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# Automating Financial Processes through Robotics Process Automation (RPA)

Karen Chirico, Sr. Director IT Honeywell

Session ID #82359

# About the Speakers

## Karen Chirico

- Sr. Director IT, Honeywell
- Been with Honeywell for 15 years[short background. Leads IT team supporting all finance applications globally.
- Recently climbed the Harbor Bridge in Sydney, Australia

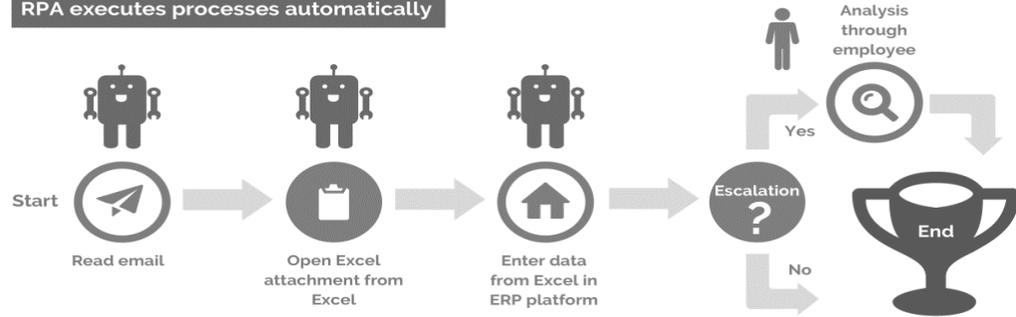


# Key Outcomes/ Objectives

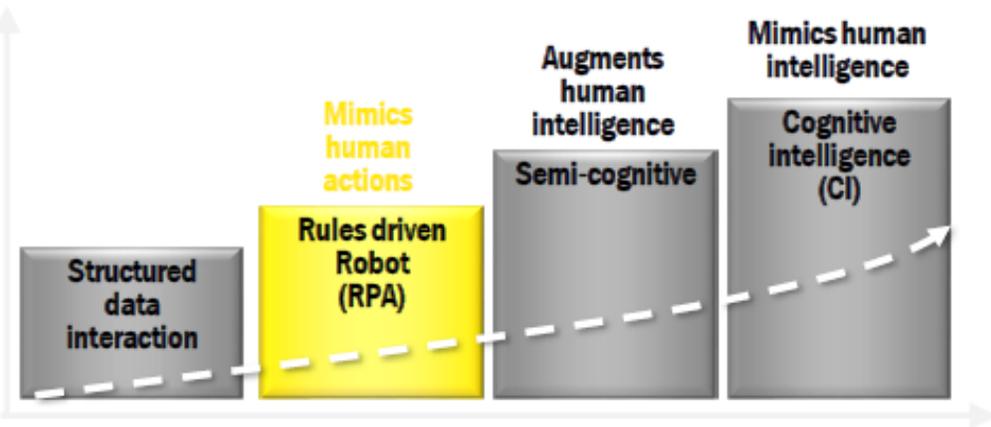
- What Is RPA?
- Pilot Approach
- Components RPA Pilot
- RPA COE and Governance
- RPA Outcomes
- RPA Myths and Facts
- Key Points to Take Home
- Questions

# What is Robotics Process Automation (RPA)?

RPA executes processes automatically



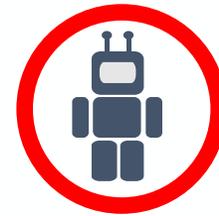
*“RPA is a concept that runs unattended by people working like a virtual employee which sits on top of legacy applications performing laborious and repetitive tasks reliably at the UI level.”*



**MYTH:** Robotics will fix outdated or inefficient processes

**MYTH:** All processes can be improved with RPA

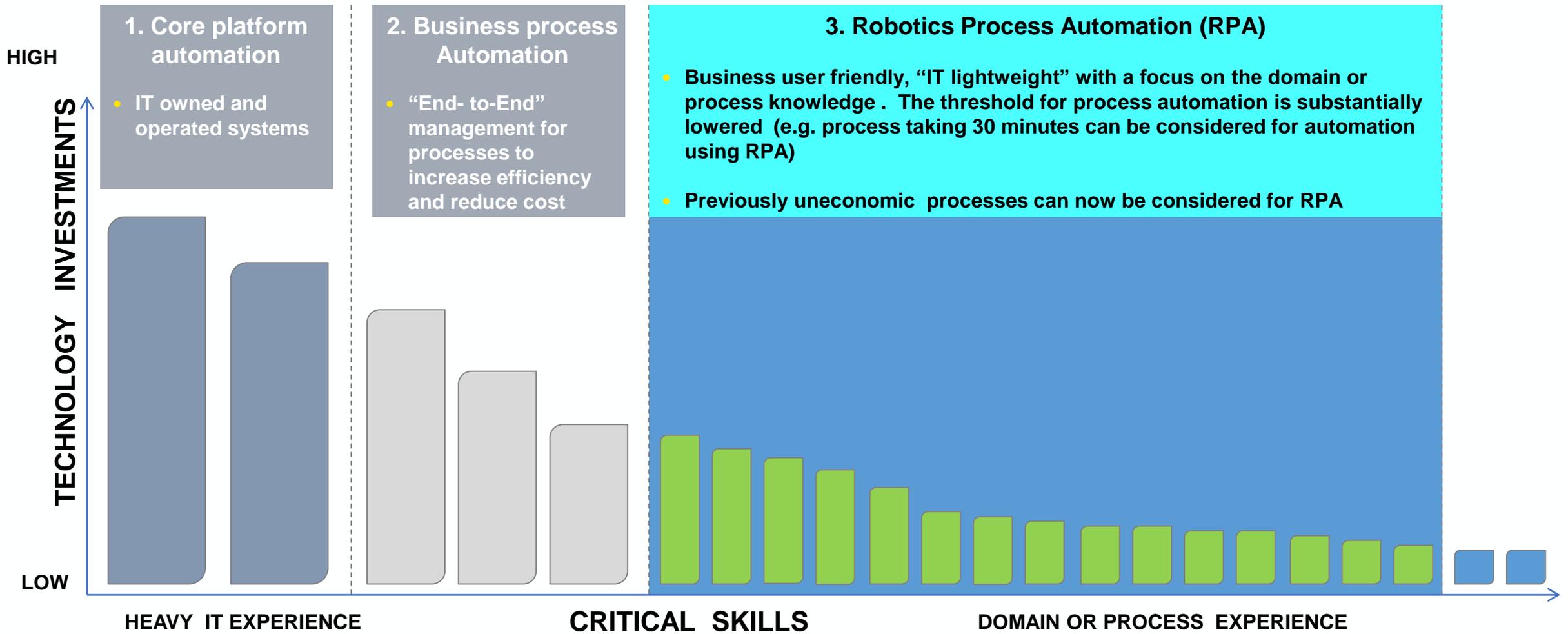
**MYTH:** Robots will replace the workforce



