PeerPaper Report

RPA: Key Drivers of Time-to-Value

Based on Real User Reviews of UiPath

2020







ABSTRACT

Robotic Process Automation (RPA) offers a range of demonstrable business benefits. Yet, the technology is new enough that adopters may be concerned about the time it takes to realize value and Return on Investment (ROI) from an RPA project. This paper highlights the drivers of time-to-value for RPA. Based on real user reviews of UiPath on IT Central Station, it discusses the importance of having a Total Cost of Ownership (TCO), end-to-end automation, cost savings, time savings, reductions in human errors and more.

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INTRODUCTION

How long does it take to realize value and Return on Investment (ROI) from a Robotic Process Automation (RPA) project? It varies, of course, but in general, IT Central Station members have experienced relatively fast time-tovalue. Some have seen the technology start paying for itself in a matter of weeks. This paper looks at the drivers of time-to-value for RPA. Based on real user reviews of UiPath, it discusses the value of low Total Cost of Ownership (TCO) and end-to-end automation. Time and cost savings, along with fast onboarding also contribute to fast ROI, as do reductions in human errors and increases in productivity. These factors work together to make RPA a business investment with demonstrable value.

(Except where noted, the IT Central Station members quoted in this paper work for organizations with over 5,000 employees. In some cases, reviewers simply identified themselves as "UiPath Users" without sharing their employer information.)

Achieving Rapid Time-to-Value with RPA

Each RPA deployment is unique, so it's impossible to state a definitive timeline to ROI. However, as RPA system owners reported, ROI can arrive quickly. For example, a Senior Manager of AI at Telenor, a comms service provider, remarked that his team saw ROI in <u>eight or nine weeks</u>. In some cases, it was far more rapid. An Application Developer at a wholesaler/ distributor shared that he was able to automate several processes <u>in a very short</u> <u>time span</u>. He said, "In two weeks I can automate an entire process, end-to-end, which is incredibly fast for the ROI."



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In two weeks I can automate an entire process, end-to-end, which is incredibly fast for the ROI. Even the longer payback periods are relatively brief, by enterprise IT standards. A Robotic Process Automation Program Manager at the U.S. General Services Administration, a large government agency, revealed, "We have definitely seen a return on our investment. It took less than a year to see a positive ROI because we had a very small investment to begin with." A Director at a consultancy with over 1,000 employees reported that "it takes <u>no</u> <u>more than six months</u> to get to an ROI that is at least recouping the costs." A Principal Solution Architect at a tech services company saw his investment cost <u>recovered in 1.25 months</u>, with annualized ROI for 5 years projected at 68.50%.

Factors that Drive Rapid Time-to-Value

What accounts for such speed in time-tovalue? A short payback cycle is partly a matter of low upfront cost. This makes it easier to recoup the investment. It takes more than that, however, to get ROI. With RPA, ROI drivers include end-toend automation and features that enable cost and time savings, as well as gains in productivity.



Low Total Cost of Ownership (TCO)

Low TCO is a key factor in achieving fast ROI for RPA. IT Central Station members found that their RPA solutions met this criterion, with one UiPath User noting, "Compared to other competitive market RPA tools, <u>UiPath costs less</u>, and they have a [free] Community Edition." In another comparison, an RPA Developer at EWII, a renewables and environment company with more than 500 employees, said, "I heard that they also evaluated Blue Prism. The leadership went with UiPath because it had more transparency, <u>had</u> <u>a better cost</u>, and was more risk-free." A Senior Project Manager / RPA Architect at Royal Cyber Inc., a tech services company with more than 500 employees, characterized UiPath as the "<u>cheapest</u>," adding, "you can even start using it for free."

Other notable comments about low TCO included:

- "Easy installation, maintenance, and <u>competitive</u> <u>cost</u>." - UiPath User
- "Easy installation and maintenance with <u>lower</u> <u>costs</u> than practiced in the market." - UiPath User
- "The <u>cost is nothing</u>, it's peanuts, when you see the capabilities." - Chief Automation Officer at Jolt Advantage Group, a tech consultancy

End-to-End Automation

Automation is built into RPA, of course, but not all RPA solutions automate processes to the same degree. A more comprehensive, or end-to-end automation capability is better at delivering the technology's full efficiency and cost savings benefits. The Chief Automation Officer at Jolt Advantage Group, a tech consultancy, for example, related how his organization has automated a process end-to-end with RPA. He said, "A process that previously required 20 FTEs went from having 40,000 hours of manual work to zero." Figure 1 compares the workflows of a semi-automated process with an end-to-end automated process using RPA.

