

Welcome to SSOW 2021!

Brad DeMent, *Chairman*

It's a BIG Conference – Let's Simplify the Concepts

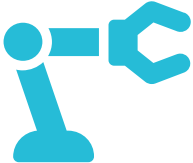
01

FUTURE OF WORK



02

AUTOMATION AND DIGITIZATION



03

WHAT'S CHANGING IN GBS AND SS?



Future of Work



Fast Tracked!



Remote Talent



Collaboration Tools



Paper Elimination



Best of Breed Tools



Cyber Security



Diversity/Inclusion



Work from Home

Why should you come to the office? If you need to collaborate, fine. We don't have cubes... **We have 100% collaboration space**
- Rob, Zimmer Biomet

High touch is part of our culture, so we have not gone full swing to WFH
- Stephen, Estee Lauder

Millennial generation wanted to get back to office to **simply interact (keep from losing mind)**
- Bill Gilet, PwC

We expanded our hiring model to other countries/cities... **no one sits around an HQ building**
- Rob, Zimmer Biomet



How do you keep people sane at the kitchen table. **We created a “cultural ambassador”** to foster connections and relationships
- Stephen, Estee Lauder

77% (of this audience) say **employee “engagement” (enthusiasm/dedication) is the biggest challenge** with the remote work environment
- SSON Polling Survey



Health & Wellness

We started our calls with “how are you doing?” and dug deeper to connect and get real feedback
- Chris, Takeda

There are “water cooler apps” that randomly introduce employees for impromptu chats
- Jim, UC Davis

Time management – “my work schedule may be different than yours... please don’t feel the need to answer this immediately”
- Chris, Takeda

Adopt an attitude of responsibility... and ask for help!
- Todd, UL

Be alert to “languishing” employees. They are not off the deep-end, but they are not engaged
- Jim, UC Davis



It’s a great time to use your Health & Wellness services! GBS can play a role in this
- Todd, UL

Our AI means “Awareness” and “Intentionality”
- Jim, UC Davis

Listened to employee concerns, allowed employees to take their office equipment home
- Chris, Takeda

We are all in the same storm, but we are in very different boats (well equipped ships to treading water)
- Jim, UC Davis

Encouraged meetings not to be back-to-back. Put breaks between meetings
- Chris, Takeda



Engaging Business and Employees

Develop guiding principles to align leaders and adhere to the principles to help govern your employee listening program
- Chris, ScottMadden

Standardization is good, but there has to be flexibility and empathy of the business unit needs to improve the overall customer experience
- Barbara, J&J

If you are not failing, you are not experimenting
- Charles Koch, Koch

Follow the momentum and target pockets of the organization where leaders have the appetite to engage employees in feedback survey's
- Chris, ScottMadden



Close the feedback loop. Ensure that insights gathered from survey's are connected back to employee programs
- Chris, ScottMadden

Put decisions in the hands of people that have the best knowledge of the decision that needs to be made
- Richard, Koch

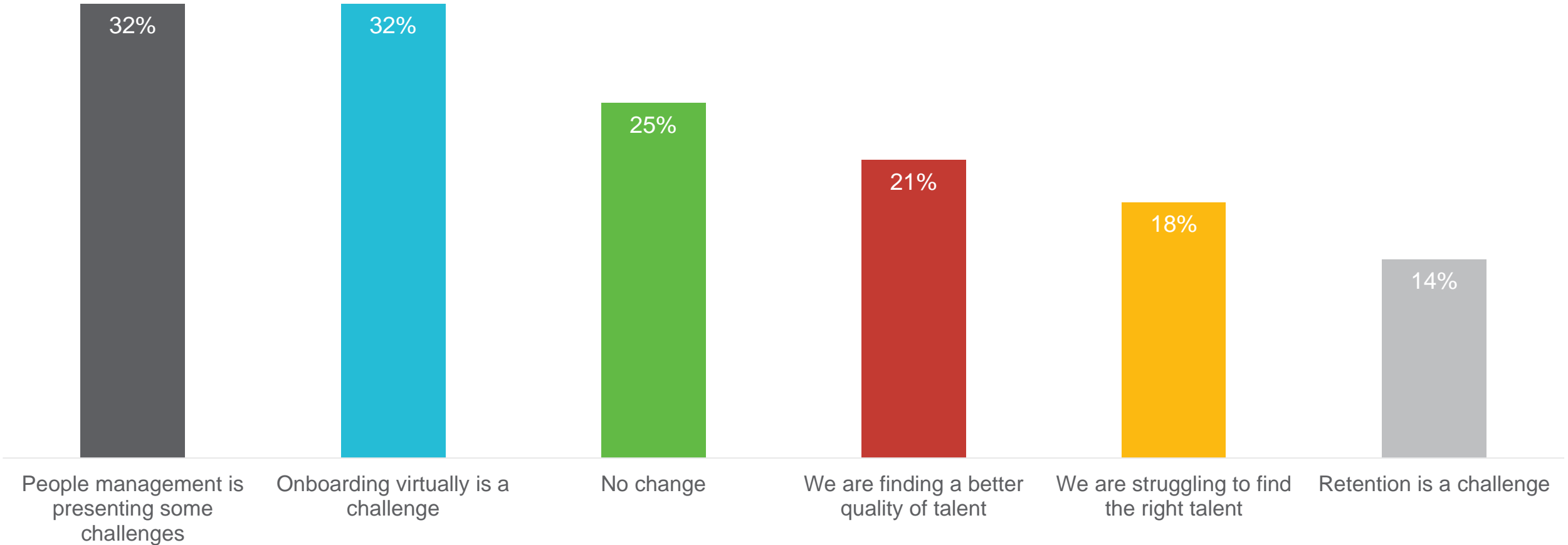
People stay at an organization when they feel the work is meaningful
- Barbara, J&J

