



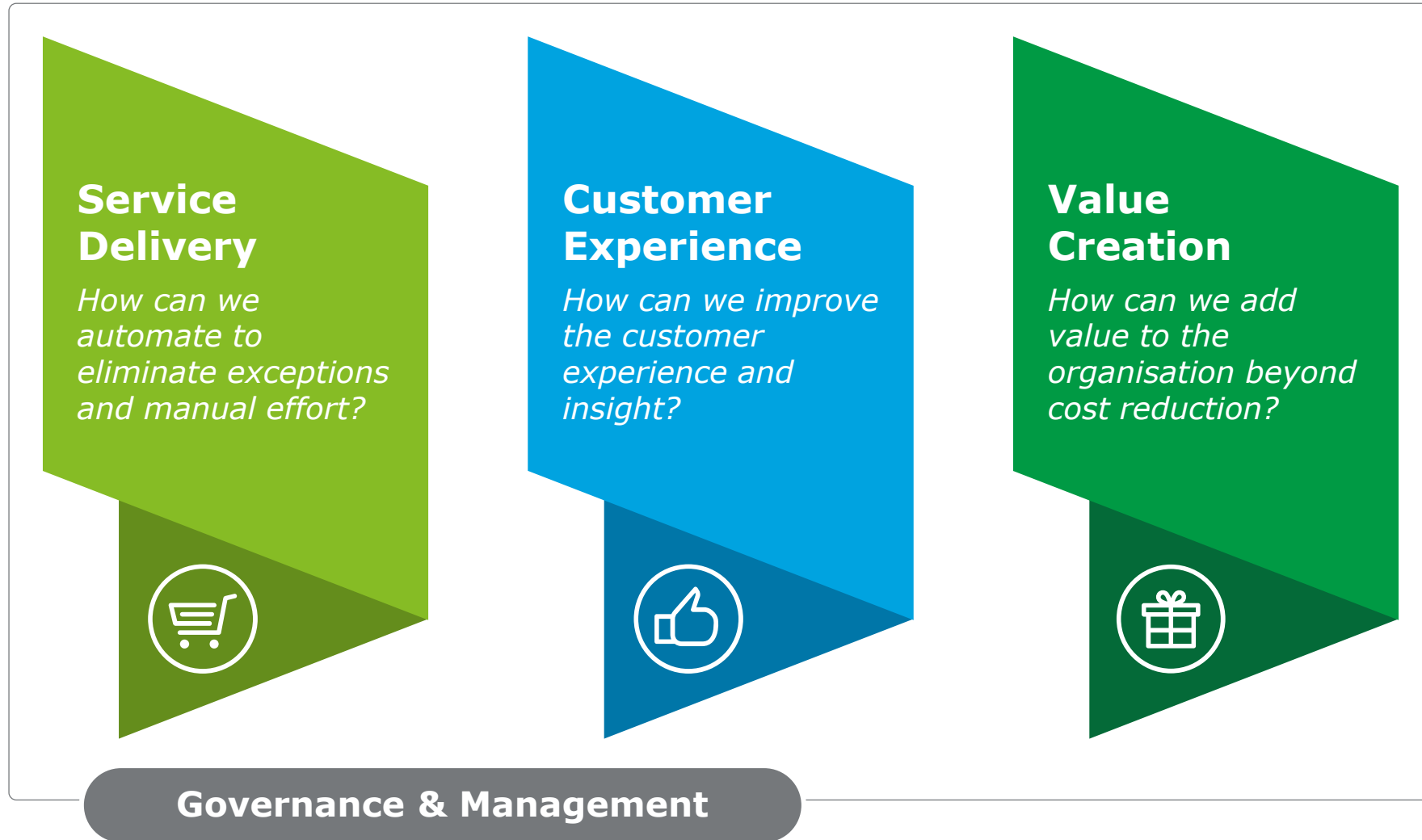
**Shared Services – Current and Future Trends**

Peter Moller

**July 2018**

# Digital Shared Services

## The three cornerstones



# Service Delivery

Do you still have humans processing transactions?

