



The Association of
Accountants and
Financial Professionals
in Business

*Statement on
Management Accounting*

TRANSFORMING THE FINANCE FUNCTION WITH RPA



Robotic Process Automation

IESBA Technology Working Group
09 November 2021



The Association of
Accountants and
Financial Professionals
in Business

About IMA®

IMA, the association of accountants and financial professionals in business, is one of the largest and most respected associations focused exclusively on advancing the management accounting profession.

Globally, IMA supports the profession through research, the CMA® (Certified Management Accountant) program, continuing education, networking, and advocacy of the highest ethical business practices. IMA has a global network of more than 125,000 members in 150 countries and 300 professional and student chapters.

Headquartered in Montvale, N.J., USA, IMA provides localized services through its four global regions: The Americas, Asia/Pacific, Europe, and Middle East/India. For more information about IMA, please visit www.imanet.org.



The Association of
Accountants and
Financial Professionals
in Business

Session Content

RPA Technology

Impact of RPA on Accountancy

Accountancy Professionals: RPA
Enablers

myima.org/rpa



Presenter

Loreal Jiles

Vice President, Research and Thought Leadership
Former IMA Global Board Member



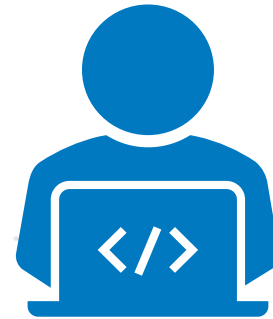
The Association of
Accountants and
Financial Professionals
in Business

“120 million workers in the world’s 12 largest economies may need to be retrained/reskilled in the next 3 years as a result of intelligent/AI-enabled automation.”
-IBM, 2019



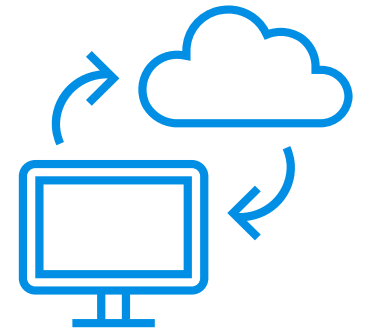
- Executives believe their countries and businesses are ill-prepared to offer the development that millions of workers will require.
- Emerging digital technologies provide a path toward upskilling and meeting business demands.
- RPA presents a clear and sustainable avenue toward the foundation for a transformed accounting function.

Joint IMA and Deloitte survey examining the workforce of the future and how it will be shaped by technology, talent, and automation



Nearly **76%** of respondents felt their accounting processes were less than 75% automated.

More than **90%** of respondents indicated they feel the level of transactional processing will either somewhat or significantly decrease & become more analytical over the next 5 years.





RPA Technology

What is RPA?

Robotic Process Automation (RPA) is technology that enables a virtual robot—or “bot”—to emulate human interaction with computer applications to execute processes.

How We Talk About Bots

Robots ▪ Bots ▪ Digital workers

A virtual execution engine that emulates the clicks or keystrokes of a human through the user interface of applications

Bots execute automation opportunities.

Although it is tempting to say – and is widely said – we are not developing bots. We are **developing processes that bots will perform.**

RPA Capability & Software



RPA mimics the clicks and keystrokes of a human user while leveraging process documentation.



Bots can log into and perform tasks in accounting and operational applications, retrieve data from websites.



Perform data entry, generate reports, read PDF documents, send emails, and so much more – 24 hours a day, seven days a week, 52 weeks a year.



Intelligent RPA – a sophisticated pairing of RPA and AI – enables a bot to learn as it processes transactions!