Our primary workstreams center around 1) Customer Empathy, 2) Consumer Focus, and 3) Talent
- Richard, Koch



Impact on Talent Management

How has talent management been impacted as a results of the pandemic?



Talent Acquisition

Call to Action – We had a **750% increase in text to candidates** (185,000 texts) – the candidates we want to reach cannot answer a phone)
- *Cathy, Advent Health*

Our hire decision went from **2 weeks to 1 day**
- *Cathy, Advent Health*

We want to attract people that are inspired by improving patient lives – **we encourage rotating in/out of TBS**
- *Sanjay, Takeda*

Less for disciplinary skills. More for **ability to innovate and collaborate** and tech savvy
- *Rob, Zimmer Biomet*



Hiring leaders is more difficult. **Not looking for micro-managers.** Set objectives and follow up.
- *Rob, Zimmer Biomet*

We invested in consultative skills, program skills, tech/RPA skills.
- *Rob, Zimmer Biomet*

Looking for empowered leaders that **don't necessarily need permission** for everything
- *Stephen, Estee Lauder*

New soft skills needed – people who don't need a manager looking over their shoulder. **Self-starters, humility, resiliency**
- *Rob, Zimmer Biomet*



Stakeholder

Stakeholder categorization – Neophyte, WIFFM, Mental Tryout, Conscientious Objector, Recruit, Guerilla, Embracer Loyal Opposition, Sponsor
- *Deborah Kops*

Guerilla's take an active objections. Many run/hide, choose not to engage (mistake). Plan is to neutralize/flip
- *Deborah Kops*

Have a plan, a relationship Manager, a timetable, definitive actions, *measure the movement!*
- *Deborah Kops*

Managing stakeholders that want to increase your scope for the wrong reasons. Don't be the "trash-bin" case
- *Deborah Kops*



Opportunity Gained

Reaction to pandemic gained trust among the team
- JoAnne, USAF

Built a menu of options for the business that TBS would partner with you to rollout locally – we will not implement in a country where it doesn't make sense
- Sanjay, Takeda

A Sensei coaches business on RPA utilization. Over 2,000 employees trained, 385,000 hours gained
- Sanjay, Takeda

This was an opportunity to expand the value of GBS
- Rob, Zimmer Biomet



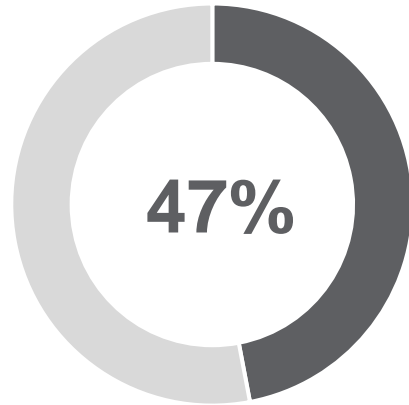
We are moving up the value stream. We are out of the transactional business
- Rob, Zimmer Biomet

Moving to non-traditional functions – engineering, legal, marketing, and sales
- Rob, Zimmer Biomet

