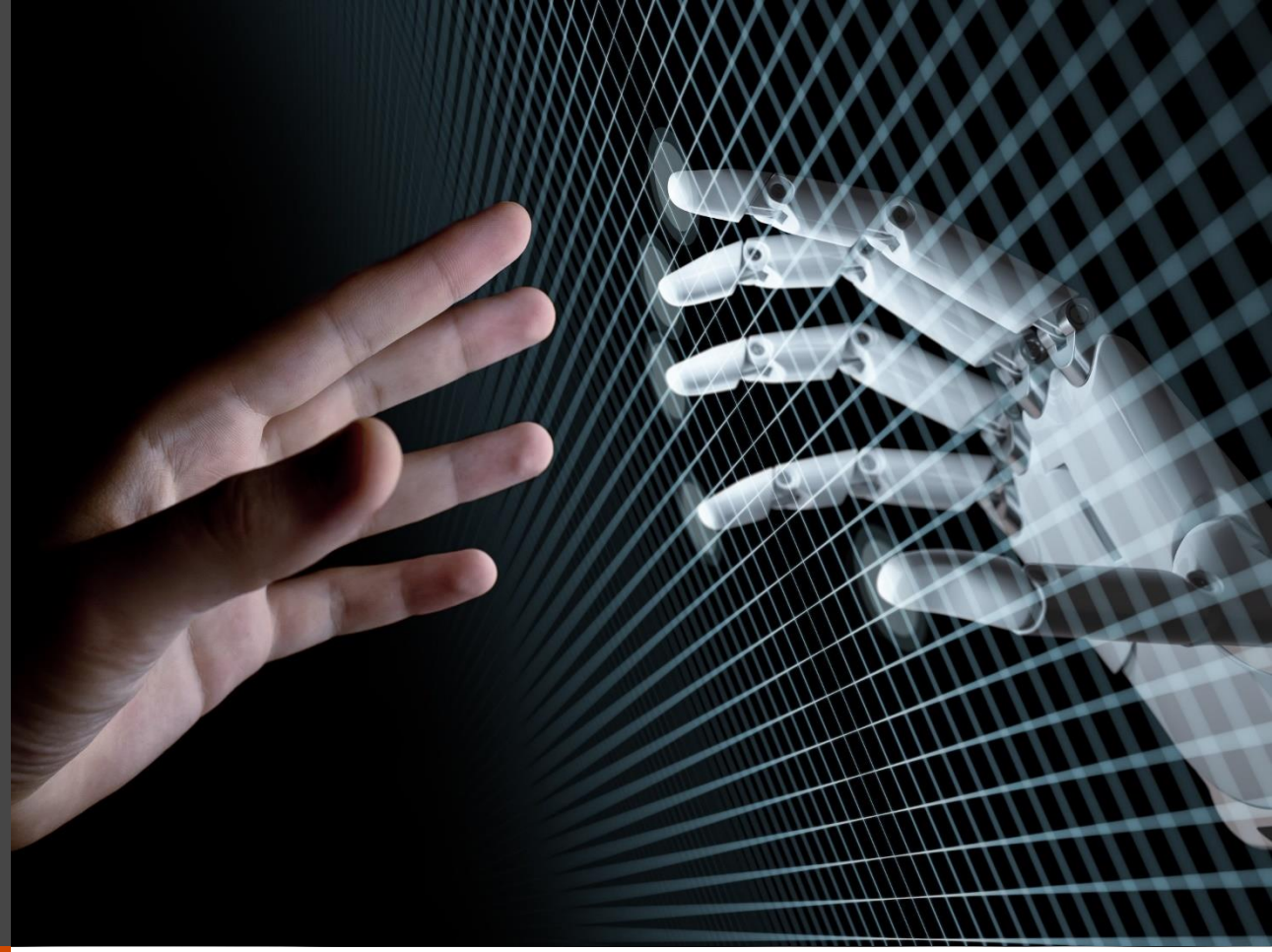
Automation pilots seldom fail but the programmes seldom scale!