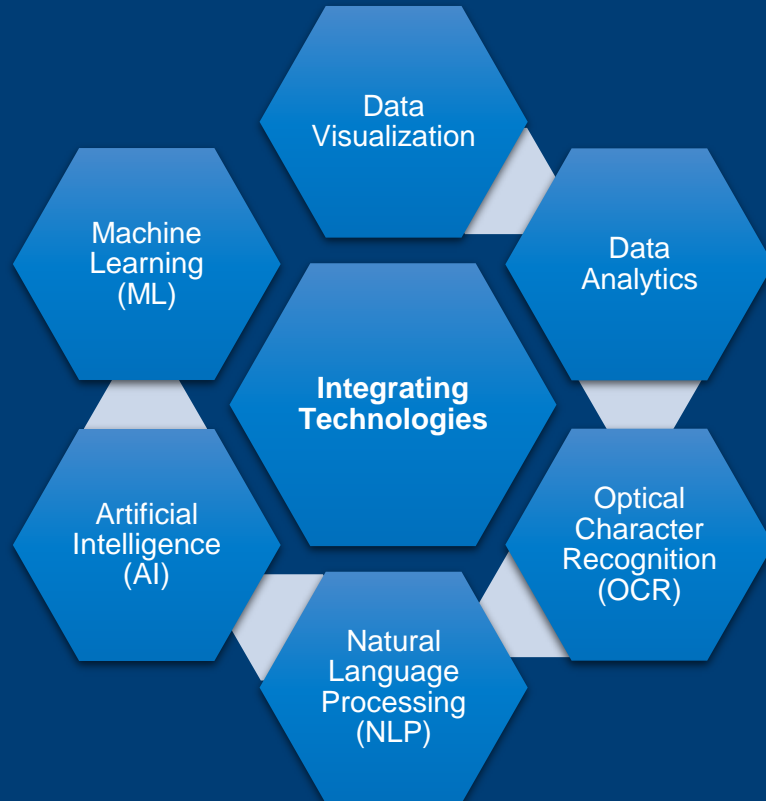
RPA Software

Bot Manager

Bots (Robots)

Workflow
Design Module

The Software





Impact of RPA on Accountancy

Automation is having a wide-reaching impact on the accounting workforce.

U.S. accountant and auditor jobs are **94%** likely to be impacted by automation.

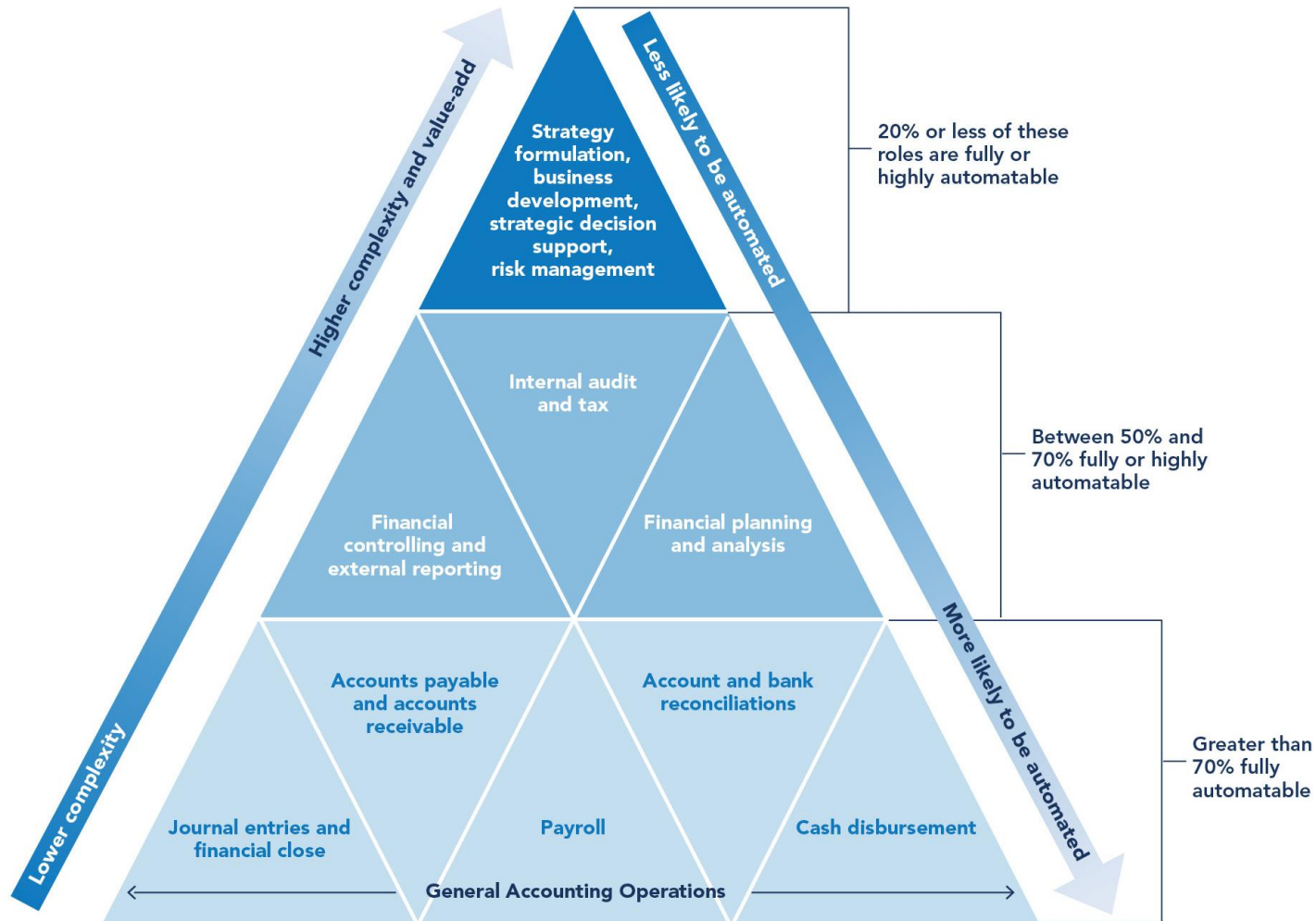
U.S. accountant and auditor jobs are among fewer than 10 professions requiring a bachelor's degree that are more than **90%** likely to be impacted by automation.

