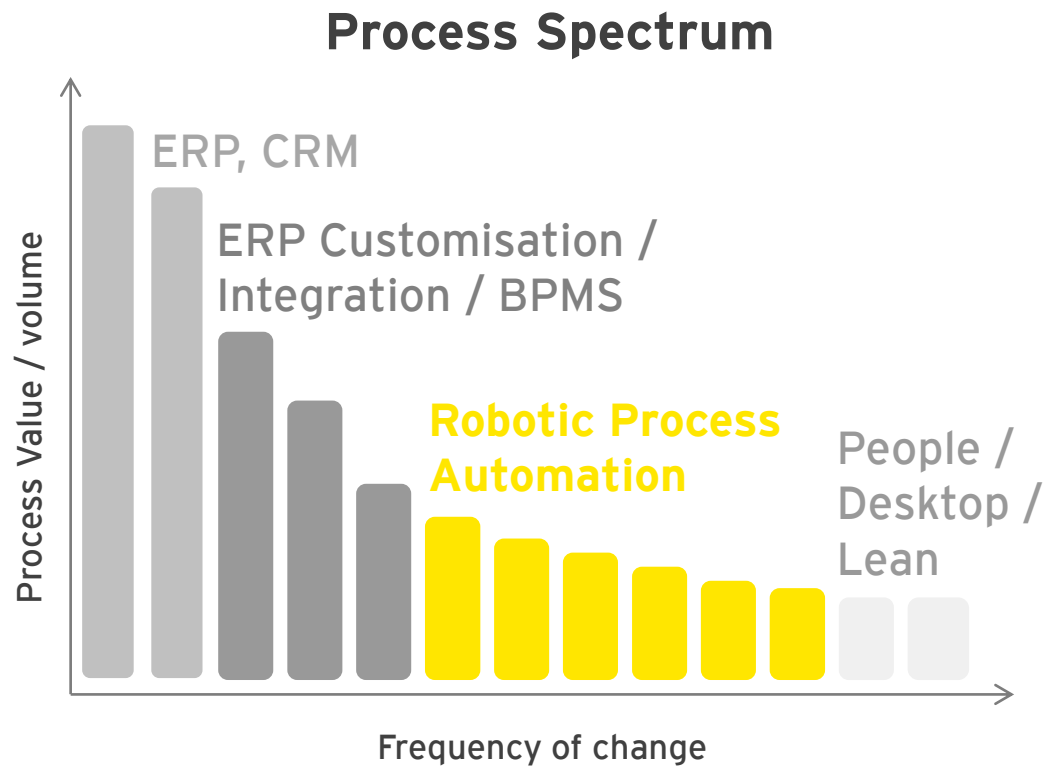|	
A robot is a fraction of FTE	RPA works with the existing IT landscape
An unattended automated solution that works 24/7, without complaint	Robots can be trained by existing business users
Double-digit reduction in error rates—robots never forget their training	Speed and accuracy of process execution improves significantly

Delivering tangible results fast

10-25% Cost Reduction

3-6 weeks POC delivery

3-4 months Project deployment

<12 months Payback

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Where does RPA fit in the landscape?

Process Spectrum

Process Value / volume

- ERP, CRM
- ERP Customisation / Integration / BPMS
- **Robotic Process Automation**
- People / Desktop / Lean

Frequency of change

Key areas of benefit from Robotic Process Automation:

► Multi-system / legacy system processes

► Processes which evolve regularly (e.g. monthly / quarterly)

