

Concrete usage of RPA in operational activities

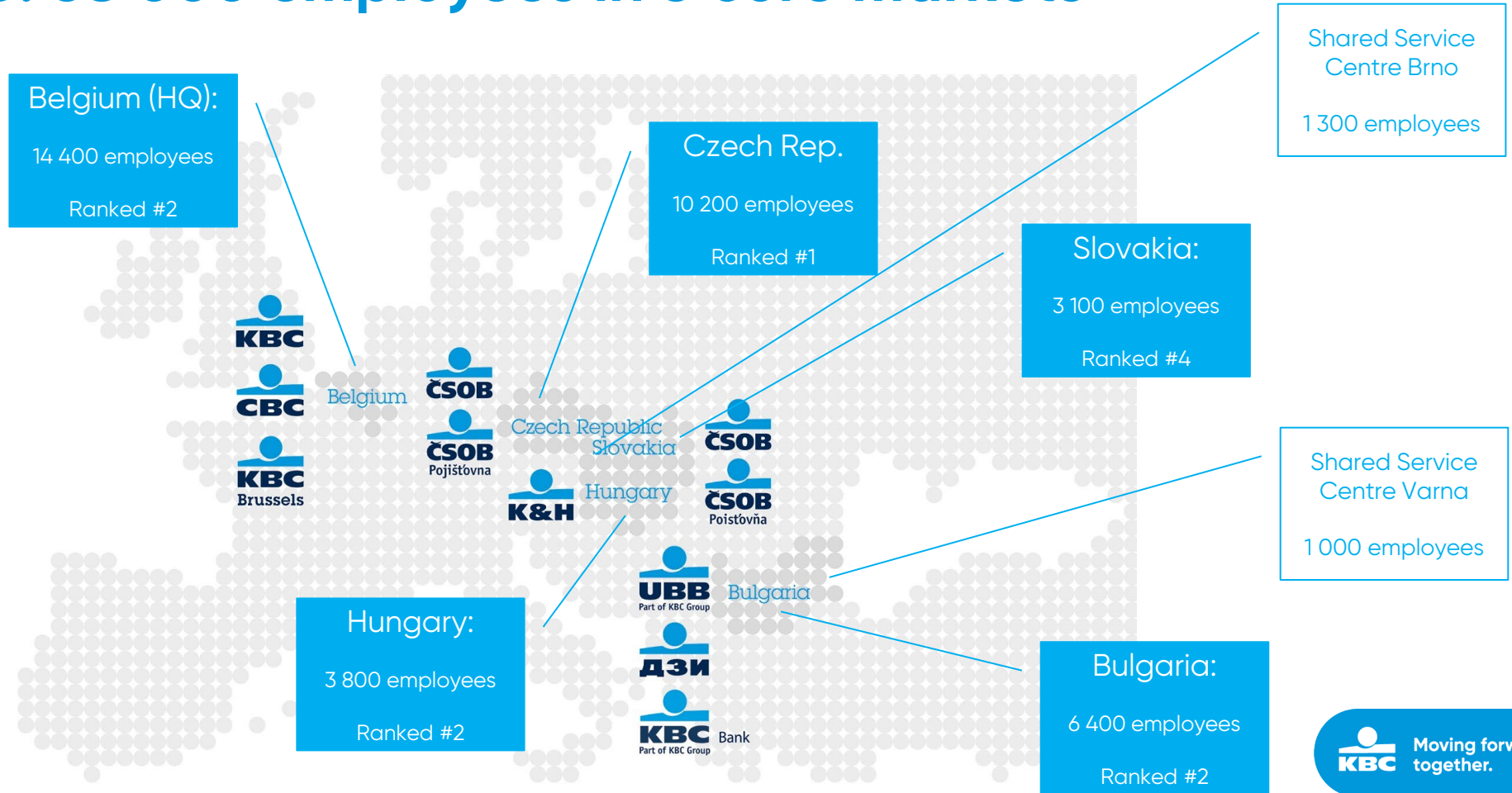
