IBM Automation 2018

Where to Start with Robotic Process Automation

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What if companies could automate repetitive human work activities easier, faster and more cost effectively than before?
The need to automate repetitive human tasks has led to new ways of thinking about automation

- RPA is optimized for task automation
- The need is to integrate RPA into an end-to-end solution

By combining RPA with other automation technologies we’re able to apply robotics to a new class of operational projects

Digital labor combines RPA with other automation technologies to integrate robotics into an effective automation agenda

“RPA offers a potential ROI of 30-200% - in the first year.”
McKinsey; The next acronym you need to know: RPA
Software robots are similar to physical robots

**Physical robots**
Perform repetitive **physical** tasks

Example:
- Pick eight chocolates from assembly line
- Assemble a finished box of chocolates

**Software robots**
Perform repetitive **software** tasks

Example:
- Log in to four different systems
- Navigate legacy screens to retrieve data
- Use data to open new account in system of record
ROBOTIC PROCESS AUTOMATION (RPA) enables companies to easily automate repetitive tasks in order to free up employees to perform higher value work.

HOW RPA WORKS:

RPA ‘robots’ replicate the actions of humans interacting with application user interfaces

- No changes to existing interfaces
- Reduces errors associated with swivel chair integration
- Efficiently execute high volume work
Key benefits of Robotic Process Automation

- **Accelerate time to value**: Create, test and deliver new automations in days or weeks.
- **Reduce human error**: Eliminate copy/paste mistakes introduced by swivel chair integration.
- **Increase throughput**: Fulfill automated tasks in seconds or minutes, round the clock.
- **Decrease development costs**: Develop automations quickly with simple record/playback functions.
Digital labor extends RPA to unlock its full potential

- **Right brain**
  - Cognition based

- **Left brain**
  - Rules based

- **Memory**
  - Content Management

- **Central nervous system**
  - Coordination & orchestration

- **Eyes**
  - Data capture

- **Hands**
  - Software robots
Digital labor enables businesses to remix the distribution of work

Central nervous system + hands

• Orchestrating the right balance of repetitive work & knowledge work

• **Example:** Handling claims exceptions at scale

Left brain + hands

• Separating complex rules from repetitive tasks

• **Example:** Calculating discounts during order entry

Eyes + hands

• Extraction and action on information from unstructured content

• **Example:** Interpreting and matching invoice data with the contract
IBM Robotic Process Automation with Automation Anywhere V11

Combines Automation Anywhere Enterprise with IBM Digital Business Automation Express

Provides Platform for Automated Repetitive Tasks, Workflow, Decisions, Capture and Content

Digital Business Automation Platform
IBM Automation Platform for Digital Business

Unified User Experience

Data Capture

Modeling
- Tasks
- Content
- Workflow
- Decisions

Analytics

Operational Intelligence | Machine Learning | Governance

On-cloud | Hybrid | On-premises

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Summary of RPA/DBA Synergies

• **Capture:** Robot Invokes Datacap via out-of-box *Metabot*.

• **Blueworks Live:** Robot Tasks in process definitions

• **Workflow:** Routing tasks to robots

• **Decisions:** Easy consumption of business decisions by robots
IBM RPA Platform Enterprise

**Bot Creators**
- Create
- Web apps
- Desktop apps
- Record

**Control Room**
- Manage
- Bot repository
- Bot scheduler
- Version control
- User management
- Role-based access
- Audit trail

**Bot Runners**
- Run
- Playback

**DBA Express**
- Workflow, Decisions, Capture and Content
IBM RPA with Automation Anywhere V11 includes 10 Bot Creators, 3 Control Rooms, 5 Bot Runners + 560 PVUs Digital Business Automation Platform Express

IBM RPA with Automation Anywhere Express V11 includes 3 Bot Creators, 1 Control Rooms, 1 Bot Runner + 70 PVUs Business Automation Workflow Express

All a la carte parts are available as monthly subscriptions for spikes in workload and easy scaling
The Hanover Insurance Group, Inc., a leading property and casualty insurance provider, uses software from both IBM and Automation Anywhere.

The Automation Anywhere RPA platform helps with back-office functions, such as underwriting, billing, and claims.

IBM Business Process Manager helps manage larger system-wide processes, such as new business quoting, underwriting, and policy administration.

“IBM and Automation Anywhere's technologies already are helping The Hanover better manage processes and more quickly complete specific tasks,” said Ian Maher, vice president of strategic sourcing at The Hanover.

