



THE  
DUKE MBA  
CONSULTING CLUB

## Case #12

**Company:** Deloitte

**Topic:** Human Capital

**Industry:** Information Technology Services

### About the Case

*This is a Human Capital Case and thus contains an approach much different from the usual “Strategy” case. However the candidate should not abandon the use of a framework. Here the focus isn’t so much on the bottom line as it is on the approach needed to manage the proposed changes in the organization. The case should be carried out in a conversational format with hints and clues to push the candidate along.*

### Defining the Problem

Edoceo is a leading global provider of integrated information solutions to business and professional customers. Customers depend on Edoceo for the information and information applications they need to make the right decisions to run their businesses. Edoceo provides information solutions for professionals across a broad range of industries and disciplines.

Edoceo decided to outsource select HR processes including: Recruiting, Benefits Admin, HRIS, HR Admin, L&D, Compensation, Domestic Relocation, Expatriate Admin, Payroll, HR Contact Center. Edoceo is working with one of Deloitte’s competitors to implement the outsourcing transition. The initiative’s objective is to realize cost savings (10%-20%) of total current annual costs over five years, while maintaining equivalent levels of service.

In parallel, Edoceo intends to transform the retained HR organization, creating internal Centers of Excellence (COE) and developing HR Business Partners to support with outsourced services. Edoceo has hired your team to provide best practice guidance and implementation leadership. How would you design and implement optimal COEs and HR business partner capability for this organization and how would you structure the project?

### Prompt 1:

- How would you describe a successful outcome for this project?
- How would you structure your project?
- What else should Edoceo be considering as it implements the outsourcing and development of the COEs?

### *Information to be provided during the conversation*

- There was a cost reduction effort that the organization was undergoing that required an evaluation and shift in HR support. Finance and IT were to follow.
- Inefficiency and complexity of the existing HR organization were the driving forces of the outsourcing.
- The functions intended for COEs are: Benefits, Compensation, Recruiting, Talent Management, HR Decision Support, L&D, Org Development, Diversity, and Policy, Compliance and M&A.
- There is no current assessment of the HRBP role today, and each Market Group runs its own entity. The vision for the HRBP is to be: provide business unit specific and consultative services to executives and line managers for the people-related issues impacting their business unit. Business Partners “broker” technical talent from the COEs to deliver HR solutions.
- Considerable job redesign and capability assessment will be conducted for retained positions
- There is significant concern among staff in retained functions about the long term safety of their jobs

### Answer

- Successful outcome – candidate should discuss the business perspective and specifically the role of retained HR in an outsourced environment.
- How to structure project: Follow some type of Plan, Build, Run approach, for example:
- Plan & Assess
  - As-Is Inventory
  - Define staffing strategy COE & Business Partner strategy
  - Reporting & metrics strategy
  - Stakeholder analysis
  - Change readiness assessment
  - Communication and change strategy
- Design
  - Process design, COE and Business Partner development
  - Build communication, change and training materials and implementation plan
- Build & Implement
  - Build out processes designs and COE structure
  - Deliver training materials for the new positions and processes
- Support & Integrate
  - Ensure effective interactions with outsourced functions and larger organization



- Other considerations:
  - How to prevent/deal with:
  - Service disruption
  - Performance/morale issues
  - Attrition, loss of key talent
  - Links to other initiatives

**Author's Commentary/Notes**

*The candidate should touch on the major points in order to consider the interview a success.*