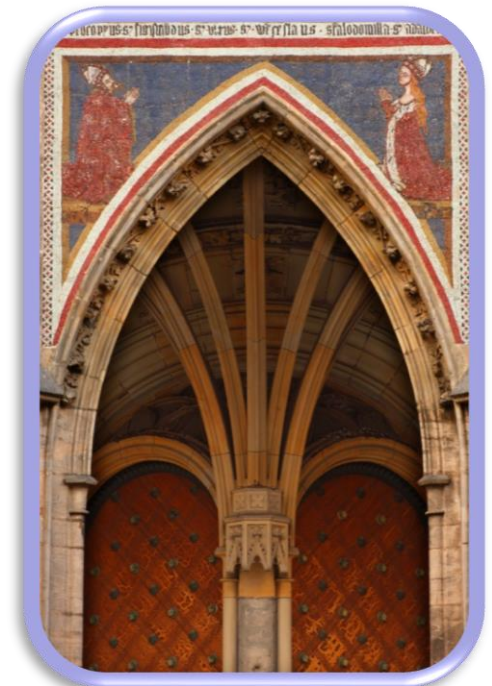




*Opening doors
around the world...*

HR Operating Models, Service Delivery and Governance

*The Conference Board
European HR Operations Council
Basel, Switzerland
23 June 2013*



*...solutions for global
and local success!*

Introductions – Karen Beaman



Karen Beaman

Strategic Global Advisor
Home Base: San Francisco

[Karen.beaman@jeitosa.com](mailto:karen.beaman@jeitosa.com)
+1.415.690.5465 (global cell)

- Founder and CEO of Jeitosa, a global business consultancy focused on building solutions for global success.
- Led the team that built the global strategy for Workday's new Human Capital Management offering.
- Previously responsible for ADP's professional services across the Americas, Europe, and Asia/Pacific.
- Co-founder and Editor-in-Chief of the *IHRIM Journal* and Program Chair for IHRIM's Global Technology Forum.
- Published extensively in fields of Linguistics, Humanities, Human Resources, and Information Technology
- Recipient of IHRIM's Summit Award in 2002, honoring her lifetime achievements in the field of HR and HRIT.
- B.A. from Old Dominion and an M.S. from Georgetown University; Ph.D. candidate in Sociolinguistics.
- Fluent in English, German, and French; conversational Spanish and Portuguese.

Introductions – Christian Adlung



Christian Adlung

Strategic Global Advisor
Home Base: Bremen, Germany

christian.adlung@jeitosa.com
+49.172.7461.875 (global cell)

- 20 years experience, including 15 in a global/EMEA business environment.
- IT development and project leadership of payroll and Human Capital Management (HCM) systems.
- Strong experience working with large corporations on EMEA/global HCM service models and business process reengineering.
- Led European rollout of multiple global HR system implementations, including project oversight
- Facilitation of the European Works Council discussions and the strategic support for European leadership teams
- Led multiple international HR and payroll assessments, covering HCM system/services, service center location, and global HR business process definitions.
- Operational responsibility for a German payroll outsourcing division.
- Fluent in English and German.

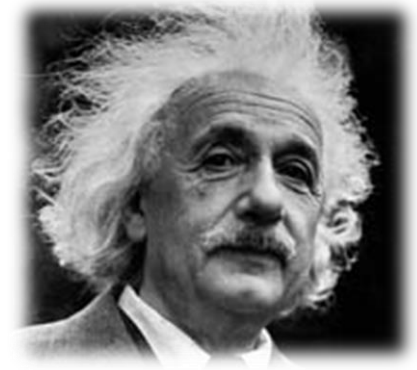
Topics

- Global Organizational Models
- Global Shared Services Models
- Global Governance Models
- Global Service Delivery Models
- Global Outsourcing Models

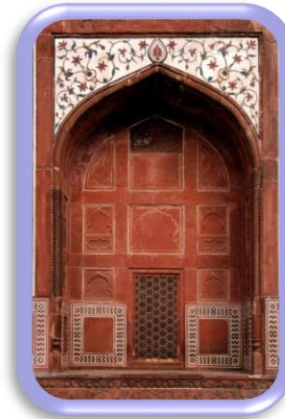
Industry Background

- Age-old paradox: how to do more with less
- Organizations are simultaneously trying to:
 - Seek efficiencies through lower costs and increased productivity
 - Pursue innovations and opportunities that promise better ways to get work done

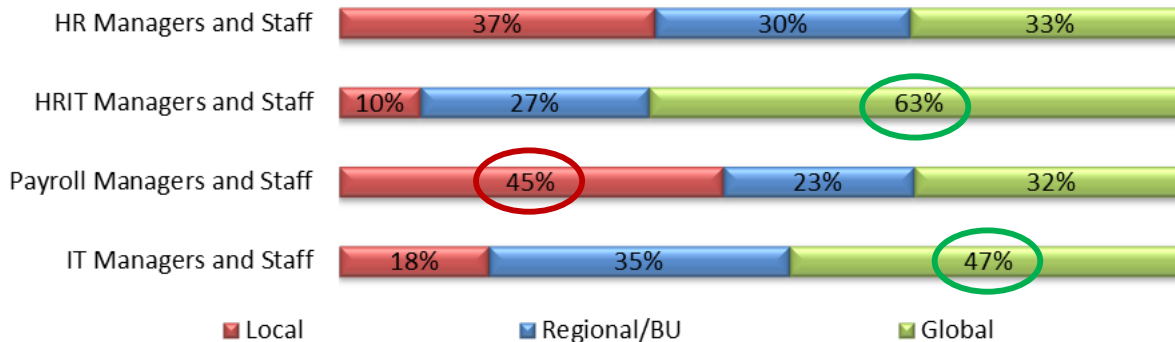
“Everything should be made as simple as possible, but not simpler.” –Albert Einstein



Global Organizational Models

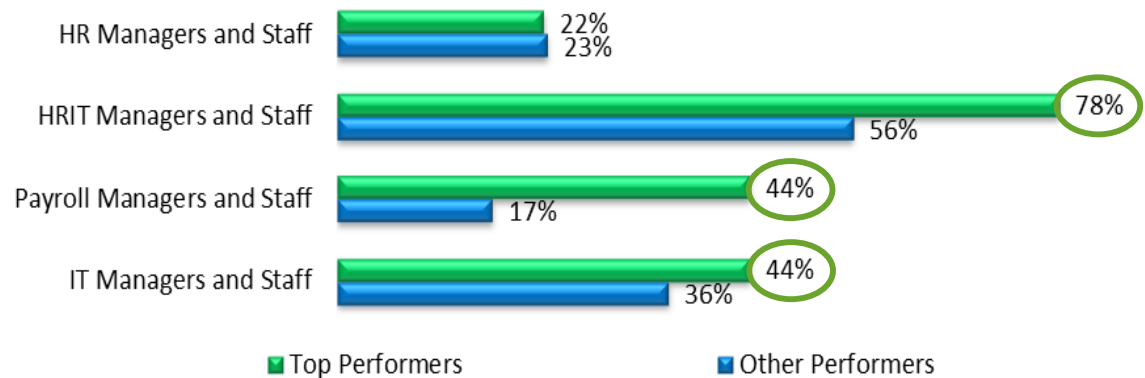


Global Organizational Structure – Adoption



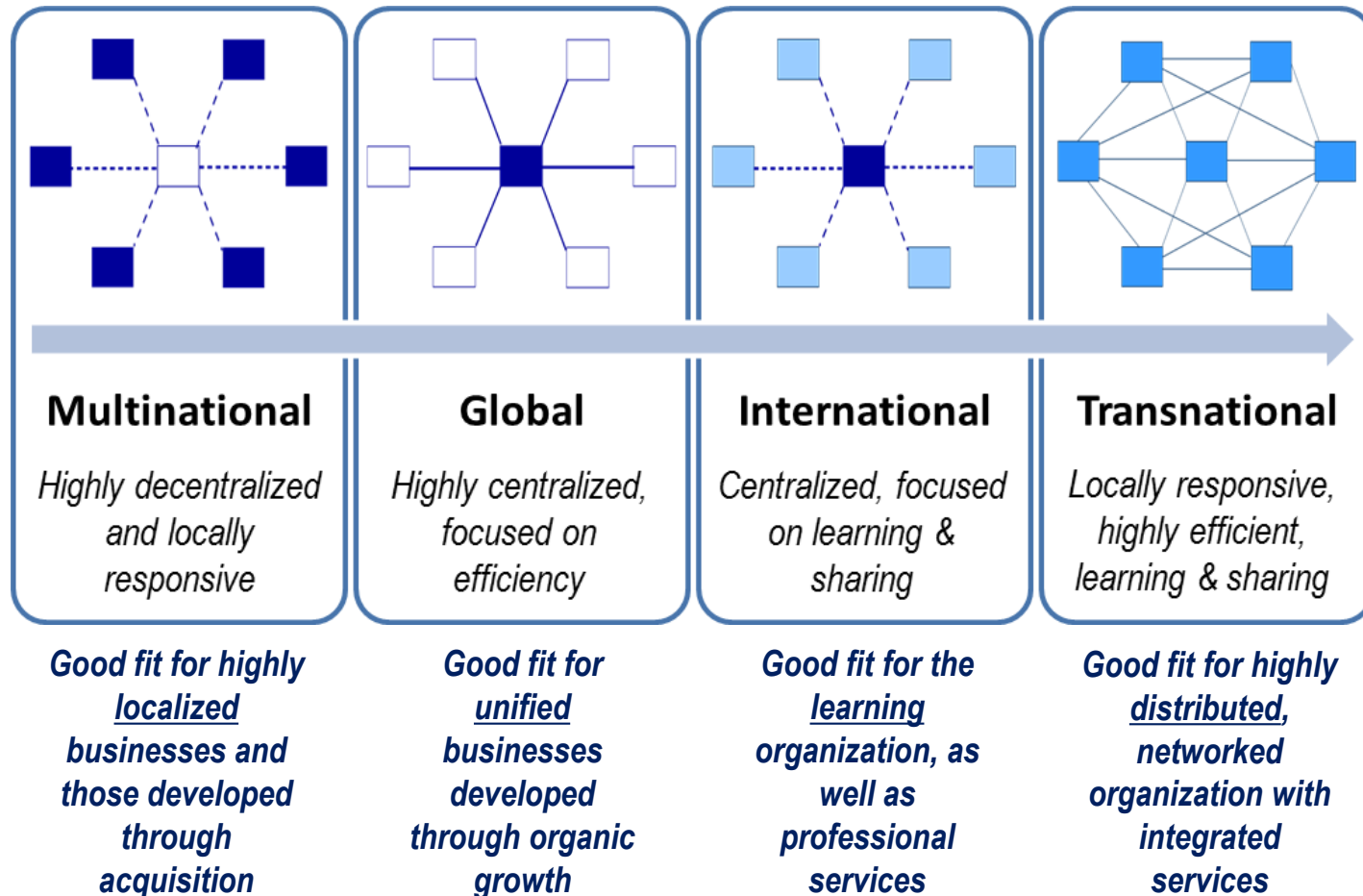
Organizations take different approaches in how they organize HR; HRIT & IT are more global, while payroll is generally more local.

For HRIT and for Payroll, Top Performers are significantly more likely to have a global reporting structure.



Source: Jeitosa's Going Global in 2013

Four Global Organizational Models



Based on the work of Bartlett and Ghoshal, 1989. Managing Across Borders: The Transnational Solution.

Key Characteristics of Organizational Models

Internationals

- Strategy: Learning and sharing
- Organization: Decentralized and sharing
- People: Geocentric Mindset
- Processes: Hybrid localized and standardized
- Technology: Multi-local, optimized solutions

Transnationals

- Strategy: Networked and innovative
- Organization: Centralized and leveraged
- People: Global Mindset
- Processes: Hybrid standardized and localized
- Technology: Uniform and optimized solutions

Multinationals

- Strategy: Localization and adaptation
- Organization: Decentralized and independent
- People: Polycentric Mindset
- Processes: Highly localized
- Technology: Multi-local solutions

Globals

- Strategy: Efficiency and standardization
- Organization: Centralized and standardized
- People: Ethnocentric Mindset
- Processes: Highly standardized
- Technology: Uniform solutions

Source: Jeitosa Group International. Adapted from Bartlett & Ghoshal 1998

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Efficiency and Innovation

- Jeitosa's *Efficiency-Innovation Model* (EIM) is an approach for assessing an organization's capabilities along two vital dimensions:
 - **efficiency** – the degree of centralization / decentralization of the organization; maximum efficiency is achieved through the right balance between localization and globalization
 - **innovation** – the ability to implement leading practices to increase effectiveness across the global organization both in local operations and global headquarters
- EIM can be used to assess an organization's structure and thereby determine the most effective HR / Payroll structures, services, processes, systems and staffing models

Source: Jeitosa

Efficiency and Innovation Measures

Jeitosa's Efficiency-Innovation Model evaluates five efficiency drivers and five innovation drivers:

Driving Efficiency

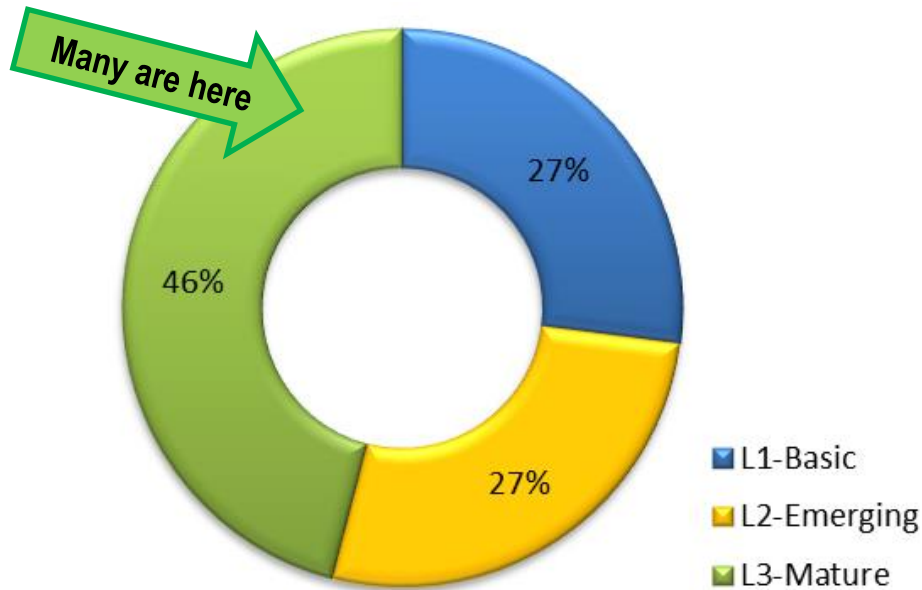
1. Service Delivery Model
2. Governance Model
3. Vendor Consolidation
4. Process Standardization
5. System Integration

