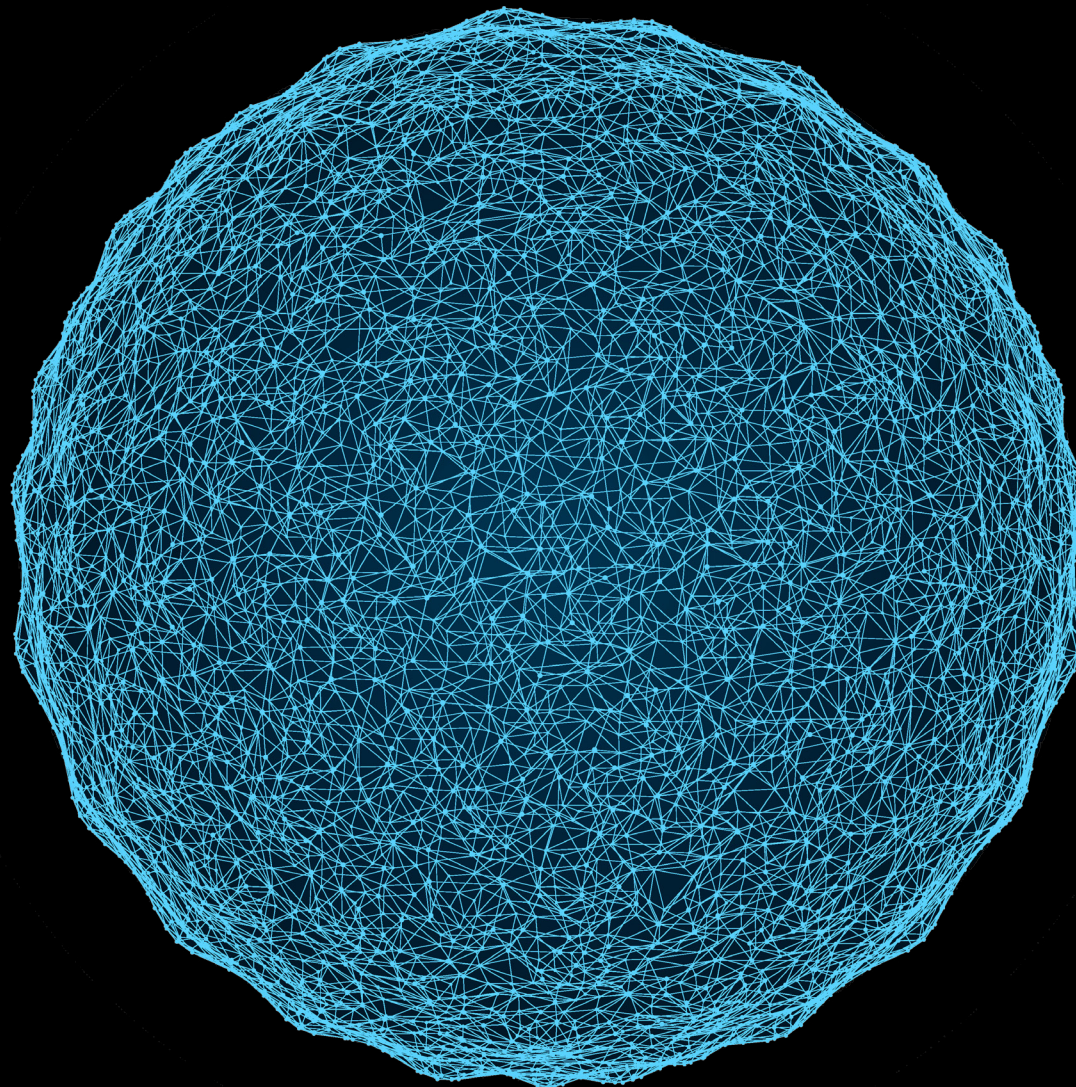


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Connectors

True Global Business Services—
Myth or Reality?

True Global Business Services – Myth or Reality?