A UiPath user at a wholesaler/distributor offered another example, stating, "We do a lot of automations in the Windows environment. In the past, we've used a lot of VBA macros and VB scripts, but maintaining support for more than 1,000 macros has become a very difficult task. UiPath, as an <u>end-to-end RPA solution</u>, solves many issues and limitations of the previous setup."

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A further example came in a UiPath review from a small tech services company. Their team "automated an <u>end-to-end process</u> that starts with the user raising a request in BMC Remedy." It handles requests for respective Roles in the GRC System of SAP. This process includes identifying the request number from the BMC remedy ticket. The BOT identifies respective control owners for requested roles and requests approval from the controlling owner. The BOT then performs the Approval/Rejection process accordingly.



Semi-Automated Process

Figure 1 - Comparing a semi-automated process vs. an end-to-end automated process using RPA

Time Savings

RPA helps save time, which contributes to fast time-to-value. As an RPA Developer at a tech services company put it, "UiPath is a great tool to quickly demonstrate the benefits of automation. It is fast to learn and implement. Therefore, it is easy to gain quick wins in <u>time savings</u> and reduction of human error rates." The CISO at Siminn, a comms service provider, echoed this sentiment, saying, "The most valuable feature is its <u>time savings</u>." A Software Engineer In Test at CenturyLink, also a comms service provider, simply stated, "Significant manual efforts put into tasks have been reduced and a good amount of <u>time is being saved</u>. Overall, our time savings results in ROI."

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"Annually, the product <u>saves us 25,000 hours</u>," said a Senior Admin Automation Engineer at Danfoss, an engineering company. "Everyone is satisfied with that." Other users also offered time saving metrics for their RPA implementations. A Strategy and Analytics Consultant at Deloitte, the worldwide audit and consulting firm, revealed that "My specific process that I use it on went <u>from a</u> <u>day to about 15 minutes</u> (time savings)." A Head Consultant at Delosevrve Technologies Ltd, a small technology firm, added, "Turnaround time for claims payment has been reduced from <u>120</u> <u>days to 30 days</u>."

Fast Onboarding

Onboarding is a use case where RPA demonstrates its ability to prove value quickly. A large wholesaler, for example, has what one of their Application Developers calls an "extremely complex" customer onboarding process. He explained, "The complexity was, in part, because it is handled by six different departments. The PDD [Process Definition Document] for it was one hundred forty pages long."

A Monitor of Technology at Equifax Inc., a financial services firm, similarly found that RPA "has improved the way our organization functions in a lot of ways. We had the one case where we had to <u>onboard</u> <u>around 2 million customers</u>. What that would take in terms of manual hours is about a month and a half. Instead, using RPAs, we were able to complete the task in one week. With that benefit and decreasing human error as well, that turns into a lot of value for a global organization like us."

Cost Savings

Saving money is a direct vector of rapid time-tovalue. RPA users on IT Central Station are able to speak to this positive outcome. They provide numbers in their savings assessments, too. An Automation Delivery Lead at a pharma/biotech company said, "In terms of <u>money savings</u>, we are talking about hundreds of thousands of dollars annually." A Lead Process Analyst at ACT, a financial services firm with over 1,000 employees, also found, "Within the first year, we <u>saved a little</u> <u>over \$600,000</u>. That totaled to almost 19 FTEs which we ended up saving."

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Some saw savings in the millions. A Senior RPA Consultant at Ernst & Young, another worldwide audit and consulting firm, commented that "the business has saved million worth of dollars in <u>cost</u> savings [with RPA]." The tech services Principal Solution Architect related that RPA helps his team increase operational excellence and improve process efficiency—with multiple FTE savings every month, equivalent to 780+ person hours, and the lowering of <u>operational costs</u> by over \$1 million a year.

