

# Innovation Nation

**Helping to optimize your business operations** Spring | 2021

# Delivering a frictionless employee experience

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**Stephan Paolini** Global Head of Capgemini's Digital Employee Operations Practice As the latest newcomer to the Capgemini's Business Services leadership team, I have the opportunity to author the editorial for our spring 2021 edition of Innovation Nation. Unsurprisingly, I've chosen to focus it on people matters! Despite the unimaginable period we are all going through, some organizations still fail to fully grasp that their digital native employees' expectations are set by the world they live in. They can neglect the fact that employees are also clients, and often enjoy a better engagement experience as consumers than they do as employees. For their part, employees expect simple, seamless interactions and customer experience within their organization, accessible at any time.

Everything with which employees come into contact needs to flow. Services need to be made accessible from a single place, available, and accurate. They must be adaptable to individual needs in a simple way. And this requires them to be frictionless, meaning departmental barriers need to be made smoother, life made easier and simpler – both externally for customers and supply chain partners - and internally for employees. When this happens, an organization can transition to -what we call - the Frictionless Enterprise, which brings even greater benefits to the employees, customers, and partners with which the organization interacts with.

With this is mind, this edition of Innovation Nation focuses on how we're helping our clients deliver a frictionless, consumergrade experience to their employees. Among the many articles here, there are a number of must-reads. In my opening article, I describe how implementing a hybrid workforce model established on such a frictionless HR infrastructure can help organizations drive an improved employee experience and more intuitive, seamless ways of working; currently an absolute requirement for all organizations.

Felicia Jones (Digital Employee Operations Leader, Americas) and Anjali Pendlebury-Green (my predecessor) describe the Frictionless Enterprise challenge and our approach towards augmenting HR operations. Felicia also talks to Gretchen Alarcon (VP and GM, Human Resources Service Delivery, ServiceNow) about how delivering a frictionless HR experience and interactions enables employees to access the right information when and where they need it via a single pane of glass.

I hope you find this edition's articles and interviews both engaging and thoughtprovoking. This is for you, so I welcome you to share your opinions and views online and through our social media channels – because we are all in it together!

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Delivering a frictionless employee experience



# Frictionless HR and the future of work

## Stephan Paolini

Global Head of Capgemini's Digital Employee Operations Practice, Capgemini's Business Services



A hybrid workforce model established on a robust, frictionless HR infrastructure gives employees secure digital access to HR processes at any time, from any place, and using any device. The result? An improved employee experience and a more intuitive, seamless way of working.

Did John Maynard Keynes really once say: "When the facts change, I change my mind?" Apparently, no one's sure. But either way, it doesn't matter, because there's a truth in that simple statement that we all recognize.

The world of work is a case in point. Until recently, people sat together in open-plan offices and meeting rooms, and anything else was, well, unusual.

And then the global pandemic happened. The facts changed, and people changed their practices even before their minds. What had been unusual became not only acceptable – but expected, required, and normal. Indeed, <u>one Capgemini Research</u> <u>Institute</u> (CRI) reports tells us that threequarters of organizations expect 30% or more of their employees to be working remotely, and over a quarter put the figure at 70%. The functions in which this is most likely to happen include IT, finance, and accounting.

### The opportunities...

Minds are changing not just because the facts are, but because of the benefits organizations have seen. According to the CRI report, six out of ten organizations saw productivity gains in Q3 2020 because of mass remote working, and average productivity gains ranged from 13–24%. Almost 70% of organizations think those gains would be sustainable beyond the pandemic.

It's not just about productivity, either. The more remote working there is, the greater the likely savings in areas such as real estate, facilities management, and business travel.

### ... the challenges...

However, a new normal brings with it a need for new ground-rules. In people matters, in particular, organizations can't expect office-based practices and expectations to continue without change.

During the pandemic, the CRI report tells us many employees, and especially those in their 30s, have reported feeling burned out as a result of remote working. They feel stress from an expectation of being "always on." Some of them feel they're not trusted, and that they are being micromanaged as a result. And some new joiners feel lost. They don't feel they are truly on board.

### ... and the way ahead

We now need to consider how a new, hybrid workforce model can address these challenges, while maintaining and even enhancing the opportunities. I'd like to focus on one aspect of it.

The hybrid model is predicated on establishing a consistent HR platform that can support everyone – regardless of their context or circumstances. Consistency can only be achieved if a robust, seamless digital infrastructure can be put in place – so that employees can have secure digital access to business processes at any time, from any place, and using any device. At Capgemini, we call this <u>frictionless HR</u>.

A frictionless HR infrastructure needs to be agnostic, using smart technologies to help everyone feel they truly belong, whether they are onboarding, or engaged in learning and development, or undertaking performance management, seeking information about compensation, benefits, or wellbeing.

### **The Frictionless Enterprise**

Implementing a frictionless HR model, can help organizations transition towards a concept we call the <u>Frictionless Enterprise</u> – an approach that seamlessly connects people and processes, intelligently, as and when it is needed. It dynamically adapts to the specificities of individual organizations, and addresses each and every point of potential operational friction to deliver an improved experience and a more intuitive way of working for employees, thus increasing both their effectiveness and their engagement.

In the articles that follow in this section of *Innovation Nation*, several of my colleagues and others write more on this topic. We cover how frictionless HR can be achieved, and the key criteria for its delivery in terms not just of the technology platform, but of the service partners who help to deliver it. We look creatively at what it might achieve, and we look, too, at the human needs it can meet. And there are technology assessments, interviews, and a useful infographic too.

In short, there is plenty of information here. And, as John Maynard Keynes is believed to have said, information is the basis on which good decisions can be made!

Stephan Paolini helps to build people engagement and management solutions that accelerate implementation and provide change efficiency in complex environments. Going beyond operational performance, Stephan creates renewed and collective people performance that sustainably transforms organizational ways of working.



# The Frictionless Enterprise in the context of HR

**Felicia Jones** Digital Employee Operations Leader, Americas

Anjali Pendlebury–Green Global Head of Capgemini's Digital Customer Operations Practice



Felicia Jones (Digital Employee Operations Leader, Americas) talks to Anjali Pendlebury-Green (Global Head of Capgemini's Digital Customer Operations Practice) about how Capgemini's Frictionless Enterprise approach relates to HR operations and how it is delivering a frictionless experience for our clients' employees.

Felicia Jones: Hello Anjali. Thanks for joining me to talk about the Frictionless Enterprise. In particular, I'd like to talk about the frictionless employee experience.

**Anjali Pendlebury-Green:** Hello Felicia, thank you very much for having me.

When we think about the Frictionless Enterprise as it relates to HR operations, our customer is actually our individual employee who not only needs to interact with HR, but also with other departments. For example, if I have questions about my expenses, I reach out to the accounting department, and if I'm looking to procure a new laptop, then I work with IT. How do we make that a seamless experience for the employees?

Good point, and this is the reason why, at Capgemini, the <u>frictionless employee</u> <u>experience</u> goes way beyond HR. It actually looks at the interactions that an employee has across the organization and the organization's operating model. It then converts that experience and that desired seamless flow into our service model and our operating model.

This means we have to breakdown the barriers between departments that are not traditionally HR, so we have to think of how the interaction works with procurement, with IT services, and whether the employee has easy access to all the services that they need on a single pane of glass. That, for us, is the true definition of the frictionless employee experience. The single pane of glass – I really like that concept. With the change in the workforce due to COVID-19, it sounds like the single pane of glass can quickly be used with the paradigm shift in the ways of working. Would you agree with that?

Absolutely, the pandemic has been a great accelerator of the digital employee experience. We've had to move into a remote and digital working mode, even for more traditional industries such as retail – where people are actually supposed to be on tills or in shops. We have been required to construct quite innovative digital employee experiences and deliver them at pace.

In addition, we have been working across several of our digital partners such as <u>ServiceNow</u> or <u>Zendesk</u> to bring best practices from customer-grade technology and experiences into the employee space, in order to react with speed during the crisis.

### How have these changes adjusted Capgemini's D-GEM model – our platform to deliver on the frictionless HR vision?

Our <u>Digital Global Enterprise Model</u> (D-GEM) platform has been adapted to frictionless along two parameters. The first is really looking at the operating model for an employee across departments – and not just HR – but really going back to our original concept of service integration, and then enabling that service integration with a single pane of glass so that they can access different departments with the touch of a button. The frictionless employee experience goes way beyond HR. It actually looks at the interactions that an employee has across the organization and the organization and the organization's operating model. It then converts that experience and that desired seamless flow into our service model and our operating model."

### Anjali Pendlebury-Green

Global Head of Capgemini's Digital Customer Operations Practice

### Capgemini



The second point is really about our digital partners such as <u>ServiceNow</u> or <u>Zendesk</u>, who are famous for customer experience initiatives, understanding how that applies to the employee experience, and truly bringing it back.

We've been surprised by the level of adoption that we have been able to drive of this new way of thinking with our clients.

#### Finally, what part does intelligent automation play in the Frictionless Enterprise and creating a frictionless employee experience?

Our teams love our <u>augmented workforce</u> and our digital workers, especially at the moment, where the velocity of change, but also the volume of requests, is significantly high.

We've taken the opportunity to accelerate the introduction of the augmented workforce. This means the human workforce can really focus on driving empathy and engagement with our employees and colleagues that are facing very serious challenges – not just at work, but also in their personal lives.

Meanwhile, the digital workforce is effectively picking up simple transactions and easy-to-do actions, and freeing up their time at the front-end thereby significantly decreasing the total cost of operations. Our teams are absolutely in awe of their digital colleagues that are operating simple transactions for them! Anjali, thank you for your time. This has been a really interesting discussion – and from the sounds of it, our future is frictionless!

> Our teams love our augmented workforce and our digital workers, especially at the moment, where the velocity of change, but also the volume of requests, is significantly high."

### Anjali Pendlebury-Green

Global Head of Capgemini's Digital Customer Operations Practice

### Capgemini

AJKAPOOI

Anjali Pendlebury-Green Global Head of the Digital Customer Operations Practice

### **The Frictionless Enterprise**

Anjali Pendlebury-Green is an expert in the field of HR outsourcing and transformation, specializing in delivering HR solutions that leverage global outsourcing platforms, leading edge technology, stack offers, and process standardization. Anjali has led awardwinning HRO teams for large multinational companies with a special focus on the manufacturing sector.

Our teams are absolutely in awe of their digital colleagues that are operating simple transactions for them!"

### Anjali Pendlebury-Green

Global Head of Capgemini's Digital Customer Operations Practice

Felicia Jones leads multi-site teams and projects to enable our clients to implement processes and systems that improve efficiency, reduce costs, and align HR as a strategic value-added business partner.

# A vision of frictionless HR operations

When everything an employee comes into contact with flows, and services are easily accessible 24/7, HR becomes frictionless.

# Why does service excellence matter?

### 86%

of buyers will pay more for a better customer experience<sup>1</sup>

# 83%

of HR leaders cite "employee experience" as a major factor in organizational success<sup>4</sup>

### 57%

of customers won't recommend a brand if the mobile or web experience is sub-par<sup>2</sup>

### 66%

of companies now compete primarily on the basis of customer experience<sup>5</sup>

> Service quality drives frictionless business outcomes

Enhanced productivity and reputation



Reduced operating costs and increased revenue



## 92%

of customers will completely abandon a company or brand after 2–3 negative experiences<sup>3</sup>

# 70%

of the current workforce is "not engaged" or "disengaged" with their work, draining productivity<sup>6</sup>

The flexibility and agility to evolve



# What do employees need from their HR department?



### What does the HR department want to achieve?



# What are the barriers to digital HR excellence?



# Transforming employee interactions to create a frictionless HR experience



4. Source: ServiceNow, 2019 5. Source: PwC, 2019 6. Source: Forbes, 2018



# Frictionless interactions via a single pane of glass

### **Felicia Jones**

Digital Employee Operations Leader, Americas, Capgemini's Business Services

### **Gretchen Alarcon**

VP and GM, Human Resources Service Delivery, ServiceNow Felicia Jones (Digital Employee Operations Leader, Americas) and Gretchen Alarcon (VP and GM, Human Resources Service Delivery, ServiceNow) talk about how a frictionless HR experience enables your employees to access the right information when and where they need it via a single pane of glass.

Felicia Jones: Welcome Gretchen. I'd like to start off by asking you: why can't people have the same kinds of interactions with their employers that they experience outside of work? Shouldn't good customer service principles apply here too?

**Gretchen Alarcon:** Well they should, and in fact they can! There's no reason why we can't all have frictionless experiences at work as we do in other areas of our lives – and that's why ServiceNow has partnered with Capgemini to create its Digital Employee Operations Powered by ServiceNow<sup>®</sup> solution.

Yes, thanks Gretchen, for the record, this solution gives an organization's employees a single, simple, and frictionless route to the information they need. They can use the device they want; they can self-serve, or seek direct help from an HR team member; and they can get HR information securely – how and when they want it.

That's right, yes and it makes the whole process natural and approachable which is key. If it feels awkward and outcomes aren't as expected people will abandon it. What's more we can't assume that everyone's needs and expectations are the same, so the service needs to be personalized – wouldn't you agree?

#### Absolutely. That's why sentiment analysis is being used in the market to enable companies to tailor and enhance their responses.

I also think it's the reason why we are seeing an increase in the need for voice technology so that busy people can interact swiftly and securely with self-service systems while using natural language processing.

I totally agree. Much of the progress we see in the world is because people have asked questions that begin with: "why can't we...?" So, here's another one for you: why can't we remove barriers not just within HR, but between HR and other, related business functions too?

That's a completely reasonable question, because when employees get in touch with HR about issues, it's highly likely that their questions will extend beyond a single department.

For example, a calendar look up might lead to requesting time off. Or a question about payroll might lead to looking up your retirement account for example.

In both of these cases, input is going to be needed not just from HR, but from various finance and administrative department functions. To keep everything simple, natural, and approachable, all of these need to be available from the same point of access – through a single pane of glass.

Right, and that single pane of glass can vary, depending on the person's preferences and whereabouts. So the next "why can't we...?" question here is one of inoperability.

Some people default to laptops, others to mobiles, others to collaborative apps, and others switch between them. This means that HR teams need to cater to all these needs seamlessly. So, if someone is taking an online learning and development course, the system needs to be able to remember the stage they've reached on their tablet, so they can pick up from that point later. Because if that's what they do at home with apps such as Netflix, why can't they do it at work?

Exactly. And you shouldn't need to switch apps to get the answers you need. Let's say someone needs help with their password, ownership of that process might rest with HR, or it might be with the IT department. It's the system that ought to know the right answer, not the employee.

> There's no reason why we can't all have frictionless experiences at work as we do in other areas of our lives."

### **Gretchen Alarcon**

VP and GM, Human Resources Service Delivery, ServiceNow

Capgemini

Felicia Jones Senior Director, HR Business Transformation Capgemini's Business Services

The Frictionless Enterprise

When it comes to questions such as "why can't people have the same type of interaction with their employers that they experience outside work?" or "why can't we have Frictionless HR?" what's implicit in the answers is the need to remove roadblocks in business processes. Would you say that's right?

Definitely, and it also requires bringing more intelligence into the systems that drive them. Ultimately, the route needs to be single, simple, and frictionless. That's why <u>Capgemini's Frictionless Enterprise</u> is something we are really invested in at ServiceNow.

This approach dynamically adapts to the circumstances of individual organizations, and addresses each and every point of potential operational friction – whether that's between departments, functions, applications, data sources, devices, or something else altogether.

#### I couldn't have said it better myself! And the result is something that works the way employees instinctively expect it to work.

Which gets me so excited. I love living at that interaction between people and technology and building processes that transform HR and the employee experience with digital workflows. That idea really resonates with me.

#### That's great to hear. Thanks again for your time today Gretchen, it was lovely talking with you

Capgemini

### Gretchen Alarcon

VP and GM, Human Resources Service Delivery ServiceNow

### **The Frictionless Enterprise**

**Gretchen Alarcon** is passionate about building products to transform HR and the employee experience with digital workflows. Recognized as a top HR tech thought leader, Gretchen brings a unique view of the challenges many organizations face as they reimagine the future of work.

Felicia Jones is an expert in the field of HR outsourcing and HR transformation, specializing in delivering HR solutions that leverage global outsourcing platforms, leading edge technology, and process standardization. She leads multi-site teams and projects to enable our clients to implement processes and systems that improve efficiency, reduce costs, and align HR as a strategic value-added business partner. Capgemini's Frictionless Enterprise is something we are really invested in at ServiceNow. This approach dynamically adapts to the circumstances of individual organizations, and addresses each and every point of potential operational friction – whether that's between departments, functions, applications, data sources, devices, or something else altogether."

### **Gretchen Alarcon**

VP and GM, Human Resources Service Delivery, ServiceNow



# Frictionless HR – making it happen

# Felicia Jones

Digital Employee Operations Leader, Americas

### **Gretchen Alarcon**

VP and GM, Human Resources Service Delivery, ServiceNow



In this article, we'll be looking at what organizations need to do in order to make their HR functions frictionless, and how processes can be reimagined to increasingly serve their employees as though they were customers.

### No need for a Big Bang approach

Capgemini's approach to creating frictionless HR operations is based around seamlessly connecting processes and people, intelligently, and as and when needed – what we call – the <u>Frictionless</u> <u>Enterprise</u>. You might think, therefore, that what's needed is a major, monolithic lift-and-shift, with all the disruption that this implies.

