How OpusCapita Used Internal RPA Capabilities to Offer Services to Clients

Robotic process automation (RPA) is a promising new technology that can generate significant returns on investment for companies. RPA also provides a new business opportunity for BPO (business process outsourcing) providers. This article describes the RPA journey of OpusCapita, a BPO provider that first created a strong internal RPA capability and then extended its operations to providing RPA services to clients. The lessons learned from this case are valuable for BPO providers both for internal RPA adoption and for offering RPA services to clients.¹,²

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RPA Presents Threats and Opportunities for BPO Providers

Business process outsourcing (BPO) providers’ business models are based on their ability to provide services to customers more efficiently than client organizations can perform the tasks in-house. BPO providers have developed expertise in technology, processes and change management, and they often benefit from low-cost workforces. The large scale of their operations is the cornerstone for both the efficiency and the profitability of their businesses. However, their business models may now be threatened by a new technology called robotic process automation (RPA).

The term RPA means “the automation of service tasks that were previously performed by humans.”³ RPA technology has evolved from the automation of repetitive tasks of a single user to a platform-based application that is capable of automating complex business rules and orchestrating hundreds of software “robots”⁴ to address large volumes of work. These robots mimic the way humans perform tasks. They can log in to systems using their own user names,

¹ Mary Lacity is the accepting senior editor for this article.
² Funding for this research was provided by China’s NSFC Joint Research Fund for Overseas Chinese Scholars and Scholars in Hong Kong and Macau, Grant/Award Number 71529001.
⁴ Although the term RPA infers there are physical robots wandering around offices performing human tasks, RPA is a software solution. In RPA parlance, a “robot” is equivalent to one software license.
interpret text, tables and figures, move and click a mouse, write emails, fill application forms and quality check and correct data in various systems. RPA robots can work with many systems simultaneously—for example, they can transfer data from one system to many. Although they do work previously conducted by humans, they are designed to work together with humans; if they cannot complete a task, they can ask for human assistance or write an error report.

There are many tools being sold as RPA, so it is difficult to make general statements about RPA capabilities other than saying that RPA automates rules-based tasks currently being performed by humans. However, because RPA products work in the same way as humans (by using existing user interfaces) they do not require expensive systems integration. Many RPA products are also relatively easy to learn and can therefore be implemented by business professionals rather than IT professionals. RPA is an effective and inexpensive way to automate business processes and therefore has the potential to provide tremendous returns on investment. Wilcocks and Lacity reported an ROI of between 650% and 800% over three years for process automation at O2, a U.K. mobile telecoms operator.

Prior research on RPA has focused on internal adoption experiences, but in this article, we focus on the impact of RPA on BPO providers. The threat for BPO providers is that client companies could easily adopt RPA technology themselves to automate business processes and thus make traditional BPO services redundant. Using RPA to automate the remaining manual steps in business processes could be less expensive than outsourcing the process to a BPO provider. Client organizations would also have better control over the processes since they would be performed in-house. However, as Lacity and Willcocks have noted, client organizations may consider using the services of a BPO provider for adopting RPA. Because BPO providers have knowledge about processes and technology, as well as change management in organizations, they could be valuable partners for client organizations adopting RPA.

Thus RPA presents both threats and opportunities for BPO providers, and these providers need a better understanding of the best ways to proceed. In this article we describe the RPA journey of OpusCapita, a BPO provider that started its journey by focusing on the internal adoption of RPA but then moved to implementing RPA solutions for its clients. OpusCapita developed a new hybrid business model with its traditional outsourcing business boosted by internal RPA capabilities and a new line of business focused on implementing RPA for its customers. Based on 23 interviews with OpusCapita employees, plus secondary data, we now describe its RPA journey before providing the lessons learned that will be valuable for other BPO providers as they address the threats and opportunities provided by RPA. (See the Appendix for more on the research methodology.)

OpusCapita Background

OpusCapita, founded in 1984 and headquartered in Helsinki, Finland, is a fully owned subsidiary of the Finnish postal services and logistics provider, Posti Group Corporation. The company mainly operates in Europe (Finland, Sweden, Norway, Estonia, Lithuania, Latvia, Poland and Germany) but has recently expanded

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9 See, for example, Everett, C., Are robots a threat to the outsourcing industry? Raconteur, December 10, 2015.

its operations to the U.S. through an acquisition. In 2015, OpusCapita’s net sales were €257 million ($309.2 million), and it employed 2,000 professionals serving 8,000 customers in more than 100 countries.