Leveraging Innovation

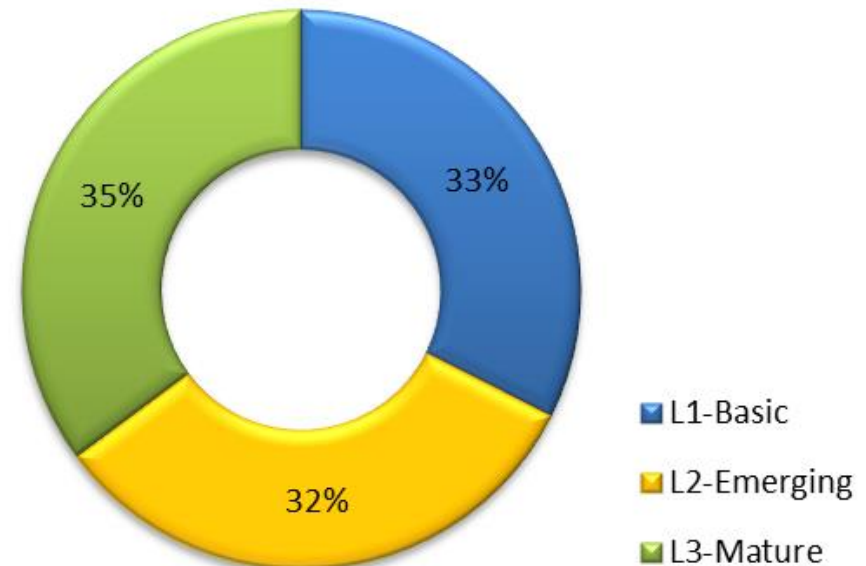
1. Global Accountability
2. Advanced Metrics
3. Formal Quality Methods
4. System Automation
5. Global Mindset

Global Maturity Levels – Efficiency

Efficiency in HCM



Efficiency in Payroll

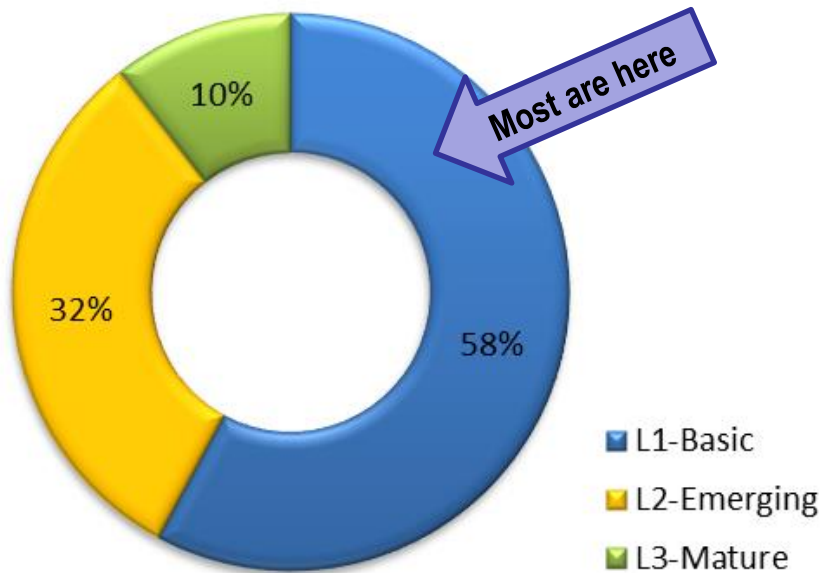


Organizations show greater efficiencies in HR than in Payroll.

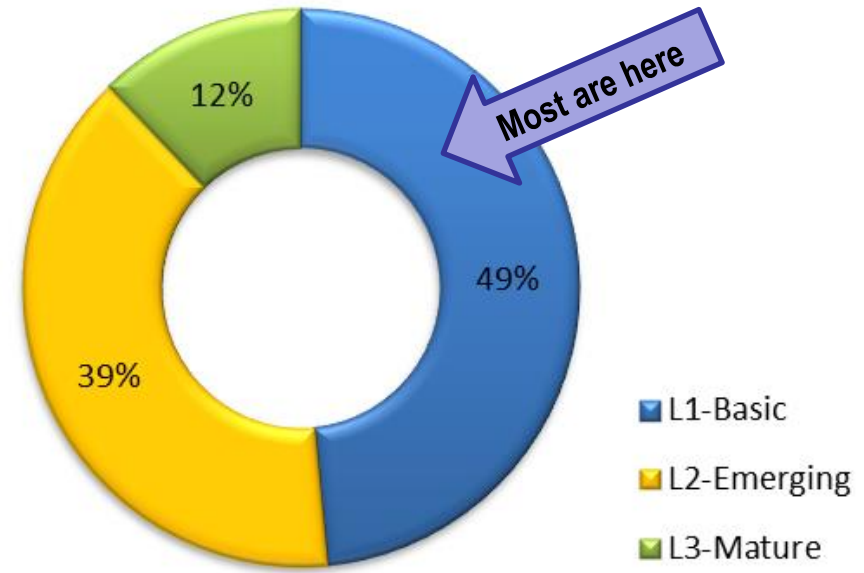
Source: Jeitosa's Going Global in 2013

Global Maturity Levels – Innovation

Innovation in HCM



Innovation in Payroll



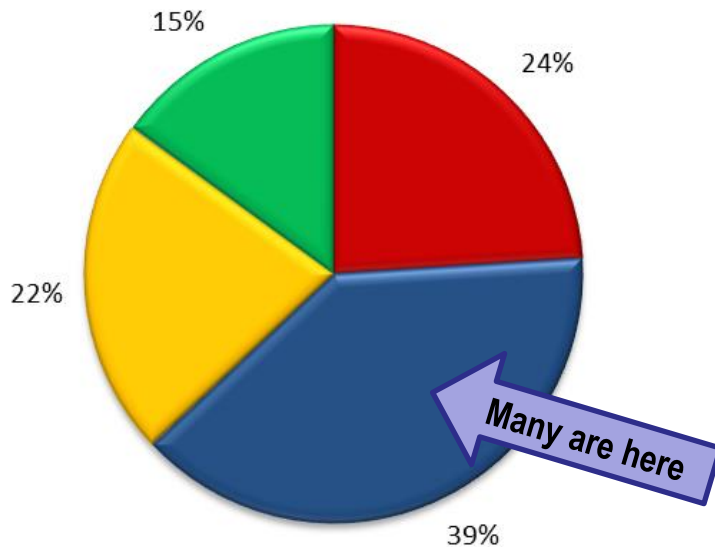
Organizations show low levels of global innovation.

Source: Jeitosa's Going Global in 2013

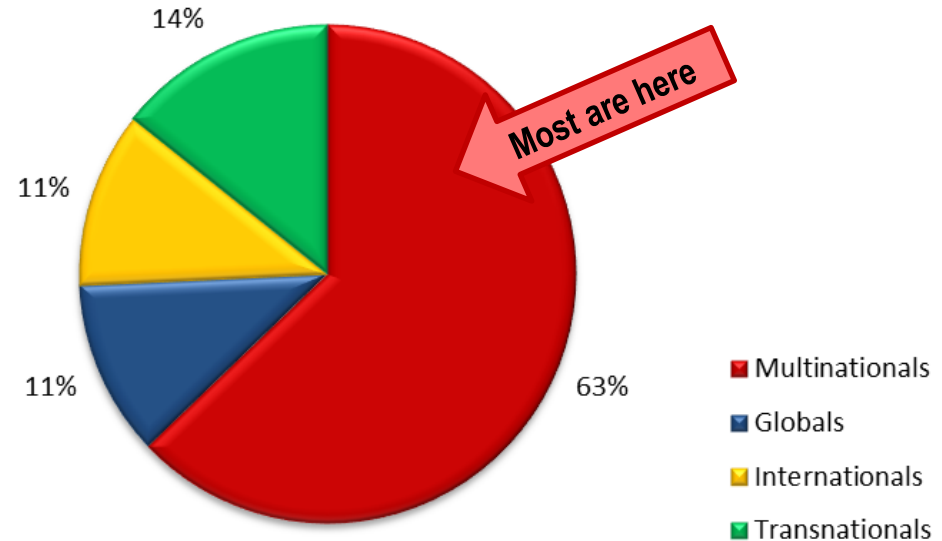
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Distribution of Global Organizational Models

HCM Organization Models

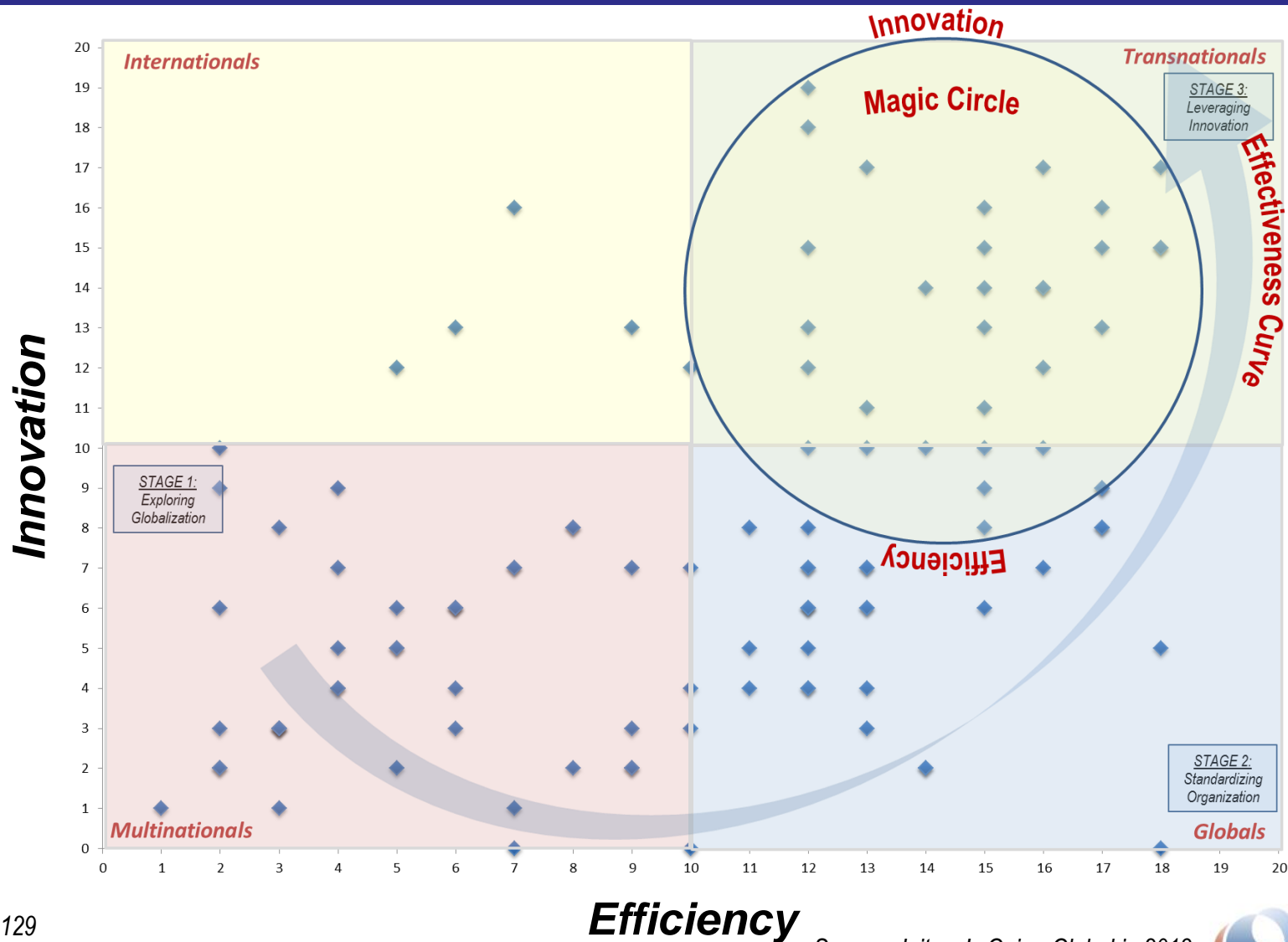


Payroll Organization Models



More Global Models in HCM; More Multinationals in Payroll.

