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Future-Proofing Global Business Services for 2030: A Three-Pronged Strategy for Success

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Introduction

A Three-Pronged Strategy

Global Business Services (GBS) is evolving rapidly as the shared-services-model-of-choice as enterprises seek greater efficiency, enhanced value, and improved customer experiences. With the rapid pace of technological advancement, the rise of intelligent automation, and the need for flexible and scalable service delivery models, GBS leaders must prepare for a future that demands innovation and strategic foresight. While some GBS are in danger of stagnating and falling behind, this report outlines a three-pronged approach that ensures GBS not only remain competitive but thrive by 2030.

1.

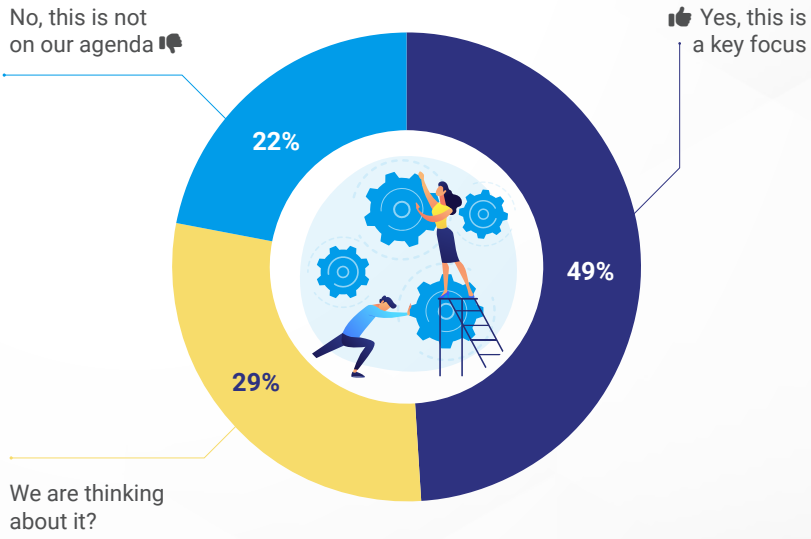
Extending GBS Services into the Front-Office: A New Era of Value Creation

Traditionally, Global Business Services have been linked to operational efficiency, managing back-office functions such as finance, HR, and procurement across dozens of service lines. These services have generally focused on cost savings, streamlined operations, and compliance. However, as objectives have become more ambitious, a significant shift is underway: GBS are increasingly leveraging their proven capabilities to extend their impact into the front-office, creating new avenues for value and innovation.

The Rationale for Front-Office Integration (i.e., why it matters)

Transactional activities are core to enabling front-office functions such as sales support and marketing. These activities represent an untapped opportunity for GBS growth. The expansion of GBS into front-office functions – think sales support, marketing, proposal creation, brand and graphics support, etc. – represents a strategic response to today's evolving business environment and offers a new frontier of services. Modern consumers seek personalized, efficient service at every touchpoint, compelling businesses to adopt integrated solutions that enhance customer engagement via data-driven insights. GBS can merge their analytical strengths and process expertise with customer-facing operations, fostering a seamless connection between back-office proficiency and front-line interactions.

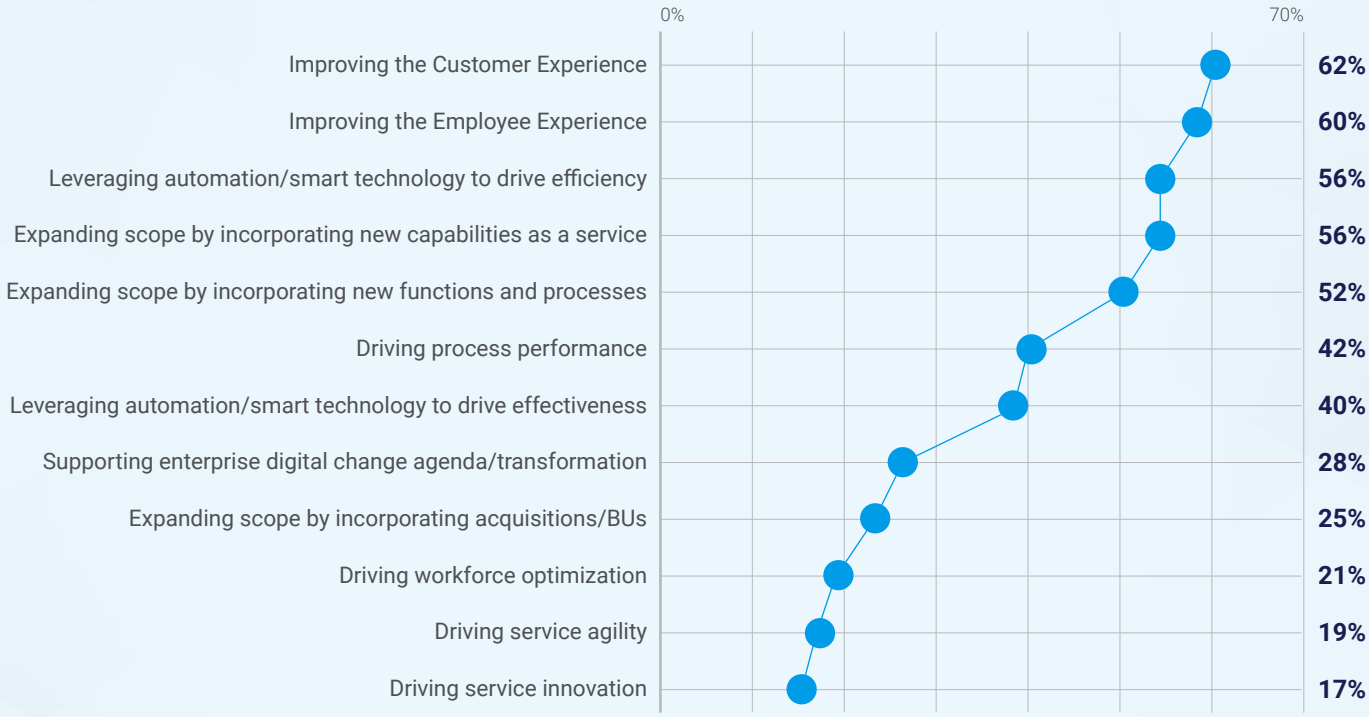
ARE YOU MOVING FROM TRANSACTIONAL BACK OFFICE WORK TOWARDS CORE BUSINESS SUPPORT?



