



Smart. Focused. Done Right.®

HR Optimization: Key Themes for Organizational Excellence

HR Shared Services and Outsourcing Week

November 2024

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Agenda

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INTRODUCTION



02

SERVICE DELIVERY MODEL



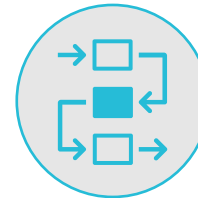
03

PEOPLE AND ORGANIZATION



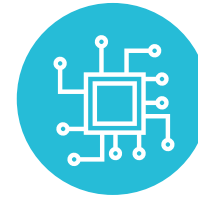
04

POLICY AND PROCESS



05

TECHNOLOGY AND DATA



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WRAP UP



Introduction



**ScottMadden
Overview**



**Key Themes
for Organizational
Excellence**

Who We Are

ScottMadden is a management consulting firm with more than 40 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.

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

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 thousands of 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 assessment, strategy, design, implementation, technology, business case and roadmap, governance, program management, and change management.

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Corporate and Shared Services Capabilities



Assess and Plan

- Strategic planning
- Feasibility analysis
- Benchmarking
- Statistical and analytical modeling
- 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
- Policy assessment
- 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
- Policy harmonization
- Process redesign
- Technology design, selection, implementation, and support
- Education and training
- Facility design and setup
- Change management
- Sourcing implementation
- Metrics and dashboarding



Improve

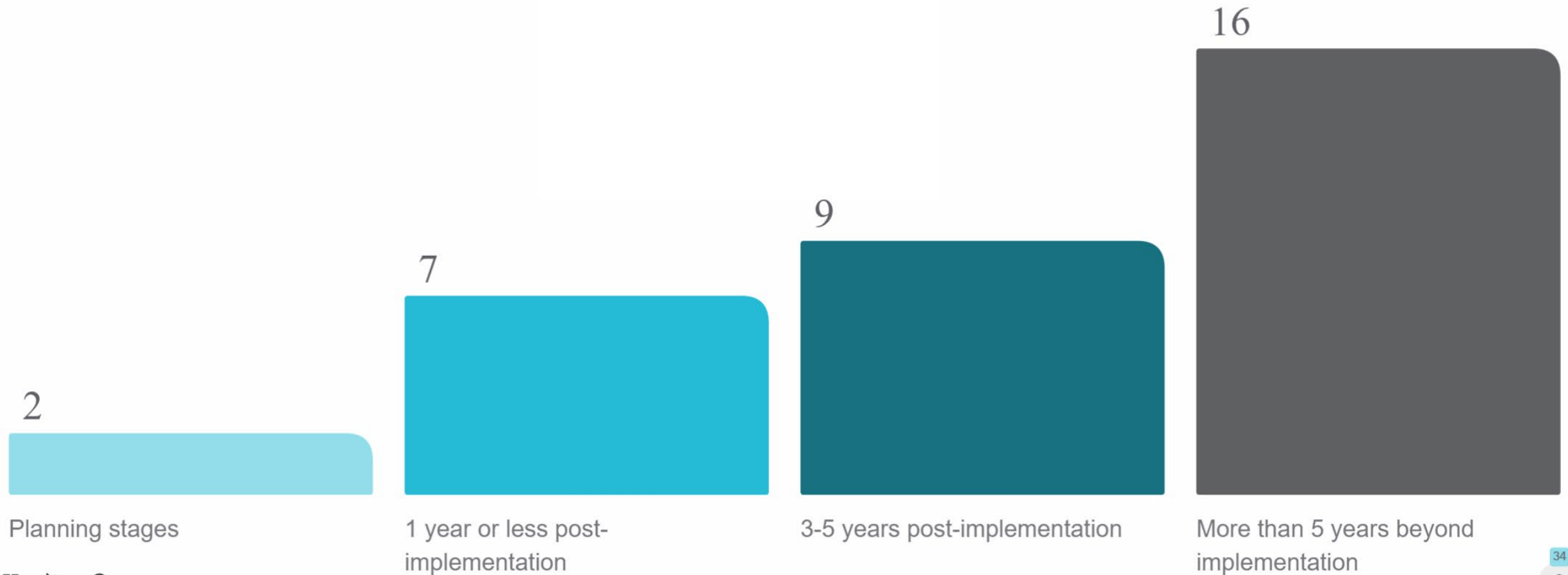
- Analytics setup and deployment
- Operations improvement
- Governance
- Service expansion
- Cost reduction
- Process redesign
- Intelligent automation opportunities/implementation
- Technology upgrade
- Merger and acquisition integration
- Field resource development
- Voice-of-the-customer surveys
- Metrics and performance management

Representative Clients

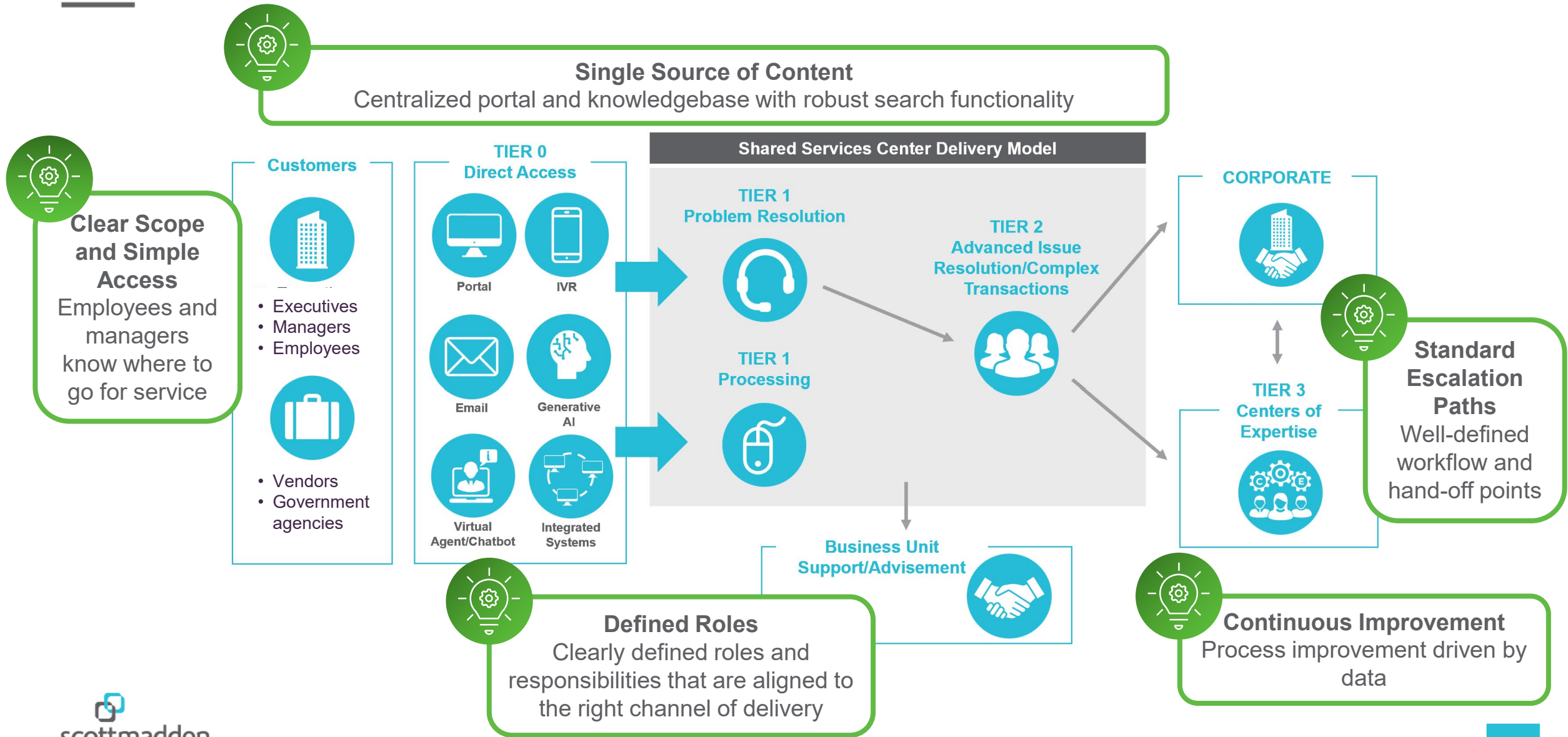
Retail and Consumer Products	Manufacturing and Industrial	Technology and Communications	Higher Ed., Public Sector, Non-profit	Energy and Utilities	Healthcare	Professional Services
						
						
						
						
						
						
						

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

Where are you in your shared services journey?



Leading Practices Shared Services Operating Model



Benefits of a Shared Services Model

Improve Service Delivery and Transparency

- Better customer experience
- Standard processes
- Common model for expansion
- Performance metrics

Gain Control and Leverage Data

- Improve reporting and analytics
- Improve compliance
- Better decision-making



Cost Control and Scalability

- Skillset and work alignment
- Economies of scale
- Automation of process
- Elimination of redundant work

End-to-End Accountability

- Less rework caused by upstream process issues
- Improved end-to-end process coordination
- Focus on root-cause problem resolution

Benefits of Shared Services – HR Benchmark Examples

Top-performing service centers operate more efficiently and provide a better customer experience.

Customer Experience in HR

90%

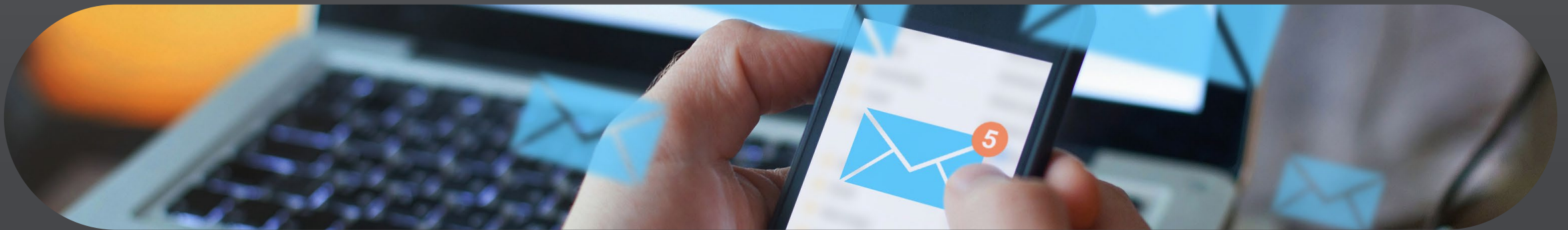
First-Contact Resolution

20 secs

Average Speed to Answer

8%

Service Center Employee Turnover



Common Challenges and Mitigation Tactics

COMMON CHALLENGES

Resistance

Silo Mentality

Lack of
Standardization

Internal Focus

Lack of
Accountability

Limited Innovation
and Stagnation

Poor Organization
or Skill Alignment

Limited
Current State

MITIGATION TACTICS

- Strong, sustained leadership and sponsorship
- Executive sanctioning of the new process
- Stretch goals and aggressive timing
- Effective measurement and rewards
- Leveraging leading practices
- Customer participation
- Work-focused; not functional teams
- Removing current state service delivery pathways (not aligned with future state) at the first opportunity
- Cascaded, frequent communication
- Willingness to spend time and effort in evaluation of current operations
- Visits to successful operations
- Detailed current state assessments and future state design

Opportunities Exist, Regardless of Your Maturity



- Policy harmonization
- Process redesign
- Service delivery model review
- Organizational structure
- Technology implementation
- Governance model

- Process redesign
- Expansion opportunities
- Leverage of leading practices and benchmarks
- Training and staff retention
- Other technology investments
- Multifunction integration
- Governance clarification

- Continuous improvement
- Expansion opportunities
- Customer satisfaction
- Leverage of leading practices and benchmarks
- Career pathing
- Technology optimization
- Multifunction optimization

Shared Services Optimization Framework

Service Delivery Model



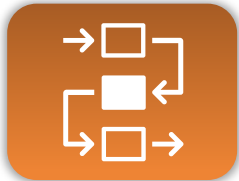
- Strategy and Governance
- Scope of Services
- Scope Expansion Strategy
- Sourcing Strategies
- Customer Experience
- Stakeholder Management

Organization and People



- Organizational Structure and Staffing Levels
- Roles and Responsibilities
- Staff Skills, Competencies, and Expertise
- Staff Development
- Career Pathing
- Team and Organizational Culture

Policy and Process



- Policy and Process Harmonization
- End-to-End Process Orientation
- Compliance with Policies and Processes
- Documentation and Resources
- Continuous Improvement Framework
- Operational Processes

Technology and Data



- Applications and Systems
- Metrics and Success Measures
- Reports, Dashboards, and Insights
- Customer Portal and Self-service
- Knowledgebase and Knowledge Management
- Automation

Service Delivery Model



**Ensure the Right
Governance Structure is
in Place**



**Consider Scope
Expansion**



**Re-evaluate
Existing Services**

Dealing with Strategic Changes

Changes in strategic direction are common as companies pivot to address market pressures.

Are your SSC operations pivoting and evolving to meet strategic needs? Do you have the right governance in place?

Local Operations

- Are there processes that came into the center that, in hindsight, are not being effectively managed and should have remained local?

Outsource Providers

- Outsourcing unstable or disparate processes is never a recipe for success
- Are there processes that have stabilized under SSC control that would now be candidates for outsourcing?



Shared
Services

Are there outsourced processes that would be better managed by the SSC?



Acquisitions

- While you were busy building and stabilizing your SSC, your company made acquisitions. Some of them may even have their own SSC operations...
- Is now the time to integrate them and their standardized practices?

Establish Strong Governance

A governance structure drives increased engagement and accountability within the shared services organization, creates an overall mechanism to manage and prioritize issues/opportunities, and adds visibility for leadership.



Post-implementation Governance Focus

- Manage requests for future policy, process, or technology customizations
- Manage requests for different employee populations to be treated in a different manner
- Uncover and address service issues
- Make critical decisions and set action items regarding changes to scope of services, new employee populations, etc.
- Perform scheduled reviews of the performance metrics



Key Considerations

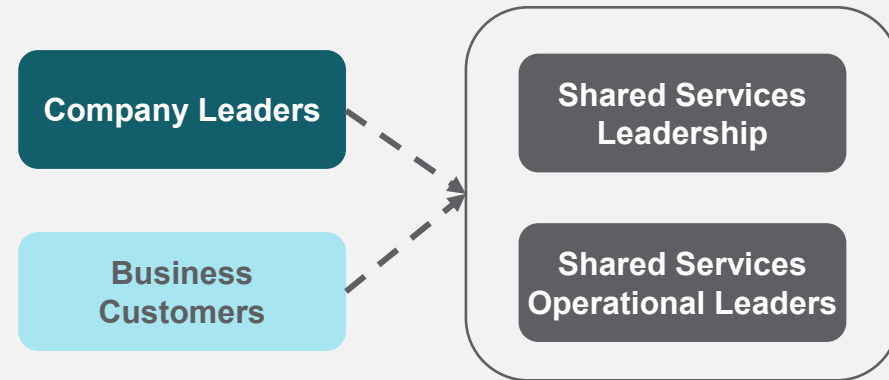
- Match the governance structure to the potential for issues
 - Small potential for differences = less formal and structured governance
 - Large potential for differences = more formal and structured governance
- Incorporate customers and partner representation
 - Allows customers to influence direction of the service center and ensures responsiveness to business needs
- Establish criteria for evaluating issues and making decisions

Governance vs. Execution

GOVERNANCE LAYER

Identify and prioritize the list that needs to be worked

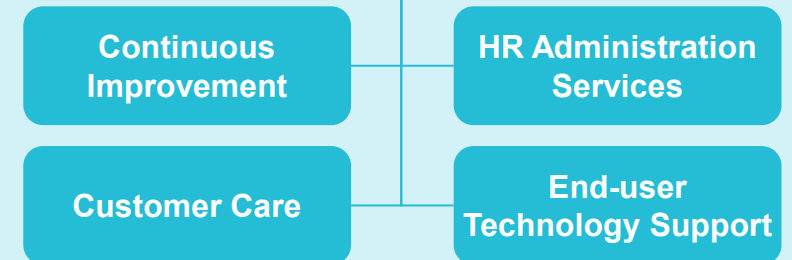
- Thematic issues
- Prioritization of focus
- Status of existing enhancements
- Maintenance of cross-functional discussion/partnership



