

The ACCA logo is a red square with the letters 'ACCA' in white, bold, sans-serif font.

Think Ahead

The background image is a low-angle shot of a modern building's facade, featuring a series of dark, metallic, ribbed panels that converge towards the top. The building is set against a bright blue sky with scattered white clouds. The sun is visible on the left side, creating a lens flare effect. The bottom of the image shows a body of water reflecting the sky and the building's structure.

**FINANCIAL SHARED
SERVICES TO GLOBAL
BUSINESS SERVICES
MODELS: A JOURNEY
WORTH TAKING?**

EXECUTIVE SUMMARY

Executive summary

In three words, we see FSS/GBS operations as still very much a **work in progress**, despite having increasingly been hard-wired into business operating models, and establishing their value in the face of the pandemic.

Nonetheless – and this runs counter to received wisdom – our survey suggests there is some convergence; **GBS models are not discernibly more evolved than FSS models**. We usually consider GBS models as having moved a considerable distance along the value chain as they have matured, yet our survey responses indicate that the state of play in FSS operations is not very different from that in multi-functional GBS models. Something else is at play here – branding. In the industry, GBS is a more ‘fashionable’ brand, connoting greater evolution, better tools, size and scope. What operations would not like to be seen as such?

The definition of FSS scope varies. In some models, payroll is considered to be an HR process; in others, accounts payable is delivered by the procurement function. Many FSS operations consider themselves GBS because they have picked up the delivery of some of or all these adjacent processes but still focus fundamentally on finance and accounting processes.

Drilling down, here is what we’ve gleaned from our survey results of FSS and GBS practitioners:

- GBS is seen as the next step along the evolutionary path that single-function shared services models (such as finance) take, yet there is no palpable difference in the trinity that drives value: people, process and technology.
- The model is maturing and growing, but challenges still abound when taking business processes to the next level and beyond.
- Scale has been growing over time, but according to our survey this scale is primarily driven by transactional activity, not processes that create strategic value.
- FSS/GBS is seen as a critical talent pool for the enterprise but mobility remains limited.
- It is recognised that talent can operate virtually, yet location still hinders career movement.
- Respondents profess to be moving up the value chain, yet the processes preponderantly performed are transactional in nature.
- End-to-end process delivery is the intended destination for most operations, but actual implementation is lagging.
- It is understood by respondents that technology should be used strategically but most investment focuses on improving operations through applications such as robotic process automation (RPA) and optical character recognition (OCR), as opposed to investing in artificial intelligence (AI) and machine learning (ML).
- Change management is seen as strategic to process and technology transformation but not everyone has been able to achieve this; inability to manage change is still a major barrier for most when seeking to drive value.

In short, there is some road to travel. And evolution from FSS to GBS models does not necessarily mean a step change in operational performance. While we see some incremental improvement in the operations of GBS models, surprisingly, this does not appear statistically significant.

What’s the way forward? A back-to-basics approach should include:

- a better understanding of the interconnected nature of people, process and technology
- a focus on future-ready capability identification and development
- an emphasis on career pathing and employee engagement as a critical component of retention
- aligning strategy with business events to advance the model
- prioritising stakeholder engagement and change management.

Key statistics at a glance

FIGURE 1: How mature is your FSS / GBS organisation?

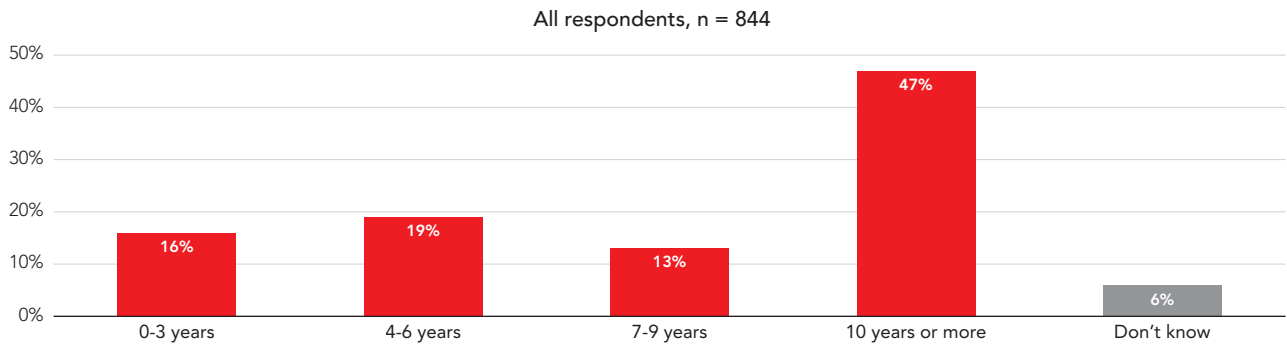


FIGURE 2: What finance function activities does your FSS or GBS encompass?

