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ACCA

The background of the cover is a photograph of a large, modern bridge with a distinctive V-shaped structure, viewed from a low angle looking up. The bridge's concrete and metal surfaces are illuminated by bright sunlight, creating strong shadows and highlights. The sky is blue with scattered white clouds, and the water of a river or lake is visible at the bottom. A semi-transparent grey rectangle is overlaid in the center, containing the title text.

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

Think Ahead

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

This report examines how Finance Shared Service and Global Business Service organisations continue to transform their operations. It considers current challenges, as well as prevailing opportunities that can be taken to drive future success. It also considers the extent to which current GBS organisations differ from finance shared services and simply asks whether transition is a journey worth taking.

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# 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 change 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.



# Introduction

The shared services model was born less than 30 years ago out of the desire to consolidate, standardise and optimise transactional finance and related activities such as accounts payable and receivable, and collections, among others.

Today, leading enterprises have embraced the model, not only going up the finance value chain into processes such as analytics and financial planning and analysis (FPA) but also encompassing scope in other functions such as human resources (HR), procurement, real estate and facilities, and even customer care, sales and marketing, and engineering. This movement to a multifunctional business services platform is commonly referred to as global business services (GBS).

Regardless of the scope that GBS encompass, finance is still the taproot function of the overwhelming majority. As GBS models are increasingly embedded in enterprises large and small, finance professionals are finding themselves engaged – as leaders, as members of the team, as collaborators with the retained finance function, and as stakeholders of GBS operations. Therefore, understanding how the model has evolved is critical to ensuring that it can adapt to changing business exigencies.

What drives success? The basics remain the same regardless of the model: people, process and technology. Despite our move to a digitally enabled world, having and nurturing the best talent is key to driving value from the model. If processes are not efficient and effective, the business case for finance shared services (FSS) or GBS cannot be realised. And, if FSS/GBS organisations cannot move past armies of people in low-cost locations performing automatable tasks, the model could very well become obsolete.

Whether FSS or GBS, the value of the model was evident during the Covid pandemic. These operations more than proved their worth to the enterprises they serve, finally

gaining legitimacy as a model. Proving that virtual work works – tick. Business resiliency – tick. Closing the books accurately and on time – tick. Paying people on time – tick. Providing the right data to make critical business decisions in a world where the unknowns trumped the knowns – tick. But looking beyond the headline achievements, what is the operational state of play? Are we attaining the scale and scope that significantly increases value? Do FSS and GBS organisations have a future-proof talent construct? Are the processes they deliver efficient and effective? Is the power and promise of technology harnessed to maximum benefit? When unlocking value, what are the greatest challenges confronting professionals today? And, critically, are GBS organisations more evolved or better placed than Finance Shared Service organisations to create value for the enterprise?

Surveying over 800 FSS and GBS mid- and leadership professionals globally, this research provides a definitive view of the current state of play in shared services models, whether focusing on finance or encompassing a broader global services remit. The survey respondents broadly represent the professionals who perform the work, rather than those who create headlines about its value and efficacy in shared services models. Notably, fewer respondents to our survey are based in North America than would be expected from the usual shared services survey demographics, yet that is where some of the headlines about FSS and GBS value originate. With the respondent base primarily located in Western Europe, Asia, and Africa, we are able to obtain a 'rest-of-world' view of the state of play in FSS/GBS organisations.

**WHAT DRIVES SUCCESS? THE BASICS REMAIN THE SAME REGARDLESS OF THE MODEL: PEOPLE, PROCESS AND TECHNOLOGY. DESPITE OUR MOVE TO A DIGITALLY ENABLED WORLD, HAVING AND NURTURING THE BEST TALENT IS KEY TO DRIVING VALUE FROM THE MODEL.**



# 1. The current state of FSS and GBS

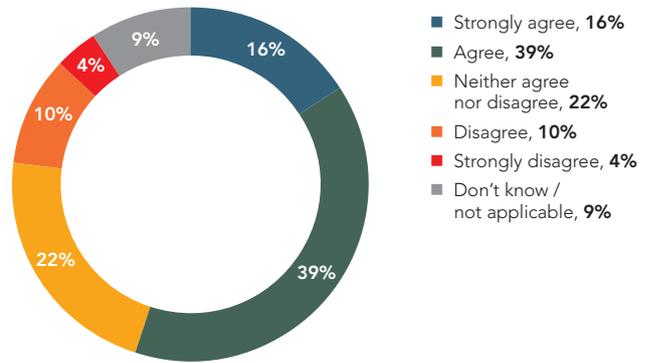
## 1.1 FSS and GBS are fully established

Responses suggest that the shared services model, be it finance shared services (FSS) or global business services (GBS), has matured, providing evidence that it has attained legitimacy as a business operating model. Certainly, the model changes over time, depending on leadership preferences, business conditions, merger and acquisition activity and other factors, but the fact that 60% of our over 800 respondents have been operating some degree of this model for seven years or more is evidence of its durability (Figure 1.1).

Notably, while the majority of multinational enterprises, especially in certain industries such as pharmaceuticals and financial services, have scaled and matured the model, small and mid-size enterprises (SMEs) continue to adopt a shared operating model as the risks and benefits become understood. Note that the data indicate that the GBS organisations in our sample are not necessarily more mature than the FSS organisations as measured by age, which may suggest that for many enterprises in the sample, GBS is not always the logical next step for FSS.

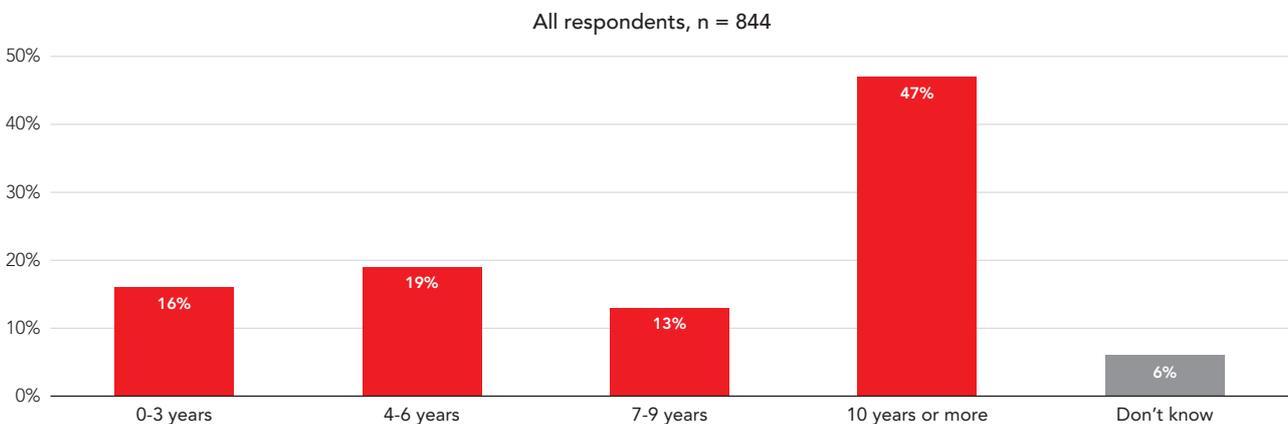
Model durability and growth assumes that there is sufficient leadership buy-in. Our analysis (Figure 1.2) suggests respondents do not believe they are fighting a battle for legitimacy. Over half strongly agree or agree that they have the necessary sponsorship, while 22% are neutral on the subject.

**FIGURE 1.2:** Our FSS / GBS has the 'buy-in' of senior leaders across the enterprise beyond FSS / GBS



**THE FACT THAT 60% OF OUR OVER 800 RESPONDENTS HAVE BEEN OPERATING SOME DEGREE OF THIS MODEL FOR SEVEN YEARS OR MORE IS EVIDENCE OF ITS DURABILITY.**

**FIGURE 1.1:** How mature is your FSS / GBS organisation?



### Inourced or outsourced?

Captive or outsourced? Our respondents like to keep service delivery close to home, with only 30% having any degree of conviction that partnering with a business process outsourcer is the way to go, and of that 30%, only one-third strongly agree. Of these, GBS practitioners are more likely to embrace the model at 48% as compared with 33% for FSS practitioners.

Since enterprises began outsourcing their transactional finance processes over 25 years ago, multinationals and SMEs alike have been tapping into third parties to both transform processes and lower costs. According to Deloitte’s 2021 *Shared Services and Outsourcing Survey Report*, approximately 44% of over 600 companies outsource some part of their finance function (Deloitte 2021).

For those organisations that outsource, the scope comprises primarily high-volume, transactional processes such as accounts payable, accounts receivable, and general accounting. During the pandemic, the industry saw increased sourcing of end-to-end processes related to order-to-cash (O2C), encompassing collections and customer credit.

Lower cost. Higher efficiency. The ability to focus on core business functions. Fewer management headaches. Access to digital tools. More agility for expansion and contraction.

Ability to attract talent in markets where the enterprise does not have a strong brand. Avoidance of capital outlay. These are just a few of the reasons enterprises choose to outsource at least some degree of their finance – or other – operations. The business case can be strong, so we asked ourselves why our respondents don’t enthusiastically embrace business process outsourcing.

We surmise that there are at least two reasons. First, when looking at the demographics of our participants, the geographic distribution is skewed to lower-cost locations such as Eastern Europe, Asia and Africa. Since the survey was open only to enterprise professionals, the respondents are possibly employed in or attached to a corporate delivery centre, creating a level of bias against outsourcing.

Second, outsourcing as a model does experience ebbs and flows in popularity. For example, BPOs (business process outsourcing organisations) are not immune to talent management challenges. The inability to attract and retain talent at sufficient levels can reduce performance. While many BPOs market their digitalisation ability, some outsourcing clients report that promise and reality are not always aligned.

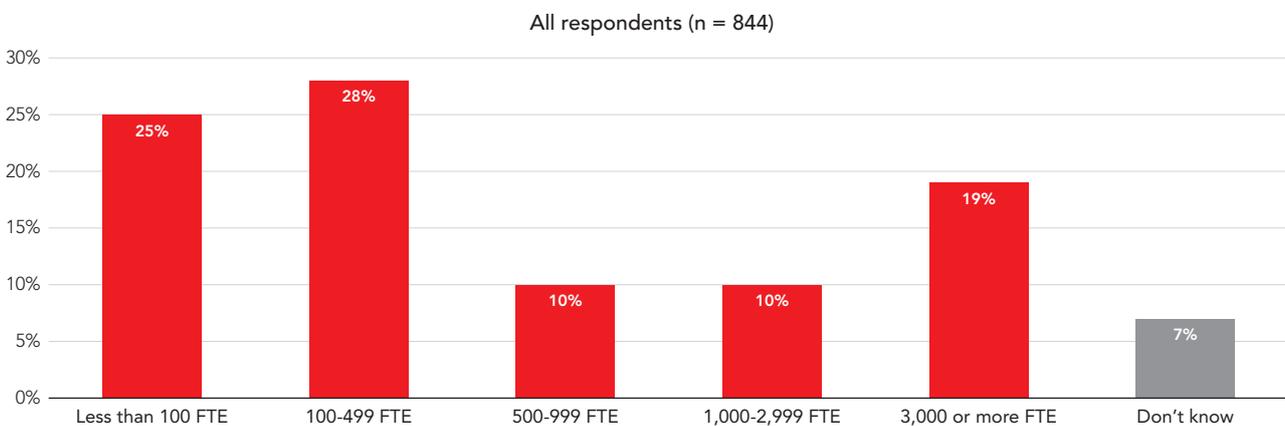
Should FSS/GBS organisations outsource? The answer is: it depends.

### 1.2 With maturity usually comes scale

Irrespective of the fact that the use of outsourcing and automation renders the full-time equivalent (FTE) measurement somewhat less reflective of the true scale of operations, it remains the best indicator we currently have. Survey responses strongly imply that scale and maturity should not be conflated. While the majority of respondents

have been operating in a consolidated model for some time, fewer than 20% have reached what the broader shared services industry considers true scale – 3000 FTE or more (Figure 1.3). The data counter a commonly held assumption: that scale correlates with a move to multifunctional delivery. Our respondents indicated that while GBS organisations tend to be larger, they are not necessarily so.

**FIGURE 1.3:** How large is your FSS / GBS organisation in full-time equivalent terms?



What does this data imply? Perhaps automation is having an impact on FSS/GBS operations, reducing the need for human labour and thus eliminating the FTE metric as a proxy for scale.

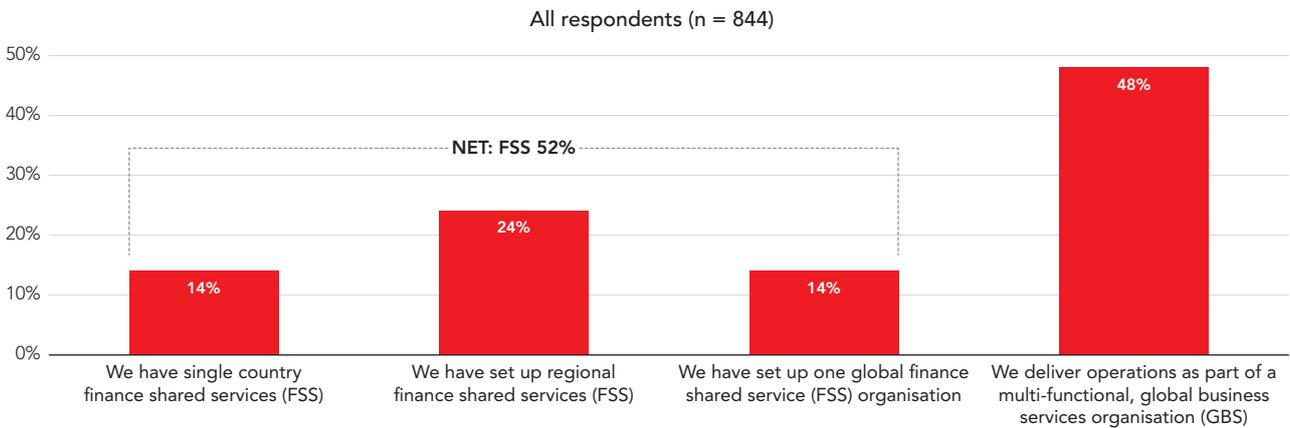
Even so, this data probably links to another question posed in the survey: how have you organised your finance function (Figure 1.4)? If finance operations are truly the taproot of any business services model, whether the FSS or GBS model, then this is the first step on the journey and scale comes from enhancing process excellence, automation, governance and stakeholder management, knowing how respondents’ finance functions – whether FSS or in a GBS – are organised, may shed some light on this.

The data appears unequivocal. Many respondents have shifted beyond carrying out only finance operations (Figure 1.5). Almost 50% claim that they have moved beyond finance, managing operations as part of a multifunctional, GBS organisation. But that does not imply that the other half of the respondent base haven’t had an

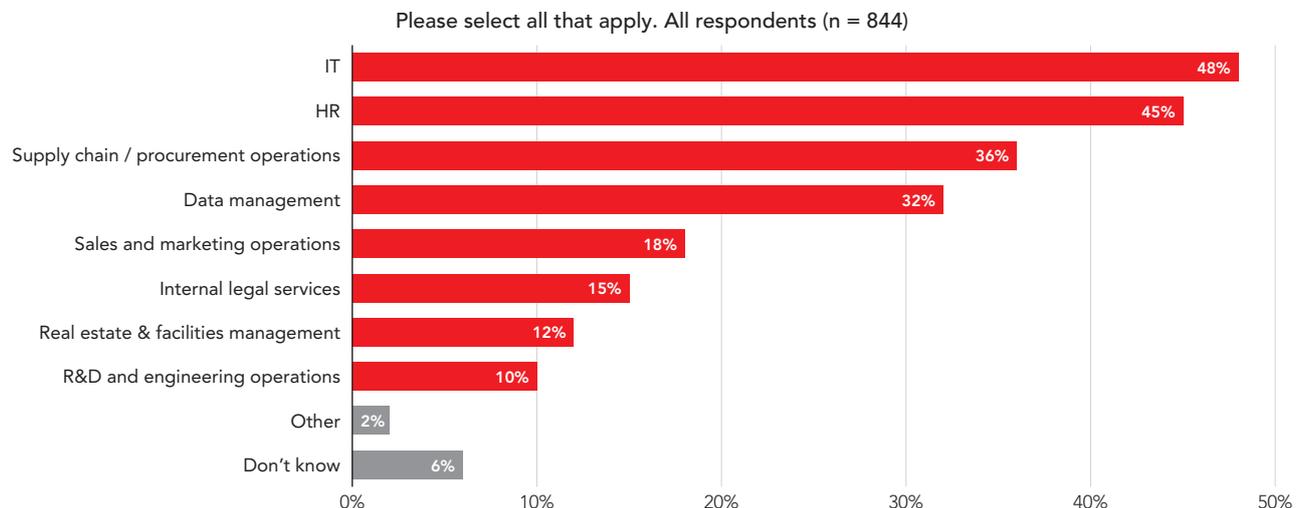
FSS model running for some time. Drilling down further, those 50% that have moved beyond finance operations encompass a standard menu of functions, ranging from business support functions such as IT and HR to business-specific R&D and engineering operations. Notably, almost 50% of respondents operating in GBS models include IT in their operations; this might suggest a reporting line to a chief operating officer (COO) or chief information officer (CIO) as opposed to the chief financial officer (CFO) if GBS operates as an integrated IT/business process model.