Indeed, a lot of organizations have the same expectation, and so it's no surprise that they freeze at the prospect. But they'd be wrong. Not only can change at this level be implemented in small steps, but there are advantages to doing it this way.

### Small, quick wins

Let's say, for example, that a company decided to focus first on its onboarding process. Sure, there will be elements to it that are linked to other HR functions, but there are others that are specific to this particular task. Removing obstacles, standardizing and streamlining where possible, and building a new digital platform such as Capgemini's Digital Employee Operations Powered by ServiceNow<sup>®</sup>, will enable the company to be more flexible and creative. It will, for instance, be able to adapt its response more easily to circumstances, such as tailoring the onboarding program by job location, or by the role and level of its new recruits.

These small, quick steps are easier to achieve than a comprehensive transformation program, and they are more likely to succeed, too. But they also generate other benefits. For instance, you might start with onboarding, see how it goes, and build in a feedback loop. You can then move to a related area, such as internal transfers, which may not involve new hires, but is still in the onboarding arena. Here, too, you can monitor results, and fine-tune processes before moving on. This "rolling thunder" approach means the organization can learn along the way what's working, what can be improved, what can be adapted, and what other functionality might be added. It's a form of continuous improvement.

It's not just a case of what's working in technical terms, either. By putting user engagement metrics in place – ServiceNow calls its own approach Listening Posts – the business can capture feedback in real time. Unlike a formal six-month culture survey, users' immediate responses to a process will be unfiltered, and what's more, they will be more readily actionable. So if reactions to the new digital onboarding process have been noticeably less positive, say, among women in the US Mid-West, the organization can look into why this might be, straight away.

### A virtuous circle

Taking immediate action of this kind delivers a further benefit. It shows people they've been heard: you gathered feedback, you acted on it, and you delivered an improvement. This increases their confidence in the process, which in turn encourages further feedback, and generates greater participation.

The increasing use of artificial intelligence (AI) in digital employee systems is likely to add to this virtuous circle. It will be able to analyze online behavior, identify what's going well and less well in the employee journey, and suggest possible actions. The extent to which this can happen will depend on levels of AI maturity. Organizations vary quite widely in their progress in this area, if not in their enthusiasm, which is why they need to adopt an approach that suits their circumstances. Working together, Capgemini and ServiceNow are tailoring their offer, so they can deliver solutions from which businesses can benefit immediately, and on their own terms.

### The multiplier effect

In short, success in one functional area that onboarding creates – with its own momentum, and it can also act as a bestpractice model for rollout across the entire HR function.

What's more, the frictionless principle has a multiplier effect: as each new area of HR comes on stream, so its benefits are felt not just in relation to the respective functions, but across the entire discipline.

**Gretchen Alarcon** is passionate about building products to transform HR and the employee experience with digital workflows. Recognized as a top HR tech thought leader, Gretchen brings a unique view of the challenges many organizations face as they reimagine the future of work.

Felicia Jones is an expert in the field of HR outsourcing and HR transformation, specializing in delivering HR solutions that leverage global outsourcing platforms, leading edge technology, and process standardization. She leads multi-site teams and projects to enable our clients to implement processes and systems that improve efficiency, reduce costs, and align HR as a strategic value-added business partner.



# HR service transformation – the human touch

### Kunle Lawal

HR Transformation Manager, Capgemini's Business Services

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If your organization wants to bring digital transformation to its HR relationship challenges, you can choose the kind of story you want.

Let me tell you a story. Think of it as a movie.

In this story, the lead character is Enterprise XYZ – and it has relationship issues. Specifically, it's facing challenges with its human resources (HR) function. Externally, systems have been developed to help people serve customers, and employees are trained in their use. But less effort has been made on these internal processes. Like everyone else, team members are consumers, and they bring their <u>online service expectations to</u> <u>work</u>. Enterprise XYZ needs to meet these expectations – and it's a moving target.

What is our lead character going to do? In general terms, the organization will need to create a better environment to manage these relationships, and that means undergoing a digital transformation. As <u>Ioutlined in another article</u>, key elements include a consumer-oriented digital contact center, automated standard HR processes, and a robust digital operating model.

### People...

These are all practical, technological steps. They are driven, however, by basic human need. HR systems are almost always handling something very personal to people: not just issues related to the income that sustains them and their families, but vacations, working hours, team relationships, skills development, health benefits, compassionate leave, and more besides.

In all these circumstances, Enterprise XYZ needs to demonstrate empathy. It needs to recognize that people are people and that, as well as running its own business efficiently, it must do all it can to help them.

Our lead character can find ways to meet these human needs on its own, and it can figure out a route to the necessary digital transformation by itself, too. But I did say this is a story with relationship issues, and another factor for Enterprise XYZ is that it could do with a friend.

### ... partners...

When you have problems to tackle, it's good to have someone by your side. Ideally, that "someone" will have the same mindset and motivations as you, but will also be able to bring complementary knowledge and experience to the situation.

The good news in our story is that Enterprise XYZ has found exactly this kind of smart kindred spirit. Its partner doesn't just understand its concerns, but will be able to help formulate a plan, and also put it into action. Capgemini's <u>Digital</u> <u>Global Enterprise Model</u> (D-GEM) provides a complete overview of an organization's people, processes, technology, and governance, with control points, while accelerating the transition to transformed, future-proof processes.

Back to our story. The trusted friend has experience in the provision of advisory and digital services, including a digital employee helpdesk. This is a friend that listens to people as much as it does to businesses, and that's accustomed to seeing things from a workforce perspective, and acting accordingly.

### ... and processes

Enterprise XYZ is now in business – literally, and figuratively. Working with its close partner, it's able to address its internal relationship challenges with a suite of carefully curated and integrated processes that can make everyone happy, and keep them that way. Everything works seamlessly and naturally. At Capgemini, we call this the Frictionless Enterprise.

This approach starts by giving employees access to the information and services they need on demand on the device of their choice. After all, shopping apps are always available. Why should support at work be any different? These services can and should be personalized and intuitive in design, so work activity feels like life at home – as a consumer.

No relationship is one-way, of course, and Enterprise XYZ benefits, too. With the right platform, the organization will be able to exchange processes that are currently time-consuming and disconnected for touchless workflows that span enterprise functions. HR services that are constructed on a strong data model foundation will promote the ability for the organization not only to improve resolution rates and turnaround times, but also to measure the workload and performance of the HR team more accurately.

Of course, breaking down these silos and tailoring services so as to streamline operations isn't just good for Enterprise XYZ. It's good for everyone.

### Choosing an ending

Enterprise XYZ can choose the ending it prefers. It can work with its trusted partner on a long-term, managed service basis. It can run its own HR processes, with the partner providing knowledge, support, and advice to agreed levels. Or it can ask its partner to provide practical assistance during a particular phase, such as digital transformation.

If your organization wants to bring digital transformation to its HR relationship challenges, you too can choose the kind of story you want.

Kunle Lawal is a business transformation manager with over 20 years of industry and consulting experience. He helps clients with their HR transformation journey, delivering a frictionless employee experience and cost savings through leveraging next-generation tools and technology.



# Putting the human back into HR

### **Florence Rolland**

Intelligent Automation Offering and Business Developer, Capgemini's Business Services

### **Antoine Starek**

Senior Director, Digital Employee Operations, Capgemini's Business Services



Antoine Starek (Senior Director, Digital Employee Operations) talks to Florence Rolland (Intelligent Automation Offering and Business Developer) about how intelligent automation is helping organizations apply the human touch within their HR operations.

#### Antoine Starek: Hello Florence. I'd like to start by asking you about the automation of HR processes, and the changing role of the HR professional?

**Florence Rolland:** Of course, the role of an HR professional will evolve in the coming years as business processes become more and more equipped with intelligent automation and digital tools. In fact, we estimate that by 2022, 30% of organizations will have an AI-based solution in their HRO system – up from just 17% today.

This doesn't mean HR roles will disappear – rather it will evolve back to its original purpose, with HR professionals having more time to focus on interacting with employees on a human level.

# Why is it so important for us to automate our HR processes?

There are a couple of building blocks we need to keep in mind here. The first, of course, is cost – after all, everything takes time and effort! The HR function has a lot to focus on and there are certain things that they shouldn't spend any time on.

Intelligent automation – and more specifically Capgemini's <u>Intelligent Process</u> <u>Automation</u> (IPA) offer – can help reduce costs and enable HR professionals to focus on more business critical tasks, creating more efficiency within HR teams in the long run. So, really reducing the impact of repetitive, time-consuming tasks in the HR function is what we should focus on first when we begin implementing intelligent automation solutions into the HR field.

# Could you give us a few examples of this?

Yes absolutely. For example, IPA is able to understand and extract data and critical information from a variety of sources such as curriculum vitae documents. It takes key information the HR team needs and uploads it into the organization's human resources management (HRM) system. This helps HR professionals <u>save time</u> <u>in the recruitment process</u>, and enables them to focus on bringing more value into their organizations.

IPA can also support simple tasks. For example, HR functions can implement chatbots to handle Q&A tasks and simple query resolution requests, because they are typically linked to an organization's ERP system.

### How can we ensure that everyone's needs can be met at every level of the organization? And how do we build a HR system that is accurate, available, personalized, and frictionless?

Today, automated systems are able to help HR professionals make very strategic decisions whenever they see fit. IPA can make accurate predictions around topics such as hiring requirements and emerging roles, as well as highlighting training opportunities employees may be interested in based on skills that are needed within the organization. However, it's also important to note that, despite the implementation of automation, HR professionals are the decision-makers at the end of the process. To conclude, the role of an HR professional will evolve in the coming years, and this will lead to a new frictionless, self-service reality for HR teams and professionals. This will enable organizations to apply more of a human touch within their HR operations – enabling them to put people back into the heart of HR.

Thank you Florence, that's a great summary – we need to put the human back into HR. To do that we need to provide the technology to accelerate the decision-making process by removing repetitive tasks and focusing on what's important.

Florence Rolland helps clients transform their business operations, leveraging the combined power of AI and RPA to create working solutions that deliver real business value.

**Antoine Starek** leads HR transformation projects for clients, and is responsible for all aspects of project and client management and people management skills.



# Capgemini and ServiceNow – taking digital HR experiences to a new level

### **Elizabeth Rennie** Principal Research Analyst, NelsonHall

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As expectations of what is possible in the digital world have grown exponentially, Capgemini is aiming to close the widening gap between consumer experience and employee experience. It is looking to digitalize workplace interactions while keeping the warmth, emotion, and uniqueness underpinning company culture.

It has built a Digital Employee Operations (DEO) practice over the last four and a half years, which brings customer service to a new level in the field of HR. DEO aims to bring everything into one place: knowledge, help, and information through a "one pane of glass" digital window.

This is only possible through tighter technology partnerships which support more robust integrations with more industrialized processes and more standard services.

### What's new?

In 2020, <u>Capgemini selected ServiceNow</u> <u>as a strategic partner</u> for its digital employee operations. Importantly, this is not positioned as a call center. Its Digital Employee Operations clients use a digitalfirst strategy.

ServiceNow brings a case management platform designed for HR with a prebuilt data structure that is HR-centric, combined with prebuilt security. One of the differentiating features is that this product enables not only service agent interactions, but employees can interact and collaborate across the organization; for instance, product enabling managers and employees are able to engage on a case. Before reaching this partnership, Capgemini supported operational customers in its DEO practice with the ServiceNow platform for a number of years. Its first ServiceNow customer was AECOM, which went live in Q4 2018, and it has built a significant practice over the years. Today, Capgemini's DEO supports more than 20 languages for more than 250,000 lives in 90 countries on ServiceNow. The formal partnership now takes this model and approach to a new level.

sophistication.

Capgemini's offering maturity is evidenced by

the fact it now has 30–40 pre-packaged HR services and a deep service partnership with

ServiceNow. This puts it in a strong position

to take this maturity to the next level of

# Applying chatbots in HR and adoption levels

In Capgemini, chatbots have a high adoption rate, with ~20% of its clients leveraging or launching virtual agents/ chatbots. Chatbots offer iterative functionality, and Capgemini sees varying deployment approaches across clients.

Some add a virtual agent/chatbot alongside live human chat support. This expedites the learning process for a bot by having a log of live interactions to drive and map intents and responses accurately to employee queries. An alternative approach is where there is no history of live chat. As an input, the bot simply requires more effort and assumption in intents and interactions. This approach involves more humans validating questions and answering questions the bot could not address.

### Why a strategic partner?

Having selected a dedicated human resources hire-to-retire services solution, Capgemini can now drive larger benchmarking data sets to evaluate process improvements through comparative trend analysis. Benchmarking is critical for a mature operation that looks for a competitive advantage. Capgemini offers benchmarking in two ways:

- Sharing of knowledge and experiences learned across clients to benchmark what is leading practice, and applying and sharing lessons learned and continuous improvements across clients
- External benchmarking against non-DEO clients less than 15% of its current client base have engaged with that additional offer.

Digital Employee Operations aims to bring everything into one place: knowledge, help, and information through a 'one pane of glass' digital window."

### Elizabeth Rennie

Principal Research Analyst, NelsonHall

### **NelsonHall viewpoint**

Its first truly joined-up DEO contract on ServiceNow was 12 months ago. Over the next three years, NelsonHall expects a service approach to HR transformations will be increasingly important as organizations look for more than just an HCM technology deployment and/or support partners.

Organizations will likely look for more robust and holistic service-based HR business cases to ensure savings and ROI are achieved through end-to-end digital transformations. They will likely increasingly assess their own operational capability to drive the change to achieve a digital-first approach to help drive more consumer-like HR services. Although many organizations have leaped to mobile-first employee experiences through HCM platform deployment, few have addressed the experience of inquiry support and how HR operating models and interactions need to uplift.

Rather than treating this as an afterthought, proactive HR directors with ambitions to reshape companies in 2021 are expected to evaluate service delivery models on a more holistic level, looking more at people and digital and how they come together through technology.

Capgemini's offering maturity is evidenced by the fact it now has 30–40 pre-packaged HR services and a deep service partnership with ServiceNow. This puts it in a strong position to take this maturity to the next level of sophistication.

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**Elizabeth Rennie** is a Principal Research Analyst with global responsibility for key HR research projects including cloud-based HR transformation, cloud-based benefits services, and The Future of HR, as part of NelsonHall's wider HR Technology & Services practice.

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**Elizabeth Rennie** Principal Research Analyst, Nelso<u>nHall</u>



# Digital Employee Operations Powered by **ServiceNow**®

# Enhance your employee experience through implementing next-generation, frictionless HR operations

Capgemini's Digital Employee Operations Powered by ServiceNow<sup>®</sup> puts your employees at the center of your HR strategy right across the hire-to-retire lifecycle. This transforms your HR function into one that delivers an enhanced employee experience, decreased cost, increased productivity, and enhanced resource efficiency:

- 80% employee satisfaction scores
- 20% faster ticket turnaround times
- 80% increase in first call resolution
- Enhanced risk identification







# Frictionless HR – the platform and the partnership

### Jill Weber

Head of Enterprise Service Management and ServiceNow Practice, Capgemini As HR services and employee expectations continue to change, organizations need a robust platform and reliable partner to provide an innovative, next-generation consumer-like experience for their employees.

I'm not the first person in history to note that the nature of HR services is changing. My colleagues Kunle Lawal and Felicia Jones have already written respectively about <u>bringing the human touch to HR</u> <u>services</u>, and <u>about removing barriers to</u> <u>HR innovation</u>.

But there's another aspect to the question that I think it's worth exploring here. I think we're all agreed that the change we see in HR is being driven by the expectations people have from their online experience as consumers – but if businesses are to meet these expectations, how should they go about it?

In short, what should be on their shopping list?

# HR platform selection criteria

It might be best to start at the end, and work back. The ultimate goal is to provide a consumer-like experience. The selection criteria therefore ought to include all-channel access, with chatbots and embedded knowledge that enable people to serve themselves as much as possible – in an easy and natural way, and regardless of the nature of their query.

But this has implications for the back end. As we've seen in previous articles on this topic, HR services can only help with requests as varied as laptop requisitions, holiday bookings, and training registration when all the relevant functions are integrated with one another – as well, of course, as being linked to HR. The shopping list therefore also needs to include a means of breaking down silos, and replacing them with a single, seamless proposition. It's what we at Capgemini call the <u>Frictionless Enterprise</u>. In order to remove these obstacles between business functions, the organization needs either to develop its own solution. or to work with a service provider that can design, build, and perhaps even operate the model. If the choice is to work with a service provider, it would be wise to select people with relevant experience. If they've developed solutions for other large enterprises, that would of course be useful. If they've built one for themselves, and developed best practices from their own experiences, so much the better. Plus they will, naturally, need to have the appropriate infrastructure and geographical reach.

### Service complexity

In short, it's about working with experienced people, and on a unifying platform. The unifying point is particularly important. The human resources function is not alone in finding that the complexity of service management is threatening to get out of control.

It's not just that the expectations of customers and employees alike are rising. Across the business, technology is changing amid demands for greater agility, and for leaner, more automated processes. Supplier portfolios are increasingly volatile, regulatory requirements are constantly changing, and cost and profitability pressures are growing – especially in a mid-pandemic and post-pandemic world.

