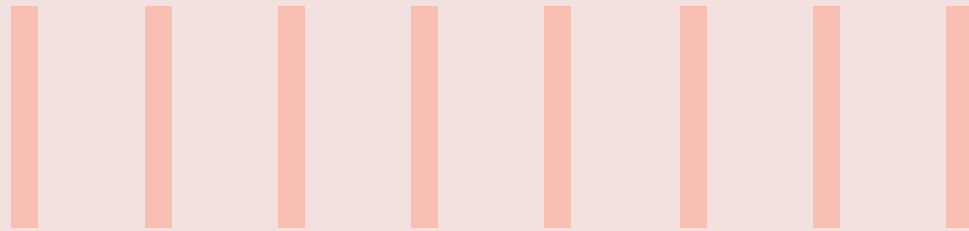




TURNING A NEW LEAF

How Re-engineering and Digitization Saved \$26 Mn in the Factory of the Future



Abstract

Infosys BPM helped a global technology giant enhance sales effectiveness and revenue operations through reengineered and digitized processes. The initiative has created a factory of the future that is firing on all cylinders and on track to delivering savings, totaling \$26 Mn over a three-year period.

Infosys BPM's client is a US-headquartered global technology firm and a leader in operating systems, business applications, cloud solutions and software services. It operates across 120 countries and has over 151,000 employees worldwide.



A critical need to modernize fulfillment

The client had 1750 shared services staff handling global revenue operations processes out of delivery centers in Ireland, Singapore, the Philippines, the US, and Mexico. These tasks relate to volume

licensing and its administration, operating deal desks, supporting global consulting services and software. This team serviced customers and partners varying from SMEs to government and academic institutions

to OEMs. The tasks involve creating order entries, agreements, amendments, pricing sheets and quotes; as well as billing, handling returns, customer care, and reporting.

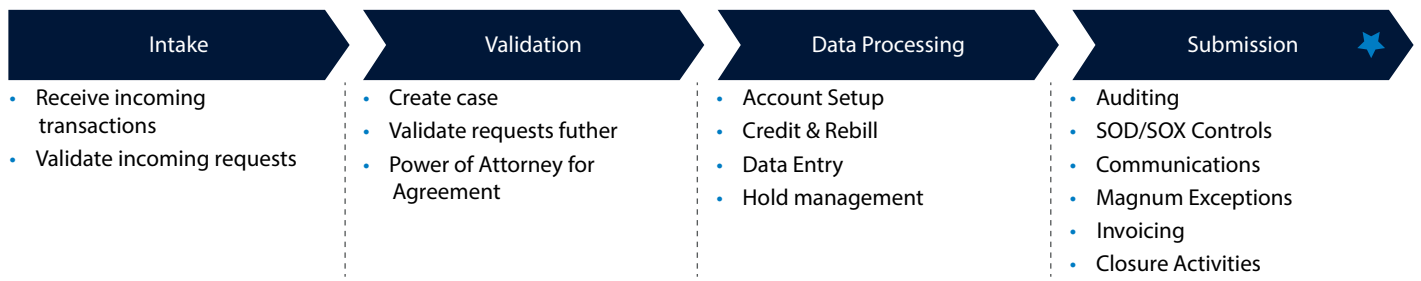


Figure 1: Process Summary

However, with annual process volumes of over 2.6 Mn transactions and over 0.75 Mn queries, the shared services centers were limited by legacy tools and outdated technology platforms. This reduced the effectiveness of the sales functions by as much as 40%, with them following up on the requests of their customers and partners, and liaising between the shared services centers, and the customers and partners. The client also faces the issue of risking significant amount of revenue left on the table (RLOT) due to last minute changes in forecast numbers, and a

number of requests being submitted after global cut-off dates.

To add to these challenges, the last few days of every quarter see significant spikes in volumes ranging between 1.6 to 2.1 times the average, and overall 40% of these requests coming in after the 'agreed' cutoff date. These challenges are magnified by staff in the shared services having tribal knowledge and business rules being applied inconsistently across the centers. Compounding the challenges further is the fact that customers and

partners are supported in 14 languages like German, French, Russian, Spanish, Italian, Portuguese, Japanese, Chinese, and Korean.

Besides, the shared services centers lacked operational level agreements with internal stakeholder groups, revenue, customer service levels and customer satisfaction were being impacted. And so, the client turned to Infosys BPM to help with comprehensive modernization and thereby to improve customer and partner experience.

Choosing the right partner

The client chose Infosys BPM as the partner based on the following criteria:

- Credentials in Revenue Operations:** Robust credentials in revenue operations, working with marquee clients within and outside of the clients' industry segment, thereby having the ability to bring intra- and inter-industry best practices and learnings
- Digital Transformation:** Proven track record of delivering technology supported transformation as part of BPM engagements
- People Practices:** Multiple recognitions for robust people strategies plus experience in transitions with high degree of re-badge to ensure staff move from existing Supplier

Staff Transfer and re-engineering

Given the criticality of revenue operations and its impact on the client's balance sheet and the need to transform, the IBPM solution consisted of two cornerstones:

- Noiseless service transfer - to ensure zero disruption to operations
- Digital transformation – to focus on re-engineering the existing processes