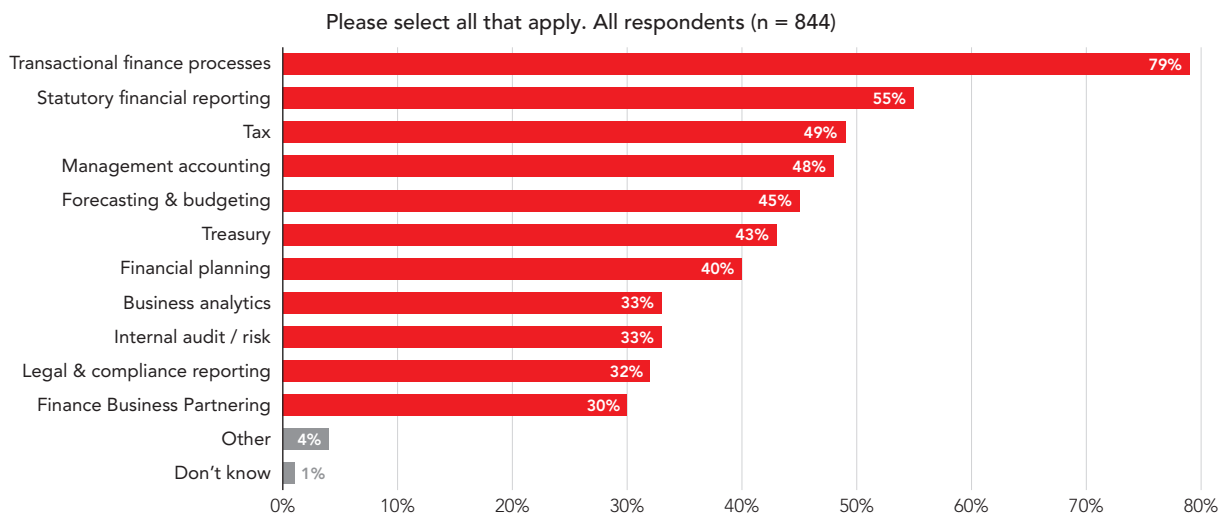


FIGURE 3: Talent management in FSS and GBS

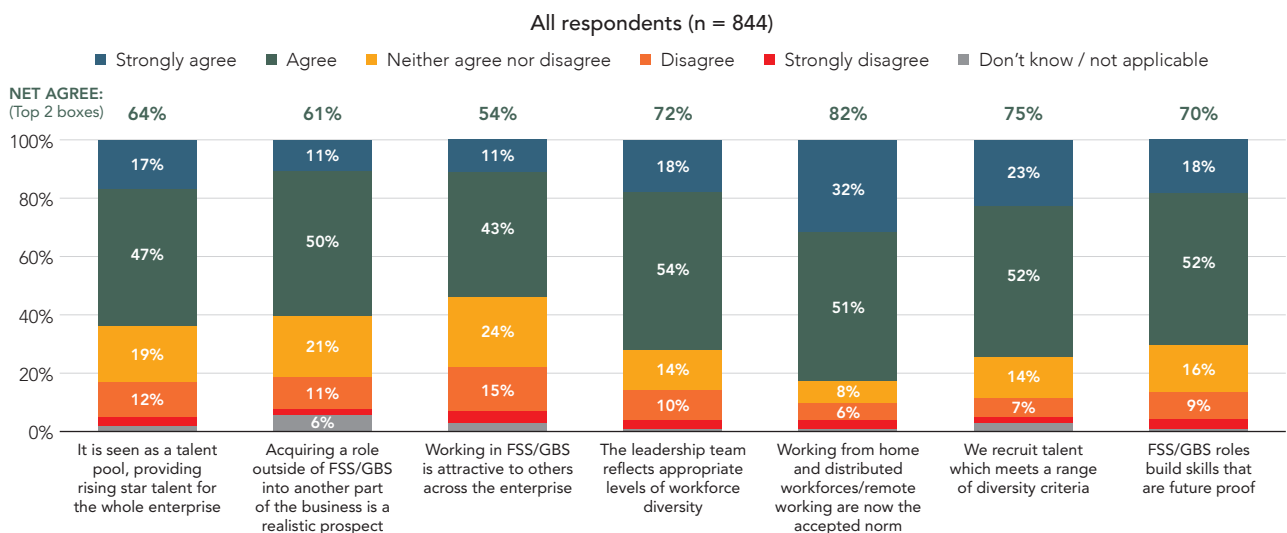


FIGURE 4: To what extent do you agree or disagree that: 'Our FSS or GBS organisation is currently experiencing challenges acquiring key capabilities'

