Responsible and sustainable business automation

Business automation means different things to different people. Liesl Slabbert, Associate Director in KPMG South Africa's Emerging Technology Unit, notes that within KPMG, the term used is "intelligent automation", which can encompass everything from maximising your existing enterprise resource planning (ERP) system to supplementing it with new tools or technologies, such as robotic process automation (RPA) or even AI technologies.

"What we refer to as intelligent automation spans across basic process automation through to enhanced and cognitive options," says Slabbert. "Automation can benefit a business in both back office and front office applications through improved consistency, reduced error rates, speeding up processes, segregating duties and controls, improving overall customer experience, freeing up valuable human capacity and even offering a motivational benefit for staff."

She says common back office applications might include financial reconciliations, invoice processing and reporting, while front office applications could include certain customer service interactions, as well as dispute resolution, among others.

Slabbert says that processes (or steps within processes) that could qualify for automation are those that have a clear beginning and end point, are currently being executed by a person (even if using a system or tool) and are repeatable. "A single process – for example generating reporting – has many components. In this example the various activities could include data sourcing, data extraction, data collation and then manipulation, analysis and finally suggesting an action. Even when we look at an optimised way of doing these steps, the holistic answer could still be a combination of automated and manual processes," she says.

"For example, a person will need to be involved for the finer analysis points and to drive actions from the insights. But data sourcing, extraction and collation (and, even initial analysis) might very well be something that can be automated. And if the human being doesn't have to spend time doing these tedious manual tasks that a bot or piece of tech can do much faster, that person can spend their time on the more value-adding parts of the process, like developing recommendations around the way forward. They're also likely to be more motivated because the work they are doing is less mundane and repetitive."

When to consider automation

The key questions to answer when thinking about whether a process can be automated, Slabbert says, are:

- Can I draw it on a process flow diagram?
- Are steps kicked off by specific events (e.g. date / time / email request / completion of a related activity)?
- What are the exceptions and are our ways of dealing with them largely predictable or guided by a certain thinking?
- Do the routine instances outweigh the exceptions enough to make automating this process worthwhile, or can learning be generated from exceptions to refine the responses to these?
- Is there sufficient benefit in automating such a process (whether quantitative – like a cost saving – or qualitative – like reduced risk?)

She says there are a number of different drivers that should point businesses towards considering automation These include a need for efficiency, cost saving or freeing up people's capacity, as well as seeking to improve on compliance, minimise error rates and prioritise digitisation and innovation. "Organisations should also consider automation as a means to motivate its staff through refocusing their time spent to more personally challenging or satisfying activities; or to provide an interim solution for a challenge that a bigger (more time-intensive) project will later solve, such as an enterprise-wide ERP upgrade,"she says.

With the advent of emerging technologies, there is now room to incorporate solutions to specific business challenges on a shorter timeline, without needing to embed them within the various systems; or embark on massive system implementations. This is one of the points that the KPMG Emerging Technology Unit is keen to highlight, as it believes that businesses can implement these technologies in a time-efficient way that turns specific challenges into value-adds without needing to embark on a massive organisation-wide technology overhaul.

"The benefit we can offer clients is that we have a blended (business and technology) view to solving business challenges through innovative, tech-driven ways," says Slabbert. "When it comes to intelligent automation, we also have access to leading practice assets within KPMG that include embedded automation, so we bring a holistic answer to client challenges. These assets, spanning across the various layers of a target operating model, for example encompass integrated processes, role definitions, organisational structures, embedded controls, etc. Rather than hiring in a developer who will just build you the tech you need, when you partner with us, we will take a broader view. So, for example, you might call us in for an automation solution and after we have examined the problem you are dealing with, we will be able to tell you that 20% of the problem can be solved with RPA, but 80% is a people and process problem, and we can also help you to solve that because of the expertise we have within the consulting business that goes beyond specific tech."

How to automate effectively

Slabbert notes that it's important to approach automation responsibly and with a view to sustainability. "If you don't do it in a structured and responsible way, chances are you are not going to deliver on the expectations that people had," she says. "And then you lose the trust factor. As soon as you lose trust in the tech, people are going to stop investing in it and using it, and will revert back to the manual ways of working, which is counterproductive. That is exactly what you want to avoid.

