



RAISE THE BAR
TRANSFORM YOUR *FINANCE* FUNCTION
Get EFaaS™ for Enterprise Cost Reduction

A significant amount of costs in Financial Institutions are locked up in Operations and Back-Office functions. These costs not only reduce Return on Capital but also impact your ability to invest in more client-centric and revenue generating activities, which are essential to maintain your company's competitive position.

Enterprise functions such as *FINANCE, Procurement, Marketing, Legal and HR* form a major component of the back-office costs. Managing these costs is a key agenda item for Boards, CEOs and CFO's today.

HCL has developed a breakthrough **Enterprise Function as a Service (EFaaS™)** proposition to strategically manage these costs and improve your company's profitability. HCL's **EFaaS™** focuses on:

- **Industry Specialization** with a focus on **FINANCIAL Services**
- **Benchmarking** your companies Enterprise Functions to **Best in Class** in the Industry
- **Aligning** these functions to your Companies overall Strategy
- **Identifying Core functions** and moving commoditized activities into **Shared Services Centers**
- **Control & Compliance** environment
- **Modernization & Standardization** of your companies ERP solution



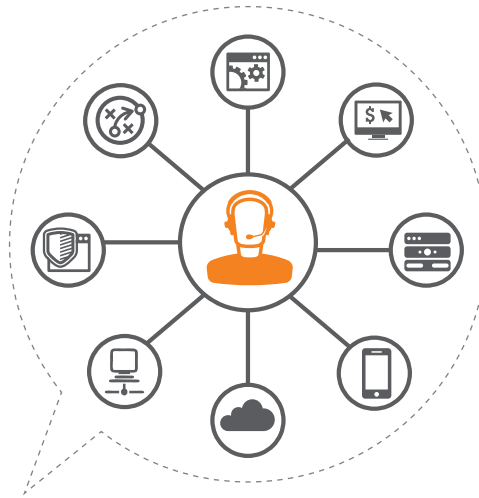
THERE'S MORE TO YOUR **ENTERPRISE FINANCE** FUNCTION

Key Challenges with the Enterprise FINANCE function

With intense scrutiny on financial performance by multiple stakeholders including Auditors, Regulators and Shareholders, FINANCE is the most critical of Enterprise functions. However, there is an inconsistency in the efficiency of this function across the industry HCL conducted a survey of FINANCE professionals in major banking, insurance & financial institutions, to identify the challenges that they faced. Some of the findings of the study include:

- Inconsistent global and local FINANCE processes
- Complex FINANCE function landscape
- Lack of standardization of General Ledgers
- Multiple handoffs, reconciliations and manual intervention
- Lack of analytical capabilities that hinder customer and business insights
- Significant resource deployment in the function
- Risk and regulatory compliance management

These challenges result in longer book closure cycles, the risk of inaccurate data and an increased cost of the FINANCE Function.