Yet our data here suggests a contradiction. We have already established the relative maturity of FSS and GBS operations: the model has legitimacy. The success of finance delivery is pushing accountants into other functions. And finance functions are attaining scale as defined by the number of FTEs deployed. But, looking more closely, and using finance function activities as a proxy, there is something concerning: respondents have not unilaterally moved up the value chain when asked what activities their operations encompass (Figure 1.6).

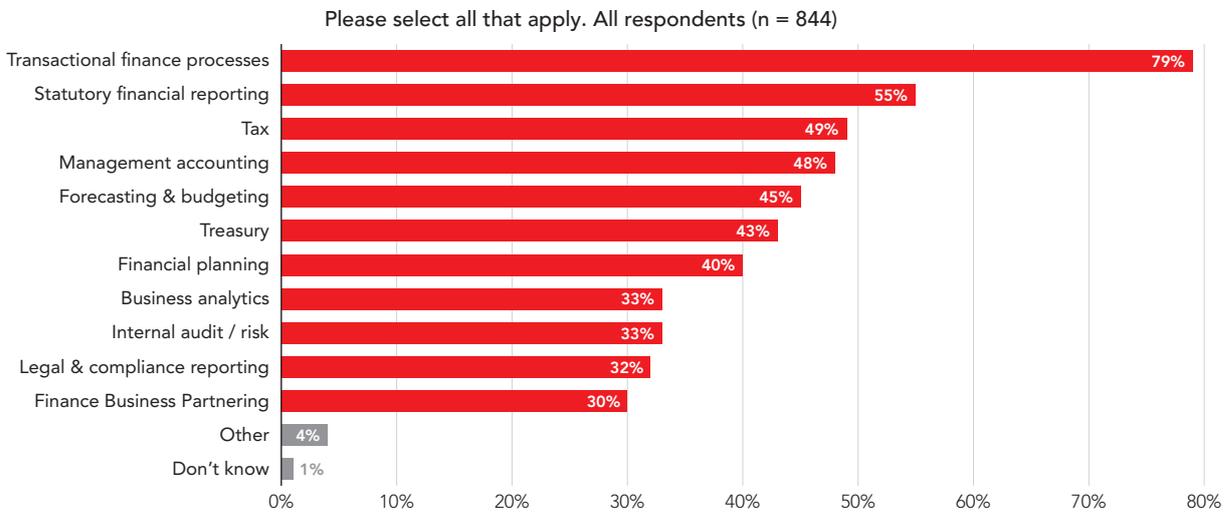
**FIGURE 1.4:** Which of the following best describes how your finance function operations are organised?



**FIGURE 1.5:** Does your FSS or GBS encompass any activities from other functions?



**FIGURE 1.6:** What finance function activities does your FSS or GBS encompass?



The data here is decisive: transactional activity still underpins FSS with less movement into other finance function activities. This presents a question: in the pursuit of scale, both in finance and in other GBS functions, has the enterprise’s focus been overwhelmingly on transactional processes as opposed to true business partnering, eschewing value creation in favour of greater scope?

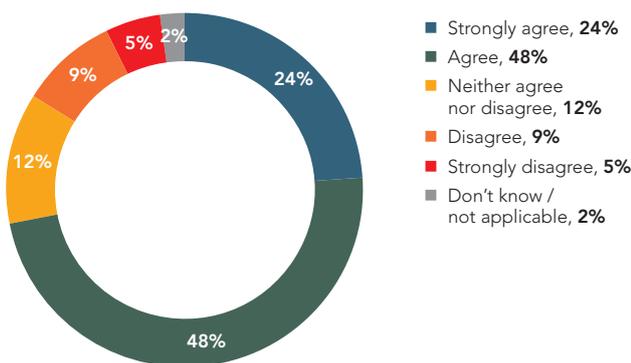
The following charts may suggest a slightly different story. There is an apparent gap between the strategic value respondents believe they deliver (Figure 1.7 and 1.8) and what they report as operational reality (Figure 1.6). Figures 1.7 and 1.8 appear to contradict the reality that respondents’ operations focus primarily on transactional processes.

- When asked whether FSS/GBS is providing higher-value services to the business, **over 70% agree or strongly agree**. GBS practitioners are more vocal about the creation of higher value: 79% agree or strongly agree as compared with 64% of FSS practitioners.

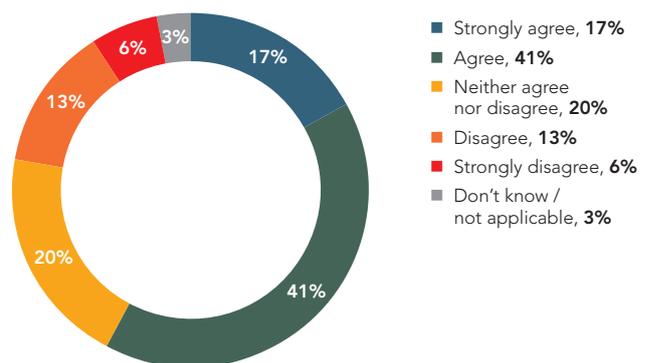
- When asked to characterise FSS/GBS as an innovation hub, driving enterprise insights by harnessing the power of advanced analytics, **almost 60% agree or strongly agree**. Drilling down, there is again a difference in the responses between FSS and GBS practitioners at 51% of the former compared with 64% of the latter.

**RESPONDENTS OVERWHELMING SEE THEMSELVES AS CREATING VALUE FOR THE ENTERPRISE BUT THE PREPONDERANCE OF THE SCOPE THEY COVER IS TRANSACTIONAL.**

**FIGURE 1.7:** Our FSS/GBS is increasingly offering higher-value services to the business beyond transactional processing



**FIGURE 1.8:** Our FSS/GBS is an innovation hub for the organisation, using advanced analytics to drive enterprise insight





# 2. Talent management in FSS and GBS

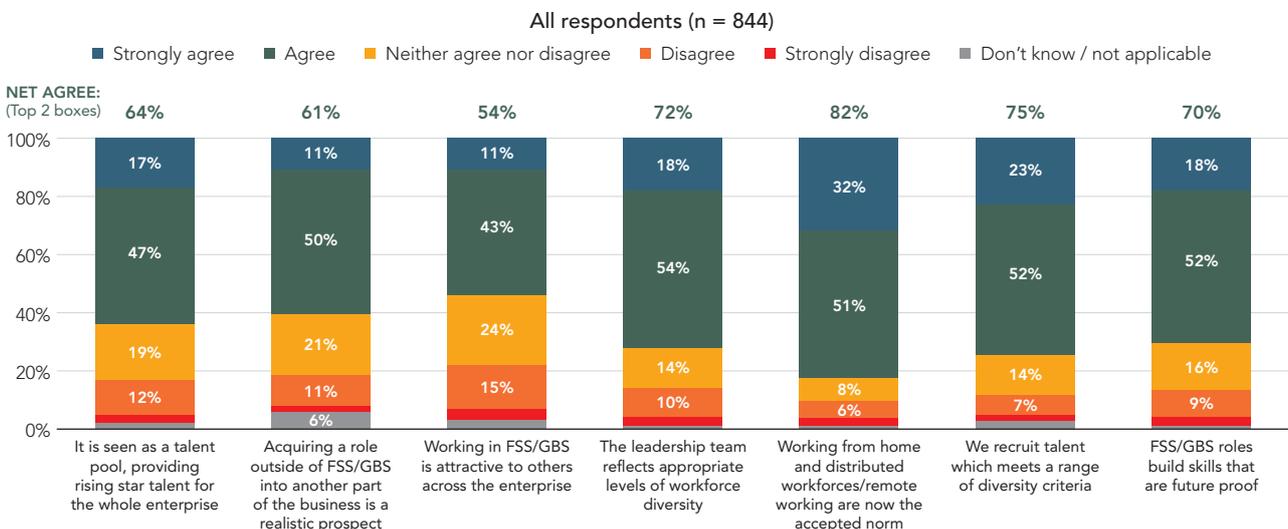
‘Great’ is a word we throw around quite liberally when it comes to talent management – great resignation, great retirement, great reirement, great reset. And in talent management in FSS/GBS models, urban legends abound: stories about over 30% attrition a year – and growing – in delivery centres; experienced directors leaving in droves to pursue other life goals; tenures of only one year – if the operation is lucky; mid-career professionals desperately seeking roles outside FSS/GBS, following concerns about career progression.

## 2.1 Talent management is a positive story in FSS/GBS

But is talent really a minefield for FSS/GBS operations? Our data shows something quite different (Figure 2.1). Let’s unpack the headlines for context.

- Valued as a talent pool for the enterprise:** over 64% of respondents agree or strongly agree, with GBS leaders (66%) being slightly more positive of the value the model creates than FSS leaders (61%). This suggests that FSS/GBS employees are getting the recognition they deserve.
- Moving from FSS/GBS into the business is a realistic prospect:** over 60% agree or strongly agree. Drilling down, GBS practitioners see slightly more mobility, with 63% agreeing or strongly agreeing with this proposition, compared with 60% of those in FSS.
- Working in FSS/GBS is attractive to other professionals across the enterprise:** 54% of respondents agreed or strongly agreed with this. Among these, 58% of GBS practitioners believe a GBS model is slightly more attractive compared with 51% of FSS practitioners. For these respondents, FSS/GBS may be seen as a magnet for talent.
- Leadership reflects diversity:** almost three-quarters of respondents believe or believe strongly that FSS/GBS leadership reflects appropriate levels of workforce diversity with no significant variation between the models.
- New ways of working have taken hold:** a resounding 82% agree or strongly agree that FSS/GBS operations have adapted to working remotely, tapping into vital distributed workforces. Those in GBS see slightly greater success at 86%, compared with 82% for FSS.

FIGURE 2.1: Talent management in FSS and GBS



- **Recruitment practices are responsive to a changing world:** three-quarters across both models agree or strongly agree that their FSS/GBS operations are meeting diversity criteria.
- **Building future proof skills:** 70% agree or strongly agree that FSS/GBS roles allow professionals to pick up future-ready skills. Here, there is a pronounced

difference between practitioners in GBS and FSS models: 75% of GBS respondents agree or strongly agree compared with 65% of FSS respondents.

The data suggests a positive story, but are these headline findings supported by a deeper dive into critical components of talent management such as capability, mobility, talent attraction and earning interventions?

**FSS/GBS IS INCREASINGLY A MAGNET FOR TALENT; TODAY, OVER 50% BELIEVE FSS/GBS CAREERS ARE AN ATTRACTIVE PROPOSITION FOR OTHERS IN THE ENTERPRISE. 70% BELIEVE FSS/GBS OPERATIONS ARE A GOOD PLACE TO PICK UP FUTURE-READY SKILLS.**



**CASE STUDY: Learn from Leaders – is FSS/GBS future-ready?**

**A conversation with Simon Newton, Director, SNTial Business Services Counsel Ltd, currently contracted as Interim Finance Transformation Director at GKN Automotive**

With over 21 years of GBS and shared services experience, Simon Newton is one of the model’s historians. Currently supporting GKN Automotive, a GBP4bn automotive component company headquartered in the UK, as Finance Transformation leader, he has led FSS/GBS operations for both global and medium-sized enterprises.

Over time, his view of the model has changed, with an increasingly optimistic view of career opportunities. Over 15 years ago, Simon referred to GBS operations as the ‘graveyard of ambition’, believing that the ability to move elsewhere into finance or the business was hampered by the enterprise perception of the model as a transaction factory. Today, he says:

‘I think GBS leadership is increasingly a stepping-stone to business leadership as well as functional leadership, giving many a seat at the top table, business roles, or clear paths to becoming functional leaders such as CFO, CHRO [chief human resources officer] or supply chain leaders’.

But he cautions that talent management and development have to become future proof to ensure that the model stays relevant. ‘I think we are functionally arrogant; for example, looking for deep finance skills when finely-honed problem-solving skills and a sense of immediacy, [when] looking, for example, at supply chain professionals, are increasingly more critical. Only a few companies have invested in skills that will be required in 10 years’.

Simon looks at the so-called ‘great resignation’ as a game changer, going on to say that our prevalent response of ‘lose and replace’ is a missed opportunity.

‘We need to pivot our thinking, moving our focus from staff retention to staff engagement’.

He purports that the industry has the chance to change the paradigm by recruiting and developing future-proof skills, which often take as long as 20 years to develop. We know what they are – a relentless focus on end-to-end process development through precision process engineering, a service culture with stringent governance, and a true understanding of digitisation (and the ability to do it yourself (DIY)). On the last skill – digitisation – he believes we exaggerate the power of tech as a solution without developing the requisite capability of the team. He believes that GBS leadership assumes young staff members ‘just know’ because of the general environment in which they have grown up.

But his evolving optimism is tempered by a word of caution. ‘I worry about the model. The model is proven and has generated benefit to large organisations – industries such as big pharmaceuticals [and] consumer packaged goods companies are clearly getting a lot out of a GBS model, built... [by] establishing armies of people in low-cost locations’. But, Simon asks, ‘will these less mature enterprises take the opportunity to reinvent the model?’ Only time will tell. ■

## 2.2 The capabilities that matter in FSS/GBS

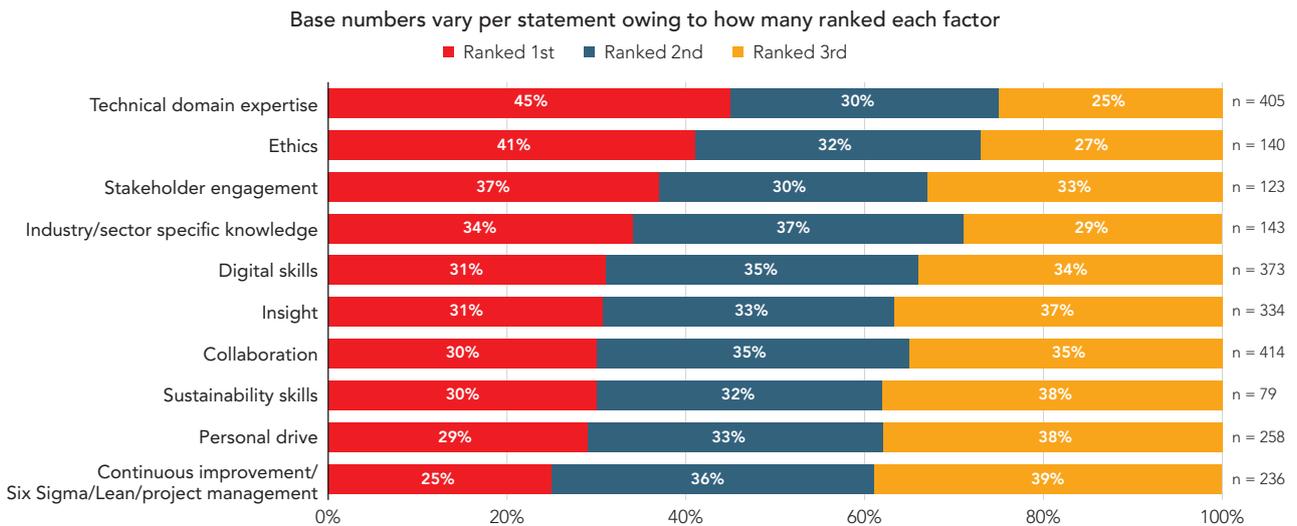
The promise of FSS/GBS operations is first and foremost driven by human capability. Without technical, digital, change-management, collaboration or other critical skills, it is impossible to create efficient and effective processes or unlock the power of technology. At different points in an FSS/GBS professional's career, the degree of importance of each of these capabilities varies.

