



Risks and Benefits in Using RPA in Financial Reporting

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Abstract

In the general picture of financial-accounting processes digitization, RPA (Robotic Process Automation) tools are distinguished by a series of characteristics given, mainly, by the ability to replicate human activities. Thus, unlike Artificial Intelligence, Machine Learning or Cognitive Computing, RPA acts primarily in the user interface area based on clearly defined protocols and procedures without compromising or modifying the basis of the IT infrastructure. That's why these solutions are considered non-intrusive, easy to use and cheaper compared to other financial reporting automation technologies. However, beyond more or less quantifiable benefits, these programs carry certain risks whose awareness is essential to achieve the desired goal of automation. This paper, in addition to presenting the opportunities created by aligning RPA to facilitate financial monitoring and reporting efforts, pinpoints a series of challenges or weaknesses of these solutions that, if not properly managed or combated by alternative solutions, can at least lead to the failure of such a project. The practice of the last years together with the diversification of automation solutions already allow the generation of some conclusions as well as the adoption of a cautious approach regarding the attractiveness of RPA in designing and building financial reports.

Key Words: RPA (Robotic Process Automation); financial reporting; software bots;

JEL Classification: M1, M2, M4, O3

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