

Shared Services Center (SSC) Strategy

Friday, July 23, 2010

Osource (India) Private Limited

Introduction

SSC

- Enterprise Optimization Tool

Approach

- Organize & Deliver Internal Support Efficiently and Effectively

“Real Heart”

- Beyond Costs, Labor Arbitrage & Efficiencies

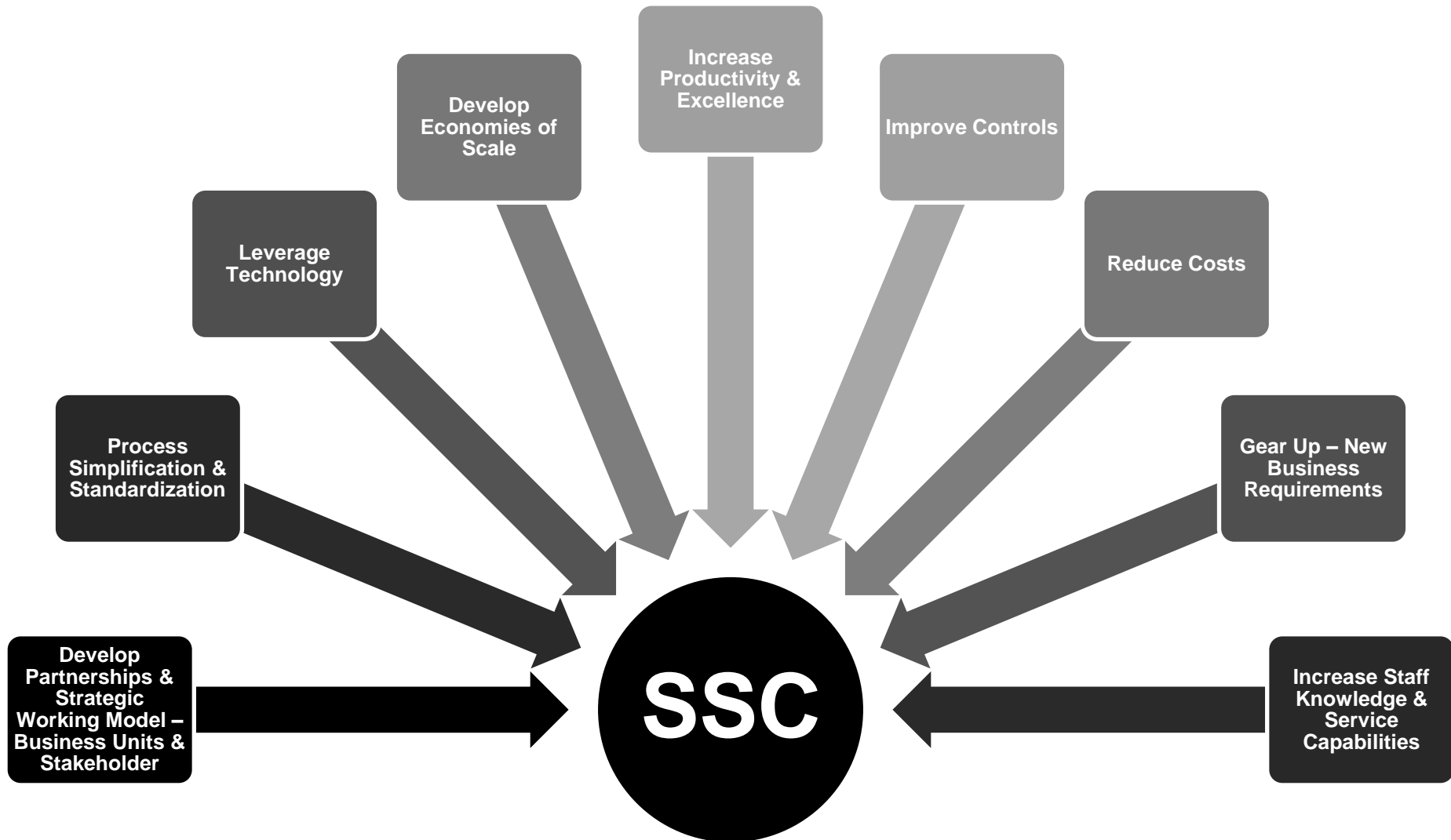
**Equal
Emphasis**

