Automation QUICK START GUIDE

A practical resource for evaluating, prioritizing, and staging the automation of business processes with RPA and Cognitive Automation

WorkFusion
Your RPA journey: Where to Begin and How to Progress

The Maturity Spectrum of Automation

**RPA**

*What does it solve?*
Manual, repetitive, rules-based processes

- RPA can be a good first step for automating data gathering, reconciliations, validations, structured copy-paste data entry, and any repetitive processes that require no human judgment
- **Key point:** may result in exceptions due to automation limitations on the process that requires human effort/manual resolution

*Automates 20 to 50% of a process*

**RPA + Exceptions Handling**

*What does it solve?*

- For operations starting their RPA journey today or for those who have experimented with rules-based RPA, adding ML to identify and handle exceptions reduces bot error rate and allows a business to scale automation faster. Can also be used to migrate automated process from another RPA tool to a more robust RPA platform to improve ROI
- **Key point:** reduces exceptions and frees up additional human capacity

*Automates 60-75% of a process*

**Cognitive**

*What does it solve?*
High-volume process with variability and judgment

- Adding AI-powered cognitive automation to RPA allows bots to learn from historical data and real-time human actions. This radically increases automation rate in a business process with high variability / judgment-based decisions
- **Key point:** the combination of RPA and Cognitive automation drives true digital transformation and delivers the highest ROI

*Automates up to 90% of a process*

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**Smart Process Automation Maturity**

- **Early Stage**
- **Growth-stage**
- **Digital Operations**
# Use Case identification and Scoring

These criteria and guidelines will help you determine the suitability of a business process for intelligent automation and prioritize these processes based on metrics. Each criterion has a plus or minus numeric score. Tally the scores you assign to each criterion will help you directionally prioritize your processes for automation.

<table>
<thead>
<tr>
<th>Process Criteria</th>
<th>Criteria Definition</th>
<th>Scoring</th>
<th>KPIs / Metrics</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Impact (Benefits)</strong></td>
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<tr>
<td>Materiality (Scope of Impact)</td>
<td>- Process requires a high number (10+) FTEs and is performed frequently (e.g., hourly or daily)</td>
<td>+ 10</td>
<td>- FTE</td>
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<td></td>
<td>- Transaction volume</td>
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<td>- Transaction volume</td>
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<tr>
<td>Suitability (Automation Candidate)</td>
<td>- Process has repeatable business rules that can be automated (RPA)</td>
<td>+ 5</td>
<td>- Frequency</td>
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<td></td>
<td>- Process involves the operation of one or more systems which require manual intervention</td>
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<td>- Percentage of rules vs. judgments</td>
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<td>- Process includes judgment work on variable tasks and / or unstructured data (Cognitive)</td>
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<tr>
<td>Regulatory / Risk</td>
<td>- Process supports high-risk, control, regulatory and compliance related requirements which would be enhanced through automation</td>
<td>+ 3</td>
<td>- Percentage improvement in coverage</td>
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<td></td>
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<td></td>
<td>- Reduction in risk</td>
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<tr>
<td>Financial</td>
<td>- Automation of the process would drive additional revenue, grow business volumes / market share or would result in recovery of costs that can not currently be recovered</td>
<td>+ 5</td>
<td>- Increased revenue</td>
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<td></td>
<td></td>
<td></td>
<td>- % of market share improvement</td>
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<td></td>
<td></td>
<td></td>
<td>- Dollar value of cost recovered</td>
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<tr>
<td><strong>Process Complexity</strong></td>
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<tr>
<td></td>
<td>- Process has repeatable steps that are uniformly executed, regardless of the people it takes to perform them (RPA)</td>
<td>+ 5</td>
<td>- Number of major process variations</td>
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<td></td>
<td>- Process is stable and is not undergoing major change or redesign prior to automation</td>
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<td>- Number of process roles</td>
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<td></td>
<td>- Process has numerous variations and/or rules or relies on human judgment that would be impossible to configure one by one (Cognitive)</td>
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<td>- Internal or external process roles</td>
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<tr>
<td><strong>Implementation Complexity</strong></td>
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<td></td>
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<tr>
<td>Regional Complexity</td>
<td>- Process is controlled / governed in one location rather than across multiple regions</td>
<td>+2</td>
<td>- Number of locations</td>
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<td></td>
<td></td>
<td></td>
<td>- Number of local offices</td>
</tr>
<tr>
<td>Data Privacy</td>
<td>- Process involves PII that may cause cross-border data privacy issues</td>
<td>- 3</td>
<td>- DPO requirements</td>
</tr>
<tr>
<td>Technical Complexity</td>
<td>- Data required to execute process is poorly defined and inconsistent</td>
<td>- 1</td>
<td>- Number of applications</td>
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<td></td>
<td>- Process requires data pulled from more than 5 systems</td>
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<td>- Number of screens</td>
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<td></td>
<td></td>
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<td>- Number of data sources</td>
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<td></td>
<td></td>
<td></td>
<td>- Number of external systems</td>
</tr>
<tr>
<td>Organizational Complexity</td>
<td>- Process is conducted across multiple disparate teams and/or is not standardized</td>
<td>- 2</td>
<td>- Number of teams supporting process</td>
</tr>
<tr>
<td><strong>Total:</strong></td>
<td></td>
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</tbody>
</table>
This is a general, customizable workflow for developing use cases to build out your Intelligent Automation book of work.