Expected Impact of Emerging Technologies in the Next 3 Years

QUESTION: What emerging technology do you believe will have the greatest impact on the finance and accounting profession in the next three years?

a. Robotic process automation	34.4%
b. Data science	14.1%
c. Artificial intelligence	22.7%
d. Data visualization	5.8%
e. Blockchain	6.6%
f. Budgeting, planning, and forecasting tools	12.1%
g. Something else	0.9%
h. Not sure	3.5%

Finance and Accounting Process Complexity and Automation Likelihood



Misconception: RPA will automate all finance and accounting jobs



RPA is undoubtedly a viable automation solution for several finance and accounting tasks people historically thought were “untouchable,”



RPA and other digital technologies create new opportunities that, when paired with higher-end finance and accounting activities,



RPA produces a more valuable service for the organization and result in an employee base that is agile, digitally-equipped, and overseeing a strengthened control environment.



Accountancy Professionals: RPA Enablers

Implementing governance

BOT IMPLEMENTATION RISKS	
KEY RISK AREAS	RISK EXAMPLES
OPERATIONAL	Insufficient exception handling in process workflows or inefficient operational delivery from poor bot resource management (e.g., allocating too many time-sensitive processes to a single bot)
FINANCIAL	Poorly defined requirements leading to financial misstatements or inaccurate payments; allowing a human to direct the inputs of multiple bots, potentially leading to segregation of duties violations; automating processes that lead to financial loss for the company (negative net present value)
REGULATORY	Humans directing bot activities in a fraudulent manner for government reporting (e.g., manipulating the inputs to the process a bot performs to direct a fraudulent output); immaturity of laws regulating standards for automation
ORGANIZATIONAL	Inadequate change management, documentation, or business continuity planning (as resources are reallocated to do other work) or failure to retain enough expertise within the team after automation
TECHNOLOGY	Instability of integrating applications and the effect that may have on bot performance; cyber risks: attackers leveraging privileged access accounts or retrieving data stored in RPA program databases; bot developers not encrypting sensitive data as part of bot design

FIVE PREREQUISITES FOR EFFECTIVE BOT GOVERNANCE

1

IDENTIFY KEY
STAKEHOLDERS
AND PROACTIVELY
SEEK THEIR
INPUT.

2

DETERMINE
THE RPA
OPERATING
MODEL.

3

CONDUCT AN
RPA POC AND
SELECT THE
RPA TOOL.

4

PERFORM
PROCESS
DISCOVERY.

5

PREPARE
A BUSINESS
CASE.

THE SEVEN KEY COMPONENTS OF RPA GOVERNANCE

1. GOVERNING BODIES

2. ORGANIZATIONAL CONSTRUCT

3. OPERATIONAL LIFE CYCLE

4. INTERNAL CONTROLS

5. TECHNOLOGY GOVERNANCE

6. PERFORMANCE MANAGEMENT

7. VENDOR MANAGEMENT



Automating the right processes



THREE PRIMARY RPA OPERATING MODELS

A centralized model

typically has a robotics operations center (or center of expertise) that oversees and is responsible for RPA governance and infrastructure while leading process development for the entire company.

A decentralized model

involves a central team focused primarily on governance and infrastructure, with hubs deployed within various business teams leading implementation for their respective areas.

