

case study

Success Stories From Buck Consultants

Improving Business Results Through Offshoring

“Offshoring our non-strategic functions made us a stronger organization by freeing up our U.S. staff to focus on more value-added tasks, and generating significant labor cost savings. With Buck’s ongoing involvement in this change management initiative — including process workflow development, communication, and training — we anticipate continued success as we expand the services handled in our new location.”

– HR Implementation Manager

ISSUE

A U.S.-based professional services company needed to lower its operating costs without sacrificing its quality of work. Knowing that a center of excellence could free up resources for more strategic tasks, improve time efficiencies, and reduce costs, the company determined this was its best option — but it remained undecided on which services made most sense to centralize.

SOLUTION

Knowing the company had many more questions than answers, Buck Consultants established a systematic process for developing a center of excellence, or offshoring initiative. The first step for the Buck team was to analyze the tasks, processes, and utilization rates of a number of different job functions to determine which could be most effectively handled by an offshore team. The Buck team determined that the most logical first step was to offshore a portion of the company’s administrative staff, and immediately began working on a change management plan.

The team’s next steps were to determine which stakeholders would be most affected by this change in staffing, and to develop a detailed communication program to ensure that employees involved in the initiative were fully informed before any changes were made. By communicating early and often, the team helped ensure that key stakeholders understood what would be happening and were supportive of the initiative — two important factors for success in any offshoring arrangement. In addition, Buck developed a second set of communications to be shared with all company employees to introduce the offshoring initiative, explain the business reasons behind the need for this cost-effective solution, detail the changes that employees could expect to see, and highlight the solutions already in place to ensure that business would continue without disruption.

Always focused on the company’s goals, the Buck team needed to ensure that service level standards were maintained, and that neither internal nor external clients would notice a decline in the quality of the work after the offshore team was in place. Buck established a series of metrics to ensure quality and also implemented a system to track various work products in a consistent manner on a weekly basis. In addition, a process for sharing and receiving feedback was put into place to encourage regular and open communication between the initiating office and the office in which the work was taking place.

When it was time for the initiative to launch, the Buck team had staff members onsite in the new offshore location to answer questions and ensure a smooth transition.

RESULTS

The company was pleased with the initial stage in its offshoring initiative. In this first phase:

- Administrative labor costs were reduced 65 percent to 75 percent on a per-person basis, saving the company nearly \$1 million
- An average of 10 hours per person per week were re-directed to higher-value tasks

Because of the success of this initial implementation, the company hopes to expand this initiative to include additional job functions, and the Buck team will continue to provide services for future phases.

CONTACT US

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