HCL's EFaaS™ for the FINANCE function

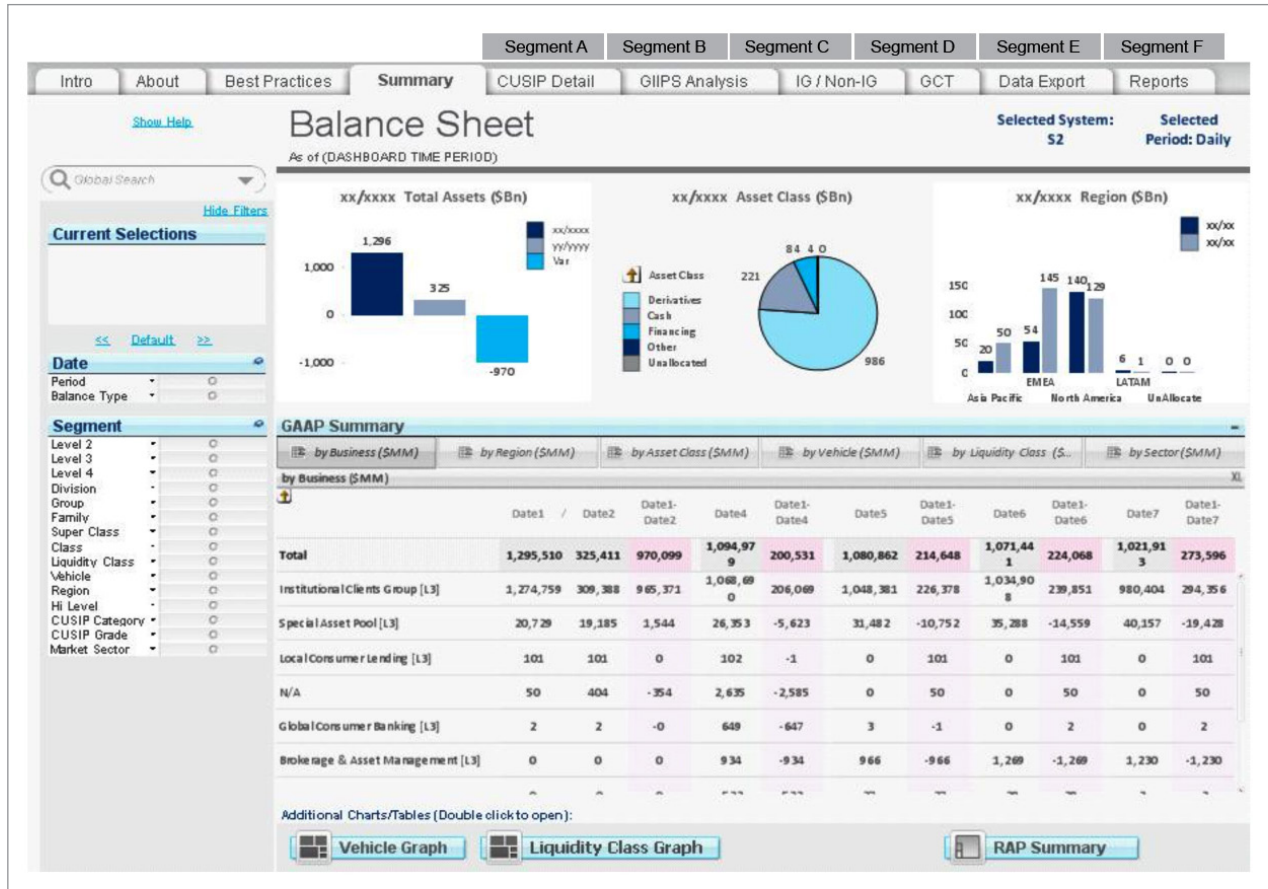
HCL's EFaaS™ aims to transform the FINANCE Function by improving its processes and simplifying the underlying application platforms on an end-to-end basis. Using HCL's proprietary Toscana™ workflow platform, HCL creates and runs Utility/ Shared Service Center (SSC) for its clients, which standardize FINANCE operations, digitize interactions, and integrate multiple reporting platforms. By adopting stringent process control, the SSC also improves governance and increases the accuracy of financial reporting across FINANCE processes such as: Cost Accounting, Internal / External Reporting, Book-Closing and more

HCL's EFaaS™ is specifically tailored to address challenges in Financial Reporting. In most FINANCE organizations, group consolidation requires a lot

of manual reconciliations and normalization of the output from multiple data sources and ledgers. This is an expensive and time consuming process, which sometimes also leads to inaccurate internal and external reporting, thus reducing the time for more value added analysis.

Through EFaaS™, HCL establishes a global Business Services operating model, with standard processes and systems and a strategic governance framework that transforms end-to-end reporting services for both internal and external stakeholders of the organization. This substantially improves the quality and timeliness of the period end 'close' process, and enhances control and regulatory compliance capabilities.