Reductions in Human Errors

Automation in RPA generally leads to a reduction in human errors. This, in turn, speeds up ROI as people spend less time discovering and correcting mistakes. In the case of Delosevrve's Head Consultant, RPA streamlined the medical claims process and <u>reduced errors</u> by 30 percent. An Automation Engineer at a consultancy with over 1,000 employees found that UiPath <u>reduced</u> <u>human error</u> by 100 percent, because, as he put it, "we completely removed the human element from the data reconciliation for those documents."

"In terms of <u>eliminating human errors</u>, we have seen benefits," said a Solution Architect at an engineering company. "With humans performing, the accuracy was at approximately ninety percent. Our accuracy with automation is now close to one hundred percent." A Consultant at a firm with over 200 employees likewise discovered that "the solution has helped us <u>eliminate human</u> <u>error</u> with 100 percent testing and accuracy. We have seen ROI from this solution. We saw it almost immediately in regard to performance benefits around accuracy, timeliness, and the ability to do 100 percent testing."

Increased Productivity

Saving time and reducing human errors with automation stimulates employee productivity. As a Director of the Department of Data Analytics at a health, wellness and fitness company with over 1,000 employees put it, use of RPA led to a "big <u>increase in productivity</u>" because the technology "enables distribution of transfers to other departments for their control and management." Figure 2 captures how RPA drives improvements in productivity. In this simplified example, as manual workflows are assigned to RPA, employees can execute more steps on the remaining manual workflows.

This user also said, "The increase in productivity is maximum." In his case, as he shared, "the work of downloading movements of more than 100 accounts of the banks took several hours of work daily, but now it has been reduced to a few minutes. An unattended robot sends all emails with the movements of the accounts of all the banks classified and ordered to users before their workday begins." A Robotic and Intelligent Automation Lead at a consultancy also spoke to this issue when he said, "Response time is improved, errors are reduced, and productivity increases because work is being done around the clock."

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A System Analyst at Hexaware Technologies Limited, a tech services company, observed that RPA had <u>increased labor productivity</u> and reduced manufacturing lead time for his business. An Application Developer at Gallagher Service Center, an insurance company with over 1,000 employees, also expressed the view that RPA had <u>increased productivity</u> and reduced the workload. He described his solution as facilitating "a safe and trustworthy way to develop robotic process automation." Quantifications of productivity gains included:

- "Using this tool has improved the efficiency, accuracy, and compliance of certain automated operations by up to 75%, as it uses preprogrammed bots to execute tasks, which can operate 24/7 without getting tired. Such bots eliminate chances of human errors and increase speed and productivity by leaps and bounds." - Senior Project Manager / RPA Architect at Royal Cyber Inc., a tech services company with more than 500 employees
- "Improved <u>user productivity</u> by 50 percent." -Head Consultant at Delosevrve Technologies Ltd.

- "Increased Shipping Order execution velocity by 2x times—At least 10,000 orders in every 4 days. Amplified shipping process efficiency and employee productivity by 100%—with one click execution." - Principal Solution Architect at a tech services company
- "Data entry and data transfer between applications is a slow and error-prone process when done manually. RPA is a great solution to this problem. We're using attended automation for this, but productivity has increased by a factor of 10. Great pricing when considering the productivity gains." Managing Engineer at Carrilho Engineering, a small manufacturing company



Existing Manual Workflows

Figure 2 - Contrasting productivity with all-manual workflow vs a mix of manual and RPA-powered workflows.

CONCLUSION

Each company that uses RPA finds its own distinct path to ROI. What the stories on IT Central Station have in common, though, is the way organizations leverage the technology's time- and cost-saving capabilities to speed up time-to-value. Coupled with a low overall TCO, an RPA solution can quickly start to generate value for a business. Then, adding in factors like reductions in human errors, faster onboarding — which can accelerate revenue — along with improvements in productivity, the ROI becomes clear. The challenge for IT organizations is to stay ahead of the curve, always finding new ways to innovate with RPA and continue to create more value as business needs for automation evolve and grow in scope.

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