



scottmadden
MANAGEMENT CONSULTANTS

Smart. Focused. Done Right.®

Overview of ScottMadden's Shared Services Practice

May 2017

Who We Are

ScottMadden is a management consulting firm with more than 30 years of deep, hands-on experience.

We deliver a broad array of shared services consulting services—from strategic planning through implementation—across many industries, organizations, business units, and functions.

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W E D O

**WHAT IT TAKES
TO GET IT DONE
RIGHT**

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CORPORATE & SHARED SERVICES

EXPERIENCE

Our experienced team has been a pioneer in shared services since the practice began decades ago. We employ deep, cross-functional expertise to produce practical, measurable solutions.

SCOPE

We have completed more than 1,500 projects since the early 90s, including hundreds of large, multi-year implementations. Our clients range across a variety of industries from entertainment to energy to higher ed. Our areas of expertise span the spectrum of middle and back office shared services.

SERVICES

We have helped our clients with business case development, shared services design, shared services build support, implementation, and improvement.

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Our shared services knowledge, expertise, and experience are unmatched—no other firm has helped more clients with more unique solutions.



ScottMadden:
**SMART.
FOCUSED.
DONE RIGHT.**

We believe that client success is the best measure of our own success.

We listen carefully to our clients' challenges, concerns, and goals, so we can personalize our work and focus on the things most important to their success.

We don't solve problems with canned methodologies—we help our clients solve the right problem in the right way.

We do what we say we are going to do with genuine passion, tenacity, and integrity throughout the entire process.

“They were able to offer more customization vs. a cookie-cutter consulting project plan or proposal. Exactly what we're looking for.”

Capabilities

ASSESS AND PLAN

- Strategic planning
- Feasibility analysis
- Benchmarking
- Leading practice assessment
- Performance evaluation
- Project planning
- Leadership education and buy-in
- Staff evaluation
- Change readiness assessment
- Site visits

BUILD

- Project management
- Service and transaction center build
- Detailed organizational design
- Staffing
- Process redesign
- Technology design, selection, implementation, and support
- Education and training
- Facility design and setup
- Change management
- Sourcing implementation

DESIGN

- Current state analysis
- Future state design
- Business case development
- Service delivery model design
- Work scope delineation
- Sourcing evaluation
- Organizational design
- Technology evaluation
- Transformation planning
- Implementation planning
- Change management

IMPROVE

- Analytics setup and deployment
- Operations improvement
- Governance
- Service expansion
- Cost reduction
- Process redesign
- Technology upgrade
- Merger and acquisition integration
- Field resource development
- Customer satisfaction measurement
- Metrics and performance management

Areas of Focus

HUMAN RESOURCES

The world of HR is transforming, and we have spent more than 20 years helping clients manage this transformation. Whether we are designing and implementing a new service delivery model, revamping processes to ensure regulatory compliance, evaluating outsourcing opportunities, or expanding existing operations, we ensure our clients achieve the business value desired.

INFORMATION TECHNOLOGY

IT plays a key role in the success of a shared services organization (SSO). We unleash the potential of IT for our clients by helping them run IT like a business. Our approach is service-oriented, and we design and implement tools with speed, simplicity, and effectiveness as top priorities.

FINANCE AND ACCOUNTING

We help companies transform their finance and accounting operations to ensure efficient, accurate, and timely delivery of enterprise-wide products and services. Our team will deliver a flexible solution that creates real business value.

SUPPLY CHAIN

We've been helping supply chain organizations move beyond their conventional "order taker" role for more than a decade. Through our deep expertise and practical know-how, we assist clients across the full range of supply chain processes, and we have the unique ability to create alignment between the supply chain function and its internal customers and stakeholders. Our solutions provide lasting improvements and allow our clients' supply chain organizations to better compete in rapidly changing markets.

BUSINESS ADMINISTRATIVE SERVICES

We help our clients integrate a variety of administrative services into their shared services model to manage contracts better, dispatch service requests, and improve service response performance. Services often include facility maintenance, security, insurance, customer service, cafeteria and wellness programs, grounds maintenance, and others. ScottMadden understands the potential benefits of incorporating these services in a SSO, and we know what it takes to achieve a successful integration.