### **Integrated benefits**

A comprehensive platform such as <u>ServiceNow</u> can provide a business ecosystem that addresses these service issues. It can deliver:

- Improved service quality, with an integrated supplier portfolio and a single line of sight over it
- Robust and business-wide governance and control, ensuring alignment, cooperation, and accountability
- Cost savings and operational efficiency, reducing duplication across functions and suppliers, and improving processes
- A great experience for users whether they are customers or employees
- Rapid and flexible innovation, within an established framework that includes pre-configured automation tools and a service governance and operating model

When it's implemented by an experienced service provider, the benefits of an approach such as this can be considerable. For instance, and specifically in an HR context, <u>ServiceNow</u> forms the basis of Capgemini's <u>Digital Employee Operations</u> (DEO) model, which has delivered tangible business outcomes that include an employee satisfaction score of over 90%, ticket turnaround times that are 20% faster, and an 80% increase in first-contact resolution.

# The right platform, and the right partner

To summarize, HR services and employee expectations are indeed changing, which is why organizations need to find a platform and a partner that can bring everything together, for the good not just of the business, but for the many people it employs.

Jill Weber leads a global competency of over 800 certified process consultants and ServiceNow experts who help accelerate our customers' digital transformation journeys to service excellence.



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# Sharing Success





# Four Seasons reimagines its finance and accounting function





Four Seasons and Capgemini targeted standardization, delivery excellence, change management, and automation to transform the organization's finance operations into an efficient and global delivery center.

# Supporting a "Gold Star" hospitality experience

Since its foundation in 1961, Four Seasons Hotels and Resorts has operated on the belief that every customer should not only be treated like a special guest, but in the way they would want to be treated themselves – like family.

This is a conviction that is deeply ingrained in the DNA of all Four Seasons employees and has remained unchanged as the organization has spread across the world. Building upon these values, Four Seasons continues to seek innovative ways to meet and exceed the expectations of its guests while earning recognition as a leading provider of luxurious hospitality experiences.

This pursuit of innovation led Four Seasons to examine its existing global finance processes, where it discovered an opportunity to launch a transformation that would introduce an efficient and cost-effective global delivery model. To do so, the business decided to standardize its transactional processes across its individual hotels, ensuring greater reliability and accuracy.

# A transformation journey based on proven success

Four Seasons partnered with Capgemini based not only on its understanding of the presented challenges and their importance to the organization, but also its grasp of the emotional impact such a transformation would have on guests, vendors, and employees.

Together, Four Seasons and Capgemini began the journey to deliver finance and accounting processes from three delivery centers. This included accounts payable (AP), payroll administration, income audit, vendor payment and AP help desk support, general ledger reconciliation and analytics, and contract management. This approach focused on consolidating and standardizing transactional processes, followed by implementing automation to enhance the speed of operations.

# Delivery excellence at the heart of transformation

The Four Seasons-Capgemini team implemented five key solutions focused on delivery excellence:

- Standardization of decentralized processes, resulting in improvement to the organization's overall efficiency
- Documentation of standard operating procedures and strict adherence that resulted in improvements to processing quality and end-customer satisfaction
- A governance model that addressed the organization's decentralization and partnered with Four Seasons' leaders to serve as a key contributor to success
- Change management ensured by effective communication with each hotel through regular connection and collaboration with Four Seasons team leaders
- Introduction of optical character recognition and incident management tool improved the business' turnaround time while robotic process automation (RPA) is also evolving gradually on key processes.

Together Capgemini and Four Seasons implemented standardization, effective documentation, a strong governance model, and change management, which led to greater efficiency and a better customer experience across all of Four Seasons' existing and new hotels. Together Capgemini and Four Seasons implemented standardization. effective documentation, a strong governance model, and change management, which led to greater efficiency and a better customer experience across all of Four Seasons' existing and new hotels.
By working together from start to finish throughout the project, Capgemini and Four Seasons achieved a success that would have been impossible otherwise.

#### Increased process efficiency delivers enhanced business outcomes

Capgemini and Four Season's growthoriented solution and process standardization delivered a range of business outcomes, including:

- An innovative pricing model that led to 80% straight-through processing
- Enhanced SLA compliance
- Improved data entry accuracy
- Auto onboarding support and day one support for new hotels
- Expansion of the income audit to 365 days a year
- Highly accurate and timely payroll
- More efficient workload and workforce management
- Enhanced contract management
- A stronger governance model.

Following its successful transformation, Four Seasons has achieved faster, more efficient, and more effective transactional processes, resulting in greater responsiveness and an improved overall customer experience. In addition, by automating processes, the solution freed up property level teams to focus on strategic activities and business management, ensuring that they could constantly address issues directly related to their guests.

The transformation of Four Seasons' transactional processes means new hotels can now be transitioned seamlessly using a plug-and-play transition methodology. By applying its proven experience with automation and business processes on top of Four Season's industry knowledge and expertise, Capgemini ensured that its partner realized its transformation project's original goal: to give Four Season's guests an extraordinary experience every time they stayed at one of their hotels.

#### The Collaborative Approach

By working together from start to finish throughout the project, Capgemini and Four Seasons achieved a success that would have been impossible otherwise.

The project combined Capgemini's flexibility and ability to manage largescale decentralized operations with Four Seasons' thorough knowledge of the hospitality industry to deliver a solution that provided its customers with a bestin-class experience.

As a global leader in the hospitality industry, Four Seasons offers only experiences of exceptional quality. Its objective is to be recognized as the company that manages the finest hotels, resorts, and residence clubs. By doing so, Four Seasons satisfies the needs of its customers and maintains its position as the world's premier luxury hospitality company.





### Messer Gases develops a new approach to collections



In partnership with Capgemini, Messer Gases improves the effectiveness of its credit-tocash collections by updating the Webcollect tool, rewriting existing business practices, and restructuring its collections team.

#### Achieving excellence in financial processes

As part of its mission to supply technical and medical gases to clients and partners across a variety of sectors, Messer Gases has built a reputation for excellence and customer service. In 2019, the company acquired a variety of Linde Gases assets in Brazil and, as part of the transition, examined its own existing processes within the context of its new teams and ways of working.

Prior to the acquisition, Messer Gases' finance teams struggled to balance its payment and sales management. When payments were not completed on time, the associated orders would get blocked, causing widespread delays. This led the company to identify finance as a major opportunity for process improvement and focused on credit-to-cash (C2C) collections as the target of its initial efforts. To clear this hurdle, Messer Gases decided to introduce new technology and ways of working. The organization selected Capgemini to carry out this work based on its previous relationship with Linde Gases and support of the recent acquisitions.

#### Collections transformation through change management and automation

Messer Gases and Capgemini began by speaking with team members and managers of the new business teams. Building on the success of these interactions, the partners set up and managed a series of workshops with business leaders and Webcollect users. These workshops provided the partners with a comprehensive view of the existing ways of working and specific challenges they would need to address. Based on this assessment, the partners then put together a plan to update the organization's C2C processes, thereby ensuring that they were better aligned with Messer Gases' overall vision and goals.

The work started by implementing a new set of tools that introduced automation into the collections process. This included a restructure of the Webcollect tool, which automated customer contact via email and significantly reduced the time required by experienced personnel. This enabled the partners to expand the role of their expert collections personnel and take on the management of invoices to ensure payments and orders were not delayed.

However, the partnership's success wasn't just about transformation and a new set of tools. Messer Gases and Capgemini also undertook a substantial change management initiative to ensure that collections agents and sales managers were prepared for the new tools and rules. Finally, the teams were reorganized so that each collector was assigned to a single sales manager, and each operated within only a single region.

#### Expanding upon C2C success

Following this extensive transformation project, Messer Gases and Capgemini saw a substantial improvement in the collections teams' effectiveness. Within three months, Messer Gases enjoyed a 30% increase in cash flow, a 40% reduction on past due payments, and a 72% decrease in unapplied cash.

These rapid and impactful results led the partners to expand the transformation to include purchase-to-pay (P2P), recordto-report (R2R), and tax. In each case, the partners are now interested in finding new opportunities to introduce automation and improve efficiency as well as more effective ways of working. In its continuing pursuit of excellence, Messer Gases has emphasized the importance of optimized financial processes and added yet another success to its expansive history of achievements.

About Messer Gases

The name Messer has been associated with expertise in industrial gases for more than 120 years. Messer Gases manufacture and supply oxygen, nitrogen, argon, carbon dioxide, hydrogen, helium, inert welding gases, special gases, gases for medicinal use, and a wide variety of gas mixtures.

> Messer uses the Webcollect system in a good partnership with Capgemini. This system gives us the necessary visibility for billing, and we have all reports that help us to manage the actions made by the collector."

#### Fabio Cara

Contract Manager, Messer Gases Brazil



### AI is breaking through to HR

#### Marek Sowa

*Head of Intelligent Automation Offering, Capgemini's Business Services*  A frictionless, AI-driven HR solution helps our teams put the human touch back into the recruitment process.

Most organizations receive hundreds of curriculum vitae (CV) documents on a daily basis from which they have to process the right information required to coordinate the recruitment process efficiently and effectively. However, they typically work with outdated, time-consuming, and labor-intensive recruitment systems, which are prone to errors, delays, and low employee satisfaction.

At Capgemini, our human resources (HR) leadership understood the impact intelligent automation and artificial intelligence (AI) could have on the efficiency of the recruitment process and engaged a team of advanced technology experts to develop an end-to-end, <u>frictionless solution</u> called CV-up Powered by Artificial Intelligence.

#### **Bringing AI to HR**

This joint effort enabled us to look at it from the business perspective and use state-of-the-art capabilities and natural language processing (NLP) to tell each individual applicant's overall story. More importantly, this innovative approach enabled us to develop a tool that ensures HR team members focus less on making sure applicants fill in all the fields correctly and more time interviewing candidates and ensuring they get the right candidate for each role.

By putting our collective minds together, we were able to develop a way to make the data extraction from CVs more intelligent by focusing on the way language works within CVs, and other business texts, to enable specific data processing. This works primarily through crucial phrase extraction, NLP of raw text, and named entry recognition. By reducing the likelihood of human error, CV-up Powered by AI enables our HR department to concentrate on more meaningful tasks and the application process' human side. In addition, thanks to the application's ability to leverage its agile cloud-based architecture and cognitive services, the tool can also be used for other documents such as agreements, contracts, and forms.

#### **Recognizing innovation in AI**

Our hard work and innovation have certainly paid dividends. Building on our success at last year's AI Breakthrough Awards for a cash collections assistant powered by AI, we were ecstatic to learn that Capgemini has <u>again been recognized</u> <u>as a leader in AI technology</u>, this time using AI to bring the human touch back to HR. CV-up Powered by AI has also been recognized by the Business Intelligence Group at their <u>BIG Innovation Awards</u> given to companies or individuals whose ideas, big or small, change the business world. We couldn't be more thrilled.

This was truly a collaborative effort between HR and the Advanced Technology Lab in an attempt to find an innovative, <u>frictionless solution</u> to an age-old problem. By augmenting the recruitment process with AI, we've enabled our recruitment teams to get back to doing what they do best, filling open positions with the highest caliber talent available.

**Marek Sowa** is head of Capgemini's Intelligent Automation Offering focused on adopting AI technologies into business services. He leverages the potential hidden in deep and machine learning to increase the speed, accuracy, and automation of processes. By augmenting the recruitment process with AI, we've enabled our recruitment teams to get back to doing what they do best, filling open positions with the highest caliber talent available."

#### Marek Sowa

Head of Intelligent Automation Offering



### Automating the recruitment interview process

#### Małgorzata Praczyńska

HR Automation Manager, Capgemini's Business Services



Capgemini's Hire.me tool helps pave the way to smoother and more efficient recruitment through automating and streamlining the endto-end interview scheduling process.

One of the most time-consuming aspects of the recruitment process is scheduling an interview. It's also something that was thought to be impossible to automate. However, thanks to the dedicated minds at Capgemini, this was about to change.

#### Seizing an opportunity and making it happen

Arranging interviews is one of the most complicated processes faced by Capgemini's recruitment teams. For each job listing, they received hundreds of emails requiring them to extract information and then coordinate interviews effectively and efficiently. Traditionally, this had to be performed manually and was time-consuming and labor-intensive. For starters, teams needed to find a suitable time slot for two interviewers, arrange a conference room, and then contact the candidate with the proposed date. However, 50% of the time, this time was rejected, which meant the process needed to begin again.

To help ease the process, Capgemini's HR automation and robotic process automation (RPA) teams put their brains together to standardize and automate the entire interview process from the moment a CV arrived via email to after the final interview when the data was archived. Together, they developed Hire.me, a tool that streamlines the entire process end to end – from matching multiple time slots for interviewers and interviewees to prebooking rooms and managing everyone's calendars without the need to enter any information manually.

#### **Benefits abound**

This flexible approach to the interview process delivers an enhanced experience for the recruitment administration, hiring managers, and candidates by decreasing the amount of rework required by the hiring team and providing candidates with different time slots to choose from. This, in turn, improves employer branding with potential hires, helping Capgemini attract the best candidates for any given role.

The Hire.me tool also provides more stable and reliable data, improving the quality of reporting, data security, and management. Each candidate's data is archived and stored in one place, lowering the risk of data loss, while a dashboard enables administrators to easily access, download, and monitor data.

In short, Hire.me speeds up and centralizes the interview process, shortens the timeto-hire, and improves the quality of hired talent.

#### Recognized for its innovation

Brandon Hall Group, one of the most trusted names in business when it comes to research and analysis, <u>has awarded</u> <u>Hire.me</u> with two different awards. The first is the Gold Award in Best Advance in Emerging Talent Technology. The second is the Bronze Award in Best Advance in Talent Acquisition Technology.

As you can imagine, at Capgemini we're ecstatic about being part of a winning solution that helps create a more streamlined and efficient recruitment process.

**Małgorzata Praczyńska** is part of Capgemini's HRInnHUB team. She specializes in finding automated solutions for a range of HR processes, including project and people management that provide significant cost benefits to clients. Hire.me speeds up and centralizes the interview process, shortens the time-tohire, and improves the quality of hired talent."

Małgorzata Praczyńska HR Automation Manager



Capgemini positioned as a Leader in Everest Group's PEAK Matrix® for Finance and Accounting Outsourcing Services 2020



Capgemini's most noteworthy strengths include a strong digital ecosystem and suite of solutions across the finance and accounting value chain, its Digital Global Enterprise Model platform, and its Digital Twin capabilities.

Capgemini is delighted to be positioned as <u>a Leader in Everest Group's PEAK Matrix®</u> <u>for Finance and Accounting Outsourcing</u> (FAO) Services 2020 report. Capgemini has held the Leader's position for seven consecutive years. This is tangible proof of our capabilities to deliver best-inclass FAO services, leveraging our deep industry and finance and accounting (F&A) domain expertise and our global delivery presence.

Capgemini's most noteworthy strengths, as highlighted by Everest, include:

- A strong digital ecosystem and framework of assets to offer a comprehensive suite of solutions across the F&A value chain
- The <u>Digital Global Enterprise Model</u> (<u>D-GEM</u>) platform that provides business transformation and benchmarking to guide the right digital operating model for our clients
- <u>Digital Twin</u> capabilities that leverage partnerships with process mining vendors in conjunction with proprietary framework assets to accelerate our clients' transformation journeys.

"Capgemini has demonstrated its ability to leverage and invest in various technologies to drive end-to-end transformation for its F&A clients," said Shirley Hung, Vice President, Everest Group. "With a strong focus on a partnership-driven approach and continuous process improvement, Capgemini has been placed in the Leader category in the Finance and Accounting Outsourcing PEAK Matrix® Assessment 2020."

Leaders were recognized by the Everest Group for consistent delivery of FAO services and continued investment in strengthening their all-round F&A capabilities. Leaders leveraged deep industry and F&A domain expertise, superior technology capabilities, innovative engagement models, end-toend digital transformation and consulting experience. They also leveraged their scale of operation and wide delivery presence across locations to cater to clients' varied strategic requirements.

"Capgemini is proud of its ongoing success and partnership with clients to drive enterprise wide outcomes led by finance," said David Lumley, Global Head of the F&A Practice within Business Services at Capgemini. "Our next-generation solutions and services bring together deep finance intelligence and industry expertise, enabled by new operating models, technology ecosystems, and upskilled talent. This enables what we call the <u>Frictionless Enterprise</u>, breaking down silos across an enterprise to generate greater value and new range of business outcomes for our clients. We are delighted that our capabilities have been recognized by the Everest Group positioning us as a Leader in their FAO Services PEAK Matrix® Assessment 2020."

Read more about how Capgemini is helping our clients create <u>a frictionless</u> <u>future of finance</u> through implementing the <u>Frictionless Enterprise</u>. Capgemini has demonstrated its ability to leverage and invest in various technologies to drive end-to-end transformation for its F&A clients."

**Shirley Hung** Vice President, Everest Group

Our next-generation solutions and services bring together deep finance intelligence and industry expertise, enabled by new operating models, technology ecosystems, and upskilled talent."

#### **David Lumley**

Global Head of the F&A Practice



Capgemini recognized as a Leader in the Avasant RadarView<sup>™</sup> for F&A Business Process Transformation



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Capgemini's most noteworthy strengths include its Frictionless Enterprise approach to enable a next-generation finance, and its Digital Global Enterprise Model platform to reshape F&A processes, accelerate digital adoption, and transition to more effective operations.

