

New breed of robots helps firms save costs and improve efficiencies

By [Ajit Paul](#)

28 Nov 2016

South African companies are under pressure on all fronts to reduce costs and improve efficiencies, even as the business landscape undergoes seismic change and companies race to meet consumer demands for ever-increasing availability and convenience. Robotic process automation, known as RPA, allows companies to save costs, realise efficiencies, and reduce error rates, while freeing up workers for more stimulating tasks.



©Sergey Soldatov via [123RF](#)

Robot software – used to capture and interpret existing IT applications – is fast becoming an essential ingredient in developing robust disaster recovery plans for back office processes.

Where RPA has been implemented, back office departments are able to save time and reduce error rates, with employees freed up to work on more satisfying tasks. Research conducted by Deloitte in the United Kingdom found that there was a high acceptance of RPA processes and that team members were able to let go of their most repetitive activities.

In a finance department, processes that are ripe for RPA implementation include credit control, payroll, travel and expense claims, accounts payable, fixed assets and general ledger. Knowledge-based management positions, such as business and financial project management professionals, financial managers and directors, are least likely to require RPA processes, but are able to take better decisions by leveraging the results of RPA processes. Even marketing and customer services can make use of RPA technology.

Robots are scalable. They are easy to switch on and off. They can work through the night, weekends and holidays, offering maximum flexibility to cover peak periods such as month-end. And for companies looking to save costs, robots can be implemented at one-tenth of the cost of a full-time employee in an offshore location such as India, while team members are retrained for higher-level work. Productivity is higher while error rates are minimal, which reduces risk and increases customer satisfaction.

Benefits of RPA

Here are some examples of the non-financial benefits RPA can deliver:

- A major bank delivered a reduction in error rates from 30 percent to almost nothing for a highly data intensive process;
- A professional services firm delivered improved turnaround times for standard management reports thanks to overnight processing of files by RPA;
- A financial services company was able to run a checking process each night rather than once every two weeks which removed a small percentage of cases from the work stack. The cost of doing this daily with humans would have been prohibitive but with RPA it delivered a worthwhile marginal gain;
- A professional services company delivered improved management information that enabled it to understand their key performance indicators better and communicate more positive and constructive messages to its customers.

It is difficult to estimate just how many South African corporates have already engaged in outsourcing, as this data is not publicly available. However, we believe that RPA presents an opportunity to save, and even create, jobs at home, at very low cost. We encourage more companies to explore these options.

ABOUT THE AUTHOR

Ajit Paul, associate director, Deloitte.

For more, visit: <https://www.bizcommunity.com>