



# THE POWER OF PIVOT – A NEW AGE WISDOM

## Summary

When a US-based Fortune 500 CPG company decided to reimagine the organizational architecture with an initiative to drive cost take out in Shared Services, centralized operations and the implementation of the GBS.Nxt framework helped the company break the status quo in business delivery, while resolving 96% of the backlogged cases worth \$25 million, and significantly reducing aged Accounts Receivables (AR), in the very first year.

A photograph of two men in business suits shaking hands in a modern office environment. The man on the left is Black, wearing a blue suit and a red tie, and is smiling broadly. The man on the right is white, wearing a grey suit, and is seen from the side. Both are holding black briefcases. The background shows large windows and a bright, airy office space.

## Looking through a kaleidoscope

A leading US-based diversified home essentials company decided to reimagine their approach when organizational fragmentation started to impact customer journeys. They wanted to increase the company's focus on innovation and marketing, margins and financial performance, the lack of which were causing volatility in the business. To counter the volatile forces, the company led several initiatives to consolidate siloed divisions in the company, shed non-core assets, and standardize processes by creating a GBS organization.

# GBS.NXT...

## Key Features



Digital-first operating model



Lean, Resilient & Scalable Operations



Experience Led Digital Transformation

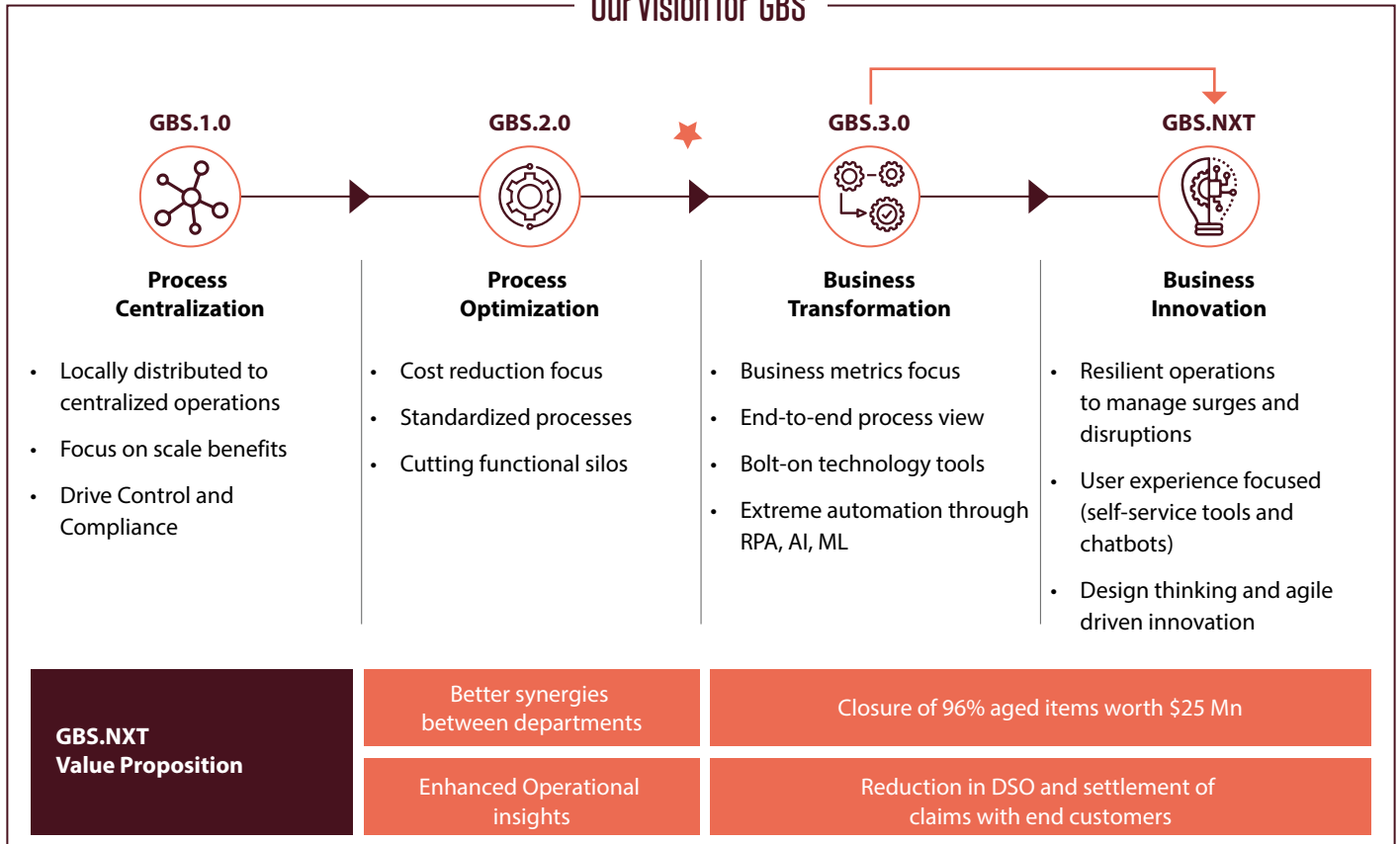


People + Software 'Humanware'



Embedded Analytics & Insights

## Our Vision for GBS



The organization started by realigning its vision towards investments in selected and strategic areas that can drive enhanced innovation, improve levels of connectivity in consumer engagement, and elevate the use of relevant technologies, including automation, where required. The organization-wide project, called Galileo, was born out of this vision.

To execute a project of this scale would surely require collaboration with a

trusted partner. But having not had any precedence in tying up with external partners to expedite digital transformation, the company leaders had their concerns, if the move will have the desired impact in levels of efficiency, effectiveness, and experience. But with timely consultation, the company decided to fling its doors open to an external vendor for the very first time and floated an RFP in May 2019.

After a focused pursuit of a deal with the company's leadership, Infosys BPM was selected in August 2019 among a crop of leading incumbent players to digitally transform its Finance & Accounting function, along with the Customer Services – Order Management for 5 years, with productivity gain of 40%. To add perspective, Infosys BPM was selected with a top score of 6.5/8 across all parameters of evaluation.