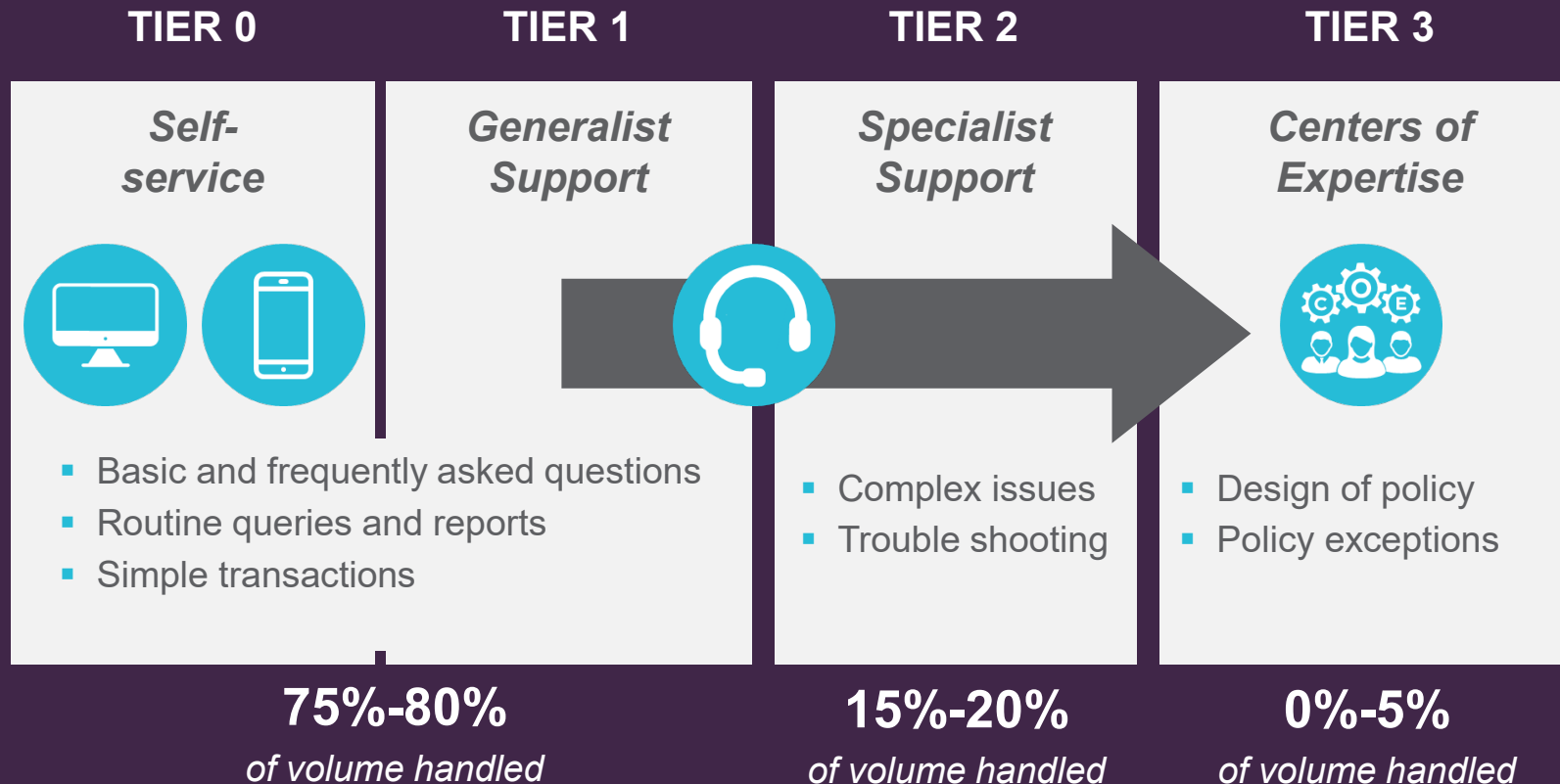
EXECUTION LAYER

Support, assign resources, and drive completion against the list

- Dividing the work/issues to be resolved across the teams
- Identifying and documenting the steps to achieve/complete resolution on the issues
- Driving and executing on the fixes/improvements
- Providing status updates back to the governance layers



Continue to Drive Scope up the Value Chain

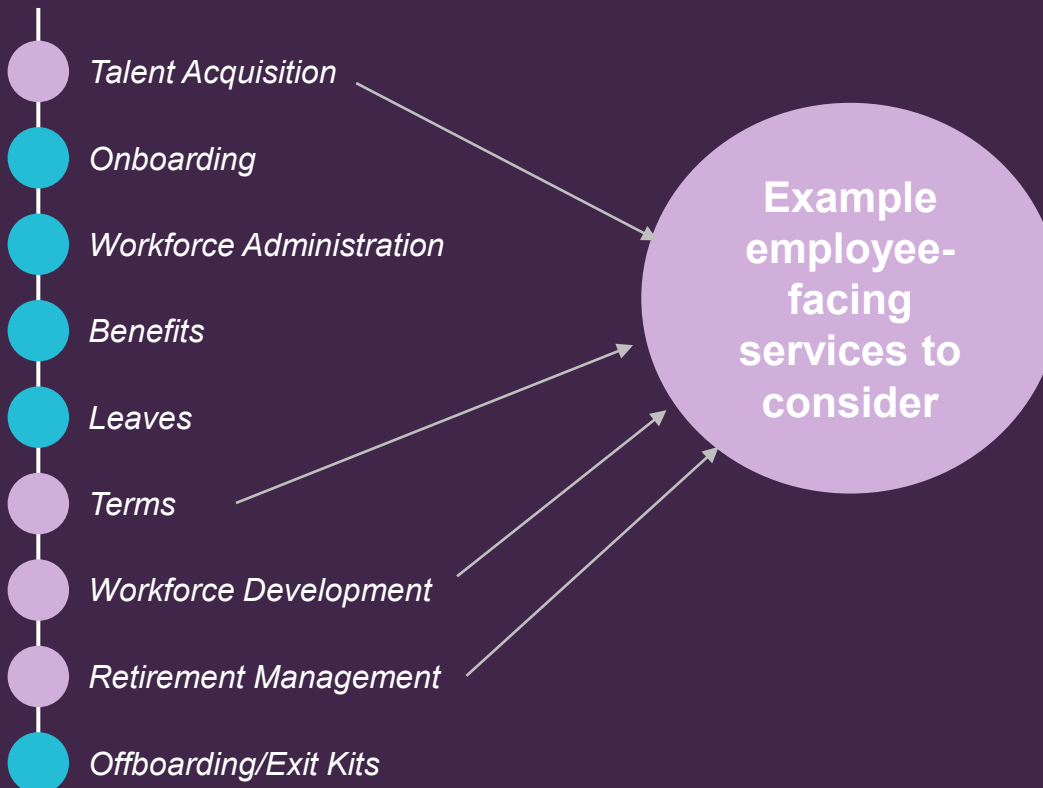


For example: This trend is occurring in HR SSOs – higher value services:

- Employee Relations
- Labor Relations
- **Organizational Effectiveness**
- **Business Analytics**

End-to-End Process in Service Expansion

Hire-to-Retire



Consider employee-facing work from an end-to-end view to:

- Reduce handoffs
- Drive consistency in service
- Enhance the overall customer experience

Service Migration Approach

Identify

Assess

Migrate

Finalize

- Identify the pockets of transactional work across the organization that could drive further efficiency for the organization and better customer support
- Consider the evaluation criteria
 - Fit and complexity
 - Level of effort
 - Cost savings
- Determine the timeline for migration
- Determine the migration type
- Complete work across workstreams, as needed by function
 - Revise roles
 - Set new organization structure and staffing
 - Determine facilities needs
 - Improve processes
 - Revamp technology
- Assess how the function is performing post-migration
- Establish baseline metrics
- Create reporting and metrics

Employee Relations Transformation



OUTCOMES

A major healthcare system’s employee relations function had grown organically through M&A, and in a post-pandemic environment, was experiencing increased volumes, challenges, and complexities with their HR employee investigations processes. These challenges were leading to enterprise risk, legal and compliance exposure, and decreased employee morale.

KEY ACTIVITIES



Assessed the **current operations**, designed a **new service delivery model**, including a Center of Expertise (CoE), assigned **cross-enterprise roles and responsibilities**, designed a **new organization structure** with staffing needs, and created a **business case**, including recommended technology enablers



Recommended approach to **mitigate near-term employee investigation risks**, including standing up the employee relations module in ServiceNow; **designed a longer-term, phased rollout approach** for the CoE



Created **standardized processes for investigations** and **developed tools for clear and consistent decision-making**, all tailored to fit the healthcare system’s specialized requirements



Planned and led **implementation of the new CoE** for two initial regions, including redesigning policies and processes, updating ServiceNow, and leading overall change management efforts



Developed an enterprise governance structure to **provide programmatic oversight of the new investigations program**, including establishing risk levels to ensure the most severe investigations get the most enterprise attention and resources



Reduced overall labor costs for the employee relations function while **centralizing specialized resources** to perform the work more efficiently and effectively than the previous decentralized model



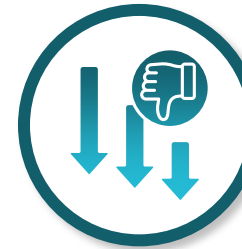
HR business partners, who have been overwhelmed by investigations work, **now have more availability** to help their business customers with more strategic work

Advantages and Disadvantages of Growth



Advantages of Growth

- The shared services model works to:
 - Improve service delivery
 - Lower total costs
- Economies of scale
- Synergies (e.g., onboarding of new employees)
- Standardization of processes and elimination of redundant processes
- Shared technology
- Shared management and administration
- Cross-training
- Additional advancement opportunities for shared services employees
- Improved customer service
- Allows business units to focus on core processes



Disadvantages of Growth

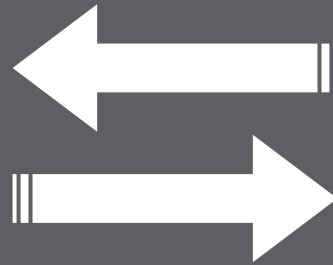
- Investment requirements – upfront costs to transition and centralize technology, staff, equipment, and facilities
- Additional bureaucracy
- Size can hamper responsiveness
- Requires broader technical expertise at the top to manage additional functions
- Perception of kingdom-building
- Potential impacts to employees currently performing the work

Despite potential disadvantages, a successful shared services organization must continue to grow, evolve, and demonstrate additional relevance. Failure to do so will lead to stagnation

Revisit What Sits Locally vs. Within Shared Services

We often encounter instances where processes have been migrated that do not align with the established shared services model or fail to effectively meet customer needs.

Local Operations



Shared Services



- **Highly Specialized or Customized:** Process requires a specialization, customization, or focused attention
- **Sensitive or Strategic:** Process involves sensitive/confidential information or strategic decision-making
- **Low Volume or Frequency:** Process has low volumes/infrequent demand, making it less cost-effective to centralize

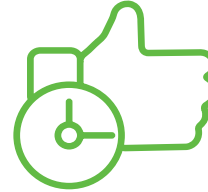
- **Clear Processes and Metrics:** Process is well defined (and mostly standardized) with metrics and performance indicators
- **Repetitive/Routine Tasks:** Processes have repetitive tasks that can be streamlined, automated, and centrally managed and are of sufficient volume to create economies of scale
- **Technology Enablement:** Process can leverage technologies such as ERP systems, automation tools, and digital platforms

Consider Outsourcing as a Strategy

Outsourcing is an effective strategy employed by many (if not most) shared services organizations. Choosing the right time to outsource is critical to the strategy's success.

Benefits to Outsourcing

- **Cost Savings:** Outsourcing can reduce operational costs, including labor, infrastructure, and overhead expenses
- **Access to Expertise:** Gain access to specialized skills and expertise not available in-house
- **Focus on Core Activities:** Allows the organization to focus on core business functions and strategic initiatives
- **Scalability:** Easily scale operations up or down based on business needs without the burden of fixed costs
- **Improved Efficiency:** Outsourcing to specialized providers often leads to increased efficiency and productivity



Caution

Outsourcing **unstable or disparate processes** transfers the problems elsewhere; control may be limited

Processes that are stable and standardized are ideal candidates for inclusion in an outsourcing strategy, freeing up resources and focus for new opportunities and challenges

When Is It Time to Reconsider Your Outsourcing Arrangement?

Enduring a painful and ineffective relationship with your outsourcing provider leads to ongoing challenges and potential loss of goodwill from your customers.



Signs that your outsourcing relationship is in trouble:

- Poor Communication
- Quality Issues
- Missed Deadlines
- Cost Overruns
- Lack of Flexibility
- Security Breaches
- Dependency Risk
- Cultural Misalignment
- Legal or Compliance Issues
- High Turnover

Customers will not differentiate between services provided by your SSC and those provided by your external BPO providers. Addressing issues with these providers is critical to the overall success of your operation

People and Organization



**Evaluate
Competencies and
Upskill Staff**



**Cultivate Employee
Engagement**

Six Reasons to Focus on Competencies and Skillsets

As traditional models evolve and expand, organizations should evaluate their leadership and employee competencies to ensure talent requirements remain aligned.



1. Enable Performance Management

Ensure you have the right set of competencies and then measure against them for a comprehensive view of organizational capabilities.



2. Identify Strengths and Gaps

Identify strengths and weaknesses in teams and individuals.



3. Align Skills with Roles

Match employees to roles and responsibilities that align with their strengths and expertise to increase performance and job satisfaction.



4. Inform Training and Development

Determine the specific skills and knowledge areas where employees may benefit from additional training, coaching, or skill-building programs.



5. Facilitate Succession Planning

Identify high-potential individuals, develop talent pipelines, and prepare for future leadership and skill needs.



6. Drive Continuous Improvement

Address gaps by investing in skill development to enhance performance, efficiency, and overall effectiveness.

Optimizing the HR Business Partner Role Is Critical to the Model

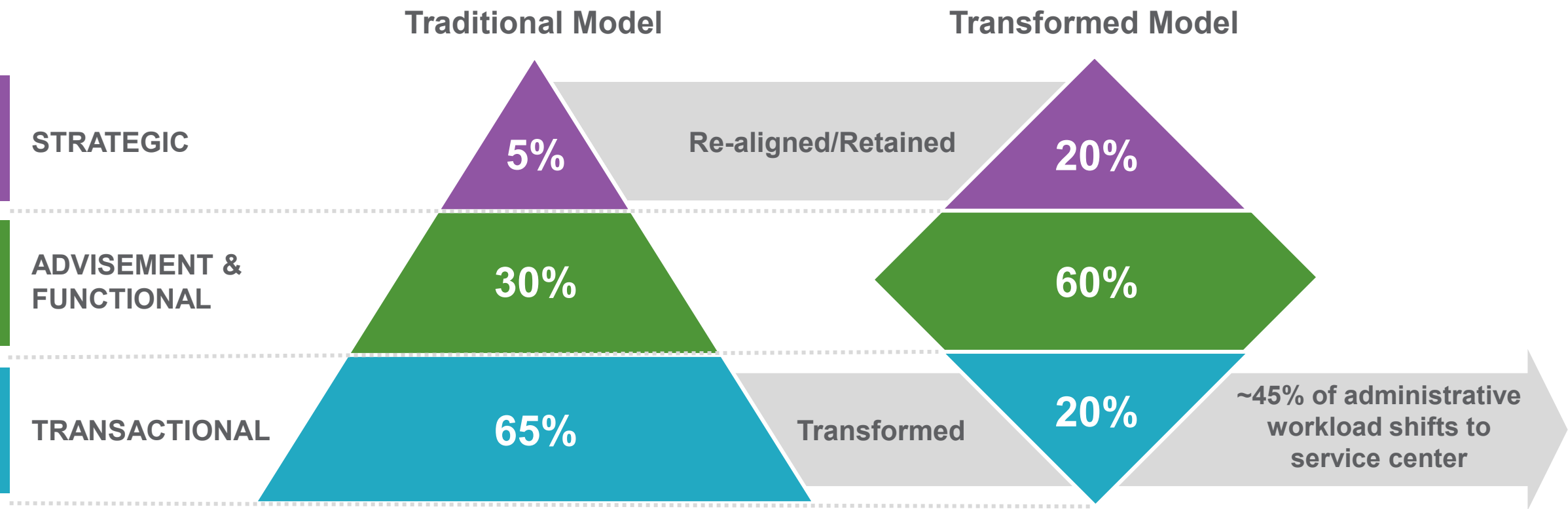
HR Business Partners remain focused on business strategies

Manage Talent

Manage Budgets

Drive Performance

Optimize Local Knowledge



Evaluate the Organization's Competencies

Developing a process or tool for measuring the organization's level of proficiency across the competency framework can identify group and individual strengths and gaps. Results allow leadership to better align employees in their current roles, in growth opportunities, or in succession planning while highlighting needs for securing new talent.