We asked our respondents to focus on their top three capabilities. At the mid-career professional level (Figure 2.2), mastery of harder, knowledge-based capabilities, such as technical domain expertise and digital skills and the ability to collaborate with others, have prime importance, with broader business-specific skills such as stakeholder engagement and sustainability skills ranked lower.

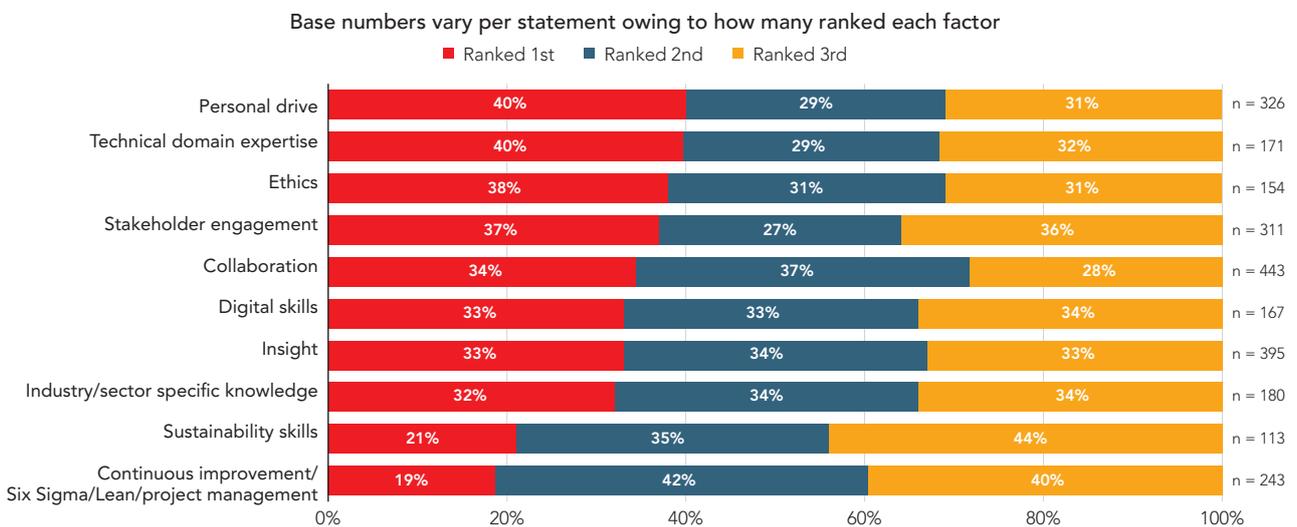
When comparing ranking of FSS capabilities with those in GBS, there is limited significant divergence. GBS practitioners rank insights capabilities higher, while FSS respondents see collaboration capabilities as somewhat more important.

But when we asked leaders to rank their top three capabilities (Figure 2.3), the ability to navigate the enterprise by attaining what we usually refer to as 'softer' or leadership skills acquires more importance. Collaboration, stakeholder engagement and insight, along with personal drive are cited as critical. And again, we saw no notable differences by model, but did detect a skew towards industry experience as cited by FSS professionals, and a slightly higher ranking assigned to stakeholder engagement capabilities by GBS professionals.

**FIGURE 2.2:** The capabilities most important for FSS or GBS at mid-career level



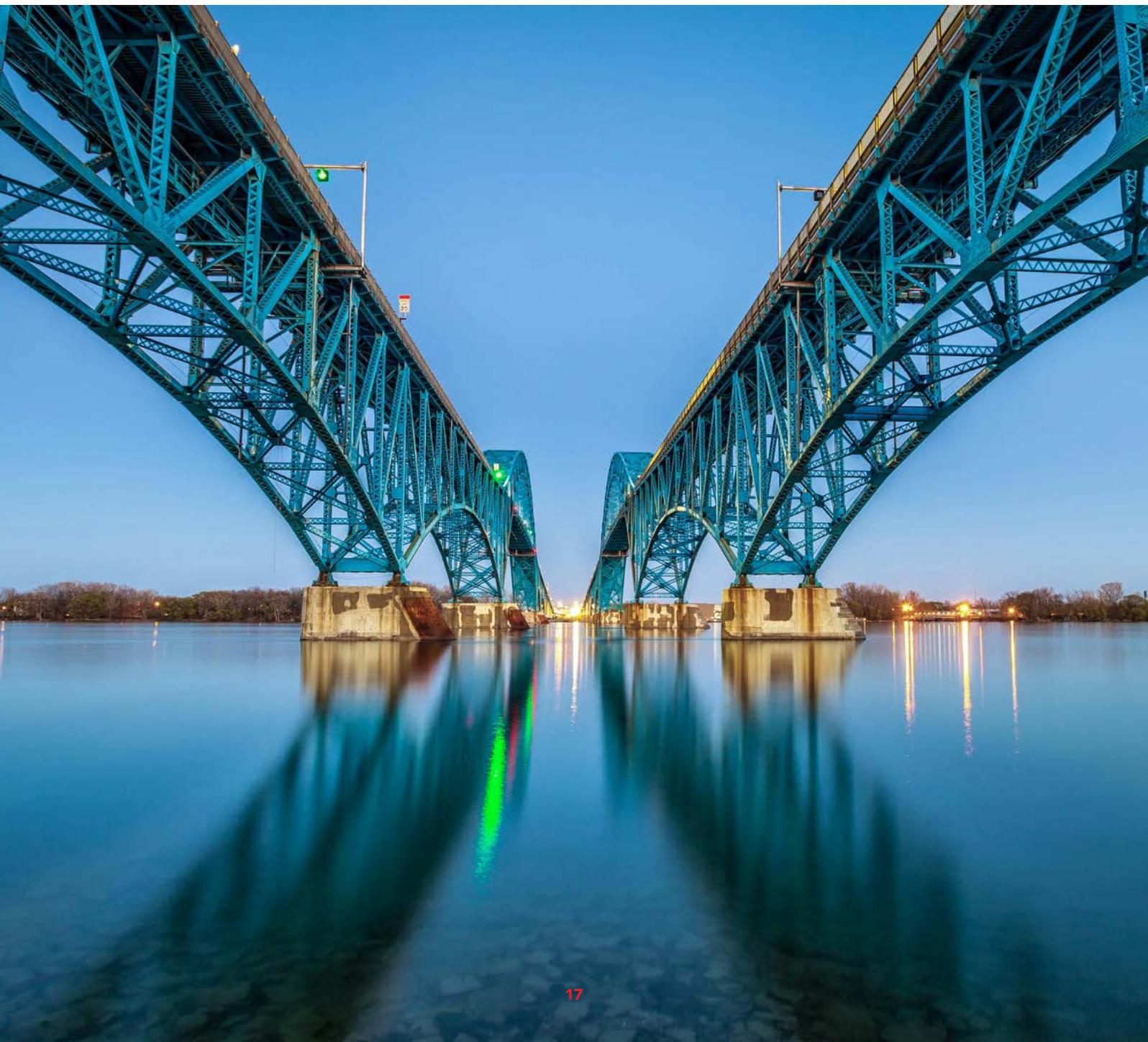
**FIGURE 2.3:** The capabilities most important for FSS or GBS at leadership level



Overall, there is no surprise in these data; at the mid-career level, the expectation is that knowledge-based capabilities are basic to career progression.

One of the areas that is key to future proofing FSS/GBS talent is sustainability skills. As environment, social and governance (ESG) reporting (on non-financial factors that are key to identifying material risks and growth opportunities) becomes increasingly part of the enterprise agenda, FSS/GBS professionals will increasingly be asked to add this process to their scope of services. Anticipating this would be an opportunity to create scale and ultimately more value, yet our data currently suggests this is not a priority for FSS or GBS leaders (Figure 2.2).

When asked whether acquiring these capabilities is proving to be challenging, the respondents shared the common belief that the right talent is elusive, and attracting or developing it is very difficult. When respondents were asked whether they are currently experiencing challenges acquiring staff with key capabilities, 60% agreed or strongly agreed. GBS practitioners cited a slightly greater level of challenge, with 58% agreeing or strongly agreeing, compared with 62% of FSS professionals. ACCA's Career Navigator provides skill profiles for several FSS/GBS roles and demonstrates the range of skills that are needed by individuals (ACCA n.d.).





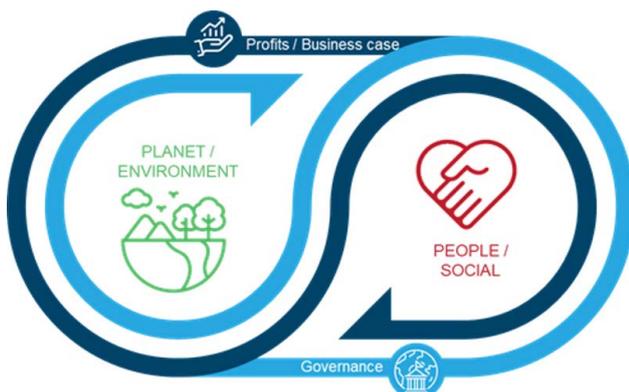
## POINT OF VIEW: ESG – the role of FSS and GBS

### Everest Group

News stories about companies' sustainability and ESG seem to have two themes. Either they encompass grand pronouncements about the company's sustainability efforts, or centre on newly created or enforced regulatory/legal implications. But these stories at the ends of the spectrum miss an important aspect, namely the day-to-day efforts that companies must make to manage sustainability challenges. In this, we may be missing the important headlines that FSS and GBS organisations can make, and some are making.

#### ESG definition

To demystify the 'alphabet soup' around the sustainability conversation, Everest Group has crafted a Purpose framework to depict sustainability across business practices. The framework focuses on two primary elements – people/social focus and planet/environment-focus – as the primary areas of impact, such as in impact sourcing, health and safety, decarbonisation, and resource management. While there are often overlaps between the two elements, it is helpful to view them separately.



As in all business initiatives, profits drive the business case and good governance delivers the value. The business case for sustainability usually comes from the recognition that sustainability is a critical aspect of a brand's competitive differentiation, customer loyalty, and continued relevance. At the same time, governance ensures that organisations are anchored to the true 'North Star' of sustainability through continued supervision, stakeholder engagement, and transparent and trusted disclosure practices. Everest Group's framework combines the concepts of ESG and triple bottom line (people, planet, profits).

#### The role of FSS/GBS

FSS/GBS organisations can both undermine and enable sustainability. Like the rest of the enterprise, FSS and GBS must think about how their operations, facilities, technology, and people affect such things as carbon footprint and inclusion – issues such as the accessibility of technology for persons with disabilities and 'green' IT – while avoiding discriminatory hiring practices and lackadaisical waste management.

One practice Everest Group endorses for FSS/GBS organisations is impact sourcing – combining community impact with a compelling business case. Impact sourcing is a business practice whereby people from marginalised communities are intentionally hired and given career development opportunities while the business continues to meet objectives such as:

- maintaining service quality and cost at parity with traditional service providers
- fulfilling both the impact sourcing organisations' and their clients' CSR, ESG, and diversity objectives
- leveraging the uniqueness of targeted marginalised groups, such as the attention to detail seen in young people on the autism spectrum or the diversity of perspectives that can be harnessed for AI/ML data services.

FSS/GBS can be the natural home for the governance and tracking of corporate ESG initiatives, helping measure ESG targets as only a finance function can do. For example, materiality assessments and stakeholder analyses can be tracked and reported by FSS/GBS. Dashboards and internal reports can be created for external regulatory reporting, voluntary reporting, and integrated reporting for annual reports that combine financial and non-financial reporting, a growing and investor-preferred trend.

Finally, sustainability is inextricably linked to the finance function because of the relationship to audit, compliance, and ultimately the business case. This makes for a compelling role for FSS/GBS to play in ESG. ■

**Everest Group** is a research firm focused on strategic IT, business services, engineering services, and sourcing. Our research also covers the technologies that power those processes and functions and the related talent trends and strategies. Our clients include leading global companies, service and technology providers, and investors. Clients use our services to guide their journeys to maximize operational and financial performance, transform experiences, and realize high-impact business outcomes. Details and in-depth content are available at [www.everestgrp.com](http://www.everestgrp.com).

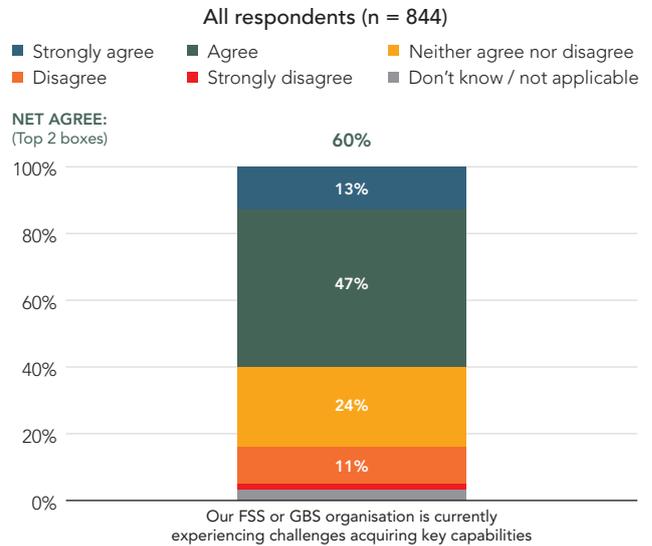
### 2.3 Attracting talent

With the right capabilities in high demand but short supply, talent attraction factors take on paramount importance at all career levels. It's a 'seller's market' at the moment although that is subject to change given economic and geo-political factors; having the right 'offering' to entice potential employees is an imperative.

Our respondents concur that talent attraction is a challenge (Figure 2.4). When FSS and GBS respondents are compared, 52% of FSS respondents and 58% of GBS respondents agreed or strongly agreed that they were experiencing challenges.

**THE MAJORITY OF RESPONDENTS SUGGEST ATTRACTING TALENT TO FSS/GBS IS CHALLENGING.**

**FIGURE 2.4:** To what extent do you agree or disagree that: 'Our FSS or GBS organisation is currently experiencing challenges acquiring key capabilities'



**CASE STUDY: M Data Processing Co. Ltd**  
(formerly APEMA Shared Service Centre for McDonalds)

For Christina Zhang, general manager of M (Guangzhou) Data Processing Co., Ltd. (formerly APEMA Share Service Centre of McDonald's), and vice president of McDonald's China, attracting talent into the shared service organisation, and then developing it, is the number one challenge faced currently, although she sees the operation as being able to provide the foundation for very valuable broad-based skills that can be useful for senior finance roles in the future.

The shared service centre not only provides employees with strong financial domain understanding, but also gives them exposure to emerging technologies and helps them develop critical business skills such as project management, change management and process re-engineering. Christina explains three key initiatives that the centre has deployed to attract and develop talent in the right way.

- 1. Cross-fertilisation of talent** – from McDonalds business and commercial retail operations in markets, as well as more traditional mobility of people from the retained finance teams and headquarters in Shanghai and internal moves with the shared service centre. By promoting internal mobility in this way, Christina suggests the shared service centre is enabled to acquire the skills needed for the future, supporting possible shifts up the value chain for its service offering.
- 2. Transparent career paths** – critically, the organisation focuses on ensuring transparent career paths across the shared service centre and beyond, broadly split into wider management roles or more specific subject-matter expert roles. This supports talent mobility and gives individuals a clear direction for developing their careers within the organisation, as well as providing obvious 'stepping-stones' across different roles.
- 3. Learning by doing** – the culture of the shared service organisation focuses closely on 'learning by doing' through its Professional Learning Community (PLC). Supported through coaching and mentoring practices, this gives certain employees opportunities to learn new skills and be assigned to different project teams: for example, to learn new technology skills such as RPA. Critically here, this means providing the right support and tools for individuals to apply their learning in real work-based scenarios. The programme is central to developing the must-have skills needed across the organisation for the future, as well as helping identify future shared service talent. ■

When asked to rank a range of factors on a one-to-five scale, responses did not diverge from the commonly held view of what it takes to attract new talent. Looking at the data, it's no surprise that getting remuneration right is a base-line priority (Figure 2.5).

