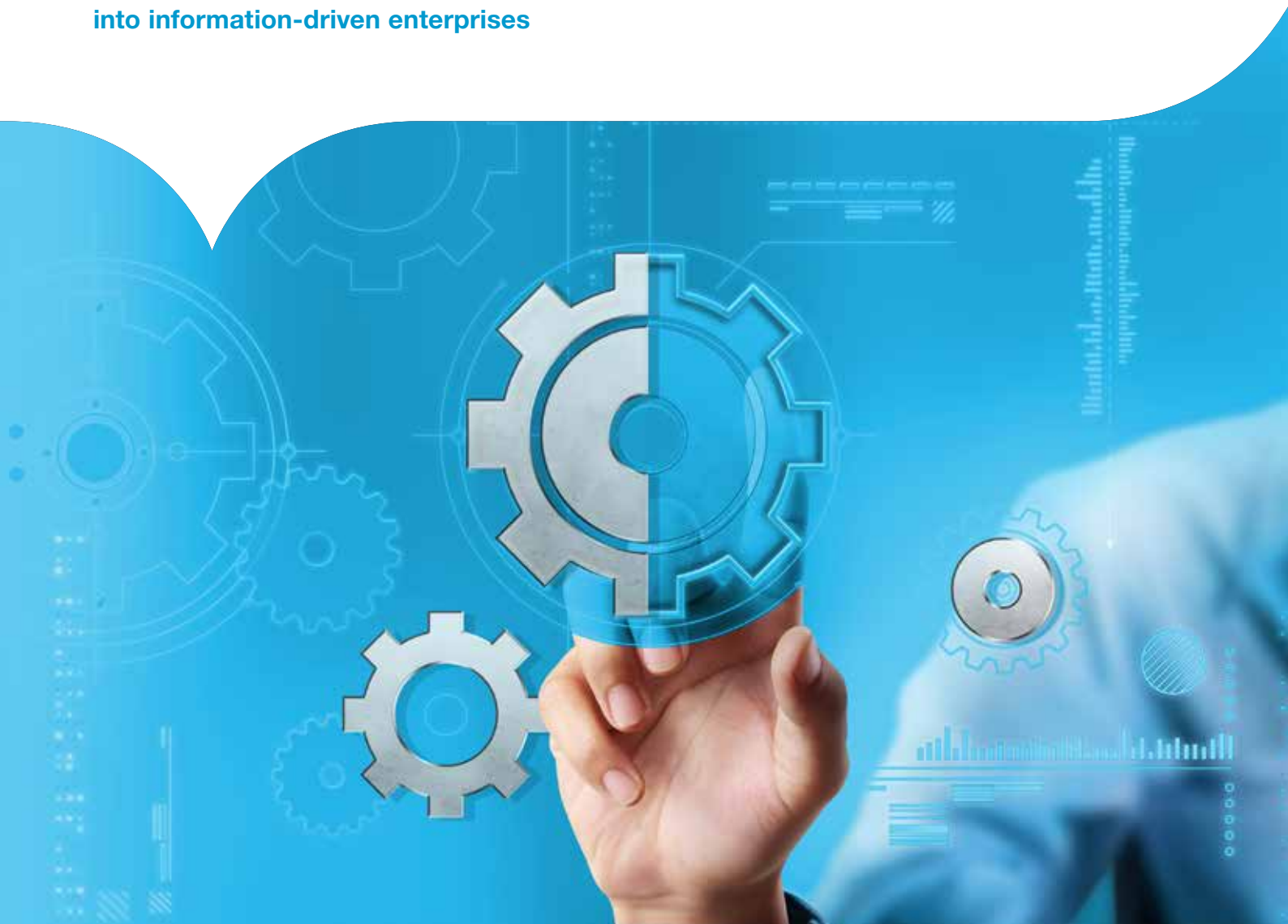# Expect More from BPO in Manufacturing

**We help manufacturers transform their operations
into information-driven enterprises**

People matter, results count.

Modern manufacturers are increasingly turning to a BPO partner to help them transform not only their support functions, but also the core operations in their enterprise. Using over 40 years of manufacturing and transformation experience, and demonstrated by our client references, we are the partner of choice when it comes to delivering increased agility, responsiveness and information-driven customer insight.

The result: heightened process efficiency and operational effectiveness, resulting in increased customer satisfaction and top-line revenues.
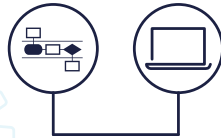
2000s

2nd GENERATION BPO

Focus on Process Transformation

Emphasis on applying repeatable processes through Capgemini's Global Process Model©—lowering risk and improving performance

Global Process Model©

IP and Technology

Today

4th GENERATION BPO

Optimize Total Cost of Service

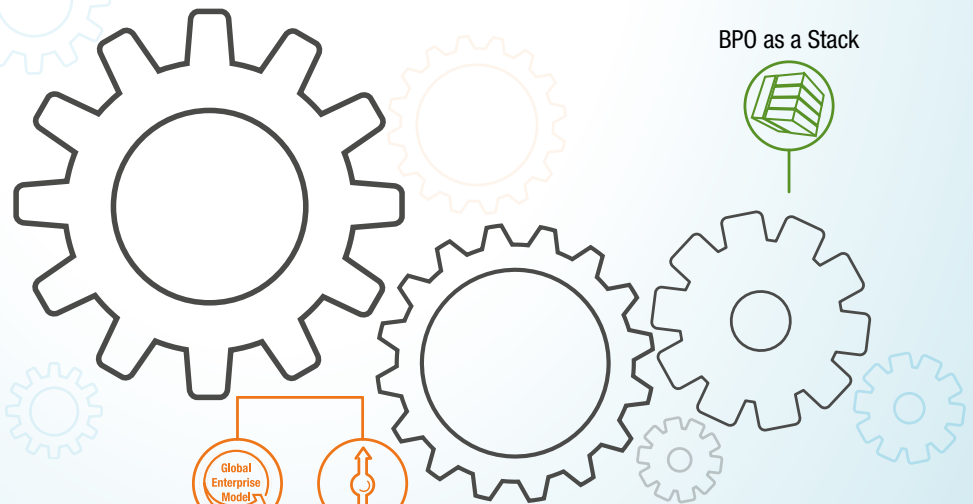Reducing total cost of service through BPO as a Stack

BPO as a Stack

1990s

Global Delivery Network

BPOpen©

BPO Command Center

1st GENERATION BPO

Focus on People Lift and Shift

Focus on labor arbitrage and consolidating back-office functions in lower-cost locations — aka "Lift and Shift"

Global Enterprise Model

Global Enterprise Model

Vertical Expertise

2010 and onwards

3rd GENERATION BPO

Focus on Enterprise Transformation

Utilizing Capgemini's Global Enterprise Model to achieve world-class outcomes that drive top-line growth

The challenges Facing Manufacturers

The world is undergoing an unprecedented degree of change and the manufacturing industry is feeling the impact. Market globalization has gifted manufacturers with a whole range of new opportunities – the ability to reach and deliver products to consumers across the world has truly changed the game. But how did this happen?

