



Small Steps ON THE ROAD TO Big Transformation

The little things on a business process transformation journey that make the biggest difference



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A journey of a
**thousand
miles begins**
with a single step



Lee Beardmore

Vice President, Innovation,
Capgemini's Business Services



As part of our goal to demystify digital for our clients, establishing where and how to take the first step towards transformation is a crucial part of what we do.

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Vice President, Innovation,
Capgemini's Business Services

Executive summary

One of the greatest things about working in Capgemini's Business Services is the ability to work with a wide range of clients, across a broad spectrum of different industries, in locations all over the world.

Despite the increasing urgency for global businesses to digitize and standardize operations, many companies are, understandably, unsure of what the journey entails, and are reticent to buy in to a big transformation. We get it. There are a lot of different solutions out there, and even if you do have a plan in place, the prospect of a massive change across multiple geographies or business units, without the guarantee of a risk-free transition, can be terrifying.

This paper explores some of the "small steps" that our teams have taken on the road to big, successful transformations.

These are based on real stories and prove that large-scale, global, multi-discipline transformations sometimes rely on getting just one or two things right very early on in the process.

These stories are not sequential, by any means. And not every story will be relevant to every organization. But our team has been candid with the challenges they faced during their transformation journeys, and the "small step" they took to overcome them. I think there is a lot to be learnt from the various approaches.

One thing each of these stories has in common is that the teams applied a robust transformation process model to deliver results, even when the conditions changed. But more interesting is the important role of human collaboration and communication in any digital

transformation journey.

No matter whether an organization manufactures structural ceramics or produces Hollywood blockbusters, every organization has a set of established practices and beliefs that can either help or hinder the transformation process. The importance of well-planned change management and mutual respect cannot be understated.

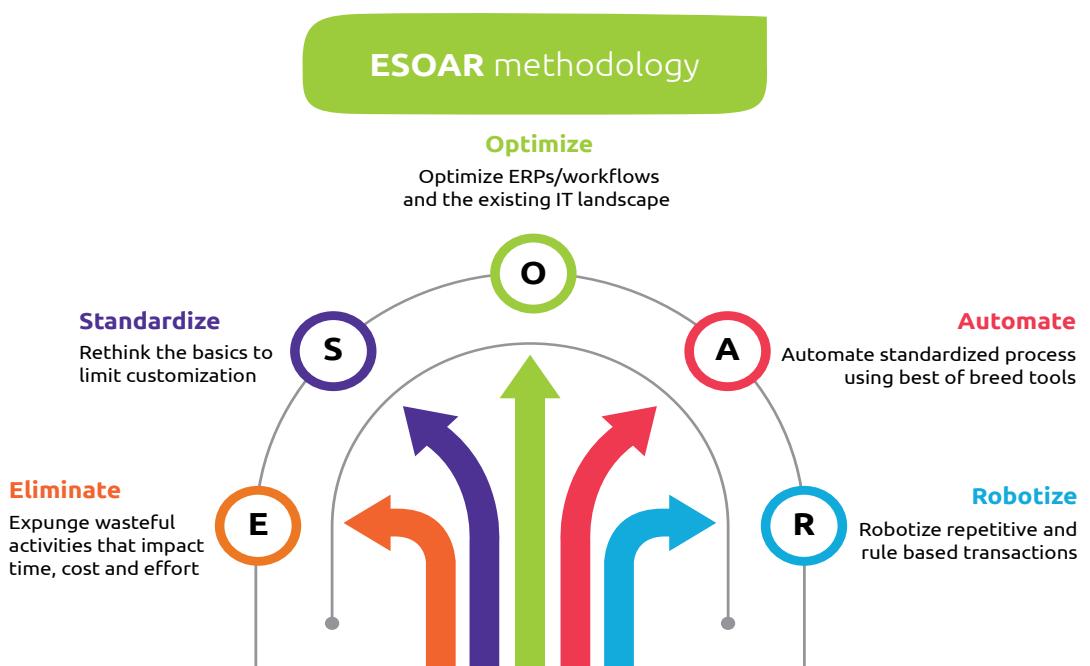
We've spent a lot of time discussing how to "demystify digital," and in all the examples below, our teams worked closely with our clients to execute dramatic, digitally-driven business transformations that in turn, have delivered real results.

I hope you enjoy reading these stories, and I know that you will find value in them.

Starting with a proven methodology

The maps we use on any digital transformation journey

Each of the transformation journeys referenced in this paper follow a set of steps based on proven frameworks to guide every effort and decision. These frameworks are adapted and modelled on the specific parameters of each company according to their objectives.



Digital Operating Model

Using a best-in-class Digital Operating Model ensures a flexible, platform-based methodology for business transformation and benchmarking that delivers the right operating model for an organization based on the following levers:

- **Grade Mix**—right team structure to perform and supervise activities
- **Location Mix**—right configuration of the Global Delivery Network to deliver the services
- **Competency Model**—right mix of skills and capabilities to deliver results
- **Global Process Model**—best-in-class processes to enable transition and to deliver consistent, high performance
- **Technology**—complete toolkit of applications to drive improved efficiency and effectiveness
- **Pricing**—comprehensive set up options to align performance with the desired business outcomes
- **Governance**—transparent three-tier structure to align strategy, reporting and operations to drive performance and outcomes. This includes a Command Center to report back with valuable insights into day-to-day process across each lever.

