

Automation in Place? Watch out for the ROI Catch 22...



AUTOMATION COMPETENCY CENTER

**The importance of it to
your enterprise.**



SILVER TREE
consulting & services



THE SITUATION:

"I lead operations for a Fortune 1000 company and we're in the process of incorporating automation technologies throughout our business and technology operations to reduce cost, improve cycle times and increase quality. The ROIs have been very strong, better than 2 to 1. And our business case is strong as well."

"We've decided to leverage the skills of one of our incumbent services providers – they know our business, they have made investments in automation technologies, and they have skilled practitioners capable of deploying automations at scale throughout our operations. This will be a long journey and having a good partner who is familiar with our business, culture and commercial practices makes a lot of sense, right?"



OUR OBSERVATIONS: This thinking is generally sound, but can be expanded to address other considerations.

Using an existing incumbent with competencies in automating business or technology processes is a good way to get started and to scale, as long as you consider how they are automating your processes (with what technologies) and whether you're now locked into that supplier for those processes they automate. The main considerations with this type of approach are:

Is your automation services supplier using custom tools that only they can support to affect the automation? Or are they using industry standard tools that will make the management of the automations more portable to other suppliers or internal staff?

Do your commercial agreements require your automation services supplier to document all the processes they automate in sufficient detail to allow for moving that automation inhouse or to an alternate supplier?



How will the automations deployed be maintained once you reach a relative steady state? That is, once you have relatively few new operational automations to deploy, but a relatively large portfolio of existing automations, what will be the maintenance costs for the existing portfolio?

You will want to keep your service provider honest and competitive by developing a champion / challenger model, pitting your internal team against your incumbent automation services supplier.

Are you outsourcing the automation of strategic operational functions? Don't you want to keep your methods of operation more closely controlled to avoid them becoming available to your competitors?



INTERNAL TEAM: FINDING TALENT

Let's assume that you agree that an internal team, trained on the tools you're using and experienced in a variety of process automation deployments, is the smart thing to do. ROI opportunities certainly support it right from the start, but there isn't a wealth of experience in any organization to ensure success. What should your team consist of – size, skills, functional responsibilities, etc.? How will your team interact with your automation services supplier? How do you ensure you are in charge of your automation agenda (not your supplier) and how do you accelerate automation initiatives throughout your enterprise to ensure maximum value as soon as practical – working in tandem with your team and your supplier's team? The answer is building an internal competency center.

We hear it over and over from our clients – “we need to eliminate our dependency on 3rd party consultants for ongoing automation innovation and maintenance. But... we can't build it in-house – we don't have the knowledge or talent resources.”

Our recommended solution is to create an internal Robotic Process Automation competency center – A fully integrated team trained on your automation tools and productive within 4 months or so, with no reliance on a 3rd party consultant or systems integrator. After eight weeks of training, your team works on your specific applications, databases, and operational challenges, so that productivity is gained even during the post-training certification period. If your organization has identified a long-term need for production ready automation resources – in locations consistent with your operational footprint – to drive internal automations that yield attractive ROIs, here are a few things to consider:



Trained automation experts

Trained automation experts are hard to find and expensive when you do find them. The industry is growing so rapidly, there is just not enough supply. Once recruited, they are quick to move to the next highest bidder.



A team in place

With a team in place that identifies a set of processes they can implement in next three months, you can quickly implement a quarterly sprints program that produces a fairly predictable ROI stream for the enterprise



Training a group

Training your own group, as a group, creates the notion of cohesion and commitment to the people that trained them. It also helps prevent high attrition rates, in a market that is very, very active for trained resources.



DIYer?

Building your own Competency Center is challenging.
Up for the challenge? **A few things to consider:**

Skills Definition: What skills and how many team members to meet your objectives? Typically, a team of ten can drive several automation projects per quarter and generate at least a two to one ROI. The skills required are a combination of (a) technically oriented people certified and experienced with your primary automation tools and (b) process-oriented people who understand the most prominent in your enterprise and have operations optimization training and experience (e.g six sigma, Lean, process mapping, etc.)

Assessment: Can some or all of these skills be sourced internally from the technology and/or business operations environments.

Role Definition: To begin the recruitment process, decide whether to recruit people already experienced or recruit raw talent with appropriate backgrounds and train them from the ground up. As noted above, trained and experienced people are scarce, expensive and tend to be poached for higher salaries. Therefore, we recommend training your own.

Mentorship: Sending recruits to automation certification training doesn't equate to experience. You will need at least one experienced staff member to act as a mentor and coach for those you train. We recommend using internal automation projects in your own enterprise, with your applications, databases, and process functions, as the basis for moving from training to certification. Realizing productivity from the newbies as they gain experience.

Discernment: Who in your organization will lead this new effort? Will they be dedicated so that they can focus the task? Can you pull a "team" together to train and operate together to drive value and cohesiveness?

the **biggest** challenge for the **DIYer** approach

It is very difficult to define the type of skills required, they represent a new set of requirements in the digital age. Compound that with stringing out the hiring, one-by-one i.e., one person trained, needs to train the next, taking away from that person's productivity.

If you think you can successfully do this internally, by all means go for it. However, we think there is a better way. Instead, be up, ready and producing within eight weeks-popping a team in place, like the big system integrators do... for 20-25% less.

The Value of deploying an internal competency center with Silver Tree Consulting & Services:

1 ACCELERATION

A team of Trained & Certified Resources, functionally productive in two to four months

2 QUALITY

Candidates drawn from a pool of 200+ motivated, competent candidates with the requisite skills, selected based on a structured screening process

3 RISK

Candidates selected are compensated at competitive market rates in a very hot area where attrition is high

4 PRODUCTIVITY


Your team will not only be trained and certified, but through mentoring, they will be more productive as the result of coaching from an experienced professional

5 IMMEDIATE VALUE

Because Use Cases training encompasses your methods, applications and processes, your team will be knowledgeable and actually delivering value in the certification phase

6 BOTTOM LINE

This approach delivers exceptional value, using a proven methodology for less than an internally run program would cost. Our guaranteed outcome delivers faster results, higher productivity, and much lower risk



This approach provides an enterprise with the flexibility, but not the necessity, of using 3rd party resources to accelerate or tackle particularly complex programs, and puts a predictable ROI stream for the enterprise within your control.

If you would like to know more, please contact me.

JOHN E. PETRONZI

PRACTICE LEAD - SMART PROCESS AUTOMATION

John.petronzi@silvertreeservices.com

Mobile +1 (917) 353-7470

Next Up: The importance of an Automation Center of Excellence (COE) to govern and manage enterprise automation to maximize ROI and mitigate risks associated with deployments.



What is an Automation Competency Center, and
why do I need one?

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