A federated model

places the power of governance, infrastructure, and implementation in the hands of individual teams or departments.

Filling the Hopper with Ideas

Grassroots efforts.
Staff generate ideas
and share with RPA
program or leadership.



Bottom-up

Top-down



Leadership identifies
strategic initiatives for
specific processes
requiring automation.

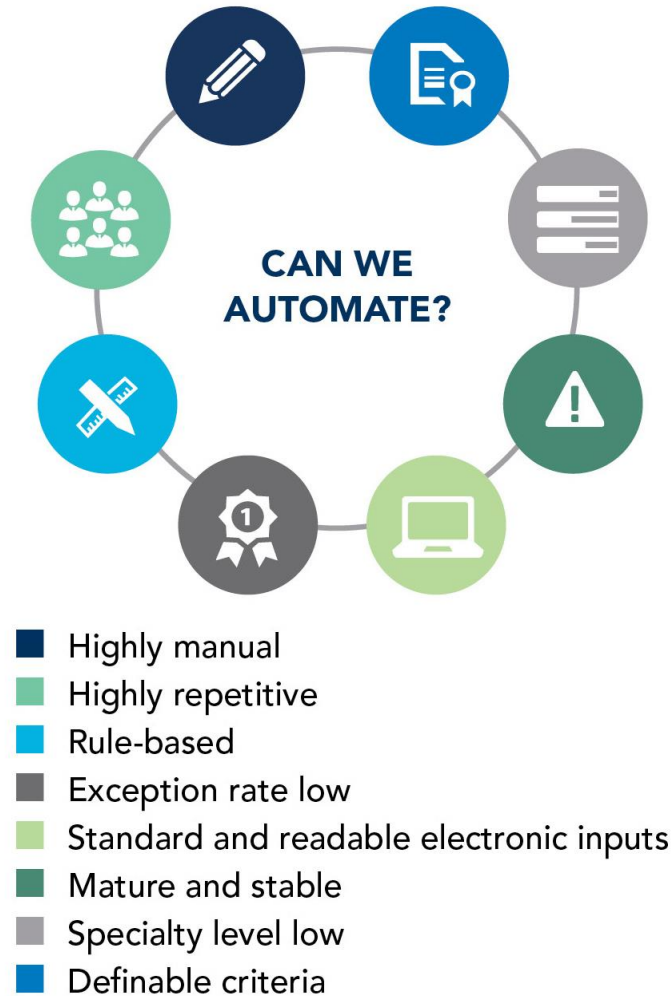
Manual processing
errors exposed during
audits or inaccurate
reporting.



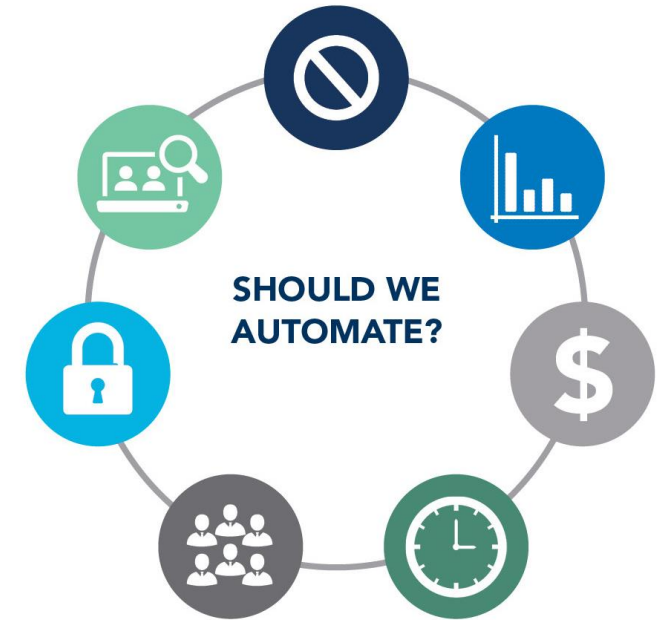
**Inspired by problems or
audit & analytical
findings**

