Enterprise RPA Adoption Pinnacle Model™ Assessment

March 8, 2018

Pinnacle Model™ research methodology

Definition of Pinnacle Enterprises™

Everest Group Pinnacle Model™ assessments identify Pinnacle Enterprises™, companies that are achieving superior business outcomes because of their advanced capabilities. The journeys of these best-of-the-best companies provide insights into the key enablers needed to achieve desired outcomes and point to the investments required for the greatest speed to impact. Whether companies are wanting to make incremental changes or achieve major transformations, Pinnacle Enterprises exemplify the way to success.

	Define the topic	We evaluate multiple topics to identify hot topics that will resonate globally with sourcing leaders. We work with internal and external SMEs to define the topic and set boundaries
	Survey enterprises	We use surveys, RFIs, and other data collection methods to gather information from enterprises on capabilities and outcomes associated with the topic under evaluation
	Interview participants	We then conduct interviews/roundtables with a subset of participants to gain deeper perspectives on their experiences, challenges, and journeys
	Form hypotheses	We form an emerging point of view on the correlations between capabilities and outcomes, adoption trends, and key success factors
	Validate and refine	A cross-section of SMEs from various practices debates and refines the emerging hypotheses
	Publish and educate	We compile and share final results with participants, our members, and other stakeholders in the global services sector. Participants also receive a high-level customized analysis

In the current Pinnacle Model™ assessment, we look at enterprise **Robotic Process Automation (RPA)** adoption patterns to compare outcomes with associated capabilities

Pinnacle Enterprise™ differentiators

Accelerating your RPA journey

Implications for enterprises

Contents

- **Differentiators for Pinnacle Enterprises™**

- Key implications for enterprises and vendors / service providers

- Accelerating your RPA journey

- Assessment of capability maturity

- Assessment of impact created

- Appendix

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We identified RPA Pinnacle Enterprises™ based on their focus on outcomes and capability maturity

Everest Group recently assessed Enterprise RPA adoption on the Pinnacle Model™ based on a study with 52 enterprises
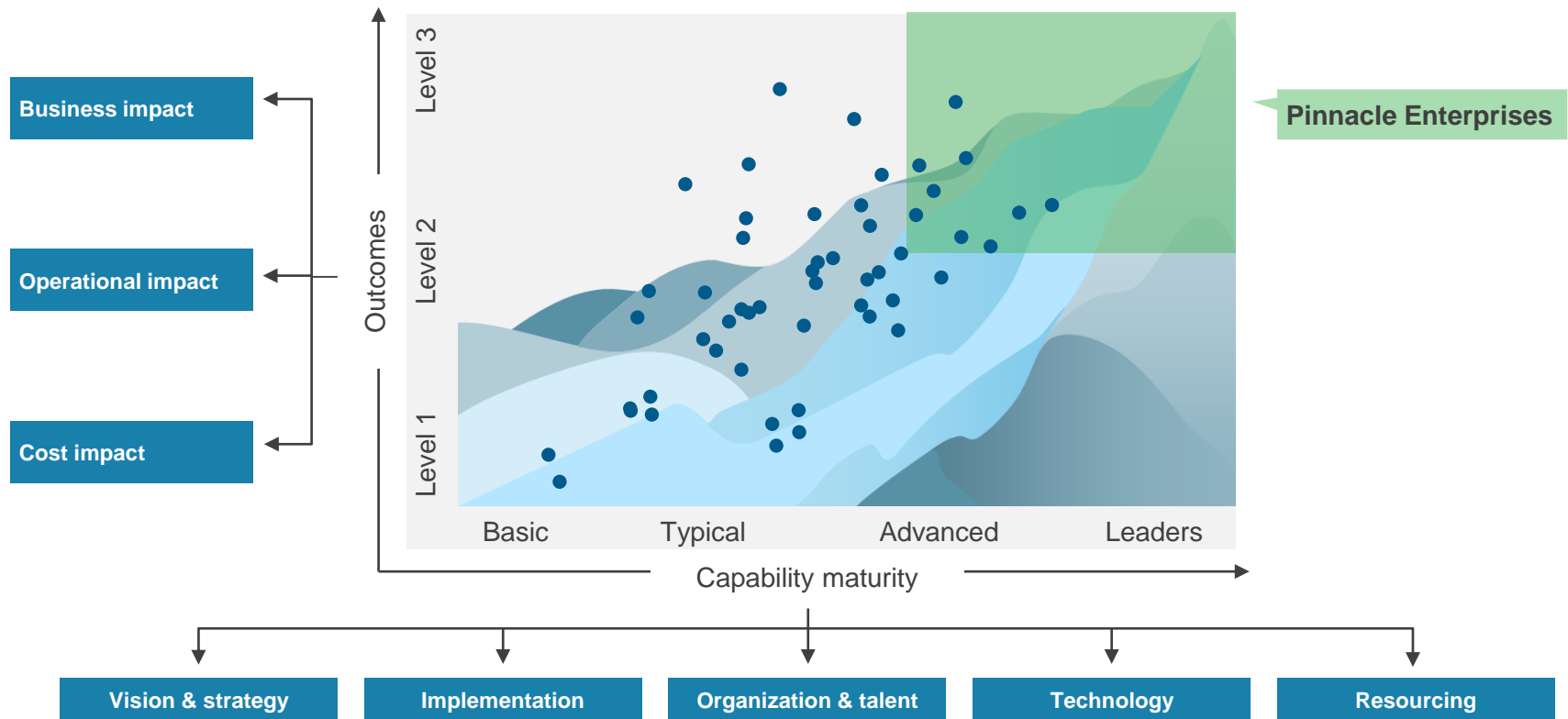
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Pinnacle Enterprises™ significantly exceed other enterprises in three key impact areas

All enterprises have gained maximum impact from RPA in operational areas

Enterprise RPA impact comparison

Cost impact

Operational impact

Business impact

Pinnacle Enterprises generated **4X RoI** and created **3X the resource capacity,** compared to other enterprises

Pinnacle Enterprises, on average, have achieved **50% improvement** in operational metrics, compared to **30%** by other enterprises

A significantly higher share of Pinnacle Enterprises have generated **"high impact"** in strategic areas (e.g., customer experience and time-to-market)

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Pinnacle Enterprises™ generated 4X RoI and created 3X the resource capacity, compared to other enterprises

**Cost impact**

Practitioner's view

"Our RPA initiative is designed to fund itself. We are looking at efficiency savings as well as improvement in customer experience. We are not reducing FTE cost but making them more efficient by reducing the repetitive nature of work."
- *Head of RPA program, leading pharmaceutical company*

🟩 Pinnacle Enterprises   🟦 Other enterprises

Average Return on Investment (RoI) from RPA

- Pinnacle Enterprises: 160%
- Other enterprises: 40%

4X
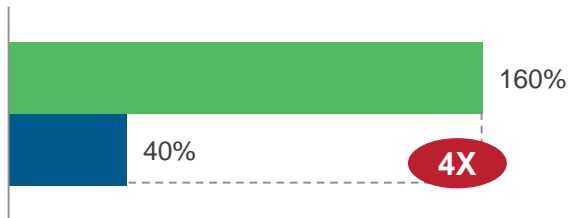
Average resource capacity enhanced from RPA (number of bots equivalent)

- Pinnacle Enterprises: 102
- Other enterprises: 37

3X
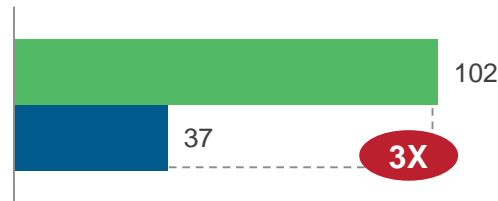
Average time taken to achieve RoI from RPA (in months)

- Pinnacle Enterprises: 11
- Other enterprises: 10

Average cost savings from RPA (extent of improvement over pre-RPA scenario)
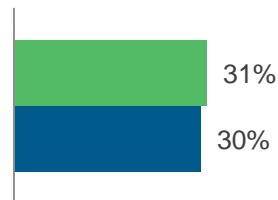
- Pinnacle Enterprises: 31%
- Other enterprises: 30%

While the cost savings achieved is similar across Pinnacle and other enterprises, the extent of RoI generated by Pinnacle Enterprises is significantly higher (4X)

- All Pinnacle Enterprises have realized cost benefits and have generated RoI from RPA, whereas among other enterprises, 10% are yet to realize cost savings, and 44% are yet to achieve RoI

- All Pinnacle Enterprises have a significant share of RPA projects in the scaling-up or steady-state phases of RPA implementation

- On the other hand, a significant proportion of other enterprises, which are yet to generate RoI, have projects in the planning or piloting phases

Source: Everest Group's RPA Pinnacle Model™ Assessment (2018)

Pinnacle Enterprises™, on average, have achieved 50% improvement in operational metrics, compared to 30% by other enterprises
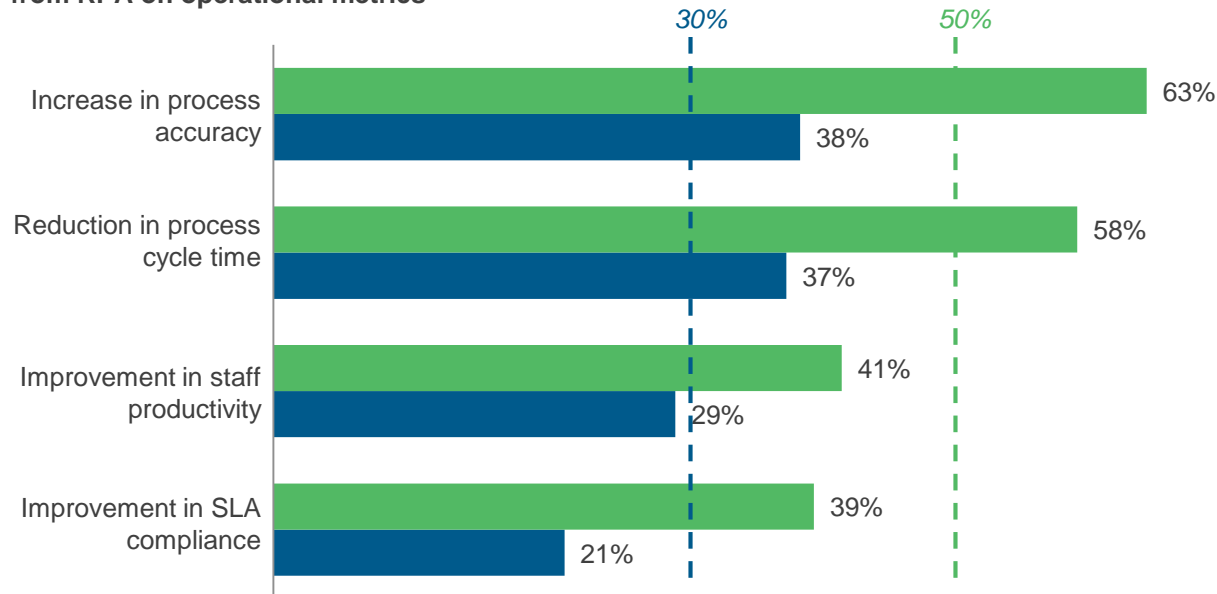
Operational impact

Practitioner's view

"Productivity benefits from RPA, depending on the complexity of the process, can range between 5-60%. On average, 25% productivity benefits are easily attainable."

- Head of RPA program, Top 10 global bank

Average improvement (over pre-RPA scenario) from RPA on operational metrics

Legend: ■ Pinnacle Enterprises   ■ Other enterprises   ---- Average improvement

- **30%** (Other enterprises average)
- **50%** (Pinnacle Enterprises average)

Metric	Pinnacle Enterprises	Other enterprises
Increase in process accuracy	63%	38%
Reduction in process cycle time	58%	37%
Improvement in staff productivity	41%	29%
Improvement in SLA compliance	39%	21%

- RPA implementation across Pinnacle and other enterprises results in significant improvement in operational metrics; however, Pinnacle Enterprises performance surpasses that of other enterprises
  - 67% of Pinnacle Enterprises are highly satisfied with operational optimization, compared to 21% of other enterprises
- Pinnacle Enterprises have achieved, on average, 51% automation in processes where RPA has been applied, compared to 24% achieved by other enterprises

Source: Everest Group's RPA Pinnacle Model™ Assessment (2018)

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A significantly higher share of Pinnacle Enterprises™ have generated high impact in strategic areas
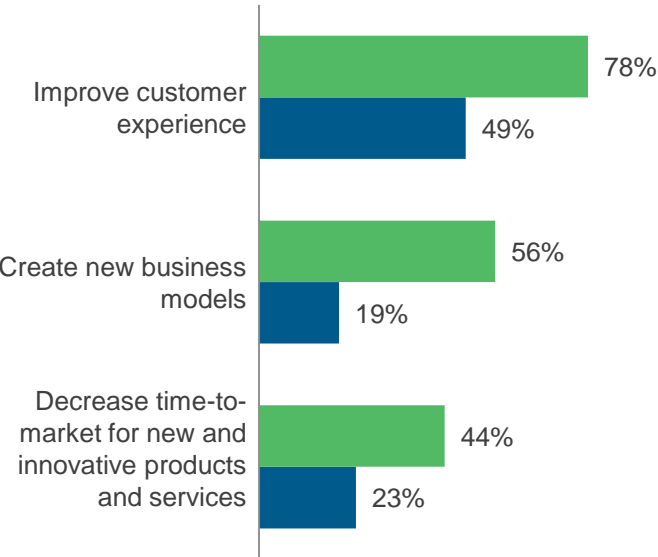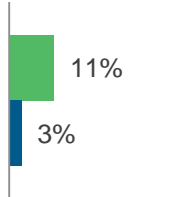
Business impact

Practitioner's view
"We are using RPA to collate financial insights for small enterprises, which were earlier not engaged in this manner. We are expecting an increase in our business with these enterprises as a result of this engagement."

*- Head of Intelligent Automation, US regional bank*

■ Pinnacle Enterprises   ■ Other enterprises

Share of enterprises achieving moderate to very high impact of RPA on strategic areas

- Improve customer experience: 78% (Pinnacle), 49% (Other)
- Create new business models: 56% (Pinnacle), 19% (Other)
- Decrease time-to-market for new and innovative products and services: 44% (Pinnacle), 23% (Other)

Average revenue growth achieved from RPA

- 11% (Pinnacle)
- 3% (Other)

Share of enterprises achieving revenue growth from RPA
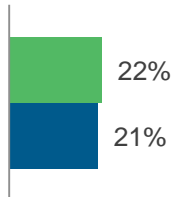
- 22% (Pinnacle)
- 21% (Other)

- All enterprises attach significant importance to cost savings and operational improvement as key drivers for RPA initiatives; strategic areas are not key drivers for RPA adoption
- However, Pinnacle Enterprises have been able to achieve noteworthy improvement in strategic areas
- Revenue growth is not a key expectation from RPA adoption; however, Pinnacle Enterprises have generated 11% revenue growth, compared to 3% by other enterprises
  – Only a few enterprises have achieved revenue growth, even in the Pinnacle Enterprise category
  – Enterprises view revenue growth as the next level of maturity from automation and expect next-generation technologies, such as AI/cognitive, to generate those benefits

Source: Everest Group's RPA Pinnacle Model™ Assessment (2018)

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Pinnacle Enterprises™ have developed differentiated capabilities across the organization

Enterprise RPA capability maturity comparison

Vision & strategy
Better organizational preparedness; RPA is viewed as a contributor to digital strategy, instead of a tactical measure

Organization & talent
Higher collaboration among BUs, adoption of RPA CoEs, and upskilling/reskilling of impacted resources

Technology
Focus on reusability (shared libraries) and adoption of next-generation automation technologies

Implementation
Significantly wider scope (5X number of bots) and higher speed of implementation (3X faster) and scaling up (25% faster)

Resourcing
Higher leverage of third-party vendors/service provider resources for training, implementation, and ongoing support & maintenance activities
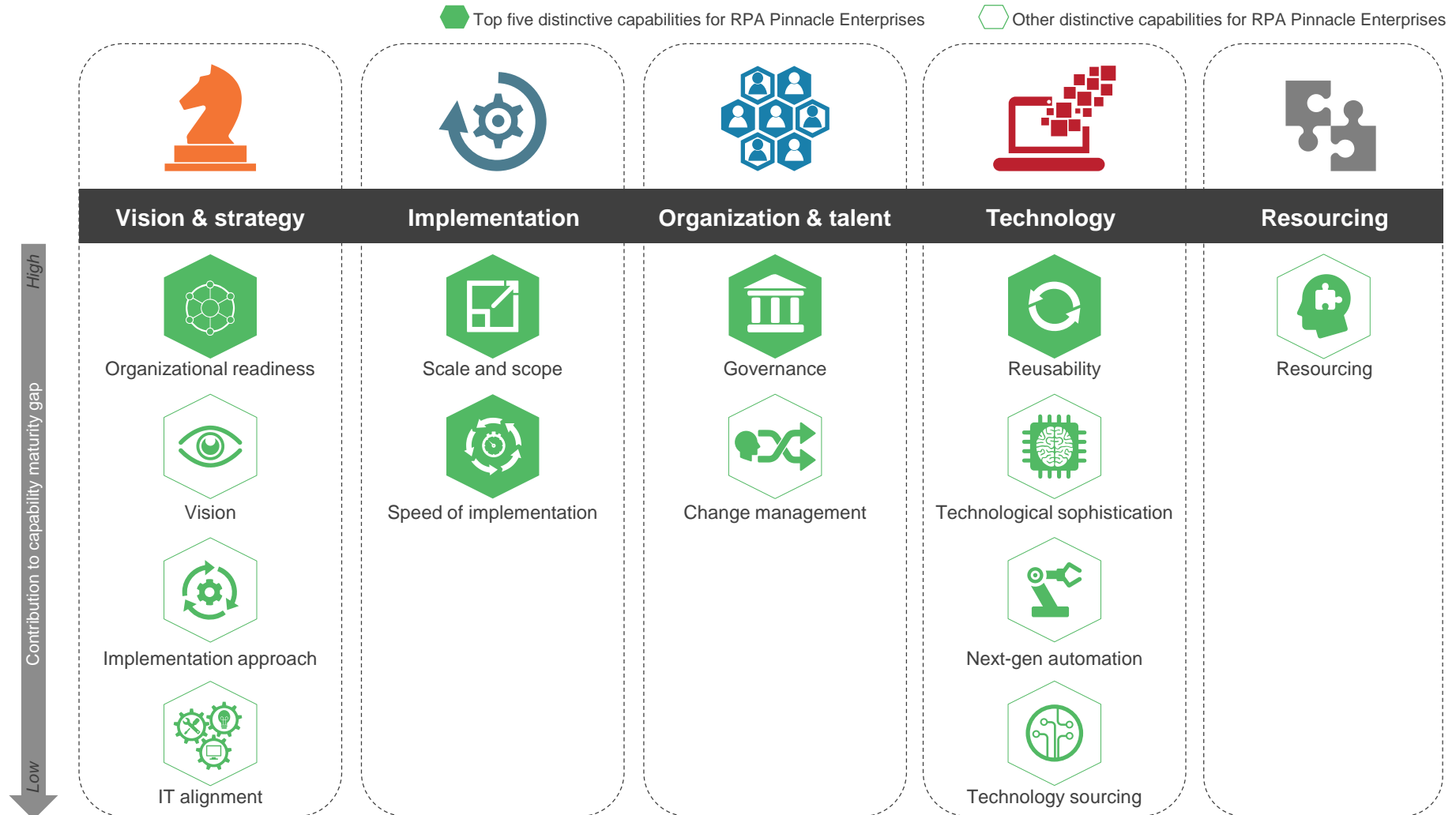
Source: Everest Group's RPA Pinnacle Model™ Assessment (2018)

RPA Pinnacle Enterprises™ achieve high impact with differentiated capabilities: organizational readiness, governance, reusability, and scale & speed of implementation

Vision & strategy	Implementation	Organization & talent	Technology	Resourcing
Organizational readiness	Scale and scope	Governance	Reusability	Resourcing
Vision	Speed of implementation	Change management	Technological sophistication	
Implementation approach			Next-gen automation	
IT alignment			Technology sourcing	

High

Contribution to capability maturity gap

Low

Source: Everest Group's RPA Pinnacle Model™ Assessment (2018)

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Pinnacle Enterprises™ exhibit better organizational preparedness and co-ownership between operations and IT

Vision & strategy

- Organizational readiness
- Vision
- Implementation approach
- IT alignment
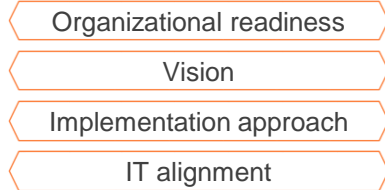
Practitioner's view

"Implementing RPA without the support of IT is unthinkable. The operations has to lead it, but IT has to be involved at every step as they know the environment well."

- Head of the RPA program, leading information services firm

■ Pinnacle Enterprises   ■ Other enterprises

Changes made in security and risk policies before adopting RPA (share of enterprises)

- 100%
- 30%
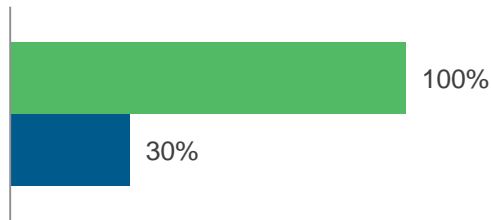
Primary philosophy behind adopting RPA
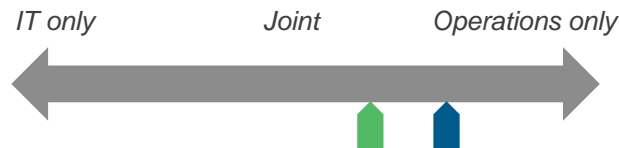
- Key components of organization's broader digital strategy
- As a means to make some processes more efficient

Pinnacle Enterprises demonstrate better pre-RPA preparation, compared to other enterprises, especially in two areas:

- Security and risk policy alignment: training RPA teams on security and risk policies, up-front evaluation of risk associated with RPA processes, and inclusion of risk management teams in RPA teams
- Changes to processes: definition of future state of processes and reengineering them accordingly

Changes made to business processes for RPA adoption (share of enterprises)

- 11% | 89%
- 44% | 56%
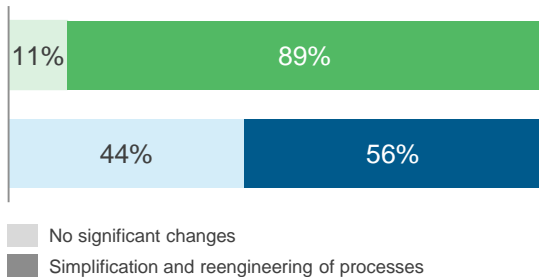
Responsibility to lead RPA initiatives

IT only ←————————→ *Joint*   *Operations only*

No significant changes
Simplification and reengineering of processes

Source: Everest Group's RPA Pinnacle Model™ Assessment (2018)

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Pinnacle Enterprises™ have 5X the number of bots, have 3X faster implementation, and have scaled up 25% faster
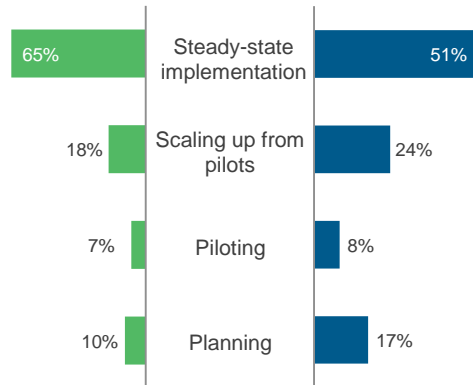
Implementation

Scale and scope
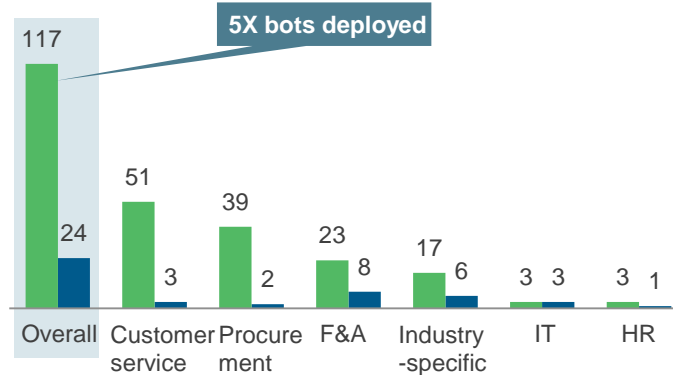
Speed of implementation

Practitioner's view
"My advice to all enterprises implementing RPA is that scale is very important to realize true benefits of RPA. Hence, it is very important to move beyond pilots as quickly as possible."

