



scottmadden
MANAGEMENT CONSULTANTS

Smart. Focused. Done Right.®

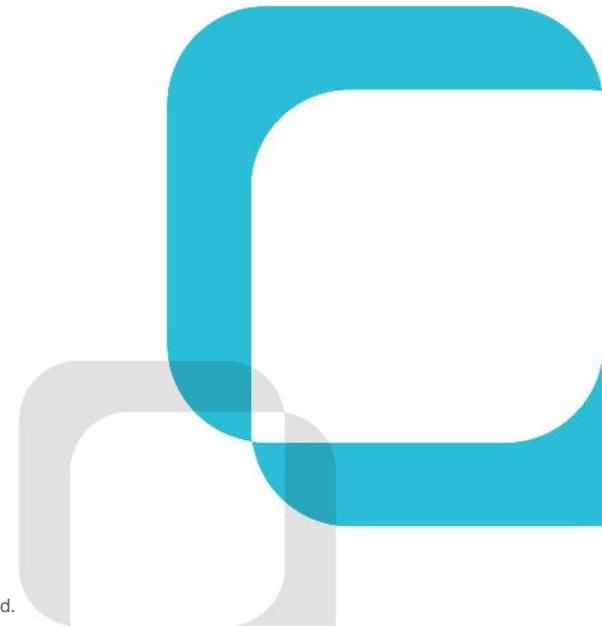


Overview of ScottMadden's Services

Shared Services & Outsourcing Week Autumn



September 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**

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 1,900 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.

Areas of Focus

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.

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.

BUSINESS SUPPORT 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, sales and marketing, insurance, customer service, research, and others.

MULTIFUNCTION/GBS

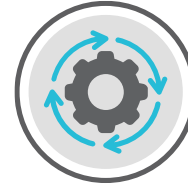
We move shared services to the next generation—integrating finance, human resources, information technology, supply chain, and/or other business services into a single, multifunction shared services or global business services operation with effective governance and management.

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.



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

Our Digital Products & Services

Digital Transformation is changing the way our clients do business. Since our inception in 1983, ScottMadden has been advising our clients on ways to leverage technology to deliver efficient processes and services to internal customers.

We provide digital transformation services across geographies and industries, including aerospace, consumer products, defense, higher education, energy, entertainment, financial services, healthcare, manufacturing, pharmaceuticals, retail, technology, telecommunications, transportation, and others.

Whether we are designing a proof of concept or implementing a broader digital strategy, we ensure our clients achieve the business value desired.

ScottMadden has experience supporting clients across a variety of digital automation technologies including:

- Robotics process automation
- Desktop automation
- Attended and unattended robots
- Cognitive robots

In addition, we have dedicated expertise to support digital transformation across functional areas comprising:

- Finance and accounting
- Human capital management
- Supply chain
- Technology

Digital Transformation Services

Digitization Strategy

- Guiding principles
- Delivery model design
- Alignment of automation capability to need
- Business case
- Implementation strategy

Proof of Concept Design

- Process identification
- Process design and mapping
- Process scripting and testing
- Production readiness

Digital Implementation

- Digitization advisory services
- Vendor landscape and selection facilitation
- Testing design, cutover, and facilitation
- Training support
- Project management
- Change management

Operations and Governance

- Governance model evaluation
- Center of Expertise design and creation
- Roles and responsibilities
- Metrics and analytics












































Digital Expansion

- Process identification
- Automation criteria
- Prioritization matrix
- Expansion timeline

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 1,900 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.**



Our Values

Our success is the direct result of our people. The work of ScottMadden's employees is guided by these values:



We will be **accountable to our clients and each other** and operate in a manner that conveys a **genuine focus on service** founded on **mutual respect and trust**



We will place the **long-term good of our clients** above our own interest and conduct our business **ethically with humility, empathy, and fairness**



We will **exceed our clients' expectations**, we will do what we say we will do, and we will do it extraordinarily well



We will each be **stewards of ScottMadden's reputation**, and we will preserve and enhance it






We will maintain a **challenging work environment** centered on client success while **promoting collegiality, creativity, responsibility, and an overall esprit de corps**



We are personally invested in every project we take on.

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	<ul style="list-style-type: none">▪ Voice of the customer surveys▪ Work activity assessment▪ Competency builder▪ Spans and layers analysis	
RESEARCH	<ul style="list-style-type: none">▪ Primary functional research▪ Proprietary shared services benchmarking studies▪ Leading practice database▪ Country regulations database	
PROJECT ACCELERATOR	<ul style="list-style-type: none">▪ 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 Service Delivery Model Transformation for International Retailer

CHALLENGE

The HR organization of an international retailer with 230,000 employees across more than 3,000 locations was challenged by its highly decentralized HR service delivery model. HR functions were siloed by brand and location, limiting the ability to effectively scale and leverage HR services.

ScottMadden was engaged to design and implement an HR service delivery model that addressed some of the common HR challenges within the retail industry, including lack of employee email access, inconsistent representation of field HR across multiple stores, and variation in processes and policies across the retailer's family of brands.

