



# The value of global process owners in global business services

## Part 1



# Introduction



Global process owners (GPOs) are individuals who own an end-to-end process across functional silos, geographic and business unit boundaries. The role has become increasingly common, in line with the development of global operating models and the concurrent evolution of the process model. Traditionally the GPO sits in a shared services model where they drive value by better integrating and improving activities across the organization. However, we are increasingly seeing that the GPO is taking on broader responsibilities as part of Global Business Services and, in certain instances, reporting outside of the delivery organization and directly to a 'C' level executive.

While GPOs have arguably been successful in bringing about gains in process efficiency and effectiveness, there may be opportunity for GPOs to add enterprise-wide value. Research<sup>1</sup> suggests that companies are pushing to manage global business services as a single organization and are leaning towards a service delivery model that has fewer global locations rather than more regional ones. Aggregating transactions to build scale helps create synergies which, if captured, can significantly reduce the

cost-to-operate. This presents new opportunities for GPOs to play an instrumental role in helping global business services grow as a partner to the business and deliver real strategic value.

We present here a two-part article series on the crucial role a GPO can play in global business services:

- **In Part 1**, we outline five specific and significant ways a GPO can create enterprise-wide value
- **In Part 2**, we explain what the leadership at global business services can do to support and enable GPOs to create value for the enterprise

<sup>1</sup> Deloitte Shared Services Survey 2013

# How can a GPO create enterprise-wide value?

The day to day role of a GPO often straddles strategy, service delivery, managing competing initiatives, sourcing talent and aligning the organization. However, given the transaction volumes and scale of global organizations, it is possible for GPOs to be distracted and to under-invest in the strategic aspects of the role.

Specifically, we have identified five ways the GPO can create enterprise-wide value. We have found that these drivers should be at the forefront of the discussion so as to help build capability and inform the future of transaction processing.

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## Setting and managing the strategic agenda

The GPO owns the end to end process. While there may be political, organizational and regional differences in how work is conducted, the GPO needs a vision for how the pieces of the process come together, where the integration points are, and how performance can be improved over time. This allows the GPO to make choices on 'where to play' and 'how to win' in the global business services game. This is not a 'once and done' exercise; in the fluidity of global business there is a need to continually be sensing, adapting and integrating. The strategic agenda will change over time and be subject to changes in the business environment.

## Aligning the organization

Having all the horses pulling the carriage in the same direction creates the opportunity for high quality performance. Building on the strategic agenda, the GPO needs to align key stakeholders (customers, business unit leaders, management etc.) on the direction of the global process. While this differs in each organization, in our experience we have found that GPOs who co-create with key stakeholders a set of anchoring choices, design principles and performance metrics, and continually speak to these points are better at aligning the organization. Getting out in front of the discussion is an effective way to resolve differences and build momentum. Equally, close alignment with continuous improvement teams to help coordinate the implementation of transformation initiatives is a key driver for the GPO to be able to sustain results.

## Changing behavior

At some level change does not occur until individual behavior changes. The third strategic driver of the GPO's role is to advocate individual behavior changes, both inside and outside global business services, in a way that facilitates the desired outcomes. This may be as simple as teaching managers to follow a new automated process or as complicated as identifying the 'work-arounds', understanding why they occur and how to eliminate them. Equally the behavioral change may be more complex and nuanced — the GPO is challenged with educating stakeholders on the efficacy of global business services, or the potential benefits of standardizing policies. The key to changing behavior is to involve the community of users in the design of processes and then constantly communicating, engaging and empowering them to be part of the solution. Changing individual behavior is an effective way to achieve accelerated adoption. Working in the context of the organization, it is essential that the GPO learns how to exercise this change lever.



### Reinforcing cultural norms

Each organization has a unique culture based on their organizational history, management style and organizational design. This impacts many components of the end to end process and can be insightful in how to design, implement and manage the end to end process. As an example, if your organization has a high touch, low cost culture then model that in service delivery. If your organization is highly decentralized or regional in nature ensure that you care for the important localization of the work. Understanding decision rights, centers of power and points of control can help in understanding how to start the journey and adapt as you go. Use the culture of the organization as a strength and guide rather than a weakness or something that requires changing overnight. The GPO can tweak and tailor the model over time. It may be better to move into action sooner with an 80% solution and adapt as you go versus waiting for the extra 20%.

### Reinforce brand

While many global business services organizations develop their own internal brand over time most are representative, in the beginning, of the overall organizational brand. Reinforcing the corporate brand helps the GPO create affinity with the organization rather than a point of separation and distinction. When the GPO deals with processes that touch customers, suppliers, or employees they need to do so in a way that supports the brand that those groups experience. Reinforcing the brand helps build trust. With the trust of the organization the GPO can achieve greater performance over time.

Clearly, a GPO can bring significant value to the table. However, the natural question that arises from this discussion is: "What can organizations do to help GPOs create enterprise-wide value?" We will address this question in the next installment of our two-part article series.

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