The Era of Process Automation

By: Max Svensson & Joakim Härd

Robotic process automation has sparked a new era within the automation industry. Focus has shifted towards the back-office environment where administration is handled. To remain competitive, the global companies must be flexible regarding their organizational structure and adhere to the possibilities new technology brings.

The growth of automation has not happened on a whim. For years, companies have fought amongst each other to remain competitive and as a result, the automation industry has thrived. Between 2018 and 2021 the automation market is projected to increase with $59 Bn, an increase of almost 33%. To fully utilize the automation-technologies which exist today, the modern company must be flexible. This includes adapting their organizational structure. The thesis therefore set out to investigate one of the rising stars of this industry, robotic process automation, and the role it plays within the organizational structure of a global Swedish manufacturing company.

Robotic process automation or RPA is a business process automation technology and a hypernym for tools that operate on a user interface in the same way a human would do. UiPath, one of the main providers of RPA software describes the technology as “…the technology that allows anyone today to configure computer software, or a “robot” to emulate and integrate the actions of a human interacting within digital systems”. I.e. a robot that mimics mundane digital tasks performed by humans in a more efficient way.

The case company had raised concerns of how the current centralized organizational approach to implementing RPA led to long lead times and low development speed. To combat the problem, the company had proposed a decentralized structure and wanted to know whether it would be beneficial to restructure. To find an answer to this question the study compared the use of RPA from two different organizational approaches, centralized and decentralized. The results of the study showed that not only would the decision lead time decrease, leading to faster implementations, but the project investment would decrease as well, as a result of a faster development.

One of the reasons behind the results was that the proposed decentralized structure advocated increased control for each department, especially regarding allocation of resources. This gave managers the opportunity to keep the development close to the process. Furthermore, the structure in place at the company today is built for the automation of large processes. An important aspect of RPA is that it enables the development of small processes which can be put together as building blocks. The gist of this is that new technology brings new opportunities and it is essential for companies to adhere and adapt.

The results of this thesis are limited to their context. However, they can still be used as a guideline when considering structural change. The methodology in the thesis can also be used as template if similar studies are conducted in the future.

Lastly, the authors want to reinforce the notion of the simplicity of RPA. This rapidly growing automation technology has many benefits which has not yet been fully investigated and it will definitely make its mark on back-office administration.