- Values, Processes & Governance

**3 Wave
Approach**

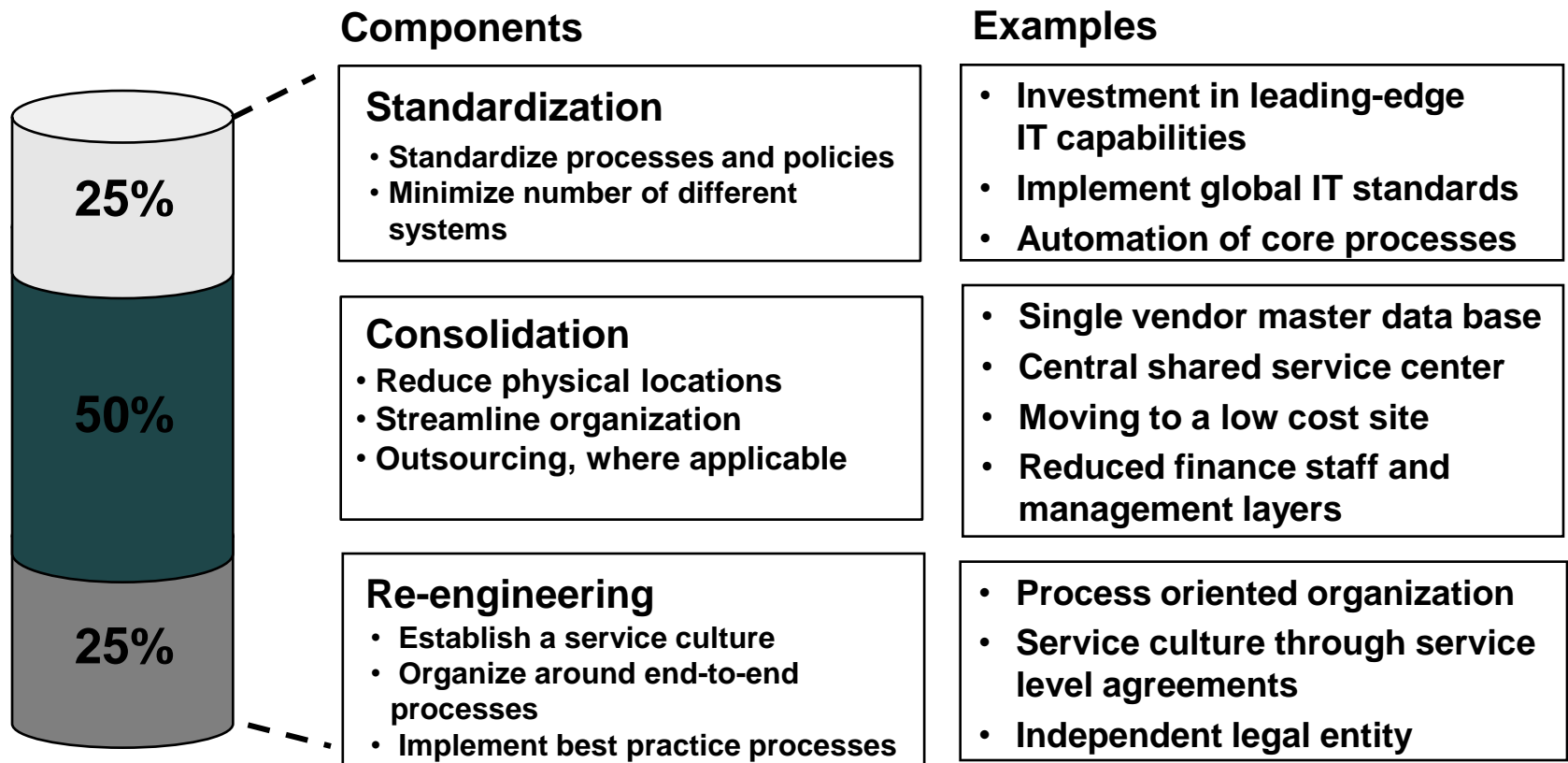
- Build, Stabilize & Optimize

Real Objectives



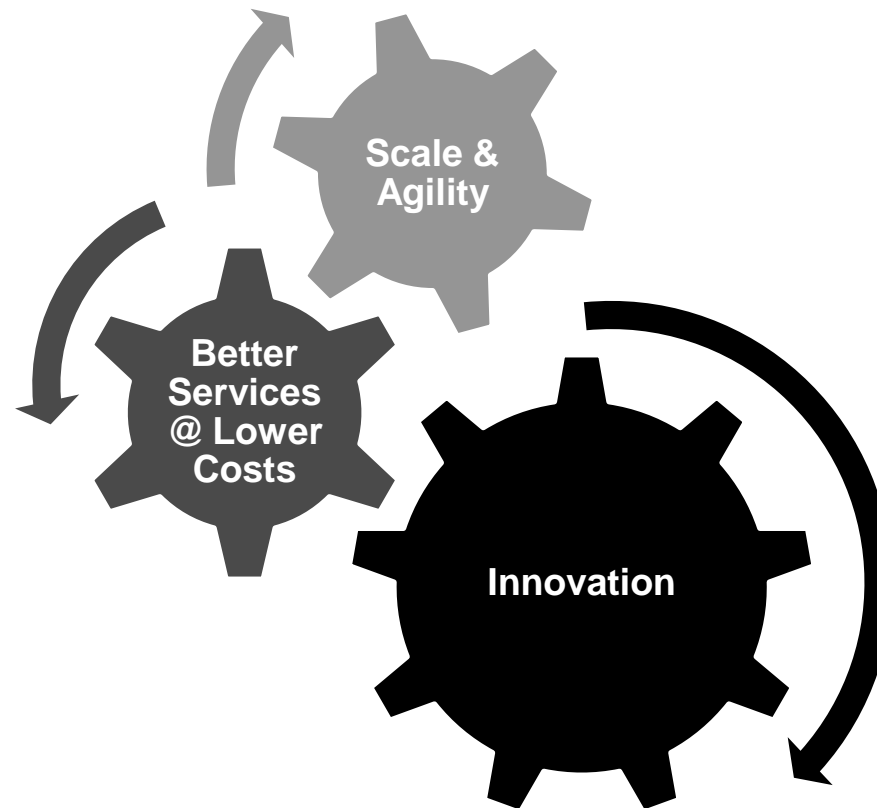
Split of Savings - SSC

Only by addressing all three components 'standardization, consolidation and re-engineering', full benefits of implementing Shared Services can be achieved