The globalization of manufacturing became a reality through a number of forces coming together simultaneously:

- A significant change in geopolitical relations between East and West
- The widespread growth of digital information, physical and financial infrastructure, and computerized manufacturing technologies
- The proliferation of bilateral and multilateral trade

These factors, along with others, have enabled supply chains to be broken down into complex global networks. This enables you, the manufacturer, to carry out the sourcing of materials and components, as well as the design and manufacturing of products from virtually anywhere – all while satisfying customers located almost anywhere.

But with every opportunity there are challenges. The past few decades reinforced existing and created new pressures, as

well as different channels for consumer interaction, such as the leveraging of resources. Developing economies' rising wealth creates a new industry dynamic, so to compete successfully, manufacturing companies need to:
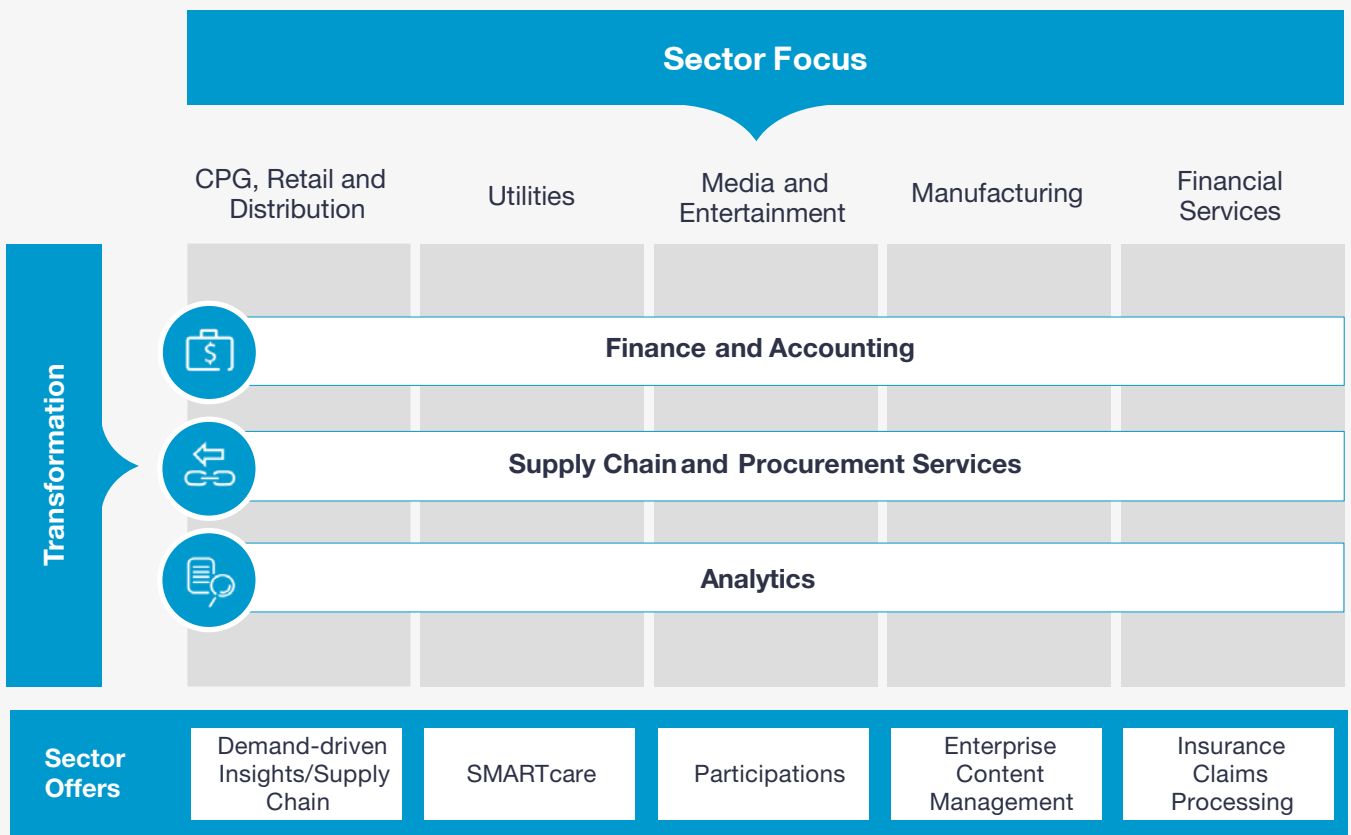
- Dramatically reduce costs and respond to pricing pressures in mature markets;
- Increase service capabilities in growth markets;
- Efficiently turn their corporate data into value-adding insight;
- Rapidly respond to ever-changing customer dynamics.

With these shifting dynamics, manufacturers should consider taking a more proactive approach to transforming their operations in order to maintain a competitive edge. However, many companies are finding that small incremental improvements led by in-house teams only bring limited returns. A new approach is required to deliver more radical productivity improvements to fuel sustainable long-term growth.

As a manufacturer, if you want to win, you must be ready to revolutionize your value chain. You have to question the status quo and drive enterprise-wide transformation. This will cut costs and release potential for growth and success.

