



The Growth Of The GBS Leader Role

Kort Syverson and Osvaldo Vidal, April 4th, 2024

Introduction



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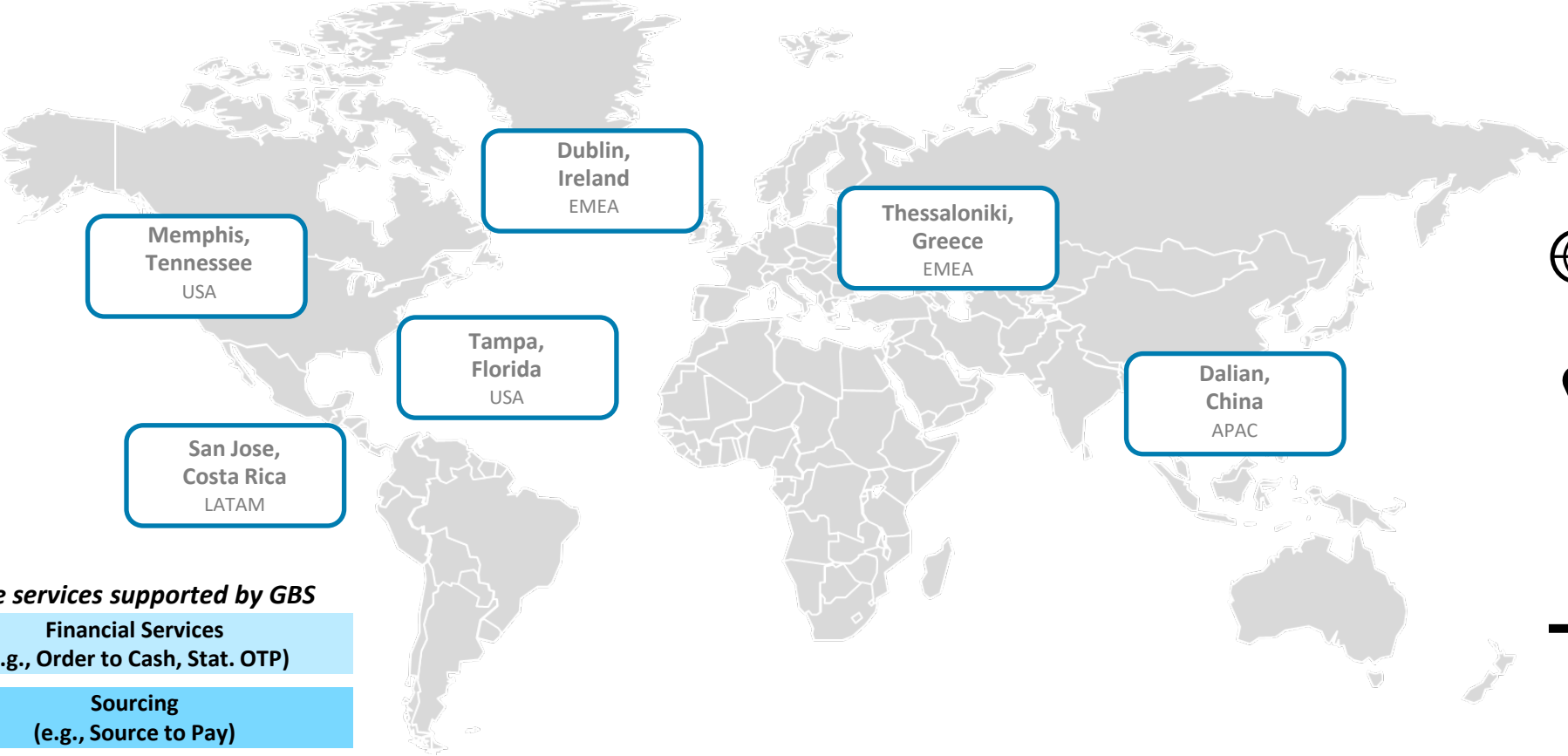


Osvaldo Vidal

Global Business Services and
Transformation Lead
Pfizer

Global Delivery Model

Supporting 26 languages across 130 countries



~2,400 Colleagues Globally



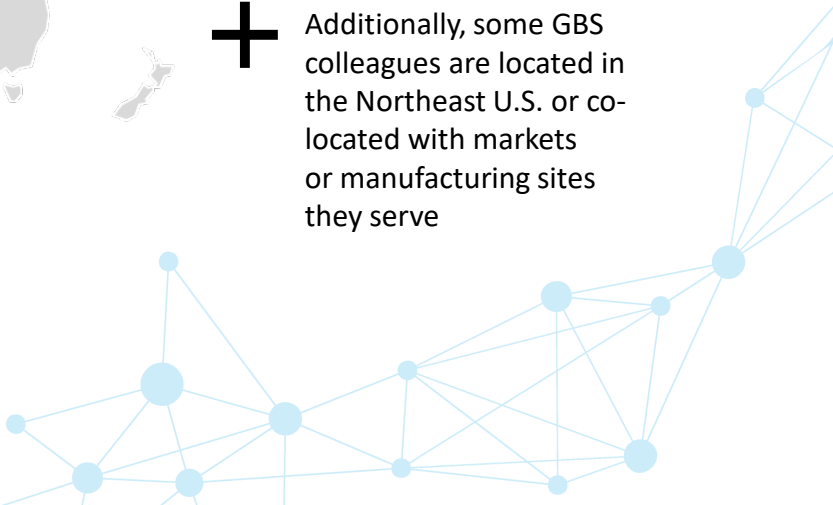
Regional Colleague Presence
APAC: ~700
EMEA: ~900
LATAM: ~500
North America /Canada: ~400



Additionally, some GBS colleagues are located in the Northeast U.S. or co-located with markets or manufacturing sites they serve