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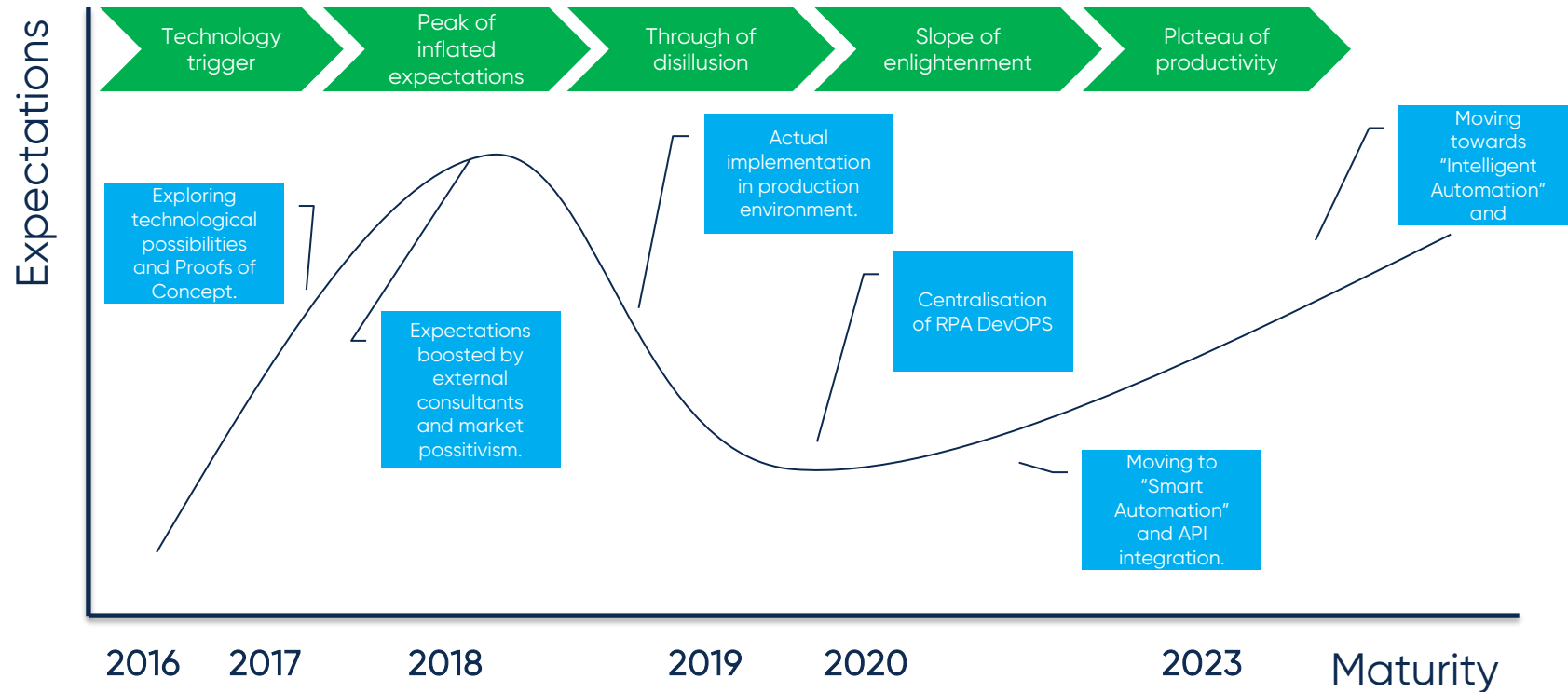


