Beyond Limits.

Scaling Intelligent Automation

A Practical Guide to Maximizing the Value of Your Automation Investment

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WorkFusion

Intelligent Automation (IA), which includes rules-based Robotic Process Automation (RPA) bots embedded with cognitive machine learning (ML), is helping companies enhance customer experience, reduce operating costs, improve the effectiveness and efficiency of their business processes.

Companies are introducing automation into the workforce and achieving modest value but many have yet to achieve transformational change from IA. The key obstacle? Progressing from pilot programs and siloed integration to implementation of automation at scale — which would unleash the full value of such a program. Repercussions for companies that fail to scale automation programs can include diminished competitiveness, increased operational costs, or even obsolescence.

Now the question becomes: How can companies scale Intelligent Automation to achieve sustained value growth?

Scale, Defined

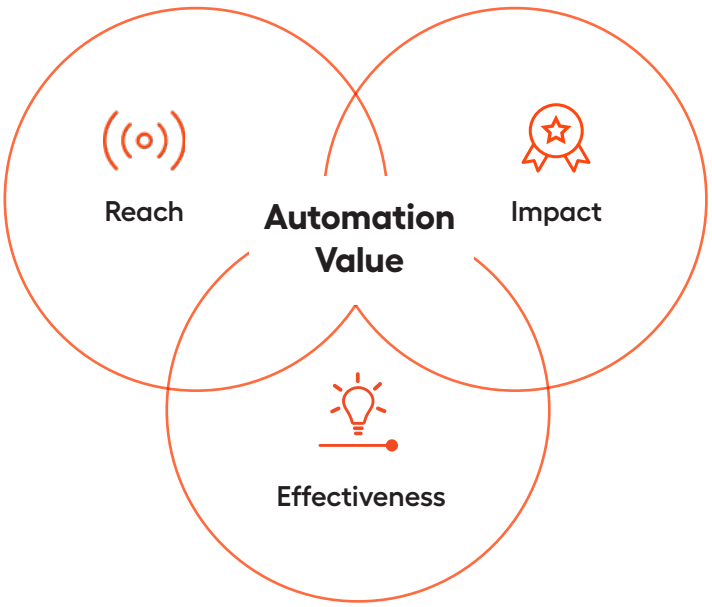
In order to provide a point of view on how to scale IA, we must first define "scale" in this context. To some, automation at scale is simply a function of the number of bots in production. For others, scale relates to automation adoption across business units.

We have identified three principles — reach, impact, effectiveness — that define scale for success and enable companies to maximize their value generation via automation.

Reach encompasses the idea of adoption, or pervasiveness of use, of automation within a company. Whether it be across lines of business or geographies (often both), scale only happens with a diversity of automated processes or across end-to-end processes that may touch different functions and departments. Another view of reach is whether automation is being adopted throughout different layers of an organization.

Impact represents a measure of "bang for your buck." Successful companies have experience identifying, prioritizing and solutioning the most transformative automation opportunities, in turn vastly improving customer experience, streamlining operations, and raising employee morale by shifting effort to more meaningful work. While firms may start by automating myriad tasks, the most successful organizations direct their automation efforts at the process level for the greatest impact.

Effectiveness is the ability to continuously improve as companies gain more experience along their automation journey, reducing cost over time. Automation governance helps a firm effectively scale by centralizing knowledge, formalizing best practices, and driving a continuous improvement approach to IA. Another driver of effectiveness is the ability to leverage reusable and pre-built components through an agile approach to decrease time to value.



Process Lens

Assessing automation potential for an end-to-end business process, rather than focusing on individual steps, allows an organization to incorporate IA most effectively. Furthermore, developing automation at the process level intrinsically requires incorporating logical groups of tasks that solve end-to-end business problems, leading to the Intelligent Automation sweet spot.

For example, a large U.S. financial institution was able to transform a customer-fulfillment email-request process by focusing on business value created via automating the end-to-end compilation of tasks. This solution featured a combination of RPA, Optical Character Recognition (OCR) and ML components in a scalable platform — reducing manual handling time for each email by at least 30% and resulting in an data extraction accuracy rate of more than 95%.

Additionally, when focus is at the process level, development teams can build components that interconnect across common applications with an eye toward reusability. For example, there may be several processes that touch a firm's common Customer Relationship Management (CRM) tool, Enterprise Resource Planning (ERP) system or email application.

EXHIBIT 1: PROCESS-ORIENTED LENS TO SCALE

Process Example: Fulfulling customer email requests

Practical Guide to 8 Scaling Factors

Whether a company is just starting its automation journey or has been advancing and evolving over a few years, there are several components that successfully drive scale. We have identified eight scaling factors that provide tangible opportunities for focus and investment and which ladder up to the three principles of scale.

