blueprism®
Robotic Process Automation Software

npower Business Solutions
Case Study

Delivering the **world's most successful digital workforce.**

innogy SE

innogy SE is an established European energy company. With its three business segments, Grid & Infrastructure, Retail and Renewables, it addresses the requirements of a modern, decarbonised, decentralised and digital energy world.
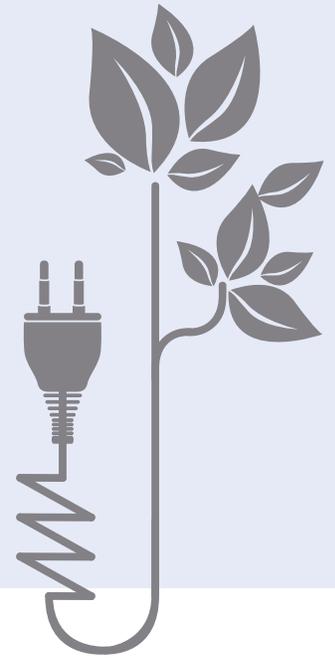
The focus of innogy's activities is on offering existing and potential customers innovative and sustainable products and services which enable them to use energy more efficiently and improve their quality of life. The key markets are Germany, the United Kingdom, the Netherlands and Belgium as well as several countries in Central Eastern and South Eastern Europe, especially the Czech Republic, Hungary and Poland.

In renewable power generation, the company is also active in other regions, e.g. Spain and Italy. The innogy brand name is a symbiosis of the terms innovation, energy and technology.

Challenges

npower Business Solutions is innogy's industrial and commercial service line in the United Kingdom, supplying a diverse portfolio of large industrial, multi-site retail, public consortia, utilities and consultants.

The company competes with nearly 40 other suppliers in a market that has recently faced an increasingly complex regulatory environment and customers who demand increasing energy efficiency to reduce operating costs and meet emissions reduction targets. Additionally, the company faced increased competition from small market entrants

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with low overhead costs who are able to undercut energy prices. To stay competitive, npower sought to innovate while cutting costs. Constrained by aging legacy architecture that manages complex, low-volume processes with high service costs, a need to increase customer satisfaction and retention while providing more speed and agility for the business, npower needed to find alternatives to traditional corporate IT solutions.

The npower team considered outsourcing and off-shoring, but ultimately concluded that its processes did not have the high volume or levels of standardization that make outsourcing an ideal solution. Rather, npower needed a solution that would handle a low volume of highly complex processes characterized by compound steps, multiple variables and access to fragmented systems. The ideal solution would navigate bespoke systems and

processes while reducing the need for re-work and ensuring regulatory compliance and accuracy.

Reducing headcount was not the main driver — rather, the objective was dramatically increasing the speed and agility of process completion.

A workable solution needed to:

- adapt to rapid change (especially regulatory compliance);

- deliver with lower project costs and risks compared to conventional IT;

- create faster lead times;

- leverage more lifetime value from legacy systems without capital investment; and

- create completely new capabilities – not just reduce costs of existing processes.

Solution: Automation

npower's residential B2C service line had already used Blue Prism to develop a mature Robotic Process Automation (RPA) capability for automating its own high-volume, low-complexity processes, but such a solution would need to be adapted to fit the B2B service line's low-volume, high-complexity needs.

Because npower's IT division was already familiar with how to deploy software robots without compromising security and governance, the B2B service were able to build a business-based development team to adapt Blue Prism's RPA technology.

Drivers & Objectives: Building the Business Case

Over-arching Drivers: Flexibility & Agility

- Adapt to rapid change (especially regulatory compliant)
- Lower project delivery costs & risks than conventional IT
- Faster lead times

- Leverage more lifetime value from Legacy systems without capital investment
- Create completely new capabilities - not just reduce costs of existing processes

Specific projects justified on own merits

Cost & risk	Quality	Dependability
• Labour reduction and / or avoidance • Cash collection • Regulatory sanctions	• Increased accuracy • Reduced re-work	• Increased customer satisfaction & retention

Multi-faceted drivers - not just labour saving

Identifying the Processes for Automation

To determine what to automate, the npower team looked for processes that:

- were relatively labour intensive, repetitive and prone to human error;
- required access to multiple legacy systems, slowing down processing speed;
- followed set business rules;
- were often assigned as seasonal / temporary work; and
- had short lead times and fast payback for quick success.

