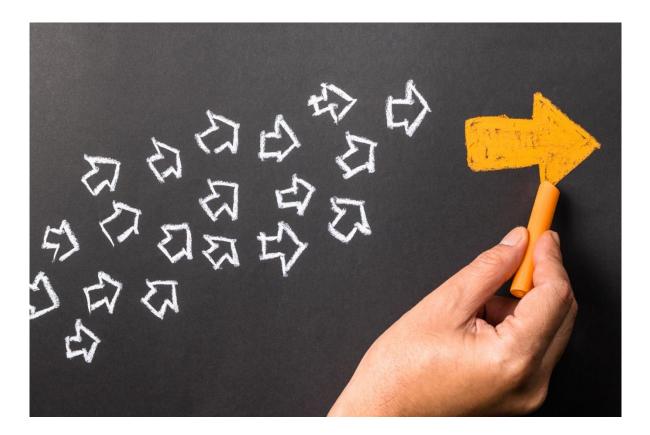
4 Trends Defining Process Excellence in 2016



What are the key trends affecting process practitioners this year?



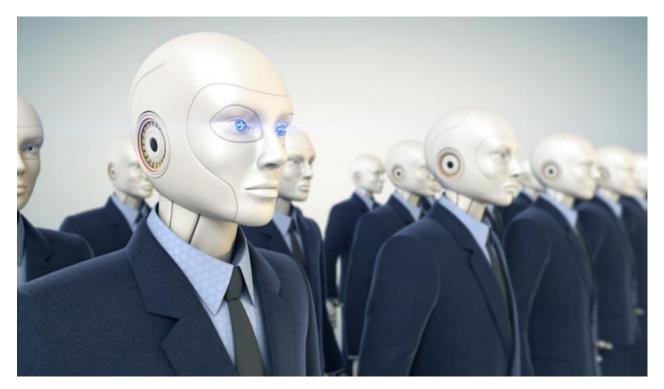
Process excellence programs come in many shapes, sizes and levels of maturity. But while different companies adopt different approaches, they seek the same goal: to improve the way businesses work. And while this diversity can make it difficult to talk about "process excellence" as a whole, there are

several key trends that stand out as starting to affect ever larger numbers of PEX programs. While many of these trends have been around for years we expect their impact to be greater this year.

Here are the four trends that we expect to define process excellence in 2016.



#1: Robotics comes to the fore



When Star Wars burst onto the silver screen in the 1970's, its portrayal of robots mixing with humans was as futuristic as it was visionary. But the release of the latest "Star Wars: The Force Awakens" corresponds to an increasing focus on robotic process automation.

Don't expect R2D2 or BB-8 (the latest robot to feature in the inter-galactic franchise) to be making an appearance at a desk near you, however. Robotic process automation (RPA) is much more focused on automating manual processes through the use software rather than unleashing armies of androids into the workplace.

Various forms of labor automation such as "assembly line technology, ATMs, automated toll booths, and self-checkout counters" has been around for decades, if centuries. But robotic process automation "deals with 'smart software' and the application of smart software to do high-volume, repeatable tasks that usually take humans an unbearable length of time to accomplish and which they typically find mundane to perform," according to the <u>Institute of Robotic Process Automation.</u>

So, then, what's the difference between RPA and traditional software automation you might be wondering? According to Dan McCue, a Process Transformation Outsourcing expert with Sutherland Global,



"the quick answer is that robotics essentially replicates the interactions of a human using the same interfaces a human would, where as automation is more about direct integration with IT systems at a data level."

In other words, rather than the expensive IT roll outs, the headache of integrating with legacy systems, multi-million dollar budgets and lengthy project time lines, robots are much quicker and easier to roll out to automate manual processes.

As companies attempt to harness ever more efficiency gains, RPA is increasingly

being seen as the next tool in the process improvement toolset. The <u>Institute of Robotic Process Automation</u> estimates that RPA is reducing labor costs by "25 to 40 percent in both IT and business process environments".

So whether you're still working your way through low hanging process fruit or seeking to unleash a robotic revolution, may the force be with you this year!



#2: The toolkit continues to expands



Robotics is just one example of how process excellence programs have to continually evolve in pursuit of better and more efficient ways of doing things. Companies don't want, or need, to limit themselves to a "one size fits all" approach to operational excellence. Traditional approaches such as Lean, Six Sigma and BPM are being combined with approaches and

technologies such as Process Mining, Case Management, Customer Journey Mapping, Psychology, the Cloud and Mobility, to name but a few. Forward thinking Process Excellence leaders, thus, are pragmatic in their adoption of tools and pushing the boundaries of what "belongs" in the PEX arsenal.



#3: Process Excellence supports innovation and changing business models



Digital disruptors are putting pressure on all sorts of industries - AirBnB and the hotel industry, for instance - and businesses cannot be complacent about the risk they pose to underlying business models. You'd be living under a rock if you haven't heard about Social, Mobile, Analytics/Big Data, and Cloud. These technologies represent a fundamental shift in how companies

interact with customers, partners and employees.

Where process excellence may have once been perceived of as a cost cutting discipline, it is now being seen as more of a business enabler to help the business change and adapt to rapidly evolving market conditions.



#4: Information Technology plays a more integral role in Process Excellence programs



Technology has always played an important role in process improvement. After all, Ford dramatically improved his manufacturing processes by introducing his moving assembly line system towards the beginning of the last century.

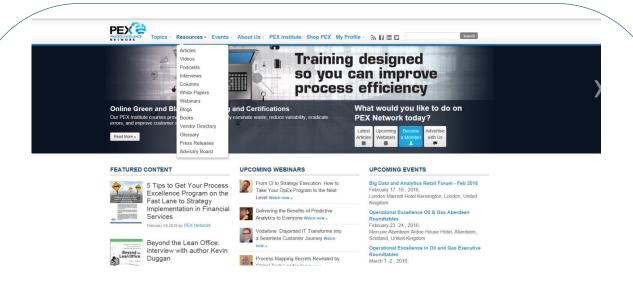
But when it comes to information technology, process excellence programs initiatives have sometimes tried to avoid IT for fear of unleashing a project with long timelines, huge budgets and ever increasing complexity.

That's starting to change now with the convergence of new technologies that are more user friendly and easier to implement.

The software vendor community has been talking a lot about "low code" these days, for instance. The term was coined by analysts from Forrester Research (see the report here) to refer to software that requires less "hand coding" and is therefore quicker and easier to roll out. Since it is not as time consuming or as costly as traditional software roll outs, it is therefore feasible to "test and learn," implementing new technologies quickly into processes.



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