## Client speak

Infosys BPM brought to the table an “A” class team with a culture of accountability, clear focus on simplification of business processes, experienced leadership team to drive operational excellence, by serving our purpose with most optimized global delivery at scale, at the right price, to help augment our vision for future shared services, and help us sustain our profitability....

– EVP & CFO (2019)

## The beginning of an exciting change

Given the wide scope of digital transformation in the GBS space, the Infosys BPM team embraced a flexible approach and adapted to the company’s unique needs to demonstrate extreme

customization in the prescribed solution. The team was not only able to demonstrate its industry domain expertise and best practices drawing from experiences with other similar companies but was also able

to proactively showcase a 5-year vision for them on how best the GBS.Nxt framework can be leveraged to become more efficient every year.



Cost Optimization, Process Standardization and Achieve Operational Excellence



Technology Led Business Transformation



Focus on Core Business units along with New growth areas

The scope of the collaboration involved supporting two different locations of the diversified products company with design thinking principles and bringing their F&A and S&F stakeholders under one umbrella to deliver exceptional operational efficiency.






Infosys BPM team categorized the transformation project on three levers:

Efficiency	Effectiveness	Experience
<ul style="list-style-type: none"> <li>Agility</li> <li>Standardization and integration</li> <li>Automation</li> </ul>	<ul style="list-style-type: none"> <li>Data and information availability</li> <li>Proactive decision making</li> <li>Creativity and innovation</li> </ul>	<ul style="list-style-type: none"> <li>Personalization</li> <li>Accessibility</li> <li>Collaboration and innovation</li> </ul>

### Leveraging the following strategy

Broad elements of transformation

	Digital Interventions	Domain Transformation	Operational Excellence
P2P			
O2C	Digital Transformation	Domain Transformation	Operational Excellence
R2R	<ul style="list-style-type: none"> <li>Enhancing functionalities of existing systems (SAP)</li> <li>Tools/ Technologies (DC)</li> <li>RPA</li> </ul>	<ul style="list-style-type: none"> <li>Consolidation &amp; Standardization</li> <li>CI / Domain projects</li> <li>Lean &amp; Six sigma initiatives</li> </ul>	<ul style="list-style-type: none"> <li>Process Progression Model (PPM)</li> <li>Benchmarking</li> <li>Best Practices driven by FCoE</li> </ul>
CS			
	EXP EFF EFC	EFF EFC	EXP EFC
	Efficiency	Effectiveness	Experience

By December 2019, the assessment of potential areas for service delivery and process definition started, building the ground to kick start the transformation project.

