

Chairman's Takeaways

SSON Autumn 2019

**September 26, 2019
Scottsdale, AZ**

**Brad DeMent, Chairman
ScottMadden Partner**

Setting Up Shared Services Operations

We are driving sales and marketing tasks in our SSO model

– *Kim, Cargill*

When we reduced our JE entries, we also negotiated a better price with the auditor (fewer entries to review)

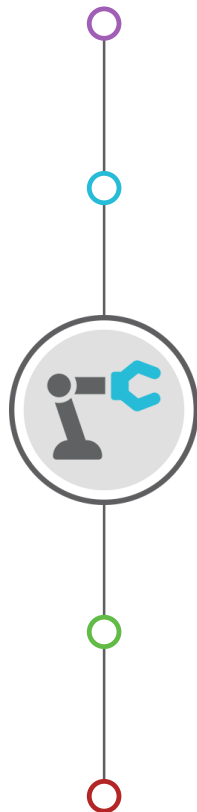
– *LaTarious, Great Wolf Lodge*

We created a buying company with our competitors to get better prices

– *Phil, Tribune Publishing*

Drill/training – just because we did it OK one time doesn't mean we can't improve the next time

– *Captain Phillips*



Try before you buy with remote workers

– *Shivani, Berlitz*

You can standardize most of the process globally, but there are laws, regulations that demand customization

– *Shivani, Berlitz*

Centralizing our accounting and building SOPs got us our first clean audit in years

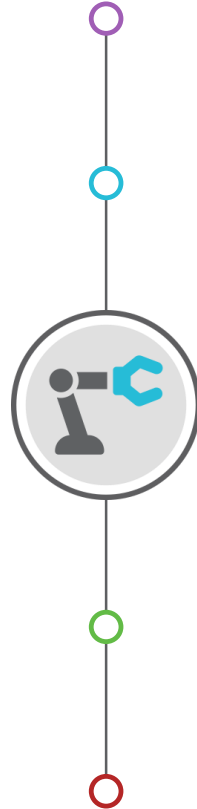
– *LaTarious, Great Wolf Lodge*

Consider gamification – incentive to pick the cheaper hotel but get a share of the price difference

– *Shivani, Berlitz*

Setting Up Shared Services Operations (Cont'd)

We created a shared services for digital (an entrepreneurial organization)
– *Phil, Tribune Publishing*



Created more scale by partnering with competitors to share best-in-breed processes
– *Phil, Tribune Publishing*

Be bold – you won't win popularity contests running shared services
– *LaTarious, Great Wolf Lodge*

Optimizing BPO

We visit our BPO site twice per year
– *Mark, Avery Dennison*

We gave 15% in gain share back to the client (the partnership is important)
– *Pierre, Solugrowth*

Our BPO turnover went from 20% to 2% when we moved from Manilla to a smaller town
– *Phil, Tribune Publishing*



Don't get too comfortable with your operating model today
– *Kim, Cargill*

We created a BPO contract for us and our competitors for a better price
– *Phil, Tribune Publishing*

Automating Processes

Automation opportunities should come from the business (pull, not push)
– *Tamra, Southwest*

I had 800 different ways to process invoices in APAC alone within one payment term
– *Kim, Cargill*

Where is the paper and where are the people? We are consuming 19M pieces of paper/year
– *Todd, BDP*

Employees were retrieving materials off the dock with their personal credit cards
– *Todd, BDP*

There is no pause button that will let you fix processes while you run them
– *Kim, Cargill*

Only CyberArc knows our robot security passwords (get this set up right before automating)
– *Tamra, Southwest*

We automated roles, but re-skilled people
– *Kim, Cargill*

Our driver was to expand employee opportunity first, save money second, and reduce errors third
– *Tamra, Southwest*