► Processes linked to future roadmap states more that 6 months out

► Urgent regulatory or priority change

► Processes involving Excel, Access, PDF tools, or production of PDF reports

► "Test and Learn" approach to new propositions or requirements

Business agility and pace is key to maximising benefit

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Key benefits of RPA

Key benefits of RPA	Examples
Savings in human efforts	▶ Reduce people expense by automating frequent manual repetitive tasks, improving exception handling and moving work to best location
Increased value-add talent	▶ Improve knowledge worker value-add by increasing focus on highest return activities (ie, time dividend, focus on high value/core competencies - Innovation; Customer analytics; Competitor analysis; Product origination) and improve their satisfaction/retention by eliminating dull routines
Increased agility for transformation	▶ Enable quick wins and rapid value realization to expand margins or generate funding for existing or new initiatives (e.g. Lean, BPR, implementations, process improvement)
Reduced errors (for automated process steps)	▶ Improve auditability (every step could be logged), consistency, and control over error-prone manual activities that elevate risk, non-compliance, financial or reputational harm
Increase in speed of delivery	▶ Reduce end-to-end time to handle peak periods, meet deadlines, and smooth post-M&A integration by virtually connecting disparate systems and data sources
Customer satisfaction/ advocacy	▶ Delighting the customer with differentiated and enhanced servicing and journey experiences, therefore improving retention and satisfaction

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Unlocking the full value of RPA

CANDIDATE AREAS FOR RPA

- ✓ Data intensive
- ✓ Repetitive in nature
- ✓ Rule-driven
- ✓ Electronic trigger to the process
- ✓ Have electronic start points and end points
- ✓ Involves manual calculation

- ✓ High error rates
- ✓ Sensitive content
- ✓ Can be performed out of office hours
- ✓ Complex IT landscape
- ✓ Predictable inputs and outputs

RPA APPLICATION

IT services
- ► Installation
- ► FTP download, upload and backup
- ► Server application and monitoring
- ► Synchronizing, deleting and emptying folders
- ► File management
- ► Email processing
- ► Batch processing
- ► ...

HR services
- ► Payroll
- ► Benefits admin
- ► Pay slip management
- ► Time and attendance management
- ► Recruiting process
- ► Onboarding
- ► Education and training
- ► Compliance reporting
- ► ...