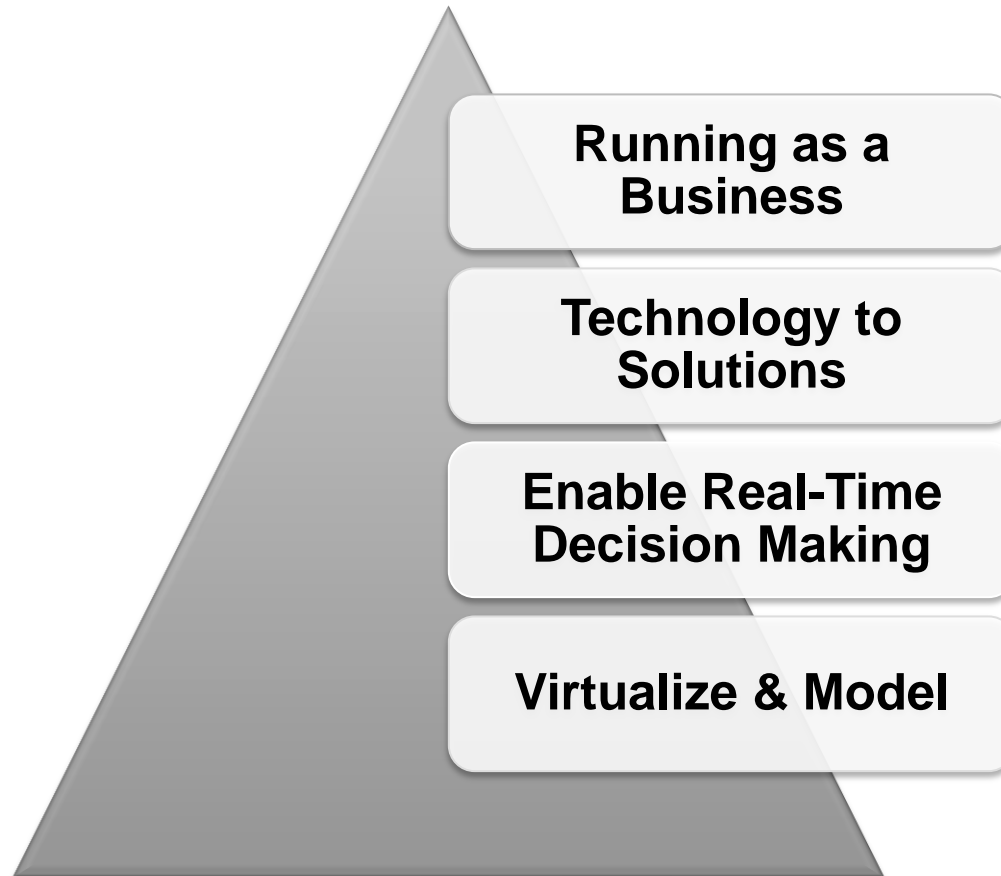
Case for SSC

3 Major Reasons



Reason 1 – Innovation

Power to Match What's Needed With What's Possible



Reason 2 – Better Services @ Lower Costs

With Right Foundation in Place, Unleash the Benefits



Reason 3 – Scale & Agility

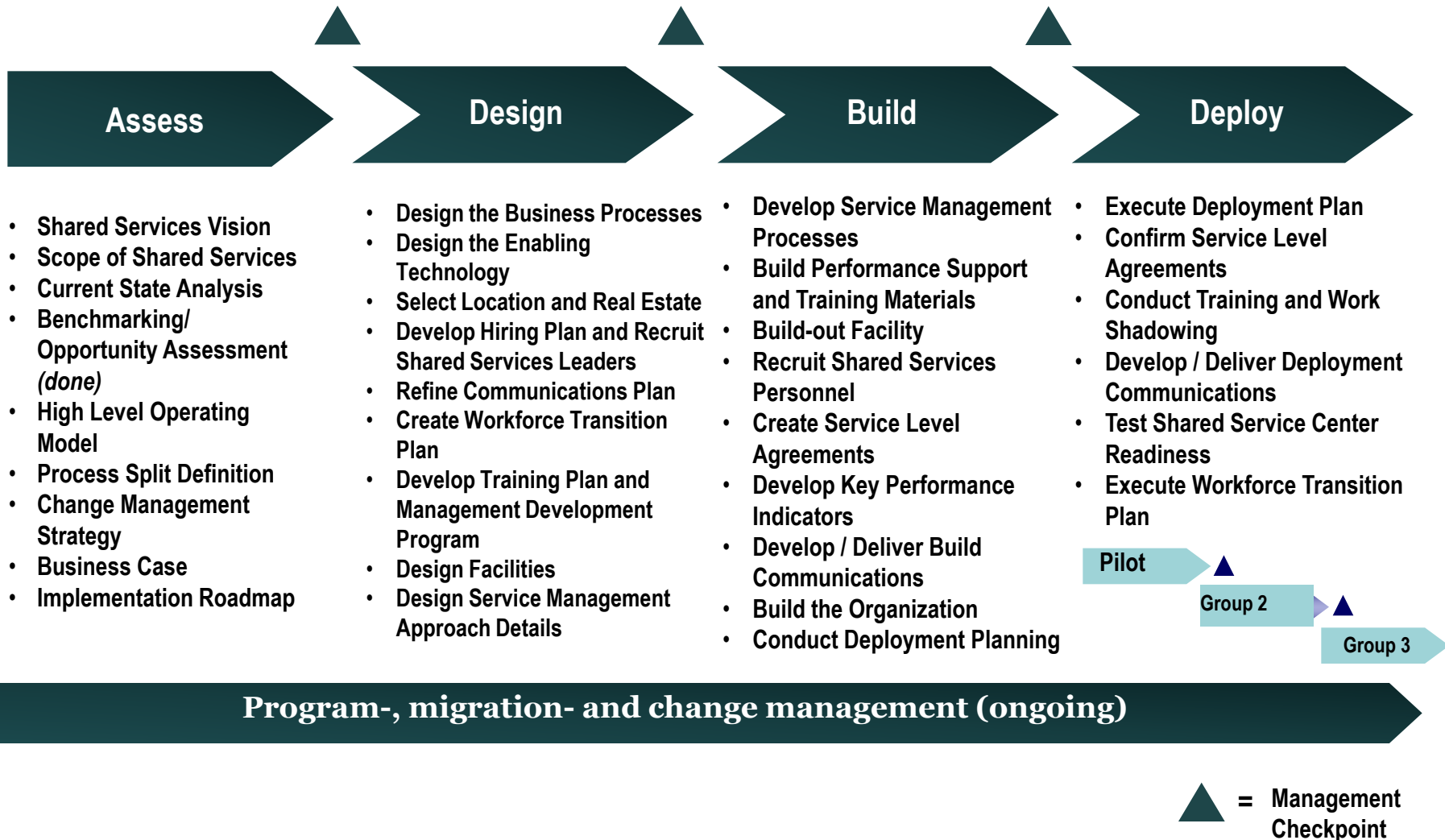
