

Smart. Focused. Done Right.®

Overview of ScottMadden's Corporate & Shared Services Solutions for Healthcare

Shared Services in Higher Education

April 2018



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 corporate and shared services consulting services—from strategic planning through implementation—across many industries, business units, and functions.

WE DO

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

CORPORATE & SHARED SERVICES

EXPERIENCE

Our experienced team has been a pioneer in corporate and 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 1,600 projects since the early 90s, including hundreds of large, multi-year implementations. Our clients range across a variety of industries from energy to healthcare to higher education to retail. Our areas of expertise span the spectrum of middle and back-office corporate and shared services.

SERVICES

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

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



Corporate & Shared Services 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

DESIGN

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

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

IMPROVE

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

Areas of Focus



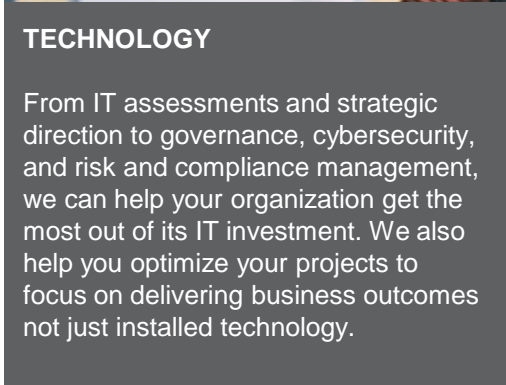
HUMAN CAPITAL

We offer HR transformation (including HR shared services), analytics, HR systems (selection, implementation, and optimization), process design and continuous improvement, talent and employee engagement strategy and programs, and payroll—the services your organization needs to excel.



SUPPLY CHAIN

We assist clients across the full range of supply chain processes, and have the unique ability to create alignment between supply chain and its stakeholders. From crafting new supply chain strategies to restructuring your organization to improving your daily operations, we help you with every step.



TECHNOLOGY

From IT assessments and strategic direction to governance, cybersecurity, and risk and compliance management, we can help your organization get the most out of its IT investment. We also help you optimize your projects to focus on delivering business outcomes not just installed technology.



BUSINESS ADMINISTRATIVE SERVICES

We help our clients integrate various administrative services into their shared services model to improve service response performance to the business. Services often include real estate, facility maintenance, fleet, security, insurance, customer service, cafeteria, and others.



FINANCE AND ACCOUNTING

We help companies transform their finance and accounting operations. Through enterprise financial business services, strategic centers of expertise, intelligent automation solutions, hybrid insource/outsource delivery models, and other solutions, we help you increase value for your company.



MULTIFUNCTION/GBS

We move shared services to the next generation—integrating finance, human resources, information technology, supply chain, and/or other business administrative services into a single, multifunction shared services or global business services operation with effective governance and management.

How We Differ from Our Competition

	Strategy Firms	The Big Four	Outsourcing Advisory Firms	HR/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-provided 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 resources 	<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

Sample of Clients in Healthcare



Why ScottMadden

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



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 1,600 projects since the early 90s
- Our clients span a variety of industries from energy to healthcare to higher education to retail

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

ScottMadden Knows Healthcare

From our experience working in healthcare, we understand the complexities and constraints you face and the unique opportunities that exist.

FACING MARKET UNCERTAINTY

- The current state of healthcare regulation, market consolidation and verticalization, and the need for healthcare affordability can all impact plans for shared services and other transformations

WRESTLING WITH COMPLEX GOVERNANCE

- Additional groups beyond typical corporate structures play a role (e.g., physicians, medical groups, academic structures) and departmental autonomy is often high

ADJUSTING TO UNIQUE ORGANIZATIONAL STRUCTURES

- A mixture of models and cultures exist and union representation can often be high, requiring highly customized approaches from one client to the next

DEALING WITH INDUSTRY-SPECIFIC HR CHALLENGES

- Significant use of contractors, as well as certification processes and management create unique challenges
- Unique talent challenges, combined with high turnover in certain roles, require fluid and efficient processes to be in place



Our experience in healthcare makes us well suited to guide you to an effective organizational model.

