ROBOTIC PROCESS AUTOMATION

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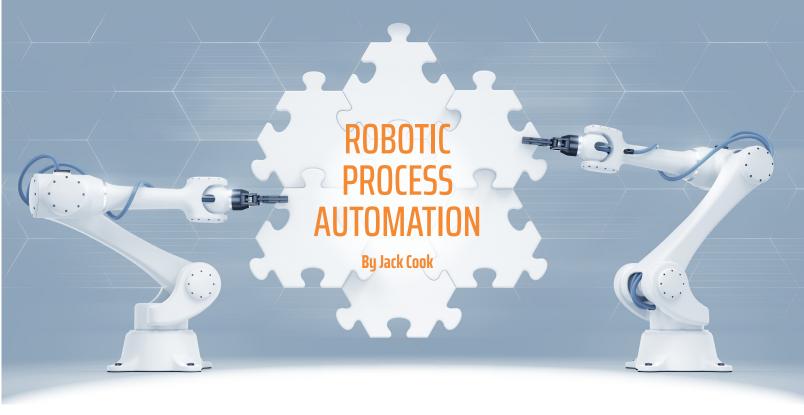
Robotic Process Automation (RPA) will be a larger paradigm shift in accounting than Visicalc, the first electronic spreadsheet and forerunner of Excel. Out went paper spreadsheets and accounting changed forever.

The effects of RPA on accounting will be even greater. RPA will take over complex repetitive tasks and replace them with computer automation. RPAs are relatively easy to implement and cost effective, and compliance risks can be minimized by setting appropriate parameters when set up.

RPAs automate repetitious tasks by mimicking data workflow. It does this by the principle of "monkey see monkey do." The most advanced RPAs "learn" by monitoring the normal data workflow that is performed on a routine basis by accountants. Learning can be accomplished by simply having a firm's accountants continue their daily routine and allowing the RPA to monitor their actions. Over time, an RPA will take over repetitious tasks.

An example of RPAs being deployed is invoices. An RPA can "learn" what data to read on an invoice, determine if the invoice contains the necessary data and then pay the invoice. If the invoice does not contain the required data, the RPA can draft and send an email to the vendor requesting the information needed to complete the invoiced transaction.

RPAs can also be used for more complex repetitive tasks, such as tax returns. Deloitte states that their RPA system can read tax forms, populate the tax software, complete the workpapers and be able to email the client if additional information is needed. [1] This can be completed without human intervention.

RPAs operate as a remote user. This creates some risks regarding data management. CPAs should set parameters to reduce the risks, including these software security protocols:

- Strong password management,
- Awareness of the location of where data is stored, and
- Vigilance on how RPAs manage data.

There are three main providers for RPAs: Automation Anywhere, UI Path and Blue Prism. UI Path and Automation Anywhere have free trials of their software. UI Path is a 60-day free trial and Automation Anywhere is 30 days.

This technology is in the adoption phase. It appears that the companies are attempting to gather market dominance by offering low pricing. If a user can minimize the risks, the return on investment on an RPA is astonishing.

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[1] https://www2.deloitte.com/global/en/pages/tax/solutions/rpa-for-tax.html

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