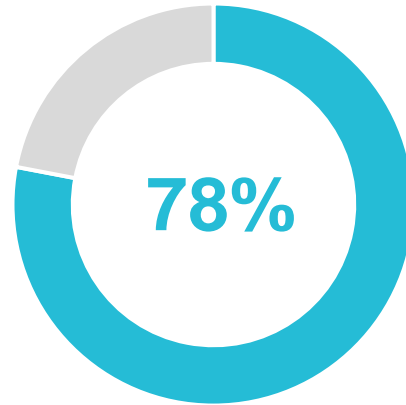
Developed CoPs to share stories – projects, how to leverage tools. Cross-training/sharing
- Stephen, Estee Lauder



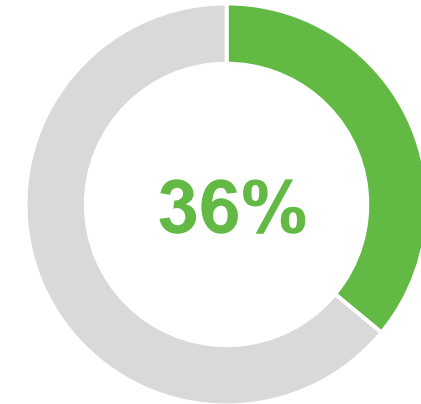
Collaborative Solutions in Remote Environments



Had **not used** a collaboration platform before the pandemic



Say **they will continue to use** collaboration platforms



Say they would **give up** their emails before their collaboration tool

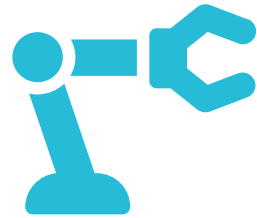


44% of the employers' workforce has the potential to **operate remotely**



78% of GBS and Shared Services are currently adopting a **Future of Work strategy** as part of their operating models