Core services supported by GBS

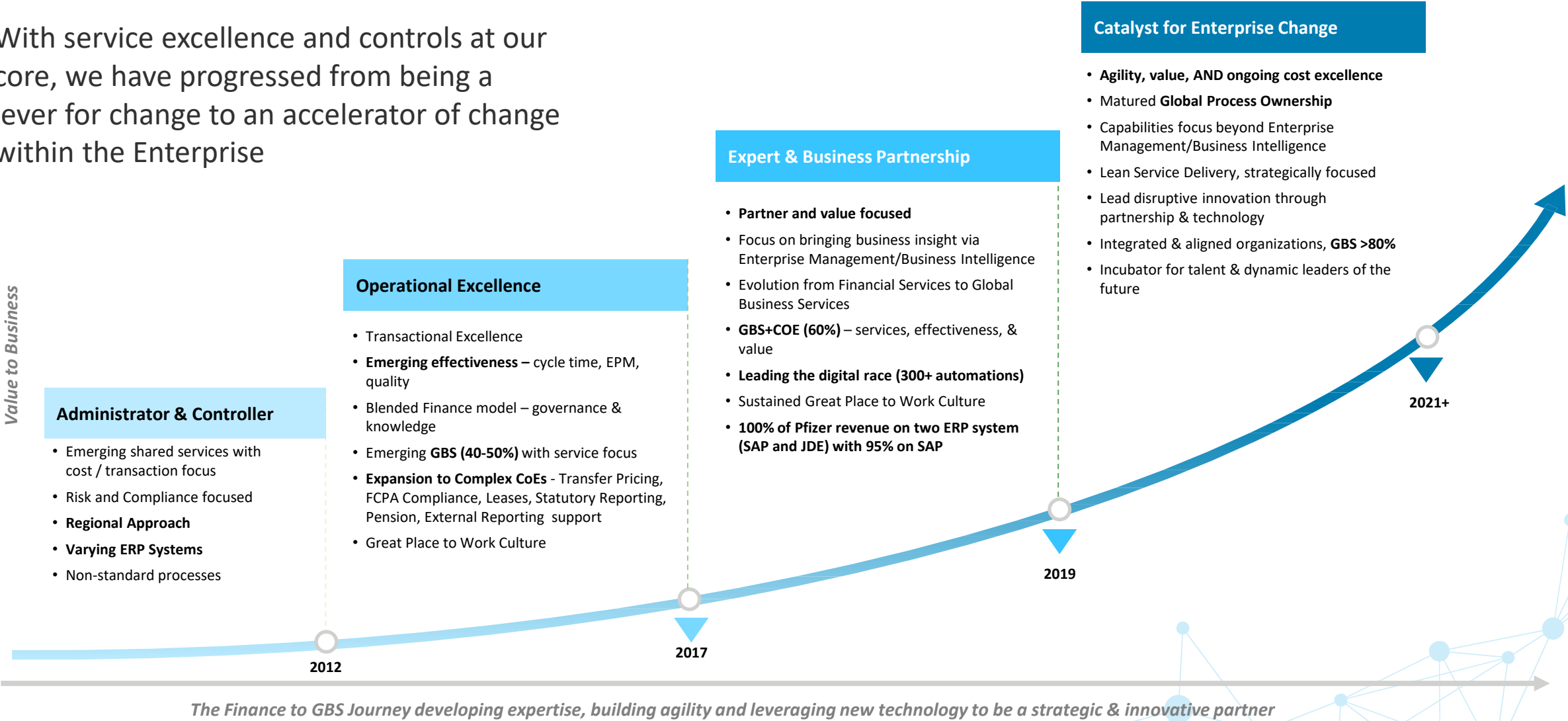
- Financial Services (e.g., Order to Cash, Stat. OTP)
- Sourcing (e.g., Source to Pay)
- Transformation & PM
- Colleague Services (e.g., Hire to Retire)
- Enterprise Services (e.g., Meetings & Travel)



GBS Journey

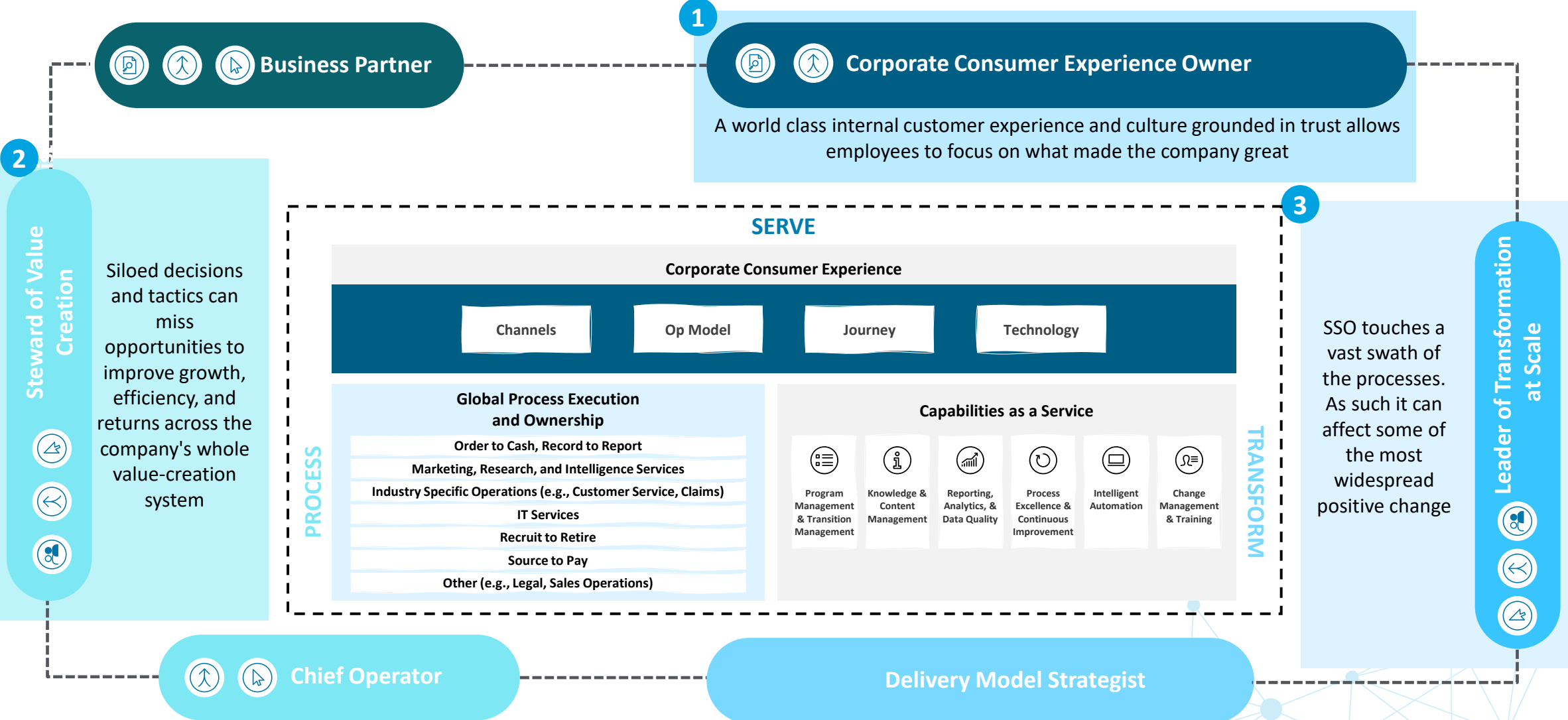
As our organization has evolved, from Financial Services to Global Business Services, as has our value proposition