- Senior level RPA influencer, leading UK bank

■ Pinnacle Enterprises   ■ Other enterprises

Distribution of RPA projects by stage
(Share of RPA projects)

Stage	Pinnacle Enterprises	Other enterprises
Steady-state implementation	65%	51%
Scaling up from pilots	18%	24%
Piloting	7%	8%
Planning	10%	17%

Average number of bots deployed per enterprise
(overall and function-level)

5X bots deployed

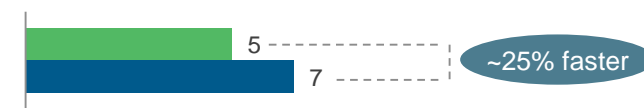| Function	Pinnacle Enterprises	Other enterprises
Overall	117	24
Customer service	51	3
Procurement	39	2
F&A	23	8
Industry-specific	17	6
IT	3	3
HR	3	1

Pinnacle Enterprises have a significantly higher number of bots deployed (5X), compared to other enterprises driven by:
- Larger share of projects in the steady-state or scaling-up phases
- Ability to scale up faster from pilots
- Overall better speed of bots deployment (aided by reusable automations, better team structure, etc.)

Speed of bots deployment
(bots per month)

Pinnacle Enterprises: 8
Other enterprises: 2

4X

Average time taken to scale up deployments from pilots (months)

Pinnacle Enterprises: 5
Other enterprises: 7

~25% faster

Source: Everest Group's RPA Pinnacle Model™ Assessment (2018)

Pinnacle Enterprises™ collaborate better between BUs and the RPA CoE and handle change management more effectively

Organization & talent

Governance

Change management
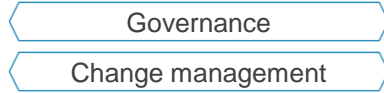
Case example
A leading BFS firm, one of the largest adopters of RPA, managed all 400 resources impacted by RPA by moving them to either complex roles or new roles, or by reducing attrition backfill. No lay-offs were done; however, new hiring at entry-level roles declined significantly post RPA.
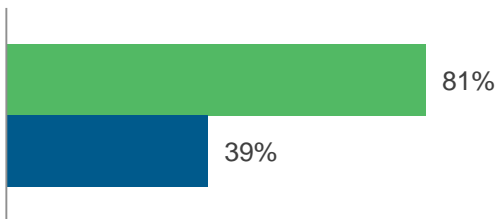
Legend: ■ Pinnacle Enterprises ■ Other enterprises

Establishment of RPA Center of Excellence (CoE) (share of enterprises)

- Pinnacle Enterprises: 100%
- Other enterprises: 72%
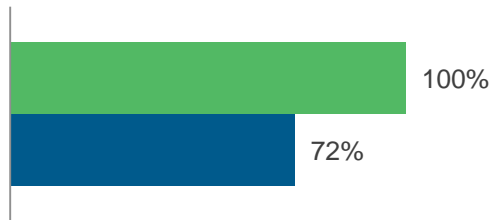
Sharing/pooling of resources (share of enterprises)

- Pinnacle Enterprises: 100%
- Other enterprises: 19% / 81%

  ☐ No sharing/pooling of resources
  ■ Low to high sharing/pooling of resources
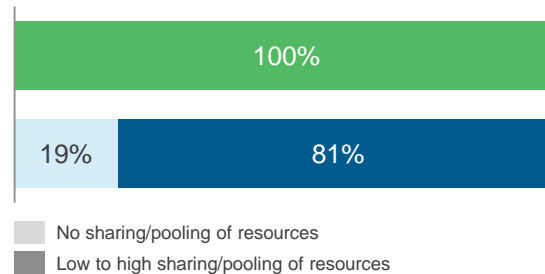
Reskilling/upskilling of impacted resources (share of impacted resources)

- Pinnacle Enterprises: 81%
- Other enterprises: 39%

**Laying off impacted resources** (share of impacted resources)
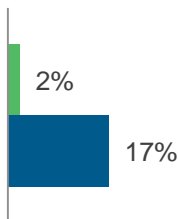
- Pinnacle Enterprises: 2%
- Other enterprises: 17%

- While all Pinnacle Enterprises have a dedicated RPA CoE, the CoE alone is not responsible for implementing RPA initiatives. The CoE works in close collaboration with the BU RPA teams to drive RPA initiatives
- On the other hand, other enterprises primarily rely on the CoE to implement RPA initiatives
- Pinnacle Enterprises have managed changes in talent model better by redeploying, reskilling, or upskilling a majority of the resources impacted by RPA

Source: Everest Group's RPA Pinnacle Model™ Assessment (2018)

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Pinnacle Enterprises™ focus on automation reusability and next-generation automation technologies

Technology

- Reusability
- Technological sophistication
- Next-gen automation
- Technology sourcing

Legend: ■ Pinnacle Enterprises ■ Other enterprises
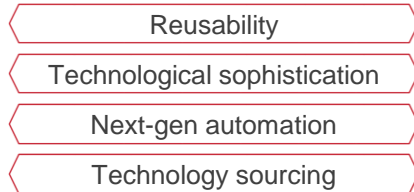
Development and sharing of libraries of reusable automations (share of enterprises)

100%	
40%	60%
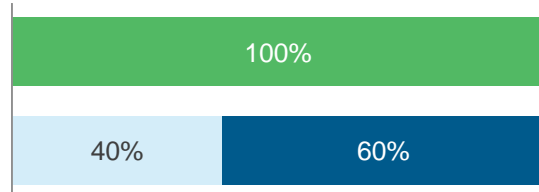
- Have not created shared libraries
- Have created and/or shared libraries

Deployment of cognitive/AI solution in conjunction with RPA (share of enterprises)

11%	45%	44%
33%	49%	18%
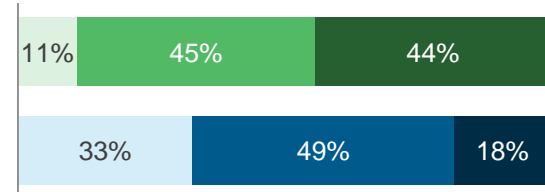
- Not considering
- Planning
- Piloting/implementing

Ability to manage changes to the bots with changes in the application's UI (share of enterprises)

11%	78%
14%	30%

- Manage to a great extent
- Manage to a limited extent

Sourcing model for RPA technology (share of enterprises)

100%	
7%	93%
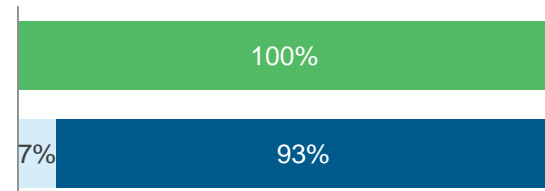
- Developed internally
- Sourced from vendor or service provider

- Technology used for RPA is not a key differentiator between Pinnacle Enterprises and other enterprises. In addition, technology sourcing characteristics are similar across Pinnacle and other enterprises
- Pinnacle Enterprises are somewhat ahead of other enterprises in adopting next-gen automation technologies, such as cognitive, AI, and machine learning
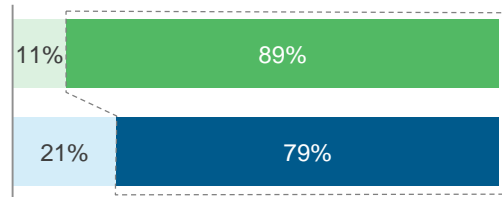
Source: Everest Group's RPA Pinnacle Model™ Assessment (2018)

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Pinnacle Enterprises™ rely somewhat more on third-party resources during all stages of the RPA program, except upfront consulting
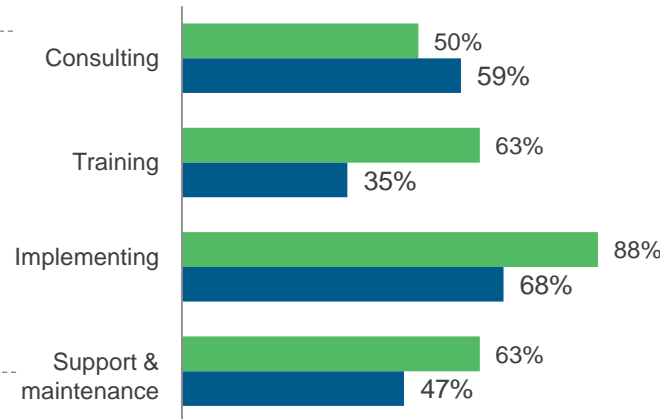
Resourcing

Resourcing

Pinnacle Enterprises ■ **Other enterprises**

Source of talent for RPA projects
(share of enterprises)

11%	89%
21%	79%

Leverage of third-party vendor or service provider resources (share of enterprises)

Consulting
- 50%
- 59%

Training
- 63%
- 35%

Implementing
- 88%
- 68%

Support & maintenance
- 63%
- 47%

- Due to the relatively low availability of talent for implementing RPA, all enterprises have relied primarily on vendors or third-party providers for talent during all stages of their RPA programs
- However, Pinnacle Enterprises are more focused on building internal capabilities in the future to drive automation initiatives and have invested significantly in training resources and creating internal RPA champions

☐ In-house for all stages of RPA

☐ Third-party vendor or service provider for all stages of RPA

Source: Everest Group's RPA Pinnacle Model™ Assessment (2018)

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Experian derives upwards of 10X productivity increase through a harmonized adoption of lean and automation
(page 1 of 2)

experian.™

Enterprise overview
Experian is a leading global information services company, helping consumers and clients to manage their data. The company has more than 16,000 people operating across 37 countries, including GICs (global in-house centers) in various parts of the world, which were part of the RPA program. It is a constituent of the FTSE 100 Index and one of the Pinnacle Enterprises™ in Everest Group's RPA Pinnacle Model Assessment™ 2018 and has deployed Automation Anywhere's RPA solution.

Everest Group's RPA Pinnacle Model™ Assessment 2018
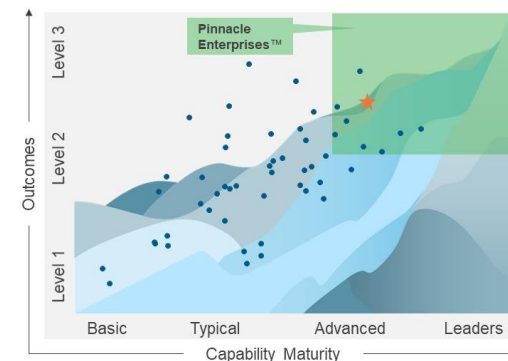
Objectives behind RPA adoption	Key facts about RPA program

- Increase productivity, efficiency, and effectiveness of processes in a scalable model
- Enrich employee experience by focusing them on creative, customer-centric, and judgement-intensive areas of work
- Enhance customer experience by providing a consistent and superior engagement
- Generate cost savings

12 months since the automation journey was deployed.

35 bots across the globe to automate **500,000+** tasks with an average duration of four months to scale up from pilots.

3 million potential transactions to be automated

Winning insights

- Significant focus on balancing the man/machine dynamic and creating grass-roots level automation adoption
- Multiple exposure mechanisms to increase awareness among employees – hackathons, project-of-the-year, newsletters, lunch 'n learns, etc.
- Workshops, Kaizen events, and fit-for-purpose trainings to coach and guide employees
- Created a cultural change within the organization for automation rather than driving it from the top
- Significant positive impact on employee enablement and retention

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Experian derives upwards of 10X productivity increase through a harmonized adoption of lean and automation
(page 2 of 2)

experian™

Strategy and approach

- Started by implementing lean six sigma to improve processes and then embedded automation within it
- RPA is a key component within the "Improve" step of the DMAIC[1] cycle
- Leveraged IT as a partner in the initiative from the beginning (50:50 funding contribution by IT and business units)
- Established an RPA CoE to drive adoption and track performance:
- CoE manages employee training, supplier management, robot configuration and pipelining, etc.
- Hub and spoke CoE model, where hub resides in IT, and spokes reside in business
- Deployed a real-time performance monitoring dashboard to measure and track productivity gains, automated FTEs, economic quantification of productivity lift, and transaction success rate

Define	**M**easure	**A**nalyze	**Improve**	**C**ontrol

- Assess opportunity to apply robotics to improve productivity, quality, accuracy, etc.
- Modify the process (as needed) to incorporate automation
- Configure and test robot; configure performance dashboard
- Train and coach people on the required tools/methodologies
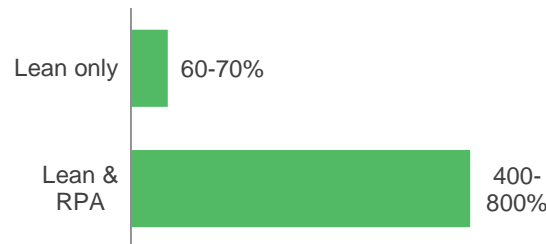- Conduct follow-ups to ensure desired outcomes are achieved

People-centric approach

" *We are leveraging RPA to help automate work that our team have to do to create capacity for the work we want to do.* "

– Jim Fick, Managing Director and Executive Sponsor, Experian

Key business outcomes

Average productivity improvement (over baseline)

Lean only — 60-70%

Lean & RPA — 400-800%

6X Growth in cost savings from combined Lean & RPA implementation

98% Average transaction success rate

100% Extent of reskilling and upskilling of impacted employees

1 DMAIC is a data-driven quality strategy used to improve processes. It is an integral part of a Six Sigma initiative, but in general can be implemented as a standalone quality improvement procedure or as part of other process improvement initiatives such as lean

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Key implications for enterprises

1   The benefits of RPA are real, but the majority of enterprises are still in the early stages of adoption

2   The impact of RPA on jobs is way overblown; most enterprises do not see RPA as a means to reduce headcount

3   Improved operational effectiveness and enhanced employee and customer experience are key drivers of RPA adoption

4   Successful RPA adopters have a participative – rather than a top-down – approach to drive RPA adoption

5   Successful RPA requires both speed and scale of adoption, so quick decision-making and collaboration are key

6   While RPA is for – and by – operations, IT needs to be an end-to-end partner

Source: Everest Group's RPA Pinnacle Model™ Assessment (2018)

Implications for enterprises
The benefits of RPA are real, but the majority of enterprises are still in the early stages of adoption

- 85% of study participants were less than 18 months into their RPA journeys, but seeing real operational and financial benefits from RPA
- Unfortunately the extreme low barriers to RPA implementations, has created a bit of anarchy in terms of policies, adoption, and execution
- Enterprises that create strong governance mechanisms and focus on RPA from a long-term perspective are likely to be more successful in managing the "unknown challenges"

Source: Everest Group's RPA Pinnacle Model™ Assessment (2018)

The impact of RPA on jobs is way overblown; most enterprises do not see RPA as a means to reduce headcount

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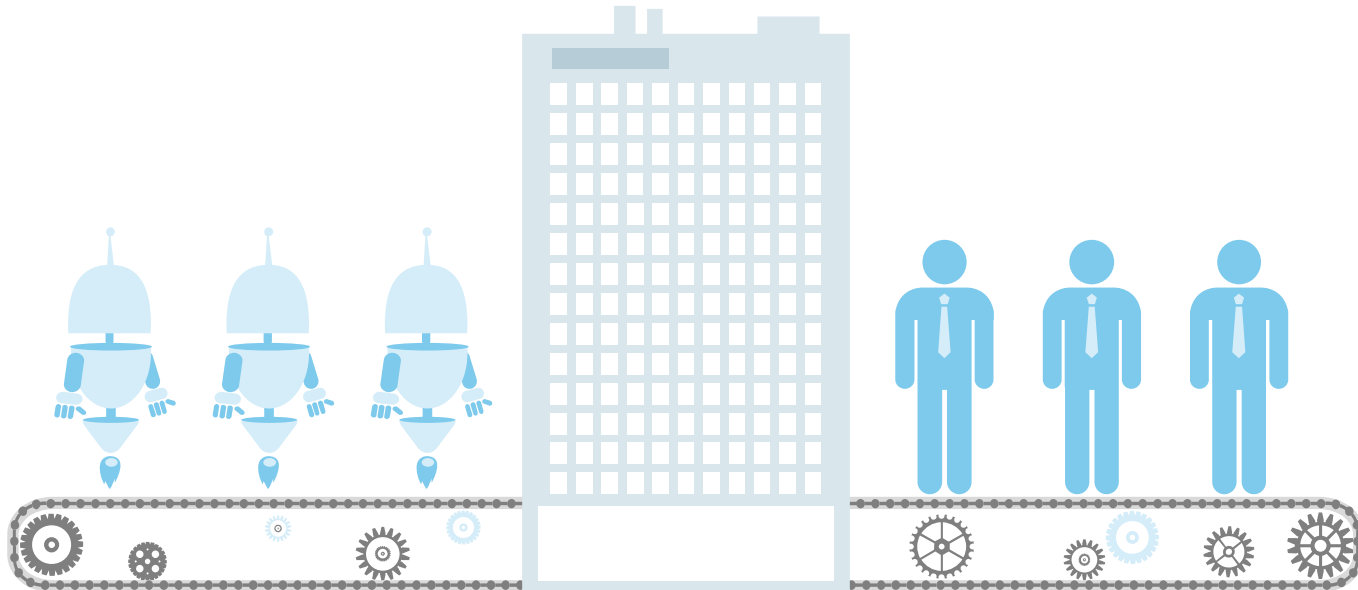
- Some job loss impact is likely to happen due to RPA; however, our study found that only 11% of impacted employees were laid off, while the remaining 89% were redeployed/reskilled/upskilled
- The hype reported in the media is only creating distraction and diverting effort and resources toward employee expectation management
- Talent upskilling/reskilling is an imperative, not an opportunity. Not doing it now could create significant talent issues in the future

Source: Everest Group's RPA Pinnacle Model™ Assessment (2018)

Implications for enterprises

Improved operational effectiveness and enhanced employee and customer experience are key drivers of RPA adoption

- Automation needs to be viewed as the next big enabler of operational improvement, which will result in both employee and customer experience enhancement
- Financial benefit – both top line and bottom line growth – will follow as the above objectives are achieved
- Pinnacle Enterprises' more holistic approach allows them to see both higher chances of success and ROI

Source: Everest Group's RPA Pinnacle Model™ Assessment (2018)

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Implications for enterprises
Successful RPA adopters have a participative – rather than a top-down – approach to drive RPA adoption

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- RPA is different from previous major technology megatrends, such as ERP, distributed computing, e-commerce, and mobile, which required a top-down mandate and huge financial and resource investments

- Empowerment at the grass-roots level is the key to accelerate RPA adoption, in addition to the top-down RPA initiatives

Source: Everest Group's RPA Pinnacle Model™ Assessment (2018)

Implications for enterprises
Successful RPA requires both speed and scale of adoption, so quick decision-making and collaboration are key

- Scale, scope, and speed of RPA adoption are critical to derive maximum impact
- A siloed approach to RPA implementation will not work; enterprises need to drive cross-BU collaboration through formal constructs
- Creating a Center of Excellence (CoE) can significantly enhance the pace of adoption and the sharing of skills and best practices

Source: Everest Group's RPA Pinnacle Model™ Assessment (2018)

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Implications for enterprises
While RPA is for – and by – operations, IT needs to be an end-to-end partner
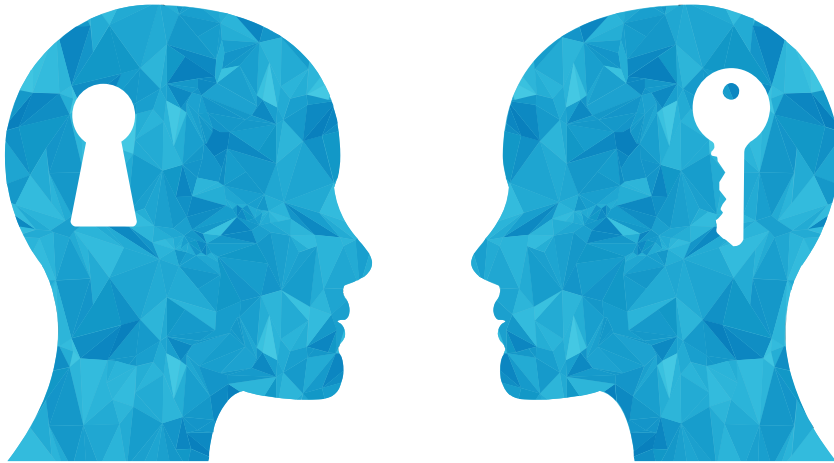
- RPA programs are more successful when IT is engaged from the beginning or when programs are jointly led by operations and IT

- IT needs to support RPA from a technology, risk management, security, and change (in the IT environment) management perspective; these can be significant roadblocks if not managed upfront

- While operations will likely continue to be the driver for many RPA projects, IT should look at root cause issues that might be driving these RPA initiatives, especially those that are clearly designed to shore up core application deficiencies

Source: Everest Group's RPA Pinnacle Model™ Assessment (2018)

Key implications for vendors / service providers

1   Technology *per se* is not the key differentiator for successful RPA; the approach and strategy are more important

2   The much-hyped job impact aspect of RPA (which is largely vendor propagated) is likely to lose relevance soon

**3**   A vendor's reputation and growth/survival is an important consideration for enterprises in RPA vendor selection

4   The shortage of skilled talent is making end-to-end implementation support a key imperative for vendors to provide to their enterprise customers

5   Enterprises are actively considering AI/cognitive as they come to terms with the limitations of RPA

6   Vendors need to improve existing client relationship stickiness as enterprises are likely to consider switching providers when sourcing next-generation automation solutions

Source: Everest Group's RPA Pinnacle Model™ Assessment (2018)

Implications for vendors / service providers

Technology *per se* is not the key differentiator for successful RPA; the approach and strategy are more important
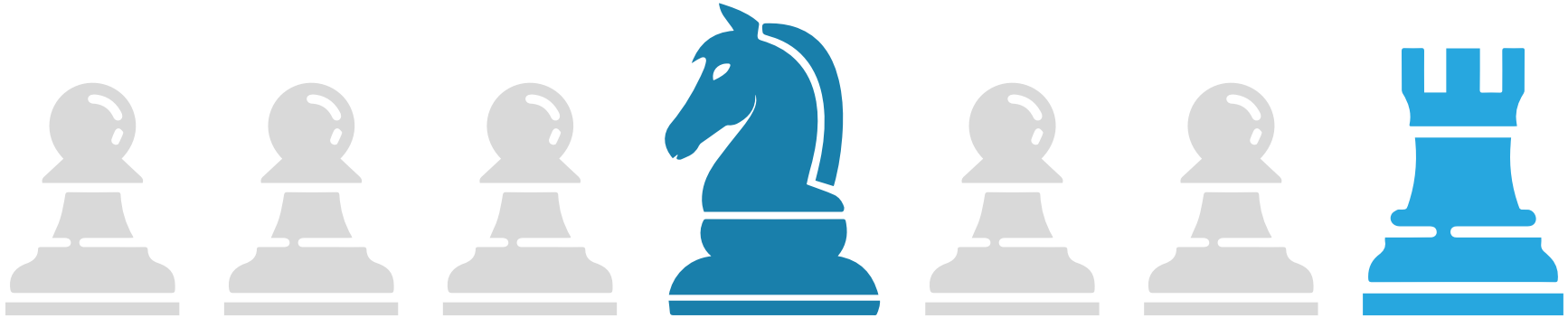
- Vendors / service providers need to position themselves as end-to-end solution providers rather than a provider of a technology / RPA tool
- Successful RPA adopters have better preparedness for RPA, robust governance mechanisms, and faster pace of implementation – areas where vendors can provide their expertise
- The approach and strategy for implementation needs to vary with the enterprise's people, process, and technology maturity

Source: Everest Group's RPA Pinnacle Model™ Assessment (2018)

Implications for vendors / service providers

The much-hyped job impact aspect of RPA (which is largely vendor propagated) is likely to lose relevance soon

- While vendors have marketed RPA as a cost-reduction technology by replacing people with robots, enterprises are viewing RPA as a means to make operations more efficient and to improve the employee experience
- Our study found that only 11% of impacted employees were laid off, while the remaining 89% were redeployed/reskilled/upskilled
- Vendors are likely to be more successful if they position RPA as an operational efficiency booster

Source: Everest Group's RPA Pinnacle Model™ Assessment (2018)