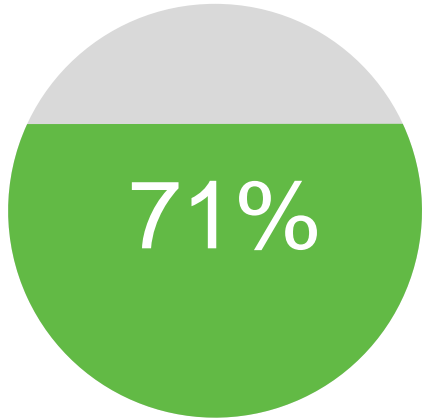




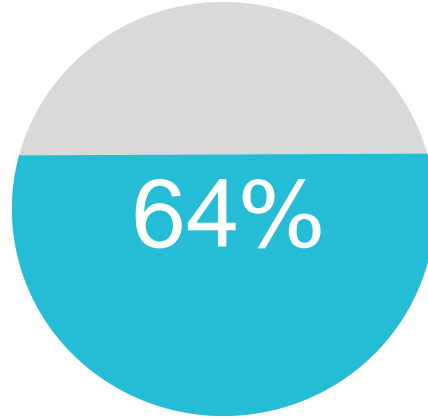
Automation and Digitization



Growth of Intelligent Automation

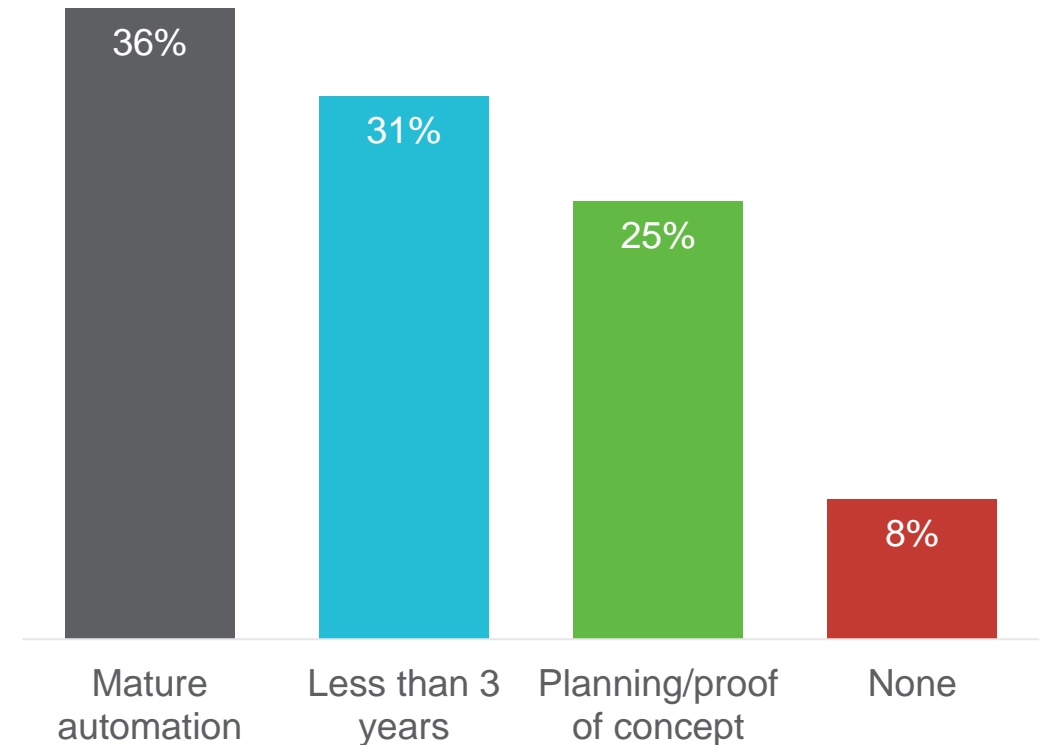


Agree that intelligent self-service automation helped their organization **remain agile**



Expect their organization to **increase investments** in automation technology as a result of Covid

Current Stage of Automation in North American SSCs



Process Mining as a Key Enabler

80%

Annual growth of process mining market

78%

Who automate say process mining is key to enabling RPA

61%

Say the provision of factual process data is the key benefit

Benefits of Process Mining

- Reduced costs
- Increased transparency
- Improved performance management
- Improved customer experience
- Improved compliance



Automation and Channels

BOD just wants to know what you did with the 100,000 hours you saved? *Front of counter value*. E.g., Ability to release a new product quicker. Without a story, the 100,000 hours is a yawn
- Stephen, Estee Lauder

Use *click* data to target your audience – if you looked at a job, we are going to keep showing it to you until you apply!
- Cathy, Advent Health

Being able to chat online increased candidate probability of completing an application by 56%
- Cathy, Advent Health

Crawl – start with unintelligent automation (don't try to run). “Build the muscle first”
- Joseph, Change Healthcare



83% say more than half of their hiring events will remain virtual after the pandemic
- Tom, Advent Health

ConnectTV “story-telling” works for healthcare (short, 15-second stories on Hulu)
- Cathy, Advent Health

Before approving expense reports, application runs AI to flag anomalies
- Sanjay, Takeda

Mobile applications have increased exponentially – much of the new workforce no longer uses laptops
- Cathy, Advent Health

Process is the fuel for non-smart automation (RPA). Data is the fuel for smart automation
- Joseph, Change Healthcare



Automating Processes

Synergies with systems lend visibility across cities with multiple sites and vacancies (co-locate opportunity) – share infrastructure (e.g., IT services)
- Suzanne, Koch

Removing manual processing removed most errors
- Lewis, Delta

Process mining allowed us to spot in 2 minutes what it would normally take 2 months to find
- Barbara, J&J

We have a central Continuous Improvement group, but CI is a mindset – the best to improve the processes are the ones working the processes
- Barbara, J&J



Process automation can make peoples lives better by giving them back a few minutes or hours of their day
- Barbara, J&J

We automate simple transactions so employees can focus on the complex ones
- Suzanne, Koch

We would have thought impossible to close the books remotely, but we found a way to do it faster
- Barbara, J&J

Standardized payroll related requests forms and automated (focus on process)
- Dea, Delaware North



Automating Processes

We use AI algorithms and bots to catch fraud and freeze account for 3 days. Second bot scrapes unauthorized users off the accounts. 99.9% accuracy.
Saved \$50M in equipment
- Dustin, ATT

