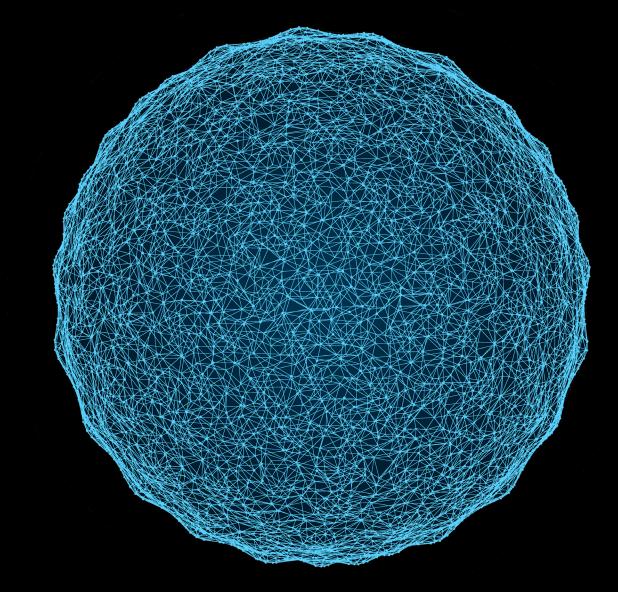
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ConnectorsGuiding the rise of digital global business services

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There may be no more visible, tangible manifestation of the push for greater efficiency in an organization than its global business services (GBS). And over the past few years, the business world has gotten very good at squeezing every last bit of value out of GBS. Now, with the rise of accessible, widespread digital capabilities, many are anticipating the next wave of efficiency in GBS capabilities. It doesn't take a lot of imagination to see why: robotics, cognitive, artificial intelligence, and other emerging developments offer the potential to automate a wide range of tasks that are currently handled by humans anywhere, anytime, without the need to establish new facilities around the world.

For anyone reading this, the pivot to incorporate cost effective, scalable, emerging technologies into the GBS platform, or creating "digital GBS," probably doesn't come as news. If anything, many have been anticipating this moment for years. But now it's finally here—and it's introducing a host of new choices, questions, and challenges that should be addressed by leaders who need to get it right the first time. This goes well beyond the obvious path of taking low-level, repetitive tasks and automating them. It assumes significantly larger possibilities and implications of truly digital GBS, and acknowledges how far these changes could reverberate within an organization. In short, it means taking digital GBS seriously.

In this issue of Connectors, we'll examine the core aspects of digital GBS that leaders should be addressing as they move to take advantage of these transformative new capabilities.

Plan for the impact on people

Outflank the bots

Think of all the purely transactional, repetitive tasks being undertaken by the people in your GBS operations today. Now imagine all that work eventually shifting to bots. It's going to happen sooner than you probably think. When it does, your people will have to learn to do new things—to take on tasks or solve problems that bots cannot yet handle. Are your people ready to take on the challenges of being more analytical, applying their judgment to a wider range of decisions, and driving more personal interactions? If not, it's time for a plan to get them there—because their work is changing.

Look to new global talent pools

Your people will need new skills—in some cases dramatically different from those they bring to their jobs today—and that means you may need to look at entirely different markets to get the types of skills you need. What if your people will need a stronger command of basic finance skills, like planning, budgeting, and forecasting, but your current GBS operations are in countries where that type of expertise is rare? It is time to reevaluate not only the exact skills you need but also where in the world to find those skills.

A workforce without people?

What if you looked at your growing collection of robotic process automation capabilities as a workforce unto themselves—a "digital workforce?" Any workforce requires training, performance monitoring, management, and so do all those bots. That's a whole new way of thinking for most organizations—and especially for the people within the organization who ultimately bear responsibility for how those bots perform and how they are managed.

Update your sourcing calculations

Cost is still a driver.

Where is it driving in the digital era?

The move to outsourcing, shared services, or GBS has always been driven in large part by the need to rein in costs. A decision to move operations to Asia, for example, hinged in part on the lower cost of talent there. But if nearly half of the tasks handled by these operations are suddenly automated, you face a whole new set of decisions about how much to invest in outsourcing or offshoring.

Run the numbers

Say you're looking to outsource or offshore 160 FTEs—but then realize that you need only half due to big advances in robotic process automation. This affects a host of decisions, not just the decision on how many FTEs to hire. For example, what is the critical mass of FTEs that warrants an outsourcing operation? If you need only 80 FTEs, maybe there are other ways to address the need that do not require outsourcing.



Prioritize processes

To improve ROI, standardize

There's no way around it: bots are simply more efficient when they're presented with fewer variables. The more standardization in place, the more you can get from robotic process automation. Some companies have already made big investments in bots, but their processes varied so much, and their businesses were so unpredictable, that they were unable to realize the full value they were seeking from those investments. Do you have to standardize? No. Bots already bring a high ROI without it. But if you want to maximize those returns, it helps to standardize as many processes as possible.

Get good at governance

Every connection sustained by a bot must be monitored. After all, the bots themselves essentially serve as a function of a larger logic tree—one made up of connections and inputs with other humans, systems, bots, you name it. If a bot's connection suddenly goes missing, or involves incompatible formats, the bot may as well be rendered useless. That's where governance can make all the difference, ensuring that all systems, inputs, and even people are functioning according to the plan—and modifying as needed when they are not.

The organization will have to change as well—not just the processes

Imagine your organization not only following new processes but also interacting with entirely new people and new bots in new ways. That can add up to a lot of change—at least as much as a new GBS organization might introduce on its own—and it means that as you introduce new bots into the organization, along with new processes, you will need to bring the organization along. And that will require change management.

To transform your business, transform your operating model

Just when you thought your GBS strategy couldn't deliver more value, digital enters the picture. This is good news for companies that are looking for possible advantages in becoming more efficient. But it also is likely to introduce a significant amount of change in a short amount of time. Service delivery transformation will likely play a big role in the move from traditional GBS to digital GBS. And the journey is just beginning. While efficiency is clearly in focus, the aggregation of data through these emerging technologies leads to cognitive learning and ultimately very powerful analytics. If you want to know more about how to get your organization on the path to digital GBS today, we can help.

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