### Benefits realized

- Improved customer-centricity and centralized hubs leading to improved cost of operation and heightened innovation cycle
- Increased automation and process simplification to improve efficiency, service delivery, and strategic capabilities investment
- Joint effort between onshore and offshore teams helped to clear cases that were in system before the partnership
- Closing of aged cases and unresolved or disputed cases reduced revenue leakage, and had a positive impact on cash flow, working capital, as well as overall profit



## Turning a crisis into an opportunity

But just two months into the project, the COVID-19 pandemic turned into a global crisis. The go-live date was delayed due to crippling lockdowns that impacted

training of offshore team for the transition phase. The team could have waited for the pandemic to dissipate before proceeding with the transition phase. Instead, the team

at Infosys BPM took control and brought the situation to stability by pressing ahead with a reassessed plan.



The team's experience and knowledge were evident, and they demonstrated high levels of partnership and collaboration. The team was timely and accurate with updates regarding transition progress was also very responsive to questions/requests.

**Director, Global FP&A and Controller**

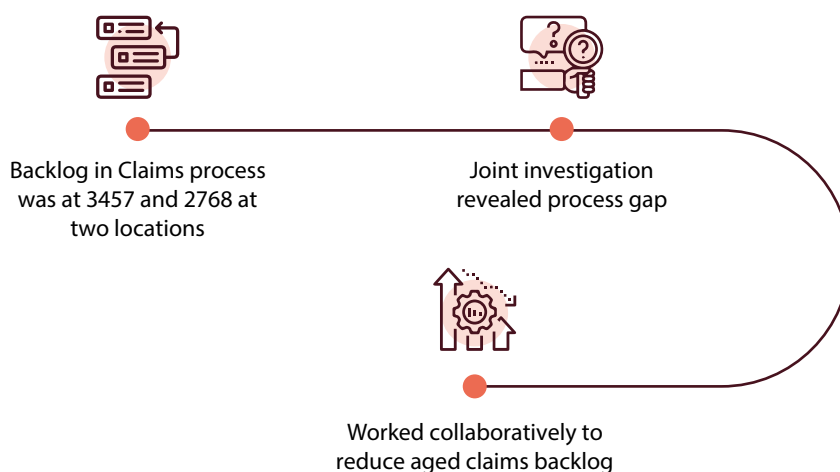
The first step was to eliminate manual processes and enable teams at both ends to work from home. By hiring 15% of resources for the transition team remotely, and shifting to handheld devices for the Knowledge Transfer (KT) phase, the

delay in the enablement of resources was successfully bridged. With teams at both ends working collaboratively, the use of personal assets was also approved, while keeping in mind data security mandates.

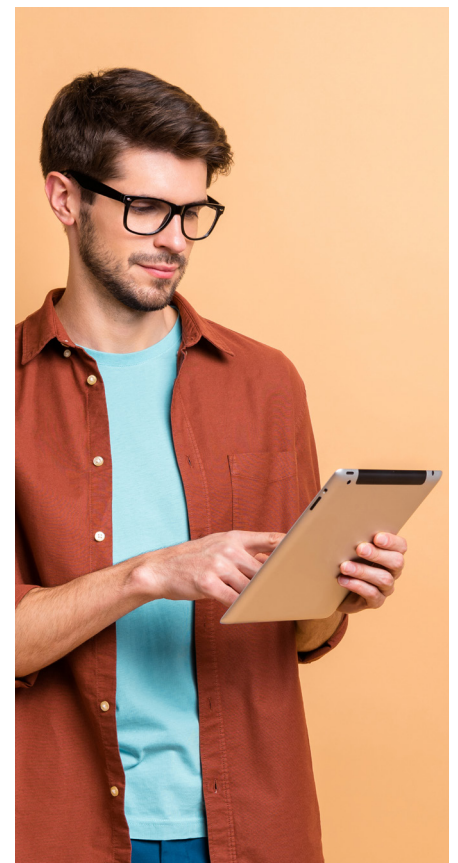
In parallel, the Infosys BPM team pivoted the transition plan by breaking down the original proposal to activity/sub-activity level.

## Domain Transformation

In April 2021, the GBS transformation project was kicked off to tackle the pre-existing backlog in the company's Order to Cash (OTC) process.



Backlog reduction target was further split into weekly and daily targets for strong governance and control that helped in reducing aged cases. The intervention here also helped bring better synergies between different teams – claims, credit issuance, and cash app.



