



# IS INTELLIGENT AUTOMATION FUELLING DIGITAL TRANSFORMATION IN ACCOUNTING AND FINANCE

SeGAC 2023 7 June 2023

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# **Agenda**

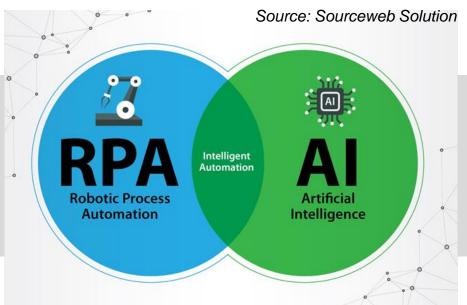
# Is Intelligent Automation Fuelling Digital Transformation In Accounting And Finance

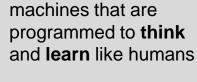
- 1. What is Intelligent Automation?
- 2. RPA and Intelligent Automation in General
- 3. Intelligent Automation and Digital Transformation in Accounting and Finance A Case Study in JANM
- 4. Challenges, Mitigation Strategy and Solutions / Initiatives

What is Intelligent Automation?



Technology that allows businesses to automate high volume, repetitive and rulebased tasks by using software robots





intelligence in

AI

THIT

Simulation of human

- Understand documents
- Classify emails
- Forms in VDI
- Semi-structured data
- Unstructured data
- Mine processes
- Mine tasks
- Speech to text
- Chatbots

Copy/paste

Fill forms

**Email** event

Log in to apps

Capture task

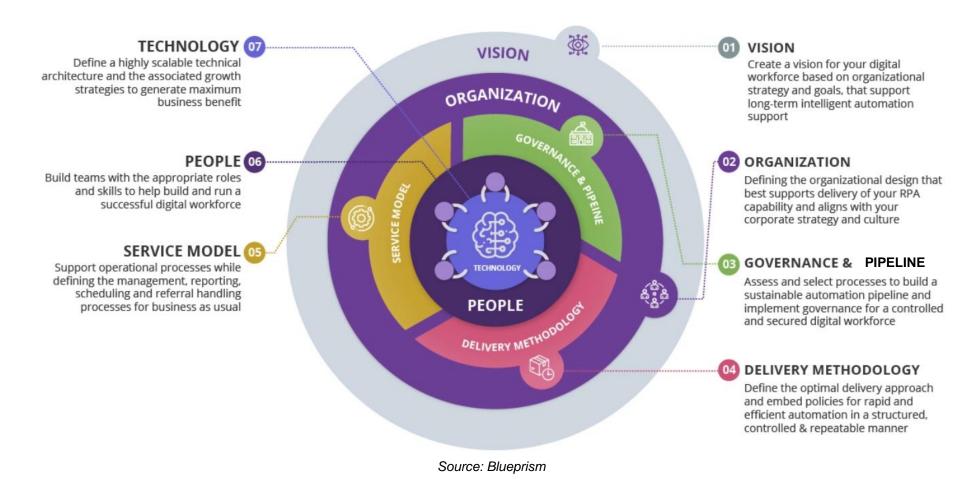
Scrape data

Extract structured data

Read/write database

Moving file/folders

# The Seven Foundations of a Robotic Operating Model



# **RPA Benchmarking**

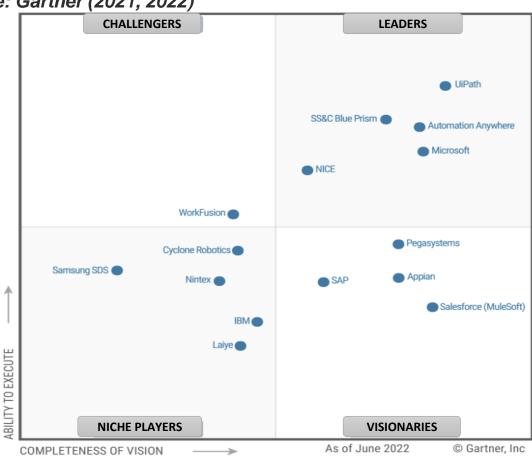
	Public Sector	GLC/Private Sector
Local	JABATAN PERKHIDMATAN AWAM  JABATAN AKAUNTAN NEGARA MALAYSIA	pharmaniaga Pos Aviation  MYDIN  A member of UEM®  TOTAL MAJOR PENINTAN  PERINANA SETOR AVIAN
International	***	Cognizant accenture Deloitte.  Symphony a SYKES Company Ascension  Ascension  Ascension