Capgemini brings a proven approach to transformation – giving global manufacturers the tools and skills to transform into agile, responsive enterprises. By harnessing the power of Big Data, our Global Enterprise Model and cloud platforms, we help clients drive decision-making, enhance performance and reduce business process complexity.
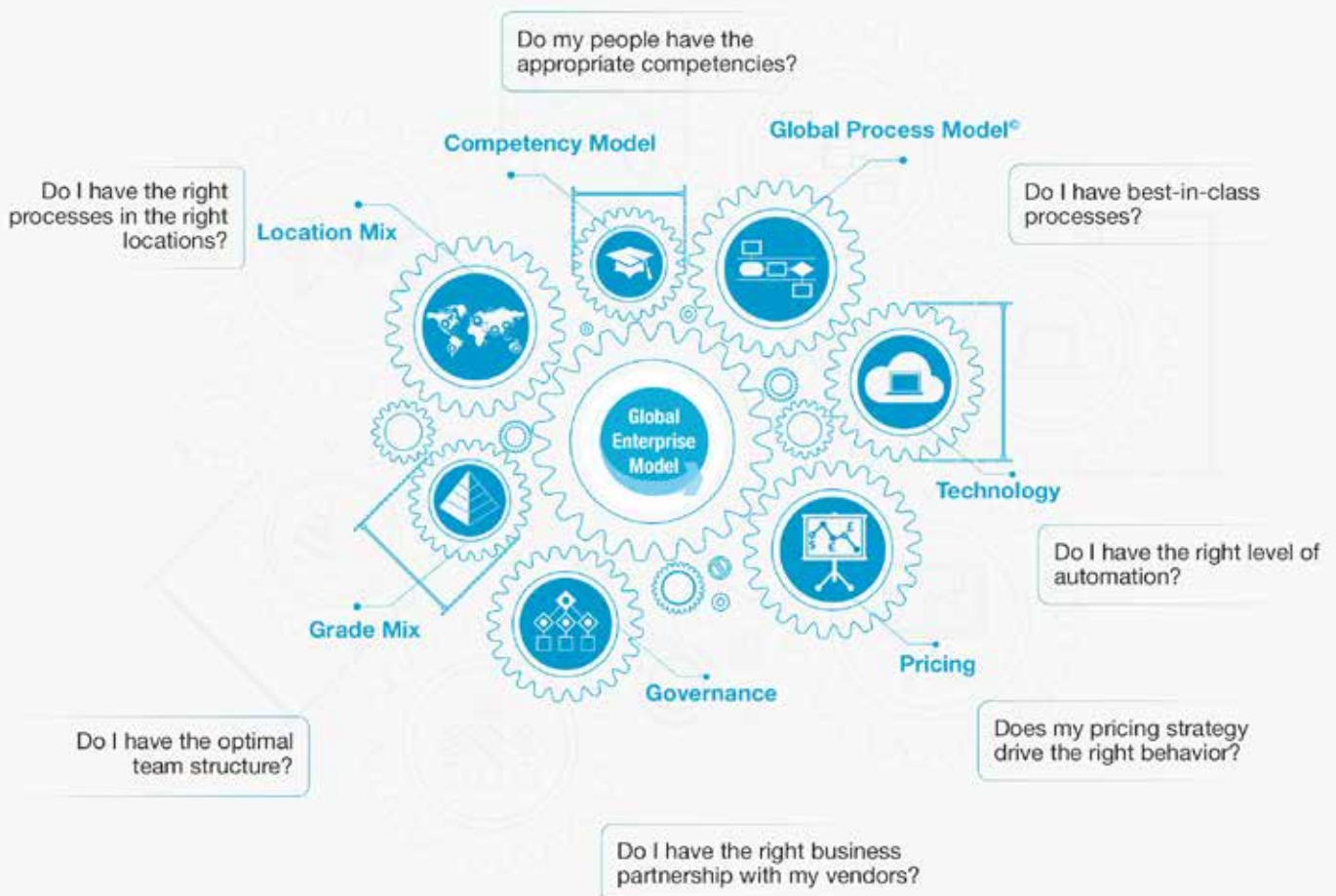
Capgemini BPO has embedded its extensive domain knowledge and technology expertise into a comprehensive suite of process platforms that deliver best-in-class processes already configured and enabled by Cloud-based IT tools. These "out-of-the-box" platforms support processes such as controlling, cash collections, procurement compliance, recruitment, learning and development, and supply chain and logistics planning. They are proven to simultaneously drive operational excellence and improve top-line performance.

Sector Focus

	CPG, Retail and Distribution	Utilities	Media and Entertainment	Manufacturing	Financial Services
Transformation	Finance and Accounting				
	Supply Chain and Procurement Services				
	Analytics				

Sector Offers	Demand-driven Insights/Supply Chain	SMARTcare	Participations	Enterprise Content Management	Insurance Claims Processing

Enabling Accelerated Global Transformation through Proven Methods and Tools

Today's global manufacturers collaborate on an international scale to gain increased efficiencies by working across time zones and investing in new centers of excellence. However, many organizations find that disparate systems and different processes across regions and business units are limiting their ability to drive end-to-end improvements. Maximizing the efficiency and effectiveness of shared back-office operations requires a sophisticated approach to standardizing and automating processes using the right mix of technologies,

best practices and talent. Capgemini's Global Enterprise Model (GEM) is a business transformation platform that distills our assets and experience into an engineered approach for delivering transformation for our clients. Each of the seven GEM levers is configured to deploy a complete platform that rapidly delivers the right outcomes for your individual business needs. Transition and transformation are ensured by calibrating "when" and "how" each lever is deployed, to guarantee that we set the right pace for you.

The Power of Business Transformation

Most forward thinking executives realize now that the archaic business model of multinational companies creating and managing duplicate structures based on geographies is no longer optimal. The world is more interconnected than ever before, with relationships, families, consumers and markets no longer bound to national borders, or even hemispheres. The enterprise now focuses on core competencies and forms strategic alliances with partner enterprises to handle those functions that are not part of competitive advantage. This transformation in the way business is structured enables even the largest corporations to be more nimble, to react to market and regulatory changes, and to adapt themselves to local conditions more quickly than ever before.

Global shared services and business process outsourcing, when properly implemented and using a sound methodology, enable enterprise transformation of key business processes.

Transforming crucial business processes helps integrate experience, technology, tools and analytics to standardize, automate and streamline these processes globally, enabling companies to unleash their business potential.

Sustainable growth is necessary for the long-term success of any enterprise. Capgemini's Global Enterprise Model uniquely enables the acceleration of growth by transforming processes and operations from archaic, legacy methods to models best optimized for competitiveness and profitability. It does so within a safe, tested and proven framework that has already been implemented in corporations across the globe.

BPO as a Stack

The concept of BPO as an integrated stack has been developed as a direct result of real-world experience in the marketplace. Early adopters of this new approach are large enterprises that have a specific need for delivering a consistent quality of service, but with an equal need to use disparate components in doing so.