- 1 Automated solution can work 24/7
- 2 Double-digit reduction in error rates
- 3 Robots work with existing IT landscape
- 4 Robots can be trained by business users
- 5 Increase in Productivity
- 6 Opportunities for skill expansion

*“Workforce increases focus on results, analytics and relationships”*

# RPA - Business User Friendly - Lowers Threshold for Automation



# Robotics Process Automation- Pilot Approach

## RPA PILOT APPROACH

- Identify Uses Cases**
  - Design and Configure automation through RPA.
  - Test and Implement Pilot processes.
  - Evaluate outcomes.
  
- Design the RPA COE Service Model**
  - Governance Model.
  - Organizational Operating Model.
  - Identification and prioritization.
  - Playbook methodology.
  - Communication Strategy.
  
- Roadmap for RPA**
  - Determine Wave 2 opportunities
  - Develop roadmap and pipeline

## PILOT USE CASES

### SPRINT 1

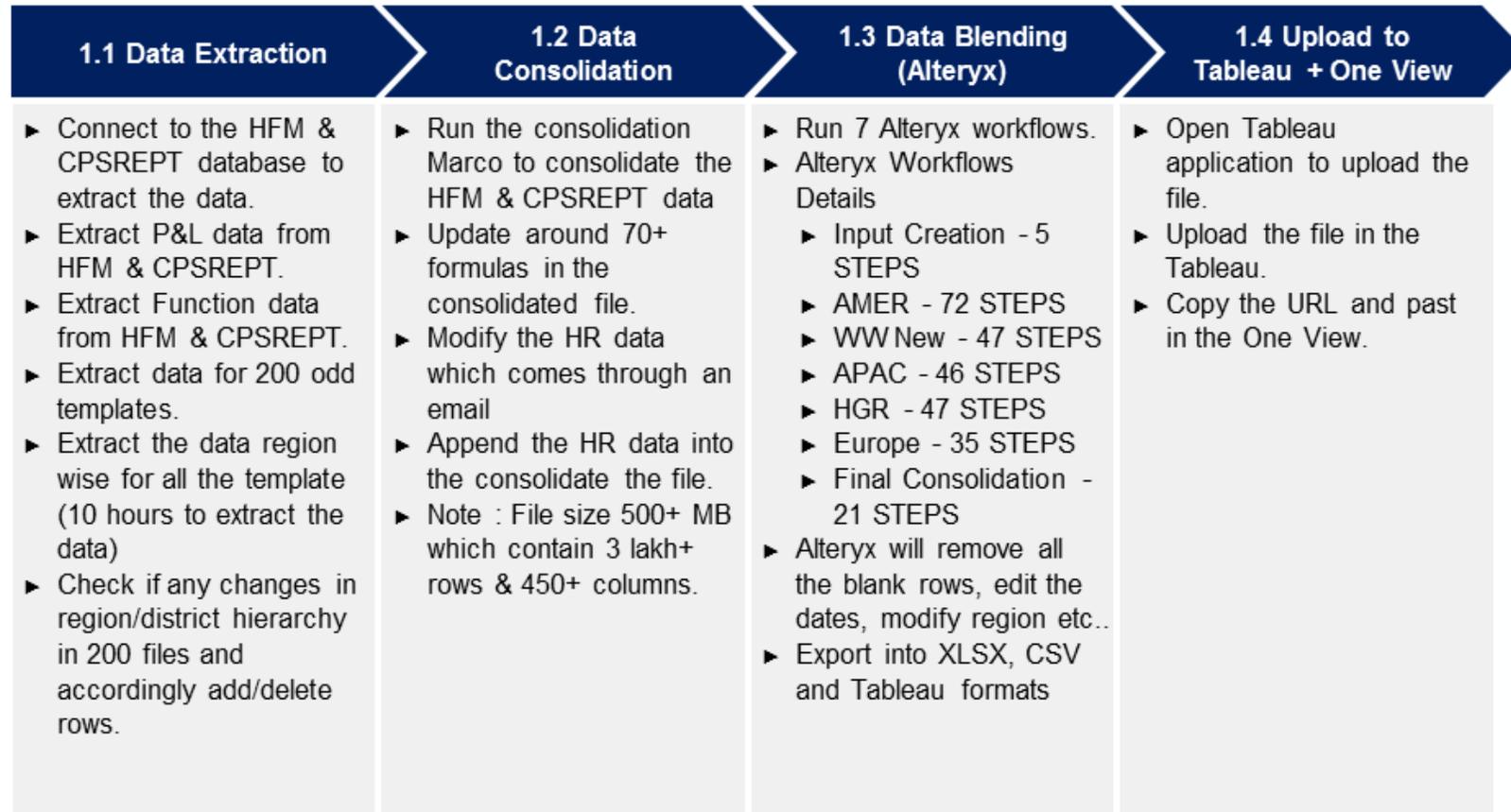
- 1) FP&A Report Generation
- 2) Freight Invoice Verification
- 3) Gold Paks Process Automation
- 4) HR & Payroll

