Custom Research

Economic Spectrum Report: Hyland RPA Software Suite

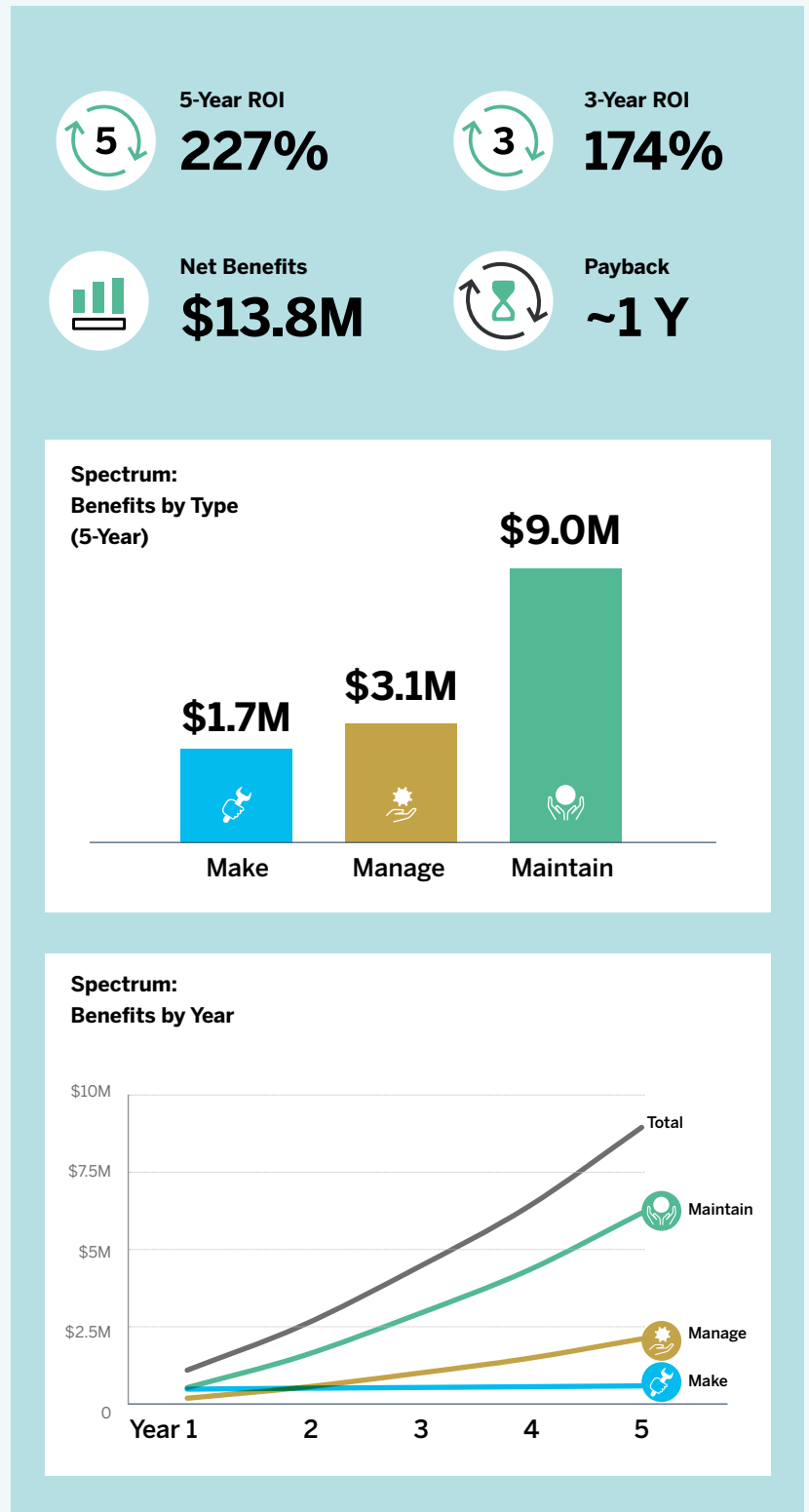A Deep Analysis study commissioned by

Hyland®

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Executive Summary

Hyland helps organizations in every industry seamlessly integrate content, data, and processes in order to provide the right information to the right people, when and where they need it. To determine how it can help customers drive efficiency by utilizing automation, Hyland commissioned Deep Analysis to prepare an Economic Spectrum Report examining organizations that have deployed its robotic process automation (RPA) software suite.