OpusCapita helps organizations sell, buy and pay more effectively by providing them with extended purchase-to-pay and order-to-cash solutions. It has created a global ecosystem in which buyers, suppliers, banks and other parties connect, transact and grow. The company’s strategic focus is on the procurement area, where, according to its website, it delivers “control, compliance and cost-savings to customers by transforming sales, procurement and financial processes for the digital age.” OpusCapita processes 600 million transactions annually.

Our research was conducted in Finland, where payroll management is affected by relatively complex and frequently changing legislation. As a consequence, there are many manual steps in payroll processes, which could potentially be automated by using software robots.

**OpusCapita’s Three-stage RPA Journey**

In 2014, OpusCapita began to investigate new technologies that could potentially be used to increase the efficiency of its business processes, and the leadership team initiated a pilot RPA project. It then established a formal RPA program with the necessary resources, including both RPA experts and business professionals, and the program team began to prepare the organization for RPA adoption through a training program and by identifying key business processes for the RPA program.

The RPA product selected by OpusCapita required business professionals and RPA experts to work together to code the robots. Key people were therefore trained together because it was important that they learn “to speak the same language” and have a common understanding of the technology. In an RPA program, it is essential to obtain support from business process experts because much of the knowledge related to performing tasks is tacit in nature. The robots cannot be programmed based solely on process or service descriptions.

As described below, OpusCapita’s RPA journey has progressed through three stages: Pre-Implementation, Pilot Implementation and Expansion. The timeline of OpusCapita’s RPA journey is shown in Figure 1.

**Pre-Implementation Stage: Assigning the First Tasks to Robots**

OpusCapita’s leadership team appointed a program manager for the RPA pilot, and he was given three months to demonstrate the potential of RPA for increasing process efficiency. At this stage, the core RPA pilot team comprised the program manager and another person who had been hired for the project. An RPA steering group was established, comprised of the program sponsor and program manager, together with other members from the leadership team.

The pilot team started to look for an RPA vendor that could provide technology able to handle multi-user, high-volume processes. The team considered several RPA technologies and piloted some of them. It chose one of the main RPA vendors, UiPath, to provide the technology. UiPath’s technology was first tested on simple tasks, such as creating Excel reports and capturing screenshots. Tests were also conducted for scenarios when the robot would make mistakes to ensure that serious damage would not happen in this kind of situation.

Two criteria were used to decide which processes would be included in the pilot trial: 1) the processes should be simple enough so that the robots could be implemented quickly and 2) improved process efficiency resulting from RPA implementation should be clearly visible. The RPA program manager explained:

> “After some pulling and pushing, we ended up concentrating on the payroll management process area at one production site in southern Finland. We selected manual processes of the payroll process area, as automating them was expected to have a visible effect. We did not want to automate a process with little effect.”

Having chosen the site and process area for the RPA pilot, the team then organized general RPA training for personnel at the pilot site. Next, payroll production management at the pilot site was asked to choose two processes for

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11 Euro/dollar exchange rate as of January 2018.
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the trial. Two people from the planning team at the pilot site had received more in-depth RPA training, and they played a central role in selecting the processes for RPA implementation and in generally being drivers for RPA adoption. Together with payroll production management, they identified two processes for the RPA trial: 1) new employment relationships and 2) changes in employee payment details. The existing manual processes included steps such as taking screenshots and writing notes on these screenshots by hand. All payroll employees spent approximately 30 to 60 minutes a day working on these processes. Both of the processes were clearly rules-based, and visible effects from automation could be expected. Once the robot (named “Roger”) was operational, it would prepare a list of new employee relationships every morning and also perform checks for changes in payment details. The new process is depicted in Figure 2.

Five additional people at the pilot site received RPA training so they could become key users in each payroll processing team. The idea was that these key users would later be able to help other team members in RPA adoption. Their role was also important as process specialists when other processes were automated.