# **Gartner Magic Quadrant for RPA**

Magic Quadrant for Robotic Process Automation (RPA) Source: Gartner (2021, 2022)







# Benefits Of Intelligent Automation In Accounting & Finance





Intelligent automation complements and enhances the outcomes of digital transformation initiatives

Intelligent automation helps organizations extract maximum value from their digital initiatives and stay competitive in a rapidly evolving digital landscape

# Intelligent Automation (IA) in Accounting and Finance In General

### **Accounts Receivable**

- Autogenerate invoice
- Keep track day sales outstanding
- Send reminder
- Process overdue payment

# **Audit and Compliance**

- Analyse financial data
- Identify anomalies
- Perform risk assessment
- Automate creation of audit trails
- Generate compliance report
- Assist fraud detection and prevention





- Data correlation and massaging
- Data validation & Reconciliation
- Data & document classification
- Reporting generation



- Capture data from invoice in different format using intelligent document processing
- Cross check invoice against purchase order
- Route document to relevant staff for exception handling
- Check fraudulent document



### **Financial Reporting and Analysis**

- Generate financial reports
- Aggregate and analyze data from multiples resources
- Extract key info, identify pattern and trends, provide insights



# **Financial Planning and Analysis**

- Automate budgeting, forecasting and variance analysis
- Consolidate data from multiple resources
- Perform scenario modelling
- Provide real time insights for strategic decision making



# Intelligent Automation (IA) in Accounting and Finance In JANM

Perform scenario modelling

#### **Accounts Payable** Capture data from claim form in different **Accounts Receivable** format using intelligent document processing AS IS Cross check claim against subsidiary system Data extraction Auto generate invoice Route document to relevant staff for Keep track day sales outstanding Data correlation exception handling Send reminder and massaging Check fraudulent document TO BE Process overdue payment Data validation & **Financial Reporting and Analysis** Reconciliation Generate financial reports **Audit and Compliance** Data & document TO BE Aggregate and analyze data from multiples Analyse financial data classification resources Identify anomalies Extract key info, identify pattern and trends, Reporting Perform risk assessment provide insights generation Automate creation of audit trails Generate compliance report **Financial Planning and Analysis** Assist fraud detection and prevention Automate budgeting, forecasting and variance analysis Consolidate data from multiple resources

Provide real time insights for strategic decision making



# **JANM** Digital Transformation and Intelligent Automation Journey





BSP / ISP 2024 - 2030 **iGFMAS** 

- Cloud Based Accounting System
- Data Analytics
- Scaling RPA + Al In-house development
- E2E digital



1.1.2018 - Present **iGFMAS** 

- Centralised system on SAP Platform
- eGUMIS
- Accrual and cash processing
- 99% EFT payment / Online iPayment
- RPA + AI managed service /In-house



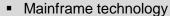
2006 - 2017 eSPKB / GFMAS

- SAP Platform for AO System
- Outsource Dev. for PTJ System
- Payment by cheque / EFT
- Online payslip



2001 - 2006 eSPKB / LFEP / BAS

- eSPKB/LFEP Outsource Development
- Online processing by AO
- Payment by cheque / EFT
- EFT 100% for ePerolehan payment



- Unclaimed money imaging system
- Financial and supporting document sent to AO for processing
- Payment by cheque



1987 - 2000 **Branch Accounting** System (BAS)



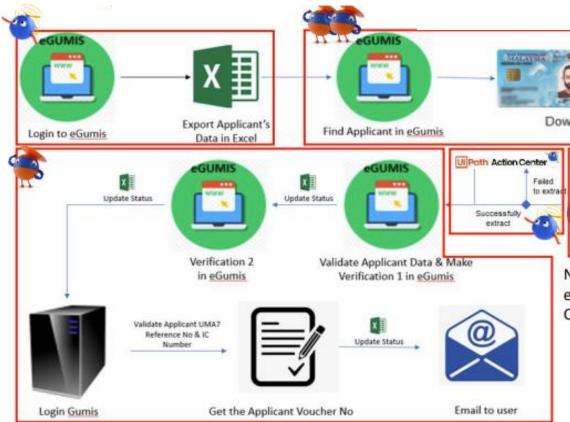
**Strategic** 

**Decision Making** 



# **Intelligent Automation (IA) In JANM** IA Manage by Vendor

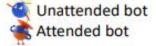
# **Process of Refund for Unclaimed Money**