With service excellence and controls at our core, we have progressed from being a lever for change to an accelerator of change within the Enterprise



Key Roles of The Center Office

Execution is table stakes. GBS leaders must evolve with corporate strategies, whereby transformation, shareholder value and experience take center stage



Corporate
Consumer
Experience
Owner



Strengthening
Culture



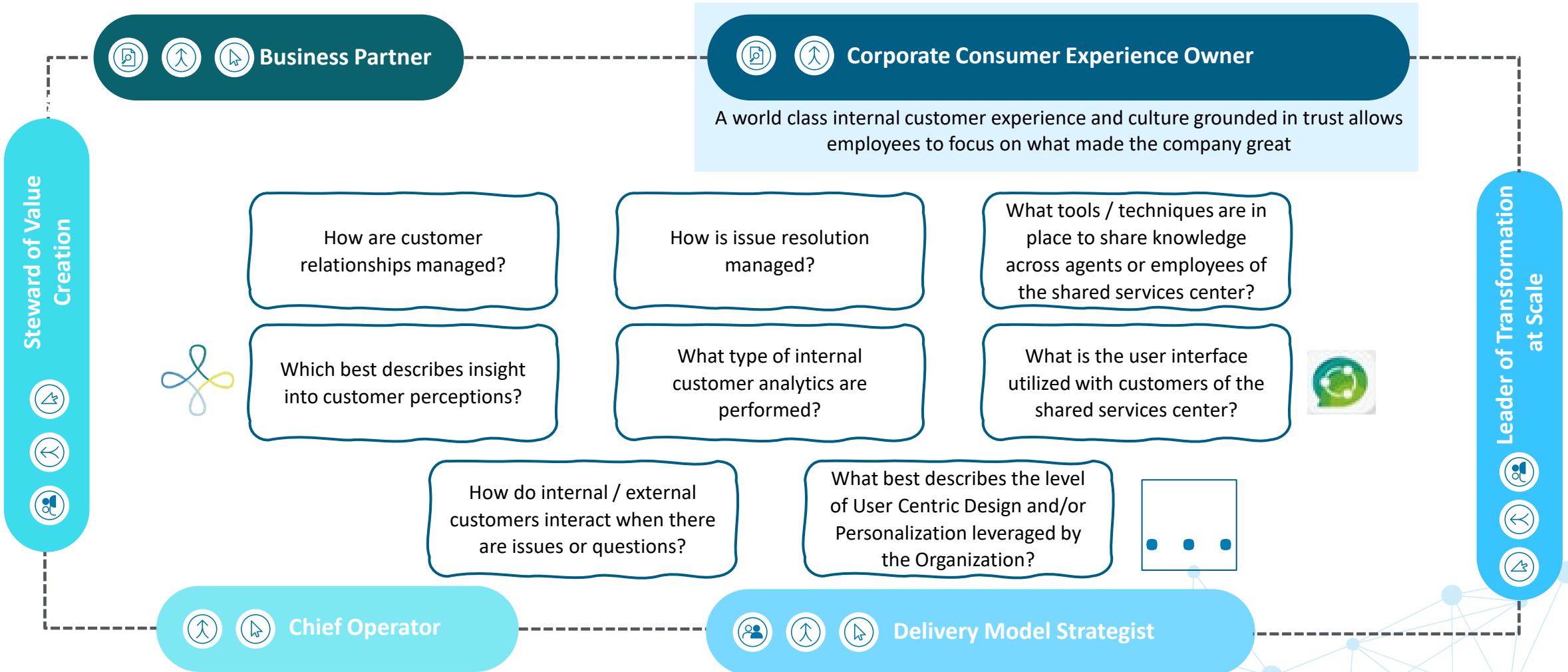
Accelerating
Growth

A world-class SSO is relentlessly customer-centric, putting **trust at the heart of relationships.**

Why trust? Trust is at the center of behavior change, leading to **a strong culture and ultimately growth.**

Corporate Consumer Experience

The experience of users of internal services is often overlooked. Yet 20% or more of an employee's time can be spent navigating and interacting with enabling parts of their own company. The GBS leader should diligently own the Corporate Consumer Experience



Trust is at the heart of behavior change, focusing not only on the current state, but also on actionable ways to...

**STRENGTHEN
CULTURE**

and accelerate
growth

When trust is high, employees exhibit...



