

# ***Navigating global sourcing challenges***

Rigorous up-front planning,  
fact-based decisions, disciplined  
execution, and the right  
resources— keys to successful  
global sourcing initiatives

October 2011  
Global Sourcing



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*The heart of the matter*

Developing a sound  
global sourcing strategy  
and framework

Many organizations have realized that global sourcing should be a part of their core strategy to reduce costs, and to introduce strategic flexibility and operational agility. The recession has made cost reduction a very high priority. Not surprisingly, 84 percent of the CEOs interviewed for PwC's 14th Annual Global CEO survey, published in early 2011, indicated that they had implemented a cost-reduction initiative in the last 12 months.

Organizations are looking to various global sourcing options to help reduce costs. A 2011 survey conducted by HfS Research and the London School of Economics Outsourcing Unit<sup>1</sup> revealed that 59% of companies plan to increase shared services delivery and 73% plan to increase outsourcing.

But, in our experience, many companies do not have the internal capabilities, relevant knowledge or skills to effectively assess the most appropriate global sourcing options and strategies

for their organizations, and then to execute on these initiatives, anticipating and mitigating numerous risks along the way.

Looking on the bright side, a sound global sourcing strategy does have the potential to provide transformative benefits, and we have seen many examples of successful transformations. That being said, global sourcing is a highly complex initiative that can have a far-reaching impact on processes, organization and technology. It cannot be taken lightly, in that failed global sourcing initiatives result in higher costs, operational inefficiencies, disgruntled staff, and, on occasion, abandoned strategies. Whether your strategy involves shared services, outsourcing, a joint venture, or a hybrid approach, the journey is rife with pitfalls and challenges. Two major themes that run through virtually every successful global sourcing initiative are detailed, fact-based planning and decision-making, and disciplined execution.

This is the third in a series of PwC whitepapers that, taken together, address the need-to-know aspects of creating a sound global sourcing model. The first, *"Why global sourcing? Why now?"* centers around why companies that have not yet implemented global sourcing in a material way are at a competitive disadvantage. The second, *"Building a business case for your global sourcing strategy,"* describes the importance of using a data-driven approach to develop a solid business case.

Here, we present the steps and key considerations that companies should bear in mind when developing and executing a global sourcing strategy with clear objectives. We call it the Global Sourcing Lifecycle Roadmap. Those companies that heed the recommendations set forth in this and our previous two papers can position themselves to reap the full benefits of their global sourcing initiatives and to win in the marketplace of the future.

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<sup>1</sup> The Evolution of Global Business Services: Enhancing the Benefits of Shared Services and Outsourcing, © 2011, HfS Research, Ltd. And PwC.

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*An in-depth discussion*

Leveraging the global  
sourcing lifecycle—  
Roadmap to follow

Successful global sourcing engagements follow a disciplined approach and roadmap that ensure consistent rigor throughout the process, that appropriate steps are taken in the proper sequence, and that the initiative uses appropriate techniques, tools and resources. The global sourcing lifecycle

comprises the phases shown in the diagram below.

The recommended approach is both industry- and application-independent, thereby making it equally applicable to different situations, regardless of the existing processes, IT environment or scope.



## ***Client Spotlight***

A global consumer products company wanted to design and implement a cost-effective, standardized, and consolidated business operations model for 50+ markets and leverage operation cost savings for the enterprise's growth and profitability.

The new operating model involved setting up three regional shared services centers for its North America, Europe, and Asia Pacific market operations.

The client needed assistance in assessing its growth strategy and vision, determining objectives and creating a business case, designing its global shared services centers (SSCs), and in training its program management team to build and implement the new centers in these three regions.

### ***Key Takeaways:***

- The involvement and support from the C-level suite (CFO-led initiative) was critical to ensuring that the global sourcing decision was aligned with the overall organizational strategy, and that there would be no adverse impact on other significant initiatives.
- The agreement from regional stakeholders on overall goals and intent of the sourcing plan allowed the process to flow more smoothly.
- Significant due diligence pointed to the right location choice for the North American SSC to be Costa Rica, where the client now receives significant tax incentives from the local government.

### **Phase I: Assess**

The Assess Phase is when the organization's global sourcing requirements and guidelines are developed, based on the business' objectives and the value that can be generated. This is also the time to determine the scope or potential business functions that can be a part of the organization's global sourcing strategy. We find that a broad-based assessment is typically in the best interest of the organization as a whole.

