

Reaping the Gains of Business Process Automation

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There are diverse views on the impact that automating business processes can have on organizations. [Business process automation](#) [1](BPA) is a process wherein data, information, and processes related to a business are managed with technology as a means of driving down costs.

Though there may be some debate about the depth and breadth of process automation benefits, once fact is indisputable: BPA is on the rise.

To automate or not, that is the question

The numbers suggest there are good reasons to automate:

1) Cost of manual processes and legacy systems

The most direct reason for businesses to adopt automation is cost. Here are some truly unbelievable losses in the United States due to poor organization and old school approaches to office management, as found by Brother International Corporation in [their 2010 survey of office workers](#) [2]:

The average U.S. office worker loses up to 38 working hours per year simply looking for misplaced office items. Think about this enough and you'll never look at hard copies the same way. Across the pond, [UK businesses collectively lose an annual amount equivalent to \\$434 million CDN simply through searching for lost or hard-to-find paper files](#) [3]. Extrapolating outward, the global loss in productivity is truly astronomical.

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There is little wonder that progressively more people are extremely receptive to paperless offices and automated processes.

2) Savings and Productivity

Many big-name firms have saved money and increased productivity by automating various business processes. According to [statistics compiled by Professor Mohsen Attaran](#) [4], these companies include:

R.J. Reynolds – Automation of their Accounts Payable function resulted in:

- 53 percent reduction in invoice processing costs
- 25 percent decrease in clerical staffing requirements
- 16 percent increase in transactions volume

Frito Lay – Automation of their purchasing processes resulted in:

- Saved between 30,000 to 50,000 work hours per year
- 10 percent reduction in distribution centers

Cisco Systems – Adoption of web-based customer relationship management resulted in:

- Eliminated 75,000 customer phone calls per month
- Saved more than \$270 million in annual operating expenses

Emerson – Adoption of web-based procurement processes resulted in:

- Consolidated buying activity across 60 divisions
- Saved an estimated \$500 million over four years

Success factors

If this information has you keen on automation and you see opportunities to automate processes in your organization, then you might wonder what makes a process automation project successful. The following five factors are critical to success:

1) An executive sponsor. As with anything related to real change in an organization, business process automation requires a high-ranking champion who is willing to shepherd things and rally the troops around the initiative. This one's a must have.

2) Execs and managers who love tech. [Younger, more educated executives and managers who already have lifestyle ties to technology represent a driving force](#)

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[toward greater business process automation](#) [5]. You certainly want them on your team to champion the BPA cause!

3) Automated suppliers and/or clients. Birds of a feather flock together. If those in your ecosystem have embraced automation, there's greater impetus for you to. Many firms prefer to partner with companies with automated processes.

4) Clearly defined strategies and goals. The road to automation can sometimes be full of nasty potholes. A clear strategy and defined goals are absolute musts for contending with the tougher times and the inevitable resistance to these initiatives. All players involved have to know what a "win" looks like and when automation has achieved its desired level of implementation and results. It's worth looking at "agile" implementation of BPA, because often you can see the effects quicker. These results can then be turned into the main storyline you tell internally.

5) A culture of communication and celebration. From experience, companies where internal dialogue is more robust tend to have an easier time automating business processes. It makes sense, as you've got to communicate anytime you change things in an organization. It's also important to celebrate the successes of automation that you realize. The team worked hard to get there, so let them have some fun and feel proud.

Regardless of whether your company is small or large, you can certainly reap the substantial benefits of automation. Good luck!

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[2] <http://www.brother-usa.com/Ptouch/MeansBusiness/whitepaper.pdf>

[3] <http://www.emeraldinsight.com/journals.htm?articleid=1508951&show=abstract>

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