

HEXAWARE

Strategic Insourcing: Unlocking Value Through a Global Capability Center

Insourcing strategy for productivity improvement and TCO reduction.

Case study



Client

| Client

- Challenge
- Solution
- Benefits
- Summary

A global retailer with a diverse portfolio

The client is a US-based, global retail and manufacturing company specializing in a diverse portfolio of lifestyle accessories. It operates an extensive brand portfolio and a wholesale distribution network across 150 countries and 500 retail locations.

Dissatisfied with its outsourcing strategy, the client sought to implement cost reduction strategies and improve services.



Challenge

Client

| **Challenge**

Solution

Benefits

Summary

Overcoming outsourcing hurdles to enable productivity improvement

While the client had an extensive outsourcing presence in India for years, they had been adversely affected by cost overruns, underperforming contractors, and poor resource management processes. This resulted in:

- A significant drag on productivity and profitability.
- Distracting the company from its core focus of being a fashion trendsetter and market innovator.

With deteriorating execution, the client wanted to regain control of its outsourcing, own its intellectual property (IP), and improve its company services.



Solution

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Challenge

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Implementing a strategic insourcing model via a global capability center

After extensive evaluation, the company partnered with Hexaware to strategically 'right-source' the execution. Our enablement team in the US worked with the client to define a vision and operational plan using a strategic assessment model. We proposed a tailored global capability center (GCC) model for the client (which already had an entity in India) to virtually eliminate all the start-up risk while adding a highly productive, cost-effective global IT team to complement its local teams.

Highlights of the engagement:

- Implemented organizational change to optimize collaboration between the US and India teams.
- Our enablement team worked with the client to define a vision and a 3-year plan.
- Applied Hexaware's best practices to enhance quality, speed, and agility in local/global operations.
- Established global KPIs and scorecards for tracking productivity and utilization.
- Recruited a high-performing in-country team, replacing 300 contractors with 180 employees.
- Ensured continued successful GCC operations by adding new business services and additional IT capabilities.



Benefits

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Realizing TCO reduction and productivity improvement

From establishing the insourcing center's technology leadership to onboarding other critical hires who met the client's specific skills and experience requirements, our proven approach and strong local connections in India were instrumental in building the team quickly and successfully.

- 300 contractors replaced with 180 insourced employees
- 44% TCO reduction within 18 months, compared to the client's old strategy.
- 50% boost in productivity, with a 1:1 US FTE equivalency.
- Elimination of poor-performing IT practices and bottlenecks, resulting in high productivity and healthy communication.



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Value realization through GCC insourcing strategy

The client’s insourcing journey with Hexaware showcases the transformative power of a right-sourcing strategy: substantial savings, greater productivity, and restored operational control—all delivered through a collaborative, future-ready global capability center.

By shifting from a struggling outsourcing model to a robust insourcing strategy, the client not only achieved 44% in cost savings and 50% in productivity gains but also built a scalable foundation for ongoing business excellence.



Transform Operations with the Right Sourcing Strategy

Connect with our experts at marketing@hexaware.com to learn how our insourcing solutions can optimize your workforce and drive sustainable business growth.

About Hexaware

Hexaware is a global technology and business process services company. Every day, Hexawarians wake up with a singular purpose: to create smiles through great people and technology. With this purpose gaining momentum, we are well on our way to realizing our vision of being the most loved digital transformation partner in the world. We also seek to protect the planet and build a better tomorrow for our customers, employees, partners, investors, and the communities in which we operate.

With offices across the world, we empower enterprises to realize digital transformation at scale and speed by partnering with them to build, transform, run, and optimize their technology and business processes.

Learn more about Hexaware at <https://www.hexaware.com>.

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