

Robotic process automation (RPA) is a rapidly maturing technology that can help organizations automate back-office and front-office processes quickly and at scale. When delivered as a cloud service, RPA offers ubiquitous access to automation technologies that span a wide range of business processes.

## *Why Cloud-Based RPA Is an Essential Consideration for the Aspiring Digital Enterprise*

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**Questions posed by:** Automation Anywhere

**Answers by:** Frank Della Rosa, Research Director, SaaS and Cloud Software

### **Q. Why is it important for businesses to accelerate their move to cloud?**

**A.** The time for ruminating about a move to cloud is over. Businesses that have yet to make the move remain locked into outdated operating models that inhibit the business' ability to compete and to keep in step with changes in the market. If you're thinking this too shall pass, you're in denial. Customer preferences have been irrevocably altered by the digital experiences that they encounter nearly every day. These are consumer-grade experiences that offer ease of use and faster response through automation. Businesses choosing to stay with the status quo out of fear of disrupting the business will face a different type of disruption — one that is created by customers who seek more nimble digital businesses. Businesses must move quickly to modernize their operations.

Cloud computing provides the foundation on which to build a digital enterprise. Digital enterprises embrace digital technology to disrupt markets and spark new innovations. Digital mobile transportation platforms such as Uber and Didi Chuxing efficiently match riders with drivers, inexpensively and on a massive scale. A Bain & Company analysis shows that digital natives have generated 80% of the growth in market capitalization of the top companies over the past 10 years. Modernization and transformation initiatives require the compute power, elasticity, and scalability that only cloud can provide. Specifically, cloud computing delivers a broad range of business performance-enhancing benefits:

- » Agility, scalability, and artificial intelligence (AI)-enabled automation to maximize efficient growth across the enterprise
- » Ubiquitous access from any location and on any device
- » Real-time collaboration across geographical and functional business boundaries
- » A shift from capital expense to operating expense, significantly reducing investment in infrastructure and better aligning expense with value

- » Access to innovation accelerators such as artificial intelligence/machine learning (AI/ML), Internet of Things (IoT), and edge computing
- » Faster time to value with rapid provisioning of new services

Results from IDC's *Industry CloudPath Survey* of more than 5,000 businesses indicate that almost half have already deployed or plan to deploy enterprise business applications in the cloud.

## Q. What are some of the longer-term benefits of deploying mission-critical applications to the cloud?

**A.** Most businesses begin their journey to cloud by replatforming (lift and shift) legacy applications from on-premises infrastructure to one or more cloud platforms. As the business matures, they learn that the desired agility and innovation are constrained by slow monolithic systems of record and processes that were run on outdated systems. The result is a less than optimal experience for end customers who increasingly demand the type of efficient, personalized experiences that they have become accustomed to in their daily lives. Today's users want to be liberated from unnecessary repetitive tasks. They are more likely to replace solutions that fail to meet their performance expectations and help them get the job done. In a cloud and software-as-a-service (SaaS) world where customer retention is key to success, switching applications and suppliers is considerably easier than it used to be. At the core of a consumerized experience is AI-augmented automation. We as consumers experience automation more often in our daily lives — from the improved utility of chatbots to the algorithms encoded into the digital products we use to find products. New business models are made possible when systems of record such as enterprise resource planning (ERP) and customer relationship management (CRM) constantly learn. AI-enabled cloud and SaaS enterprise business applications combine humans and machines working together within a digital system to deliver data-driven insights to the business. The combination of applied intelligence and human creativity enables the business to deliver employee and customer experiences that increase satisfaction, retention, and ultimately advocacy. Organizations turn to cloud and SaaS for mission-critical applications for many reasons, most notably to:

- » Reduce manual maintenance
- » Improve the user experience and increase productivity
- » Provide greater access and reliability
- » Modernize and streamline IT including applications, processes, and workflows
- » Scale infrastructure