One such business is an international chemicals manufacturer with a leadership position in several strategically important industry sectors, including agriculture. This company has accelerated its expansion into a growing range of new national markets and required a fast and efficient method for building
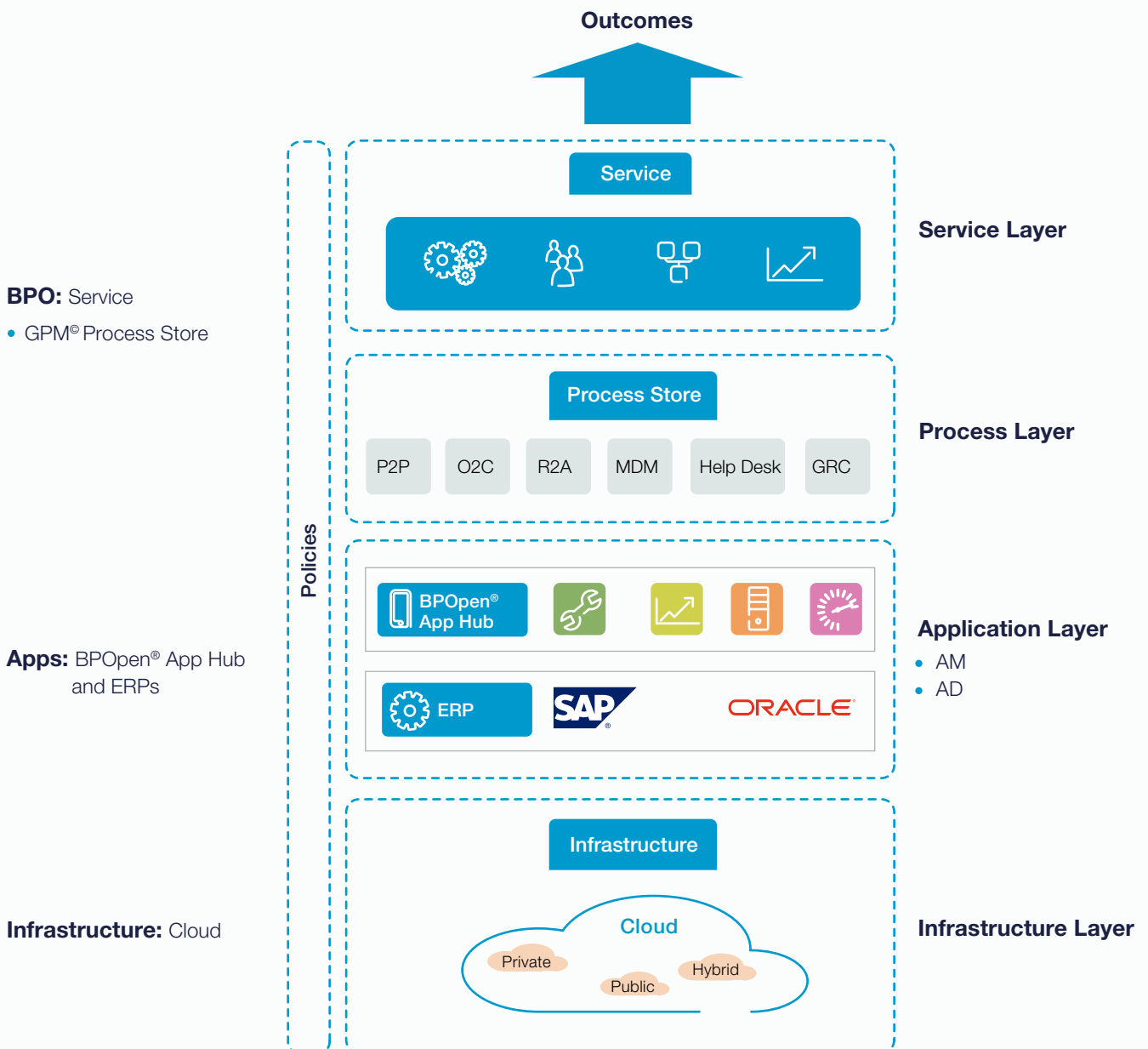
"virtual companies" at relatively low cost and high speed. It has always been clear that building such entry-level businesses could not be done at an acceptable price and speed by deploying core enterprise applications in multiple locations. This is because it would take too long and lead to excessively high levels of IT engineering and risk investment. The same point applies to local subsidiaries in smaller national markets, where the volume of business does not justify a new ERP implementation using core SAP or Oracle, for example, but where consistent quality standards still have to be reached.

Today, the BPOpen® App Hub and Process Store approach can be used – and have been – to build a capable service, customized to local needs, with most components Cloud-delivered for additional cost efficiency. Maximizing the potential of virtualized components, vertical integration across an entire service stack and Cloud-enablement has led to a dramatic reduction in TCoS, risk levels and time to launch. A strategy of expansion, now delivering substantial advantages to the client, is taking place in a way that would not have been possible without the modular, integrated approach pioneered by Capgemini.

These very components can be customized to deliver the outcomes required at any place or time, for any kind of client organization, and are more or less ready to go as soon as an agreement is reached.

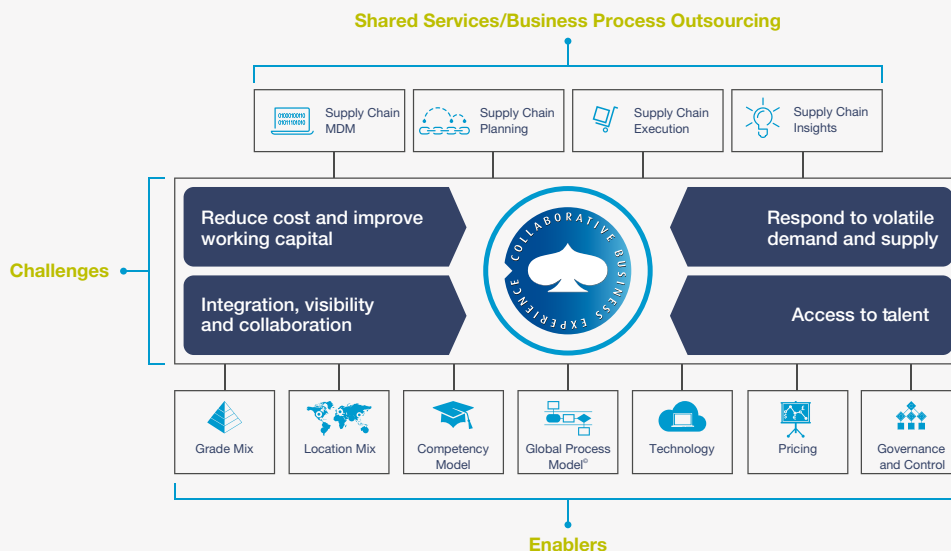## "FAO as a Stack" – achieving a step change