To construct this Economic Spectrum Report, Deep Analysis interviewed Hyland RPA customers in various industries and geographies to obtain a wide range of data points indicating their success using the platform. From this data, Deep Analysis ascertained that these customers found demonstrable improvements in process accuracy, timeliness/predictability, and operational costs in contrast to their largely manual pre-RPA experiences. Deep Analysis created a representative "hybrid" organization to reflect those data points in aggregate and made projections for that hybrid organization (see Figure 1).

From this work, the Deep Analysis Economic Spectrum model indicates that organizations can realize benefits of $13.8 million* over five years at a return on investment (ROI) rate of over 227%* by implementing Hyland's RPA platform.

*Figures adjusted for net present value (NPV) at 15%

Figure 1
Projected Benefits Overview

5-Year ROI **227%**	3-Year ROI **174%**
Net Benefits **$13.8M**	Payback **~1 Y**

Spectrum: Benefits by Type (5-Year)

- Make — $1.7M
- Manage — $3.1M
- Maintain — $9.0M

Spectrum: Benefits by Year

These benefits come from the following sources:

→ A reduction of more than $500,000 per annum in process operation development costs (Make), providing a three-year benefit of over $1,000,000* and a five-year benefit of over $1,500,000*.

→ Data quality improvements (Manage) through error reduction in processes by implementing Hyland's RPA benefits deliver over $1,000,000* in the first three years, and over $3,000,000* over five years.

→ Ongoing support costs (Maintain) for process loads operated by Hyland RPA customers can see reductions generating benefits to the business of over $3,400,000* (over three years) rising to more than $8,900,000* (over five years).

The compilation of the Economic Spectrum Report also uncovered other intangible benefits of deploying Hyland's RPA software suite, including:

→ Greater predictability in process performance timing, as previous delays caused by manual intervention were eliminated

→ Very low levels of vendor professional services required by organizations to achieve value from the platform

→ Overall reduction in workforce hours required during critical processing periods, where a work/life balance was an organizational priority compared to previous manual processing

The Deep Analysis Economic Spectrum Report indicates that organizations that automate routine processes with Hyland RPA will find significant returns regarding the costs of manual error correction and rework tasks, as well as general process creation, maintenance, and support costs. Processes are likely to be more predictable, timely, and accurate in their output.

The Three M's of the Deep Analysis Economic Spectrum Model

Make
Where value is generated

Manage
Where value is ensured

Maintain
Where value is strengthened

*Figures adjusted for net present value (NPV) at 15%

Methodology

Deep Analysis used information collected during interviews and compiled from industry research to build this Economic Spectrum Report. The report is designed to inform organizations looking to implement the Hyland RPA platform about the spectrum of outcomes realized by existing customers.

To do this, Deep Analysis used analytical layers to construct a model that reflects the experiences of Hyland RPA customers, consolidated outcomes from a variety of industries and geographies, the expertise of Deep Analysis' team of industry analysts, and additional market data collected during analyst research.

This research combines:

→ Deep Analysis' expertise in unstructured data automation

→ Detailed interviews with current Hyland RPA customers

→ A detailed compositing process to synthesize these data sets

→ Construction of a model that represents a full potential range of outcomes

Deep Analysis conducted all interviews with the respective customers, without intervention or response approval by Hyland. Deep Analysis maintains complete editorial control over this research; Hyland, as the sponsor of the work, provided feedback via a pre-release review of this report.

What Is Net Present Value (NPV)?

