

## Case Study

# Setting up a Global Competency Center to Maximize Efficiencies

Magic  
EdTech

### The Client

The client is a leading edtech company, operating one of the world's largest Learning Management Systems (LMS). Serving over 6000 ed institutes, they have a learning services arm dedicated to developing curricula for K-12 and higher ed. With around 2000 employees based in the US, the company has a significant global presence.

### The Challenges

- ✓ **Cost and Scalability:** The company faced soaring costs in curriculum development due to a largely US-based workforce, impacting its profit margins. The need to scale their team was becoming financially prohibitive.
- ✓ **Outsourcing:** Exploring outsourcing options, they struggled to find a suitable vendor in lower-cost markets, who could understand and develop content for the North American education system.
- ✓ **Expansion Goals:** Their aim was to initiate a 50-member team and expand it to 200 within three years.

### Critical Success Factors

- ✓ **Cost Reduction and Profitability:** Central to their strategy was reducing costs without compromising on quality.
- ✓ **Gen AI Integration:** They aimed to leverage General AI for scalability, coupled with subject matter expert oversight to maintain content quality.
- ✓ **Cultural and Operational Alignment:** Ensuring the new offshore team aligned well with the local U.S. team was a priority.

### Our Approach

- ✓ **Hybrid Team Structure:** We proposed a team predominantly based in India, complemented by key roles in the U.S., to balance cost-effectiveness with quality and cultural alignment.
- ✓ **AI and Human Collaboration:** Focusing on a synergistic approach, we integrated Gen AI with human oversight to achieve scalability and quality.
- ✓ **Strong Governance:** A robust governance structure was put in place to ensure smooth project management and early detection and resolution of issues.



### Key Result Highlights

Successfully established a **30**-member team within a month.

Achieved **50%** cost savings in the first year, increasing to 65% by the third year.

Leveraged **AI** effectively for quick scaling to meet growing needs.