Supply chain
- ► Work order management
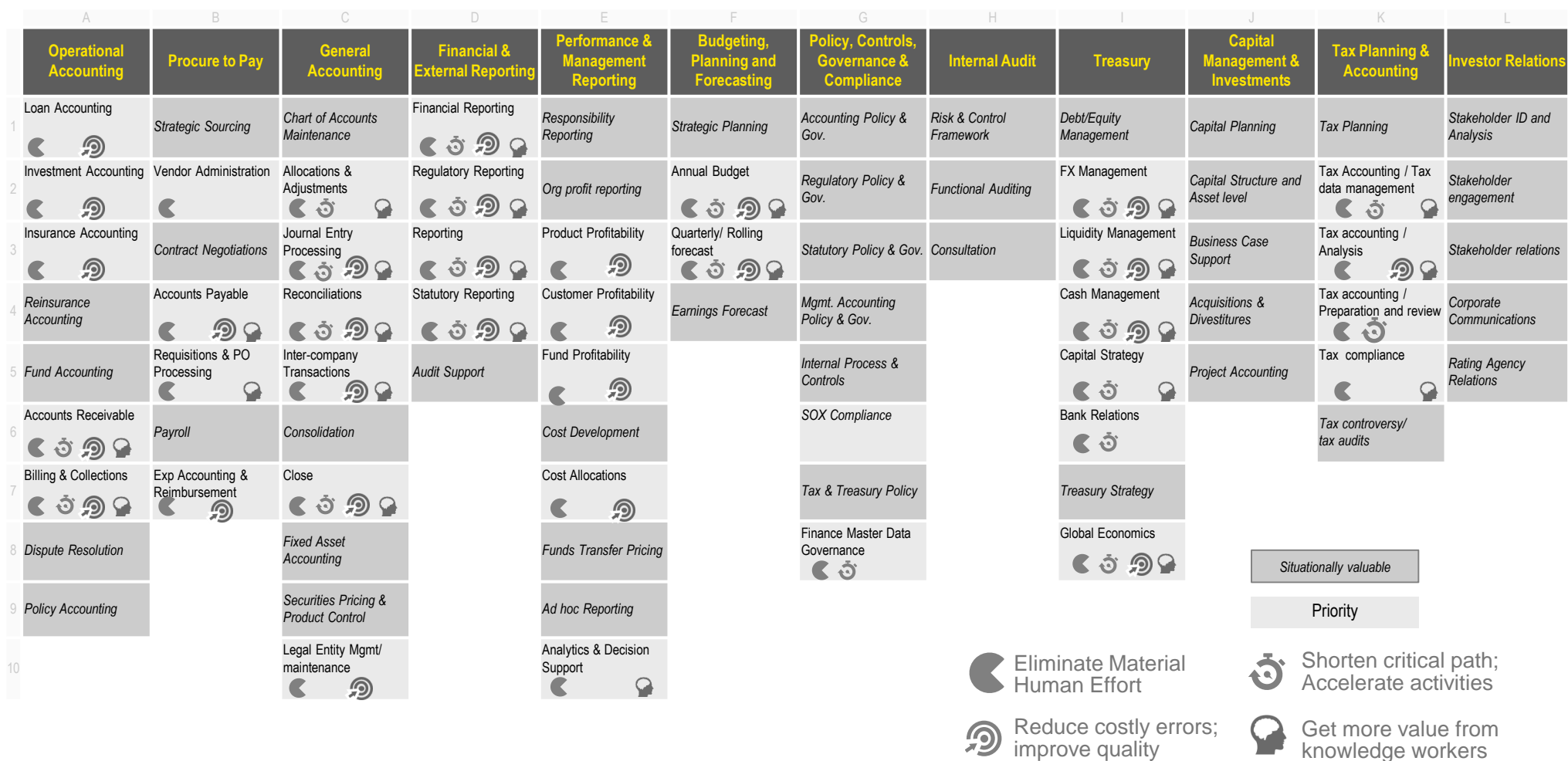- ► Demand and supply planning
- ► Quote, invoice and contract management
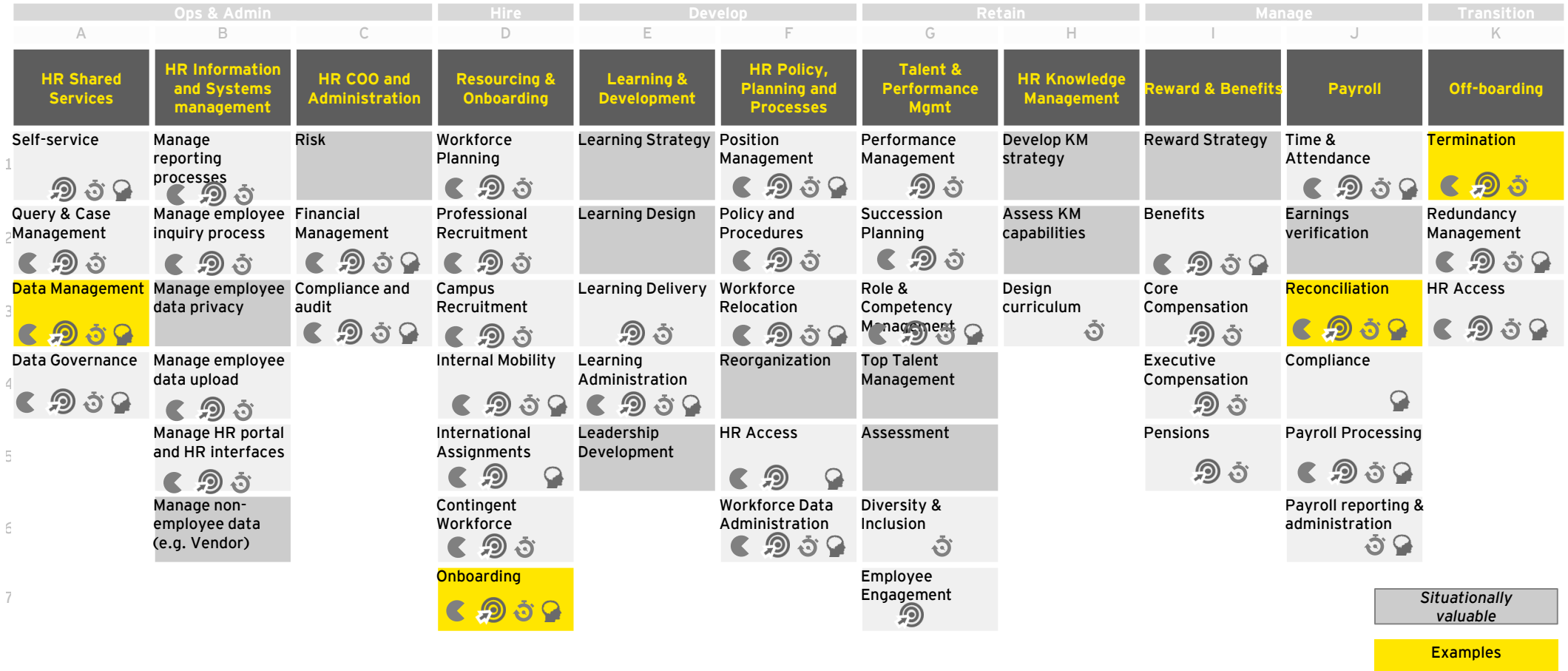- ► Returns processing
- ► Freight management
- ► ...