The Right Foundation for Growth

**Going Global;
Group &
Consolidate**

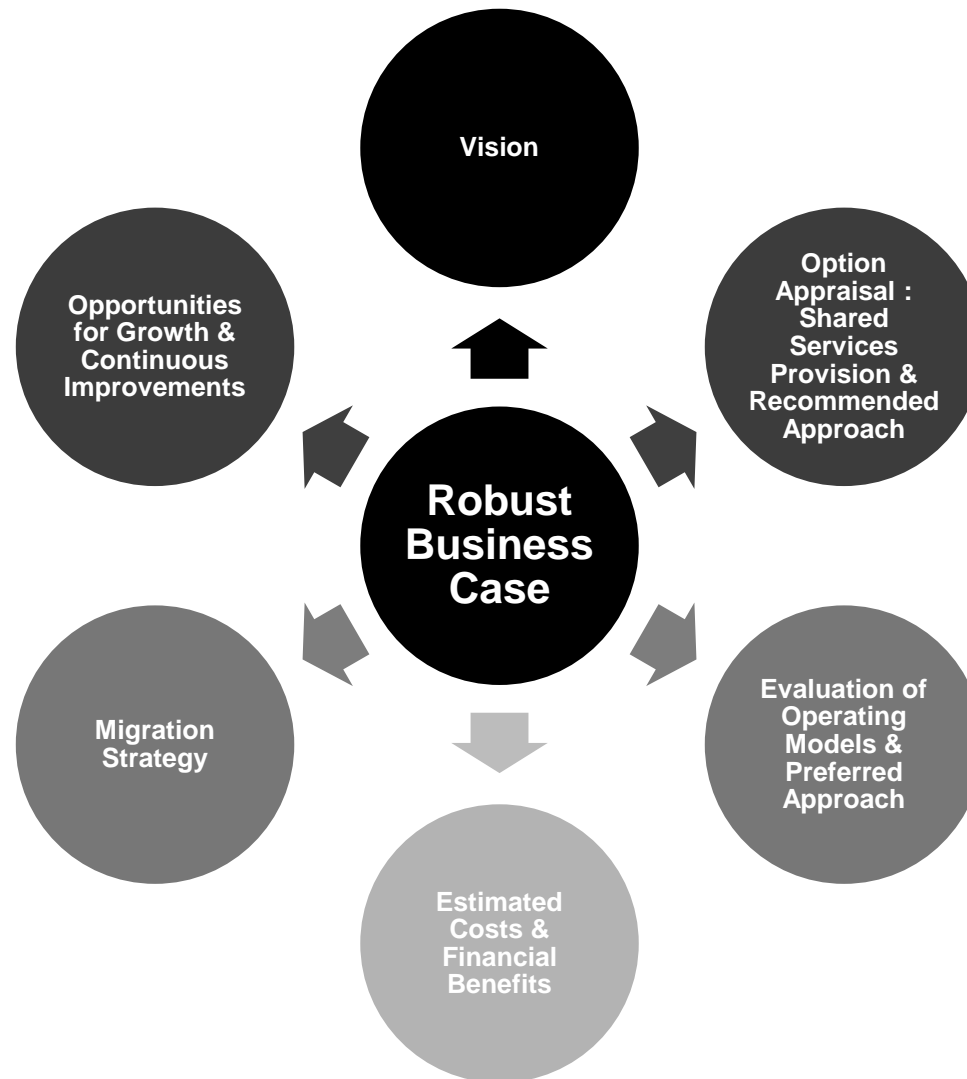
**Think Holistically;
Not Just IT, HR or
F&A..All Aspects
of Business
Support System**

**Grow
Partnerships;
Leverage our best
with their best..**

Typical Shared Services Road Map



How Do We Start?