“The integration of these technologies is another step toward streamlining more tasks across our organization. We also think combining these technologies could be a starting point for adding more advanced cognitive capabilities into our business processes.”

–Ian Maher
VP, Strategic Sourcing
The Hanover
Demonstration: RPA with IBM Digital Business Automation
Scenario: Invoice Entry

Consider an existing manual invoice entry workflow including data capture, data entry, calculation and review.

**Automation** is added in the following areas:
- **Capture** structured/unstructured invoices
- **Repetitive task** completion for data entry
- Rule based **decisions** for tax and discount calculation
- Human exception management **workflow**

Roles involved:
- Data Entry Robot
- Accounting Rule Manager
- Invoice Specialist
- Invoice Approver
The Global Partnership in Robotic Process Automation

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# Automation Anywhere Today

The global leader in **RPA** and the pioneers of the **digital workforce**

<table>
<thead>
<tr>
<th>1,000+</th>
<th>100+</th>
<th>35,000+</th>
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<tbody>
<tr>
<td>Enterprise Customers</td>
<td>Big 4, largest BPO’s and SI’s are our partners</td>
<td>People trained on our products</td>
</tr>
<tr>
<td>~800</td>
<td>600,000+</td>
<td>14+</td>
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<tr>
<td>Employees worldwide</td>
<td>Digital workers deployed</td>
<td>Years of innovation</td>
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IBM Automation Landscape and Objectives

**IBM Automation Landscape**

• AA and IBM have formed the most powerful partnership in the RPA industry

• IBM RPA is now directly integrated and licensed as part of the IBM DBA portfolio

• IBM RPA is sold and supported globally through IBM channel partners

• IBM launched the Automation practice at the IBM Think conference with a joint GBS/SWG go-to-market strategy

**Objectives**

• Combine thought leadership assets, skilled services, and world-class software to drive unprecedented client value

• ‘Re-energize’ the 5000+ DBA customer install base

• Bring an expanded view of digital labor to the market

• Accelerate RPA adoption

**IBM Digital Business Automation**

...1 single platform that does it ALL!
75% of the World’s Largest Enterprises Have Started the Journey

- **BFSI TOP 50**
  - AA Customers: 54%
  - In POC: 22%
  - Rest: 24%

- **TECH TOP 20**
  - AA Customers: 50%
  - In POC: 25%
  - Rest: 25%

- **HEALTHCARE TOP 10**
  - AA Customers: 50%
  - In POC: 30%
  - Rest: 20%

- **S&P TOP 100**
  - AA Customers: 36%
  - In POC: 28%
  - Rest: 36%
The New Bot Economy – Automation Anywhere Bot Store

- Online marketplace for pre-built bots
- Accelerates RPA initiative time to value
- Launched March ’18 @ Imagine, London

10+ Categories

200+ Bots

1000+ Downloads

10000+ Unique Visitors
Benefits of Leveraging a Digital Workforce

- Labor Cost Savings (reduction or avoidance)
- 24x365 Coverage (robots don’t sleep, eat or vacation)
- Faster Processing (typically 5-10x at a minimum)
- 100% accuracy (no human error)
- Flexible and Scalable Workforce (scale up/down and redeploy ad hoc)
- Improve Compliance, Controls, and Auditability
- Access to Real-time Data Analytics
- Happier Employees (dreary tasks done by robots)
Summary

- IBM can meet your specific Task automation needs with its leading IBM RPA with Automation Anywhere offering
- Solutions require more than RPA Task Automation:
  - IBM’s Digital Labor includes extended workflow, decision and data capture capabilities
  - Provides optimal automation to improve the mix of work across robots and people
- IBM can meet all automation needs with its Digital Business Automation Platform
- **Next Steps:**
  - Experience a Free Trial - [http://ibm.biz/ibm-rpa-demos](http://ibm.biz/ibm-rpa-demos)
  - IBM Automation Workshop
Thank you

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Industry Agnostic: 600,000+ Digital Workers Deployed

INSURANCE
- Claims processing and administration
- Report automation
- Prioritize and assign claims
- Adjudication process
- Data integration billing

BANKING
- Verification/audit processes
- Bank reconciliation
- Compliance processing
- Loan processing
- Customer account mgmt.

