KPMG

The robot at your desk

Your newest mobility team member

We are living in a time unlike any before. In a world where technology-based devices can turn on a light, read you a bedtime story, or make you a cup of coffee, we are using technology to change how we interact with each other, our work, and the world.

As companies work to manage rising employee and assignment costs while providing the right level of personal touch, it is apparent that technology, including robotic process automation (RPA), is viewed as an important part of the solution.

This shift to robotics is a marked change in the mobility business model and can create new efficiencies at reduced costs, leaving companies time and resources to provide high-touch, individualized attention to their mobile employees. The question is, how do companies integrate these new technologies into their businesses, teams, and corporate structure?

How do companies and their employees begin to understand and accept the robot at the next desk?

Generally speaking, RPA technologies work similarly to an Excel macro. However, rather than being limited to one program (e.g. Excel), RPA can be programed to leverage multiple applications, thereby automating multi-step processes with the click of a single button.

Your employee

Qualifications

Many mobility departments are realizing that RPA can provide a blend of efficiency, 24/7 performance, and consistent quality, all while reducing human error and costs. When working to implement RPA, it's important to first determine the correct technology, or process and technology mix required for your organization and project. Essentially, it's time to build a job description for your RPA. As a company works to build a business case and hiring criteria, it's helpful to consider the following:

Complexity:

An important first step in determining the correct solution is to gain a solid understanding of your issue. Will RPA be able to accomplish all required steps or action items?

Teaming:

Look beyond mobility's borders when determining if RPA is the right solution for your organization. Consider all stakeholders, including Human Resources, Finance, Payroll, Legal, Business Line Managers, and others who may interact with a process directly or have a system with which the RPA may interact.

System integration:

Are you using a single technology solution or a mix of multiple solutions? This is an important question as single system usage can, in many cases, be accomplished with simpler, more streamlined tools than a more complex RPA. In cases where multiple systems are brought together, RPA may just fit the bill.
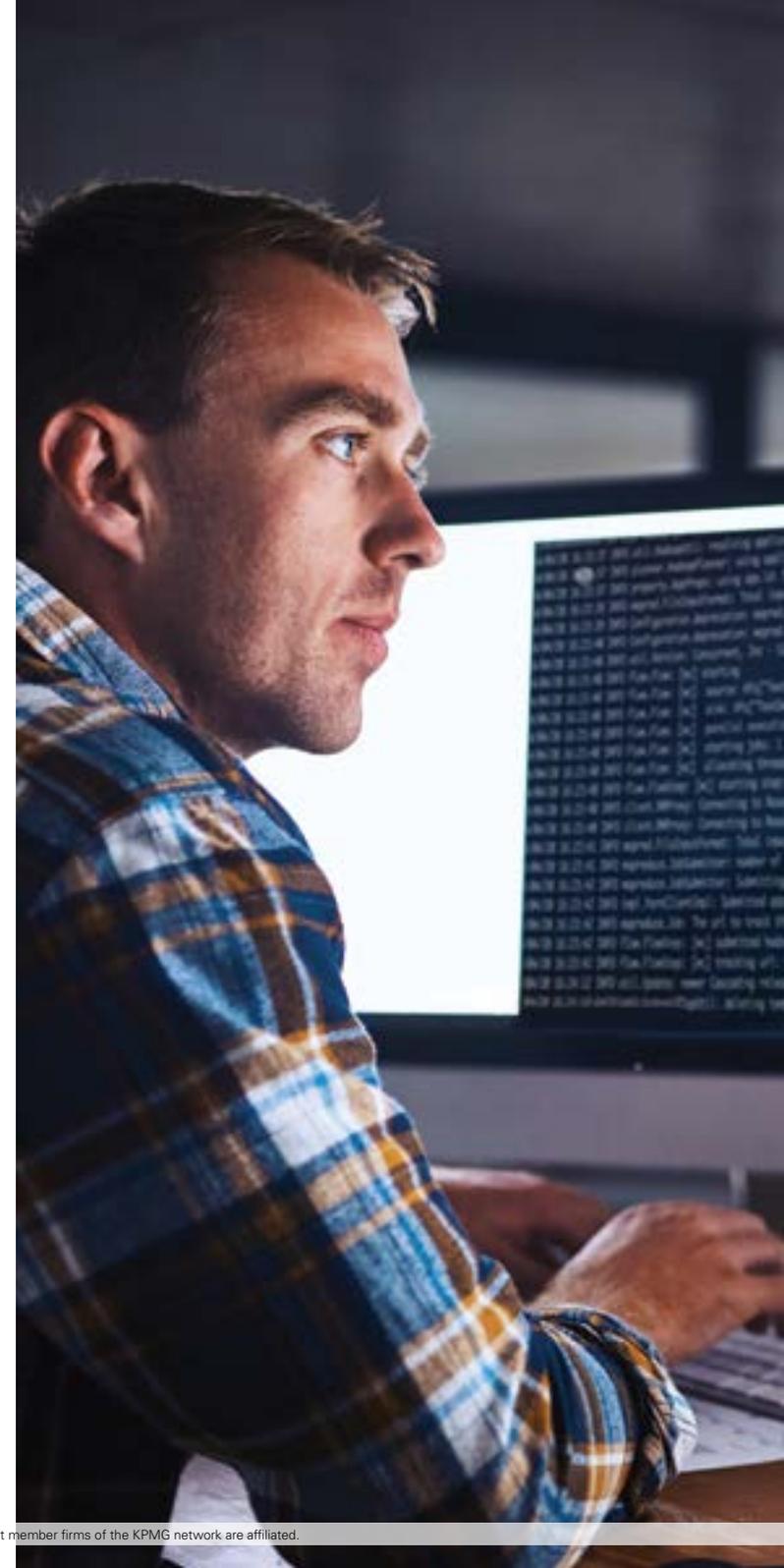
Like all hiring, it's important to explore multiple candidates, or options. A large multi-national construction firm is currently doing just that, considering the use of RPA along with KPMG LINK Cost Projector, KPMG's engine for quantifying annual and total international assignment costs, to help streamline the assessment of upcoming assignment costs. In exploring this option, the company considered larger workflow-based technologies as well as additional human resources before determining that RPA provided the right solution from a cost and efficiency perspective.