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“Value I get far exceeds what a big-four company would provide given the time and costs. Better quality and experienced team.”

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Spotlight: Our Human Capital Practice

HR is a core specialty at ScottMadden and has been since our inception in 1983. As such, we have a dedicated human capital practice that consults across geographies and industries, including aerospace, consumer products, defense, higher education, energy, entertainment, healthcare, manufacturing, pharmaceuticals, retail, technology, telecommunications, transportation, and others.

Whether we are improving talent management programs, revamping processes to ensure effectiveness and regulatory compliance, designing and implementing new service delivery models, expanding existing operations, or evaluating outsourcing opportunities, we ensure our clients achieve the business value desired.

ScottMadden has extensive experience supporting clients across the employee lifecycle including:

- Workforce planning
- Talent acquisition
- Onboarding
- Workforce administration
- Compensation
- Payroll
- Performance management
- Learning and development
- Succession planning
- Employee engagement
- Workforce analytics

HUMAN CAPITAL SERVICES

HR Transformation

- HR transformation strategy
- Service delivery model design
- Business case development
- Implementation planning/support/project management
- Analytics organization launch
- Analytics model development and dashboard creation

Systems

- HR technology advisory services
- Systems requirements identification
- Vendor selection facilitation
- Configuration design
- Testing design and facilitation

Process Design and Continuous Improvement

- Process redesign
- LEAN implementation
- Continuous improvement program design

Talent and Engagement

- Talent management strategy
- Program development
- Organization design and build
- Competency development
- Implementation planning

Payroll

- Payroll delivery strategy and design
- Implementation planning/support/project management
- Governance and vendor management

How We Differ from Our Competition

	Strategy Firms	The Big Four	Outsourcing Advisory Firms	Functional Consultancies	ScottMadden
FOCUS	<ul style="list-style-type: none"> ▪ Strategy work ▪ Mergers and acquisitions ▪ Cost reduction 	<ul style="list-style-type: none"> ▪ Strategy and implementation work ▪ Large system implementations ▪ Outsourcing and offshoring ▪ Long engagements 	<ul style="list-style-type: none"> ▪ Advisory services regarding vendor-providing solutions 	<ul style="list-style-type: none"> ▪ Functional program development and/or support (e.g., health and welfare, compensation) ▪ Delivery systems ▪ Unique products (e.g., surveys) 	<ul style="list-style-type: none"> ▪ Strategy and implementation work ▪ Efficient delivery models ▪ Full SSO lifecycle support ▪ Engagements scoped in manageable phases
APPROACH	<ul style="list-style-type: none"> ▪ Solutions focused on big picture, but not always practical ▪ Not often involved in implementation 	<ul style="list-style-type: none"> ▪ Off-the-shelf methodologies ▪ Client must adapt to consultant's approach ▪ Large project teams ▪ Get in and stay in; take over 	<ul style="list-style-type: none"> ▪ Sourcing analysis and solutions ▪ Standard methodologies ▪ Limited client involvement after data capture ▪ Neutral or vested interest as a provider 	<ul style="list-style-type: none"> ▪ Advisory role ▪ Research and program-based solutions ▪ Implementation of unique technologies 	<ul style="list-style-type: none"> ▪ Customized, practical solutions ▪ Small project teams ▪ Collaborative approach with clients ▪ Sale not mixed with delivery of work
PROJECT TEAMS AND PEOPLE	<ul style="list-style-type: none"> ▪ Leverage reputation ▪ Teams comprised of mix of senior and junior resources ▪ Generalists ▪ Strong business acumen, weaker functional skills 	<ul style="list-style-type: none"> ▪ Sales team is not involved in delivery ▪ Teams comprised of junior, inexperienced resources with oversight by senior resources 	<ul style="list-style-type: none"> ▪ Sales team is not involved in delivery ▪ Teams comprised of junior resources with oversight by senior resource 	<ul style="list-style-type: none"> ▪ Leverage reputation ▪ Deep functional knowledge, narrower focus 	<ul style="list-style-type: none"> ▪ Working partners meet with prospective clients ▪ Senior, experienced consultants with business acumen and functional knowledge