Efficiency-Innovation Model (EIM)



n = 129

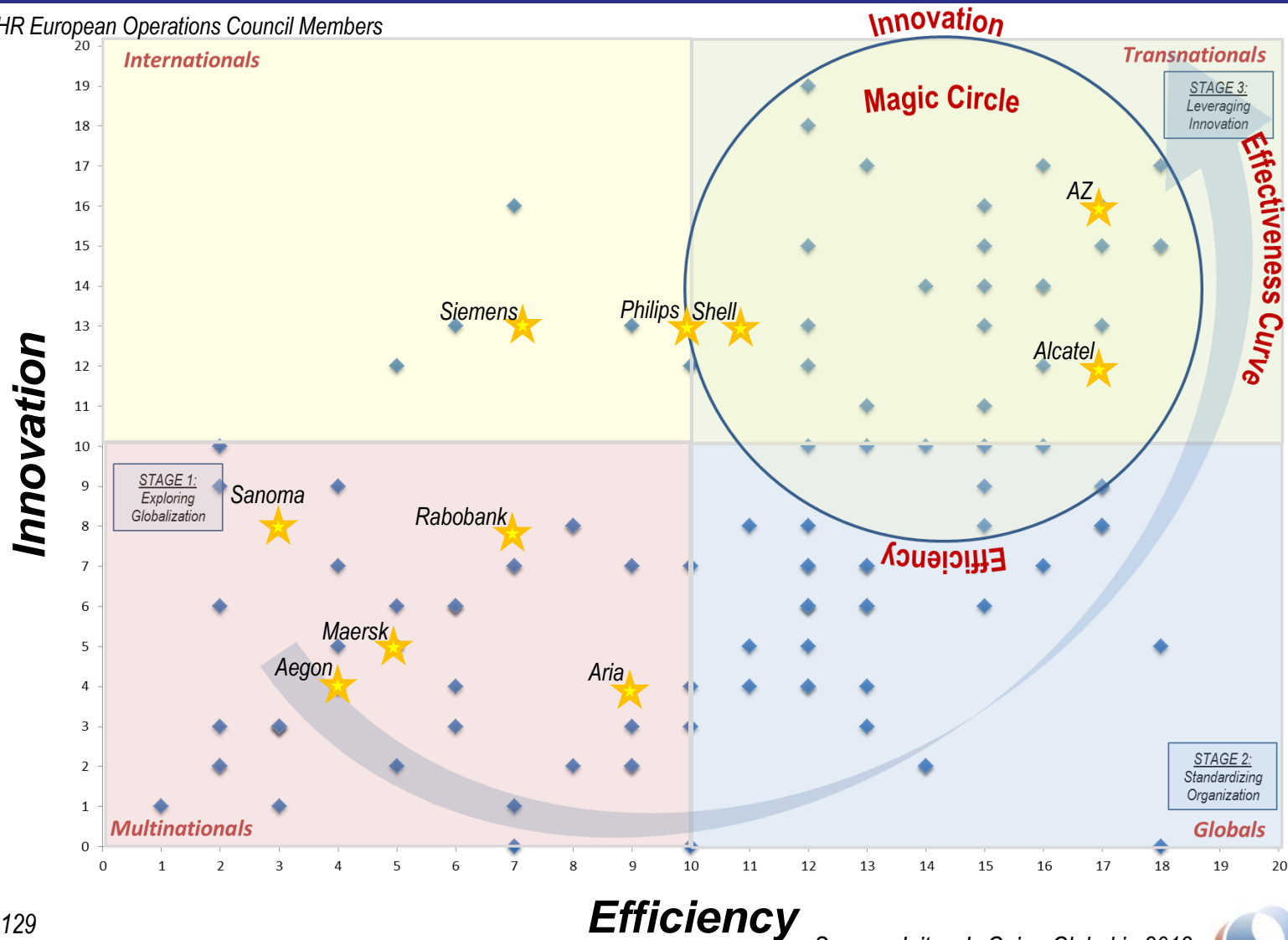
Efficiency

Source: Jeitosa's Going Global in 2013

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Efficiency-Innovation Model (EIM) - HR

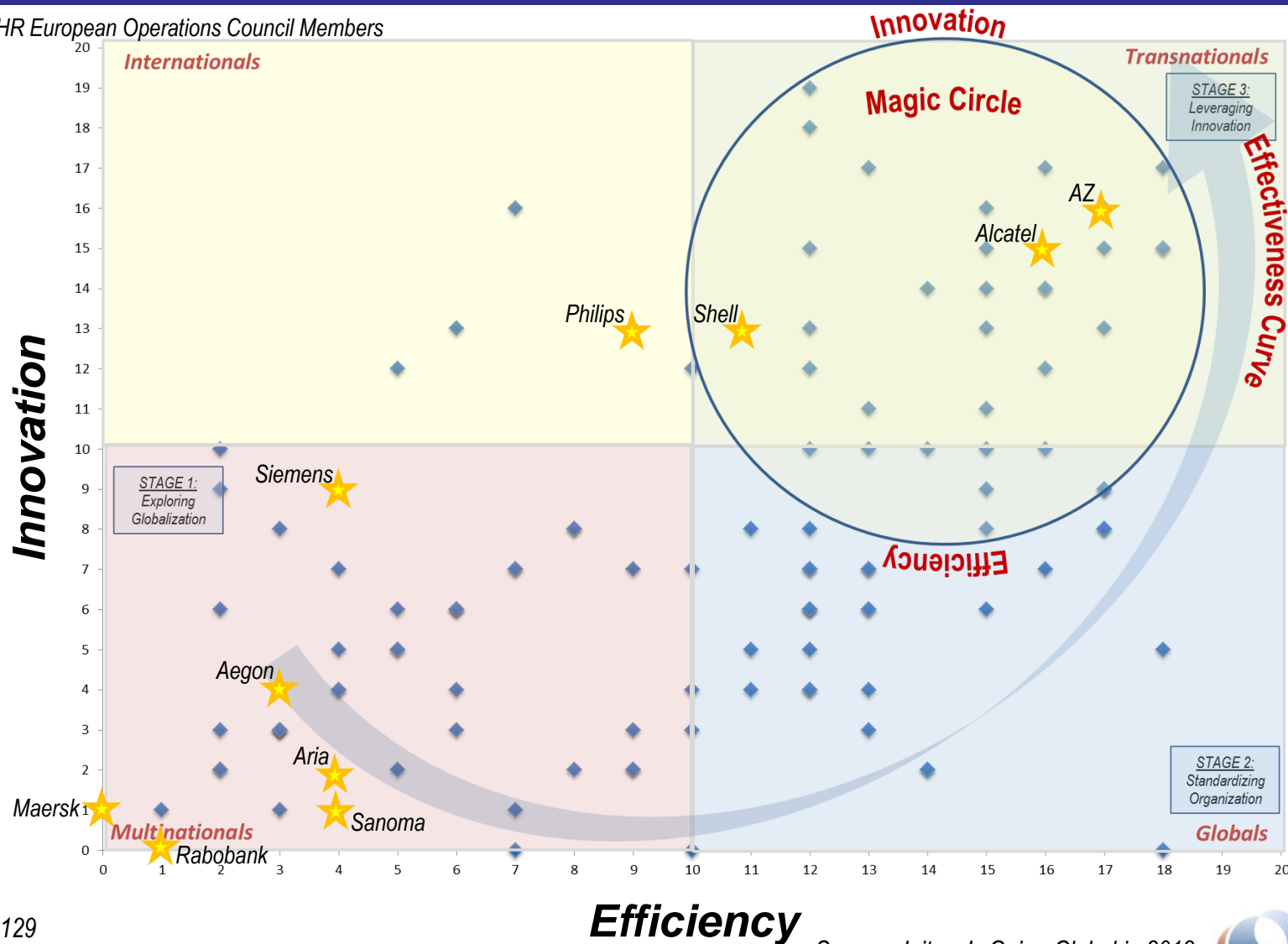
★ TBC HR European Operations Council Members



n = 129

Efficiency-Innovation Model (EIM) - Payroll

★ TBC HR European Operations Council Members



n = 129

Efficiency and Innovation in Global Payroll

Characteristics of 'Internationals'*

(Less Efficiency / Higher Innovation)

Average Revenue growth (12%) and least Income growth (-6%)
Less global visibility and control over the payroll process (-4% less)
Least degree of global payroll standardization (-51% less)
Less employee self-service (-5%) and more manager self-service (8% more)
Solid level of cross-cultural competence and global mindset (13% more)
Lower amount of change going on in their organizations (-2% less)
Average longevity with their current payroll strategy (1% longer)

Characteristics of 'Transnationals'

(Greater Efficiency / Higher Innovation)

More balanced growth: Employee (11%), Revenue (14%), and Income (7%)
Greater global visibility and control over the payroll process (22% more)
Greatest degree of global payroll standardization (26% more)
More employee self-service (18%) and manager self-service (18% more)
Greatest level of cross-cultural competence and global mindset (18% more)
Least amount of change going on in their organizations (-8% less)
Greatest longevity with their current payroll strategy (5% longer)

Characteristics of 'Multinationals'

(Less Efficiency / Lower Innovation)

Greatest Income growth (30%) and less Revenue growth (6%)
Less global visibility and control over the payroll process (-62% less)
Lower degree of global payroll standardization (-43% less)
Least employee self-service (-12% less) and manager self-service (-16% less)
Lowest level of cross-cultural competence and global mindset (-65% less)
Average amount of change going on in their organizations (1% more)
Greater longevity with their current payroll strategy (4% longer)

Characteristics of 'Globals'

(Greater Efficiency / Lower Innovation)

Greater Revenue growth (14%) and less Income growth (-5%)
Greater global visibility and control over the payroll process (11% more)
Significant degree of global payroll standardization (22% more)
Less employee self-service (-8% less) and manager self-service (-21% less)
Moderate level of cross-cultural competence and global mindset (2% var)
Most amount of change going on in their organizations (7% more)
Shortest longevity with their current payroll strategy (-11% shorter)

Source: Jeitosa Global Benchmarking Study 2013

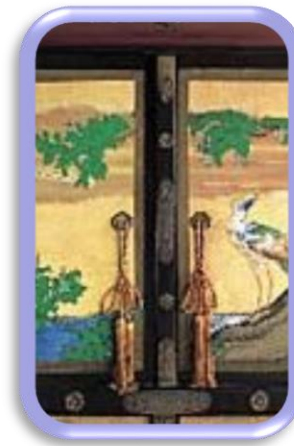
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Discussion – Organizational Models

Working with your subgroup, discuss the following questions and be ready to discuss with the full group:

1. What are some efficiency activities you can embark on to improve the productivity of HR Operations?
2. What are some innovation efforts you can leverage to increase the effectiveness in HR Operations?
3. How does being more efficient and more innovative in HR Operations make you more competitive and a more strategic partner to the business?

Global Shared Services Models



Global Shared Services – Model

HR BUSINESS PARTNERS

Primary contact with the business and employees.
Responsible for implementing and managing programs in the business units.
Accountable for resources in the business units.

GOVERNANCE BODY

Primary contact with executive and HRSS leaders.
Responsible for oversight, budgeting, resource allocation, service offerings, and performance.
Accountable for effectiveness and business value.

OUTSOURCING

Primary contact with Shared Services
Responsible for service delivery as defined in Service Level Agreements.
Accountable for cost-effective delivery.

HR SERVICE CENTER(S)

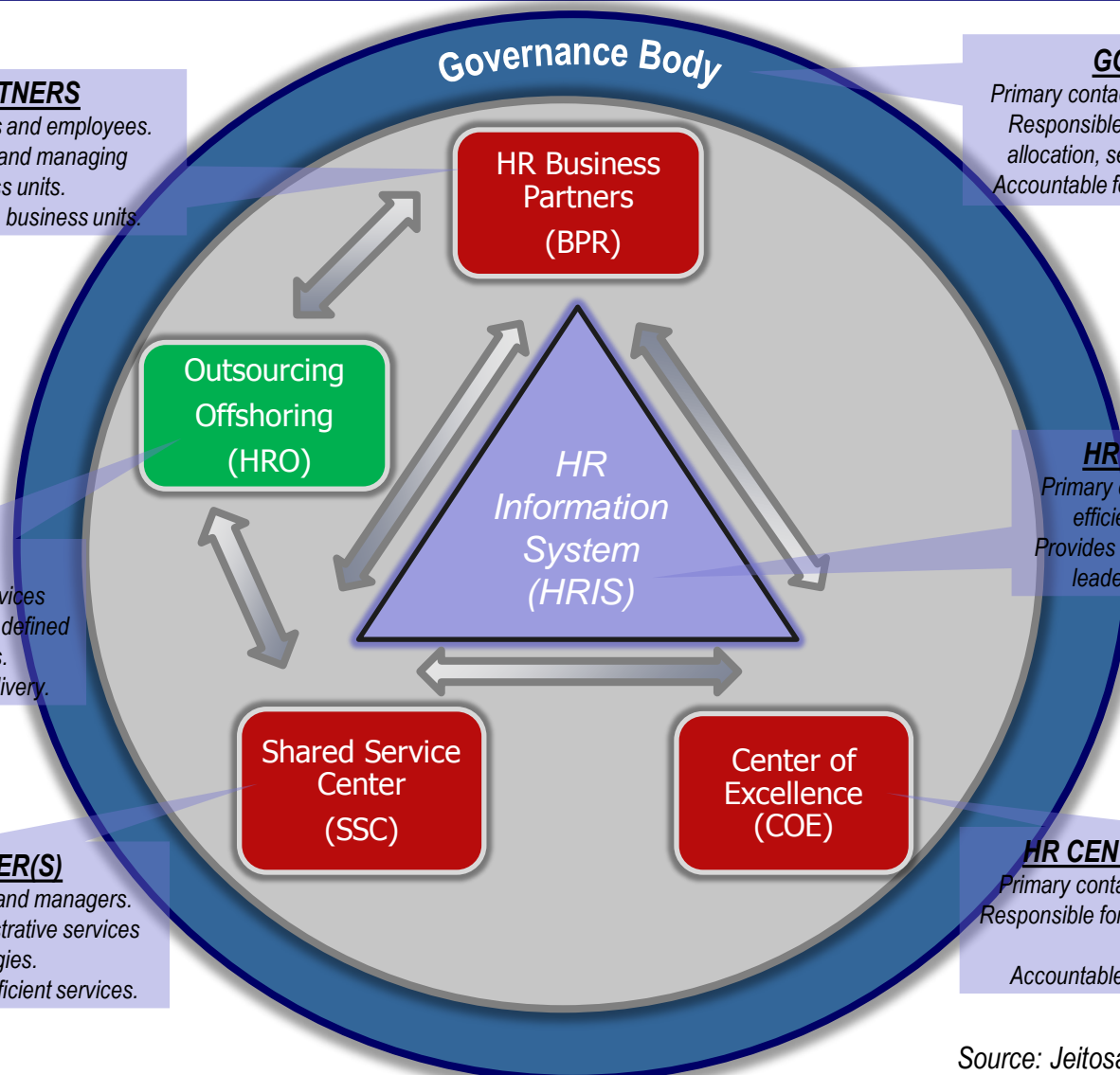
Primary contact with employees and managers.
Responsible for managed administrative services and enabling technologies.
Accountable for delivering cost-efficient services.