Net present value (NPV) is used in capital budgeting and investment planning to analyze the profitability of a projected investment or project.

NPV is the result of calculations that find the current value of a future stream of payments, using the proper discount rate. It is the difference between the present value of cash inflows and the present value of cash outflows over a period of time.

In this Economic Spectrum Report, figures marked with an asterisk have been adjusted for NPV.

Source: https://www.investopedia.com/terms/n/npv.asp

Conditions Before and After

Deep Analysis interviewed existing Hyland RPA customers about their experiences both before and after implementing the platform (see Table 1). This section describes the key challenges, results, and lessons drawn from those interviews.

Key "before" challenges

Interview respondents identified some of the challenges that led them to utilize Hyland's RPA, including the following:

Manual processing challenges. All the respondents were using manual processing for elements of important processes prior to adopting Hyland RPA (75% were entirely manual). This caused problems such as these:

➡ Workforce time allocation was problematic. Respondents pointed to busy periods where workloads were too high for the available workforce.

➡ Accuracy was hard to maintain. Several respondents pointed to the time being spent having to correct inaccurate data manually within processes.

A search for greater efficiency, then quality. All respondents identified efficiency as part of or the sole reason for looking to adopt Hyland RPA, and half added quality as a second stated desired outcome. This meant:

➡ Current processes produced high levels of variance in data quality and created unequal processing flows because the data had to be manually corrected.

➡ Artificial time buffers were added to process timing estimates to ensure that manual work didn't impact promised delivery schedules.

Table 1
Organizations Interviewed

Industry	Geography	# of Employees	Contact
Government	North America	3,000	CIO
Financial Services	North America	450	VP Development
Transportation	Europe	16,500	Team Lead, Automation
Financial Services	North America	1,000	Technology Integration Manager

Respondent Challenges

❝ *We noticed that multiple teams/departments were having to stay late due to their daily workload. This was forcing our employees and teams to stay late and miss time with their families.* ❞

❝ *Details during the processing were incorrect and as a result, the tasks were often processed incorrectly. This created more issues later in the week because these tasks needed to be corrected or redone [...] tasks took 2-3 times longer to complete.* ❞

Key results

When discussing the results of their progress so far with Hyland RPA, the respondents identified areas in which they believe their organizations have benefited from its introduction and some additional characteristics of note. Importantly, all respondents are continuing to grow their use of the platform, and their commentaries are indicative of this progress.

Improved accuracy, timing of processes. Respondents pointed to significantly improved accuracy in data collection on processes being managed by Hyland RPA, which helped to contribute to savings in several areas.

→ Reduction in workforce time spent in error correction. Respondents said the platform was able to help them significantly reduce the overhead involved in correcting errors generated by process instances. This enabled them to reallocate resources to other tasks, ensuring the complete removal of previously existing process bottlenecks. It also meant that a high degree of confidence could be assumed on processes that previously needed to be buffered to meet service levels.

→ Reduction in workforce time spent supporting processes in general. Respondents confirmed that supporting processes in general requires significantly fewer resources now than before.

Predictability in processing, consistent resource allocation. Overall, this has meant a more consistent, predictable, and manageable set of processes for the respective organizations and their workforces to manage. This in turn has resulted in tangible financial benefits for those organizations.

Ability to manage projects locally, with current workforce. Respondents said they've been able to manage the implementation and ongoing management of the Hyland RPA platform with their existing workforce and haven't needed to use external professional services or other additional resources to reach these results. This helps the affordability of projects beyond software costs and means ROI can be realized far earlier in project lifecycles than with alternatives whose full use might require expensive external resources.

Respondent Results

> *Mainly the benefit comes from time savings which is used to work on more value-adding tasks […] also the increase in process quality and the on-time processing of tasks.*

> *[Hyland RPA-driven process] is finalizing 98% of all contracts coming in which has saved over 8,500 hours since inception.*

Key lessons learned

Deep Analysis also asked the respondents about some of the lessons they learned from their Hyland RPA experience. The responses were largely operational rather than technical, focusing on how they'd recommend others should plan their Hyland RPA project in their own organizations.