Striving for Excellence: Supply Chain Management

Businesses looking for higher growth, profitability and customer loyalty inevitably focus on their supply chains. In a world of globalized manufacturing, it connects hundreds, perhaps thousands of suppliers, and ensures the smooth running of processes that span continents. As the wider marketplace also embraces globalization, the supply chain connects millions of customers, collects revenue for goods and services, defines how much profit the enterprise makes, and plays a critical part in retaining customer loyalty.

Complexity is endemic in supply chain management and the level of volatility is now rising exponentially. Customers have more channels to choose from and expect perfect delivery. They are also more willing to drop existing suppliers and search for others, better able to meet their expectations. It is difficult enough to manage today and, as the number of products and product variations continues to rise and the range of stock-keeping units (SKUs) and channels to market expand, the task can only become more difficult. Existing supply chains are already struggling to cope with these developments.

Capgemini believes there are four key issues threatening competitive performance, profitability and brand reputation today:

- **Costs and working capital:** Supply chain professionals are under pressure to reduce overall costs, while access to and returns on working capital are critical concerns. Improved cost efficiency requires better planning and execution, and that, in turn, depends on effective analytics and organized, seamless processes.
- **Response to volatile demand:** Customers expect delivery on time and in full. As customer loyalty drops and demand extends, the task of making supply chains more responsive in order to cope arises. Finding a method to do so without negatively impacting working capital comes to the forefront.
- **Integration, visibility and collaboration:** Weak links in the enterprise's supply chain cause disruption and loss. The only way to identify and eliminate such weaknesses is to improve end-to-end visibility. Today, it remains problematic due to the lack of reliable metrics and an inability to measure outcomes at every point.
- **Talent:** A common problem for many supply chain management teams is recruiting the right people – people who combine the ability to build and understand complex mathematical models with deep understanding of the relevant processes and technology platforms, and who also have a comprehensive appreciation for the realities of the business.

Case for BPO

The key pain points, identified by supply chain professionals themselves, are most closely connected to process excellence, data analytics and talent. These are exactly the areas in which Capgemini BPO excels, and the following help to showcase what we do to remedy these issues:
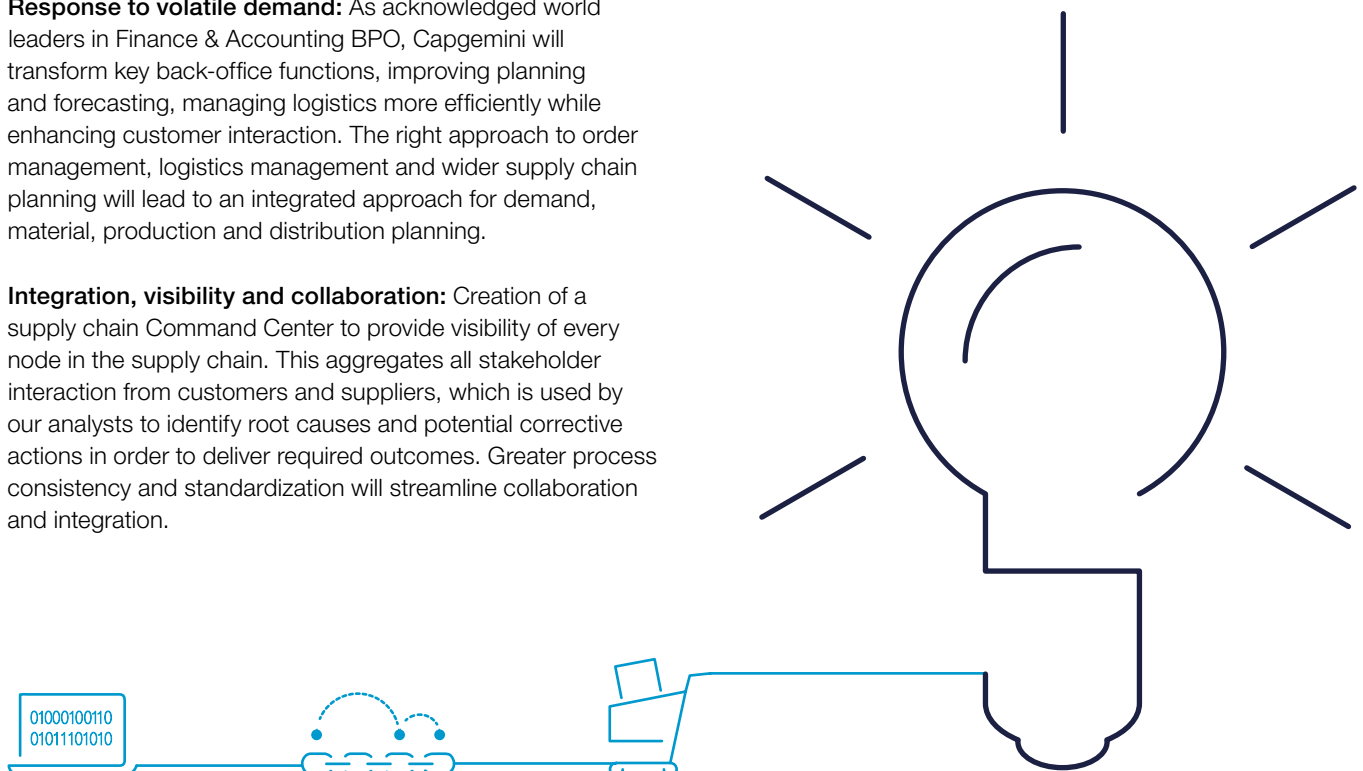
Costs and working capital: The application of best-in-class processes based on experience gained from working with a wide range of clients worldwide. Drive improved supply chain performance through optimization of inventory, distribution and manufacturing networks, and more informed decisions regarding location of manufacturing and distribution hubs for cost optimization.