F&A
- ► Sales order
- ► Order to cash
- ► Collection
- ► Procure to pay
- ► Incentive claim
- ► Record to report
- ► Supply chain vendor setup
- ► Trend tracking
- ► ...

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Example of Finance robotics opportunity heat map

	A	B	C	D	E	F	G	H	I	J	K	L
	Operational Accounting	**Procure to Pay**	**General Accounting**	**Financial & External Reporting**	**Performance & Management Reporting**	**Budgeting, Planning and Forecasting**	**Policy, Controls, Governance & Compliance**	**Internal Audit**	**Treasury**	**Capital Management & Investments**	**Tax Planning & Accounting**	**Investor Relations**
1	Loan Accounting	Strategic Sourcing	Chart of Accounts Maintenance	Financial Reporting	Responsibility Reporting	Strategic Planning	Accounting Policy & Gov.	Risk & Control Framework	Debt/Equity Management	Capital Planning	Tax Planning	Stakeholder ID and Analysis
2	Investment Accounting	Vendor Administration	Allocations & Adjustments	Regulatory Reporting	Org profit reporting	Annual Budget	Regulatory Policy & Gov.	Functional Auditing	FX Management	Capital Structure and Asset level	Tax Accounting / Tax data management	Stakeholder engagement
3	Insurance Accounting	Contract Negotiations	Journal Entry Processing	Reporting	Product Profitability	Quarterly/ Rolling forecast	Statutory Policy & Gov.	Consultation	Liquidity Management	Business Case Support	Tax accounting / Analysis	Stakeholder relations
4	Reinsurance Accounting	Accounts Payable	Reconciliations	Statutory Reporting	Customer Profitability	Earnings Forecast	Mgmt. Accounting Policy & Gov.		Cash Management	Acquisitions & Divestitures	Tax accounting / Preparation and review	Corporate Communications
5	Fund Accounting	Requisitions & PO Processing	Inter-company Transactions	Audit Support	Fund Profitability		Internal Process & Controls		Capital Strategy	Project Accounting	Tax compliance	Rating Agency Relations
6	Accounts Receivable	Payroll	Consolidation		Cost Development		SOX Compliance		Bank Relations		Tax controversy/ tax audits	
7	Billing & Collections	Exp Accounting & Reimbursement	Close		Cost Allocations		Tax & Treasury Policy		Treasury Strategy			
8	Dispute Resolution		Fixed Asset Accounting		Funds Transfer Pricing		Finance Master Data Governance		Global Economics			
9	Policy Accounting		Securities Pricing & Product Control		Ad hoc Reporting							
10			Legal Entity Mgmt/ maintenance		Analytics & Decision Support							

Situationally valuable

Priority

Eliminate Material Human Effort

Shorten critical path; Accelerate activities

Reduce costly errors; improve quality

Get more value from knowledge workers

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Example of Human resources robotics opportunity heat map