ASSESS

- **Define competencies** by level
- **Collect ratings** from the employee and two additional raters (typically the manager or a peer)



IDENTIFY

- **Tabulate results** tabulated by individual, career level, organization, or other demographic breakdowns



PLAN

- Plan **improvement opportunities** for the organization
- Tailor **personalized feedback** based on individual results

Case Study: HR Business Partner Competencies and Skills



A recent higher education client realized HR Business Partner (HRBP) knowledge and skills varied across colleges and business units. With hopes of **evaluating and eventually upskilling**, ScottMadden issued a survey to all HRBPs to measure the organization's level of proficiency in key HR competencies.

Nine Society for Human Resource Management (SHRM) Competencies Evaluated:

Business Skills

- Business Acumen
- Critical Evaluation
- Consultation

Interpersonal Skills

- Communication
- DE&I
- Relationship Management

Leadership Skills

- Leadership Navigation
- Ethical Practice

Technical Skills

- HR Expertise, which can be modified for non-HRBPs

Build a Program to Address Skill Gaps



Curriculum options organized by competency and by level (early, mid/leader)

PLAN



Attend scheduled trainings or use the self-paced track and engage with your cohort

LEARN and ENGAGE



Prove your skills on the job, as verified by leaders/peers, and receive a certificate of completion

SHOW

Developing a program to address identified skill gaps can help to ensure a **consistent, top-quality level of service and knowledge** from the team.

Employee Engagement Is Critical

Engaged employees aren't just more productive, they also tend to be more loyal and committed to their companies.



Where Are Employees Asking for More?

Common Employee Challenges...

"I'm more concerned with opportunities for development than any other aspects of my job"



"I like to be recognized for good work"



"I want a supervisor I can communicate with directly and openly"



"I am tired!"



...Implications

90% of learning and development takes place on the job

Lack of recognition or praise for doing good work is responsible for a 10%-20% difference in productivity

The #1 reason people leave their jobs is directly related to their managers

Stress and work-life balance is also a top reason employees leave their jobs

What have been the most effective engagement strategies at your organization?

57 responses



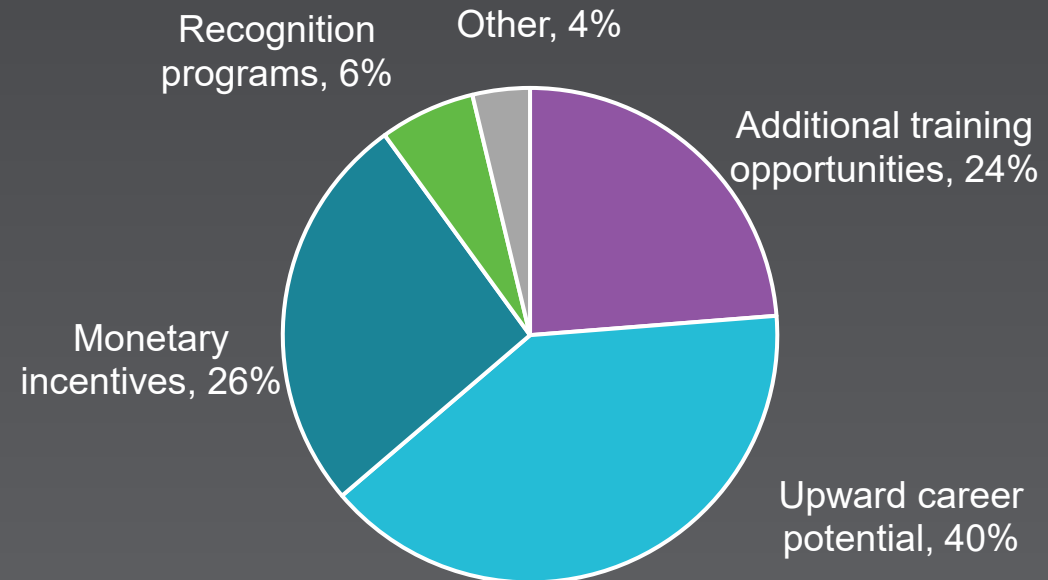
Engage Employees and Enhance the Employee Experience

Upward career potential, monetary incentives, and additional training opportunities are reported as top drivers for retaining staff among survey respondents.

An Effective Leader:

- Provides a clear, concise, and overt statement on rewards
- Is helpful in markets where talent is difficult to attract
- Differentiates a company as an employer of choice and provides candidates a clear view

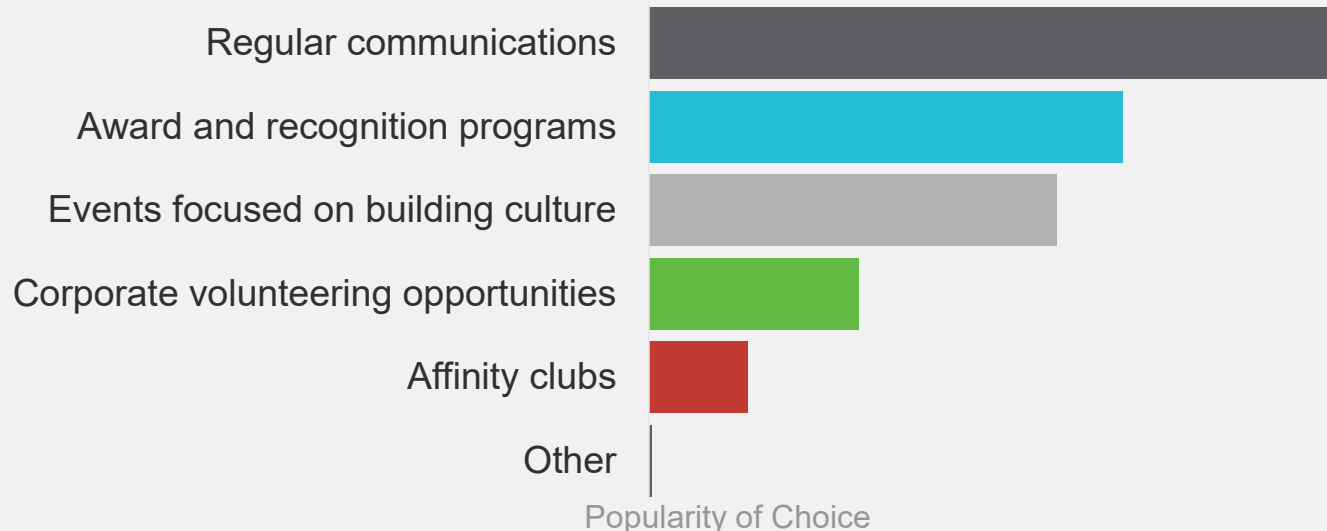
What is the biggest driver for **RETAINING** staff in your organization?



Cultivating Employee Engagement

ScottMadden's Talent Management Survey identifies communication, recognition, and culture-building events as favored engagement tactics.

Which tactics are most effective for **ENGAGING** employees and building culture within your SSO?



BUILDING A GREAT CULTURE

“A great corporate culture [includes] open communication, mutual respect, shared goals, and a commitment to employee growth and development.”

Source: The 8 Elements of Great Company Culture. www.Greatplacetowork.com

Policy and Process



**Augment Process Design with
User Experience Design**

Process Improvement – The Next Step

As your shared services organization matures and continuous improvement becomes a larger action area, it's time to take a deeper look at processes that need attention. While this might involve designing processes that are added to the SSO's function, it could also be focused on improving processes you already have.



Design New Processes

Processes that are added to the scope of the SSO because of evidence of success, trust, or a previously planned transition



Redesign Existing Processes

Processes conducted by the SSO today, including the particularly tough ones

The diagram illustrates the combination of two assessment methods. On the left, an orange box labeled 'Traditional Assessment/Solutioning' contains a list of three items: 'Volume and process data', 'Stakeholder (practitioner/SME) interviews', and 'Process maps (visualize process)'. In the center is a large grey plus sign. On the right, an orange box labeled 'User-Experience Assessment/Solutioning' contains a list of three items: 'User-experience surveys (process focused)', 'Customer interviews', and 'Journey maps (visualize customer actions and pain points)'.

Traditional Assessment/Solutioning	+	User-Experience Assessment/Solutioning
<ul style="list-style-type: none">Volume and process dataStakeholder (practitioner/SME) interviewsProcess maps (visualize process)		<ul style="list-style-type: none">User-experience surveys (process focused)Customer interviewsJourney maps (visualize customer actions and pain points)



Include Users in Design!

*A well-designed customer journey map, by persona (leaders, employees, etc.), is a great way to **understand the user's pain points, actions, and emotions.***



User Experience Design Key Steps

Define Personas and Collect Information

Planning and research on users is the foundation of rethinking the process.

- Define the key stakeholders, or personas
- Collect data on the process; e.g., case data, customer satisfaction results, and administer process surveys
- Interview 3-5 people per persona

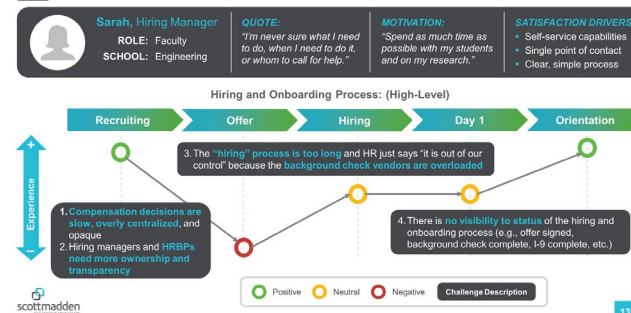


Construct Journey Maps by Persona

Journey maps highlight the user experience, pain points, and opportunities for improvement.

- Break the process into high-level steps
- Rate experience at each step
- Call out key pain points

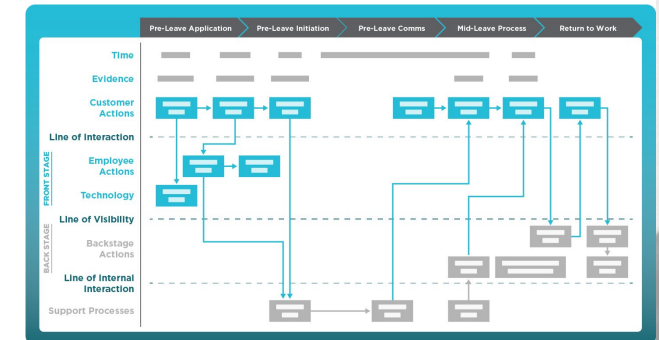
Personas & Journey Maps: Identifying Customer Pain Points



Service Blueprint


Service blueprints provide an extra level of detail to support a user journey map.

- Add detail on customer actions, front stage actions, backstage actions, and support processes



User experience design should be incorporated into the traditional process design approach.
Layer the journey maps into future state process maps before finalizing processes

Personas and Journey Maps: Identifying Customer Pain Points



Sarah, Employee

LEVEL: Manager

OCCUPATION: Sales

PERSONA: Unplanned LOA

QUOTE:

“The vendor and website are not helpful, so I just call our internal helpdesk regardless of my question.”

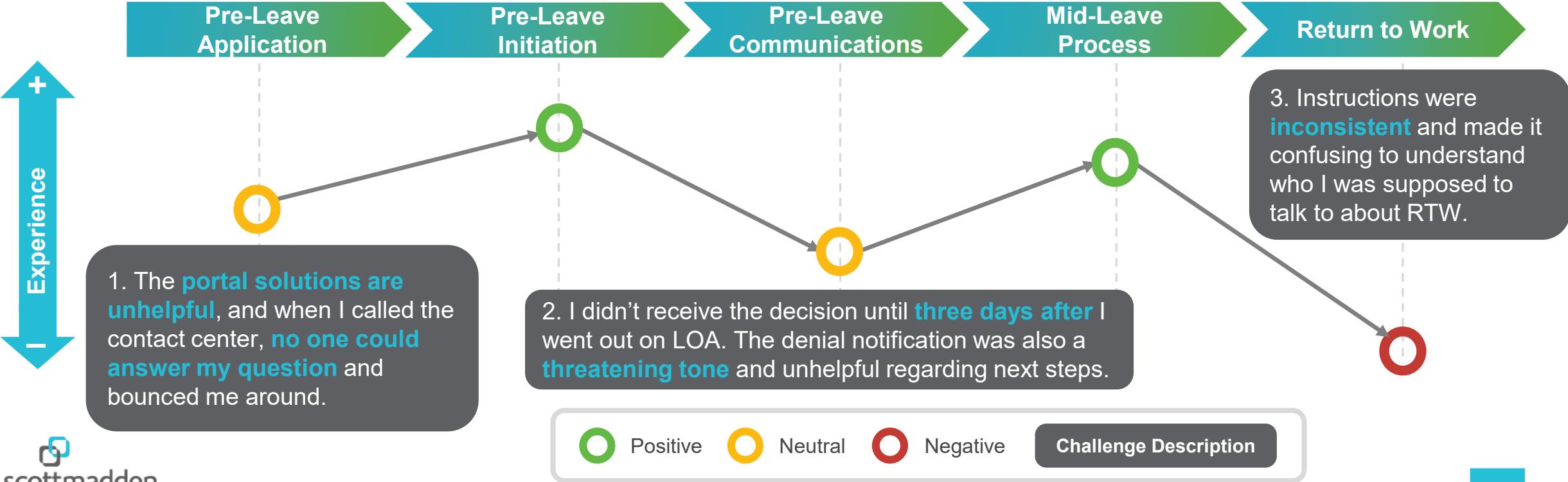
MOTIVATION:

“To be able to recover without concern over the LOA process and my LOA application status.”

SATISFACTION DRIVERS:

- Self-service capabilities
- Single point of contact
- Clear, simple process

Leave of Absence Process: (High-Level)



Service Blueprint: How It Works

The key elements in every service blueprint include:

1 Customer Actions

Actions completed by the customer or actions/notifications resulting from other parts of the process (e.g., “Receive LOA decision”)

2 Frontstage

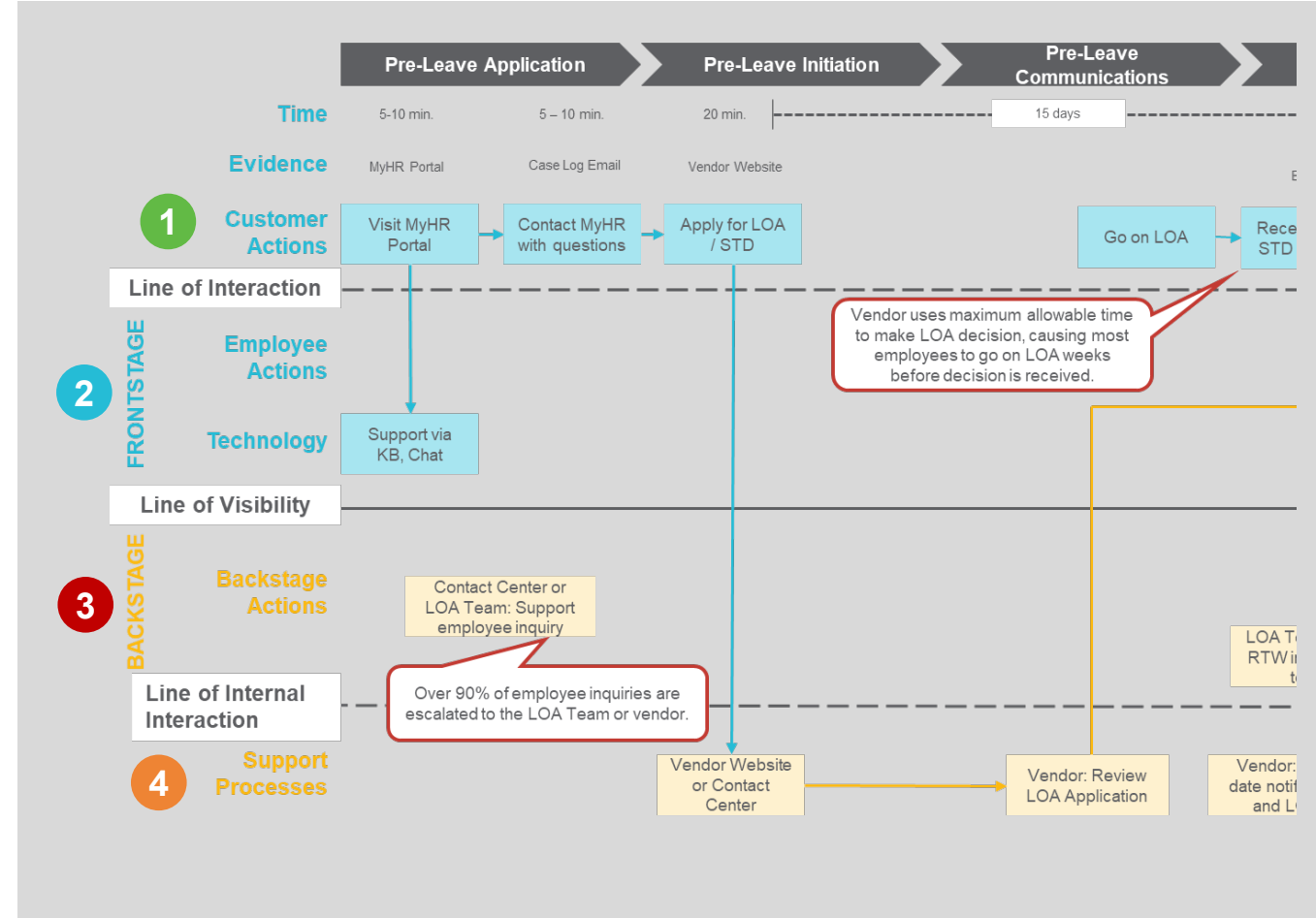
Actions from the customer support or technology interfaces (e.g., direct access) that the customer can see or interact with

3 Backstage

Actions from customer support, vendors, etc. that are not visible to the customer but support the frontstage activities

4 Support Processes

Processes that support the internal team or vendors in supporting the service delivery



User Experience Design Is Worth It

While including users into process design may seem like more work, it is worth it.