SHINE Virtual Conference
30 October 2019

pwc

Agenda

1. Introduction
2. Context of automation through (software) bots
3. What is Intelligent Automation (IA)
4. Scaling IA programmes

Who is Abhijit?

Professional Journey

2004 — Bachelor of Engineering Computer Science, BITS Pilani, India

2006 — MBA, FMS, Delhi University, India
GE Money

2007 — **Infosys**
FS Core Banking Technology

2011 — **Accenture**
FS Management Consulting

2015 — **Accenture**
Principal –IA, **ANZ** Region

2017 + — **PwC South East Asia**
Intelligent Automation

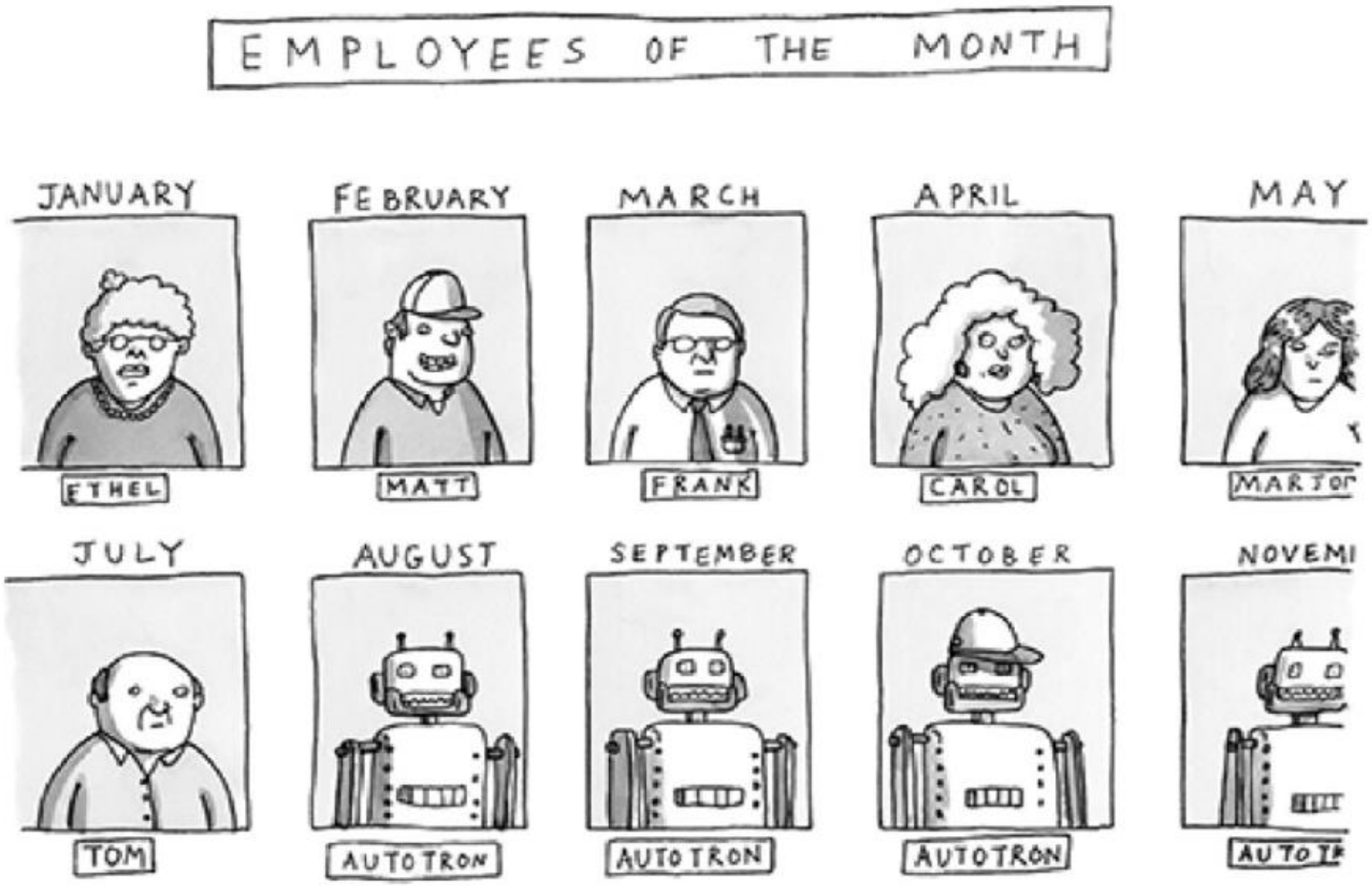
Highlights

13+ years of experience	50+ global clients
5/12 Continents/Countries	**FS, G&PS, Finance, HR, IT**

Areas of expertise

- Digital Transformation
- Automation **Strategy**
- **Cons + Tech + Ops**
- **RPA + AI**
- Target Operating Model Design
- Value Articulation

Employee of the month? Will robots take all our jobs?



Some buzzwords!

Machine Learning

Machine learning is just one topic area or sub-field of AI. It is the science and engineering of making machines “learn”. Machine learning focuses on finding patterns in data and using those patterns to make predictions.

Deep Learning

Deep learning is actually a type of machine learning that uses multi-layered neural networks to learn. There are other approaches to machine learning, including Bayesian learning, evolutionary learning, and symbolic learning.

Natural Language Processing

Algorithms that process human language input and convert it into understandable representations.

Machine vision (Image Analytics)

The process of pulling relevant information from an image or sets of images for advanced classification and analysis.

Speech Recognition

Speech recognition is the technology by which sounds, words or phrases spoken by humans are converted into electrical signals and assigned meaning. Each human voice is different, and identical words have different meanings if spoken with different inflections and contexts.

Swarm Intelligence

Swarm intelligence is all about the collective behaviour of self-organised systems to solve problems and is inspired by examples from nature (birds, ants, bees, etc.). Recent research is focused on multiple simple robots that work collectively to perform complex tasks.

Cognitive Computing