	Ops & Admin			Hire	Develop		Retain		Manage		Transition
	A	B	C	D	E	F	G	H	I	J	K
	HR Shared Services	**HR Information and Systems management**	**HR COO and Administration**	**Resourcing & Onboarding**	**Learning & Development**	**HR Policy, Planning and Processes**	**Talent & Performance Mgmt**	**HR Knowledge Management**	**Reward & Benefits**	**Payroll**	**Off-boarding**
1	Self-service	Manage reporting processes	Risk	Workforce Planning	Learning Strategy	Position Management	Performance Management	Develop KM strategy	Reward Strategy	Time & Attendance	Termination
2	Query & Case Management	Manage employee inquiry process	Financial Management	Professional Recruitment	Learning Design	Policy and Procedures	Succession Planning	Assess KM capabilities	Benefits	Earnings verification	Redundancy Management
3	Data Management	Manage employee data privacy	Compliance and audit	Campus Recruitment	Learning Delivery	Workforce Relocation	Role & Competency Management	Design curriculum	Core Compensation	Reconciliation	HR Access
4	Data Governance	Manage employee data upload		Internal Mobility	Learning Administration	Reorganization	Top Talent Management		Executive Compensation	Compliance	
5		Manage HR portal and HR interfaces		International Assignments	Leadership Development	HR Access	Assessment		Pensions	Payroll Processing	
6		Manage non-employee data (e.g. Vendor)		Contingent Workforce		Workforce Data Administration	Diversity & Inclusion			Payroll reporting & administration	
7				Onboarding			Employee Engagement				

Situationally valuable

Examples

- ◖ Eliminate Material Human Effort
- ⏱ Capacity and critical path
- ◉ Reduce costly errors; improve quality
- 🙎 Refocus knowledge workers for greater value

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Ways to start with robotics in the human resources