### SPRINT 2

- 5) Intercompany Goods in Transit
- 6) Cash Application
- 7) Vendor Master Maintenance
- 8) Bravo Awards

# Pilot Process – FP&A HOS Gold Pack

## Overview of the HBS Gold Pack Process



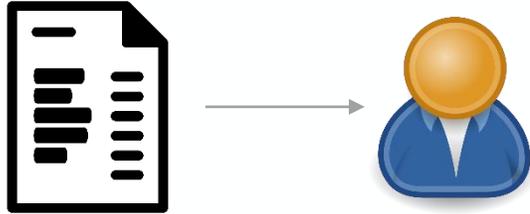
## Proposed Automation

- ▶ Automate Data Extraction and replace MACRO
- ▶ Automate Data Consolidation of the 3 files (HFM, CPSREPT and 3<sup>rd</sup> file)
- ▶ Automate the Alteryx workflow AS-IS (Not replacing Alteryx or Alteryx functionality with RPA/EXCEL)
- ▶ **See Next Slide for details**
- ▶ Automate final upload to Tableau and One View

## Proposed Timeline

Phase	Weeks
Build	3.5
Test	1
<b>Total</b>	<b>4.5</b>

# Freight Verification Process

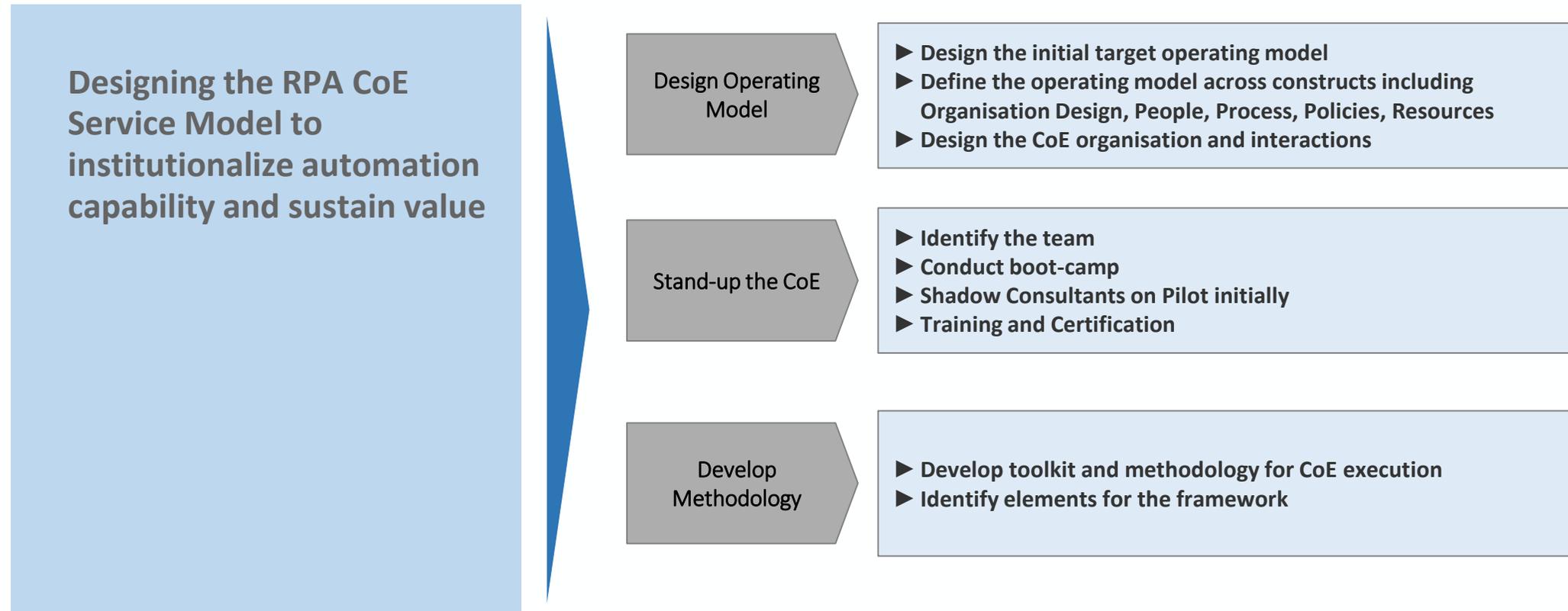


Action/Process Steps	Time Taken (Min.)	ASIS	TOBE
Login to FVR Tool	5.5		
Import invoice	3		
Upload invoice	1.5		
Invoice Verification	1.5		
Process Invoice	0.5		
Generate/Export Report	2.5		
Manually format report	3		
Go to Dashboard	1		
Approval	3		
Batch Creation	3		
<b>ASIS - Total Time Taken</b>	24.5 minutes		

<b>TOBE Time Taken by "Human"</b>	11 minutes
<b>TOBE Time Taken by "BOT"</b>	3 minutes
<b>TOBE - Total Time Taken</b>	14 minutes
<b>Time Saved by "BOT"</b>	<b>10.5 minutes</b>
<b>POC - Productivity %</b>	<b>43%</b>