Implications for vendors / service providers

A vendor's reputation and growth/survival is an important consideration for enterprises in RPA vendor selection
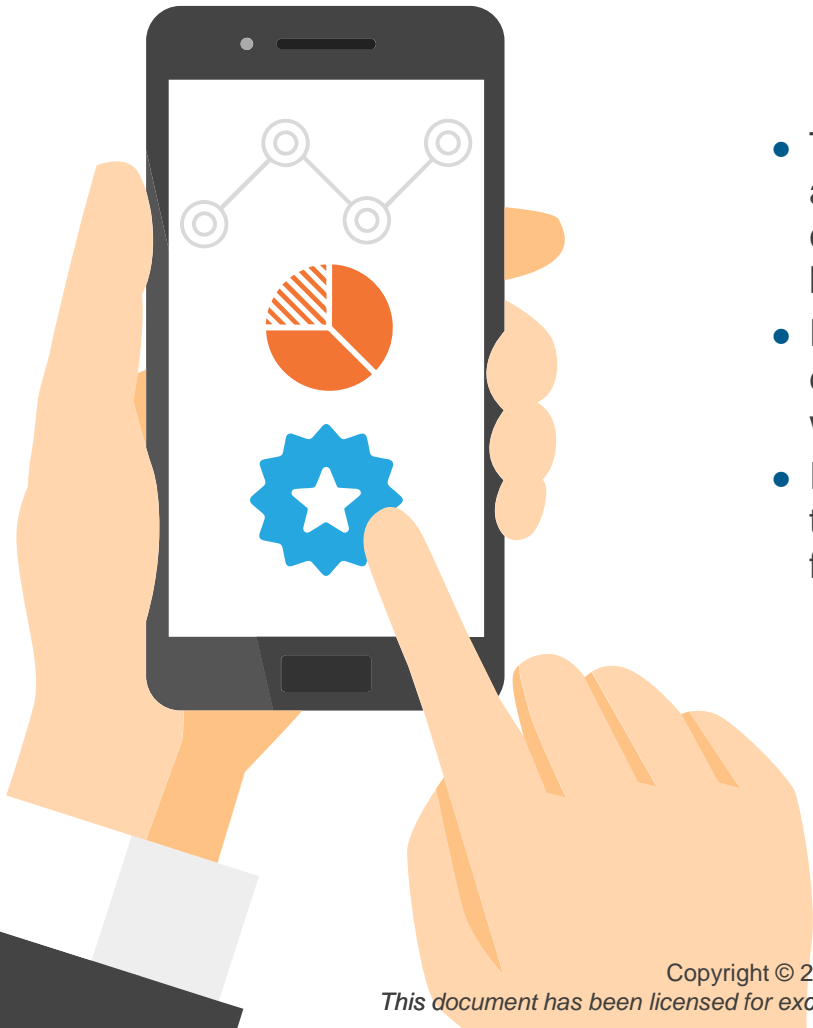
- The RPA market is in hypergrowth mode. As adoption increases, the number of vendors will continue to expand for the next two to four years; however, consolidation is likely in the future
- Enterprises are cognizant of this pattern and are considering a vendor's reputation as a key criteria when evaluating RPA tools
- In our study, a vendor's mindshare and reputation is the second most important criteria for enterprises, first one being product features and functionality

Source: Everest Group's RPA Pinnacle Model™ Assessment (2018)

Implications for vendors / service providers

The shortage of skilled talent is making end-to-end implementation support a key imperative for vendors to provide to their enterprise customers

- There is shortage of talent with RPA skills, including technical and project management skills, across most talent markets
- Vendors can play a significant role in plugging the talent gap by providing talent for all stages of RPA implementation
- Vendors can also play a significant role in training an enterprise's traditional IT services resources in RPA skills

Source: Everest Group's RPA Pinnacle Model™ Assessment (2018)

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Implications for vendors / service providers

Enterprises are actively considering AI/cognitive as they come to terms with the limitations of RPA
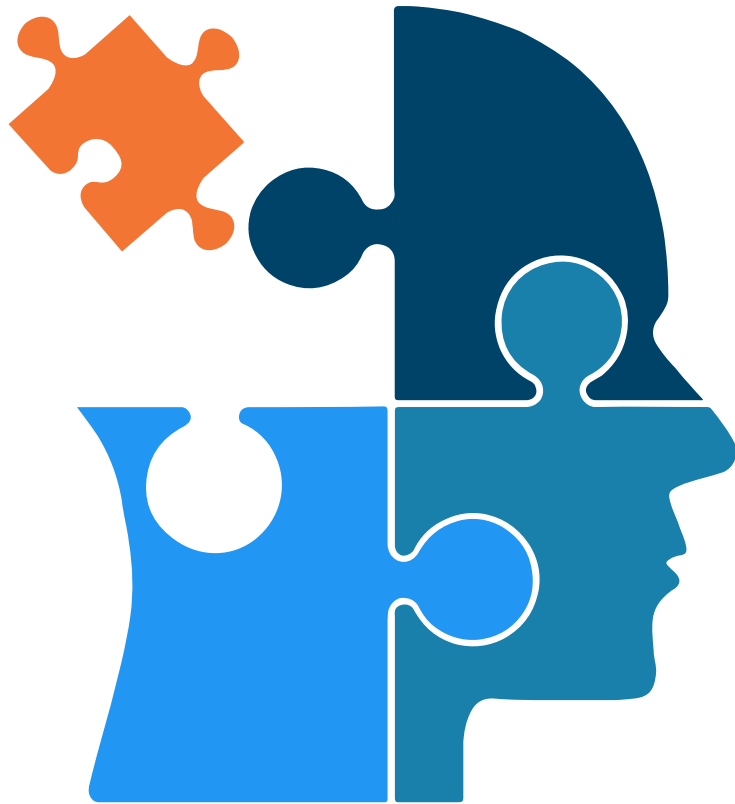
- RPA comes with its own set of limitations, such as an inability to process unstructured data or deal with situations that do not match the pre-compiled rules

- In our study, 65% of enterprises are either piloting, planning, or have already implemented a cognitive/AI solution

- Vendors need to accelerate the technology evolution of their solutions as enterprises are ready for the adoption of next-generation automation solutions

Source: Everest Group's RPA Pinnacle Model™ Assessment (2018)

Implications for vendors / service providers

Vendors need to improve existing client relationship stickiness as enterprises are likely to consider switching providers when sourcing next-generation automation solutions
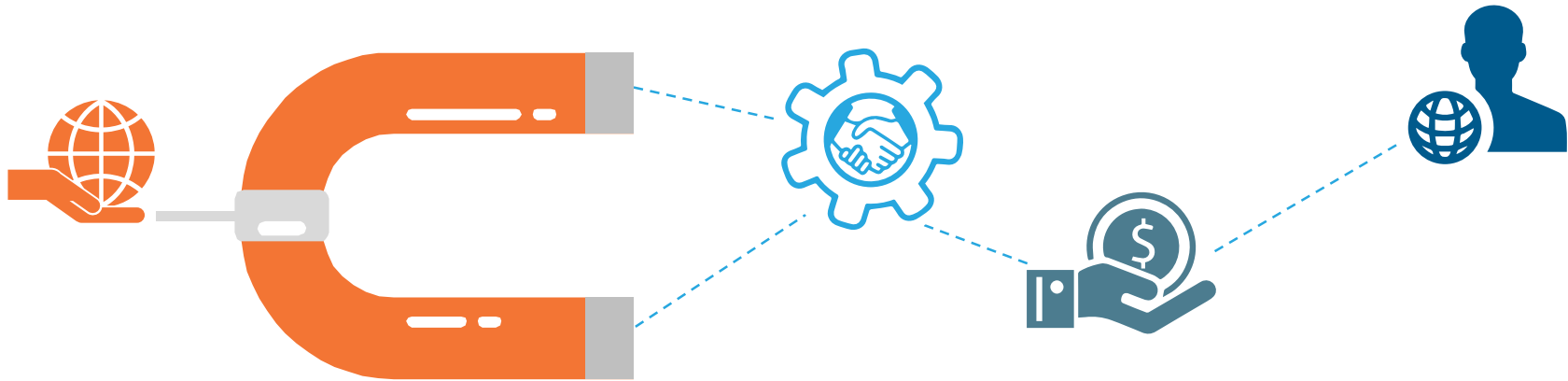
- Our study suggests that ~50% of enterprises are unlikely to purchase their next-generation automation solution from the incumbent RPA vendor
- Improving client relationship stickiness by bringing process expertise, industry-specific RPA solutions, and creating paths for long-term relationships is critical for vendors

Source: Everest Group's RPA Pinnacle Model™ Assessment (2018)

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Significant capability gaps exists between Pinnacle Enterprises™ and Basic and Typical adopters across most capability areas

As expected, the capability gap between Advanced adopters and Pinnacle Enterprises™ is the lowest, higher for Typical adopters and highest for Basic adopters

- Approximately 40% of Advanced adopters are also Pinnacle Enterprises™, hence, the capability profile of Pinnacle Enterprises is similar to that of Advanced adopters

Assessment of capability gap between Pinnacle Enterprises™ and Basic and Typical adopters

Vision & strategy	Implementation	Organization & talent	Technology	Resourcing
Significant capability maturity gap between Pinnacle Enterprises™ and Basic and Typical adopters especially for readiness of the organization for RPA and approach to implement RPA	Capability with highest maturity gap between Pinnacle Enterprises™ and Basic and Typical adopters on all aspects of adoption (scale, speed, scope)	Significant capability maturity gap between Pinnacle Enterprises™ and Basic and Typical adopters especially on the robustness of governance dimension	Capability with second highest maturity gap between Pinnacle Enterprises™ and Basic and Typical adopters. Maturity gap largely driven by reusability of automations and bots' ability to adapt to changes in applications	Capability with lowest maturity gap between Pinnacle Enterprises™ and Basic and Typical adopters; largely similar resourcing strategy adopted by all types of enterprises

Source: Everest Group's RPA Pinnacle Model™ Assessment (2018)

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Extent of capability gap

Significant gap — Moderate — Limited gap

Capability	Sub-capability	Extent of sub-capability gap compared to Pinnacle Enterprises™			Key journey accelerators for Basic and Typical enterprises
		Basic	Typical	Advanced	
Vision & strategy	Organizational readiness	■ (significant)	■ (moderate)	■ (limited)	**Simplify and re-engineer processes before RPA implementation** – Rather than automating a sub-optimal or broken process, streamline the process by defining, redesigning, and documenting the end-state to achieve maximum RPA benefit – Lean principles can also be used to streamline complex processes
	Implementation approach	■ (significant)	■ (significant-moderate)	■ (limited)	**Define specific metrics to measure RPA performance** – Using IT or operations-specific metrics to measure RPA performance will lead to inaccurate measurement – Define a primary metric (e.g., quality, cycle time, risk, or revenue impact) for each project and baseline pre-RPA performance – Key metrics Pinnacle Enterprises track for RPA performance include: productivity gains, automated FTEs, economic quantification of productivity lift, and transaction success rates
	Vision	■ (significant-moderate)	■ (moderate)	■ (limited)	**Make IT an end-to-end partner in RPA implementation** – RPA programs are more successful when IT is on-boarded from the beginning or when programs are jointly led by operations and IT – While operations needs to provide process and domain expertise, IT needs to support RPA from a technology, risk management, security, and change (in IT environment) management perspective
	IT alignment	■ (significant-moderate)	■ (moderate-limited)	■ (moderate-limited)	

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Extent of capability gap

Significant gap   Moderate   Limited gap

Capability	Sub-capability	Extent of sub-capability gap compared to Pinnacle Enterprises™			Key journey accelerators for Basic and Typical enterprises
		Basic	Typical	Advanced	
Implementation	Scale and scope	▉	▉	▉	• **Increase scale, scope, and speed of RPA adoption as these are critical to derive maximum impact from RPA**
	Speed of implementation	▉	▉	▉	

• **Increase scale, scope, and speed of RPA adoption as these are critical to derive maximum impact from RPA**
  – Create higher awareness of RPA and drive pro-active adoption to create a stronger pipeline of tasks/processes that can be potentially automated.
  – Document and share success stories to increase organization-wide adoption of RPA
  – For faster deployment and quicker scale-up, create development standards (e.g., naming conventions) upfront. This will also ensure consistency in RPA implementation
  – Create separate teams for process screening (discovery team) and implementation (delivery team) to enable faster scale-up and deployment of bots
  – Create and share libraries of reusable robots, methods, and modules to speed-up RPA adoption and reduce downtime

Several journey accelerators exist for Basic and Typical adopters to accelerate their RPA journey (page 3 of 4)

Extent of capability gap

Significant gap — Moderate — Limited gap

Capability	Sub-capability	Extent of sub-capability gap compared to Pinnacle Enterprises™			Key journey accelerators for Basic and Typical enterprises
		Basic	Typical	Advanced	
Organization & talent	Governance				**Create RPA CoE to consolidate and share skills and capabilities** – There are multiple benefits of creating an RPA CoE: ◆ Facilitates best practices and skill development, which eventually help in faster scaling-up ◆ Provides structure and governance to the RPA program. E.g., clarifies roles and responsibilities of various teams that are involved ◆ Enables optimization of software and license costs ◆ Fosters sharing and pooling of resources ◆ Develops strong cross-functional collaboration amongst stakeholders – CoEs can be of various types: centralized for multiple business units, hub and spoke model or specialized for specific types of automation. Typically CoEs evolve from centralized to hub-and-spoke model as the RPA program scales-up and is deployed across multiple functions and geographies – CoEs of Pinnacle adopters evolve from executing solutions to enabling businesses to explore and execute RPA opportunities on their own
	Change management				

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Extent of capability gap

Significant gap — Moderate — Limited gap

Capability	Sub-capability	Extent of sub-capability gap compared to Pinnacle Enterprises™			Key journey accelerators for Basic and Typical enterprises
		Basic	Typical	Advanced	
Technology	Reusability	Significant gap	Significant gap	Limited gap	**Develop and share reusable automations** – Select RPA product that provides the ability to create and share libraries of reusable automations and process workflows – Develop reusable automation assets/components and share it across the organization which not only reduces development time but also ensures resilience and easier maintenance of automations
	Technological sophistication	Significant gap	Moderate	Limited gap	**Focus on creating "smart and resilient" bots that can adapt to changes in user interface** – Robots developed using direct object level identification are much more resilient to changes in user interface layout as compared to those based on screen co-ordinates and image-recognition – In situations where objects are not available, such as Citrix environments, product should have advanced computer vision and image recognition features to intelligently identify screen elements
	Next-gen automation	Significant gap	Moderate	Limited gap	**Leverage AI/cognitive, BPM, and advanced analytics to achieve higher automation rates and end-to-end process orchestration** – Leverage BPM to orchestrate end-to-end processes and AI/cognitive and advanced analytics to identify automation opportunities in business processes; create automated workflows by learning from human actions over time
	Technology sourcing	Limited gap	Limited gap	Limited gap	

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Enterprises are focusing their investments in five capability areas to drive superior outcomes from RPA

Capabilities	Key focus area	Sub-capabilities
Vision & strategy	• To understand the vision of the organization for RPA and the drivers behind RPA adoption • To assess the organization's readiness for RPA adoption from a process, risk, and security perspective	• Vision • Organizational readiness • Implementation approach • IT alignment
Implementation	• To assess the scale and scope (functions and processes) of RPA adoption along with the pace at which RPA as been adopted – in terms of bots deployed and time taken to scale up from pilots	• Scale and scope • Speed of implementation
Organization & talent	• To assess the governance model for RPA (centralized, decentralized, hub and spoke, etc.) and extent of collaboration (or sharing of resources) between the implementing groups • To analyze the talent management strategy for the resources impacted by RPA	• Governance • Change management
Technology	• To assess the level of sophistication of RPA technology deployed and sourcing model (in-house/vendor/service provider) for technology • To assess the extent to which next-generation automation technologies, such as AI and cognitive, are being developed, and their sourcing models	• Technological sophistication • Next-gen automation • Reusability • Sourcing
Resourcing	• To assess the resourcing strategy across various stages of RPA – consulting, implementation, and training and ongoing maintenance, in terms of internal vs. external resources deployed	• Resourcing

Source: Everest Group's RPA Pinnacle Model™ Assessment (2018)

Pinnacle Enterprises™ primarily adopt RPA to increase productivity, generate cost savings, and improve compliance

Drivers of RPA adoption
Relevance score on a scale[1] of 1 to 5

■ Pinnacle Enterprises   ■ Other enterprises

	Pinnacle Enterprises	Other enterprises
Increase productivity, efficiency, and/or effectiveness	4.9	4.7
Generate cost savings	4.2	4.2
Improve compliance	4.0	3.2
Improve customer experience	3.8	3.5
Streamline processes	3.7	3.7
Disrupt industry/market	3.0	2.6
Grow revenue	2.7	2.4

1   Score legend: 1: Very low relevance, 2: Low relevance, 3: Moderate relevance, 4: High relevance, 5: Very high relevance
Source: Everest Group RPA Pinnacle Model™ Assessment (2018)

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Pinnacle Enterprises™ are adopting RPA for both strategic and tactical objectives
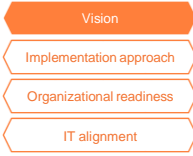
Philosophy behind RPA adoption
Share of respondents[1]

■ Pinnacle Enterprises   ■ Other enterprises

	Pinnacle Enterprises	Other enterprises
RPA initiative is part of organization's broader digital strategy	100%	42%
RPA initiative is being viewed as a means to make some of our processes more efficient	100%	70%
RPA initiative is an organization-wide measure focused on building digital workforce, driving internal change, and adopting new technologies	78%	40%
RPA initiative is adopted primarily as a tactical measure in some business units	44%	21%
Others	0%	12%

1   Numbers do not total 100% as respondents had the option to select multiple philosophies behind RPA adoption
Source: Everest Group RPA Pinnacle Model™ Assessment (2018)

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Pinnacle Enterprises™ have optimized their business processes before implementing RPA, whereas the majority of other enterprises have not made any meaningful changes

Changes to business processes for RPA adoption
Number of respondents

■ Pinnacle Enterprises   ■ Other enterprises

	9		**43**
100% =			
56%		We have simplified and re-engineered our business processes to leverage RPA initiatives	33%
22%		We have made significant changes to a few business processes	14%
11%		We defined future state for all our business processes and then re-engineered business processes	0%
11%		We have not made meaningful changes to our business processes	44%
0%		Others	9%

Source: Everest Group's RPA Pinnacle Model™ Assessment (2018)
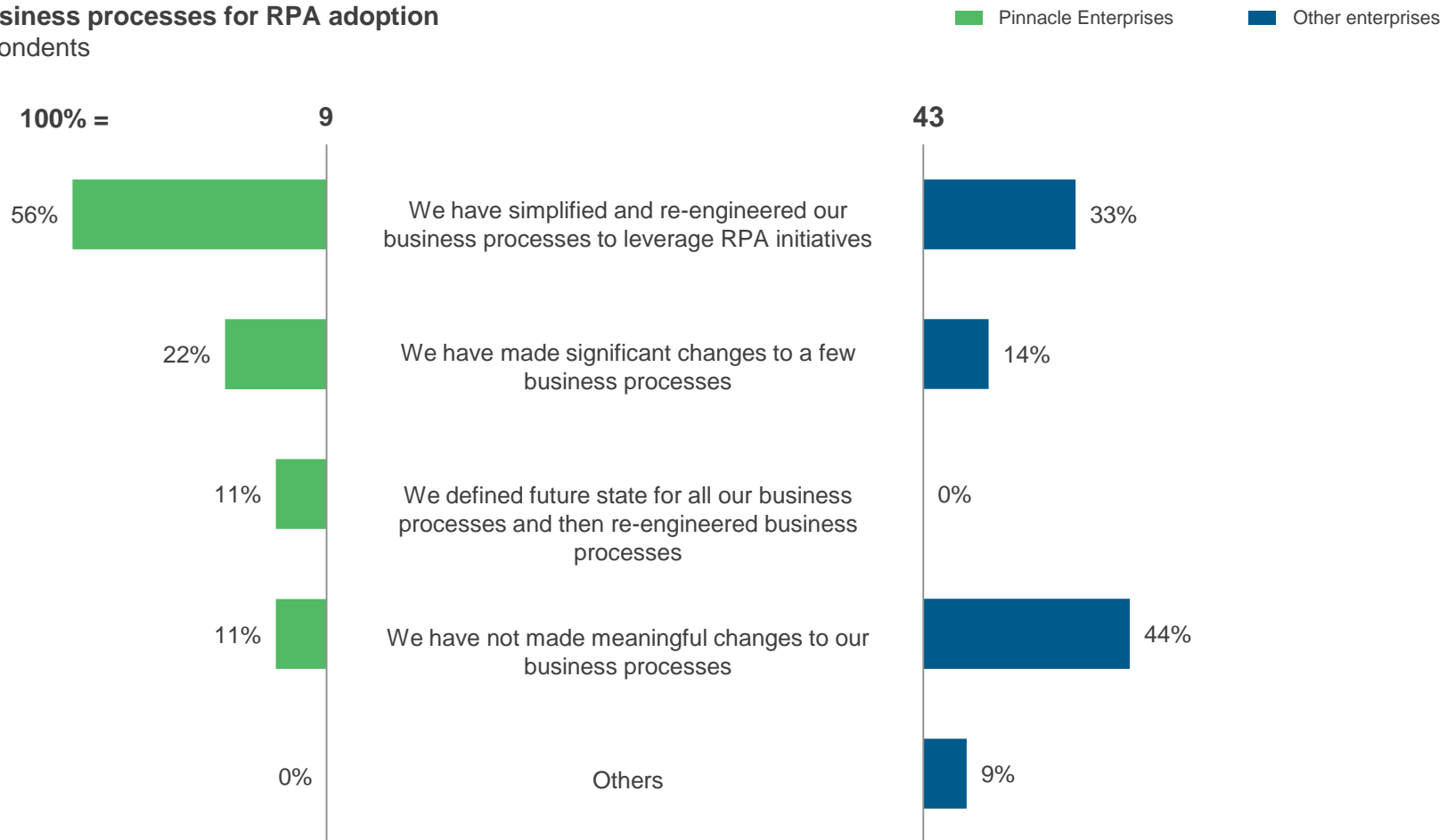
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Pinnacle Enterprises™ have clearly defined metrics, roles and responsibilities to track the return on RPA investments
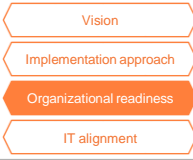
Measuring effectiveness of RPA initiative
Number of respondents

■ Pinnacle Enterprises   ■ Other enterprises

100% =   **9**   **43**

	Pinnacle Enterprises	Other enterprises
The organization has defined metrics, roles, and responsibilities to track the return on RPA investments	45%	28%
The organization has defined a series of new metrics to measure impact of RPA investments	22%	26%
The organization currently does not use any metrics to measure returns from RPA investments	22%	25%
The organization uses existing IT metrics to measure returns from RPA investments	11%	7%
Others	0%	14%

Source: Everest Group's RPA Pinnacle Model™ Assessment (2018)
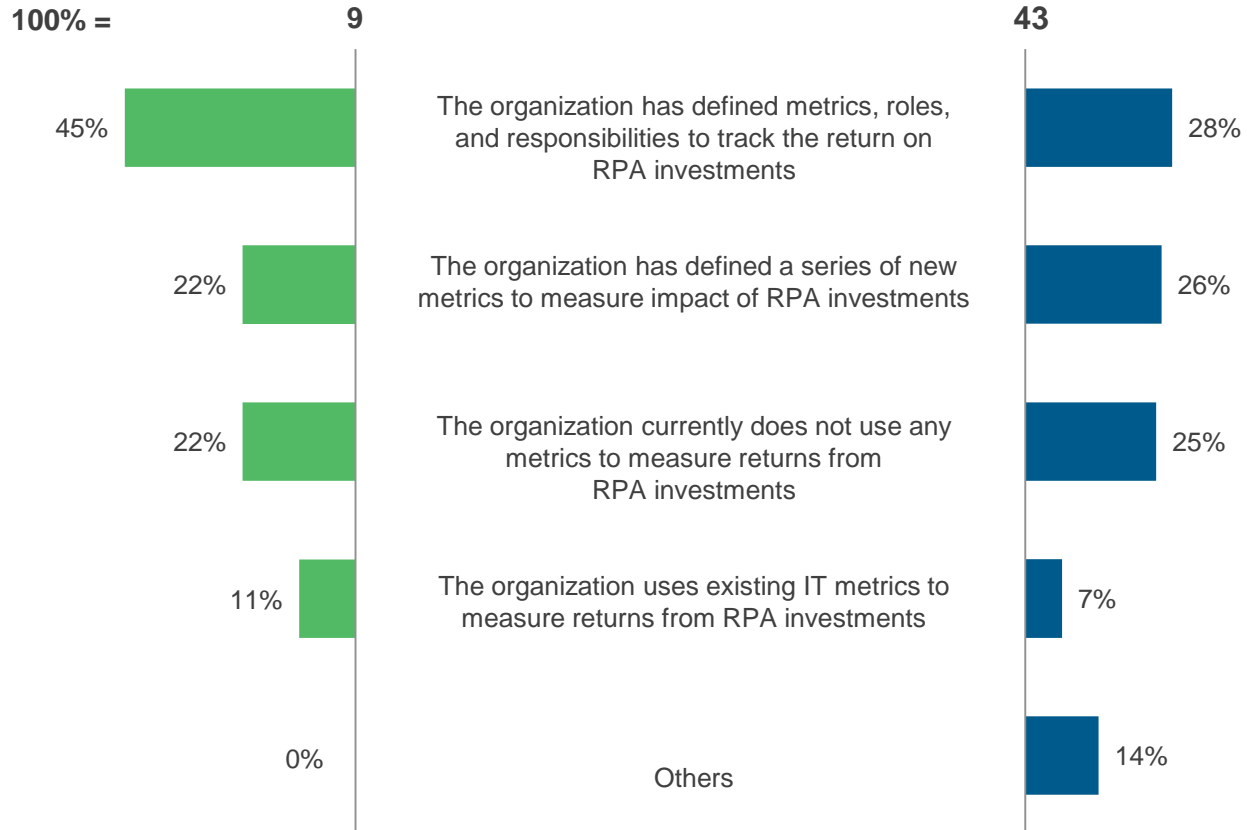
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Pinnacle Enterprises™ have better security and risk preparedness, compared to other enterprises
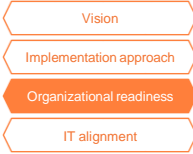
Security and risk preparedness for RPA
Number of respondents

