

Tech Co. Undergoes Finance Transformation with a Strategy Switch

An American technology company realizes 40% productivity benefit and savings of USD 2 Million over 5 years by transferring shared services center ownership to Wipro

Client Background

The client is a leading global provider of next-generation business collaboration and unified communication solutions to data centers and contact centers. It enables businesses to achieve superior results by designing, building, and managing their communication networks.

Industry Landscape

General accounting is transaction-intensive with a good deal of reliance on accountants, causing process delays in Book Close and Extended Financial Close period. This results in high running cost of operations and affects operational efficiency. To focus on their core business, enterprises seek expert vendor capabilities in financial planning and analysis (FP&A) to find benefits through standardization and compliance.

Opportunity

The company wanted a Finance and Accounting (F&A) partner which could bring the high running cost of its F&A operations spread across the globe under control. There was lack of standardization of processes, opening up opportunities for enabling adequate IT systems and transformation tools to support process simplification. The aim was to bring in contingency measures for reduction of extended month-end close and manual time-consuming processes.

Solution

Wipro deployed a platform-led service approach designed to enhance process efficiency, while addressing cost control. The client's global shared services providing services across USA, Canada, Germany, Australia, Thailand, Singapore, Philippines, Vietnam, Indonesia, and Malaysia was handed over to Wipro for running operations. Post initial transition, Wipro added the following operations:

- Country Accounting process for Japan, Korea, New Zealand and India
- FP&A process for Asia Pacific
- Manual Wire payments process
- Travel & Expenditure audit process
- Procurement work

Highlights of the engagement:

- Activities including due diligence, financials, statement of work agreements, and HR change planning were managed within 2 weeks
- Rigorous and continuous communication with employees was maintained via open houses, leadership connect, and policy clarification sessions
- Around 2000 operating procedures and process flows were created/updated to meet the objective of process documentation

Additionally, feasibility study towards Robotics Process Automation (RPA) enablement for processes such as Accounts Payable (AP), Cash Accounting, Inventory Accounting, FP&A and Revenue Assurance was completed.

Business Impact

With better tracking mechanisms, we have gained efficiencies in effective process controls and monitoring. The efficiencies translate to 40% productivity benefits over 5 years. Wipro has piloted automation, which helps faster Book Close aligned to the client's 'Speed to Close' initiative. Top three business impacts of the engagement are:

- Upfront productivity benefit of 5%
- Resource cost reduction by about 40%
- Cumulative cost savings of USD 2 Million over the contract period of 5 years

"Wipro got involved at a stage when minimal process metrics were being considered. We proposed a solution-led transformation plan for all their core functional roles, like controllership, revenue recognition and FP&A. We are delivering value to the client's CFO organization through comprehensive management reporting."

Ruchin Chandra

General Manager, Corporate Business Services, Wipro

About Wipro

Wipro Limited (NYSE:WIT) is a leading information technology, consulting and business process services company that delivers solutions to enable its clients do business better. Wipro delivers winning business outcomes through its deep industry experience and a 360 degree view of "Business through Technology." By combining digital strategy, customer centric design, advanced analytics and product engineering approach, Wipro helps its clients create successful and adaptive businesses. A company recognized globally for its comprehensive portfolio of services, strong commitment to sustainability and good corporate citizenship, Wipro has a dedicated workforce of over 170,000, serving clients in 175+ cities across 6 continents. For more information, please visit wipro.com or write to us at info@wipro.com