



Alsbridge F&A BPO Case Study

MyTravel

Background

MyTravel is one of the largest holiday companies in the world with businesses based in the UK, continental Europe and North America. In 2003 it implemented a shared services operation for back office processes but found the financial controls and management information being produced required urgent attention. MyTravel initiated a number of projects that improved the controls and reporting of the finance and accounting function in the short term, but, in the process realised that a more permanent solution was required.

Objectives

MyTravel's objective was to therefore stabilize its financial processes, improve financial controls, improve service levels and reduce the cost of F&A, payroll and associated applications management. Alsbridge was asked to manage the development of the sourcing strategy and effect the agreed transaction. In doing so, we provided guidance at each stage of the sourcing process from feasibility through to initial transition.

Alsbridge approach

Feasibility – Alsbridge conducted a high-level assessment of MyTravel's situation to validate the case for outsourcing, based on experience of similar organisational situations and high level benchmarks. Working with MyTravel Executive Management, we recommended the optimum operating model, including guidance on location.

Baselining – To begin the sourcing strategy, MyTravel lacked detailed information on current activities. Alsbridge worked with the Finance, IT and HR functions to build up a model of capital and operating costs, people within scope, volumetrics data and IT architecture, and then developed a detailed 'as-is' description for each function.

Solution design – Alsbridge provided a full solution design to support this strategy, including high level functional design and definition of service levels (SLA) for each process area. We also worked closely with the HR team to develop a plan for staffing levels, consultation and ARD (TUPE) issues.



Supplier selection – Alsbridge managed the RFP phase, identifying suitable BPO suppliers. The RFP was issued by us and we then managed the selection process.

Negotiation – Once the preferred supplier had been identified (Xansa), Alsbridge advised MyTravel at each stage of the negotiation process, whilst working closely with their legal team to negotiate the contract.

Transition – Alsbridge has provided periodic performance review support to the MyTravel Contract Manager during the transition phase.

Phase 2 – Following a successful transition of the initial scope of work from MyTravel to Xansa, Alsbridge were re-engaged to provide advice and support in order to increase the scope of the contract to include the remaining Business Units. We helped negotiate the revised terms and conditions of the expanded contract, and ensure that the proposed transition plans were robust and realistic.

Alsbridge impact

As a consequence of Alsbridge's involvement, MyTravel was able to achieve a sustainable and effective sourcing partnership, providing a long term platform for on-going business needs. The whole process was concluded in less than 7 months with minimal disruption throughout the outsourcing process. The financial outcome is a significant reduction in operating costs with anticipated saving of around £35million for F&A and IT over the lifetime of the deal.

“The Alsbridge team did an excellent job....their advice and expertise were invaluable in helping us navigate the outsourcing route” Deputy Group FD, Aidan Connolly

To find out more about Alsbridge, please contact us today on +44 (0)20 7242 0666. We look forward to hearing from you.



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