# Download all applicant's documents Azure Form Recognizer Extract Data from Applicant's Documents

Note: the unattended bot used for exporting applicants and Action Center is the same

#### Legend:



## **Background**

- Unclaimed money >RM11b.
- Average claim 500/daily. During viral >1,200/daily
- Manual validation on claim submission vs subsidiary records
- Average processing time 10mins/application

#### **IA Outcome**

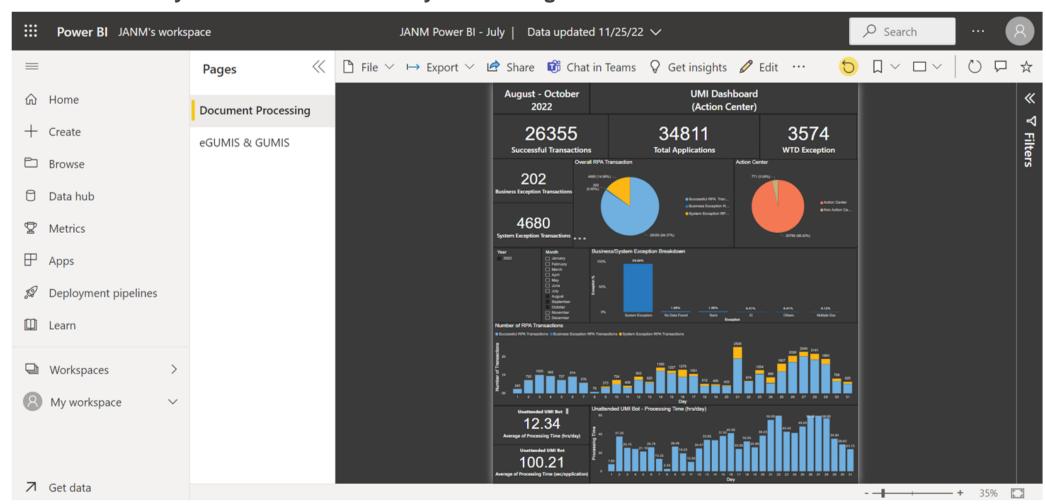
- RPA Go Live 7.3.2022
- >80% improvement in turn-around time. Average processing time 1min/application
- Comprehensive dashboard for analysis of robot performance
- Reduce manpower

#### **Enhancement**

- 85 man-hours saved daily
- Capable of processing >1,000 claims daily
- More bots additional 2 bots
- Enhance capturing data capability
- Process new type of claim bank draft
- Enhance analysis on dashboard
- Fraud detection at supporting document and database level

# Intelligent Automation (IA) In JANM IA Manage by Vendor

# **Dashboard Analysis on Unclaimed Money Processing**





# What's Next? JANM RPA In-house Development

# 2023



### April

- Procurement process
- RPA Self Learning
- RPA Citizen Developer certification
- Collection of business process



#### June

- Procurement process
- RPA Self Learning
- RPA Citizen Developer certification
- RPA Developer certification
- RPA guideline drafting



### Jan - March

- Hands On Training CIMA AICPA RPA
- UiPath Self Learning
- Specification for RPA Procurement
- RPA Business Process Planning
- Study Visits



# May

- Procurement process
- Business process workshop
- RPA Citizen Developer certification
- RPA guideline draft