Further, this phase involves determining the organization's baseline around people, process and technology. The baseline will help identify any associated risks and improvement opportunities that will need to be handled in the new environment. It is important to test the strategy against multiple scenarios to help ensure that the necessary flexibility, relevant drivers and assumptions are part of the future state.

### **Develop an enterprise-wide global sourcing strategy, led by the C-Suite**

Given the unquestionable change inherent in global sourcing initiatives, successful efforts always include senior-level sponsorship and a clear understanding and communication of

the objectives and strategy, cascaded from the top down and throughout the entire organization. These days, while cost-reduction efforts tend to dominate the main objectives for having a global sourcing strategy, typical objectives extend beyond pure costs to include a wide range of business initiatives across people, processes, technology and operations (see Figure 1).

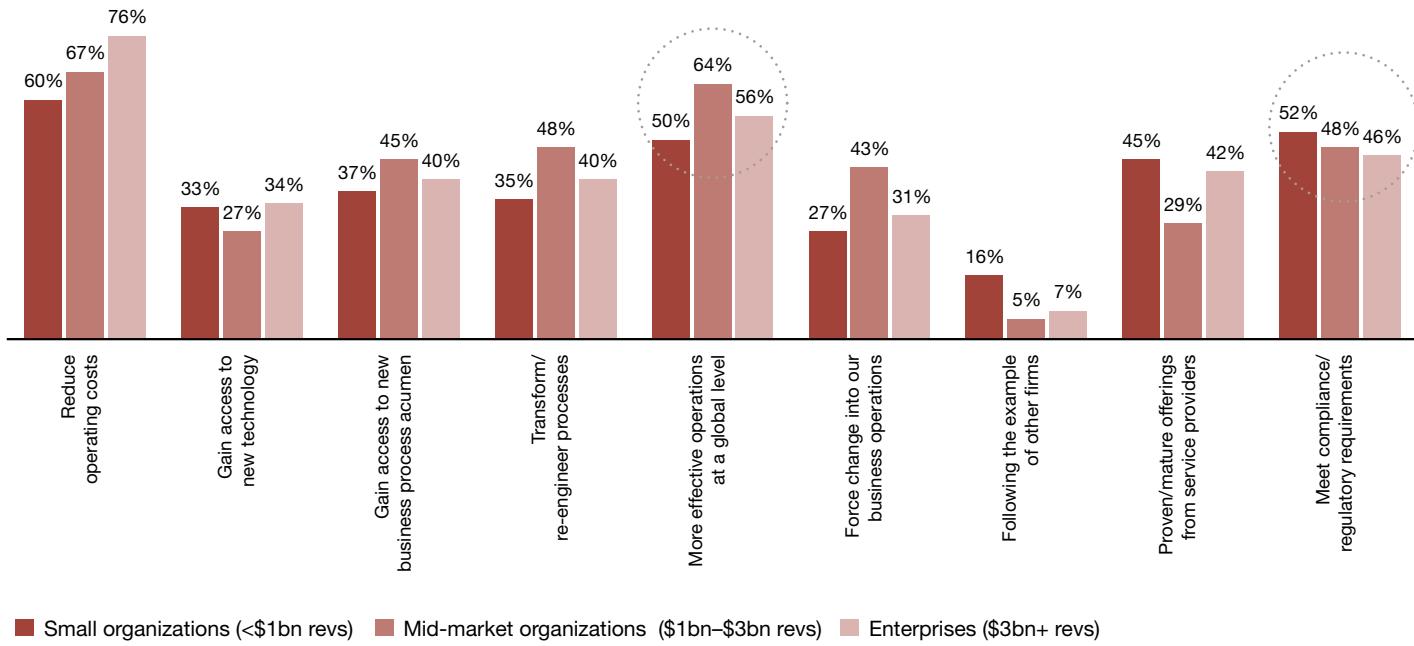
The objectives mentioned the most frequently include:

- Reduce operating costs
- Create more effective operations at a global level
- Meet compliance/regulatory requirements
- Transform /re-engineer processes
- Gain access to new business process acumen
- Gain access to new technology

These imperatives form the foundation for the global sourcing strategy. Virtually all organizations already have some shared services or outsourcing in place, so the challenge is to look at the existing footprint and identify what will be needed to enable the organization to further integrate operations and drive additional efficiencies.

