ORCHESTRATING BOTS FOR TEAMWORK

Abstract

Walter Lauren, RPA manager for the GBS of a global paints and performance company, had a tough problem to solve. Several vendors dissatisfied with the lack of efficiency of the company's payment processes, were moving away to serve competitors. This case study details how Infosys BPM orchestrated an automation solution, with bots working harmoniously to deliver invoice payments to the vendors on time, along with $1 Mn to the company in cost savings.

Infosys®

Navigate your next

A bucket full of problems

Walter Lauren is the manager for robotic process automation (RPA) at one of the world's largest paints and performance coatings companies. As part of his role, Walter is responsible for deploying automation projects within the company's global business services (GBS) centers to drive efficiency and cut costs.

One area Walter was actively considering for transformation was that of invoice reception and processing in the accounts payable (AP) function. With the company active in over 150 countries, they had a large vendor base totaling over 20,000, and the GBS' AP team was not able to manage the huge flow of invoices. The high cycle time for AP operations led to delayed invoice payments and consequently, dissatisfied vendors. Even worse, with over 10,000 invoices missing in the system, when the vendors would follow-up on their unsettled dues, the operations personnel were unable to answer their queries due to the unavailability of reconciliations reports.

Walter concluded that this part of the GBS' operations was a prime candidate for RPA to work its magic. The team was spending over 30% of their effort just on dealing with vendor calls and additional follow-ups, and less than 3% of vendors reported being satisfied with the payment processes. If automation could be deployed to good effect, it would stem the flow of outgoing vendors, several of whom were moving away to serve the company's competitors.

Leaning on the bots

To address the challenges, Walter decided to rope in Nivedita Raut from Infosys BPM, his technology partner for RPA initiatives since 2018. Over the years, Nivedita and her team had supported the GBS with automation enablers that had improved its overall operational efficiency and effectiveness in several of its finance and accounting activities.

When Walter briefed Nivedita on the GBS's challenges with invoice reception and processing, he made his expectations clear in terms of the project's key performance indicators. Apart from improving the productivity of operations, his chief

requirements were that automating the AP processes should not result in any missing invoices, and that the bots should be able to provide a 3600 view of reconciliations.

Beginning work on the project, Nivedita and her team began analysing the reasons behind the vendors' dissatisfaction, and found that:

- Invoices landing up in incorrect email inboxes, with many of these e-mail boxes not being administered properly, and the invoices remained unpaid

- A large chunk of vendor queries on invoice statuses went unanswered

- Over 15% of redundant effort wasted due to the design of the process flow, and over 50% of effort spent just on monitoring the various mailboxes dedicated for invoice

- Due to often-incorrect routing of the invoices to the wrong email inboxes, they were being received in the SAP systems post the due date

Due to all this, apart from the large number of vendor queries, to be handled, the GBS also had to pay late payment and penalty charges and handle the dissatisfaction of both the vendors and the operations agents.

Approach summary

Value stream mapping

Orchestration of automation tools

Automated reporting dashboards

Staggered deployment

Proactive monitoring of bot performance

Once the challenges and issues were clearly delineated, Nivedita first carried out a value stream mapping exercise to identify the non-value adding activities in the existing invoice reception processes. This revealed that one of the major factors behind the wastage of effort and time was the decoupled architecture used by the AP team which had multiple automation components. The team then orchestrated all these existing tools using Infosys' proprietary RPA solution, AssistEdge, and linked each bot to the central SQL database for 2-way updates. They also deployed several additional bots to automatically scan the inboxes, segregate the invoices, extract the data and upload it into the relevant systems, communicate with the other bots for processing, perform reconciliation activities, and update on the status of jobs.

The final solution had over 25 business cases that were automated as well as real-time monitoring dashboards for strategic graphical reporting and to quantify the outcomes against the expected results.

To ensure a smooth changeover to the new automated processes, Nivedita aligned the GBS' AP teams on the changes. All the manual processing steps were clearly documented and marked with ownership. Then the automation, based on Walter's request, was deployed using a staggered approach. Even though this required additional infrastructure and tool licenses, it was essential to build confidence within the GBS teams on the ability of the solution to deliver robust outcomes.