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npower saw that automating processes that fit this description would streamline employee workflow, rather than create wholesale job displacement, and determined that the three initial processes best suited for automation were:

- invoice statement generation;
- emergency contact detail communications; and
- missed contract renewals.

Invoice Statement Generation

Regulatory requirements mandated that energy companies must provide customers with contract end-date and renewal details on their invoices from 1 April 2014.

Rather than hiring a large number of temporary full-time equivalent employees (FTEs) for the five months to manually process individual customer statements, npower decided to use automation as a tactical stopgap.

SOLUTION

The data required for this process was housed in more than 50 systems, ranging from a COBOL-based billing system to spreadsheets and in-house custom built sales and customer databases. The npower team developed a hybrid solution. Instead of Blue Prism having to go into multiple different systems, all the relevant data was taken out of those systems and consolidated in one central repository. The Blue Prism software robots could then use that data to complete the 50-60 steps that each process required according to logical business rules.

RESULTS

After three months of development, the solution was live by the April 1 compliance deadline and processing time was reduced from 20 minutes or more to mere seconds. This automated fix saved npower from needing to hire an additional 21 FTEs and eliminated the risk of breaching the regulatory mandate.
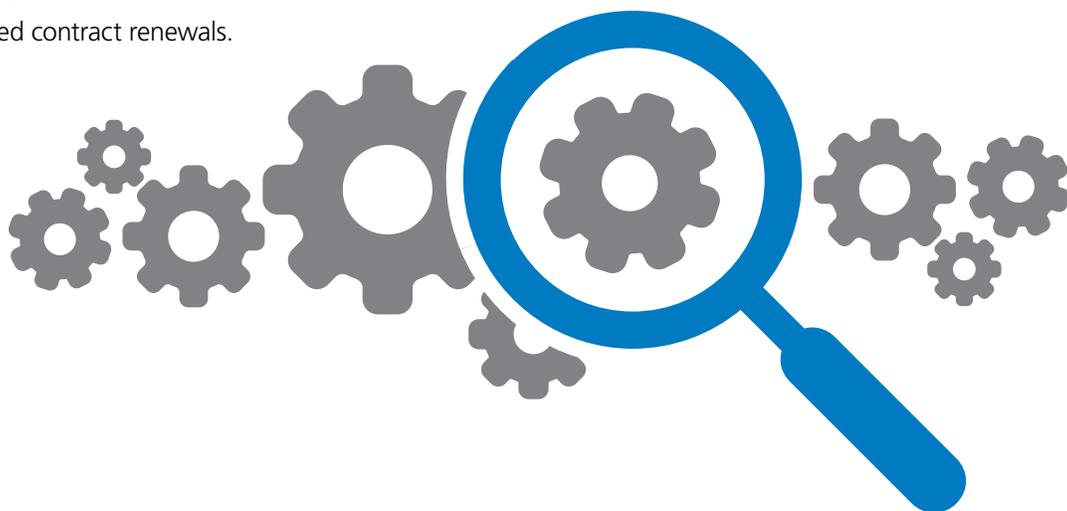
Emergency Contact Process Mandate

npower uses customer invoices to communicate required information, including the contact number for customers experiencing an emergency that requires their gas or electricity to be turned off.

For those receiving regular invoices, meeting this requirement is not a problem—however, it is a problem for those whose invoices are irregular for any reason. As such, npower needed a solution that could identify and notify those customers en masse.