The idea of “Global Business Services (GBS)” has gained steam over the past few years, but it has also meant different things to different organizations. Some view it as an evolution of shared services—with an expanded scope of functions under one roof. For others, it’s just another name for shared services or outsourcing. And for others it means an end-to-end view of business processes.

As a result, today there is no shortage of confusion regarding what is—and

is not—GBS. That can make it difficult to assess whether or not an organization has achieved the full potential of GBS, or is falling short of its promise. According to our 2017 Global Shared Services Survey, 70% of responding organizations do not plan to deploy GBS, and 4% have tried but failed.

Was GBS all just a mirage? Or is the true GBS vision one that still holds the potential to deliver serious value to the business? We believe that the true GBS vision—

*creating a multifunctional shared services platform using a common approach, common infrastructure, and governance to deliver business support services across geographies, business units, functions and end-to-end business processes—is still relevant and valuable. But in reality, it has only been implemented in a handful of organizations. In this issue of *Connectors*, we outline some of the key steps leaders should take to get a real, world-class GBS strategy back on track.*

Start with the CEO

Treat it like a strategic asset

While many organizations started down the path of shared services or GBS primarily to better manage costs, the fact is that today, in order to harness the true value of GBS function it should be considered a strategic asset, not just a transactional tool. Perceptions, however, continue to lag behind this new reality: Many believe that GBS is a pure cost play, and treat it as such. That can change when the CEO is involved—assuming that the CEO understands the strategic potential of GBS.

Shift the conversation

With the visible support of the CEO, the conversation around GBS shifts from “what low-level processes can GBS help us accomplish more efficiently?” to “how can GBS help us achieve the strategic goals we are pursuing as an organization?” This is a profound shift—and one that is absolutely necessary in order to transform GBS into a true strategic asset.

To deliver value, deliver insights

When treated as a true strategic asset integrating processes and data from across the organization, GBS has the potential to drive real business insights through analytics on a proactive basis. This is the kind of value internal customers (starting with CEOs) are increasingly looking for today—and it’s a fundamentally different definition of value than the traditional model of simply providing requirements and receiving services.

