Robotic Process Automation: The Future of Digital Technology

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In a recent article, we discussed the fact that it's now essential that the finance function apply digital technology in order to properly serve the constituents of any organization. The current reality is that the operating model of the modern finance department will continue to evolve by automating non-value added, repetitive and routine tasks and recalibrating transactional processes.

In fact, some finance executives believe that investing in technology is more important than investing in talent, or at least more important than the type of talent to be hired. For example, the results of a recent survey showed that the vast majority of CFOs plan on increasing their investment in the cloud. Some are even hiring statisticians and economists as well as experts who can best relate to the customer or the markets served.

Finance executives should be looking at their department's ability (or lack thereof) to best serve their organizations and support the customer experience. Collaborating with other functional leaders to develop ways in which to deliver or improve systems is now a critical part of the changing role of CFO as *the* source and architect to drive business value.

Risk Management and Strategic Planning

Many finance organizations are turning to Robotic Process Automation (RPA) to manage risk and support forward-looking decisions that drive strategic planning. For example, implementing RPA software can solve information problems that span multiple processes, departments and locations, thus providing visibility to multi-dimensional data for all stakeholders.

RPA enables organizations to adjust to different systems and tasks that execute automatically and with less complexity across the entire organization. The Institute for Robotic Process Automation defines RPA as:

> *"The application of technology that allows employees in a company to configure computer software or a 'robot' to capture and interpret existing applications for processing a transaction, manipulating data, triggering responses and communicating with other digital systems."* [1]

As business complexities rise — and along with them, the risk of rising operating costs due to more rework, errors and lost productivity — the need to automate non-value added processes using RPA becomes greater. The negative repercussions of not doing so can be drastic. For example:

- Missing deadlines due to errors and rework could negatively impact customer loyalty, leading to lost sales and lower revenue. According to one estimate, up to 30 percent of all project costs are attributed to rework caused by errors. [2]

- When too much time is spent by employees on manual input or output tasks, overall productivity is decreased. This can negatively impact profitability.

Creating Digital Technology Platforms

Forward-looking organizations are using RPA to create finance departments with digital technology platforms that automate non-value added tasks like those noted above. In the process, these platforms deliver access to multi-dimensional information into customer and enterprise data. The key is to create a responsive center with a single point of emphasis focusing on control, communication, compliance and risk management.

Your company may realize a number of positive outcomes by using RPA and advanced analytics to create such a finance department, including the following:

- Improve or maintain your competitive edge.
- Enhance compliance and risk management.
- Increase efficiency with more employee time spent on value-added tasks that boost your bottom line.
- Realize cost savings across the entire organization.
- Optimize analytics and predictive modeling.

An outsourced CFO services provider can help you use RPA to create a digital technology platform in your finance department that automates non-value added processes. An outsourced CFO will perform an in-depth examination of your current processes, including non-value added, repetitive and routine tasks that employees are spending time performing. He or she will then assist in the implementation of RPA processes and procedures that automate these tasks and improve efficiency and productivity.

Concluding Thoughts

The operating model of the 21^{st} century finance department will continue to evolve by automating non-value added, repetitive and routine tasks and recalibrating transactional processes. Many finance organizations are turning to Robotic Process Automation (RPA) to accomplish this recalibration. RPA enables organizations to adjust to different systems and tasks that execute automatically and with less complexity across the entire organization. An outsourced CFO services provider can help you use RPA to create a digital technology platform that automates non-value added processes.

1 *What is Robotic Process Automation? | Institute for Robotic Process Automation*
www.irpanetwork.com/what-is-robotic-process-automation/

2 *Putting Non-Value-Added Work on Auto-Pilot | Automation Anywhere*
www.automationanywhere.com/images/guides/aa_autopilot.pdf

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