When payroll employees at the pilot site learned that robots would be introduced, concerns emerged about the possible impact on the human workforce. Because the robots would be taking over some of the tasks previously performed by humans, there were some fears about losing jobs:

“Yes, I had these thoughts that ... a robot is coming here to sit down there and do the typing, and then I would lose my job.”
Payroll Employee

It was quite natural for employees to have these fears because RPA adoption was justified by expected productivity improvements. However, management actively communicated that there was no intention to lay off people. The message was that, after RPA implementation, people would no longer have to carry out the boring work and could concentrate on more interesting tasks. A supervisor at the pilot site explained:

Figure 1: Timeline of OpusCapita’s RPA journey

A = Official RPA program kick-off (at this point, the RPA platform vendor had already been chosen by the RPA team).  
B = Payroll management process area selected for the RPA pilot.  
C = Two individual payroll processes (new employments and salary changes) selected to be automated.  
D = Key people at the pilot site (in southern Finland) selected and trained.  
E = RPA implementation project initiated (RPA team and the vendor’s programmer visited the pilot site and created the first draft of the RPA robot).  
F = RPA robot tested by trained payroll specialists at the pilot site.  
G = RPA robot put into production by the first payroll specialist team at the pilot site.  
H = RPA robot upgraded with new features. The first RPA guidance and policies established to manage exception situations at the pilot site.  
I = RPA robot put into production by rest of the payroll specialists at the pilot site.  
J = RPA implementations expanded to external customers.  
K = First RPA implementations expanded internally to new process areas (such as service desk).  
L = RPA training program and an RPA website (for RPA change agents) established.  
M = IT policies for rapid RPA server allocations and firewall openings upgraded.  
N = RPA team re-arranged to better support the growing number of RPA implementations.  
O = Centralized component library for RPA modules established to ease implementations and maintenance.
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Figure 2: Quality Control Process for HR Data Performed by the Robot (“Roger”)

“The robot will free time for other type of work [by humans] that a robot could not do ... it will [therefore] bring a positive change to everyone’s work load.”

Pilot Implementation Stage: Training the First Robots

The first step in the pilot implementation was to understand the detailed tasks in the processes that were to be automated. The RPA team worked together with the vendor’s programmer to study process descriptions, system manuals and service descriptions. They also interviewed the key people from the planning team and the key users. The key users were shadowed to observe how they performed the existing manual tasks in practice.

Implementing the robots was an iterative, continuous improvement process. New automated tasks were gradually added once the team was satisfied that the robots were capable of performing certain kinds of tasks, such as comparing information from various text files and spreadsheets. During the pilot, the payroll specialists initially manually checked all the work that was performed by the robots. Once they became more confident about the capability of the robots, new tasks were automated.

The vendor’s programmer and the key users who had an in-depth understanding of the process tasks collaborated closely in programming the robot. The participation of key users was essential because of their tacit knowledge on how the tasks are performed in practice:

“I obtained from [the payroll experts] all their knowledge ... for that certain process. That’s the biggest challenge. And I’m very surprised that I learned things about their profession while automating their tasks.”

RPA Programmer

It was important to encourage collaboration between the business professionals and RPA specialists because implementing the robot required a wide range of expertise, such as systems and infrastructure knowledge, RPA programming skills and business process knowledge.

The pilot implementation process started by recording the manual tasks that the users...
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were performing. Each task had many variations because different input data changed the steps of the task. Based on an understanding of the steps and task variations, the RPA programmer coded rules for the robot, describing which variant to perform in different situations. The programming process was iterative. The robot was tested each time it was programmed for a new task variant and its related rules. Testing included comparing the results from the robot and a user performing the same task. In this way, the RPA team made sure that all the task variants were included and that the rules were complete.

The pilot was first limited to a specific group of users, representing approximately 20% of all the payroll employees at the pilot site to minimize risks caused by potential robot failures. A limited trial turned out to be a wise decision because some unforeseen problems occurred.

The first problem was related to exceptional cases that occurred only a few times a year. Although the key users and RPA specialists had tried to include all the possible task variants, they had overlooked some of the rare cases. An example was managing the payroll for seasonal workers; the robot had not been programmed with the rules for holiday workers. The RPA team found, however, that the exceptions could often be automated by adding new rules to the robot. Analyzing processes and creating additional rules resulted in a continuous process for automation and process development. This work required both creativity and knowledge from the business professionals.