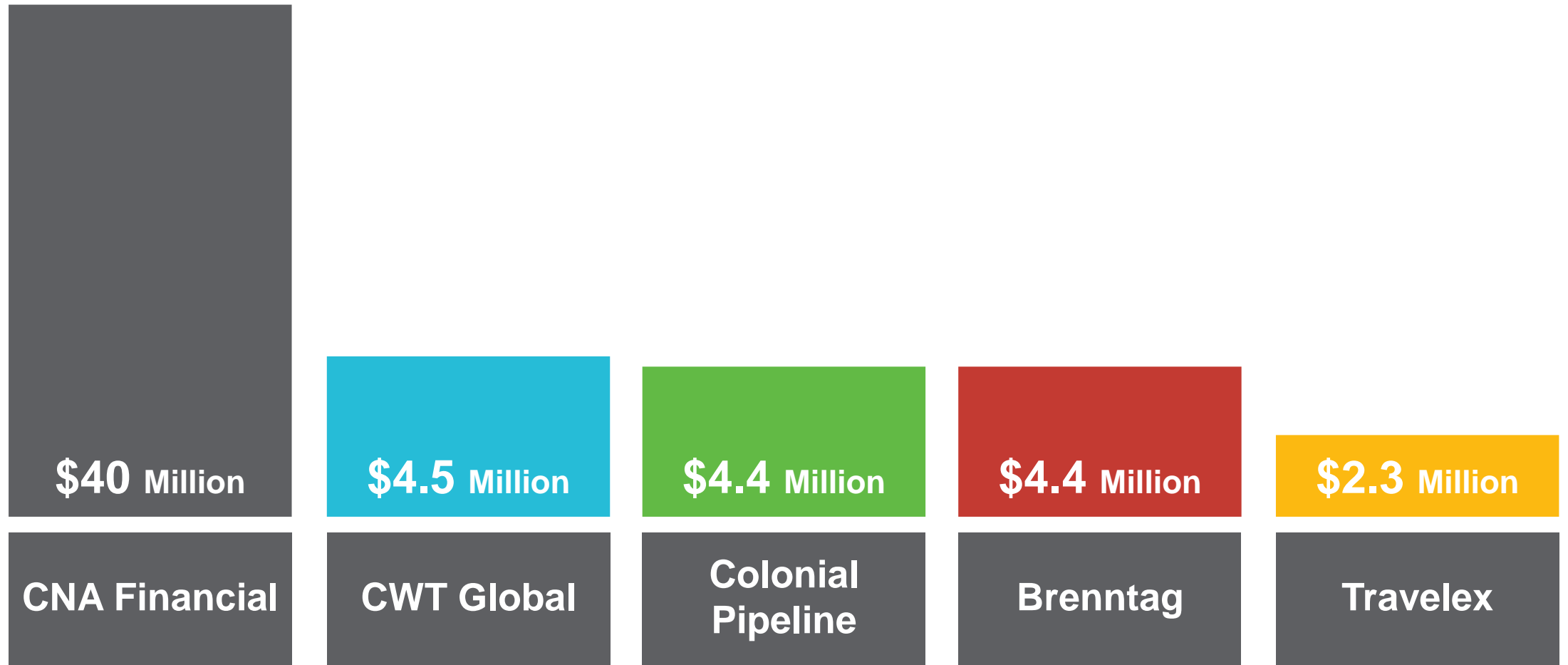
\$19M in savings with robots in production
- Dustin, ATT

Procurement Qualified Leads promote vendors to become bigger customers
- Jim, Iron Mountain