IMPROVED WORKFORCE ENGAGEMENT

3.6x more likely to **feel motivated to work for their employer**

1.4x more likely to learn **new skills on their own to improve work at their employer**

1.4x more likely to **optimize how work gets done at their employer**



INCREASED WORKFORCE RETENTION

50% less likely to **look for a new job**



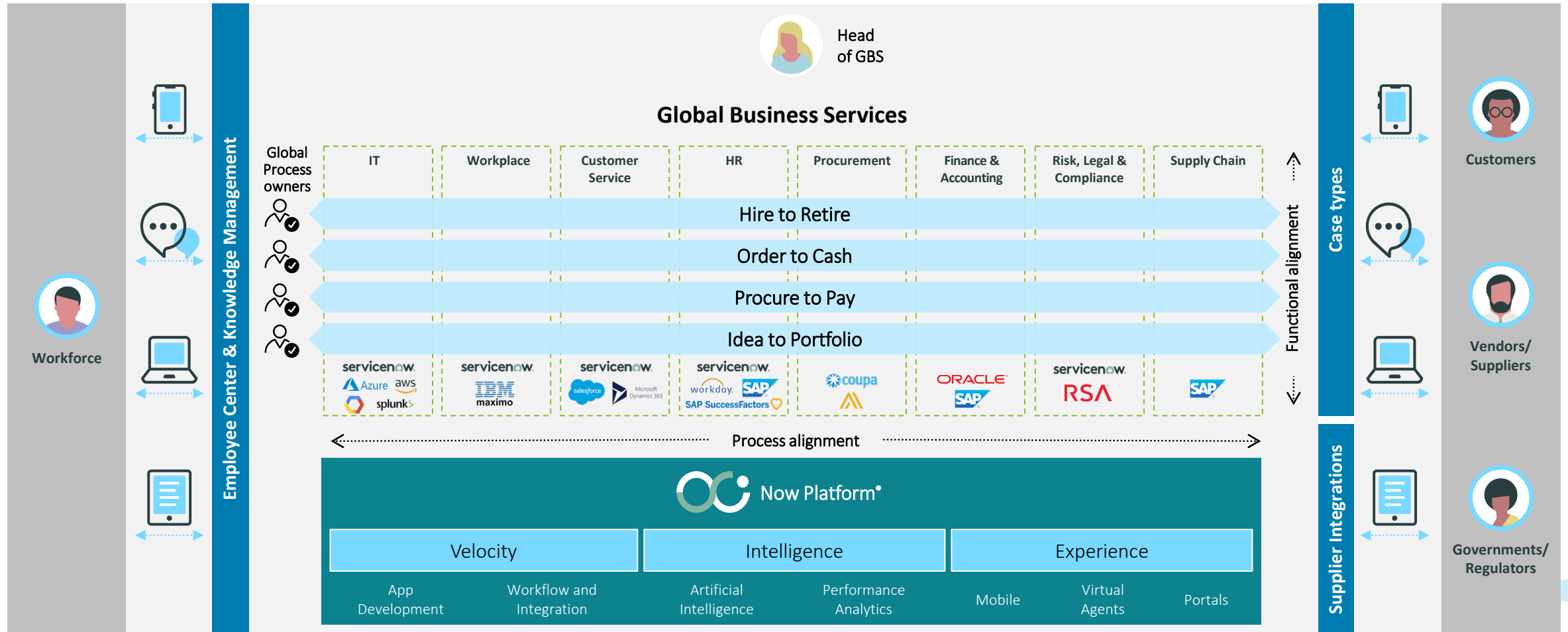
REDUCED ABSENTEEISM

1.3x more likely to **show up to work on time**

Sources: Deloitte TrustID™ Workforce Survey, October 2021 (n=5,000)

A Future State Optimized Consumer Experience

Performance discrepancies and lack of trust is managed by providing a customer first experience with visibility across all service cases with consistent reporting on case management KPIs and related operational metrics



Steward of Value Creation



Driving
Sustainability



Spearheading
Execution



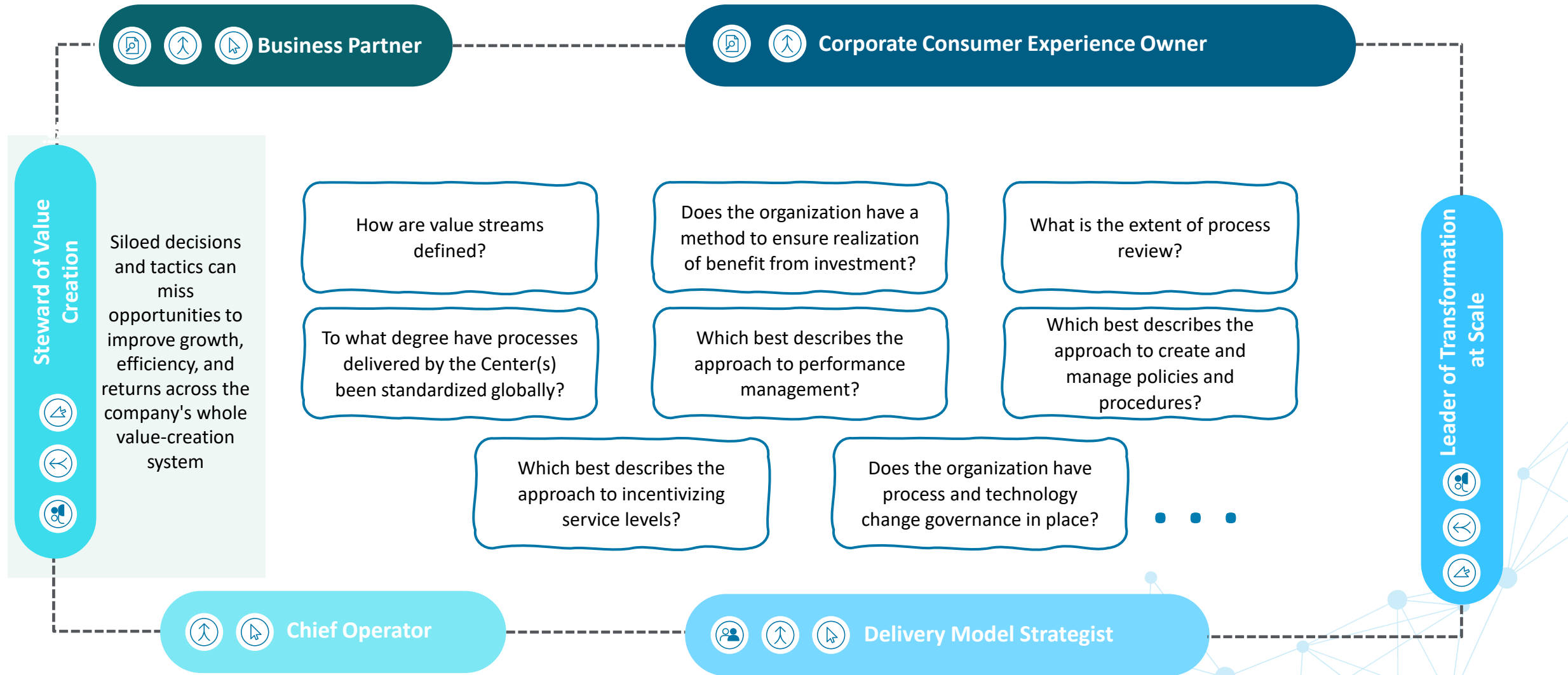
Accelerating
Growth

A world-class SSO recognizes the **interconnectedness of value systems** and the SSO's role therein.