Vision

Introduction

- Organization Specific Benefits
- Alignment with Modernization & Efficiency Agenda
- Free Organizations to Concentrate on 3 Principles: Community, Governance & Front Line Service Provision



Initial Scope

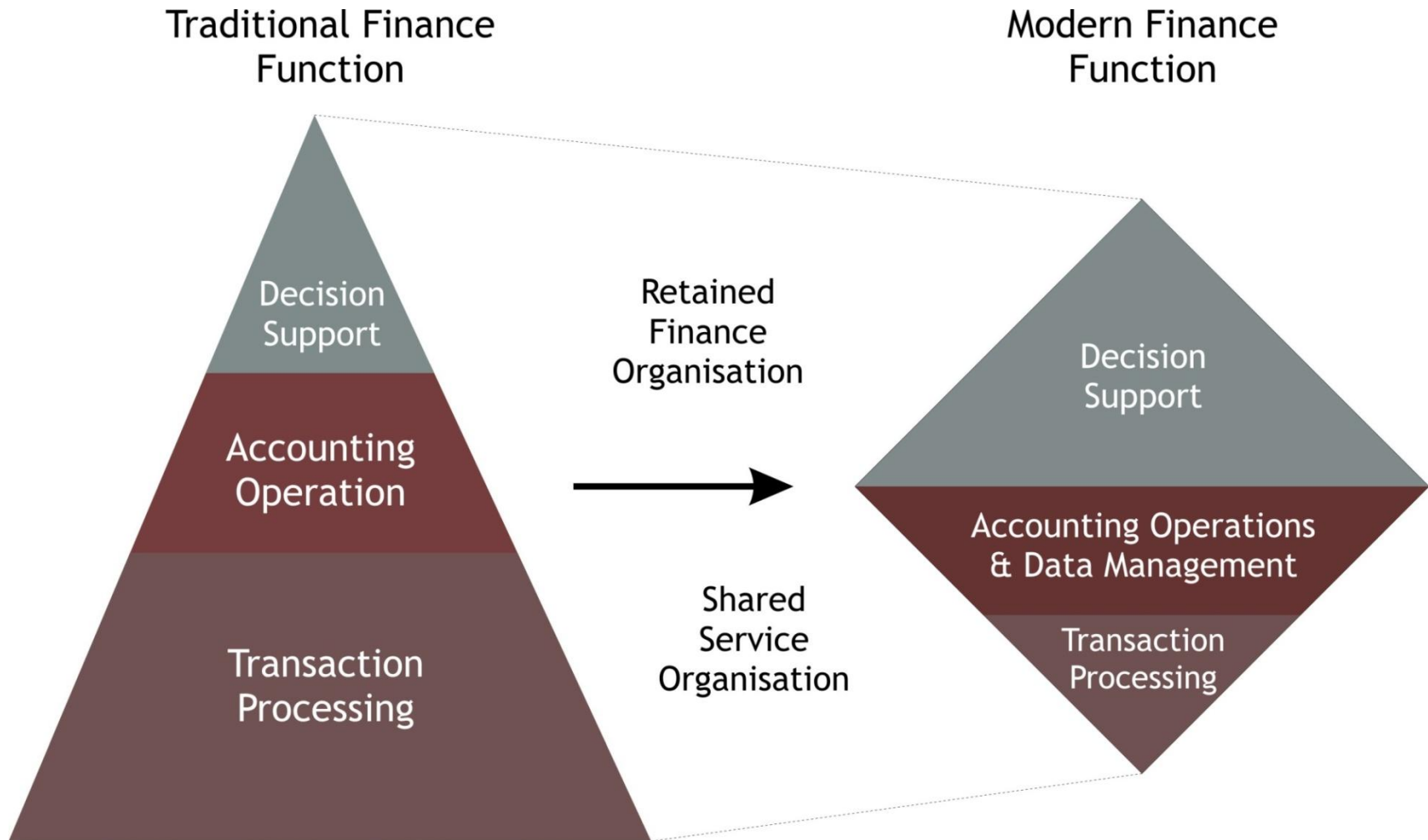
- Processes & Activities
- Standardization, Streamlining & Automation: SSC is about doing more with less!
- Focus on Transactional Activities