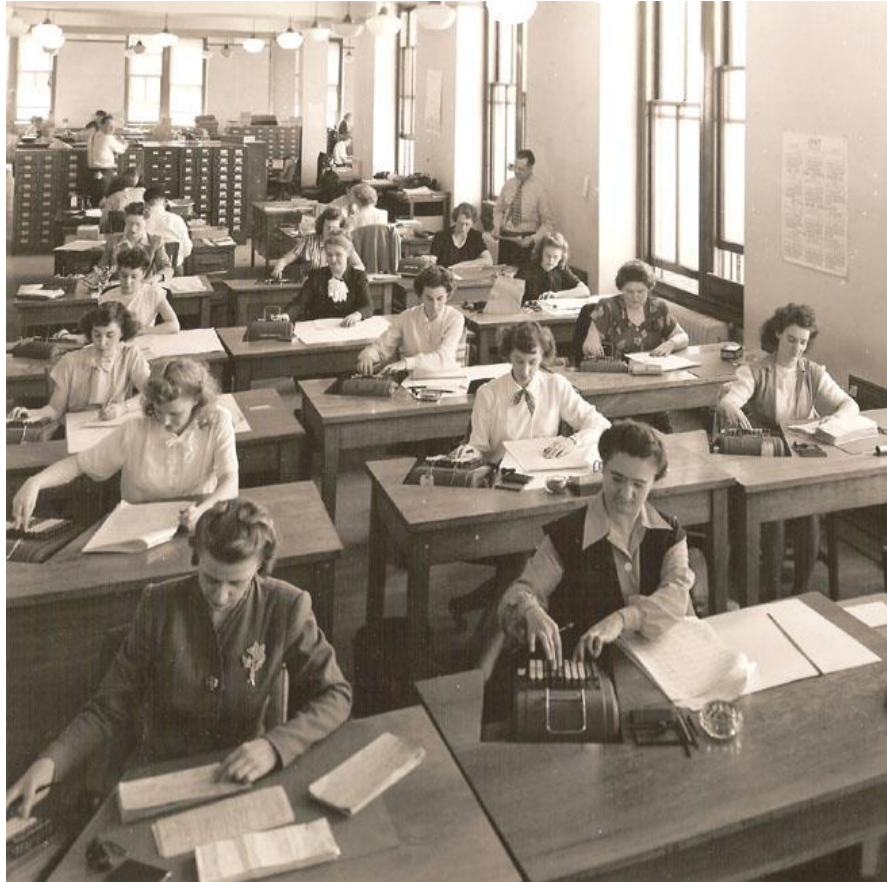
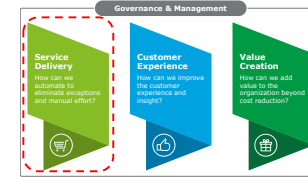