Source: SSON R&A research, 2024

Several factors are driving this change. First, digital transformation has made vast amounts of customer data readily available, enabling more comprehensive insights into customer behaviors and preferences. GBS capabilities in data analytics, AI, and process automation mean that customer interactions are more informed, consistent, and impactful. Second, as businesses compete on the quality of the customer experience, an integrated GBS approach creates cohesive strategies that align customer needs with business objectives.

LOOKING FORWARD AND REFLECTING ON YOUR FUTURE PLANS, WHAT ARE YOUR TOP OBJECTIVES IN THE NEXT 5 YEARS?



Source: SSON R&A research, 2024

Key Benefits of Front-Office Expansion

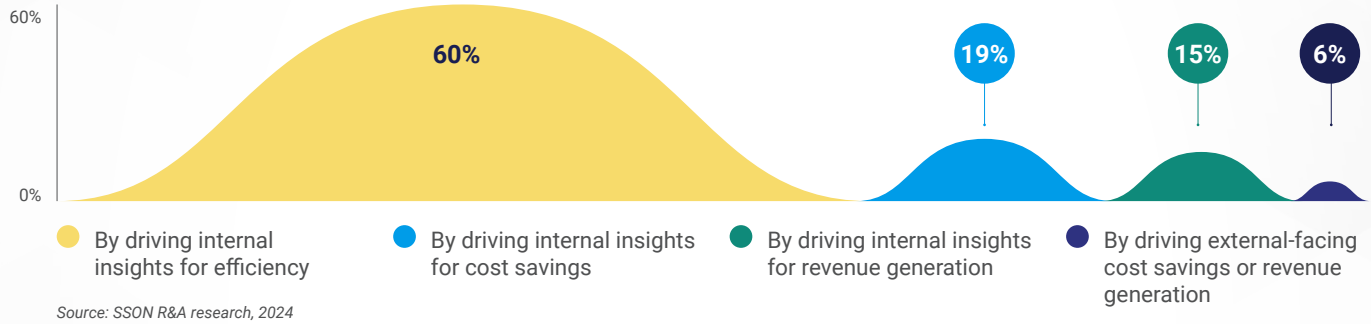
Increased Revenue Potential:

Extending GBS into the front-office also taps new revenue streams by identifying cross-sell and upsell opportunities based on data insights. A well-executed integration can enhance marketing campaigns with relevant insights, refine sales pitches, and streamline customer onboarding—contributing to increased conversion rates and revenue growth. Incorporating GBS into front-office strategies can also lead to higher profitability due to improved customer retention and satisfaction.

Enhanced Customer Engagement: One of the most compelling advantages of extending GBS into the front-office is the potential for improved customer engagement through customer service, sales support, and marketing analytics, resulting in more tailored services, swift responses to customer inquiries, and optimized customer journeys. For example, GBS units skilled in data analysis can equip front-line teams with actionable insights, allowing for faster and more effective service delivery.

Unified Data Strategy: Another significant benefit is the creation of a unified data strategy that spans both the back- and front-office. Traditionally, front-office data has been handled separately from operational data, leading to fragmented strategies and missed opportunities. By integrating GBS services into customer-facing roles, businesses can leverage a complete dataset that enhances decision-making, enables predictive analytics, and supports personalized customer experiences, significantly boosting the ability to anticipate customer needs and foster loyalty.

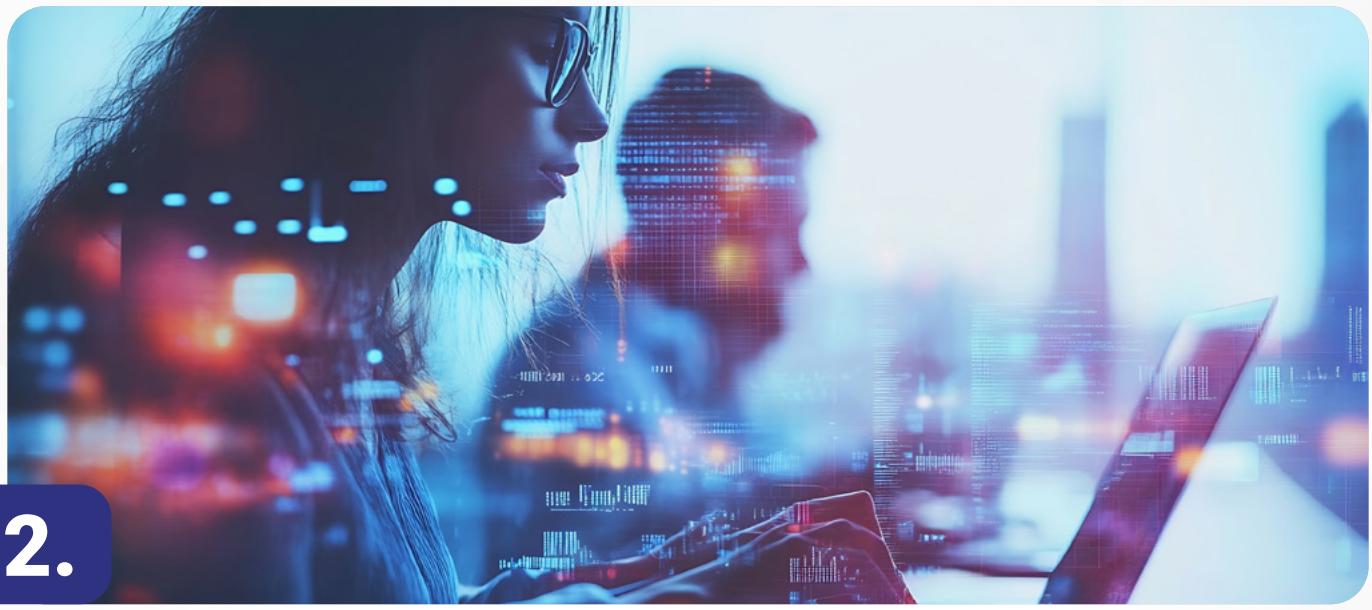
HOW DOES YOUR GBS ORGANIZATION LEVERAGE DATA TO GENERATE VALUE FOR THE ENTERPRISE?