Outcomes, not tactics, affect success!

Steward of Value Creation

As a Steward of Value Creation, the GBS leader recognizes their organization's role in affecting outcomes defined by executives and their GPOs

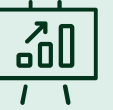


Siloed decisions and tactics can miss opportunities to improve growth, efficiency, and returns across the company's whole value-creation system



Traditionally Shared Services Organizations have looked at improving returns by increasing cost efficiency

However, the SSO can impact broader value systems creating returns multiples higher than eliminating 1 FTE through efficiency



Shareholder

71.6x higher return when working capital is increased by 1% by improving processes such as payable / receivable management etc.



Employee

39.5x higher return when employee turnover is reduced by 1% by improving work environment, incentives, policies, job satisfaction etc.



Customer/Social/Public

24.6x higher return when workplace injuries are reduced by 1% by improving working conditions through training, procured ergonomics equipment and workplace safety equipment



Environmental

0.5x higher when environmental cost of employee car emissions is reduced by 1% by implementing schemes such as shared transport, or hybrid work arrangements.

SSO at the Heart of the Interconnected Value System

Like no other organization, SSOs participate across full range of stakeholders where they can create sustainable value

DELOITTE SUSTAINABLE VALUE OF AP™ (TOP LEVELS)

STAKEHOLDER VALUE



Shareholder Value

- Drive growth, margins and asset deployment across the organization
- Build organization competencies and technology platforms that will drive long-term value creation (and market valuations)
- Integrate and guide purpose, strategy, and risk management across the organization
- Develop value-creating trust across stakeholders – employees, customers, vendors/partners, society, and capital markets

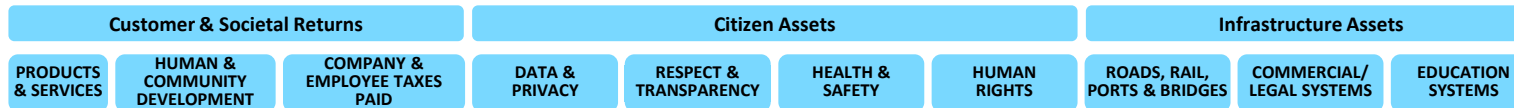
EMPLOYEE VALUE



Employee Value

- Drive development of organization and talent models that support organization-wide strategy
- Develop/deploy core talent propositions and practices that build employee ROI, commitment, and trust

CUSTOMER/SOCIAL/PUBLIC VALUE



Customer/Social/Public Value

- Drive development of corporate customer experience strategies that align with corporate strategy
- Develop and deploy core propositions and practices that build customer ROI, loyalty, and trust
- Drive development of cross-business value propositions for communities/society across markets

ENVIRONMENTAL VALUE



Environmental Value

- Drive identification of sustainability/environment-relate opportunities and risks
- Identify cross-organization opportunities to minimize negative environmental impacts and optimize energy/resource consumption

For a discussion of how companies can drive sustainable value through their capital programs and performance measurement systems, please see [A new value system: Why a multi-stakeholder view of value creation can lead to sustainable, long-term value for everyone](#)

Performance Heat Maps

Company 1 has plans to reinvest profits into its growing portfolio, further bolstering its long-term growth story as the company is expecting volumes to recover in Europe as retailer disruptions are resolved. The company is positioned to gain from newly acquired brands and key brand white space opportunities across the globe.

Legend (Ranking out of 11) ■ Top Tier (1st – 4th) ■ Mid Tier (5th – 8th) ■ Bottom Tier (9th – 11th)

Metrics (Last 12 Months)

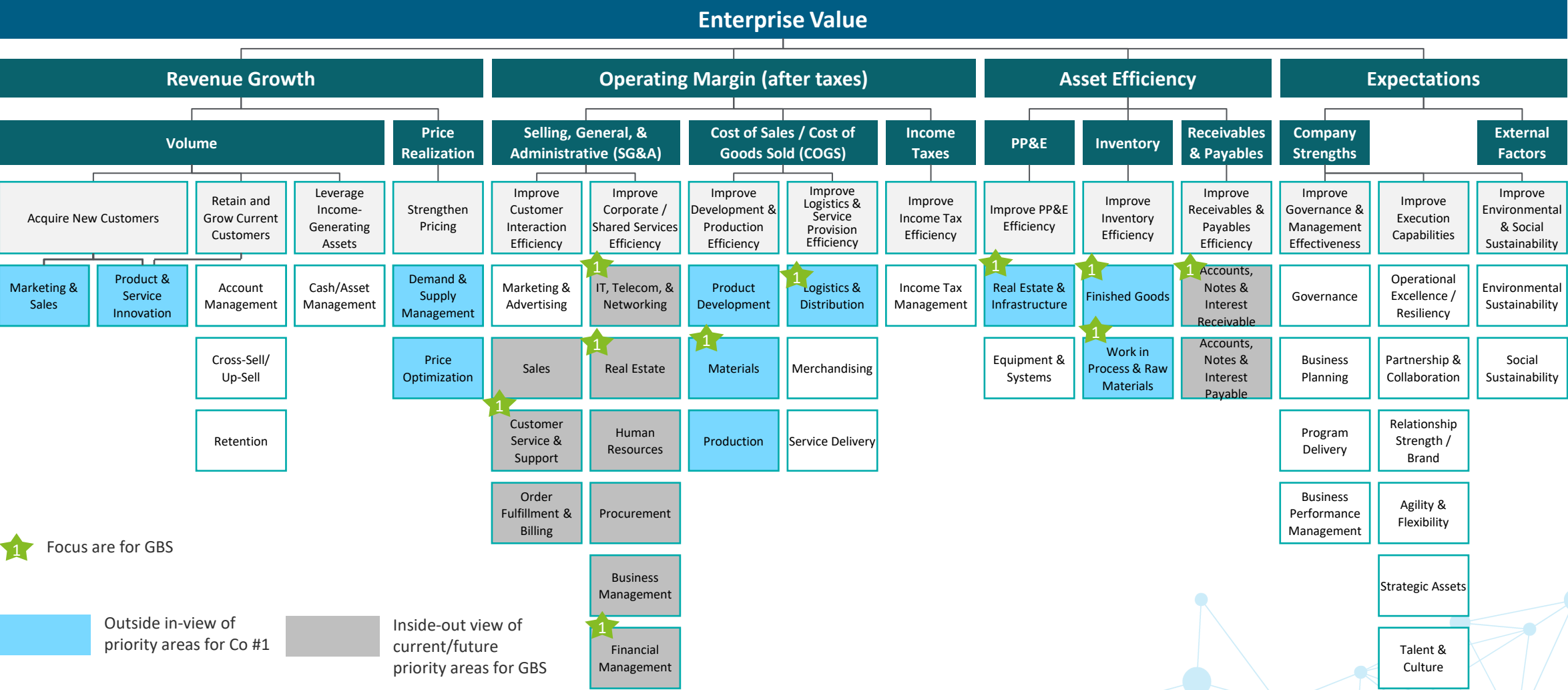
Company 1
Company 2
Company 3
Company 4
Company 5
...