The second unforeseen problem was a surprise: the robot seemed to be working too quickly for the other applications! Various kinds of problems occurred because the robot worked much faster than humans and did not wait for the responses from the applications. The solution was to code additional “timeouts” into the software robots.

The third problem was related to the connection between the client’s SAP-HR application and the production team’s payroll management application (see Figure 2). This connection was not always operational, which meant that the robot could not receive all the data to work on at night. This resulted in the robot only performing part of its tasks, which caused confusion because the payroll team did not know what the robot had, and had not, accomplished:

“It clearly caused uncertainty among the payroll experts ... what should we do now? Is the report coming from the RPA robot, and when is it coming?” Payroll Team Supervisor

Because this problem had not been anticipated, there were no rules for when to resume manual operations. This was an issue at the pilot site because payroll management was functioning under time constraints agreed upon with the client.

Payroll personnel at the pilot site also had to learn new daily work practices, such as reading and interpreting the reports from the robots:

“... we went through the work practices, how to read the reports. If you find certain comments on the report, they need to be investigated and corrected manually, or you need to contact the client.” Payroll Team Supervisor

Despite the technical issues and the need to learn new practices, the payroll management professionals quickly realized that the robot could perform tasks faster and more accurately than humans. When the robot was working without problems people were delighted with its effectiveness.

Expansion Stage: Rolling Out More Robots Internally and Externally

After the successful trial at the pilot site, interest in implementing robots in other areas and processes grew rapidly at OpusCapita. Moreover, the company began to sell RPA services (such as consulting, training, implementation and operational maintenance) to clients. The RPA team quickly grew to five people because of the high demand for RPA-related services. The team is now fully loaded working with internal and external customers; because of the very high demand it even has to say no to some customer inquiries.
The high demand for RPA consultancy meant that the RPA team had to be reorganized in spring 2016 so that internal and external clients could both be served effectively. The communication practices between the RPA team and the clients also had to be fine-tuned, and the responsibilities of the production and sales units in RPA-related processes had to be defined. OpusCapita re-arranged the RPA team so that it could more easily support both internal process automation and customers’ RPA implementations. The team was divided into two groups: one concentrating on creating new RPA implementations and the other on maintaining existing implementations (working more closely with production unit sites).

The use of software robots expanded to additional OpusCapita organizational units. By winter 2015, RPA had been rolled out to the company’s service desk to partially automate customer orders, and to the mail processing centers to automate parts of invoice and claim letter handling.

Because of the increased interest in robotics, OpusCapita has established a training program that includes different types of RPA training. All employees now receive basic RPA training, and there is RPA training aimed specifically at the sales units. More advanced training is provided for RPA change agents, who are trained to become the key people to spread the use of RPA throughout the organization. The RPA training program is shown in Figure 3. Part of the training is provided in collaboration with the RPA platform provider and an external training organization.

OpusCapita recognized that the RPA change agents need continuous training and updating of their knowledge about RPA. For this reason, the company established an RPA website, where the RPA team posts information about new issues related to robotics development, infrastructure and other RPA-related issues. This website also hosts a discussion forum. Importantly, the trained change agents are required to post descriptions of processes and tasks that could be automated.

Figure 3: RPA Training Courses at OpusCapita

<table>
<thead>
<tr>
<th>Course</th>
<th>Details</th>
</tr>
</thead>
<tbody>
<tr>
<td>RPA Introduction</td>
<td>For everyone, explains how RPA is used at OpusCapita, 1.5 hours</td>
</tr>
<tr>
<td>RPA for Sales Units</td>
<td>Basics of RPA for sales purposes, 3 hours</td>
</tr>
<tr>
<td>RPA Sales Hands-on Demo</td>
<td>Using robots in sales demo, 4 hours</td>
</tr>
<tr>
<td>RPA for Production Units*</td>
<td>Identifying new process automation opportunities, 1 day</td>
</tr>
<tr>
<td>RPA Academy</td>
<td>For RPA experts, RPA programming skills, 4 days</td>
</tr>
</tbody>
</table>

Arranged by OpusCapita

Arranged by an external training company and the RPA platform provider

* RPA for Production Units course planned at the time of writing
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by RPA, including an analysis of the expected benefits. The RPA program manager explained:

"... they have access to our team [web] site, where we have all kinds of support material, a discussion forum, etc., but they also need to list processes and tasks that could be automated; that's what we expect from them. And we have some basic questions there about the expected benefits, whether they would be related to reduction of workload or improved quality."