HR INFORMATION SYSTEM

Primary control and driver for HR operational efficiency and business effectiveness.
Provides metrics and analytics to aid business leaders in making business decisions.

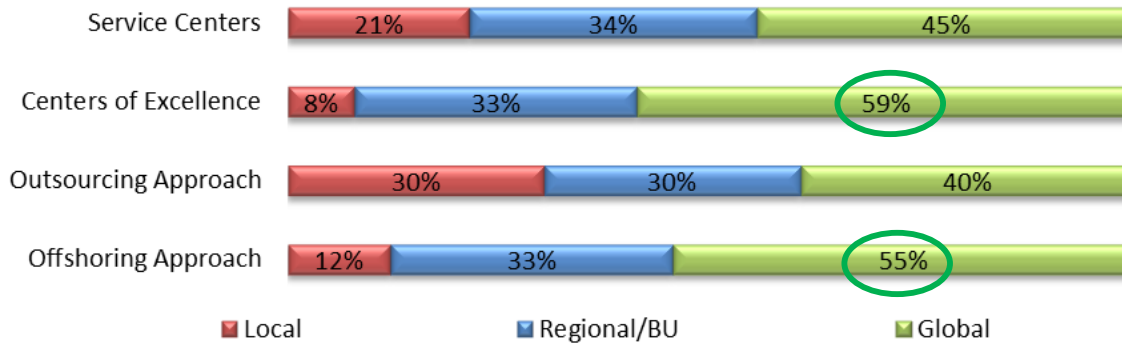
HR CENTER(S) OF EXCELLENCE

Primary contact corporate and business leaders.
Responsible for strategy, policy, and program design and development.
Accountable for overall program performance.



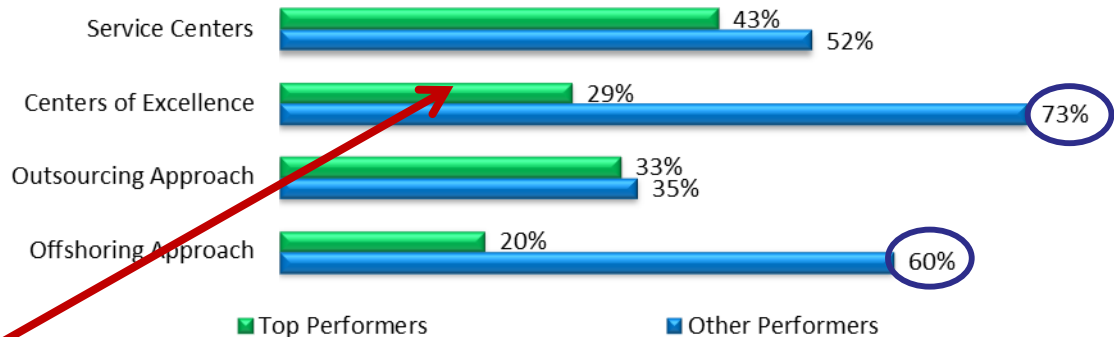
Source: Jeitosa

Global Shared Services – Adoption



Large organizations tend to take advantage of shared service models – COEs and offshoring are more global, whereas outsourcing is managed at all levels.

All organizations leverage Shared Service Centers and Outsourcing models; Top Performers put less focus on Global COEs and Offshoring.



Top Performers favor Regional SSCs

Source: Jeitosa's Going Global in 2013

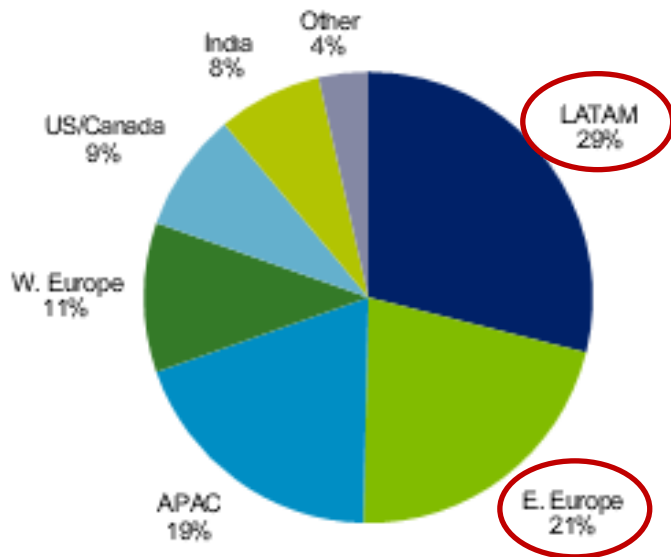
Global Shared Services – Some Statistics

- The average number of SSCs per company in 2012 was 3.3 — an increase of nearly 15% over 2011
- The number of SSCs increases with the size of the organization
- Over half of the SSCs in the survey have less than 100 employees
- ~ 60% of the organizations have been operating with SSCs for less than five years – average age for all SSCs was 5.3 years
- There has been a significant increase in the number of SSCs in LATAM, especially in South America (Brazil), over the last year.
- Growth of SSCs seen in Scandinavia, Eastern Europe, and India
- India, Brazil, and China are popular locations for newer centers, with the US and UK leading for newer SSC openings

Source: Deloitte Shared Services Survey 2013

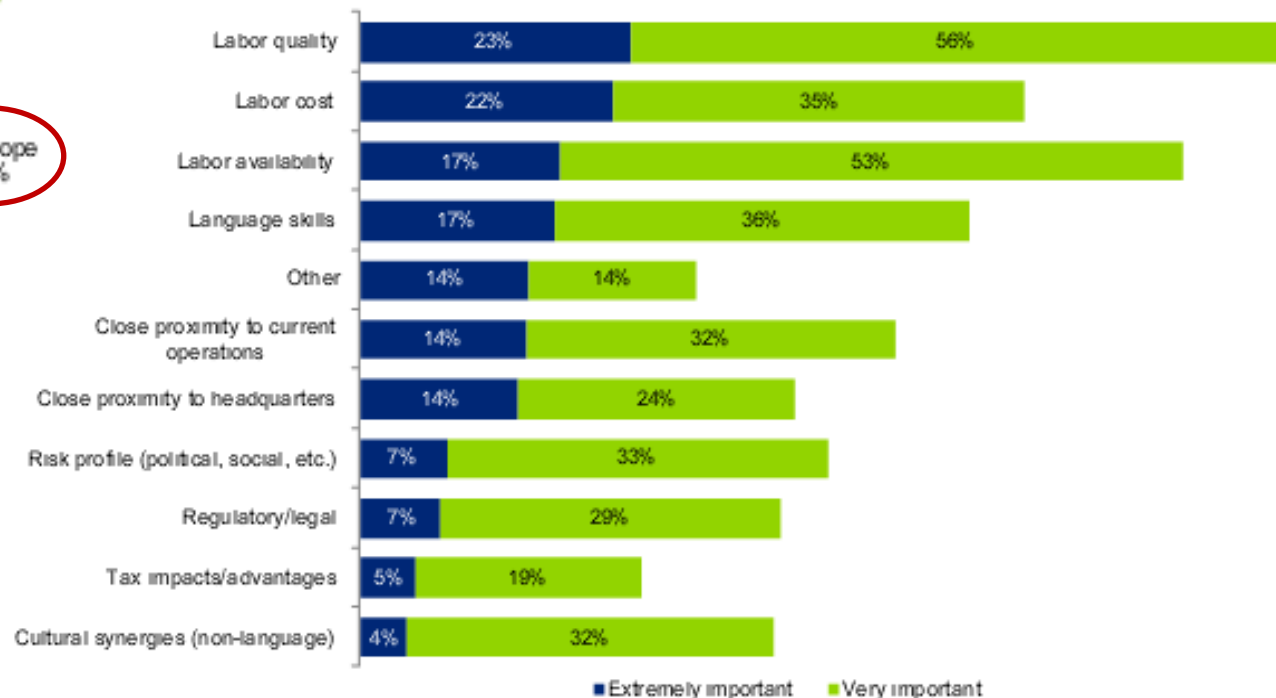
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Shared Services – Regional Service Centers



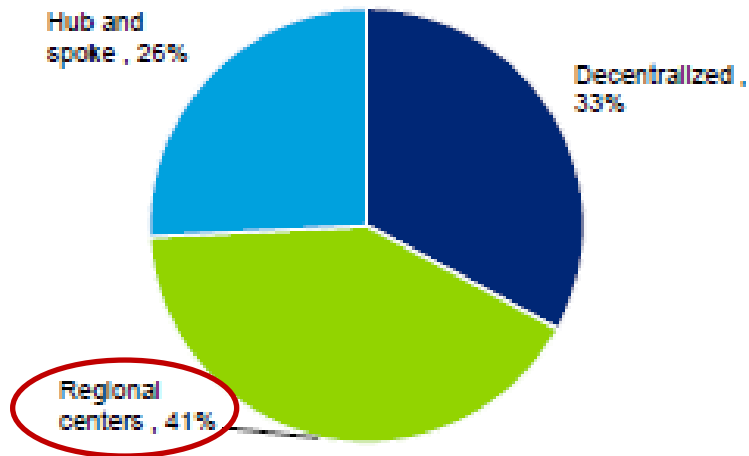
50% of SSCs being planned are in Latin America and Eastern Europe

Brazil, Argentina, and Mexico and Poland, Hungary, and Romania are currently the most popular locations



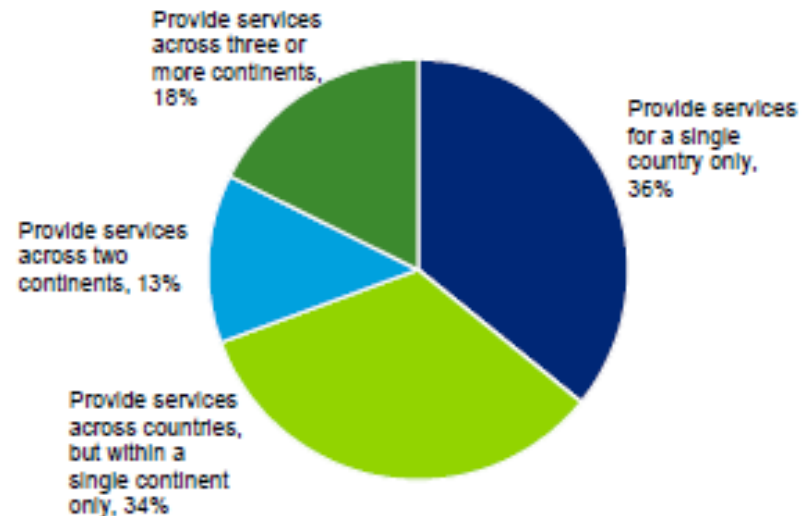
Source: Deloitte Shared Services Survey 2013

Shared Services – Regional Deployment



Predominant deployment model is Regional Shared Service Centers

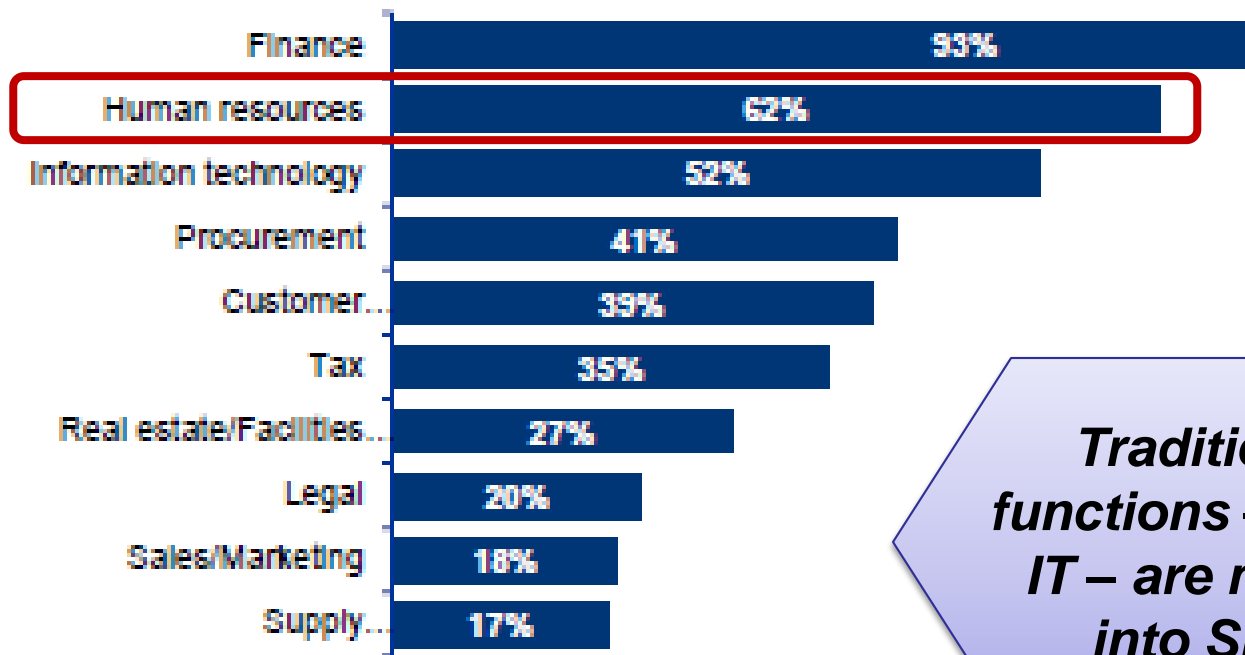
65% of SSCs provide services to more than one country; 32% of newer centers (<1 year) serve more than one continent