These seven levers are configured to provide a complete platform to create the right outcomes at the right pace, based on a business's individual needs.

Of course, everyone has their own methodology and their own deployment plans where everything works on paper. But this is the real world, and the following stories reflect how our teams dealt with the unexpected.

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Lee Beardmore

Vice President,
Innovation,
Capgemini's Business
Services

why
**executive
sponsorship**
matters



Pooja Malhotra

Senior Transition Director,
Capgemini's Business Services

A new CFO helps get global buy-in from 26 global locations

This is a great example of collaboration and partnership. When we began working with a major materials manufacturer, we pledged our loyalty along with our global expertise and our digital understanding during a time when the business needed the support the most. The CFO also made a commitment to playing an active role in the transformation and securing buy-in across the organization.

We've since successfully optimized this client's business and IT operations, and in doing so have eliminated much of their wasted expenditure and unnecessary effort. The result is a business that's back on track, and an ongoing relationship that continues to strengthen with time.

In 2013, the company's share price had reached an all-time low. New leadership had been brought in to oversee a radical transformation of the business, comprising in part the consolidation and optimization of the company's shared services.

Enter Capgemini, who developed a plan that would help this client reduce costs, improve efficiencies, and use accurate analytics to help them improve their business insights across all 26 of the client's global operations. But this transformation couldn't all be done at once. These operations were fragmented and Capgemini needed buy-in from all of them for the transformation to succeed.

A series of conversations between the client's top level management and their global operations was key. The personal commitment and endorsement from the executive team secured the buy-in necessary from the internal



When I spoke to [the CFO], we made it clear that we didn't just want to be service providers, we wanted to be partners.

Pooja Malhotra

Senior Transition Director,
Capgemini's Business Services

teams, and was the first step in turning the client's business around.

During the first four weeks of Capgemini's due diligence for the initial RFP, the client was targeted for a hostile takeover. The new CFO of the company was transparent with the Capgemini team about the threat. While he encouraged them to continue with their work, he was also understanding when a few potential suppliers blanched at the news. All except for the Capgemini team.

"When I spoke to [the CFO], we made it clear that we didn't just want to be service providers, we wanted to be partners. We were committed to walking the journey with them, whatever it took," says Pooja Malhotra, Senior Director of Global Transitions, from Capgemini's Business Services.

"Capgemini never flinched in their support, regardless of what was happening around them," says the CFO.

Even with Capgemini's digitally-enabled delivery centers in India, Poland and China, the next step—rolling out the proposed solution across the business's 26 global locations—wasn't as simple as it appeared on paper. The CFO himself played an instrumental role in securing global buy-in by speaking personally with each of the operations. He introduced Capgemini's mandate in the context of the broader vision for the business, and encouraged full support of the team's efforts.

"[the CFO] paved the way for us by addressing each of [the client's] operations and letting them know what we were there to do, and what support we needed from them to do it. That endorsement from him was crucial," adds Soundar Rangarajan, Engagement Director, Capgemini's Business Services.

Pooja also indicated that, "based on the CFO's sponsorship and confidence in the Capgemini team, he involved us in the mergers and acquisitions from Day 1. This allowed us to implement our Global Process Model for the client on these projects from the start, ensuring a robust, standard model for the entire enterprise."

With buy-in secured, the next step was to relook at the roles and responsibilities of the remaining team members within the business. These retained internal teams were given the opportunity to develop their skill sets and to make an important contribution to the transformation of the company.

Capgemini undertook a consultative approach with these teams, helping them to discover new, more efficient digitally aided processes that helped them realize real business value. In turn, the internal teams now drive the transformation from within, and continue to help Capgemini to report on the transformation's success to date.



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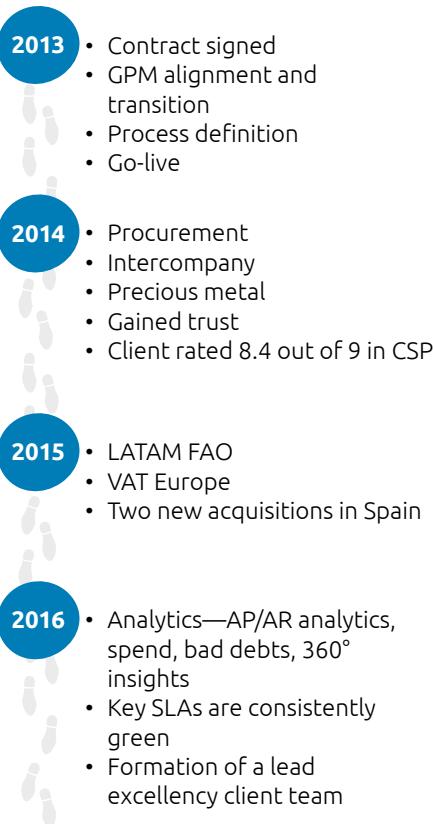
"It's a continuous, ongoing effort," says Puneet Gill, Engagement Executive, Capgemini's Business Services, "Not a one-off. We're helping each other to provide more value to the business."