Source: SSON R&A research, 2024

Key Considerations and Steps to Get Started

- Foster strong partnerships between GBS units and customer experience teams to understand the specific needs and pain points of front-office functions.
- Describe the characteristics of activities that are best suited for delivery by GBS, e.g., high volume, repeatable. Demonstrate how many front-office activities exhibit these characteristics, much like traditional back-office activities.
- Develop a list of front-office functions and an *activity dictionary* for each. Classify each activity as transactional, functional, advisory, or strategic and determine approximate FTEs associated with each, with an eye toward sizing the opportunity of transactional activities.
- Design the future state operating model for front-office services, ensuring a unified approach that reinforces the importance of collaboration, shared goals, and customer value across the enterprise.
- Define the quantitative and qualitative benefits of delivering front-office activities within GBS; include potential revenue up-lift.
- Enlist business leaders in functions to whom you deliver existing back-office services to advocate for front-office services; build executive buy-in.
- Create a roadmap of milestones, activities, resources, and dependencies and incorporate this within your broader GBS strategic plan.
- Revise internal policies, update service level agreements (SLAs), and refocus on a service culture that prioritizes both operational efficiency and customer satisfaction.
- Invest in technology platforms that support real-time data sharing, advanced analytics, and collaborative tools to bridge the gap between back- and front-office operations, ensuring that insights generated by GBS are easily accessible to customer-facing teams.
- Train and upskill talent beyond traditional process expertise to include customer engagement, communication, and strategic thinking. Encouraging adaptability and continuous learning will be critical for long-term success.

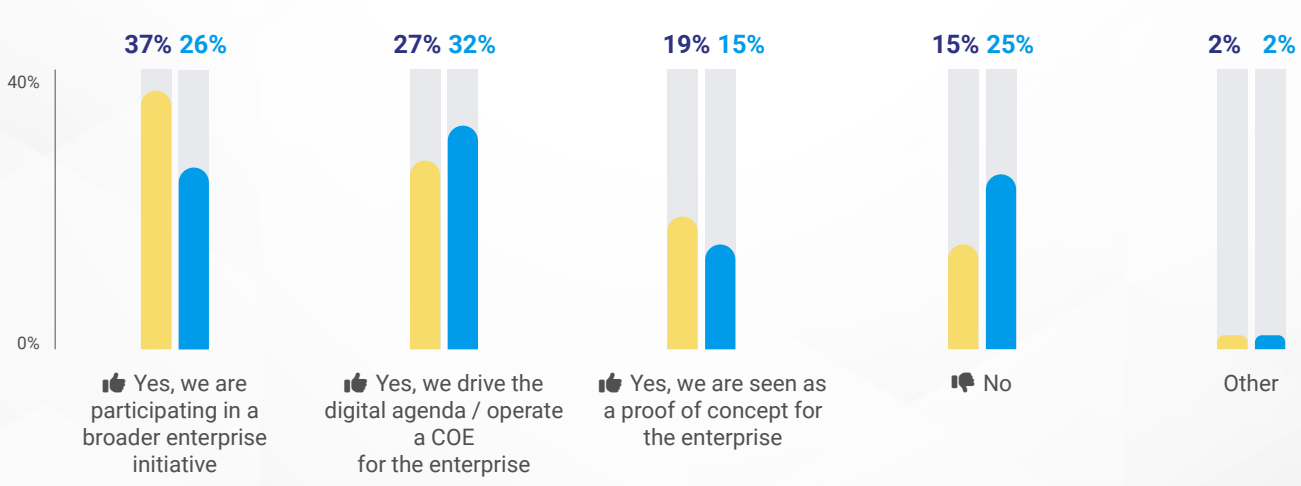


2.

Reimagining the Enterprise Process with Digital Transformation: A Blueprint for GBS Success

In the ever-evolving landscape of global business, the role of GBS has expanded beyond traditional operational support to becoming a catalyst for enterprise-wide innovation. As businesses seek to maintain their competitive edge, embracing digital transformation to reimagine business practices and processes has emerged as a critical strategy. GBS are often engaged in this effort but typically only as a player or partner rather than a driver or designer of the initiative (see chart). However, the extent to which GBS organizations get in front of digital transformation efforts for their organization can fundamentally differentiate the real potential and value of digitization efforts for the enterprise as a whole. GBS leaders who harness the power of digital tools can unlock unprecedented levels of efficiency, agility, and value, ensuring their organizations are prepared for the demands of 2030 and beyond.

IS SHARED SERVICES/GBS PLAYING A ROLE IN SUPPORTING THE ENTERPRISE'S DIGITAL AGENDA?