	TSR	Growth	Profitability				Returns		Asset TO		Working Capital				Leverage
	1 Year TSR %	Total Rev Growth %	EBITDA %	COGS %	SGA %	R&D %	ROA %	ROC %	Total Asset TO	Fixed Asset TO	AR Days	Inv Days	AP Days	Cash Days	Debt/ EBITDA
Company 1	14.8	8.4	19.9	63.3	19.8	1.0	7.8	11.2	0.5x	3.4x	31	65	131	-35	2.9x
Company 2	-15.9	8.3	17.7	69.3	15.2	1.0	10.6	14.8	0.8x	3.5x	21	73	77	17	2.6x
Company 3	-6.9	3.9	21.1	43.1	38.2	1.7	21.0	36.6	1.2x	4.2x	32	92	70	55	2.2x
Company 4	-10.1	5.8	18.4	67.4	16.9	1.3	10.0	13.8	0.6x	5.1x	31	59	113	-24	3.1x
Company 5	-5.7	4.2	25.9	56.1	21.2	0.4	21.0	26.9	0.9x	3.3x	26	83	61	48	1.8x
...	-17.4	3.6	12.4	69.4	21.1	0.8	8.3	12.9	0.9x	3.6x	38	57	93	1	3.5x
	-9.8	2.3	22.7	68.2	12.0	0.5	5.8	7.5	0.3x	3.9x	30	75	90	16	2.7x
	-6.7	0.8	19.4	54.7	26.4	1.8	12.1	16.5	0.7x	3.2x	42	103	125	20	3.1x
	2.6	4.3	17.1	46.3	38.9	0.9	13.2	20.6	0.9x	3.7x	34	52	97	-11	2.6x
	7.4	2.3	26.5	51.9	24.8	2.4	15.8	23.1	0.7x	3.6x	24	61	125	-40	1.6x
	5.1	1.3	18.3	59.0	22.2	1.5	12.7	18.9	0.8x	5.7x	28	58	113	-28	2.7x

Source: S&P Capital IQ, Deloitte Analysis; Cost classification differences for COGS and SGA may exist among companies
TSR represents 1-year return as of closing price on 8/23/2023; Blank is data NA
PEP and ULVR's LTM AR and AP days assumed = to LFY

Example Mapping of Value Levers to GBS Priorities

Company 1 chose to focus on affecting Receivables, Logistics and broader SG&A by expanding adding capabilities and augmenting their services portfolio