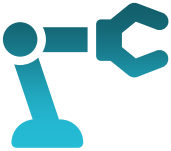


Benefits of UX Design

- Discover pain points and solutions
- Create processes that make sense to all parties involved
- Get to know your customer better
- Establish a perception with your customer that you are working hard to alleviate challenges

Customers appreciate being involved and are often flattered that you chose them. Be respectful of their time and professional and your interaction will be a positive one.

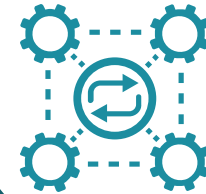
Technology and Data



**Discuss Supporting
Technologies**



**Explore Intelligent
Automation**



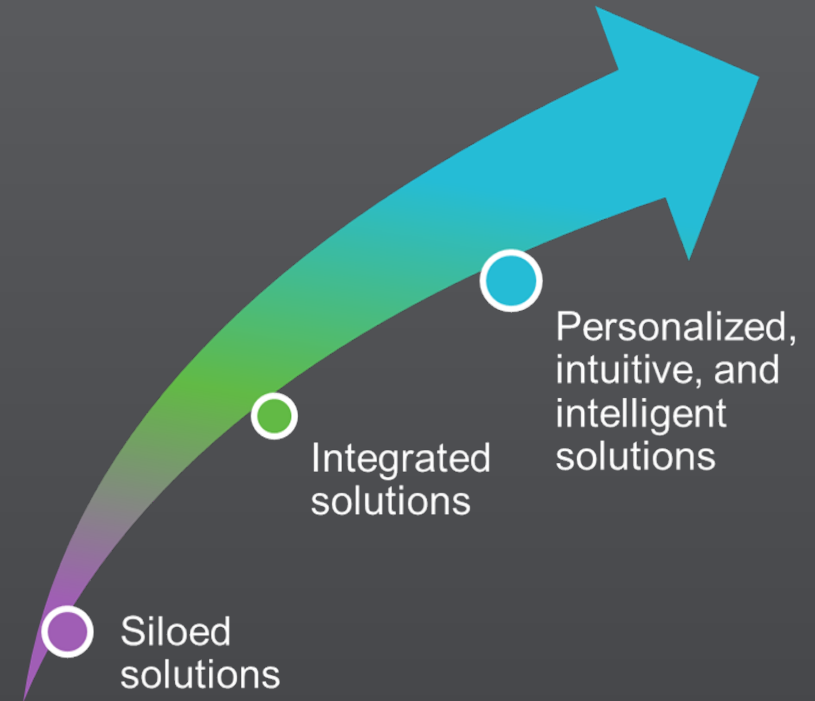
**Deep Dive into
Data and Analytics**

Supporting Technologies Maturity Curve

Consumer-grade solutions are desired by employees

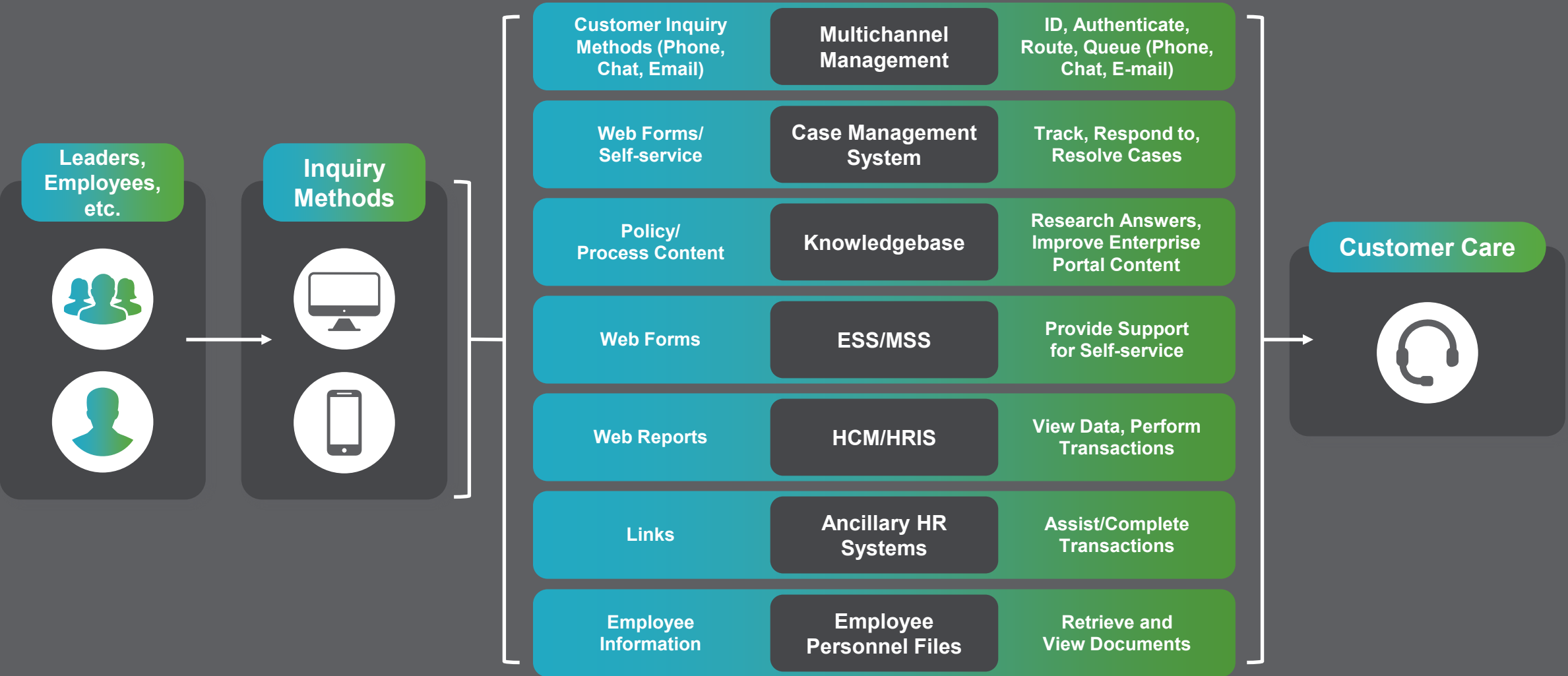


As organizations invest in solutions, they should ensure they are moving up the maturity curve

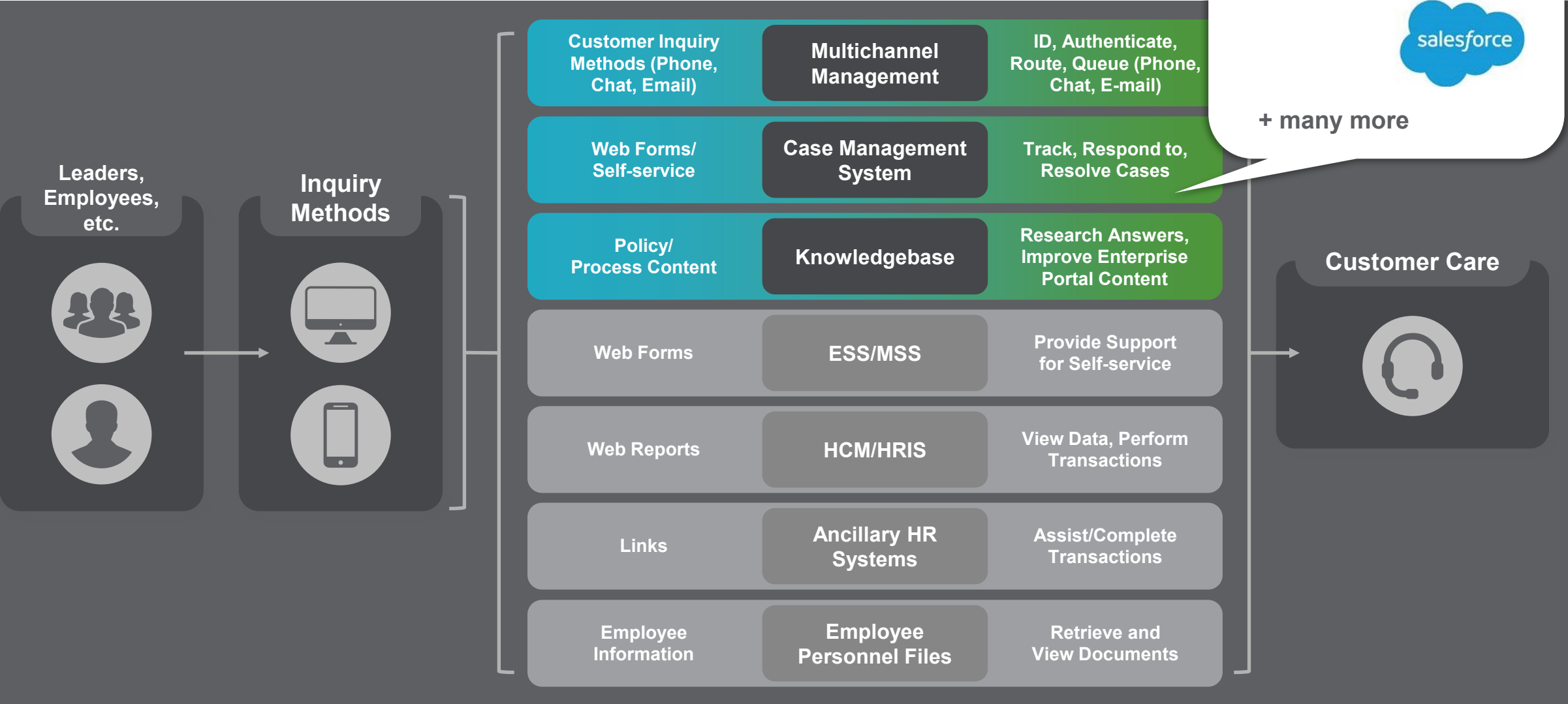


A well-designed and integrated suite of solutions enhances the employee experience, increases efficiency and productivity, and improves communication

