

An Introduction to Robotic Process Automation for Nonprofits

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Robotic process automation is helping both for-profit and nonprofit organizations do more with less. Robotic Process Automation (RPA) is transforming the way organizations across different industries do business. It allows organizations to automate certain types of work processes to reduce the time spent on costly manual tasks and increase efforts to deliver mission-critical work. RPA is helping organizations do more with less, helping them automatically process and store data without having to perform manual data entry, generate financial status reports without spending considerable amounts of time in Excel, and execute outreach campaigns without spending hours in a customer relationship manager (CRM) program. These types of optimizations have been made a reality through RPA, with organizations just beginning to scratch the surface of the possibilities.

RPA Defined

RPA is the use of software that automates manual tasks. It eliminates the need for employees to perform repetitive tasks by integrating software that performs the same set of steps the employee does. The software is designed to perform routine tasks across multiple applications and systems within an existing workflow. It performs specific tasks to automate the transfer, editing, reporting and/or saving of data.

At least some portion of white collar employees' time is spent on repetitive computer tasks. That includes the CEO's time — about 25% of the CEO's tasks could be automated, and RPA can help achieve this. Repetitive work typically involves the collection of data from one or more sources, performing a data manipulation — such as applying data formulas in Excel — and then exporting or saving the information to a readily available location. These are just some of the kinds of work that RPA automates.

One of the main differentiators of RPA from other solutions is that it performs tasks that do not require deep cognitive capabilities. RPA is the automation of a process, but the software is not improved or changed based on the inputs or its results. This is different from machine learning or artificial intelligence (AI) software, which can learn and improve based on the continuous evaluation of its inputs and results. Instead, RPA software simply repetitively performs the same task(s) based on business requirements.

RPA provides several major benefits. The most immediate impact from RPA is that routine tasks are performed in an error-free, consistent manner. RPA also provides an audit trail of work performed, which can be valuable in regulated industries or when the output of a process produces an unexpected result. In addition, RPA solutions can be configured to identify anomalies or red flags that may not be identifiable to an employee.

The long-term benefits are also valuable. Perhaps the most important benefit is increased job satisfaction. When employees are asked which parts of their jobs they dislike the most, the tasks they list usually involve a type of manual work that is a good candidate for an RPA solution.¹ This increased job satisfaction results in a better work environment and more productive employees. Moreover, the results of the formerly manual processes become better and the cost savings can be recognized.

Applications of RPA

The list of potential uses for RPA is robust. Most manual computer-based tasks performed by employees can be automated with RPA. RPA is often used for back office functions but can extend to customer relationship management, data analysis, and other key areas that involve manual work.

The best way to understand RPA is to learn about the kinds of problems RPA can solve. For example, an RPA program—called a “bot” can be used to manage customer email inquiries. The bot monitors a sales inquiry email account and automatically imports the information into the CRM, sends alerts to the sales team, sends an automated message to the customer, and imports the information into other systems that are used to track employee availability and sales campaign successes. This works well when timely responses to customers are required.

An example of a nonprofit-specific use of an RPA solution is the management of fundraising campaigns. In many organizations, this process involves pulling past donor information, generating marketing materials, contacting past and new donors, collecting donor payment information and entering it into an accounting software, updating financial information, and updating a donor database. Most of these steps are performed manually, slowing down the process and introducing the risk of error. With an RPA solution, most of this process can be automated, allowing the organization to spend more time interfacing with donors and working on other mission-critical tasks.

The following is a chart that lists several types of tasks that can be automated by department in most organizations:

HR	New employee forms	Employee termination documentation	Employee benefits
Finance / Accounting	AR/AP tracking	Financial reporting	Vendor management
IT	New user setup	Employee termination	Employee termination
Sales / Marketing	Email sales campaign management	Outreach campaigns	CRM automation
Others	Executive analysis reports	Regulatory compliance documentation	Inventory management

While the list above appears to be limited to single-department tasks, many of these are cross-department tasks in nature. Consider a process where the finance department needs to work with IT and sales to request multiple data sets, get input, and share the results. Rather than emailing those departments to pull the same data set every quarter to develop an Excel-based report, an RPA solution automatically performs the data pull and generates the entire Excel report. This not only saves time and effort across the various departments, it also enables the finance team to spend more time doing meaningful analysis of the reports and develop projections and deeper insights.

RPA and Nonprofits

RPA is well-suited for solving problems encountered by nonprofits since they face many of the same challenges associated with reducing the time employees spend on manual tasks as for-profit organizations. Whether the work involves manually entering accounts receivable and accounts payable data in accounting software, generating compliance reports, or performing outreach campaigns, time is being spent by employees on less valuable work. Employees would agree that they would rather work on mission-specific tasks rather than repetitive tasks.²

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Several examples of the types of nonprofit processes an RPA solution works well with are:

- Pledge campaigns.
- Recurring donation management.
- Digital and print marketing campaigns.
- Outreach campaigns.
- Government and regulatory issue tracking.
- Volunteer management.

Service providers and software developers have begun offering solutions geared toward nonprofits. Several major RPA software developers have recently launched commercial software solutions specifically designed for nonprofits, and service providers who understand the nonprofit sector are able to implement tailored RPA solutions.

Implementing RPA

RPA solutions can be implemented in several ways. The most common method for organizations is to implement individual bots. These are single programs that perform tasks automatically. The bot can be accessed through a desktop or web-based application. The second method is to implement a server that controls a set of bots within a department or across the organization. The server-based approach is a more robust system that is typically employed when there are a larger number of bots utilized throughout an organization that need to be managed centrally, whereas the individual bot method is appropriate when only several bots are used.

The cost of an RPA solution, a common concern for any organization, depends on these factors:

- Complexity.
- Number of bots.
- Time to develop and implement.
- Level of customization.

An enterprise-wide RPA solution of hundreds of bots can be expensive. A smaller implementation with only 10 bots or less, however, can be implemented relatively inexpensively and within a short period of time. Companies who sell RPA solutions often have a suite of pre-built bots that can be quickly customized and implemented without requiring a new bot to be developed. As the RPA market matures, the cost will continue to decline.

The key steps for determining whether an RPA solution is appropriate are to:

- Identify where most time and effort is being expended on manual tasks.
- Identify bottlenecks of key processes — specifically identifying manual tasks.
- Implement a pilot program to tackle a high-value discrete task that can have immediate value.

RPA is an exciting new way for organizations to improve their operations while also improving employee job satisfaction. RPA solutions have become a widely adopted strategy for enhancing various parts of organizations' operations by allowing employees to focus their time and efforts on more high-value and meaningful work. It has helped organizations do significantly more with less while reducing errors, increasing workforce job satisfaction, and better ensuring that deadlines are met. These benefits have been possible with relatively small capital investments and IT resources. While RPA is not applicable to all types of work, it is a good option for reducing hours spent on routine, manual tasks.

Benefits of RPA

- Error-free, consistent results
- Employees can be utilized for higher-value work
- Increased job satisfaction (not spending time doing repetitive, low-value work)
- Faster, more predictable delivery timing
- Documented trail of work performed
- Identify anomalies or other red flags

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¹ Gartner Research, "Role of Machine Learning in Accelerating Automation," 2016.

² L. Willocks and M. Lacity, Service Automation: Robots and the Future of Work 2016, 2016.