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Chris is a principal with Deloitte Consulting LLP and leader of its Global Business Services practice. Chris has over 25 years of consulting experience supporting clients across various industries with shared services strategy, design and implementation; procurement and finance transformation of organization, processes, and strategic sourcing; and business process outsourcing. She has also been published in Supply Chain Management magazine.

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The value of Global Business Services

The value of GBS to an organization is not limited labor arbitrage, standardization, or fewer platforms. Other advantages may result when shared services and outsourcing activities are integrated across the enterprise.

To what extent is Global Business Services (GBS) the next big drive for organizations?
GBS means different things to different organizations so a good starting point is to define it. In comparison to operating numerous shared services centers and managing outsourcing vendors independently, GBS seeks to integrate governance, locations and business practices among the shared services and outsourcing activities across the enterprise. A common misperception is that GBS implies performing all processes internally. This is not the case because GBS incorporates the principle of "what's the best operating model for my business?" Organizations may choose to build up their internal capabilities to perform certain functions, or they may engage third-party outsourcers, particularly when they want more scale and efficiency. The choice is theirs, and it can all fit under the one umbrella of GBS.

As a driving factor, many organizations look to GBS to improve efficiency. While it can certainly deliver on that front, the overall value proposition of GBS is broader. In my view, the main advantage GBS provides isn't labor arbitrage, standardization, or fewer platforms; instead, it's the ability to take an end-to-end process view, i.e., Purchase through Pay (P2P), Order to Cash (O2C), or Hire to Retire (H2R). This is critical because connecting processes across different functions and governing them through a single structure exposes opportunities not only to improve efficiency and productivity but also to implement next-generation, value-added capabilities. For instance, in a GBS environment, it becomes easier for organizations to introduce analytics, visualization of data, robotics, etc. to the entire company. In short, "end-to-end" is the big reason GBS is becoming the next big drive for many organizations.

How do you see Robotics Process Automation (RPA) changing the dynamics of the SSC?
When people think of "robotics," they often think of the manufacturing industry, where automation has dramatically improved quality and lowered costs. Configuring computer software, or a "robot," to administer business processes has similar potential to transform the cost and productivity dynamics for SSCs in areas where people perform high-volume, transactional functions.
One opinion estimates that RPA can reduce costs by one-third compared to having a human perform the same task. Despite the notion that robotics could be a game changer, implementation has been slow, with mainstream adoption still taking some time.
We expect RPA "to arrive," or to become commonly feasible, within the next 3 to 5 years. But, the type of company and the nature of its internal operations will largely determine the pace of adoption. In general, companies that have diverse and fragmented processes, policies and systems will likely adopt RPA faster than those who are more mature in terms of standardization and harmonization. Contact centers are expected to be among the first to seize upon this technology as well as IT business process outsourcers (BPOs), who will likely pursue the lower costs afforded by RPA as a competitive advantage.

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