



scottmadden
MANAGEMENT CONSULTANTS

Overview of ScottMadden's Shared Services in Finance & Accounting Solutions

Smart. Focused. Done Right.®

June 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.

.....

W E D O

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

.....

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.

.....

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.

.....

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

.....

Spotlight: Our Finance & Accounting Practice

Finance & Accounting is a core specialty at ScottMadden and has been since our inception in 1983. As such, we have a dedicated finance & accounting 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 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 finance and accounting functions including:

- Accounts payable including travel and expense
- Billing, credit, collections, and cash application
- Payroll and time collection
- General accounting and fixed assets
- Tax and treasury
- Financial planning and analysis
- Budgeting and forecasting

In addition, we have dedicated expertise across end-to-end, cross-functional processes comprising:

- Procure-to-pay
- Record-to-report
- Order-to-cash

FINANCE & ACCOUNTING SERVICES

Finance Transformation

- Finance transformation strategy
- Multi-function strategy and expansion planning
- Benchmarking and leading practices evaluation
- Service delivery model design or redesign
- Business case development
- Implementation planning/support/project management
- Analytics, metrics, and performance management

Digitization Strategy and Implementation

- RPA and Artificial Intelligence (AI) strategy and application
- RPA and AI opportunity identification and business case
- Vendor selection and implementation management
- Governance and vendor management

Financial and Service Management Systems

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

Process Design and Continuous Improvement

- End-to-end process design
- Global process owner creation
- Continuous improvement program design
- Customer satisfaction program development

Other Strategic Initiatives

- Merger and acquisition integration
- Divestiture and transition services
- Cost reduction and operations improvement
- Service expansion

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.

Financial Shared Services Assessment

CHALLENGE

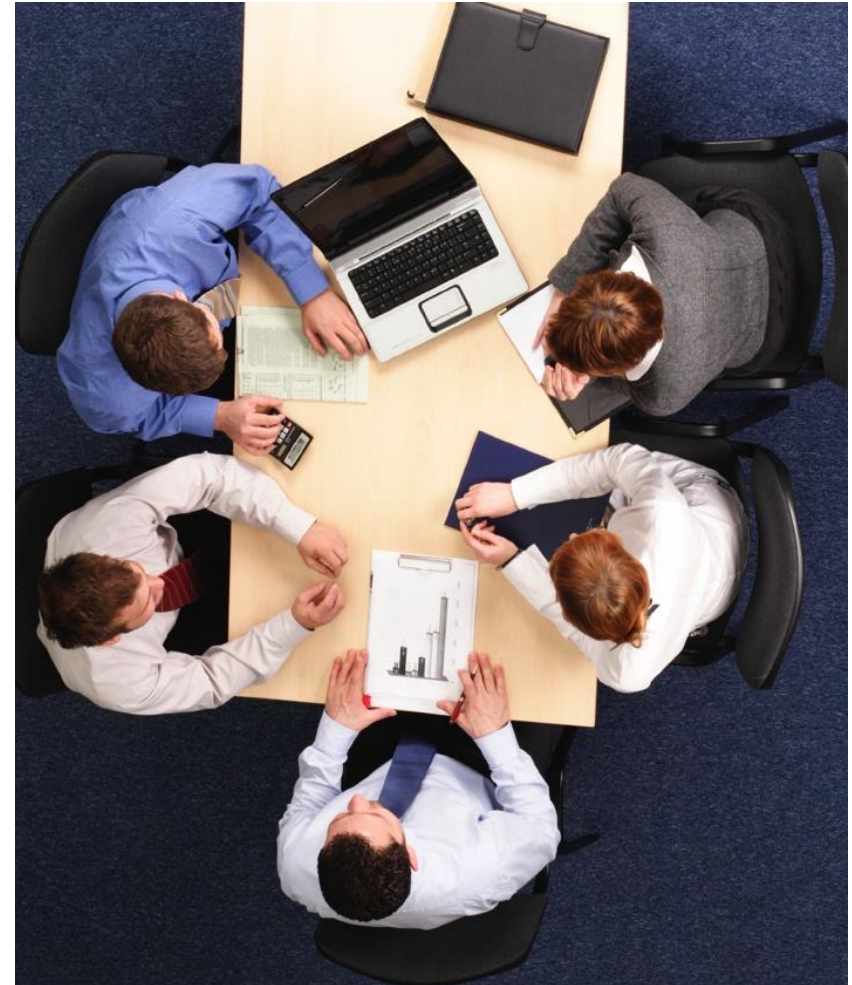
ScottMadden was selected to assist three finance and accounting organizations for one of the nation's leading eyewear companies to recommend a best-fit approach for transitioning select finance and accounting services to a shared services delivery model.