ScottMadden's Proprietary Toolbox

ScottMadden has a dedicated research function that studies and maintains critical data on trends, metrics, and regulations that impact corporate and shared services organizations. Our toolbox includes many resources we will leverage when working with you.

ASSESSMENT TOOLS

- Customer satisfaction survey
- Work activity assessment
- Competency assessment
- Spans and layers analysis

RESEARCH

- Primary functional research
- Proprietary shared services benchmarking studies
- Leading practice database
- Country regulation database

PROJECT ACCELERATORS

- Project management toolkit
- Templates and collateral materials
- Change management toolkit
- Global site selection database



We employ a variety of tools built over years of experience to support our work and develop the best solution to meet your needs.

HR Shared Services Implementation

CHALLENGE

The HR department of an academic medical system was focused on providing quality HR information and services to their employees in a timely manner. ScottMadden was engaged to design and implement a new HR solutions center to provide a central HR service delivery model.

PROCESS

- Planned and implemented a comprehensive internal case management system and end-user portal, utilizing ServiceNow technology
- Identified HR roles and processes to move to the solutions center and redesigned high-volume processes
- Developed operational processes and reporting mechanisms for solutions center leadership
- Led training efforts to educate solutions center staff, centers of excellence, business partners, managers, and recruiters about the changes in the HR delivery model

RESULTS

- Client launched a new HR solutions center accessible to all 27,000 employees
- Client released a solutions center portal where medical staff working outside solutions center hours can access pertinent HR information and initiate requests



Case Study

Human Resources Shared Services Center Business Case

CHALLENGE

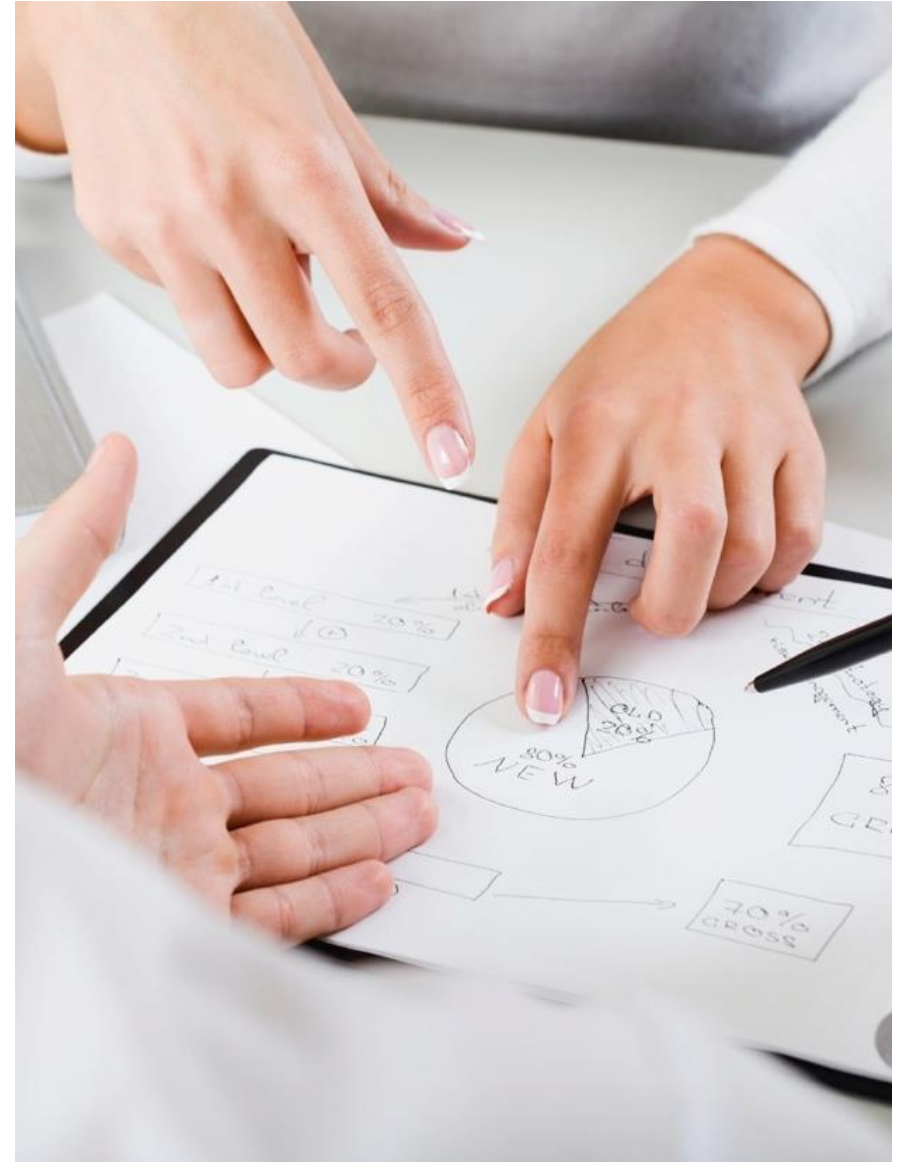
ScottMadden assisted a fully integrated, not-for-profit healthcare provider in assessing the current state of its decentralized HR service delivery model and developing a business case to support the development of a shared services center.

