

Scaling Up Intelligent Automation Adoption in GBS Centers

August 2020: Complimentary Abstract



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Contents

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1.	Introduction and overview	05
	Background and scope of the research	06
	Intelligent automation definition	07
2.	Summary of key messages	09
	Emerging trends	10
	Key challenges faced by GBS centers in their IA journey	11
	Best practices adopted by best-in-class GBS centers	12
	 Outlook – role of GBS centers as they progress in their IA journey 	13
3.	Adoption of IA solutions in GBS centers – emerging trends	14
	Prevalence of GBS centers across stages of adoption	16
	Adoption trends by functions	17
	Adoption trends by industry verticals	18
	Talent hotspots	20
	CoE models employed by GBS centers for IA solutions	21
	Collaboration with external ecosystem	23
4.	Key challenges faced by GBS centers in scaling up IA	24
	Challenges faced in IA journey	25
	Implementing IA solutions	26

Contents

5.	Scaling up adoption of IA solutions – best practices adopted by GBS centers	29
	 Best practices adopted by best-in-class GBS centers 	30
	Three categories of GBS centers	33
	Case examples	35
6.	Outlook – scaling up adoption of IA solutions	38
	 IA solutions in the post-COVID-19 scenario 	39
	 Role of GBS centers as they progress in their journey 	40
7.	Appendix	41
	• Glossary	42
	Research calendar	43



Background and scope of the research

Background of the research

In the last few years, many mature GBS centers have scaled up adoption of traditional RPA solutions and are shifting focus toward Intelligent Automation (IA) solutions. In fact, GBS centers are exploring use of a wide range of these solutions, such as Intelligent Document Processing (IDP) and Intelligent Virtual Agents (IVA), in a bid to augment existing RPA capabilities.

In this research, we aim to capture the key trends, challenges, and best practices adopted by GBS centers while scaling up IA initiatives. This report specifically provides:

- Key trends around IA initiatives undertaken by GBS centers
- Key challenges faced by GBS centers in this journey
- Best practices followed by GBS centers to overcome challenges and scale their IA program

This report also contains case examples highlighting the maturity achieved by GBS centers across various dimensions such as best practices, talent, and CoE management.

The report is primarily based on interactions with senior leaders from 50+ GBS centers of global enterprises and automation technology vendors

Scope of this report:



Geography Global



Industry Analysis of 80+ GBS centers across multiple industries – banking, retail, engineering, etc.



Coverage Ongoing interactions with GBS organizations, service providers, and IA technology vendors



Adoption of IA solutions across GBS centers Emerging trends

Several GBS centers have embarked upon their IA journey; current adoption, however, is lower compared with traditional RPA solutions

GBS centers are expanding their scope of IA solutions, supporting multiple functions. Finance and sales & marketing are leading the pack in terms of adoption; industryspecific use cases are increasing rapidly

Higher adoption of IA solutions observed across BFSI and retail/CPG industry verticals, followed by engineering, R&D, and healthcare verticals. India is the leading hotspot for automation talent and market activity across offshore/nearshore locations IA initiatives, across many GBS centers, are driven by individual Business Units (BUs) vis-à-vis traditional RPA, which is more often driven through a central hub or a CoE

> Several GBS centers are strengthening their IA capabilities with a view to support the broader digital transformation efforts of the enterprise. These centers are also integrating IA with other digital solutions such as analytics and IoT

6

Best-in-class GBS centers are adopting hybrid models with increasing collaboration with their external ecosystem – start-ups and academic institutions are being leveraged for ideating, developing, and deploying IA solutions

Overview and abbreviated summary of key messages

This report highlights adoption trends, key challenges faced by GBS centers while scaling up IA initiatives

Some of the findings in this report, among others, are:

Key trends observed in the IA in GBS centers	 Over the years, several GBS centers are moving beyond traditional RPA and are developing IA based solutions for more complex automations Current adoption of IA is still lower than traditional RPA in GBS centers. Higher prevalence of these solutions in functions such as F&A and sales and marketing
	 From an industry vertical perspective, higher degree of adoption is observed in banking, technology, and retail GBS centers Many GBS centers are actively collaborating with external ecosystem partners such as third-party service providers and start-ups to accelerate their IA program

Key challenges faced and best practices adopted by GBS centers in implementing IA solutions

