

CASE STUDY

TEAM TRANSITION

Global services provider sees reduced costs and reduced risks after vendor transition.

SITUATION

A global B2B services provider had been utilizing an outsourced bookkeeping vendor for some time when a senior operating executive began to observe financial errors.

OPPORTUNITY

Making the decision to replace a vendor or employee that provides core business functions is never easy. Sometimes, additional oversight, training and/or process development is all that's required to get things on the right track. At other times, a certain factor or issue is present that necessitates a transition—this was one such case.

ACTION

Having the relevant experience with a variety of outsourced bookkeeping solutions and internal teams, our fractional CFO developed an RFP and evaluated a number of hand-selected vendors from our network. After selecting the right vendor for the client, careful oversight of the transition by our fractional CFO ensured a successful change that was completed on time and within budget.

BENEFITS

Despite the difficulties involved in a vendor transition such as this, the Client realized a number of material benefits including:

- Reduced cost for the outsourced bookkeeping functions
- System-licensing control was transferred into the company, dramatically reducing the risk involved in any future vendor transition
- Customer-facing workflows were redesigned to improve customer experience

DISCUSSION

In this particular case, the vendor transition was used as an opportunity to redesign several critical business processes for better efficiency, resilience and customer experience. Among the factors considered in creating more resilience in this context were:

- The consistent execution of business processes
- The processes of change management, managerial oversight and accountability
- The degree of automation

This case study is based on an ongoing fractional CFO engagement to provide oversight of the Client's accounting, tax, financial planning and analysis, and its treasury management functions. Engagements like this are a very cost-effective way of accessing a sophisticated financial perspective. This case describes one of several valuable outcomes to the Client over the course of the engagement. These fractional engagements typically last until a client has grown enough to necessitate a full-time CFO.