Capgemini is delighted to have been recognized as Leader in the Avasant RadarView<sup>™</sup> for F&A Business Process Transformation – having brought enhanced value to the market over the last 12 months by demonstrating consistent excellence, creativity, and innovation in the finance and accounting (F&A) sphere.

Avasant's RadarView<sup>™</sup> report provides service provider capability analysis in areas such as technology, domain expertise, and delivery that assists enterprises in identifying strategic partners for their F&A transformations.

Capgemini's most noteworthy strengths, as highlighted by Avasant, include:

- Leveraging its <u>Frictionless Enterprise</u> approach to enable a next-generation finance function
- Leveraging its <u>Digital Global</u> <u>Enterprise Model</u> platform to reshape F&A processes, accelerate digital adoption, and transition to more effective operations
- Combining an Al-augmented workforce with advanced analytics investments to deliver enterprise-wide impact, with significant cost benefits, and enhanced user experience.

Saurabh Verma, Research Leader at Avasant, said: "As enterprises sustain the impact of the pandemic, they are expediting their F&A function transformations and taking a holistic approach, eliminating the siloed role that IT and business units played in the past. Capgemini is amongst the leading service providers helping enterprises in end-to-end F&A function transformation. Its mature F&A practice, deep domain expertise, robust suite of automation & AI solutions, and extensive leverage of domain ecosystem has helped several enterprises realize strategic business outcomes, beyond just cost savings. This, along with its continued organic and inorganic capability augmentation, has helped Capgemini emerge as a Leader on Avasant's F&A Business Process Transformation 2020–2021 RadarView<sup>™</sup>, and is well-positioned to help enterprises be future-ready".

"Capgemini is proud of its ongoing client success and partnership to drive enhanced business outcomes led by Finance," said David Lumley, Global Head of the F&A Practice at Capgemini's Business Services. "Our next-generation, AI-driven solutions and services bring together deep finance intelligence and industry expertise, enabled by new operating models, technology ecosystems, and upskilled talent. This enables our clients to transition to – what we call – the Frictionless Enterprise, breaking down silos across an enterprise to generate greater value and an increased range of business outcomes for our clients. We are delighted that our capabilities have been recognized by Avasant, positioning us as a Leader in its RadarView<sup>™</sup> for F&A Business Process Transformation."

Read more about how Capgemini is helping its clients create a <u>frictionless finance</u> <u>future</u> through leveraging its <u>Frictionless</u> <u>Enterprise</u> approach.



Capgemini is amongst the leading service providers helping enterprises in endto-end F&A function transformation."

**Saurabh Verma** Research Leader, Avasant

We are delighted that our capabilities have been recognized by Avasant, positioning us as a Leader in its RadarView<sup>™</sup> for F&A Business Process Transformation."

**David Lumley** Global Head of the F&A Practice



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## Technology Talk



### Eliminating friction drives O2C transformation

#### **Caroline Schneider**

Transformation Practice Head, Capgemini's Business Services



The best way to start your transformation to a frictionless finance department is by understanding where and how frictions are created.

Over the last year, we have seen a renewed focus on removing roadblocks that are slowing down business functions, frustrating customers, or negatively impacting sales and costs. <u>Finance</u> <u>departments often play a crucial role</u> in contributing to, leading, and designing these initiatives to improve business outcomes.

The global health crisis has accelerated transformation plans, focusing on speedier cash collections or increased working capital. This shift pushes back-office teams into a more strategic position, especially when <u>delivering significant</u> <u>outcomes within order-to-cash</u> (O2C) functions. However, many finance teams struggle when it comes to identifying how to start the journey.

#### Understanding how frictions happen

Before starting a transformation journey, you need to <u>understand how friction</u> <u>happens</u>. Think about how many people in your finance department touch a single invoice or order. The process may include the pricing team, the order fulfillment team, collections, or dispute teams, along with sales or finance teams.

By the time all is said and done, more than 25 people could have interacted with a single order or invoice. With each issue, each validation, query, and approval needed, business slows down and runs the risk of being incomplete or full of errors that require rework. This results in customer frustration, order delays, lower sales, and higher costs.

Unfortunately, one thing that is often overlooked is how much frictions cost in the long run. Frictions, work around exceptions, and process issues are accepted because this is how it has worked for years. With every point of friction in your O2C operating model, your organization loses money; every exception is a wasted effort and pushes your customer closer to your competition. You may have designed processes and teams around friction without devising a plan to eliminate friction for teams, customers, and partners.

Identifying where to start your transformation journey

However, by asking a few key questions and <u>comparing your key metrics with</u> <u>industry benchmarks</u>, you can identify where to begin your transformation process.

Are you achieving 95% or greater cash automatch rate? Are you at 100% invoice accuracy? Is your billing 100% automated? Are your accounts receivable less than 10% past due? Is your day's sales outstanding (DSO) within a few days of your average terms?

If you answered no to more than one of these questions, the more critical it is you review where you may have process friction. Process friction is anything that restricts process flow. The best place to start is to figure out where process friction negatively impacts results or customer experience.

When creating <u>a successful O2C</u> <u>transformation initiative</u>, you will start to see a faster flow of information with fewer exceptions while enabling your teams to focus on higher-value tasks instead of repetitive tasks. Within O2C, the speed you can collect cash changes dramatically if your level of process friction is high.

The best initiatives start with a clear vision and understanding that less friction means better flow, higher sales, and faster cash conversion.

**Caroline Schneider** has been delivering and designing O2C solutions for clients for over 18 years. She is passionate about delivering solutions to clients to maximize their working capital through technology, automation, and industrialized process design.

> When creating a successful O2C transformation initiative, you will start to see a faster flow of information with fewer exceptions while enabling your teams to focus on highervalue tasks instead of repetitive tasks."

**Caroline Schneider** Transformation Practice Head



### Frictionless, AI-driven recordto-analyze

#### **Robert Piotrowski**

Record-to-Analyze Global Process Owner, Capgemini's Business Services



Embedding AI in the record-to-analyze function enables accounting to be processed continuously. This eliminates the burden of month-end pressures to allow people to spend time on what they do best – analyzing and thinking.

Next year, you tell yourself, will be different. Next year you'll be better organized. You won't leave things to the last minute.

But the months pass, other things take priority, and before you know it, it's that time of year again, and you're no more prepared than usual.

I refer, of course, to annual tax returns. There aren't many of us who carefully file and log each item of information away when it comes in, and make an early submission to the tax office as soon as we have the last piece.

No. Most of us delay. There's a deadline, so we work to that, instead – and as a result, there's way more last-minute stress in our lives than there needs to be.

#### The once-a-month mindset

In business, finance functions tend to be the same. A once-a-month mindset prevails: when the monthly close comes round, there is a rush to draw information together, to reconcile data from ledgers held on disparate systems, to execute checks and controls on transactions coming from upstream processes, resulting in people having to work late to meet the deadline. Compliance depends upon it.

The difference, though, is that the problems with personal tax returns are largely of our own making – but for monthend close, a number of factors are at work. High on that list is the disparity I just mentioned: data sources are all too often mutually inconsistent and disconnected, and until these mismatches are resolved, they are going to create work each and every time the deadline comes round.

#### AI-driven record-to-analyze

What's needed is a permanent fix. When processes are re-engineered, when systems are interconnected, when accountants are augmented with artificial intelligence (AI) and intelligent automation, when the data from different sources and ledgers are orchestrated and consistency is established – the effort involved in closing the month reduces substantially. In fact, it's possible to do away with the month-end process altogether.

How so? By embedding intelligent automation and AI into the record-toanalyze (R2A) function. At Capgemini, we have what's termed AI Controllership. This is an integrated R2A platform with embedded AI controls, real-time journal entries, continuous certifications, a virtual controller, and AI accounting insights, that delivers a seamless, continuous accounting and close.

With AI Controllership, everything can be posted seamlessly and completely – and in real time. It's rather like that example I just gave of logging and filing your personal tax data as soon as you receive it: it happens straight away. There are no gaps, and no accruals – and what's more, no one needs to wait until month-end to see how things stand. Instead, they have information that can be pulled up on demand, and at any time.

When processes are re-engineered, when systems are interconnected, when accountants are augmented with AI and intelligent automation, when the data from different sources and ledgers are orchestrated and consistency is established – the effort involved in closing the month reduces substantially."

#### **Robert Piotrowski**

Record-to-Analyze Global Process Owner The difference this approach makes is quite stark. Traditionally, R2A involves identifying and locating errors in upstream processes, and those errors are often the result of the data integrity and inconsistency issues I mentioned. Within what we at Capgemini call <u>the Frictionless</u> <u>Enterprise</u>, the flow of data is seamless, because controls have been put in place at source, and not retrospectively.

We eliminate the siloes between the process towers and operate as one <u>frictionless finance</u> function. If any errors do occur, they are identified and corrected as they happen, and not at month-end, and so the data entering general ledger and ERP systems in real time is dependable.

It's worth summarizing the benefits:

- Continuous accounting move away from a "once a month" approach to create a balanced workload
- **Continuous analysis** identify errors at source, when a transaction occurs. Act earlier, rather than later. Predict
- Imperceptible period-end close minimal interference to the business
- Finance intelligence generate insights supporting business and CFO strategy to enable informed business decision-making
- **Confidence** ensure compliance, minimize the risks, and provide assurance to the completeness and accuracy of financial statements

One of the most important advantages on this list is implicit in the point about insight. When everything can be processed on demand, and the whole burden of month-end pressures goes away, people can instead spend time on what they do best – analyzing and thinking. Instead of striving to put the numbers on the page, they have them right there in front of them, and they can focus on what they mean, on what they suggest as a course of action for the business. That's a way more productive use of their time.

#### **Incremental benefits**

One last thought. I said just now that achieving the fix of cross-functional consistency may be a permanent proposition. But that doesn't mean it has to be monolithic. It's possible to introduce frictionlessness incrementally, one process at a time. As new elements come on-stream, so the benefits will multiply.

The R2A function is a pretty good place to start. Last year, in this area alone, a major multinational in the media and entertainment business achieved efficiency savings of more than 30%, with a significant portion of this achieved through enabling touchless journal entry processing, which is one of the paradigms for continuous accounting.

It's worth considering, not just because of the immediate benefits it delivers, but because of the implications <u>of extending</u> <u>frictionless principles across the entire</u> <u>finance operation</u>. With less time fighting fires, you'll have more time to think, and plan – and maybe more time, too, to address the way you approach your own tax return.

**Robert Piotrowski** partners with clients in their transformation journeys, leveraging AI and intelligent automation to reimagine their finance functions.

We eliminate the siloes between the process towers and operate as one frictionless finance function."

**Robert Piotrowski** Record-to-Analyze Global Process Owner



### Frictionless Finance

### Unlock value from your F&A function through frictionless, AI-enabled finance operations

Capgemini's Frictionless Finance delivers next-generation, AI-augmented order-to-cash, purchase-to-pay, record-to-analyze, and analytics, transforming your finance function into one that drives frictionless, enterprise-level outcomes, enhanced efficiency, and top-line growth to your business:

1. . . .

- Enhanced customer experience
- 🕑 Increased P&L and cash flow
- Improved planning
- Enhanced controls

#### For more information, visit:





### Frictionless accounts payable – happy customer, happy employee

#### Mahalakshmi Ramakrishnan

Purchase-to-Pay Global Process Owner, Capgemini's Business Services



Removing friction to streamline your accounts payable processes not only helps you lower costs, protect sales, and boost margins – it also keeps your customers, and the people you employee to serve them, happy.

Here's a philosophical question for you – well, sort of. Is business all about money?

Let's take the accounts payable (AP) function. Data discrepancies or errors can be costly – but they are also bad in other ways. For instance, they can be damaging to supplier relationships, and to brand image. They can take up time, too, because those errors are going to need rectifying.

So, it's notjust about money, then. Except, well, maybe it is. Because damage to supplier relationships and to brand image can affect demand, as well as supply – and damage to either can affect sales. Which means money. And fixing those errors isn't free, either, because as we all know, time is money, too. So, yes. At least as far as AP is concerned, maybe it really is all about money.

#### Sources of AP friction...

If businesses want to save that money, they'll need to know where to look for potential problems, so they can stop them happening. Here are some possible areas of friction:

- **Supplier onboarding** manual updating of master data is a requestdriven process that can involve many people, many steps, and often unsatisfactory results, leading to a high lead time – and to unhappy suppliers
- Invoice processing manual, paper-based invoicing systems or manual-driven exception processes can lead to late payments, errors, internal process issues, disputes, and strained relationships with suppliers, in addition to added costs from multiple areas. In a word, friction
- Payment erroneous payments and duplicate payments are cripplers to the invoice-to-pay process. Inconsistencies in manually entered

supplier information, invoice amounts, or coding, can cause a single invoice to be paid twice. Companies may also accidentally make double payments if they use multiple financial applications, instead of a single integrated system.

#### ... and the Frictionless Enterprise

In short, what's needed in AP is an approach that we at Capgemini unsurprisingly call the <u>Frictionless Enterprise</u>.

The Frictionless Enterprise enables a smooth and seamless flow of information and collaboration between employees, their departments, and those with whom they work. It also encompasses their relationship with customers, with partners, and in the case of AP, obviously with suppliers, too.

Achieving the Frictionless Enterprise doesn't mean the arbitrary application of technology, rules, or processes. It entails whole new, digital ways of thinking and working, combined with the capacity to adapt constantly to new contexts.

#### **Frictionless AP benefits**

<u>There are several benefits</u> when the AP function is part of a smart, seamless operation.

For example, supplier onboarding becomes a smooth process, with AI-enabled zero touch validations. Businesses can also set up supplier portals with self-service voicebot and chatbot options, thereby removing the hassle from invoice submission, making it possible to automate the exchange of certain kinds of data, and enabling suppliers to get a sneak-peek of the status of their invoices. The Frictionless Enterprise enables a smooth and seamless flow of information and collaboration between employees, their departments, and those with whom they work. It also encompasses their relationship with customers, with partners, and in the case of AP, obviously with suppliers, too.

#### Mahalakshmi Ramakrishnan

Purchase-to-Pay Global Process Owner Invoice processing can become paperless, and frictionless, with a seamless integration of workflow from procurement through to accounts payable. Machine learning (ML) pattern matching systems can automate approvals, and process controls can be automated, too.

Fraud detection can be improved. This is another area in which ML pattern matching can help. Companies can also set up autonomous data set scans to identify patterns, and detect of discrete error types that bypass traditional controls and audits can be automated.

The payment process is also improved, with automated alerts for early or dynamic discounting; automated pay schedules that are integrated into the ERP system; automated remittance advice; and protection of working capital by automating the identification of overpayments and fraud before the pay run.

Finally, artificial intelligence (AI) can be brought to key AP processes. Service desk functions can be automated, using natural language processing (NLP), ML, and other smart technologies to resolve supplier queries automatically. Also, AI can be incorporated into an AP Control Tower that can, among other things, measure performance efficiency benchmarks, provide prescriptive analytics and strategic analysis, and enable real-time insights on payables data, including retrospective reporting, spend analytics, and data modeling.

#### The pursuit of happiness

So, then – to return to the question with which I started. Is business all about money?

Well, it's true that in accounts payable, everything could indeed be interpreted that way, and it's equally true that <u>a Frictionless Enterprise approach to</u> <u>finance</u> can help to lower costs, protect sales, and so, ultimately, maintain and even boost margins.

But in fact, and in spite of what I said at the outset, it's not just about money. Sure, you could measure supplier and customer goodwill in purely financial terms – but this goodwill also has emotional value. It's good for a business to know it's doing things right, and it's good to know that it's treating people well. It's good, too, to know that by streamlining processes and removing hassle, it's also making life better for employees.

Business is about more than money. And the <u>Frictionless Enterprise</u> is about more than efficient processes. It's about making, and keeping, people happy.

**Mahalakshmi Ramakrishnan** leads multi-national multi-cultural teams and transformation projects across accounts payable.



Business is about more than money. And the Frictionless Enterprise is about more than efficient processes. It's about making, and keeping, people happy."

#### Mahalakshmi Ramakrishnan

Purchase-to-Pay Global Process Owner





### The autonomous supply chain – the road ahead

#### Dharmendra Patwardhan

Global Head of Capgemini's Digital Supply Chain Practice, Capgemini's Business Services



An experienced service provider with the consulting and operational supply chain expertise to reimagine and deliver supply chain transformation projects can help your organization adopt the autonomous supply chain.

Supply chain chain challenges are often complicated by pressures placed upon them within the current market. But there are benefits and characteristics that come with implementing the autonomous supply chain into any organization.

In this article, we're going to assess the current climate for the adoption of this approach, the critical success factors associated with it, and the support external services can give here.

#### Key focus areas

We've already seen indications of a business appetite for the end-to-end visibility that <u>the autonomous supply</u> <u>chain</u> can provide. Indeed, <u>in a recent</u> <u>report conducted for Capgemini by</u> <u>NelsonHall</u>, we learn that roughly a third of enterprises (34%) plan to undertake significant autonomous supply chain initiatives over the next two years. These initiatives can be broadly grouped into three areas: planning and forecasting, supply chain optimization, and supply chain execution.