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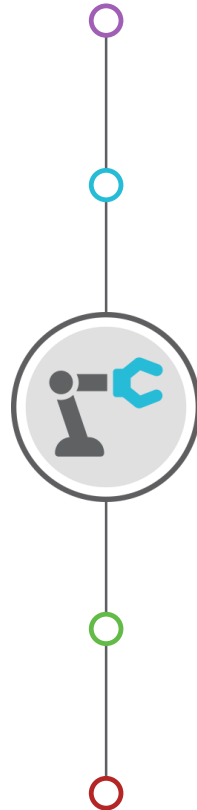
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– Kim, Cargill

First, we remove wasteful inefficiencies, then simplify and standardize, then automate
– Todd, BDP



I had 80 different ways to process invoices in APAC alone within one payment term
– Kim, Cargill

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We anticipate 100% ROI within a year of first POC
– Tamra, Southwest

Automating Processes (Cont'd)

Our VPs are volunteering their people so they can automate more

– *Tamra, Southwest*

Documenting our processes and time stamping helped us find waste and eliminate estimates

– *LaTarious, Great Wolf Lodge*

Ensure SSO staff in a new location have the appropriate tools and processes

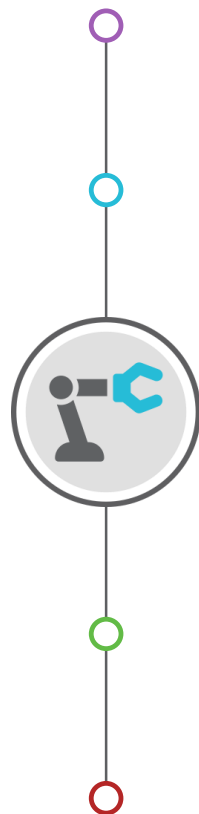
– *Shivani, Berlitz*

Consider generational working preferences – young staff demanded to be able to pay with Venmo

– *Shivani, Berlitz*

I would really like to be starting SSO with tools that are available today (you don't have to have 10 years' maturing)

– *Todd, BDP*



My vision is to have about 500 digital workers

– *John, AMX*

We use “iOCR” to prepare documents for processing (invoices, regulatory forms, contracts, government IDs, etc.)

– *John, AMX*

Our 230 robots handle 1.3M transactions per month (about 350 people worth of work)

– *John, AMX*

29% say digitalization tops the strategic priority list for HRSS

– *Danna, PwC*

Building Data Analytics Capability

Pick projects that move the needle – we eliminated 5,000 different transactions over the past 7 years
– *Matt, Comcast*

Analytics played a role in reducing our recruiting cost from \$91M to \$79M in two years
– *Matt, Comcast*

Dollars are the universal language, and you need to communicate in dollars to get dollars
– *Matt, Comcast*

Start as the “squirrel” and go after many quick wins vs. the superhero trying to tackle a giant problem
– *Matt, Comcast*



You need business people to bridge the gap between metrics and advanced analytics
– *Jay, Comcast*

Take big problems incrementally – think Apollo 8
– *Todd, BDP*

We use data analytics to determine how many applicants we need to fill required positions
– *Matt, Comcast*

Preparing the Workforce

Gen Z will make up 20% of the workforce by 2020
– David, GES

84% of employees would be willing to leave current positions for organizations with better reputations
– David, GES

24-year-old employees look at their phones 85 times per day
– David, GES

64% of full-time millennials want “side hustles” to earn extra money – SSO needs to establish a “side hustle” economy
– David, GES

Garnification training (searching for badges) is highly effective with the new workforce
– David, GES



Keeping my team of 6,000 “talent agile” ... is what keeps me up at night
– Kim, Cargill

Some of the people I thought were benchwarmers were actually star performers in something different
– Danna, PwC

Our strategy was to centralize talent, groom them in SSO, and put back into the field
– Matt, Comcast

Don't take human out of digitization (we need design thinking and other skill sets)
– Danna, PwC

We give people self study time but does not mean anything unless we give them space to apply it to
– Danna, PwC

Enhancing Customer Experience

Keep things easy and simple, know the value, own the problems (internal and external customers)

– John, AMX

Categorized all our customer friction point and built actions plans

– John, AMX

Used a chatbot to determine status of invoices and answers 87% of queries (chatbot announces it's a chatbot)