Knowing that OpusCapita has deployed RPA, many of its customers approached the company to ask how they too could use robotics in their processes. Thus implementing RPA internally had opened the door for OpusCapita to do business with its customers. Suddenly, OpusCapita had become the robotics expert. Customers started to view OpusCapita as an RPA generalist that could help them automate their processes. Because of the high demand, OpusCapita started to provide robotics consulting and implementation services for its customers. Later, RPA training and operational maintenance were also included in the RPA offering.

The IT department at OpusCapita had to adapt to the increased use of software robots. As the interest in RPA grew rapidly both internally and externally, the company had to upgrade its server and firewall policies. The RPA team worked with the IT department to enable clients to obtain fast access to virtual servers and to receive user names for new robots. There was also a need to adapt some software applications to the use of robots. Problems occurred, for example, when one IT system blocked all non-human activities and thus prevented the robot from logging on to the system.

Many software robots are doing similar tasks, such as using the same third-party software application programming interfaces (APIs) or writing a log. The RPA team therefore started to use a centralized component library, which includes a set of RPA modules common to several robots. This library makes maintenance easier, as explained by one of the RPA experts:

"A good example is writing a log. It always follows the same logic with every customer. We use one module for that ... if we need to update the logic, we only need to edit one small piece of code and push it to all the robots."

During the expansion stage of OpusCapita's RPA journey, it has been crucial to spread information and knowledge about RPA. The company has put a lot of effort into communicating the positive message about RPA both internally and externally. Communicating positive messages and success stories about RPA adoption is essential for disseminating the technology throughout the organization. Sharing experiences of robotics implementations is vital for setting a company onto a learning curve to use RPA more effectively. To obtain maximum benefit from using RPA, the business professionals who are the process experts need to become active in looking for opportunities for additional process automation.

At OpusCapita, the RPA program manager and program sponsor frequently participate in various internal and external seminars describing what RPA is and what it can be used for. They also arrange webcast seminars, create web-videos and provide information about RPA implementations on the intranet pages. They also participate in academic seminars and collaborate with researchers. All this proactive communication has not only created internal interest, but has also boosted clients' interest in RPA.

In the 18 months following the first RPA implementations at external customers, OpusCapita's RPA business grew rapidly, and it has further developed its RPA delivery models to meet the demands of clients. OpusCapita's RPA business line owner commented:

“Our international RPA team has been growing rapidly throughout the past 1.5 years, and the opportunity pipeline throughout OpusCapita’s outsourcing and automation market area in northern Europe is ever increasing. Currently, we are delivering RPA-related services to various new customers both in the private and public sectors. We have been putting effort into productizing different delivery models, such as cloud, on-premise and hybrid [so we can] help customers with different levels of ambitions and needs.”
Lessons Learned

The OpusCapita case confirmed many of the lessons learned from prior research about the internal adoption of RPA. More importantly, however, we were able to identify several new lessons for BPO providers that intend to engage in the business of implementing RPA for their clients. The lessons from the OpusCapita case for the internal adoption of RPA and for BPOs are described below.

Three Lessons for Internal RPA Adoption

1. Prepare the IT Department and Develop RPA Capabilities. The OpusCapita case confirms that, when implementing RPA internally, the IT department needs to be involved in the development, testing and production phases of RPA. This involvement includes configuring applications and systems to allow robots to access them, developing a business case for the additional costs involved and developing support mechanisms, such as service desk support, for RPA. If an organization chooses not to develop RPA by itself, but rather to purchase it as a service package, the role of the IT department will be to support the business units in both creating an RPA business case and participating in RPA supplier negotiations.

We were also able to confirm the finding from earlier research on the development of internal RPA capabilities. Specifically, CIOs are well positioned to understand and create the organizational capabilities needed for RPA in addition to the technological capabilities. These capabilities include effective collaboration between RPA programmers and business professionals, skills for translating tacit business knowledge to rules, skills for interpreting the reports produced by robots and learning how to work side by side with robots, as well as developing commonly used modules stored in a component library.