Source: Deloitte Shared Services Survey 2013

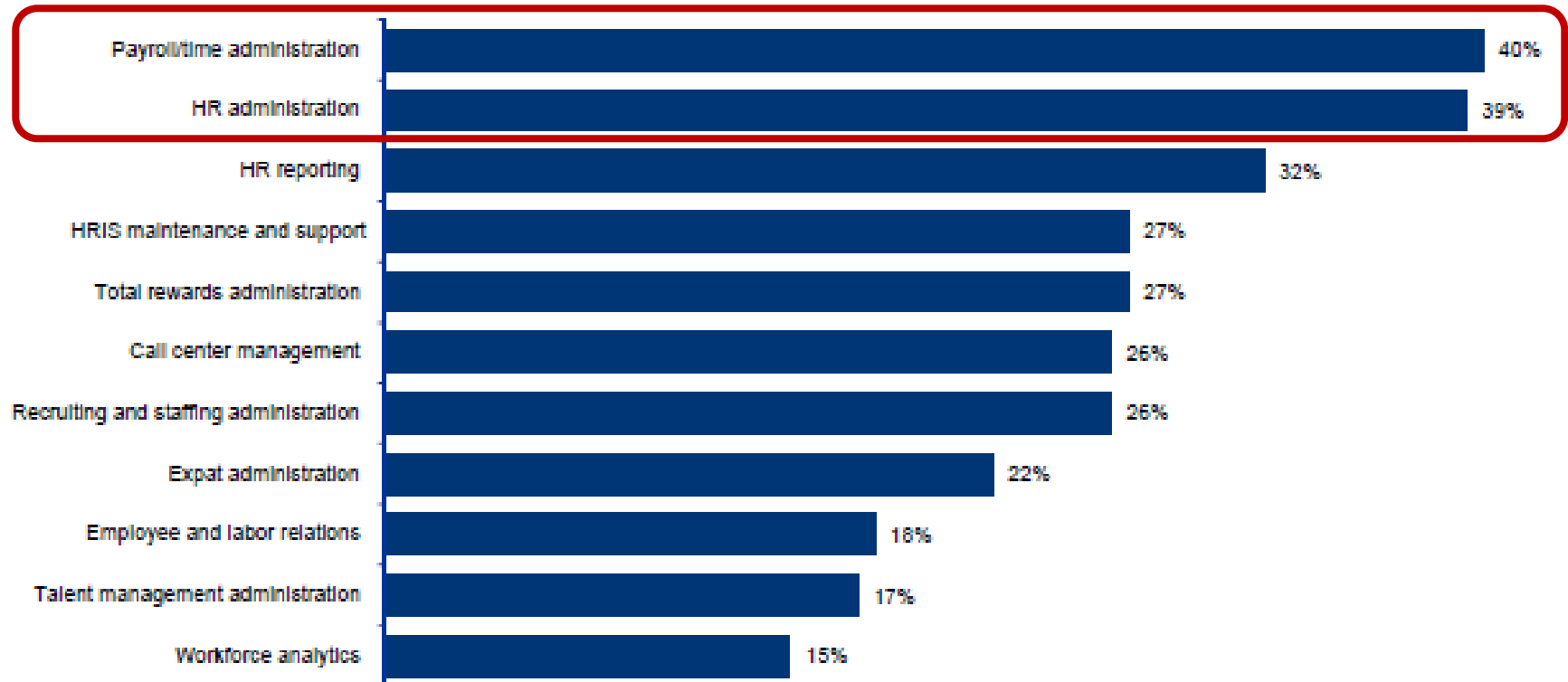
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Shared Services – Most Common SS Functions



Traditional back office functions – Finance, HR, and IT – are most often moved into Shared Services

Shared Services – Common HR Functions for SS

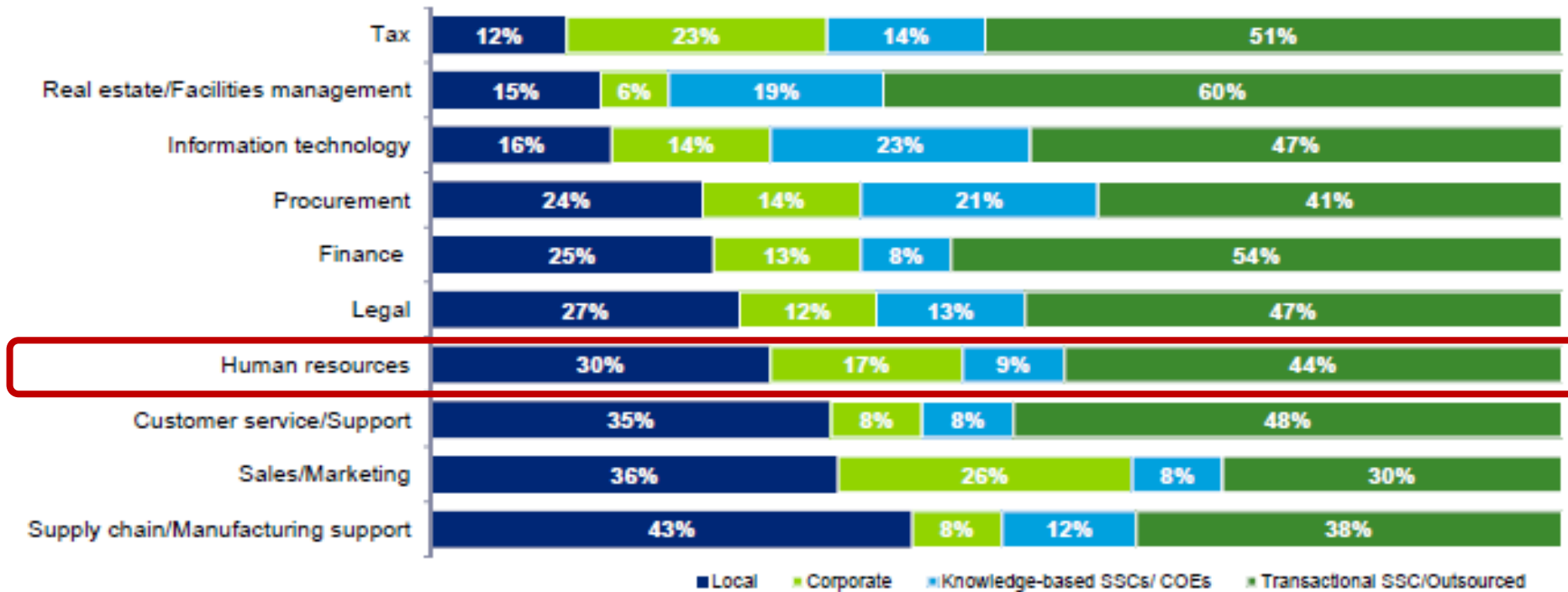


Payroll, Time, and HR are the most area of HR moved to Shared Services; the largest areas shifting to Shared Services are Talent Management and Expat Administration.

Source: Deloitte Shared Services Survey 2013

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Governance Models – Organizational FTE Ratios

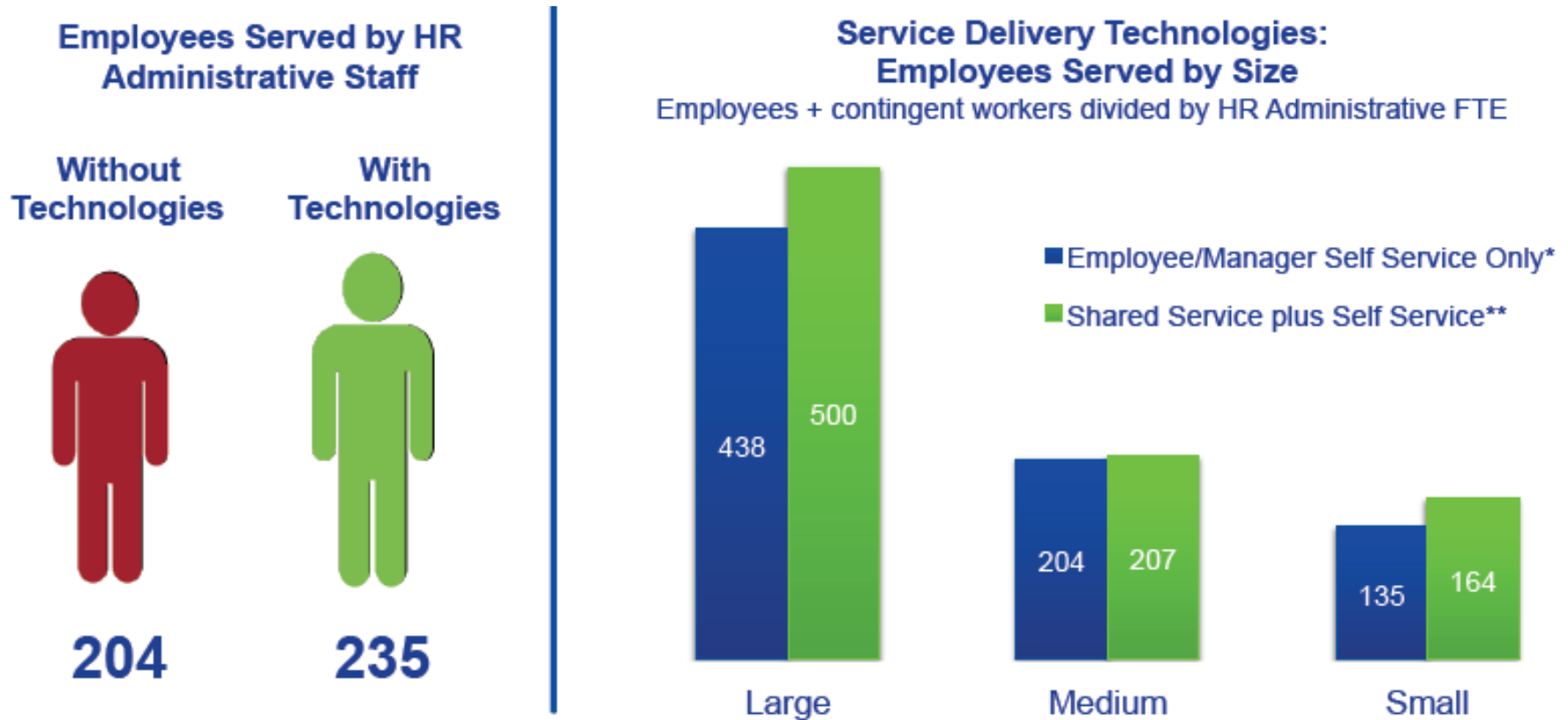


For those organizations with Shared Services, 70% of the HR staff is organization outside of the local businesses.

Source: Deloitte Shared Services Survey 2013

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Shared Services – Employees Served

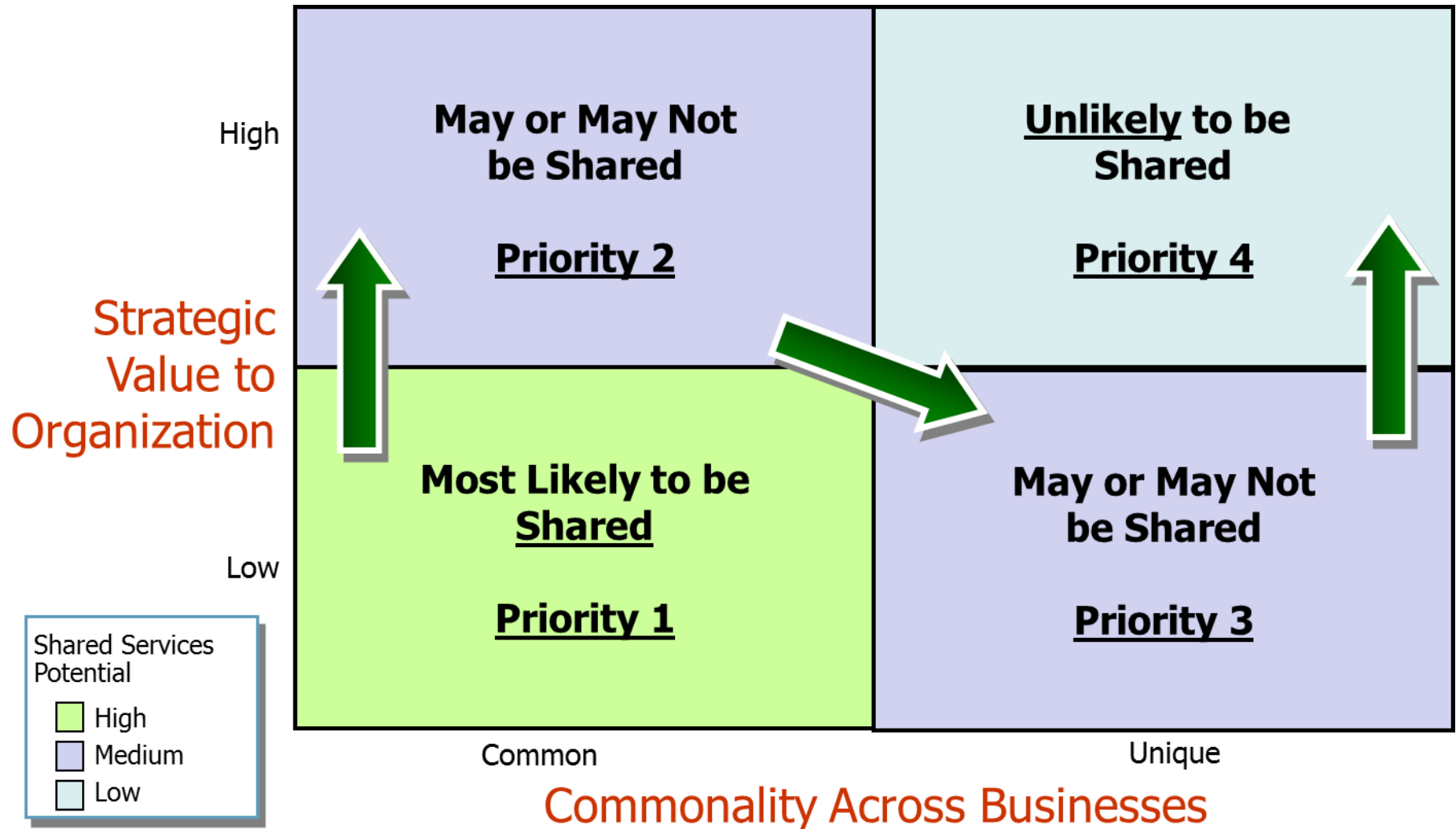


Organizations with service delivery technologies serve 15% more employees per FTE.