Within these three areas, the functions on which survey respondents were most focused included:

- **Supply forecasting** (40% of respondents) obtaining more data from key suppliers to enable longer range planning
- **Demand forecasting** (32%) using wider sources of information such as social media, and increasing campaign integration with major retailers
- Warehouse optimization (22%) fully automating orders, right through to depot picking and dispatching. Also, moving raw inventory on plant pull signals with no manual interventions
- **Consignment tracking** (52%) implementing real-time tracking

on more raw inventory for greater overall improvement of the supply chain. Also, simultaneously improving customer satisfaction and reducing inbound service inquiries, by using machine learning techniques to track data supporting logistics movements, and then proactively providing that information to customers.

#### Partnership criteria

The supply chains of major enterprises are so large and complex, and their role is so crucial, that it's no surprise to find that, according to the survey in the NelsonHall report, 84% of organizations will involve vendors when implementing autonomous supply chain initiatives. So – what should you look for in their potential partners?

Perhaps, needless to say, it's important to work with service providers with both the consulting and operational supply chain expertise to reimagine and deliver supply chain transformation projects – and who are also able to address your organization's own global scale of operations.

Less obvious, maybe, is that this process knowledge needs to be matched with substantial experience of automation and analytics. For example, machine learning and deep learning technologies are rapidly becoming essential in the supply chain's ability to become touchless and autonomous. Machine learning and deep learning technologies are rapidly becoming essential in the supply chain's ability to become touchless and autonomous."

#### Dharmendra Patwardhan

Global Head of Capgemini's Digital Supply Chain Practice To demonstrate relevant experience in these areas, potential partners should be able to show they have developed bestin-class solutions based on integrated combinations of process models, industry platforms, and automation technologies.

#### **Critical success factors**

There have always been significant and complex demands made of enterpriselevel supply chains, and <u>the COVID-19</u> <u>pandemic has increased the pressure</u> for them to deliver – both figuratively and literally. There are several key elements for success:

- A staged approach it's a good idea for the overall strategy to involve a series of linked short-term projects, each delivering demonstrable returns on investment (ROI) in the near term
- A pilot program each of these stages should be piloted, so as to provide a working prototype that addresses all the issues that have arisen along the way
- Leadership buy-in continuing to demonstrate ROI will maintain senior support for the transformation, and this, in turn, will help to keep things moving through to completion
- External buy-in trading partners need to be on board, too
- A good team the people implementing the program are likely to be a mix of internal personnel and those from vendors and service providers. They need to have relevant complementary skills and experience, and they also need to work together well, towards shared goals

- Good data legacy systems and manual processes present problems. The prospect of tackling them is daunting, but the main lifting and shifting will with luck be a one-time fix, and the results will be worth it
- **Continuous improvement** addressing the major legacy and manual issues may largely be a one-off, but transformation as a whole certainly isn't. An autonomous supply chain, and the <u>Frictionless Enterprise</u> of which it is part, have versatility and flexibility in their DNA.

Experienced service providers will of course be part of the good team on this list, and they will be able to help ensure you address all these factors efficiently and effectively.

**Dharmendra Patwardhan** is responsible for developing offers and capabilities for transforming supply chain operations that drive tangible business outcomes for Capgemini's clients.

### "

There have always been significant and complex demands made of enterpriselevel supply chains, and the COVID-19 pandemic has increased the pressure for them to deliver."

#### Dharmendra Patwardhan

Global Head of the Digital Supply Chain Practice



### Autonomous Supply Chain

### Drive touchless operations and transparent data-driven decision-making

Capgemini's Autonomous Supply Chain offering transforms your organization into an integrated, frictionless, and customer-centric supply chain function that delivers competitive advantage and enhanced business outcomes:

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Improved demand forecasting accuracy

- Improved logistics planning and optimization
- Increased levels of fulfillment reliability
- 😡 Enhanced risk identification
- Reduced operational cost and working capital







### Supply chain resilience – preparing for a frictionless future

#### Jörg Junghanns

Vice President Europe – Digital Supply Chain, Capgemini's Business Services



Rethinking supply chain resilience for a post-COVID-19 world requires a strategy that enables you to anticipate, resist, and recover from disruptions to deliver integrated and frictionless supply chain operations.

When you're at sea, the waves breaking on the bow may obscure greater swells behind them. Out over the horizon, may be even larger surges. You don't know for certain, and you can't tell. In circumstances like these, it's a good idea not just to deal with the here-and-now, but also to hope for the best, and plan for the worst.

The difficulty here is one of imagination: your preparedness will be in proportion to quite how bad you picture things could possibly ever get. Business in 2020 was a case in point. The supply chains of many major enterprises were wrong-footed by the scale and the duration of the <u>COVID-19 pandemic</u>.

Indeed, our own research<sup>1</sup> indicates that the global supply chains of close to seven out of ten organizations took more than three months to recover from disruptions. As a result, many of these enterprises are now looking at how they can build greater resilience into their business models. In a recent report from Capgemini Research Institute (CRI), "<u>Fast Forward:</u> <u>Rethinking supply chain resilience for a post-COVID-19 world</u>," a full two-thirds of organizations (66%) said their supply chain strategy would need to change significantly, in order to adapt to a new normal post-COVID-19.

They may not know whether to expect another pandemic, or something else – but whatever is over that horizon, they want to be ready.

#### The principles of resilience

So, then, what are <u>the main principles of</u> <u>a resilient supply chain</u>? There are four. Here they are, together with a sense of the current picture:

- **Agility** the supply chain needs to be able to respond swiftly to shifts in the environment, by scaling production up or down, by reconfiguring plants and logistics networks, or by moving from traditional bricks-and-mortar to an e-commerce business model. In the survey that formed part of its report, CRI found that just over one in four organizations (27%) have a supply chain that is sufficiently flexible to support new or evolving business models.
- Diversification businesses also need to ensure they have a spread in their supplier base, and also of their production and transportation partners. Around two-thirds of businesses responding to the CRI survey (62–68%) said they are actively investing in this area as part of their post-COVID plans for the next three years.
- **Contingency planning** needless to say, supply chains need to be able to anticipate and respond to disruptions. As I mentioned in my introduction, it's wise to hope for the best, but to plan for the worst. In the CRI report, 16% of organizations said they use a digital twin for regular scenario planning exercises. It's not a high proportion, but it's a promising one, considering the relative youth of this approach.
- **Visibility** businesses will only be able to address all the previous points successfully if they can see everything that's happening in the supply chain, as it's happening. It's sobering to note that 44% of respondents to the CRI report said they have not mapped their supply networks at all.

Just over one in four organizations (27%) have a supply chain that is sufficiently flexible to support new or evolving business models."

#### Jörg Junghanns

Vice President Europe – Digital Supply Chain

1 Source: Capgemini Research Institute, Supply Chain Survey, August–September 2020, N=807 organizations that faced a negative business impact due to the crisis.

#### Future-proofing the supply chain

The steps organizations need to take are perhaps self-evident:

- Establish a resilience strategy product portfolios should be assessed, so as to identify areas where building resilience will be critical. Resilience thinking needs to be woven into the entire product lifecycle
- Build the capabilities needed to anticipate disruptions – organizations need to address their issues with end-to-end supply chain visibility, risk monitoring, and scenario planning capabilities
- Build the capabilities needed to resist disruptions – diversification and localization needs to be improved, but gradually, while focusing on customercentric planning using analytics

 Build the capabilities needed to recover rapidly from disruptions

 over time, organizations need to standardize their plant designs and material choices, and strengthen collaboration and data sharing with their ecosystem partners so as to increase their agility.

What we have here is a blueprint for what we at Capgemini call the <u>Frictionless</u> <u>Enterprise</u>, in that it represents a smooth and seamless flow of information and collaboration between employees, their departments, and those with whom they work.

In the case of the supply chain in particular, it also encompasses relationships with partners, customers, and obviously, suppliers.

#### **Ready for anything**

The steps to resilience may be obvious, but no one is saying that developing and implementing these plans will be easy – especially when businesses also have to deal with their immediate supply chain issues, such as seasonal demand, or pandemic peaks and troughs.

However, it's worth remembering that those immediate needs are rather like those waves breaking over the bow. Of course, you need to deal with them – but if there's anything else out there, and it's going to come rolling in over the deep, you'll need to be ready to face that, too.

To learn more about how to rethink your supply chain resilience for a post-<u>COVID-19</u> world, download the full report.

**Jörg Junghanns** leverages innovation and a strategic and service mindset to help clients transform their supply chain operations into a growth enabler.

### "

The steps to resilience may be obvious, but no one is saying that developing and implementing these plans will be easy – especially when businesses also have to deal with their immediate supply chain issues, such as seasonal demand, or pandemic peaks and troughs."

#### Jörg Junghanns

Vice President Europe – Digital Supply Chain



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### FAST FORVAR Rethinking supply chain resilience

for a post-COVID-19 world <sup>7</sup>

### What is a resilient supply chain?

MILLING





### Procurement – real-world transformational benefits

**Greg Bateup** 

Head of Solutions and Transformation – Procurement, Capgemini's Business Services



Procurement is not merely a fulfillment service, but an important contributor to the strategic and tactical success of an organization that gives them the flexibility, cost-effectiveness, and resources they need in order to go out and win.

There are many challenges currently facing procurement professionals today, including how procurement's role is changing in the market, and how it can be integrated into a smart, enterprisewide, digital model – as part of what we at Capgemini call the Frictionless Enterprise.

In this article we're going to assess some real-world implementations of this smart, integrated approach to procurement. In each of these cases, you'll see some impressive – and measurable – operational benefits; but you'll also see the extent to which new procurement models can make a significant contribution to business strategy.

#### Case #1 – financial services

This multinational financial services company sought to increase procurement efficiency in general, and in particular to improve purchasing compliance in its global insurance business.

A digital global approach was introduced that included an outsourcing model, a user-friendly buying portal, intelligent automation, a closed loop process for compliance and change management, and a Command Center concept to provide greater visibility into process bottlenecks.

In fact, visibility was improved not just in this respect, but across the entire procureto-pay (P2P) function. Processes were harmonized globally across business units, and scalable, fit-for-purpose platforms maintained compliance, and locked in savings.

As a result, the organization achieved 30% productivity gains over five years. There was a 90% increase in purchase order (PO) compliance, savings of over 10% in tail-spend management, an increase in no-touch POs to 80%, and a significant improvement in end-user satisfaction.

#### Case #2 – food

One of the world's largest food companies, was experiencing delays in processing purchase requisitions which led to internal customer dissatisfaction, delayed internal projects and a loss of revenue. PO compliance was at only 40%, limiting control over purchasing, and 30% of purchases required multiple touches which further delayed on-time payment to suppliers. In addition, poor data visibility meant it was difficult to identify savings.

A global managed service process model was introduced, with standardized desktop procedures, including the use of a catalog that was generated using improved content via analysis of repeat spend and training. Functions including PO processing, PO cancellations and changes, and invoice exception andling were monitored against new SLA-based metrics.

The new model reduced the number of interactions per transaction, leading to a significant improvement in on-time supplier payment. In fact, over three years, there was an increase in touchless POs of up to 63%, as well as a 90% increase in PO compliance. There was a 75% improvement in invoice block resolution, and a year-on-year rise of 10% in the productivity of full-time employees.

#### Procurement – key to strategic success

As I said in the introduction to this article, while all these stats are impressive, it's not just about measurable benefits. In this last case, for instance, what is perhaps more important than any one operational improvement is that the procurement function is now much more closely aligned to the company's business objectives.

We need to see procurement for what it is – not merely as a fulfillment service, but as an important contributor to the strategic and tactical success of an organization. When it's part of a Frictionless Enterprise, procurement can give businesses the flexibility, the cost-effectiveness, and the resources they need in order to go out and win.

**Greg Bateup** has worked with clients to deliver business transformation and BPO services for almost 30 years. For the last few years, Greg has focused on the digital transformation of the source-to-pay function, and how organizations can not only drive efficiencies in the procurement function, but also drive compliance and savings.

> We need to see procurement for what it is – not merely as a fulfillment service, but as an important contributor to the strategic and tactical success of an organization."

#### Greg Bateup

Head of Solutions and Transformation – Procurement



### Innovation Games – a showcase of success

#### Manuel Sevilla

Chief Digital Officer, Capgemini's Business Services



The Innovation Games enable us to demonstrate that the seamless and effortless flow of information and collaboration across an organization – what we the Frictionless Enterprise – is not just a digital principle, but something that delivers tangible financial and efficiency benefits.

One of the things of which I'm most proud in my role at Capgemini is the development of our Innovation Games. They act as a showcase for some of the best things we can achieve for our organization, and more importantly, for our clients.

Capgemini's people are asked to nominate themselves or others for projects that really make a difference. The three award categories this year were Intelligent Automation, Customer Value, and Growth, and entrants were whittled down to three finalists in each category. The short case studies below provide a summary of these nine projects.

#### The importance of teamwork

The Games are all about teams, not individuals. The best innovation happens when people get together, and spark ideas off one another – which is why 2020 was obviously a challenge. While the projects themselves had been initiated or in some cases even largely completed before the pandemic struck, the nearglobal lockdown made organizing the competition less straightforward than usual. Clearly, innovation was needed here, too!

Our teams came together to present, using online meetings platforms. Some participants were unaccustomed to what we might call front-of-house roles such as this, so we ensured that everyone received coaching before they presented to Capgemini management, and also in front of their peers. Each category had its own event and its own jury, and there was a grand final, too. There were winners in the three categories, an overall winner, and there was also a "People's Choice" award, because everyone at Capgemini was able to watch the events online, and was able to vote. It was a useful and enjoyable way to extend skills, and to share best practices.

#### The Frictionless Enterprise – tangible benefits

The Games are still a fairly new initiative, but they are rapidly becoming an institution that is truly international in its scope. They enable us to demonstrate that the seamless and effortless flow of information and collaboration across an organization – what we at Capgemini call the <u>Frictionless Enterprise</u> – is not just a digital principle, but something that delivers tangible financial and efficiency benefits.

At Capgemini, our tagline is: "Get the future you want." <u>These case studies</u> demonstrate our determination to help our clients do just that.

Read the full Innovation Games 2020 paper.

Manuel Sevilla advises customers on moving to a new world with radically faster time-to-market, new business models, new ecosystems, and new customer expectations, through adopting domains such as cloud, cloud-native, AI, blockchain, and DevOps. The best innovation happens when people get together, and spark ideas off one another – which is why 2020 was obviously a challenge."

Manuel Sevilla Chief Digital Officer



### How can blockchain foster reliable and sustainable supply chains?

#### Damien de Chillaz

VP, Head of Blockchain & B2B Platforms, Capgemini's Business Services

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Even in normal times, managing supply chains has become a significant challenge, with layers of complexity that have evolved organically, contributing to inefficiency and heightening risk. The current pandemic has brought these difficulties into sharp focus, highlighting the limits of supply chains across industries and regions.

Even in normal times, managing supply chains had become a significant challenge. Layers of complexity that had evolved organically often contributed to inefficiency and heighten risk. The current pandemic has brought these difficulties into sharp focus, highlighting the limits of supply chains across industries and regions.

It's clear that if these challenges are to be tackled effectively, those layers of complexity will need to be replaced with what we at Capgemini call a <u>Frictionless</u> <u>Enterprise</u> model – a smooth and seamless flow of information right across the organization, including collaboration between partners, customers, and obviously, suppliers. Blockchain technology also has a significant role to play.

In addition to regular challenges and to COVID-related needs, there are also the issues associated with climate change. Regulatory and consumer pressures are leading to demands for more sustainable supply chains.

As a result, large companies are making bold commitments to decarbonize their activities, and make their supply chains more resilient and sustainable.

To achieve this, they need greater visibility, transparency and control, so they can reduce risk in their operations, and protect brand value. These are just some of the qualities that are inherent in the Frictionless Enterprise model. Blockchain has a key role to play to enable this transformation. It can help organizations to achieve reliability and sustainability in three main areas:

- **Certificate sourcing** enhancing accountability between supply chain participants, with the ability to collect sustainability certificates directly from the source
- **Deep-tier supply chain** better connection to deep-tier suppliers to improve visibility and control
- **Carbon tracking** enabling immutable and tamper-proof reporting of carbon emissions including what is known as Scope 3 (supplier carbon emissions).

The benefits for all parties are substantial, both environmentally and socially. They are significant in business terms, too. For instance, the <u>Business for Social</u> <u>Responsibility</u> organization (BSR) suggests that suppliers who are reducing their carbon footprint could be rewarded through sustainable supply chain finance programs, and could access better financing conditions.

<u>A recent series</u> of articles we published takes stock of all this – of perennial supply chain challenges, of the heightened needs created by COVID-19, and of long-term sustainability. It considers the extent to which blockchain technology can be used to overcome these challenges, and to create supply chain models that are more reliable and sustainable. In particular, it looks at how blockchain can:

- Become a game-changer for supply chains
- Enable next-generation traceability
- Enhance transparency and accountability between parties
- Improve procure-to-pay functionality
- Help to secure IoT devices
- Enable carbon tracking.

We have also included interesting viewpoints by Dr James Robey, VP – Global Head of Corporate Sustainability at Capgemini, and Anoop Nannra, Global Blockchain Segment Lead at AWS.

<u>Read the full paper entitled 'The value of</u> <u>a blockchain-enabled supply chain.</u>

**Damien de Chillaz** leads the development of blockchain and DLT business opportunities at Capgemini, with an objective to orchestrate the design, build, and run of a number of significant distributed platforms.

> Blockchain technology can be used to create supply chain models that are more reliable and sustainable."