Figure 1

*How important are the following business DRIVERS behind your company's IT outsourcing and BPO decision-making this year?*  
 Answer = Very important



■ Small organizations (<\$1bn revs) ■ Mid-market organizations (\$1bn-\$3bn revs) ■ Enterprises (\$3bn+ revs)

Source: HfS Research and the London School of Economics Outsourcing Unit, 2011

Sample: 336 Buyers of Outsourcing Services

We see many organizations failing to align their global sourcing strategy with the overall organizational strategy. Instead, they tend to focus within silos to define a global sourcing model, thereby limiting their ability to optimize potential synergies. For example:

- A business unit in a decentralized organization may have a SSC or an outsourcing contract with a third party to perform the Accounts Payable function that could be leveraged by other business units, resulting in stronger operational and financial leverage.
- An organization may overlook its existing and future locations as the foundation for the shared services or outsourcing locations, thereby failing to align the sourcing decision with the organization's growth strategy. The organization can find itself missing out on potential local benefits—tax incentives, market penetration and brand visibility.

At the end of the day, companies such as these find themselves with redundant functions and headcount, at a relatively higher cost of service delivery.

## **Understand your requirements**

Regardless of the global sourcing model (whether captive shared services, outsourcing, or a hybrid), collecting requirements for all functions being sourced is an imperative. Starting your design effort with the requirements list is a leading practice, and including all stakeholders in the process will help to generate a more comprehensive and robust registry of requirements. The potential scope of services for global sourcing must be clearly articulated.

If you are going the shared services route, gathering requirements will enable you to identify operational opportunities that can be included in the future state operating model. When scoping an outsourcing model, service providers should be encouraged to come up with innovative, leading and cost-effective solutions for the sourcing services in scope.

Design activities include:

- Assessing the current state
- Defining the future state
- Mitigating expected risks

## ***Client Spotlight***

A global distributor of office products and services wanted to transform its finance and accounting function worldwide by adopting a common technology platform and set of processes. The objective was to increase visibility and improve management control while reducing costs.

The organization needed to determine the optimal service delivery model for its back office. After a baseline and business case were created, it became clear that the shared services strategy was optimal for most functions. However, outsourcing was chosen for the underperforming accounts receivable (AR) function until a newly built shared services center (SSC) could absorb the work. The company was also focused on site selection, contract negotiation with an existing outsourcing provider, process and infrastructure evaluation, team recruitment and training and overall design.

## ***Key Takeaways***

Baseline analysis was critical for the back office strategy. The baseline data then informed evaluation of the vendor relationships that had been established earlier. Avoiding the “perception” approach is important. Instead, rely on data-driven decision making and management. Don’t wait until the SSC is up and running or contracts are in place to derive the current state information, as an understanding of the footprint and requirements is necessary in order to know what to compare against.

- Preparing for the change management activities, which should be articulated and agreed upon by all stakeholders.

### **Assessing your current state**

Documenting the organization's existing operational, financial and contractual footprint will result in a baseline. An accurate baseline helps organizations understand the true cost of delivery of the operations and compare them to any new sourcing models and strategic objectives.

The baseline should be detailed enough to enable stakeholders to understand the current organization's footprint and inherent risks around people, process and technology. The information and analysis for the baseline development can be grouped into five main areas: *people, technology, locations and facilities, process, and current performance*.

- **People.** In many cases, labor is the largest expense for a service delivery organization, often constituting 50%+ of the budget. Understanding the headcount and costs of employees by process is important in determining the footprint, labor-intensive processes and handoffs.

- **Technology.** Technology is another big-ticket item from a cost perspective. Capturing the current technology involved in each function, along with the corresponding costs to support the technology—software licenses, support contracts, and internal support costs—will help in defining the true cost of ownership.

- **Locations and facilities.**

Depending on the type of business real estate is often the third or fourth largest expense item. Due to the long-term nature of lease arrangements, support services, contractual obligations and tax implications, understanding these assets is critical in case of future consolidation and/or sale. In addition, existing locations may very well fit the sourcing destination profile and, if so, they may be used as a “brownfield” location for expansion opportunities.