More upfront analysis.

All respondents said they wished they'd performed more upfront analysis of processes before attempting to begin automating them. The greater the understanding of processes, their task stages, and how users interact with them, the better the chance that your approach to automation will, from the beginning, reduce interactions and rework and decrease time to value.

Stronger focus on process discovery, finding good candidates.

Related to upfront analysis, several respondents mentioned the challenge of finding the right candidate processes to automate in the first place and knowing how to prioritize them for automation. Organizations can find that a balance needs to be struck between processes that management and key users are keen to automate and those that score highest in detailed process analysis.

End-user involvement, especially key users and subject matter experts.

All respondents pointed to how vital to success the involvement of key users and subject matter experts was. For IT-led teams, this meant more outreach to the line-of-business operations than perhaps was the norm, but the end result was a process that matched the desired outcomes of all involved.

Respondent Lessons Learned

" End users must be willing to commit the time to validate process before [process goes into production]. "

" Ongoing challenge is finding good process candidates (high volume, low complexity, not able to be automated by other means). "

Economic Spectrum Report: Hybrid Organization Projection

To illustrate the potential outcomes informed by the collated interview data – with additional, separate Deep Analysis research data added for further detail – we constructed an example organization. This hybrid organization lets us calculate detailed breakdowns of the costs and benefits of Hyland RPA.

Description

The hybrid organization is a medium-sized enterprise, with 5,000 employees and annual revenues of $1 billion. It operates in a regulated industry where internal processes play an important role in managing compliance. As the organization has grown, the way these processes are managed has remained largely manual and requires significant effort to both manage and ensure accuracy in their operation and output. Their goal is to automate as many of the routine processes as possible, to ensure accuracy, consistency of effort, and timeliness, and to improve workforce satisfaction and retention.

Hybrid Organization

- 5,000 employees
- $1 billion in revenue
- Focus on process improvement

Project characteristics

Before it deployed Hyland RPA, the organization managed most of its internal processes manually, with the workforce processing the output of each individual task. As the processes hit peaks and troughs in usage, inconsistent demands were placed on the workforce, producing timing and throughput problems. The first part of the project was interviewing key users of the processes to identify which processes would be suitable for end-to-end automation, and mapping how the process works today and how it might be improved.

This enabled the organization to automate nine important processes in the first year and to add an increasing number each subsequent year over the timeframe reported upon, with 30 after three years and 55 after five years. This increase in the number of RPA processes over time increased that portion of the yearly software license cost, but development software costs remained stable throughout (see Table 8). The company used only minimal external services for upfront training, and none in subsequent years.
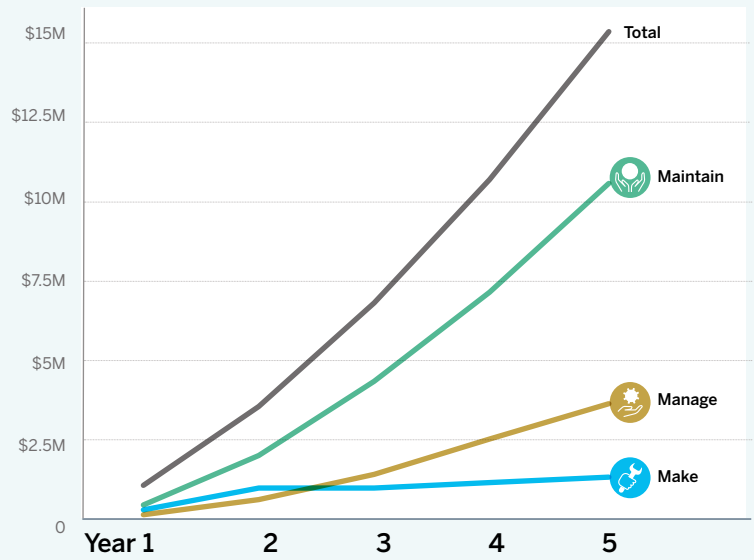
Benefits