– John, AMX



We have three experiences – Zero Touch, One Tough, and Multi-Touch

– John, AMX

Inf customers are going to be pushed to mobile apps, so are our employees

– Greg, Albertson's

Eliminated calls to answer “what’s my schedule” in the stores – put on app

– Greg, Albertson's

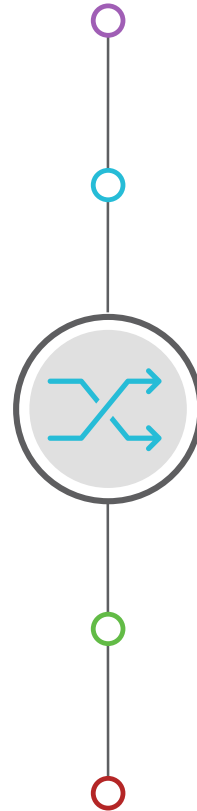
Managing Change

If people have a complaint about shared services, I go to visit them personally
– *Kim, Cargill*

Don't assume top-down messaging actually trickles down
– *Shivani, Berlitz*

Consultants should participate from a process standpoint, but don't completely hand over
– *Shivani, Berlitz*

Use common talking points – what we are doing and why
– *Ronn, University of Chicago*



Don't accept "leave it along ... it works" – we took finance examples and showed them the power of "awesome"
– *Todd, BDP*

Our faculty was not engaged appropriately and signed a petition to the provost to end shared services
– *Ronn, University of Chicago*

Conduct an impact assessment (how bit of an impact, how many people, what approach)
– *Shivani, Berlitz*

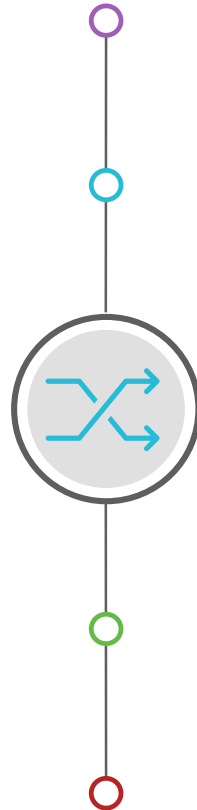
Conduct a readiness assessment – what needs to be done to build confidence in the stakeholders
– *Jana, Ingram Micro*

Managing Change (Cont'd)

We don't track time we spend on change tasks like we do a system task, but should spend just a much
– *Ronn, University of Chicago*

Let exceptional staff stretch beyond their normal roles
– *Bill, Oakwood*

If you don't like change, you are going to hate irrelevance
– *Phil, Tribune Publishing*



Does not matter if it's agile or waterfall ... users need to be engaged throughout the process
– *Shivani, Berlitz*

We made our SSO change management group available to other projects
– *Jana, Ingram Micro*

Thank You for a Great Conference!



Brad DeMent

Chairman SSOW 2012-2019

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- 20 years of shared services and GBS experience
- GBS design and implementation consultant
- Intelligent automation planning and implementation

Meet with us to plan your next journey in shared services!

See You at the Next SSON Conference!



Why ScottMadden?

Deep Experience

ScottMadden has been a pioneer in corporate and shared services since the practice began decades ago.

Our Corporate & Shared Services practice has completed more than 1,900 projects since the early '90s.

Our clients span a variety of industries from energy to healthcare to higher education to retail.

Philosophy

We are personally invested in every project and measure our success by our clients' success.

We listen to our clients' needs and put their best interests ahead of our own.

We work with integrity, tenacity, and a genuine passion for what we do.

We do what it takes to get it done right.

Personalized Approach

Before we begin any project, we sit down and listen to our clients' needs and challenges.

We engage with our clients like no other firm does, working side by side to create practical, real results.

We don't employ canned methodologies or cookie-cutter solutions. We work to solve the right problem in the right way.



Outstanding job of selecting really good people that have the experience, knowledge, and insights.

