

## **SUCCESS STORY** | *Driving Cost Reduction and Enhancing Quality Through Centralization*

### **OPPORTUNITY**

One of the largest cable advertising firms was experiencing declining revenues and needed to transform their overall operating structure to lower the cost to serve model without impacting quality. The core operations (Order Entry, Fulfillment, Billing, AR, IT support and Engineering) were dispersed over 22 market locations and provided platform redundancy, processes disparity, inconsistent customer experience and an inflated cost structure.

### **ENGAGEMENT SCOPE**

The Innovar team performed an initial Assessment and provided a recommendation, prioritized roadmap and high level business case. The team performed a current state assessment of all functions and designed a detailed future state operating model that provided sustainable cost reductions without compromising quality of service. Future state design was translated into a detailed and iterative development and execution plan in order to realize cost savings as quickly as possible. The timeframe from Assessment to full Transition was approximately 13 months.

- Centralized Order Fulfillment functions and reduced headcount by over 55%
- Centralized AR functions and reduced headcount by over 25%
- Centralized company specific IT support and outsourced remaining IT and Engineering functions resulting in an overall headcount reduction of over 55%
- Outsourced Billing functions and reduced headcount by over 20%

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### RESULT

The Innovar team centralized over 20 disparate operating markets within a corporate culture that had never performed centralization or large scale business transformation before. The combined Innovar and client team significantly reduced costs while enhancing quality and developing a consistent customer experience.

- Delivered sustainable annualized cost savings over \$8M
- Built a centralized operations center that provided a high quality and consistent customer experience
- Developed a consolidated and integrated technology platform that was easier and more cost effective to maintain

### INNOVAR DIFFERENTIATOR

**CENTRALIZATION EXPERIENCE:** The ability to blend strong project management understanding with deep experience of centralized operations at multiple clients enabled an enhanced outcome with less risk for our client. There is no substitute for real-world experience.

**CROSS-FUNCTIONAL INTEGRATION:** The engagement required that multiple functional areas with different processes and technology be centralized. Innovar provided program and project leadership, designed future state processes, developed the detailed transition plan and led the transition to the centralized environment.

**EXECUTION DISCIPLINE:** Innovar coupled our proven methodology with industry standards for this complex and large-scale initiative to execute a detailed plan ensuring our client experienced no surprises and achieved expected results.