## Approach summary

- Spearheading exciting innovation to bring strong, high-quality brands to the market at low costs
- Identifying process gaps where standardization opportunities existed
- Creating centralized offshore teams and centre-led teams to make processes more efficient and productive
- Deploying smart automation to drive effectiveness and user experience
- Implementing and executing strategic sourcing initiatives across business units
- Accelerating value creation with tech enablers
- Creating an international market scale with centralized control of a GBS framework

In the middle of a global pandemic, when the client was forced to operate with reduced staff, Infosys BPM also stepped up to add resources at a cost, to help the US-based organization strengthen productivity levels even in lean times. A seamless cross-training was subsequently initiated that allowed the organization to implement greater visibility of processes across functions, centralized processing of order management, and the customer feedback loop, without having to write code manually.



Infosys BPM team continues to push to governance structure as we work to ensure we have structure internally to support. We appreciate the discussions that issues should be identified and addressed in real-time, and not wait until a formal scheduled meeting if earlier discussions are warranted.

– Chief Accounting Officer



Scaling resources benefited the joint OTC backlog project with closure of 96% aged items, worth \$25 Mn



Reduction in DSO and settlement of claims with end customers resulted in better financials

Infosys BPM successfully closed the first year of service delivery in both lines of business with excellent levels of customer satisfaction.



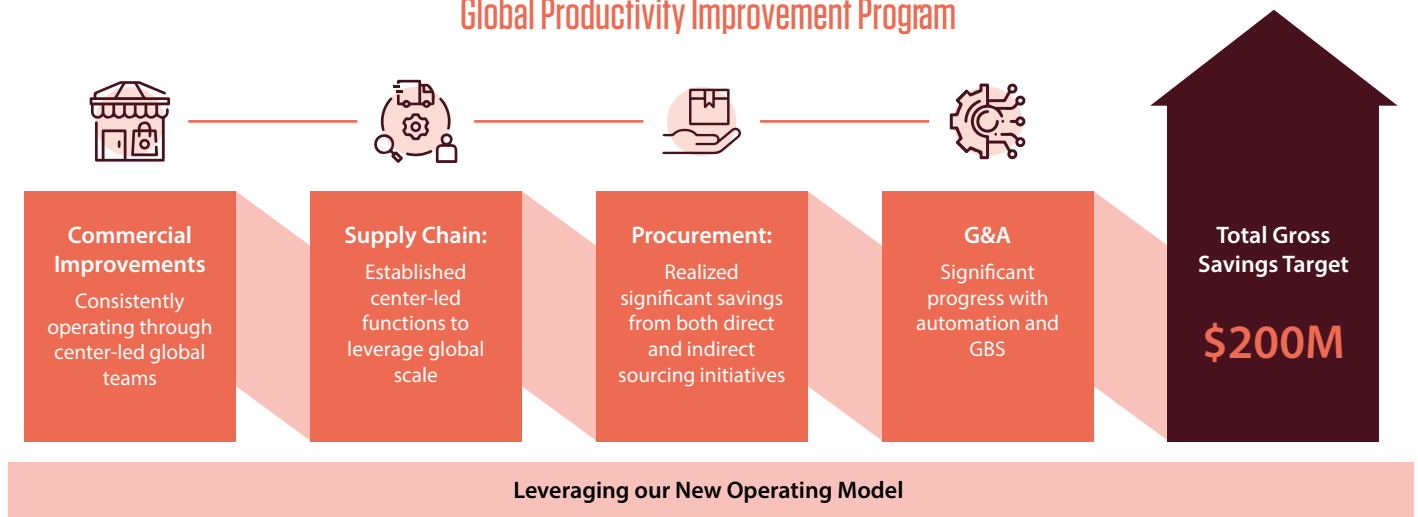
## We are committed...

Following the success of the first phase, the team at Infosys BPM will continue to

support the home essentials company in their long-term journey to drive savings

worth \$200 Mn with a global strategic program for productivity improvement.

### Global Productivity Improvement Program



The company's stellar partnership with Infosys BPM is also subsequently growing and consolidating with new areas of collaboration emerging, including in

inventory management and the overall supply chain. Infosys BPM is now leveraging in-house RPA capabilities and DCC, along with third-party technology

integrations, to set the ground for a future proof GBS organization.



Good, clear, and concise communication. Good collaboration from the team helped in adjusting to things that were not under our collective control with COVID.