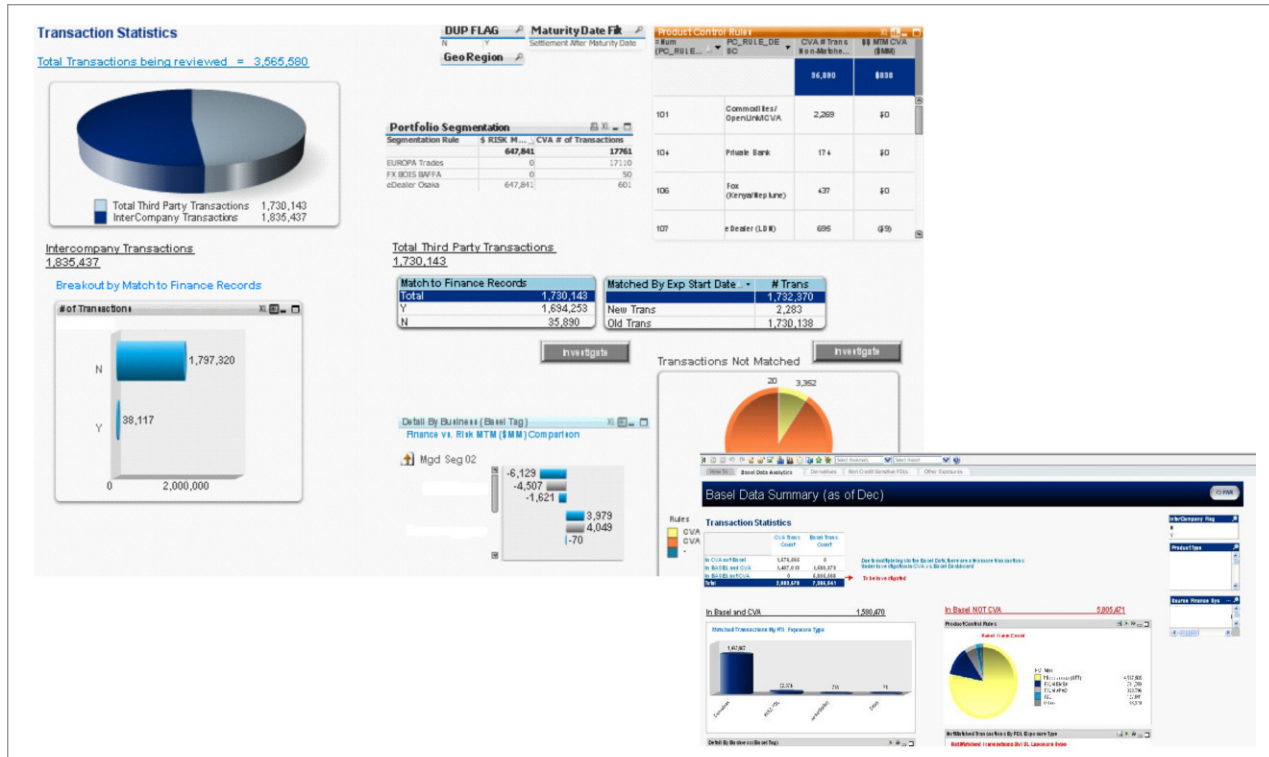
Sample Balance-sheet dashboard for Capital Markets Firm



Key Value Add:

- Reduce cycle time for book closure
- More accurate regulatory compliance reporting
- Ability for FINANCE team to view the Balance Sheet of the firm with data as of t-2 days
- Ability to drill down Balance Sheet data based on Region, Legal Vehicle Sector

Sample FINANCE Dashboard



Key Value Add:

- Improved reconciliation process on an iterative basis in co-ordination with business
- Improved compliance confidence
- Decision making capability based on:
 - Exposure Type and Balance Type
e.g.: direct, SFT (security Financial Transaction), AFS (Available for Sale)
 - Exposure by Obligor
 - Exposure by Financial/Risk System

HCL's Global Centers are staffed with FINANCE professionals with deep industry knowledge and a commitment to client relationships.