**50,000 invoices/month \* 10.5 minutes saved = 8,750 hours saved/month**

# 3 elements of Designing the RPA CoE

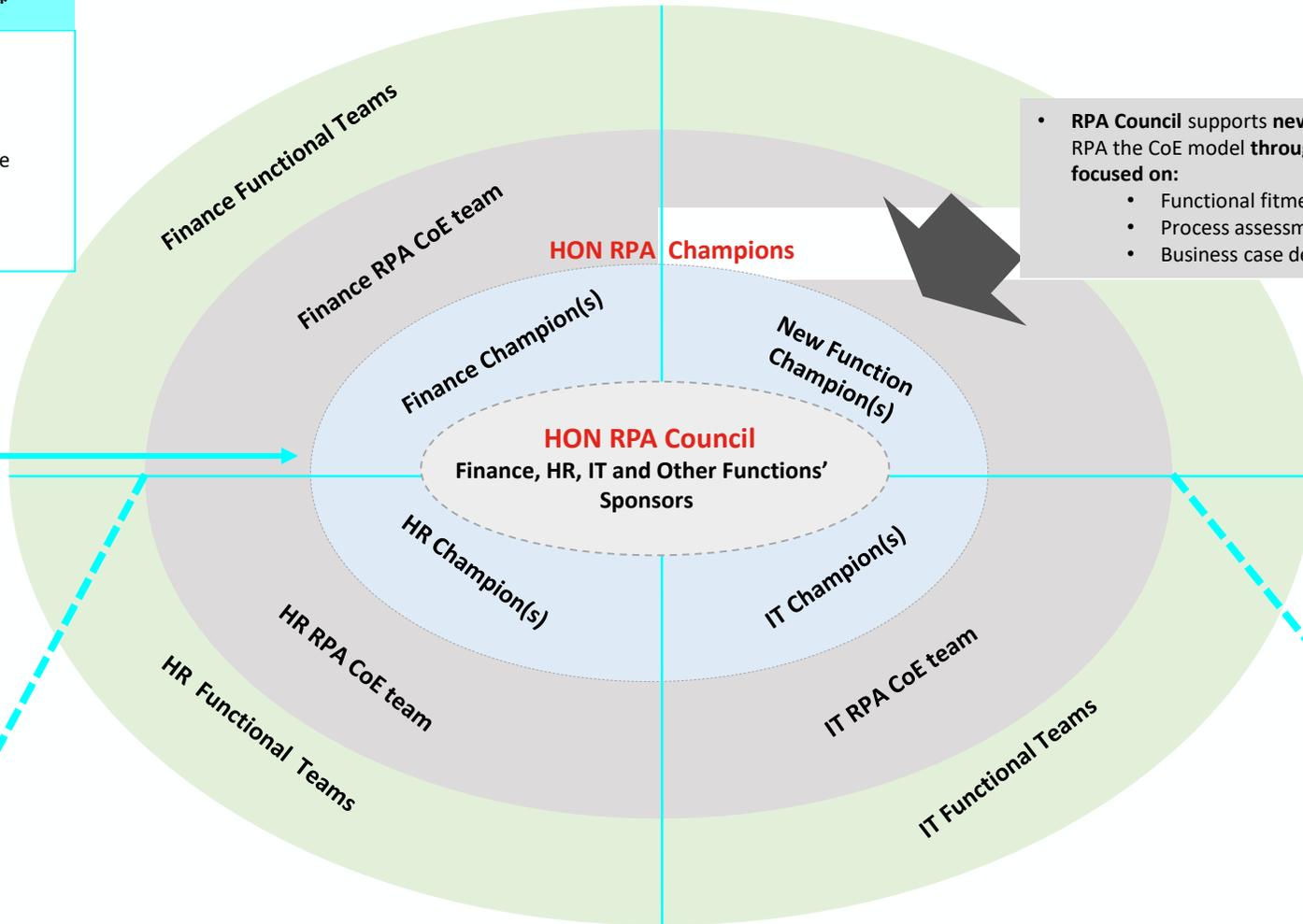


*“Federated COE Model Between Functions & IT”*

# RPA CoE Structure

- Support Focals\***
- GPOs
  - PMO
  - Procurement
  - Information Security
  - Audit and Compliance
  - BCP/DR Focal
  - AA Product Manager
  - Recruitment Focal

- Current CoE member functions:**
- Finance
  - HR
  - IT



- RPA Council supports new function induction into RPA the CoE model through induction process focused on:
- Functional fitment assessment
  - Process assessment
  - Business case development

