



scottmadden

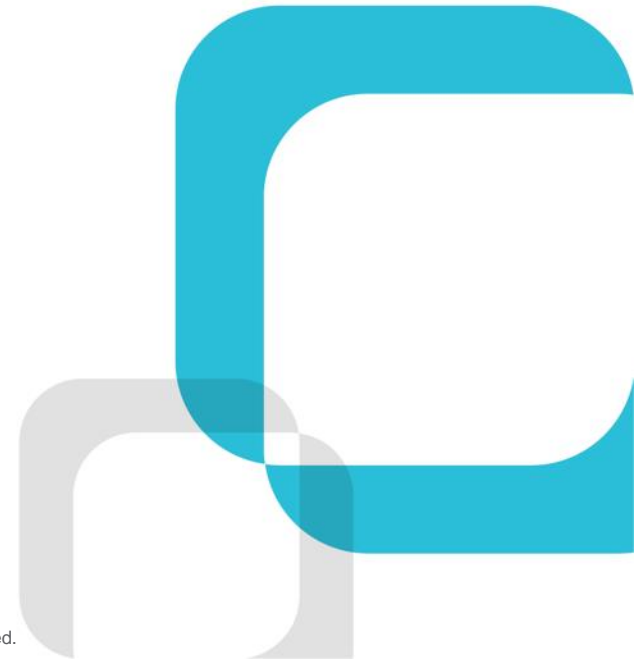
MANAGEMENT CONSULTANTS

Smart. Focused. Done Right.®



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

June 2019



Who We Are

ScottMadden is a management consulting firm with more than **35 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 1,700 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 and Shared Services Capabilities



Assess and Plan

- Strategic planning
- Feasibility analysis
- Benchmarking
- Leading practices 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
- Voice of the customer surveys
- 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.

Spotlight: Our Finance and Accounting Practice

Finance and accounting is a core specialty at ScottMadden and has been since our inception in 1983. As such, we have a dedicated finance and 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 AND ACCOUNTING SERVICES

FINANCE TRANSFORMATION

- Finance transformation strategy
- Multifunction 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

DIGITAL 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

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




















FINANCIAL AND SERVICE MANAGEMENT SYSTEMS

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

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 & 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

Representative Clients

Retail and Consumer Products	Manufacturing	Technology and Communications	Higher Ed., Public Sector, and Defense	Energy and Utilities	Healthcare and Pharmaceuticals	Professional Services
						
						
						
						
						
						
						

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

Why ScottMadden?

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 1,700 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

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



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

- Voice of the customer surveys
- Work activity assessment
- Competency builder
- 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.

Case Study

Financial Shared Services Assessment

CHALLENGE

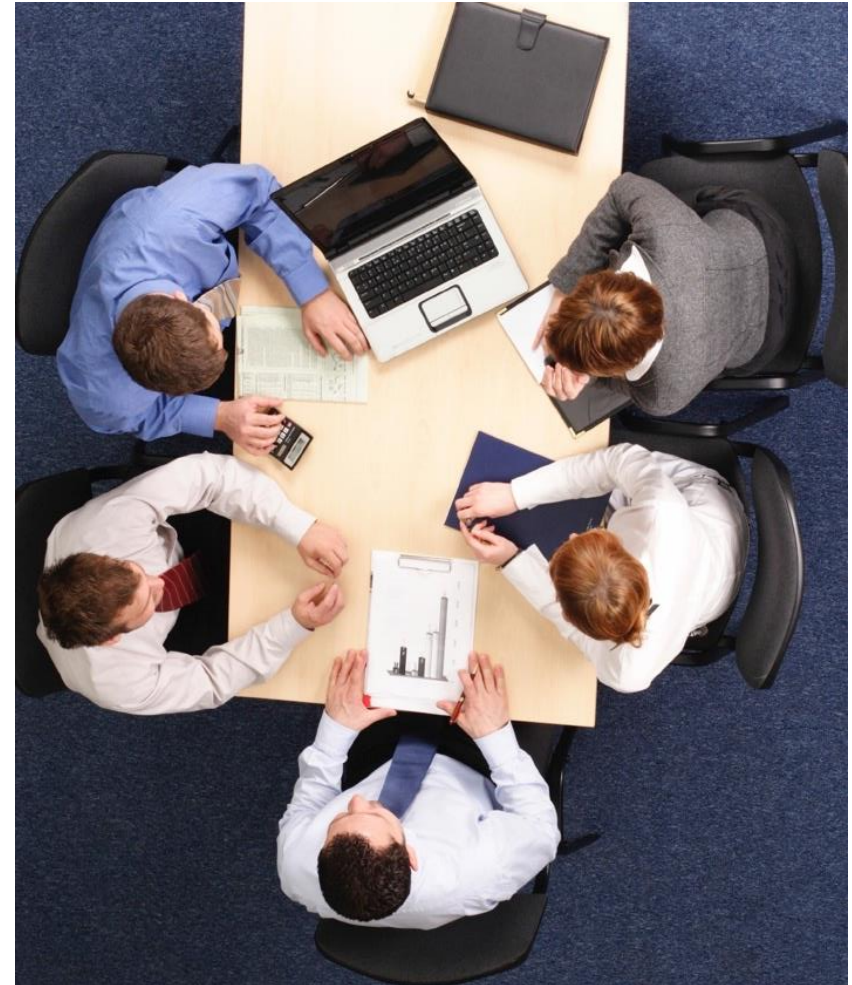
ScottMadden was selected to assist three finance and accounting organizations for one of the nation's leading eyewear companies to recommend a best-fit approach for transitioning select finance and accounting services to a shared services delivery model.