HCL's EFaaS™ for the FINANCE function offers the following benefits:

- Helps manage the FINANCE Function on an end-to-end, and moves it to “best-in-class” practices
- Facilitates the adoption of standardized chart-of-accounts
- Provides timely, accurate, and value added reporting for internal and external stake holders - eliminates manual reconciliation
- Consolidates multiple instances of application and data warehouse platforms
- Enhances Governance & Control to improve Regulatory Compliance
- Business “Outcome Based” constructs where HCL puts its “skin in the game” to ensure the success of the transformation

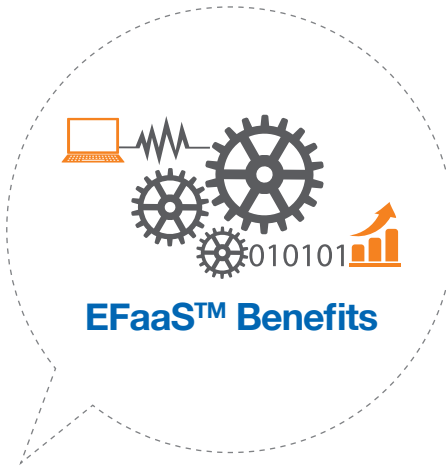
HCL collaborates with global strategic partners such as the Global Big 4 Consulting firms, to help create these utilities or shared services centers for clients. These partnerships ensure:

- Benchmarking with world-class enterprise functions
- Cost/benefits evaluation
- Performance and change management frameworks
- Stakeholder assessments and leadership alignment
- Effective communications strategy

BENEFITS BEYOND **FINANCE** FUNCTION TRANSFORMATION

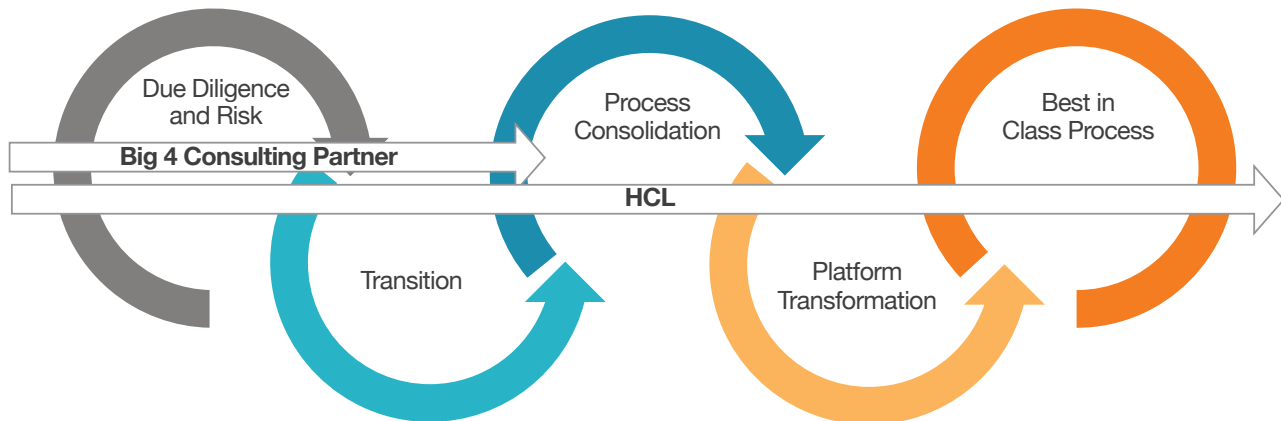
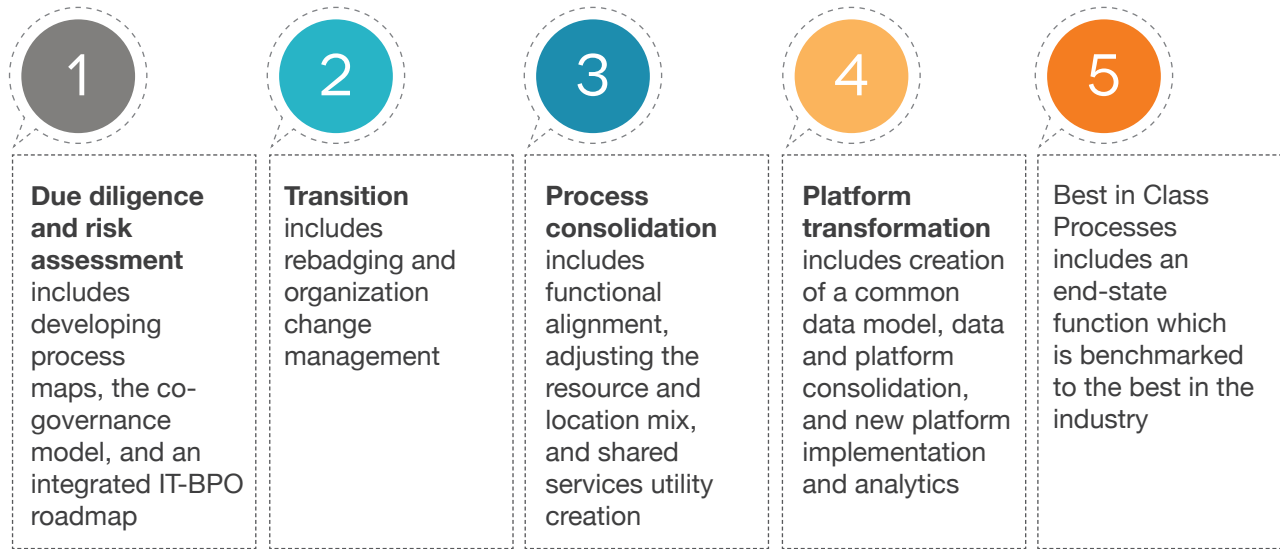
GAIN BUSINESS AGILITY, FLEXIBILITY AND SCALABILITY