- Functions looking at induction:**
- Tax
  - Legal
  - Others

**IT Enablement**

IT AA platform owner [app + infra] and AA Tech focal\*

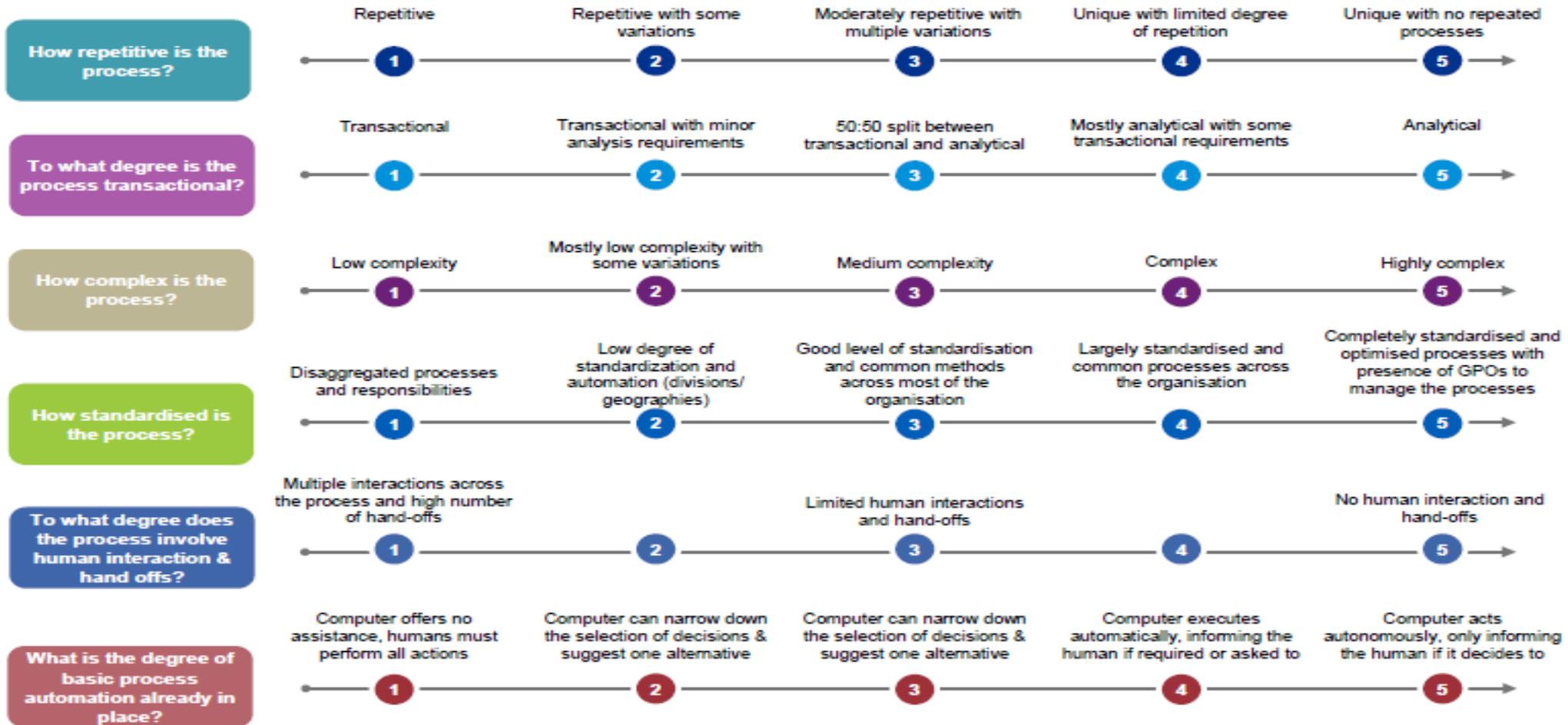
Enterprise QA leader and focal\*

IT Functional RPA BP\*

\*Part time roles shared across various RPA CoEs



# How to Identify the Process?



**“Identify the process with high benefits & Build Future Heatmap”**

# RPA MOS

## RPA Council – Monthly

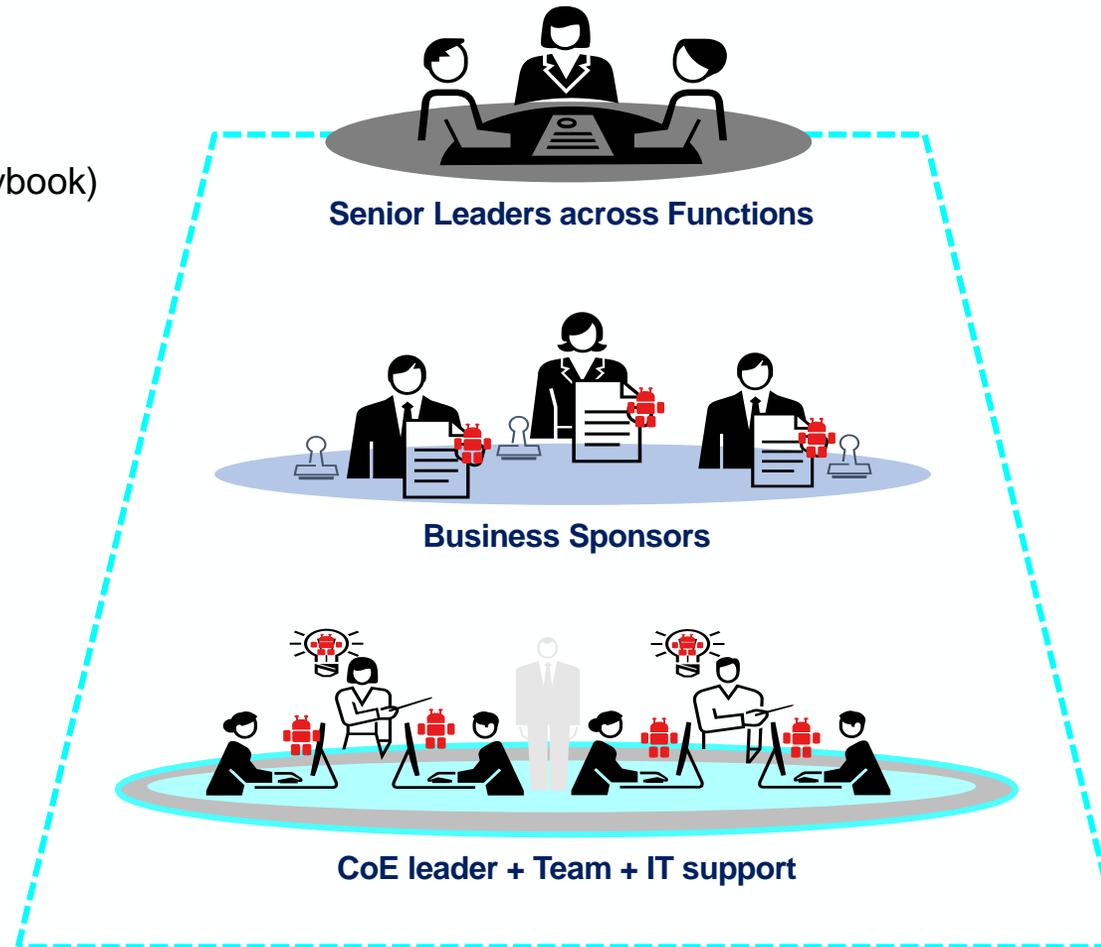
- Leadership (Support expansion, alignment)
- Standardized Methodologies (Resources, playbook)
- Governance – (Providers, technology)
- Best Practice