PROCESS

- Assisted the client in quantifying the HR work currently performed at dispersed sites to measure costs and service levels
- Analyzed the current workload and provided recommendations on what could be transferred to a shared services center
- Modeled two possible future states for the HR organization, with financial analysis for each option, including capital investments and the impact of reallocating personnel and services
- Developed a plan to change from local high-touch processes to convenient “one-stop-shop” processes at a centralized HR service center, supplemented by the use of web-enabled kiosks and interactive voice response systems
- Identified potential cost savings of more than \$1 million annually, while realizing improved service levels and positive net cash flow within one year

RESULTS

- Articulated the financial and service-level impact of a shared services strategy in comparison to the current decentralized model
- Identified which technologies currently in use could be leveraged in the future state model
- Helped the client make the business case to successfully secure funding to implement a scalable “best practice” HR shared services center



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
- 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



Maturity Assessment of Multifunction Shared Services

CHALLENGE

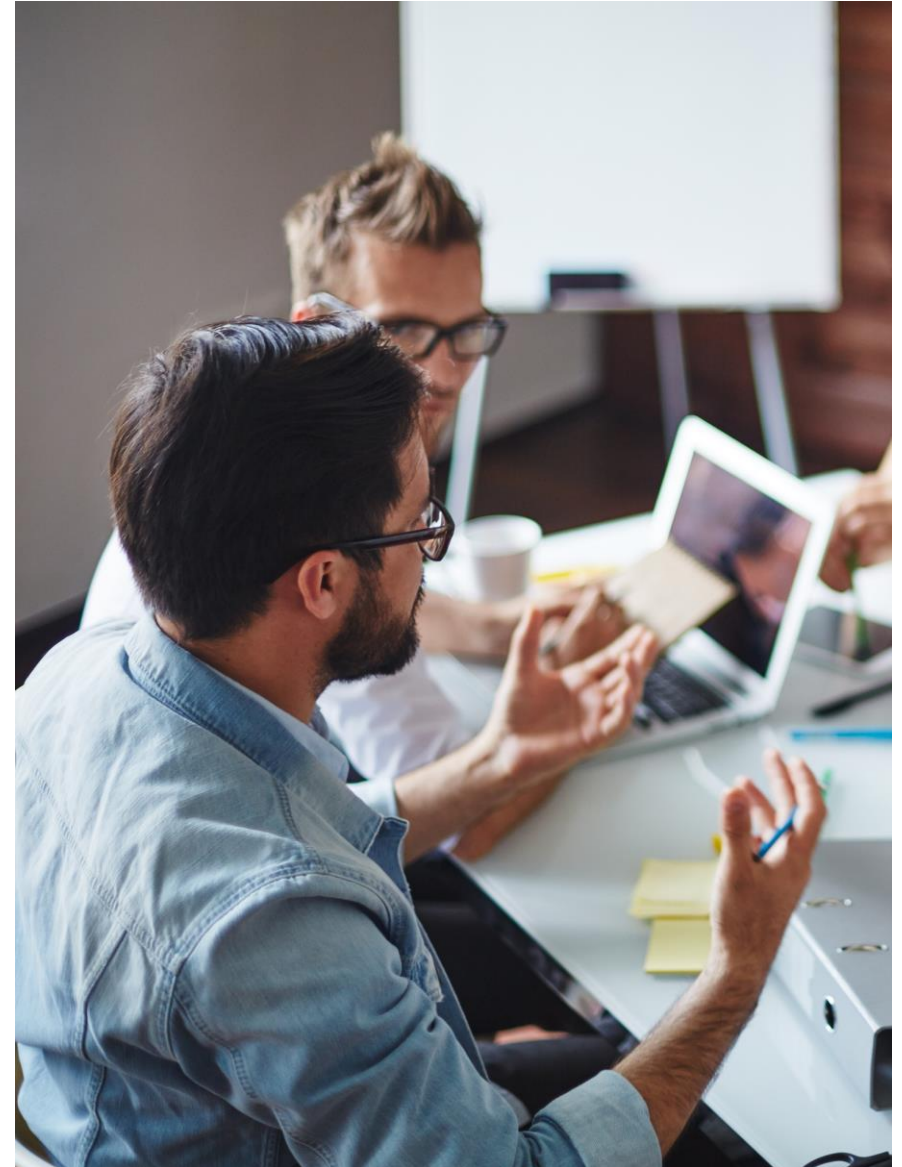
ScottMadden was selected to develop a methodology to consistently assess and improve operations of nearly 40 areas of one of the largest healthcare companies in the United States.

PROCESS

- Re-booted the mission, vision, and definition for shared services and created a common methodology to evaluate the operations of the most relevant areas within the organization
- Collected qualitative insights of current operations and opportunities for improvement through (270+) interviews with providers and clients of the areas assessed