- **Process.** While it may be disruptive to gather consistent data and specifics around processes, or to allocate costs to them (e.g., billing, claims booking, month-end closing, payroll), it is important to ensure that current processes are properly documented. This will allow you

to complete an analysis to identify those specific activities which can be moved to the new delivery model and pinpoint where potential savings can be achieved. If and when you come across any issues and challenges voiced by key stakeholders—for example, in the AP function certain activities related to defining and communication of policies and procedures, payment authorizations and negotiations of vendor terms may not be ideal candidates to be transitioned into a sourced environment due to their strategic nature or their impact on the client—make sure that they are documented.

- **Current Performance.** Along with the process assessment, it is essential to understand current performance across the processes in scope. The objective is to help ensure that the future state operating model will meet or exceed present performance. In addition, data around current and historical performance helps to identify inefficiencies and gaps in the current operating model and define improvement opportunities and tasks for transformation and/or optimization.

### **Start tracking risks**

Evaluation of the inherent and potential risks should start as the baseline is created. Successful organizations take the tracking of risks as an integral part of such a major transformation. At the very least, you should monitor and manage *strategic, process and operational, financial, legal and regulatory, and geo-political/service-provider risk*:

- **Strategic risks.** Early in the process, determine whether any movement to the new model could impact the organizational strategy. This involves open discussions with the C-Suite and understanding the impact to the organization. Ensure that the risk view is not solely internal to the organization, but also is external facing. It is critical that you understand the impact to all stakeholders—customers, shareholders, suppliers, and partners.
- **Process and operational risks.** Given that these risks span all aspects of the operations being considered for the new model, it is essential to understand the impact on process, technology, and people. For example, you may find processes can not be moved into a sourced

environment due to lack of enabling technologies like imaging and workflow or that activities may have downstream or upstream dependencies, hence posing a significant risk to operations. Knowing from the very beginning that there is a risk, the organization can then apply industry best practices and mitigation techniques, or even involve IT and the user community to help find the right collaborative approach.

- **Financial risks.** Mitigating financial risks requires developing a comprehensive baseline and making proper assumptions for the future state model. For example, a risk of erroneous estimates and assumptions can be mitigated to some extent by conducting a comparative market analysis—testing estimates against known market norms. To be effective, an exercise such as this requires an “apples-to-apples” comparison.

Some financial risks that are often overlooked include:

- Financial-only evaluation of the alternatives, rather than considering all sources of value (e.g., improved quality, process efficiency, improved reporting)

- Not comparing your estimates against market rates
- Failing to explicitly define outsourcing contract termination assistance requirements
- Not addressing the potential positive and negative impacts of taxation (international and domestic) on the future state delivery model—including any incentives that may be offered by city, state or federal governments.
- Not taking into account company relevant and specific projections, such as expected growth, acquisition strategy, etc.

- **Legal and regulatory risks.**

If not tracked and responded to properly, these risks may result in punitive fines, legal action, and loss of reputation. These risks often include:

- Data security risks (information being lost or corrupted)
- Lack of confidentiality (information being disclosed to third parties or used for criminal activities)
- Regulatory problems (breach of rules in the jurisdictions of either the service provider or a SSC that

may involve data export / storage rules, personally identifiable information, HIPPA, etc.).

- Not taking into account company relevant and specific projections, such as expected growth, acquisition strategy, etc.

- **Geo-political and service provider risks.** Assessing these risks is extremely important, especially if the operations are being moved to another country and/or involve engaging a third party. These risks often include business continuity concerns, inability to support future growth requirements due to lack of available talent or escalating costs, unanticipated losses due to currency fluctuations, local requirements, and regulatory policies. For example, escalating labor demand in a country may pose risks related to recruiting, retaining the right talent, and wage inflation.

### **View change management and communications as an essential work stream**

Many global sourcing initiatives fail because they do not create the proper framework to provide a vision, alleviate concerns, communicate successes, or provide a focus on benefits delivery to help ensure that sustainable benefits are achieved and communicated over time.