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

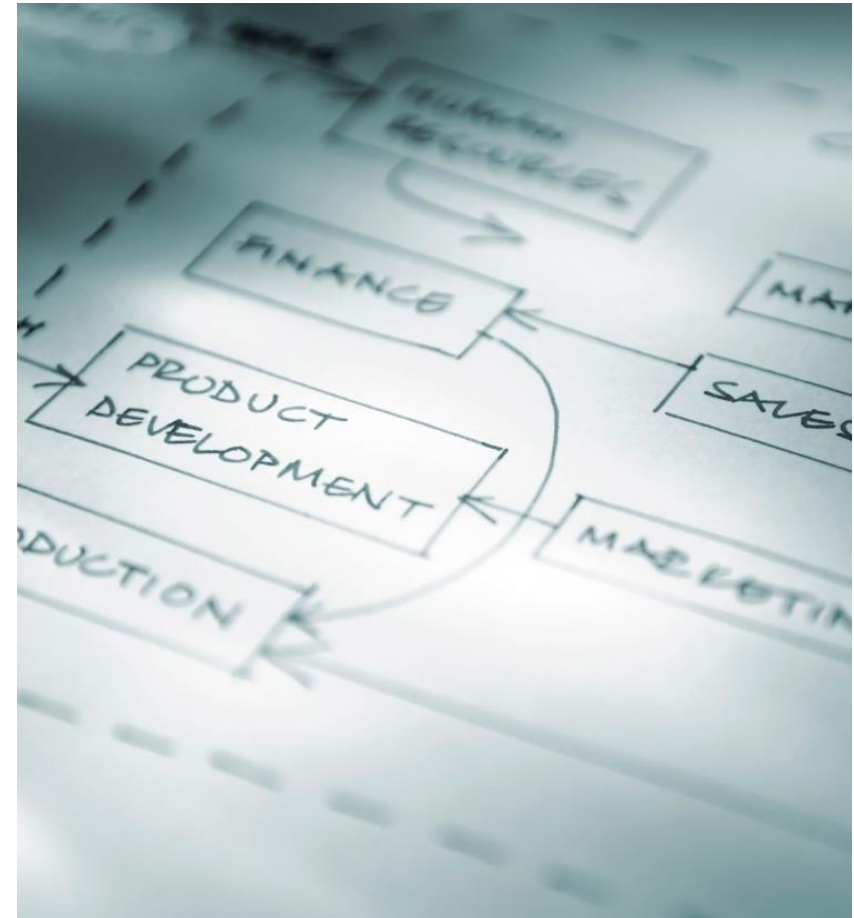
ScottMadden performed a high-level assessment of a financial shared services center for a national retail company. ScottMadden developed recommendations in the areas of strategy, organization, process, and tools/technology to address organizational issues and improve operations.