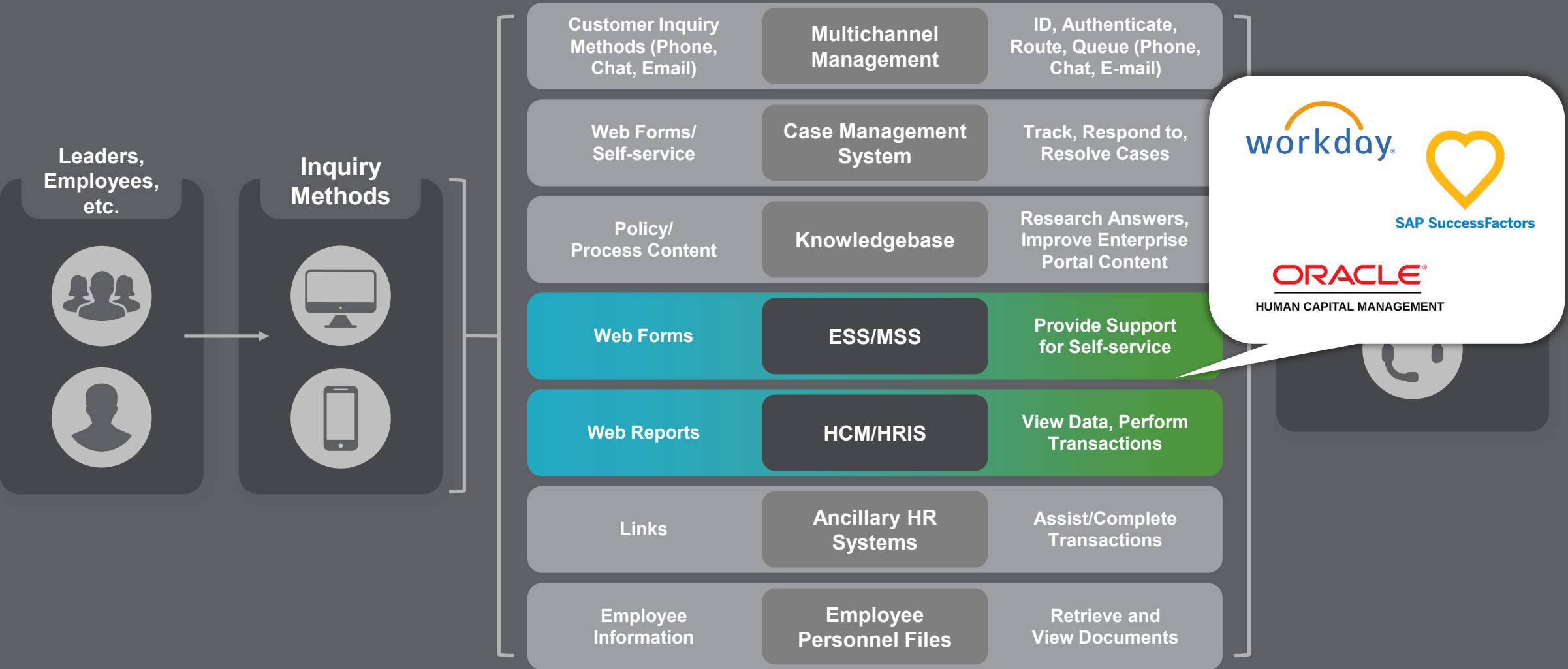
Suite of Customer Self-service Tools



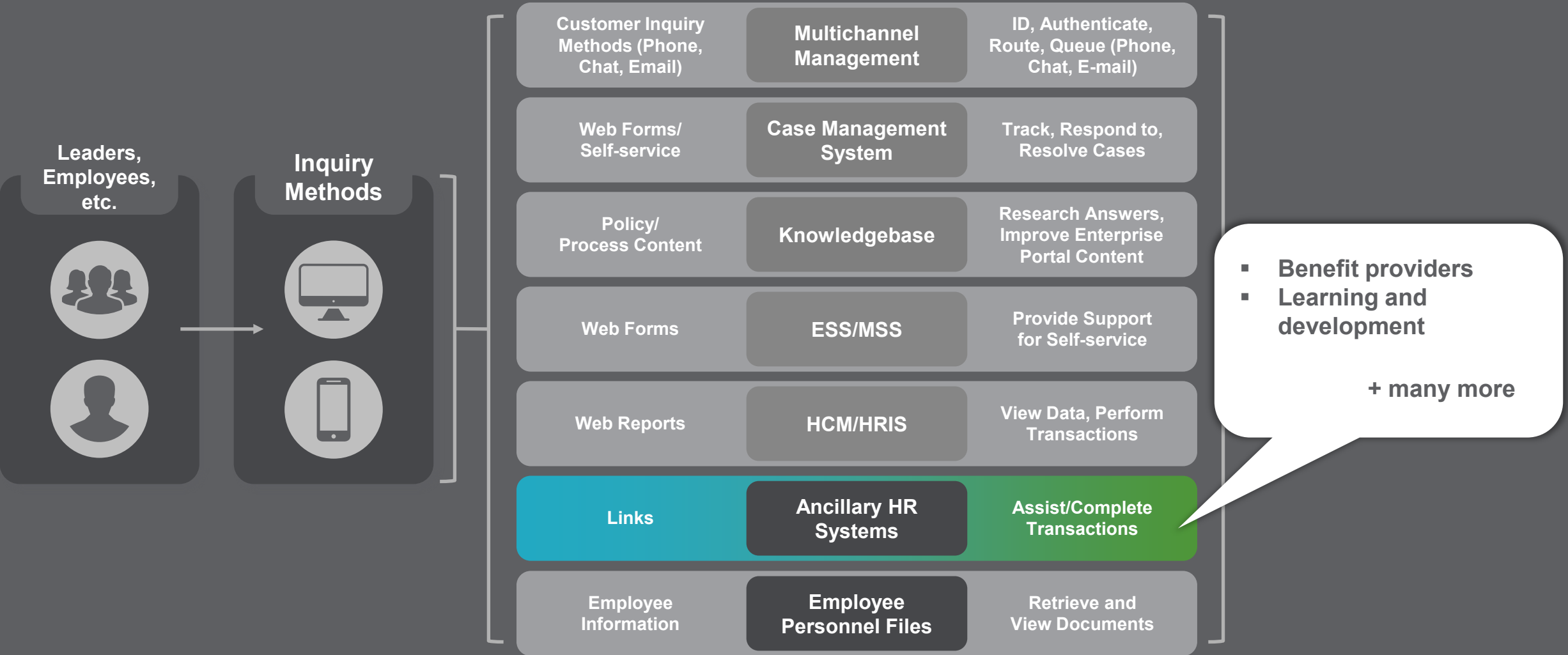
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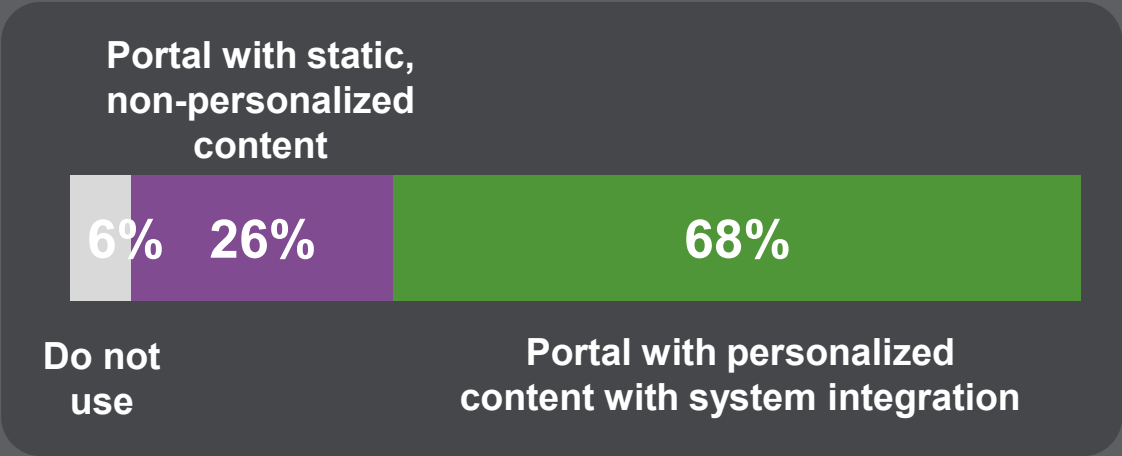


Suite of Customer Self-service Tools

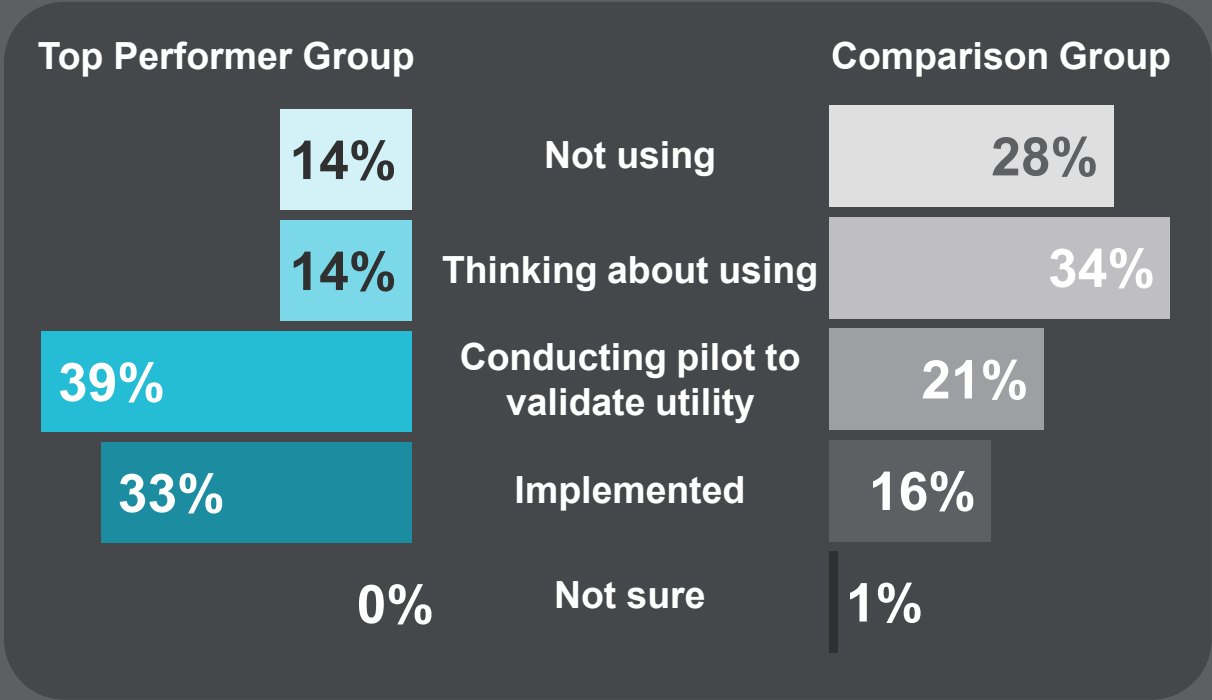


Level of Technology Advancement in Shared Services

Which best describes your organization's use of an employee portal?

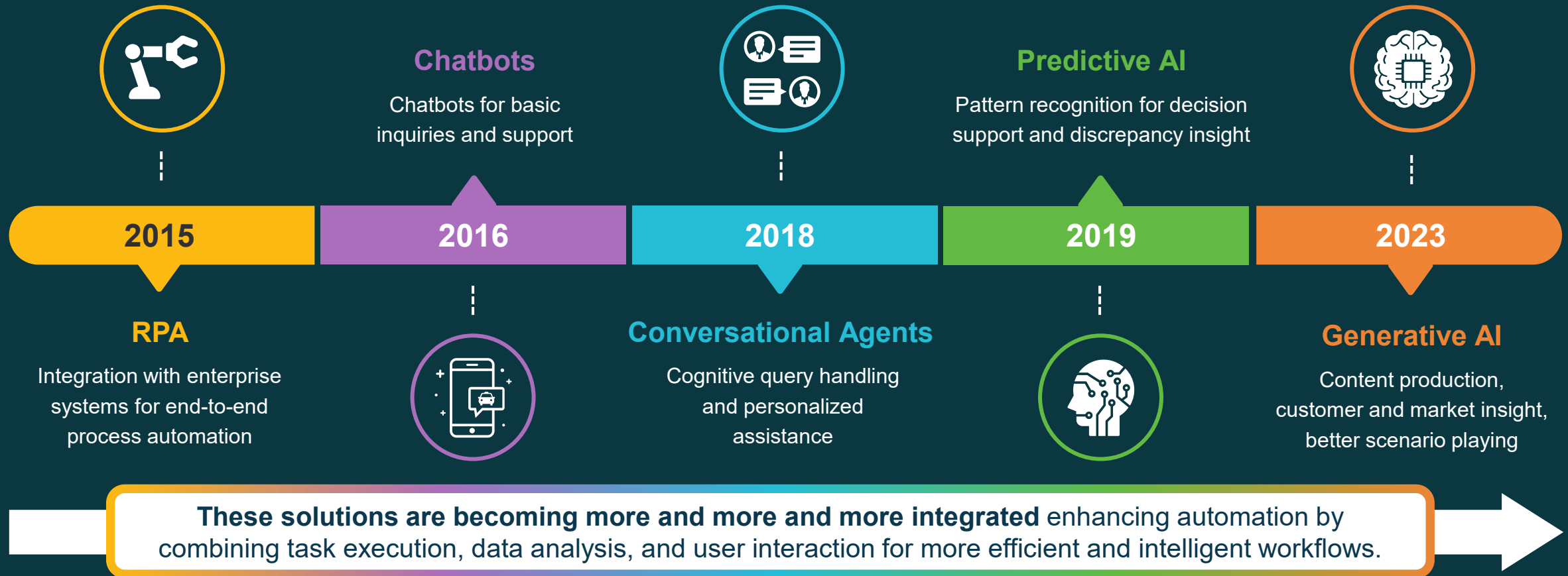


What extent is shared services organization using intelligent automation opportunities?



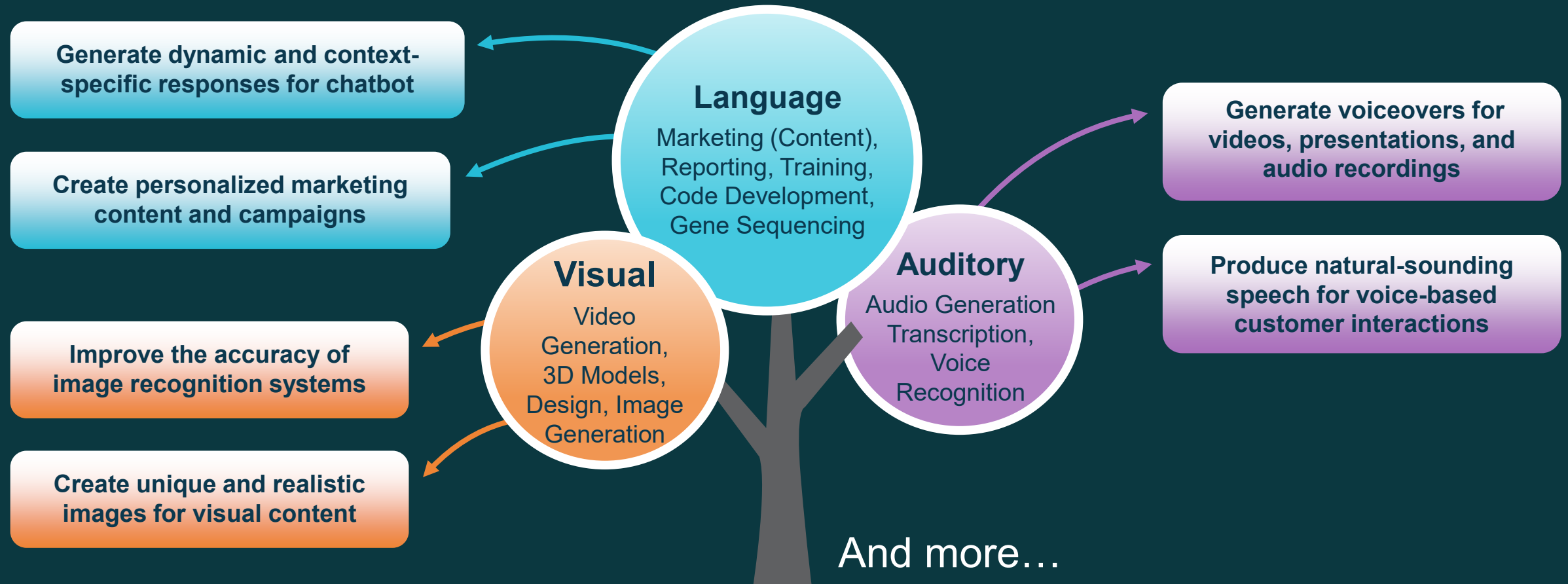
Intelligent Automation's (IA) Impact on Organizations over the Years

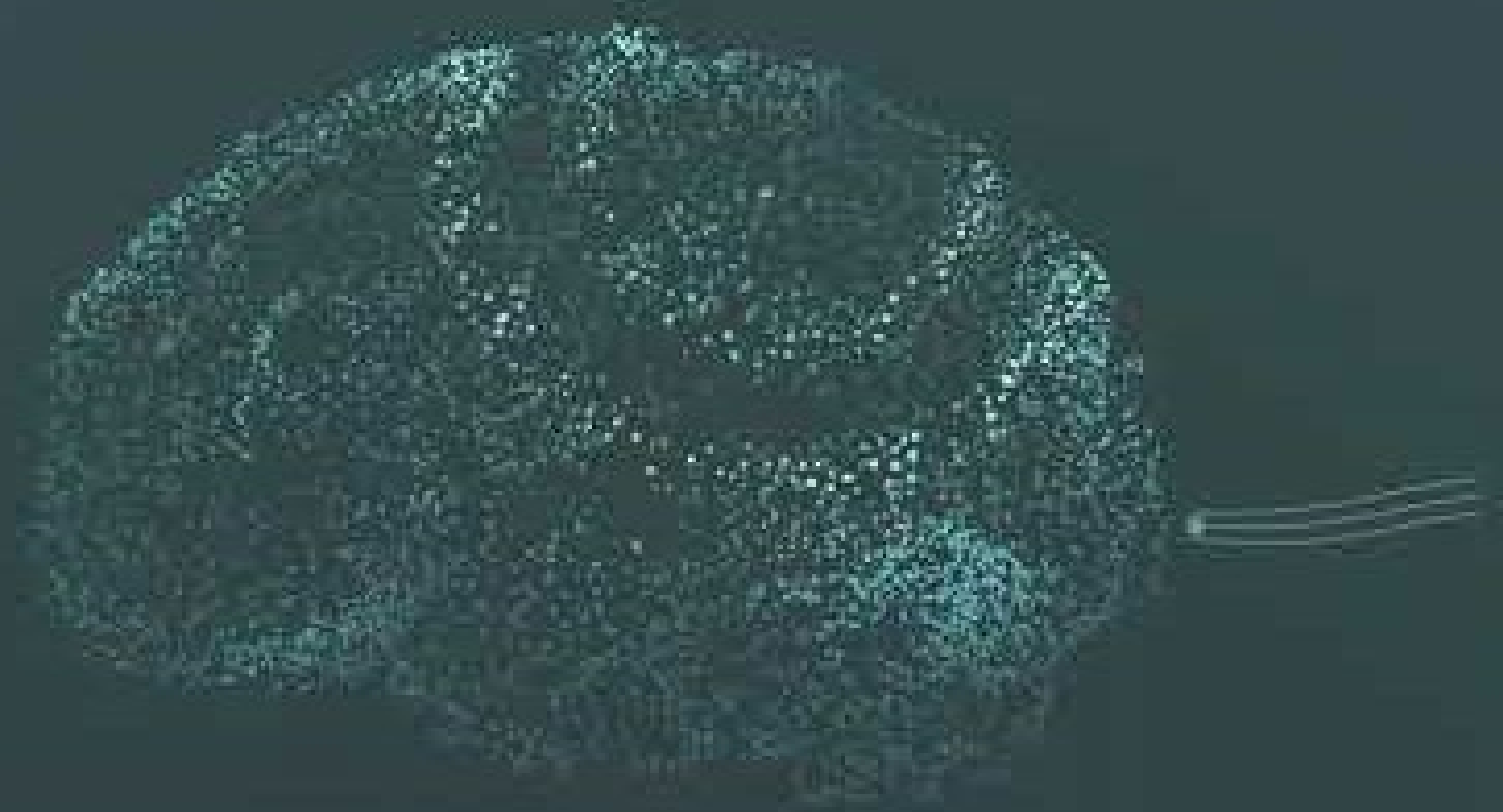
In recent years, corporate services has witnessed a significant adoption of IA technologies to streamline operations, automate repetitive tasks, and improve customer interactions.



What Is Different about Generative AI?

Generative AI refers to a type of artificial intelligence that can create new content, such as text, images, audio, and video content, by learning from existing data patterns. It expands AI capabilities to generate realistic and creative outputs.





What types of use cases are you currently pursuing with Generation AI?