As promised at the beginning, the relationship between this client and Capgemini remains a partnership. Each step on the journey to transformation has been a joint effort between the Capgemini team, who developed and deployed the solution, and the internal client teams who continue to help make it a success.

The results:

- Successful, simultaneous digital transformation of 26 global locations
- A reduction in IT running costs from \$35 million to \$18 million in the first year
- A client relationship based on demonstrable, mutual value

The transformation journey



How to carry on when your **executive sponsor** leaves halfway through



Soundar Rangarajan

Vice President,
Capgemini's Business Services

Bringing a new sponsor up to speed quickly

Whenever we begin an engagement with a new client, or propose expanding our current service delivery, our teams perform several weeks of due diligence and research. This involves analyzing our client's current processes and infrastructure, interrogating the specifics of their ideal end-state, speaking with a wide range of stakeholders, and customizing a proven model to their organization's exact needs. The transition model and the transformation plan we eventually present to our client is one that we are completely confident in.

This next story outlines why that preparation, grounded in years of best-practice experience and extensive research, is so important in building a client's confidence for big transformations. This team quickly on-boarded new leadership by relying on the quality, the consistency and the conviction of their planning.

Mid-2015, Capgemini was commissioned by a Fortune 500 construction company to help manage the increased workload as a result of a recent acquisition. The opportunity to further improve performance

encouraged Capgemini to respond with a comprehensive target operating model. The design was ambitious and proposed a number of incremental steps that would optimize, standardize and consolidate all of the customer's global finance operations.

"When we first tried to show them the benefits of a global transformation model, we spent a lot of time showing them proof of concepts from other clients of a similar size, and in a similar industry," says Soundar Rangarajan, Vice President, Capgemini's Business Services. "They were already quite familiar with outsourcing, and so while they were prepared to sign off the initial investment, we still had to convince them that they also needed to use this window of opportunity to drive a wider transformation."

Initially apprehensive towards the large-scale digital transformation Capgemini had put forward, the client was eventually convinced of the design's feasibility after many detailed discussions. The model that the team wanted to implement aimed to digitally transform and automate many of the finance and accounting processes across all of the client's global operations. On the face of it, it was a large, and



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Soundar Rangarajan

Vice President,
Capgemini's Business Services

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In February, the team spent an intense two and a half days getting the new head of GBS up to speed. By April, he was providing the executive sponsorship to help the team drive the transformation throughout his regions.

Soundar Rangarajan

Vice President,
Capgemini's Business Services

rather daunting transformation. But Soundar's team realized that they needed to attain complete buy-in for this larger vision upfront, instead of trying to recreate the momentum for change later on in the process.

“When an organization is already undergoing change management, as we were, you have an opportunity to also drive through a more holistic transformation at the same time,” explains Soundar. “Otherwise you run the risk of letting 30 operations around the world learn 30 different processes, and then asking them to unlearn those processes again in six months. We had the chance to standardize processes across the business, which would make them easier to automate and assign robotics to later on. We were confident that the plan would pay off.”

Fortunately, the client was also in the process of assembling their regional and GBS teams while Capgemini was creating their two-and-a-half-year transformation roadmap. This gave the Capgemini team the opportunity to consult on the organization of the GBS team and more closely align the progress benchmarks against their transition schedule.

With the modeling complete, Capgemini created an internet-based application that allowed the client to reduce their billing cycle by two days, and the transformation was on track. However, on the cusp of deployment, the plan was unforeseeably waylaid when the head of Global Business Services (GBS), who had signed off on the proposed model, suddenly left. The Capgemini team was suddenly faced with the prospect of no executive sponsorship—hindering their ability to deploy the global design.

The Capgemini team and key stakeholders from within the business had trust in the planning work they had done to date, and were determined to remain on track. A new acting head was assigned—the CFO of one of the client's biggest business units. “Essentially, our customer's customer was now our point of contact,” Soundar clarifies.

Over the course of just a few months, they were able to quickly onboard the new head of GBS, and gain an important executive sponsor in the process. In February 2016, the team spent an intense two and a half days getting the new head of GBS up to speed. By April, he was providing the executive sponsorship to help the team drive the transformation throughout his regions. And by July, he was ready to add 25 more projects to the roadmap. What could have been a major setback for the transformation, was quickly addressed by the great work the team had already done in developing the process model and transition roadmap.

"Because we were following a very structured, transparent, and disciplined transformation methodology, we were able to seamlessly proceed with the transition while enabling the new CFO get up to speed with the vision and goals of the program in no time," added Pooja Malhotra, Senior Director of Global Transitions. "It also helped the client teams focus on the global transformation and move away from regional aspects which helped create a culture of standardization across the organization."

