

Sustaining the Value of Shared Services

Shared Services Diagnostic

Deploying an internal shared services model has long been a leading way to reduce costs, improve performance and transform how support services deliver value to an organization. And it clearly delivers results, as nearly 80 percent of Global 2000 companies have adopted some level of shared services for support functions.

But despite this increased adoption, many shared services organizations lose momentum following startup, fail to deliver on their full value proposition and suffer from fading executive sponsorship. These organizations fail to focus on the commercial competence and operational excellence that sustain long-term value.

EquaTerra’s Shared Services Diagnostic Delivers Results

Shared services delivery is rapidly evolving and new, more efficient ways of operating are continually emerging. Operations that were world-class a few years ago may be out of step. And organizations focused on continuous improvement are seeing the bar ever moving.

EquaTerra’s Shared Services Diagnostic includes process and organizational health, financial benchmarks and a roadmap tailored to your unique situation. It goes far beyond traditional benchmarking and generic lists of best practices by providing step-by-step guidance on how to optimize your shared services performance.

In addition to improved optimization of shared services, EquaTerra’s diagnostic helps clients:

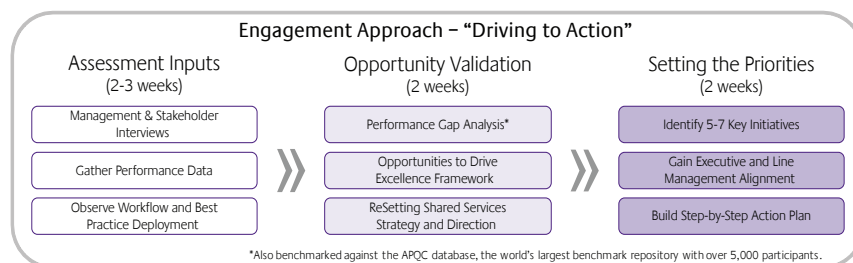
- Quantify performance of shared services operations at the process and organizational level
- Identify opportunities for improvement, including appropriate alternatives
- Provide indicative savings and cost-to-achieve for transforming operations or migrating to alternative delivery models
- Provide a platform for discussion between shared services leaders, sponsors and clients regarding the strategy and direction of the shared services organization
- Identify tangible actions to leapfrog the competition and place yourself in the upper echelon of shared services leaders
- Provide a roadmap for realization

In less than eight weeks, this diagnostic will enable your shared services organization to:

- Reset your shared services strategic and tactical priorities
- Ensure that your service delivery model is the optimal choice to leverage stakeholder, cost and globalization requirements
- Prioritize the top initiatives based on indicative savings
- Establish missing shared services foundational elements
- Improve the “delight” factor among your internal customer base

A Process that Works

EquaTerra’s proprietary tools and methodologies are at the foundation of its Shared Services Diagnostic, delivering both qualitative and quantitative assessments and recommendations back to the client. Beside is our approach that we leverage to drive results.



As part of the qualitative effort, EquaTerra leverages online surveys and questionnaires and leadership interview guides to assist with the collection, validation and assessment of current costs, practices and service levels. In conducting these surveys and interviews, the diagnostic analyzes nine dimensions of shared services operations, including:

1. Leadership
2. Governance
3. Organization
4. Customer relationship model
5. Best practice deployment
6. Enabling tools and technologies
7. Process control framework
8. Customer satisfaction
9. Linkage to business outcomes

These dimensions are then evaluated against EquaTerra's excellence framework, which includes: 1) foundational elements, which shared services groups need to deliver early to demonstrate value; and 2) differentiating elements, which mature global shared services must focus on to demonstrate leadership.

EquaTerra Excellence Framework

Fundamental Elements

Getting it right

- Standardization
- Joint governance
- Cost and service orientation
- Service levels and measurement
- Visible executive sponsorship and functional alignment
- Best practice stewardship
- Organizational excellence
- Commercial "run it like a business" orientation
- Timely communications and attention to managing change

Differentiators

Taking it to the next level

- Broad multi-functional and global scope
- Services targeted at improving business results beyond transactional savings
- Aggressive use of alternative delivery mechanisms such as blended sourcing and globalization
- Focus on re-skilling and restructured employees retained within the business
- Global process ownership with an end-to-end perspective
- Improvement sequencing to explicitly balance transition and transformation priorities and risks
- Aggressive use of enabling technologies such as self-service automation
- Transformation beyond the "four walls" of the company to customers, suppliers and partners
- Transparency to business case realization

EquaTerra then delivers a comprehensive qualitative evaluation and provides shared services leaders with new insights into their operations. EquaTerra works collaboratively with the client to discuss ways to exploit strengths and determine a strategy to improve and optimize operations.

As a companion to the qualitative diagnostic, EquaTerra facilitates a quantitative benchmarking exercise. We leverage our data collection templates to gather cost, headcount and volume information, and benchmark this against the performance of organizations in APQC's Open Standards Benchmarking CollaborativeSM (OSBC) database, the world's largest repository of business metrics with more than 5,000 participants and covering over 1,200 performance metrics across multiple business functions.

EquaTerra specializes in business process transformation and shared services strategies. Our consultants have been actively engaged in over 300 shared services projects, which have included design, build, manage and drive benefits. Our experienced advisors will be able to quickly design an actionable plan to take your shared services to the next evolution.

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About EquaTerra

EquaTerra sourcing advisors help clients achieve sustainable value in their IT and business processes. Our advisors average more than 20 years of industry experience and have supported over 2000 transformation and outsourcing projects across more than 60 countries. Supporting clients throughout the Americas, Europe, and Asia Pacific, we have deep functional knowledge in Finance and Accounting, HR, IT, Procurement and other critical business processes. EquaTerra helps clients achieve significant cost savings and process improvement with internal transformation, shared services and outsourcing solutions.

For more information on our Shared Services Diagnostic Services or to contact a Shared Services expert, please see our Website at: <http://www.equaterra.com/fw/main/Shared-Services-39.html> or <http://www.equaterra.com/fw/main/Diagnostic-and-Benchmark-48.html>