Cognitive computing does not have a clear definition. At best, it can be viewed as a subset of AI that focuses on simulating human thought process based on how the brain works.

Soft Robotics (Robotic Process Automation)

Automation of repetitive tasks and common processes such as IT, customer servicing and sales without the need to transform existing IT system maps.

RPA has been a ‘game-changer’ for close to a decade now!

Robotics Process Automation (RPA) is the automation of business processes that is governed by business logic and structured inputs. The software robot replicates the action of a human being interacting with the user interface of a computer system.

What RPA is

- Able to take on structured, repeatable and computer-based tasks
- A software ‘robot’ that interfaces with existing applications
- Capturing details of the process and storing it for potential auditing
- Creating a virtual digital workforce

What RPA is not

- A humanoid robot
- Something that can entirely replace humans
- A cognitive computing system that learns from data as “experience”
- A chatbot

RPA is the catalyst and 'forms the foundation for AI' – when combined with these technologies it becomes 'Intelligent Automation'

Traditional Enterprise + machine learning + natural language processing + deep learning → ***Intelligent Enterprise***

Robotic Process Automation

Driving **efficiencies** across the value chain via **RPA** for repetitive manual activities → critical to create operational **data** and **capacity** that traditionally has not existed

Augmented Intelligence

Leveraging cognitive/AI capabilities to **augment** core human-driven processes such as data manipulation, and exception management

Conversational Intelligence

Virtual agent/chat bot technologies for internal employee and external B2B/B2C interactions, enquiries and support

Unlock Value & Real-time Decisions

Unlocking the **value** of data to provide **deeper insights** enabling **real-time decision** making throughout the value chain

Benefits Profile

- Workforce Evolution
- Scalability
- Employee Value Proposition
- Operational Efficiency
- Accelerated Time to Market
- Real-time Decision Making
- Customer Centricity

Key trends in Intelligent Automation adoption

Most organisations are **‘trying RPA’** and **‘testing IA’**. We seeing significant growth coupled with a lack of impact.