Thanks to the small steps the team took in adequate planning, effective on-boarding, and the conviction in their own design, the team was able to seamlessly transition the roles from an incumbent service provider and is continuing to deliver value at scale to the client's business, in line with their original planning.

The transformation journey

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- **2015**
 - Contract signed for 299 FTEs, including P2P, O2C, R2R, HR, and Payroll
 - **2016**
 - Digital Transformation
 - O2C—new scope (12 FTEs)
 - HRO—new scope (30 FTEs)
 - **2017**
 - O2C—new scope for 20 FTEs
 - Intercompany COEs (Center of Excellence)
 - **2018**
 - HR contact center support and Workday implementation

The results:

- Simultaneous global transformation of multiple locations
- Speedy onboarding of a new executive sponsor
- 25 new projects added to the transformation roadmap after just six months

How to inspire **collaboration** between your **teams**



Marty Borcharding

Vice President,
Engagement Executive,
Capgemini's Business Services

An incumbent team learns their value as consultants to the business

There's no question that digital transformation has already affected every industry in the world. Whether that transformation is something as simple as using cell phones to help manage stock levels on a supply chain, or as complex as using bespoke sensors to help predict the maintenance needs of a fleet of vehicles or social media data to predict the success of a new film and tailor marketing spend. For the most part, digital transformation presents a positive change to an organization, a way to deliver work faster, smarter and better.

But in the case of the media industry, digital transformation is as much a challenge as it is an opportunity. People are consuming more content and media at a greater pace than ever before. They're expecting it to be delivered in greater volumes, at a lower cost, and on the devices of their choosing. The following story shows us how one global entertainment brand is keeping up with audience demands by evolving their shared services model, and what it takes to get there.

At the top of their game, a major entertainment company decided to outsource aspects of their finance and accounting functions to improve their internal efficiencies and productivity. It was still in the early days of streaming video services, but the global media and entertainment giant recognized the growing trend for digitally-based content, and inferred the knock-on cost implications, resulting in the need for greater internal efficiencies. Capgemini was commissioned on a small project to begin with that helped provide services across the client's business units.

Over time, the relationship has evolved, to the point where Capgemini now provides a scalable "as-a-service" model that allows them to manage spikes in demand acquisitions and the external factors that affect it. With the introduction of skilled global delivery teams armed with new tools, process optimization, automation, robotics, and a flexible shared services model, the client's internal team were free to turn their attention from just managing finance and accounting operations to providing a consultative service to the wider business. This has in turn led to their developing and recruiting a greater number of technically inclined creative



The internal team focuses on adding value to the business, safe in the knowledge that the day-to-day operations are being expertly handled.

Marty Borcharding

Engagement Executive, Capgemini's Business Services



thinkers and problem solvers, focused on the greater, strategic vision for the business.

The nature of the relationship between this client and Capgemini has evolved over time, necessitated by new competitors entering the market, and the growing expectations of media consumers. It has moved from a fixed cost model to a variable cost model—a more on-demand, “as-a-service” model. This is in line with the client’s mission to continually increase the quality and efficiencies they can deliver to the wider business.

Key to this has been aligning the client’s and Capgemini’s teams and creating a shared platform for institutional knowledge. This has led to greater collaboration, and a bolder attitude towards innovation between the two.

Initially, change management in the organization posed a problem, with the internal teams having to redefine their roles in light of the introduction of a hybrid shared services model.

However, as part of their investment in BPO, Capgemini and the client underwent several stages of rigorous education, wherein the Capgemini team learnt about every aspect of the client’s business lines, and the client in turn, came to understand the Capgemini business cycle. Significant investment across the business in technology including new management tools, automation, robotics, process optimization, and a new learning and development platform played an important role in enabling the global hybrid shared services model to succeed.

The client’s workforce has welcomed and adapted to the new model, realizing the greater benefit they can deliver to the business as capability brokers. They now trust Capgemini’s team to predict and deliver finance and accounting (F&A) operations including surges in demand in line with seasonality, and to have adequate resources available to deliver during these peak times. In the meantime, they focus on adding value to the business in the form of business performance analysis and technological consultation, safe in the knowledge that the day-to-day operations are being expertly handled.

Marty Borcharding, Vice President and Engagement Executive, Capgemini’s Business Services, explains: “The type of people (the client) now recruits for are more strategic than traditional accounting professionals. They are technologically curious creative thinkers who

The type of people (the client) now recruits for are more strategic than traditional accounting professionals. They are technologically curious creative thinkers who are able to help guide the business towards new ways of thinking and running their operations.

Marty Borcharding

Engagement Executive,
Capgemini’s Business Services

focus much more on driving future business value, they are comfortable in dealing with constant change and welcome the opportunity to make a difference—helping to guide the business towards new ways of thinking and running their operations.”