Moving forward
together.

KBC: 38 000 employees in 5 core markets



RPA in KBC, a good example of the "Hype curve"* in practice



Main struggles we were confronted with at the start.

- The technology looked promising. Consulting firms and sector publications were very optimistic and created a lot of expectations on senior management level. Leading to cost saving pressure.
- Development of RPA was done as close as possible to the business. Less attention was given to governance, stable infrastructure, communication, ...
- Distributed development, close to the business, hampered the build-up of expertise.
- Deployment on local ICT infrastructure lead to unstable infrastructure and multiple operational issues.
- Misalignment between the Application Development Lifecycle and the IPA Development Lifecycle.

Important steps that contributed to increasing maturity.

- RPA development was centralised in an Intelligent Process Automation Competence Centre (IPA CC).
- The IPA CC, created an RPA lifecycle framework  encompassing:

- Clear guidelines and support tools to evaluate potential RPA cases.
 - Fit4purpose criteria.
 - Risk assessment guidelines.
 - Value determination principles to help defining realistic benefits.
 - RPA College to train employees, active in RPA development.
 - Governance that needs to be in place, in order to decide and manage RPA cases.
- A central RPA infrastructure was setup on which the different RPA implementations are operating, with more focus on security, availability and stability.
 - The introduction of “attended” and “unattended” robots:
 - Attended: the human user can use the robot software as personal assistant (the robot is running on the laptop of the user)
 - Unattended: the robots are scheduled and run on dedicated virtual machines.
 - More than 95% of KBC’s robot workforce is unattended.
 - Shift away the focus from FTE savings to increasing productivity and reducing error rates.

Rules of engagement:

Adherence to the KBC IPA lifecycle principles.

BCM principle: every RPA implementation can be taken over manually, in case of disaster.

In line with the KBC Risk framework (e.g. dual controls, access rights, segregation of duties, error handling ...)

Development centralised in the IPA Competence Centre.

3-pilar monitoring approach:

- IT: Infrastructure monitoring
- IPA CC: Technical monitoring
- Business: Functional monitoring

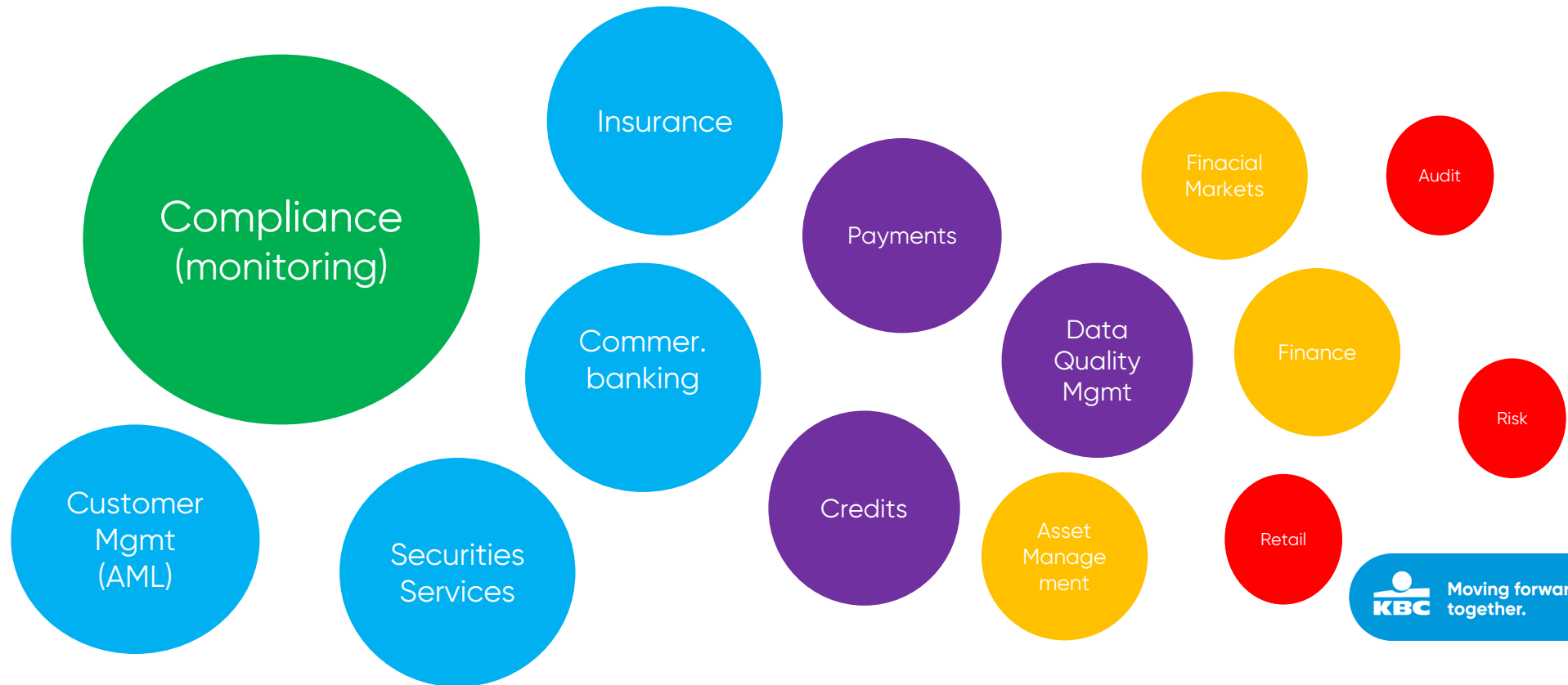
All robots are built on a centrally managed infrastructure.

