

# Case Study

# Overview

TX International Software Inc. is a well known European software development firm that specializes in offering solutions to banks worldwide. Known for its friendly & efficient service and cordial relationship, has grown x150% since beginning.

TXIS manages a large part of its financial operations in its shared service center. Processes centralized in the shared service center include

Accounts Payable, Accounts Receivable. Reconciliations, Financial Reporting, Reconciliation, etc.,

Shared Service Center is has been established with an objective to demonstrate Speed of Service, High Accuracy Levels, Standardization of Processes across regions and thus ripe the synergies of scales of economy.

# Current State

Over a period of time, the Service Delivery Head for SSC has been receiving several complaints from regional finance managers about instances where the processing hasn't happened as per service level agreements. Specifically in Accounts Payable process, there has been an increase in escalations.

Head of Service Delivery wants to understand the issues and resolve them at the earliest as he sees this as a increased risk & big threat to the business model. He believes in deep diving and so calls a staff meeting consisting of people who work in the accounts payable process such as team leaders, associates, analysts, quality analysts and other team leaders.

“Team, we seem to be in trouble. Escalations from regional teams are increasing, especially from the accounts payable process. Experienced associates have resigned, regional managers are complaining about our service. I m worried and we have to do something...any suggestions?”

# Current State

## **Some Knee Jerk Reactions for associates:**

Andrew (Quality Analyst) – We have to introduce additional QC professionals

Victor (Team Leader)– Our SLAs are very tight and we should revise the terms. We cannot work in these SLAs

Peter Associate) – We have to make our processes 24X6 so that transactions can be processed as they are received.

Alex (Team Leader) – We can run a campaign among associates and reward associates with best productivity & accuracy

Gupta (HR)– We have to hire only people with commerce background

Tom (Quality Analyst) – Sir, why don't we ask our customers what they feel? Lets do a survey!

Head Service Delivery, “Toms idea sounds interesting. We gather feedback from regional finance & business managers and their teams who closely work with SSC teams every 6 months. We can review the recent feedback and see if it gives any insight”

# Survey Results

## **Survey Feedback for Accounts Payable Process :**

- Accounts Payable is inconsistent!
- Service has become extremely poor
- Quality of service down
- You guys are crediting incorrect amount to vendors and that too late!
- Why can't you process an invoice by at least next day evening if you receive it today morning?
- How come you can't process an invoice in 30 hours?
- We were better off without the SSC. We could process it better
- Very slow processing!
- I hate calls to check payment and vendor details when I have provided everything with the invoice and that too after waiting for so long
- If you cannot process an invoice in 30 hours, we will pull the process back
- Why don't you pay the vendors online, we have to get out of the cheque business?
- Your billing is so high and you service is so low?

# Survey Results

Service Delivery Head is reviewing the feedback from the survey but having a hard time trying to translate it to meaningful terms. Next morning he goes for his morning walk with his buddy Neil and is discussing his dilemma at work. Neil is a consultant and has a diverse portfolio of experiences with service businesses. Neil says "Why don't you call a friend of mine, her name is Suzanne. She has some experience with Six Sigma and has done some great projects. She too is looking for a part time assignment and I expect she will be within your budget!"

Service Delivery Head speaks to Suzanne, interviews her and discusses to hire her on a special project to improve the performance with the agreement that she would be paid after successful completion and tangible results!