## Functional Champions - Twice-Monthly

- RPA Deployment
- Bot / License Coordination
- Driving Standards
- IT Collaboration

## RPA COEs

- Identify Opportunities
- Configuring BOTs
- Bot Process Ownership



# Robotics Process Automation

## WHAT IS RPA

Technology that automates routine, manual tasks

- Manual, standard, repetitive tasks
- Alternative of major systems enhancement
- Fast to implement
- Works 24 x 7
- Faster and more accurate than people

**“fills the gaps” between existing systems**



## BUSINESS VALUE – HR AND FINANCE

**High ROI**  
~6 to 8 Month Payback  
~\$7.6M Savings (2018-2019)



**Productivity**



**Working Capital**



**Compliance**



**Operational Risk**



**Speed**



**Customer Experience**

# Robotics Process Automation - Finance

2018 - 2019

Bots

Processes

~85 

~350

Payback

BOT Efficiency

~6 months

~55%

Implement

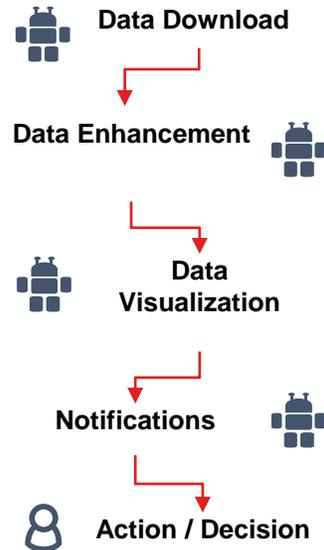
Code Re-Use

~2-4 weeks

30%

## AP Live Dashboard

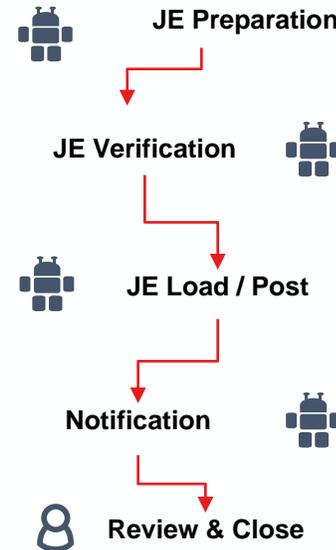
Self Service Module  
Single Source of Information  
Accelerated Vendor Resolution



 Working Capital

## Month End Journal Entry

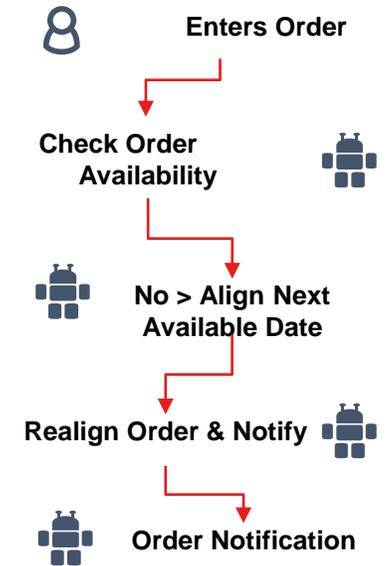
Policy Adherence  
Faster Financial Postings  
Less Errors



 Productivity

## Order Date Alignment

Increased Coverage ↑ 60%  
Accelerated Revenue  
Business Insights



 Compliance

# Robotics Process Automation - HR

2018 - 2019

Bots

Processes

~36 

~100

Payback

BOT Efficiency

~7 months

~64%

Implement

Code Re-Use

~4-6 weeks

40%

Complexity – High

## Assigns New Hire Training & Sets up System Access

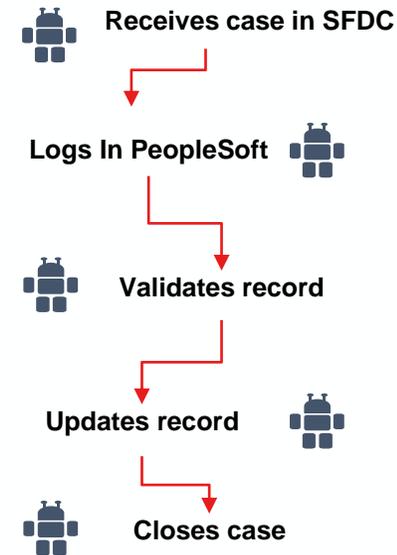
Leans out 3 days queue-time to 20 min



Compliance

## Creates New Hire Record

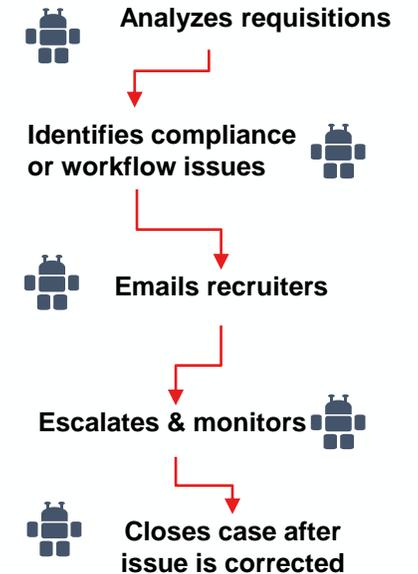
100% manual to 60% no-touch



Productivity

## Identifies errors in requisitions

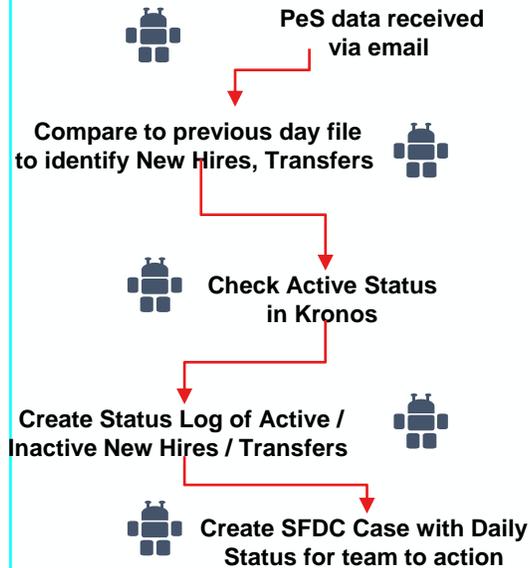
33% reduction in errors, eliminated re-work