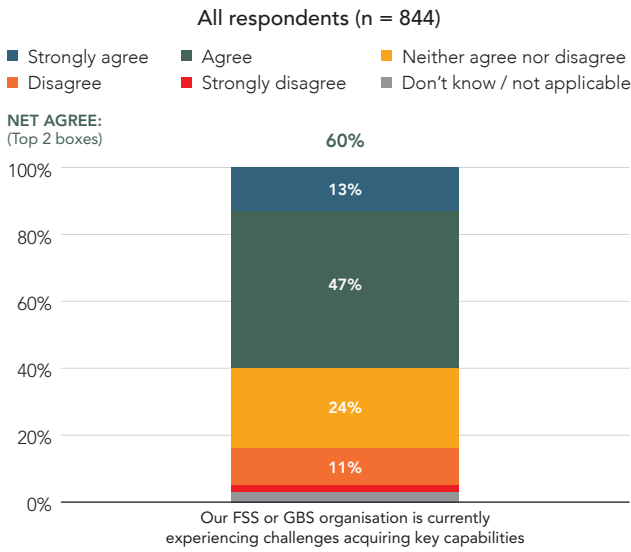


FIGURE 5: Which statement best describes how you deliver your finance processes?

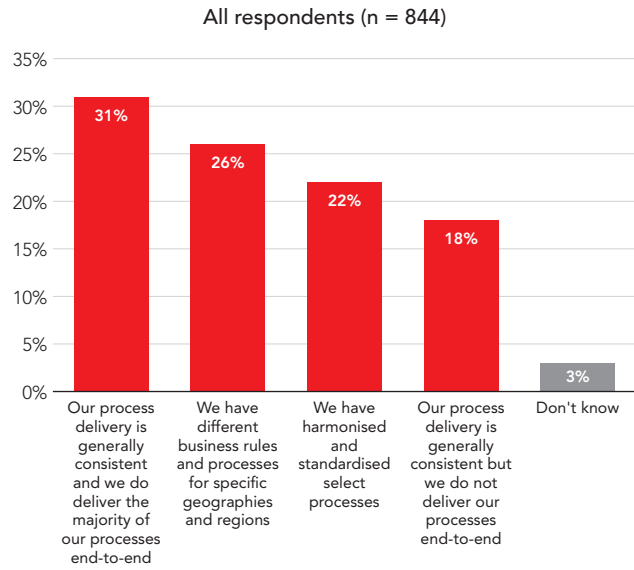


FIGURE 6: Barriers to making improvements to processes delivered by FSS/GBS

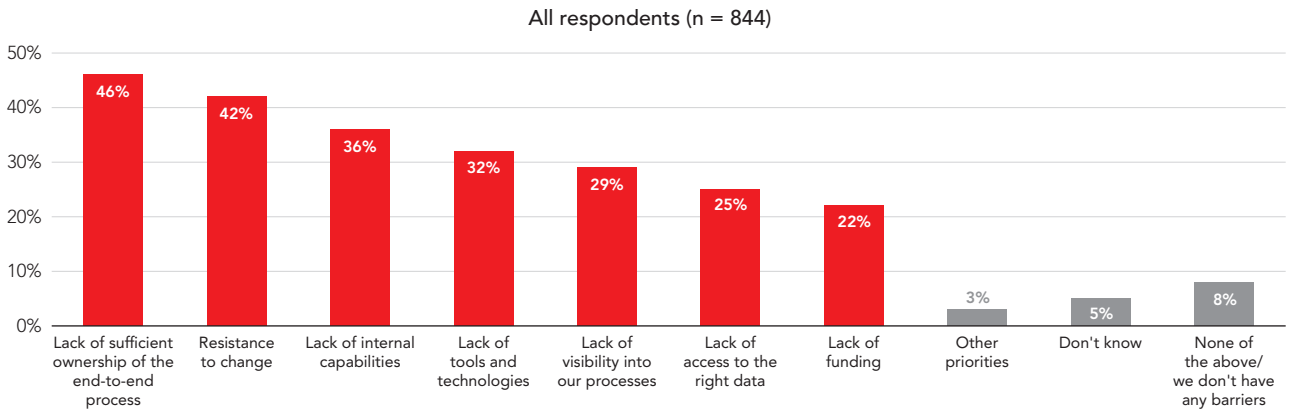
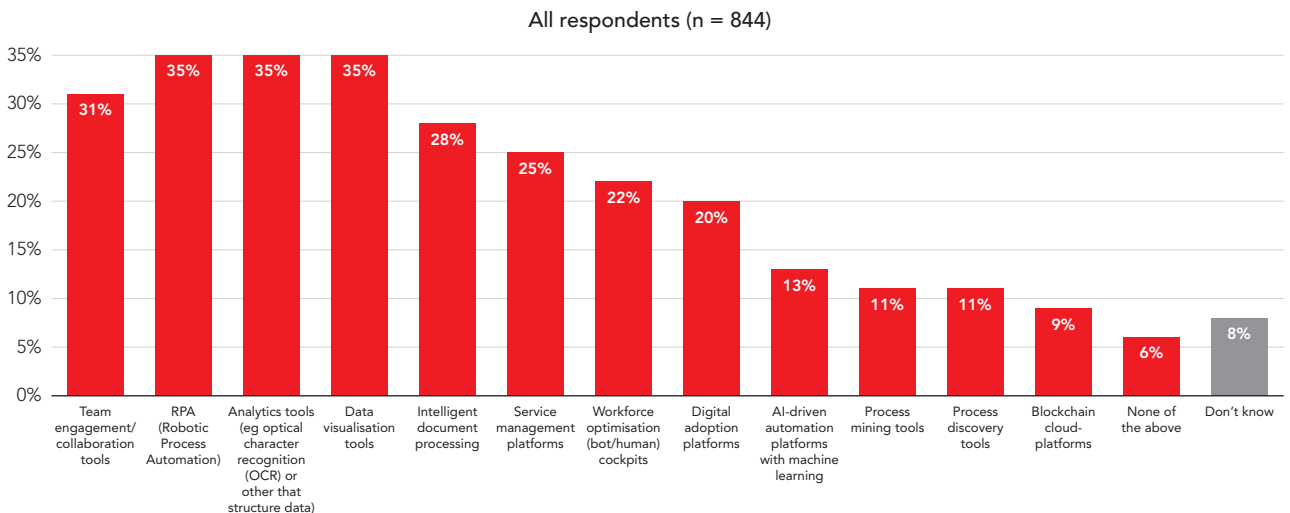


