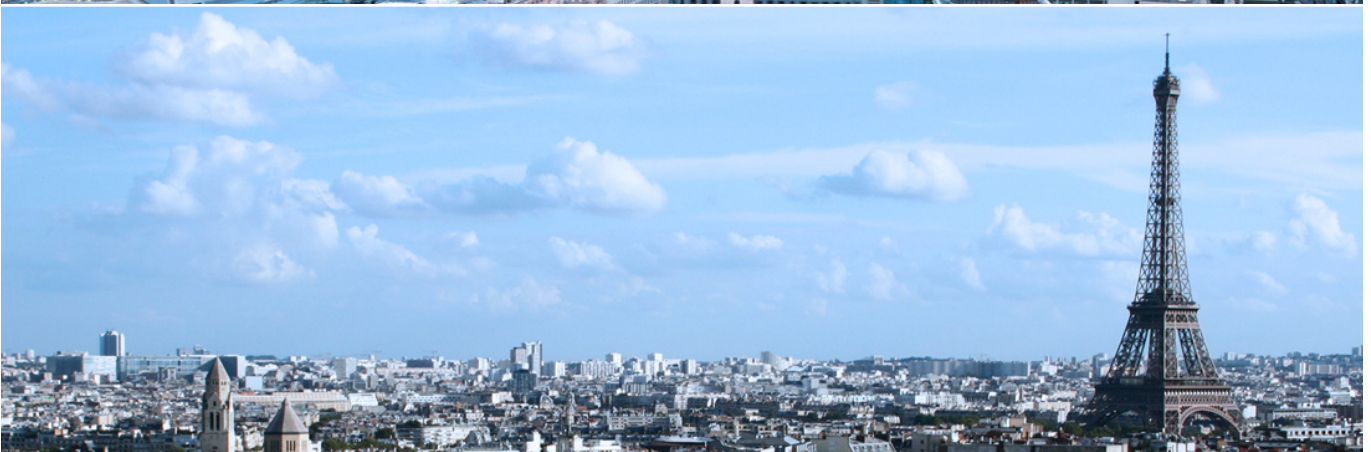




Business Process Outsourcing

Achieve competitive advantage through business process outsourcing (BPO)



Why outsource?

Effective outsourcing reduces the cost and increases the efficiency of delivering both individual processes and entire business functions.

Choosing a leading outsourcing partner adds best practice, investment, technology and talent to your business operations.

It frees up capital and senior management time, allowing you to focus on creating and delivering more value in your core business.

These advantages can be exploited to significantly improve the overall performance of your business.

Why Steria?

Steria is a leading provider of IT-enabled business services. A €2 billion business with 19,000 employees, we are present in 16 countries across the world, including specialist delivery centres in Poland, Morocco and India.

We are acknowledged as a leader in business process outsourcing (BPO). Our portfolio of services reaches into the very heart of the business support activities that underpin our clients' organisations. These include Finance & Accounting, Human Resources and processes tailored to individual sectors and organisations (Life and Pensions, Customer Services etc).

Our European heritage gives us a unique combination of local knowledge and cultural understanding enabling us to wholly integrate onshore, nearshore and offshore operations. We deliver the cost effectiveness of global sourcing coupled with the comfort of local presence. This gives reduced risk and maximises realisation of commercial benefits.

Hundreds of organisations see us as an important part of their in-house teams and rely on us every day. Running our clients' back-office processes is our core business. We invest in technology, methodology and training to ensure that we remain at the top of our game. Steria's focus on its core business allows you to concentrate on yours.

It's a competitive world. We can help you win.

Open about the issues - equipped to face the challenges - able to deliver the benefits

We do not shy away from the issues that we know exist for executives who are considering the outsourcing of significant elements of their organisation.

Let's address the challenges of business process outsourcing first. We know, for example, that many people worry about handing over control of key processes, the potential loss of knowledge and the difficulty of keeping on top of business change. We know that security and access to data is an issue, and that when jobs are involved, there are real sensitivities that must be addressed with absolute care. Above all, we know that if the benefits of outsourcing cannot be proven and quantified, then it is not the way to go.