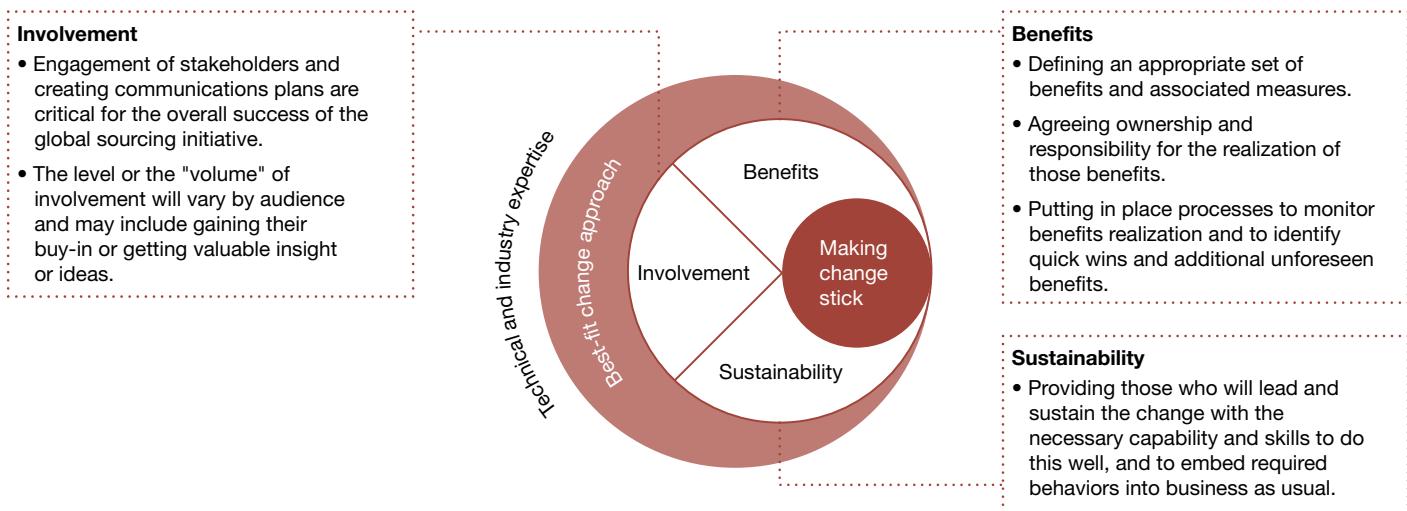
One of the biggest risks in any global sourcing initiative is around managing all the stakeholders and preventing premature attrition and low morale. Successful global sourcing initiatives demonstrate that it is vital to commence a program to proactively manage change and communications in the organization as soon as the initiative starts. This involves managing stakeholders early in the process by understanding their needs and concerns, and assessing how ready they are to embrace change.

In order to accelerate the delivery of benefits and sustain them over a long period of time, we recommend adopting a best fit change framework—one that:

- Focuses on enabling the organization to define and measure the benefits
- Encourages the involvement of the people who will deliver the change in the practice
- Builds sustainability by embedding new ways of working into performance management and training processes

Making change stick in a global sourcing initiative is all about approaching project delivery with a mind-set that considers *Involvement, Benefits and Sustainability*—the areas highlighted in Figure 2.

Figure 2



## ***Client Spotlight***

Due to a series of acquisitions, accelerated growth, and lack of integration, a large managed healthcare company had an extensive and inefficient IT infrastructure.

The enterprise created a streamlined organization, established a blueprint for the future-state organization, and conducted vendor evaluations and negotiations. The ultimate objective was to reduce its selling, general and administrative expenses (SG&A).

### ***Key Takeaways:***

- Many organizations don't include the cost of governance as part of the business case for the initiative.
- It's important to design detailed governance, service delivery and performance management from the very beginning, clearly defining everyone's roles and responsibilities before and after go-live.
- Understanding the organization's complex operating models is critical. To ensure appropriate stakeholder involvement and buy-in, the complexity of governance can be leveraged through committees, to ensure appropriate stakeholder involvement and buy-in.
- The relationship with the customers, specific touch points and the impact of the sourcing strategy need to be clearly understood and articulated. The new delivery model may require the implementation of new technologies.
- Decisions must be made around touch points of internal and external customers - this change management aspect is often overlooked. The decisions must be integrated with any change management, for example, changes in addresses on invoices and purchase orders.