■ Pinnacle Enterprises   ■ Other enterprises

100% =   **9**   **43**

	Pinnacle Enterprises		Other enterprises
56%		We included our security and risk leaders in RPA evaluation and RPA projects to prepare, manage, and mitigate associated risks	33%
33%		We proactively evaluated and planned for mitigation of security risks associated with RPA enterprise projects	16%
11%		We trained our RPA teams on our organization's security and risk policies	14%
0%		We did not make any change to our security and risk policies for RPA projects	30%
0%		Others	7%

Source: Everest Group's RPA Pinnacle Model™ Assessment (2018)

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Pinnacle Enterprises™ have relatively better involvement of their IT teams in RPA implementation

Role of IT and business operations in RPA initiatives
Number of respondents
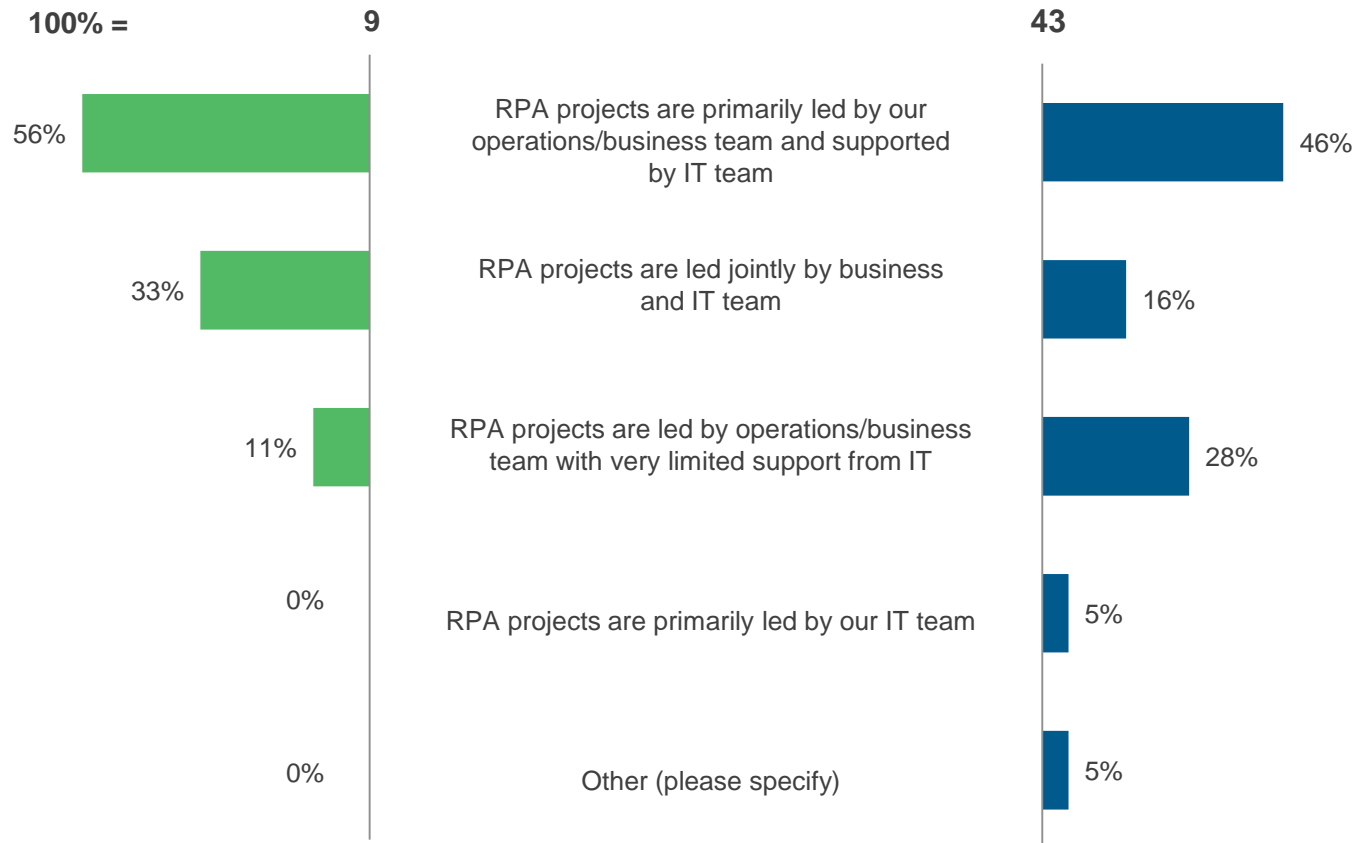
■ Pinnacle Enterprises   ■ Other enterprises

100% =	9		43
56%		RPA projects are primarily led by our operations/business team and supported by IT team	46%
33%		RPA projects are led jointly by business and IT team	16%
11%		RPA projects are led by operations/business team with very limited support from IT	28%
0%		RPA projects are primarily led by our IT team	5%
0%		Other (please specify)	5%

Source: Everest Group's RPA Pinnacle Model™ Assessment (2018)
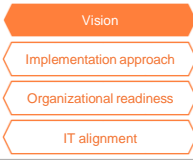
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Pinnacle Enterprises™ have a higher share of RPA projects in the steady-state implementation and scaling-up stages, compared to other enterprises

Distribution of RPA projects by stage
Share of RPA projects

■ Pinnacle Enterprises   ■ Other enterprises

	Pinnacle Enterprises	Stage	Other enterprises
	65%	Steady-state implementation / running automations	51%
	18%	Scaling-up from pilots	24%
	7%	Piloting	8%
	10%	Planning	17%

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Half of the Pinnacle Enterprises™ have deployed more than 50 bots across the organization

Current scale of bots
Number of respondents
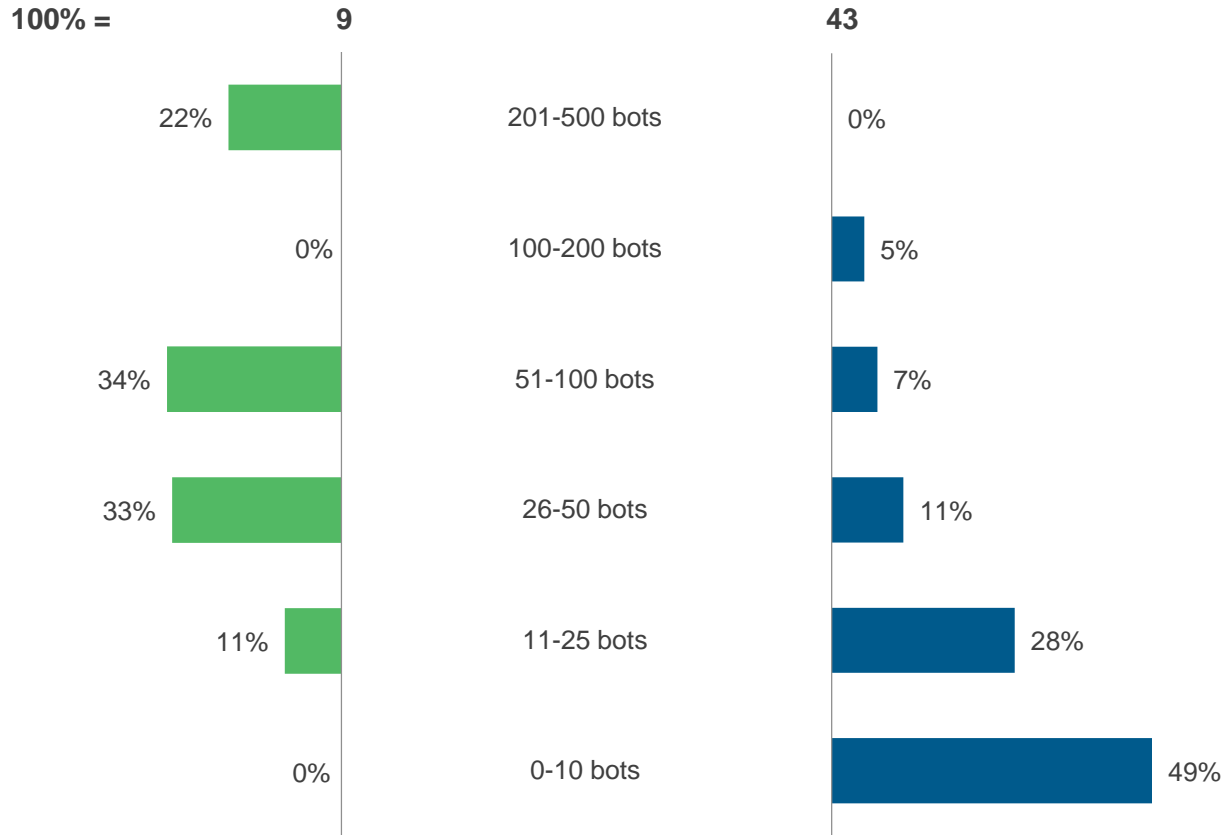
■ Pinnacle Enterprises   ■ Other enterprises

	100% =	9		43

Category	Pinnacle Enterprises	Other enterprises
201-500 bots	22%	0%
100-200 bots	0%	5%
51-100 bots	34%	7%
26-50 bots	33%	11%
11-25 bots	11%	28%
0-10 bots	0%	49%

Source: Everest Group's RPA Pinnacle Model™ Assessment (2018)

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Pinnacle Enterprises™ significantly exceed other enterprises in deploying bots across most business processes

Bots deployment across functions
Average number of bots

■ Pinnacle Enterprises ■ Other enterprises

Function	Pinnacle Enterprises	Other enterprises
Customer service	51	3
Procurement	39	2
Finance & accounting	23	8
Industry/business-specific functions[1]	17	6
Human resources	3	1
IT	3	3
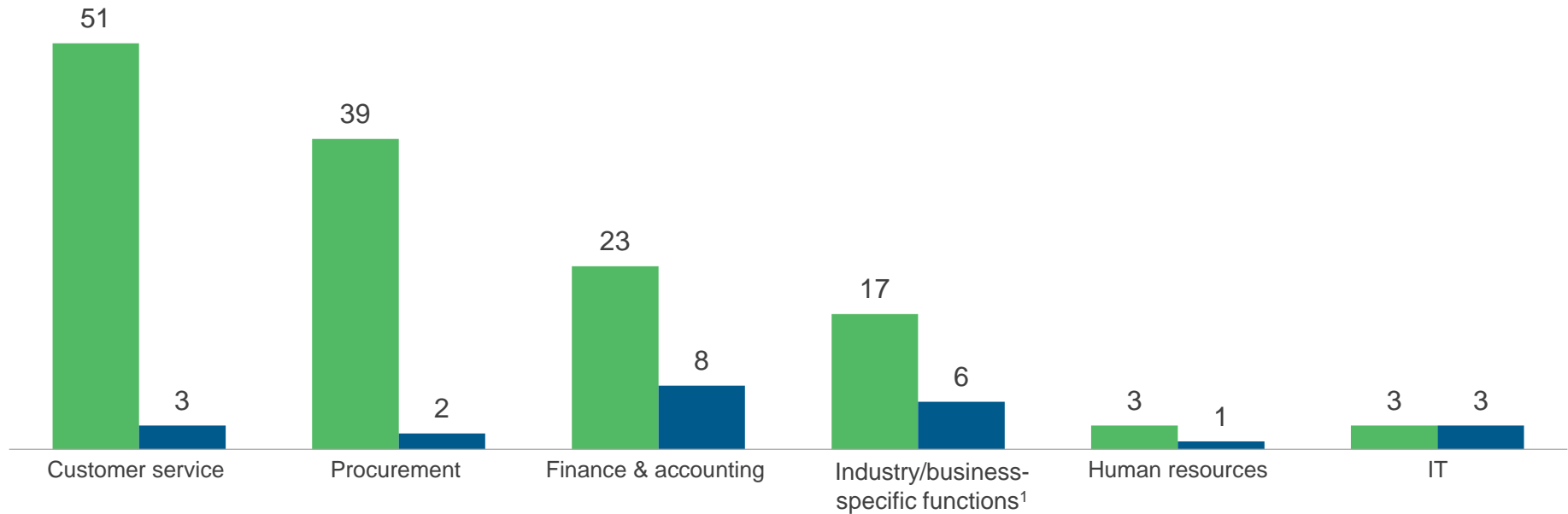
1   Industry or business-specific functions examples include claim processing in insurance, decommissioning in telecom, etc.
Source: Everest Group RPA Pinnacle Model™ Assessment (2018)

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One-third of Pinnacle Enterprises™ have connected more than 50 disparate systems, compared to 7% among other enterprises

Maximum number of disparate systems connected
Number of respondents
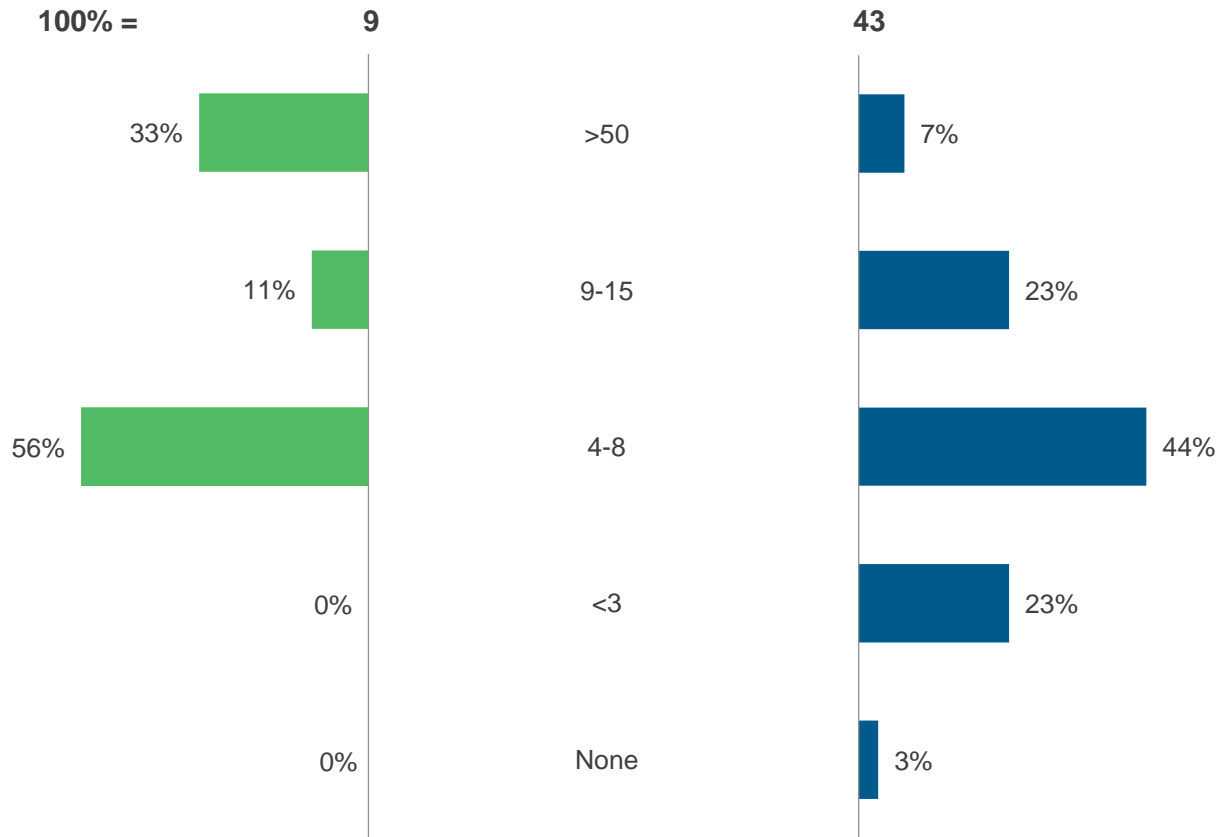
■ Pinnacle Enterprises   ■ Other enterprises

100% =   9   43

>50   33%   7%

9-15   11%   23%

4-8   56%   44%

<3   0%   23%

None   0%   3%

Source: Everest Group's RPA Pinnacle Model™ Assessment (2018)

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Pinnacle Enterprises™ have been implementing RPA for longer than other enterprises

Time since the initiation of the enterprise's RPA journey
Number of respondents

■ Pinnacle Enterprises   ■ Other enterprises

100% =	**9**		**43**
11%		>24 months	7%
11%		19-24 months	7%
45%		13-18 months	37%
33%		7-12 months	33%
0%		0-6 months	16%
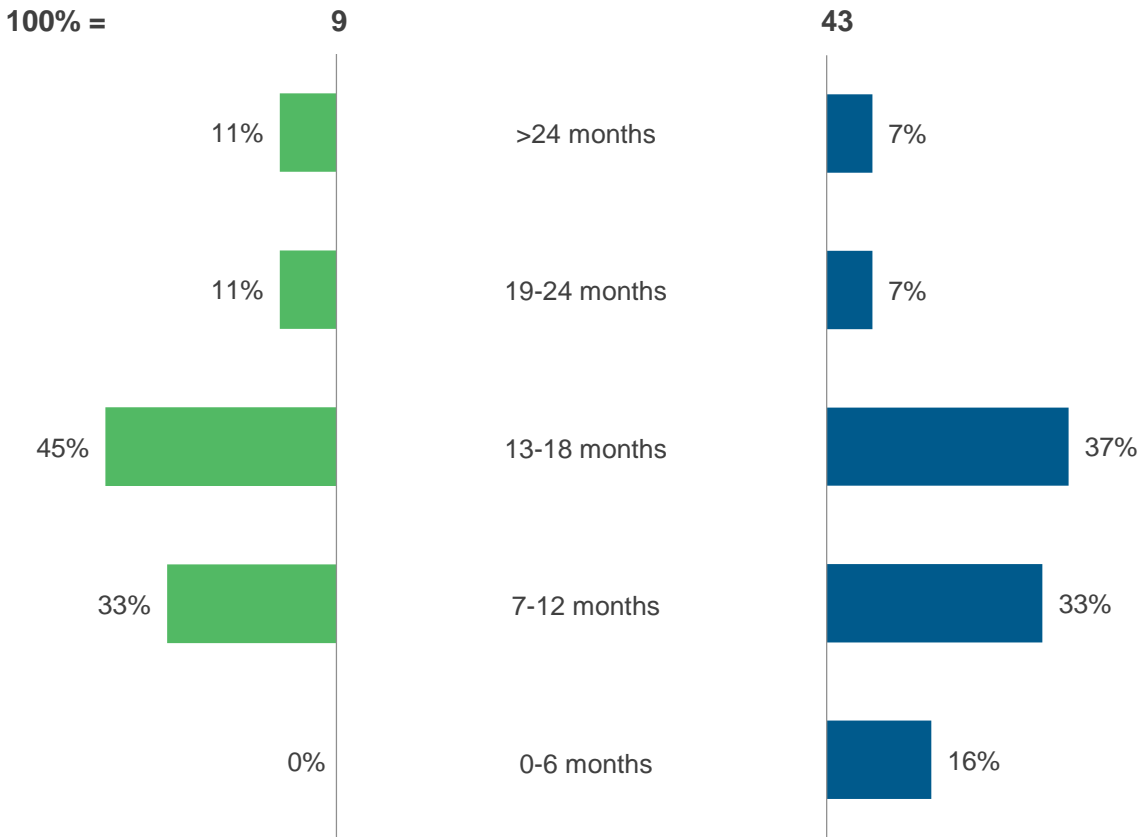
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A majority of the Pinnacle Enterprises™ have deployed more than 25 bots in the first 12 months of their RPA journey, compared to <10 bots by other enterprises

Bots implemented in the first 12 months of the RPA journey
Number of respondents

█ Pinnacle Enterprises   █ Other enterprises

100% =	9		43
11%		201-500 bots	0%
0%		51-100 bots	5%
45%		26-50 bots	7%
33%		11-25 bots	26%
11%		0-10 bots	62%

Source: Everest Group's RPA Pinnacle Model™ Assessment (2018)
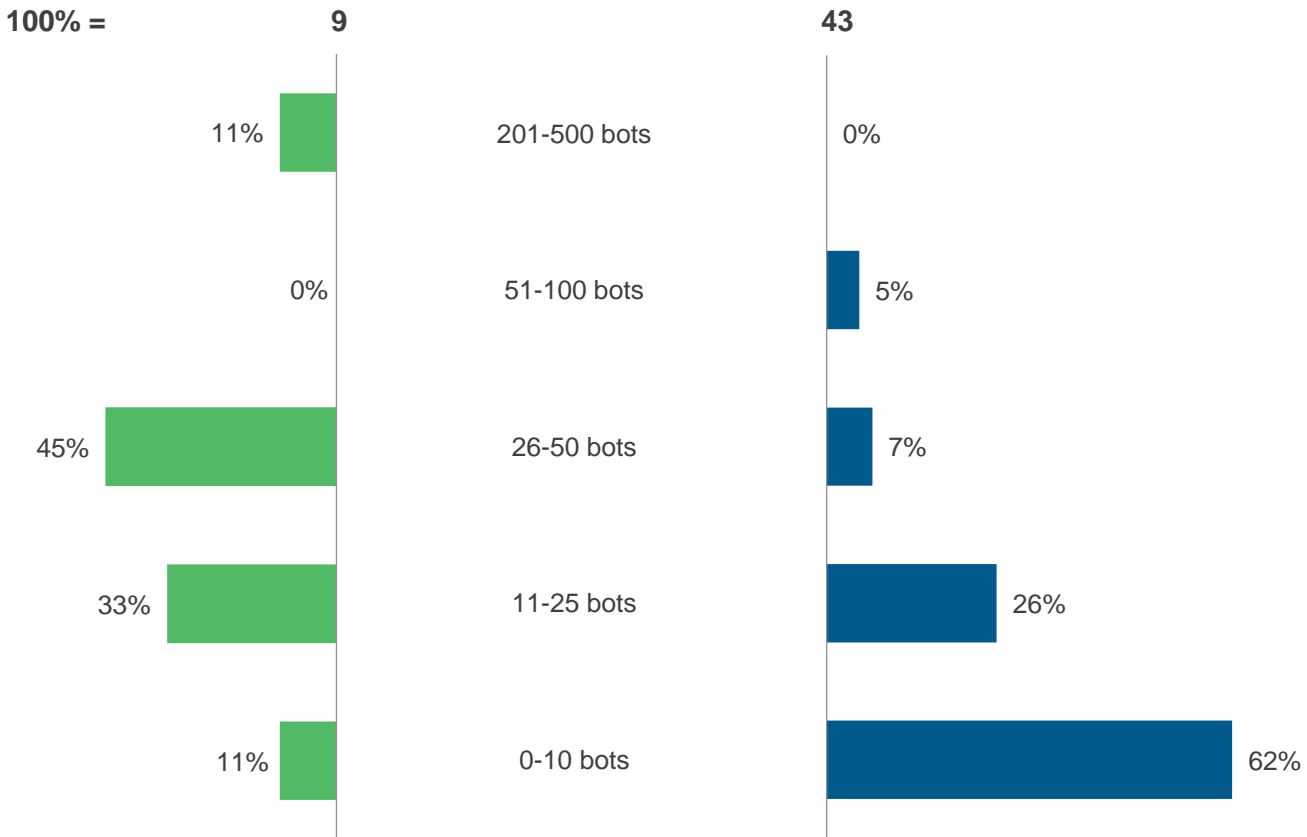
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Pinnacle Enterprises™ scale up deployments from the pilot stage more quickly

Time taken to scale up RPA deployments
Number of respondents

■ Pinnacle Enterprises   ■ Other enterprises

100% =   9   43

	Pinnacle Enterprises		Other enterprises
0-2 months	22%		9%
3-5 months	34%		39%
6-8 months	33%		28%
9-11 months	11%		12%
12-14 months	0%		7%
15-18 months	0%		5%