An IT solution would have required a code to extract the needed information from various systems and pool it in a central location, where four additional FTEs would be tasked with manually sorting and making outcome decisions based on each individual circumstance, increasing the likelihood of error. In addition to the added FTE overhead, this option would cost an estimated £500,000 to £1 million. npower ultimately decided to create an automated solution.

SOLUTION

npower devised a hybrid solution similar to the one it employed to generate additional information on invoice statements: scripts pooled data from disparate locations into one central pool, where Blue Prism's automated workforce could generate a letter with the correct and appropriate information for any customer who hadn't received an invoice for a determined amount of time.

RESULTS

Using a manual process involving multiple data extracts, validation and mail merges to produce letters took approximately 25 minutes per transaction; using the automated solution dropped the processing time to two to three minutes per transaction. Additionally, npower did not need to hire the estimated four FTEs and avoided potential non-compliance sanctions.

Missed Contract Renewals

npower's commercial customers sign contracts for a finite amount of time, typically ranging from six months to five years.

At the end of the contract, a minority of customers do not re-sign but also do not switch providers. They remain active in the npower system without an active agreement on contracted rates, leaving npower unable to invoice them for the energy they are continuing to use unless a remedial solution can be implemented, presenting potential risks to cash flow and working capital.

SOLUTION

npower's automated solution identifies customers as soon as their contract expires and enables npower to invoice them on higher, out-of-contract rates for their energy usage. The higher rates incentivize the customer to renegotiate a new contract, lowering the number of customers operating without an agreement.

RESULTS

npower has completely automated 95 percent of these transactions, leaving only five percent that need manual intervention due to unexpected variables.
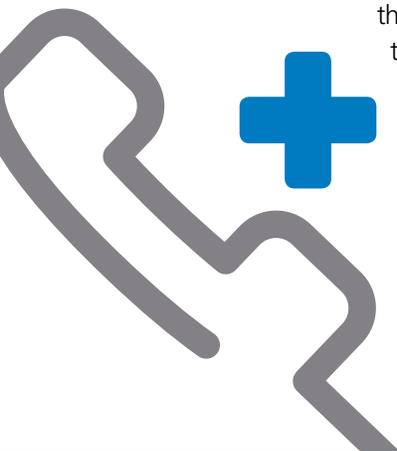
Business Impact

npower used Blue Prism's technology to create custom automated solutions that contributed to transformational change in the company's B2B operations.

Using 10 software robots over the first year of deployment npower automated 17 processes, saving the equivalent of 40 FTE hires and creating an 8 percent productivity increase across the entire service operation. The automated processes were on average 60 percent faster than their manual equivalents. npower also eliminated the risk of incurring non-compliance fines.

Automation enabled npower Business Solutions to maximize its legacy systems and resources, rather than requiring a new investment or traditional IT system enhancements. In addition to becoming faster and more agile, npower has upskilled its workforce, changing the content of employees' work and shifting their focus from back-office data processing to front-office customer management and retention. This transformation has created a new culture of augmented human intelligence and a company even better poised to succeed in a competitive industry.

Headline RPA Delivery in First Year

10 Robots

17 Processes Automated

3x Regulatory
5x Pricing & Contracts
7x Invoicing & Cash
2x Reporting / Scheduling

40 Equivalent FTE Avoidance*

*Sustained annualised savings (32) plus temporary bubble avoided

60% Process Time Saving

*Saving in automated processes compared to manual

8% Productivity

*Increase across whole service operation

About Blue Prism

As the pioneer, innovator, and market leader in RPA, Blue Prism delivers the world's most successful digital workforce. The company's software robots automate repetitive administrative tasks while meeting the requirements of the most demanding IT environments, where security, compliance, and scalability are paramount.

Blue Prism provides a scalable and robust execution platform for best-of-breed AI and cognitive technologies, and has emerged as the trusted and secure RPA platform of choice for the Fortune 500.

To learn more, visit **www.blueprism.com** and contact +44 (0) 870 879 3000 | +1 888 757 7476.