EXHIBIT 2: A COMBINATION OF THESE FACTORS LEADS TO SUCCESSFUL SCALING

Reach

Adoption expands across business units and geographies while automation permeates from execs to front line

Impact

Automation has been leveraged for significant business benefit and transformational change

Effectiveness

Dedicated resources sustainably deliver new opportunities in a continuous and agile manner

1

Vision & Strategy

Present enterprise-wide vision and strategy for Intelligent Automation and broader digital transformation

2

Change Management

Assess change impact; provide ongoing communications and change management support to help transition workforce to new process roles overseeing and interacting with bots

3

Opportunity Assessment

Identify, qualify and prioritize to create automation portfolio; balance quick wins with strategic and complex implementations

4

Value Realization

Measure performance of automations through business outcomes and a KPI-driven approach

5

Capability Building

Align internal skill-development needs with automation goals; assess skill gaps and create plan to balance external resources with in-house capabilities; empower talent through role-based training

6

Governance

Formalize governance (e.g., via COE) to drive integrated and end-to-end process automation approaches, continuous improvement, and sharing of best practices

7

Delivery Approach

Develop agile delivery approach to implement processes through phases; coordinate with IT for infrastructure, security, controls, and business continuity planning

8

Technology Readiness

Ensure seamless integration with firm's IT architecture and infrastructure; monitor, schedule and report automation performance

1 Vision and Strategy

Companies must take an enterprise-wide, top-down approach and have executive leadership set the stage for implementation of automation in order to ensure that every part of the organization is built around delivering value during the transformation journey. In a recent internal memo, the CEO of a top U.S. bank that uses our platform cited automation as one of the key levers to improve customer experience, reach sustainable operational efficiency, and drive improvements between business units and shared services.

In order to achieve and sustain success, we suggest a simple "define, set, lock" approach to creating the vision and then executing upon it. First, define an enterprise-wide approach to customer-centric, end-to-end transformation, and establish the foundation for a broad range of investment decisions, resource allocation and performance expectations. Next, set the road map and expected value from automation as well as success metrics in order to track performance along the transformation journey. Finally, lock the commitment across all levels of leadership in the organization to drive process identification and value capture.

2 Change Management

For all transformations, change management is often identified as a key factor for success. This factor is arguably even more critical when implementing a transformative Intelligent Automation program. Deliberate messaging that clarifies to the workforce the potential impact of IA should radiate from the upper levels of any organization. In order to effectively scale IA, the change management process should drive adoption by expressing goals and communicating an overarching improvement in the way people will interact with the processes they know well. Rather than executing process steps, moving structured data from one source to another, or extracting and acting on dynamic unstructured data, a subject matter expert (SME) may focus their efforts on higher-value work.

For example, funding associates at a retail bank must reconcile and validate mortgage applications as part of their job. This process requires a combination of rules-based and cognitive analysis that determines eligibility for financial loans. An increase in IA throughout this process allows the associates to gain additional capacity for higher-value work by reducing the need to rely on manual touch points. Associates change the way they interact with the process and become an integral part in handling the work of bots.

3 Opportunity Assessment

Selecting the right use cases by assessing a combination of technical feasibility and business benefit is critical to the success of any Intelligent Automation program. Successful teams employ both a top-down and bottom-up approach to pinpoint areas of a business with the most potential for automation. For example, analyzing organizational charts for pockets of people working on similar process steps and step-by-step process walkthroughs, respectively, are examples of such methods.

To be successful in extracting value via IA, a company should leverage existing or reusable technical or operational components, use historic data and insights, and focus on structured and pre-built use cases that lend themselves well to automation. For example, our customer, a large North American bank, leveraged an Anti–Money Laundering (AML) pre-built machine learning model for its adverse media search process, and unlocked a pipeline of savings that may total up to $15 million.

We can provide insights into areas that are most appropriate for development based on a growing library of implemented use cases and a comprehensive understanding of the process automation landscape.

