IA report 2022

PEX PROCESS EXCELLENCE NETWORK

LEVERAGING INTELLIGENT AUTOMATION TO LINK STRATEGY WITH PROCESS IMPROVEMENT

How to leverage IA technologies to achieve truly digital and efficient processes and support business strategy



Inside

- Coca-Cola automation leader on the importance of change management in IA initiatives
- How Deutsche Telekom is leveraging AI for its customer-facing processes
- Siemens Gamesa's initiative to retain talent

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Introduction

At the time of writing, companies are entering a third year of potential Covid-19 disruptions. There is a need to optimize processes to ensure talent retention, as new expectations have emerged throughout the pandemic, and provide an enhanced customer service via digital channels.

Intelligent automation (IA) technologies can pinpoint optimization and automation areas by leveraging process mining capabilities and applying artificial intelligence (AI) and machine learning (ML) on the data collected by robotic process automation (RPA) bots. Tapping into the increasing amount of data collected by businesses could help uncover further optimization opportunities.

This report dives into the key role of IA in optimizing critical processes as part of a company's transformation vision. Featuring insights and case studies from companies including the likes of Coca-Cola, Siemens Gamesa, Deutsche Telekom and Eli Lily & Co, it offers advice on achieving successful implementation.

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Jon Atienza
Manager of IA at Coca-Cola



Ensuring employee and customer retention as a key business objective in 2022

In 2022, organizations need to shift their strategy toward employee and customer retention as they stabilize their ways of working, whether this means bringing employees back to the office, having a remote workforce or implementing a hybrid model, as revealed in *PEX Network*'s *2022 trends report*.

For Jon Atienza, manager of IA at Coca-Cola, customer experience should be the number one priority for organizations and "everything should be driven by customers' brand loyalty and retention". According to Atienza, initiatives should be veered toward impacting customer experience and how the company is being perceived by end-customers.

PEX Network's *PEX Report 2022* uncovered that customer service and call centers are the areas that have seen the most requests for process improvements since the outbreak of the Covid-19 pandemic. Improving customer satisfaction through better quality and efficiency is one of the top three ways operational excellence (OPEX) and business transformation is viewed by the companies that responded to *PEX Network*'s global state-of-the-industry survey.

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>
> **Garret Etgen**
> Senior director at Eli Lilly & Co.

In relation to the importance of the customers, José Manuel Escobar, continuous improvement manager at DHL, explained in PEX Report 2022 that "when the 'voice of the customer' is guiding your actions and plans, you realize that every interaction matters and even when you face an internal customer you understand that you are helping drive customer satisfaction".

Talent was also highlighted as a top focus for organizations in 2022 in *PEX Network*'s trends video discussion conducted in early 2022. Employee expectations have changed during the Covid-19 pandemic and according to Garret Etgen, senior director at Eli Lilly & Co., "the genie has been led out of the bottle and people have seen what possibilities exist – the workforce is demanding changes that help them accommodate how and where they do work".

Mark Ghibril, global vice president – head of regional CIOs and user engagement experience center at Siemens Gamesa, noted he sees people centricity as key for organizations. He said: "Companies need to look at people as a key asset for how they drive business, irrespective of where they sit, whether at home or the office."

At Siemens Gamesa, service tools were implemented during the pandemic to help managers with the onboarding process, ensure they could order the right IT kit for new remote employees and ensure they had the right training tools.

Retaining talent is crucial for companies as it allows them to maintain capacity for work and keep core competencies needed for productivity, according to Etgen.

"Not retaining talent can be very disruptive and it cannot be overlooked," he says. "It is expensive to recruit and while fresh perspective is valued, you need to maintain the core competencies and capabilities that come with the current workforce."

To retain talent at Siemens Gamesa, a big focus was put on mental health, with training and apps available to help employees on a day-to-day basis, that include mindfulness, meditation and virtual support.

When implemented with a strong program, technology can bring a lot of benefits and opportunities for companies. Ghibril says: "The speed at which organizations are digitally transforming cannot go back, it has to be the same if not quicker – technology is the accelerator and only advantage to succeed in this new normal." In order to align with employees' and customers' expectations, companies can implement IA technologies. The next section of this report looks at how they allow businesses to transform processes.

Achieving truly and efficient digital processes through IA

Businesses can leverage IA to optimize current processes and automate them where needed to achieve these objectives. *PEX Network* defines IA as a combination of business process management (BPM) methodology and software, ML, AI, data analytics and process mining.

When all orchestrated together, these technologies allow businesses to map out and analyze internal processes to remove dependencies, identify process redundancies and make informed decisions on which processes to automate from an operational efficiency or return on investment (ROI) standpoint.

In the past, Atienza would manually look at customer feedback and surveys. With IA, he explains companies can replicate that capability "a thousand times", look at data related to customer-facing processes and understand customer behavior and feedback.

"With IA we have a superpower where we can leverage multiple data sources and tie them to a particular step of a process," he explains.

At German telecommunications company Deutsche Telekom, an AI-based chatbot was implemented to help with customer queries 24x7 on telephony, Internet or TV malfunctions, and direct them toward a human agent if needed. The chatbot, named Ask Magenta, can conduct elaborate dialogs and provide a comprehensive assistance in regard to disruptions, bills, contracts and orders, moving and SIM cards.

Ask Magenta can access individual customer data, which allows it to display and download bills for the last 18 months, find a date to extend a mobile phone contract or change a customer's bank details.