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

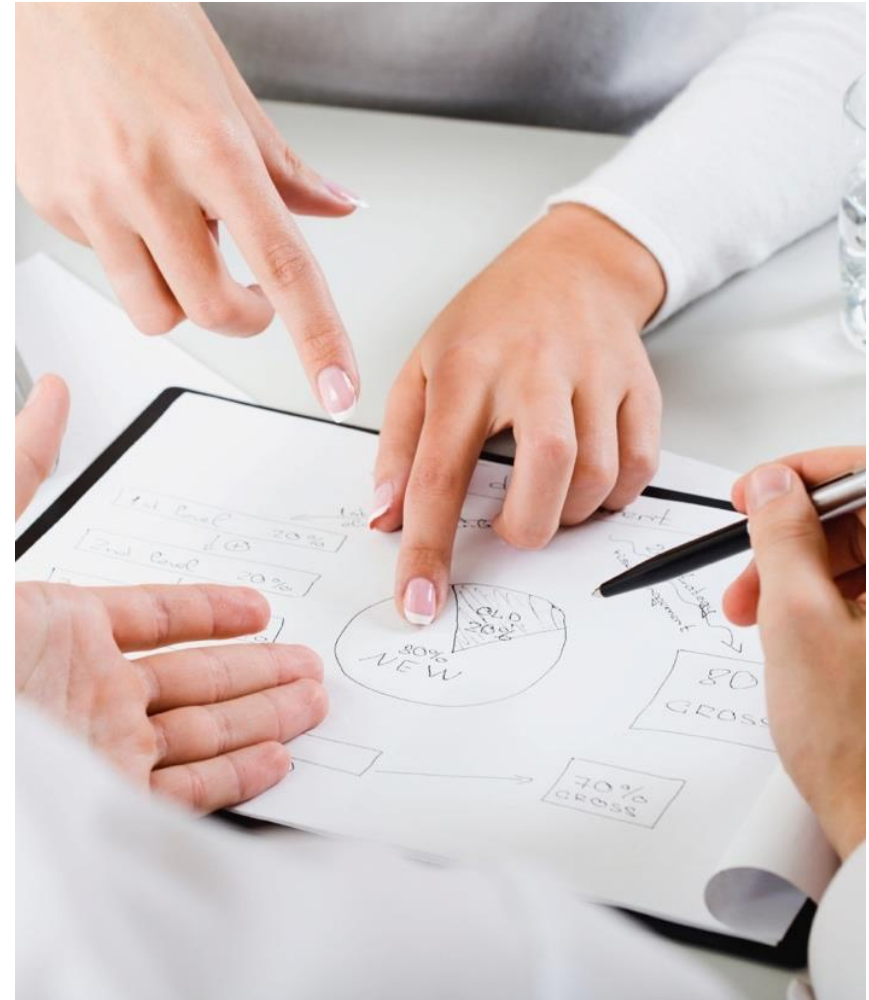
ScottMadden was engaged by a leading furniture manufacturer to design and implement a multifunction financial shared services center. Functions included accounts payable, payroll, credit management, accounts receivable, collections, and deduction management.

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



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



Locations

**Smart.
Focused.
Done Right.®**



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Appendix



We Consult in Two Main Areas



Energy

Our industry-leading clients trust us with their most important challenges. They know that chances are that we have seen and solved a similar problem.

ScottMadden has worked in every business unit and every department across companies in the energy utility ecosystem.

Corporate & Shared Services

Our Corporate & Shared Services practice helps clients assess and improve corporate functions, including communications, environmental, finance and accounting, fleet, governmental and regulatory affairs, health and safety, human resources, information technology, legal, security, supply chain, and others. We provide guidance in a variety of industries from energy to healthcare to higher education to retail.

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

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

PROCESS DESIGN AND CONTINUOUS IMPROVEMENT

- Process redesign
- LEAN implementation
- Continuous improvement program design

Spotlight: Our Information Technology Practice

ScottMadden helps organizations create measurable IT value, using strategies for engaging business leaders in decision making to optimize enterprise IT investment performance.

Many businesses face a similar IT leadership scenario—the business struggles to understand the value received from their IT investments, and the IT organization struggles to engage business leaders in the IT decision making necessary to deliver strategic outcomes.

IT is inundated in leading practices and industry frameworks. But organizations struggle to determine where to start, what is good enough, and how to involve both IT and non-IT stakeholders to deliver business results. ScottMadden's IT value-creation management approach is different. It focuses on the pain points specific to your organization and provides clear, practical guidance rather than concepts.

The impact of IT on today's businesses is greater than ever before. Companies are facing higher IT costs, managing complex technology and processes, and supporting an increasing number of compliance and regulatory requirements. Organizations with effective IT investment decision-making processes share certain characteristics, including involved business leaders, use of well-defined, repeatable processes, and a common IT direction with actionable objectives.

ScottMadden helps IT organizations transform from order takers and fire fighters to technology leaders. We provide the tools necessary for CIOs to engage their executive peers in providing the technology direction necessary to optimize IT investments and create measurable enterprise value.

