

Offshore Vendor Assessment for a financial services company

OBJECTIVES

- Create a short list of offshore vendors
- Conduct a vendor assessment to select finalists for a pilot program

APPROACH



- Review projects and capabilities required
- Understand the goals of the offshore outsourcing strategy



- Use “value compass” to create desired vendor characteristics
- Use market intelligence to shortlist vendors
- Create vendor assessment plan



- Generate RFP, conduct detailed analysis on vendor responses
- Select finalists to participate in the pilot

RESULTS



- The “value-compass” is a proprietary methodology that aligns client expectations to vendor delivery and generates a framework to manage different aspects of the offshore engagement. It focuses on three different levels- the management (relationship), engagement (process) and the operations (project)
- The client focus was on cost savings and updating their legacy system to a more current technology. We generated several other required key vendor characteristics.
- RFP was sent to vendors and they were given three weeks to respond.
- RFP responses were graded using a weighted scorecard. Three teams independently and confidentially graded each vendor. We assimilated the results. The final tally was made and results discussed.
- Client wanted blended rates with a ceiling for fixed periods. Also wanted to discuss a sliding rate schedule based on commitment of business to vendors.
- The project pipeline potential was created. These were top offshore-able projects across several departments. Goal was to determine low and high end estimates on the potential offshore spend. This would be shared with the vendor at the appropriate negotiation time.
- High level management of vendors got involved once the top three vendors were chosen. A plan to pilot projects and eventual costing agreements were made.

ABOUT US

Source Pundit provides functional and operational expertise in global sourcing. Based out of offices in USA and India, we provide clients with analytical and practical advice on how to make offshore outsourcing work. Our scope of projects covers both IT, BPO and KPO. For more information on this case study please call us at 314-651-8714 or email rajiv.chhatwal@sourcepundit.com