



Robotic Process Automation (RPA) Center of Excellence Assessment for One of the Largest Banks in Saudi Arabia

Keys to Success

The Challenges

Managing such a huge RPA deployment has its inherent challenges. The bank faced these issues across risk mitigation, benefits realization, and inadequate governance. This started impeding the bank's ability to enhance the RPA program further and recoup investments.

Solution Delivered

In 2021, an RPA audit was added to the bank's annual audit plan. Protiviti was engaged in conducting these audits for the bank to assess the effectiveness of the internal control environment in mitigating risks that threaten the achievement of RPA implementation objectives, including - effectiveness and efficiency of operations, compliance with regulatory requirements, and reporting to internal/ external auditors.

Specifically, the audit scope covered the following:

- RPA governance
- Vendor management
- Access management
- RPA change management and testing
- RPA incident management
- Security assurance review
- Backup and recovery
- Business continuity management
- Logging and monitoring

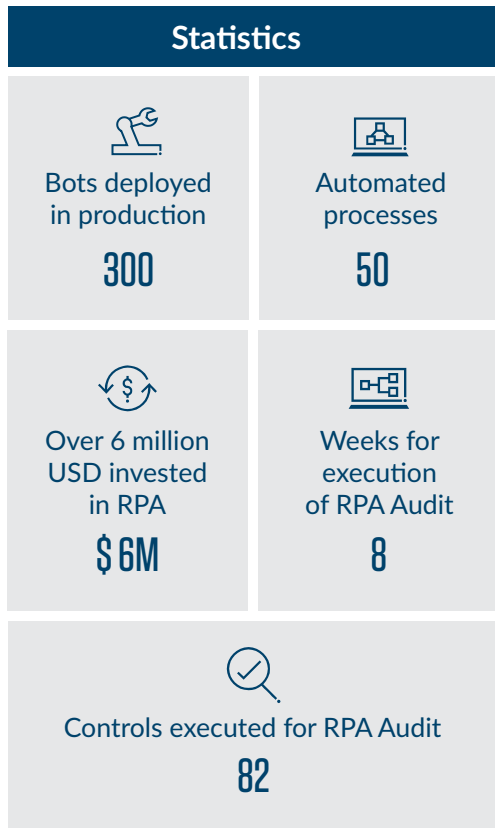
In 2018, one of the largest banks in the Middle East started its automation journey to enhance the digitization of banking processes. The bank wanted to improve its overall productivity and efficiency, process accuracy, and reduce operational costs using RPA. An automation partner was engaged for one of the critical processes that involved regulatory reporting. On the back of the success of this first initiative, the bank invested over 6 million dollars in building up its RPA program. The result was the deployment of over 300 bots in the production environment utilized across all three main business areas of the bank - wholesale, retail, and control. As a result, numerous business processes got automated, i.e., customer care processes, human resources, regulatory reporting, financial reporting, trade operations, accounting processes, IT operations, etc. The initiative grew to become the largest RPA deployment in any bank across the Middle East.

Protiviti Approach

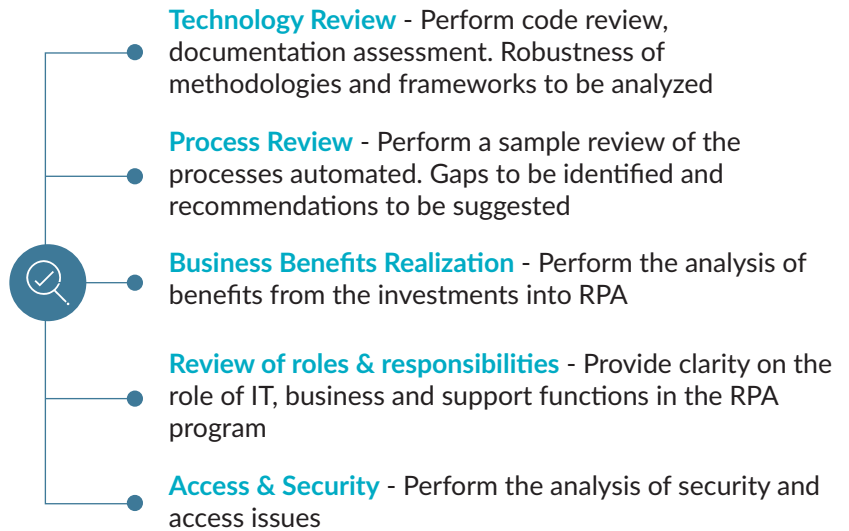
Protiviti team developed a multi-phased approach for the bank's RPA Audit. The engagement comprised three phases focused on discovering the current state of the RPA digital workforce across functions, benefit and gap assessment against control areas, and finally providing the report with observations and recommendations.