#### Damien de Chillaz

VP, Head of Blockchain & B2B Platforms
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# People Matter



# Capgemini's women help drive the Group forward

## **Parvathy Nair**

Vice President, Head of Marketing, Capgemini's Business Services

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Gender diversity enriches our creative solutions and enables a more balanced and inclusive environment.

At Capgemini, we believe the factors that make people different are a source of innovation and creativity – factors that enable us to generate new ideas, anticipate market trends, and be thought leaders in our chosen markets. It, therefore, makes business sense to create more gender-diverse teams across our organization, even as it serves to create a more equitable world.

To achieve real gender diversity across Capgemini, we are working through several local and global initiatives. And prioritizing more regular feedback sessions from our female employees to see what it is really like working in Capgemini on a daily basis, is part of that.

Here, we speak to some of Capgemini's Business Services female leaders to discover their thoughts on leading in what traditionally is a male-dominated industry.



Caroline Schneider – Transformation Practice Head

I recently moved to a new role, where I am part of a team that is establishing a new practice focused on the Frictionless Enterprise. In my new role, I am responsible for setting up the transformation team. Prior to that, I was the order-to-cash (O2C) global process owner for Capgemini's Business Services, where my focus was on designing innovative (O2C) frictionless solutions and operations for clients.

I never really have to think about what it's like to work at Capgemini as a woman – which is probably a good thing. However, I learned that you have to take control of your own destiny pretty early on in my career. I have also been lucky to work for great leaders and mentors at Capgemini, who helped provide guidance, and created a positive environment for me. Before Capgemini, I definitely experienced what it's like to be managed differently as a woman in business.

Most of the technology or external partners that I deal with – perhaps intentionally – have women working with me and my team on initiatives. It's been a very even dynamic – very rarely is it an all-male team. Maybe this is because everyone works better when there is equality and diversity on both sides of a partnership, but generally working within Capgemini has been a positive experience for me.



Eloise Hebert – Executive Program Manager

I work for Capgemini's Digital Customer Operations (DCO) practice, as a strategic partner and program advisor to the practice head, helping design go-tomarket product strategies, and identifying and mitigating potential problems quickly, as part of our Frictionless Enterprise approach.

Working at Capgemini has been great so far for me. I joined Capgemini as a "baby" – as part of my master's degree – and I was integrated into my team quickly. When I started here I felt really welcomed – there were always people around who would freely give me support and advice when I asked for it. This helped me settle into my role faster and enabled me to build strong relationships with several trusted mentors quickly.

Maybe my personality helped here – being the youngest in my family, I learnt to socialize quickly and ensure I am heard. As a result, I haven't participated in programs such as Avancer at Capgemini because I am quite confident in the network I am building on my own and the people in it. All of this combined, means that I don't feel that my career will ever be impacted by my gender at Capgemini. Maybe I am lucky, but I haven't felt the need to join any of the programs used to promote woman at Capgemini just yet.



Elle Sanchez-Cardenas – Digital Transformation Manager

I focus on using technology to simplify business processes, reducing manual work within teams, and increasing efficiency to deliver frictionless operations. I currently hold two roles, the first is global product owner for our Digital Twin offer and Transformation Innovation Office (TIO), and the second is working with Unilever in Latin America.

I have a technology background, and working for Capgemini's Business Services global business line has been quite refreshing, as we have a lot of women in the team – as opposed to my previous employer where I was often the only woman in the room. I am a big advocate in finding and developing female talent – and I enjoy working at Capgemini because of this.

Research suggests – and my experience has proved – that women are less drawn to technology roles and I am not sure why. My career in technology has given me a particular edge and unique understanding of how to transform business operations and process – something I feel many women (and men!) could benefit from. I think we need to embrace technology in our roles since it is a key enabler for our products and services.

Therefore, it is increasingly important that every woman understands the basics of systems and data – no need to become a coder, just adjust focus and rebalance the gender ratio in technology.



Priya Ganesh – Senior Director

I work as a transformation leader within Capgemini's Business Services. This means I collaborate with clients to ensure that our transformation program is aligned with their long-term business goals. I do this by ensuring the right Capgemini Group assets and frameworks are used to make the client's transformation a reality.

I have worked for Capgemini for 12 years, and I have seen a conscious and palpable shift towards gender diversity represented within the company across the board. For example, in the past, we didn't make a conscious effort to groom women for leadership roles due to a number of business or cultural factors at the time. However, now there is a lot more focus on grooming Capgemini's women leaders of tomorrow than ever before.

Unfortunately, I know there are very few women working in top positions in the tech industry because they have not been groomed for these roles at the middlemanagement level. Across geographies, many tech companies are not preparing women for C-suite roles and they are unclear on how to elevate women to the next level in their careers. Unless companies give women the training they need to combine the business expertise they need, with the tech experience they already have – we will continue to see less women in leadership roles across the industry.



Carolina Gonzalez-Aces – Business Transformation Senior Manager

I work for the Digital Supply Chain practice within Capgemini's Business Services – where I help our clients run their supply chains more efficiently. This involves shaping their future supply chain together, overcoming challenges, and aligning the roadmap needed to achieve their longterm goals. I love the logistics and supply chain sector because it is exciting. I find the huge impact that supply chain operations have in our day-to-day life fascinating, and enjoy the environment, and economy around it – as well as the business performance aspects of it. I enjoy my job because it enables me to identify and implement solutions that revolutionize supply chain operations – driving real transformation and changing the game for any organization.

When I joined the supply chain management workforce, I was concerned about how the lack of female representation or female role models could impact my career. After all, supply chain management is a male-dominated field – especially in top rank positions. This leads to a lack of female role models within the industry who can inspire other women to enter the industry, grow within it, and successfully get into these top positions. However, I have never felt my gender has impacted my career either positively or negatively. Working within Capgemini means your hard work and talent are recognized – regardless of gender.



Felicia Jones – Senior Director, Digital Employee Operations Practice, Americas

I am a senior director leading the Digital Employee Operations Practice for the Americas. I help organizations move to digital, while focusing on improving HR operations and building their organization's digital operations. I do this by implementing best-of-breed digital solutions within their organization to enable clients to operate similarly to other market leaders within their space – transforming them into digital-first HR organizations that improve their digital employee experience overall.

To do this I work with a lot of tech experts, and the majority of the people I work with here are men. However, I do think there are women out there who are interested in working in the tech industry. There needs to be a concerted effort – across the industry, not just in Capgemini – to go out and attract more women into techbased roles. However, things are slowly beginning to improve here. I can see that Capgemini is making great strides in promoting women and giving them opportunities. As an organization, Capgemini is very aware of current social issues and we are addressing this within the Group. This is great news for me – not only as a woman, but also as a black woman – to be part of an organization that recognizes something needs to change and then taking action to improve things for the better.



Florence Rolland – Intelligent Automation Offering and Business Developer

I have two hats in Capgemini. First, I handle the global business enablement and go-to-market operations around our Intelligent Process Automation (IPA) offering. This involves building clear, concise messaging, and structuring it around concrete AI-focused business cases that show our clients how we can automate their processes for them. My second role involves contributing to the business development of Capgemini's Business Services Intelligent Automation practice for France where I work with our IPA clients.

During my time at Capgemini, I've noticed how Capgemini is pushing for more equality in the IT sector. This is demonstrated clearly by our annual promotion of the Women in AI awards. To me, this shows how Capgemini is striving to get more women into the IT sector, which has an impact on the entire industry – not just our own workforce.

However, I think there is also another way to get more women involved in the IT sector if they haven't studied IT development. They can work as a bridge between business and IT and, through this, expand their knowledge and experience within the IT sector. This could get more women involved in the IT sector and might be a way of getting around the lack of women participating in IT courses at the university level.



Pooja Malhotra – Global Transition Leader

Together with my team, I ensure smooth transitions and transformations by handling our client-centric relationships with a personal touch, bringing more value to everything we do.

Working at Capgemini gives me the freedom to progress in my career, enabling me to expand my skillset, while also giving me the confidence to speak my mind fearlessly.

This has enabled me to embrace change easily, and ensured I started growing within the company very quickly. In addition, my mentors within the company have helped me understand that failure is part of success. This has enabled me to continue to improve for the benefit of my teams, my clients, and myself, as I have never been intimidated by the unknown. In fact, I see this as my greatest strength. Finally, Capgemini provides me with a great work-life balance that has never forced me to choose between my family and my career.

Capgemini is making great strides in promoting women within its workforce. During my time here, I have seen management make a conscious effort to promote women into more senior and top-tier roles across the Group – ensuring that women across the company never have to limit their ambitions. This is why



I feel immensely proud of working at Capgemini today.

Smitha Gopalaiah – Delivery Head for Intelligent Automation

My main role is to deliver automation to our clients and engagements – from opportunity identification to deploying bots and providing ongoing support and maintenance. By automating these processes, we create an augmented workforce that enables our colleagues to focus on more value-added activities.

There are a number of women in prominent leadership roles within Capgemini's Business Services, and working at Capgemini has already given me an avenue to expand my role twice – despite being part of company for just two years. This is possible because the management team trusts in my expertise – they don't worry about red tape. Your skills and hard work are rewarded, regardless of gender – which is why I love working at Capgemini.

My view is that if the IT industry wants to increase diversity, more effort needs to be made on both sides of the spectrum. While management teams need to provide platforms and forums to encourage female employees to familiarize themselves with IT processes, women also need to understand that the IT sector isn't difficult to navigate and take the plunge. The gender gap in the IT sector is caused by a lack of interest rather than skills, and both sides can help bridge this by working together.

**Parvathy Nair** leads marketing and communications for Capgemini's Business Services.

At Capgemini, we believe the factors that make people different are a source of innovation and creativity."

**Parvathy Nair** 

Vice President, Head of Marketing



# Capgemini's Avancer program lifts women up

### Aarti Srivastava

Global Head of HR, Capgemini's Business Services

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I want to use my ten years of experience to help lift women so they can reach their career goals and climb the corporate ladder.

As the global head of HR for Capgemini's Business Services Global Business Line, it is my passion for what I do, along with my emotional intelligence, that has helped me advance in my career. These traits assist me as I coach people on how to tap into their potential while making sure Capgemini's leaders build our people – and women, in particular – as they develop the skills needed to succeed within their roles.

# Choosing mentors and asking for help

Finding a mentor who inspires you is a significant first step on the path to success. Not only will they help you build on the skills you have but suggest new ones that will help you on your professional journey. Mentors can also help strengthen your faith in your abilities and what you bring to the table, which is beneficial when it comes to reaching your goals.

However, having a great mentor isn't the only trick to building confidence. Asking for help when you need it is another way to make sure you get the support you need. This will make sure you keep a healthy work-life balance, which has been shown to lower burnout rates and keep you on track with your career goals. Plus, asking for help has the added perk of teaching you what needs to be prioritized and what can wait, something a good leader needs to be able to understand how to do.

#### How to handle roadblocks

As I've climbed the corporate ladder, I've experienced two main types of roadblocks: those I created in my head and the traditional mindsets of others, although this one seems to be changing now. When I started my career, I met a few people who felt that women aren't going to be able to commit to as many workrelated responsibilities because of the demands of motherhood and other family obligations. Thankfully, at Capgemini, this is not the situation. Many of my male colleagues and managers are supportive and encouraging when it comes to women chasing both career and family aspirations.

Strangely, I feel the roadblocks I created myself may have stood in my way more than any of the outside ones, particularly in my early career. I was afraid I wasn't going to be taken as seriously as my male colleagues if I needed to take a sick day to look after my daughter or take her to the doctor, or any other sort of family obligation. This was a reaction to both some of the more traditional mindsets of older colleagues and my insecurities. However, as the years have progressed, my fears have dissipated, and I have more faith in myself and my abilities. Today, I take great pride in how I co-manage my family and work responsibilities.

# Finding your motivation and problem solving

Everyone's motivation for why they want to succeed at work is different. Personally, I'm driven by a sense of achieving something worthwhile, which, for me, means something that makes me happy and accomplished. I also find working outside of my comfort zone pushes me to succeed in ways I wouldn't normally do if I stayed safely inside the box.

I also think having a dynamic and diverse workplace full of original ideas and perspectives can be incredibly motivating for many people. One of the best ways I know to create this sort of environment is to have a wide variety of voices in more senior roles. I think there is something valuable and unique about how every individual approaches problem-solving within the realm of business.

# The Avancer program for women

One of the things I love the most about working for Capgemini is its belief in promoting talent through the ranks. And even though we have plenty of great programs dedicated to helping people at every level of our organization, we wanted to create one explicitly reserved for women who aspire to move into senior roles. We hope that the Avancer program will encourage more women to aim for senior management positions in Capgemini.

This six-month program was designed to help high performing women in early to mid-management positions within Capgemini's Business Services to understand the digital world's everchanging landscape, especially when it comes to digital transformation. It also teaches them essential leadership and soft skills so they can lead with confidence as they navigate their career path within Capgemini. That way, they can be successful in every aspect of their lives, both at home and at work.

Learn more about <u>how HR is at the heart of</u> <u>Capgemini and everything we do.</u>

Aarti Srivastava leads strategic HR for Capgemini's Business Services. She advises on people issues, organizational design, and HR product needs and translating business demand into HR solutions.



Looking back at Avancer's inaugural program – but this is just the beginning...

#### Susan Steer

Human Resources Leader, Global Learning & Development Team, Capgemini's Business Services

## Vanessa Tullio

L&D Project Manager, Global Learning & Development Team, Capgemini's Business Services



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The Avancer program helps women build the skills they need to become leaders of tomorrow. What have been some of the successes of the program? And what's next for the Avancer story?

Capgemini's Avancer program was centered on the idea of helping women successfully climb the corporate ladder, without sacrificing their personal or professional well-being.

#### Avancer in a nutshell

In the inaugural cycle of the Avancer program, 146 Capgemini women in midlevel roles from all around the world worked with 79 mentors, both men and women, to learn new skills and apply them to their careers to create future female C-suite managers today..

Over the last six-months, participants attended a series of modules designed to help them gain the skills they need to move into more senior management roles. These modules were also backed by a series of monthly Learner's Corner meeting, which aimed to reinforce Capgemini's leadership dimensions, and how they could be leveraged within a realworld business environment.

They were also a safe space where our Avancees could discuss what they were learning, how they were approaching assignments, or simply acted as somewhere where participants could just bounce ideas off each other.

#### **Recognized for our skills**

How do we know Avancer was successful? Well, first of all, we received a satisfaction rating from our participants across all webinars of over 95%.

But that's not all, our participants also told us how much the course has improved their confidence – particularly their presentation skills – which has led to some of them receiving more responsibility in their day-to-day roles. Meanwhile, other participants got the skills they needed to even switch practices – starting a new career path entirely different from what they were doing before. All of this success was driven by the programs agility which enabled us to observe, design, and redesign content to suit the specific needs of our participants. For example, we decided to bring in one expert to talk to the group about building their confidence and using their knowledge during meetings and presentations.

#### Avancer in numbers

 Self study fully online 146 participants almost 3.500 learning hours
Webinars Inspirational leaders (6 executives)
Mentoring



Self reflection Self refrection through 6 sessions(learners' corners) 10 countries

#### What's next for Avancer?

Avancer's inaugural run may be over, but we don't plan on stopping here. Over the next few months, we plan on spreading the benefits of Avancer across the entire Capgemini Group so that women working for us across industries and the globe will advance further in their careers. Watch this space! "I wanted to get involved in Avancer to sharpen my leadership skills. In particular, I wanted to understand more about leadership and decision-making."

### Athnee Ononiewur

FPIA Consulting

"Avancer has really helped me to see the bigger picture in regards to my role in people development. and the role that I play within Capgemini. Before Avancer, I didn't recognize the opportunities Capgemini held. However, meeting many women from across Capgemini has helped me see that I am part of something global."

Samantha Dort Operations Team Lead

Susan Steer is a Human Resources Leader and member of the Global Learning & Development team. She is involved in every step of the employee life cycle. In addition to strategic support to the business, she guides and mentors employees, enabling them to flourish, stay engaged and reach their potential.

Vanessa Tullio is an L&D manager with deep knowledge on facilitating learning interactions and designing developing programs. She is a professional coach and mentor, a Capgemini University facilitator and handles global learning and development for Capgemini leadership and certification programs.



Above and Beyond the rest – what winning this award means to some of Capgemini's leading women

## Surabhi Sunanda

Talent Director, Capgemini's Business Services



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Capgemini's Above and Beyond awards recognize the top performers across Capgemini's Business Services global business line. Some of our most recent female Above and Beyond winners talk about what this recognition means to them and why they would recommend Capgemini as an employer.

Within Capgemini's Business Services, our people are our greatest assets. Their commitment, skills, and competencies are the foundation on which we build innovative solutions for our clients, and make it possible for us to deliver best-inclass results on a daily basis.

Above and Beyond – our first ever global recognition program – recognizes the top performers across our organization at a global level. It aims to provide motivation for our people to ace their careers, offers tailored rewards that matter to them, and drives value for our clients. Since its launch in 2019, over 100 employees have been recognized through this program in four categories – Innovation, Competitiveness, Business Builder, People Developer, and Best Turnaround.

In this article, Malgorzata Praczyńska (Innovation), Aries Zhu (People Developer), and Ushha Yadav (Best Turnaround) talk about what they do for Capgemini's clients, how their expertise and experience helped them win an award, and what winning this award means for their future careers.