45%

year-on-year spend

63%

of surveyed organisations did not meet delivery deadlines

30-50%

of RPA/IA projects fail to make an impact

This has resulted in a significant trend towards a strategic and holistic approach, especially as these technologies are now becoming a core competency.

Strategic v/s Tactical Outlook

More and more clients are looking at RPA/IA as an inherent part of their digital transformation strategy rather than a ‘tactical’ proposition

Focus on Risk & Governance

After failure, more and more clients are focusing on creating a robust governance framework from the beginning to mitigate key risks

Business-led and Cross-collaboration

No longer a ‘bot-building’ exercise to be undertaken by IT. A sustainable program requires competencies ranging from strategy, risk, change, operations, and technology

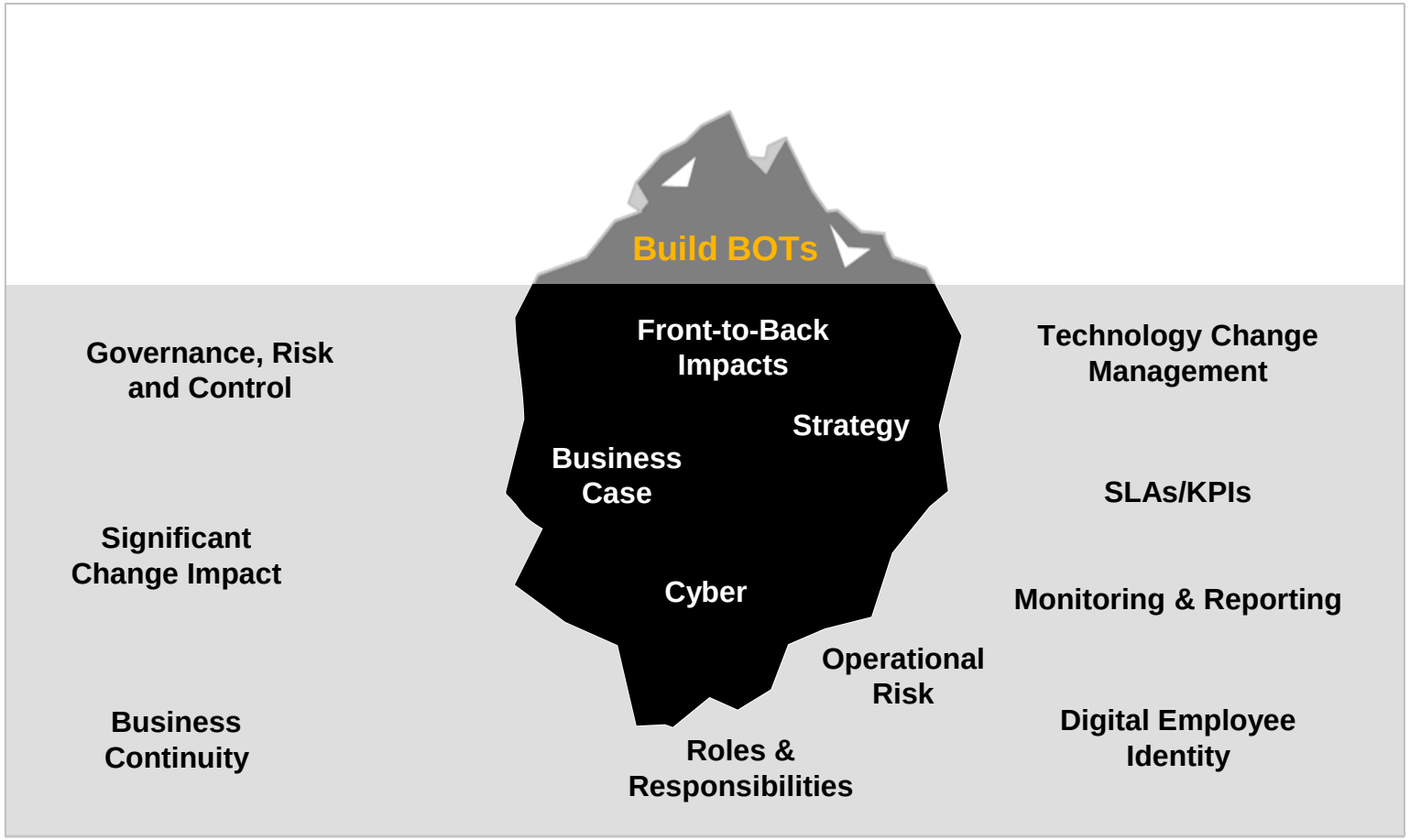
Intelligent Automation is more than just ‘BOT’ building