At Steria, we have achieved our current status as one of Europe's most successful outsourcing and technology companies by recognising these concerns and by constructing flexible, effective solutions to accommodate them.

Major organisations increasingly accept the potential of the BPO route to achieve step-changes in efficiency, profitability, agility and competitiveness. But potential and reality can be worlds apart.

As well as transforming your in-house business processes into a commercially measured service, your return on investment is maximised when we also run and optimise the underlying IT platform. In our experience, the greatest synergies and benefits are achieved through fully integrated outsourcing.

We are pioneers in shaping the IT-BPO industry methodologies for successful service management: from risk-free transition to multi-location delivery, applying best practice in technology, processes or both. In our F&A shared service, our transition methodology has really been put to the test when we had to transition in a new client every two weeks for a year.

Our unique expertise, developed over the course of more than 45 years, allows you to focus precious internal resources on your customer.

"Steria has an outstanding track record in outsourcing as demonstrated by their repeated successes at the NOA's Awards for Best Practice in Outsourcing. This is a clear sign of a company that, time and time again, endeavours to deliver the highest level of benefits to its clients."

Martyn Hart, Chairman, National Outsourcing Association



Define, Measure, Analyse, Improve, Control (DMAIC): with you every step of the way

"Steria's outsourcing service provides us with transaction processing, accounting and reporting expertise combined with an in-depth understanding of our business and a commitment to helping us deliver our key outcomes. Steria continues to deliver an effective and cost efficient service - with the skills and flexibility to achieve business change through investment in further process improvement and service management." We are therefore pleased to be extending our relationship with Steria for a further six years."

Andrew Kemp, Group Director, BT



At Steria, we are committed to delivering work that can be measured and evaluated. Our Business Performance Framework incorporates precise definitions of the contractual and other service goals, and a comprehensive 'benefits realisation' plan. Our clients know and we know, exactly what we are aiming to achieve before we start. By optimising the efficiency of business processes, controlling costs more effectively and helping our clients to make the most of each new advance in IT, Steria BPO solutions deliver return on investment with certainty and speed. As the market matures, we are pleased that this commitment has helped us both retain and win major second generation BPO contracts like BT and the BBC.

When we take on responsibility to deliver a service we always look at ways to improve, automate and innovate at all levels. For example:

- **IT-enablement** e.g. streamlining Oracle and SAP application screens to optimise process flow in finance systems, improving efficiencies and reducing opportunities for errors
- **root-cause analysis to identify process redesign opportunities** e.g. to reduce backlogs in a work scheduling process to speed up customer service work
- **identification of business-rules improvements** e.g. in a pension quotation process to improve accuracy of policy quotations
- **smart IT** e.g. industrialisation of ERP platforms to create more efficient processing engines
- **wider business transformation** e.g. in implementing systems, new policy and creating predictive MIS for new working capital management programmes

We use a variety of commercial models, from a supply relationship to true joint venture. Pricing models are aligned to the business goals and may be transaction-based, service-based or outcome-based. The fact that we build contracts around shared risk and reward is proof of our confidence in our ability to reduce your cost base.

In a rapidly changing world, flexibility is key. Steria was the first international outsourcing and technology company to bring its clients the benefits of a full portfolio of integrated onshore and offshore solutions. By helping organisations to compete better in the global economy, the ultimate result is often to secure or grow employment prospects in the core areas of their business.

Steria's BPO solution experts develop transition plans and future target operating models that tune the diverse levers of risk and success to your unique needs:

- **location:** leveraging global savings and local relationships
 - **people:** drawing upon capability, talent, skills and knowledge
 - **transition:** using robust, repeatable methodology
 - **best practice:** applying what "good" looks like: in operating design, in metrics, in innovation, in delivery governance
 - **technology:** applying a point of view on enabling technologies, partners, automation, analytics and security
 - **commercials:** shaping the right solution around business outcomes
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Convince me that **outsourcing** is the answer

Steria can guarantee to reduce the cost of delivering key business processes. But we know that this in itself isn't the whole answer. Anyone can cut costs. Not everyone can combine this with quantifiable increases in efficiency and productivity as delivered by the thousands of people in Steria's BPO centres of excellence.