Analytics and insights generation



Improved customer experience



Unstructured data classification and structuring



Text summarization



Augmented knowledge management



Content creation

0

Configuration support and coding



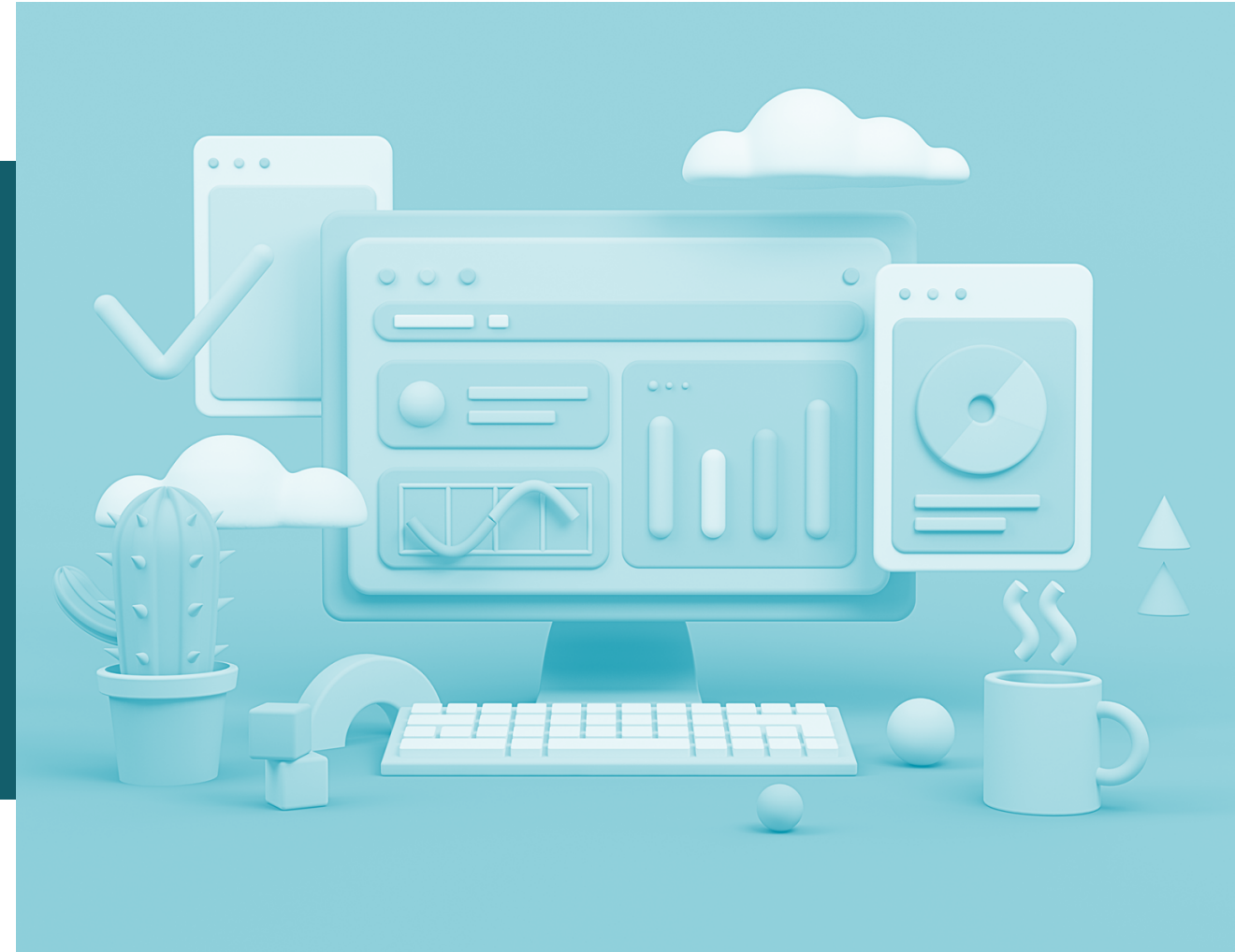
None, yet



Other

Robust Continuous Improvement and Analytics Functions

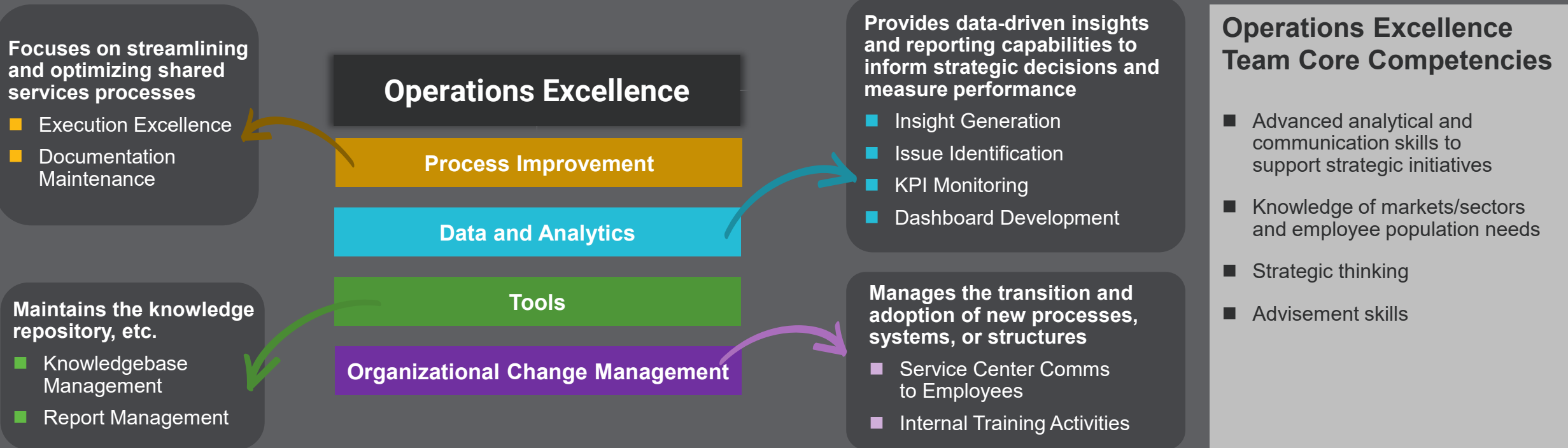
Continuous improvement is the backbone of shared services, driving efficiency, elevating service quality, and creating sustained organizational value.



Operations Excellence (Continuous Improvement) Team

Operations Excellence team responsibilities include:

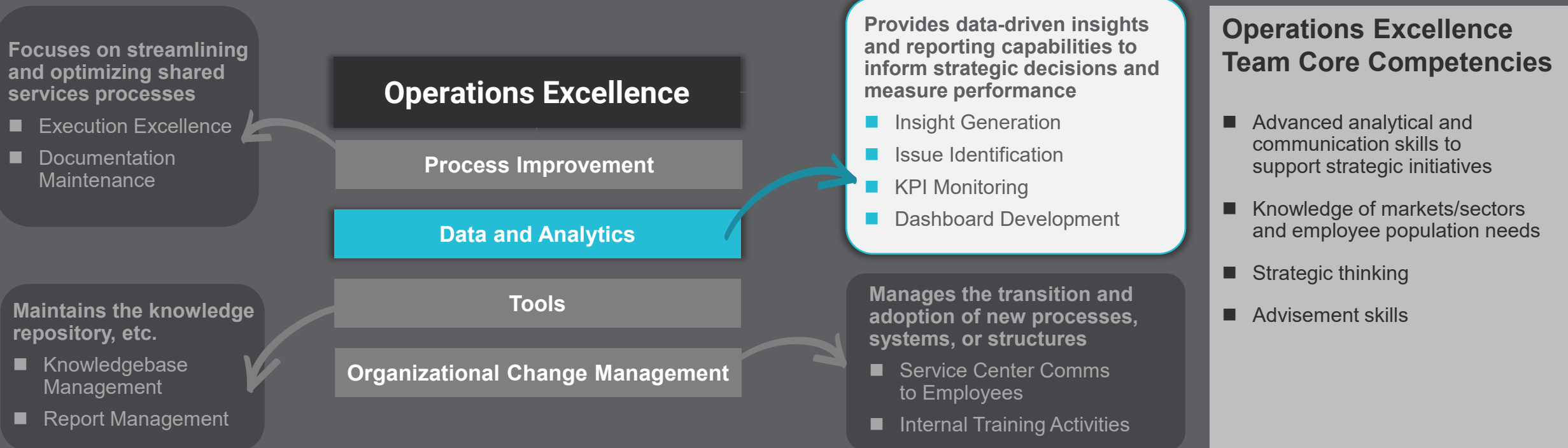
- Supporting the service delivery model by identifying opportunities to enhance service center quality and improving processes and performance
- Assisting with special projects (e.g., enhancing service center technologies, improving processes, developing/delivering educational programs to the broader staff)
- Ensuring delivery quality and consistency across the service center organization



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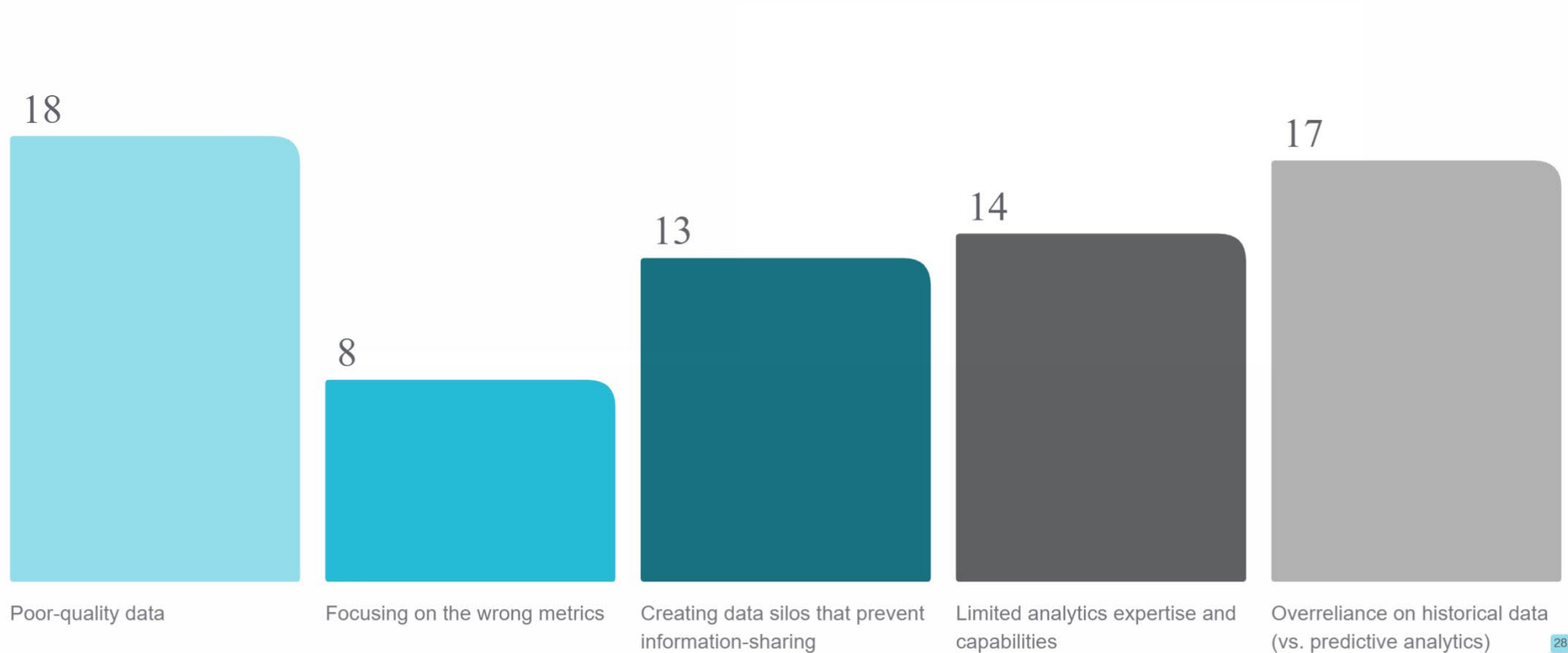


Data and Analytics

Only 29% of respondents say they are good or very good at making positive changes based on people analytics...



Does your organization experience any of these challenges?



Data and Analytics Functions Are Growing



*The People Analytics Trends 2023 study found that people analytics functions have **grown by 43% on average** between 2020 and 2023, with 90% of companies increasing or maintaining the size of their people analytics teams.*

Success Factors for Data and Analytics Functions

Align Analytics with Business Strategy

- Develop a **robust framework**
- Connect HR analytics with broader organizational goals
 - Establish KPIs that drive measurable impact on business outcomes and demonstrate the value of HR initiatives

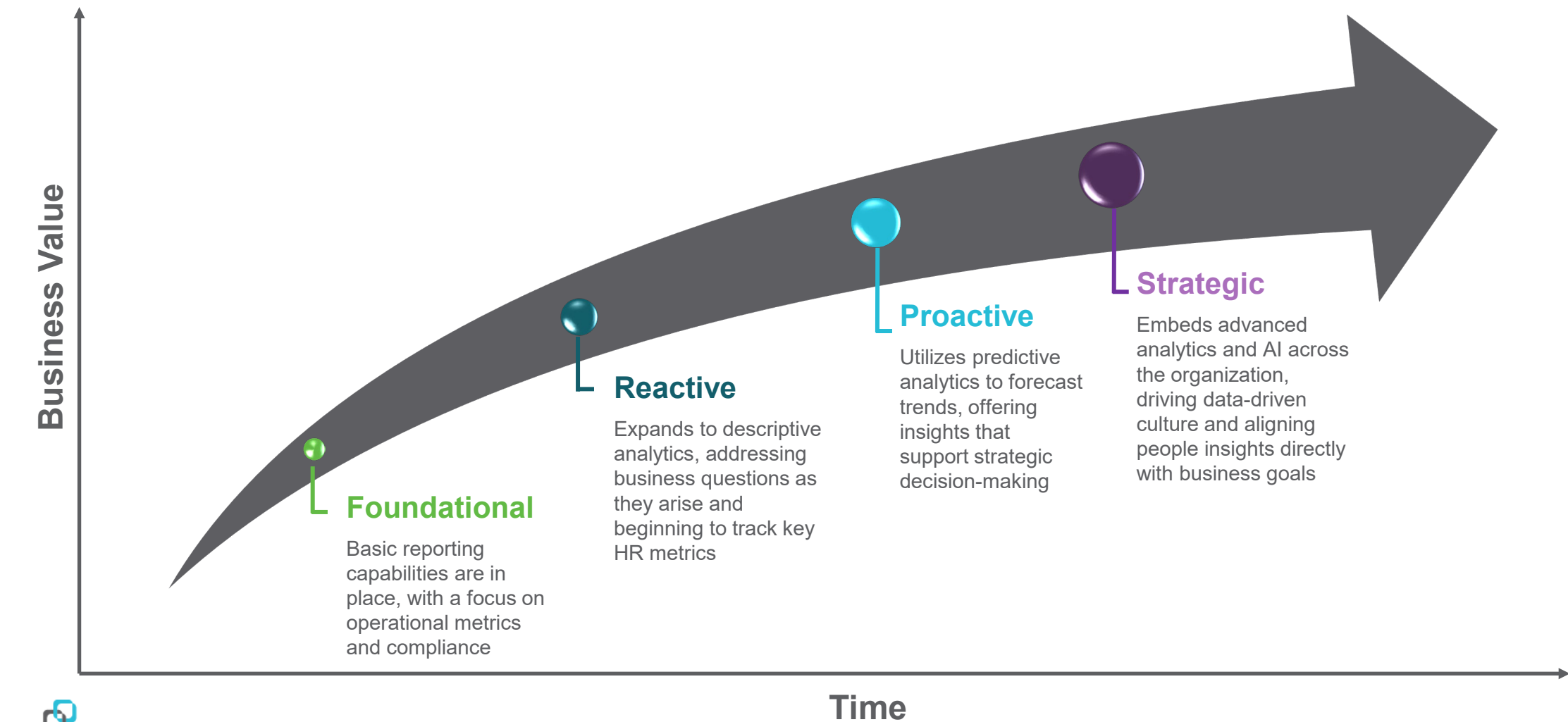
Cultivate a Data-driven Culture

- Foster a culture that **prioritizes data-driven decision-making**
- Encourage HR professionals to leverage analytics in their strategies and daily operations