Image source: <https://www.officemuseum.com/>



**Higher cost**



**Not scalable**



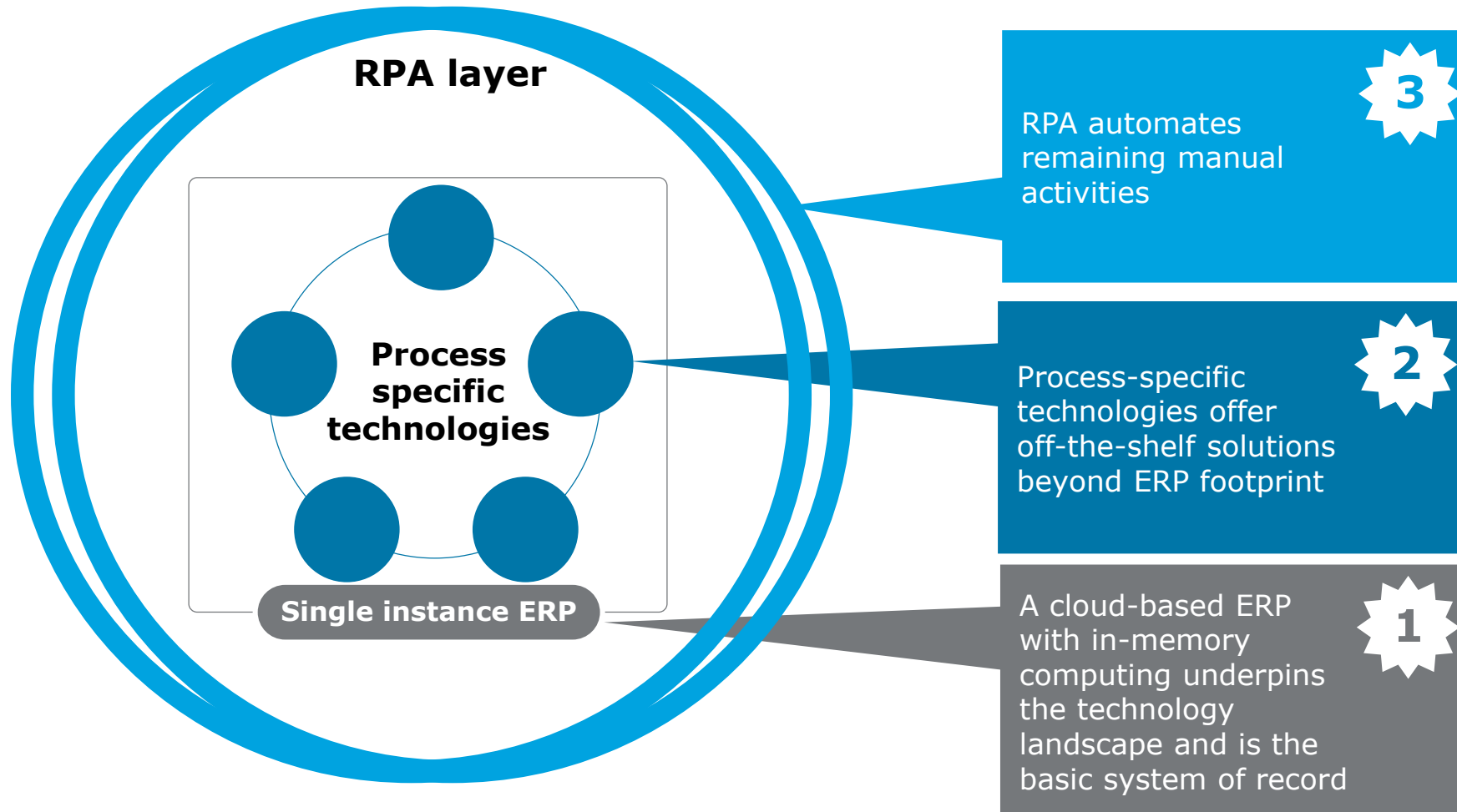
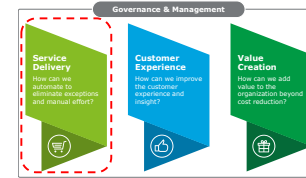
**Higher error rate**



**Less data and insight**

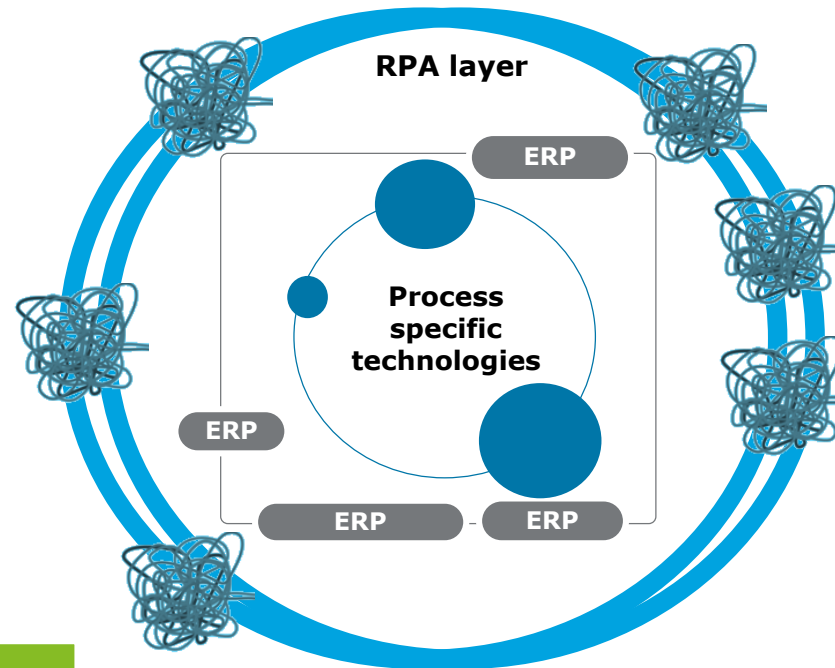
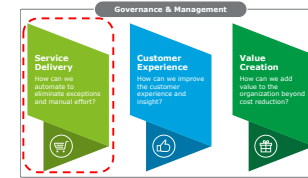
# Service Delivery

In an ideal world, transaction processing has three layers and no manual intervention



# Service Delivery

But we are not in an ideal world!