Selecting and Prioritizing Automation Opportunities

CHARACTERISTICS OF AN IDEAL AUTOMATION CANDIDATE



EVALUATING THE BENEFITS OF AUTOMATION



RISK PROFILE

Impact of automating the process on the control and regulatory environment

ERROR RATE

Susceptibility of manual process to errors

IMPACT

Impact to the organization of errors and delays

VOLUME

Volume of process transactions

VALUE CREATION

Process robot is performing generates financial value

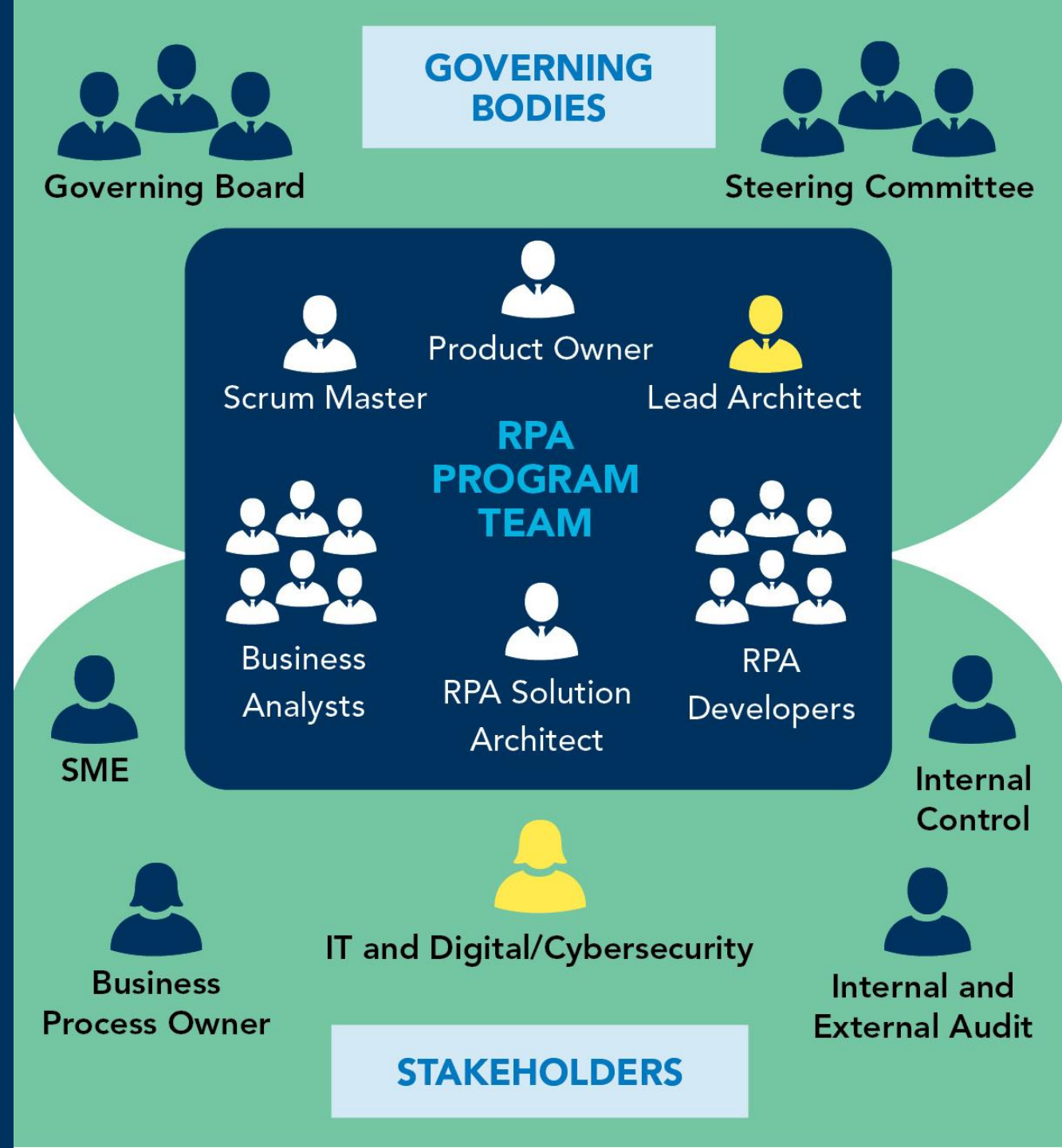
TIME

Time required to complete each transaction

EFFORT

Full-time equivalents required to support the process •

RPA Program Roles





The Association of
Accountants and
Financial Professionals
in Business

*Statement on
Management Accounting*

TRANSFORMING THE FINANCE FUNCTION WITH RPA



Thank You!

www.myima.org/RPA

ima®

The Association of
Accountants and
Financial Professionals
in Business