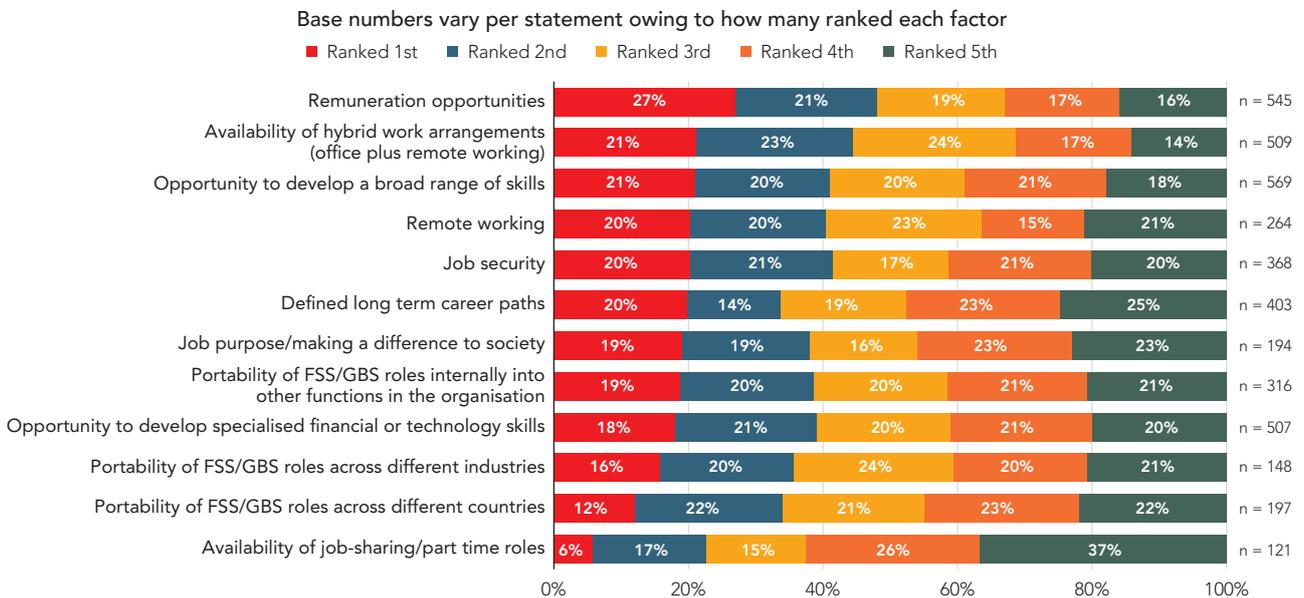
But giving staff the opportunity to develop a broad range of skills within an FSS/GBS operation is only slightly less critical, emphasising the need to invest in learning programmes that promote employee mobility and agility. FSS/GBS employees want to get a sense of their career options; creating defined, long-term career paths is also one of the respondents' top talent priorities.

It's no surprise that flexibility in work arrangements looms large as a talent attractor, post pandemic. Discussions with FSS/GBS leaders show that this factor is critical in delivery centre locations; staff at all levels want to be trusted to deliver outcomes and are eschewing the 'office as a transaction factory' approach to getting work done.

Making a difference to society is often heralded as a critical attraction factor for younger workers but our survey respondents did not rank it as highly as other, more traditional job attributes, such as remuneration. And it is worth noting that although respondents attached importance to the opportunity to develop a broad range of skills, they were not particularly thinking about portability to other FSS/GBS roles in different countries or industries. When analysing responses across all these factors there is limited divergence between the two shared service models. Remuneration is cited more often by GBS practitioners (20% versus 15% for FSS) while job security is seen as a more critical factor when attracting talent into FSS models (11% versus 6% for GBS models).

**A RESOUNDING 80% OF RESPONDENTS SEE WORKING FROM HOME/REMOTE WORKING AS ACCEPTABLE IN THEIR FSS/GBS.**

**FIGURE 2.5:** The most important talent attraction factors



## 2.4 Career progression

First and foremost, respondents see career mobility within FSS/GBS as a function of capacity driven by talent churn or attrition or model scale, followed by transparency of available career paths (Figure 2.6).

### TRANSPARENCY IN CAREER PATHING IS A MUST FOR FSS/GBS PRACTITIONERS.

Geographic location is also cited as a career barrier for many in FSS/GBS organisations to surmount. Given the distributed nature of the model, with delivery locations around the world, the majority of staff are not proximate to corporate head office or even the regional hubs where key FSS/GBS leaders typically reside. According to recent research by Sourcing Change, a GBS talent consultancy, FSS/GBS organisations tend to fill key roles where their leader is located (Sourcing Change 2021). Therefore, staff may not have the requisite exposure, a problem compounded by the fact that in an age

where distributed work is becoming the norm, relocation budgets have been reduced. Importantly, respondents also cite the lack of visible role models as a factor in career progression. That is justifiable; given the relatively young age of the model in many enterprises, the number of those professionals who have ‘climbed the ladder’ may be small.

### What about career moves outside FSS and GBS, into the business?

From the point of view of respondents, capacity elsewhere in the enterprise is ranked first as the leading factor. But the spectre of being relegated to the ‘back office’ also appears top of mind in those surveyed; FSS/GBS staff believe that a shared services placement is a barrier to mobility either in functions such as finance or in the rest of the business. It suggests that the unique capabilities that FSS/GBS staff develop are not yet understood or valued by the enterprise. (Figure 2.7).

### THERE ARE BARRIERS REMAINING FOR MOBILITY FROM FSS/GBS TO THE WIDER BUSINESS.

FIGURE 2.6: Barriers to career progression with FSS/GBS

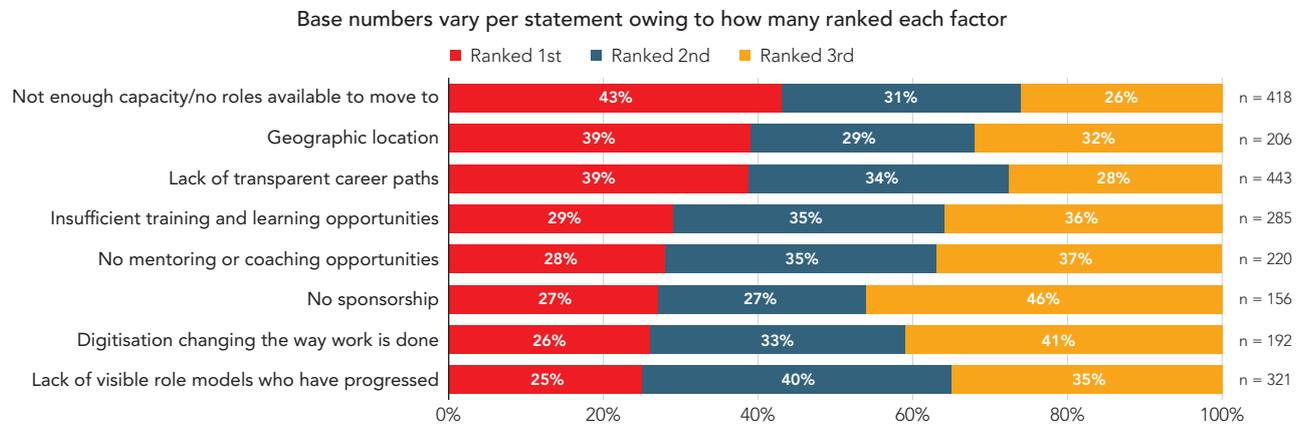
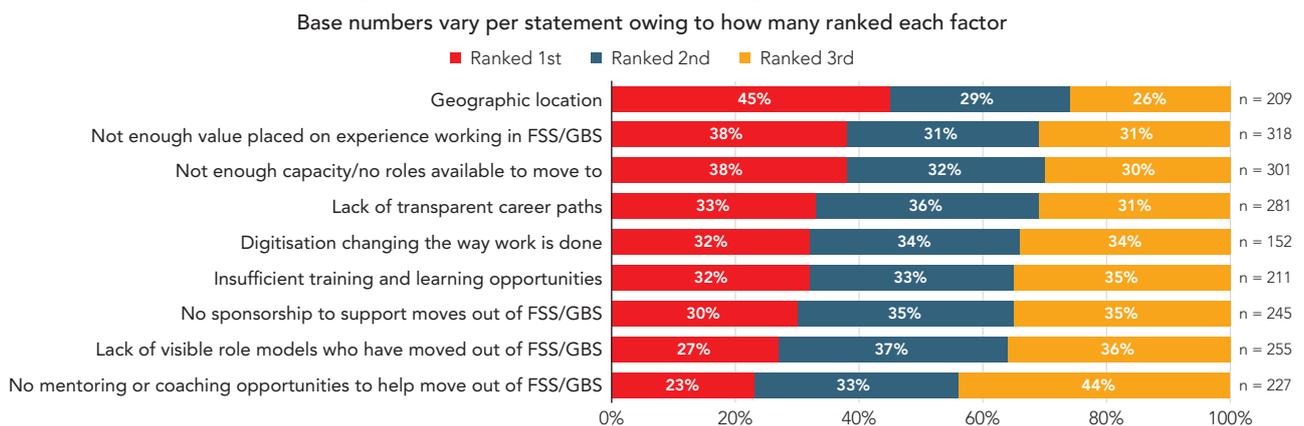


FIGURE 2.7: Barriers to moving from FSS/GBS to the retained organisation



As with inter-FSS/GBS career movement, respondents believe that geography presents a barrier to career mobility. This is linked to another factor respondents cite – sponsorship, vital for moving into roles outside FSS/GBS.

Given the distributed nature of the model, with delivery locations around the world, the majority of staff are not proximate to corporate head office or even regional hubs where key stakeholders reside. According to recent research by Sourcing Change, FSS/GBS organisations tend to fill key roles where their leader is located (Sourcing Change 2024). Therefore, staff in FSS or GBS locations may not have the requisite exposure, which is compounded by the fact that in an age where distributed work is becoming the norm, relocation budgets have been slashed.

Importantly, respondents rank the lack of visible role models as a factor in career progression. That is justifiable; only recently have stints in FSS/GBS seen as a stepping stone to other roles in the enterprise, creating role models that exemplify career mobility. This correlates with the lack of mentorship and sponsorship in FSS/GBS.

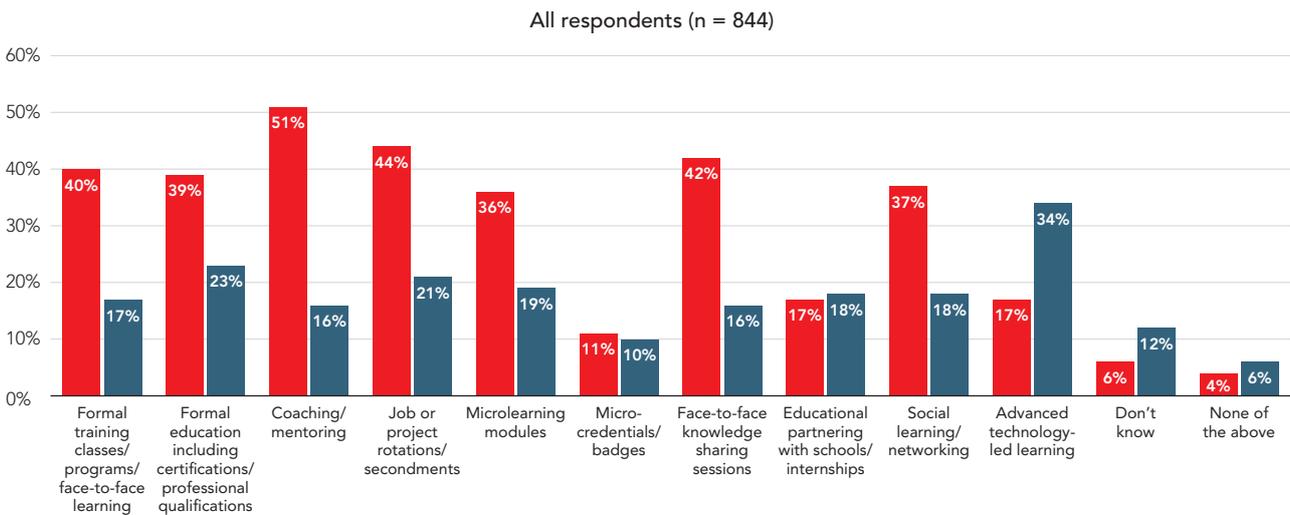
The low ranking of one barrier to career mobility both within and outside FSS/GBS is of note: the fear that increasing digitisation will change the way work is done is not seen a big factor. Perhaps this reflects the survey pool, comprising mid-level and leadership-level FSS/GBS roles; perhaps it reflects the degree to which digitisation has been implemented in respondents’ organisations and the impact thereof on operations.

**Learning interventions**

With FSS/GBS capability currently in short supply in the marketplace, implementing the right learning interventions acquires heightened importance. What is striking is the change in training channel planned or foreseen by our respondents. Looking at the data, they see the imperative as pivoting interventions away from those deployed currently – formal in-person training, on-the-job training, investment in certifications and face-to-face knowledge-sharing sessions – increasingly towards digital interventions (Figure 2.8). What is surprising, however, is the de-emphasis of coaching and mentoring, which contradicts current corporate trends towards focused, individual learning interventions. In practice, GBS organisations appear to use slightly more coaching and micro-learning interventions than FSS.

**TODAY FSS/GBS ARE DEPLOYING A FULL ARRAY OF LEARNING INTERVENTIONS, BUT SEE A SHIFT TO DIGITAL.**

**FIGURE 2.8:** Learning interventions available





## POINT OF VIEW: The current state of talent in FSS/GBS organisations Everest Group

Even before the global pandemic, FSS/GBS organisations were rethinking their talent-management models in response to increasing challenges in acquiring, activating, developing and retaining top talent. Covid-19 exacerbated issues such as widening skill gaps, high turnover, increased remuneration, longer time to hire, and evolving working models. Complicating talent management even further today is the growing need for specialised skills arising from organisations’ accelerating digital transformation.

In the Everest Group *Global Business Services CXO Insights: Key Issues Report 2022*, FSS/GBS leaders identified talent and skills shortages as their top business challenge, as Exhibit 1 depicts, rising sharply in the rankings from Everest Group’s 2020 and 2021 studies.

**EXHIBIT 1**  
Business concerns for FSS/GBS leaders in 2022



Source: Everest Group 2020, 2021, 2022

With 60% of the respondents in ACCA’s survey on the future of GBS saying that they are experiencing challenges acquiring key capabilities in their FSS or GBS organisations, most organisations are seeking solutions across the talent management life cycle, not only to survive the immediate onslaught of the talent and skills shortage, but also to position themselves to win the long-term talent war.

While FSS/GBS organisations face the same talent challenges as other parts of an enterprise, the ‘business serving the business’ model influences how talent issues can best be addressed, as Exhibit 2 highlights.

**EXHIBIT 2**  
Key factors driving the need to evolve the employer value proposition (EVP) for FSS/GBS organisations



Most FSS/GBS organizations believe that the re-articulation of EVP is one of their key priorities for 2022

Source: Everest Group (2022)



**Demand for increasing remuneration diluting FSS/GBS employer brand**

Talent is spoilt for choice in an ‘employee’s market’, owing to aggressive hiring and constant new adopters, sometimes ahead of demand. Compensation and employer brand perception are closely correlated, as demonstrated by nearly two-thirds of the ACCA study’s respondents, who ranked remuneration opportunities first in their top five talent-attraction factors. Consequently, it is no surprise that while salaries are going up across the board, the compensation that outsourcing providers offer in delivery locations – 20–60% more than FSS/GBS organisations – poses a challenge to FSS/GBS captive organisations’ hiring.