## Realities

### Convoluted ERP landscape

Move toward a single ERP in the long term, using RPA and other middleware as interim solution where cost beneficial

### Non-standard processes

Harmonise around agreed single standard processes

### Unstructured data

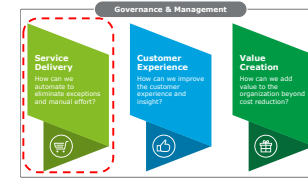
Reduce unstructured data where possible or leverage existing software (e.g. OCR) or AI/RPA to convert it into structured data

### Exceptions

Eliminate exceptions by applying continuous improvement to root causes

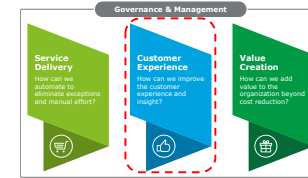
# Service Delivery

## Eight levers of support services transformation

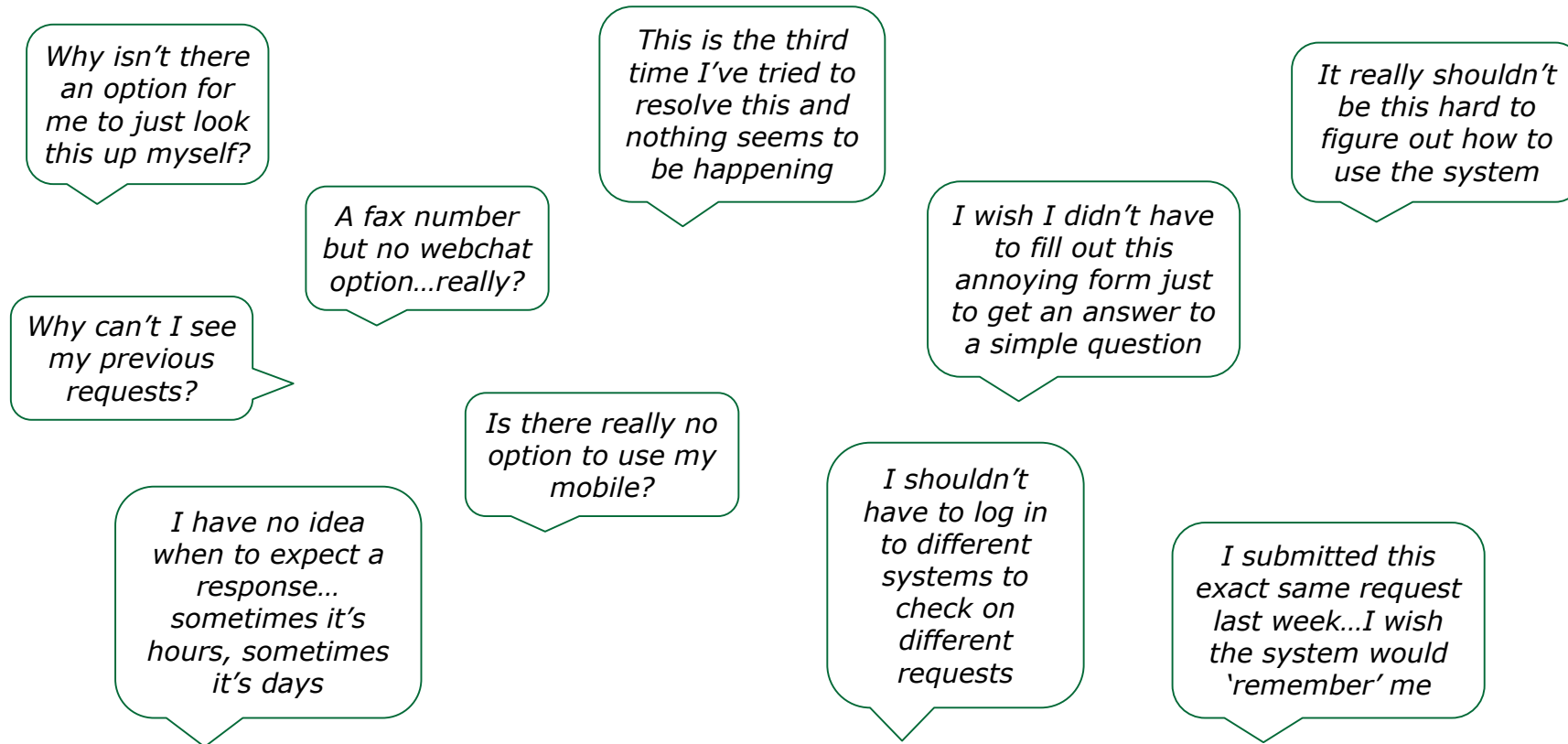


# Customer Experience

How do your customers feel about your service?