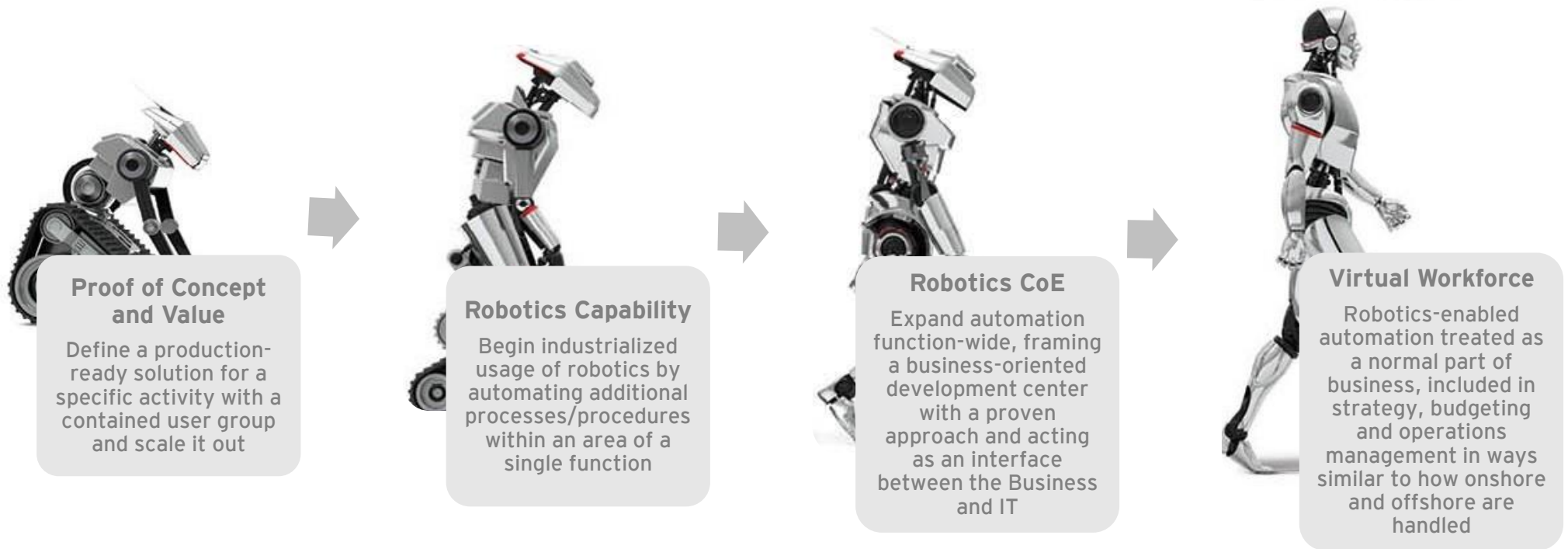| HR Process	Illustrative Use Case
Data Management	**Automate management of business and people requests:** ▶ Processing of multiple person, job data and position management administration requests across multiple systems in multiple formats (e.g. ESS, MSS, smart forms etc) ▶ Builds confidence in data accuracy, ensuring managers and employees own their person data **Remove processing delays:** ▶ Manager and employee requests acted upon in real time therefore approvals are raised with immediate effect and system changes are made in real time, removing delays for users requiring data changes in place
Onboarding	**Assess, prepare and create new joiner data:** ▶ Identify and review new joiner documentations, validate approvals and update system or tracker ▶ Update new joiner person, job and organization data in core HR systems to create person ID **Streamline information across disparate corporate systems for preparation on Day 1:** ▶ Trigger notifications to internal departments including IT, security and Payroll to initiate laptop requests, building access, payroll validation, line manager and third parties to commence background screening
Payroll Reconciliation	**Conduct standard payroll processing activities:** ▶ Confirm that earning and deduction files are complete and request additional information for any incomplete files ▶ Import earnings and deductions batch files into payroll system and initiate and review gross-to-net calculations ▶ Review prior period reports for exceptions and escalate exceptions to designated reviewer ▶ Close payroll and notify Treasury/Accounting & generate trial GL entries
Termination	**Consolidate leaver input from business areas and feed to downstream systems:** ▶ Identify and synchronize data from various business units, accounting for variances (e.g. email notifications, online forms, self-service) ▶ Update to leaver person, job and organization data in core HR systems, enabling notifications to line manager, payroll ▶ Accelerated notification to security to remove corporate access to internal systems