Exhibit 3 depicts how this compensation difference and other related factors have diluted FSS/GBS organisations’ market position compared with outsourcing providers.

**EXHIBIT 3**

**Factors diluting FSS/GBS organisations’ market position as compared with outsourcing providers**



Source: Everest Group (2022)

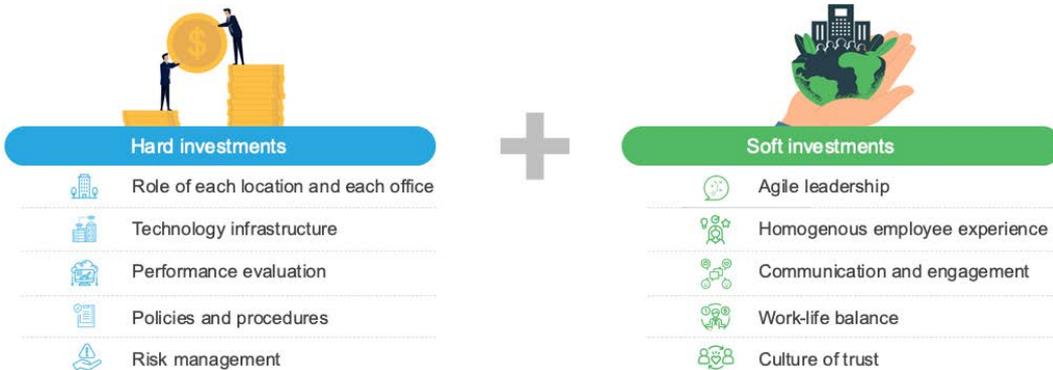
It is critical for FSS/GBS firms that want to stay ahead in the competition for talent to review their compensation bands in relation to industry benchmarks, potentially offering retention bonuses to stem attrition. Even so, it is often difficult for FSS/GBS organisations that must fall in line with corporate compensation bands to outbid the captive and third-party competition for top talent. Therefore, many such organisations are clearly articulating the total rewards offered by their EVP, including non-monetary benefits (such as superior health coverage, wellness programmes, uncapped leave allowances) and factors such as learning and development and career progression opportunities, areas where FSS/GBS are often able to establish an edge over their competition.

**Potential for working in a hybrid model is a differentiator**

The ACCA survey also indicated that, in response to changing workforce demographics and expectations, FSS/GBS organisations that offer flexibility in working arrangements can compete effectively to attract and retain talent. Almost 60% of respondents ranked the availability of hybrid working arrangements in their top five talent attraction factors. Allowing remote working also expands the available talent pool from which FSS/GBS organisations can hire. Nonetheless, achieving success in establishing a hybrid delivery model requires FSS/GBS firms to make both hard and soft investments, as Exhibit 4 highlights.

**EXHIBIT 4**

**Hard and soft investments that FSS/GBS firms need to make to create a successful hybrid delivery model**



Source: Everest Group (2022)

In addition to investing in collaboration platforms and other technologies that enable remote working, FSS/GBS organisations should evaluate their location footprints to increase hybrid delivery through hub, spoke, and satellite models. FSS/GBS leaders must also take a more proactive ‘manager-guided’ rather than a ‘manager-driven’ approach to talent management to successfully manage virtual teams.



### Visibility on career pathing and a push for the greater good

Following Covid-19, employees are experiencing the ‘Great Reflection’ and aligning their job profiles with their personal and professional goals. Employees are favouring organisations that offer opportunities for personal and professional development. Thus, career pathing programmes across levels and into the business have become increasingly important.

A strong differentiating factor for FSS/GBS organisations as compared with outsourcing providers is their potential for creating career growth avenues for their employees, within the larger enterprise. Nonetheless, more work must be done to promote career progression within FSS/GBS firms, since not having enough capacity, or roles to move to, and the lack of transparency of career paths are the top barriers to progression, according to the survey respondents. At the same time, FSS/GBS organisations are improving their employer brand; a majority of the survey respondents believe their shared services organisations are seen as providing a pool of rising-star talent for the larger organisation. Hence, acquiring roles outside the FSS/GBS organisations in another part of the business is a realistic prospect.

The Great Reflection has also pushed employees to link their jobs to the greater good. In response, leading FSS/GBS organisations are intensifying their focus on diversity, equity, inclusion, and belonging (DEIB) to improve their position as employers of choice in local talent markets, while offering opportunities to employees to develop skills beyond the workplace and make meaningful contributions to their broader social fabric. Exhibit 5 showcases the evolution in FSS/GBS organisations’ approaches to diversity and inclusion (D&I) and key outcomes.

### EXHIBIT 5

#### Evolution in FSS/GBS organisations’ approaches to D&I

##### Traditional approach



##### Key outcomes

###### Compliance

- Most FSS/GBS organizations have comprehensive D&I policies that ensure gender and racial diversity at the workplace and bolster employer brand in talent markets
- While these policies are robust, they might prove to be insufficient in addressing emerging themes around D&I

###### Employer brand

##### Evolving themes



###### Social capital

As diversity and inclusion moves beyond traditional gender and racial roles, FSS/GBS organizations are widening the scope of their D&I policies to address themes such as diversity among leadership roles, gender-neutral policies and benefits, and mechanisms for social accountability.

###### Employee experience



LGBTQ+ diversity



Sense of belonging



Persons with disabilities



Leadership diversity



Gender-neutral policies



Equity-inspired design



Social accountability

FSS/GBS organizations need a more robust approach to design, implement, and track D&I initiatives

Source: Everest Group (2022)

### Need for continuous reskilling and upskilling

Many FSS/GBS organisations are addressing talent challenges by building future-ready skills within their organisations. They are reskilling/upskilling their existing workforces for long-term capability, as well as leveraging project-ready talent from the market in the short term. With talent supply-demand gaps widening, traditional approaches to talent acquisition, development, and retention have become outdated. It is, thus, vital for organisations to deploy innovative initiatives across the full talent life cycle.

Leading global organisations are meeting this challenge head-on by conducting regular skill reviews (for example, interviews with the senior leadership, functional heads, and team leaders to understand skill gaps), creating a structured skills taxonomy that considers expected organisational needs for the next three to five years, aligning upskilling initiatives with employees’ career development paths and aspirations for personal development, ensuring unrestricted access to learning platforms, and leveraging massive online open courses (MOOCs), as Exhibit 6 illustrates.





**EXHIBIT 6**

**Innovative practices in talent development**

Build a skills repository to address critical supply/demand gaps

Encourage learning with formal and informal forums

Leverage technology to transform the learning function

Leverage MOOCs and Small Private Online Courses (SPOCs) to provide diverse learning opportunities

Offer leadership development programs to unleash entrepreneurial capabilities

Build a culture of continuous learning to boost the adoption of learning programs

Leverage anytime, anywhere learning and provide global learning opportunities

Build a future-proof skilling strategy



Source: Everest Group (2022)

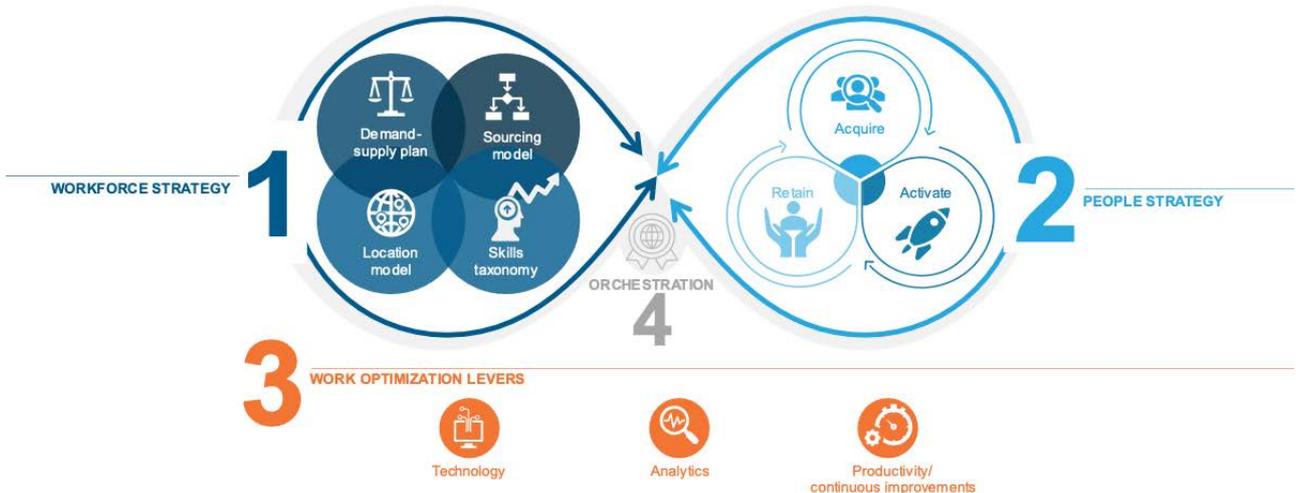
Other initiatives include pre-empting skill gaps by leveraging AI and predictive/prescriptive data analytics to offer customised career paths to retain top talent. While only 17% of ACCA’s survey respondents already have advanced technology-led learning in place, another 34% want to see these interventions being implemented in the future. This presents a great opportunity to future-proof talent.

**Need for a comprehensive and integrated talent-management strategy**

To deliver increased value to the enterprise, build a future-ready workforce, and safeguard themselves against future disruptions, FSS/GBS organisations need a more comprehensive, integrated approach to talent management, such as that shown in Everest Group’s Talent Performance Framework in Exhibit 7. An effective talent and people strategy, coupled with the right work optimisation levers (including tools, technologies, and platforms to foster collaboration, while driving productivity and continuous improvements), will help GBS organisations future-proof their workforce strategies. It will also allow FSS/GBS organisations to get ahead of the curve and create a talent ecosystem that thrives irrespective of the business environment.

**EXHIBIT 7**

**Everest Group’s Talent Performance Framework**



Source: Everest Group (2022)



## CASE STUDY: Gannett

### Learn from Leaders: Never let a good merger integration go to waste

Currently senior vice president, shared services for Gannett, a US-based subscription-led and digitally focused media and marketing services company, Cynthia Gallagher furthered the company's implementation of an FSS model for which the catalyst was a merger with another media company. She has had a wide career that has combined shared services operations with controllership responsibility at companies including Discovery and AOL.com.

Cynthia is thoughtful about people, process and technology. She's particularly philosophical about talent management, saying that FSS/GBS needs to reinvent itself, calling it the backbone rather than the backwater of the organisation.

'My biggest worry outside of retention is finding the right opportunities to showcase the breadth of talent to the enterprise when the enterprise is constantly reinventing its strategy'.

She cites success because of the company's need for the right talent, saying that in Gannett, an FSS career is definitely a stepping stone because of the visibility of the operation.

Gannett's FSS does not have defined career paths in and out of the operation. Rather, it creates career personas around roles. Cynthia uses what she calls passports to learning, allowing her staff to pick 'majors'. Responsibility for career pathing rests with the individual.

But even with obvious career mobility into other FSS roles and in finance, IT, sales and other parts of the enterprise, Cynthia's organisation struggles with retaining top talent. 'I have a worry that people are leaving roles [with us] for roles that they imagine are bigger, without the time to be trained and coached. Potentially, if we do enter a severe recession, in 24 months cost reduction will be severe, and the people who moved will be [the] low man [sic] on the totem pole when it comes to reduction in force. To retain our team, we seek to understand why people are leaving – not managing but understanding. We don't want to build fences around the wrong people – we are putting more energy into figuring out why

people will stay, outside of remuneration, and offer flexibility in working and create diverse environments – our goal is to have a team that is as diverse as the US population by 2025'.

Cynthia also has a point of view on process. As the company's recent merger was the catalyst for investing in the operation, she says FSS is:

'Finally in a state where we have one consistent process. We are not best in class but we are aware what best in class is and are working our way there. Our FSS processes are in better shape than those of any non-finance processes in scope'.

She goes on to say that the improvement comes from people. 'My team worked hard to shift mindsets. We created a tower to lead transformation and controls to change the mindset of leaders to promote a move away from historical chaos, creating a more prescriptive journey'. Technology remains a challenge to world-class delivery: 'our tech platforms didn't speak to each other. We have too many platforms for processes to be efficient'. But she offers that progress is being made since the implementation of cloud-based tools such as RPA and audit applications, aided by working with a business process outsourcing partner that is helping the operation to digitalise.

All in all, success of Gannett's FSS model has occasioned broader thinking about a GBS model as the backbone for additional corporate functions. 'Finance is our proof source; to be honest, we had to eat our own shared services dog food first. Now that a shared services model is comfortable for Gannett, we can make more change'. ■



## POINT OF VIEW: Creating value by moving to GBS

PwC UK

GBS has always played a key role in unlocking productivity and driving value across corporate functions, acting as a key enabler to realise baseline objectives such as cost improvements and strategic enablement to realise global growth ambitions. The Covid-19 pandemic elevated the role of GBS, fundamentally changing attitudes across the corporate world about the way organisations conduct business, bringing into sharp focus the impact of global operating models and the inflexibility of outsourcing models, and it accelerated the impact of demographic changes and set a new bar for expectations about workforce experience and retention.

The expected global recession will continue to position GBS as leading the drive to reduce costs and deliver more value. Whether it is to improve customer intimacy or spearhead an organisation's digital journey, GBS has the opportunity to achieve rapid recognition for supporting the organisations they serve. Integrating across functions, best in-class GBS organisations create value by reducing cost and improving outcomes, employee experience, user experience and connectivity. Migrating to higher-value activities and integrated service models is key to realising this vision. As a result, the role of GBS is evolving from a traditional 'scorekeeper' into a leader/guardian, driving business insight as a valued partner. GBS operations have a number of levers at their disposal to satisfy the drive for efficiency and cost reduction, including operating model design, labour arbitrage and automation, if the operations are aligned to the company's culture, industry, and business dynamics.

### What does GBS need to get right in today's environment?

The ability to work from anywhere has fundamentally challenged the traditional importance of location and turbocharged a war for GBS talent. To survive and thrive, GBS cannot continue to operate as before. Critically, GBS needs to:

- accelerate the move away from traditional functional models towards end-to-end process models, leveraging centres of excellence and integrating digital service provision
- automate rapidly (digitisation must now be a 'given') and maximise the benefits from digitisation by upskilling support teams to transition successfully from performing traditional transaction processing tasks to attaining judgement/insight and influencing capabilities, creating great customer and user experience and strategic value
- invest in data and analytics capabilities, including AI and ML to support the transition to insight-led service provision and increasing service value
- rethink location strategy away from low-cost locations towards those where GBS can access and retain the best local talent, and
- maximise agility in the face of continued supply chain disruption, and critically evaluate whether traditional outsourcing models offer the flexibility GBS needs now to satisfy value and cost reduction expectations and be successful in the war for talent, potentially moving work back in-house.

The significance of the impact of workforce and demographic changes cannot be overestimated for GBS and requires fit-for-the-future operating models to enable GBS to identify, access, recruit, and retain top talent. The need for talent outweighs location costs, meaning the priority is now to find locations with the best local talent. With competition for talent set to increase, global differentials in wages are set to come under challenge as employees seek to exploit opportunities to gain higher wages that remote working has made possible. Offering the right remuneration, development and progression opportunities, and employee experience – all of which must be carefully balanced with the need to reduce costs – will be top priority. In this new era, there will be less reliance on traditional labour arbitrage levers to reduce cost, with emphasis increasingly on continuous improvement, digital enablement, and maximising automation benefits.

### What will distinguish high-performing GBS in the future?

Next generation GBS practices should focus on the following points.

1. **Harnessing opportunity from technological disruption and accelerating the pace of automation. Key differentiators include:**
  - the ability to deploy and scale intelligent automation to eliminate waste and drive efficiencies by harnessing the power of digital workers, freeing up capacity to focus on insight and higher-value-adding activities and deliver enhanced user experience and service availability
  - integrating robots with cloud enterprise resource planning (ERP) to eliminate transaction work and scale activities
  - having enterprise-wide and automated analytic capabilities.
2. **Creating a culture of innovation and a fit-for-the-future workforce model. Critical success factors for GBS include:**
  - defining and embedding behaviours that reward and incentivise innovation, continuous improvement, and customer service excellence in the culture and value set
  - winning the talent war by creating great experiences, offering progression and development, for example, through secondments or 'tours of duty,' which also help to strengthen workforce resilience



- considering the career paths across functions both within GBS and between GBS and business units to promote greater integration and collaboration
- creating a 'virtual first' mindset, leveraging tools and remote collaboration to reduce lead times
- offering competitive and compelling remuneration packages, which help to retain and attract the right talent.