It is critical to realistically manage expectations around benefits while simultaneously building a self sustainable risk and governance framework to avoid failure to scale

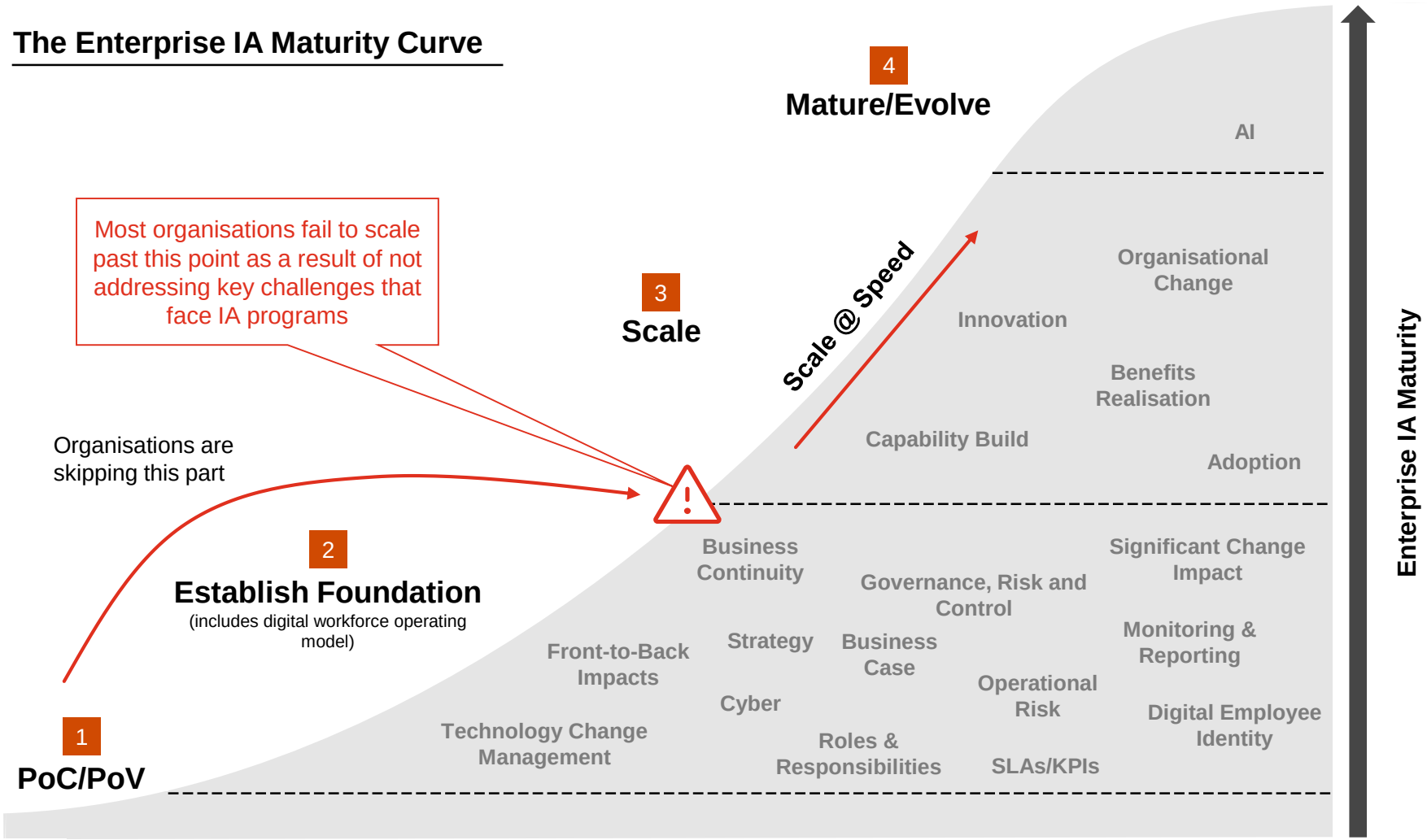
~40%

is our experience for the average amount of effort spent performing ‘BOT building’ during a successful RPA or IA program.