Another risk of not doing automation well is that you can end up with a system that falls over at the slightest hiccough, causing more work than it is meant to save. Building responsibly and sustainably means there is proactive thinking and monitoring in place – in other words, building for the future from the get-go (including supporting structures) and also a plan for proactive maintenance." Slabbert's advice is to "think big, start small". "Test automation out, identify what works in your organisation and what doesn't, fix and then scale, "she says. "It is also important to have proper business sponsorship and ownership in place, which facilitates collaborative working between business and IT (and avoids finger-pointing if things go wrong). Make sure you address governance and structures (do you need to establish a Centre of Excellence to take this on, what policies do you need in place, how will monitoring work, etc?)."

She emphasises the need for end-to-end thinking (when to do bots, but also when to retire them). "Carefully select use cases and define the objectives, KPIs and success criteria, and be sure to look at the bigger picture," she says. "Take a step back and think how best to solve problem – don't force-fit tech into it.

It may need a different solution, and may have various lenses(e.g. people / process / data). Don't underestimate the need for change management and communications (especially transparency to affected staff members, whose day-to-day reality may change notably by using automated solutions). Plan for the future and don't limit thinking to the "now" only (e.g. use automation as a mechanism to get more (and better) data which might be needed for machine learning and AI uses later). Involve the right people - the people who best understand the process being automated - and build, borrow or buy skills you need to make the change work. Ensure you have buy-in from the people who will need to be involved."

Working with the KPMG Emerging Technology Unit

Slabbert says the key to the KPMG Emerging Technology Unit's approach is collaboration. "If the business is new to automation, we will start with building awareness and workshopping ideas. Then, with the client, we'll select a proof of concept application to demonstrate the value of the solution we're proposing. Once that has proven to be successful, we will look at how to scale. If, however, the business is already working with automation, we'll assess the maturity of the solutions in place and collaborate with the client to come up with ways to improve on them with tangible actions, while planning for the future."

She adds that culture is a major and often underestimated factor in the success of intelligent automation projects. "In South Africa we tend to react strongly (emotionally / instinctually) to the idea of automation," she says. "But while fear is a powerful factor, so is addressing the balance and benefit that automation can yield across the value chain. It is all about a mindset shift."

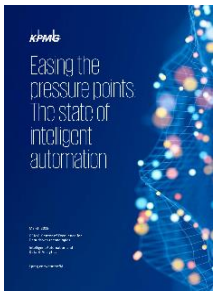
She says that it is easier to automate in organisations where there is already a mindset of innovation, but that in organisations still working towards that, it is worth spending the time and effort to get people on the same page, as the benefits are substantial. "A lot of organisations in South Africa are already operating or shifting in that direction, understanding that they need to digitise and innovate to stay relevant. They just need to take their employees on that journey as well to ensure the thinking becomes embedded in terms of the culture. Then, their initiatives, whether robotics or something completely different, are going to be much easier for them to take on and to make a success out of them. The old adage holds true – culture eats strategy for breakfast any day of the week!"

In closing she mentions that we shouldn't let new, disruptive and emerging technologies scare us: "They are fundamentally there to solve challenges we face in our daily lives – let's embrace that, with the necessary precautions and controls, to work better, smarter, faster!"

Related Thought Leadership

Please click below to access the full publication:

Easing the pressure points: the state of intelligent automation

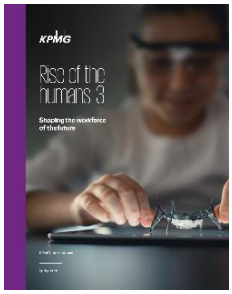


March 2019

Intelligent automation (IA) and data and analytics (D&A) are at the top of every organization's strategic and tactical agendas.

Read more

Rise of the humans 3 Shaping the workforce of the future



December 2018

The convergence of artificial intelligence (AI), robotic process automation, machine learning and cognitive platforms is at the forefront of the Fourth Industrial Revolution and organizations in every industry.

Read more

Ready, set, fail? Avoiding setbacks in the intelligent automation race

August 2018

While enterprises have high expectations of the impact of IA, they are not yet ready to implement it from the top down and at scale.

Read more

For more information, please contact:

Shamit Govind
Partner, RC: Emerging Technology
E: shamit.govind@kpmg.co.za
M: +27 82 719 1389

Liesl Slabbert
Associate Director, RC: Emerging Technology
E: liesl.slabbert@kpmg.co.za
M: +27 82 718 2872

kpmg.com/socialmedia

Download on the App Store

kpmg.com/app