PROCESS

- A collaborative approach was taken with a small core team to evaluate services to be considered for transition to shared services
- Options and recommendations were developed to address scope, technology, timing, and employee concerns
- A shared services model was developed that aligned transition phases with key technology implementation milestones
- Employee concerns were addressed by proposing a model that leveraged best-in-class locations for select services

RESULTS

- A final shared services design was presented that included the transition of 10 high-value services to a shared services delivery organization over a two-year period
- The final business case demonstrated positive returns in the form of three-year payback and a multimillion-dollar NPV
- A best-in-class approach was recommended in order to reduce employee impacts and leverage locations where experience, technology, and scale was significant



Case Study

Shared Services Operational Assessment

CHALLENGE

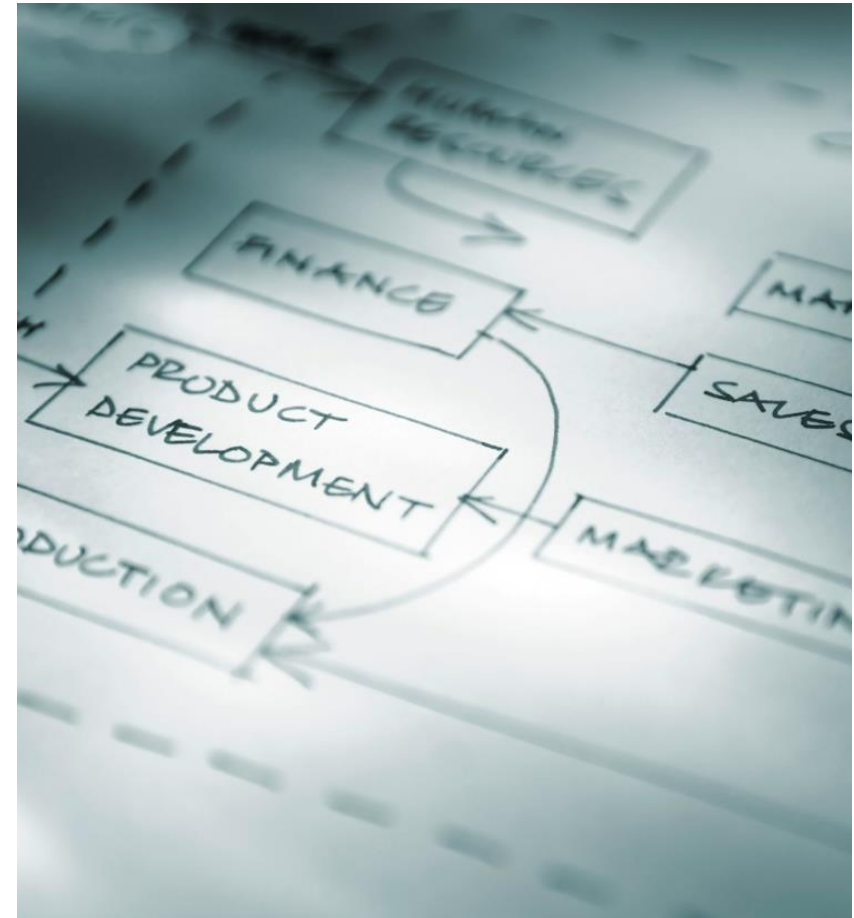
ScottMadden performed a high-level assessment of a financial shared services center for a national retail company. ScottMadden developed recommendations in the areas of strategy, organization, process, and tools/technology to address organizational issues and improve operations.