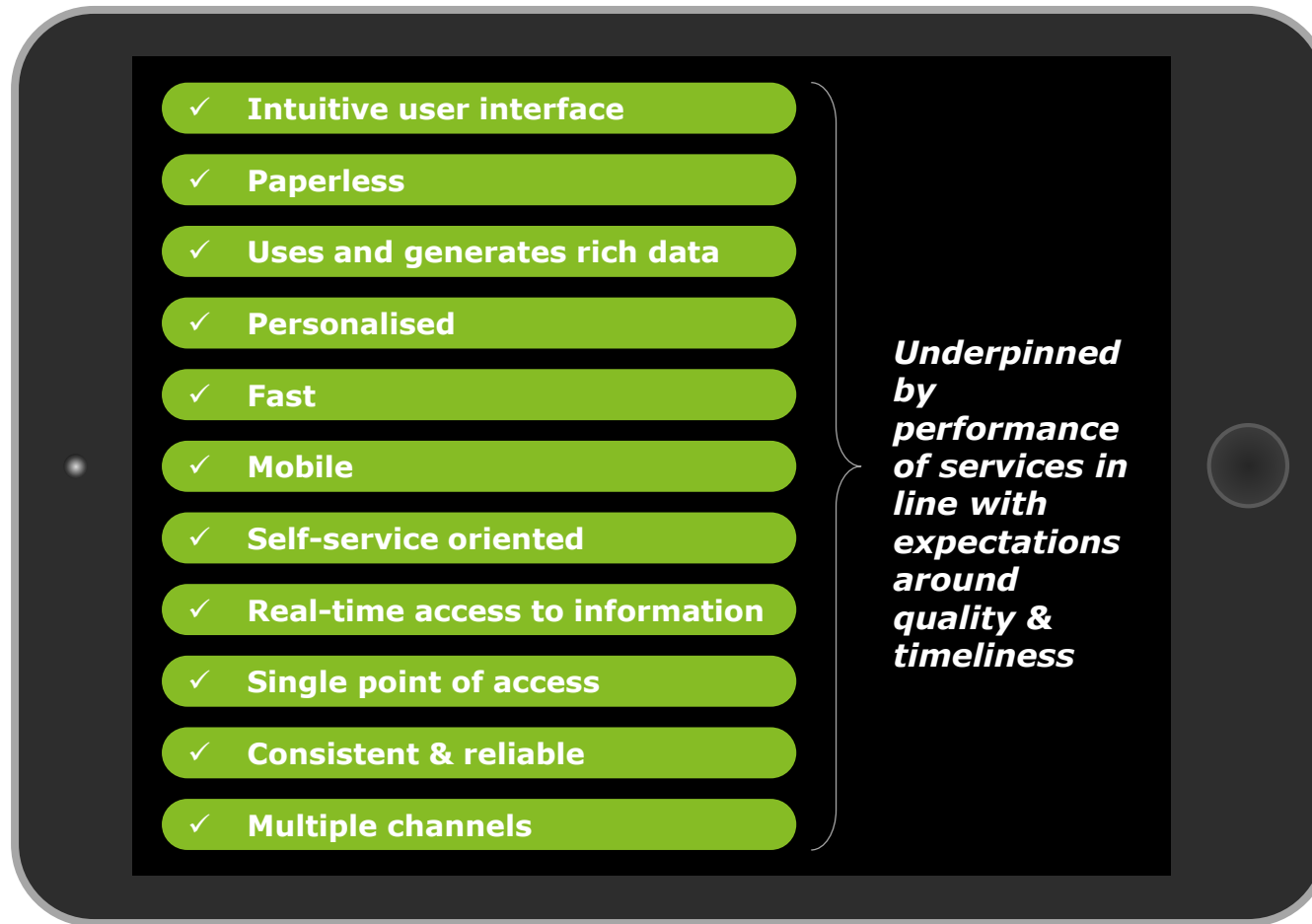
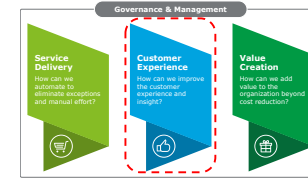