Process:

Make sure that the intended process automation is accomplished in the simplest way. Bad process design cannot be thrown over the fence with the expectation of a different result.

Maintenance:

RPA is a living, breathing piece of technology, meaning that as your organization changes, RPA will need to change with it. This requires individuals, or a group of individuals, who can maintain and update the robots programming.

Metrics:

Like all employees, an automated process should meet, and continue to meet, defined goals, or metrics which should be set out at the beginning of the process and help drive implementation and adoption.
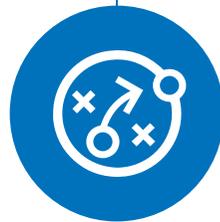
Alternatives:

While exploring RPA, many organizations go about building solutions without looking internally to their teams first. As a company moves down this path, it's important to take a look at current team members and processes to see if other solutions better meet immediate and ongoing business needs.

Mobility-based requirements

Unlike humans who, generally, are brought in and learn to complete a process before making revisions, RPA creates the opportunity to bring a new team member (the robot) online as well as revise or revisit current processes. With an emphasis on completing both qualitative and quantitative tasks, mobility departments are ready to re-evaluate current practices. In fact, RPA is capable of helping manage portions of the full assignment lifecycle from candidate selection through repatriation. Examples of processes that may be revised, and/or automated include, but are not limited to, the following:

— **Authorization:** Automated authorization RPA work allows for multi-system data extraction at key points in the process specifically around moving or re-keying of data elements from both Payroll and HRIS systems.

— **Document creation:** RPA processes can be leveraged to pull information into document templates, decreasing the amount of time needed to create assignment letters or large-scale email communications.

— **Email notifications:** Ability to slice data and documents into a large mail list, performing tasks such as mail merges.

— **Data updates:** Like larger workflow engines, RPA can be leveraged to automate specific tasks such as data updates from multiple systems or locations.

— **Approval, instruction, and review:** Standardized approvals and instruction protocols can be created using well-defined process documentation.

— **Reporting and data points:** Since RPA can consolidate data, RPA can be leveraged to run or produce cross-platform reports related to the onboarding and pre-assignment phase.

Companies who begin to leverage RPA in these or other processes are capable of processing more data more quickly, while freeing mobility team member time for strategic initiatives like analytics around long-term employment and retention, broader talent integration, and year-over-year trending.

Case study

A European headquartered company was grappling with efficiency losses around the payment of quarterly leave advances for employees, and spent as much as 10 hours a week reviewing, approving, and processing payment requests. In addition to this, the company was also experiencing an increasing number of errors within the data entry and collection process.

With this in mind, KPMG in Romania built a completely new, automated process which required human interaction only to start the robot. The bot then ran, using background process logic, reviewing, approving, and accounting for annual leave advances for all employees. The result: A decrease in processing time from 10 hours to .5 hours and a variance of 0 percent, essentially eradicating human error from the process.