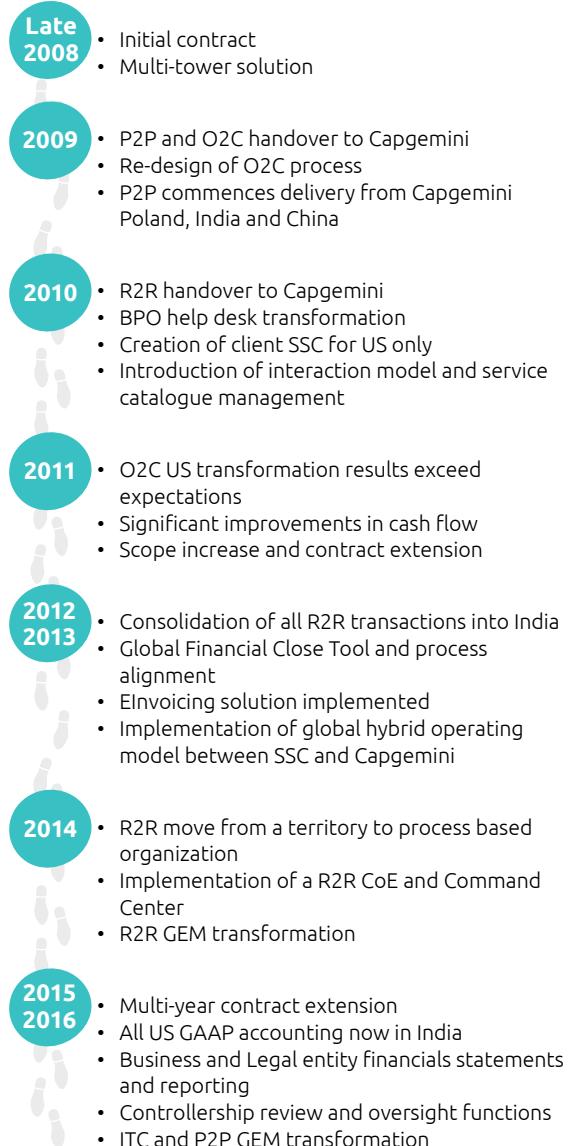
The teams regularly meet now to look at ways to further improve process, and or opportunities to introduce new digital solutions to the business. And it's not just the client who has seen the talent requirements of their team shift along with the evolving model.

“For our teams it's not just about the ability to do transaction processing or understanding how to do journal entry or reconciliation. We look for people with business acumen, an obsession with quality and service, and the leadership to communicate vision and mobilize teams to make it happen.”

The results:

- A more strategic internal team that delivers greater value to the business
- A fully scalable outsourcing model that is better able to meet and address new market challenges including volume fluctuations.
- Ongoing drive for digital innovation

The transformation journey



Why you need to **start small**



Bill Antoskiewicz

Account Executive,
Capgemini's Business Services

A client's trust is earned through a series of small-scale, pilot projects

Asking for someone's trust can be the ultimate test of a relationship. And yet, when we perform big transformations, that's exactly what we need from the executive team: their trust. Our engagement with a major US-based food company illustrated the benefit of taking a series of smaller first steps, and proving our success with every one, earning the trust we needed to deliver on a much bigger transformation strategy.

With each pilot project outlined below, our teams introduced standardized, automated processes that led to the reduction of manually handled transactions, helping to maximize the capacity of the teams in place. As the scope of work and the locations entrusted to Capgemini continued to grow, so did the client's confidence in our methodology and overall capability. The teams provided a superior service to our client's end-customers, a huge priority for a food company, and today continue finding new ways to deliver even more value to the business.

Capgemini was approached

by a major, US-based food company in 2012. This company, who had a massive global footprint and represented a number of well-known and trusted brands, was determined to consolidate their shared services across their numerous locations and divisions, but lacked the infrastructure to do so internally without disrupting their operations. They also recognized the immediate need to augment their language capabilities to better serve their European customers. Having unsuccessfully engaged a small number of other outsourcing providers to cross the language barrier, they were directed towards Capgemini's Krakow operational center.

The Capgemini team defined the benchmarks of a wide-reaching transformation that would deliver tangible results. However, this client had a consensus-based culture and a long, proud heritage. They were hesitant to trust a supplier with anything more than a handful of operations. Hence, a series of small, successful pilot projects and detailed, regular reporting proved to be the key steps in earning their trust.

At the beginning of 2012, Capgemini began a small pilot project in Poland to help the European team deliver their accounts payable operations in

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The Capgemini team focused on just a handful of activities at first, but these soon multiplied when the client saw the benefit of having a slightly larger, dedicated resource than they had been used to.

Bill Antoskiewicz

*Account Executive,
Capgemini's
Business Services*

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From a small, efficient team in the beginning, the resource dedicated to this client has since tripled in size.

Bill Antoskiewicz

Account Executive,
Capgemini's
Business Services

Europe. This pilot proved to be the beginning of a relationship that would extend across borders and operations. A relationship that has relied on a disciplined transition process and Capgemini's ability to build up client trust bit by bit. Weekly meetings to benchmark milestones, and a dedicated, on-site transition manager helped to provide structure around the transformation. This proved to the client that the team had the discipline and the drive to help them meet their objectives.

By the second half of 2012, the client had signed a contract extension for the delivery of an enhanced suite of financial services across a further 20 European countries, and for their EMEA, LATAM, North American and Australasian territories.