The Evolution of Shared Services

- Shared services continues to evolve in terms of scope and structure
- ScottMadden's dedicated research function studies and maintains critical data on these trends. Current trends include:
 - Expanding from administrative and transactional services to specialty and consultative-type services
 - Moving from single-function to multi-function
 - Integrating delivery models across the globe
- Technologies are a key driver behind these shifts enabling employees, managers, leaders, vendors, and providers to view pertinent information and transact on their own behalf
- Our consultants are continually putting cutting-edge theory into practice to determine what will work and how to make it better

Our shared services clients typically have a 40% return on investment and are able to reduce headcount by 25% when implementing a shared services model.

Case Study

Aligning HR Strategy and Delivery for Improved Efficiency

Challenge

A large defense contractor needed to standardize HR and become more cost effective and agile to allow them to compete successfully in the growing industry. Current business groups were resistant to change and frequently reorganized.

Process

- Evaluated client's current HR processes, identifying areas for improvement
- Developed and planned a shared services model to increase effectiveness, efficiency, and standardization
- Leveraged deep experience working with defense contractors and ScottMadden's customized approach to implementation
- Identified initiatives to improve the overall efficiency and effectiveness of the client's HR processes that aligned with the new model

Results

- As a result of moving to the proposed shared services model, the client achieved a 20% reduction in HR staff, and more than 100 business-specific policies were harmonized and consolidated into 32 enterprise-wide policies
- Improvements created standardization and cost effectiveness, allowing the client to better compete in the industry



Case Study

Global Shared Services Redesign for a Global Oil Services Firm

Challenge

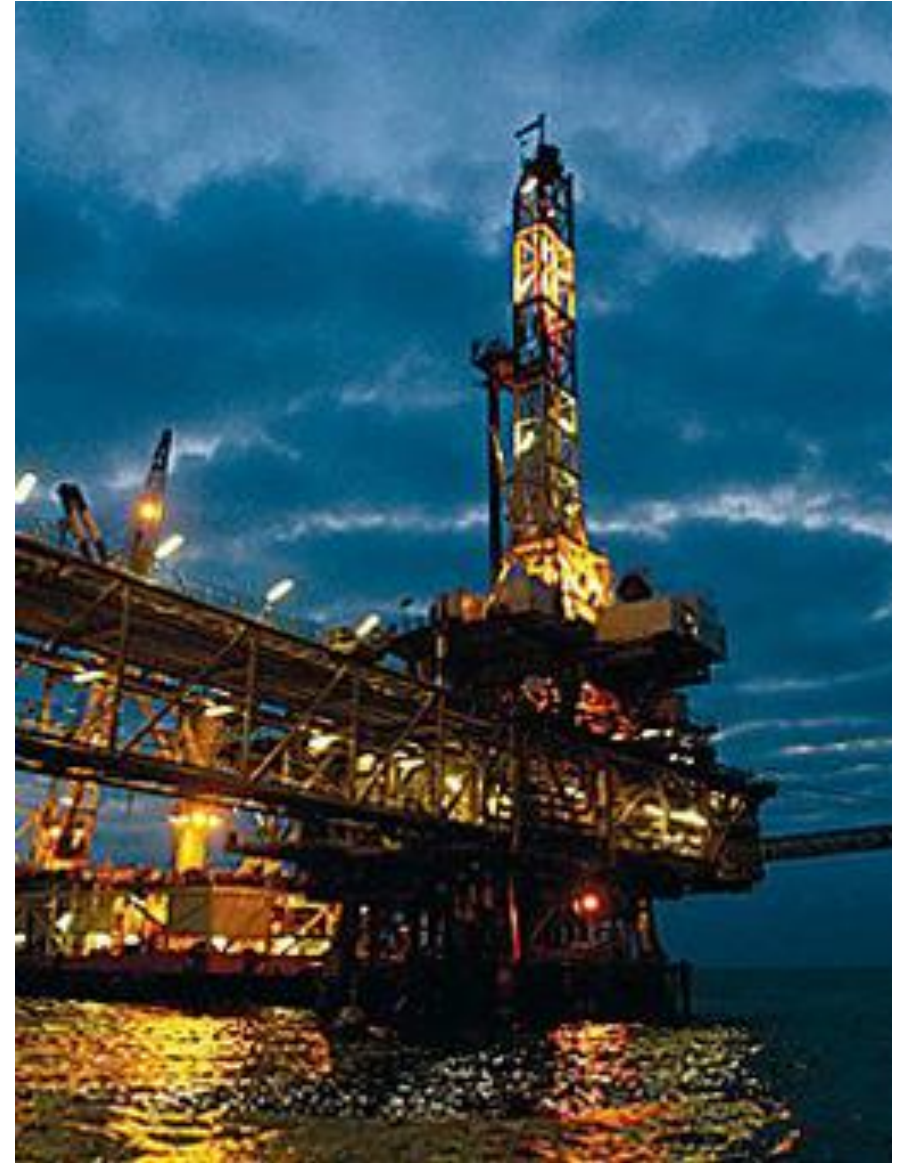
ScottMadden was asked to assist in the assessment, planning, design, and business case development for improving global HR shared services for a large international oil services firm with operations in 89 countries throughout the world.