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Achieving truly and efficient digital processes through IA

IA can help understand customer demographics, buying behavior and spending limits and assist a company in tailoring process improvements based on those. While in the past an initiative could last three to six months, Atienza explains IA allows businesses to implement them "in a matter of days or weeks where you have more time to pivot, target your customers and implement changes at a rapid speed".

At Australian travel company Flight Centre Travel Group, an internal technology called HUB was used for corporate customers, which stored a traveler's profile in a secure environment, including frequent flyer information, credit card number, seat and meal preferences and identification documents.

This process could take up to 16 weeks to be built manually. During onboarding, the Flight Centre's employees had to collect information for each legal entity in its customers' regions, which led to the creation of sometimes thousands of HUB sites for one customer, spread across spreadsheets, forms and third-party tools.

The travel company implemented the Nintex K2 Cloud to collect customer information and configure it with RPA, which then used that data to automatically build those sites. It is being applied on 1,200 sites, which would typically take 3,600 hours of work, with forecasted $175,000 savings made in the first year of its implementation.



In the context of IA initiatives, low-code platforms can help companies analyze the data or flow from their processes easily and without the need for expert programming. Through drag-and-drop features, employees can draw maps and pictures of the processes and provide better visibility.

Atienza says: "Low-code brings the IA capability down to someone who can quickly adapt to understand a concept and apply it immediately. When looking at the timeline of action, in the past you would get this information in six months, now it is condensed to a mere matter of days, hours or minutes."

Low-code automation can help onboard new talent in the hybrid working context. At Germany-based ride-hailing app FREE NOW, 34 hours were spent onboarding the approximately 60 employees joining the company each month. This resulted in the inability for the company to get the new employees into a productive state as quickly as it wanted to.

After implementing Workato's low-code solution, FREE NOW was able to automate applications such as Workday, Jira, G-Suite, Active Directory and Okta, which helped eliminate the manual work in onboarding.

Workato's solution helped FREE NOW reduce the process completion time to two hours and reduce its cost from €142,000 (US$159,000) to €3,600 (US$4,000). This allowed the company to redirect its energy toward revenue-driving projects and opened it to other automation projects including asset management, HR documentation sorting and Slack notifications for various company requests and self-service needs.

IA can help companies focus on value-adding or revenue-driving activities to boost customer satisfaction and allow for business growth. The next section of this report looks at leveraging IA as a key component to linking process improvement with business strategy.

Leverage IA as a key component to linking process improvement with business strategy

Linking process improvement with top-level strategy is the top challenge expected in 2022 by respondents of the PEX Report 2022 survey. To align the strategic objectives of a company with IA process initiatives, the latter needs to be outcome-focused, as demonstrated in *PEX Network*'s *Using intelligent process automation to build business resiliency report*.

In the report, Lee Glazier, head of service integrity at Rolls-Royce, recommended that organizations avoid getting "too hung up on definitions for IA as it is more important that outcomes and governance drive the selection of the most appropriate tools".

This means that IA technologies should be deployed with a clear goal in mind and to meet a specific need, rather than just being added for the sake of acquiring the latest technology. Once an organization has taken steps to understand what its primary needs and goals are, then IA technologies and practices can be selected to meet those specific needs.

A strong change management program can help ensure employee buy-in of an IA initiative and align the workforce to the strategy. It is, however, often overlooked according to Atienza and is the cause behind backlash, delays or unsuccessful projects.

"You need to make sure there is a balanced approach as you are innovating, improving processes and ensuring you are developing new technologies or replacing existing ones," he says. "Do not forget about the people as they are responsible for it, and they are the ones approving it."

PEX practitioners should be the ones managing the change and removing barriers in organizational change which is, according to Atienza, "a really big function". He explains a responsibility assignment (RACI) matrix would be useful to ensure a good understanding of how an IA initiative might impact employees and who will be responsible and accountable for it.

Predictive analytics could also be valuable for companies when process data is analyzed by AI and ML algorithms. They can help recognize trends, foresee potential challenges and work to overcome them before they even happen.

At global shipping company Maersk, an AI-based predictive customer behavior model focused on accounts receivable, and the collection aspect of its order-to-cash (OTC) process was implemented on a small data set of only a few customers. ML and AI algorithms were applied to the data to test four different models: behavior toward collection strategy; using that strategy to predict whether they will pay on time; whether the customers are reliable when it comes to paying or whether they need reminders; and predict cash flow through these models.

According to the company's general manager, product head and global process owner of OTC Vineet Mehra they helped "achieve a good accuracy level from the data points for the months predicted".

There is currently a lot of research happening in the cognitive and machine learning space that will help the future market of process changes and improvements, with environmental factors also influencing their evolution.

"Environmental factors are going to influence technology's evolution because they really impact the inward change of how we do work," he says. "There is going to be a lot more coming into the mix of this new cutting-edge technology."

This report has demonstrated that IA can help companies align their strategy around customer and talent with process improvements. With an outcome-focused approach and strong management program, companies will be able to achieve truly digital processes that will work toward customer loyalty and talent retention.

Key takeaways

Top key takeaways from this report:

- Talent and customer retention are two top focuses for organizations in 2022.
- Low-code can help companies achieve IA initiatives much quicker than ever before.
- IA initiatives should be implemented along with a strong change management program to ensure employee buy-in.



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