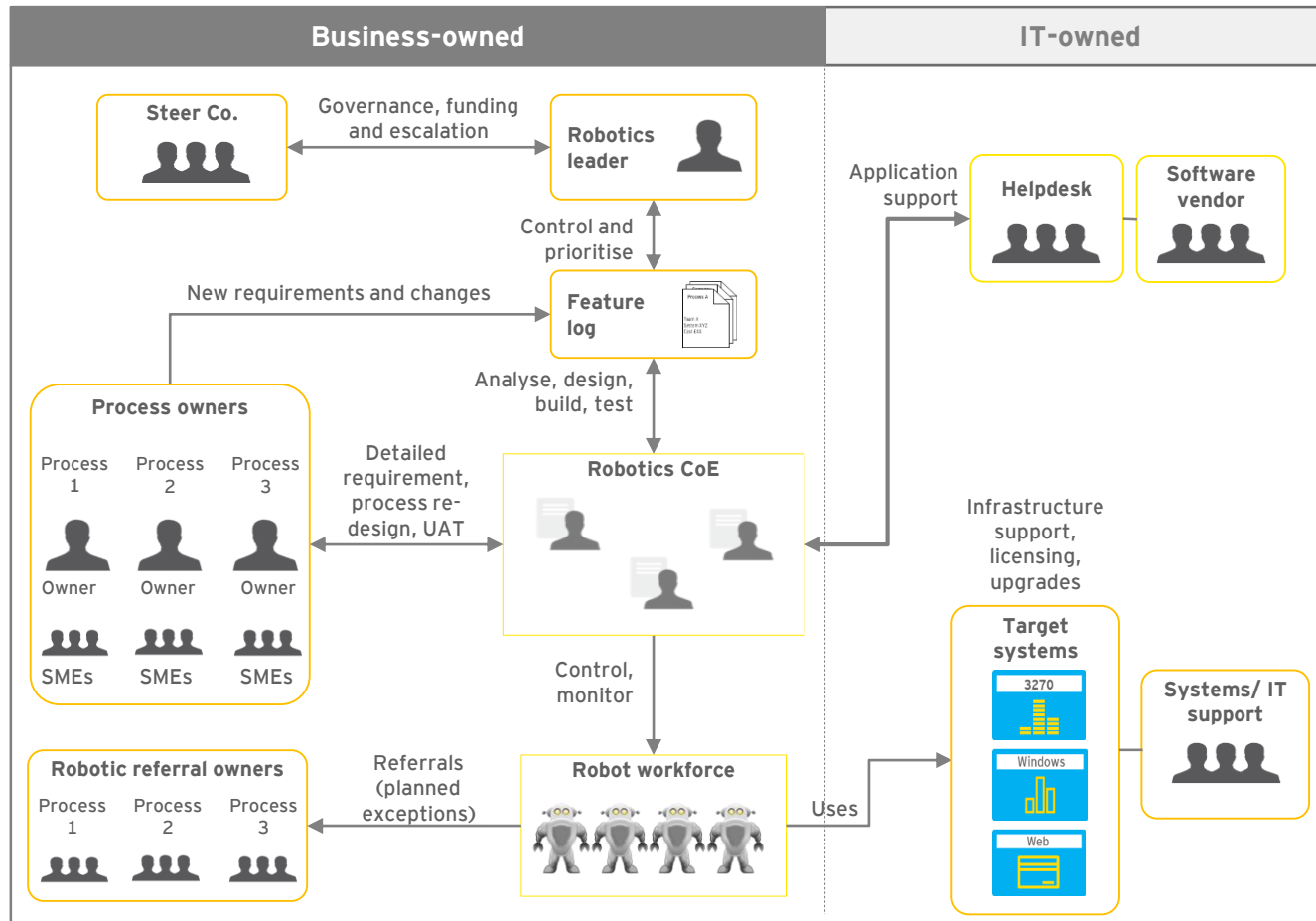Eliminate Material Human Effort

Capacity and critical path

Reduce costly errors; improve quality

Refocus knowledge workers for greater value

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Robotic Process Automation adoption is a multi-staged journey

Proof of Concept and Value
Define a production-ready solution for a specific activity with a contained user group and scale it out

Robotics Capability
Begin industrialized usage of robotics by automating additional processes/procedures within an area of a single function

Robotics CoE
Expand automation function-wide, framing a business-oriented development center with a proven approach and acting as an interface between the Business and IT

Virtual Workforce
Robotics-enabled automation treated as a normal part of business, included in strategy, budgeting and operations management in ways similar to how onshore and offshore are handled

COE Target Operating Model example

Business-owned	IT-owned

Steer Co.

Governance, funding and escalation

Robotics leader

Control and prioritise

New requirements and changes

Feature log

Analyse, design, build, test

Process owners

Process 1 — Owner — SMEs
Process 2 — Owner — SMEs
Process 3 — Owner — SMEs

Detailed requirement, process re-design, UAT

Robotics CoE

Control, monitor

Robotic referral owners

Process 1
Process 2
Process 3

Referrals (planned exceptions)