Source: SSON R&A research, 2024

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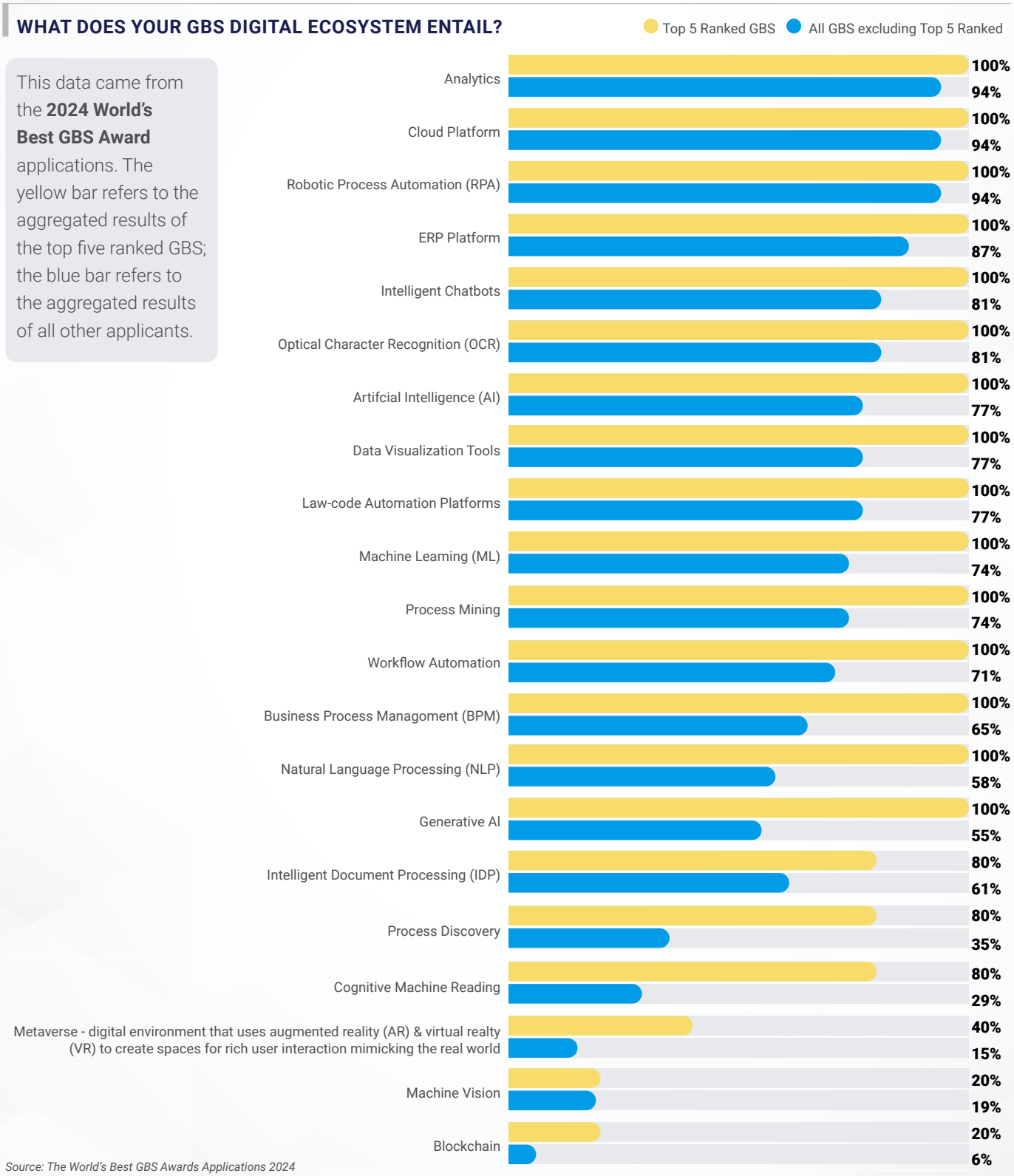
The Need for Digital Transformation in Enterprise Processes (i.e., why it's important)

Digital transformation leverages advanced technologies such as artificial intelligence (AI), robotic process automation (RPA), machine learning, and cloud-based solutions to optimize and reinvent enterprise processes. For organizations, this transformation is not just about automating tasks but rethinking the way services are delivered. This means reimagining workflows and business practices, integrating data across functions, and enabling real-time insights that empower quicker and more informed decision-making. GBS' experience and expertise with such process and service delivery re-engineering highlights the model's criticality in driving and shaping the digital transformation effort on behalf of the enterprise.

WHAT DOES YOUR GBS DIGITAL ECOSYSTEM ENTAIL?

This data came from the **2024 World's Best GBS Award** applications. The yellow bar refers to the aggregated results of the top five ranked GBS; the blue bar refers to the aggregated results of all other applicants.



Source: The World's Best GBS Awards Applications 2024

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Key Benefits of Rethinking Processes in a Digital Transformation

Many Tech Transformations "Miss The Mark": There is an opportunity cost in *not rethinking* processes across the enterprise as part of a digital transformation. This leaves organizations with significant expense but sometimes limited process and systemic improvement. For example, when processes are *lifted and shifted* to simply be replicated in a new system. When asked to think differently about business rules and requirements, the easy option is to design more of the same. In addition, true process rethinking requires a change management lift and drive to take full advantage of new capabilities. In other words: added effort.

It's Easier for GBS to Rethink Processes if it Plays a Central Role: If GBS plays a central role in process design efforts there are significant opportunities to rethink scale and scope of service – by expanding self-service, for example. In addition, the entire flow of work could (and should!) be rethought as part of a new consideration of where work should actually reside. There are also opportunities to integrate employee experience more fully. GBS, with its history of building excellent experience, can, therefore, play a significant role in helping an enterprise identify "what good looks like."

Agility and Flexibility: A digital-first approach equips GBS with the agility needed to adapt to changing market conditions. By incorporating cloud solutions and process automation, GBS units can scale services more effectively and introduce new functions without significant delays. This flexibility is vital in today's fast-paced business environment, where the ability to pivot can determine a company's success. The integration of AI and predictive analytics further enhances this adaptability by identifying potential issues before they escalate.

Key Considerations and Steps to Get Started

- Get vocal about GBS experience with process – highlight the experience GBS has with process redesign and continuous improvement; highlight experience with putting employee/end user experience at the center of their designs.
- Outline the opportunity in process re-think – whether already implemented, considering implementing, or in the midst of an implementation, GBS leaders can showcase existing work, highlight roadblocks, and present concepts of what it could look like; position GBS as a central thought partner to re-think process.
- Highlight GBS experience with technology and digital transformations – remind the enterprise of GBS' track record in integrating new technologies and supporting digital transformations; ensure GBS is recognized as uniquely positioned in skill sets and experience to support digital process rethink.
- Map out existing processes and identify those that will benefit most from digital transformation. Prioritizing high-impact areas, such as finance operations, supply chain management, or customer support, ensures that initial digital investments yield significant returns.
- Implement advanced technologies strategically to align with enterprise objectives. For instance, cloud computing facilitates collaboration and scalability, while blockchain may offer enhanced transparency for procurement and contract management.
- Manage change effectively by clearly communicating the vision, setting realistic goals, and addressing potential resistance. Incorporating feedback mechanisms helps adapt initiatives to evolving needs.