### Use Case Identification: Workflow Overview

#### Key Activities

<table>
<thead>
<tr>
<th>Identify Candidates</th>
<th>Develop RPA Profiles</th>
<th>Develop Use Cases</th>
<th>Prioritize Use Cases</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Input</strong></td>
<td><strong>Detailed Activities</strong></td>
<td></td>
<td></td>
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<tr>
<td>▪ Level 1-3 processes with associated process characteristics (FTE counts volume, optimal complexity, risk and criticality)</td>
<td>▪ Identify potential Level 4 processes and drill down to tasks</td>
<td>▪ Develop process profile for each candidate, Conduct process profile review session to refine and finalize each process profile</td>
<td>▪ Store profiles in repository</td>
</tr>
<tr>
<td>▪ Ranked Level 4 processes</td>
<td>▪ Conduct process profile review session to refine and finalize each process profile</td>
<td>▪ Review current state process flow</td>
<td>▪ Define metrics to assess implementation results</td>
</tr>
<tr>
<td>▪ Process Profile Template</td>
<td>▪ Identify steps that can be removed (leaned)</td>
<td>▪ Develop high-level target state use case design</td>
<td>▪ Develop impact analysis</td>
</tr>
<tr>
<td>▪ Process flow diagrams of the selected use cases processes</td>
<td>▪ Develop high-level target state use case design</td>
<td>▪ Prioritize/select use cases for pilot</td>
<td>▪ Complete Lean review (optional)</td>
</tr>
</tbody>
</table>

#### Input
- Ranked Level 4 processes
- Process Profile Template
- Process flow diagrams of the selected use cases processes

#### Detailed Activities
- Identify potential Level 4 processes and drill down to tasks
- Develop initial process ranking based on characteristics
- Conduct process profile review session to refine and finalize each process profile
- Store profiles in repository
- Review current state process flow
- Define metrics to assess implementation results
- Develop impact analysis
- Prioritize/select use cases for pilot
- Complete Lean review (optional)

#### Tools and Outputs
- Level 1-4 Process Candidate Map
- Process Profile Documents
- Use Case Design
- Impact Analysis

#### Roles
- Business Lead (A/R)
- Business Analyst (C)
- Process SME (C)
- Business Tech Lead (C)
- Business Lead (A/R)
- Business Analyst (R)
- Process SME (C)
- Business Tech Lead (C)
- Business Lead (A/R)
- Process SME (C)
- Business Tech Lead (C)

#### Potential considerations (dependent on institutional protocol)
- Have a more than 5 processes across the organization been evaluated and considered for potential automation?
- Was a Lean review completed for the identified use cases?
- Do all the process candidates have documented workflows?
- Can the target state process flows be further improved?
- Have all potential impact metrics been identified and analyzed?
- Has the reason for the selected use cases been articulated (e.g. largest impact, ease of implementation)?
- Has the Use Case Prioritization been agreed to by the Business Lead?
Use Case Design: Illustrative Process

- The infographic below is a data entry process that originates with a workflow request, receives a manual validation, and then is manually updated in the requested source system. It can serve as a guide for how to visualize your business process.
- This particular business process of receiving, manually validating requests, and then updating the source system is performed by 35 analysts globally.
- RPA and Machine Learning are leveraged in concert to automate the validation, updating, and closure of each case.