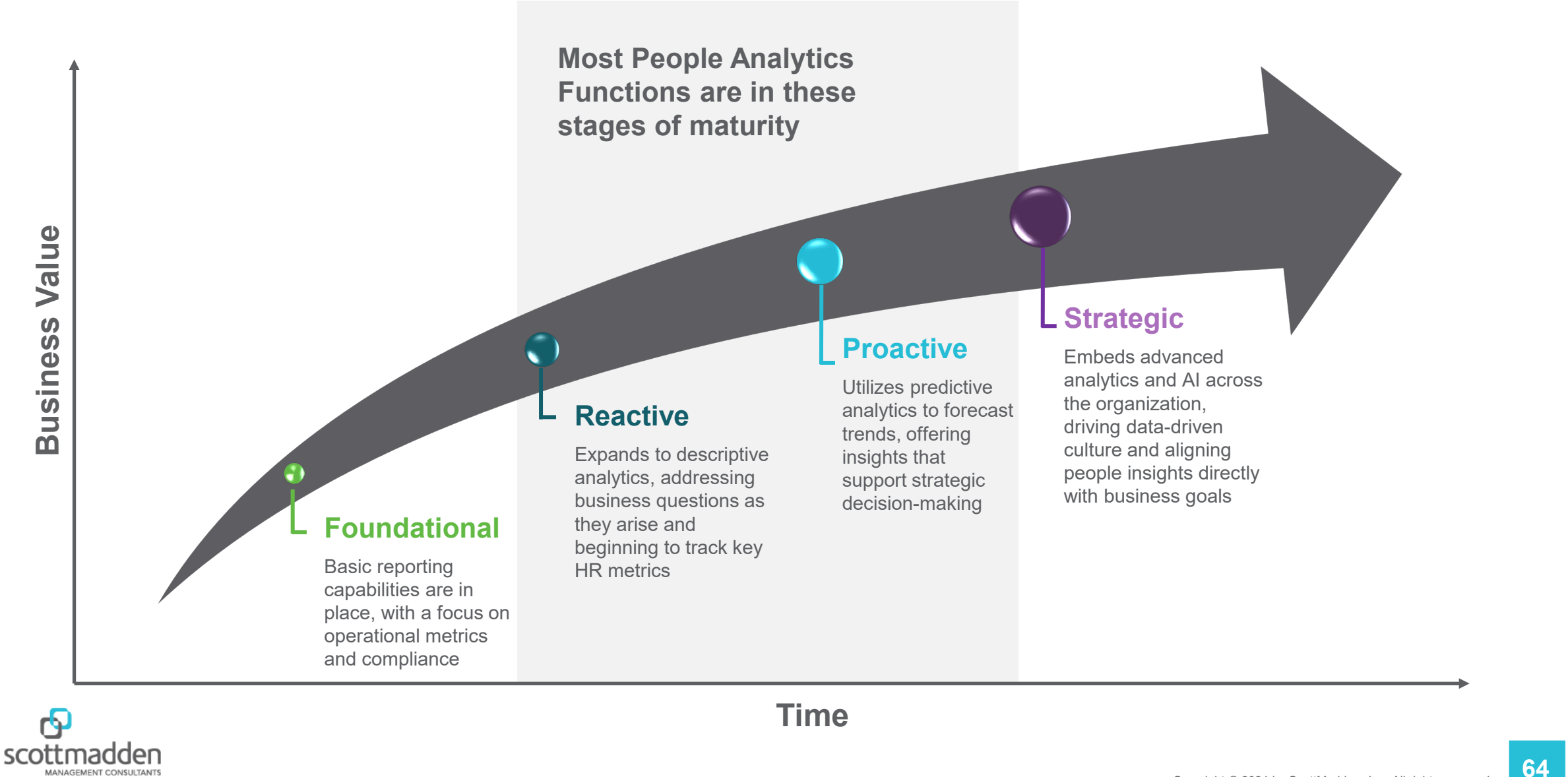
Democratize Access to Reports and Dashboards

- Implement **user-friendly reporting tools and interactive dashboards**
- Empower HR staff and leaders to independently access and analyze data
 - Promote transparency
 - Foster a collaborative environment for data-driven decision-making

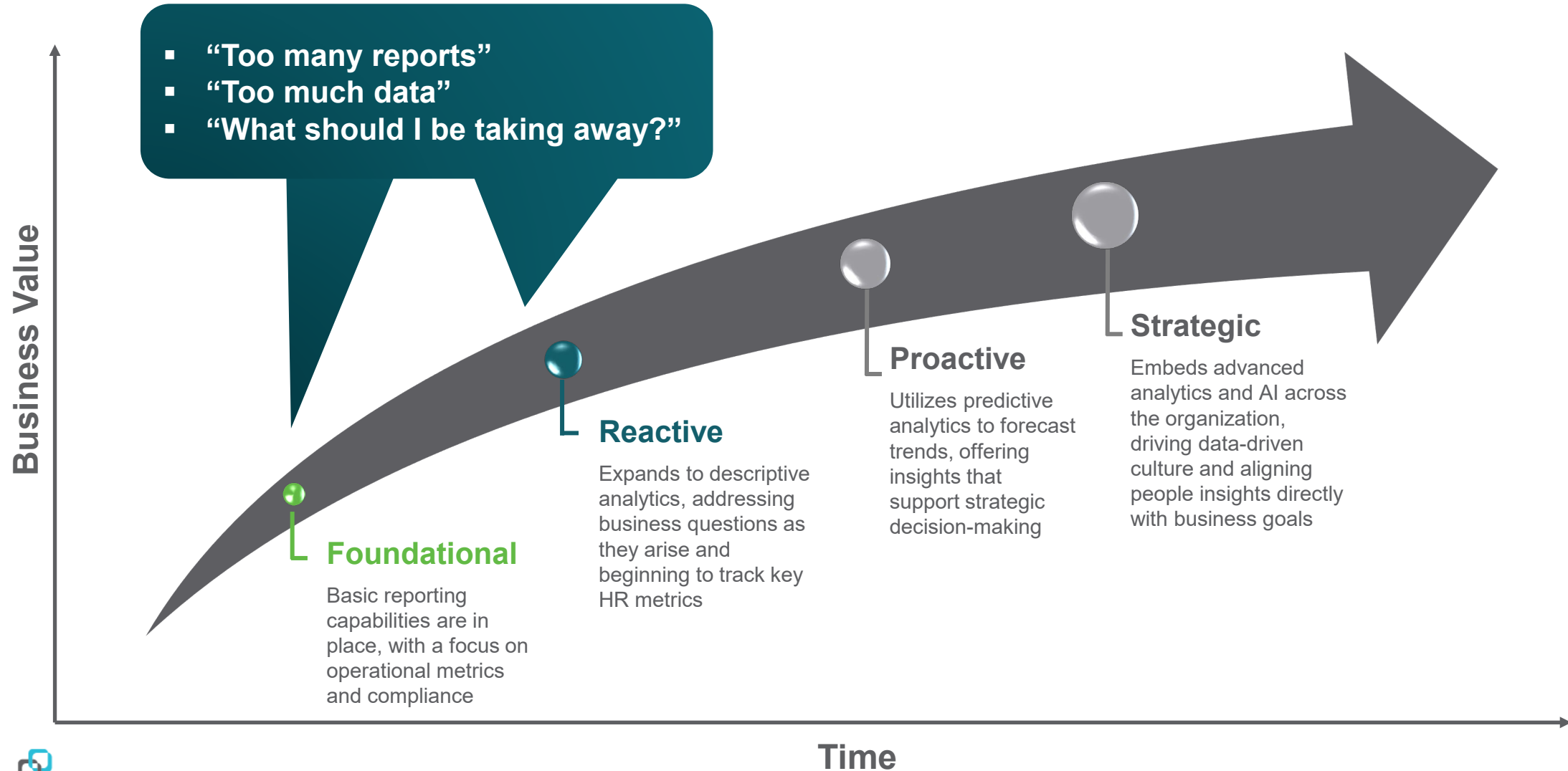
Data and Analytics Function Maturity Curve



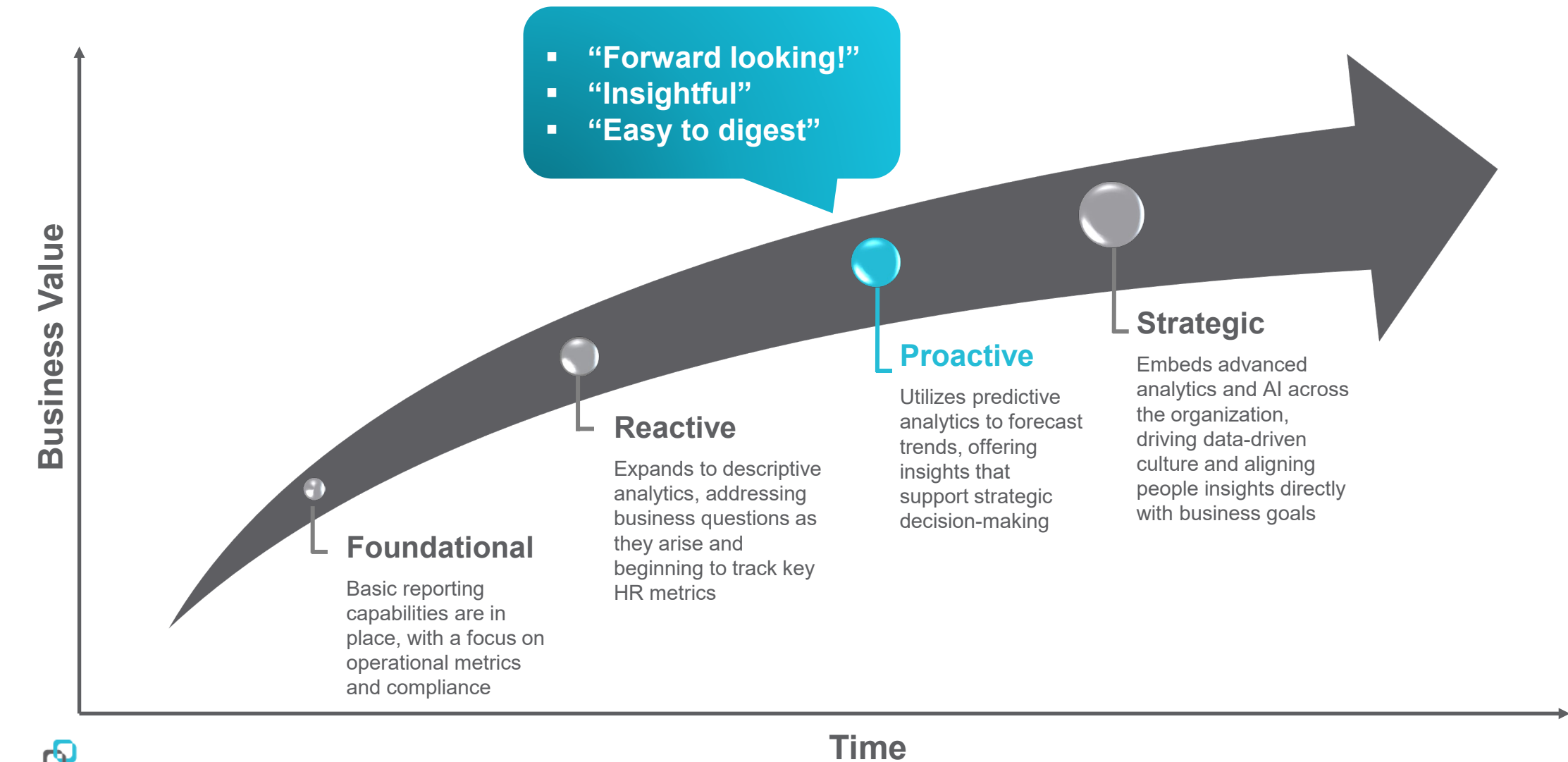
Data and Analytics Function Maturity Curve



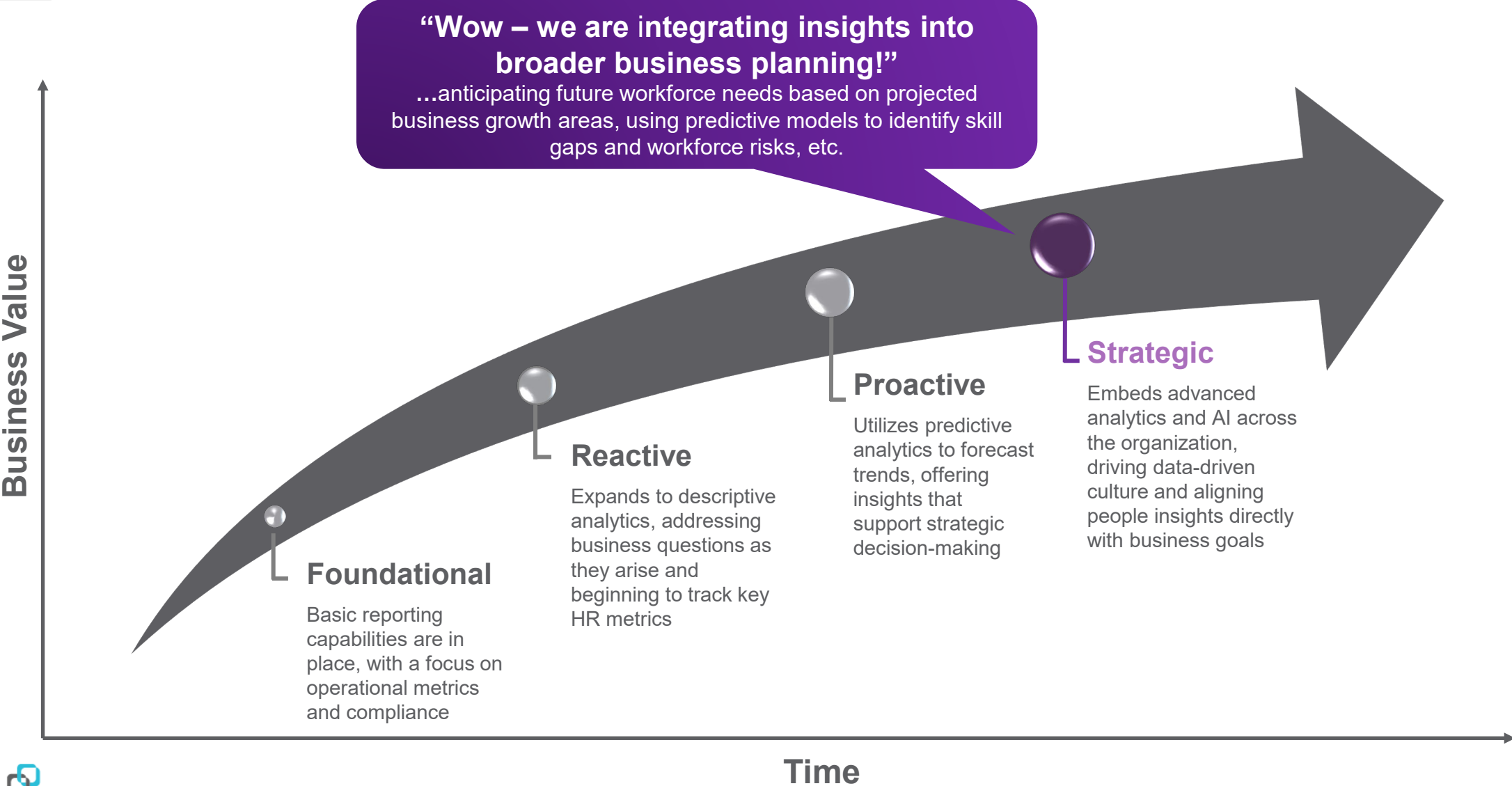
Data and Analytics Function Maturity Curve



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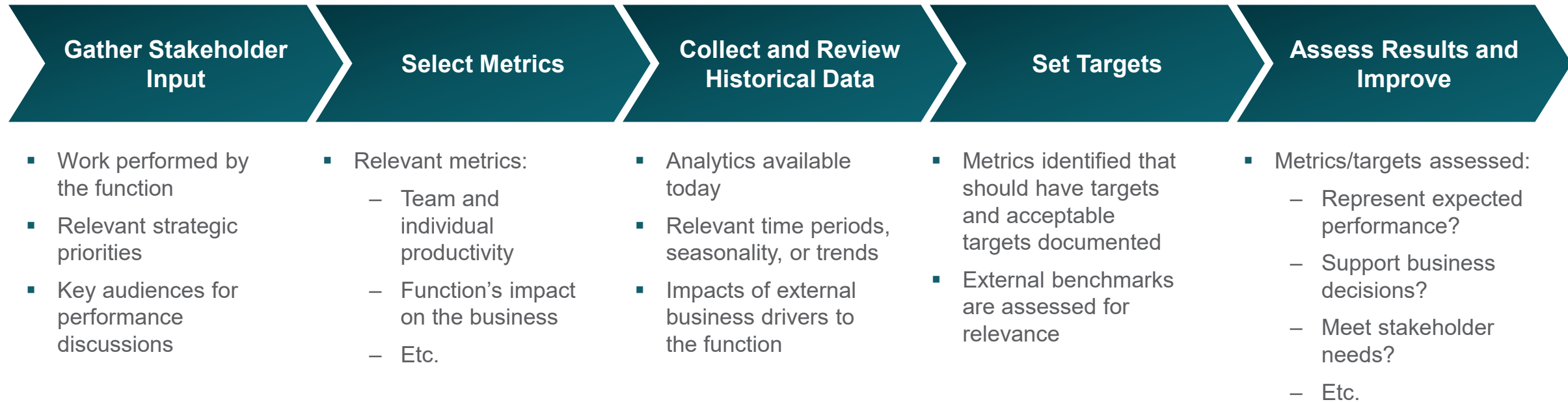


Data and Analytics Function Maturity Curve



Process for Selecting Metrics and Setting Targets

Information must be gathered when identifying metrics and setting targets.



