

CASE STUDY 10.1

Q1. Discuss why O2 turned to offshoring. Do you think these reasons still apply for O2 as it continues its sourcing arrangement with the Indian BPO?

- A. The reason why O2 turned to offshore as they initiated a back office shift in 2004 when they hired an Indian BPO contractor, and they were able to minimize the expenditures of back-office because of these changes. Offshore transactions increased but headcount providers in the UK were decreasing that was causing them to cut their most expensive labor expenditures. O2 eliminated non-value-added activity from the 60 core back-office operations. These elements, I agree, remain valid since they take advantage of lower pricing and eliminate nonvalue output. Yes, these reasons continue to apply to O2 as it maintains its sourcing arrangement with an Indian BPO.

Q2. Why do you think the Indian BPO provider decided not to work with O2 on its RPA initiative? Do you think this was a good decision for the BPO provider?

- A. Yes, I believe that the BPO provider made the right choice here. Additionally, Indian BPO providers declined to work with O2 on its RPA proposal because accepting this offer would significantly reduce their workforce, which is how BPOs make money. I think that dismissing For a BPO provider whose primary source of income is headcount, accepting the offer was a wise move. They don't specialize in RPA because they work with people rather than robots, so that was another smart choice. They would spend a lot of money accepting RPA, and they would also need to train their staff on how to use it.

Q3. Describe the approach Wayne Butterfield adopted to study the benefits of RPA? What are the strengths and weaknesses of this approach?

- A. Wayne Butterfield adopted a proof-of-concept initiative lasting two years that included two RPA pilot tests using the Blue Prism software. To ascertain RPA's viability and potential advantages, the first step was to pilot it for two back-office procedures. The configuration of the pilots took two weeks and was done on-site by Blue Prism consultants. To avoid any possible objections, Butterfield initially didn't consult the IT division or the Security and Fraud division. The IT department was then asked to develop identical systems using BPM as a proof-of-concept, and the pilots were developed in three weeks each, but at a significantly higher cost due to IT labor. Using the outcomes of the two pilot tests, Butterfield created three-year business cases for RPA, demonstrating that using RPA would have a million £ (\$1.4 million) benefit compared to using BPM and the IT department, which would have no net financial benefit. The advantages of this approach include a straightforward and quantifiable way to assess the merits of RPA and

evaluate it against competing strategies. This method's flaw is that it might overlook other crucial elements like organizational culture, employee readiness, potential risks, and challenges.

Q4 .Do you think that other companies could achieve results from RPA similar to O2? Why or why not?

- A. Yes, other companies could use RPA to achieve outcomes akin to O2. RPA is a versatile technology that can be used to automate various back-office procedures. Cost savings, increased efficiency, and improved accuracy are some of its potential advantages. The success of RPA, however, depends on a number of variables, including employee readiness, the availability of pertinent data and systems, the complexity of the processes, and organizational culture. Companies should thoroughly evaluate the potential advantages and risks of RPA and create a thorough implementation strategy.