Following are highlights of cumulative benefits for the hybrid organization deploying Hyland RPA software (see Figure 2):

Make

A reduction of more than $500,000 per annum in process operation development costs, providing a three-year benefit of over $1,000,000* and a five-year benefit of over $1,500,000*

Manage

A cost savings of $1,000,000* in the first three years, and more than $3,000,000* over five years, resulting from data quality improvements through error reduction in processes
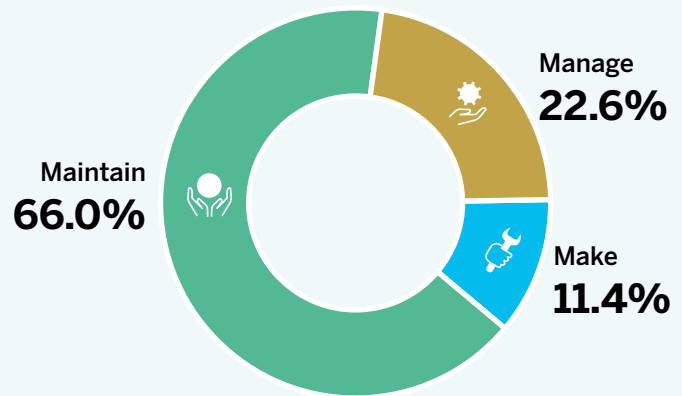
Maintain

Reductions in ongoing support costs for process loads generating benefits to the business of over $3,400,000* (over three years) and rising to more than $8,900,000* (over five years)

Figure 2

Spectrum: Cumulative Benefits

Note: Graph displays unadjusted gross figures

Figure 3

Spectrum: Division of Benefits

Note: Graph represents unadjusted gross figures

*Figures adjusted for net present value (NPV) at 15%

Analysis of benefits

The primary benefit of the Hyland RPA platform is to reduce the cost and improve the efficiency of operations for organizations by managing their vital processes through automation. Measurable examples of this within our hybrid organization after implementing the platform include:

→ An improvement in data quality through a reduction in errors and associated requirements for workforce interventions while carrying out vital organizational processes (Data Quality, B1 in Tables 2 and 3) and improvement in the accuracy and timeliness of processing actions.

→ A streamlining of process development (Process Development, B2 in Tables 2 and 4) where, by using the Hyland RPA and its development tools, the organization can significantly reduce the time needed to develop and deliver a process to the organization.

→ A reduction in the resources required to support individual processes (Process Support, B3 in Tables 2 and 5) which enables the organization to reallocate the workforce to higher-value tasks.

Table 2
Total Benefits for Hybrid Organization

Reference	Metric	Year 1	Year 2	Year 3	Year 4	Year 5	Total	NPV*
B1	Manage: Data Quality	$140,727	$502,218	$971,159	$1,485,928	$2,147,172	$5,247,204	$3,057,781
B2	Make: Process Development	$429,440	$485,457	$529,723	$577,392	$628,983	$2,650,995	$1,731,644
B3	Maintain: Process Support	$481,414	$1,503,836	$2,849,193	$4,325,516	$6,205,417	$15,365,376	$8,987,444
Total		**$1,051,580**	**$2,491,512**	**$4,350,075**	**$6,388,836**	**$8,981,572**	**$23,263,575**	**$13,776,869**

* NPV (calculated at 15% pa)

Table 3

Benefit 1 Calculation Table: Manage (Data Quality)

Reference	Metric	Calculation	Year 1	Year 2	Year 3	Year 4	Year 5
B1a	RPA processes in production	Prior year + 50% new	5	14	25	36	49
B1b	Reduction in errors (RPA vs. prior)	85% reduction	-85%	-85%	-85%	-85%	-85%
B1c	Error units (per week)	2	10	28	50	72	98
B1d	Error units (per year)	104	520	1456	2600	1872	5096
B1e	Error processing %	% of errors corrected	100	100	100	100	100
B1f	Error processing (per hour, 5% annual increase)	Cost per hour of workforce	$52.05	$54.65	$57.38	$60.25	$63.26
B1g	Management overhead	Cost of management overhead (%)	30%	30%	30%	30%	30%