The people

Managing the technology, human divide

RPA has an impact on both your internal employees as well as your globally mobile employees. As a result, the (real) people aspect of RPA is an important consideration requiring strong change management during planning, implementation, and adoption.

According to Rachel Paul, Partner at KPMG LLP in the US, "RPA is a great resource for global mobility organizations, specifically as we see that global mobility teams are expected to do more with fewer resources. It's important to involve the team in planning and implementation to enhance buy-in, and create an environment where humans and machines work together."

So, the question becomes: how do we engage employees in supporting and accepting the implementation of RPA?

— **Communication transparency:** Communicate that the goal of RPA is to increase efficiency, not decrease headcount (assuming that this is true).

— **Training and transition planning:** If needed, have a plan in place to retrain or transition employees to new roles as specific tasks are moved into robotic processes.

— **Value proposition:** Emphasize the value the RPA will bring to the employees including new skills, enhanced visibility, etc.

— **Involvement:** Empower employees to participate in the RPA journey allowing them to change and transform processes for better efficiency — let them determine if a "bot" is the right solution for both short-term and long-term goals.

— **Excitement:** Build excitement about the first RPA rollout involving as much of the employee population as possible.

— **Rollout:** Integrate RPA into the organization slowly giving individuals time to adjust while testing it thoroughly and monitoring effectiveness.

> The more you empower employees to move beyond standard job roles, the more successful adoption can become and the more confident your employees become regarding new roles and changing technologies.

The inclusion of RPA in a process is really about employee empowerment and allowing employees to begin thinking strategically about the organization, its function, and both time and monetary savings. The more you empower employees to move beyond standard job roles, the more successful adoption can become and the more confident your employees become regarding new roles and changing technologies.

Introducing RPA to your mobile workforce

As you begin introductions to RPA, it's important for employees to be made aware of, and trained on, how to interact with the technology. If they are made aware early in the process, or early during the assignment planning phase, adoption and expectations can be more easily managed with little or potentially, no interruption during critical times.

Additionally, it's important to make sure that employees understand the role of the RPA and any confines associated with that role. This helps create a solidly defined expectation and lets employees know at what point the interaction will take place and how it will personally affect them.

A new resource, a new staffing model

Over the past two decades, there has been a push to centralize back-office functions, and much of global mobility, into shared service centers located in locations such as China, India, Vietnam, and Mauritius. This strategy, which was effectively designed to lower cost worked for many years but is becoming increasingly obsolete as we witness:

— **Shrinking gaps in labor costs:** Wages in traditional outsource countries have risen, sometimes sharply, while domestic wages have remained somewhat stagnant.

— **Decreased efficiency:** While costs were originally reduced with the use of offshoring, efficiency was sometimes sacrificed for cost savings.

— **Political changes:** Political considerations, including increased tax costs, have created additional management expenditure.

— **Increased globalization:** Companies all around the world are competing globally for key talent thereby increasing labor costs globally.

— **Turnover:** Companies are finding it increasingly difficult to retain foreign workers leading to higher recruiting and training costs.

Michael Henry, Advisory principal with KPMG LLP in the US, notes that, "RPA has the potential to displace offshore clerical work in the same way machines displaced manual work in the 20th century."

While off-shore resources did historically lower costs for organizations allowing for more hands-on and 24-hour service, efficiency was, many times, not the goal of offshoring— especially in early years, leading to stagnation, or lengthening time-related metrics. As global wages continue to rise, mobility departments can no longer disregard potential inefficiencies and should look to automation to provide the right mix of cost and efficiency gains. Technology may well be the shared service center of the future, a true 24/7 resource.

The company

Companies need to understand how RPA can accomplish needed tasks but also how it furthers the corporate vision. This could be as simple as decreasing redundant resources or as complex as creating new processes to drive percentage increases in efficiency. RPAs that adhere to a strong corporate vision are better suited for long-term use instead of short-term obsolescence. True efficiency and savings can only be realized with long-term usage and a solidified long-term vision.

As an organization, a key to RPA success is knowing which technology products you will continue to leverage and support in the future along with the interconnectivity between products, the roadmaps for products, and the stakeholders that utilize each system.