4 Value Realization

To succeed at scale, a company must define its success criteria and take a rigorous approach to measuring them. As renowned management guru Peter Drucker famously said, "You can't manage what you can't measure." This highlights the importance of identifying key metrics that

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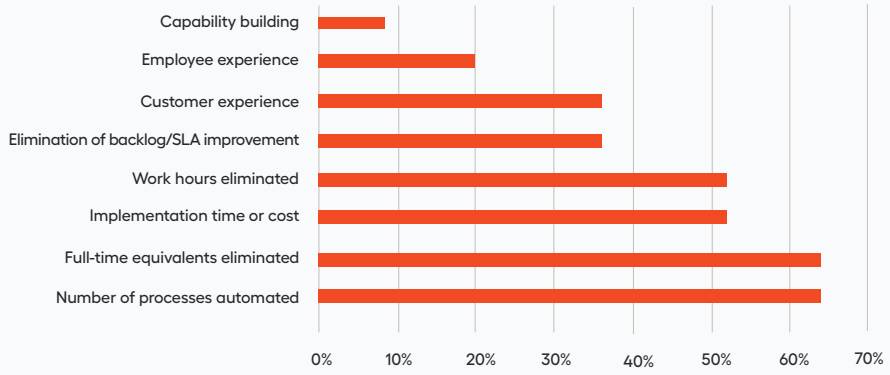
>
> — MANAGEMENT GURU PETER DRUCKER

outline the success of any program, including IA initiatives. One extremely important aspect of value realization and its ability to drive scale comes in the form of identifying and implementing pre-built solutions to prioritized use cases. Leveraging existing and proven technology drastically decreases time to value and helps companies more effectively scale IA.

As shown in Exhibit 3, our survey of customers revealed that a key measurement for tracking value relates to the number of automated processes in place and cost savings via full-time equivalents (FTEs) or time reduction. However, we have seen metrics associated with enhanced employee and customer experience frequently relate to the overall effectiveness of IA; let's encourage your firm to proactively seek out these additional value realization opportunities. For example, to increase potential revenue or drive more effective customer engagement, a bank can improve the speed of an account-opening or loan-approval process from days to minutes via IA. We partnered with Africa's largest bank, with more than 10 million customers and $160 billion in assets, to transform its account-creation experience to improve customer satisfaction and reduce operational costs. Using Intelligent Automation, this bank was able to reduce account-opening time from an average of 23 days to 5 minutes, while increasing the productivity of their employees by more than 70%.

EXHIBIT 3: TOP VALUE REALIZATION METRICS TRACKED BY COMPANIES ATTEMPTING TO SCALE INTELLIGENT AUTOMATION[1]



5 Capability Building

Intelligent Automation, like other technology-enabled transformations, requires new skill sets that may not be present in an organization at the onset of change. Therefore, it may be effective in the short term to partner with external providers to insource specific automation talent and capabilities. Some technical roles, such as solution architects and operations engineers, may be present in a firm's IT organization while others, such as data scientists or machine learning engineers, may need to be recruited into an organization.

While partners can help newcomers accelerate their entry to IA, we believe companies eventually need to build "internal muscle" to enable scale by reducing the cost of automation over time. For example, a large North American financial institution with an established RPA practice recognized the need to integrate machine learning opportunities into its automation portfolio, yet had a gap in that skill set. We were able to provide specialized ML training to empower its automation team to independently identify ML opportunities, instantly expanding the scope of business processes to automate, thereby increasing its in-house scaling prowess.

6 Governance

Establishing a dynamic Center of Excellence (COE) — a key pillar of automation governance — can equip an organization with the drive, skills and structure to deliver intelligent end-to-end business process automation and machine learning capabilities at scale.

Governance facilitates scale by creating standard processes, tools and templates for opportunity assessment and funding prioritization, which allows an organization to learn over time and become more efficient in identifying and delivering business value. Governance, via a COE or community of practice, provides a central repository for knowledge management, sharing of best practices and ensuring cross-business process

reusability. Governance also allows for easier integration with IT and business teams to determine technical feasibility and identify hurdles for end user adoption.

A U.S.-based healthcare payer used a COE to successfully drive scale by providing as-needed automation expertise to business units for their opportunity assessments. This facilitated a standard use case approval process to fund the highest value opportunities across the enterprise and to build capabilities across resources engaged in their automation journey.

7 Delivery Approach

An organization can gain an advantage in scaling by taking a holistic approach to its delivery. First, instead of implementing use cases as they are discovered, a firm can create a delivery road map to balance quick wins with more strategic (yet complex) processes. This helps drive efficiency in resource allocation and maximizes value across the full portfolio of automation projects.

Additionally, a company looking to scale can scan its portfolio of use cases and look for opportunities to build reusable components across repeated applications. After helping a U.S.-based healthcare provider identify 30 unique use cases, we cross-referenced this use case portfolio against common systems so that development teams could build components with flexibility and reusability in mind, leading to more efficient delivery.