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A use case could be across 1 process, multiple processes, or just part of a process.
Banking Ecosystem

Consumer/Retail
- Retail/Business Banking
- Lending/Mortgage
- Cards
- Origination
- KYC, AML
- Account Maintenance
- Investments and Brokerage
- Cash Management
- Default Servicing
- Loan Closure and Lien Release
- Marketing Analytics
- Fraud Analytics
- Risk Analytics
- Fraud/Risk Operations
- Payment/Recon Operations
- Customer Interaction Management

Private/Institution
- Research
- Trading
- Corporate Finance
- Research Advisory
- Trade Finance
- Advisory
- Analytics
- Trade Execution
- Issuance
- Research Production
- Debt Finance
- Complex Finance
- Investment/Valuation Maturity
- Custody & Clearing
- Wealth Management
- Mergers & Acquisition
- Account Servicing
- Service Usage Tracking
- Arbitrage
- Broker/Dealer
- Business Service Provisioning
- Trading Risk Management

Enterprise Operations
- Shared Services
- Enterprise Supply Chain
- Global Functions
- Finance & Risk Operations
- Sourcing
- Financial Planning & Analysis
- HR Shared Services
- Payment Operations (A/P & A/R)
- Legal
- General Services & Travel
- Procurement
- HR
- Resource & Location Strategy
- Control & Governance
- Risk/Audit
- Risk & Compliance
- Operations Support
- IT/Infrastructure
- Purchasing Operations
- CTO
- Reconciliations
- Validations
- Processing
- Data Management
- Analytics
- Reporting
- Adjustments
- Migrations

SPA benefits
Less
More
# Banking Case Studies

## Consumer/Retail

### Lending/Mortgage

**Process Background:**
Title Documents are sent to loan analysts to be keyed into loan accounts, and sent to downstream process team for servicing via a workflow.

**Process Inputs/Outputs:**
Unstructured Documents (Title documents in pdf format), Loan Servicing System

**Intelligent Automation Solution:**
RPA Rules applied to initial front end process to provide lead in to analysts to train the robot to recognize actionable fields from the title documents; Machine Learning Tasks applied to the title documents to extract key data; RPA rules applied to accept and close out ticketing of title service request

**Business Benefit:**
55% Automation with RPA, 82% adding RPA + Exception Handling with 96% Quality; Decreased Title Servicing time from 60+ minutes to 2 min per transaction (1000+ volume/mo)

37 FTE savings @ $33,000 fully loaded cost per FTE ($1.22MM)

## Private/Institution

### Capital Markets

**Process Background:**
Brokers monitor FX Currency Thresholds of trades, and set limits for selling and buying of positions when the thresholds are breached.

**Process Inputs/Outputs:**
Bloomberg Terminal, Trade Servicing System, Outlook Email

**Intelligent Automation Solution:**
RPA rules applied to monitor threshold breaches and send alerts to brokers to be actioned (Phase 1)
Machine Learning Tasks applied to take action on breaches and offload trade positions (Phase 2)

**Business Benefit:**
89% Automation with RPA on Phase I with 85% quality
78% Automation with RPA + Exceptional Handling on Phase II with 90% quality

FX breakage exposure decreased from $2mm per quarter to <$15,000; bot execution 10x faster than the Broker

## Enterprise Operations

### Enterprise Supply Chain

**Process Background:**
Third party invoices are sent into the invoice processing queue to be validated by A/P team

**Process Inputs/Outputs:**
Unstructured Documents (Invoice documents in pdf and tiff format)
Procurement to Pay System, Email and Work Flow Applications