FIGURE 7: Technologies implemented in FSS/GBS



Survey demographics

Total respondent base: 844

FIGURE 8: Split of FSS v GBS respondents

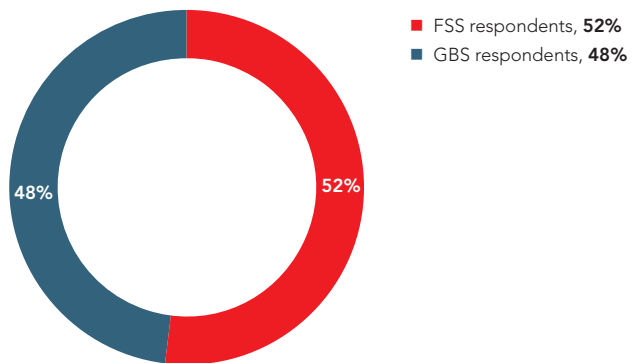


FIGURE 9: Maturity of FSS and GBS respondents

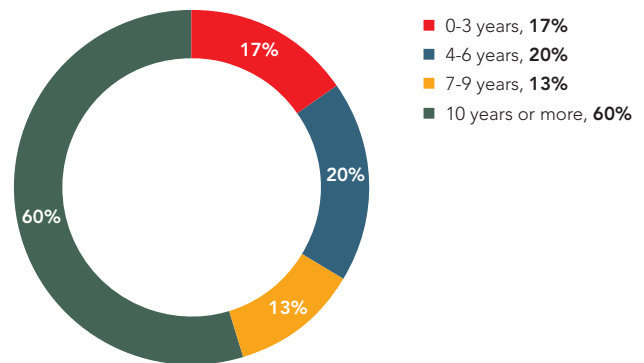


FIGURE 10: Location of operations