PROCESS

- Conducted a survey to compile the types of questions that different roles were fielding to better understand how and where employees were seeking HR support. Developed knowledgebase articles to allow the service center to address employee questions at first contact
- Established specific owners for all HR work activities. Harmonized company-wide policies and redesigned human resources processes
- Developed customer service training for HR staff in response to employee feedback on service levels
- Developed internal operating processes and improved technologies to increase efficiency of customer request intake and resolution

RESULTS

- Improved HR services and enabled HR to provide more cross-functional, cross-brand support
- Improved strategic support provided to brands by the HR COE functions, while also enhancing the COE's scalability and leverage for future growth
- Enhanced accessibility of HR services for store employees
- Created infrastructure for knowledge transfer and sharing across the brands to improve the consistency and quality of services delivered



Finance Shared Services Design for a Healthcare Equipment Company

CHALLENGE

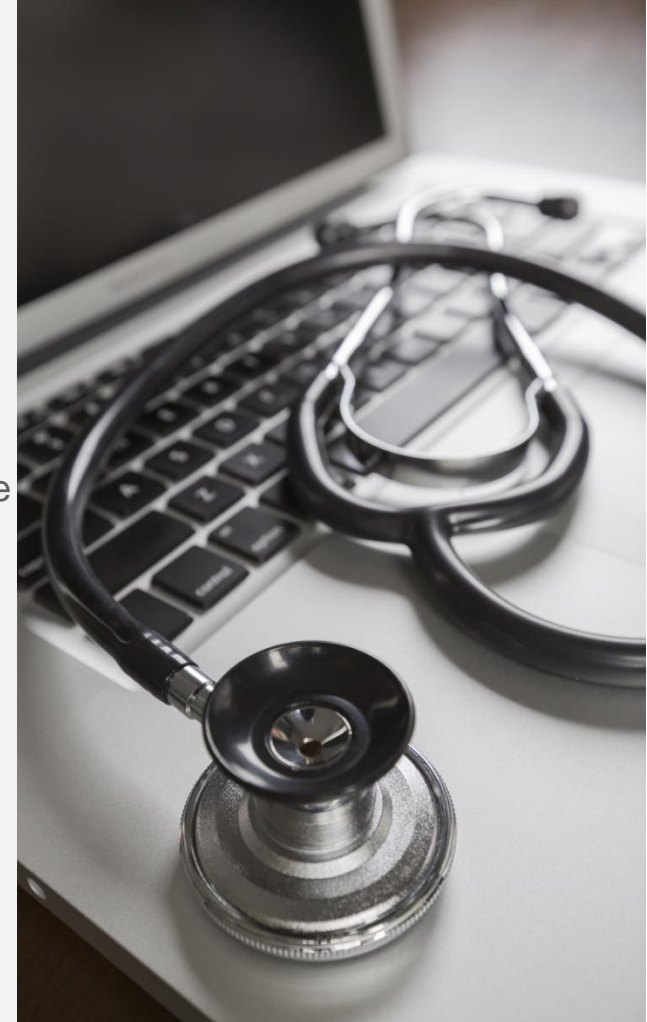
A global medical equipment company had experienced rapid growth, particularly in its Asia-Pacific (APAC) region. As a result of that growth, finance processes and policies evolved within each country with little to no harmonization and alignment. While accounts payable and accounts receivable services were already being delivered efficiently and effectively, the client identified the need for a more scalable model to support a rapid-growth environment. ScottMadden was engaged to design a finance shared services model that could serve more internal and external customers, while further improving efficiencies, effectiveness, and customer service.

PROCESS

- Deployed voice-of-customer survey to establish a baseline and measure customer perception against internal finance perception of performance
- Conducted a process-capture survey to determine the differences in processes across the countries within the APAC region
- Compared technologies, roles and responsibilities, policies, and government regulations across nine APAC countries
- Supplemented process capture survey data with client interviews in Southeast Asia and Japan

RESULTS

- Presented recommendations for centralizing accounts payable and accounts receivable functions within the APAC region
- Identified higher-risk processes and services due to varying government regulations and developed a staffing plan to address risks
- Recommended process changes to promote alignment across geographies where possible
- Developed a shared services delivery model that could scale with an estimated 19% growth, while also providing an NPV of \$5 million



Innovative Model for Delivering Shared Services in Higher Education

CHALLENGE

A large Canadian research university with more than 20,000 students was experiencing low levels of satisfaction across its portfolio of administrative services. At the same time, overall university administrative support costs continued to grow. The university's leadership desired to transform its administrative functions to provide best-in-class service aligned with the university's teaching, research, and community service mission, vision, and goals. With the help of ScottMadden, the university designed and implemented an innovative, horizontally and vertically integrated shared services model across human resources, finance, and research.

PROCESS

- Conducted an in-depth review of the university's in-scope functions and developed a baseline inventory for staffing, costs, volumes, and customer satisfaction
- Redesigned the organizational structures and service portfolios
- Realigned work and right-sized the organization; defined new roles and responsibilities
- Designed and implemented supporting infrastructure to track and measure future performance improvements

RESULTS

- Developed an innovative shared services delivery model featuring high-touch, easily accessible "storefronts" in desirable on-campus locations where faculty, staff, and students could receive personalized service
- Consolidated transactional support activities, such as payroll, into a single service center to facilitate more efficient processing
- Consolidated administrative support footprint to free up valuable on-campus real estate for teaching and research
- Created a framework for the university to scale more effectively and efficiently with growth
- Improved customer satisfaction with revamped administrative service delivery



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Appendix



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

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 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

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

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.

IT 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

IT Strategic Direction

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

IT 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

IT 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

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.

PAYROLL SERVICES

- Payroll delivery strategy
- Delivery model design
- Opportunity evaluation and business case
- Performance benchmarking
- Leading practice and compliance assessment
- Work activity and customer satisfaction 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

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

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 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