

1st SSOW North America Digital Event

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Chairman's Takeaways

April 24–26, 2017

“Embrace millennial curiosity”

“Savings is not a sustainable GBS driver”

“Don’t become the boiled frog”

“It’s not a manufacturing line, it’s an F1 pit stop”

“Where to look for RPA ... where the people are, of course”

“Your IT department does not want to code RPA!”

“It’s not about work-life balance, try work-life integration”

“HR is no longer equipped to handle this workforce”

“Focus on RPA data/infrastructure, not governance”

The Chairman’s Takeaways

“I’m no longer the single source of knowledge”

“Careful not to become a commodity”



Chairman's Takeaways



GBS Strategy

- Cost savings is not a sustainable strategy—you will become “the boiled frog”! Either change the way you run or risk becoming extinct (e.g., Blockbuster vs. Netflix) – *Filippo, former GBS Group President, P&G*
- The objective is not to reduce/centralize delivery hubs but to use standard tools and make them feel as one – *Caroline, Mondelez*
- Utilize three lanes of governance: a) strategic, b) steering, and c) tactical – *Caroline, Mondelez*
- Tell your customers not to fear the unknown ... if they don't like it, you will change it – *Filippo, former GBS Group President, P&G*
- We let strong governance evolve—it started with giving business lines freedom, but as we learned and gathered information, GBS governance became more structured – *Filippo, former GBS Group President, P&G*
- You are not running a manufacturing line, you are running an F1 pit stop—you don't have time to straighten all the spaghetti—moving slow is expensive – *Simen, Nordea*
- Be careful with independent hubs—think hybrid. Economic and political conditions change and you may need agility – *Filippo, former GBS Group President, P&G*

Chairman's Takeaways



GBS Strategy (Cont'd)

- You wouldn't do a month-end report on a sporting event, yet we live with that in business – *Mihir, Automation Anywhere*
- We gave customers a \$0.25 cost advantage to use our services—created the motivation P&G needed for GBS – *Filippo, former GBS Group President, P&G*
- Document your value to the organization in big numbers (e.g., delivered \$1.8B savings over five years, delivered \$16.9M sign-on savings) – *Caroline, Mondelez*
- Don't become a commodity—the opposite is becoming “distinctive” or “relevant.” Reduce cycle time, build business capability, increase productivity – *Filippo, former GBS Group President, P&G*
- We turned the organization sideways and got another 10% savings—built the model based on work type (transactional, customer-facing, analytical work) vs. business line accounting work (news, sports, etc.) – *Cindy, Turner*



Chairman's Takeaways (Cont'd)



New Workforce

- Stop wishing the storm away and learn how to fly differently. This generation grew up with technology and is more adaptable – *Philip, Schneider*
- The new force demands more “relation”—no more separation of work and home life, like the Boomers or Generation X – *Vesta, Swiss Re*
- HR is no longer equipped to handle this workforce—this requires one-on-one manager/employee relating and development of career paths – *Vesta, Swiss Re*
- Embrace the curiosity. Why not let them try—they are willing! – *Cindy, Discovery*
- Put the negative millennial comments aside and capitalize on the positive—a learning culture, freedom to act, a challenging spirit – *Vesta, Swiss Re*
- Consider moving away from the term “shared services.” Transactions should flow underground unnoticed, like water. We call it a Business Solutions Center – *Vesta, Swiss Re*
- We shifted from managing people to managing knowledge—no longer came neatly to me but was everywhere. I was no longer the single source of knowledge – *Philip, Schneider*

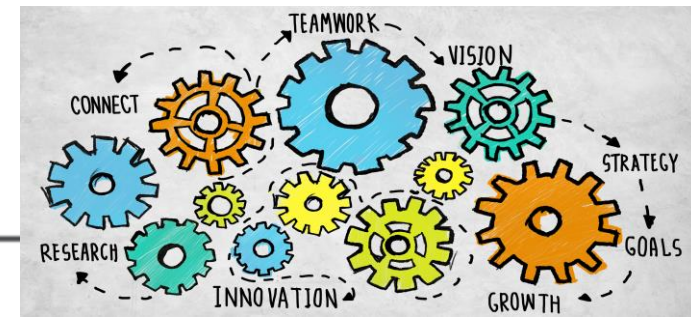
Chairman's Takeaways (Cont'd)