1 Focus are for GBS

Outside in-view of priority areas for Co #1

Inside-out view of current/future priority areas for GBS

Leader of Transformation at Scale



Driving
Sustainability



Spearheading
Execution

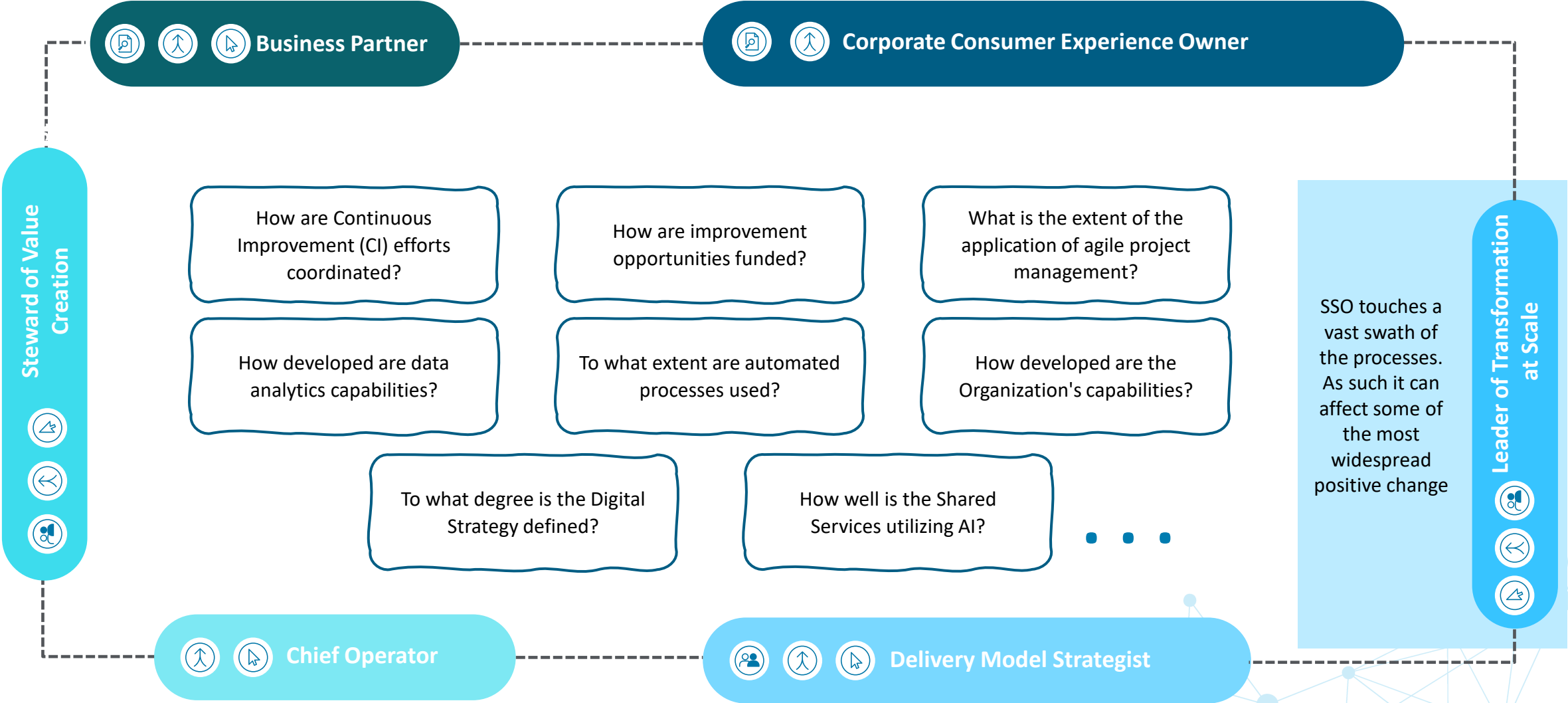


Accelerating
Growth

A world-class SSO is **equipped with capabilities** utilized to not only transform the processes they deliver at scale, but equally utilized to drive sustained change in the rest of the organization.

Leader of Transformation at Scale

GBS is the most efficient and effective organization to drive transformation and insight at scale. The GBS leader must methodically build capabilities into the organization that drive the targeted outcomes



SSOs have evolved from being cost centers to value centers by becoming digital capability hubs responsible for driving organization wide transformations



AI and Automation Hub

>20%

Efficiency improvements can be delivered by AI and Automation Hubs operated from the SSOs



Data, Analytics, and Insights Hub

3x

Improvement in customer satisfaction when service is personalized powered by personalized insights and Self-Support (e.g., chatbot)

5x

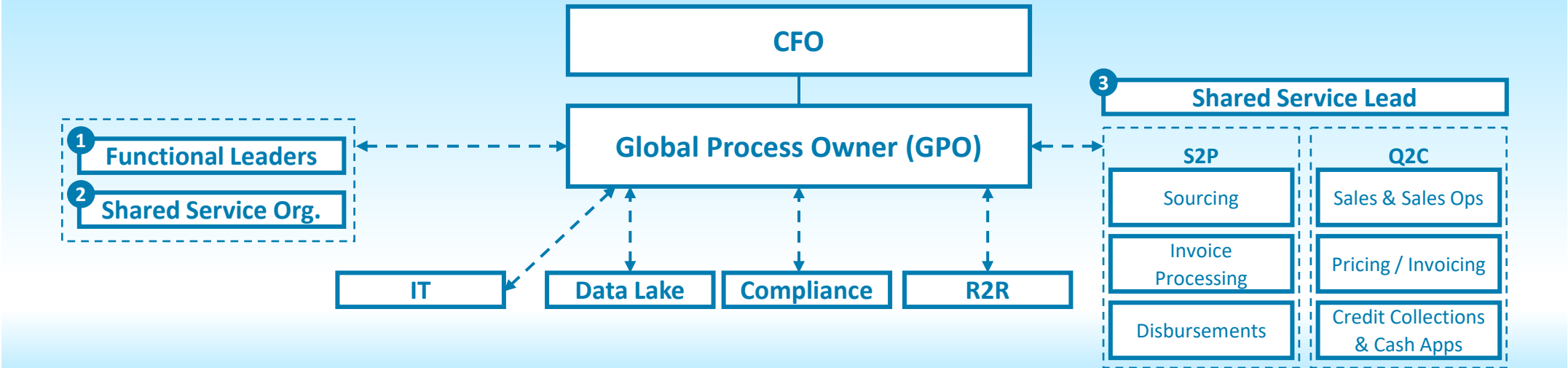
ROI on ESG initiatives delivered by Shared Services through holistic data governance and digital strategy

Next Gen Shared Services
Organizations are capitalizing data, digital and AI capability to transform what they do and how they do it, and unlock significant value to the business

Interacting with GPOs

GPOs are a key part of the transformation equation. They must work hand in hand with the shared services continuous improvement team

- 1 Proposed Cadence: quarterly**
GPO connects with the Functional Leaders across
 - Operational process needs
 - Process strategy
 - Functional performance dashboards
- 2 Proposed Cadence: weekly**
GPO connects with the Shared Services Organization:
 - PMO & Change
 - Transformation & Planning
 - Customer Relationship Management & Governance
- 3 Proposed Cadence: weekly**
GPO connects with the Shared Services Lead across
 - Process standup
 - KPIs and Performance Management
 - Operations Innovation



- GPO connects with IT on:**
- Digital tool selection
 - System implementations
 - Digital innovation
 - Boundary systems

Proposed Cadence: quarterly

- GPO connects with Data Lake / Reporting on:**
- Performance Management
 - Data flows
 - Enterprise tools

Proposed Cadence: quarterly

- GPO connects with Compliance on:**
- Functional and statutory compliance needs
 - Regulatory environments