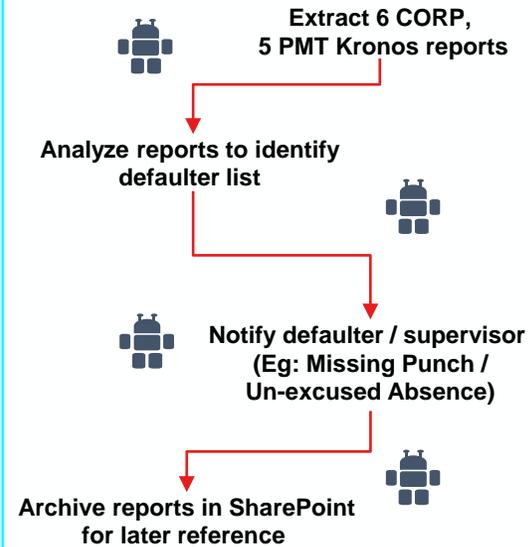
Operational Risk

# Time and attendance

Check for Kronos Active Status – CORP, PMT New Hires, Transfers  
Manual audit to Automated Audit



Kronos Reporting (*Missing Punches, Un-excused Absence, Over 40/80 hours, Zero Hours, Mngr Appr*)  
~3-6 notifications to 1 notification per supervisor



# Automation (RPA/ ChatBOTS/ Infrastructure) – IT

2018 - 2019

Bots

Processes

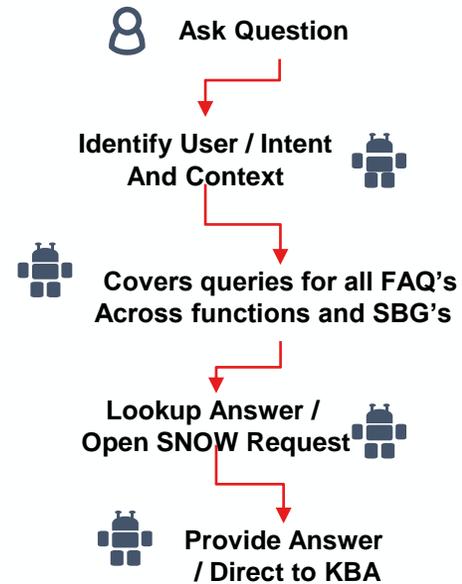
~86   
28 - Live

~110  
50 - Live

## Benefits

- Enterprise Automation capability that supports automation efforts for the enterprise
- Enterprise Automation governance, architecture & solutioning
- Single, enterprise-wide support team
- Platform is being proved out through IT use cases
- End to End efficiency improvement (~20%) for functions leveraging Automation
- Zero Touch error resolution (~15%)
- ~500 production tickets reduced; ~75% greater productivity in INF patching and hardening
- Improve self-service and reduce wait time to resolve queries related to key operational systems

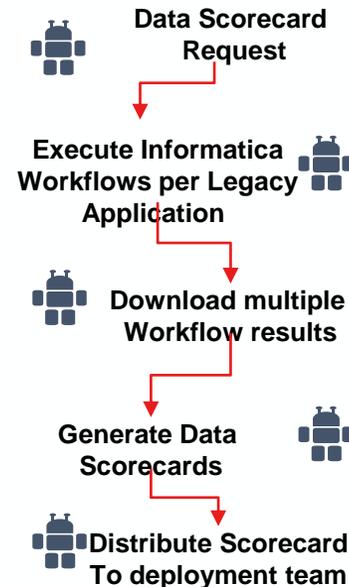
**SAP Virtual Assistant  
(Companion Chat-BOT)  
ERP Companion Self-Service; Reduce Helpdesk tickets xSBG**



 Efficiency  Speed  Quality

**Informatica - Data Scorecarding BOT/RPA**

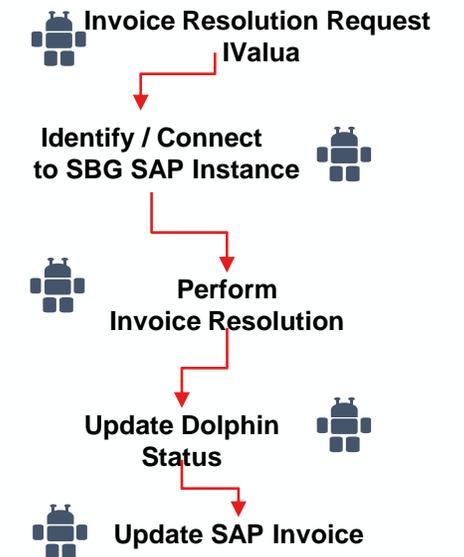
**Reduced Deployment timelines; User Productivity**