INFORMATION TECHNOLOGY SERVICES

ASSESSMENTS

- IT governance and management capabilities evaluation: maturity of IT practices, technical condition and business value of business application portfolios, and efficiency of the IT operations
- IT cost evaluation, including an assessment of the drivers of cost both within the IT operation and external to it (i.e., business-driven cost drivers)
- Development of findings and actionable recommendations tailored to your environment, industry, and corporate strategies

STRATEGIC DIRECTION

- Enterprise business technology vision development, including supporting business engagement services
- IT road map development (the plan to deliver your vision)

RISK AND COMPLIANCE MANAGEMENT

- IT risk and compliance assessments against industry standards and frameworks (e.g., NIST, ISO, ISACA, etc.)
- IT security program development, including policy and process and procedure development and implementation
- IT risk and compliance process improvement and alignment with industry standards

GOVERNANCE

- Design and implementation of tiered governance structures to evaluate, direct, and monitor IT investments and performance throughout the enterprise
- Design and implementation of PMOs to monitor IT project portfolio performance and provide necessary governance line of sight and controls

Spotlight: Our Payroll Practice

ScottMadden helps organizations transform their payroll operations to the accurate, compliant, stable, low-cost, and customer-focused service desired. Our work in payroll ranges from standalone improvement initiatives to inclusion as part of a broader human resources or finance and accounting transformation.

Whether we are improving the end-to-end process from time entry through escheatment, addressing compliance, improving customer service, implementing new technology, or evaluating outsourcing opportunities, we ensure our clients achieve the results and business value desired.

Our teams assist clients with domestic U.S. and global payroll challenges with assessment, design, and implementation of solutions that include both in-house and outsourced components. In either case, payroll requires an end-to-end view and consideration of the overall functional delivery model objectives.

We have assisted a wide range of clients in the assessment, design, build, implementation, and/or improvement of their payroll services functions:

- Advocate Healthcare
- Aramark
- ATT
- BAE Systems Inc.
- BHP Billiton
- Cedar-Sinai
- Domtar
- Dura Automotive
- Enpro
- Entrada
- Exelon Corporation
- HCA
- Kforce
- NASA
- Northrop Grumman
- Oakley
- Pfizer
- Sealy
- Sempra Energy
- Simmons Bedding
- Tarkett
- Time Warner
- Turner
- The University of Akron
- Warner Bros.
- West Virginia University

PAYROLL SERVICES

- Payroll delivery strategy
- Delivery model design
- Opportunity evaluation and business case
- Performance benchmarking
- Leading practice and compliance assessment
- Work activity assessment
- Voice of the customer surveys
- Policy modification and harmonization
- Process improvement and end-to-end design
- Organization design and staffing
- Technology optimization
- Technology and vendor selection
- Technology implementation
- System requirements identification
- Implementation planning and execution support
- Governance and vendor management
- Dashboards and reporting

Spotlight: Our Supply Chain Practice

We've been helping supply chain organizations move beyond their conventional "order taker" role for nearly two decades. Through our deep expertise and practical know-how, we assist clients across the full range of supply chain processes and have the unique ability to create alignment between the supply chain function and its internal customers and stakeholders.

ScottMadden has experience across all functions in the supply chain, including:

- Planning and forecasting
- Sourcing
- Procurement
- Logistics
- Materials management
- Accounts payable

ScottMadden has developed a "supply chain maturity model" to differentiate the phases that companies pass through on their journey to "world class." The model is divided into three "stages," representing a higher degree of performance effectiveness and efficiency as companies advance in their maturity. This model serves as a foundational element of our support services to assist companies in optimizing their supply chains.

Our solutions provide lasting improvements and allow our clients' supply chain organizations to better serve their internal customers.

SUPPLY CHAIN SERVICES

SUPPLY CHAIN AND PROCURE-TO-PAY (P2P) TRANSFORMATION

- Supply chain and P2P transformation strategy
- Organization design and staffing
- End-to-end process improvement
- Demand planning improvement
- Leading practice assessments
- Service delivery model and governance process design
- Business case development
- Implementation and change management planning and execution
- Outsourcing evaluations, vendor selection, and transition support

SOURCING AND PROCUREMENT

- Spend analysis and spend category market research
- Strategic sourcing execution
- Category management program design
- Risk management
- Supplier relationship management

LOGISTICS AND MATERIALS MANAGEMENT

- Inventory planning and optimization
- Warehouse location selection and design
- Warehouse facility management improvement
- Storage space optimization
- Lean warehousing
- Automatic identification and data capture opportunity evaluation and implementation
- Transportation management and network design