Many other considerations must be addressed to ensure holistic and sustainable success.



Foundational operating model elements are needed in order to scale RPA and into IA across the enterprise



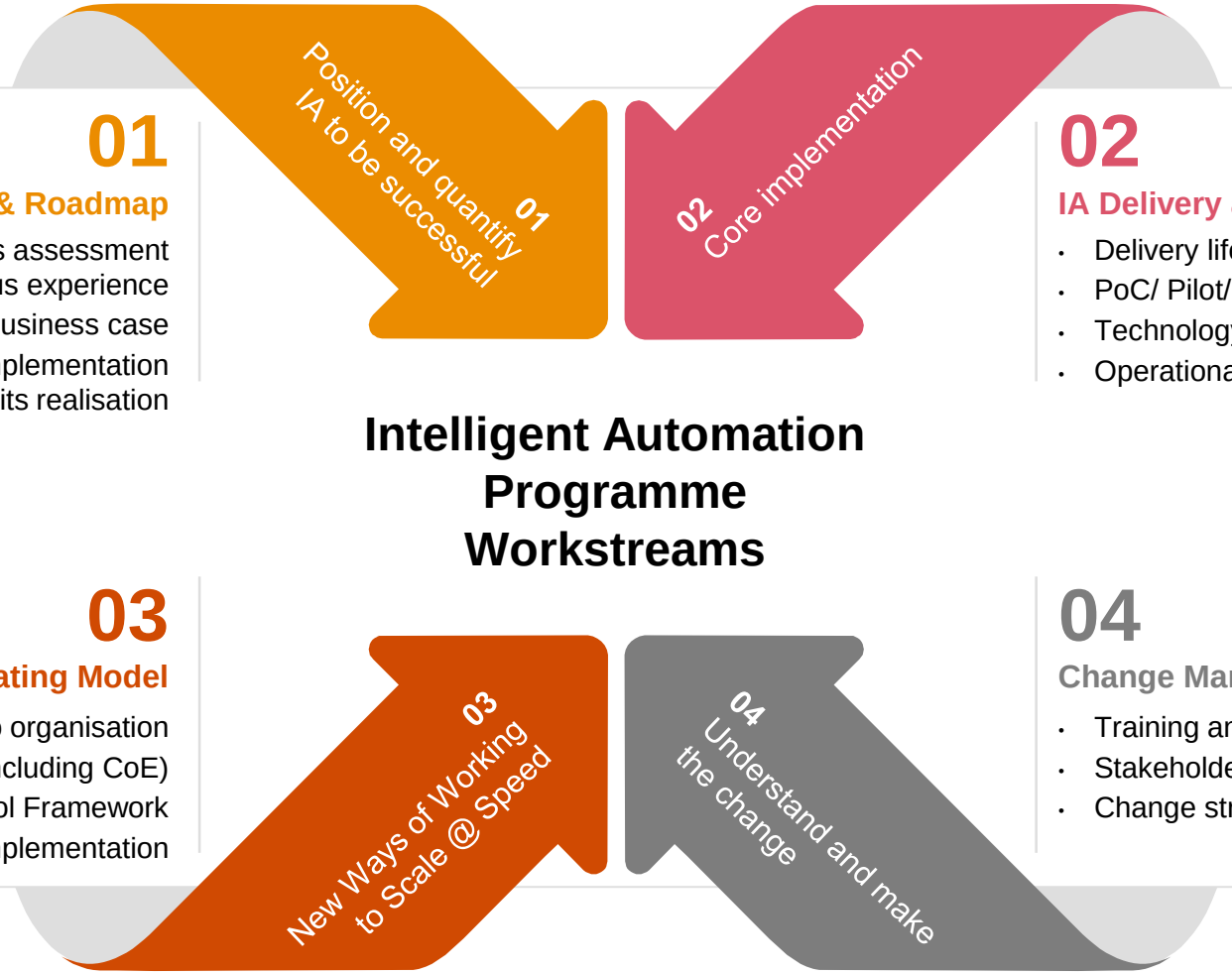
There are 4 distinct phases across the maturity curve.