**Intelligent Automation Solution:**
RPA Rules applied to initial front end process to provide lead in to analysts to train the robot to recognize actionable fields from the invoice documents
Cognitive applied to the invoice documents, which trained the robot to identify the necessary fields, and input into Procure to Pay system

**Business Benefit:**
60% Automation with RPA, 86% with Cognitive with 93% Quality; Decreased Invoice cycle time from 6-8 minutes to 30 seconds (3,000+ volume/mo)

67 FTE savings @ $60,500 fully loaded cost per FTE ($4.05MM)
Enterprise Supply Chain - Level 2 and 3 Process Candidates Map

L2 Business

- Analytics (54)
- Business Office (26)
- Control & Governance (69)
- Sourcing & Procurement (511)
- Leadership (21)
- Operations Support (35)
- Payments Operations (672)
- Purchasing Operations (65)
- PMO (45)
- Systems (203)
- Third Party Compliance (207)

L3 Processes across Functions

- Spend reporting and analysis (10)
- Administrative Support (3)
- Audit Readiness and Management (25.1)
- Business Stakeholder Relationship Mgmt (102)
- Strategy & Functional Leadership (21)
- Global Process Ownership (5)
- Invoice Processing and Compliance (350)
- Buying Desk (6)
- Change Management Project Execution (24)
- Operational Readiness and Support (86)
- Aggregate Data and Report on a 3rd Party (24.3)

- Deal Support & CFO Savings Validation (17)
- Marketing Content and Design (2)
- Control Gap and Issue Management (21.3)
- Contract Administration / Management (26)
- Deal Reviews and Approvals (26)
- Help Desk (20)
- Payment Processing (20)
- Administration (6)
- Global Process Management (1)
- Solution Integrator Design Processes (46)
- Gather & Interpret Data (53.5)

- Operations, Sourcing, and Risk analytics, reporting & metrics (15)
- User and employee communications (4)
- Information Security, COB and Fraud Management (11.3)
- Deal Reviews and Approvals (26)
- Deal Reviews and Approvals and Approvals (26)
- In Country Sourcing and Stakeholder Engagement (126)
- Vendor Record Maintenance (22)
- POFA (8)
- Project Tracking and Reporting (8)
- Project Tracking and Reporting (8)
- Stakeholder & Project Management (20)
- Solution Integrator Implementation & Config. (64)
- Monitor 3rd Parties (24.3)

- Strategic Analytics Development (5)
- Functional / Org Strategy (12)
- Risk Assessments, Country Reviews (11.3)
- In Country Sourcing and Stakeholder Engagement (126)
- Supplier Information Sharing and Management (35)
- Supplier Onboarding and Risk Mgmt (5)
- Service Delivery Management (5)
- Supplier Onboarding and Risk Mgmt (5)
- POFA (8)
- Project Tracking and Reporting (8)
- Stakeholder & Project Management (20)
- Solution Integrator Implementation & Config. (64)
- Monitor 3rd Parties (24.3)

Workforce Planning, Budgetary Control & Internal Scorecards (7)

- Monthly Op Review, Regular/Ad-hoc reporting (3)
- Talent Management (2)
- Sourcing Execution (189)
- Supplier Information Sharing and Management (35)
- Supplier Onboarding and Risk Mgmt (5)
- Supplier Information Sharing and Management (35)
- Supplier Onboarding and Risk Mgmt (5)
- Supplier Information Sharing and Management (35)
- Supplier Onboarding and Risk Mgmt (5)

SPA benefits

Recommended starting point: FTE Totals: 1,908 Global
FTE Run Rate: $126.88MM

Less

More

(#) FTE
Enterprise Supply Chain: Invoice Processing Case Study

Level 4 Invoice Compliance Process: Compliance Check of Third Party Invoices processed for payment through Procure to Pay system

Overview of the Process:
- **Low coverage:** 10% checked only
- **Highly unstructured:** Invoices from Third party vendors in pdf or tiff format
- **High-volume:** 1000s of transactions/month
- **Time-sensitive:** Same Day Processing
- **Global:** 80 countries

