



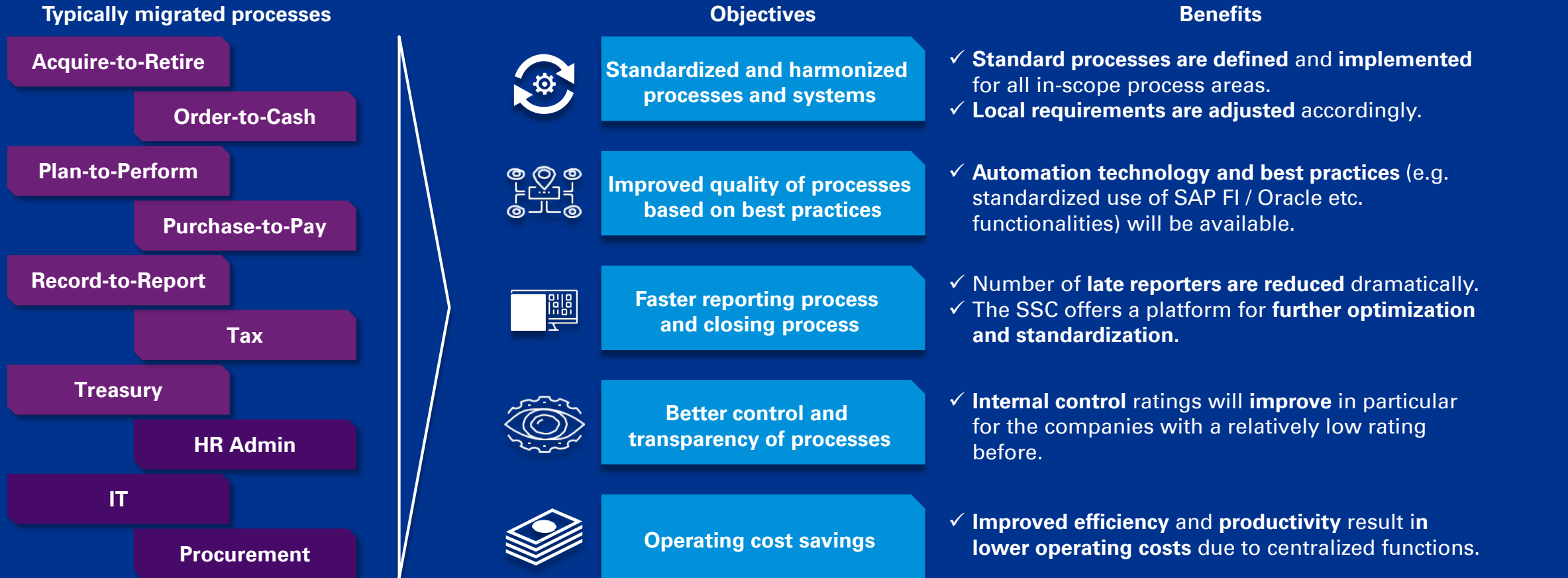
SSC Transition Leaflet

June 2020

What are the characteristics of a transition?



Transition is the **migration of services, functions or processes** from one or more locations to another resulted by globalization following a shared service initiative. The main objective of a transition program is **to make sure that services are safely transferred to their future state with minimum disruption to business as usual**, and that the **benefits of the migration are realized and monitored**.