Source: Everest Group's RPA Pinnacle Model™ Assessment (2018)
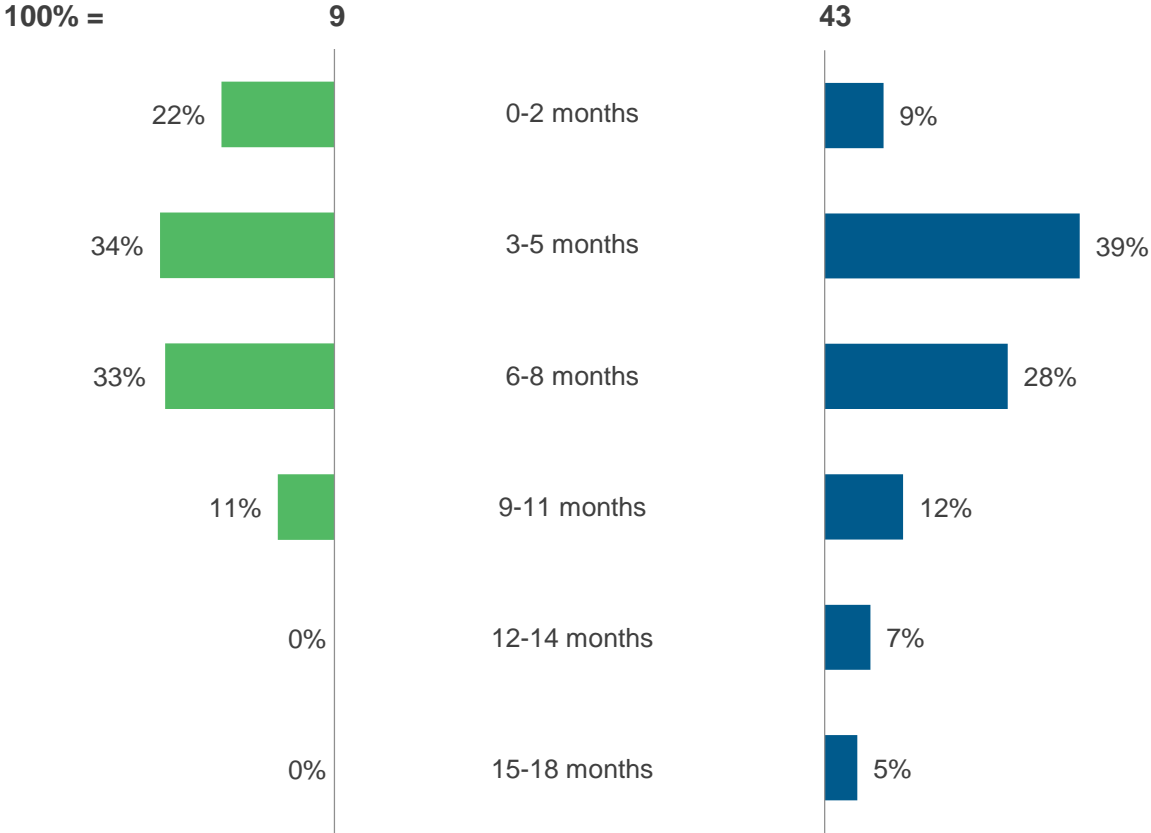
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More than three-quarters of the Pinnacle Enterprises™ were able to meet deployment scale-up expectations, compared to only 42% of other enterprises

Able to scale up deployment as per initial expectations
Number of respondents
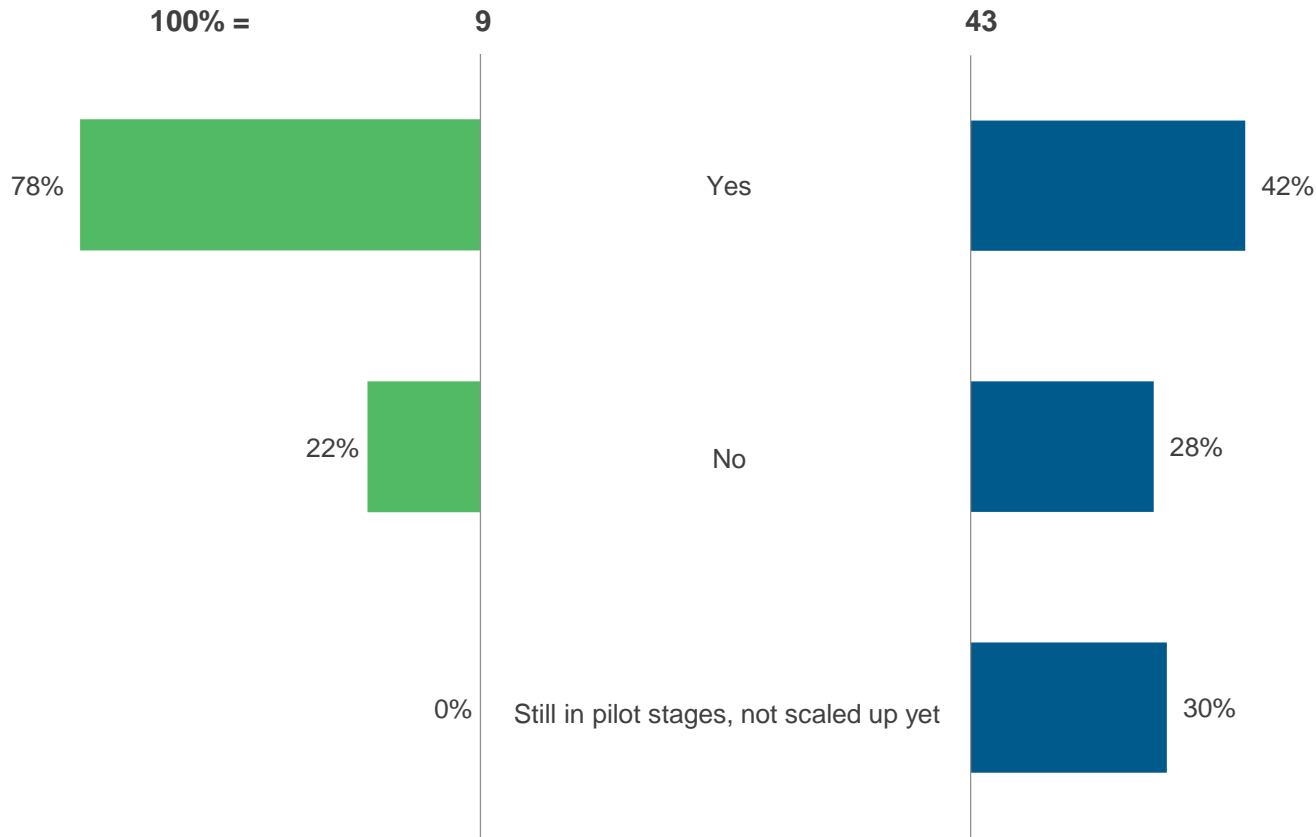
■ Pinnacle Enterprises   ■ Other enterprises

100% =	**9**	**43**

78%   Yes   42%

22%   No   28%

0%   Still in pilot stages, not scaled up yet   30%

Source: Everest Group's RPA Pinnacle Model™ Assessment (2018)

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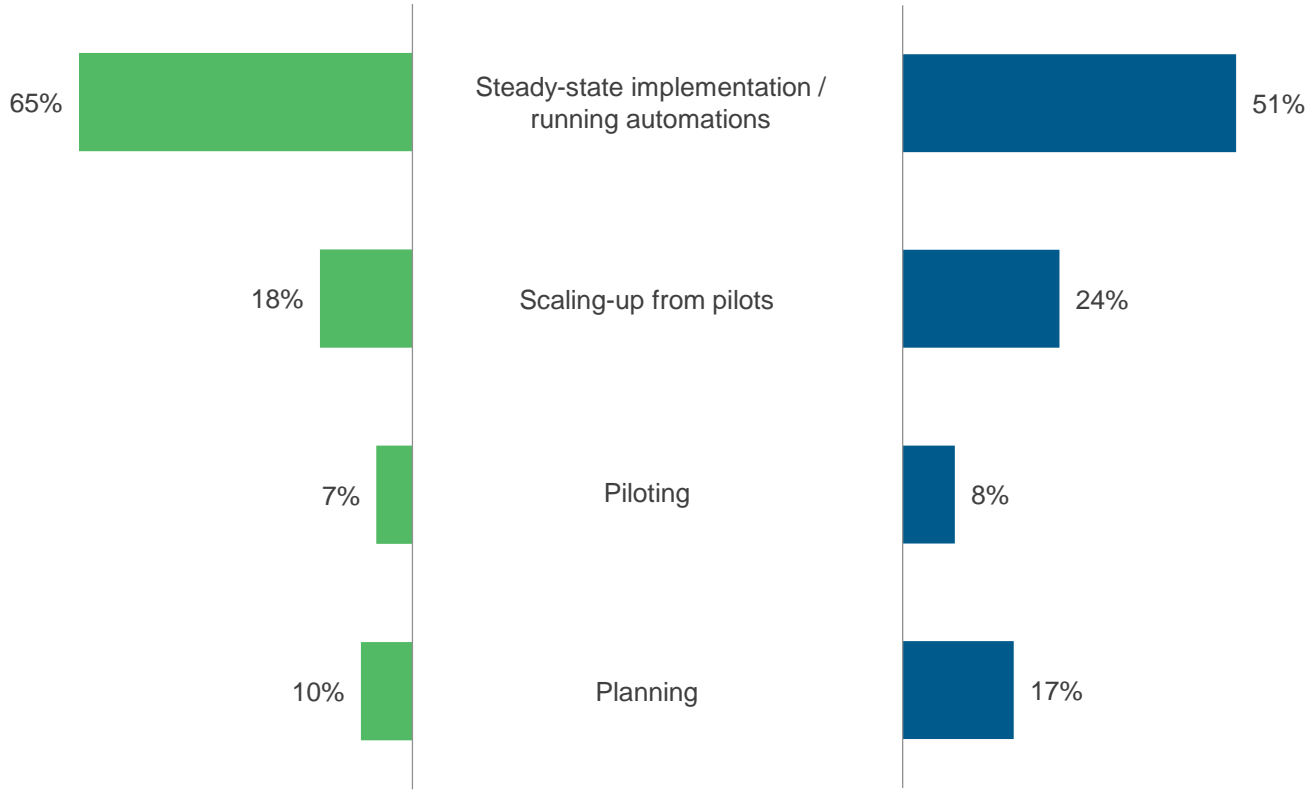- Assessment of impact created

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Majority of Pinnacle Enterprises™ have either a centralized RPA CoE or a hub-and-spoke RPA CoE

Type of RPA CoE
Number of respondents

■ Pinnacle Enterprises   ■ Other enterprises

100% =   9   43

	Pinnacle Enterprises		Other enterprises
Centralized for multiple business units	67%		40%
Hub and spoke model with a presence in many business units	33%		16%
We currently do not have any RPA CoE	0%		28%
Specialized for specific types of automation	0%		5%
Others	0%		11%
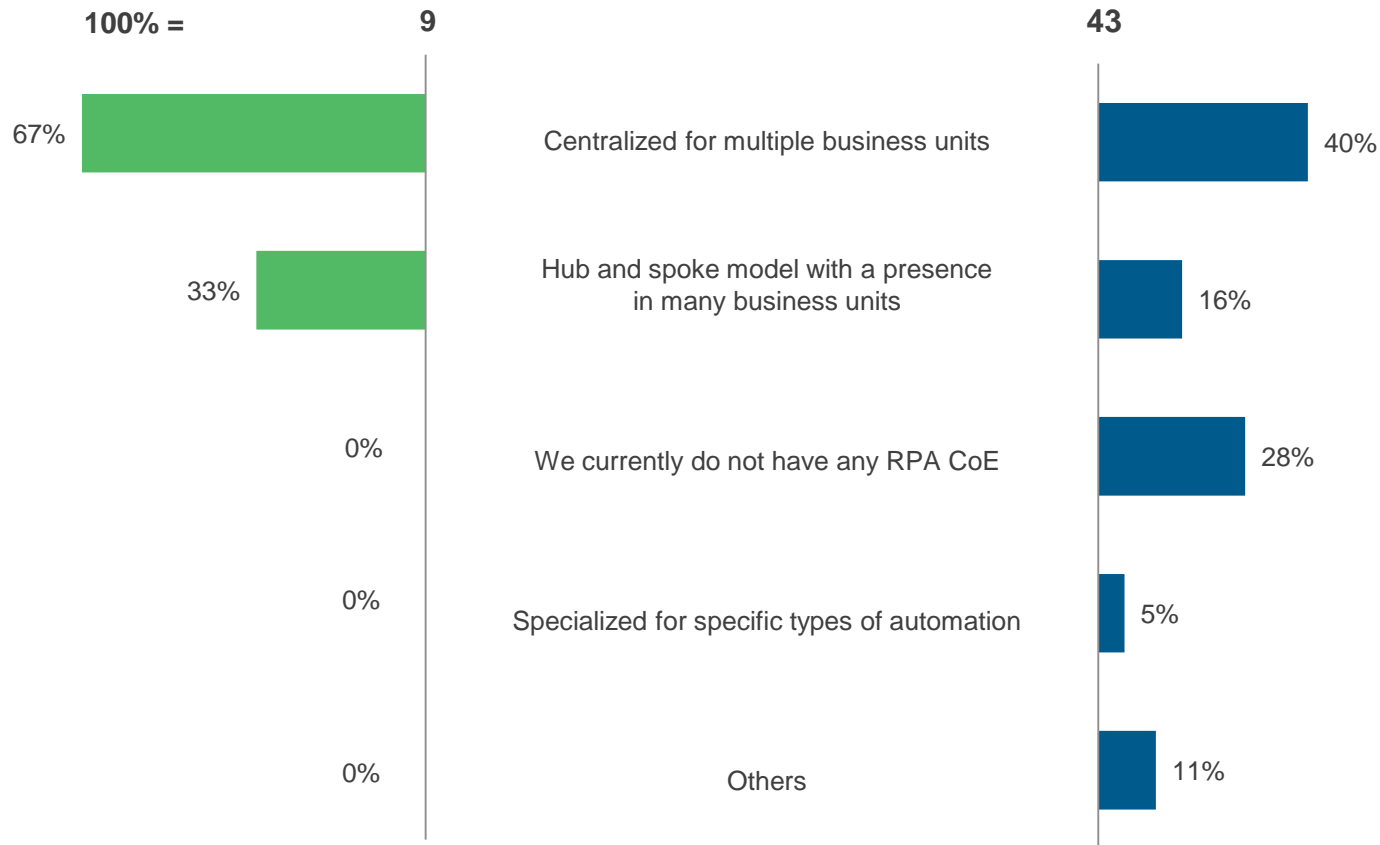
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Pinnacle Enterprises™ have a more collaborative approach to RPA initiatives

Structure of RPA team within the organization
Number of respondents

 ■ Pinnacle Enterprises   ■ Other enterprises

100% =   9   43

67%	Decentralized RPA teams from business units work closely with a central RPA team to implement RPA initiatives	16%
33%	There is a centralized RPA team that defines and implements RPA initiatives for the entire organization	43%
0%	Each business unit has its own RPA team	16%
0%	We do not have a dedicated RPA team within the organization	16%
0%	Others	9%

Source: Everest Group's RPA Pinnacle Model™ Assessment (2018)
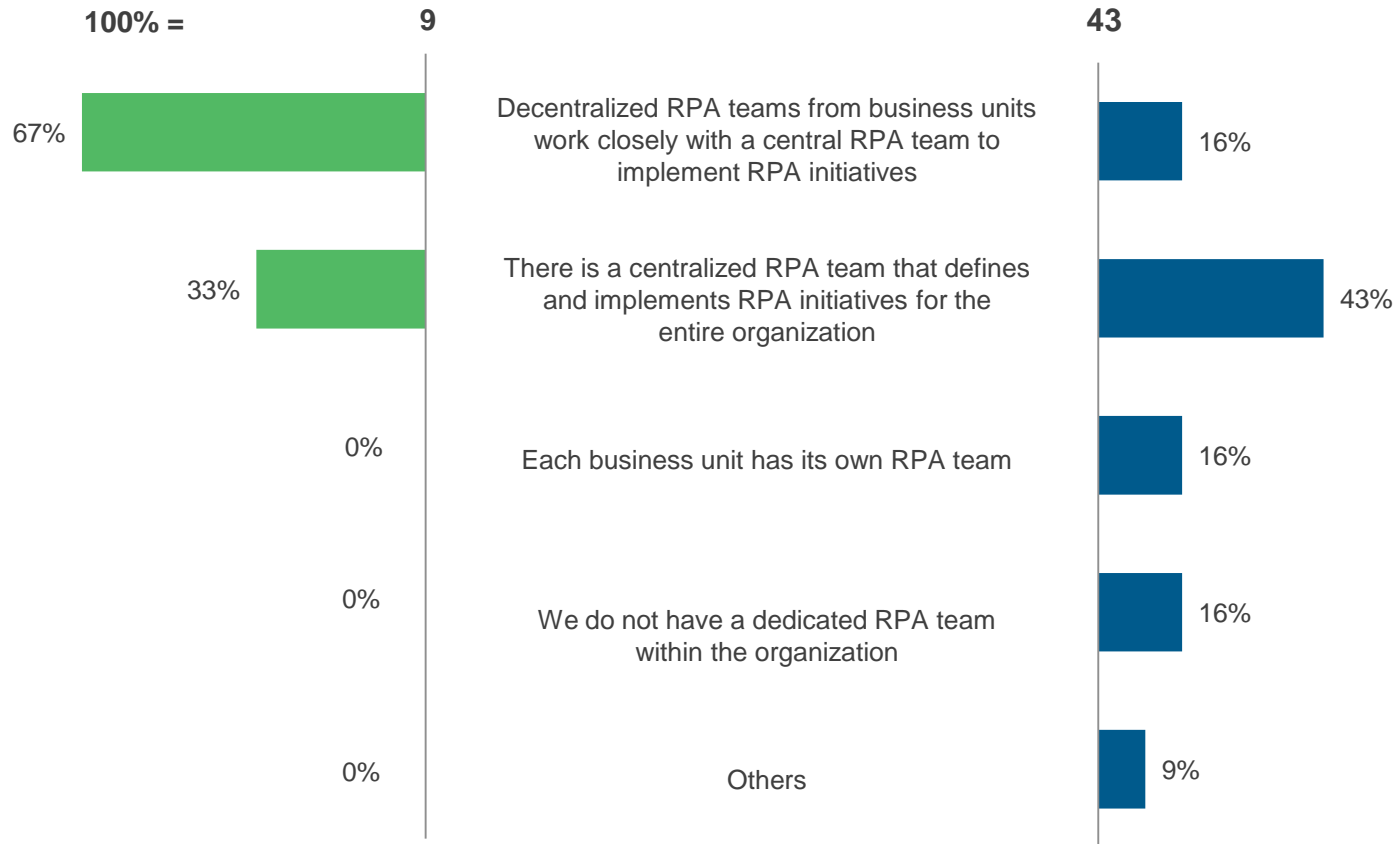
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All Pinnacle Enterprises™ share or pool RPA resources across the organization, whereas only about 70% of other enterprises do

Sharing/pooling of RPA resources (in absence of centralized RPA team)
Number of respondents
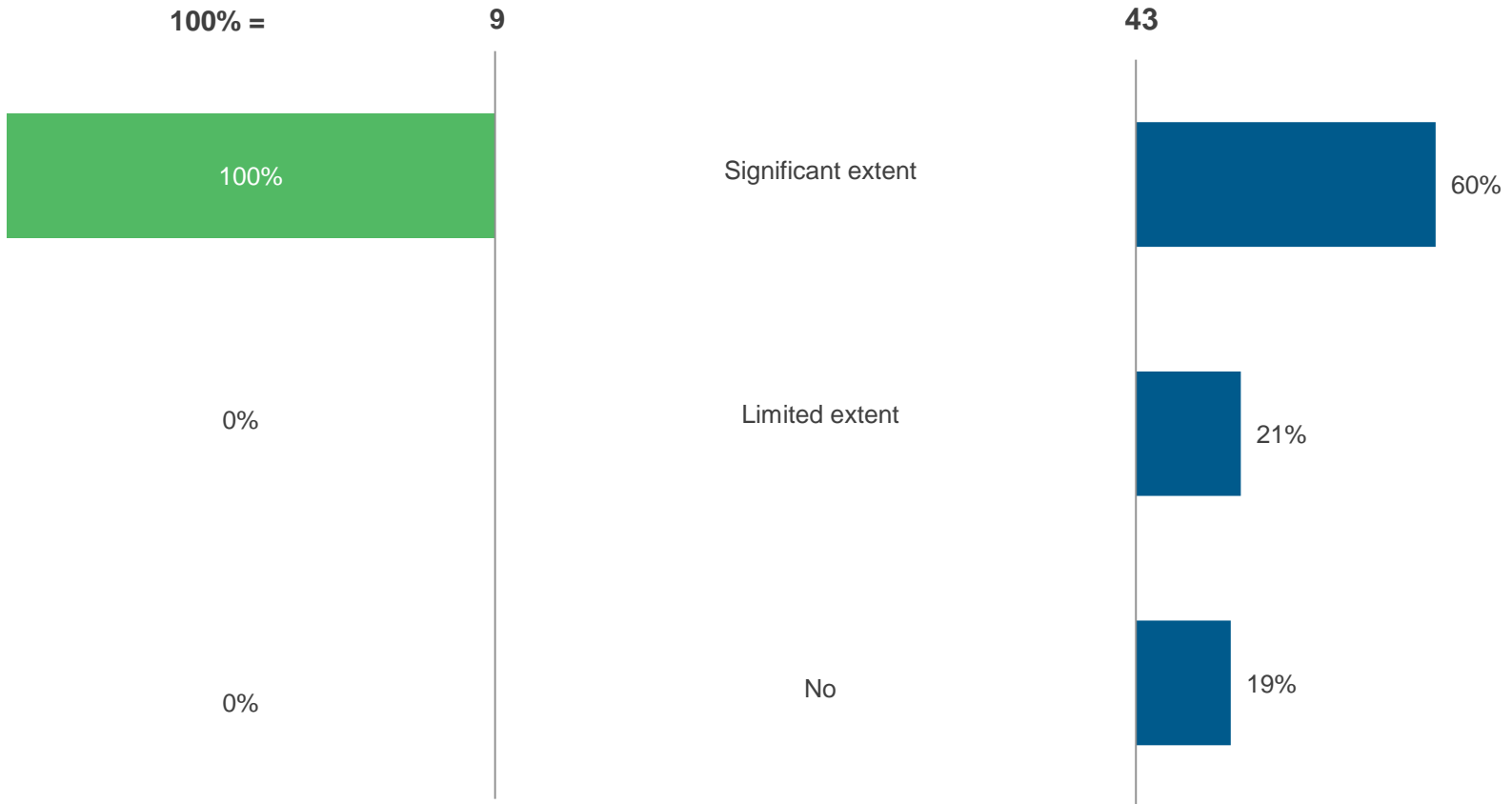
■ Pinnacle Enterprises   ■ Other enterprises

100% =   **9**   **43**

	Pinnacle Enterprises	Category	Other enterprises
	100%	Significant extent	60%
	0%	Limited extent	21%
	0%	No	19%

Source: Everest Group's RPA Pinnacle Model™ Assessment (2018)

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RESEARCH

Pinnacle Enterprises™ have achieved greater success in upskilling and reskilling of employees impacted by RPA

Distribution of impacted employees by type of impact
Number of impacted employees

■ Pinnacle Enterprises ■ Other enterprises
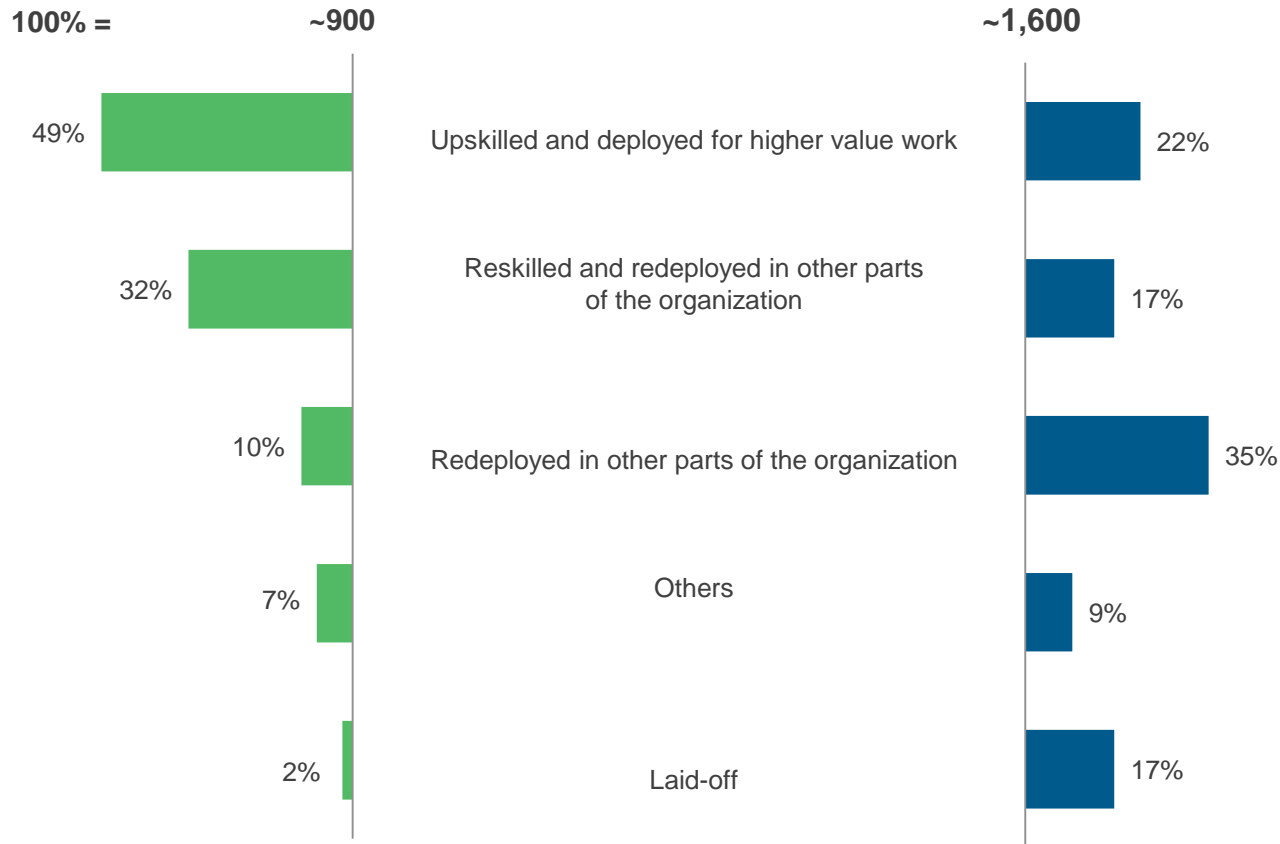
100% =	~900		~1,600
49%		Upskilled and deployed for higher value work	22%
32%		Reskilled and redeployed in other parts of the organization	17%
10%		Redeployed in other parts of the organization	35%
7%		Others	9%
2%		Laid-off	17%