RPA Development in a 3 pillar approach (DEV – ACC – PROD)

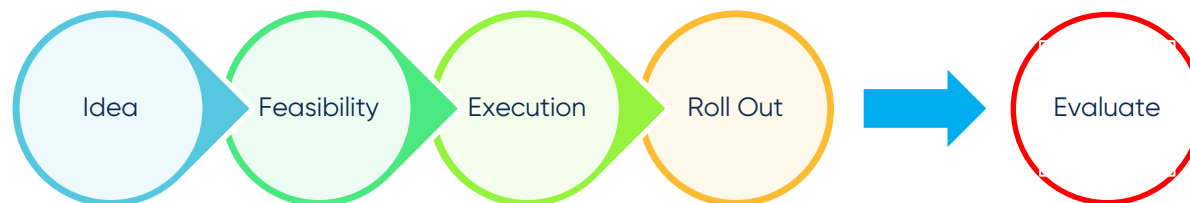
What benefits can be attributed to implementation of RPA?

- RPA allows the business to automate and perform repetitive tasks with quick, robotic speed, at a lower cost.
- Development is done, "closer to the business", providing more flexibility and less dependence of ICT budgets.
- RPA mostly leads to FTE savings / workload savings (842 working days in KBC in 2022).
- In some cases robots will not lead to direct FTE savings, but will increase productivity (robots performing additional tasks on top of what the human was already doing).
- Improved error rate in the processes that were automated through RPA.
- Even if a robot would not be able to finalize a transaction fully (application error or business rule exception), RPA will bring partial benefits.
- Robots can run day and night, weekends, back holidays (although regular maintenance timeslots are necessary).

In which areas have we successfully rolled out RPA and do we reach the highest value?



Some figures in KBC:



- **751**: # robots in production in KBC.
- **253**: # robots that were decommissioned (or development stopped) over time.

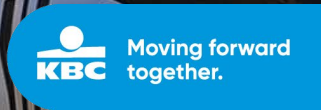
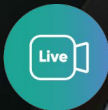
Reason:

- Over complex processes with (too) many exceptions.
 - Unstable applications (a robot cannot proceed if the underlying application has technical issues; if the user struggles with an application, the robot will struggle even more).
 - In house built applications lack standardisation, which complicates RPA.
 - the business case is no longer positive (e.g. drop of volumes).
 - the underlying process has changed or has been automated via an IT solution.
- **79** robots are currently in development.
 - **148** ideas awaiting approval.

What is the next step after RPA? How do we see this evolving in the future?

- We see a trend (within KBC and in the market) where business spend more capacity on maintenance compared to new development. The main reasons are:
 - low hanging fruit has been automated.
 - higher focus on STP using IT solutions (although RPA can also support increased STP rate).
 - robot technology is sensitive to changes in underlying applications and platforms (e.g. security updates, Windows updates, etc...); need for more automated regressions testing approach.
- Rework of older robots can bring increased value (some use cases show a 100% increase in performance):
 - more experienced developers.
 - more and better features available in RPA software.
- Smart and intelligent automation (OCR techniques, fuzzy matching techniques, AI model integration) will lead to new use cases. New technologies (like chatGPT features) will be disrupting the market. The expectations are that this technology will be used more alongside RPA software.

Thank you!



Questions to the audience

- Are the RPA solutions in your organisation meeting the expectations? Do you expect the impact of RPA solutions to grow in the future or not? Why?
- What are the main risks that you identify in your organisation in terms of using RPA in the operations?
- Are you organising RPA development in your organisation centralised or is it decentralised within the business? Why did you choose this operating model?