With HCL's EFaaS™, financial institutions not only get to experience P&L impact through enterprise cost reduction but also gain Business Agility, Flexibility and Scalability by moving from a fixed cost/ Captive operation to a utility/ or Shared Service Center model.



P&L Impact	Business Agility	Business Flexibility	Scalability in Operation
<ul style="list-style-type: none"> • Enterprise Cost Reduction • Technology Cost Reduction • Reduced Total Cost of Ownership 	<ul style="list-style-type: none"> • Operational Agility to Business Needs • Integrated IT and Business Processes • Business-aligned IT System • Unified governance to manage transformation 	<ul style="list-style-type: none"> • Increased Business Flexibility • Functionally-aligned SLA • Integrated Change Management 	<ul style="list-style-type: none"> • Increased Business Scalability • Rapid Scale up and Scale down to address demand variability

5 STEPS TO **ELEVATED ENTERPRISE** FUNCTIONS



RISING ABOVE **CONVENTIONAL BUSINESS** MODELS

EFaaS™: KEY DIFFERENTIATORS



Integrated Enterprise Function Services



Flexible Engagement Models



Shared Services/ Utility Creation



Best in Class Partnership



Innovative Commercial Construct

KEY ATTRIBUTES

<ul style="list-style-type: none"> Integrating all processes and IT systems for a function End to End Infra, BPO & Application Services 	<ul style="list-style-type: none"> Special Purpose Vehicles JV Model Joint Ownerships 	<ul style="list-style-type: none"> Private Utility for Large Enterprises Public Utility for Small & Medium Enterprises Hybrid Shared service with Public & Private Utility 	<ul style="list-style-type: none"> Big 4 Consulting partner in the engagement to create solid governance model and frameworks 	<ul style="list-style-type: none"> Co-Financing Upfront investment of Guaranteed Savings by HCL Transaction based & Hybrid (Fixed + variable) pricing
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VALUE DELIVERED

<ul style="list-style-type: none"> Functionally Aligned SLAs Single View of the Function 	<ul style="list-style-type: none"> Seamless Transformation Risk Mitigation 	<ul style="list-style-type: none"> Low initial Investment Economies of scale 	<ul style="list-style-type: none"> Best-in-Class FINANCE Practices Robust Governance & Delivery Models 	<ul style="list-style-type: none"> Low Total Cost of Ownership Predictable IT Spend
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HCL's EFaaS™ is a timely response to the needs of Financial Services firms looking to reduce the cost of their FINANCE function. By focusing on re-engineering the FINANCE Processes, standardizing the underlying Application platforms, and creating Shared Service Centers (SSCs), HCL's EFaaS™ solution provides an integrated approach to transforming the FINANCE Functions for its clients

TO KNOW MORE VISIT
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