Małgorzata Praczyńska – HR Automation Manager

#### What is your role and what do you do for Capgemini's clients on a day-to-day basis?

I am the founder and manager of Capgemini's HRInnHUB team. I specialize in finding automated solutions for various HR processes – including project and people management – that provide significant cost benefits to Capgemini and our clients.

#### How has your expertise and experience helped you win an "Above and Beyond" award?

In the HRInnHUB we combine HR and technology, which is based on my over 10 years' of experience in HR and service delivery. Because of this experience, I know my clients and they know me. This helps me to understand their needs and concerns which enables me to guide them through a smooth change process – where I propose a proven solution, not a revolution. This is what makes our HRInnHUB offer so special in the HR market.

#### What does winning this award mean to you and how will it help you in your future career?

Receiving this award confirms how important it is to make the administrative process simpler and freeing peoples time for higher value work is in today's competitive market. My Above and Beyond win means that the HRInnHUB can now be promoted across the Capgemini Group bringing automation to every HR team – giving us a chance to truly go global as winners of this award are recognized wherever Capgemini operates.

#### Why would you recommend Capgemini as an employer, for women, in particular?

Capgemini gives each of its employees a chance to achieve their goals and fulfill their ambitions – it's just a matter of taking advantage of this opportunity for each individual employee. Man or woman – it's your skills and attitude that counts. This is why I would recommend working for Capgemini to anyone who considers himself or herself to be ambitious, as gender doesn't play a role in success within the Group.

With its <u>seven values</u>, Capgemini proves that individual skills, potential, attitude, and spirit are key factors for success. Capgemini highlights each and every employee that is brave enough to stand in the spotlight – regardless of gender. For me, I do this by proving the importance of intelligent automation to my clients and colleagues, and it gives me the satisfaction that I play an important role in the global success of our company.

> Capgemini gives each of its employees a chance to achieve their goals and fulfill their ambitions. "

Malgorzata Praczyńska HR Automation Manager





Aries Zhu – Service Delivery Manager

#### What is your role and what do you do for Capgemini's clients on a day-to-day basis?

I am an experienced HR subject matter expert and currently work as the service delivery manager for both the Syngenta and Dairy Farm <u>Digital Employee</u> <u>Operations</u> (DEO) teams in the Nanhai delivery center.

In this role, I support my team in delivering end-to-end HR services for Syngenta and HRO and payroll services for Dairy Farm – to 30,000 customers across the Greater China area. I also collaborate with various stakeholders to successfully implement several large-scale HR transformation projects – leveraging my 14 years of experience across both in-house and outsourcing operations to get the results our clients want.

#### How has your expertise and experience helped you win an "Above and Beyond" award?

Through my experiences working in HR, I understand that inspiration is the foundation of leadership. Therefore, a leader should make people feel like they matter and what they do on a day-to-day basis matters. This inspires people to work towards a common vision, encourages them to deploy their particular skills within their roles, and unleash their potential onto everything they do – both inside and outside the office. I think this is what "People matter, results count" is all about, and I treat it as my mission to carry this out.

#### What does winning this award mean to you and how will it help you in your future career?

I am honored to be an Above and Beyond winner, and recognition is always a strong drive to go further in your career and push boundaries where otherwise you might have played it safe. Winning this award has also encouraged me to become a people development role model to my peers, in addition to improving my capabilities further by learning from other Above and Beyond winners and encouraging me to strive to win other award categories in the future.

#### Why would you recommend Capgemini as an employer, for women, in particular?

In the Nanhai center, 88% of our workforce and 80% of our managers are women. As a result, in my day-to-day experiences working in Capgemini, I know that women's voices count and they are as competitive as men – therefore reinforcing career development in Capgemini as transparent and equal for everyone.

On top of this, the <u>Women@Capgemini</u> program aims to enrich our organization by mobilizing all of the Group's talents – both men and women – around the fundamental principle of "equal opportunities, and equal chances," to deliver better results to our clients, our partners, our shareholders, and our employees.

All of this combined, means Capgemini is a great workplace when it comes to fostering an environment of diversity and inclusion.





Ushha Yadav – Senior Manager, Finance and Accounting

#### What is your role and what do you do for Capgemini's clients on a day-to-day basis?

I specialize in managing workloads, people, and my clients' needs. I do this by ensuring that the offerings I present to my client on a day-to-day basis become an extended arm of how they do business – enabling them to think differently and make better decisions.

Doing this correctly enables me to build a strong relationship with my clients and ensures they continue to be satisfied with what we do. This helps us to remain their preferred partner of choice.

#### How has your expertise and experience helped you win an "Above and Beyond" award?

Client management has always been my forte and my ability to consistently win their confidence helped me win this award.

#### What does winning this award mean to you and how will it help you in your future career?

It's a great feeling to win this award, as it highlights winners as important players within Capgemini. This will definitely be a morale booster for me moving forward as it further adds to my belief that great work does get appreciated and rewarded within Capgemini.

#### Why would you recommend Capgemini as an employer, for women, in particular?

Capgemini is an organization where women are respected, are a key part of any leadership team, and where they get the opportunity to lead and drive the success of both the company and their own careers.

Working at Capgemini makes me feel comfortable, respected, and appreciated. In addition, working here also gives me a certain amount of social security in these uncertain times. These are the main reasons I would recommend Capgemini as a good place to work to other women. Surabhi Sunanda is responsible for performance and career management processes, talent programs, and change management initiatives. She is passionate about creating a high performance and inclusive culture within Capgemini.

> Capgemini is a great workplace when it comes to fostering an environment of diversity and inclusion."

Aries Zhu Service Delivery Manager



# Expert Insights



# Frictionless pragmatism

## Priya Ganesh

Senior Director, Capgemini's Business Services





The need for clarity, utility, and flexibility of thinking are fundamental to creating the Frictionless Enterprise.

There's a story about a farmer who lives by a river, and who used to have a large highsided raft to ferry his sheep back and forth to fresh pasture. He visited a carpenter, and told him the raft was getting old, and that he'd need a new one, to a better design.

The carpenter went to see for himself. He waded out into the river, and took a good look at the old raft. "I could make you a replacement," he said, "and it would be better than this one. But I have another idea." He explained, and the farmer agreed.

The farmer no longer needs a raft. He has a sturdy bridge instead now, over which he and his flock can pass with ease. What's more, everyone else can use it, too.

#### **Practicality and creativity**

What I like about this story is not just its pragmatism, but its lateral thinking. It solves a problem, but in a new and better way – and what's more, the benefits go way beyond original expectations.

In a post-pandemic business environment, it's this kind of practicality and creativity that are going to be more important than ever – which brings me to three points I'd like to make about process reform. They are simple, but they are important.

#### 1 – The need for speed

It's never been more important to act fast. In normal circumstances, the broad consequences of each new action would be factored into the decision – but our collective current circumstances are by no means normal.

What's important is to empower teams to make urgent decisions, and to bypass anything that gets in their way. Action is more important than perfection.

#### 2 - Choose to reinvent

The carpenter in our story could have made a better raft – but by building a bridge instead, he created something that was easier for the specifier, and that was also available for other users.

Why simply streamline a failing process, if you have the option not only to reinvent it, but to reduce friction in the business at the same time?

#### 3 – Focus on what's critical

If you're going to move fast (Point 1) and reinvent processes (Point 2), you can't possibly hope to be able to address everything. Instead, you'll have to concentrate your efforts on the processes that matter most.

That's why this third point is the standard 80/20 principle – focusing on what will deliver proportionally the greatest impact. This includes identifying best practices and sharing them more widely: for instance, examining particularly successful vendor partnerships, and seeing what principles can be derived from them that can either be used to enhance them, or that can be applied elsewhere.

#### **The Frictionless Enterprise**

Implicit in all these points is the need for clarity, utility, and flexibility of thinking – all of which are fundamental to what at Capgemini we call the <u>Frictionless</u> <u>Enterprise</u>.

The aim of the Frictionless Enterprise is to enable a smooth and seamless flow of information and collaboration between employees, their departments, and those with whom they work. It also encompasses their relationship with suppliers, partners, and obviously customers.

What it doesn't mean is the arbitrary application of technology, rules, or

processes. Instead, it entails whole new, digital ways of thinking and working, combined with the capacity to adapt constantly to new contexts – which is why it can never be a one-time fix.

Organizations can address individual painpoints for the best and fastest return, and they can transform them individually, rather than simply improve them. But none of this means these things have to happen in isolation. They can still form part of a larger plan.

For the carpenter, the larger plan was to build a bridge. For us at Capgemini, it's the goal of the Frictionless Enterprise.

**Priya Ganesh** has worked for Capgemini for the last 12 years, first as a Solutions Architect and now as a Senior Director leading the solutions and transformation practice across APAC. She enables clients in their transformation journey, leveraging Capgemini's critical assets and collaboration across our Group.

> The aim of the Frictionless Enterprise is to enable a smooth and seamless flow of information and collaboration between employees, their departments, and those with whom they work. It also encompasses their relationship with suppliers, partners, and obviously customers."

**Priya Ganesh** Senior Director



# AI and ethics – seven steps to take

#### Lee Beardmore

*Vice President and Chief Innovation Officer, Capgemini's Business Services* 



Seven easy to implement steps that should form part of the ethical development, deployment, and management of your AI systems.

Ethics cannot be ignored when it comes to artificial intelligence (AI). Furthermore, businesses now need to consider the practical preparations that they need to make for the morally justifiable implementation of AI. However the question remains: how can businesses do this?

In this article, I am going to highlight the seven steps that should form part of the ethical development, deployment, and management of your AI systems.

#### Step #1 – define purpose and assess potential impact

Organizations need to satisfy themselves that the core aim of the AI system is to benefit people or improve their lives, and that it is not driven solely by economic goals such as increasing profits.

This core aim needs to be made transparent not just to internal audiences such as teams in development, sales, marketing, and compliance, but also to external stakeholders such as partners, contractors, and relevant regulatory and government bodies.

Alongside an assessment of potential benefits, organizations should also consider potential risks before any implementation. Such risks might include possible threats to people's fundamental rights.

# Step #2 – address sustainability considerations

Successful AI implementations can optimize business operations. This needn't just mean improved margins and better productivity: it can also have implications for an organization's broader goals, such as equality and inclusion, and also such as reducing environmental impact. If such improvements are possible, they shouldn't be mere by-products – they should be actively sought out and factored in as development goals.

What's more, AI has its own carbon footprint, whether it's on-premise or in the cloud. This, too, needs to be a development consideration.

# Step #3 – embed diversity and inclusion

The broader the mix of people engaged in the AI system development lifecycle, the better. Organizations should aim to build teams from a variety of racial, gender, and demographic backgrounds. Diversity of discipline should also be a factor, bringing together people of different viewpoints and educational backgrounds.

Also, tools now exist to evaluate fairness and to identify and correct bias in AI systems and machine learning models. Organizations can and should use such tools to correct bias in datasets by focusing on the training data. What's more, they should ensure that AI testing covers all appropriate demographics, so as to avoid any group or groups of people being inadvertently disadvantaged by the outcomes of an AI application.

#### Step #4 – enhance transparency

Tools also exist to analyze the processes being used by AI systems and to explain not just simple outcomes, but entire models. Some approaches go further still, and provide a benchmarked evaluation of an AI model under various conditions.

Adopting these tools and approaches can help organizations to be clear to users, regulators, and the general public about the origins of their models, their use, and any limitations those models may have. Organizations need to satisfy themselves that the core aim of the AI system is to benefit people or improve their lives, and that it is not driven solely by economic goals such as increasing profits."

#### Lee Beardmore

Vice President and Chief Innovation Officer

#### Step #5 – humanize the AI experience

Where possible, it's a good idea to keep real people involved in AI processes. For example, tag-teaming a human agent with a virtual assistant on customer service calls can help to stop ethical issues arising in the first place.

No organization should want its customers to feel that they have lost agency, or that their basic rights have been compromised.

#### Step #6 – ensure technological robustness

Many of the resilience issues that relate to AI are true also for technology in general. For instance, AI systems should be resilient to attacks or mishaps, and wherever possible should be backed by fallback plans in case of failure. Data should be accurate; results should be reproducible; and regular testing and monitoring can ensure that AI models are behaving as expected, before go-live and after.

However, there are other areas of technological robustness that are specific to AI. The nature of the integrity of its datasets is a case in point. It's a good idea for each such dataset to be accompanied by a datasheet that documents key variables such as composition, collection process, and recommended uses. This will help AI developers to work more effectively with AI algorithm users such as sales and marketing teams, and help them understand the impact of their decisions.

#### Step #7 – empower customers with privacy controls

Giving customers control over their personal data isn't merely a courtesy, or even a sign of good corporate citizenship. In some parts of the world – notably, in the EU – it's a legal requirement.

The General Data Protection Regulation (GDPR) obliges businesses to meet all kinds of customer obligations upon request, including seeing how and when personal data is being used, and for what purpose; opting out of an AI-based system in favor of human intervention; and allowing users to change the weight of individual data attributes so as to influence AI output – for example, to increase recommendations in line with actual rather than AI-derived personal preference.

If such obligations need to be put in place for EU residents, multinational organizations may conclude that, to show both fairness and consistency, it might make sense to make the same provision for customers elsewhere.

#### The benefits of being frictionless

All of these steps are easier to implement, and are more likely to succeed, when the organization can act as a cohesive whole – when it can seamlessly and intelligently connect its processes and people as required.

At Capgemini, we call this the <u>Frictionless Enterprise</u>. It's an approach that dynamically adapts to changing circumstances, and it's therefore ideally suited to addressing AI systems, and the ethical considerations that flow from them. It enables organizations to monitor and manage not just the technology and the datasets, but the diversity of the teams developing them.

It also helps businesses to respond to the concerns of their customers, of regulatory bodies, and of other external stakeholders, and to demonstrate a commitment to human fairness, to sustainability, and to transparency.

To learn more about how organizations can build ethically robust AI systems and gain trust, <u>download the full report</u>.

Lee Beardmore has spent over two decades advising clients on the best strategies for technology adoption. More recently, he has been leading AI-driven business transformation for Capgemini's Business Services. Lee is a computer scientist by education, a technologist at heart, and has a wealth of cross-industry experience.

### A framework to build and use ethically robust AI systems

#### AI respectful of privacy and data protection

• Protect indivitual privacy by empowering them and putting them in charge of AI interaction

#### **Robust and safe Al**

#### $\mathbf{O}$

• Ensure technological robustness of AI from safety, security, and accuracy standpoint

# Controllable AI with clear **O** accountability

- •Humanize the AI experience
- •Ensure human oversight of AI systems



#### • AI with carefully delimited impact

• Clearly outline the intended purpose of AI systems and assess the overall potential impact, notably on indivituals, before adoption

#### O Responsible AI

• Proactively deploy AI for the benefit of society and environment

#### Fair Al

• Embed diversity and inclusion principles proactively throughout the lifecycle of AI systems



#### Transparent and Explainable AI

• Enhance AI Transparency through technology tools



Establish a foundation of ownership of ethical issues and set up strong internal processes • Leadership • Ethical • Governance • Operationalization • Audits • Trainings

#### Organizations are now more aware of ethical issues as compared to last year



**78%** of executives are aware of explainability in AI systems today, compared to only 32% in 2019 **69%** executives are aware of transparency in AI engagements today, compared to 36% in 2019

**65%** executives are aware of the issue of discriminatory bias with AI systems as opposed to 35% in 2019

Source: Capgemini Research Institute analysis



# The secret ingredient to digital transformation

 

## Magda Matell

Transformation Account Executive, Capgemini's Business Services



With a little care, attention, and time, your digital transformation projects can go from being just okay to being something extra special.

#### Making the move from ready-made to fresh ingredients

Cooking is my passion and during the lockdown I was able to spend more time in the kitchen preparing delicious food for the people in my life. I recently became a vegetarian and have experienced flavors and tastes I never thought possible through a plant-based diet.

One of the things I have learned is: fresh ingredients are essential when it comes to cooking. Sure, I could create some of my favorite dishes with ready-made ingredients, but by using fresh plants, spices, and herbs cut and flavored to my taste, the difference is incredible.

And one of the best ways to do this is to make sure you have the best quality ingredients. Having produce delivered from local farms means I get the freshest quality fruits and vegetables to make my dishes the best they can be.

The same can be said when it comes to business transformation.

# Access to the best components is key

To help create the best and most specific transformations for our clients, Capgemini has set up the Transformation and Innovation Office (TIO). For the past few months, I've been running transformation activities for our clients in Europe.

Within the TIO, I've spent time drafting the right initiatives that deliver the best outcome to our clients. The planning occurs during multiple meetings with the clients who are involved in every step and are clear on what needs to be prioritized. As such, we can ensure that the initiatives that we drive will fulfill the requirements of the business. Thankfully, the TIO has access to a network of talents, tools, and external partners. This enables us to source the best resources from the organization when it comes to processes automation and innovation, and we are able to deliver fit for purpose projects for our clients.

The same goes for driving transformation. Just like when cooking, it is much easier to accomplish the best results by handpicking projects and resources that address the client's specific needs.

#### Having enough help and time makes all the difference

Another key to creating a successful digital transformation is, of course, time. Next to having the right ingredients, I have always been lacking enough time to prepare more advanced meals. However, my children are very eager to help me in the kitchen.

Working as a team, we are so much more efficient in preparing our meals. Of course, I need to watch them and take several precautions to avoid making too big a mess. However, as they gain experience, they are becoming far more helpful, and there is less clean up required.