Future Vision for Business Support Functions

- Diamond Strategy
- Inverted Pyramid Strategy

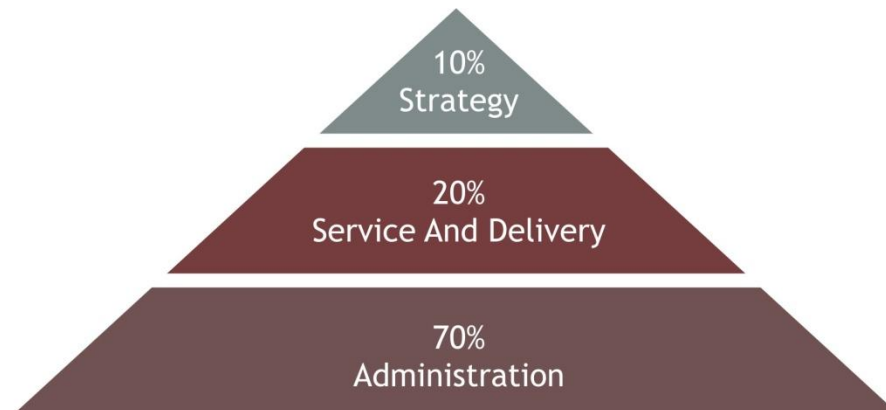
Diamond Strategy



Inverted Pyramid Strategy

HR & PAYROLL NOW

- Transactional & Administrative Focus
- Reactive
- Service Variability
- In General, Informed After the Event
- Growing Complexity & Plethora of HR Initiatives

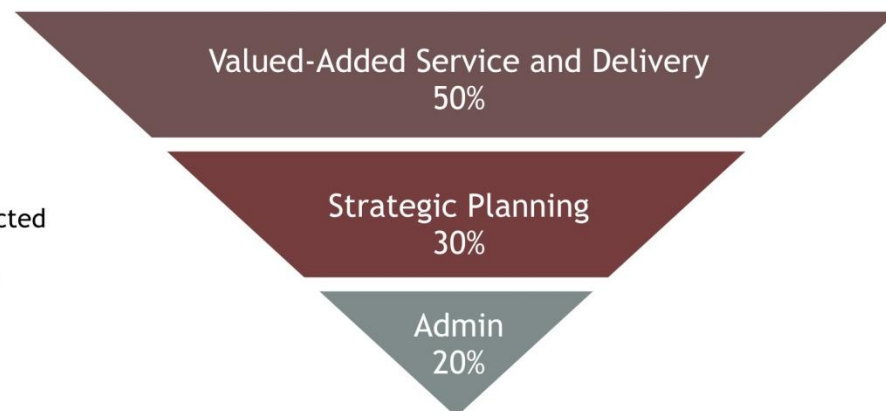


Traditional Emphasis of the HR Function

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HR & PAYROLL FUTURE

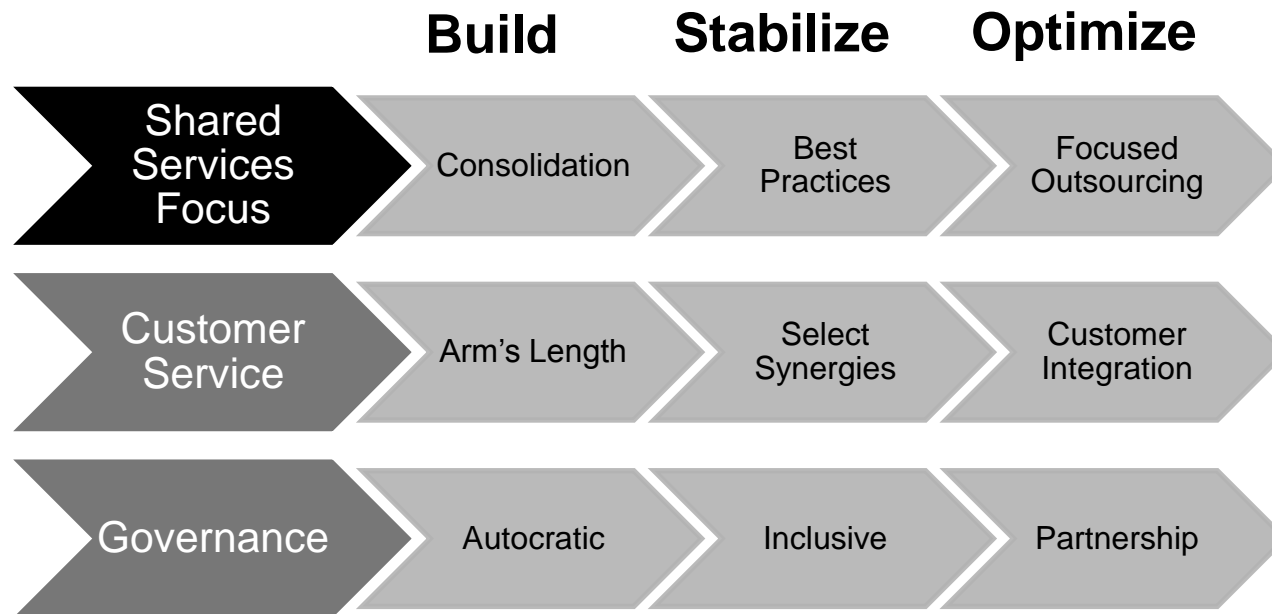
- Value-Add Focus
- Proactive
- Service Consistency
- Involved As Business Partners Integrated And Connected
- Streamlined And Simplified Processes
- Increased Flexibility And Efficiency Shared Services