We have hundreds of bots in finance at this time
- Dustin, ATT

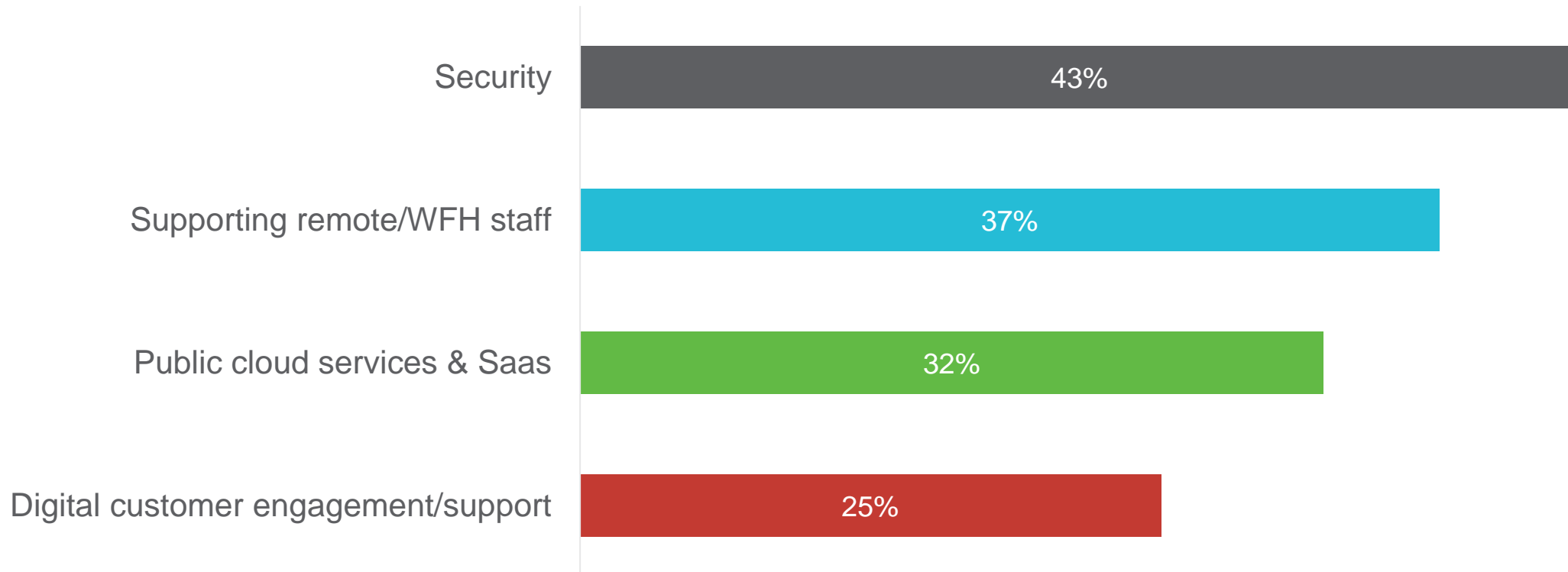


Secure Your Data!



Changes in Technology Spending

Organizations Reporting Permanent Technology Spending Shifts

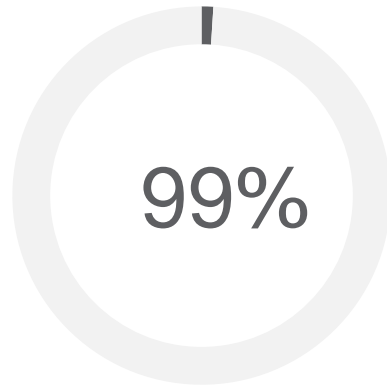




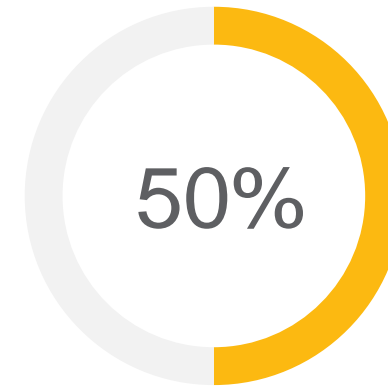
What's Changing in GBS and SSO?



GBS = Resilience!



of GBS reported **NO** drop in productivity while **13% without GBS** reported a poor impact on productivity