## **Phase II: Design**

The Design Phase focuses on building the blueprint of the future organizational structure and identifying all key components required to operationalize the global sourcing strategy, whether it be a shared services, outsourcing or hybrid initiative. Key areas of the design phase include: policies, processes and procedures development, organizational structure, roles and responsibilities, systems and technology, and facilities.

The actual design activities frequently include re-designing of the process (for example, standardizing processes before moving them to the sourcing environment) or designing the interfaces between the new global sourcing organization and the retained environment (for example, process interfaces and hand-offs, roles and responsibilities) and designing the service management approach. These high-level components, as well as the overall design, will serve as the inputs for the Construct, Implement, Operate and Review phases.

Any design effort will require extensive involvement from the operations team, and management must ensure that the stakeholders have the capacity to be involved in the design efforts. Failure to include key stakeholders may delay the implementation of the solution, and impact the organization's ability to realize the business case. The following steps and recommendations are critical for the overall success of the initiative.

### **Select the processes for the future-state sourcing model**

For any design, the baseline report and areas covered should act as the starting point. Each activity documented in the report should be assessed as to whether it is “fit” and “ready” to be moved into the new sourcing model. For example, a particular function can be “fit” for the new model (i.e., an activity is generally standardized across locations or an activity requires little or no specialized expertise), but not “ready” (i.e., process documentation does not exist).

While these “fit” and “ready” criteria can be slightly different for each organization, depending on the organization’s environment, the objective of the exercise is the same—to select and prioritize the processes for migration to the new sourcing model, as shown in Figure 3. Analyzing the business impact of a process (ongoing financial and operational benefits, ongoing costs, onetime costs, etc.) versus the difficulty of implementation (level of standardization, regulatory requirements, risks, etc.) can help the organization determine the sequence for moving various processes into the new sourcing model.

### **Hire the right management team early on**

As part of the design phase, it’s critical to have the right people in place to oversee the design and, eventually, the global sourcing operations. A sourcing initiative will help to move the organization up the maturity curve by moving it from being resource-centric to being process-centric. This requires a different governance model with new roles and skill sets. Talent mapping allows the organization to select existing or new resources to fill the required roles early in the design phase. This is vital to the success of the initiative.

### **Invest in the right technology**

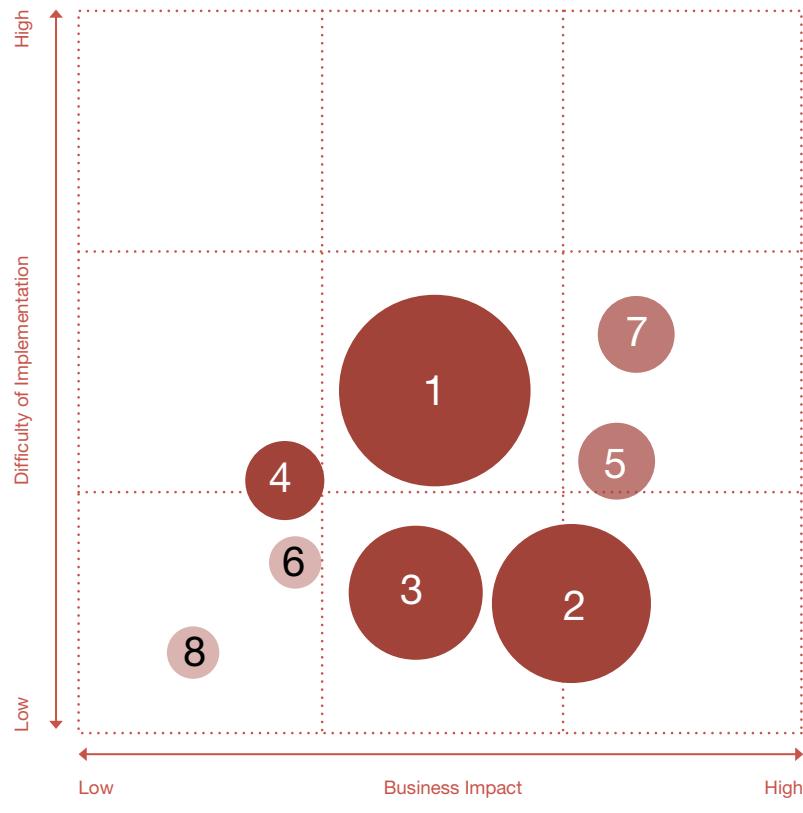
The probability of success of a sourcing initiative increases significantly when proper investments are made in the right technology. Examples of initiatives for consideration include consolidating multiple systems into a single platform, introducing enterprise content management (ECM) and/or business process management (BPM) systems for imaging and workflow to better enable electronic data retention and routing.