3.

Driving Sustainability and Sustainability Management through GBS: Ensuring a Successful Future

In recent years, the need for businesses to integrate sustainability into their core strategies has shifted up a gear and is today a strategic requirement. GBS organizations own a significant amount of enterprise data, typically manage a large footprint of resources and facilities, and are experienced in pulling and creating standardized reporting to meet regulatory requirements as part of their operating model. This positions GBS uniquely to drive enterprise sustainability management and reporting, embedding sustainable practices across the organization and managing these initiatives with precision and efficiency. GBS can effectively align enterprise sustainability goals with business processes, ensuring a cohesive and impactful approach.

The Case for GBS Managing Sustainability (i.e., why it is critical)

Sustainability is no longer an optional endeavor but a critical component of business resilience and success. GBS organizations are uniquely positioned to support Corporate Social Responsibility (CSR) reporting and often have significant influence in driving positive CSR outcomes. For GBS leaders, this translates to a dual responsibility: incorporating sustainable practices within GBS operations and managing sustainability initiatives across the enterprise. Many GBS have already enshrined "Sustainability" roles within their operations (see below). The fundamental concepts that define GBS – operational efficiency and resource optimization – also drive sustainability. GBS can identify and implement practices that minimize waste, reduce energy consumption, and streamline workflows. In addition, the increasingly stringent requirements around compliance and reporting tap into a GBS strength. GBS already plays a vital role in managing and reporting financial data, for example, ideally positioning it to meet sustainability requirements.

DOES YOUR GBS HAVE A HEAD OF SUSTAINABILITY ROLE?

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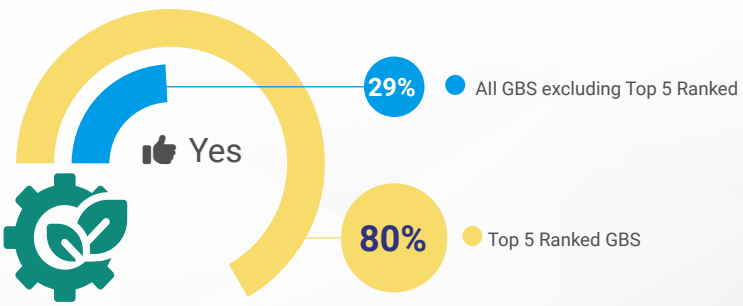
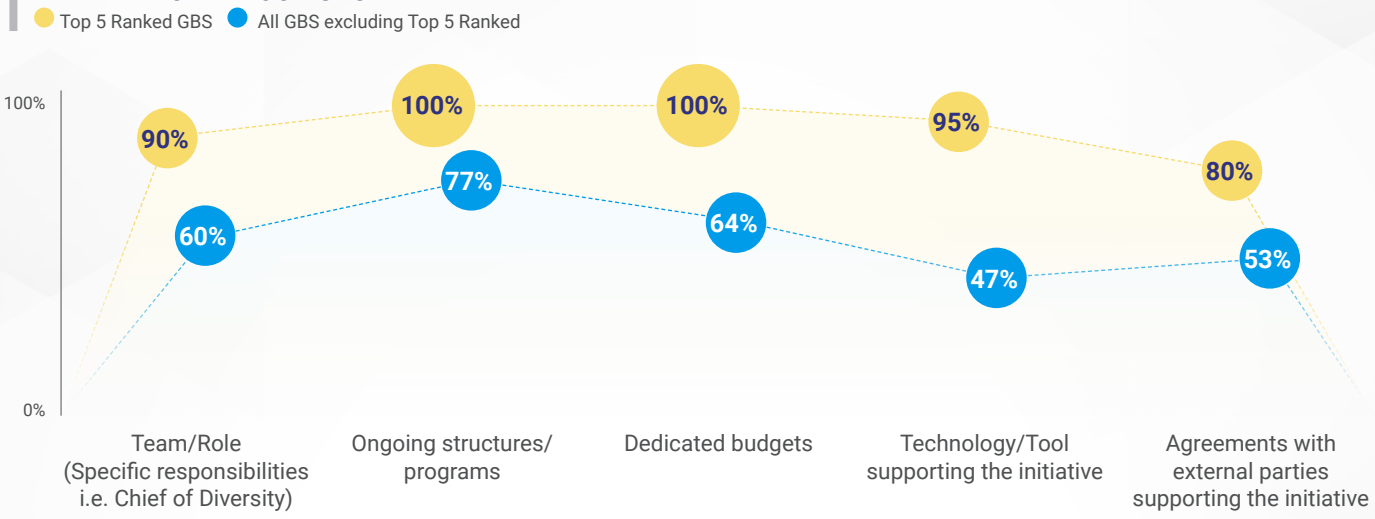


FOR SUSTAINABILITY INITIATIVES, WHICH PROGRAMS/PERMANENT STRUCTURES ARE IN PLACE IN YOUR GBS?



Source: The World's Best GBS Awards Applications 2024

Key Benefits of GBS Driving Sustainability

Implement Sustainable Procurement and Supply Chain Practices:

GBS can drive sustainability by re-evaluating procurement policies and supplier relationships. Prioritizing suppliers that adhere to sustainable practices and integrating responsible sourcing into GBS processes enhances overall performance.

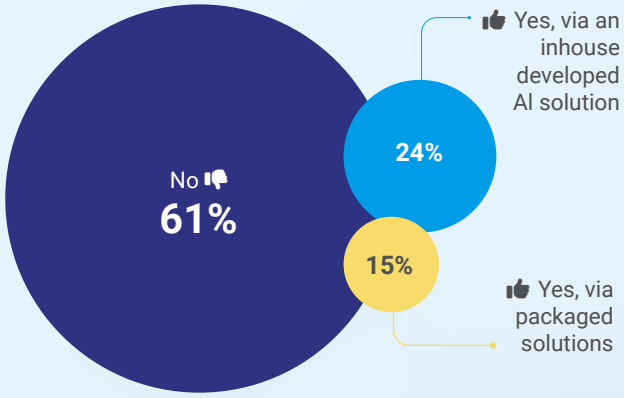
Utilize Data and Analytics for Impact Assessment:

Leveraging GBS's expertise in data management allows for comprehensive sustainability assessments. Advanced analytics can be used to measure carbon footprints, waste reduction, and resource efficiency across different business units.