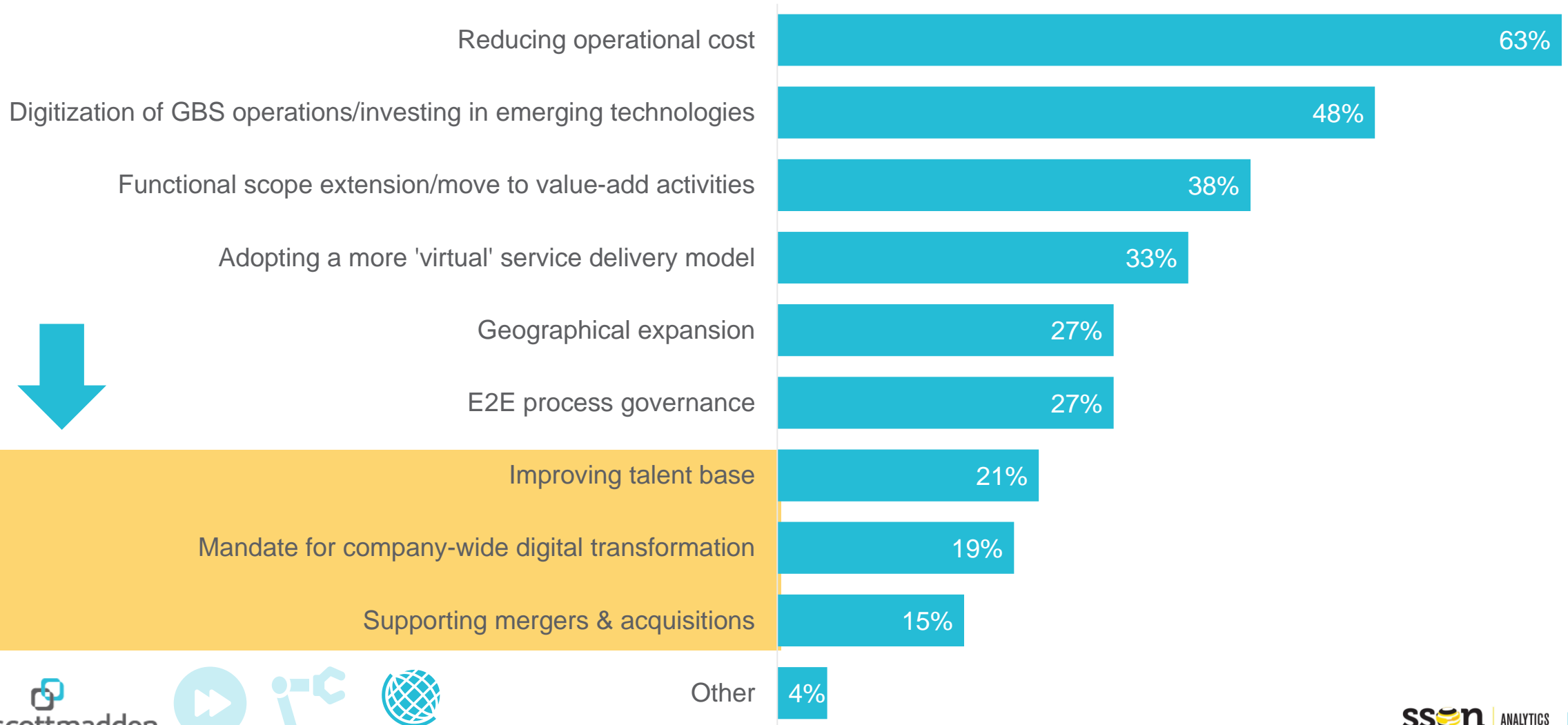


GBS reported being able to **increase scope of work**



Impact of “The Year 2020” on GBS Operations

In the next three years, what are your top objectives and priorities within GBS?



GBS Drivers and Scope

The problem with the cost driver narrative is GBS can never get out of it, and there is so much more
- *Mattijs, PepsiCo*

How do we narrow down and personalize the focus for remote employees “make 10 calls a day in collections”
- *Todd, UL*

M&A assessment within the GBS also gave Procurement eyes on software licenses and other purchases needed
- *Jim, Iron Mountain*

Today we operate GBS from 4,000 locations because we are remote
- *Mattijs, PepsiCo*

Our GPOs own the process. If they say the process needs to change, then it changes
- *Todd, UL*



GBS does marketing, truck routing, consumer insights, consumer relations, product placement on shelves, demand planning, engineering support
- *Mattijs, PepsiCo*

We help our Sales team prepare proposals
- *Jim, Iron Mountain*

We translate the time we save to the frontline business
- *Mattijs, PepsiCo*

We have a PMO organization in GBS – gives Procurement eyes on all major projects in the organization
- *Jim, Iron Mountain*

Everyone is an expert in GBS besides you!
- *Todd, UL*



Focusing on Expansion

Reasons for non-traditional services = Leverage of tools, scale, labor arbitrage, risk reduction

- Paul, Odfjell Drilling

The narrative (story) is a better sell than “telling the business what they need to do”

- Richard, Koch

Criteria for inclusion in GBS = repeatable, rules based, remote, improvement opportunity – risk of outliers is loss of focus and trust

- Paul, Odfjell Drilling

Koch is a lab – we use the companies to test GBS service interest

- Richard, Koch

Make sure you don't become the “dumping ground” of processes

- Barbara, J&J

Non-traditional services add job variety and decrease turnover

- Paul, Odfjell Drilling

Examples of non-traditional are legal, marketing, engineering, real estate, transportation

- Paul, Odfjell Drilling



Focusing on the Tactical

Cash was key – SAP was not a good detector of duplicate/erroneous payments (used Apex Analytics).

Found \$500K in month 1; \$12M in 2 years

- Lewis, Delta

Used time to **balance out benefit policy** across the business units

- Dea, Delaware North

You cannot run an airline with liquor! (and you have to pay before you receive) so **payables was critical**

- Lewis, Delta

We looked for facility consolidation opportunity.