Response to volatile demand: As acknowledged world leaders in Finance & Accounting BPO, Capgemini will transform key back-office functions, improving planning and forecasting, managing logistics more efficiently while enhancing customer interaction. The right approach to order management, logistics management and wider supply chain planning will lead to an integrated approach for demand, material, production and distribution planning.

Integration, visibility and collaboration: Creation of a supply chain Command Center to provide visibility of every node in the supply chain. This aggregates all stakeholder interaction from customers and suppliers, which is used by our analysts to identify root causes and potential corrective actions in order to deliver required outcomes. Greater process consistency and standardization will streamline collaboration and integration.

Talent: Access to the global capability of world-class professionals dedicated to the task of managing and optimizing each individual client's supply chain. As a service provider, Capgemini is well placed to attract and develop high-quality specialist talent, while sharing best practices across industry segments. Our approach is also truly end-to-end in nature, with skill sets that cover everything from business consulting, technology, through to BPO.
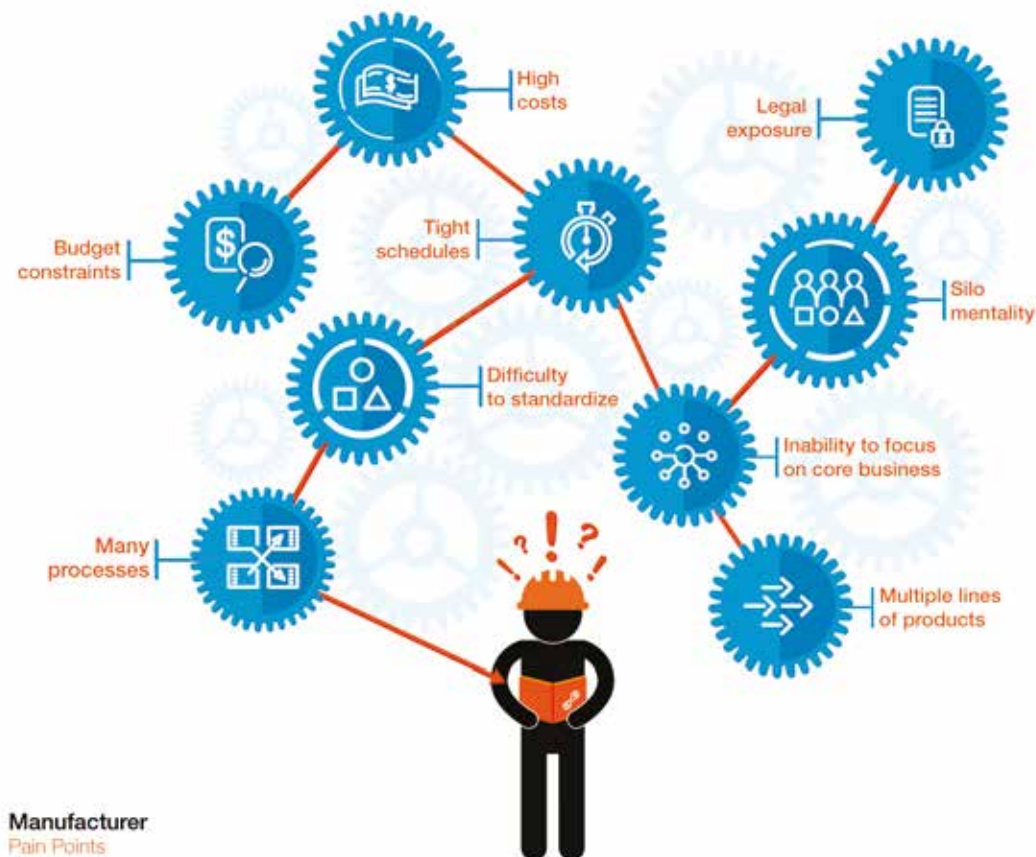
The need for a step change in supply chain performance is evident; however, internal resources alone cannot drive that change. In the BPO domain, capabilities are available and can transform key aspects of supply chain performance.
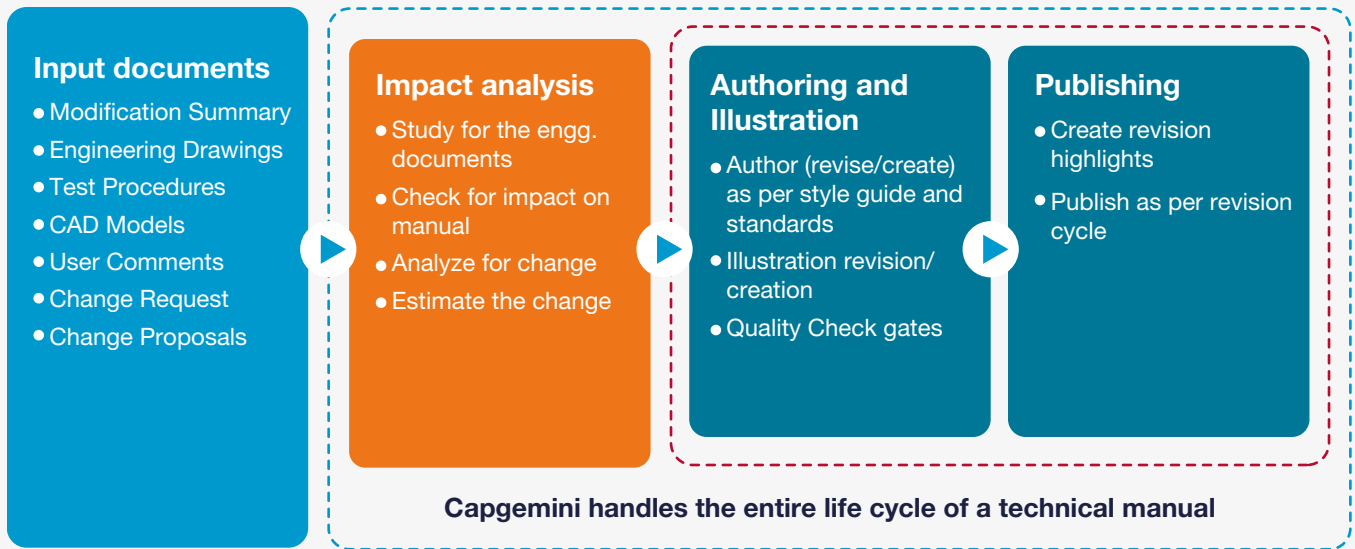
Industrialized Approach to Technical Publications Management

Today, manufacturers are under more pressure than ever to respond to evolving market demand by rapidly developing increasingly sophisticated equipment and machinery. Every new product release or revision needs to be accompanied by useful, clear documentation – a complex process in itself. Technical documents are delivered along with the product at no extra charge and can account for 3%–6% of the total product development costs. Technical publications management thus becomes strategic, and producing high-quality and user-friendly publications within a short lead time is a prerequisite for maintaining customer satisfaction. To produce high-quality technical publications, manufacturers must take into account several key factors that directly impact the whole process.