PROCESS

- Created a template for the client to compile current state information related to processes, organization, technology, and metrics
- Conducted interviews with managers to better understand roles and responsibilities, identify issues and process defects, and document potential improvement opportunities
- Summarized current state information and learnings from interviews into key findings. Compared findings with leading practices of financial shared services organizations
- Developed recommendations to address current state findings
- Prioritized recommendations and created a high-level implementation plan

RESULTS

- Highlighted areas where technology could be better leveraged
- Provided framework to improve organization design and address issues such as functional silos, skills gaps, and inadequate training
- Developed an action plan to increase process efficiency and improve service levels



Case Study

F&A Shared Services Design and Implementation

CHALLENGE

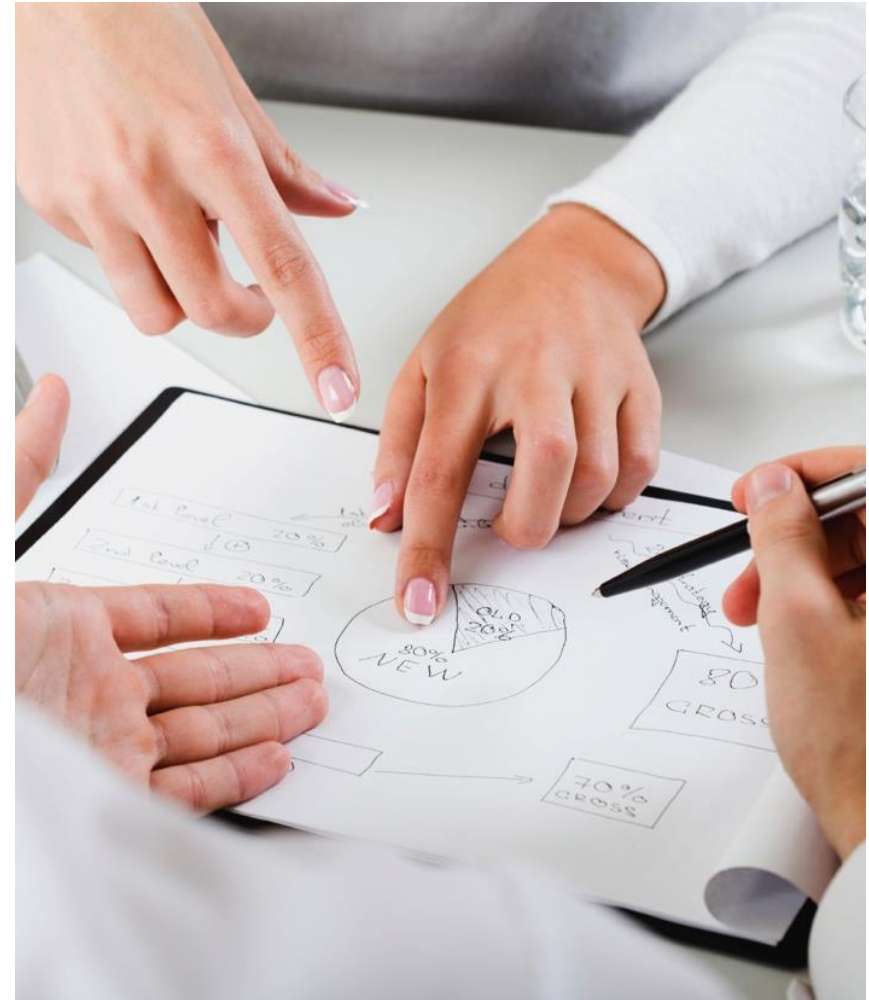
ScottMadden was engaged by a leading furniture manufacturer to design and implement a multifunction financial shared services center. Functions included accounts payable, payroll, credit management, accounts receivable, collections, and deduction management.