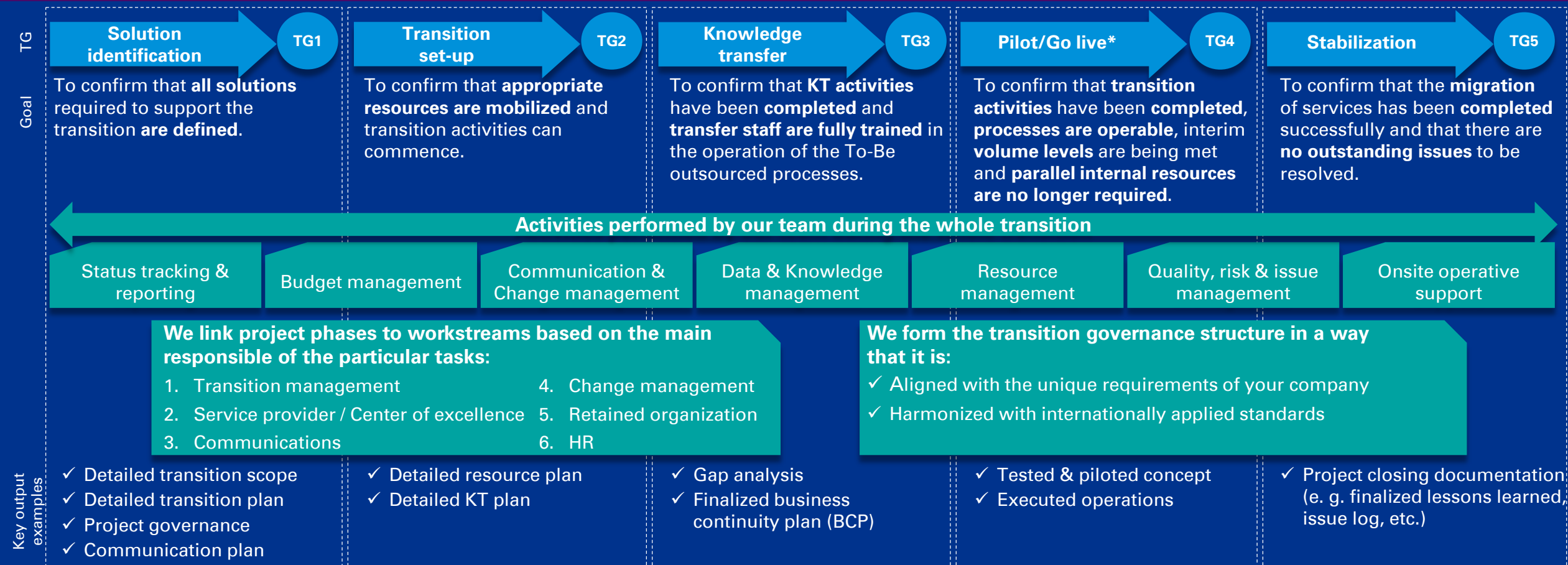


Finance processes
 Non-finance processes

How can the KPMG solution support your transition?






Our **transition methodology** is based on a **phased approach**. In order to have a **structured mechanism for assessing progress**, at the end of each phase there is a **Tollgate (TG)**. Each TG has a **standard set of criteria that should be met**. These TG criteria are approved or rejected by the decision-making body of the company created at the beginning of the project. This ensures **strict controls** and **good quality** of the migrated processes. The criteria will require a number of **key outputs and activities** to have been **completed before the program can pass to the next phase**. These criteria will allow the **project to be managed in a structured and consistent way**.



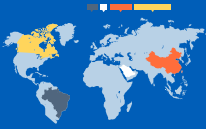
*At the end of TG4 responsibility is transferred from sending to receiving company

We apply the relevant transition strategy depending on your risk appetite



Transition strategy	Pros	Cons	Risk
<p>Lift – Drop – Fix /Transferring AS-IS processes/</p> 	<ul style="list-style-type: none"> • Quick transition phase • Eventual processes and system easier to implement • Lower complexity with less technical dependency • Focused on labor arbitrage 	<ul style="list-style-type: none"> • Organization might never standardize processes • New staff might learn bad habits • No technology implementations to drive efficiencies 	<ul style="list-style-type: none"> • Low retention risk in local business units • Low risk of knowledge transfer execution • Medium risk of process standardization
<p>Fix – Lift – Drop /Standardize processes first then migrate/</p> 	<ul style="list-style-type: none"> • Redesign of processes, policies, and practices leveraging best practices • Involves potential iterations of documentation revisions • New staff learn new standard processes 	<ul style="list-style-type: none"> • Slower transition phase since standardization required before transition • Higher complexity and very dependent on technology timelines • Labor arbitrage benefits are delayed 	<ul style="list-style-type: none"> • Medium retention risk in local business units • Medium risk of knowledge transfer execution • Medium risk of process standardization
<p>Change – Lift – Drop /Standardize processes first in new ERP environment then migrate/</p> 	<ul style="list-style-type: none"> • Redesign of processes in new ERP environment, policies, and practices leveraging best practices • Involves potential iterations of documentation revisions • New staff learn new standard processes in ERP environment 	<ul style="list-style-type: none"> • Slowest transition phase since standardization and system implementation required before transition • Higher complexity and very dependent on technology timelines • Labor arbitrage benefits are delayed 	<ul style="list-style-type: none"> • High retention risk in local business units • High risk of knowledge transfer execution • High risk of process standardization

Why choose KPMG Hungary?



KPMG HU TEAM CAPABILITIES:

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Dedicated & experienced team of transition experts
- 

Well-established & proven methodology
- 

Widespread industry experience
- 

Global project experience
- 

Central geographical location & good time zone
- 

Holistic view of projects

INDUSTRY EXPERIENCE:

- ✓ Consumer markets & Retail
- ✓ Customer & Financial services
- ✓ Healthcare & Pharmaceuticals
- ✓ Industrial & Automotive
- ✓ Oil & gas
- ✓ Telco & Media & Technology

PROCESSES MIGRATED:

- ✓ Acquire-to-Retire
- ✓ Order-to-Cash
- ✓ Purchase-to-Pay
- ✓ Record-to-Report
- ✓ Treasury
- ✓ Tax
- ✓ IT

GLOBAL PROJECT EXPERIENCE:



PROJECT REFERENCES:





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