## Q. How does RPA leverage other cognitive technologies such as AI, ML, and deep learning?

**A.** RPA is a rapidly maturing technology that is becoming an essential part of the cloud and SaaS journey in primary industries such as banking, insurance, manufacturing, and pharma. RPA is more than bot technology; it is a platform that uses different forms of cognitive services such as artificial intelligence and machine learning to intelligently automate back-office and front-office processes quickly and at scale. RPA is used by small and medium-sized businesses (SMBs) as well as large enterprises. Adding AI to RPA means that automation can be applied to making complex decisions faster and with greater accuracy. A key goal of moving to cloud and SaaS for enterprise business applications is to create a more adaptive enterprise. AI-augmented RPA makes it possible for the businesses to proactively respond to changing customer and market conditions. The combination of AI-enabled automation, RPA, and smart analytics makes up the DNA of scale. The intelligent automation of mission-critical and high return-on-investment processes may help organizations realize the potential for new operating models. An intelligent automation cloud is much more than a single solution; it is a cloud RPA platform for applying cognitive technologies in a comprehensive and accessible way to accelerate the journey to become a digital enterprise. Each business' journey toward this goal is unique. An RPA platform offers flexibility to choose the right service for the needs of a business unit or division at present and rapidly scale to a more centralized model by expanding RPA use cases across the enterprise. There is a strong case for developing an explicit RPA road map that enables the business to think big, start now, and scale fast. Elements of the case include:

- » Increased work capacity by integrating humans and digital workers
- » Lowered technology integration costs
- » Increased accuracy and quality
- » Improved risk and compliance through consistent process execution, regulatory reporting enhancements
- » Facilitated ongoing process improvement with intelligent RPA for increased efficiency and better customer experiences

## Q. Why should a business consider RPA as a cloud service in addition to other deployment options?

**A.** Cloud-based services have become the default for most organizations. Applications, data, and services must be shared by onsite, remote, and mobile users. Remote access to applications, data, and workflows is essential for real-time decision support. RPA delivered as a cloud service offers ubiquitous access to automation technologies that span a wide range of business processes including accounting and operations. The pervasiveness of cloud technology ensures that all processes targeted for automation are not inhibited by limited access and insufficient resources. RPA delivered as a service makes the technology available for use to the largest possible audience within an organization. This means that virtually anyone who can impact process improvements using automation can access the technology without having in-

depth robotics experience. RPA can be deployed faster in the cloud because there is no need for infrastructure, maintenance, or prior testing. RPA can also be used to integrate mission-critical processes that span cloud and legacy systems, which is critical for an organization aspiring to become a digital enterprise. Essentially, businesses must be prepared to run high-value processes in the cloud in order to reach levels of agility and scalability necessary to successfully compete in digital economies. RPA as a cloud service should be an important consideration for migration, modernization, and innovation initiatives.

## Q. What should an organization look for in a supplier of RPA services and solutions?

**A.** Employees spend a significant portion of their working hours on necessary, but lower-value repetitive tasks, which results in lower productivity and employee satisfaction. This dilemma happens across industries, regions, and company sizes. Only a small percentage of workflows are currently automated. The more manual processes employed by organizations, the more likely they are to experience slow response times, frustrated users, and dissatisfied customers. Choosing the right RPA technology partner is vital to achieving the speed and efficiency through automation that are needed to become an adaptive digital enterprise. The choice of an RPA supplier should be considered in the context of larger strategic imperatives such as modernizing systems and processes, migrating business-critical application workflows to cloud, and aligning operational processes with changing customer expectations. RPA solutions vary. Some rely on desktop recording practices to capture user interactions, while others need developers to create robots for business process management and intelligent process automation. To choose the right RPA supplier, businesses need to consider the following decision criteria:

- » Demonstrates process experience across industries available directly from the supplier or its partner ecosystem
- » Provides support for a variety of use cases including front-office and back-office processes
- » Offers fully web-based, enterprise-grade RPA that can run on any device
- » Applies RPA to accelerate cloud migration and systems integration
- » Offers on-premises, managed services and multicloud deployments
- » Is able to scale to run thousands or tens of thousands of robots
- » Offers AI-augmented RPA for complex decision making
- » Delivers attractive total cost of ownership (TCO)
- » Provides relevant use cases and playbooks
- » Ensures security and data privacy

## About the Analyst



### **Frank Della Rosa, Research Director, SaaS and Cloud Software**

Frank Della Rosa is Research Director for IDC's SaaS and Cloud Software practice. Mr. Della Rosa's core research focus provides in-depth analysis, strategy, and guidance to both technology providers and industrial companies on various aspects of cloud, including multicloud and hybrid cloud management strategy, adoption, buying preferences, and trends by vertical industry. Mr Della Rosa also provides analysis on SaaS adoption, maturity, buyer preferences, deployment models, vendor market shares, purchasing preferences, market forecasts, and research on the buyer journey of SaaS and cloud technology.

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