* NPV (calculated at 15% pa)

🖐 Manage: Data Quality (B1)

The improvement in data quality is derived from the reduction in process errors reported by organizations that have deployed the Hyland RPA platform, meaning that our hybrid organization is having to deal with 85% fewer correction activities than under the prior system. This has both tangible and intangible benefits. The primary tangible one is significantly less workforce intervention needed to fix these process errors, meaning a significant reduction in costs previously attributable to this activity; this is the source of the headline financial impact. The reduction is scaled in parallel with the number of processes either migrated to or originated on the Hyland RPA platform over time.

The intangible benefits – not part of the financial calculation – include the predictability of both the data quality and the process throughput. The former means that not only is more data correct the first time around, but it is less susceptible to secondary errors during the correction phase. The latter means that delays that might have been caused by the bottleneck of process instances awaiting correction – producing a "lumpy" throughput as they are corrected and pushed through the process *en masse* – are avoided. The respondent comment that *"[Hyland RPA-driven process] is finalizing 98% of all contracts coming in, which has saved over 8,500 hours since inception"* provides another insight into the specific organizational benefits that can be derived from processes through improved data quality at the outset and beyond – in this case additionally related to timeliness and predictability of processing.

Table 4

Benefit 2 Calculation Table: Make (Process Development)

Reference	Metric	Calculation	Year 1	Year 2	Year 3	Year 4	Year 5
B2a	Hours per process	780	780	780	780	780	780
B2b	Skills mix (analysis)	80% (BA) / 20% (SA)					
B2c	Skills mix (development)	80% (SD)/ 20% (SA)					
B2d	RPA in development	1 additional per year	9	10	11	12	13
B2e	Cost of business analyst (per hour, 5% annual increase)	$67.21	$70.57	$74.01	$77.80	$81.69	$85.77
B2f	Cost of system architect (per hour, 5% annual increase)	$69.00	$72.45	$76.07	$79.87	$83.86	$88.06
B2g	Cost of software develo- per (per hour, 5% annual increase)	$83.08	$87.23	$91.59	$96.17	$100.01	$106.00
B2h	Training (per process)	4 people, 2 hrs per process	9	10	11	12	13
B2i	Training cost (per process, per year)	Processes x people	$470.47	$470.47	$470.47	$470.47	$470.47
B2j	Management overhead	30%	30%	30%	30%	30%	30%

Make: Process Development (B2)

The development process for migrating existing processes or originating new processes into the Hyland RPA platform reduces the overall time required compared with the previous process creation method. It moves from a manual method to one utilizing the characteristics of automation, with an assumption of process planning and mapping being identical in terms of resources, and the research data indicates that it takes only two-thirds of the time. The RPA method utilizes a different set of skills (developers, architects) to those that might have been previously used; these come with higher overheads in the example of our hybrid organization. Even with that increase in workforce unit (hourly) costs, the reduction in the number of those units consumed to deliver the automated process significantly offsets the increase.

A less tangible benefit here is that this development is typically managed by in-house, full-time employees, developing skilled roles within the organization, which should assist with staff development targets and, ultimately, contribute to workforce retention (although it does have a tangible contribution towards Process Support, B3 below).