Process

- Conducted a thorough current state assessment that involved workshops with key shared services leaders from around the world
- Performed a work-activity analysis of most employees involved in delivering global HR shared services. Using this data joined with salary/wage data from SAP, determined the FTEs and costs by service area
- Designed a new future state model that included new organizations, processes, and technologies to improve performance. Recommendation was made to dismantle the global outsourcing model that was currently in place

Results

- A new global HR shared services model that reduced costs and improved services globally. The business case generated approximately \$10 million in savings, with an IRR of 37%
- Consolidated the number of service centers and instituted new end-to-end process management
- A new suite of technologies that better facilitated processes and allowed service providers around the world to collaborate in delivering services



Case Study

Transformation of Service Delivery – On a Dime

Challenge

A medical product and service company was focused on growth on a global scale and wanted to standardize service, improve administration of global processes, centralize administrative tasks, and elevate the HR business partner role. A dispersed employee base, competing objectives of each business, and cut-backs in funding presented challenges to implementing the goals.

Process

- Created and managed the overall project plan and led the client project team through key decisions and milestones in the transformation
- Worked step by step with the client to ensure the project's success

Results

- Client launched a new HR shared services center for all employees in July 2012
- Client released a new HR portal to allow employees access to readily available information and to initiate service requests
- Team successfully defined the role of the HR business partner in the HR transformation



Representative Clients

Consumer Products and Services	Manufacturing	Technology and Communications	Public Sector and Defense	Energy and Utilities	Healthcare and Pharmaceuticals	Professional Services
       	        	      	     	       	      <p data-bbox="1524 1179 2060 1438"><i>Our shared services clients typically have a 40% return on investment and are able to reduce headcount by 25% when implementing a shared services model.</i></p>	     

Note: Representative sample; not all-inclusive of clients served. Excludes numerous well-known clients due to confidentiality agreements

Why ScottMadden?

Our expertise helps create the right solution. Our experience ensures that it works.

“Outstanding job of selecting really good people that have the experience, knowledge and insights.”

DEEP EXPERTISE

- ScottMadden has been a pioneer in corporate and shared services since the practice began decades ago
- Our Corporate & Shared Services practice has completed more than 1,500 projects since the early 90s
- Our clients span a variety of industries from entertainment to energy to high tech

PERSONALIZED APPROACH

- Before we begin any project, we sit down and listen to our clients' needs and challenges
- We engage with our clients like no other firm does, working side by side to create practical, real results
- We don't employ canned methodologies or cookie-cutter solutions. We work to solve the right problem in the right way

PHILOSOPHY

- We are personally invested in every project and measure our success by our clients' success
- We listen to our clients' needs and put their best interests ahead of our own
- We work with integrity, tenacity and a genuine passion for what we do
- We do what it takes to get it done right

Contact Us

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