**EVP & CFO**



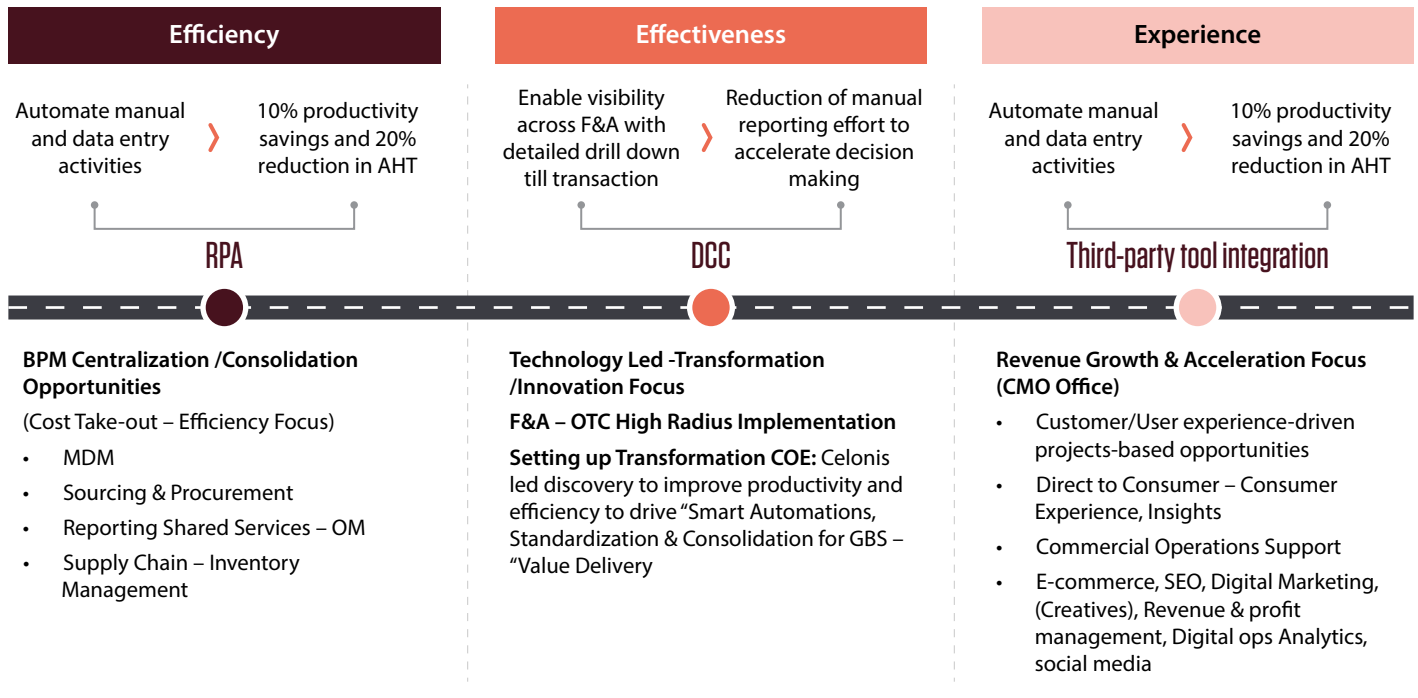


A feasibility study across processes revealed the following use cases for implementation of AI/ML, and RPA.

Accounts Payable	Accounts Receivables	General Ledger	Order management
<ul style="list-style-type: none"> <li>• Invoice fall out analyzer</li> <li>• Vendor reconciliations</li> <li>• 2/3-way match</li> <li>• Disbursement activities</li> <li>• Vendor queries</li> </ul>	<ul style="list-style-type: none"> <li>• Customer account reconciliations</li> <li>• Reserves/Bad debt computations</li> <li>• Analyze credit policy</li> <li>• Forwarding invoices</li> <li>• Credit notes</li> </ul>	<ul style="list-style-type: none"> <li>• Journal entry processing</li> <li>• GL reconciliations</li> <li>• Reporting</li> <li>• Fixed asset additions, retirements, depreciation</li> </ul>	<ul style="list-style-type: none"> <li>• Order capture</li> <li>• Order validation</li> <li>• Order allocation</li> <li>• Order confirmation</li> <li>• Order Modification Order updates in the ERP instances documentation</li> <li>• Internal Reporting- Standard Reports generation</li> <li>• Customer Service Standard query response to email based on subject keywords like status</li> </ul>

## The way forward

### SSC Resource expansion into GBS Shared Services Model



Here’s a well-deserving toast to a flawless execution that thwarted the impact of a global crisis with an equally flawless

collaboration, building a new benchmark in digital transformation in the process. This open dialogue will remain critical in

forging ahead towards enhanced levels of business value delivery and superior user experience in the coming days as well.

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