Genpact implements smarter processes and analytics for a global hospitality major resulting in standardized F&A processes, improved controls and reduced cost of operations

About the Client
One of the world’s premier hotel companies with properties in 45 countries, employing about 80,000 people across the globe

Industry
Hospitality

Business Need Addressed
The client wanted to standardize and consolidate its finance and accounting (F&A) processes across all their North American hotel units and realize cost benefits

Result
Genpact’s smarter processes and analytics helped the client to:
- Streamline the accounting operations across North America
- Increase reconciliation timelines and accuracy to 97%
- Book closure within Day 2 of each month with 98% accuracy

Business Challenge
The client has over 100 owned and managed hotels in North America spread across 32 locations, 6 time zones and 8 different sets of books. Each of the hotels had extensive manual processing and diversified upstream processes that the client wanted to standardize. The client also wanted to migrate its ERP from the incumbent system to Oracle. This involved multiple vendors working to implement the downstream and ERP systems.

For consolidated reporting, it was imperative that all 118 properties should:
- Follow standard accounting policies
- Ensure there were proper controls in place for completion at month close
- Implement standard reconciliation policies ensuring completeness of the reconciliation through a “maker-checker” approach

The Genpact Approach
Genpact did a detailed analysis of the process during the solution identification stage and came up with a phased roll-out solution for the 118 properties. A roll-out schedule was formed and approximately 6 to 8 properties were migrated to the new environment every month. Transition and stabilization teams from the customer side and Genpact had to drive change management and address concerns with end customers through frequent calls.
What the analysis revealed?

- The GL (general ledger) process, especially the reconciliations activity, was not standardized and the back-ups were different across properties
- The process to record the transactions was highly decentralized and had a lot of dependency leading to delays in accounting and reconciliation
- All the properties had different banking accounts for their operations; there was no standardization
- There was no proper tracking mechanism for month-end close

The Genpact Solution

Armed with its deep granular finance and accounting process expertise and rich experience in analytics, Genpact implemented the following solutions:

- A book of knowledge was created to bring in process standardization, which has now become a corporate mandate
- Transition and stabilization teams from Genpact understood the nuances of each property through individual calls with them. They were given the responsibility for handling the activities during the first month, starting with migration from legacy systems to the new ERP till lockdown of financials and hand-over to the operations team from the next month
- To drive standardization, 75 percent of the properties were transferred to preferred banks
- Remote training was done by certified trainers for future ramp-ups and each training batch had to successfully complete the simulation of the month-end closing processes, after which they were certified to perform the activities
- Genpact home-grown tools, like the ‘Reconciliation Tool’ and the ‘Governance Tool’, were introduced, which enabled better tracking of process metrics

Business Impact Delivered

The end-to-end, smarter approach taken by Genpact resulted in significant process improvements across the client’s F&A processes. Genpact helped the client build standardized processes and save costs by consolidating its F&A operations into one place by implementing industry best practices.

Genpact also helped the client with smarter proprietary tools:

- Post the “go-live” stage, weekly calls were conducted with the properties to identify post-migration pain areas and each item was tracked and resolved, which helped gain their confidence

The Road Ahead

The increased financial and operational performance has helped Genpact expand its relationship with the client as well as increase its span of activities to include F&A operations for other hotels, FP&A, and E-invoicing.

About Genpact

Genpact Limited (NYSE: G), a global leader in business process management and technology services, leverages the power of smarter processes, smarter analytics and smarter technology to help its clients drive intelligence across the enterprise. Genpact’s Smart Enterprise Processes (SEPSM) framework, its unique science of process combined with deep domain expertise in multiple industry verticals, leads to superior business outcomes. Genpact’s Smart Decision Services deliver valuable business insights to its clients through targeted analytics, reengineering expertise, and advanced risk management. Making technology more intelligent by embedding it with process and data insights, Genpact also offers a wide variety of technology solutions for better business outcomes.

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