Table 5
Benefit 3 Calculation Table: Maintain (Process Support)

Reference	Metric	Calculation	Year 1	Year 2	Year 3	Year 4	Year 5
B3a	RPA processes in production (supported)	Prior year + 50% new	5	14	25	36	49
B3b	Support hours	Hours per process, per week	5	14	25	36	49
B3c	Skills mix (support)	95% (SD) / 5% (SA)					
B3d	Cost of software developer (per hour, 5% annual increase)	$83.08	$87.23	$91.59	$96.17	$100.01	$106.00
B3e	Cost of system architect (per hour, 5% annual increase)	$69.00	$72.45	$76.07	$79.87	$83.86	$88.06
B3f	Management overhead	30%	30%	30%	30%	30%	30%
B3	Total cost per process, per annum	Support mix x hours + management	$5,568	$5,846	$6,138	$6,445	$6,767

🤲 Maintain: Process Support (B3)

The reported reduction in resources required to support processes automated with Hyland RPA was notable within the research, with all respondents reporting exceptionally low numbers. This means that for our hybrid organization, the cost of supporting processes starts very low and remains at that level even when the number of processes being supported climbs (at 5% of the cost of managing the equivalent manual process). Even though it does not form part of the tangible calculation here, that aforementioned intangible benefit of in-house development from B2 is likely to contribute to the low support costs, as the resources involved in developing and launching the processes can provide ongoing support, likely with a lower resolution duration (e.g., for related support tickets).

Total costs
(operational and software costs)

The costs associated with operating the Hyland RPA-enabled processes are a combination of operational costs outlined in the prior benefits calculations and the software and associated costs summarized below.

Table 6

Total Cost of Operations

		Year 1	Year 2	Year 3	Year 4	Year 5	Total	NPV*
	Manage: Data Quality	$35,187	$103,450	$193,969	$293,281	$419,148	$1,045,036	$612,434
	Make: Process Development	$848,701	$990,151	$1,143,624	$1,309,969	$1,490,090	$5,782,535	$3,728,466
	Maintain: Process Support	$27,844	$81,862	$153,491	$232,078	$331,678	$826,953	$484,628
	Software	$132,000	$252,000	$384,000	$528,000	$684,000	$1,980,000	$1,199,771
	Professional Services	$44,000	0	0	0	0	$44,000	$38,261
	Total	**$1,087,732**	**$1,427,463**	**$1,875,084**	**$2,363,329**	**$2,924,916**	**$9,678,524**	**$6,063,560**

* Calculated at 15%

Software and Associated Costs

The largest cost line item is the Hyland RPA platform software itself. In our hybrid organization, the primary upfront costs are for the development platform (licensed for 12 users throughout the time period illustrated) and a relatively modest amount of one-off professional services costs to provide initial onboarding and training (see Table 7). In the formal year 1, where nine processes were originated in the RPA, the costs (bots, development, and support and maintenance) are $132,000. From that point, our organization adds further new processes per annum, with the $10,000 per process software fee reflected in the cost uplift year-on-year (see Table 8).

Table 7
Software and Associated Costs

Cost	Year 1	Year 2	Year 3	Year 4	Year 5
Software	$132,000	$252,000	$384,000	$528,000	$684,000
Internal*	included	included	included	included	included
External**	$44,000	0	0	0	0
Total	$176,000	$252,000	$384,000	$528,000	$684,000

*Internal costs: planning, training, implementation, and ongoing administration included within each benefits calculation

**External professional services costs (for initial planning, training, and implementation as required, blended daily rate of $1k).

Table 8
Software Costs

Cost	Year 1	Year 2	Year 3	Year 4	Year 5
Bots*	$90,000	$190,000	$300,000	$420,000	$550,000
Dev Kits**	$20,000	$20,000	$20,000	$20,000	$20,000
Support & Maintenance***	$22,000	$42,000	$64,000	$88,000	$114,000
Total	$132,000	$252,000	$384,000	$528,000	$684,000

*at $10k per bot, per year

**Hyland RPA developer kit at $20k per license for 12 developers, per year

***at 20% per annum bots and dev kits combined

Financial Summary

Table 9 and Figure 4 summarize the projected costs and benefits for the hybrid organization of implementing Hyland RPA software, based on our analysis.

