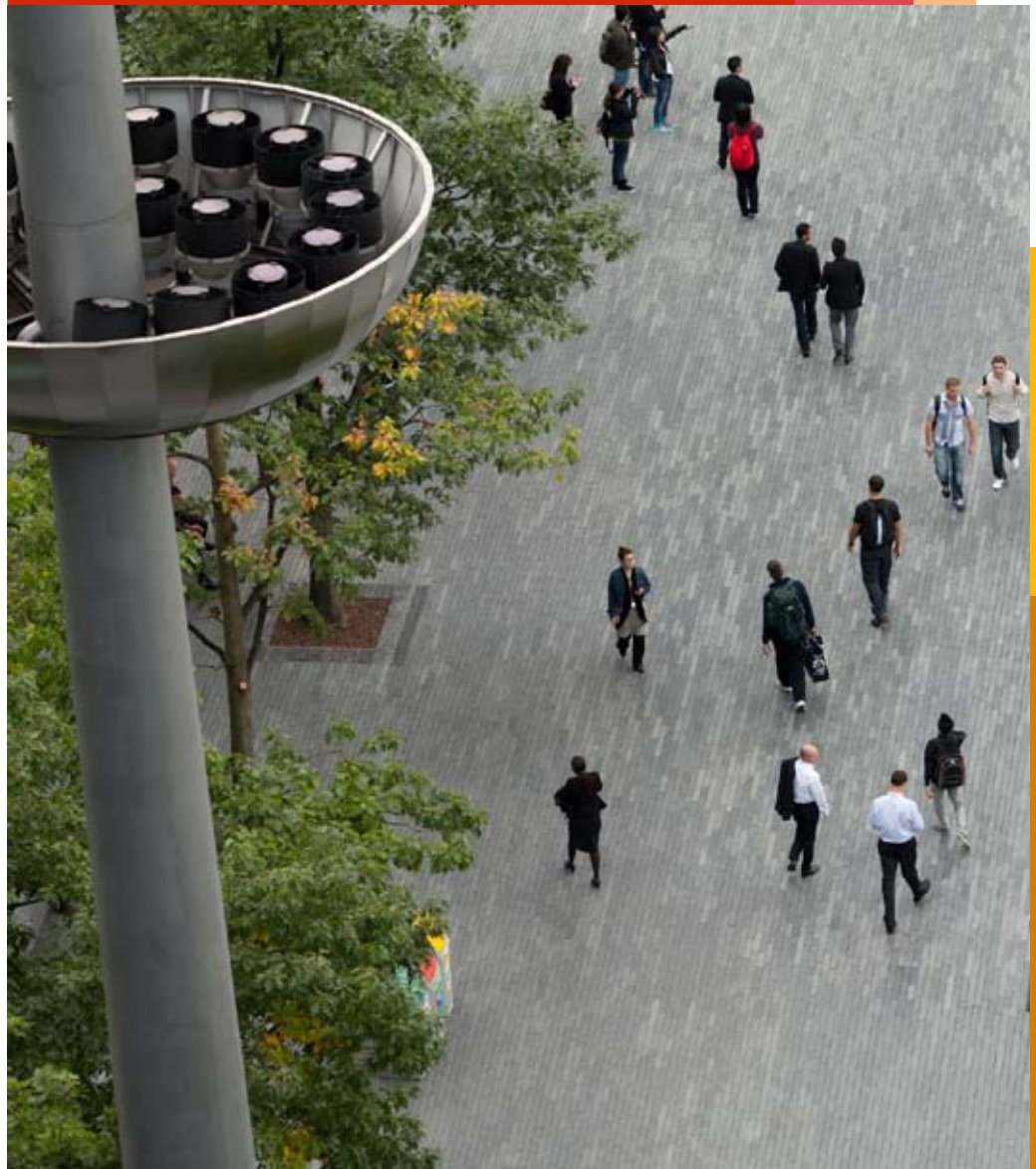


Outsourcing health check

Business services transformation

*Improving service, while
keeping down costs.
Creating value from your
support functions.*



Business services transformation

The internal support functions of an organisation - including Finance, IT, HR, Procurement and Real Estate – can represent 10–15% of an organisation's cost base. It is possible to increase the efficiency and effectiveness of these functions by standardising, simplifying and making effective use of technology and sourcing.