Attracting and Retaining

- 95% of the people you are looking for are not looking for a job. Why not start looking before you need someone (passive candidates)? – *Vanesa, MGM*
- 75% of candidates leave due to a missing cultural fit. Should we spend a day with candidates vs. an hour? – *Vanesa, MGM*
- I don't find a work-life balance... I find a work-life integration. I'm an executive at the baseball field and I share my home life with my employees – *Cindy, Discovery*
- It's not just a question of adapting to generations, but also adapting to global cultures – *Philip, Schneider*
- Investigate and find the “different” skillsets your organization needs. It's not all journal entries—it's controls, contracts, robotics, risk management, etc. – *Caroline, Mondelez*
- We used the “Octagon.” The sponsor represented their employee to other business lines and gained a 360 view that was helpful – *Vanesa, MGM*
- Find the “wow.” To be successful, you must master “wowing” people into your organization – *Caroline, Mondelez*

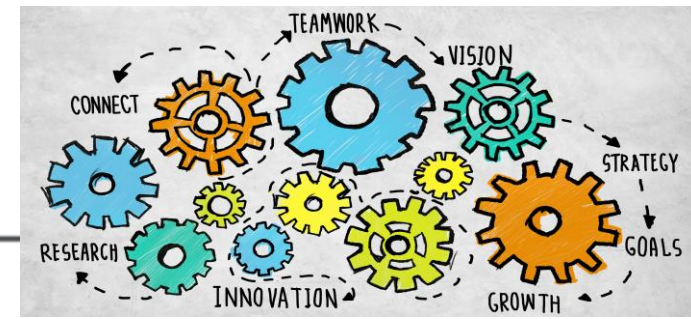
Chairman's Takeaways (Cont'd)



RPA Strategy

- RPA may not be your biggest strategic advantage, but no action could make it your biggest strategic disadvantage in five years – *Curt, Walgreens*
- Treats bots like people—if they work in Finance, they report to Finance; if they work in HR, that's where they report – *Simen, Nordea*
- We overdo RPA governance and underdo RPA data flow. You don't put governance around manual processes, so why around RPA? – *Simen, Nordea*
- Go wide vs. deep. A Chinese proverb says, “if you want to go fast, go alone... but if you want to go far, go together.” Cast a wide net and make a larger impact – *Simen, Nordea*
- Determine if you are raising pets or cattle. You nurture pets, but bots are cattle—you use them, sell them, and buy another – *Simen, Nordea*
- ROIs can range from 40% to 1000%+ – *Mihir, Automation Anywhere*
 - The higher range, as people working digital projects begin to think digitally, opportunity becomes more and more apparent

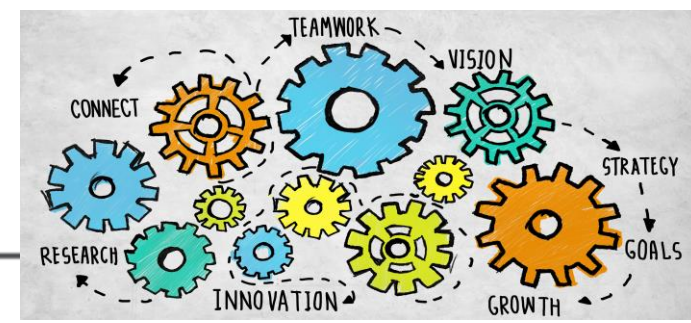
Chairman's Takeaways (Cont'd)



RPA Strategy (Cont'd)