Total Result - Costs and Benefits

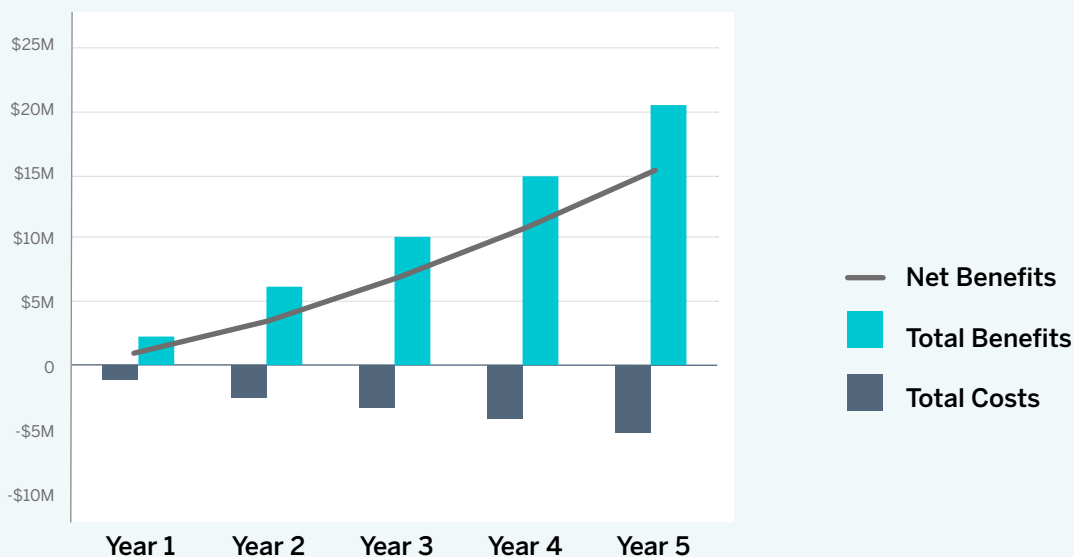|	Year 1	Year 2	Year 3	Year 4	Year 5	Total	NPV
Total Costs*	$1,087,732	$1,427,463	$1,875,084	$2,363,329	$2,924,916	$9,678,524	$6,063,560
Total Benefits**	$2,139,312	$3,918,974	$6,225,159	$8,752,165	$11,906,488	$32,942,098	$19,840,430
Net Benefits*	**$1,051,580**	**$2,491,512**	**$4,350,075**	**$6,388,836**	**$8,981,572**	**$23,263,575**	**$13,776,870**
3-Year ROI							174%
5-Year ROI							227%
Payback							~ 1 Year

*net cost of Hyland RPA operation (software and operations)
**current value of operation
***net value of operation

Figure 4

Spectrum: Cumulative Costs and Returns

Legend:
— Net Benefits
■ Total Benefits
■ Total Costs

About Deep Analysis

We Research Innovation

Unstructured Data Management

ECM, KM, EX, etc.

Process & Task Automation

Intelligent Document Processing (IDP)

Due Diligence

Competitive Intelligence

Thought Leadership

Market & Product Strategy

Our Services

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Deep Analysis is an advisory firm that helps organizations understand and address the challenges of innovative and disruptive technologies in the enterprise software marketplace.

Its work is built on decades of experience in advising and consulting to global technology firms large and small, from SAP, Oracle, and HP to countless start-ups.

Led by Alan Pelz-Sharpe, the firm focuses on Information Management and the business application of Cloud, Artificial Intelligence, and Blockchain. Deep Analysis recently published the book "Practical Artificial Intelligence: An Enterprise Playbook," co-authored by Alan Pelz-Sharpe and Kashyap Kompella, outlining strategies for organizations to avoid pitfalls and successfully deploy AI.

Deep Analysis works with technology vendors to improve their understanding and provide actionable guidance on current and future market opportunities.

Yet, unlike traditional analyst firms, Deep Analysis takes a buyer-centric approach to its research and understands real-world buyer and market needs versus the "echo chamber" of the technology industry.