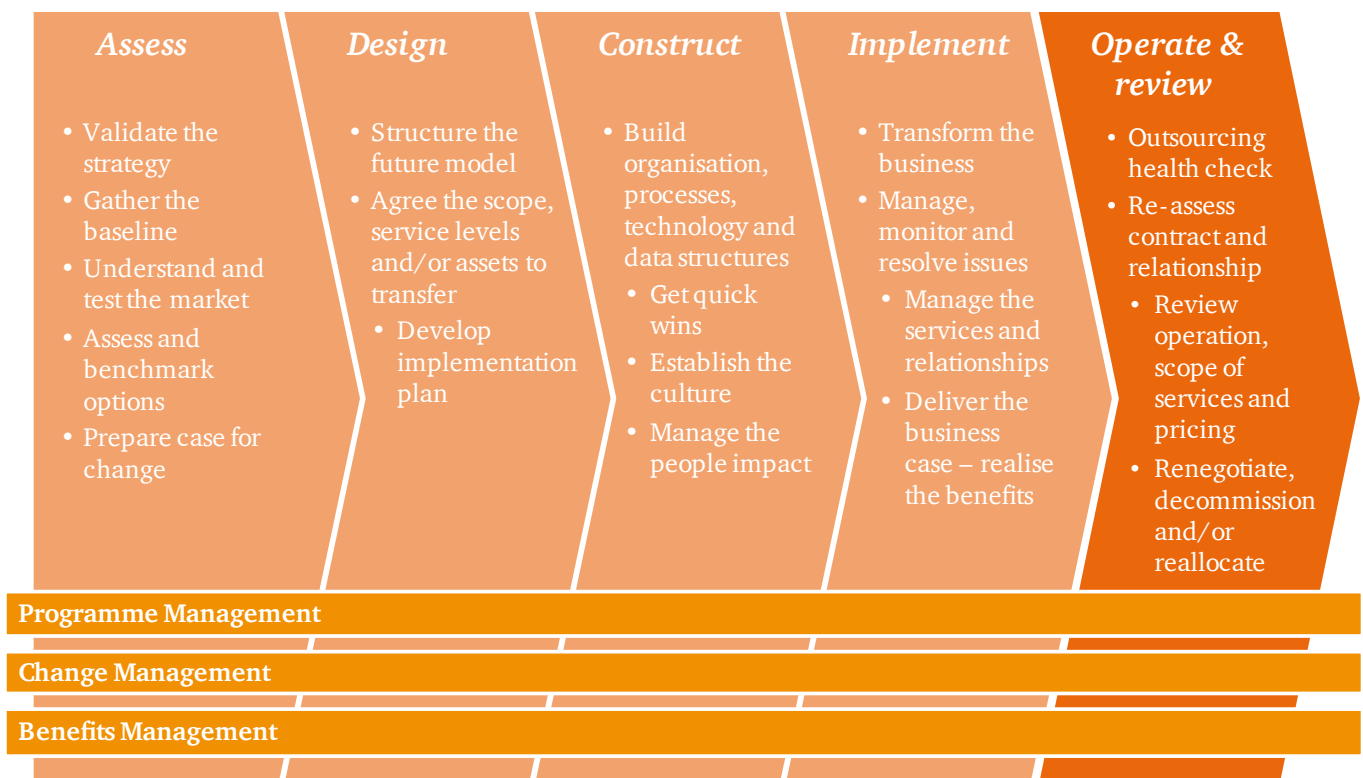
Based on a PwC study, 65% of global organisations have made cost savings of up to 40% on their support functions by either creating a shared service organisation and/or outsourcing elements of them. However, many organisations are not garnering all of the value available from these initiatives.

Outsourcing health check

Outsourcing can be an extremely effective means to achieving strategic operational gains and cost savings. If done effectively, it can provide advantage over peers. But the potential rewards often go hand-in-hand with risks and challenges - more complex arrangements are harder to manage and more likely not performing in the optimum level. Now, more than ever, is the time to capitalise on the available benefits from outsourcing options.

From our experience, clients need to take responsibility to drive improvements and constantly challenge service providers throughout the outsourcing contract.

An “Outsourcing health check” is an integrated part of the final step in our Shared Services and Outsourcing methodology designed to help clients review the performance of existing outsourcing arrangements as well as understand available options and opportunities. It is delivered via a range of assessment techniques, including interviews, workshops, contract reviews and benchmarks with leading practices.



Review your outsourcing arrangements

Value

- Are you realising the business benefits outlined in your original business case?
- Is your service provider adding value to your business, as well as performing the transactional agreements?
- Is your service provider periodically benchmarked for market competitiveness?
- Is your pricing model flexible, scalable and transparent?

Quality

- Are your service levels clearly defined and measured?
- Is there a culture of innovation and continuous improvement?
- Is your service provider sharing good practice and tools?
- Is the service delivery constantly improving?
- Is your service provider proactive in preventing and resolving issues?
- Can your service provider ensure business continuity in times of emergency?

Scope

- Are you outsourcing the right breadth of activities?
- Could you benefit from engaging multiple outsource providers?
- Is the scope of your outsourcing arrangement flexible?
- Can your service provider transform their services as your business grows?
- Are you leveraging your service provider's technology and expertise?

Relationship

- Is the culture of the service provider aligned to the culture of your organisation?
- Does your service provider communicate effectively, seek common ground, take on board difficult points of view and compromise where appropriate?
- Is your partnership with your service provider growing in strength?
- Do you have a termination and exit procedure in place?

Our experience

We have a multi-disciplinary team, consisting of strategic sourcing and subject matter experts in tax, transfer pricing, customs matters, regulatory, HR, technology, financial modelling, governance, controls and risk management. We independently advise clients and tailor practical solutions to suit their strategic and operational goals. We utilise our regional and global presence to combine deep capabilities with specific local knowledge.

PwC are recognised as market leaders in shared services and outsourcing

The International Association of Outsourcing Professionals (IAOP), the global standard setting organisation and advocate for the outsourcing profession, has ranked PwC first on its list of the “World’s Best Outsourcing Advisors”.

With over 27,000 Advisory professionals around the world, we work collaboratively with over 80% of the world’s Fortune 500 companies.

We have completed over 300 shared services projects worldwide and have a team of 1200+ core experts around the world, with expertise across 17 industry sectors.

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