Robot workforce

Uses

Application support

Helpdesk

Software vendor

Infrastructure support, licensing, upgrades

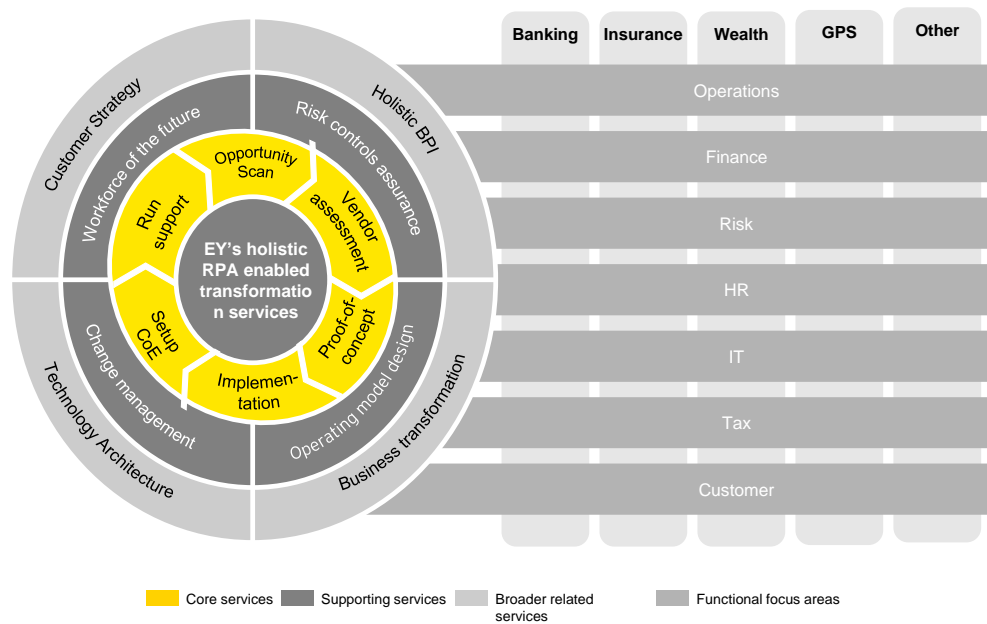**Target systems**

3270
Windows
Web

Systems/ IT support

Critical success factors

► **Accountability.** Governance structure with clearly defined ownership from the business is the key to consistent and accurate robotics enabled operations

► **Returns**: Automation is based on defined business objectives with ROI within 12 months

► **Clarity.** Roles, behaviours and responsibilities are defined and well understood among participants

► **Management**. SOPs handle changes in robotics software configuration due to planned process/ system changes/ upgrades to maintain traceability and consistency of operations

► **Exceptions.** Escalation procedures must be setup for timely mitigation of unforeseen disruptions

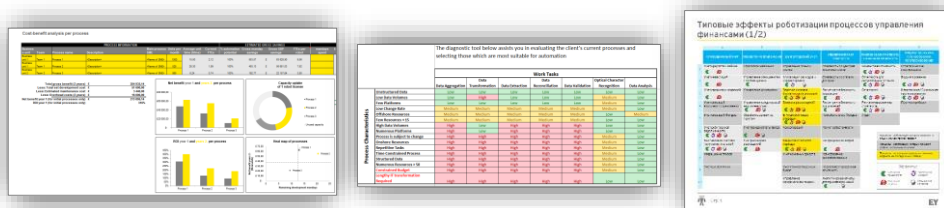► **Secure access.** Stringent access control and policies prevents minor errors from disrupting business operations

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Why EY?

Our holistic RPA Transformation Services

A differentiator for EY in the RPA market is the ability to offer broader RPA enabled transformation services combining RPA with other service lines and functional/industry expertise

	Banking	Insurance	Wealth	GPS	Other
Operations					
Finance					
Risk					
HR					
IT					
Tax					
Customer					

Core services   Supporting services   Broader related services   Functional focus areas
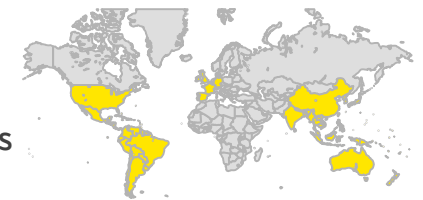
Proprietary methodology and accelerators

Our RPA vendor knowledge is extensive

EY has the knowledge of the key RPA suppliers and their capabilities to deliver value to clients

And many others..

◯ Continuous cooperation

RPA Resources and Experience

At EY, we have developed a large Software Robotics practice that covers the whole world and has specific Centres of Excellence across the globe.

500+ Robotics pratitioners

60+ Client projects delivered

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