With many mobility departments utilizing multiple technology systems, it is easy to see the importance of making strategic decisions early in the RPA lifecycle as decisions made today can affect future success. It's also easy to see that there are multiple system considerations and points of connection that need to be assessed more broadly than a single process and may require specialized resources.
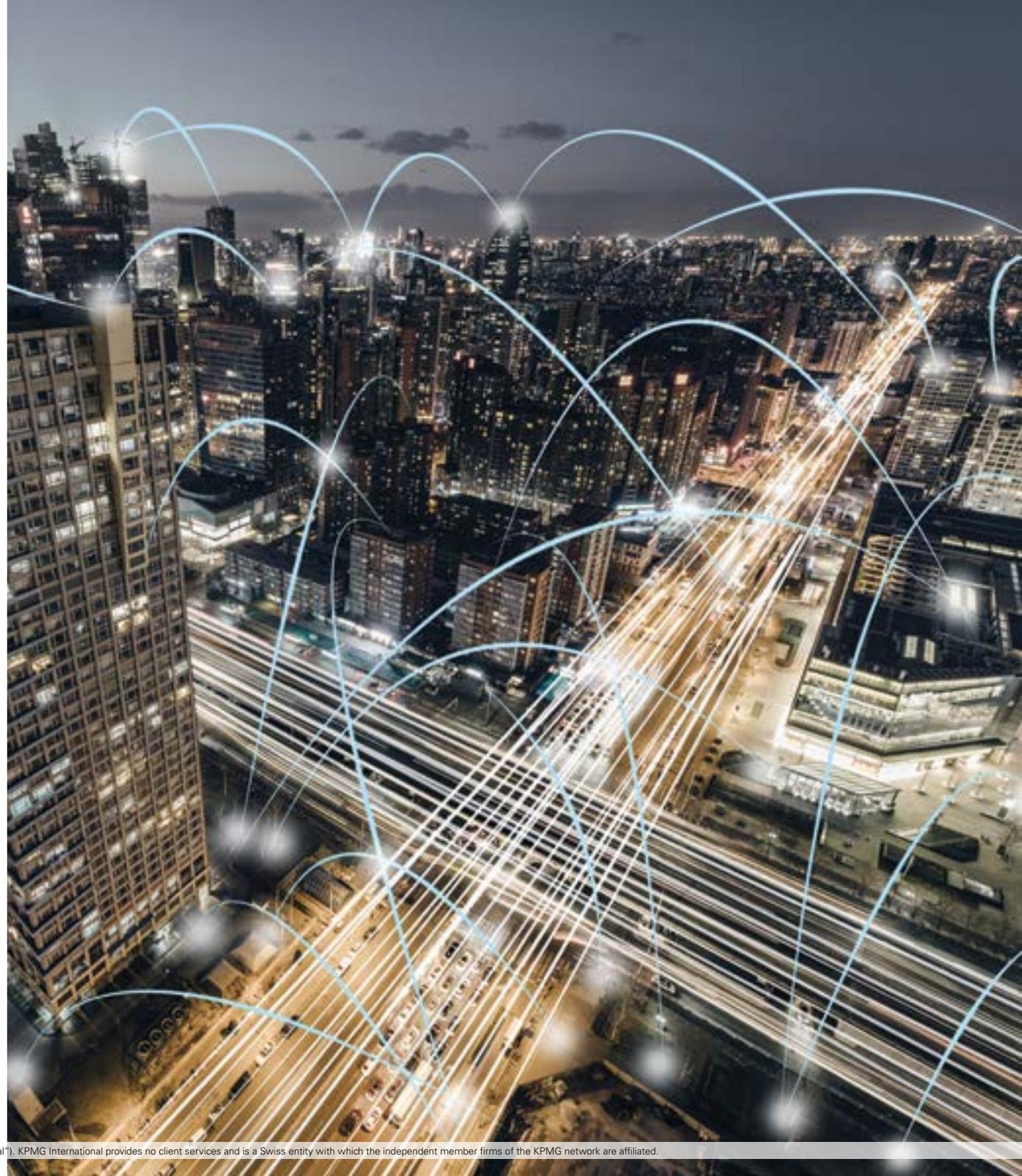
Concluding onboarding

As robotics takes hold of business, creating both qualitative and quantitative advantages, it's increasingly important that we change the way we think of technology and the way we function in a changing global landscape.

Mobility functions in particular will continue to change the way business is done and will need to deal with more complex domestic and international issues, requiring new skill sets and new tools. This ongoing organizational evolution is necessary for continued success and will give rise to new processes, new objectives, and new outlooks on moving the organization forward. A key element will be an emphasis on changing our employment and staffing models to incorporate technology as a true member of the team.

As we relinquish our desk chairs and offices to automated technology, it's important to think about how we can best utilize our talents when we stand, look across the office floor, and gain a new perspective on global mobility and business from the perspective of the machine.

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