

Case study

Outsourcing leads to multi-million dollar savings



Our customers are continually seeking areas where mobility program costs can be reduced. These are typically realized through leveraging our position and status in the marketplace rather than looking closer to home.

Services

- Consulting Services
- Program Administration
- Expense Management

Applicable to

- Program Management
- International Relocations



Challenge

Charging a fixed fee for assignee costs is an easy way to reduce the administrative burden of allocating mobility costs. However, it can lead to tax compliance issues when certain locations are looking to achieve substantial cost savings.



Solution

Crown launched a review of our client's internal billing and cost-allocation processes, which uncovered a reliance on outdated information and data. Using our knowledge and experience working with various clients, we were able to recommend a best-in-class model for our client that could alleviate them of the administrative burden and address their compliance issues. By outsourcing financial services like expense management, tax payments, audit and recharge of other vendor costs, we were able to expose additional ways that we could help the business achieve their cost-saving targets.



Results

While some clients worry that outsourcing will increase cost, we identified opportunities to save US\$ 4 million, or over 10 percent of their global spend, which proved to the business how leveraging our expertise could provide critical solutions to the challenges they were plagued with. The new model allowed all costs to be recharged to the correct local entity and reported to the tax provider accurately, resolving any tax compliance issues. As an added benefit, employees experienced quicker reimbursement processing of their expense claims, so money was in their pockets in five days versus the two-month processing time they previously experienced.