Integrate Sustainability into Digital Transformation:

Digital transformation and sustainability go hand-in-hand. GBS leaders should consider how existing digital tools, such as RPA and AI, can be adapted to support sustainability efforts. For example, AI can optimize supply chain routes to reduce emissions, while process automation can streamline workflows that traditionally rely on paper or manual labor, cutting down on resource use. The convergence of technology and sustainability allows GBS to act as a catalyst for innovation that benefits both the business and the planet.

ARE YOU ACTIVELY DEPLOYING AI (AS OPPOSED TO RPA) TO DRIVE ADVANCED E2E PROCESS DIGITIZATION?

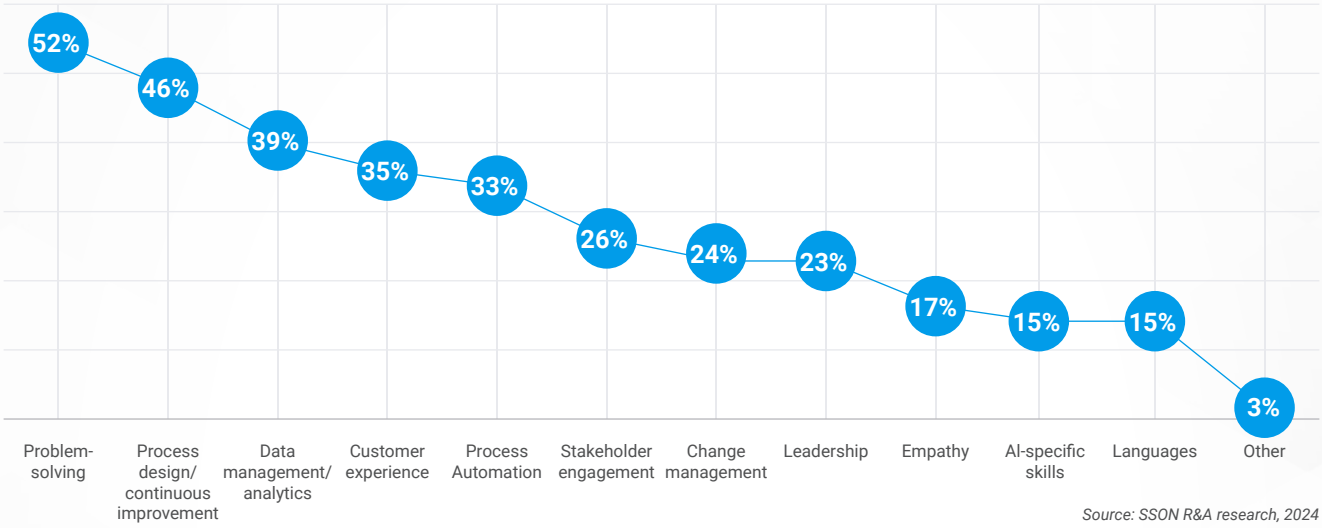


Source: SSON R&A research, 2024

Foster a Culture of Accountability and Engagement:

Sustainability initiatives are most effective when embraced by the entire organization. GBS can lead the charge by setting clear sustainability goals and incorporating them into employee performance metrics. Training programs and workshops focused on sustainability can increase awareness and drive engagement at all levels. To this extent, the focus on problem-solving skills (see chart) supports innovative approaches to meet sustainability goals.

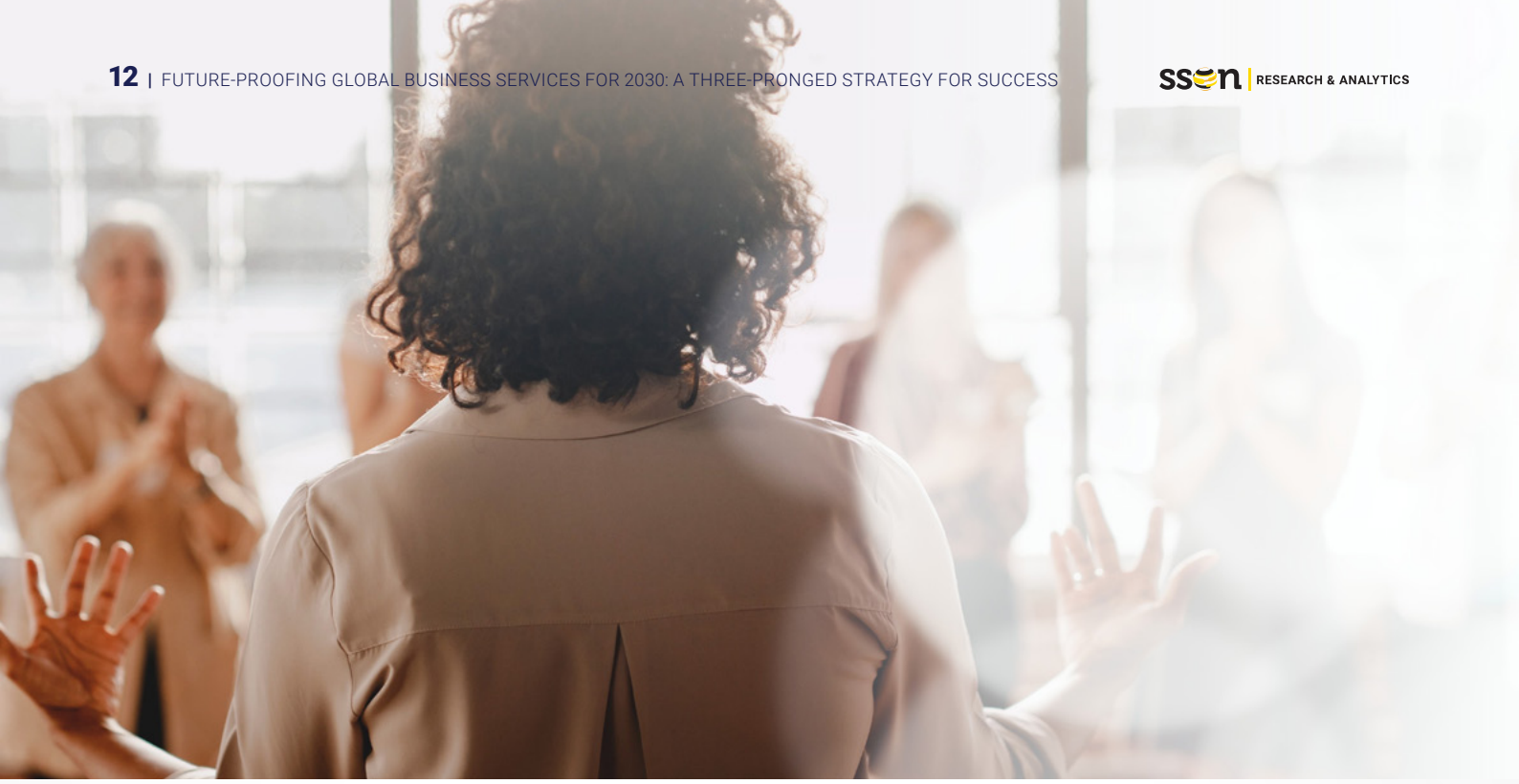
WHAT ARE THE TOP SKILLS YOU ARE PRIORITIZING IN TERMS OF TRAINING AND RECRUITMENT?