Intelligent Automation Solution:

**Phase 1: RPA**
- Testing how much can be accomplished with RPA
- RPA on first 4 fields
- RPA on 6 fields
- Additional rules in RPA

**Phase 2: SPA**
- Machine Learning-based compliance based on 3000 transactions
- 6 fields with Machine Learning
- 8 fields with Machine Learning
- Full 10 fields with Machine Learning

Automation Percentage:
- 40%
- 50%
- 60%
- 70%
- 80%

Machine Learning not just approves, but is also correcting human mistakes

Business Value Outcome:
- Average of 60% STP with RPA, 86% STP with SPA/Machine Learning Applied
- 93% Quality (increase of >20% from Manual Process)
- Decreased Invoice cycle time from 6-8 minutes to 30 seconds (3,000+ volume/mo), which decreased SLA breach by 70%
- Replicatable process and configuration for accelerated roll out in subsequent Invoice Processing areas

67 FTE savings @ $60,500 fully loaded cost per FTE ($4.05MM)

Benefit to Enterprise: Part of strategic effort to decrease costs in Enterprise Operations by >50% over five years
Insurance Ecosystem

L1 Business

Product Development
- Market research, Segmentation and Profitability analysis
- Product design
- Product Definition and Development
- Impact Analysis & Modeling
- Filing Management
- Product Maintenance
- Deployment & Monitoring

Sales & Distribution
- Channel Integration
- Access Methods
- Distribution Strategy & Support
- Service Capabilities
- Distribution Performance Management
- Brand Health & Equity Management
- Customer & Market Insight
- Customer Experience Management
- Enterprise Marketing Management

Customer Acquisition & Underwriting
- Case Submission & Setup
- Case Implementation
- Clearance
- Rating / UW Decision
- Quote / Bind
- Premium Booking
- Policy Issuance and Fulfillment
- Enrollment

Policy Administration
- Policy Changes / Endorsements / Cancellations
- Scheduled Activity / Renewals
- Policy Storage & Retrieval
- Book Roll Transfer (data migration/entry)
- General Policy Administration
- Contract Investment Management
- Contract Analysis
- Retention

Billing & Collections
- Strategy, Policies, and Procedures
- Billing Management / Issuance
- Cash Management
- Cash / Billing Receipts
- Cash Application
- Collections Management
- Escalation (Dunning)
- Reconciliations
- Payments & Refund Processing
- Queries, Metrics, & Reporting

Claims
- First Notice of Loss (FNOL)
- Claims Coverage / Investigation
- Claims Assessment
- Claims Handling / Adjudication
- Claims Booking
- Claims Payment
- Claims Recovery
- Claims Support / Operations
- Claims Fraud & Abuse / Litigation / Arbitration / Sanctions
- Claims Reporting

Recommended starting point to assess your organization’s appetite for Smart Process Automation

L2 Processes across Functions

More

Less

SPA benefits
Insurance Claims: Claim Sanctions Processing Case Study

Global sanctions process involves name matching for individuals, organization, or vessel names to identify potential match or false positive for Sanctions

Overview of the Process

Highly Manual: Each sanction search is highly manual and repetitive with heavy copy and pasting from one system to another for Level 1 clearance
Highly structured: System to system data extraction and input with like for like fields
Time-Consuming: Each record takes approximately 6-10 minutes to complete Level 1 clearance
Time-sensitive: Same Day Processing

Smart Process Automation Solution

Phase 1: RPA
Apply RPA for rules-based data extraction/data entry

Phase 2: RPA + Exception Handling
Machine Learning Tasks applied to Exceptions

RPA Rules Configuration
Additional Automation w/ Machine Learning Tasks

Automation Percentage

40%  50%  60%  70%  80%

Business Value Outcome

Average of 60% Automation with RPA, 79% Automation with Machine Learning tasks added; 97% Quality, Decreased cycle time from 6-10 minutes to 90 seconds
Replicatable process and configuration for processes accessing similar source system

14 FTE savings @ $71,600 fully loaded cost per FTE ($1MM)