If a limited number of the operating model elements are in place, scaling IA across the enterprise will prove challenging.

Key Challenges

- Stakeholder and leadership Alignment
- Positioning of IA and benefits realisation
- Disruption due to new ways of working
- Technology enablement
- New compliance, cyber and risk considerations
- Ongoing monitoring, performance and support

Bolster your IA pilot with a holistic set of work streams



01
Business Case & Roadmap

- Organisation and/or function process assessment leveraging PwC toolkits and previous experience
- Pragmatic and conservative business case
- Prioritised implementation plan for IA implementation (RPA, ML etc) for benefits realisation

02
IA Delivery and Technology Enablement

- Delivery lifecycle (DevOps & agile)
- PoC/ Pilot/ At-scale
- Technology enablement
- Operational change

03
Digital Workforce Operating Model

- IA strategy aligned to organisation
- Operating model approach (including CoE)
- Risk, Governance and Control Framework
- Technology selection and implementation

04
Change Management

- Training and capability development
- Stakeholder awareness and communications
- Change strategy and support

Critical success factors for achieving scale in Intelligent Automation

Build the right foundation

- Well **articulated** and measured **value proposition** & **strategy**
- Agreed **holistic and scalable operating model** with robust underlying processes
- Established IA **governance** to reduce operational risk, compliance and audit issues

Organisational culture, change and communication

- Recognise and address the **disruption and transformation** of the workforce and the organisational change
- **Inadequate** organisational and operational change leads to **poor delivery** & **disillusioned business.**
- **Transformational change** to be at the **forefront** of the IA Implementation

Business leadership & new ways of working

- **Leadership support and alignment** are essential for successful IA execution
- Business and Technology **working together** to achieve IA benefits.
- Support the new way of working across the organisation **to achieve and sustain agility** and scalability of the business

Ability to realise realistic benefits

- Conduct **realistic assessment of benefits**
- Constant **workforce optimisation and change** is required to realise the benefits
- Clarify **roles and responsibilities** in Operating model for digital workforce optimisation and benefits realisation

Continue to Innovate

- Continue to focus on **innovation and new technologies** for IA to realise more benefits and stay ahead of competition
- Continues IA **opportunity assessment** to identify complimentary benefits
- Focus on **people upskilling** to manage and evolve IA

Thank you!

Abhijit Chavan,
Director, Intelligent Automation
PwC South East Asia Consulting
SG: +65 8125 7617
Email: Abhijit.g.chavan@pwc.com