## Common pain points



# Customer Experience

In an ideal world, Shared Services passes the 'Amazon test'



## EXPERIENCE

*Personalised & Consistent*

## INSIGHTS

*Proactive & Predictive*

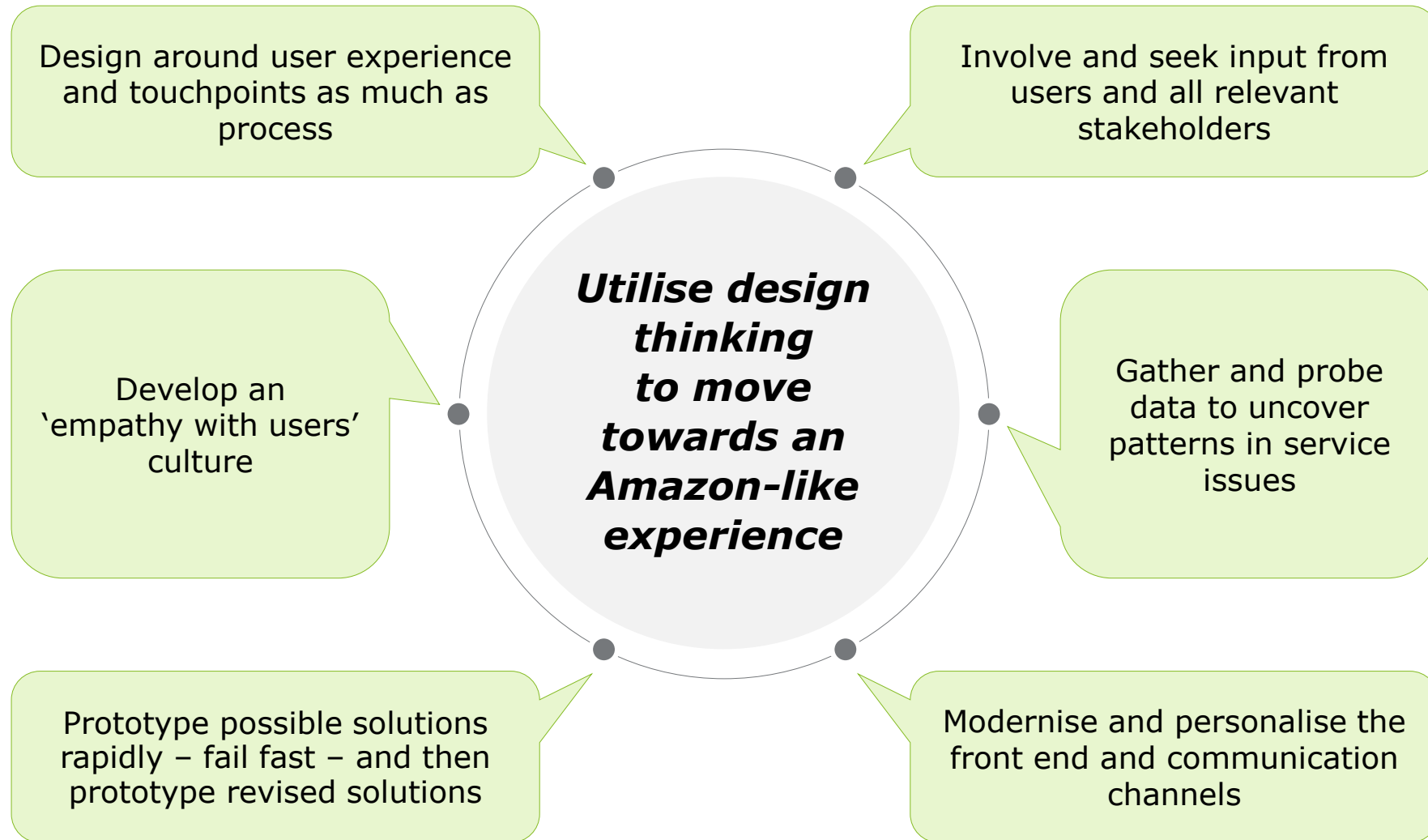
## SPEED

*Agile & Scalable*



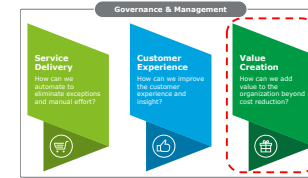
# Customer Experience

Moving towards an Amazon-like experience



# Value Creation

Digital Shared Services can and must add value to the organisation beyond low-cost transaction processing