The success in finance inspired a second pilot project for the client's procurement division. Capgemini assigned a team from the Bangalore delivery center to assist with procurement activities and to introduce ways of digitizing and automating many of the previous team's manual activities. As before, the Capgemini team focused on just a handful of activities at first, but these soon multiplied as the bulk of the client's manual processes were shifted to automation and robotics. The client saw the benefit of having a slightly larger, dedicated resource working strategically to standardize operations across geographies, and harmonize the division with the greater business.

"With the extra capacity available from a slightly larger team, we were able to introduce a couple of new digital solutions that made a big difference," Bill Antoskiewicz, Account Executive, Capgemini's Business Services. The processes that the Capgemini team implemented included the introduction of a virtual help desk to deliver responsive service to their customers. The team also helped to realize the client's aim of better assigning and automating financial tasks, and establishing quality audit processes, accurate reporting and real-time analytics. This success eventually led to expansion to China with support from our Nanhai center.

Once again, the team's ability to display clear outcomes from the procurement pilot helped motivate the client to grow their investment in Capgemini. From a small, efficient team at the beginning, the resource dedicated to this client has since tripled in size. The client has entrusted Capgemini with a growing number of responsibilities, including being involved with the important launch of a new location. The Capgemini team has been able to alleviate

much of the administrative burden from their more strategic resources.

At the end of 2015, a third pilot project was initiated—this time with the aim of providing scalable Personal Assistants-as-a-Service (PAaaS). A streamlined delivery team from Guatemala was created, providing efficient, reliable personal assistant services to 30 of the client's executive stakeholders in North America. This pilot resulted in the client signing a contract for PAaaS, which Capgemini now supports in seven languages, across three major business functions.

The results:

- A shared services team that has tripled in size since commencement
- The establishment of a new delivery team in Guatemala
- Over 20% in FTE reductions delivered to date through productivity enhancements

The transformation journey



Why you need a good **comms plan**



Paula Reczek

Transformation Director,
Capgemini's Business Services

An incumbent team finds reassurance during a transformation

One of the most common obstacles our teams must overcome during a transformation are the personal fears of the individuals in our clients' workforces. While many of them recognize the need for change and greater competitiveness for the business to thrive, there are also a number of people in every organization who fear what the transformation will mean for them. As the previous example makes clear, the more closely our Business Services' teams and our clients' workforces are aligned, the more strategically they can work together, and the more value they can deliver to the business.

This next story demonstrates the importance of managing the expectations—and the fears—of all the people involved in a transformation. By using effective and consistent communication through the organization, the team secured a smooth transition, and allayed the worries of workers throughout the organization.

A global provider of enterprise software and ERP applications had the unique challenge of internally deploying a new



We knew that this transformation would impact every part of the business. The challenge was the 'people change' element. There were individuals who were not going to be going forward with the next phase of the transformation, but we needed them to remain engaged and willing to share information with our team.

Paula Reczek

Transformation Director,
Capgemini's Business Services

ERP product throughout their organization, while transitioning their financial and HR processes to Capgemini. This ambitious transformation was divided into four different waves, based on this client's extensive global footprint. The first wave comprised five European countries, and began with a thorough impact assessment conducted by the Capgemini team.

It was during the next phase, which involved Capgemini's Katowice and Krakow-based teams shadowing the incumbent team that the transition management realized that the real challenge was the uncertainty and trepidation amongst the organization's people.



We were on quite an aggressive timeline, but the way it was communicated gave everyone in the organization the freedom to ask questions, and to push back a little when they felt they had to. Once we started sending out the communications, it was like the whole business let out a sigh of relief.

Paula Reczek

Transformation
Director,
Capgemini's Business
Services

By deploying comprehensive, organization-wide communications about the impending transformation, and engaging in one-on-one consultations where necessary, the team kept the workforce engaged and collaborative. The result has been more shared knowledge between the teams, and a more streamlined transformation.

This client, and partner, is a renowned supplier of enterprise applications for people-centric industries such as governmental organizations, NGOs and educational facilities. They provide well thought-through, fit-for-purpose ERP solutions that cover professional services, HR and finance functions, and they have several best in class applications for travel and expenses, cash consolidation and access management.

But despite their industry-leading ERP offerings, the client's different regional offices were fragmented in terms of the way they worked and the tools they chose to use. Although they were all working on the client's own software platforms, they were using several different versions, instead of the new flagship product. Their processes were also not standardized. It was clear that this lack of consistency and harmony across the larger business would prove a hindrance as they continued to grow.

"We had considered setting up a captive shared service center in Europe for our operations in Portugal, Spain and Eastern Europe," reveals the CFO, "but due to the size of the service center, and the competitive nature of the labor market in those areas, we decided it would be suboptimal. The ideal end state of the transformation was the complete standardization of processes and ERP tools in finance and HR with regards to all the client's territories. It also entailed harmonizing these divisions with the entire business, particularly with regards to sales and marketing, and contract management. The transition managers were aiming to achieve total, digital integration across business functions and borders.

