

Companies are increasingly adopting outsourcing strategies to reduce operating costs, enable enterprise strategies and focus on core capabilities, while gaining access to world-class expertise in non-core functions.

To achieve optimal results, outsourcing strategies must be carefully aligned with overall business strategies. Companies that successfully outsource select the appropriate complement of functions to outsource, identify the best suppliers to provide those services, and ensure the right governance approach to provide oversight to the outsource suppliers.

Alvarez & Marsal (A&M) Business Consulting professionals understand that the decision to outsource involves more than just reducing cost; it involves a strategic view across the enterprise to optimize core business value. We help companies shape outsourcing strategies, evaluate and select the best supplier fit, and develop and implement action plans that deliver measurable operational results.

THE A&M ADVANTAGE

Alvarez & Marsal's professionals work alongside company management to formulate and execute plans that makes sense. We provide direction and clarity to help our clients make smart decisions when faced with an array of outsourcing choices. Alvarez & Marsal leverages an effective, methodical and efficient assessment, deal shaping and supplier evaluation to deliver a selection that is the best fit for your organization.

We create a collaborative environment to ensure that you and your selected outsource supplier are positioned for long-term success. If outsourcing relationships are already in place, we focus on improving the services provided to you through operational due diligence, contract review and renegotiation, and remediation of underperforming supplier relationships, as needed.

Whether establishing a new relationship or improving an existing supplier relationship, we are responsive to your strategic, business and tactical needs and adapt our methodology to meet dynamic requirements. We provide you with comprehensive support to ensure that each transaction is successful, and hold ourselves accountable for your success.

OUR SERVICES

A&M provides a broad array of outsourcing advisory services – from strategic option evaluation to implementation support and contract remediation.

A&M professionals can assist you to:

- Develop Sourcing Business Case and Strategies that Consider In-source, Outsource and Offshore Options
- Manage Supplier Selection Process
- Advise and Support Contract Development to Align with Business Case
- Develop Governance Structure to Manage Delivery of Expected Outcomes
- Assess Organizational Readiness
- Provide Program and Change Management for Transition
- Perform Operational Due Diligence for Supplier Delivery Centers
- Perform Due Diligence of Supplier Data Security and Privacy Standards
- Support Contract Dispute, Remediation and Unwind
- Develop and Implement In-Sourcing Strategies

We have proven industry experience, and provide practical and tactical insights to solve your business challenges. Our independent and broad view of the outsource supplier marketplace allows us to match your specific functional needs including:

- Information Technology
- Finance and Accounting
- Human Resources
- Customer Contact Centers
- Supply Chain



Outsourcing can be leveraged to 'variabilize' and reduce cost structures, increase efficiencies and improve service quality for non-core functions. Evaluation of outsourcing alternatives is one of many components assessed using A&M's Rapid Results Program.

CLIENT SUCCESS STORIES

Our professionals have worked on assignments across a wide range of industries, and have delivered quick and measurable results to the following clients:

A major **software technology company** wanted to assess its finance and accounting business process outsourcing alternatives to increase global process standardization and controls, improve service levels and reduce costs. The company turned to A&M to identify suppliers, evaluate solutions and validate the business case for outsourcing. A&M also managed the supplier evaluation process that enabled the company to develop ongoing relationships with selected outsourcing suppliers.

A **global, quick-service restaurant chain** called upon A&M to lead an outsource supplier evaluations and selection processes for its two largest information technology (IT) services contracts. By competitively evaluating offerings from multiple suppliers, the company's leadership sought to improve existing contractual terms and overall service levels. A team from A&M assisted in the planning and execution of an objective supplier evaluation and selection process for each IT services contract, and led the subsequent contract negotiation process.

As part of a divestiture, a **private equity firm** looked to A&M for help in implementing and operating an accounting, human resources and operations strategy within 120 days of the transaction closing date. A&M professionals analyzed back office requirements and completed an objective evaluation of outsource supplier offerings, enabling the new organization to meet its deadline and support requirements.

A state **child care agency** asked A&M to reconcile payments and disbursements processed by a BPO firm responsible for processing all related transactions. By programmatically recreating over 90 million records totaling approximately \$2.3 billion, A&M professionals helped to uncover and mitigate inadequate controls that were associated with a \$2.5 million loss.

An **industrial services company** was dissatisfied with its HR / Payroll outsourcing supplier following significant recurrences of payroll errors. The company asked A&M to conduct an objective evaluation of its outsourcing supplier and identify feasible alternatives. A&M helped the company evaluate, select and transition to a replacement supplier for lower costs and higher service levels.

ABOUT ALVAREZ & MARSAL

Since 1983, Alvarez & Marsal has set the standard for working with organizations to solve complex problems, boost operating performance and maximize value for stakeholders. A leading independent global professional services firm, A&M draws on its deep operational and turnaround heritage to help companies across the industry spectrum improve operating and financial performance, and to navigate business, litigation and tax matters with speed, responsiveness and unmatched quality.

Whether serving as business advisers or in interim management roles during periods of change or transition, A&M stands for leadership, problem-solving and value creation. A&M clients range from multinational to middle-market companies around the world that are both publicly held and privately owned. With a bias toward action, implementation and results, Alvarez & Marsal professionals serve large and mid-cap private equity firms, company management and boards and other stakeholders aiming to drive sustainable results up and down the balance sheet.

A founder of the modern day restructuring industry, Alvarez & Marsal has been honored numerous times by the Turnaround Management Association and has been recognized as one of the Best Firms to Work For by *Consulting* magazine.

For more information, visit
www.alvarezandmarsal.com



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