Having Steria by your side, saves you time, effort and real money. Working with our experienced local team means that you get the benefits of commercial, global service delivery far more rapidly than having to invest in doing it yourself. We build and deliver the business case, help you to select the processes from which maximum improvement can be extracted and recommend the technology solution. We will put in place the process measures that allow you to better manage your business and give clear visibility of the work. You get the reassurance of our operational team working as an extension of yours, combined with the benefits of business process specialists and economies of scale.

We free you up to do more. With costs and processes under control, senior managers have more time and more money to invest in strategic development. Outsourcing can often mean that previously uneconomic work becomes viable and time to market or turn-around times can be radically reduced.

Our resourcing approach provides much-needed flexibility, enabling organisations to respond to peaks and troughs of activity. Additionally our open and innovative commercial approach means we will invariably find the appropriate balance of risk and reward, whilst delivering the service levels and outcomes.

Case study: recovering fraud write-offs

Steria has assisted a large-scale card issuer to minimise losses from credit & debit card fraud and maximise the potential recoveries through:

- better application of Visa and Mastercard chargeback rules
- better documented and streamlined processes
- an integrated team working in close unison with its key stakeholders

The service has a number of defining characteristics:

- it is a lengthy, multi-phase, complex, back-office, rules-based process governed and arbitrated by Visa and Mastercard
- it uses multiple IT banking & finance platforms
- it requires multiple handoffs both internally in the bank and externally
- security is paramount

The solution devised by Steria involved the transfer of the service to India in less than three months. The service encompasses fraud recoveries and resolution of cardholder disputes. It relies on the use of Six Sigma and Lean Sigma methodologies to implement continuous improvements delivering cost, quality and delivery efficiencies. It is based on an innovative commercial model that gives business flexibility to the client.

Seven years down the line, the service is **99%** supplied offshore, is delivering **40%** more capacity using the same size team and has achieved a **70%** reduction in avoidable write-offs.

Our awards and recognition – your peace of mind

The strength of our BPO delivery capability has been recognised for three years running at the National Outsourcing Association Awards for Best Practice in Outsourcing:

2007: Outsourcing Provider of the Year for our NHS Shared Business Services joint venture with the Department of Health

2006: Offshoring Operation of the Year for our Chennai F&A centre of excellence

2005: BPO Project of the Year for our work with MyTravel

Since entering the BPO market in 2001, we have also been recognised as follows:

- Top of the value-chain in BPO service delivery (Nelson Hall)
- Best Outsourced Shared Services Organisation and Most Advanced in Automation (Shared Services Excellence Awards)
- A Tier 1 supplier in Europe and one of the very few true end-to-end finance and accounting service providers (IDC Survey)
- Ranked as a Tier 1 "Leader" in F&A BPO Worldwide in 2006 and 2007 (Gartner Dataquest Insight)
- Honourable mention for Xansa BBC contract (FAO Research Awards of Distinction 2008)
- Listed in "Major Contender" category for Global FAO Supplier Landscape (Everest Research Institute 2006)
- Most offshore-centric business model of any non-Indian player in the UK top 50 ITS sector (Ovum 2006)

Examples of BPO services that we are currently delivering:

Finance, Accounting, HR, Payroll, Procurement, Energy Management, Credit & Debit Card Processing, Applications Processing, Policy Servicing & Administration, Underwriting, Medical Underwriting, Exception Handling – Billing, Loyalty Card Processing, Helpdesks – IT / HR / F&A, Correspondence & Email Processing, Data Verification & Validation, Problem Investigation and Resolution, Financial Reconciliation, Back Office Customer Service, Supplier Invoice Management, Reporting & Analytics...



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