Source: Everest Group's RPA Pinnacle Model™ Assessment (2018)

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Majority of the Pinnacle Enterprises™ have shared libraries of reusable automations, whereas 40% of other enterprises do not have library of reusable automations
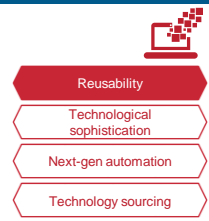
Creation and sharing of libraries of reusable automations
Number of respondents
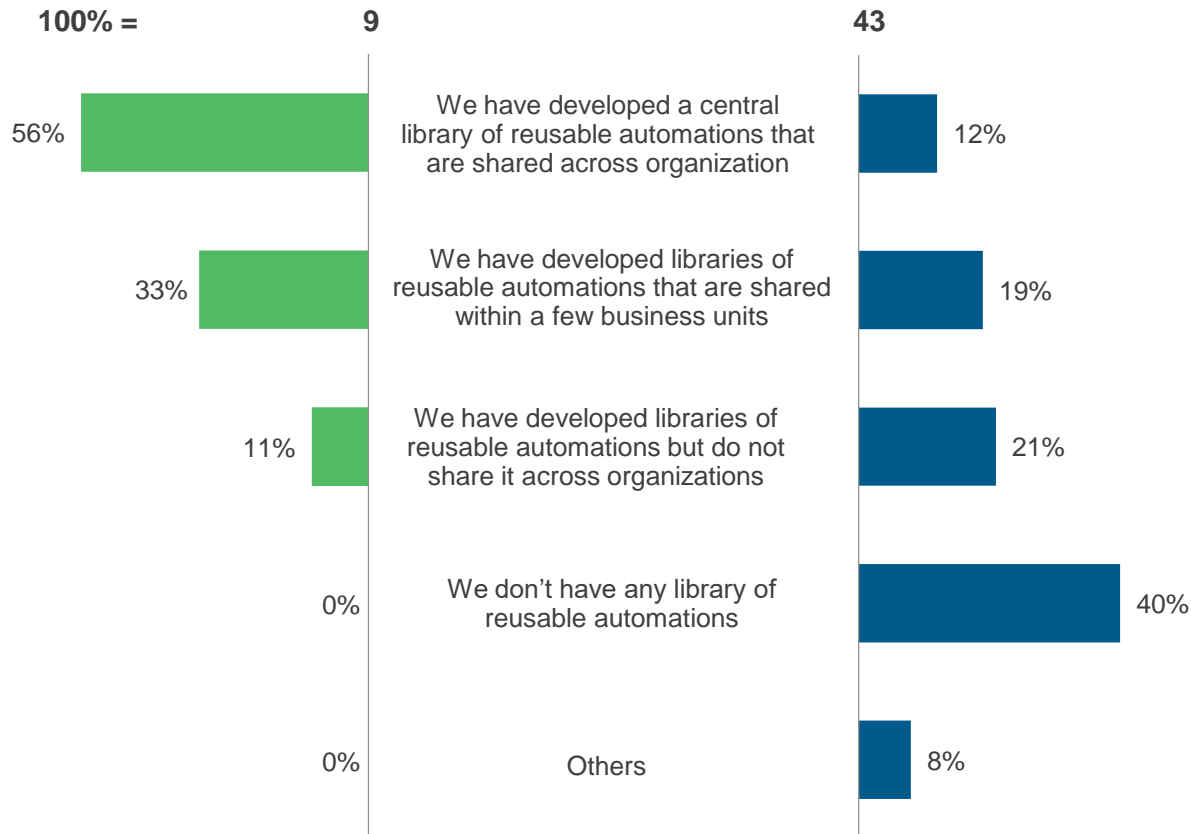
■ Pinnacle Enterprises   ■ Other enterprises

100% =   9   43

Pinnacle	Category	Other
56%	We have developed a central library of reusable automations that are shared across organization	12%
33%	We have developed libraries of reusable automations that are shared within a few business units	19%
11%	We have developed libraries of reusable automations but do not share it across organizations	21%
0%	We don't have any library of reusable automations	40%
0%	Others	8%

Source: Everest Group's RPA Pinnacle Model™ Assessment (2018)

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All enterprises have significantly high use cases of unassisted RPA
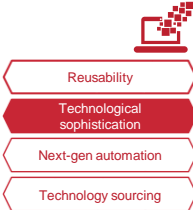
Share of assisted RPA (attended RPA or RDA) use cases
Number of enterprises

■ Pinnacle Enterprises   ■ Other enterprises

100% =	9		43
67%		<5%	51%
11%		5-15%	12%
11%		16-30%	9%
0%		31-50%	5%
0%		76-90%	2%
11%		>90%	21%

63
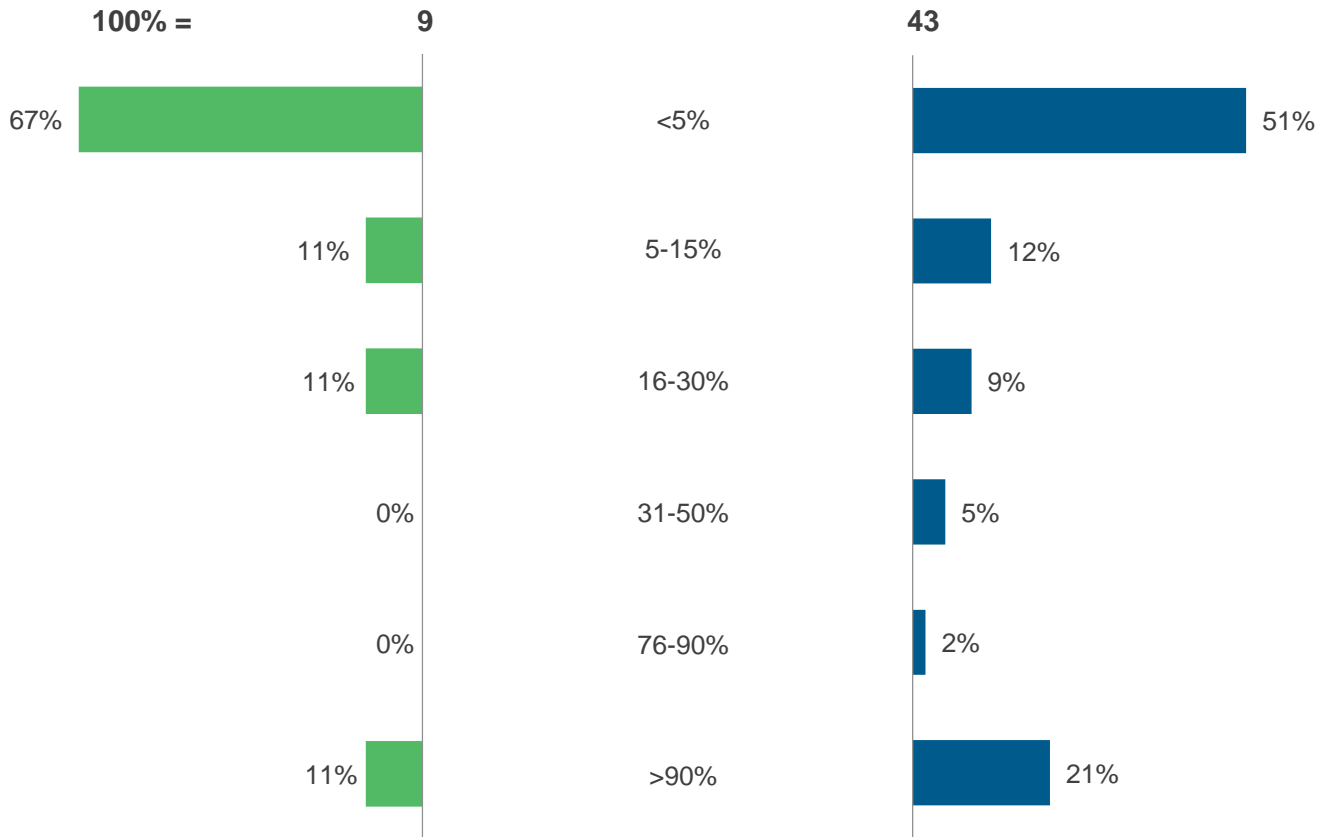
55% of Pinnacle Enterprises™ use BPM in conjunction with RPA, compared to 35% of other enterprises

Use of Business Process Management (BPM) in conjunction with RPA
Number of respondents

■ Pinnacle Enterprises   ■ Other enterprises

100% =   9   43

	Pinnacle		Other
We don't use any workflow/BPM tool	45%		49%
We use workflow to orchestrate RPA and exceptions handling	22%		7%
We use workflow to orchestrate end-to-end processes across RPA, system, and human tasks	22%		14%
We use workflow to orchestrate RPA tasks	11%		14%
Others	0%		16%

Source: Everest Group's RPA Pinnacle Model™ Assessment (2018)
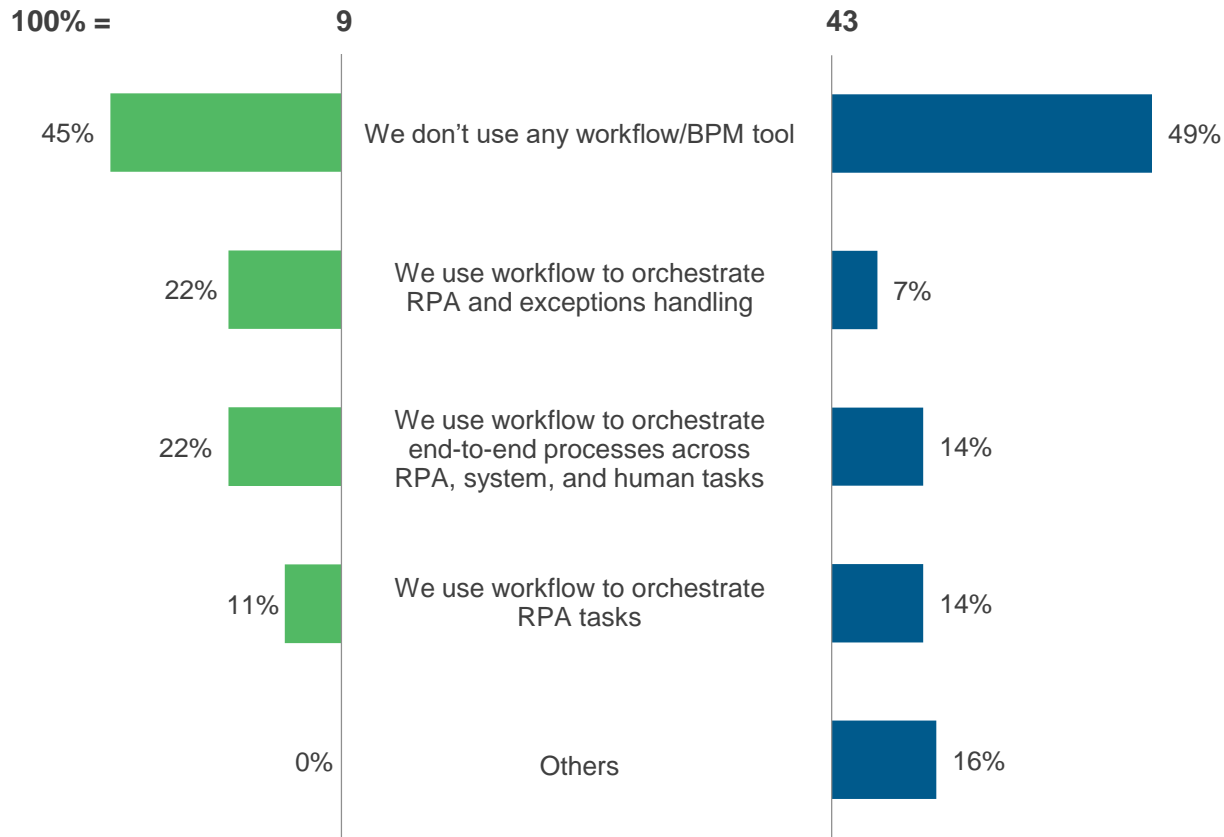
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At an overall level, Pinnacle Enterprises™ are better at managing changes to bots with changes in the application's UI
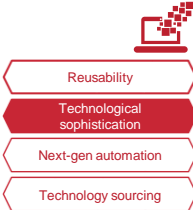
Ability to manage changes to the bots with changes in the application's UI
Number of respondents

■ Pinnacle Enterprises   ■ Other enterprises

100% =   **9**   **43**

78%	Yes, but only to a limited extent	30%
11%	Yes, to a great extent	14%
11%	Not at all	26%
0%	Not sure	25%
0%	Others	5%

Source: Everest Group's RPA Pinnacle Model™ Assessment (2018)
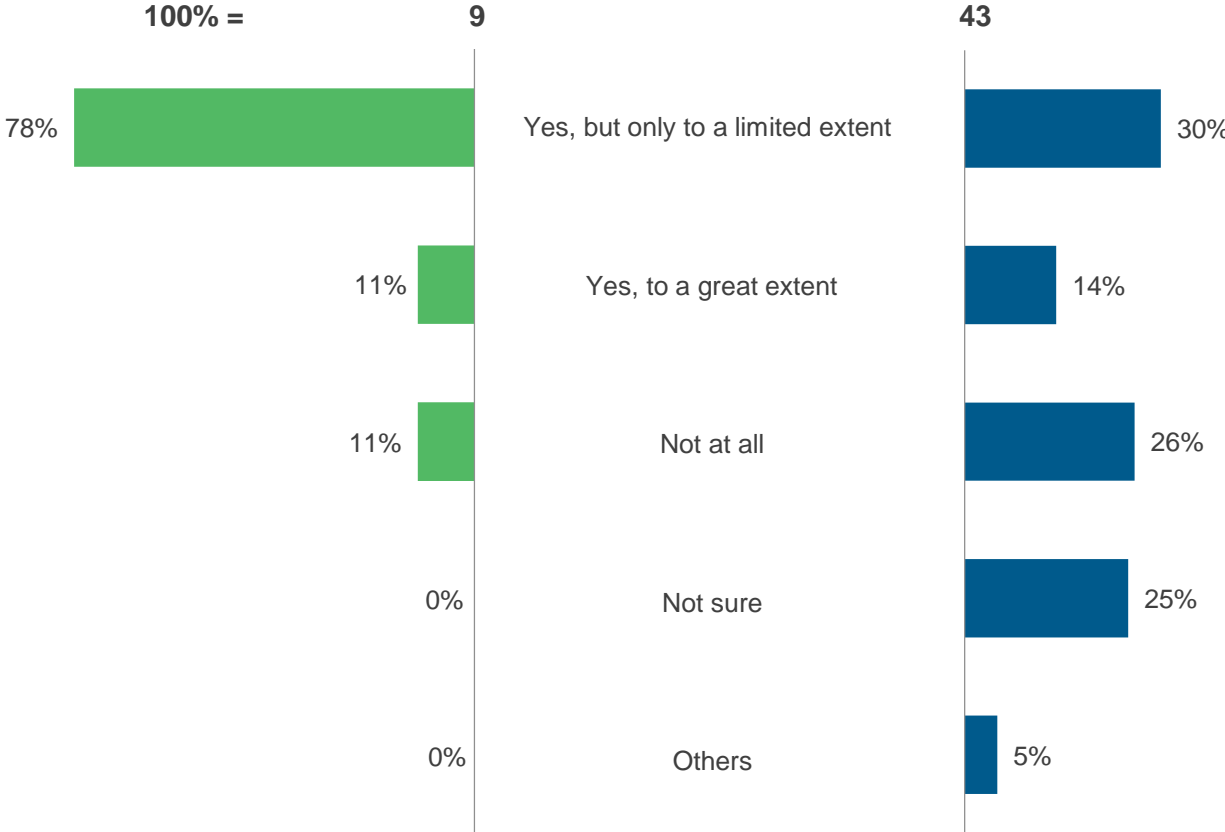
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Pinnacle Enterprises™ are significantly ahead of other enterprises in planning or conducting pilots for adopting cognitive/AI solutions
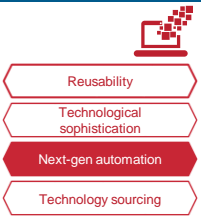
Adoption of Cognitive/AI solutions in conjunction with RPA
Number of respondents
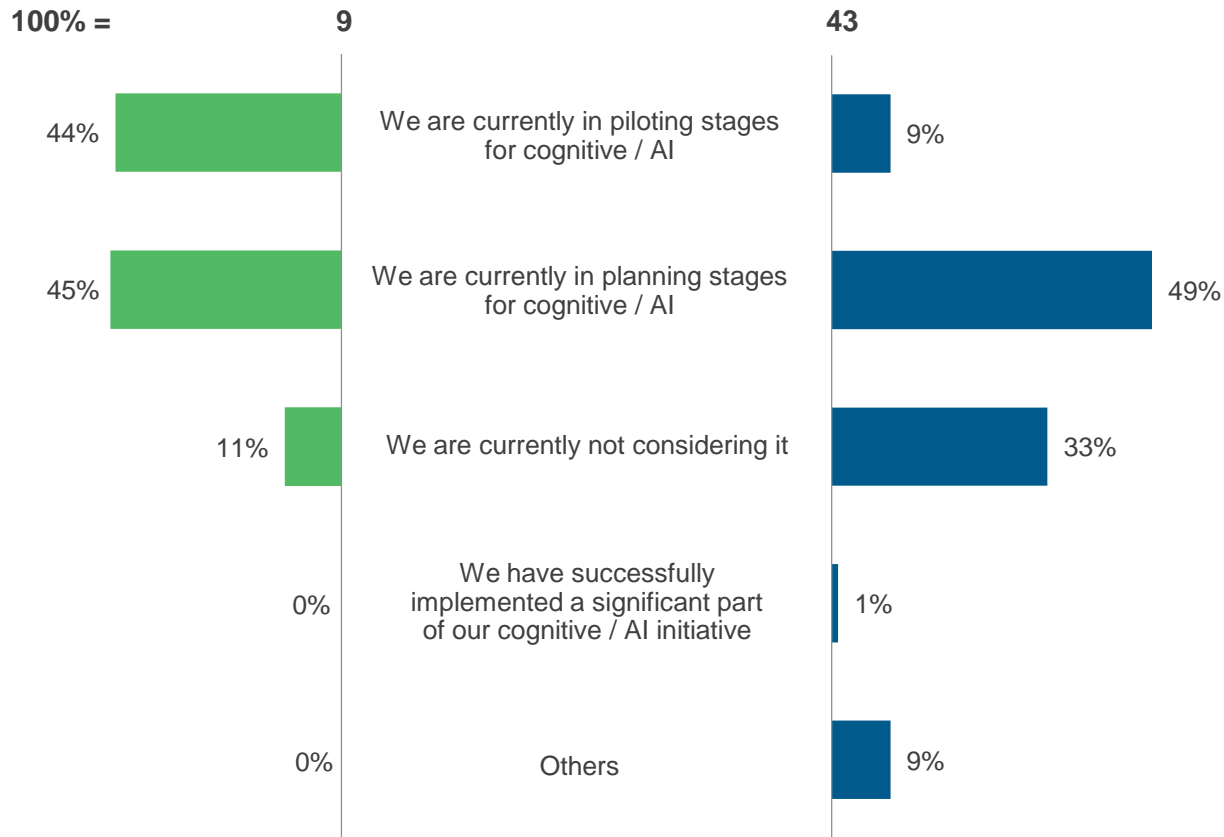
■ Pinnacle Enterprises   ■ Other enterprises

	Pinnacle Enterprises		Other enterprises
100% =	**9**		**43**
We are currently in piloting stages for cognitive / AI	44%		9%
We are currently in planning stages for cognitive / AI	45%		49%
We are currently not considering it	11%		33%
We have successfully implemented a significant part of our cognitive / AI initiative	0%		1%
Others	0%		9%

Source: Everest Group's RPA Pinnacle Model™ Assessment (2018)

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Pinnacle Enterprises™ are highly inclined to build cognitive automation capabilities, such as machine learning and computer vision

Interest in building cognitive automation capabilities
Level of interest score on a scale[1] of 1 to 5

■ Pinnacle Enterprises   ■ Other enterprises

	Machine learning to generate algorithms to provide prescriptive analytics/decision support	Machine learning to identify changes to processes and business rules	Computer vision to convert images into structured or semi-structured data	Natural language processing (NLP) to generate text & data from speech	Natural language generation (NLG) to generate computer voice from text & data
Pinnacle Enterprises	4.9	4.6	4.2	4	3.4
Other enterprises	3.4	3.2	3.1	2.6	2.3

1   Score legend: 1: Least interested, 2: Less interested, 3: Moderately interested, 4: Interested, 5: Very Interested
Source: Everest Group RPA Pinnacle Model™ Assessment (2018)

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The method of sourcing RPA technology is not a major differentiator between Pinnacle and other enterprises
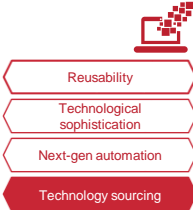
Sourcing model for RPA technology
Number of respondents
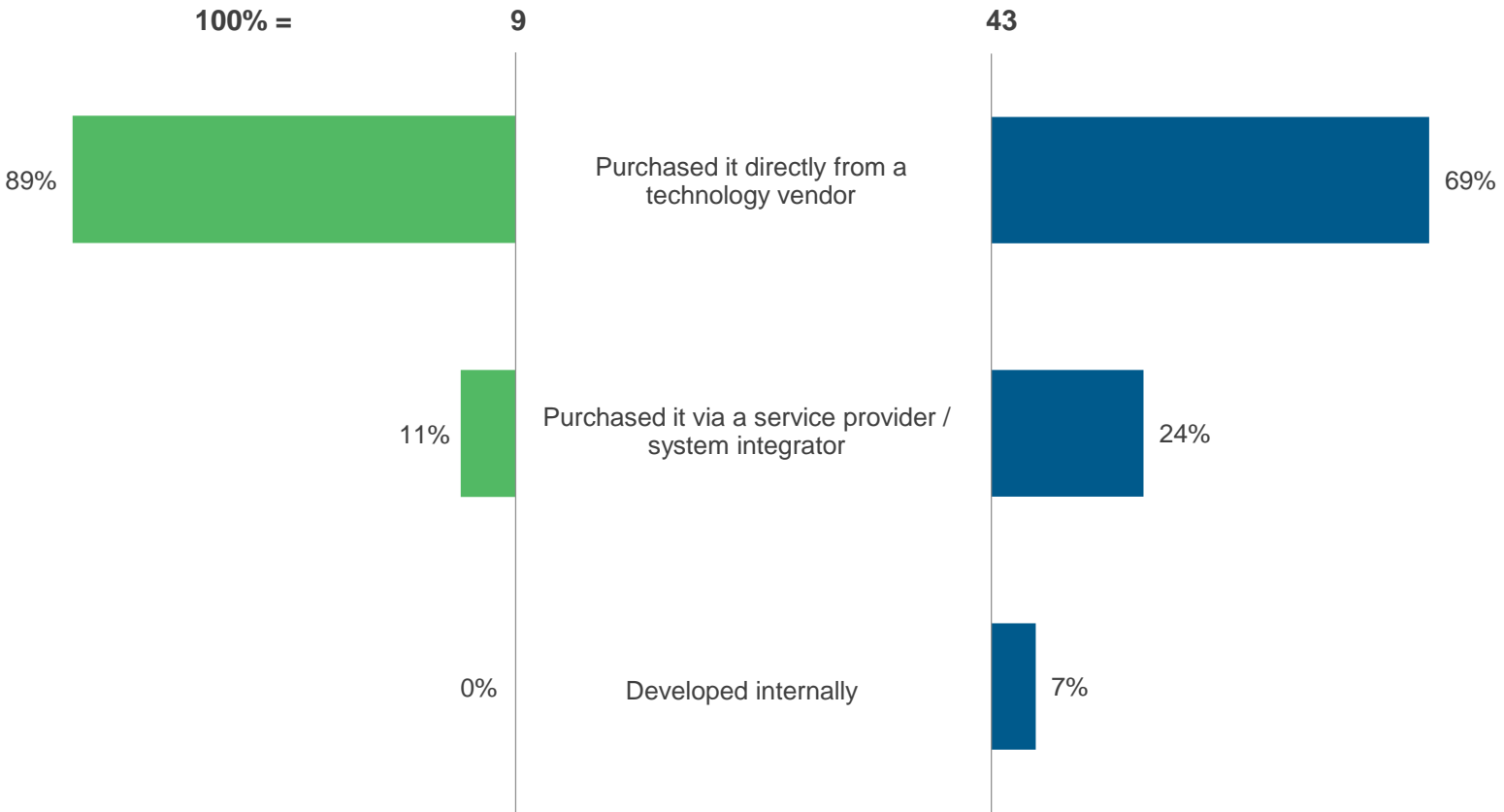
■ Pinnacle Enterprises   ■ Other enterprises