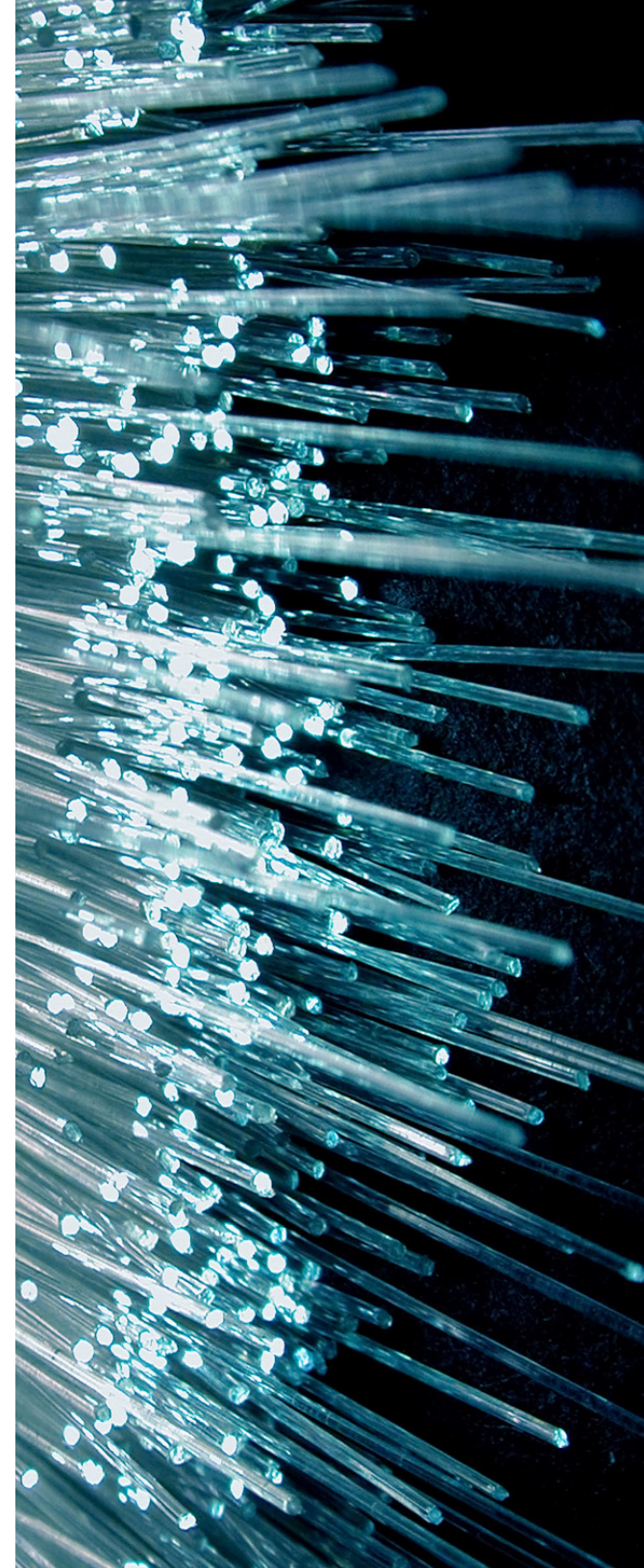
Align the executives

After all, they'll be affected

By definition, a true GBS function can more directly affect and engage with C-level executives in ways that, say, a traditional transaction processing organization would never approach. GBS can influence how their teams get work done every day. At the outset, it will likely also require more effort—more meetings to understand how their own organizations operate, more coordination through technology, and so on.

Don't lose them along the way

Experience suggests that if they are not completely on board with the direction taken by GBS, or if they lose sight of the vision at some point through the process and begin to question the ultimate value of their participation and alignment, they may simply disengage. A true global GBS function touches all major parts of the business—not just a few. Their participation is critical—which means that alignment is a must at the outset and should be actively maintained throughout the process.



Empower global process owners

The authority to make things happen

In most GBS organizations today, we find processes are connected to their owners. But can those owners really claim the authority they need to guide optimization decisions across functions? In too many cases, the answer is, unfortunately, “no.” These are process owners in name only, many of whom are only tangentially connected to these processes and are not empowered to make decisions, nor are they equipped with the right resources to drive the complex change. This can create a difficult dilemma for a GBS organization looking to push its value to the next level and drive consistency and integration across functions and geographies.

The full package

Real transformation typically requires the people in this role to have the visibility, experience and authority to understand current issues, hone in on the causes and solutions, and drive them to execution, working in tight alignment with each of the functional executives and IT. In short, they have real authority and the support and sponsorship of the organization.



Rethink talent approach

Shifting strategies = shifting talent needs

A true GBS function is one that operates as a strategic asset for the business. In many organizations today, however, that is not the role or goal of GBS—or most of the people who staff it. So as the GBS organization looks to evolve and fulfill its full potential, the impact on talent cannot and should not be overlooked.

Stretch!

Many in the organization may need to stretch or expand their skills in ways that they had not previously anticipated, which may require training and other resources. For many others, pursuing a new GBS direction may invigorate their enthusiasm for the career path ahead. At the organizational level, GBS may be increasingly viewed as an incubator for future talent—with visibility to the broad operational machinery of the entire organization, and could be well positioned to lead in the future.



Scope it right the first time

All processes are not created equal

Some processes are simply more valuable when delivered from a GBS environment, rather than coming from functional silos. Processes that require hand-offs from multiple functional areas are likely the best candidates in maximizing GBS value and should be prioritized to demonstrate value early. Examples include: onboarding new talent, enterprise data management, purchasing, payments, training, learning, and more.

Know your baseline

The processes and systems supporting these areas today are not likely up to the job of operating successfully in a true GBS organization. So they likely require a clear baseline analysis to determine how they are performing today, and how could they be improved through greater integration and visibility within GBS.



To transform your business, transform your operating model

A true GBS strategy holds the potential to bring big value to your organization—but only if your team has a clear, shared understanding of what it really means, and how to get from here to there. We've helped many organizations transform their existing assets into a full GBS capability—and we can help yours. Let's talk.

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