### **Design or Re-Design the new processes and retained organization**

There are many possible process-design considerations. These may include redesigning existing processes to improve performance and completely replacing or removing an activity.

Designing a new process involves significant involvement from all aspects of operations, among them SSC leadership, process/product subject matter experts, customers, internal and external audit resources, technology, and training. Conducting comprehensive, well-facilitated process-design workshops can help ensure that all key stakeholders are part of the design decision. You should also consider the structure of the retained organization,

Figure 3



1 Logistics (customer service)    5 Quality Assurance  
2 Finance    6 Environmental, Health & Safety  
3 Accounts Receivable    7 Regulatory Affairs  
4 Accounts Payable    8 Payroll

Note: Size of circles indicates cost reductions and savings opportunity.

which is different from the governance organization. It is a good idea to have a retained organization design sub-team, charged with creating the future-state for each business unit, including identifying the skills required for the support, delivery and management of the new service model.

The output of the Design exercise (“To Be” Process Map) will demonstrate the need for alignment of the new processes with the organizational policies. It will also generate requirements for Training and Technology teams, and quantify the time to develop and implement them. When refining the project schedule, it is important to take Training and Technology solutions into consideration.

### **Design detailed governance, service delivery and transition plans**

Develop governance models to manage the new sourcing environment. Note that the governance model for the transition is significantly different from the steady-state global sourcing governance model:

- **During transition.** The team should be dedicated and focused on transitioning services into the new delivery model. To effect a smooth

transition, organizations should form a project team to lead the transition efforts. In addition to the core operational knowledge, the transition team should include resources from HR, change management, legal, communications, technology, and training. As part of the governance design for the transition, clear roles and responsibilities should be documented for both the transition project team and the retained organization. These two teams should interact daily throughout the transition phase.

- **Once the transition is over.** The transition team now transfers the operations to the steady-state team that will manage the operations on a day-to-day basis. This includes the management and operations resources in the SSC. The steady-state governance should include details on how the SSC is going to be managed, which committees need to be involved and how the interactions with the SSC customers are going to take place. Similarly, in an outsourcing relationship it is critical to determine the management team on both sides (organization and client) and identify any escalation processes and risk-mitigation techniques.

Designing *how* the new model will deliver services (e.g., how the customers will interact with the SSC and the vendor, or how the issue escalation or approvals will work) is as important as the process design. Some of these “blueprints” will highlight the need to make additional investments, which should then feed into the business case. Here, too—just as with governance—service delivery may be different for the transition and the steady-state phases. In order to design an effective service delivery model, the following questions should be asked, and answered:

- How will issues, requests, and queries be handled in the new organization?
- What metrics must be tracked to support our business and customers, and what are the reporting requirements, i.e. Service Level Agreements (SLAs,) and Key Performance Indicators (KPIs)?
- What technology or other infrastructure will be required to support our new delivery model—call routing, computer telephony integration, case management tools, reporting tools, etc.?

By the end of this phase, you will have a set of materials that will guide the approach in the next phases—Construct, Implement and Review.

### **Phases III and IV: Construct and Implement**

These phases begin after the Design Phase has been completed. The inputs from the previous phase—processing checklists, contingency plans, transition plans, and the like—are reviewed for completeness, and any adjustments are made. The objective of the reviews is to help ensure that all of the relevant tasks have been included, that all target dates can be met, and that all stakeholders are on board.

#### **Construct and implement the transition plan**

Once the plans have been finalized, key stakeholders and the newly hired management team should move forward with the building and implementation of the global sourcing environment. In most cases, the Construct phase will only apply when an organization has decided to go the Shared Services route, as the facility, technology, training, etc. have to be taken care of by internal resources, or by hiring an outside party

to assist with the transition. In the case of outsourcing, the service provider will be primarily responsible for the activities listed below. In most cases, they can tap into their existing infrastructure, delivery centers and staff.