2. Address Concerns about Losing Jobs. Prior research has highlighted the importance of developing a communication strategy to address concerns about job losses. It is important that business professionals feel comfortable about the arrival of software robots because they need to work with the technical specialists to program the robots. Once the fears are alleviated, the robots are seen as another step in automating work tasks, as articulated by an experienced business professional: “Computers, IT systems and automation have been changing the way we work and boosting efficiency throughout my career, one step at a time.” As in some of the previously published cases of internal RPA adoption, OpusCapita gave human names, such as Roger and Rosie, to its software robots. This helped business professionals see the robots as “assistants”: “He is a very good assistant, who saves time in our everyday work and helps to improve the quality of our work.”

3. Select Processes Carefully and Measure Improvements. The OpusCapita case also confirmed that processes for RPA implementation should be selected carefully. Organizations should choose processes that are predominantly rules-based and require significant amounts of time and resources. A baseline should be established describing, for example, the time taken to perform the process manually so that improvements can be measured. Our case showed that processes or tasks that are triggered by external systems could be challenging because of potential connection issues.

Five Lessons for BPO Organizations

1. Use Existing and New Capabilities to Offer RPA Services to Customers. A new lesson from the OpusCapita case was that RPA provides a great business opportunity for BPO providers. As RPA becomes more widely adopted by businesses in many different sectors, there will be a high demand for RPA-related services. BPO providers are well positioned to offer these services because of their technical, business process and change management expertise. RPA thus provides a great opportunity for BPO providers to generate new business using both existing and new capabilities. Naturally, they need to develop RPA capabilities, but they have existing capabilities for offering services, such as server


14 Ibid.

maintenance, security assurance and service desk support. BPO providers could offer a complete RPA service package, including implementation, training, operations, maintenance, security and help desk support. They need to carefully listen to their clients to understand their RPA needs, and needs for digitization in general. The demand for RPA services will be there; BPO providers need to be ready to respond to that demand.

The OpusCapita case confirmed the findings from previous research on the importance of establishing a dedicated RPA team (or a center of excellence). A dedicated RPA team, which reported directly to a member of the leadership team, helped OpusCapita to build a strong internal RPA capability for automating business processes and later to offer RPA services to clients. OpusCapita’s RPA team also coordinated employee training to develop a company-wide RPA capability. Thus a BPO provider with a strategic aim of automating business processes with RPA and then offering RPA services to clients should establish a dedicated team to create the required RPA capabilities.

2. Establish a Hybrid Organizational Structure. A new lesson from the OpusCapita case is that BPO providers that want to offer both traditional outsourcing services and RPA services need to establish a hybrid organizational structure, with different business models for delivering each type of service. Although both business models will share highly standardized operational processes, such as service desk support, server operations and security management, the two models will have very different business logics. The traditional outsourcing business model focuses on standardizing whenever possible, whereas the RPA service model will involve more customer-specific tailoring.

OpusCapita’s experience shows that it was beneficial to build the internal RPA capabilities first. Contrary to previously published RPA cases where RPA adoption was conducted by business professionals, OpusCapita used a dedicated team of RPA professionals from the beginning for its internal RPA adoption. This team helped the company to build a very strong RPA capability, both in terms of technology and the implementation process, and effectively laid the foundation for offering RPA services to clients.

When a BPO provider starts offering RPA services to clients, the RPA team needs to be able to support both internal and external RPA development and operations. OpusCapita facilitated this support by dividing its RPA team into two groups, with one working on new RPA implementations and the other supporting existing RPA operations.

3. Encourage the IT Department to Support Client RPA Implementations. BPO providers need to encourage their IT departments to support RPA implementations. This is particularly important when offering RPA services to clients. The demands on the IT department become even greater when RPA services are sold to customers. There will be pressure from the business units for software robots to be put into productive use by clients as quickly as possible, and organizational policies related to firewall, security and servers issues will need to be updated. The server policy at OpusCapita had to be upgraded so that virtual servers could quickly be allocated to new clients. The issues were not only technical, but required refining the collaboration between business units and the IT department.