## Drivers/enablers

- Shared Services sees **data** from all parts of organisation
- **Early adopter** experience of RPA & other digital tools
- **Recognised need** to redeploy people away from transactional processing and move up value chain

## Opportunities



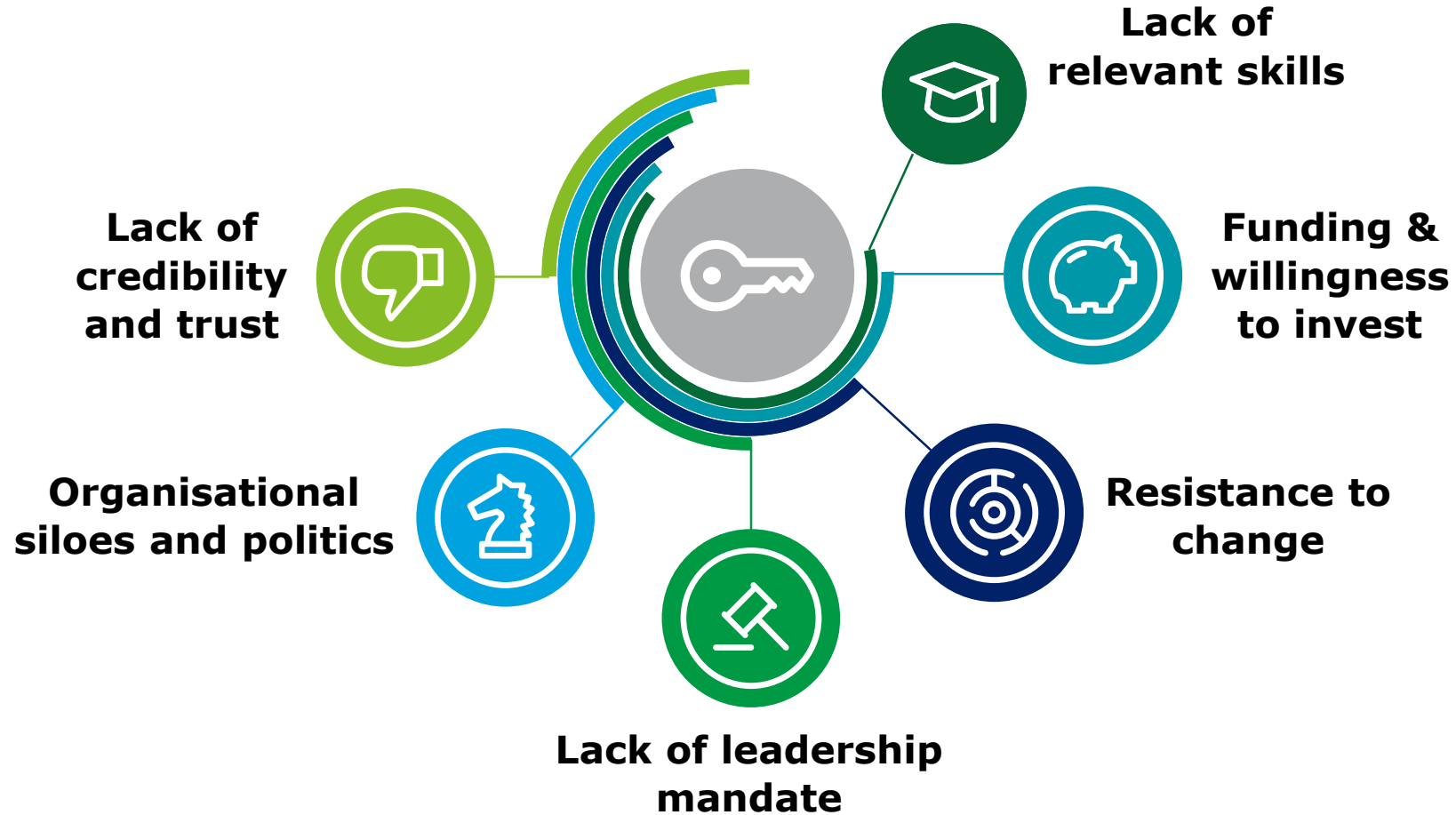
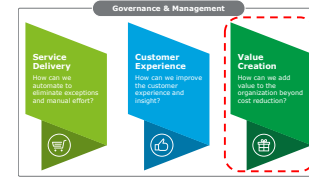
- Enhanced role in providing **analytics** to the business
- Shared Services as a **Centre of Excellence** for organisation-wide Digital Transformation
- Provider of **Global Workforce Management** for the organisation