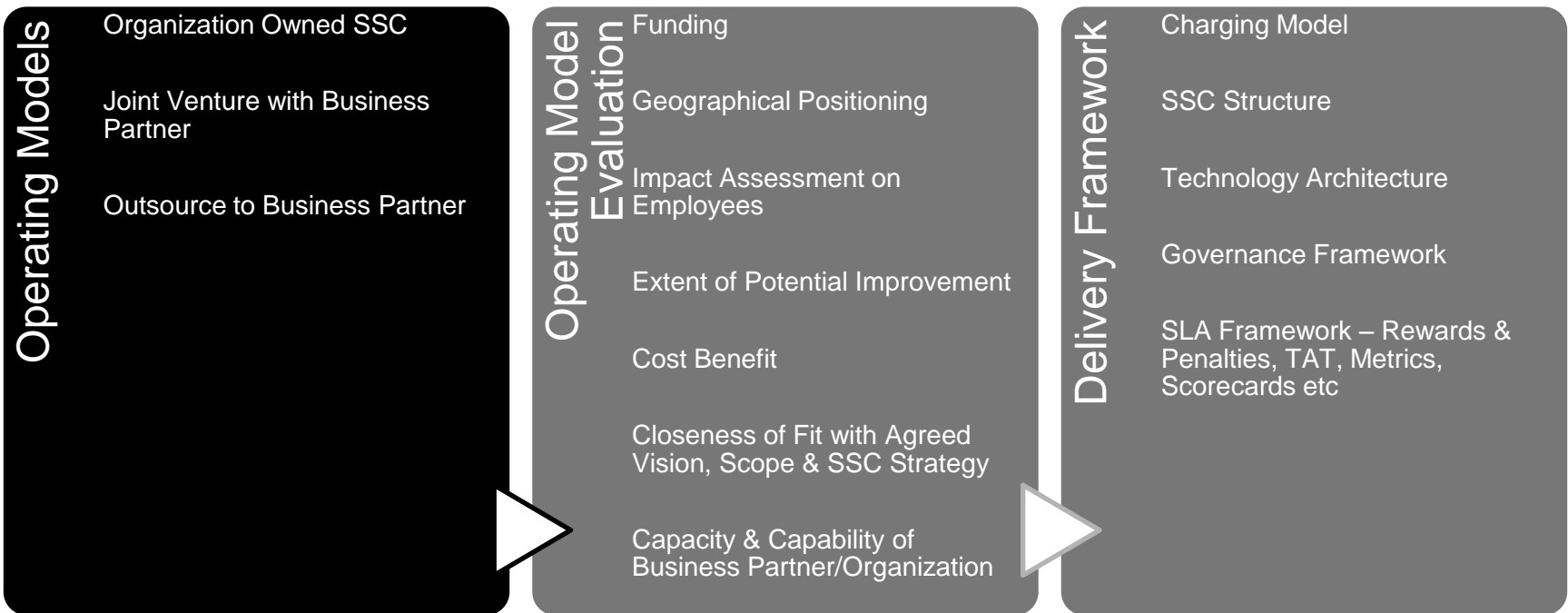
Option Appraisal

- Delivery Approach
 - Lift & Shift Approach
 - Fix & Mix Approach

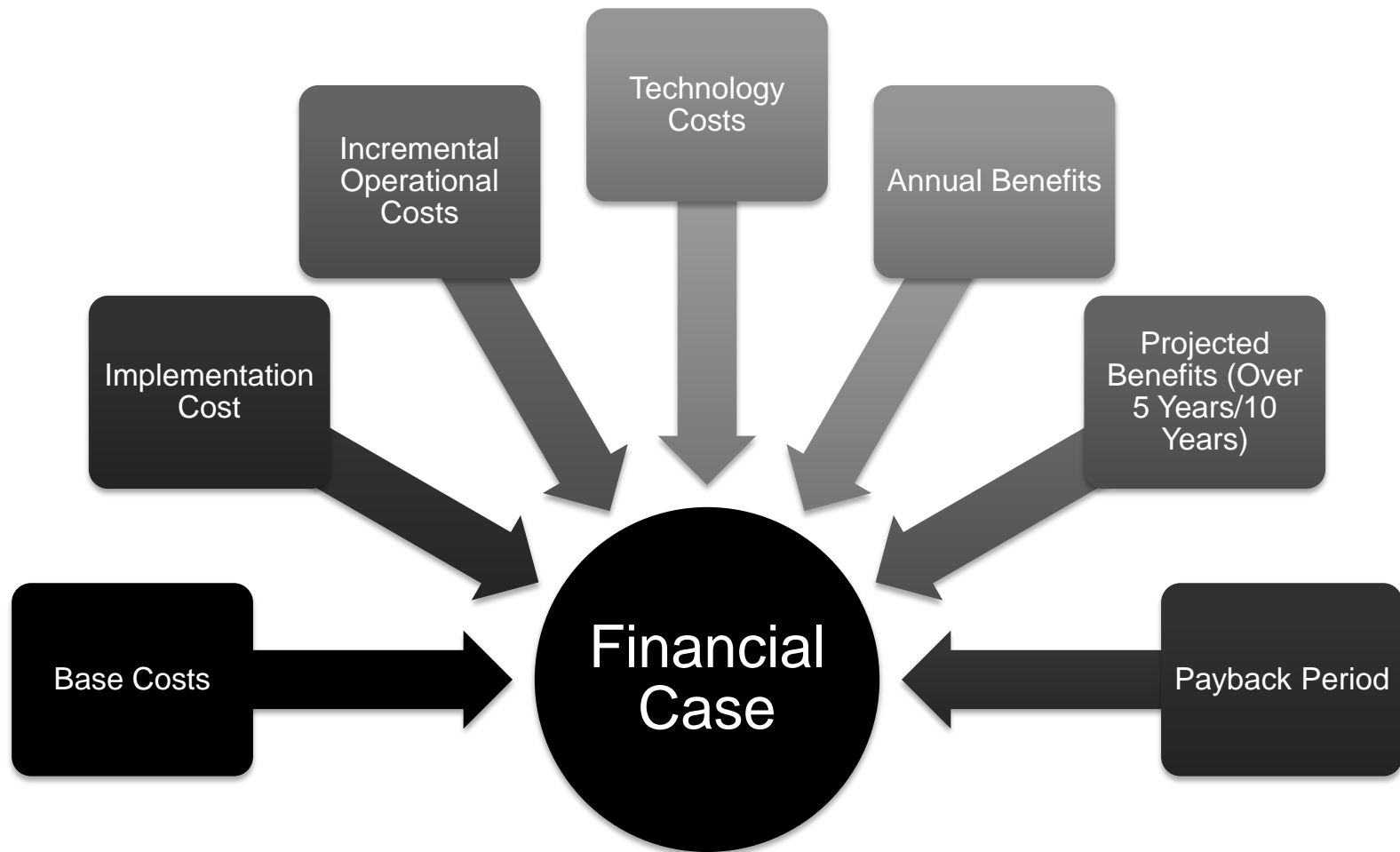
- 3 Wave Approach



Operating Models



Cost & Financial Benefits



Migration Strategy

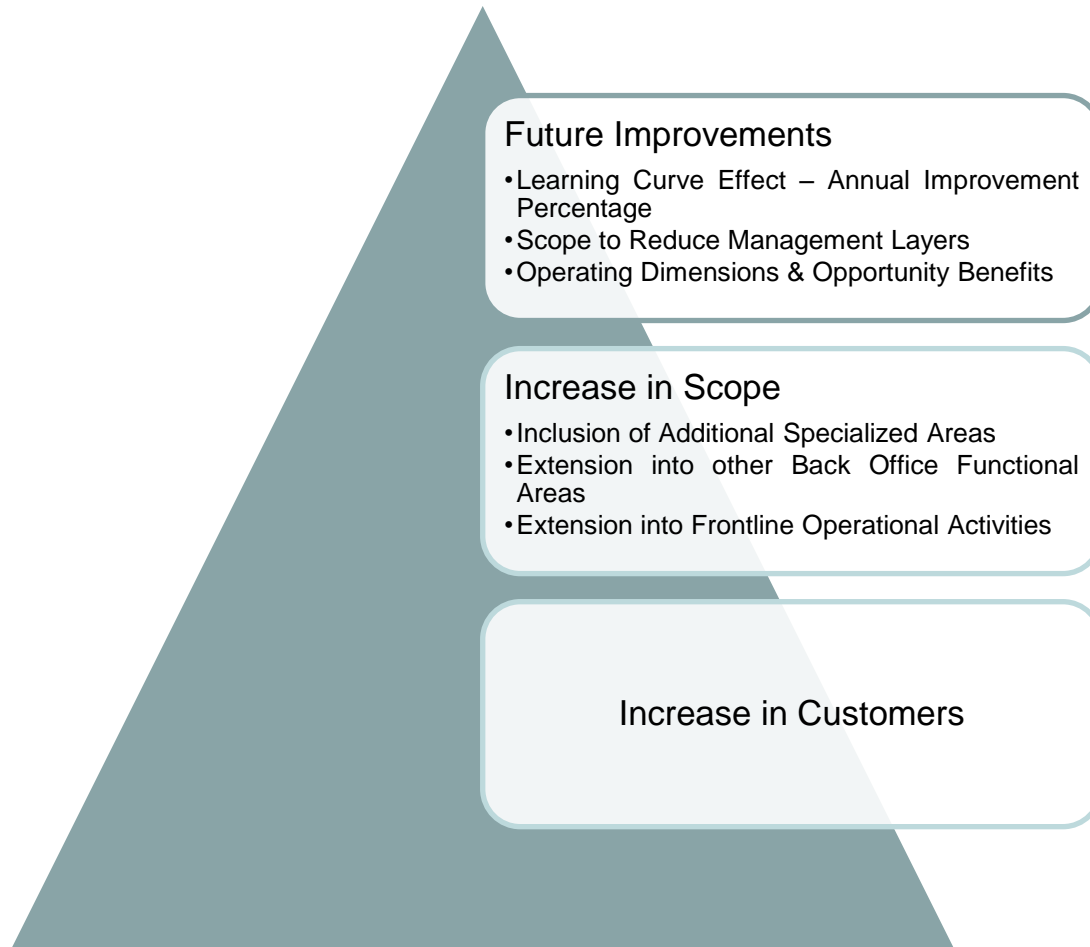
Principles

- Minimize Impact on Employees
- Maintain Current Service Levels
- Risk Mitigation
- Implementation Project : Take Account of Capability & Capacity for Change
- Cultural Environment
- ROI Within Reasonable Timeframe

Implementation Approach

- Simultaneous Technology Implementation & Process Migration
- Shared Services Governance Structure
- Implementation Time Table (Activities & Timelines)
- Clear Defined Roles & Responsibilities

Opportunities for Growth & Continuous Improvements



Preparing for the Journey



Questions or Comments?



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