Following is an overview of the major components of the Construct and Implement phases:

- **Facility readiness assessment.** Involves preparing the facility and the infrastructure for operations—telecommunications network, fittings and furnishings, stationery, security, floor planning, and the like
- **Technology.** The development and the implementation of changes to the existing systems and to any new systems to support the delivery center environment
- **Training.** Execution of the training plans derived from the design sessions
- **Talent acquisition.** Planning and executing the transition in multiple, sequential waves to help ensure that the recruitment effort is manageable; many companies outsource this activity due to internal bandwidth constraints
- **Transition plan.** Implement the transition plan and have daily meetings of the project team to resolve any issues in a timely manner and help ensure that metrics are tracked on a daily and weekly basis
- **Testing.** Allow sufficient time in the plan to test technology and skill sets/training before the operations are ready for production
- **Operational transparency.** Operations should be transparent, and have a clear schedule and expectations for applicable activities such as: closing local offices and facilities; terminating lease/contact arrangements that are no longer

required in local offices; archiving or moving local documentation to the SSC or the outsourcing provider; redirecting mail, calls and e-mail and advising customers and suppliers of new contact information; making guidance, training, and procedures manuals available; clarifying travel and expenses arrangements with staff and providing information regarding corporate credit cards issued.

### ***Phase V: Operate (Go Live) and Review***

When opting for a shared services solution, one of the key areas to manage in terms of logistics is the difficulty that staff will have in terms of handing over responsibility for, and ceasing to perform, the day-to-day tasks and processes that they are used to doing. Extreme discipline is required in terms of notifying local resources firmly and in a timely

manner to help ensure that they are clear about the “hands-off” timing. Other examples of logistics to be managed often include mail re-directions and the delivery of documents and files to the SSC or the service provider.

Once all processes, people, technology and facilities are in place, signed-off, and ready for go-live, the SSC or outsourcing delivery center will begin operations on the pre-determined date. That’s the time to celebrate with your staff!

#### ***Two key steps post go-live:***

**1)** the ongoing managing and monitoring of any issues that arise, and **2)** performing a “go-live” implementation review immediately post-go-live. To help keep morale high and help to ensure that change sticks and full benefits are realized, be sure to communicate successes throughout the organization.

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***What this means for your business***

Reaping full benefits—  
Realizing expected  
returns

The assessment and the logistics of managing Design, Construct and Implement are extremely complex but, all too often, organizations have only limited internal resources to dedicate to their global sourcing initiative. This is a particularly challenging issue that must be resolved, as having the right resources in place is one of the most critical success factors. Strong governance is also key to a successful initiative. Finally, do your homework to help ensure that you have realistic expectations in terms of time and cost investments and expected results.

Organizations that heed the recommendations in this and the preceding two PwC global sourcing whitepapers can position their organizations not only to effect the desired change and achieve the expected returns on their investments, but also to see that these changes stick over time. Here are just a few examples of how we have seen companies benefit:

- Leave behind the inefficiencies of decentralized, autonomous operations in favor of regional, coordinated and integrated SSCs—reducing risk, harmonizing processes, gaining

closer access to data, increasing employee productivity, and achieving significant cost reductions

- Significantly improve outsourcing governance performance, including organizational, process and technology improvements
- Benchmark outsourcing and offshoring scope and scale to compare against their industry peers, leveraging the results to inform and develop a multi-function go-forward plan
- Improve scalability and capacity for accommodating business growth in high-growth markets
- Increase agility for acquisitions and divestitures

With an eye toward consolidating operations and channelling savings to areas of desired investments and growth, now is the time to identify those areas that would be better consolidated in a SSC or outsourced, build your fact-based business case for change, and begin pulling together the elements of your Global Sourcing Lifecycle Roadmap for the drive to the future state.

### ***A bird's-eye view— Key Takeaways for Success:***

- Enlist people who have gone through global sourcing before as a means of mitigating risks, getting internal buy-in more easily and expediting your assess-design-build timeline.
- Don't overlook your internal brain power and expertise, but do remember that people have "day jobs" and that global sourcing planning and implementation activities are time consuming and intensive.
- Be realistic in your expectations and keep the right objectives in mind.
- Have a strong structure, governance and communications in place from the very beginning.

***To have a deeper conversation  
about how this subject may affect  
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