### 3. Collaboration will play an increasingly critical role in fostering productivity and driving value creation.

- More aggressive automation programmes and the move from 'workplace' to 'workspace' will help GBS move into business partnering, knowledge-based services and the higher value-adding activities. Upskilling in collaboration, stakeholder management, business acumen, problem-solving and engagement skills will be critical to supporting the transition to more judgement-based interactions, supported by on-the-job coaching and mentoring, as well as broader investment in digital upskilling.
- Collaborating internally to support a customer-led service delivery model, backed by self-service, will support sustainable cost improvements, emphasising the identification of continuous improvement opportunities.
- Maximising the benefit from ecosystem partners will be key to driving innovation and staying abreast of technological disruption, which will require new ways of working and partnership models.

How can GBS teams combat change resistance and fatigue? Realising this vision for GBS requires organisations to overcome key barriers to change, including lack of end-to-end process ownership, resistance to change, lack of internal capabilities, process visibility and lack of the right tools and technology. The following changes are critical to success.

- **Maximise return and value from investment in technology** – with increasing investment in ERP platforms, ensuring consistent processes and end-to-end process management will be critical. User experience and data insights need at least as much emphasis as efficiency and cost reduction, and will have a greater impact on overall organisational value and growth. Investment in visualisation, analytics and digital tooling enhances GBS's ability to support business units more effectively, providing accessible and relevant insights that empower better decision making and pivoting to sustainable self-service models. Achieving this, and being a better business partner to the organisation, will ensure that GBS is recognised as a valued partner.
- **Putting people first** is critical to overcoming change resistance. Stakeholder engagement, participation and involvement in the change process are needed, along with regular and timely communications to celebrate

success and sustain momentum. Focusing on benefits, celebrating success, and rewarding the right behaviours, can help to embed a self-sustaining culture of continuous improvement which can unlock untapped value through innovation and productivity improvements. It's essential to free up the right team members to own and lead the change and champion the benefits.

### PwC client case study: Global fast-moving consumer goods (FMCG) organisation

As an early adopter of the GBS model, a global fast moving consumer goods company has successfully overcome the challenges of traditional corporate service models with functional silos and devolved working arrangements.

Taking a business-led approach to GBS and leveraging the benefits of automation and investment in a global ERP platform has enabled GBS to achieve efficiencies and cost reductions in transaction processing activities. This, alongside an increase in the scale and scope of GBS activities, has allowed the GBS to increase its value to the organisation.

How did the GBS achieve this? Transitioning to process-based teams, centres of excellence and digital enablement has supported global expansion of service provision. End-to-end process simplification, standardisation and management and improved data quality have accelerated GBS's ability to derive insight and increase value. Securing senior stakeholder commitment was critical to fostering this growth.

As a result, what has the GBS been able to deliver? It has become a strategic enabler with a strong track record in generating benefits, including:

- substantial cost reductions
- significant reduction in risk, with 50% reduction in manual journals and associated reduction in the cost of audit and controls
- month-end close reduced by 20%
- better quality data (complete, available, accurate and consistent for reporting), with reduced production time and error rates achieved by removing manual manipulation of data, and
- improved insights to enable better business decisions to be made.

Critical to this journey has been the adoption of a talent-first approach to location, strategy and sourcing. This includes work rebalancing, bringing previously outsourced activities back in house, promoting the growth of internal talent, with the majority of headcount now in higher-value-adding roles (not transactional ones). At the heart of this strategy is optimising locations and identifying the right talent in the right location. Adopting an agile, people-based approach has supported the transition to in-house working and consolidation into a single geographic location, and will continue to support future location, strategic and talent-management decisions. ■



# 3. Process and technology

FSS/GBS organisations were founded upon the premise that consolidation and standardisation of finance processes would create incremental value by reducing costs and increasing efficiency. And, over time, as operations have scaled up within the finance function and encompassed other corporate functions, the benefits of implementation have been delivered – and acknowledged by the enterprise. But have FSS/GBS organisations continually improved their processes in light of evolving best practices and the advent of digital tools that eliminate and streamline human work?

To start, we asked respondents a key contextual question to gauge their beliefs about digital transformation, a key indicator of delivery excellence, efficiency and effectiveness in their operations. The data leaves no doubt that they understand the imperative and they say they are acting on it: over 72% agree or strongly agree that their FSS/GBS organisations have identified and funded a digital agenda (Figure 3.1). Examining this more closely, 77% of GBS respondents said they had identified and funded a digital agenda versus 68% of FSS respondents.

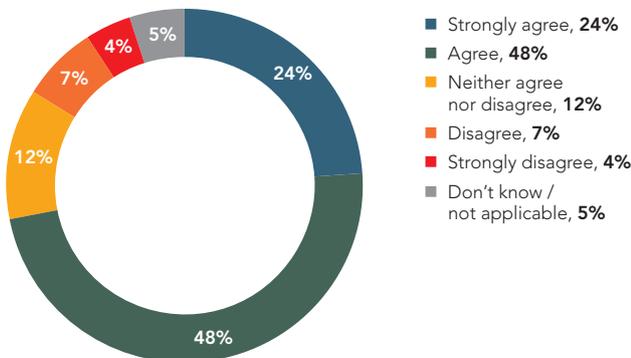
But is this headline supported by responses to specific questions about process and technology?

## 3.1 What is happening with processes in FSS/GBS?

First, we asked about the paradigm for delivery of finance processes, under the assumption that how they are delivered is an indicator for how other, non-finance function processes are delivered.

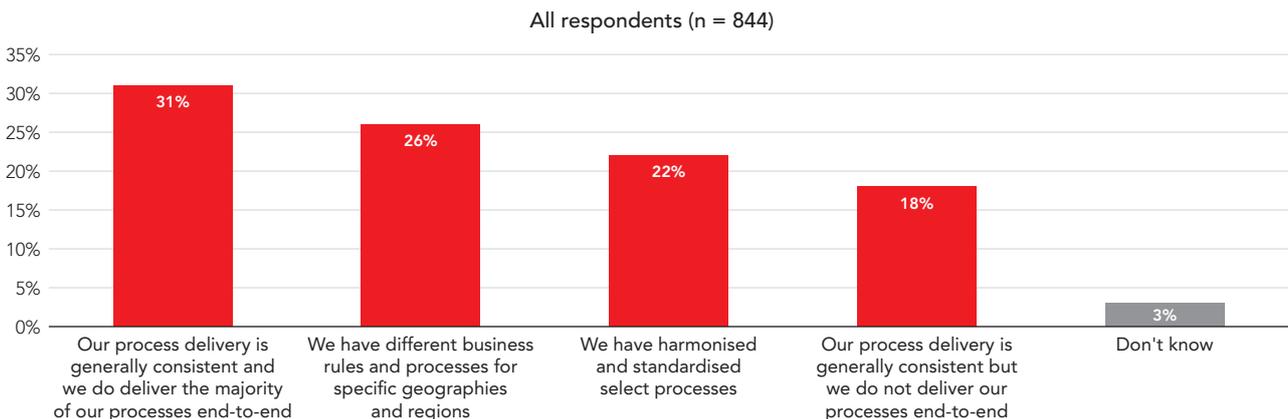
Fewer than one-third of respondents said they had attained the industry's gold standard of process delivery: consistent and end-to-end processes. A further 18% professed to deliver consistent processes but not in an end-to-end manner. An additional 22% said they have harmonised and standardised select process while just over one-quarter claimed to have different business rules and processes for specific geographies and regions (Figure 3.2).

**FIGURE 3.1:** Our FSS / GBS has identified and funded digital transformation as a priority



**END-TO-END FINANCE PROCESS DELIVERY IS NOT YET A REALITY FOR THE MAJORITY OF RESPONDENTS TO OUR SURVEY.**

**FIGURE 3.2:** Which statement best describes how you deliver your finance processes?



When asked about the current state of their organisation's FSS/GBS processes, **only 25% of all respondents said their processes have been optimised across the enterprise and that they are now turning their focus to continuous improvement.** There is some difference by model; 31% of GBS practitioners say they agree or strongly agree that they have optimised processes as compared with 20% of FSS practitioners. The difference may be less than is apparent as some FSS respondents claim that their operations are currently implementing an aggressive programme of process transformation; virtually the same proportion in FSS and GBS agree or strongly agree, and a further 10% have optimised finance processes, but have yet to improve non-finance processes.

### PROCESS OPTIMISATION IS A WORK IN PROGRESS FOR MANY RESPONDENTS.

What is remarkable is the number of respondents who admit that some of their processes have been transformed while others have not, and those who confess that their processes are suboptimal but have no plans to make improvements. These groups account for a total of 32% of respondents. Given the fact that an FSS/GBS's reason for existence is undertaking the best possible process delivery, and operations have been aiming for this for some time, this is surprising.

What does the state of respondents' processes imply when contrasted with their assertion that digital transformation is a funded, strategic priority? Strategies to transform are now in place, along with funding; implementation is now in process or perhaps facing some challenges.

To compare, we asked about the state of non-finance processes in a GBS model (Figure 3.3). The transformation of other functional processes is not as advanced, with

almost 50% admitting that they either have different business rules and processes for specific geographies and regions, or that only select processes have been standardised and harmonised. Slightly over one-third of respondents working in a GBS model say that they have generally consistent processes, with a substantial number saying they are not delivered end-to-end. Is this a surprise? Because FSS is generally the first step on a GBS journey, the current state of non-finance processes as reported in the survey is not surprising.

### NON-FINANCE PROCESS EXCELLENCE DELIVERED IN GBS MODELS LAGS THAT OF FINANCE PROCESSES.

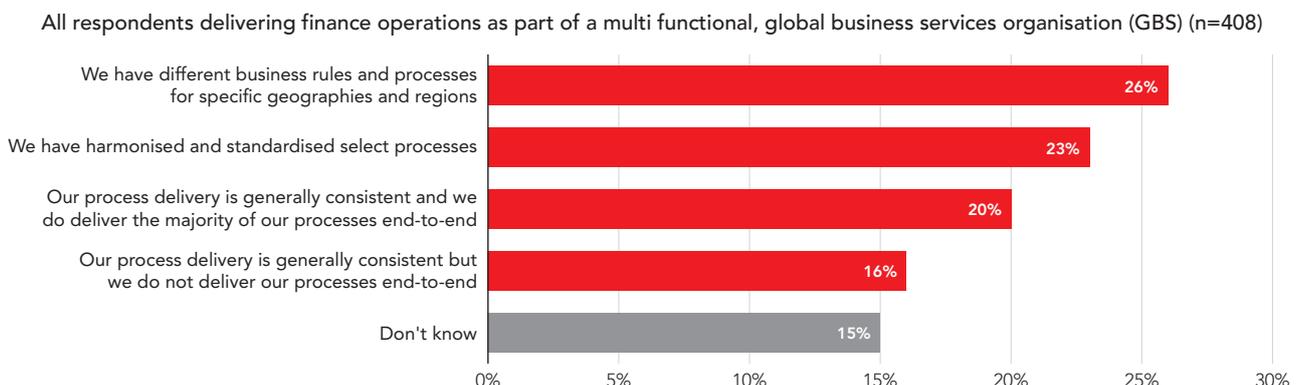
#### 3.2. What is stopping the achievement of process excellence?

When asked what barriers exist to taking processes to a higher level, respondents' results are not at all surprising, prima facie. Moving to end-to-end ownership is a challenge for almost 50% of respondents; it is virtually impossible to control the entire process flow without major disruption to finance or indeed any other function.

The level at which resistance to change (42%) is cited is not surprising. Although the FSS/GBS model has been in place for some years, the issues of trust, power and control still present a barrier. All business change is deeply personal; arguments such as 'we've always done it this way' remain powerful deterrents to change.

The lack of capability is also seen as a driver by 36%: understandably, as FSS/GBS 'digital first' talent is currently in short supply. When asked about the capabilities necessary to drive FSS/GBS success, respondents ranked skills such as digital third for mid-career professionals, recognising that the capability mix is changing.

**FIGURE 3.3:** Which statement best describes how you deliver your non-finance processes in a GBS model?



The lack of tools and technologies, cited by 32%, is somewhat surprising when we look at the context in which FSS/GBS operations say they are operating. Going back to Figure 3.1, 72% agree or strongly agree that their FSS/GBS operations have identified digitisation as a strategic priority, and most importantly, funded it.

The combination of lack of visibility and access to the right data (respectively, cited by 29% and 25% of FSS/GBS respondents), is endemic in the industry. Overall, it has been consistently frustrated by their inability to effectively identify and mine the data necessary to improve the efficacy of processes (Figure 3.4).

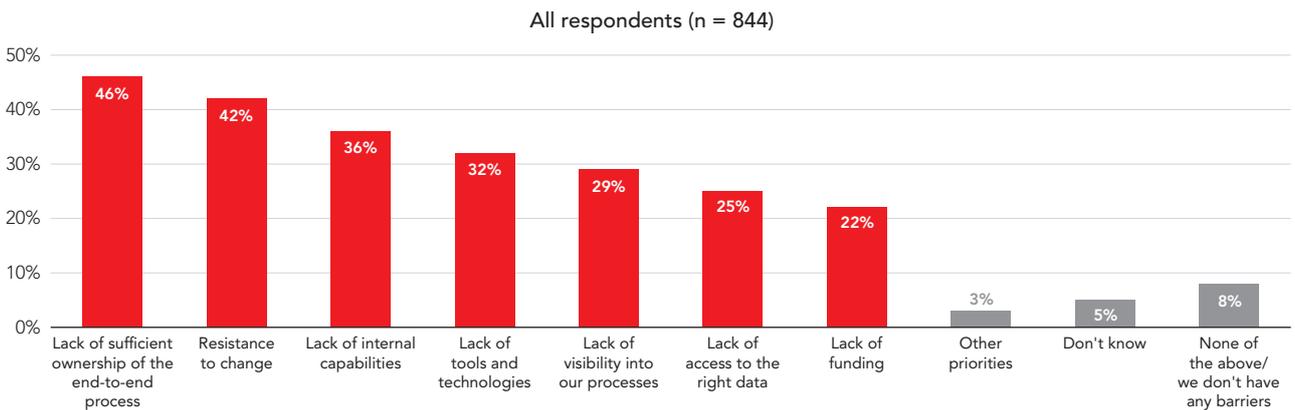
**The state of ERP systems: help or hindrance?**

The state of our respondents' ERP environment provides some insight into why process delivery is at its current level. There is a direct relationship between the state of

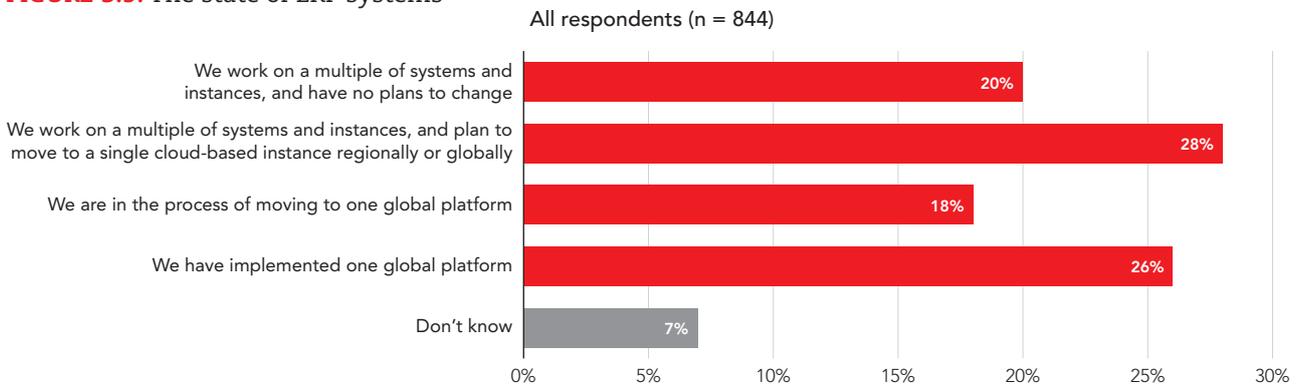
FSS/GBS processes and the enterprise's ERP environment. It is generally considered impossible to move to end-to-end process delivery on multiple instances and platforms.