100% =   9   43

	Pinnacle Enterprises	Other enterprises
Purchased it directly from a technology vendor	89%	69%
Purchased it via a service provider / system integrator	11%	24%
Developed internally	0%	7%

Source: Everest Group's RPA Pinnacle Model™ Assessment (2018)

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Pinnacle Enterprises™ are likely to demonstrate higher switching behavior when sourcing cognitive/AI capabilities, compared to other enterprises
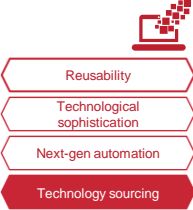
Sourcing model for cognitive/AI capabilities for the organization
Number of respondents
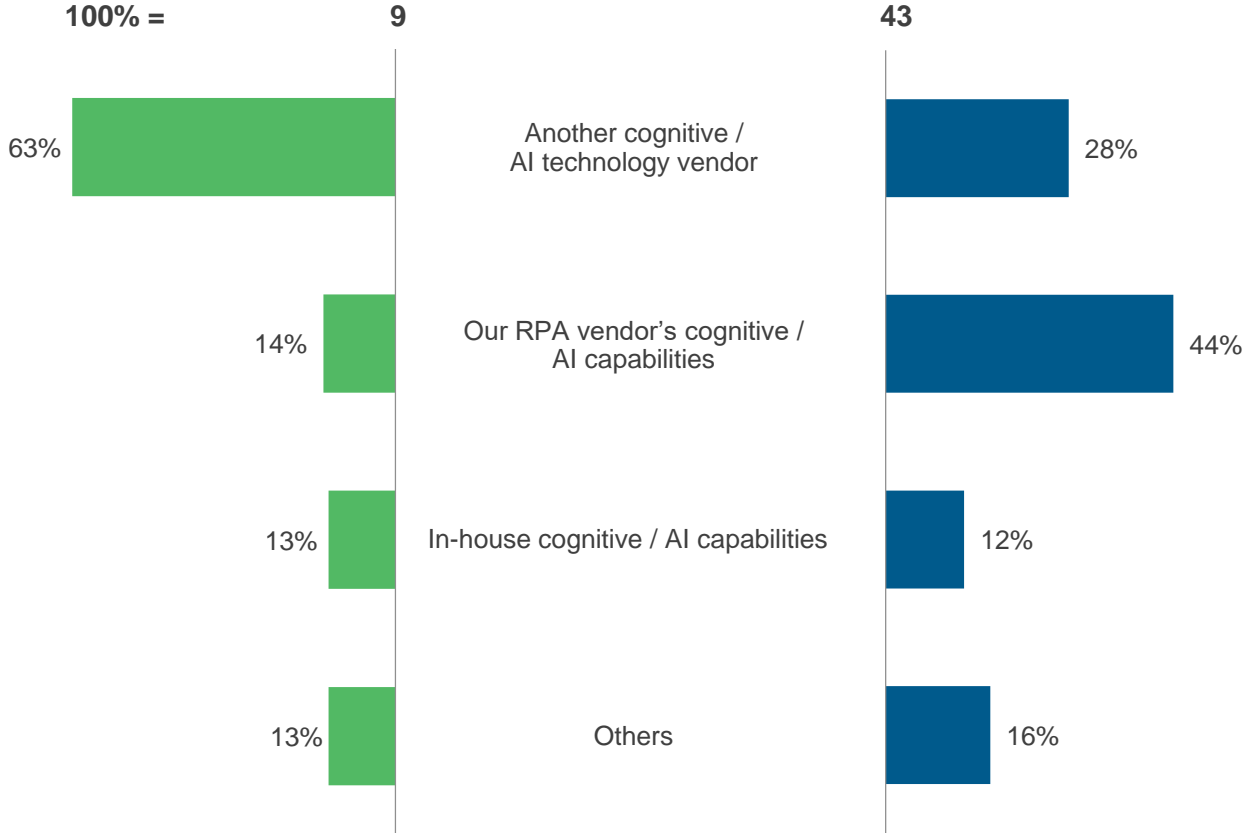
■ Pinnacle Enterprises   ■ Other enterprises

100% =   9   43

	Pinnacle Enterprises		Other enterprises
Another cognitive / AI technology vendor	63%		28%
Our RPA vendor's cognitive / AI capabilities	14%		44%
In-house cognitive / AI capabilities	13%		12%
Others	13%		16%

Source: Everest Group's RPA Pinnacle Model™ Assessment (2018)

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Pinnacle Enterprises™ have significantly leveraged third-party provider resources for RPA implementation, identifying and training resources, and ongoing support & maintenance

Role of third-party system integrators / service providers in RPA initiative[1]
Number of respondents

Legend: ■ Pinnacle Enterprises ■ Other enterprises

Category	Pinnacle Enterprises	Other enterprises
RPA implementation and integration	78%	55%
Identifying and training resources	56%	29%
Ongoing support and maintenance	56%	38%
Proof of concept	44%	48%
Consulting and business case development	33%	38%
Process selection	22%	29%
RPA technology selection	11%	29%
None, it was all done by in-house teams	11%	21%

Consulting (bracket covering: Proof of concept, Consulting and business case development, Process selection, RPA technology selection)

1 Numbers do not total 100% as respondents have leveraged third-party providers across different stages of RPA initiatives
Source: Everest Group RPA Pinnacle Model™ Assessment (2018)

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A majority of Pinnacle Enterprises™ have achieved 10-30% cost savings from their RPA implementations

Impact of RPA on cost savings
Number of respondents

■ Pinnacle Enterprises   ■ Other enterprises

100% =	**9**		**43**
0%		>100%	5%
22%		51-100%	16%
11%		31-50%	19%
45%		10-30%	16%
22%		<10%	35%
0%		No impact	9%

Source: Everest Group's RPA Pinnacle Model™ Assessment (2018)

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About half of all Pinnacle Enterprises™ have achieved more than 100% ROI from their RPA investments, whereas 44% of other enterprises are yet to achieve any ROI

ROI generated from RPA initiatives
Number of respondents
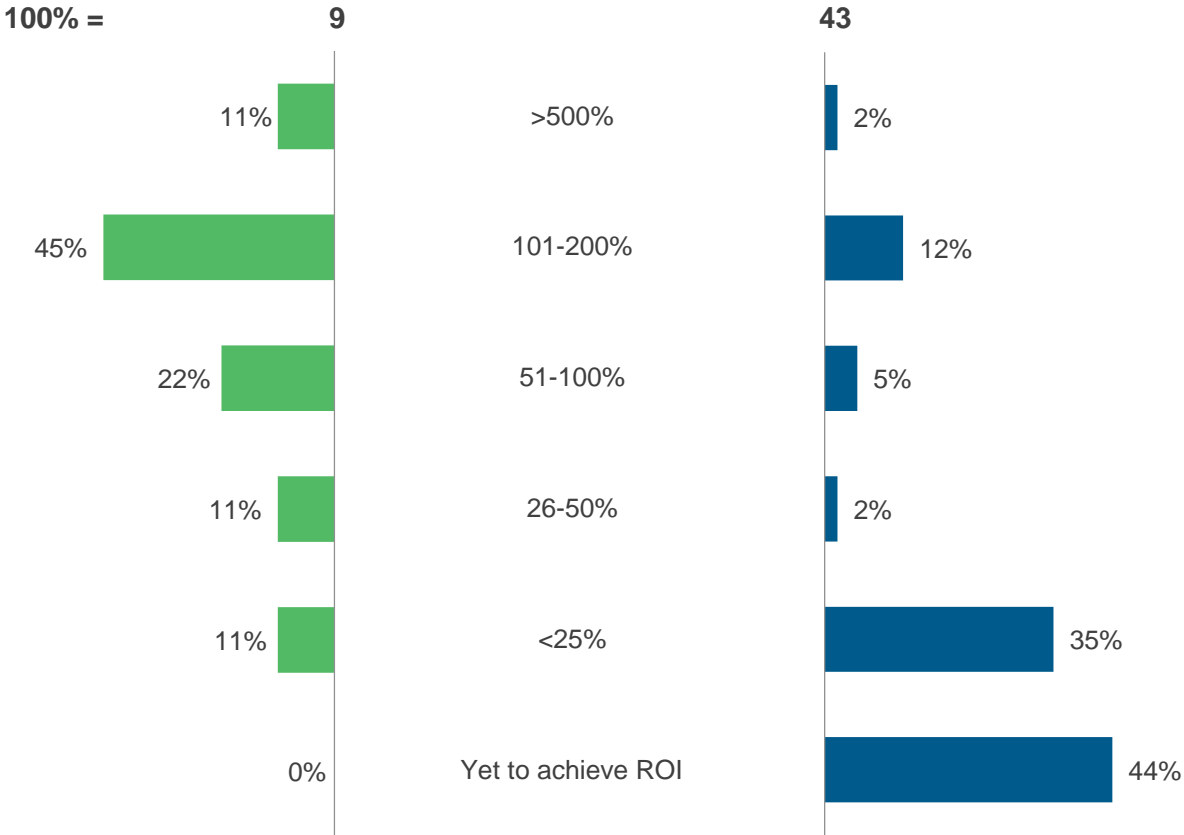
■ Pinnacle Enterprises   ■ Other enterprises

100% =	9		43
11%		>500%	2%
45%		101-200%	12%
22%		51-100%	5%
11%		26-50%	2%
11%		<25%	35%
0%		Yet to achieve ROI	44%

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One-third of Pinnacle Enterprises™ achieved ROI within 5-8 months, whereas, most of the other enterprises take more than 9 months to achieve ROI

Time taken to generate ROI
Number of respondents
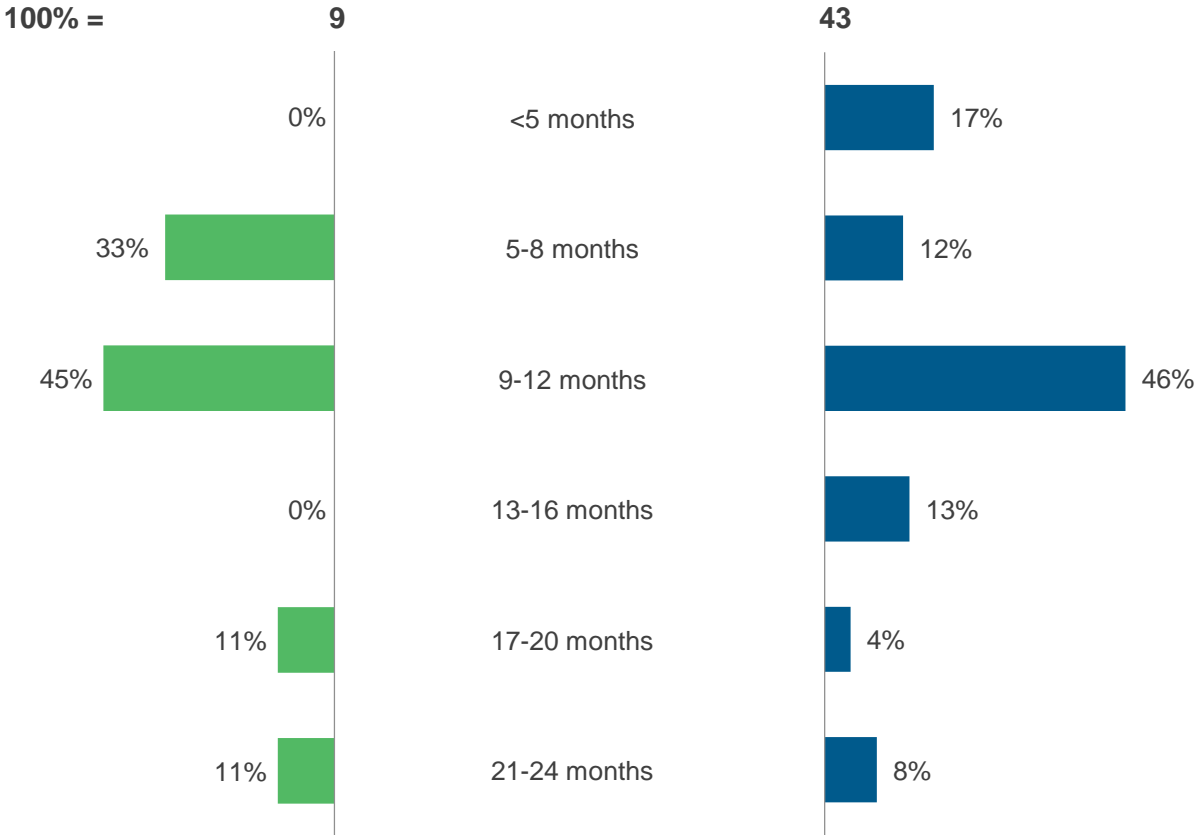
Legend: ■ Pinnacle Enterprises ■ Other enterprises

	Pinnacle Enterprises		Other enterprises
100% =	**9**		**43**
<5 months	0%		17%
5-8 months	33%		12%
9-12 months	45%		46%
13-16 months	0%		13%
17-20 months	11%		4%
21-24 months	11%		8%

Source: Everest Group's RPA Pinnacle Model™ Assessment (2018)

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  - **Cost impact**
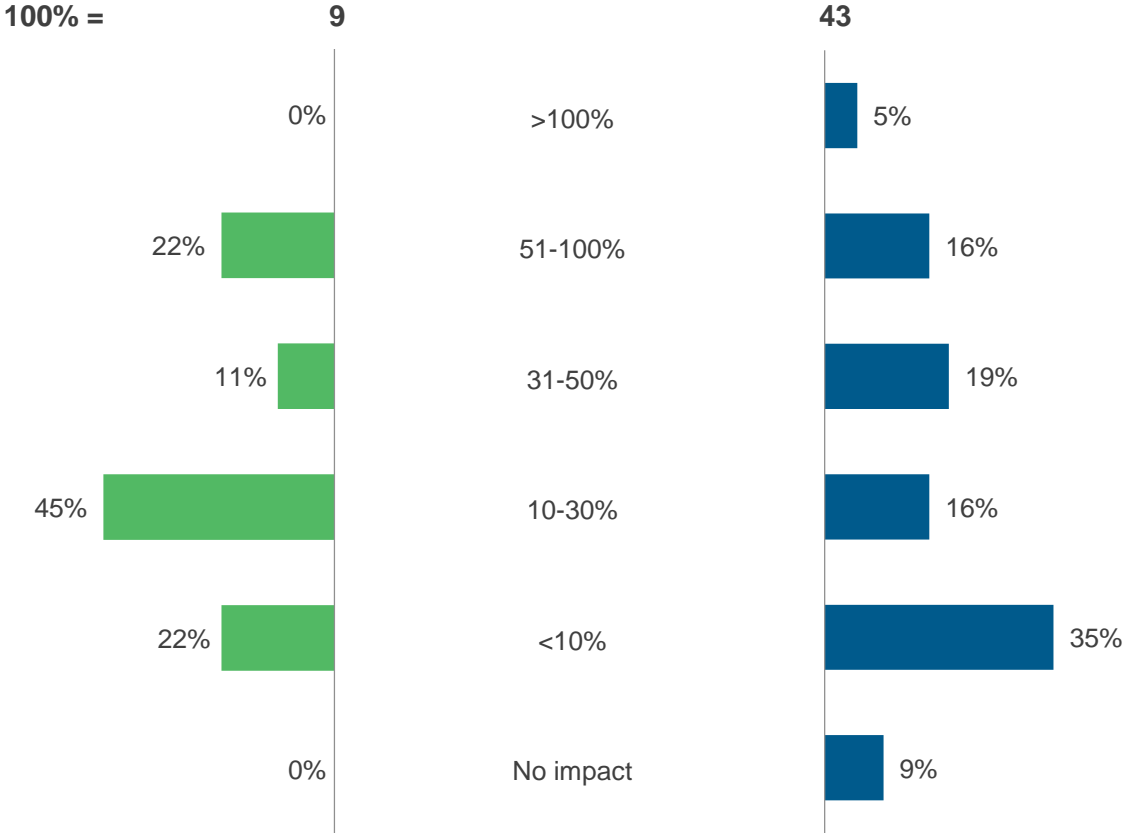 - **Operational impact**
  - **Business impact**

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Pinnacle Enterprises™ significantly exceed other enterprises in terms of improvement in operational performance

Impact on operational KPIs
Average improvement over pre-RPA scenario

■ Pinnacle Enterprises ■ Other enterprises

- Increase process accuracy: 63% / 38%
- Reduce process cycle time or enhance process agility: 58% / 37%
- Improve staff productivity: 41% / 29%
- Achieve SLA compliance: 39% / 21%

Source: Everest Group's RPA Pinnacle Model™ Assessment (2018)

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Pinnacle Enterprises™ are large implementers of RPA, as evidenced by significantly higher number of resources impacted by their RPA initiatives

Number of resources impacted by RPA
Number of respondents
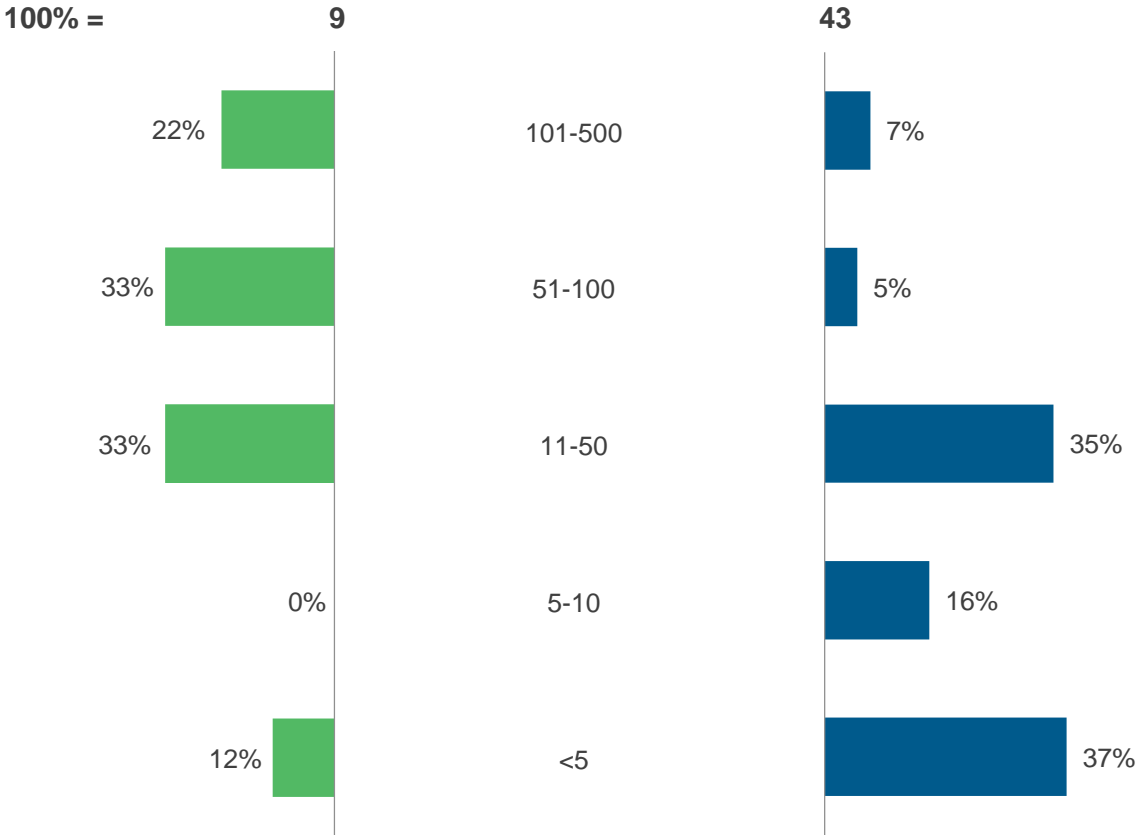
Legend: ■ Pinnacle Enterprises ■ Other enterprises

	Pinnacle Enterprises (100% = 9)	Other enterprises (100% = 43)
101-500	22%	7%
51-100	33%	5%
11-50	33%	35%
5-10	0%	16%
<5	12%	37%

Source: Everest Group's RPA Pinnacle Model™ Assessment (2018)

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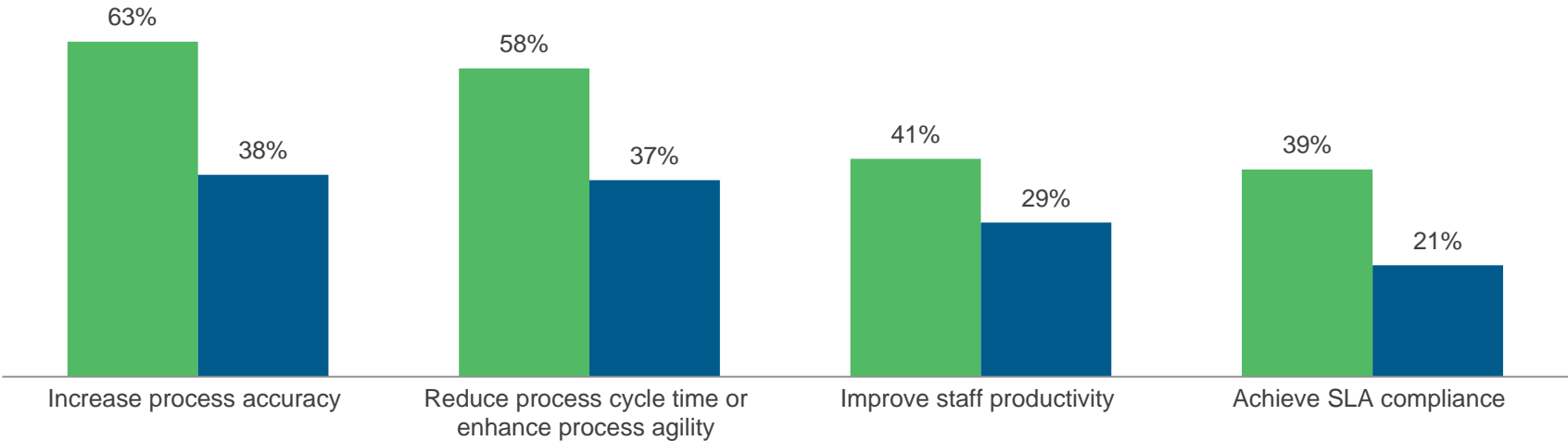 - **Operational impact**
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A majority of the enterprises have not experienced revenue growth as a result of RPA implementation

