

Gartner for Finance

Robotic Process Automation: Hear From a Peer

Finance leaders discuss business benefits
of RPA



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Finance technology optimization overview

Delivering on finance's transformation objectives is challenging, especially with older, on-premises ERP applications. These applications are costly to maintain and inadequate for key processes, and they provide an inferior user experience.

Digital technologies, meanwhile, present significant opportunities for the finance organization to continue its drive toward efficient and effective process performance. Digital technologies also enable finance to rethink how to use financial information in support of the mission-critical priorities that drive business performance.

With this in mind, commitment to investing in digital technologies is strong: In fact, according to the 2019 Gartner CEO and Senior Business Executive Survey, 85% of CFOs increased their investments in digital capabilities in 2019 as compared to 2018.

Finance organizations are also pursuing newer digital technologies, such as robotic process automation (RPA). RPA is good for automating manual processes, and the automation opportunity is huge: Almost 90% of general accounting operations and over 70% of financial reporting activity are highly automatable processes.

According to a Gartner 2019 poll, around 80% of finance leaders have implemented RPA or are planning to implement. Still, adoption of new digital technologies and cloud remains a challenging feat. Take care to avoid the following pitfalls:

- Overhyped use cases based on a limited set of early adopters or part of vendors' marketing messages
- Overengineered technology marketed in broader, end-to-end suites, much of which goes underused
- Lack of a digital mindset arising from limited experience with new technologies

Overcoming challenges to finance technology optimization is critical to delivering on finance's transformation objectives, such as enabling new cost reductions, optimizing processes and providing valuable data insights. Improving finance's literacy on new digital technologies, in particular, will also help avoid an expensive dependence on consultants and technology vendors.

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Automating finance processes with RPA

Having made headway in implementing RPA, finance is now under pressure to increase the RPA ROI while scaling RPA out of shared services and accounting functions and into tax, financial planning and analysis, and other parts of finance.

Further, finance will be challenged to expand the scope of automation from simple individual task automation to process orchestration. To do this, finance will need to explore how to combine RPA with intelligent technologies. Currently the use of artificial intelligence (AI) to improve judgment-based processes is still several years off, although a vast opportunity exists to deploy AI to improve the accuracy of analyses, forecasts and plans.

What follows are snippets from discussions Gartner has held with finance leaders about reducing cost, minimizing effort, and improving speed and accuracy with RPA.

Perspective from finance leaders*

We are beginning our first RPA project: Treasury management, specifically, accounts receivables collections postings. After much research and review, we selected an RPA software that is user-friendly and has an intuitive interface. We also decided to hire an external consultant for this first project to ensure its success; we may attempt to service future automations in-house.

General accounting manager

It's important to conduct a health assessment of your process before implementing RPA — policy, process, technology, controls, operating model and metrics.

Record-to-report subject matter expert

When implementing RPA, start with very easy, simple use cases to get your bearings. Starting with use cases with medium complexity will cause frustration and low adoption. Also start with processes that are well-defined and/or rule-based.

Automation project manager

When it comes to RPA implementation, I recommend first training a small, "core" team on RPA. Their mission should be to apply RPA to real-world work. At the same time, leaders have to educate the broader organization that RPA isn't taking away jobs, but rather eliminating nonvalue-added work like printing and data pulls. After the core team deploys the technology and the broader organization comes to accept it, I recommend involving all team members in brainstorming and prioritizing RPA use cases and logging time saved per day/week/year with RPA.

Vice president, finance

Hiring external consultants to run RPA implementation is fine, but having trained developers in-house is a big benefit over the long term.

RPA manager

We have learnt valuable lessons through the implementation (or rather failure of implementation) of RPA, including: take care to select the right RPA use case for a proof of concept with a solution provider; do not underestimate the effort required in the RPA use case and do not take system access approval for granted; the RPA learning curve is steep, even for those who consider themselves tech-savvy since there is a need to understand operations in microdetail, and thus RPA developer turnover is very high; and having detailed, rigorous execution and change management plans is crucial.

Accounting manager

RPA is a huge culture change and will take time.

It took us a full year to build some base competence. Year 2 saw better adoption across the business, and we're hopeful that in Year 3, employees will feel truly comfortable with operations. At the end of the day, it's a new tool for employees to understand, learn and apply.

Vice president, finance

The speed of RPA implementation is dependent on many factors such as the RPA software you've selected, the experience of the developers, the need to change the process or launch as-is, the types of applications the automation will interact with, SME availability, etc. Generally, if you haven't used RPA software and want implementation in a few months, hiring an external consultant is the way to go.

RPA manager

*These client stories were compiled and paraphrased from multiple client discussion forums to provide client perspective on this issue

How we help

Emerging digital technologies have the potential both to create opportunity and to drive significant disruption within finance. Gartner's finance technology optimization initiative — comprising strategic advice, peer-powered insights and benchmarks and diagnostics — helps finance leaders adopt new digital technologies to improve the efficiency and accuracy of finance processes while minimizing disruption.

About Gartner

Gartner, Inc. (NYSE: IT) is the world's leading research and advisory company and a member of the S&P 500. We equip business leaders with indispensable insights, advice and tools to achieve their mission-critical priorities today and build the successful organizations of tomorrow.

Our unmatched combination of expert-led, practitioner-sourced and data-driven research steers clients toward the right decisions on the issues that matter most. We are a trusted advisor and an objective resource for more than 15,600 organizations in more than 100 countries — across all major functions, in every industry and enterprise size.

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