Likewise, our clients often have big plans but don't have time to deliver and some of our operations are busy with day-today matters and don't have access to the resources to do those little extras that may be required.

However, the TIO is able to bring new ideas and relevant resources to the table, while also providing a little extra time and the capacity to deliver more advanced projects and foster productive collaboration between the operations and the business. After working hand-in-hand with the clients and the operations, the TIO team delivers on the projects that were generated, planned, and agreed to as part of the assessments, brainstorming, digital workshops, and other techniques to determine and address what is needed.

In short, when it comes to making your digital transformation shine, Capgemini's TIO can definitely be considered the secret ingredient.

Magdalena Matell has over 16 years' experience in business services. She is passionate about helping organizations transform and become more client centric by changing business models and operations. She has successfully led global transformation programs and executed multiple finance and accounting solutions across a range of businesses.

> To help create the best and most specific transformations for our clients, Capgemini has set up the Transformation and Innovation Office."

#### Magda Matell

Transformation Account Executive



# SAP S/4HANA® and the digital twin

### Sanket Solanki

Global SAP S/4HANA Transformation Lead, Business Transformation Director, Capgemini's Business Services

 As SAP plans to discontinue the mainstream maintenance of its existing ERP solutions by 2027, organizations are considering various methods in their transition to SAP S/4HANA®.

This presents a golden opportunity to transform and digitize operating models, processes, data, and technology to create an organization that adapts easily and with agility, while also accelerating the value of their S/4HANA roadmap.

# The "S" in S/4HANA is for "simple"

Efficient, effective, and secure migration starts with data harmonization and endto-end business process standardization, before launching a new, digital core.

It's best to approach this strategically:

- Design a <u>frictionless</u>, <u>agile operating</u> <u>model</u>, where global end-toend processes are standardized and designed towards a common S/4HANA-enabled template
- Assess digital opportunities to streamline, optimize, and automate processes, with AI-enabled controls and automation zones
- Establish and integrate best practices and KPIs
- Review existing SAP and technology architecture, with a view to minimizing customizations and assessing other digital tools (including platforms, workflow, robotic process automation (RPA)/artificial intelligence (AI) integration, data management, knowledge management etc.)
- Enable simplification of the core by aligning with the overall business and IT roadmap to gain adoption
- Conduct appropriate cost benefit analysis of future opportunities and prioritize, with assigned ownership.

#### Enter the digital twin for S/4HANA

As the tools of innovation improve, the capabilities of digital twins are enabling more companies to enhance performance and drive stronger business outcomes.

SAP S/4HANA transition.

A digital twin can simplify your

A <u>digital twin of an organization</u> is a virtual replica of an actual and potential processes, products, or services that enables you to analyze and optimize those processes, products, or services in a digital instance to simulate the impact of change before they become reality.

The impact on business operations is to simulate the impact of change for any organization, using metrics, volumes, and data that can be integrated into the model.

# Capgemini delivers digital twin

Capgemini recently worked alongside an organization on such a program. The aims were to:

- Design an S/4HANA-enabled operating model to enable the client to recreate its process landscape and adjust to organizational changes over the years to come
- Identify, evaluate, and prioritize opportunities for transformation in line with the business's SAP S/4HANA migration roadmap.

The digital twin was set up to address the full scope of finance and accounting, supply chain, procurement, master data, and HR. The cloud-based SAP S/4HANA operating environment covered globally standardized processes, all modeled within the <u>BusinessOptix platform</u>. This model was enriched with AI and RPAzones, roles and activity owners, S/4HANA Fiori-transactions, and integrated controls, to function as the North Star for our client's organization. As a result, ready-to-use process flows emerged that the organization could immediately introduce, significantly reducing the time and cost expended on training and onboarding.

The net outcome of all this is that the business is now able to merge the migration of its system landscape with the organizational changes it is making as part of its digital transformation.

#### The ultimate goal – a frictionless enterprise

In summary, developing a digital twin for SAP S/4HANA enables businesses to remove bottlenecks from current processes, simulate the impact of organizational change and establish a common design towards a digital future.

The ultimate outcome is what we at Capgemini term the <u>Frictionless</u> <u>Enterprise</u> – an organization in which data can flow seamlessly between people and processes, intelligently, and as and when it is needed.

Pre-configured solutions of this approach are available that can save weeks in days sales outstanding (DSO) and reduce total operational costs by 40-60%. The sooner businesses embark on the path to digital transformation, the better able they'll be to take advantage of game-changing approaches like this.

**Sanket Solanki** advises clients on implementing finance transformation opportunities across their operations that address their future strategic vision, whilst designing and developing agile business and operating models, augmented with AI, to drive sustainable business outcomes.



# Touchless claims in P&C – evolving into an "inventive insurer"

Kanhiya Singh

Senior Solution Consultant, Capgemini's Business Services



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P&C insurers that develop and implement a future-ready, touchless claims operating model leveraging intelligent automation, innovation, and right-shoring with customer service at its core will be considered true champions in adopting touchless claims.

<u>Property and Casualty</u> (P&C) insurers today leverage traditional, manually intensive claims handling processes across disparate systems. Reluctance to change, extensive use of costly workforce throughout the claims process, and lack of trust in artificial intelligence (AI) renders P&C insurers with a high loss adjustment expense (LAE), which represents, on average, 12% of their premium.

P&C insurers also face a number of internal barriers around readiness to change and adapt. This ranges from legacy systems, outdated operating models, talent/ skill gaps, and funding commitments, to having a clear vision for their future design. Other forces holding insurers back are technology choices and selecting new providers, many of which don't offer an end-to-end solution.

In addition, with customer interactions spanning multiple channels, the quantity and variety of data, as well as its subsequent interpretation, analysis, and integration compounded by legacy systems, poses another set of challenges for traditional claim handlers.

# From traditional to touchless

The <u>World Insurance Report 2020</u> highlights Millennials' demand for a digital, omnichannel, hyper-personalized experience and convenience, as well as affinity towards non-traditional, BigTech firms. <u>A recent study</u> found that, although some P&C insurers continue to favor the traditional claims process, the demand for faster cycle times, reduced expenses, and improved customer satisfaction is driving increased automation and an eventual migration from traditional – through fasttrack and virtual – to touchless claims. Although P&C insurers are relatively new in the innovation space and are currently building insight, acquiring talent, and learning along the way, many have made investments into modern P&C claims administrations platforms, and now sit somewhere between a fast-track and virtual claims experience.

Another finding <u>from the same study</u> demonstrates the proven success of automated claims process, where the cycle time of 10–15 days in the traditional claims handling environment has been reduced to a single day in the touchless claims handling environment, and touchpoints reduced from 3–4 touches to 0–1 touch.

#### A win-win situation

A touchless claims operating model is one in which claim handlers work in a paperless environment enabled by intelligent automation, AI, analytics, and InsurTech for complex decision-making and straightthrough processing with minimal or only a single touchpoint. This gives insurers the time and resources to sustain and address the human touch and empathy quotient effectively and efficiently.

For customers, this represents a winwin situation, with multi-channel loss reporting, quicker and accurate claims settlement, increased level of empathy, and an enhanced claims experience through leveraging digital.

However, while automation is the norm for most processes, insurers should retain human intervention to strike a balance between automation and empathy, while adopting a right-shoring strategy to protect their cost optimization needs. This can result in greater levels of client satisfaction, reduced cycle times, and a strengthened customer relationship.

# The benefits of touchless claims

Some of the benefits of adopting a touchless claims processing operating model for P&C carriers include:

- Customer experience with best-in-class interactions and quick settlement
- Reduction in loss adjustment expenses
- An "automation-first" mindset that delivers the best possible straight-through processing
- Access to InsurTech that leverages the latest innovations in AI, intelligent automation, and core technology
- Highly efficient, faster, and improved loss adjustment.

P&C insurers that develop and implement a future-ready claims operating model leveraging intelligent automation, innovation, and right-shoring with the customer experience at its core will be considered true champions in adopting touchless claims.

It is these insurance companies that will evolve into, what we term, "<u>inventive</u> <u>insurers</u>."

**Kanhiya Singh** is a Senior Solution Consultant with Capgemini's Digital Insurance Operations (DIO) practice. He designs innovative digital BPO solutions and offers for global P&C, Life, and health insurance carriers.



# Digital twins – ensuring high ROI on costly supply chain transformations

#### Jörg Junghanns

Vice President Europe – Digital Supply Chain, Capgemini's Business Services



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The digital twin offers real change with minimal disruption through safe, secure, and digitallyisolated process modelling 24/7. This leads to increased transformation success without the stress and pressure that usually accompanies them.

Do you like war movies? I'm not a huge fan, but in every one I've been made to sit through, the general listens as his officers move models of troops and tanks around a mock-up of the battlefield to illustrate different strategies and potential outcomes before going into battle.

It's almost a cliché, but it got me thinking about how the battlefield mock-up – and Sun Tzu's <u>The Art of War</u> – enables commanding officers to make scenariobased assessments using information from the field to deliver smart and swift victories.

That's fine – I hear you say – but how does this apply to the supply chain?

#### Digital twins – real process change with minimal disruption

We make better decisions when:

- There is reliable data available
- It's possible to test our ideas
- Possible scenarios can be represented visually.

Before the digital age, people used physical models to replicate larger physical spaces in order to strategize and plan across their supply chain. However, <u>leveraging a digital</u> <u>twin approach</u> enables physical artifacts to be used within a digital environment.

In short, the digital twin drives transformation efficiency by providing you with platforms and technologies that simulate the impact of process change in your supply chain – in a safe, secure, digitally-isolated, environment – through real-time scenario modelling generated in parallel with live supply chain operations. This enables the digital twin to act as your organization's battlefield mock-up, leveraging <u>a data-driven approach</u> to:

- Simulate different scenario outcomes within your supply chain
- Avoid bottlenecks by leveraging better problem prediction capabilities
- Increase efficiency through improved data processing,
- Reduce downtime.

Digital twins offer you all this without the risk of losing time or money caused by a variety of costly, unplanned business disruptions that may or may not work and help you transition to – what we call – the <u>Frictionless Enterprise</u>.

# Less problems, better ops, and data-driven decisions

The digital twin can be leveraged to optimize supply chain operations in a number of ways. Below, is a just a small taste of what digital twins can actually achieve. They can:

- Locate and eliminate bottlenecks in the master data creation process
- Track order management operational flows from end-to-end thereby understanding and validating whether all possible exceptions are compliant and justified
- Ensure logistics operations are also no longer driven by assumption-based decision-making
- Compare data within logistics operations to identify the root of a problem, and leverage risk visualization capabilities to understand whether certain initiatives make business sense.

Therefore, it is easy to see how the digital twin is founded on the ideas of high quality and data mining capabilities, which are also available 24/7. This means that every possible supply chain variable and alternative process flow can be analyzed in an isolated environment whenever you need them to be. All of which combines to ensure that data-driven decision-making becomes the norm across your supply chain – not just a goal to be reached in the near future.

# Start lowering your transformation risks today

You may well not be going to war – but making strategic organizational transformation decisions are a key source of risk and pressure. A digital twin lowers both of these and takes a data-driven approach to important and costly supply chain transformation initiatives – ensuring a high return on investment.

Jörg Junghanns leverages innovation and a strategic and service mindset to help clients transform their supply chain operations into a growth enabler.

# Capgemini Community



Building a better future for children helps create a stronger Capgemini

## Eduardo Castillo

Center Head, Capgemini Guatemala

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Access to education and technology is one of the best ways to help pave the way for a better future for children. Innovation Nation talks to Eduardo Castillo (Capgemini Guatemala Center Head) to learn more about how Capgemini Guatemala has partnered with United Way Guatemala to build a number of schools, complete with computer labs, in underprivileged neighborhoods throughout Guatemala

Hello, Eduardo. Thank you so much for taking the time to talk with us. Building three schools in just four years is an impressive feat. Could you tell me more about what goes into building these schools and what Capgemini's volunteers bring to the project?

Eduardo Castillo: In Guatemala, there are many communities with a lack of adequate schools and available educational resources for a number of years. One of the main problems is, most of the schools in Guatemala don't have the necessary number of classrooms. This means the classrooms are overpopulated. So, to compensate, schools create classrooms using aluminum sheets and don't have the proper resources to teach students properly. In fact, over 40% of the nation's children don't finish elementary school.

At Capgemini Guatemala, we realized we had the chance to drastically improve the lives of so many young people by building schools in some of the most at risk areas and giving them access to technology that they normally wouldn't have the chance to engage with. In four years, we have built three schools and given over 2,500 students the opportunity to get an education. Thanks to this Capgemini program, the number of parents who can enroll their children has grown exponentially.

Our volunteers bring a ton of dedication and commitment to the project; they focus on every aspect of the task at hand, from building the school, to decorating it, to making sure it has the necessary supplies, and completing it with excellence. When they finish, they feel a real sense of accomplishment and want to continue supporting these children and the schools.

#### Can you explain what sort of ongoing training you have for teachers working at these Capgemini community schools, especially as you bring in more computers and technology for the children to work with?

Teachers are trained by a fantastic program called Mundo Possible. The training takes place on school premises and consists of five hours of training, specifically focusing on the development of RACHEL Plus software, a special educational software program created by our corporate responsibility and sustainability (CR&S) partners, United Way Guatemala. RACHEL helps students solidify the math and language skills they are learning at school.

We can see that this initiative has had a significant impact on the children, their families, and the surrounding communities. But what about the ways it has impacted Capgemini Guatemala?

For the Guatemalan team, this project has allowed them to see a side a Guatemala they may have been aware of but never really experienced or dealt with firsthand. They view this opportunity to give back to their community, while doing so with their colleagues and the support of Capgemini Guatemala, as priceless. At Capgemini Guatemala, we realized we had the chance to drastically improve the lives of so many young people by building schools in some of the most at risk areas and giving them access to technology that they normally wouldn't have the chance to engage with."

#### Eduardo Castillo

Center Head, Capgemini Guatemala As a team, we want to be active participants in the development of our country, helping its children learn in a nurturing environment, and thus feeding their curiosity about science, technology, and learning as a whole.

You recently delivered 80 computers and held a science fair at Villa Verde school for its second anniversary. Can you tell me about some of the activities the students participated in and how exposure to technology and innovation has helped these students engage more with the world around them?

On January 17, we celebrated the school's second anniversary by delivering an additional 80 laptops to their mobile computer lab. Each of the computers is equipped with the RACHEL-Plus software, which was designed as a way to assist in developing students' interest in math and language and give them supplemental assistance in solidifying their skills in each of these areas.

On top of that, we also held a science fair for 100 of our students to participate in. They were chosen according to their academic performance, as well as their interest in science and technology. These students were able to learn about and then perform 10 different experiments.

Some of the most popular experiments were the ones where students engaged with various ways of creating energy and how this energy could then power a number of items. For example, the children learned that by using the kinetic energy generated by mixing vinegar and baking soda, they were able to launch a PVC rocket or that by using the citric acid from a lemon, with a little help from some copper and zinc electrodes, they were able to power an LED light.

#### What do you think initiatives like this mean for Capgemini as a whole, and what can other Capgemini locations learn from the "Building a Better Future for Children" project?

Initiatives such as the "Building a Better Future for Children" project show how committed Capgemini is to making a positive impact within our communities. One of the most important things we have learned is if you focus on initiatives that were chosen by the team, your people are far more invested in its success and are therefore willing to donate considerable time and resources to ensure it flourishes and grows every year. This initiative is by far our best team building activity.

As the project enters its fourth year, it has just completed its third school and has helped provide over 2,500 children with an education. What's next for the "Building a Better Future for Children" project, and how can people outside of Capgemini contribute?

There are many communities throughout Guatemala who are in desperate need of projects like this. For us, as a part of the community, it is vital to continue providing children with an education and access to technology, giving them the tools to help them reach for their dreams.

Currently, we are in the collection and planning stage for the next phase. In the meantime, we are working with United Way to evaluate the options we have available to us to continue supporting the schools we have built. Donations this project received during February and March will be used for a new initiative called "Actua Ahora," the goal of which is to deliver humanitarian kits to families across Guatemala who have lost income and resources due to the COVID-19 crisis.

Even if you aren't in Guatemala but still want to help, you can either donate directly to United Way or look for our "go fund me" campaign. Initiatives such as the 'Building a Better Future for Children' project show how committed Capgemini is to making a positive impact within our communities."

#### Eduardo Castillo

Center Head, Capgemini Guatemala

**Eduardo Castillo** is an accomplished leader with over 15 years of experience in business process outsourcing and networking in the US, Canada, and Latin America. His strengths include a strong focus on revenue and cost management, P&L accountability, business development, and strategic planning built around the relationship between operations, financial objectives, and clients' requirements.



apgemini







## About Capgemini

Capgemini is a global leader in partnering with companies to transform and manage their business by harnessing the power of technology. The Group is guided everyday by its purpose of unleashing human energy through technology for an inclusive and sustainable future. It is a responsible and diverse organization of 270,000 team members in nearly 50 countries. With its strong 50 year heritage and deep industry expertise, Capgemini is trusted by its clients to address the entire breadth of their business needs, from strategy and design to operations, fueled by the fast evolving and innovative world of cloud, data, AI, connectivity, software, digital engineering and platforms. The Group reported in 2020 global revenues of €16 billion.

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