Source: CedarCrestone 2012-2013 HR Systems Survey White Paper

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Global Shared Services – Decision Matrix



Source: Jeitosa

Global Shared Services – Decision Matrix Sample

Strategic Value to Organization	High	<u>Priority 2: May be Shared:</u> <ol style="list-style-type: none"> 10. Performance Management Administration 11. Metrics/Analytics 12. HR Policies Development 13. HR Program and Service Definition 14. Compensation/Benefits Planning 15. Training Program Development 16. Rewards and Recognition 17. Succession Planning 18. Skills/Competency Management 	<u>Priority 4: Unlikely to be Shared:</u> <ol style="list-style-type: none"> 26. HR Strategic Initiatives 27. Feedback Mechanisms and Coaching 28. Work-Life Initiatives 29. Diversity Initiatives 30. Employee Relations 31. Collective Bargaining
	Low	<u>Priority 1: Likely to be Shared:</u> <ol style="list-style-type: none"> 1. Payroll/Benefits Processing 2. Recruiting/Applicant Tracking 3. Stock Program Administration 4. Regulatory Compliance 5. Onboarding/New Hire Process 6. HR Admin/Program Support 7. Employee/Manager Inquiries 8. HR Reporting 9. Disability Management 	<u>Priority 3: May be Shared:</u> <ol style="list-style-type: none"> 19. Training/Development Administration 20. Career Development 21. Knowledge Management 22. Health and Safety 23. Time and Attendance 24. Employee Assistance Programs 25. Orientation Programs
		Common	Unique
Commonality Across Businesses			

Shared Services Potential

- High
- Medium
- Low

Source: Jeitosa

Shared Services – Service Center Selection

Sample Service Center Site Selection Matrix

SSC Location Criteria	Weight	Europe						Asia Pacific					Latin America			
		Spain	Ireland	North UK	Holland	Poland	Belgium	Australia	Singapore	HongKong	India	Malaysia	Costa Rica	Brazil	Argentina	Venezuela
Workforce Quality/Skill	10%															
Workforce Availability	10%															
Workforce Costs	10%															
Workforce Flexibility	5%															
Government Support	3%															
Tax Considerations	5%															
Communications Costs	10%															
Communications Infrastructure	10%															
Real Estate Costs	5%															
Statutory/Legal Requirements	2%															
External Infrastructure	2%															
Travel Accessibility	8%															
Political/Economic Stability	10%															
Multi-Language Abilities	10%															
Country Score (10-point scale)	100%	9.8	7.3	6.0	4.7	4.3	1.5	5.0	3.5	1.2	-3.2	-1.8	6.8	4.1	-0.5	-6.2

 Favorable

 Neutral

 Unfavorable

Companies are showing much more openness and diversity in Service Center selection than ten years ago

Source: Jeitosa

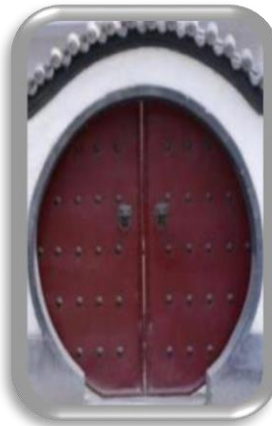


Discussion – Global Shared Services

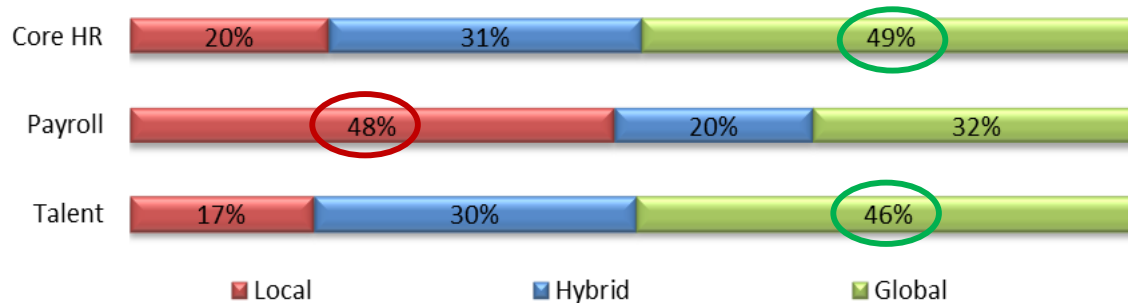
Working with your subgroup, discuss the following questions and be ready to discuss with the full group:

1. What are some options for increasing the number of employees served without reducing customer service?
2. How can we better integrate the work of COEs to increase overall operational effectiveness?
3. What are the most important parameters for selecting service center locations and why?

Global Governance Models

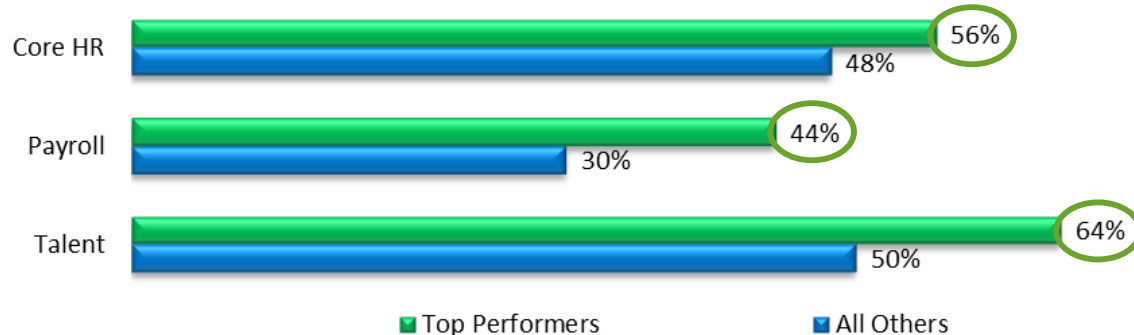


Global Governance Model Adoption



Core HR and Talent tend to be functions governed globally, whereas Payroll tends to be a locally governed function.

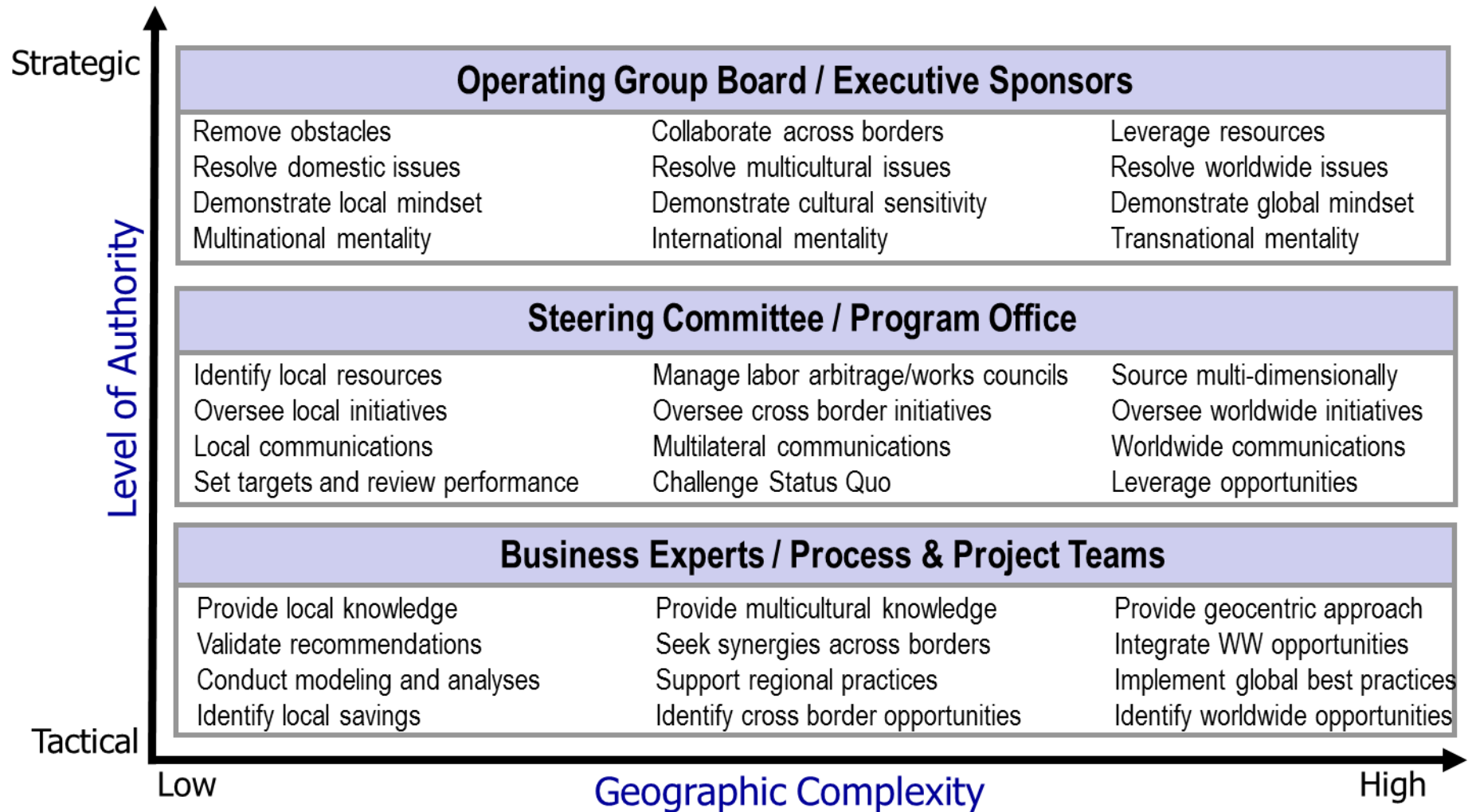
Top Performers take an even more global approach to governance over their key HR processes, particularly Payroll & Talent.



Source: Jeitosa's Going Global in 2013

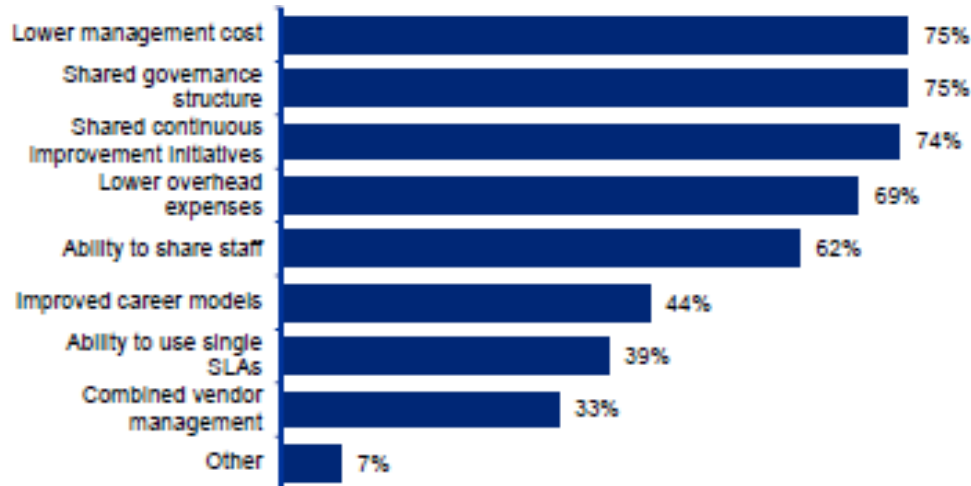
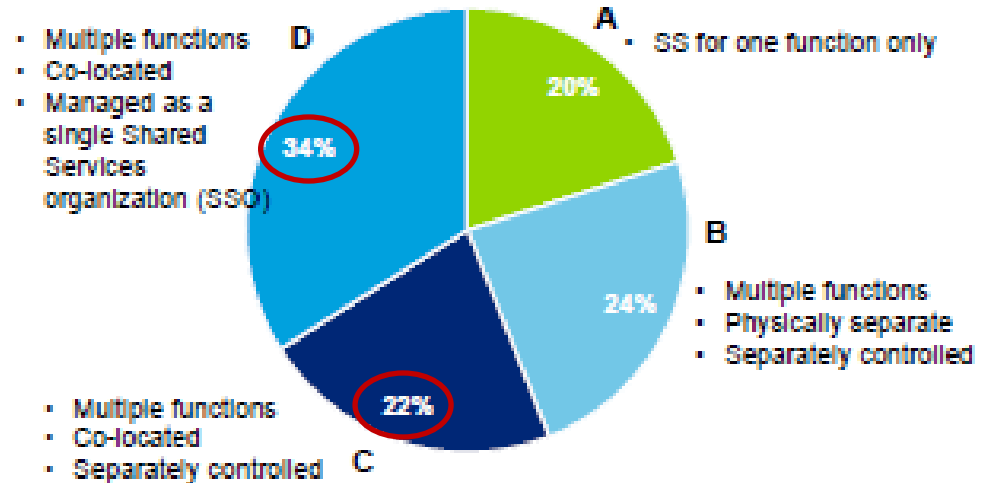
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Different Levels and Types of Governance Models