"We knew that this transformation would impact every part of the business," says Paula Reczek, Transformation Director, Capgemini's Business Services. "The challenge was the 'people change' element. There were individuals who were not going to be going forward with the next phase of the transformation, but we needed them to remain engaged and willing to share information with our team."

This was achieved by putting together a comprehensive “count down” communication plan that created trust and transparency across the entire business. The communications were rolled out in numerous languages, across a wide array of digital and traditional channels. The client’s employees were informed about the upcoming change and deployment strategy in advance. This provided a clear roadmap about what they could do both internally within their organization and externally, and many found opportunities outside of the organization that gave them a new challenge. The client’s governance team demonstrated flexibility in planning their assignment termination to give everyone the time they needed to assure safe future for their people.

Face-to-face training in the UK and in Poland then saw both teams travelling to one another’s offices to share information and understanding. The few outliers who were particularly resistant to the process were consulted in confidential, individual sessions where they could share their concerns candidly. In one such session, it was revealed that the employee’s reticence to travel to Poland was, in fact, based on a crippling fear of flying. “But you need to have these conversations in person to find out,” says the CFO.

The professionalism and outstanding cooperation of both teams has resulted in a successful, phased transformation and a standardized adoption of the client’s flagship platform.

“We needed the commitment and the engagement of the current HR and finance teams. Without their assistance, we wouldn’t have met the go-live deadlines we’d set. We also needed them to ensure business continuity during the more complex parts of the transition,” says Paula.

The transformation journey

2015

- Contract signed
- F&A start (first wave 20 FTEs)

2016

- HRO start
- Transition completed (four waves, 15 countries):
 - F&A—90 FTEs
 - HRO—17 FTEs

2017

- Standardization and transformation project:
- Application of standard global process
 - System upgrade and process automation
 - Implementation of robotics

The results:

- A successful, on-schedule, four-phase transformation across multiple geographies
- The complete, standardized deployment of the client’s flagship ERP platform across all operations
- Full business continuity during a complex transformation

Why keeping your
**customer
at the heart**
of the process matters



Kimy Tran

Executive Vice President,
Capgemini's Business Services

Focusing on the customer experience drives innovation

One of the most important parts of demystifying the digital transformation journey is underlining the importance of the “human touch.” This is why at Capgemini—as it is at many successful, multi-national companies—people are and will always be our greatest asset, and our greatest motivation to do the best work we can. All the advanced technology that supports our efforts at Capgemini’s Business Services is in place to empower, enable and to meet the expectations of the people it serves. That includes both our customers, and our customers’ customers.

During 2012, Capgemini was approached by a global logistics company to help them transform their order-to-cash (O2C) processes in Europe. The company itself had built its reputation through superior customer service as a differentiator and as such, their standards regarding any type of customer engagement—for both internal and external customers—was extremely high. However, some of their operational KPIs told a different story, and the company

struggled to implement a standardized approach across its European locations.

The Capgemini team reengineered the O2C process into improved digital customer operations to help the organization deliver a superior, end-to-end customer experience. One of the small steps along this journey was the choice of tools the team leveraged in the transformation. In this particular case, Capgemini developed an automation tool called iLogic and established an exemplary command center.

The team’s first area of work started with transforming the O2C process across key European territories. Collections were some of the last interactions that customers had with the client, which meant that the margin for error was absolutely zero.

Capgemini’s approach to O2C is to treat payment collections as an interwoven part of the business lifecycle. This means integrating the O2C function with customer service, the supply chain and other parts of the cash conversion cycle. This, in turn, means bringing together coordinated sales, order fulfilment, invoicing,



The client’s whole business is built on their outstanding reputation with customers, both individuals and massive corporations. They are committed to delivering a customer experience that is smooth, friendly and efficient. We had to make sure our own culture was aligned to this promise.

Kimy Tran
Executive Vice President,
Capgemini’s Business Services

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iLogic was a game-changer for us, without a doubt. But we still rely heavily on the language proficiency and the expertise of our resolution team to continuously improve the algorithm, and to provide the personal touch to each query.

Kimy Tran

Executive Vice President,
Capgemini's Business Services

cash collection and application, and dispute management activities. This represents a holistic approach that treats the business like a single “organism,” rather than a set of distinct processes.

One of the most dramatic transformations was made to the client’s query resolution time. On average, the European finance teams were dealing with 4,500 queries a day, in a range of languages. A lack of process consistency had contributed to query resolution taking, on average, 6.5 days.

Capgemini developed a bespoke tool called iLogic to transform the large manual volume of queries into more manageable streams. The tool intelligently routes queries to the most language-appropriate, experienced resolver to provide a quick and considered resolution. It does this by searching through pre-defined vocabulary parameters in 12 languages (soon to be 21 with nine more Asian languages currently being added). Using the tool, resolution times dropped to 1.5 days on average—almost five times faster than previously. The team has since doubled the queries it processes on a monthly basis.

