



Case Snippet: Shared Services Offshoring for a Global Financial Services Company

• Situation & Challenges

The client has defined a Shared Services Target Operating Model and wants to implement a shared services migration plan to consolidate its Customer Service operations from various countries in APAC region to a designated Shared Services Center in one of the relatively low cost countries in South-East Asia. The objectives are to enhance service delivery capabilities and reduce operating costs (e.g. using Lean principles). For the initial rollout, the Customer Service operations include quotations, new policies, renewals and cancellations for insurance products such as home and automobiles. Although the project was launched more than 18 months ago, it has not made much progress due to a lack of strong leadership and commitment, resistance to change, poor project meeting attendance rates, operational issues within the various work-streams and program management, as well as HR challenges, e.g. hiring, separation, training and communication.

• Our Approach

We presented an approach to enhance the program leadership team and improve the program management and change management. The changes include:

- Identify an experienced senior executive (SVP level) to lead the program, with dedicated project managers assigned to each migration stream
- Re-organize the team, and clearly define the roles and responsibilities of the various stakeholders
- Use Lean management principles and tools to streamline processes and reduce non-value adding activities as a “fix-and-move” tactic
- Set up an issues log to keep track of all program related issues
- Set up weekly project level meetings between “sending” and “receiving” sides to resolve all project related issues and to bring all late tasks back on track
- Set up a monthly steering committee meeting to provide status updates to senior executives, seek their directions as needed and resolve all escalated issues



- Set up a project repository to store all project artifacts, e.g. updates to the project plan, minutes of meetings, attendance records, etc. and share knowledge
- Provide guidance to HR on communication with employees and union, hiring, training and separation

• Results

The client was able to complete the initial shared services migration schedule on target and achieved a savings of 25 FTE. There was also a cost avoidance of \$130,000 USD as a result of not having to utilize the separation budget as redundant staff were retrained and redeployed to other functions as replacements. The initial migration success has proven to the company that the project was achievable and they are now more confident in implementing the subsequent phases.