- Collected KPIs and performed benchmark analysis to determine how value was being created as compared to the market
- Deployed customer satisfaction survey (1,400+ respondents) to create a baseline of perception of services provided

RESULTS

- Creation of scorecards describing performance across four dimensions—cost, quality, service level, and leverage
- Development of maturity assessments to support prioritization and improvement of main drivers of shared services operations



Our Team



Scott Manning
Partner and Practice Area Leader

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Scott Manning heads ScottMadden's Corporate and Shared Services practice. Scott has more than 27 years of consulting experience in aerospace and defense, education, energy, entertainment, healthcare, telecommunications, manufacturing, technology, retail, and transportation in the United States and abroad, including Asia, Australia, Canada, Europe, South America, and the United Kingdom. His areas of expertise include human resources, shared services design and implementation, employee service center design and implementation, outsourcing, operations improvement, organization design and staffing, and change implementation and management.



Courtney Jackson
Partner

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Courtney Jackson has 17 years of consulting experience, focusing the last 10 years in corporate and shared services. Areas of expertise include human resources management, shared services strategy, design and implementation, project and change management, operations improvement and process redesign, shared services delivery/operations, organization design and restructuring, and governance. Courtney's experience spans manufacturing, higher education, aerospace and defense, entertainment, retail, energy, and real estate, primarily within the human resources and finance and accounting disciplines.

Locations

**Smart.
Focused.
Done Right.®**

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