Governance Organizational Structures

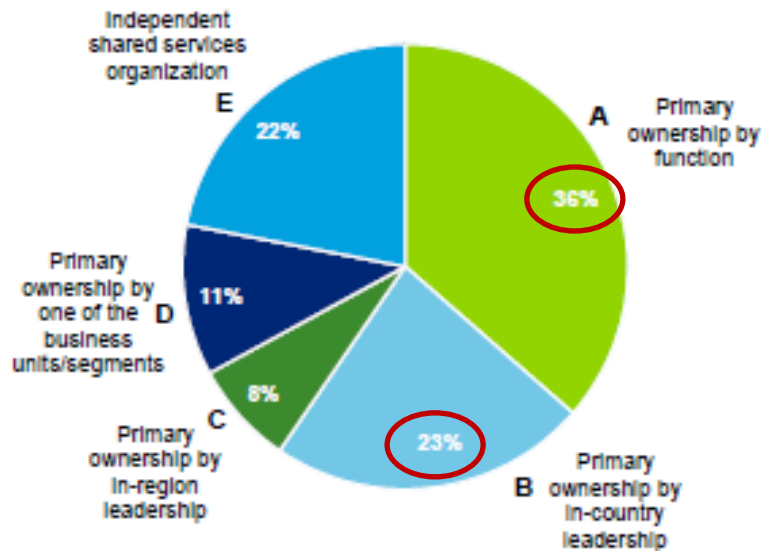
56% of respondents have Shared Services for multiple functions that are co-located, with 22% managed as a single SSO



Co-location drives lower management and overhead costs while enabling shared governance and continuous improvement

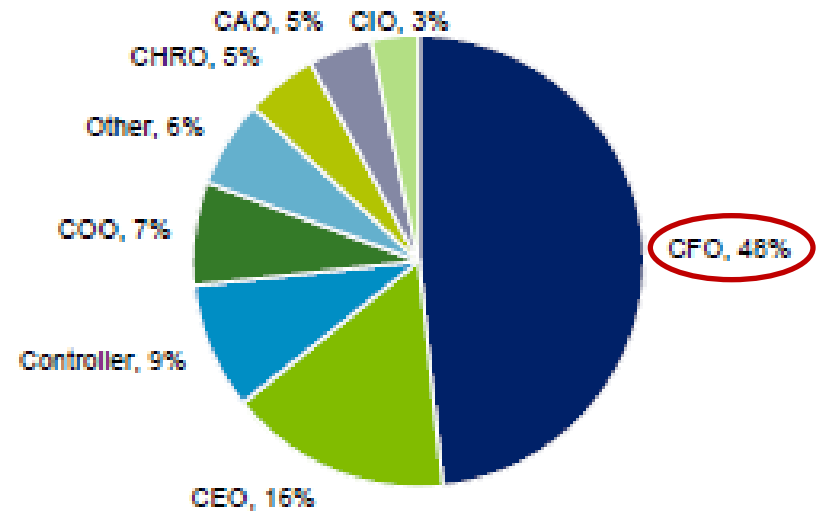
Source: Deloitte Shared Services Survey 2013

Governance Reporting Relationships



Over 50% cite reporting relationships to either the function or in-country leadership; almost 22% have transitioned to an independent SSO

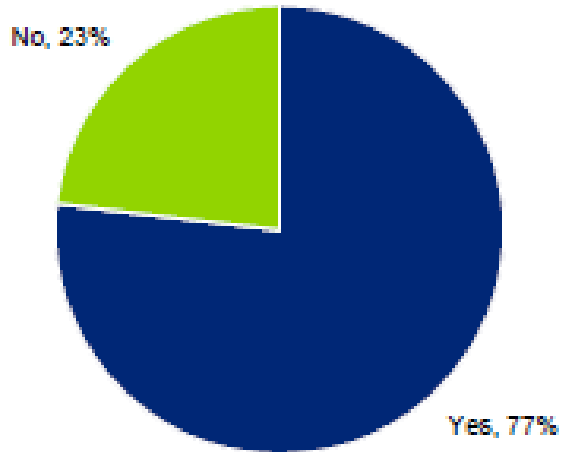
50% of SSCs with multiple functions have one overall leader; the CFO is the primary top executive responsible for SS



Source: Deloitte Shared Services Survey 2013

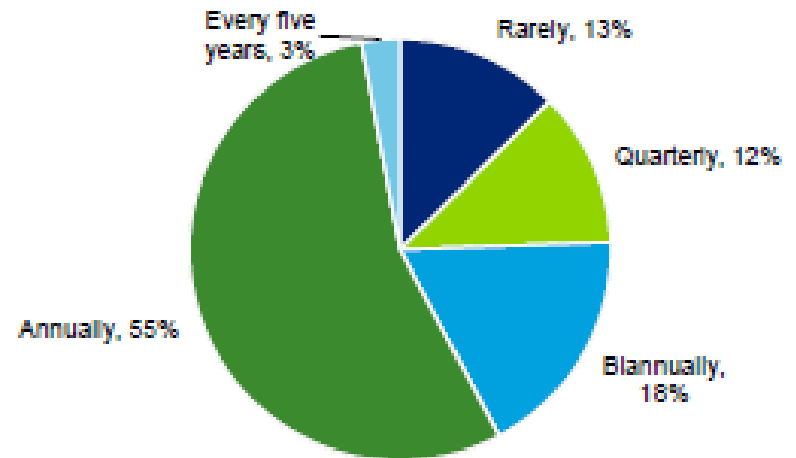
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Governance and Service Level Agreements



77% of respondents use SLAs to drive governance and 96% of respondents find them least somewhat effective

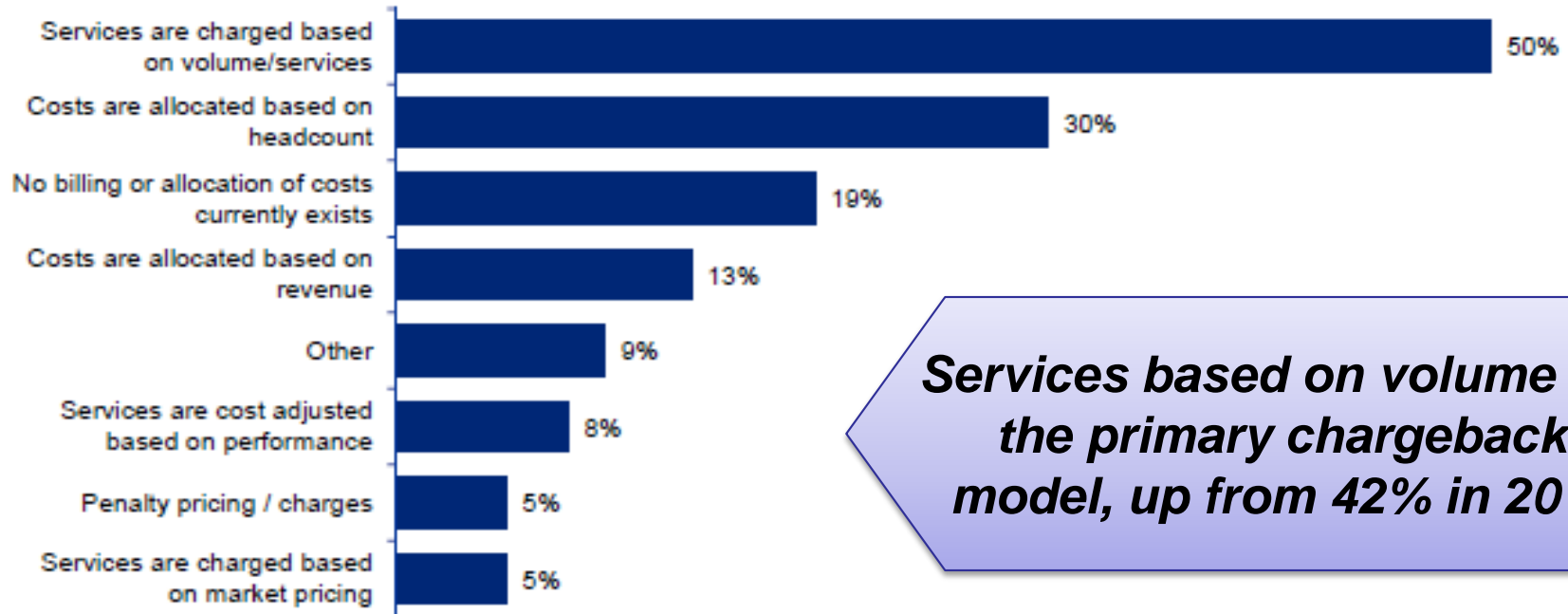
For respondents that find SLAs very effective, 85% revisit them at least annually if not more often



Source: Deloitte Shared Services Survey 2013

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Services Chargebacks



Services based on volume are the primary chargeback model, up from 42% in 2011

There are minimal differences in chargeback models between those that mandate and those that utilize an opt-in model; many organizations do not allocate costs at all — 29% versus 16% of those with an opt-in model

Source: Deloitte Shared Services Survey 2013

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Discussion – Global Governance

Working with your subgroup, discuss the following questions and be ready to discuss with the full group:

1. What are some of the key factors influencing the move to a single global multi-function Shared Service Operation?
2. What are some of the constraints and compromises that have to be made in building effective governance?
3. What are some of the pros and cons in implementing chargebacks for shared services?

Global Service Delivery Models



Global Service Delivery Model

Answers the who, what, when, where, how, and so what

Global Service Delivery Model (GSDM)

Function Model

"WHAT"

HR Operations
Benefits
Payroll
Time & Attendance
Mobility

Impact Model

"SO WHAT"

Compliance
Mission-Critical
Important
Table Stakes
Neutral

Global Model

"WHERE"

Local Site
Provincial
National
Regional
Global

Organization Model

"HOW"

Self-Service
Business Group
Service Center
Center of Expertise
Outsourcer

Service Model

"WHEN"

T0-Self-Service
T1-Call Center
T2-Case Mgmt
T3-Expert Support
T4-Consulting

Role Model

"WHO"

Call Center Rep
HR Generalist
Analyst
Manager
Director

Global Service Delivery Model – Function Model

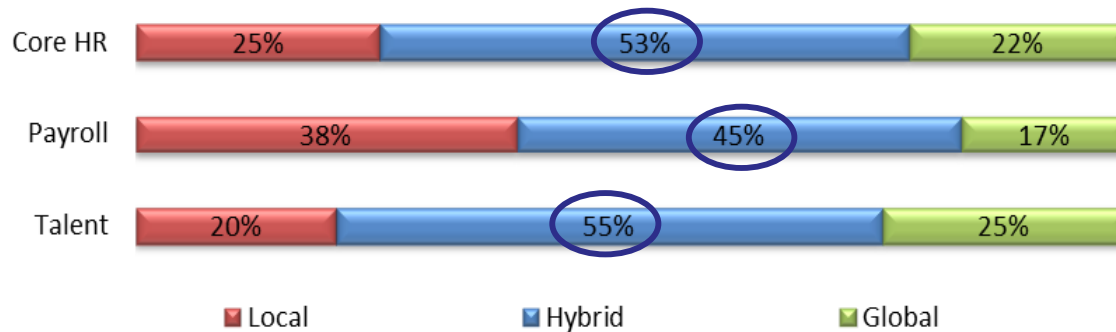
Definition of the Functions (“What”) Offered by the Organization

Strategy
Global Planning
Budgeting
Solution Design
Solution Setup
Data Management
Systems Integration
Policy Management
Procedure Management
Risk Management

Vendor Management
Customer Service
Case Management
Change Management
Training
Communication
Reporting - Business
Reporting - Compliance
Metrics & Analytics
Audit & Controls

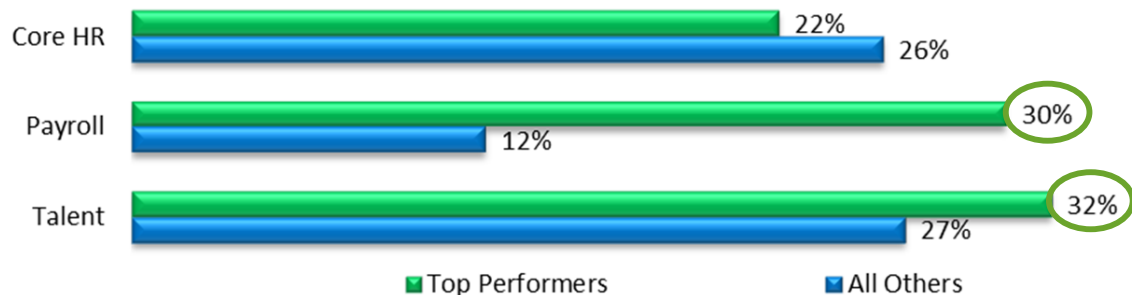
Hiring
Onboarding
Job Profiles
Job Profile Administration
Salary Changes Administration
Transfer Administration
Service Award Program
General Administrative Support
Position Change Administration
Separation Management

Global Service Delivery Model – Adoption



Most organizations have a hybrid Service Delivery Model – with some services managed globally, others regionally, and others locally.