4. Be Willing to Cannibalize Sales from Traditional BPO Offerings while Moving to a Hybrid Strategy. RPA can present a threat to traditional outsourcing services. If a BPO provider started to offer RPA services to clients and extensively automated their business processes, this would likely cannibalize sales from its traditional outsourcing offerings. This was seen as an issue at one point in OpusCapita’s RPA journey when it considered the two business models. However, OpusCapita’s experience shows that BPO providers can expect rapid expansion in clients’ demand for RPA services, which will make this business model profitable. As mentioned in Lesson 1 above, BPO providers can leverage their existing capabilities to offer a complete package of RPA services and thus extend their business scope and boost the profitability of this business model.

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16 See, for example, Building a Center of Excellence to Support Robotic Automation, Forrester Research, February 2014.
17 See, for example, Overby, S. Robotic process automation makes nearshore outsourcing more attractive, CIO.com, February 17, 2017.
BPO providers should therefore be willing to cannibalize sales from traditional BPO services when moving to the new hybrid structure and expanding their RPA services business model.

5. Beware of Pressure to Lower Service Prices. Another threat to BPO providers is the pressure to lower prices for traditional outsourcing services because of the efficiency gains from adopting RPA internally. If a provider used RPA to automate its processes, clients might start demanding lower prices to benefit from the lower cost of providing services, particularly if the prices were negotiated based on FTEs (full time equivalents). From the clients’ perspective, the lower cost of providing services should be reflected in lower transaction prices, and there might be pressure from clients to renegotiate the prices for transactions. However, clients might not be aware that automating the processes created costs for the BPO. A way for BPO providers to counter pressure to reduce prices is to communicate to clients the investments it has made in adopting RPA, including investments in equipment, personnel and training, and to tie service prices to transaction volumes, rather than FTEs.

Concluding Comments

In this article, we have described OpusCapita's RPA journey and the extension of its operations to provide RPA services to clients. We have identified the challenges and issues faced by this BPO provider and described the lessons learned from its experiences. These lessons will help other BPO providers to create capabilities for both internal RPA adoption and the potential move to also providing RPA services to clients.

RPA is a relatively easy technology to learn. It is likely that many companies will use the technology in the future, including both BPO providers and their clients. Providing RPA services to clients presents an opportunity for BPO providers. Although they need to develop new RPA capabilities, they can leverage their existing capabilities to provide a complete RPA service package that includes implementation, training, operations, maintenance, security and help desk support.

BPOs providing both traditional outsourcing services and RPA services should establish a hybrid organization to support both of these business models. This will require them to establish dedicated teams to support both business models and to obtain support from their IT departments.

Unlike previous research that focused on describing internal RPA adoption, the OpusCapita case shows how a BPO provider moved beyond internal adoption to provide RPA services to clients. Other BPO providers should consider the lessons learned as they develop their own internal RPA capabilities and consider extending their operations to provide RPA services to clients.

Appendix: Research Methodology

We chose to study OpusCapita because of its pioneering use of RPA. We started with broad interview themes to obtain an overall understanding of RPA adoption and the rationale for offering RPA services to clients. To collect data, we chose the theory of hybrid organizing as the theoretical lens to guide further interviews. This approach helped us to be sensitive to workplace influences and the organizational consequences of RPA adoption.

We interviewed people involved with RPA from all levels in OpusCapita, including the CEO, four members of the leadership team, the director of the pilot site, the head of team leaders and the team leaders at the pilot site, payroll management professionals at the pilot site, the RPA program manager and the RPA programmers, as well as an external RPA trainer. Additionally, we interviewed two business professionals from other production sites to understand how RPA adoption expanded to other organizational units. In total, we conducted 23 interviews between February and June 2016, with each lasting from 30 to 60 minutes. The interviews were transcribed and analyzed to develop themes emerging from the data. The theoretical lens of hybrid organizing

19 See, for example, Introduction to Robotic Process Automation – A Primer, op. cit., 2015.

was used as a sensitizing device\textsuperscript{21} for conducting the analyses.

We also had many informal discussions with company representatives and, together with them, organized industry webinars. This active engagement by OpusCapita personnel helped us to obtain additional information about the case. We also studied company documents, such as the OpusCapita magazine and blogs related to RPA written by some of the key people involved in the RPA journey. All this data helped us to develop a rich description of OpusCapita’s journey and to synthesize the lessons learned.

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