### July - December

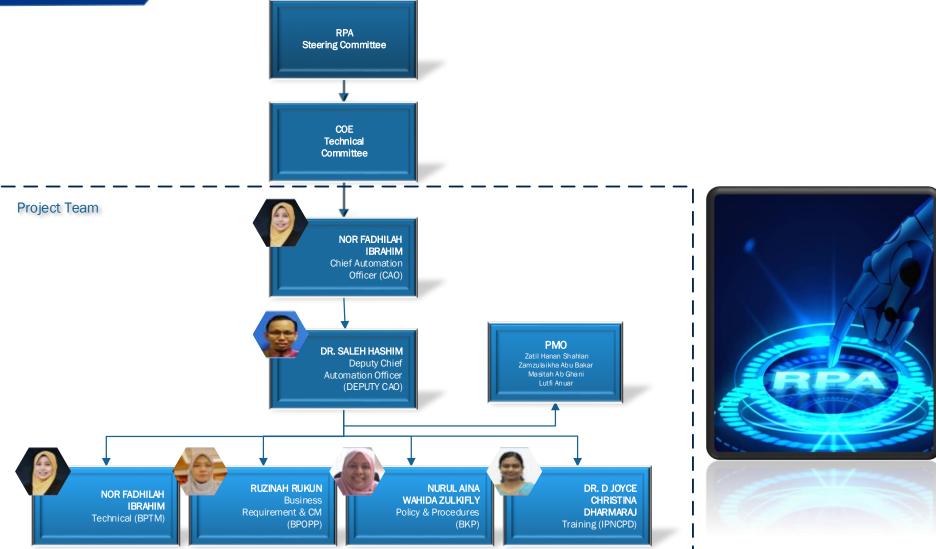
- COE Playbook
- COE establishment
- Identification of RPA business process. >100 bp, shortlist 26
- Project documentation
- RPA in-house development
   Go Live July 2023
- KPI

### 2024 onwards

Scaling RPA + Al through in-house development



# **Enabler RPA JANM Governance Structure**



# **RPA Activities in JANM**



# **JANM Intelligent Automation** Challenges, Mitigation Strategy and Solution / Initiative ...1/2

#### **Challenges**

Cost consideration

Regulatory Compliance

Skill gaps and training

Governance and Oversight

#### **Mitigation Strategy**

- Assess costs and benefits
- Start small
- Free RPA self-learning
- Evaluate current regulation & establish justification
- Seek regulatory advise
- Webinar / Seminar / Awareness
- UiPath self-learning program
- Short/long term up skilling program
- Set up RPA/automation governance
- COE Playbook model
- Propose dedicated team

#### Solution / Initiative

- Consider priorities high impact business process, Considered all cost
- In-housel developments start with RPA
- Utilise UiPath free self-learning
- Evaluating procedures & RPA impact
- Drafting justification for legal consideration
- Conducted 1 webinar session, 3 more to come for 2023, Seminar 12.10.2022
- 174 RPA Starter, 58 certified citizen developer, 2 certified RPA developer
- Start small 26 process / year
- CAO & Deputy appointment 27.10.2022

Memperkasa Budaya Inovasi Pendigitalan

- Set up RPA governance committee
- July/August COE Playbook model

# JANM Intelligent Automation Challenges, Mitigation Strategy and Solution / Initiative ..2/2

### Challenges

Workforce impact

Data security and privacy

Integration and scalability

Change management and cultural shift

#### **Mitigation Strategy**

- Addressing concerns about job displacement and upskilling employees
- Repurposing human resources for higher-value tasks
- Ensuring secure data handling and compliance with privacy regulations
- Implementing robust cyber security measures
- Compatibility with existing systems and infrastructure
- Scalability of intelligent automation solutions
- Overcoming resistance to change and fostering a culture of innovation.
- Training and educating employees on new technologies and processes

#### Solution / Initiative

- Awareness
- New job description for staff who task taken over by RPA
- Proposing digital and analytics unit
- CGSO requires local hosting
- NDA with vendor
- To include RPA in security posture assessment & ISMS
- Current RPA software works on SAP
- Current RPA software has AI feature
- Current RPA software offers by a leading service provider
- Conduct awareness, seminars, workshops, webinars, talks
- Planning for botathon
- July/August COE Playbook model
- Propose dedicated team

JANM mempunyai pelan dan strategi yang komprehensif bagi memastikan pelaksanaan RPA ini bergerak selaras dengan Pelan Strategik Bisnes dan Pelan Strategik ICT seiring dengan visi dan misi JANM.



Jabatan Akauntan Negara Malaysia sentiasa ke hadapan sebagai agensi peneraju dalam mengikuti arus teknologi terkini.





**Thank You** 



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