

Welcome to the Digital Team Leader

■ Neil Bentley, Non Executive Director & Co-Founder, ActiveOps and Jon Clark, Proposition Development, ActiveOps



Introduction

Fully analogue operations are now almost confined to history. Using technology to improve the outcomes delivered by operations is not new, but what has changed recently is that the Digital Worker, or Robot, has become a mainstream part of operations.

Widely accepted as not an “IT heavy” transformation, building your department of Digital Workers does, however, require co-ordination across IT, business, and operations. This task has typically fallen to Business Analysts (BAs) as they understand how to optimize business processes.

We believe the speed with which Digital Workers are entering production means these BAs are being left to manage them which, in turn, is exposing a skills gap. Unlike traditional team leaders who have “come up through the ranks”, BAs have often not been exposed to some of the core operations management disciplines.

Left unresolved, this skills gap could cement sub-optimization and performance risk into the digital operation. This paper argues that investing in this new breed of Digital Team Leaders, giving them the missing operations management skills, will reduce performance risks and improve outcomes.



Managing the Digital Worker

It makes complete sense for BAs to configure the Digital Worker: they understand the process, can readily model improvements and have the systems expertise to configure the tools (i.e. programming the Digital Worker to enact the steps).

The problem emerges on the Digital Worker’s first day in the office...they just can’t be left alone to get on with it:

- What if they run out of work or get stuck in a loop resulting from an un-coded exception?
- Someone needs to be on top of the queues - most users will admit the scheduling and calendar functions in the many RPA tools are pretty poor, with too much complexity to set up dynamic shift patterns.
- Same transactions can take different times – it’s not all happening at the time benchmarked in the test environment, real life disturbances are affecting flow and our carefully calculated sequencing is under strain

Inevitably, the response is to get the BA – the person who trained the robots – to babysit them. Again, this makes complete sense, as who would be better to do this than the person who built them? Being good at configuring automated processes doesn’t guarantee being good at day-to-day operations management. With luck the BA may have been exposed to some good operations management practices, but more likely they will be scratching their heads as to why the calculated capacity is too much or too little, whether to divert licences, let the transactions play out, what to do about any backlogs... With little or no grounding in operations they may never have been shown how to manage performance of a fixed set of capacity when demand varies, the complexity of work varies, and external constraints vary.

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A natural response

If no one has shown our Digital Team Leader a better way, then their usual solution is to build in some contingency (this happens in human-only systems as well, by the way).

Put it another way, they carry “too much capacity”, possibly even staffing the Digital Workers to peak demand. This extreme option is especially tempting given that no one wants their digital projects to negatively impact service, and robots are cheap (aren't they?). Indeed, we have found that most organisations will admit to their robots being poorly utilised – 20% licence utilisation is not uncommon. So, with only one fifth of your robots being busy, managed by a BA on double the salary of the 2 agents those 10 robots were supposed to have replaced, you can see why some commentators are questioning the value.

A way of “hiding” the over capacity is to isolate the troublesome processes or work types and ring-fence a defined set of licences. This has one primary appeal; it alleviates the concerns of the unit giving up the transactions as the Digital Team will commit to reserving capacity. Afterall, this is a natural reaction to the fear of the new technology. Once success has been achieved the business is

now hooked on having dedicated resources – silos are great for storing grain but they are bad when it comes to getting things done in business service.

An alternative to creating over capacity in your digital workforce is to give the work back if demand surges. If we got our sums wrong (say, not recognising the variability in performance) then sometimes the answer is to let the part of the organisation supplying the work deal with the overflow.

This was a situation sometimes seen in the early days of offshoring when the knowledge transfer omitted some of the more infrequently seen exceptions, or as a way of enforcing discipline in the quality of upstream activity. Not an unreasonable response, all that happens however, is to make the sender of the work carry the contingency in case it has to step in to prevent service failure.

Wouldn't it be better to give those responsible for managing the operations including the Digital Workers the skills to optimise their part of the system?



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Fixing the Skills Gap

They are Digital Workers so they don't get hangovers, don't want promotion, aren't distracted by the World Cup, so their managers don't need leadership training. Right? Well sort of.

Whilst robots may not need motivational leadership, cost control is still an important requirement for front line leaders.

The robot licence may be a fraction of an agent's salary but when the wrap-around services (like hosting, security, maintenance, etc.) are included then the unit cost of production can approach parity (a recent Forrester thought leadership paper reveals "31% percent of firms also say the cost of maintaining a single robot is at least \$15,000 pa").

What the Digital Team Leader needs, therefore, are some skills to optimize how they invest this time under their command. A start would be education on the following:

- The value of forecasting how much work to expect (at what levels of complexity and throughput) and engaging (in a timely and repeatable way) with other parts of the business to understand what might impact (either in volume, service or complexity) that forecast.

- What to do with that forecast so it can help them create a measure of the effort needed (recognising there are things impacting Digital Worker performance outside of their control) to get the expected work done in the required time.
- Creating a plan so that they can share it with upstream and downstream units and all buy into the outcomes needed. Crucially how to manage this engagement so that people can help each other in a time frame that will make a positive difference to outcome delivery.
- Keeping on top of what's going on, adjusting in-flight, and then taking a step back to make it better next time.

Unless we recognise this training need, through no fault of their own a bunch of talented individuals have inherited teams of workers and an accountability that they are not equipped to manage. When costs rise and service stalls the leadership are going to look for the root cause. With the robots quietly humming away, they aren't able to offer an opinion or be likely to put their hand up to take the blame so it risks falling on the shoulders of the BA.

Surely everyone in the digital operation deserves better than that?



BIOGRAPHY
NEIL BENTLEY, NON EXECUTIVE
DIRECTOR AND CO-FOUNDER, ACTIVEOPS

Neil Bentley has been helping organisations to improve their front-line operating performance for over 20 years. Originally qualified in Psychology, he went on to work at Lucas Industries in the 1980s, gaining experience in manufacturing production management, before focusing on financial services and the public sector, first with PA Consulting Group and then as a partner with specialist consultants OCP.

He launched ActiveOps with fellow OCP partner Richard Jeffery in 2005. Neil brings with him an unparalleled understanding of the mix of the human and the technical aspects of performance improvement.



BIOGRAPHY
JON CLARK, PROPOSITION
DEVELOPMENT, ACTIVEOPS

Jon has spent nearly 20 years helping clients transform their operations by outsourcing their business process to Hewlett Packard Enterprise Services.

Throughout his career he has used technology to drive better outcomes within operations across Banking, Insurance, Public Sector and Shared Services and knows that it is critical to have a modern capacity management solution in place to realise benefits from change.

Jon is now helping to make ActiveOps, the leading platform for operations control, an essential foundation for digital transformation.