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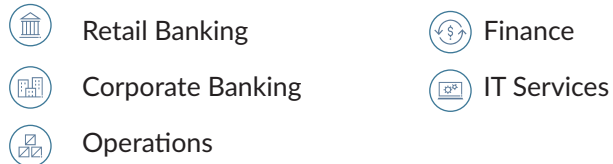
Our objectives were to analyze the business impact and benefits from the investments into RPA and review the performance of the implemented bots.



Assessment areas of focus



RPA Operational Landscape



RPA Operational Landscape

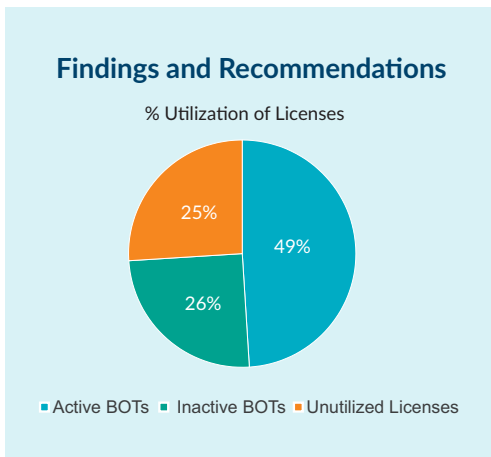
Our review of the RPA program identified several issues, which helped us recommend possible solutions and changes to improve RPA implementation at the bank. The key findings were:

a) Inadequate governance and weak benefit realization

The inadequacy of defined policies and procedures for RPA resulted in ineffective governance. Monitoring of defined KPIs for the RPA department was also not enforced; hence there was weak benefit realization for the over USD 6 million invested in the program. We identified this as the key finding and made recommendations on formulating, approving, and implementing policies and procedures that ensure benefit realization is tracked for all RPA implementations and reported to the management. We also recommended monitoring and reporting mechanisms for the RPA department KPIs.

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We helped the client set up regression testing and cross-impact analysis practices to ensure bots deployed in production were more stable and resilient.



b) Inadequate License Utilization

The bank was investing up to USD 2 million annually for RPA licenses. However, we identified that approximately 50 percent of the procured licenses were not fully utilized, resulting in huge financial loss to the bank. Therefore, working with the RPA department, we provided recommendations for license optimization to help the bank increase the utilization of RPA licenses.

c) Insufficient Change Management Controls

Protiviti identified deficiencies in the change management practices being followed that resulted in system misconfigurations, performance issues, and delays in the production environment, leading to service unavailability. Regression testing was also not being conducted, leading to bots failing after deployment of changes in applications being. We recommended regression testing practice for RPA to be set up within the banks testing department. Further, we advised the management to set up formal cross-impact analysis for all software-related changes to monitor non-RPA related changes and their effect on RPA bots in production.

d) Weak RPA Incident Management

Upon reviewing the RPA incident management at the bank, the team identified that over 90 percent of the RPA incidents had breached the resolution time defined under the service level agreement. This resulted from the absence of governance on standard service model implementation. As a result, we recommended setting up an incident monitoring dashboard for RPA incidents to ensure management is aware of these and their resolution times. This helped the management gain more visibility on the RPA operations and provide steering and governance where needed.

Value Delivered

Area of Focus	Observation	Recommendation	Expected Benefits
Governance and benefit realization	Inadequate governance and weak benefit realization	Establish RPA Centre of Excellence Set-up monitoring and reporting for the departmental KPIs	<ul style="list-style-type: none"> Improved ability to track RPA performance Efficient scalability of RPA facilitated by COE Improve the ROI
Technology review	Inadequate license utilization	Optimization of procedures for effective RPA license utilization	<ul style="list-style-type: none"> 35% savings on renewals post-license optimization, adding up to about USD 700k in savings
Review of roles and responsibilities	Insufficient change management controls	Set-up regression testing practice within the testing function of the IT department Establish formal RPA cross-impact analysis practice for all software related changes	<ul style="list-style-type: none"> Increase the resilience of the bots deployed in production Save approximately 4 hours spent by developers fixing and testing each bot that fails due to application changes
Review of roles and responsibilities	Weak RPA incident management	Set-up monitoring dashboard for RPA processes to effectively monitor incidents and their resolution	<ul style="list-style-type: none"> Reduce the resolution time of RPA incidents by approximately 70%, ensuring maximum uptime for the bots in production.

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