How a European manufacturing MNC brought down operations cost through automation
The manufacturing company brought down average cost per FTE (Full-time Equivalent) and achieved an internal target of USD 100 million in savings using Wipro's Global Business Services delivery model

**Client background**

**Client:** Robotics, power and electrical equipment MNC  
**Industry type:** Manufacturing, operating power and heavy electrical equipment  
**Area of operation:** Global  
**Total annual revenue:** $34 billion

**Challenges**

The client had shared service centers in 68 countries, making the consolidation of processes across geographies a critical challenge. This resulted in disparate processes and operational inefficiencies that eventually impacted revenue growth as a result of high costs involved in managing such processes.

Operating costs were higher compared to the industry average as over 80% of the operations were carried out in high cost centers. The rate of standardization of processes was below 20%, with extensively dispersed operations. This contributed to low collaboration among different verticals within the organization.

**Solution**

In the face of these challenges, Wipro offered comprehensively designed digital transformation solutions to help the client standardize its processes for smoother operations and cost savings. The solution components included:

- Introduction of variance analysis for improving operational efficiency
- Standardized and consistent process documentation to capture in-depth process details while highlighting critical process areas (compliance, controls etc.)
- Library and version control for reuse of knowledge, catalogued library, easy discovery of relevant processes
- Gaining process insights which helped identify opportunities for data, role, and system simplification and also map out gaps in the process
- Digitization allowed quick dissemination of digitalized knowledge that could be used for training employees
- Harmonization of data, processes, roles and systems across geographies helped identify non-value add activities to streamline business processes
- BOTMAP - Helped to identify opportunity for process automation to improve operational efficiency
- Process variants - Identified and highlighted multiple process variants across tracks that helped in process comparison and standardization.
Business impact

The solution enabled the client to achieve cross functional collaboration amongst different verticals of the organization. Specific impact areas included:

- Creation of two global and four regional hubs
- Achieved process standardization greater than 50%
- Reduction of average cost per FTE
- More than 70% low cost country operations
- Target of USD 100 million in savings
- Knowledge capture - which involves capturing process knowledge in a digitized format for easy access and use across two functions – FAO (Financial Accounting Outsourcing) and HRO (Human Resource Accounting) - simultaneously across the globe using Wipro Harmony.
- Improved levels of service quality, accuracy and responsiveness, in addition to simplified internal controls landscape.

“The client leveraged Wipro’s digital transformation solutions to harmonize disparate processes and operations spread across geographies, leading to improved operational efficiencies and significant cost savings. This also helped the client achieve better cross functional collaboration amongst different verticals within the organization.”

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