Had 200M ft² globally (92% industrial), initially managing 2M ft² – target is 50M ft²

- Suzanne, Koch



Looked for fraudulent vendors (and found them) in the vendor database

- Lewis, Delta

Cancelled services, rebates and pricing errors were the top 3 cash recoveries

- Lewis, Delta

It has been a **challenge to get to one global Payroll** provider. The complexities between countries, states, and counties are prohibitive

- Barbara, J&J

Used recovery time to **centralize FP&A, push services to BPO, stabilize tech, focus on process**

- Chris, Delaware North



Process and Service

We are an end-to-end process police and influence people outside of the organization
- Rob, Zimmer Biomet

The minute we take work on we commit to 20%-30% savings in delivering same activity
- Sanjay, Takeda

SLAs started a “customer-centric” cultural shift
- Hector, Solistica

Everything we do must have a PX (People Experience) component
- Sanjay, Takeda

Never lose site of the CX. Our goal is an Uber like experience. Mobile and seamless
- Rob, Zimmer Biomet



Will BOT Models Fast Track New Entrants?

Build

BPO leverages existing infrastructure to ramp up for a new client.

Operate

BPO manages the operations through SLAs typically for about 2-4 years.

Transfer

BPO gives the team, processes, systems, metrics, and office back to the client.



Pros

- **Short setup** time
- Access to a larger **talent pool**
- **Lower setup risk**

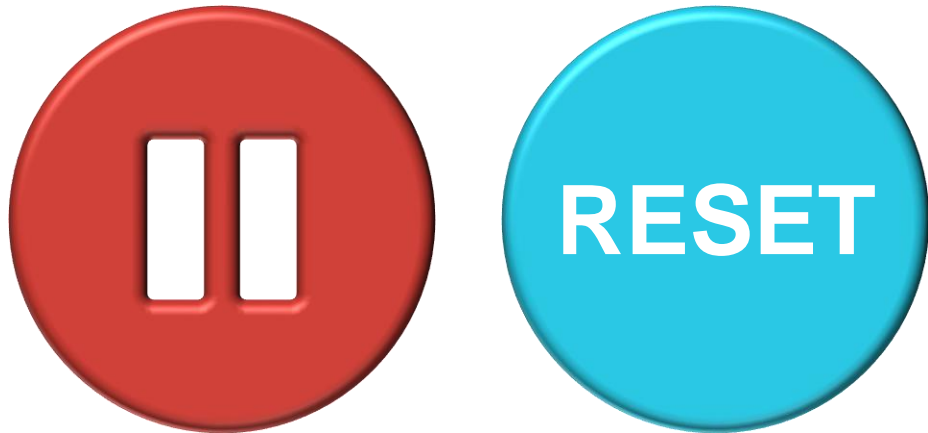


Cons

- Long-term **employee retention**
- Higher **transfer rates**
- Managing **cultural differences**



But... Are We Asking the Right Questions of GBS?



Can GBS serve as “Enabling Centers” for the Business?

- GPO for Manufacturing, R&D, Sales?
- PM Governance?
- Data/Analytic Governance?
- Automation COEs?
- Cross-Functional Training?
- Change Management?



Tips for New Attendees

1

Take home **one idea** to implement in 2022

2

Meet **two new** contacts for **long-term** idea sharing

3

Grab **three meaningful metrics** to sell the case

Please Welcome

*Building and Retaining Value in the Face of Disruption
&
How GBS Earned a Seat at the Leadership
During a Time of Massive Change and Uncertainty*

Moderator: Bill Gilet, PwC

Stephen Hosley, **SVP-GBS, Estee Lauder**

Jo Anne Dimitriou, **Executive Director, United States Air Force**

Robert Bradford, **VP GBS, Zimmer Biomet**

Day 1: Please Welcome

Play to Pause and Back to Play: Resuming Transformation Efforts After a Covid Stall

Chris Lozipone, **SVP Finance, Delaware North**
Dea Palmer, **VP HRSS, Delaware North**

Day 2: Please Welcome

A New Kind of GBS Fueling Growth

Mattijs Backx, **SVB GBS, PepsiCo**

Thank You for a Great Shared Services Conference!



Brad DeMent

Chairman SSOW 2012–2021

ScottMadden Partner – GBS and Finance Practice Lead

bdement@scottmadden.com

- 23 years of Shared Services and GBS experience
- IA strategy and application counsel

Meet with us to plan your next journey