In the past, Shared Services' role was to take out cost from ***back-office transaction processing***

Now its opportunities are to take out cost ***across the organisation,*** and to find new ways to ***add value to it***

# Value Creation

The most common challenges to moving up the value chain



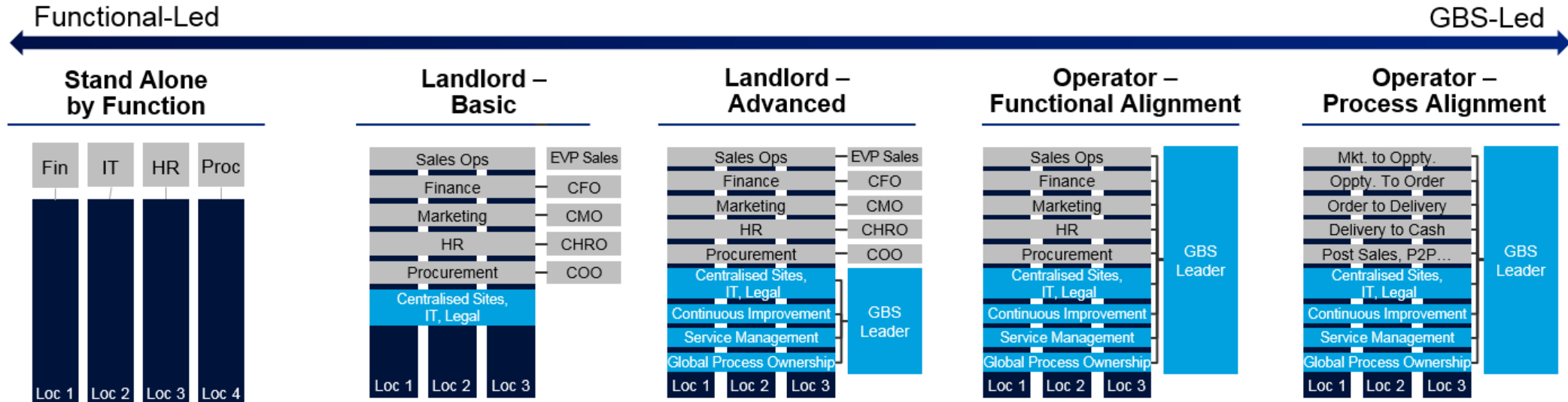
# Digital Shared Services

The three cornerstones and their game-changing impacts



# Multi Functional Shared Services Operating Model Options

There are many alternative models – with different levels of risk and return



Function owned ops with no formal coordination. Functions leverage Shared Services independently



Function owned ops with shared facilities and support infrastructure



GBS leader owns continuous improvement, service management, and Global Process Owners with Functions owning staff



GBS leader owns the resources within shared services



Processes aligned by end to end process or end user under GBS responsibility



# Uncovering common Multi Functional Shared Services challenges

Organizations that fell short cited similar roadblocks to achieving long-term success

## Key Person Risk

A visionary and charismatic leader departed and GBS fell apart

## Customer Experience Gap

Customer experience was never a priority, undermining the GBS brand

## Lack of CEO Sponsorship

Without a CEO mandate, key leaders saw GBS as a threat to their fiefdom

## Weight of Governance

GBS got bogged down by incremental management layers and bureaucracy

## Shortsighted Talent Mix

Staffed GBS to achieve "lift and shift," without perspective for future skillsets

## Silo Mentality

Lack of teaming culture within and outside the GBS organization

## Boiling the Ocean

GBS took on too much, too fast and became an unwieldy organization

## Insufficient IT Partnering

IT capabilities are not embedded within GBS, forcing competition for investment

# 10 game-changing practices in Multi Functional Shared Services

Three imperatives gave way to 10 game-changing practices, delivering incremental, sustainable value