- Focused on automating the real-time status reporting on invoices

- Automated the reconciliation processes

with SAP's Vendor Invoice Management module

- Extended automation to cover the process for check balances and duplicate invoice filtering

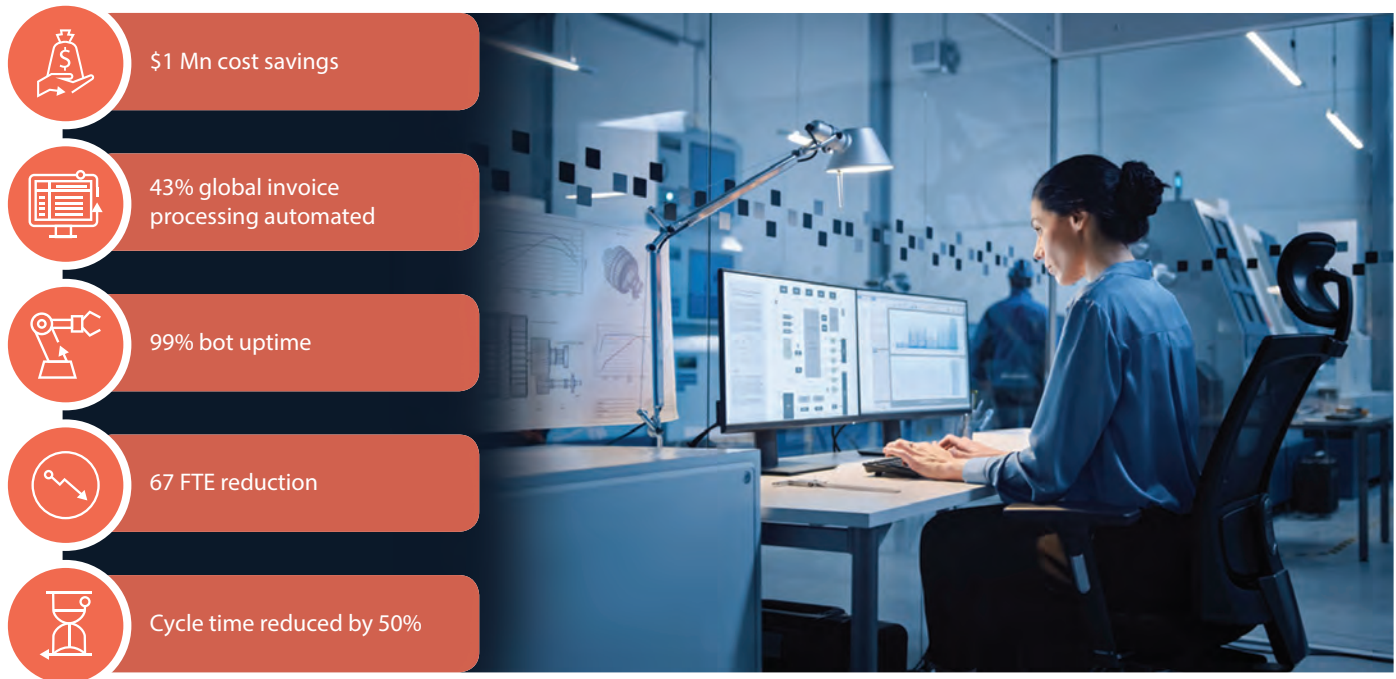- Focused on performance tuning for scalability

As the extent of automation progressed, each of these stages delivered incremental gains in terms of improved efficiency and reduced cycle time. Later, after the roll-out, Nivedita collaborated with Walter on support staff capacity planning, based on the volume trends of invoices received and the key performance indicators set for the bots. Her team also proactively monitored the bots, escalating any payment on-time delays to the operations team and other GBS stakeholders.

Applause-worthy automation

After the deployment of all the phases of automation, ~43% of the overall volume of the company's invoice receipts across the globe were processed using bots, covering over 1000 vendors. With the bots operating steadily with hardly an outage and over 99% uptime, Walter was able to reduce the FTE headcount by ~70, realising approximately $1 Mn in cost benefits. More importantly, the bots reduced the invoice reception process cycle time by up to 50%, directly impacting the payment on time metrics and thereby addressing the vendor dissatisfaction problem.

Key benefits

- $1 Mn cost savings
- 43% global invoice processing automated
- 99% bot uptime
- 67 FTE reduction
- Cycle time reduced by 50%

Apart from all this, the automation runs also started supporting operations in other ways, amping up the productivity of the staff by up to 25% during the monthly- and yearly ending cycles. Also, as Walter recently told Nivedita, he was also very pleased with the precise reporting he got access to for quantitative measurements. With Walter highlighting the significant benefits of the bots to the company's Directors, senior management team, and global process delivery leads, the visibility of RPA across the organisation rose to a whole new level.

Names have been altered to preserve the identities of the people involved.

For more information, contact infosysbpm@infosys.com

Infosys®
Navigate your next

Infosysbpm.com

Stay Connected