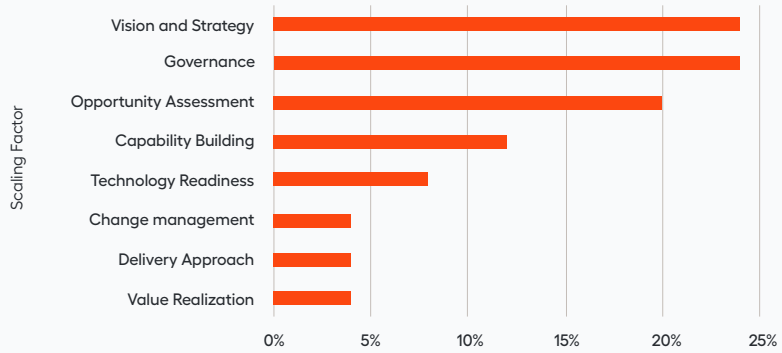
Delivering via an agile approach helps execute on minimum viable products (MVPs) and showcases business value more quickly, leading to scale. It also forces teams to test assumptions early and embed learnings immediately, thereby helping future implementations in addition to the current use case delivery.

8 Technology Readiness

The ability to assimilate enterprise systems with automation platforms sets the stage for scalable IA. Some key elements of this factor include integrating automation platforms with enterprise infrastructure while leveraging API connectors and/or reusable components, if available. One critical aspect of technology readiness in IA is the need to create bot management and maintenance plans. Establishing this bot ownership structure leads to accountability to ensure any necessary downtime is planned and communicated, with impact understood by all stakeholders.

Additionally, a scaling organization must link its automation journey into architecture road map decisions to understand how in-flight and future changes may affect performance or use case prioritization due to the timing of such changes. By organizing its automation program around these Eight Scaling Factors, a company can more effectively drive its IA journey and be empowered to take action to improve the odds of automation success. As shown in Exhibit 4, below, each Scaling Factor can be seen as the "top" challenge, depending on a customer's point of view.

EXHIBIT 4: TOP CHALLENGES TO SCALING AUTOMATION[3]



Scale in Phases

We often see our clients evolve through discrete levels of maturity and competence as they strive for scale in their automation program. An illustrative view below shows how value can be unlocked in phases as firms reach higher degrees of scalability.

EXHIBIT 5: SCALING EVOLVES IN DISCRETE LEVELS

It is not realistic to assume that a company can get to maximum scale without going through phases of growth and determining the most important factors to invest in. A firm's culture, including willingness to adopt new technologies, can also impact its ability to scale.

Assessing Your Scaling Needs

You are encouraged to assess your company's performance across the Eight Scaling Factors to help understand current levels of maturity and to identify which factors could be prioritized to reach the next levels of automation scale.

Scaling Factor	Low Maturity	Medium Maturity	High Maturity
Vision and Strategy	Define process-level opportunities for automation	Align with businesses on a roadmap of process automation	Develop a strategic blueprint and track progress against it
Change Management	Identify change management needs; don't allocate resources	Assess impact of automation on affected workers	Create robust communication plan accompanying automation efforts
Opportunity Assessment	Identify automation "quick wins," mostly at the task level	Develop book of work and backlog at the process level	Automate end-to-end processes with a combination of RPA, OCR and ML
Value Realization	Implement automation without identifying or tracking KPIs	Determine automation program KPIs and use for business plans	Develop automation scorecard and report regularly to executives
Capability Building	Depend on 3rd-party automation resources	Create capability needs assessment to identify talent gaps	Build in-house automation team; nurture and reward digital skills
Governance	Lack coordinated automation efforts throughout organization	Established COE, but yet not fully integrated into organization	Coordinate automation efforts; central repository for knowledge management
Delivery Approach	Deliver each use case without reusability or best practices	Balance quick wins with strategic but more complex processes	Improve delivery efficiency via reusable components and continuous learning
Technology Readiness	Run automation as separate program without IT input	Coordinate with IT to understand infrastructure needs	Develop bot ownership accountability and link to architecture roadmap decisions

Headquartered in New York City with operations throughout Europe and Asia, WorkFusion is the leader in AI-driven Intelligent Automation and works with organizations globally to facilitate scaling their automation programs. We bring decades of collective experience and perspective working in complex environments and challenging ecosystems, helping forward-thinking clients reduce their total costs, up-skill their workforce and gain a competitive edge. For more information on how our solutions and services can deliver value to your business, please go to **workfusion.com** or contact:

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[1] https://newsroom.accenture.com/news/failure-to-scale-artificial-intelligence-could-put-75-percent-of-organizations-out-of-business-accenture-study-shows.htm?c=acn_glb_artificialintellinkedinelevate_11070173&n=smc_1119

[2] Internal WorkFusion data; survey results

[3] Internal WorkFusion data; survey results

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