Chairman's Takeaways

Intelligent Automation Week

December 6, 2018
Austin, Texas

Brad DeMent, *Chairman*

Chairman's Notes – Contents

Getting Started

Finding the Processes

Applying Skills

Establishing Governance

Managing Change

Getting Started

- There are 13 stall points you will hit – you can accelerate through them, but you will hit them? – *Lee, Ascension*
- Don't make the error of beginning with a complex use case – bring a bag of five simple use cases – *Lee, Ascension*
- We used a time study, process flows, and salary overlay to determine baseline cost – *Jim, American Family Insurance*
- We included cost avoidance (properly paid claims) in our ROI – *Jim, American Family Insurance*
- We measured how many humans we did not have to hire due to implementation of robots – *Jon, BNY Mellon*
- You may not save a penny improving satisfaction, but you've made a strategic improvement to business – *Lee, Ascension*
- This is not an IT program, but you will need the right relationship with IT – *Lee, Ascension*

Getting Started (Cont'd)

- Drill down – you might find your one process has 62 permutations you did not originally see – *Andrew, U.S. Bank*
- Look for quick, easy, big impact cases – *Mike, Farmers Insurance*
- Hedge by tackling parts of processes that are low "time to value" (easy), come back and get complexity later – *Manik, AIG*
- Initiatives tied to corporate strategy can weigh higher than ROI that is not – *Manik, AIG*
- We had the first bot in the entire U.S. Government! – *Ken, NASA*
- Plan less, experiment more – *Manik, AIG*

Finding Processes

- How many bots do you have is not the right question – ask how many processes you have automated – *Manik, AIG*
- Document the process – you will need it for training (ranges from formal to team huddles) – *Brad, The Results Co.*
- The detail of an RPA process selection will teach you how little you know of your own processes – *Brad, Houston Methodist*
- We were four years in before converting to Agile methodology – order of magnitude difference – *Lee, Ascension*
- It was a disservice to advertise how easy it is to “robotize” processes – it’s hard work – *Curt, Walgreens*
- Synchronizing robot timing can avoid the need to purchase additional licenses – *Chris, Capital Hill*
- We found that processes must change with RPA as human steps are removed – requires retraining – *Chris, Capital Hill*

Finding Processes – A Few Use Cases

- Compensation: RPA to validate salary offer is within HR grading range before offer is made – *Curt, Walgreens*
- Employee Sourcing: RPA to validate employment requisitions for 173 stores – *Curt, Walgreens*
  - e.g. the wrong code for a 64-hour vs. 84-hour pharmacist can cause issues with background checks, license verifications, and payroll issues
- Tax Audit: Kicked off reviews that shortened tax audits to 2-3 days ($0.5M savings) – *Track session*
- Onboarding: RPA to generate request to issue employee ID, computer, system access, and email address, etc. – *Curt, Walgreens*
- Onboarding: Chatbot kickoffs to headoff common questions, “How are you feeling?, Any questions?” – *Curt, Walgreens*

Finding Processes – A Few Use Cases (Cont'd)

- Vendor Validation: RPA reviewed database of 1300 vendors to check for appropriate credentials – *Tim, Hyperscience*
- Controls: RPA eliminated eight controls – many controls are there to prevent human errors – *Lee, Ascension*
- Safety: We searched for frequency of words in messages, coupled with time stamps and associated with safety incidents, to determine where safety risks were probable and when – *Adel, University of Texas*

Applying Skills

- Turning business people into RPA developers is hard to do – *Justin, Massachusetts Financial Services (MFS)*
- Work with HR to design incentive models – *Justin, MFS*
- We use offshore support to develop robots, and our onshore resources to plan and design – *Chris, Capital Hill*
- Use a combination of contract and inhouse robot developers – *Justin, MFS*
- We measure idle time on the keyboard – decrease that, and you will improve productivity – *Brad, The Results Co.*
- Track notepad activity to find RPA opportunity – *Brad, The Results Co.*
- Include human and digital strategy in workforce development – *Brad, Houston Methodist*
- Analyze call data details – idle time, silence, hold time, and PC at rest – *Brad, The Results Co.*
- Our goal is to eliminate the RPA pipeline by staffing appropriately and meeting demand – *John, Mars*