Source: SSON R&A research, 2024

Key Considerations and Steps to Get Started

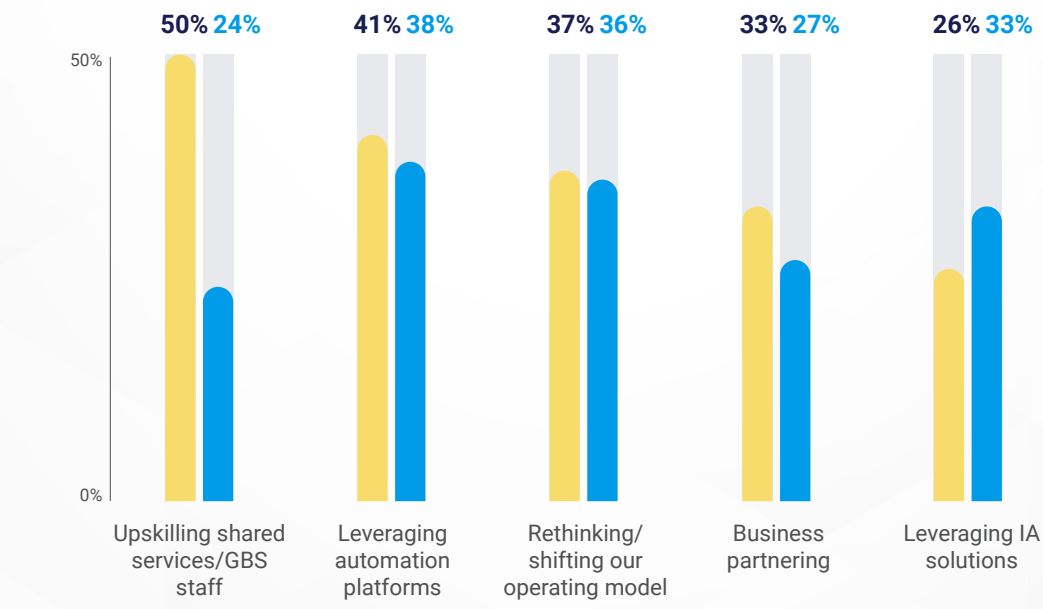
- Define the scope and support potential from GBS related to CSR; ensure opportunity and alignment with senior leadership, and confirm the scope of support (e.g., reporting potential, ownership and purview, etc.).
- Develop a roadmap to enhance and increase depth in CSR support and participation.
- Identify 2-3 immediate actions GBS can take within its own operations to fundamentally support and drive the CSR agenda for the enterprise.
- Leverage GBS' data-centric approach to reporting to measure, drive, and improve CSR metrics, for example:
  - Energy consumption and footprint reporting
  - Employee diversity, equity, and inclusion metrics and reporting
  - Employee participation and engagement in community and social events
  - Employee engagement scores and surveys, etc.
- Tap GBS' existing influence and central positioning to impact the outputs of your organization's sustainability results. This position means GBS can play a leading role in highlighting opportunities the organization should take on, including:
  - Energy consumption and facilities management
  - Measuring and tracking community and social service events and actions
  - Identifying and influencing talent attraction and retention efforts within GBS itself as well as within the enterprise
  - Pressuring suppliers to align with enterprise priorities.



Conclusion

GBS organizations have proven their relevance and success both in terms of value as well as, increasingly, in driving business performance, for decades. As we look to the next five years, GBS have an opportunity to extend and expand *how* they continue to provide value, as well as how they guarantee the sustainability of modern enterprise. Indeed, nearly 40% of GBS are focused on rethinking their operating model in the years ahead (see chart). In so doing, GBS can fundamentally reshape how they are viewed by the organization – in terms of both potential and scope. While it's certainly an option to stay the current course, the truth is that GBS can do so much more. Indeed, looking at the recent winners of SSON Research & Analytics' "World's Best GBS" Award showcases just how far GBS are integrating into today's enterprise front offices and driving digital innovations. Whether you succeed or not depends to a large extent on how successfully you address the three areas highlighted above.

WHAT ARE YOUR TOP OBJECTIVES IN THE NEXT YEAR?



