Building a Business Case for Automation and AI

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Frank Casale, the founder of the Institute for Robotic Process Automation & Artificial Intelligence (IRPA AI) sat down with the Chip Wagner, the **President of Global Business Advisory Services** & **Emerging Services** at Information Services Group (**ISG**) to dive deep into building a business case for automation an artificial intelligence in this exclusive interview.

Q   What is the **biggest challenge of building a business case** for automation and AI?

A   Sizing up the effort and creating a reliable roadmap is the overarching challenge. Automating complex processes is very different from automating simple processes. When processes are complex it can be difficult to accurately estimate the time required to fully deploy the automated version, and schedule the realization of benefits in a business case model. Most organizations do not allow or do not properly quantify non-FTE impacts of the business case. They consider these "soft". However, since many organizations adopting RPA may have already optimized the process and staffing levels, the direct FTE impacts only represent fractional gains and the business case can sometimes be difficult to justify on FTE impact alone.

Q   When building a business case, what are the **tangible and intangible benefits**?

A Tangible benefits are, of course, FTE savings. Intangible include improved productivity and compliance, and less errors/better quality. Additional tangible benefits can also include overall reduced software application licensing costs (SAP, Office) and hardware costs as the robots are performing the tasks of multiple personnel.

Q Are there **hidden costs of automation investment**? If so, what are they?

A There can be hidden costs in automation efforts. Often it's costs of infrastructure and IT support. Not directly hidden, but often forgotten, are the monthly, quarterly, yearly maintenance costs of the automations themselves as changes in the supporting infrastructure and application environment cause maintenance cycles against the automations.

Q At the **4ᵗʰ Annual Automation Innovation Conference**, you'll be speaking about building a comprehensive business case for automation and AI. Can you tell us a little bit about **what attendees will take away from the discussion**?

A We hope that the importance of understanding a business case as well as the elements that typically comprise one. Many are incredulous at the levels of ROI, the speed of payback and generally the economic case for RPA. We hope to help dispel some of the myths

Q Why do you think it's important for the industry to come together for this event?

A RPA and automation in general are relatively new on to the scene. Events like this are useful to help you hear what others are experiencing, hear new approaches, learn what your company might be able to do, and build your network of professionals and firms that can help you maximize the impact of automation and RPA.

Chip Wagner will participate in a panel discussion on this topic at the **4th Annual Automation Innovation Conference**, on **December 5th** at **Bohemian National Hall** in **NYC**.

[This panel](#) will **highlight the importance of understanding a business case**, it's **elements** and the **economic case** for RPA.

This event, put together by the Institute for Robotic Process Automation & Artificial Intelligence (IRPA AI), is the **first and only association-run automation event**, focusing on "Exploiting the Second Wave" of automation, including RPA, intelligent automation and artificial intelligence. To learn more, take a look at the [agenda](#).

About Our Authors

Chip Wagner is Partner & President of Business & Emerging Services if ISG, a leading global technology, research and advisory firm following the sale of his predecessor firm to ISG in December 2016. Prior to ISG, he was CEO of Alsbridge, Inc, a management advisory firm guiding Global 2000 businesses as they transform and optimize the way they purchase, manage and leverage technology. Under his leadership, Alsbridge saw remarkable growth as the organization turned 100% of its efforts toward the delivery of top notch and creative solutions for businesses facing a wide range of sourcing, back office, IT and transformation challenges. Chip is a dynamic, results-oriented leader with a passion for forging win-win relationships. He cultivates an entrepreneurial employee model that enables Alsbridge advisors to take personal ownership in their success as they work with clients and providers to develop and implement mutually beneficial solutions.

Frank J. Casale is Founder and CEO of the Outsourcing Institute (OI) as well as the Institute for Robotic Process Automation (IRPA). Established in 1993, OI is a global marketplace and community of 70,000+ executive members including leading practitioners, service providers, advisors, thought leaders, industry observers and analysts. The mission of OI is to leverage the collective wisdom and best practices of this evolving outsourcing ecosystem along with the latest abilities of internet technologies to enable powerful alternatives for learning, networking, career development, publishing, transacting and relationship management for those in the outsourcing arena.