HEALTHCARE
- Inventory management
- Forms processing
- Digital invoice generation
- Global contracting system
- Data collection

MANUFACTURING
- Corporate billing reports
- Freight email triage
- Credit underwriting process
- Sales order system
- Paper mill reporting
Demo Backup Slides
Invoice Entry Workflow
Capture Invoice Data Task Automation

Capture feeds the Robot
Enter Invoice Data Task Automation

Robot drives the entire task
Invoice Entry Workflow
Backup Content Options
Combining workflow with RPA – example 1: Workflow refers work to RPA tasks to improve automation of manual tasks

Claims Processing example

Policy holder:
1. Submits claim information

Workflow:
2. Orchestrates claims process (including humans, systems & robots)
3. Routes claim for financial review
4. Routes claim for approvals

RPA:
3. Retrieves data from claim system, policy application & provider system
4. Enters data into claim system

Workflow extends the value of RPA by:

- Monitoring and enforcing Service Level Agreements
- Managing exception processes
- Managing end-to-end process
- Tracking the status of exceptions
Combining workflow with RPA - example 2: RPA tasks trigger workflows to take action in specific situations

Insurance Policy update exception

Policy holder:
1. Submits update to policy information

RPA:
2. Enters updated policy data into system
3. Identifies conflicting data (birthdate on update does not match birthdate on policy)
4. Initiates process to resolve conflicting data

Workflow:
5. Orchestrates human exception process to resolve
6. Sends updated info to RPA to update policy system

Workflow extends the value of RPA by:
- Managing exception processes
- Tracking the status of exceptions
- Monitoring and enforcing Service Level Agreements
- Managing escalations
Combining decisions with RPA

Order Entry task example

**Customer:**
1. Places order

**RPA:**
2. Opens order
3. Retrieves order data
4. Invokes decision to calculate discounts
6. Logs in to ERP system
7. Inputs data into ERP

**Decisions:**
5. Calculates discount amount for each line item

**ERP:**
8. Validates order
9. Submits order for fulfillment

**Decision management extends the value of RPA by:**
- Managing and governing business decisions outside of RPA
- Enabling non-technical business users to maintain operational decisions
- Enabling business automation to be changed rapidly
- Reusing business decisions across the enterprise
Combining data capture with RPA

Invoice Entry task example

Vendor:
1. Sends email with invoice attached as PDF document

RPA:
2. Opens email
3. Opens PDF attachment

Data capture:
4. Interprets invoice
5. Passes relevant fields to RPA

RPA:
6. Logs in to invoice system
7. Inputs invoice data
8. Compares invoice data against contract

Data capture extends the value of RPA by:
- Analyzing unstructured content to produce clean, structured data as required by RPA
- Eliminating or reducing the manual work required to interpret documents
- Minimizing exceptions
- Learning from corrections
Provide a Comprehensive Solution to improve business process

- streamlining tasks by automation
- process improvement in total business
- optimizing human resources

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Source: The Forrester Wave™: Robotic Process Automation, Q1 2017 Forrester report
Focus on Robotic Process Automation (RPA)

### Challenges

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<tr>
<th>Repetitive Processes</th>
<th>Shadow IT</th>
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<tr>
<td>Business Units requesting help to automate redundant, repetitive processes</td>
<td>Tech savvy team members developed macros or scripts outside of the normal IT process</td>
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### Opportunity

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<th>Assessment</th>
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<td>Consultant engaged to determine the correct fit for processes that should be automated</td>
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### Pilot Programs

- 7 different business segments running pilots
  - ROI study with 30 Robotic Processes to be introduced by June 2018
  - Estimate 50-60 automated processes in production by the end of 2018
Finding the Fit: A User Story

An existing Blueworks Live process

- Process Tasks automated in IBM Business Process Manager (BPM)
- User interfaces provided by BPM Coach Screens
- Interaction between roles (Reviewer and Data Processor) coordinated by BPM Process Flows
Reviewer (Management)

Data Processor

- **Manual upload of file(s) from laptop or NAS Share, as Application does not support APIs**
  - 10 – 15 minutes daily
- **Manual Compare of Data via Application Screens and Multiple Summary Spreadsheets**
  - 2 hours daily, plus up to 6 hours at end of each month
- **Manually apply corrections and notes for any comparisons that show differences**
  - 30 minutes daily

**Current State**
Where we are going…

Decision Management provides business rules

Process coordinated by BPM

API

Decision Management provides business rules
Benefits for just this one process

- Labor: > 2.5 hours/day
- Cost: $30,000/year
- Time: 1st bot deployed in 3 months

We expect 50-60 processes in production this year

- Automating repetitive tasks enables our people to focus on higher value work items.
- We see definite benefits in terms of financial savings, shorter processing times and rapid implementation!