- Developing and managing a robust data strategy remains the top challenge for most GBS practitioners in the IA adoption journey, followed by talent-related challenges
- Mature GBS centers are employing several best practices to address these challenges around talent management, robust data strategy, and governance



This study offers four distinct chapters providing a deep dive into key aspects of the IA initiatives in GBS centers; below are four charts to illustrate the depth of the report

Coverage and typical use cases of IA seen across functions			
Function	Coverage of Al-based applications ¹ across functions (in percentage)	Examples of use cases	
₩ ■ F&A		Automated cashflow and P&L forecasts Transactions analytics	
🗳 HR		Chatbots for addressing user queries, predictive models on attrition	
П		Chatbots for standardized ticket resolution Predictive maintenance of IT infrastructure	
Procurement		Payment verification to vendor Invoice processing	
Sales & marketing		Competitor intelligence, customer sentiment analysis, and social media analysis	
Industry specific		Multiple examples across engineering, R&D, Life Sciences, Banking, and others	
Risk & compliance		 Automation of KYC verification (OCR+NLP+RPA bot) Fraud detection, credit rating, or loan approval 	

Key challenges faced in implementing IA solutions

	Extent of challenge faced	High, across most GBS Cov, limited prevalence
Establishing a structured data strategy (ahead of AI strategy)		
Talent management – acquiring, retaining skilled resources		
Stakeholder and change management		
Challenge 4		
Challenge 5		
Challenge 6		
Challenge 7		
Challenge 8		
Challenge 9		
Challenge 10		

Case example of a leading global bank

Stakeholder management

Educational sessions aimed at increasing awareness, and helping with change management: Sessions with GBS leadership and individual BUs to educate them on capabilities and prerequisites of AI solutions (e.g., training data requirements, accuracy levels, and model outputs)
 CoE structure: Including BU leadership as members of CoE with responsibilities and targets for process transformation
 Use case identification: Strong collaboration with BU leaders to identify use cases, build pipeline, and identify low-

hanging fruits (easier to automate)

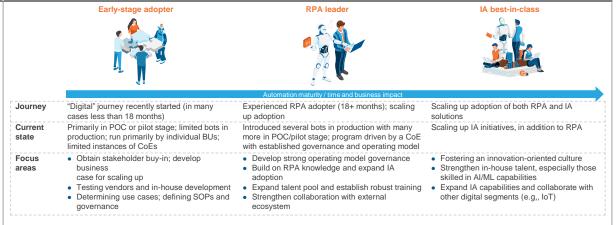
Security and governance

- Proactively connecting with compliance teams for approval of bots for each use case. The GBS:
 - showcased source code of AI applications to Compliance
 - Highlighted the data flows of the application
 - Obtained NDAs for each third-party tool wherever required

Operating model

- The GBS has a standard set of coding guidelines to ensure a modular solution with good quality code
- The GBS has a training and certification program for its employees on adhering to coding guidelines before they begin as developers for IA solutions
- The GBS maintains a centralized registry for every use case, which helps in use case identification

Three categories of GBS centers based upon IA maturity





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Research calendar Catalyst™

	Published Planned Current release
Flagship Catalyst™ reports	Release date
Landscape Annual Report 2018 – GICs Emerging as Innovation CoEs for Global Enterprises	May 2018
Global In-house Center (GIC) Annual Report 2019: Enterprises Insourcing IT Services to their GICs	July 2019
GBS State of the Market Report: Evolving Operating and Governance Models to Build GBS of the Future	March 2020

Thematic Catalyst™ reports	Release date
Redefining the Future of Work – Human Plus Technology	January 2019
Innovative Talent Practices to Build the GBS of the Future	November 2019
Scaling Up the Adoption of Automation Solutions – The Evolving Role of Global In-house Centers	November 2019
Global Services Market Pressing Issues in 2020: GBS Perspectives	February 2020
Navigating the Coronavirus Outbreak for Shared Services Organizations	March 2020
Business Continuity Planning (BCP): A Strategic Rethink	April 2020
Playbook: Integrating Work From Home (WFH) in the Global Business Services (GBS) Delivery Model	June 2020
Retail & CPG Global Business Services in the Times of COVID-19 – Driving Enterprise Immunity through Digital	June 2020
Scaling Up Adoption of Intelligent Automation Solutions in GBS Centers	July 2020
Value Creation/Impact Delivered by GBS Organizations Pinnacle Model [®] Analysis 2020	Q3 2020
Building the BFSI IT Workforce of the Future	Q4 2020







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