This hard work and innovation has not gone without recognition. iLogic won the award for Business Innovation in the Polish Association of Business Service Leaders (ABSL) awards for 2015. In an authoritative market study, the client’s billing processes went from being ranked in the top 10, to being number one in the world.

iLogic is just one aspect of an exemplary, digital Command Center that has been developed specifically for this client. The interactive platform has proved so useful, that it is used as often by the client as it is by the team. In keeping with the client's own rigorous, overnight delivery timelines, the Capgemini team responded with an hourly reporting schedule through the center, with custom analytics that enables the team to respond with an hour, instead of within a day.

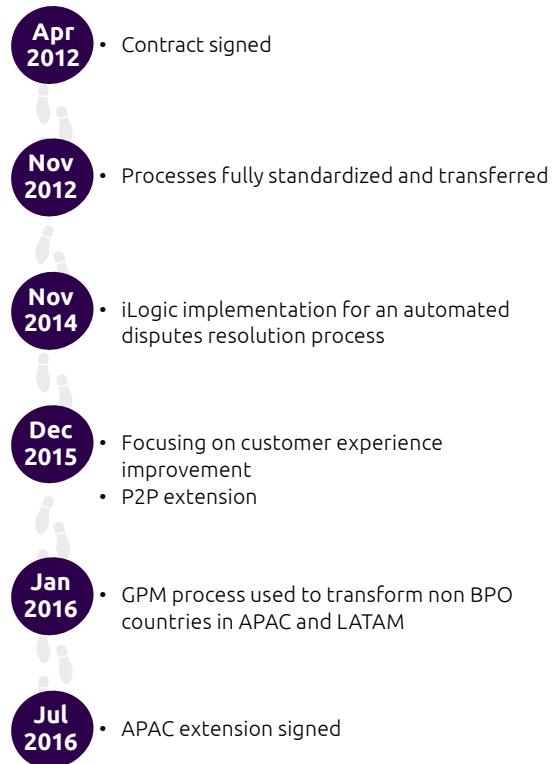
Additional KPI improvements include increasing "less-than-60-day" accounts receivable from 86% to 95% and reducing the "more-than-180-day" accounts receivable from 4% to just 1%. An amazing 99.4% of billing now takes place within 72 hours, whereas this was previously just 67%.

Off the back of the European success, Capgemini's services have expanded to provide improved end-to-end digital customer operations for the client in distant new geographies such as the Asian-Pacific region.

The results:

- Ability to resolve queries five times faster
- An exemplary control center

The transformation journey



Conclusion—
**every step
matters**





In every journey, we seek to demystify digital transformation for our clients by giving them the understanding and ownership of the process. The modelling, the discussions, the workshops and the implementation all serve to help our customers feel confident every step of the way.

Lee Beardmore

Vice President, Innovation,
Capgemini's Business Services

Transformation is a journey, not a single destination

Throughout every transformation journey, we seek to be our clients' guides. They help us set the destination, and we help them walk the route. But when we see our customers getting just as excited for the next leg of the journey, it's because they see that digital transformation is not only possible, but also profitable.

Not every client or organization is in a place where they can jump into a large-scale global transformation with both feet. The stories in this document reveal the importance of rolling out a digital transformation methodology through a series of small steps along the journey

to a larger transformation. Being able to prove, at every stage of the journey, that the transformation is going to plan is crucial. Once the business case has been verified, and a client's trust has been earned, the teams often have a greater opportunity to be involved in larger projects and efforts from the beginning, which enables us to deliver greater value in a more integrated way.

Partnership is a key aspect of a successful transformation. It gives the BPO teams the freedom to think big with regards to transformation, and to propose wide-reaching

Where do you go from here?

To learn more about how Capgemini can transform your business, contact:

businessservices.global@capgemini.com

process transformation. It also gives clients the guarantee that their Business Services' teams will always give them their best—and most honest answer.

As the Capgemini teams can attest, their transformation journeys are far from over. Once a cost or productivity benchmark has been met, the bar is immediately raised. There's no such thing as "sitting still" in Business Services.

What stands out for me amongst these stories is the importance of aligning our transformation model with our clients immediate, and longer term, goals right at the beginning of every engagement. Having an agreed roadmap in place, which our clients' stakeholders are on board with, gives us a platform for growth, innovation and continuous improvement.

It's when all these early steps come together, when we get to look back at how far we've come, that the next leg of our journey looks that much easier.

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The most important aspect of many digital transformations is the establishment of the ideal end state. However, achieving this 'end state' is often just the beginning of much greater things.

Lee Beardmore

Vice President, Innovation,
Capgemini's Business Services

People matter, results count.

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About Capgemini

A global leader in consulting, technology services and digital transformation, Capgemini is at the forefront of innovation to address the entire breadth of clients' opportunities in the evolving world of cloud, digital and platforms. Building on its strong 50-year heritage and deep industry-specific expertise, Capgemini enables organizations to realize their business ambitions through an array of services from strategy to operations. Capgemini is driven by the conviction that the business value of technology comes from and through people. It is a multicultural company of 200,000 team members in over 40 countries. The Group reported 2017 global revenues of EUR 12.8 billion.

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