Source: SSON R&A research, 2024

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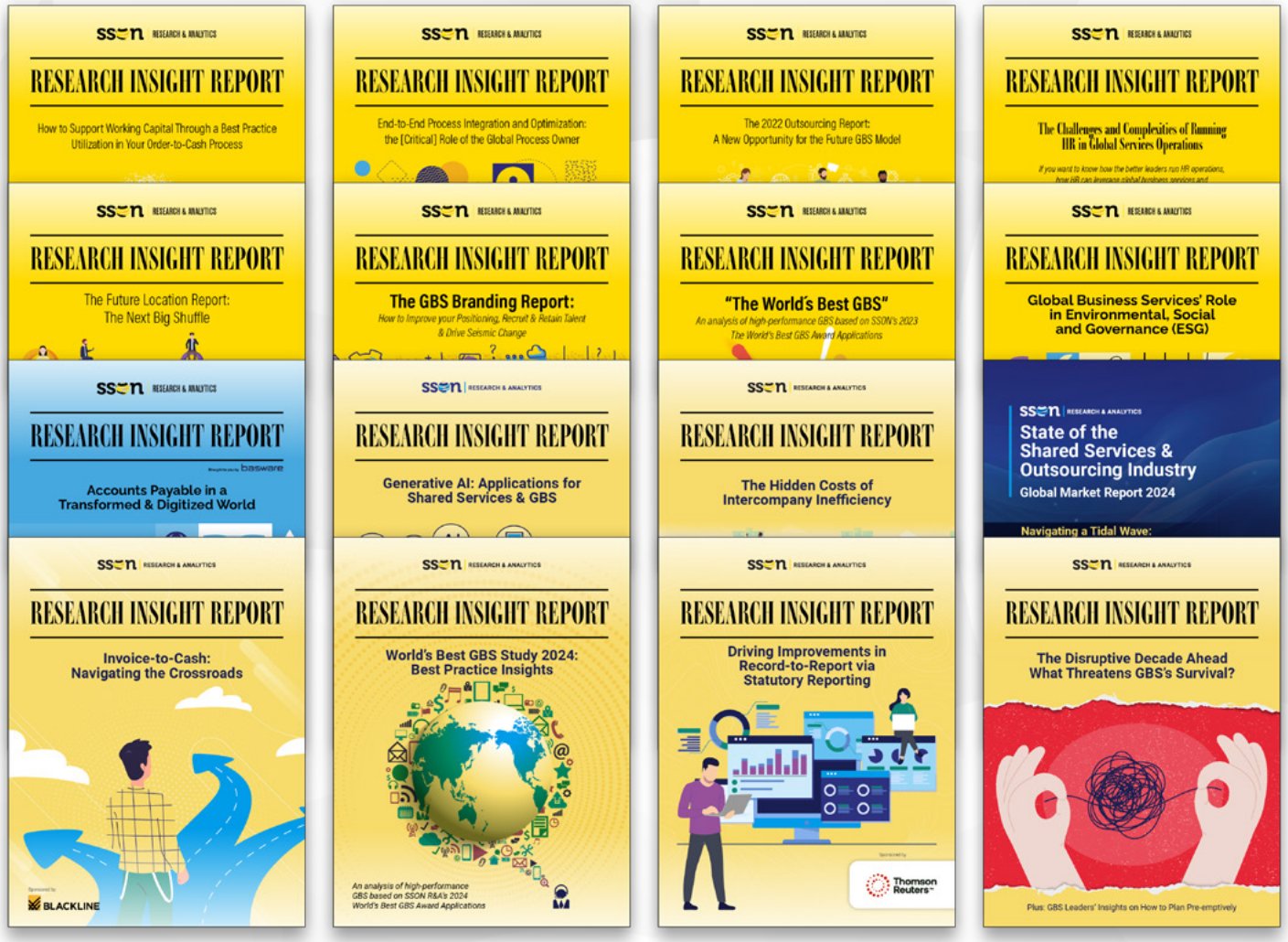

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What is SSON Research & Analytics

SSON R&A is SSON's global data center, now in its 9th year of operation. Thousands of practitioners and consultants recognize SSON R&A as their premier resource for shared services related metrics, benchmarks, trends, market analytics and advisory services. With a user-friendly interface, easily downloadable benchmarks and topic-based charts, SSON R&A adds valuable ammunition to your inhouse or client presentations, strengthening your business case and your credibility. SSON regularly canvases its membership for updated metrics and analytics, allowing us to highlight even minor shifts. SSON R&A distinguishes itself from other associations by offering subscribers direct access to relevant metric data at a highly competitive cost.

"The C-suite expects to see market metrics to evaluate shared services' performance. I have explored various opportunities available in the market. SSON Research & Analytics offers reliable benchmark data, at a highly competitive cost. Given access to this data, by region or industry, I can draw my own conclusions. I don't need to source expensive third-party analysts, as we can interpret the data ourselves."
Edoardo Peniche, Vice President, Global Business Services - Aptiv

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City Cube

Compare 3000+ shared services locations around the world, across 20+ variables such as: cost of labor, talent availability, number of shared services centers, average salaries, and much more.

Intelligent Automation Universe

A one-stop platform for all things RPA, cognitive and AI related that allows users to learn about dozens of IA software vendors, compare their product capabilities, understand the differentiators, and see their customer footprint.

Shared Services Atlas

Locate and evaluate shared services hotspots at country, state, or city level from our global database of 10,000+ global delivery centers. Filter by industry, function, and organization size.

Research Insight Reports

Our monthly RIR's are guided by industry insiders with at least 10 years' experience, and are underpinned by real-time market data to address not just the trends, but the solutions you need to implement.

Visual Analytics Workbooks

Curated charts under core topic headings that summarize the biggest trends and shifts across SSO/GBS.

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As a Premium subscriber you can access our industry experts for 1:1 guidance and actionable steps to propel your GBS journey. We also offer bespoke research services to support your projects with analytics, experience and knowledge.

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Benchmark your SSO across 130+ different metrics, choosing either a conglomerate of industry/country benchmarks; or the Top 20 Most Admired SSOs' benchmarks in the Metrics Intelligence Hub.

For more information on how to become a subscriber to SSON Research & Analytics and gain access to hundreds of metrics, benchmarks, city-based talent, a list of delivery centers globally, and monthly research-based reports, please contact:

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ScottMadden has been a pioneer in corporate and shared services since the practice began decades ago. Our corporate & shared services practice has completed thousands of projects since the early 90s, including hundreds of large, multi-year implementations. Our clients range across a variety of industries from energy to healthcare to higher education to retail. Examples of our projects include business case development, shared services design, shared services build support, implementation, and improvement.

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