Impact of RPA on revenue growth
Number of respondents

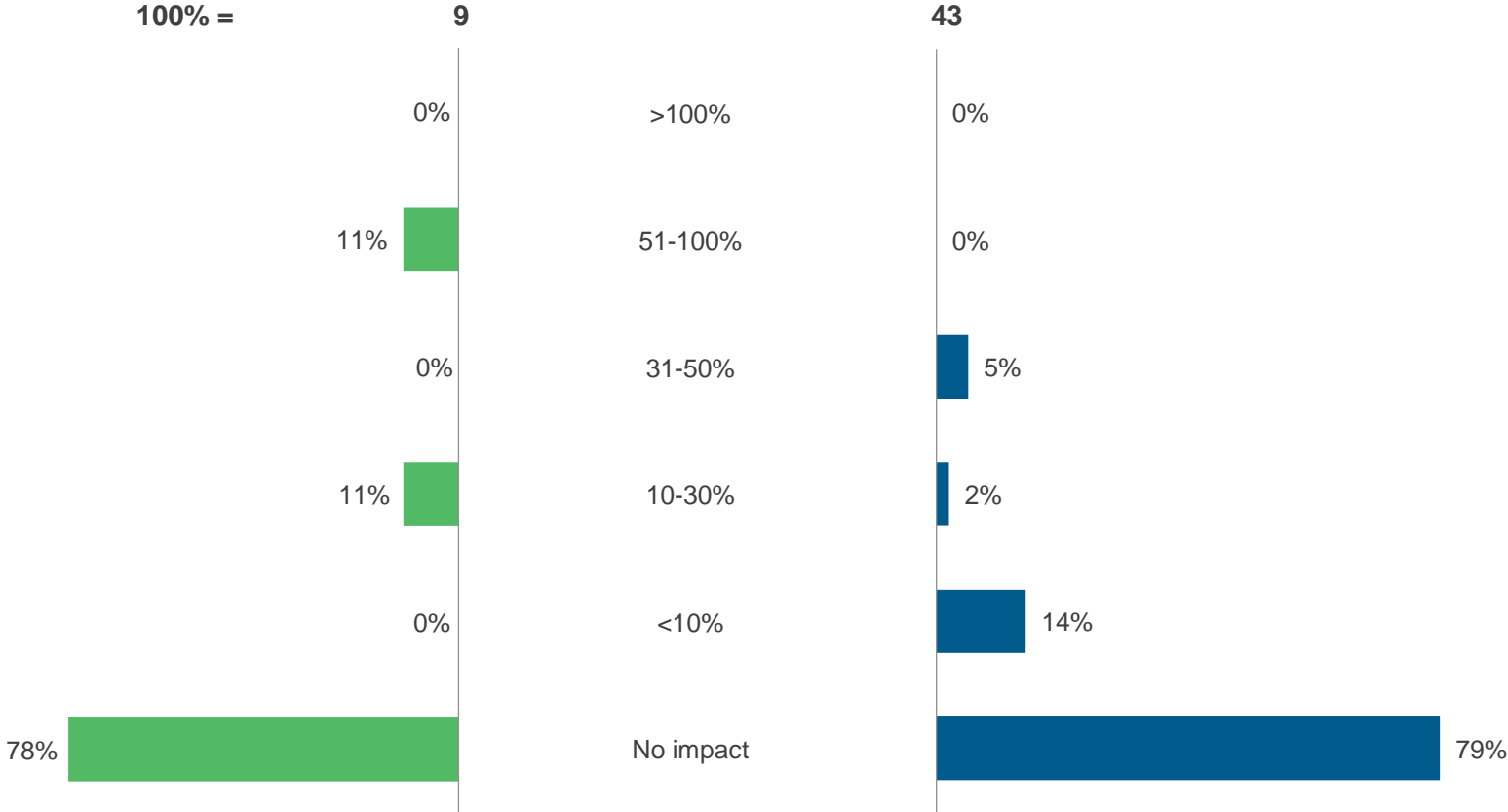| 100% =	**9**		**43**
0%		>100%	0%
11%		51-100%	0%
0%		31-50%	5%
11%		10-30%	2%
0%		<10%	14%
78%		No impact	79%

Source: Everest Group's RPA Pinnacle Model™ Assessment (2018)

Pinnacle Enterprises™ significantly exceed other enterprises in achieving positive impact on strategic objectives from RPA implementation

Impact of RPA implementation on strategic objectives
Average impact improvement score[1] over pre-RPA scenario

■ Pinnacle Enterprises   ■ Other enterprises

	Improve customer experience	Create new business models	Decreased time-to-market for new and innovative products and services
Pinnacle Enterprises	2.2	1.7	1.4
Other enterprises	1.5	0.7	0.7
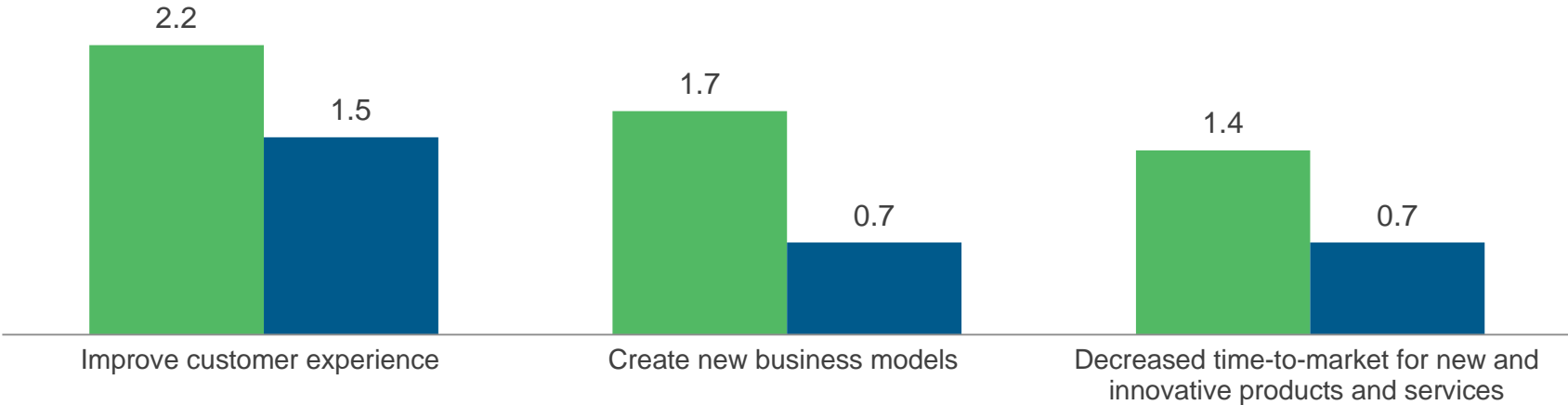
1   Score legend: 0: No impact, 1: Low impact, 2: Moderate impact, 3:High impact, 4: Very high impact
Source: Everest Group RPA Pinnacle Model™ Assessment (2018)

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Satisfaction level of enterprises with various aspects of their RPA program

Satisfaction level with various aspects of RPA program
Average satisfaction score[1]
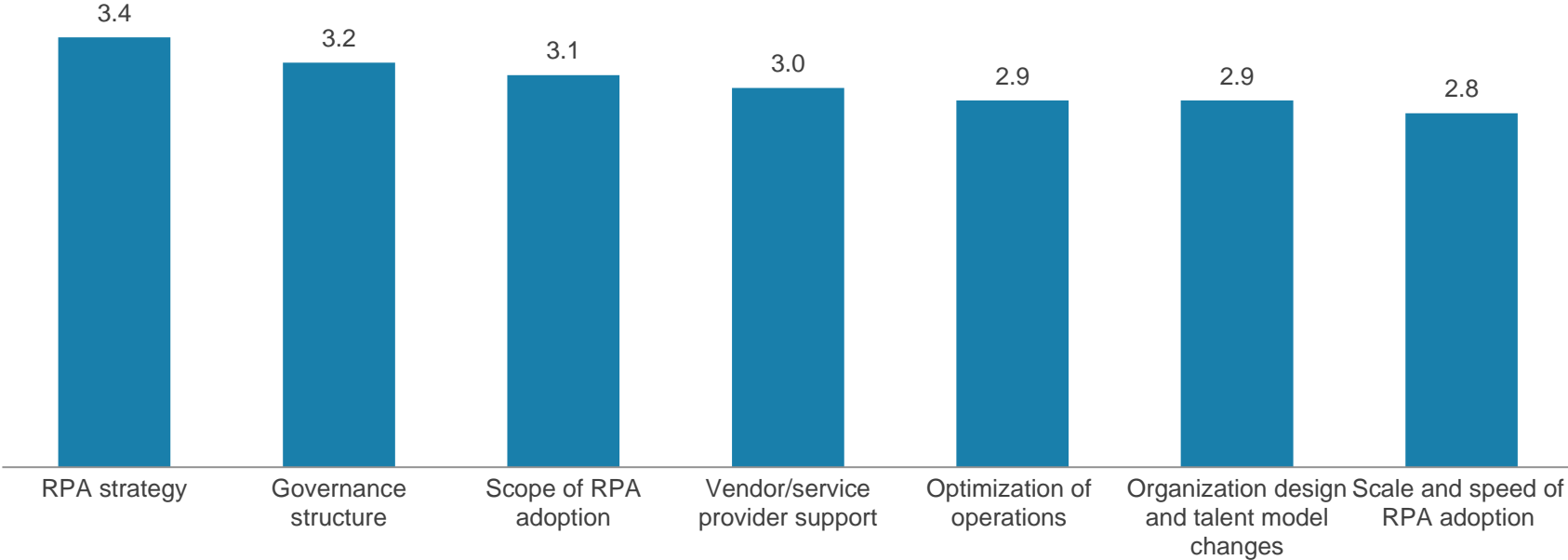
RPA strategy	Governance structure	Scope of RPA adoption	Vendor/service provider support	Optimization of operations	Organization design and talent model changes	Scale and speed of RPA adoption
3.4	3.2	3.1	3.0	2.9	2.9	2.8

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Key challenges faced by enterprises in RPA adoption

Challenges for RPA adoption
Average score[1]

Challenge	Score
Lack of internal skills and knowledge	3.8
Broken processes	3.4
Concerns from IT teams	3.2
Cultural resistance to change	3.1
Organizational structure	2.8
Problems with RPA technology	2.8
Social impact of automation such as job loses	2.7
Lack of innovative culture and thinking	2.5
Misaligned incentives	2.4
Lack of budget	2.4
Inadequate leadership support	2.2

1   Score legend: 1: Least challenging, 2: Somewhat challenging, 3: Moderately challenging, 4:Highly challenging, 5: Most challenging
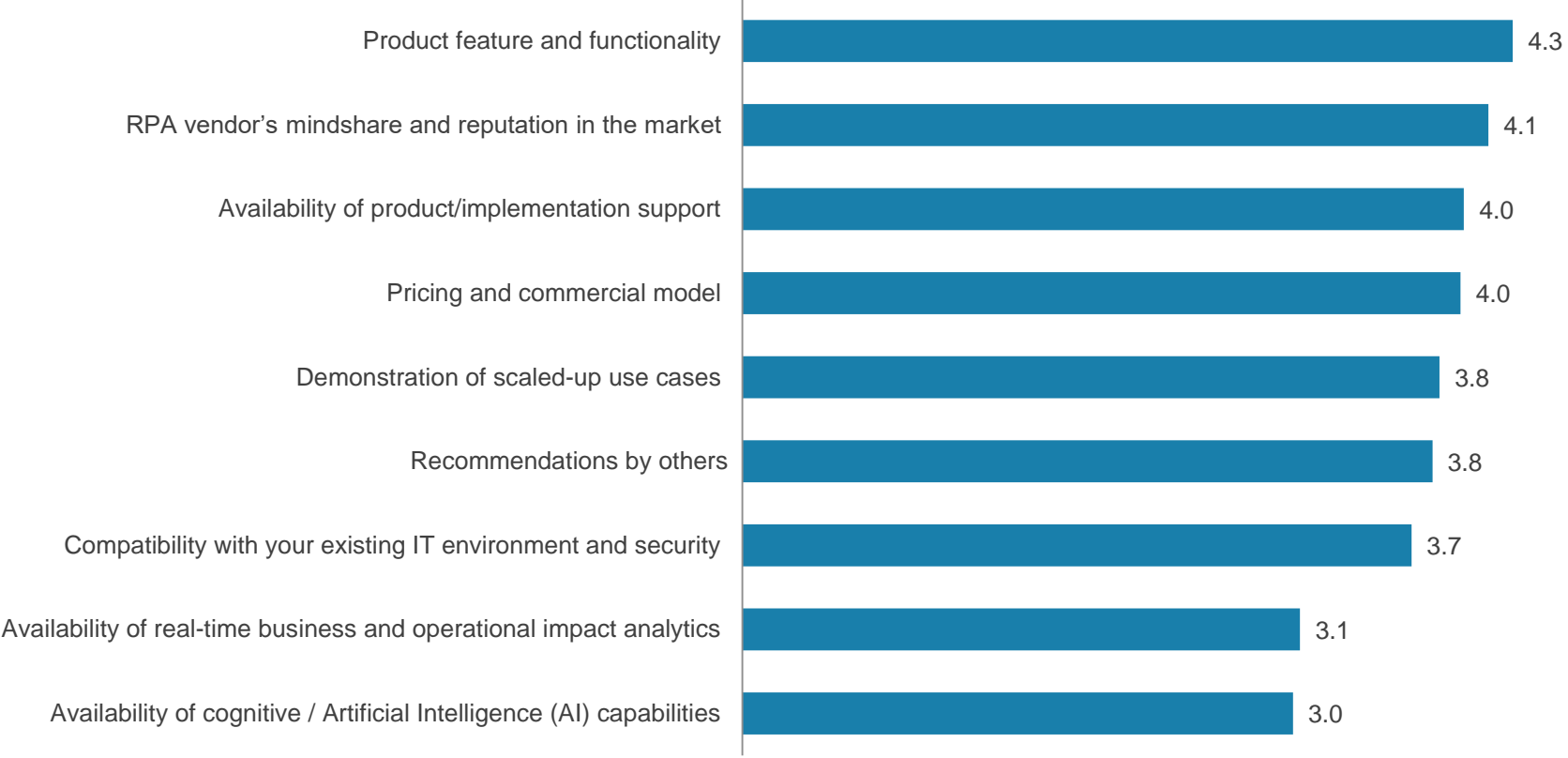Source: Everest Group RPA Pinnacle Model™ Assessment (2018)

Factors considered by enterprises while selecting RPA tool

Factors for selecting RPA tool
Average score[1]

Factor	Score
Product feature and functionality	4.3
RPA vendor's mindshare and reputation in the market	4.1
Availability of product/implementation support	4.0
Pricing and commercial model	4.0
Demonstration of scaled-up use cases	3.8
Recommendations by others	3.8
Compatibility with your existing IT environment and security	3.7
Availability of real-time business and operational impact analytics	3.1
Availability of cognitive / Artificial Intelligence (AI) capabilities	3.0

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Sources of budget for RPA technology and associated professional services

Sources of budget for RPA technology and associated professional services
2018; Percentage of overall budget across respondents
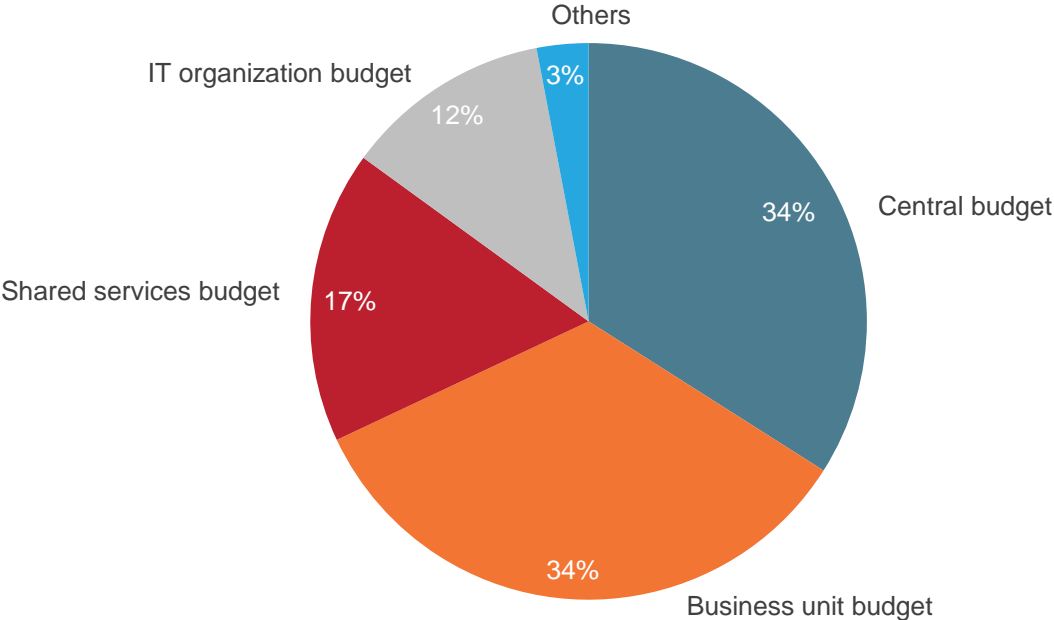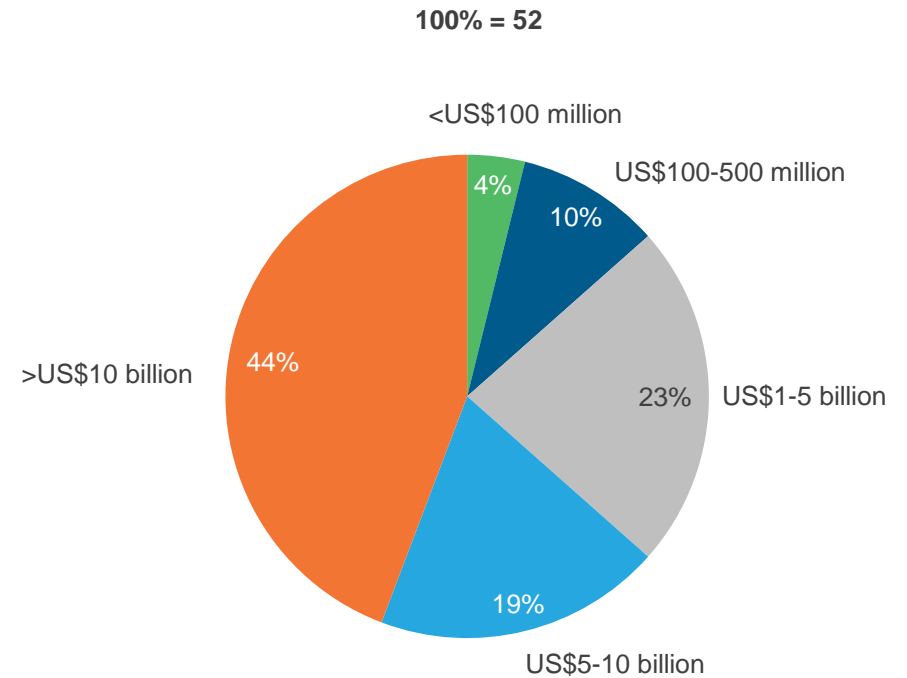
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Demographics – enterprise profile

Respondent profile by industry
2018; Percentage of respondents

100% = 52

Banking and Capital Markets 21%
Insurance 15%
Manufacturing 13%
Electronics, High-Tech & Technology 13%
Communications, Media & Entertainment 8%
Energy & Utilities 8%
Consumer goods & retail 4%
Life sciences 2%
Travel & Transportation 2%
Hospitals and Healthcare providers 2%
Others 12%
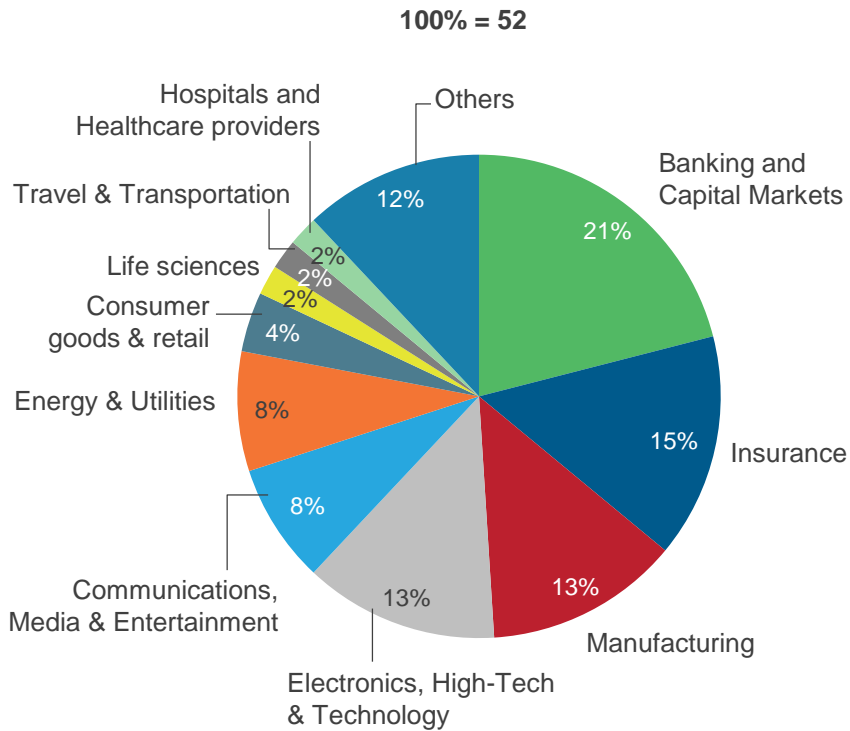
Respondent profile by revenue
2018; Percentage of respondents

100% = 52

<US$100 million 4%
US$100-500 million 10%
US$1-5 billion 23%
US$5-10 billion 19%
>US$10 billion 44%

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Demographics – respondent profile

Respondent role in the organization for RPA program
2018; Percentage of respondents

100% = 52

- Senior level RPA project lead — 36%
- Senior level influencer — 25%
- Middle level RPA project lead — 17%
- Senior level financial RPA buyer — 12%
- CXO level — 8%
- Senior level RPA user — 2%
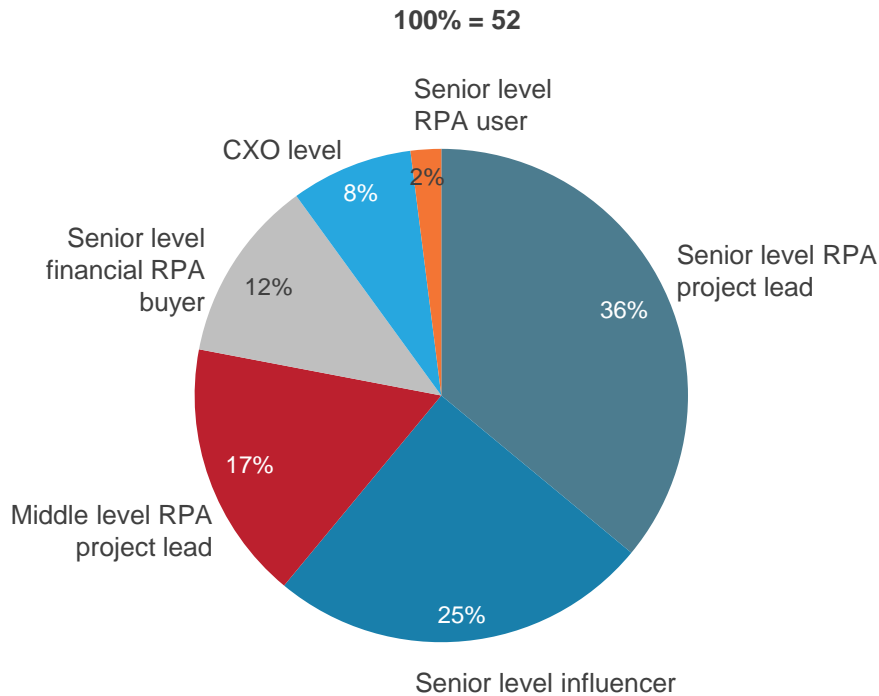
Respondent extent of involvement in the RPA program
2018; Percentage of respondents

100% = 52

- Multiple geographies, multiple functions — 62%
- Single geography, multiple functions — 19%
- Multiple geographies, single function — 13%
- Single geography, single function — 6%
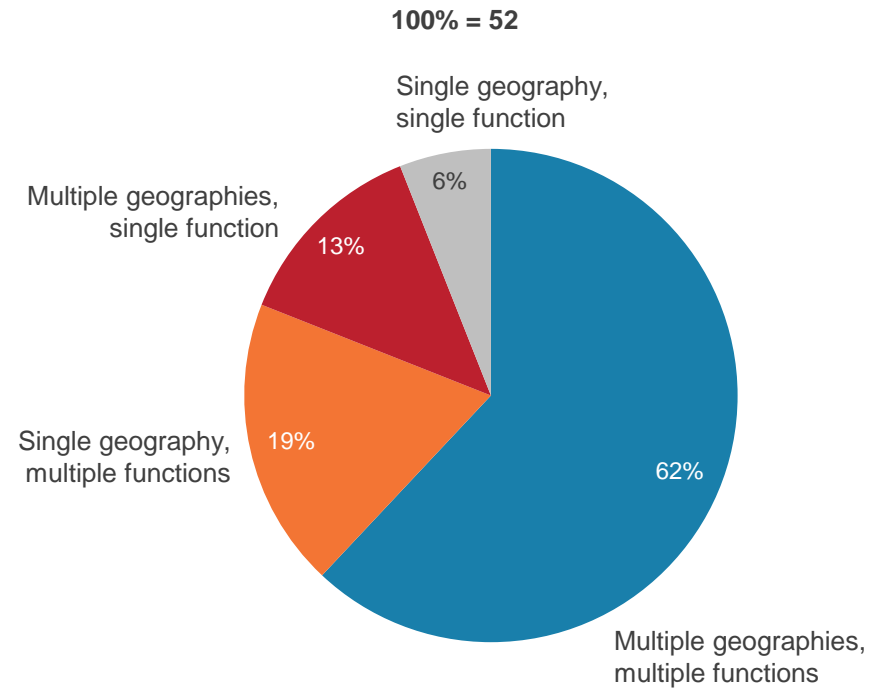
Source: Everest Group's RPA Pinnacle Model™ Assessment (2018)

About Everest Group

Everest Group is a consulting and research firm focused on strategic IT, business services, and sourcing. We are trusted advisors to senior executives of leading enterprises, providers, and investors. Our firm helps clients improve operational and financial performance through a hands-on process that supports them in making well-informed decisions that deliver high-impact results and achieve sustained value. Our insight and guidance empower clients to improve organizational efficiency, effectiveness, agility, and responsiveness. What sets Everest Group apart is the integration of deep sourcing knowledge, problem-solving skills and original research. Details and in-depth content are available at www.everestgrp.com.

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