- My CTO bought me into this job—100% communication and IT does not need to own robotics – *Cindy, Discovery*
- IT does not want to code your RPA programs—they want to be involved in determining infrastructure (e.g., servers vs. cloud) – *Curt, Walgreens*
- It's rare to see people not employed now because of automation. Companies are using the extra headroom to problem solve, scale, and spend time with the customer – *Joe, Ascension*
 - Determine your right staffing mix of doers and thinkers—you need both
- Target 15% reduction of transactional work—25% is undoable and 5% does not deliver enough impact – *Simen, Nordea*
- Make a video of your proof of concept. It's the best way to sell internally and will encourage people to think about their processes – *Curt, Walgreens*
- Yes, maybe the system should do this, but it doesn't and it's not going to get done because IT is busy, and it costs too much, so use RPA – *Curt, Walgreens*

Chairman's Takeaways (Cont'd)



RPA Strategy (Cont'd)

- Let your people use robots as much as they can—less manual processes are better – *Curt, Walgreens*
- Data is the plumbing (can't see, but better be there). Structure your data now in four steps: 1) capture, 2) clean/tag, 3) store, 4) govern – *Viral, GM*
- Our IT preferred in-house servers due to data security stigma; RPA records every single key stroke – *Curt, Walgreens*
- Plan the servers outlay (number and brand) early—it would have saved us time – *Curt, Walgreens*
- Make sure you know the “all-in” cost: Is training included? Is scripting included? How many? Do you need an integrator? Costs can add up – *Curt, Walgreens*

Chairman's Takeaways (Cont'd)



Process Automation and RPA

- Involve the doers. We host “Turner Shark Tank,” music and everything, to entertain innovative ideas – *Cindy, Turner*
- Processes may not require standardization or optimization before automating – *Joe and Todd*
- We used to think in this order: 1) what are we doing, 2) why are we doing it, and 3) what does it mean to you. Try reversing and get a better automation result – *Todd, H&R Block*
- Fish where the fish are. If there are a lot of people working on a particular task, it’s probably a good place for RPA. Go after the right processes – *Mihir, Automation Anywhere*
- The business case does not have to have a positive ROI. If we enabled 10,000 H&R Block offices to have the right information at the right time, that was success – *Todd, H&R Block*
- RPA can deliver five times the productivity at one-fifth the cost – *Mihir, Automation Anywhere*
- Automation is easy, but it’s also easy to face plant running downhill—involve Operations, IT, Auditors, and Legal – *Todd, H&R Block*
- There is not a prerequisite for the size/scale of a process, but there is a prerequisite for maturity—knowing who the stakeholders are and who needs to sign-off – *Joe, Ascension*

Chairman's Takeaways (Cont'd)



Process Automation and RPA (Cont'd)

- Choose processes wisely. Picking the wrong one could waste valuable time, money, and resources and sink the next RPA project – *Simen, Nordea*
- Easy way to explain to IT and Finance—it's an old Excel macro with the ability to log in to other systems and get information it needs – *Curt, Walgreens*
- Try “Black Hat Thinking”—pressure test automation. How can it fail? – *Todd, H&R Block*
- Recording vs. Modeling—turning a recorder on in the background and converting steps to scripts vs. plotting what you want RPA to do and “Vizio” mapping – *Curt, Walgreens*
- Use technology to let the new workforce focus on value-added tasks – *Philip, Schneider*
- You can run RPA on a laptop or desktop, but our IT preferred servers – *Curt, Walgreens*
- New employees and customers demand digital information—forces us to make progress with digitization – *Philip, Schneider*
- Make sure the output of one robot does not change the input of another robot – *Curt, Walgreens*

Chairman's Takeaways (Cont'd)



Process Automation and RPA (Cont'd)

- Timeline to record processes is typically a couple of days, but no more than a week – *Curt, Walgreens*
- Flow with your people's ideas—they want to get the robot out of their work as much as you do – *Simen, Nordea*
- What is disruptive now will not be disruptive in a couple of years – *Rodney, Celistica*
- We left four instances of ERP in place and still got an excellent ROI. Productivity increases with Trintech and other “connecting” tools – *Cindy, Turner*
- Fail fast, pick up, and try again – *Vesta, Swiss Re*

Thanks for a Great Digital Conference!

See you at the 2nd Digital event in 2018



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