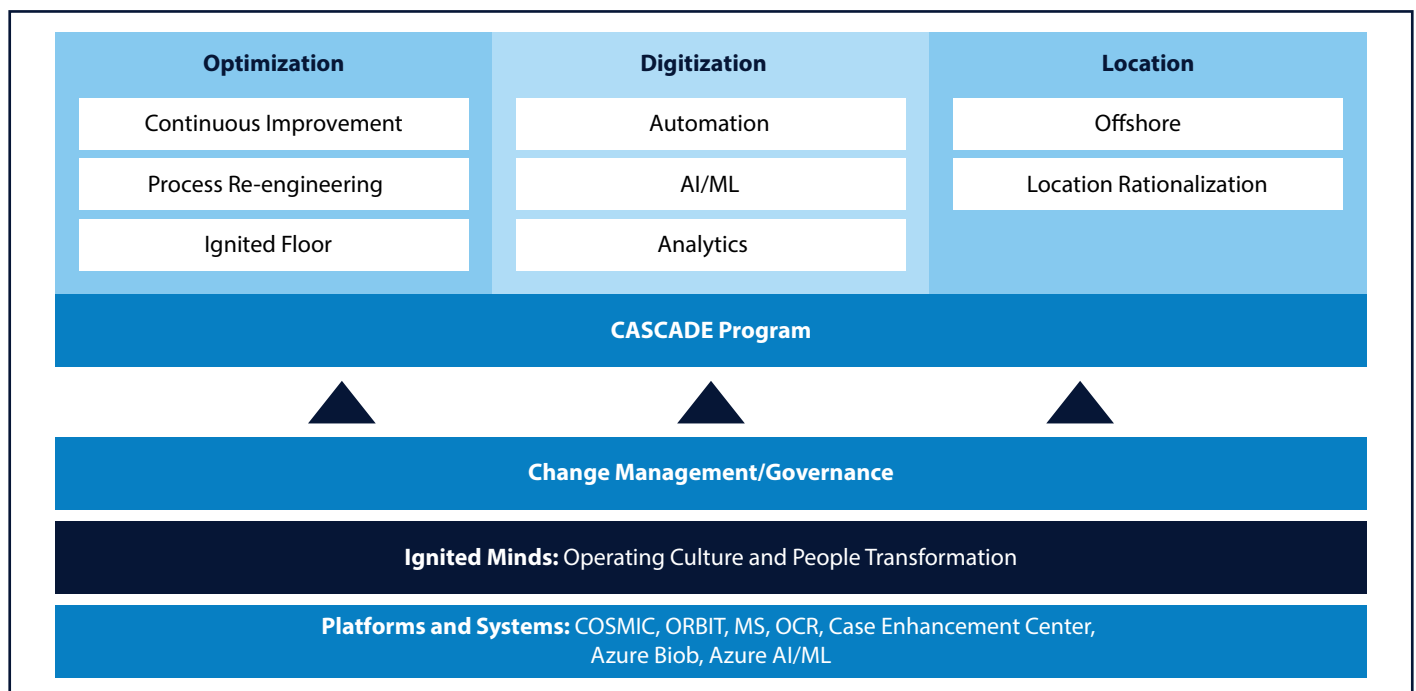
Infosys BPM's solution envisioned transferring the incumbent vendor's team supporting the client's revenue operations at all shared services centers. This necessitated detailed planning and policy making to allay the concerns of the incumbent staff relating to their career growth and adapting to a new work culture. There were also several issues caused by employee transfer legislation to be dealt with.

Anticipating a certain amount of staff transfer offers not being accepted, IBPM invested in 12% buffer resources as a contingency measure and to mitigate

future attrition. To overcome any passive resistance by staff, the team ensured that every serving employee could interact with an integration office that was set up for the purpose or with the Infosys HR team. The integration office also worked on speeding up the cultural integration of staff through conducting several acclimatization programs such as a geo ambassador program, roadshows, and training sessions on the company's process improvement and other frameworks. It also took pains to communicate the enhanced opportunities for career growth that the rebadging exercise had opened up for the

staff.

In parallel, a team was setup to focus on re-engineering the existing processes. This team, working closely with tenured staff, standardized and harmonized all the different processes that were being used across the centers. It then created a transformation roadmap that utilized artificial intelligence, machine learning, and analytics to provide better visibility and control to the client and allowed for joint ownership of outcomes. The team also worked on identifying and planning the transition of non-critical processes to Infosys low cost locations.



The new model enabled far better synergy between the client's IT and BPM functions. The Infosys BPM team partnered with these functions of the client organization to deploy in house technology solutions such as an analytics dashboard for business insights in a bid to develop the offshore centers as 'factories of the future.'

Further, as the centers were leveraging the services of several external vendors who were about to exit due to the rebadging, the Infosys BPM team moved to capture and retain important organizational information through implementing several knowledge management practices.

Lastly, a four-member risk and compliance

team distributed across geographies streamlined controls through identifying and reducing redundant controls and optimizing workloads. In total, the team embedded 47 proactive controls to help support compliances relating to SoX, power of attorney, anti-corruption, and SSPA controls across business lines.

Firing on all cylinders

The efforts of the Infosys BPM teams ensured a successful transfer of staff of over 98% of the incumbent vendor's staff and a simultaneous go-live for all the shared services centers across geographies. This provided a seamless month-end and year-end closure experience for customers and partners.

The re-engineering of processes and transitioning of all non-critical processes to low cost locations delivered savings of \$10 Mn and further savings of \$16 Mn resulted through other successful transformation

projects. Through the re-engineered operating model and enhanced technology landscape, the accuracy of processes could be maintained at over 99% and digitalization enabled 26% of the earlier manual effort to be eliminated. This reduced 30% of process cycle time, and improved customer satisfaction scores by 2%. The efficiency of the optimized fulfillment processes also ensured that there was no revenue left on the table any longer at the end of each quarter.

The employee integration initiatives that

aimed at enhancing people's skills and capabilities and in turn their efficiency and effectiveness, greatly contributed towards a 20% reduction in churn. The rebadged employees benefitted with improved growth opportunities through being cross trained across lines of businesses which also helped the client handle peak time volumes.

All said, the transferred staff at Infosys BPM shared services are truly operating as factories of the future for the client.

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