Just 26% (Figure 3.5) of all survey respondents operate on one global platform, which correlates closely with the number that claim they are delivering end-to-end processes; Splitting this data, GBS practitioners are slightly less likely to be operating on one global platform (28% versus 25%), given their greater process complexity. But it is evident that a single platform is a key enabler of FSS/GBS performance; a further 18% of all FSS / GBS respondents are in the process of moving to one global platform while close to 30% of all GBS / FSS respondents plan to move to a single cloud-based instance regionally or globally (a higher number of GBS operations, at 31% compared with 26% for FSS operations). Only 20% of overall respondents say they have no plans currently.

**FIGURE 3.4:** Barriers to making improvements to processes delivered by FSS/GBS



**FIGURE 3.5:** The state of ERP systems



**ERP PLATFORMS ARE STILL A WORK IN PROGRESS. ALMOST 50% OF RESPONDENTS SUGGEST THEY WORK ON MULTIPLE INSTANCES WITH NO PLANS TO CHANGE OR ARE NOT YET IN THE CLOUD.**

### 3.3 The imperative of adopting new technologies is understood

Our survey cohort fully grasp the need to implement new technologies, both as a workaround for suboptimal ERP platforms, and to greatly improve efficiency and effectiveness. Despite this, across the board, our data suggests that GBS practitioners are more likely than those in FSS to have an aggressive approach to technology.

When asked for the initial rationale for investing in new technologies, respondents overwhelmingly selected the ability to enhance efficiency and speed, followed closely by improving controls and reducing risk (Figure 3.6). Surprisingly, eliminating headcount by streamlining work or even the replacement of human workers is of lower importance, as indicated by 22% of respondents. Other top priorities cited include increasing insights, reducing cost and improving user experience, the latter being a greater factor for GBS models.

A minority of respondents (23%) see new technologies as a workaround for operating on legacy or multiple ERP systems. Given the state of their platforms, this is a good strategy for enhancing FSS/GBS performance without a multi-year investment.

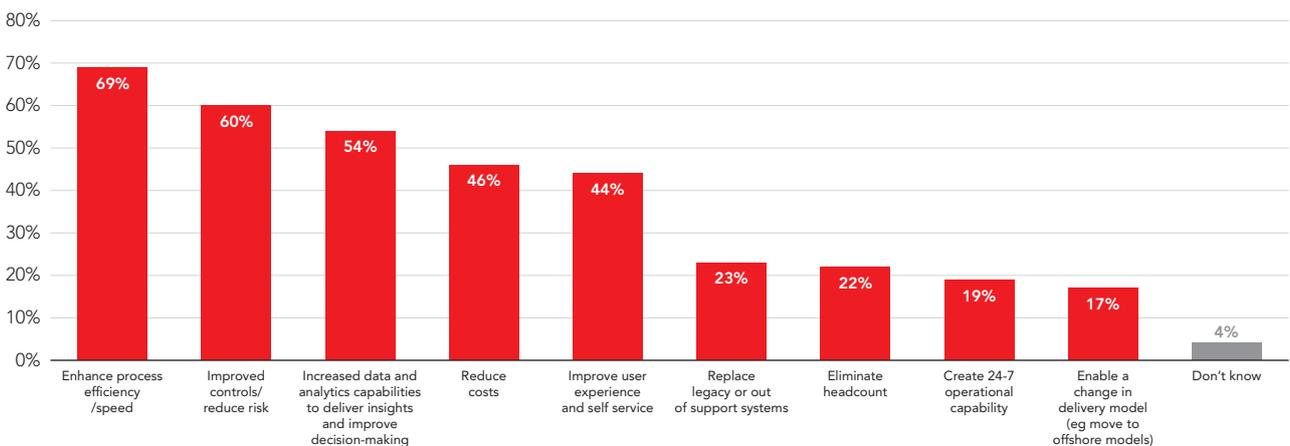
Notably, respondents do not prioritise investment as a means of extending and improve their operating footprints. Only 19% see new technology implementation as a means of increasing operations to run 24/7, while even fewer (17%) see implementation as an enabler of a change in delivery model, eg moving offshore. In both cases, GBS practitioners rated these factors more highly.

#### A full array of technologies is deployed

When asked about the technologies respondents are putting in place, certainly the array reflects tools currently available in the marketplace. But examining more closely, the majority of tools focus on driving efficiency

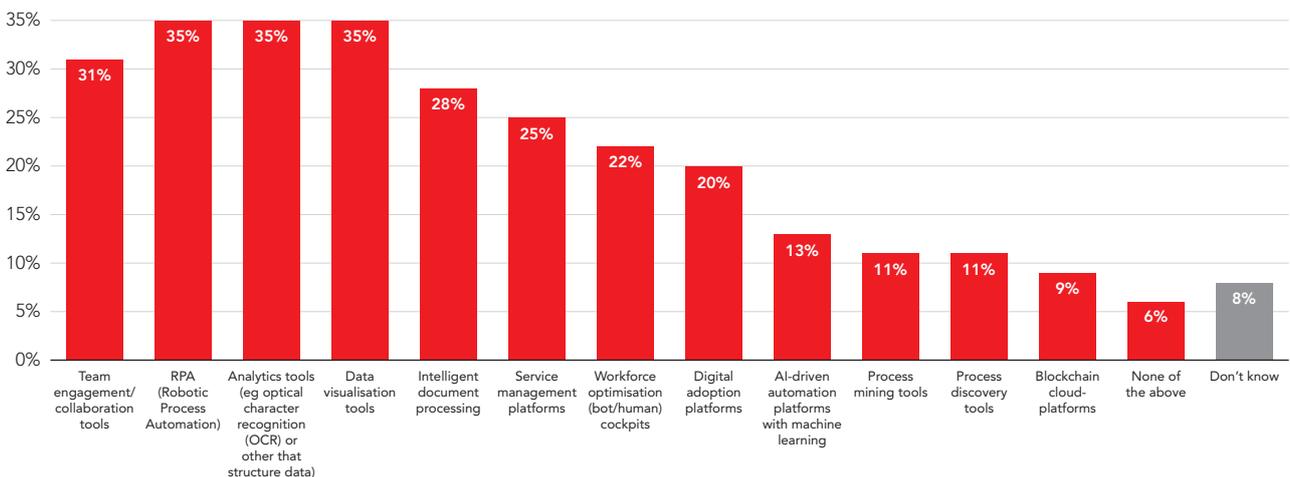
**FIGURE 3.6:** Rationale for investing in new technologies

All respondents investing in technologies (n=726)



**FIGURE 3.7:** Technologies implemented in FSS/GBS

All respondents (n = 844)



and effectiveness, namely RPA (35%), OCR (35%), data visualisation (35%) and intelligent document processing (28%). Less emphasis is currently placed on experience (adoption of service-management platforms follows at 25%), and the way team members perform (workforce optimisation and digital adoption platforms at 22% and 20% respectively) (Figure 3.7).

**RESPONDENTS HAVE TOOLKITS FOR CHANGE, NOTABLY TOOLS AND TECHNOLOGIES FOCUSING ON DATA VISUALISATION, OCR, IDP AND RPA.**

Of note is the ranking of AI-driven platforms; given the trend to go beyond RPA technology into truly sophisticated ML tools, 13% is disappointing, although GBS models appear to have slighter higher but not

significantly higher adoption. Another anomaly in the data is the lack of adoption of process mining and process discovery technologies, vital tools in the movement to attain process excellence. Without these tools, it is exceptionally difficult to make significant improvements.

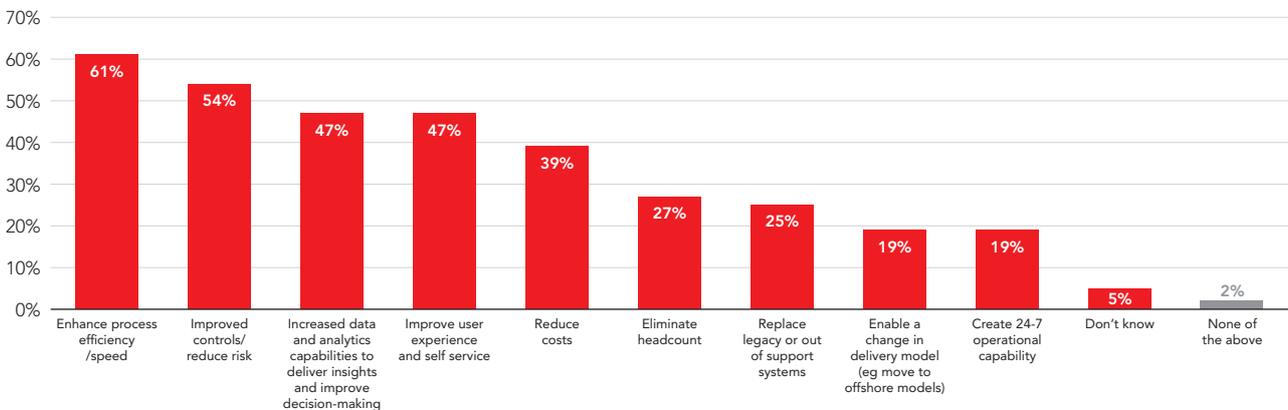
**THE STATE OF PROCESSES IS NOT WHERE IT SHOULD BE FOR MANY RESPONDENTS; THIS MAY BE A RESULT OF LIMITED ADOPTION OF PROCESS MINING AND DISCOVERY TOOLS.**

**Technology implementation faces challenges**

Respondents acknowledge the benefits from technology adoption (Figure 3.8) but also also note that implementation and adoption can be challenging (Figure 3.9). Notably, they recognise that digitisation represents

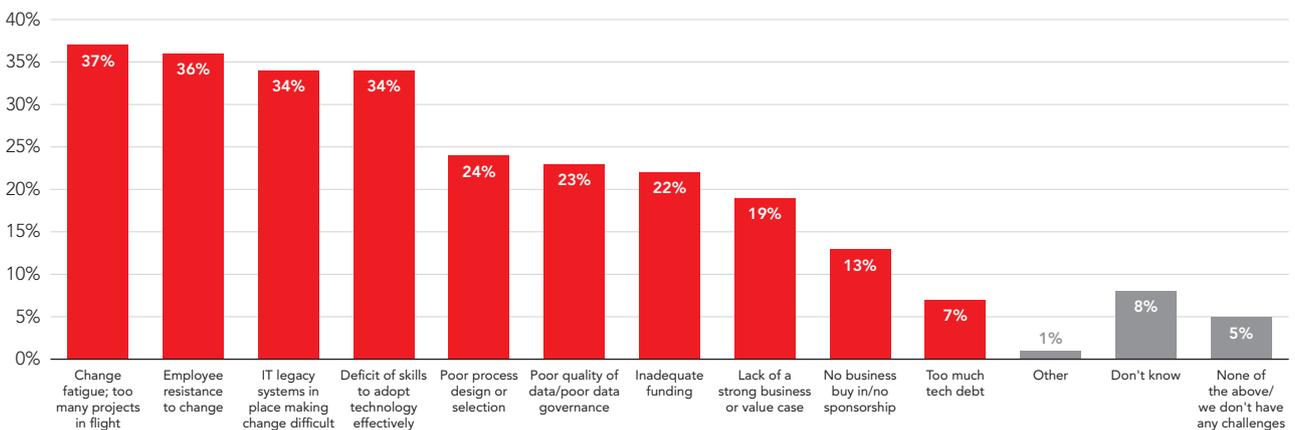
**FIGURE 3.8:** Impact of technology implementation on FSS/GBS

All respondents investing in technologies (n=726)



**FIGURE 3.9:** The biggest challenges to implementing technology

All respondents (n = 844)



a change in ways of working with inevitable problems that, if not effectively addressed, will negate its benefits, citing change fatigue and employee resistance as the top challenges (Figure 3.9). They are also realistic, admitting that comfort with and reliance on existing IT systems also make implementation difficult, a greater problem for FSS models than GBS models (37% versus 31% agree or strongly agree). This underscores the perennial challenge that any change in business model or technology presents for effective implementation and change management.

**AMONG BARRIERS TO IMPLEMENTATION, CHANGE-MANAGEMENT CHALLENGES RANKED HIGHEST.**

Poor design or selection, perhaps a result of a lack of the right skills, is also ranked high. Notably, even though 72% respondents agree or strongly agree that they have the strategy in place and the requisite funding to go digital, concerns about inadequate funding (22%), lack of a strong business case (19%) and no business buy-in/no sponsorship (13%) still exist (Figure 3.9). Although the data tracks in both models, FSS models are more likely to experience lack of business buy-in than GBS models (15% versus 22% agreeing or strongly agreeing). Yet some of our respondents are experiencing smooth sailing in the adoption of new technologies; 5% suggest they don't have any challenges.

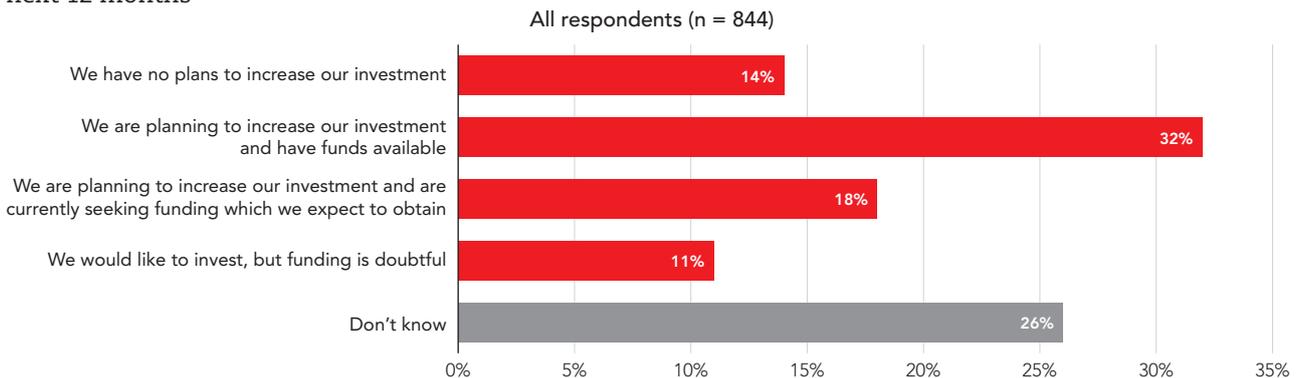
**Not every FSS/GBS organisation is a technology believer**

The last question in our survey sums up many of the challenges FSS/GBS operations face today in moving to digital. There is a broad recognition that a strategy and funding for a move to digital are critical, yet for implementation, the road ahead is not as clear. Granted, the survey was administered during a period with growing economic pressures, but the responses to the question 'what are your plans to increase your investment in process improvement and technology in your FSS/GBS over the next 12 months?' are telling (Figure 3.10).

Under half plan to increase their investment and have funds available, while a further 18% have plans but have not yet received funding. Contrast this 50% of responses with the 25% who either have no plans or would like to invest, but funding is doubtful, and add in 26% who simply don't know, and we see a very different picture. Looking more closely, GBS models are more likely to have funds available.

**NOT EVERY FSS/GBS HAS DIGITAL AT THE TOP OF ITS AGENDA.**

**FIGURE 3.10:** Plans for increasing investment in process improvement and technology in FSS/GBS over the next 12 months



## CASE STUDY: AkzoNobel

### About AkzoNobel

We supply the sustainable and innovative paints and coatings that our customers, communities – and the environment – are increasingly relying on. That’s why everything we do starts with People. Planet. Paint. Our world class portfolio of brands – including Dulux, International, Sikkens, and Interpon – is trusted by customers around the globe. We’re active in more than 150 countries and have set our sights on becoming the global industry leader. It’s what you’d expect from a pioneering paints company that’s committed to science-based targets and is taking genuine action to address globally relevant challenges and protect future generations.