 Compliance  Speed  Quality

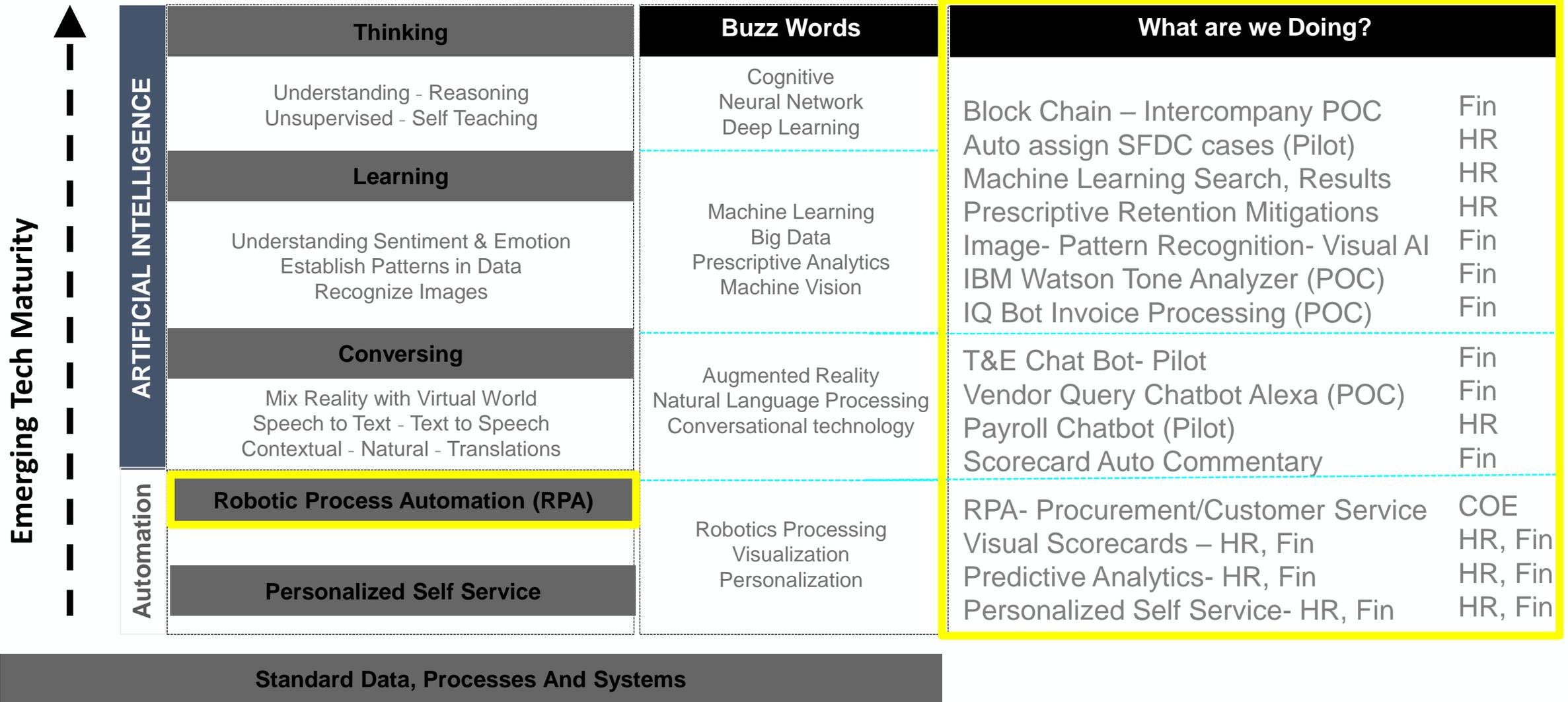
**IValua Invoice Resolution – SAP/Dolphin RPA**

**Avoid \$200K YoY Spend, Eliminate Manual processing**



 Efficiency  Compliance  Quality

# Emerging Technology – HR and Finance



Source: Gartner Top Trends, Cap-Gemeni Consulting, E&Y Innovation Lab, Delloite, Wired Guide to AI

# RPA – MYTHS VS FACTS

			Yes	No	Depends
01	 40% Productivity Gain	20% Productivity is reasonable, Humans are required to work on Exceptions		✓	
02	 Quick Deployment	Faster Deployment can be achieved post RPA Stabilization	✓		✓
03	 Function Led, IT Enabled	Equal Stake by Function and By IT		✓	
04	 BOT Operations Business As Usual	Change Management & Governance Critical Success Factor		✓	
05	 Audit & Controls No Impact	Change in Controls due to Robotics, SOD Issues BOT ID Ownerships		✓	
06	 No need of IT Knowledge for Development of BOTS	A Certain level of Coding Experience is Required to Work on RPA			✓
07	 All Process Can be Automated	End to End Ownership & Transactional - Yes Multiple Handoffs - Will need Process Re-arrangement - Depends	✓		✓
08	 3 Months ROI	Average ROI is anywhere between 5 to 7 Months Timeframe			✓
09	 Enough Case Studies to Learn from	Each Org & Implementation is Unique to the Company's Policies and Infra			✓
10	 BOTs are Faster	BOTs Takes the Same Time or More		✓	

# Critical Success Factors

- **Self Organized Teams**
  - *Helps in driving speed and scalability*
- **Driven by the business**
  - *Deep Domain Knowledge helps in efficient deployment*
- **Self funded**
  - *No Need for a Centralized Funding and driven by Business Case*
- **Standard Technology**
  - *RPA Council Driving Standards across deployment*
- **Leverage scale with Vendors**
  - *Centralized License Management*

# Key Take Homes

- RPA is a 24x7 Process
  - *Increases productivity of work force.*
  - *Reduces manual tasks from employees.*
- Significant reduction in error rates
  - *Consistent reliable processes.*
- Works with existing IT landscape
  - *Can be integrated into existing applications and processes.*
- BOTS can be developed by business users
  - *Puts automation capability in the hands of employees with deep business domain knowledge.*
- BOTS must follow the same security and controls as human users
  - *Ensures compliance and controls.*
- Strong Governance process is required.

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# Presentation Materials

Access the slides from 2019 ASUG Annual Conference here:

<http://info.asug.com/2019-ac-slides>

# Q&A

For questions after this session, contact us at [karen.chirico@Honeywell.com](mailto:karen.chirico@Honeywell.com)

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