PROCESS

- Conducted a current state assessment of each function, including processes, organization roles and responsibilities, and technologies used
- Facilitated a future state workshop with senior leadership team to determine operating model and identified initiatives required for implementation
- Developed detailed implementation plan for the initiatives: organization, process, technology, facilities, and communication
- Managed the implementation and led the design of the organization, call center, and new processes
- Facilitated training, testing, and go-live for the center

RESULTS

- Expected realization of more than \$5 million in annual savings
- Increased efficiency of all in-scope shared services processes
- Increased responsiveness of the service organization to customer needs
- Potential to incorporate additional functions into the shared services center



Case Study

Finance Shared Services Center Site Selection Study

CHALLENGE

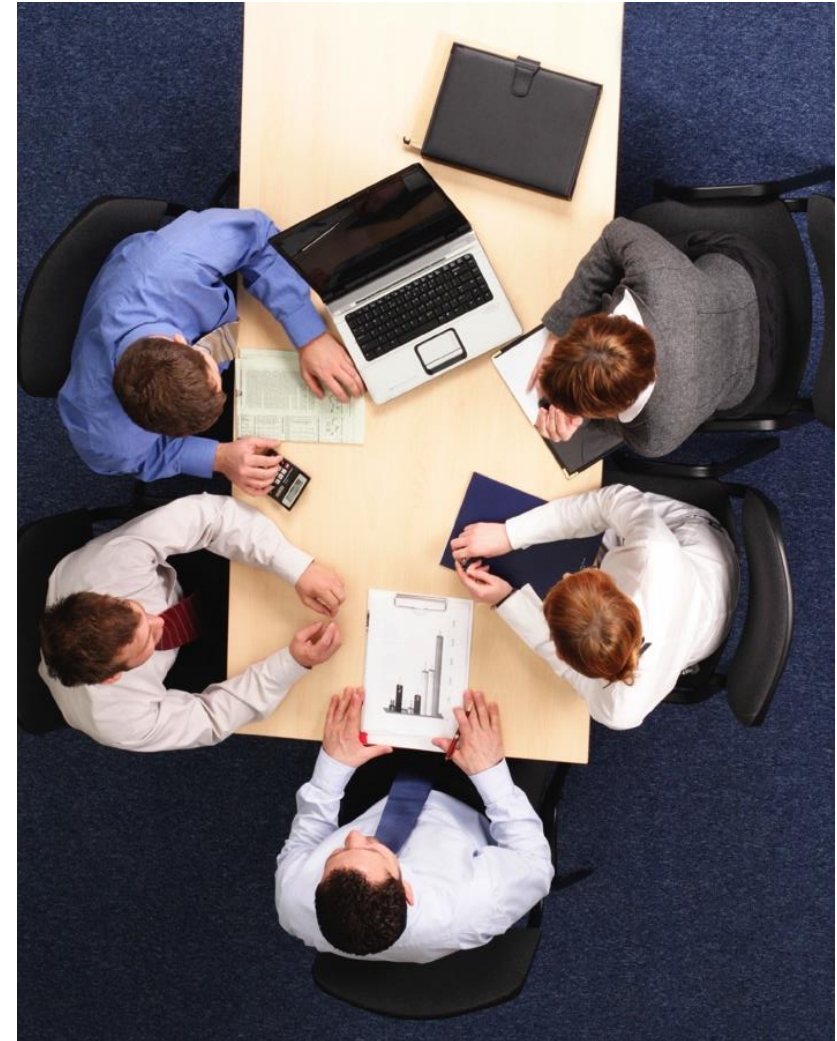
ScottMadden performed a site selection study for a global logistics company interested in establishing a financial shared services center to consolidate transaction accounting services in North America.

PROCESS

- Identified potential North American cities
- Developed screening criteria based on client input regarding important/critical characteristics
- Evaluated cities against the screening criteria, removing less desirable cities from consideration
- Developed evaluation criteria that sharpened the focus of the screening criteria initially identified
- Ranked cities based on the evaluation criteria and analyzed evaluation scores
- Developed a recommendation for the final location based on the evaluation criteria rankings

RESULTS

- The ideal location for a financial shared services center was recommended to the client
- The client was provided with background city rankings and economic and quality-of-living data for future study to support the recommendation



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

Brad DeMent

Partner and Finance &
Accounting Practice Leader

ScottMadden, Inc.
3495 Piedmont Road
Building 10, Suite 805
Atlanta, GA 30305
bdement@scottmadden.com
O: 404-814-0020 M: 678-524-2496



Smart. Focused. Done Right.

Trey Robinson

Partner

ScottMadden, Inc.
2626 Glenwood Avenue
Suite 480
Raleigh, NC 27608
treyrobinson@scottmadden.com
O: 919-781-4191 M: 919-522-1740



Smart. Focused. Done Right.