Operations Excellence team should work in partnership with the functions throughout the process

Metrics Should Address Multiple Objectives

Leaders should select multiple, comprehensive metrics. Every metric does not need a target.

Productivity and Efficiency

- Volumes of activities or tickets processed
- Volumes per period, per FTE, per cost/revenue
- Process cycle times or aging

Quality and Reliability

- Success rates of meeting service level agreements or other goals
- Customer satisfaction results or other qualitative results
- Error rates (per 1,000 transactions, etc.)

Service Value

- Impacts to employees, user experience, or downstream internal business partners
- Revenue increase, cost reduction, or cost avoidance

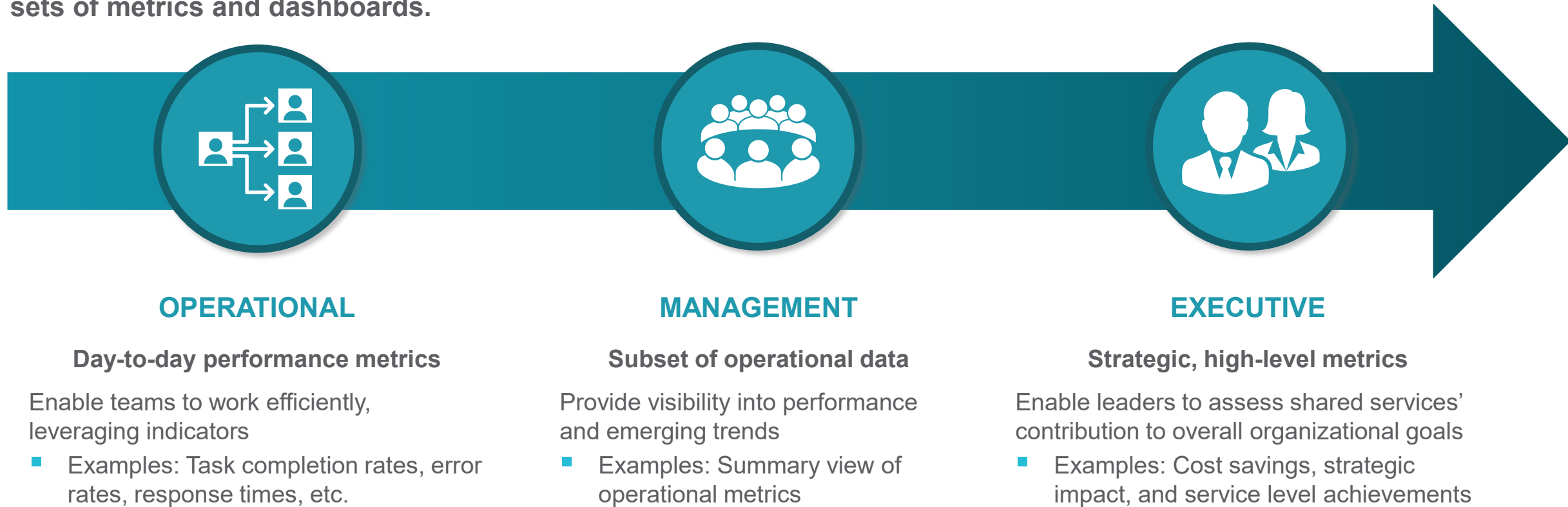
Strategic Initiatives

- Direct impacts to strategic initiatives, e.g., revenue-enhancing RPA/AI
- Other leadership priorities

Performance against targets should inform leaders how well the function is performing

Metrics and Dashboards Should Be Segmented by Audience

Avoid a one-size-fits-all approach—different audiences have different needs that should be addressed by different sets of metrics and dashboards.



Segmenting metrics allows empowered functional decision-making while elevating the pulse of the business to leadership

Dashboard Design Principles

Users have a great experience viewing dashboards, when the dashboards include the following attributes:



SIMPLE

- **Clean and uncluttered**
- **Calculations defined and labels concise**
- **Visualizations highlight “key takeaways”**
(e.g., graphs, tables, icons)



RELEVANT

- **Dashboards tailored** by audience
- Metrics **align with strategic objectives** and operational goals
- **Context provided** on benchmarks, targets, etc.

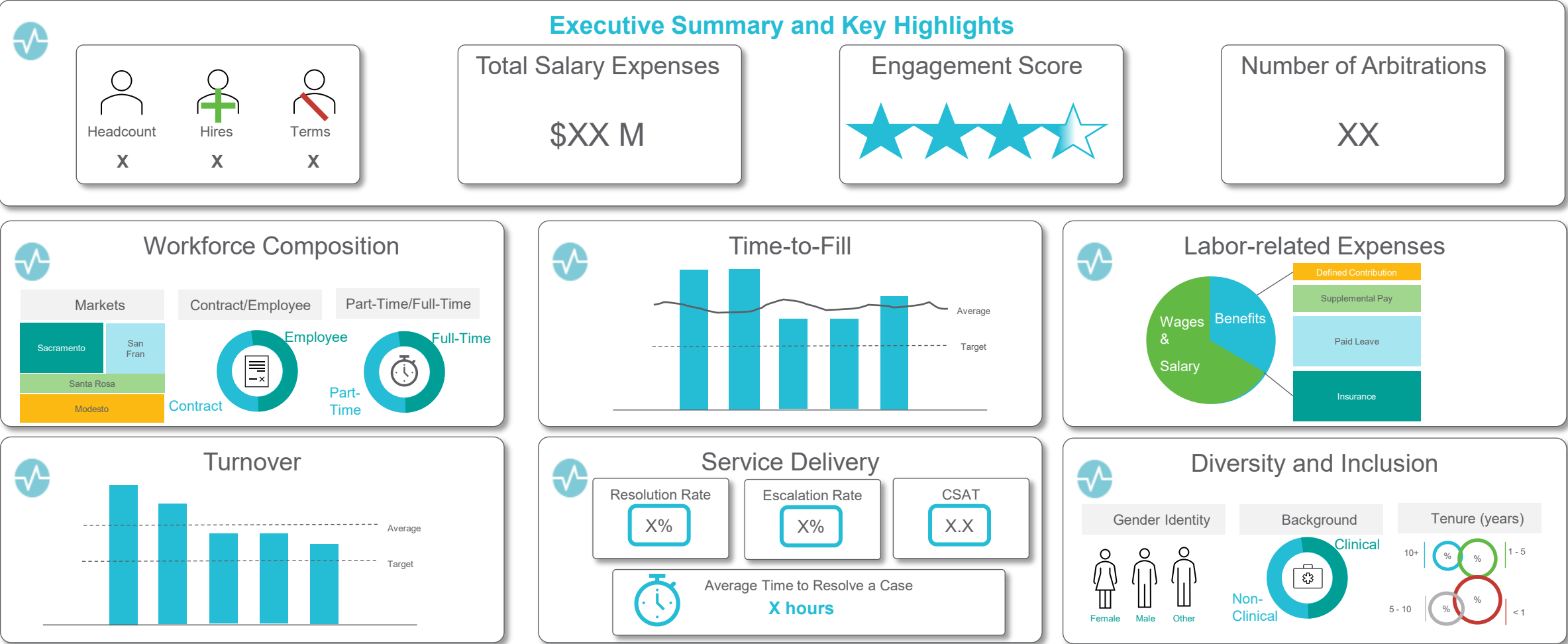


INTERACTIVE

- **Drill-down capabilities** enable investigation
- **Simple narratives** provide context, explanations, and/or recommendations
- **Interactivity balanced with simplicity**

Example – Executive Dashboard


Illustrative metrics that could shape an executive-level, on-demand dashboard.




Example – Executive Dashboard

Illustrative metrics that could shape an executive-level, on-demand dashboard.


Easy for executives to see key takeaways






Headcount

X



Hires

X



Terms


X

Executive Summary and Key Highlights

Total Salary Expenses

\$XX M

Engagement Score



Number of Arbitrations

XX

Heart icon

Workforce Composition

Markets

Sacramento

San Fran

Santa Rosa

Modesto

Contract / Employee

Employee

Contract

Part-Time/Full-Time

Full-Time

Part-Time

Heart icon

Time-to-Fill

Heart icon

Labor-related Expenses

Heart icon

Turnover

Heart icon

Service Delivery

Resolution Rate

X%

Escalation Rate

X%

CSAT

X.X

Average Time to Resolve a Case

X hours

Heart icon

Diversity and Inclusion

Gender Identity

Female

Male

Other

Background

Clinical

Non-Clinical

Tenure (years)

10+

5 - 10

1 - 5

< 1

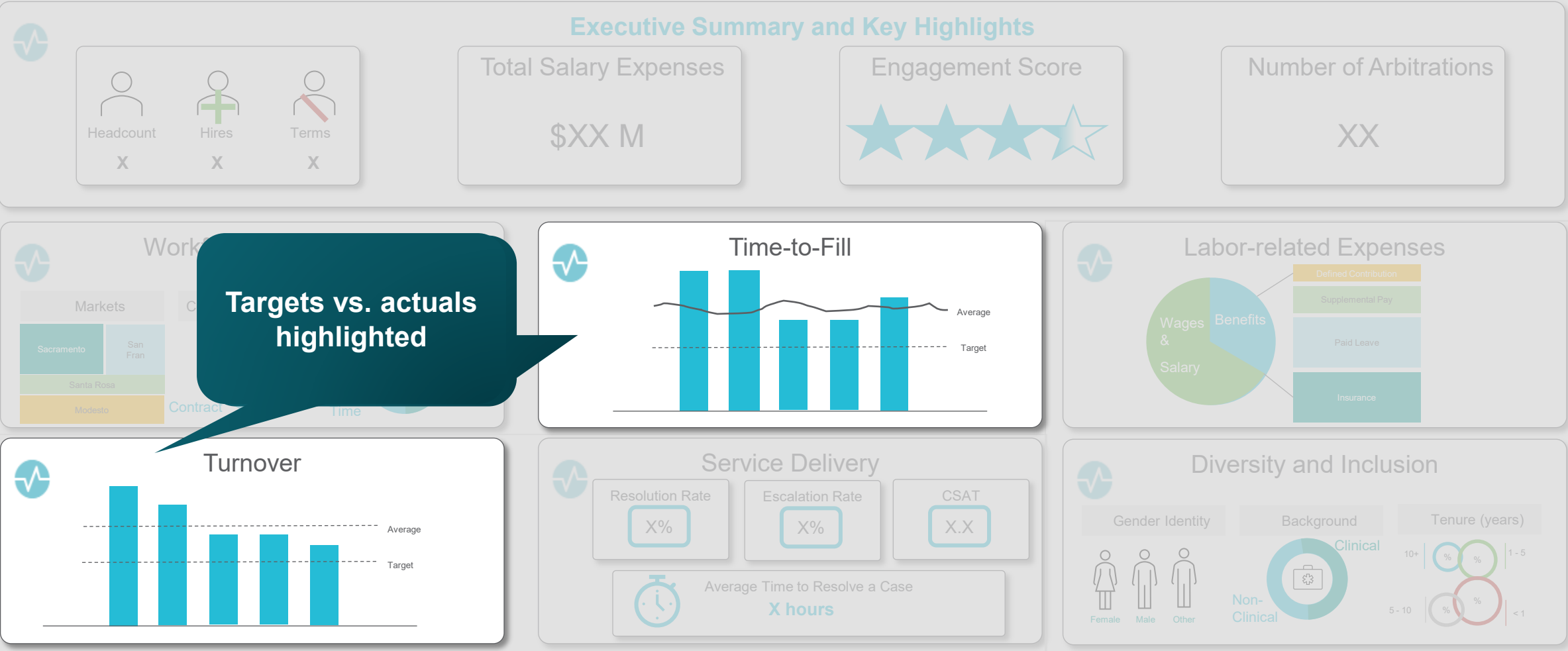
scottmadden
MANAGEMENT CONSULTANTS

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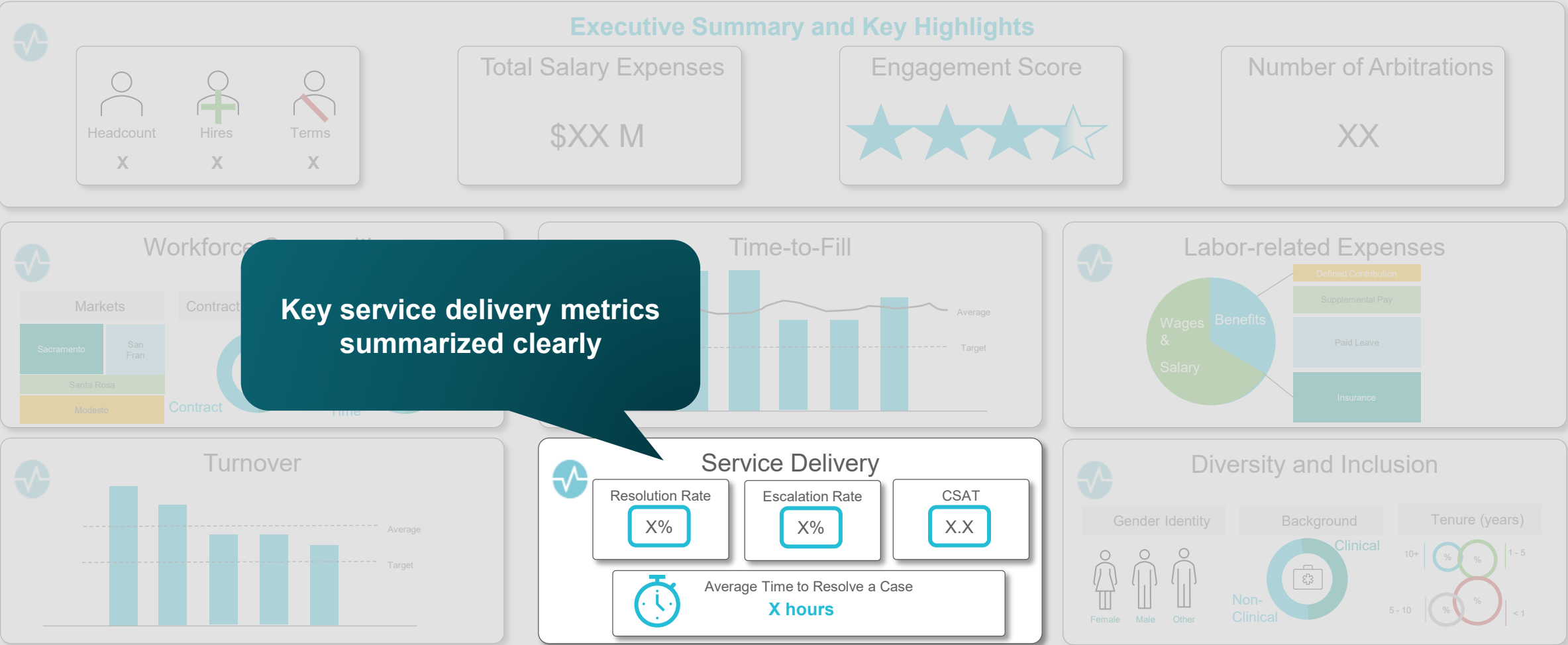
Example – Executive Dashboard

Illustrative metrics that could shape an executive-level, on-demand dashboard.



Example – Executive Dashboard

Illustrative metrics that could shape an executive-level, on-demand dashboard.



What's Next? ... Here's Five Things to Do

1. **Revamp your shared services strategy.** Is there an opportunity in this climate to leverage your shared services operations as a catalyst for scale?



2. **Focus on innovations** to shared services that enable efficiency, agility, and scale – all while maintaining or improving customer service.



3. Consider the **impact of technology** to major decisions, including your expansion strategy, service delivery model, BPO contracts, and system implementations.



5. Consider ScottMadden and our **SSO Accelerator** tool for an assessment that will generate recommendations to boost the value of your shared services organization.



4. **Create an inclusion strategy** that builds a strong corporate culture and improves employee engagement.



Wrapping Up

HOUSEKEEPING ITEMS

- Complete SSON's workshop evaluation form to help us improve
- Request access to our complete workshop presentation

HEAR FROM ONE OF OUR CLIENTS

Presentation Topic: How HR Led the Enterprise in Assessment of Workforce Efficiency

- Speaker: BrandSafway
- Thursday, November 14th at 9:55-10:45

STOP BY SCOTTMADDEN'S BOOTH

- Drop a card to gain access to shared services insights and helpful resources

Download our presentation:



Thank you for participating in today's workshop and enjoy the rest of the conference!

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