Manufacturer
Pain Points

We provide a comprehensive solution that enables you to outsource your entire Technical Content Management Services. Let us create, translate and migrate your publications from end to end, while you achieve significant savings.

Input documents

- Modification Summary
- Engineering Drawings
- Test Procedures
- CAD Models
- User Comments
- Change Request
- Change Proposals

Impact analysis

- Study for the engg. documents
- Check for impact on manual
- Analyze for change
- Estimate the change

Authoring and Illustration

- Author (revise/create) as per style guide and standards
- Illustration revision/creation
- Quality Check gates

Publishing

- Create revision highlights
- Publish as per revision cycle

Capgemini handles the entire life cycle of a technical manual

Over 500 technical writers deliver technical publications services from our publication center in Bangalore. Our team is committed to providing you with ongoing support. If requested, resources can be placed on-site to perform coordination activities during the initial phases. These high-quality technical publications services aim to provide operational cost savings, reduce time to market and increase customer satisfaction through handy and user-friendly publications.

Benefits:

- Greater ability to maintain technical publications in line with the market
- Flexibility and scalability to suit business needs
- Well-trained and sustained engineering talent retained for project delivery
- Efficient BPO solution to help you focus on your core business
- Upgrade to current industry standards by the application of industry best practices and tools
- Reduced overall spending on technical publications by at least 30% at the end of the second year of outsourcing
- Minimal setup costs as a result of ready-to-use infrastructure, methods and processes
- Increased customer satisfaction

Why Capgemini?

For more than 17 years, Capgemini has been a pioneer in developing and delivering innovative technology-enabled transformation solutions. Our manufacturing industry knowledge, combined with extensive experience in technology-enabled transformation has granted us the tools to deliver significant business outcomes for over 100 clients from a range of industries including aerospace, agribusiness, pulp and paper as well as medical devices, telecommunications and consumer goods.

Capgemini's "One Manufacturer" approach helps you consolidate, rationalize and harmonize processes to simplify your business, boost productivity and cut costs. Our approach comprises:

Strategy and roadmap: Design the target architecture, define the role of technology, outline a comprehensive roadmap and develop a rapid scan analysis

Analysis and design: Benchmark and design best-practice systems and processes, model the current and future systems architecture and develop a business case

Accelerated implementation, migration and rollout: Develop a streamlined, standardized approach and produce templates for accelerated delivery, data migration, distributed delivery and testing
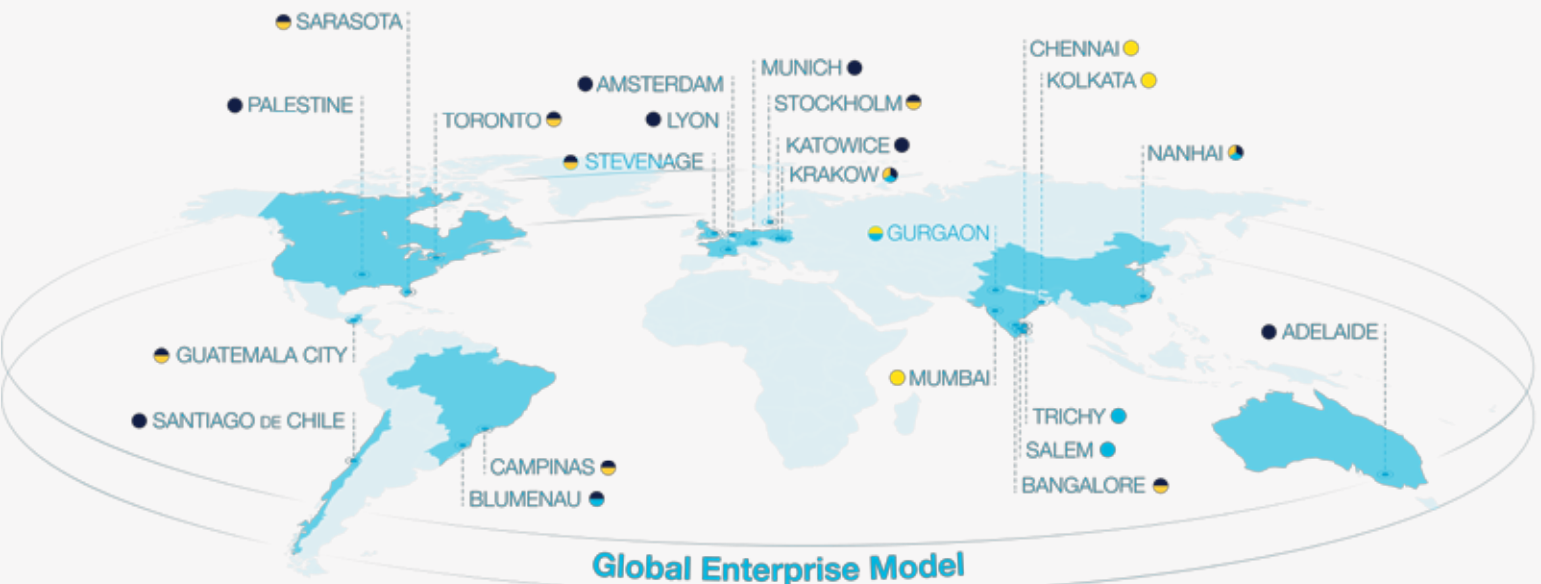
Business Process Outsourcing (BPO): Create future scenarios that integrate shared-service and BPO capabilities, as well as Cloud delivery platforms and services.

Change management and governance: Support planning and design authority, integrate and establish governance procedures.

We leverage our deep industry expertise to help you navigate today's increasingly dynamic and complex marketplace. Our global team includes over 15,000 specialists, many with specific expertise in manufacturing, and we have long-standing relationships with many of the industry's leading companies.

