Shared services sources of value
The changing landscape

Mike Sinclair
Vice President Shell Business Service Centre, Shell
What we will cover?

- Shell Business Service Centres – Journey and Evolution of Operating Model
- HR Services Transformation – A case study
- Sources of Value: Dimensions and Future
We operate one of the largest Global Business Services ‘captive’ networks.
Fast Facts

- 23 languages are serviced across the Centres.
- 3 Centres run 24/7 day operations.
- The SBSCs make up approximately 10% of the Group Footprint.
- The SBSCs are located in 6 different countries, 3 different continents, and across 5 different time zones.
- Seat utilisation at Centres vary from 70% to > 100%.
- Approximately 60-70% of HR transactions are executed in Centres.
- Approximately 55% penetration of the Finance function.
- The following Functions / Businesses have staff in the Centres: Finance, IT, HR, Global Commercial, S&D, CP.
- The first Centre started up in 1998 with 23 staff – 14 years later the SBSC Network houses c.10100 staff.
- Manila started with 49 employees in 2004 and is now the largest Centre in the network with over 3100 employees.

Language services at Centre:

- 23 languages are serviced.

Centres run:

- 24/7 day operations.

Centres are located in:

- 6 different countries, 3 different continents, and across 5 different time zones.

Seat utilisation:

- Varies from 70% to > 100%.

HR transactions:

- Approximately 60-70%.

Finance penetration:

- Approximately 55%.

Staff:

- The following Functions / Businesses have staff in the Centres: Finance, IT, HR, Global Commercial, S&D, CP.

First Centre:

- Started up in 1998 with 23 staff.
- 14 years later the SBSC Network houses c.10100 staff.

Manila Centre:

- Started with 49 employees in 2004.
- Now the largest Centre in the network with over 3100 employees.

Language service:

- 23 languages.

Centres operation:

- 24/7 day operations.

Centres location:

- 6 different countries, 3 different continents, and across 5 different time zones.

Seat utilisation:

- Varies from 70% to > 100%.

HR transactions:

- Approximately 60-70%.

Finance penetration:

- Approximately 55%.
**SBSC: 1998 - 2013**

1998-99  
‘The Factory’

1999  
‘The Commercial Model’

2000-2004  
‘The Commercial Model’

2004-05  
‘Functional Services’

2005-2008  
‘Horizontal & Vertical’

2008 - To Date  
‘Horizontal & Vertical’

### Initial Step
- **Move from JV to Own**
- **Integrated Offering (Finance, Facilities & IT)**
- **Successful in US**

### JV Model
- **Glasgow/ KL**
- **Only Finance**

### Only Finance
- **Attrac/Tasco**
- **Shell Service Co.,**

### 15 years Journey

#### Shell Services
- **Commercial Model**
- **Serving both Shell & Outside**

#### Functional Lines
- **High Cost – NL & UK**
- **Absence of mandated use**

#### Functional Services
- **Led by Finance Operations - Joined by other functions**
- **Network of centres**
- **Centre in Manila, then Krakow, then Chennai**

### Mature to GBS
- **Value Added Scope**
- **Landlord/ Tenant Model**

### Shell Business Service Centre
The Operating Model leverages the convergence of common infrastructure and standard global business services delivery to provide an efficient and flexible platform to support business demands in a changing environment.
We have refined how we leverage and drive value from our Global Business Services operation.
HR Services Transformation: The Start

- Single ERP
- Focus on Simpler Delivery
- New HR - Drive to harness Value
- Value Add was the driver
- Not Arbitrage

Year: 2005
HR Services Journey to Date

- Collaborated with Finance Operations
- Used Existing Network - Migrations to Manila
- Widen spread to KL and Krakow centres
- Transform Service Delivery Model
- 580 employees in centres
- Serve 87000 employees of the Group
- Self service was and is key
- 60-70% of HR transactions executed in SBSC
Where to Next?

End to End

Collaboration

Technology and Mobility

Our Future Potential