

*TEAM TACTICS: THE SECRET OF SHELL'S SHARED SERVICE SUCCESS

Connectivity is the key to a winning approach, says Shell's George Connell

Shell's business service centre in Glasgow is one of five finance operations hubs around the world that operates shared processes including expenditure, revenue, data management, management information and various record-to-report activities. The other four centres are in Manila, Chennai, Kuala Lumpur and Krakow. Between them the five sites employ more than 5,000 people.

George Connell, vice president of strategy finance operations at Shell, joined the company in 1998 at the start of its shared services journey and has a wealth of knowledge on strategies for success.

'Many blue-chip companies tend to operate some form of finance shared services model as an integral part of their finance agenda,' he explains. 'It's important to be clear on the objectives of the shared service organisation from the outset. For a transformation of this size, you absolutely must have board-level sponsorship and management commitment at all levels, supported by a robust change management programme with dedicated resources, project plans and so on. It can be useful to start with easy wins to build credibility and momentum.'

Connell's top tips include ensuring that there's a compelling rationale for the changes being made, putting in place a structured methodology for migrating work and controls, and using strong and consistent metrics to embed accountability and to measure and benchmark progress.

Shell has a three-tier model of metrics – strategic, managerial and operational – for each process and associated targets to achieve top-quartile performance delivery. A regular review of effectiveness, efficiency and compliance helps to realise economies of scale and increase standardisation of processes. This is enabled by a continuous

improvement programme using lean techniques and training and accreditation for finance staff to 'master black belt', 'black belt', 'yellow belt' and 'green belt' levels.

'By the end of 2010, around 20% of our staff in finance operations had been trained and accredited to minimum green belt standard,' Connell says.

The theme of 'connected finance' has been developed to describe how Shell's finance function partners and interfaces with others in the rest of the organisation and externally. 'Our colleagues – known as business partners – are encouraged to visit the centres when they can and our employees regularly engage with them. There's very much a feeling of one connected team based in multiple locations,' Connell says. 'Using video-conferencing technology as a key enabler of this connectivity is becoming more widely used in the centres.'

Connell reflects that employee turnover rates in shared service centres tend to be higher than in traditional finance organisations. He says that higher staff churn is inherent in the operating model and something that is constantly monitored and managed. Employees receive regular training and there are also personal development opportunities available. Achievements are regularly rewarded and celebrated, while the annual Shell 'people survey' allows the group to assess and improve its performance where required.

When compared to locations in the East, Scotland compares well in terms of social and geopolitical stability, and benefits from its proximity to Shell's businesses and main corporate offices. In terms of trends, Connell has seen an evolution from simply and solely focusing on costs to capturing added

value by means of grouping skillsets together – for example, enhanced opportunities for continuous improvement in areas of critical mass.

'I'm really proud to be part of an organisation that has evolved from a peripheral influence to a key enabler for finance to deliver top-quartile performance in one of the largest corporations in the world,' Connell concludes. 'I enjoy working with my colleagues from many different organisations, countries and cultures as we continue our exciting journey.'