### Objectives

AkzoNobel’s Global Business Services (GBS) organization is relatively new, having been established about four years ago. The organization integrates four key support functions within AkzoNobel (finance, human resources, indirect procurement, and information management) and reports into the global finance organization. As with many organizations, GBS transitioned to a 100% work-from-home model during the global pandemic but is now transitioning to a hybrid working model.

### Challenges

Due to pent-up market demand for talent and evolving employee expectations, AkzoNobel’s GBS organization found it increasingly challenging to engage and retain its finance talent in the unprecedented time accompanying the pandemic. Employee life cycles, which were earlier more than two years on an average, saw a marked shift. Amid the market’s opening, employees increasingly started looking for new projects or opportunities after/within 12 months in organizations. Currently, another upcoming trend is employees’ strong thrust toward broadening their skill sets via upward or lateral movement to become more employable.

### Solution(s)

Guided by our People. Planet. Paint. approach, which lies at the heart of everything we do, our focus on people covers many different aspects, including ensuring a safe and diverse work environment, developing our talented workforce, focusing on organizational health, embracing our values, and committing ourselves to human rights so that our people grow as fast as we grow our business.

AkzoNobel’s GBS organization takes a multi-pronged approach, with focus on the following aspects, to retain and develop its high-performance people:

#### ■ Communication

- We transparently communicate to employees about their development paths over the next 6 months, 12 months, etc., which may include several options for their consideration
- GBS career paths can follow different lines of growth, such as becoming a Global Process Champion, entering our Centers of Excellence, moving from service delivery roles to navigator roles, and progressing to Regional/Global Leads or Country-level Managers

#### ■ Formal development programs

- GBS managerial staff may participate in the groupwide high potential talent program, Grow to Lead, or the regional Rock-It program, a 9-month virtual program that helps develop leadership qualities among employees, and, upon completion, participants earn a certification
- Periodic career development workshops are also conducted
- All first-time people managers and new managers are supported with essential leadership skills
- Project management and continuous improvement training sessions are conducted regularly

#### ■ Self-learning

- Employees are given access to Academy, our in-house virtual learning hub, which helps employees maximize their personal impact, enroll in development programs to become better people managers, access research from across AkzoNobel globally, and further build their core functional knowledge
- The e-learning platform Percipio is another tool available to our employees for self-learning. It offers a comprehensive array of about 5,000 courses and allows AkzoNobel employees to upskill their functional knowledge or learn more about their interest areas at their preferred pace

#### ■ On-the-job learning

- GBS employees may move to different roles between towers, as well as take up stretch assignments focusing on the development of specific skills
- Our global online platform, Project Marketplace, helps employees connect with right-fit projects and people across our 150 countries of operation for cross-functional learning and development on global projects

#### ■ Relationship-based learning

- All employees can leverage a global mentoring platform and benefit as potential mentees or offer to serve as mentors
- Mentees can select mentors groupwide based on their development interests

#### ■ Other development opportunities

- Employees can conduct self-assessments to better understand their development areas using the Development Compass tool
- Yammer, the in-house social networking platform, is used to share knowledge and best practices

### Outcomes

All these levers have together made our finance talent in GBS relatively stable and high-performing. Our attrition rates are lower than the industry. As a people-first organization, we always assess our internal talent first before rolling out opportunities externally. This approach has helped us to continuously provide our employees new opportunities to learn and grow within AkzoNobel.

The GBS organization offers a robust talent pool for the wider organization that is highly diverse, young, ambitious, and skilled in operations across multiple functional areas. To become a talent incubator, GBS fosters an environment in which our employees can learn, grow, contribute, and excel. ■



## POINT OF VIEW: A view from China based on recent ACCA research SASAC



China-based enterprises are increasingly familiar with services models. For over two decades, the model has been in operation with finance still as the primary scope. And the central government supports this: in March 2022, the State-owned Assets Supervision and Administration Commission (SASAC) released 'Guidance for the SoEs (state-owned enterprises) in the development of World-Class Finance Management System', indicating China will press ahead with the restructuring and integration of its centrally owned state-owned enterprises (SoEs), with a focus on financial capacity building.

In order to realise the vision of building world-class finance capability, China's finance shared services centres ('FSSC') are now combining global leading management expertise and improved service capabilities to make strategic decisions and drive greater business value in an increasingly competitive global market.

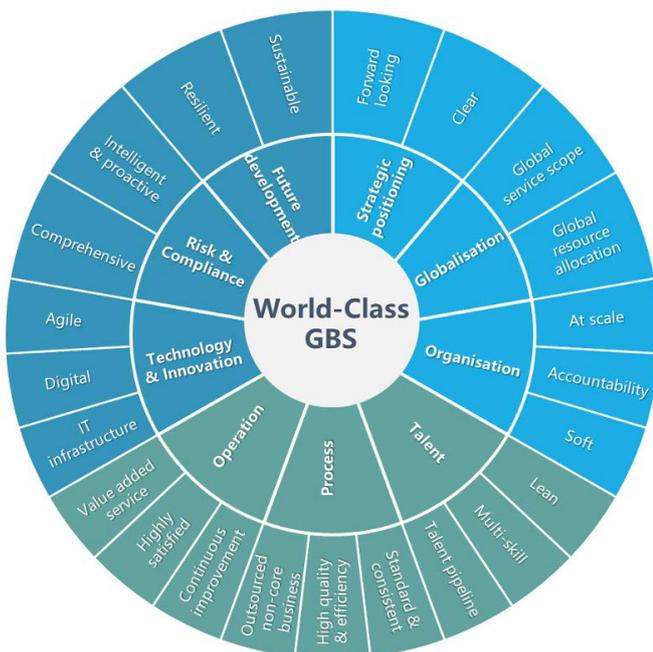
Chinese respondents see GBS/FSS operations in much the same way as their global counterparts. According to the survey results, Chinese participants' responses in the main track those of participants located globally. They believe that, for a GBS operation to be successful, nine steps must be taken, namely:

- adopting a clear and forward-looking GBS strategy
- developing the right global service capabilities
- placing the right emphasis on accountability and scalability within an agile, fluid organisation structure
- winning the war for talent
- investing in process efficiency
- embedding a culture of continuous improvement throughout the operation

- adopting a digitisation and technology agenda
- strengthening risk management and compliance
- plotting a successful pathway to sustainable, resilient growth.

Will we see Chinese-headquartered enterprises change their approach to creating GBS? Here are just three discernible trends.

1. **Implementing a 1+N delivery approach:** Chinese shared services leaders understand that their domestic business context drives a singular way of working that may not translate to operations around the globe. Therefore, we see a trend towards developing one global standard, with shared services centres in other regions catering specifically to market differentiation.
2. **Establishing a complementary 'shared services brain':** prevalent in the model honed in China is the establishment of complementary centres of excellence with a focus on business performance and continuous improvement. While these functions have certainly been part of global GBS agendas for many years, Chinese GBS operations are making significant investments in them.
3. **Actively expanding GBS scope and scale to manage risk:** while the Covid lockdowns may be easing, international political and economic tensions will continue. This requires China-headquartered global enterprises to implement financial management and control systems that can effectively cope with these risks. Chinese enterprises see the establishment of GBS operations as imperative for achieving global synergy and increased resilience. As a result, we may see rapid moves into new regions and an aggressive push for additional scale.





# Conclusion

The data tells a compelling story and suggests a prescription for future growth of the FSS/GBS model. Despite this, what is surprising is the remarkable lack of evolution of GBS models compared with FSS models.

Should we be concerned? First, let's see where we are today.

- **The FSS or GBS model is legitimate:** the maturity of the model as indicated by age, the incursion into areas beyond finance processes, and the size of respondents' operations all suggest that FSS/GBS models have become hard-wired into enterprise operations. Now it is time to ensure that the drivers of value – people, process and technology – are in place to deliver even better performance – and become future-ready.
- **Starting with finance has been a smart move:** there's no argument that finance is the taproot for GBS organisations. The majority of the enterprise data flows through finance, setting up FSS to expand across other corporate functions. The technologies that increase performance – ERP and newer applications – operate beyond finance. Empirically, without FSS, it is possible to argue that there can be no GBS.
- **Incremental growth has created durability:** the fact that the scale and maturity of FSS/GBS organisations are aligned suggests that the model is agile, adaptable and accepted. Without durable growth of the FSS model, we can argue that there would be no opportunity to scale up to GBS.
- **FSS/GBS careers are ambitious:** clearly, respondents are optimistic that time spent, however short or long, in FSS/GBS is career-enhancing. The FSS is no longer branded as merely a back-office operation focusing on transactional work, the data indicate that there is mobility, albeit with some challenges, in and out of the model. While the GBS models seem to open up additional mobility in the enterprise, our data indicates that is not happening to a remarkable degree.
- **Transactional finance is the foundation, but there is movement up the value chain:** just looking at FSS models, the fact that there is considerable scope in financial reporting, forecasting and budgeting, financial planning and business partnering indicates that FSS has moved beyond back-office processing. Again, this provides an opening for evolution to GBS models.

Given the relative parity in evolution, **our view is that the movement of FSS to GBS is less important than developing the basics – people, process and technology.** It is encouraging to know that there is little distance between the maturity of the two models. And our data also suggests there are further improvements to be made, whatever the model.

Here are some final reflections for FSS and GBS leaders to consider.

- **Understand the interconnected nature of people, process and technology:** the three constantly work in tandem. Powerful technology does not eliminate the need for transformed processes. People's capabilities drive process excellence. There is no silver bullet.
- **Get the basics right.** We are surprised at the status of processes as reported by our respondents. Under half are at a point where continuous improvement is happening. Process improvement does not grab headlines, but it is a core deliverable for FSS/GBS models... and the key to greater scale and sustainability.
- **Persevere with capability identification and development:** the capabilities that have driven FSS/GBS evolution so far are not necessarily future ready. Don't look at capability development as merely a tick-the-box HR exercise; take the time to evaluate the capabilities that will make FSS/GBS operations resilient and redesign roles accordingly.
- **Focus on career pathing and employee engagement as a critical component of retention:** remuneration levels are only one aspect of retaining key talent. It's critical to appeal to FSS/GBS professionals by creating new, exciting career opportunities that engage (as well as reward).
- **Harness the power of business events to advance the model:** don't underestimate the value of a merger, an enterprise-wide transformation programme, corporate repositioning, a leadership change or other corporate events as catalysts for change.
- **Make stakeholder engagement and change management a critical priority:** the data suggests that the perceived challenges that the change the models represent, or will impose on the enterprise, are getting in the way of transformation. Yet, at the same time, the capabilities that can overcome barriers – good change management and stakeholder engagement – are not ranked as very important. It's time for FSS/GBS professionals to rethink their focus and invest more in change capability.

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Jamie is the Global Head of Skills, Sectors and Technology at ACCA. Working across the world in all markets and sectors, Jamie leads a team of researchers producing cutting edge, practical and accessible thought leadership and research on the most pressing issues impacting the global business environment. He is responsible for leading ACCA's research and policy viewpoints on the state of the global economy, the future of work and skills, the technology agenda, as well as sector based issues across the world. Jamie has many years experiencing running global research campaigns to deliver thought leadership projects, storytelling and influence programmes that drive brand engagement. Prior to ACCA his career was spent working in a number of FTSE 100 businesses in various financial and management roles. Jamie is a qualified accountant and holds a degree in economics from Sheffield University.

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Her career has been focused on the design and management of back-office processes, including managing directorships at FleetBoston Financial's (now Bank of America) Technology and Operations Group, and at Deutsche Bank; consulting partnerships in major firms; and chief marketing officer of an Indian-legacy business process outsourcer. She is a prolific writer and frequently presents at major industry forums. She can be reached at [deborah.kops@sourcingchange.com](mailto:deborah.kops@sourcingchange.com).

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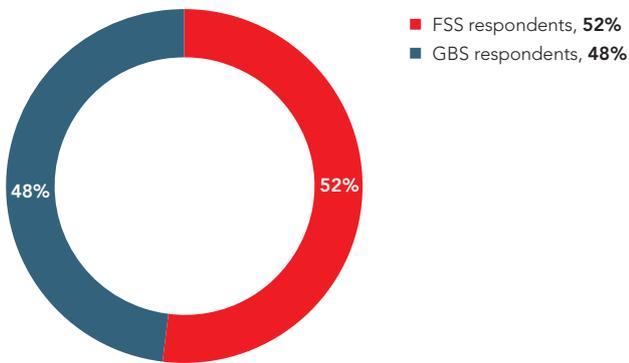
### Rohitashwa Aggarwal

Rohitashwa is a Vice President in Everest Group's Global Sourcing practice. Rohitashwa has rich experience across projects covering global business services (GBS) growth and evolution strategy, location selection and portfolio optimization, cost optimization, impact sourcing, and GBS value proposition. In his role, he is focused on engagements and initiatives with global companies that focus on GBS/shared services centers. Rohitashwa works extensively with global organizations and GBS clients in the areas of GBS growth strategy, benchmarking, locations strategy, peer intelligence, and talent strategy, including global workforce planning, innovative talent acquisition and management practices, and remote delivery models. In addition, he also manages Everest Group's research membership programs focused on GBSs and internal service delivery models. Before joining Everest Group, Rohitashwa worked in management consulting and research for three years. Rohitashwa can be reached at [rohitashwa.aggarwal@everestgrp.com](mailto:rohitashwa.aggarwal@everestgrp.com).

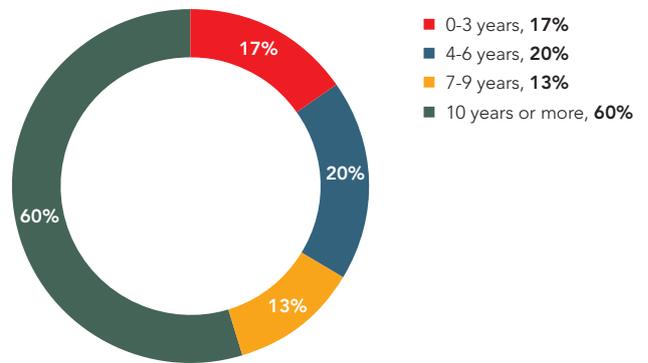
# Appendix: Survey demographics

Total respondent base: 844

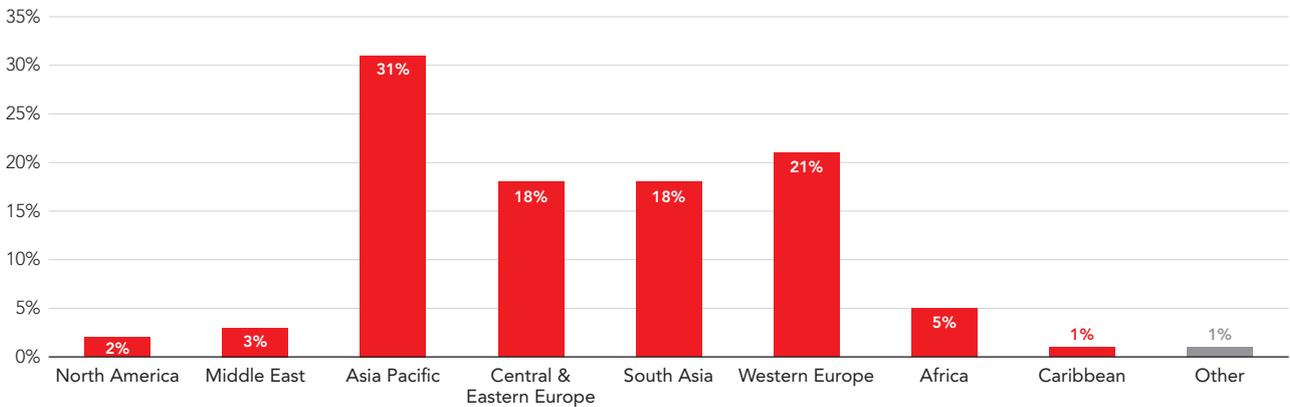
**FIGURE A1:** Split of FSS v GBS respondents



**FIGURE A2:** Maturity of FSS and GBS respondents



**FIGURE A3:** Location of operations



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