Proposed Cadence: quarterly

- GPO connects with R2R Lead on:**
- Monthly close
 - Reporting process & tools

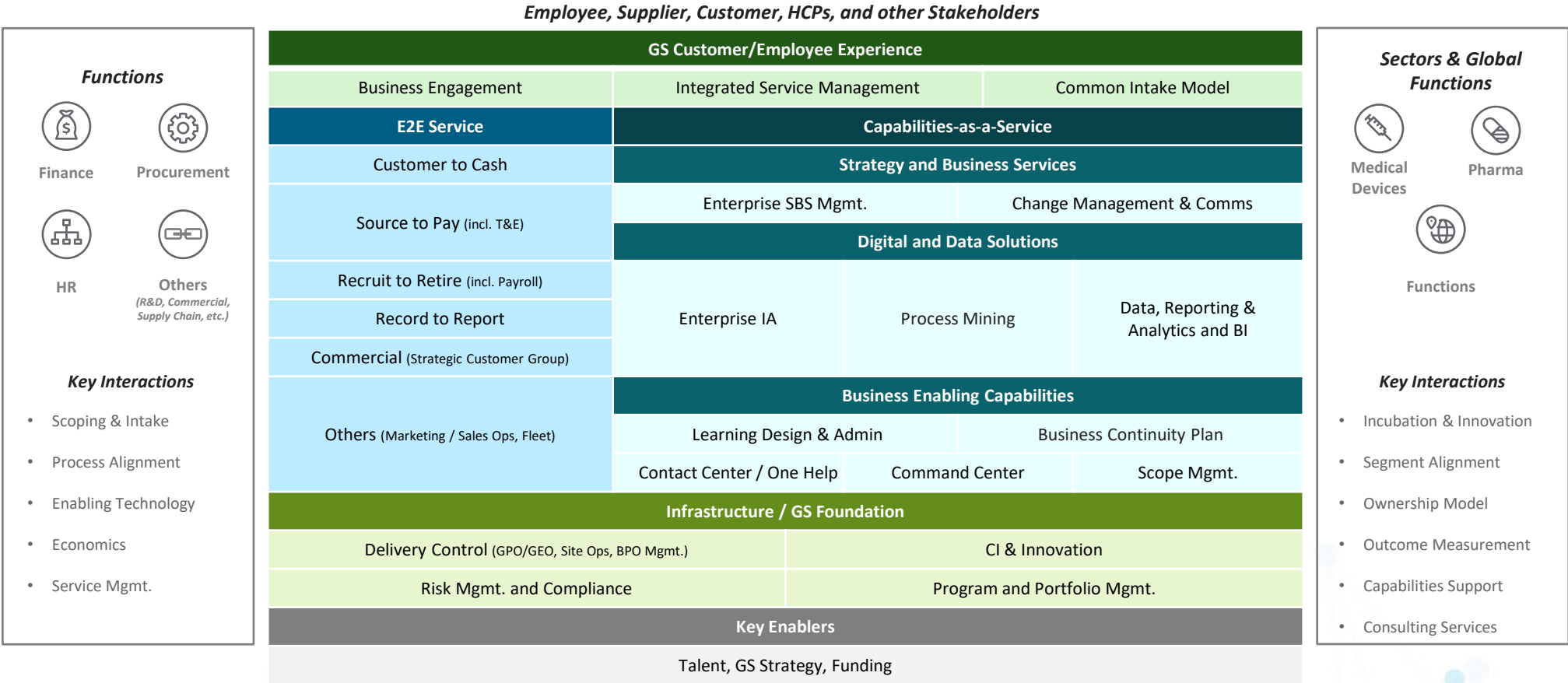
Proposed Cadence: monthly

- GPO connects with Strategic (Process) Stakeholders on:**
- End-to-end strategies and performance management

Proposed Cadence: weekly

Organizing Around Capabilities as a Service

Capabilities required to serve the organization will vary based on the outcomes sought and the group being served. The most commonly sought capability is automation and now AI



The Why, What and How

OUR SHARED PURPOSE
Pfizer Purpose Blueprint

**Breakthroughs that
change patients' lives**

WHY
The value we strive
to deliver

Changing Lives, Together

Together, F&GBS accelerates solutions so that as an
organization, we can change patients' lives

WHAT
What we offer and
deliver



BEST IN CLASS
We are leaders of progress



TRUSTED PARTNER
We offer dynamic service
and partnership



AMAZING PLACE TO WORK
Personal growth starts here,
with us

HOW
How we work

Accelerate optimized & compliant
solutions

Centralized expertise

Continuous improvement & integrity

Customer centricity

Proactive outreach

Expertise in transformation

Momentum for growth

Opportunity for meaningful work

Advance DE&I



Courage



Equity



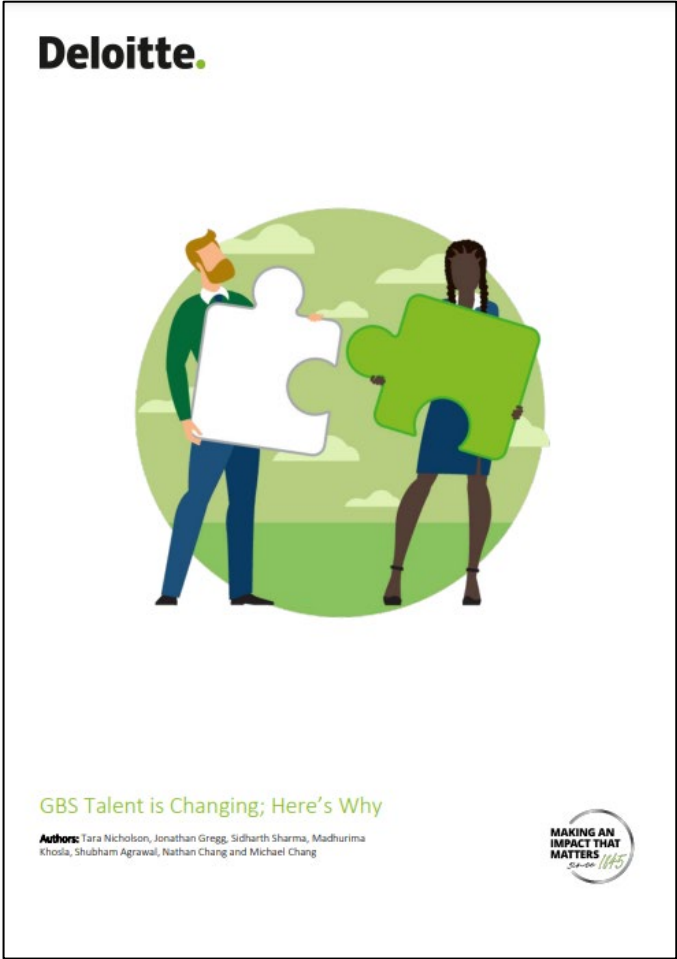
Excellence



Joy

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