Applying Skills (Cont'd)

- Hybrid attended/unattended robots where data is sent from an attended bot to an unattended – *Brad, The Results Co.*
- My rule is retain two of every five FTE's returned to the business … to reinvest in the program – *Lee, Ascension*
- Robots do the copy/pasting that occurs during a customer call – reduced up to 50% of processing time – *Brad, The Results Co.*
- Unattended robots reduced reporting time and enabled more opportunity for insights – *Brad, The Results Co.*
- Nurses spend 35% of their time documenting – *Brad, Houston Methodist*
- Important to separate the "Developers" from the "Maintenance" – if you let them in, they will get stuck there forever taking care of their "babies" – *John, Mars*

Applying Skills (Cont'd)

- Team development is the most critical task – tools are not always the answers (people are) – *Brad, The Results Co.*
- Don't believe "anyone can develop bots" – it took us 3-6 months to get high quality development from internal resources with the right skill set – *Chris, Capital Hill*
- Spend upfront time analyzing the process and data to avoid dead ends – *Brad, The Results Co.*
- The discover of automation potential is not predictable, but the maintenance is (staffed appropriately) – *John, Mars*

Establishing Governance

- We offered three choices to the business 1) Outsource, 2) COE, 3) Do it Yourself – *Andrew, U.S. Bank*
- We will apply RPA if it can be done in 12 weeks or less (otherwise IT should handle this) – *Andrew, U.S. Bank*
- Agree on what a bot is? Standardize definitions – *Jim, American Family Insurance*
- IEEE has acknowledged that RPA is an emerging/new technology that will require new standards – *Lee, Ascension*
- Once a robot is moved to production, we transition to DevOps group for regular maintenance – *Lia, Baker Hughes*
- We carry the cost of robots in the business units … because it's digital labor! – *Lee, Ascension*
- Data, HR, ERP, Cybersecurity, and BU are all on the governance board to decide if a bot will be built – *Lia, Baker Hughes*
- We may say "yes" to automation and "no" to RPA – *Lia, Baker Hughes*

Establishing Governance (Cont'd)

- Needed a "design authority" to enable different people to run production other than developed robot – *Lee, Ascension*
  - Design authority role should not only meet standards, but also knowledge of all system touch points
- Your COE should scale appropriate to program – if you have four robots, you don't need a 12-person COE – *Lee, Ascension*
- We have a federated structure with bot builders in each core function of the firm – *Justin, MFS*
- If you cant find someone in your organization with "RPA: in their title, you probably lack an RPA strategy – *Lee, Ascension*
- Our goal is to see if we can use IA to increase revenue – get projects to market faster – *Chris, Capital Hill*
- Mars has over 200 bots – we won't do a PoC unless we know we will push it to production – *John, Mars*

Managing Change

- If you want to win over employees, choose a bottleneck process – *Ken, NASA*
- If you want to win over controls, choose a process that improves controls– *Ken, NASA*
- Our auditors began helping us find automatable processes – *Lee Coulter*
- The term “Bots as a Service” went over better than “RPA COE” – *Lia, Baker Hughes*
- Measure internal agent satisfaction – *Nick, Fifth Third Bank*
- Fear of robots went away as jobs were changed, not eliminated – *Mike, Farmers Insurance*
- Our challenge is actually supplying RPA manpower vs. eliminating jobs – *Lia, Baker Hughes*
- We conducted an RPA roadshow around the businesses to educate and garner support – *Iris, Manulife*
- Expect low or unpredictable ROI initially with AI – it’s much more difficult to understand what is happening in the black box when it’s making it’s own decisions – *Cristian, RBC*

Managing Change (Cont'd)

- The flood of requests did not open for us (people are busy). We had to go out and market – *Chris, Capital Hill*
- Bots actually make HR more human by increasing quality interactions between people! – *Curt, Walgreens*
- Aligning stakeholders takes a LOT of work for each use case – *Brad, Houston Methodist*

Thank You For the Great Discussions!

Brad DeMent
Chairman IA – 2017 and 2018
Chairman SSOW 2012 – 2018
ScottMadden Partner – GBS and Digital Practice Lead
bdement@scottmadden.com

Meet with us to plan your next journey.

See You at the Next IA or Shared Services Conference!