Globally Integrated Delivery Network

Global Enterprise Model

- **Processing Center** focused on voice skills and very good business knowledge to interact with third parties
- **Expertise Center** focused on advanced service line expert skills and offering value-added professional services
- **Interaction Center** focused on transactional type of work to deliver the quality at the best price

Over **15,700** Employees

38 Languages

24/7/365 Global Operations

ISO 9001, 27001, 22301, PCI-DSS, SOC1 Compliance

BPO Rightshore®, our global delivery model, helps add value while using resources more effectively. We bring together the right balance of our best talent from onshore, nearshore and offshore locations and work with you as a unified team. Our mature global BPO operations, including over 20 interconnected centers located in Australia, Brazil, Canada, Chile, Guatemala, India, the Philippines, Poland, Sweden and the US, can provide back-and middle-office support, enabling you to focus on your core operations.

Addressing Key Market Challenges and Delivering Value

1. Cost and pricing pressures

Our BPO solutions help alleviate cost and pricing pressures through:

- **The power of Rightshore®:** We can help you attain significant cost savings by leveraging our extensive globally integrated delivery network.
- **Guaranteed productivity improvements:** With specialists dedicated to continuous improvement and a commercial model backed with projected savings, our BPO model drives best practice creation, implementation and sharing, and ultimately, significant cost savings across your entire enterprise.
- **Commercial flexibility:** Mature pricing models reduce the impact of standard costs, enabling resourcing and pricing to be adjusted to meet changes driven by economic conditions.

Reducing Selling, General & Administrative (SG&A) costs

A European industrial products manufacturer was struggling with rising raw material prices and a declining global market. While efforts to restructure had improved performance, SG&A costs were still high compared to sales performance. BPO was seen as a way to not only reduce SG&A costs, but also to move to a more agile back-office delivery model.

We worked with our client to implement a BPO solution that delivered 20% cost savings in the finance function within 18 months. As a result, the company expects to have one of the lowest SG&A costs in the industry.

2. Content and data management – enabling your enterprise to realize its potential and gain a competitive advantage

Today's manufacturer is under constant pressure to innovate, not just in terms of the products it sells, but also in how it manufactures and supports these products. The value of clean, well-managed master data, from innovation through the supply chain and across various business support functions, has never been more important. However, with terabytes of data being produced, many manufacturers are struggling to effectively manage their information and draw insights from it to support decisions. We can help you gain control over your data to better manage innovation throughout the product life cycle via:

- **Business Analytics:** Sophisticated business analytics tools enable you to filter and analyze data sets and provide meaningful analysis to support business objectives.
- **Master Data Management:** With an improved understanding of the master data requirements, a BPO model can help you determine strategy and policy, and implement the best tools to manage the data consistently.
- **Enterprise Content Management:** The right platform and processes to manage content enable you to maintain the accuracy of technical documents to remain aligned with safety requirements and ensure that clients receive the most current information.
- **Product Life cycle Analysis:** By leveraging business analytics with ongoing product profitability analysis, you benefit from objective recommendations.

Capgemini BPO delivers world-class technical content expertise

An air travel solutions manufacturer partnered with us to implement a world-class technical content management operation.

We assembled a highly skilled team of technical content management aerospace engineering professionals. We used their expertise to present complex information more clearly and concisely to help accelerate product updates and thereby achieve excellence in customer satisfaction.

3. Respond to market shifts

As growth in mature markets slows, developing markets in China, Brazil and India continue to expand. Manufacturers are looking for solutions to enter and grow in these markets, while expediting the product-to-market cycle. Capgemini BPO can assist you with making the move into these new markets and extend your operations faster:

- **Flexible delivery:** Leveraging our mature delivery capability in these markets, including language and industry-specific skills, enables you to deploy resources in line with customer demand.
- **Capgemini's GEM:** By documenting processes using GEM, you can quickly scale up in new markets, safe in the knowledge that your processes are secure, standardized and proven.

Supporting the entry into a new market
We collaborated with an innovative solar power systems manufacturer. Its clients are global residential, commercial and utility power plant customers. With its entry into Europe, the company was looking for a partner with the tools, capability and flexibility to deploy a customer service solution to support its European operations. We supported its quick entry into this market. Within six months, we implemented a fully operational specialist help desk with 80 full time employees (FTEs) in Poland supporting five languages, enabling our client to focus on its core business while delivering quality, data-rich customer service.

4. Growing need for Service Management

Service Management is becoming a vital component for manufacturers as they look to provide a greater level of service to the end user. Turning products into an annuity creates greater intimacy with the customer. Capgemini BPO helps you make the shift to Service Management without losing focus on your core manufacturing operations thanks to:

- **Order Management:** Comprehensive solutions for customer support across multiple geographies
- **Supply Chain:** End-to-end solutions enhancing visibility and seamless management of even the most complex supply chains
- **Credit and Collections:** Supporting the need to manage client services in a unique way to improve working capital, revenues and customer satisfaction

Global Order Management Services for a leading telecommunications device manufacturer
Our client is a telecommunications device manufacturer. With its focus on innovation and sustainability, the company provides a complete portfolio of mobile, fixed and converged network technology, as well as professional services including consultancy and systems integration, deployment, maintenance and managed services. We are supporting the company's global order management operations including customer order management, preparation for delivery, distribution and customer invoicing. Our service is being provided by 750 employees from 21 countries including Germany, Finland, Brazil, India, the US, China, Egypt, Pakistan, Panama, Venezuela, Indonesia, Poland, Vietnam and the UK; in nine languages, i.e., English, French, Arabic, Russian, Spanish, Portuguese, Mandarin, Japanese and Thai. Thanks to this collaboration, the customer has improved order accuracy by up to 98% and has realized a 10% increase in its customer loyalty index. In addition, our BPO partnership with this client has led to the creation of more than 300 validated innovation ideas.

People matter, results count.

For more details contact:

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About Capgemini

With almost 140,000 people in over 40 countries, Capgemini is one of the world's foremost providers of consulting, technology and outsourcing services. The Group reported 2013 global revenues of EUR 10.1 billion.

Together with its clients, Capgemini creates and delivers business and technology solutions that fit their needs and drive the results they want. A deeply multicultural organization, Capgemini has developed its own way of working, the Collaborative Business Experience™, and draws on Rightshore®, its worldwide delivery model.

Learn more about us at
www.capgemini.com