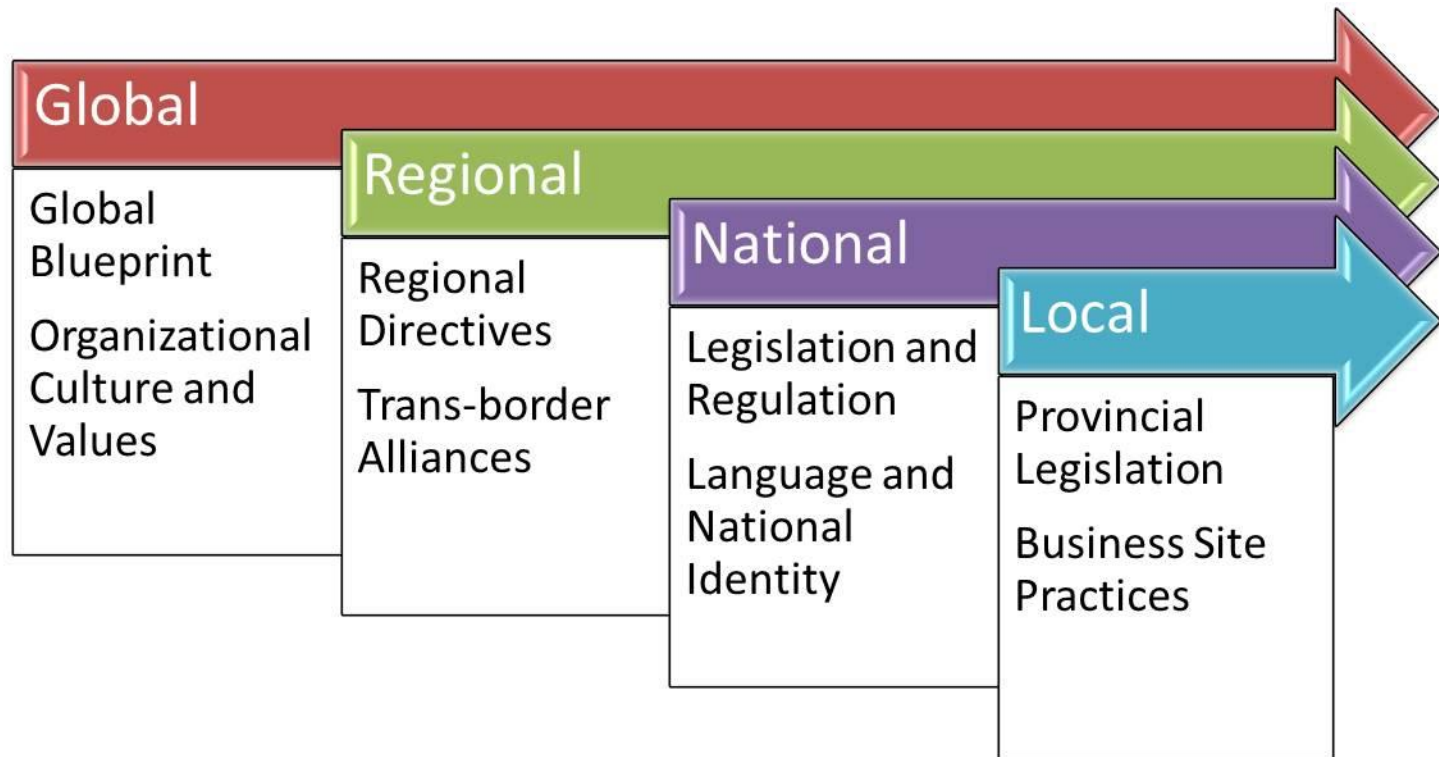
Top Performers are more likely to adopt a Global Service Delivery Model – more than twice as likely to adopt a Global Service Delivery Model for Payroll.



Source: Jeitosa's Going Global in 2013

Global Service Delivery – Global Model

Definition of the Geographical Accountability (“Where”) for the Function



Source: Jeitosa

Global Service Delivery – GLocal Standards

“Be as Global as Possible as Local as Necessary”

Global Services

- HR Policy and Plan Design
- Headcount/Workforce Analysis
- Stock Strategy & Administration
- Incentive Compensation Strategy
- Executive Compensation
- Succession Planning
- Expat Strategy & Administration

Regional Services

- Recruiting, Sourcing, Advertising
- Hiring and Staffing
- Training and Development
- Salary Administration
- Incentive Compensation Plans
- Benefits Planning & Processing
- Regional Compliance (eg, EU)

Local Services

- EE Relations & Works Councils
- Legal & Regulatory Compliance
- Payroll Processing
- Health & Safety Administration
- Local Hiring and Staffing
- Employee Development
- Team Building & Productivity

Global Service Delivery – Organization Model

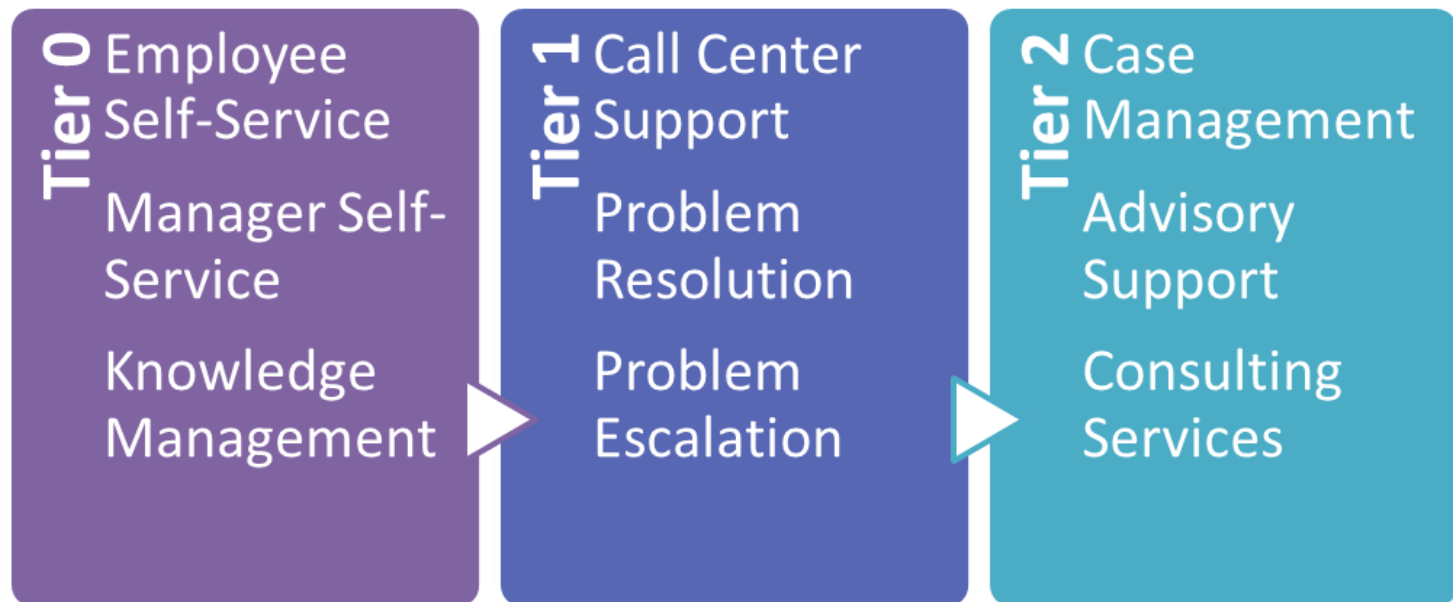
Definition of the Organizational Accountability (“How”) for the Function



Source: Jeitosa

Global Service Delivery Model – Service Model

Definition of the Service Tier (“When”) for the Function



Source: Jeitosa

Global Service Delivery Model – Role Model

Definition of the Role and Skills (“Who”) for the Function

E=Expert skills, S=Strong Skill, C=Core skill, B=Basic Skill, or N=Not Necessary

Competencies	HR Service Center					Center of Excellence				Bus Groups	
	Ops Dir	Ops Mgr	HR Gen	HR Asst	HR Coor	Mgt Adv	Ops Dir	Func Lead	Data Anlst	HR Ptr	HR Gen
Core Competencies											
Communications Skills	E	S	C	C	C	E	E	S	C	S	C
Systematic Perspective	E	S	C	C	C	E	E	S	C	S	C
Credibility/Integrity	E	S	C	C	C	E	E	S	C	S	C
Functional Competencies											
HR Functional Knowledge	S	S	E	B	B	S	S	S	B	S	E
HR Strategic Practices	E	S	B	B	B	E	E	S	B	S	B
HR Best Practices	S	S	E	B	B	S	S	S	B	S	E
HR Design and Execution	E	S	B	B	B	E	E	S	B	S	B
HR Measurement	E	S	B	B	B	E	E	S	B	S	B
Consultative Competencies											
Influence/Facilitation	E	S	B	B	B	E	E	S	B	S	B
Negotiation Skills	E	S	B	B	B	E	E	S	B	S	B
Conflict Resolution	E	S	B	B	B	E	E	S	B	S	B
Change Management	E	S	B	B	B	E	E	S	B	S	B
Coaching/Mentoring	E	S	B	B	B	E	E	S	B	S	B
Customer Relations	E	S	B	B	B	E	E	S	B	S	B

Global Service Delivery Model – Definition (1 of 2)

FUNCTION MODEL "What"		IMPACT "So What"	GLOBAL MODEL "Where"						
ID	Business Function	Business Impact	Current Process	Current Data	Future Process	Future Data	ΔP	ΔD	Identified Key Issues
HR-A	HR - Strategy	Mission-Critical	National	National	Full-Global	Prime-Global	Δ	Δ	Level of detail determines full or prime global
HR-B	HR - Global Planning	Mission-Critical	National	National	Prime-Global	Prime-Global	Δ	Δ	Different systems and databases
HR-C	HR - Budgeting	Table Stakes	National	National	Prime-Global	Prime-Global	Δ	Δ	Different definitions of data elements. Data may be by Business Unit.
HR-D	HR - Solution Design	Mission-Critical	National	National	Prime-Global	Prime-Global	Δ	Δ	Lack of standardization and consistency
HR-E	HR - Solution Setup	Mission-Critical	National	National	Prime-Global	Prime-Global	Δ	Δ	Lack of standardization and consistency
HR-F	HR - Data Management	Mission-Critical	National	National	Full-Global	Prime-Global	Δ	Δ	
HR-G	HR - Data Entry	Mission-Critical	Regional	National	Full-Global	Prime-Global	Δ	Δ	Different systems and databases; caveats for local reqs and stakeholders
HR-H	HR - Systems Integration	Important	None	National	Prime-Global	Prime-Global	Δ	Δ	Limited integration of data today

Source: Jeitosa

Global Service Delivery Model – Definition (2 of 2)

FUNCTION MODEL "What"		ORGANIZATION MODEL "How"						
ID	Business Function	Current Design	Current Delivery	Future Design	Future Delivery	ΔS	ΔL	Identified Key Gaps
HR-A	HR - Strategy	Business Group	Business Group	Enterprise HR	Enterprise HR	Δ	Δ	Self-Service available for US and India but not every where No consistency in process and data No consistent policies/ framework; no SCs except India & US No consistent repository for policies and processes Self-Service available for US and India but not every where No consistency of data definitions
HR-B	HR - Global Planning	COE	COE	COE	COE	--	--	
HR-C	HR - Budgeting	Business Group	Business Group	Enterprise HR	Enterprise HR	Δ	Δ	
HR-D	HR - Solution Design	Business Group	Business Group	COE	Service Center	Δ	Δ	
HR-E	HR - Solution Setup	Business Group	Business Group	Service Center	Service Center	Δ	Δ	
HR-F	HR - Data Management	Service Center	Service Center	COE	Service Center	Δ	--	
HR-G	HR - Data Entry	Business Group	Business Group	COE	Self-Service	Δ	Δ	
HR-H	HR - Systems Integration	None	None	COE	Service Center	Δ	Δ	

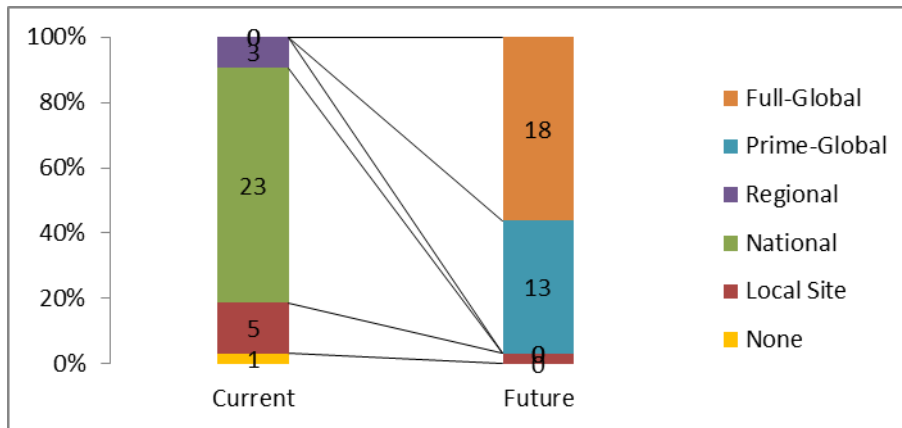
Source: Jeitosa

Global Service Delivery Model – Output

HR Functions

Global Model - Process - HR

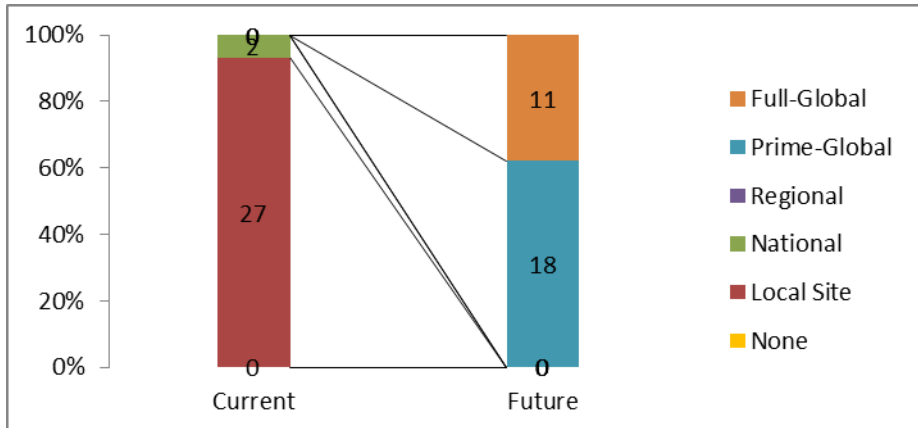
	Current	Future	Current	Future
None	1	0	3%	0%
Local Site	5	1	16%	3%
National	23	0	72%	0%
Regional	3	0	9%	0%
Prime-Global	0	13	0%	41%
Full-Global	0	18	0%	56%
Total	32	32	100%	100%



T&A Functions

Global Model - Process - TA

	Current	Future	Current	Future
None	0	0	0%	0%
Local Site	27	0	93%	0%
National	2	0	7%	0%
Regional	0	0	0%	0%
Prime-Global	0	18	0%	62%
Full-Global	0	11	0%	38%
Total	29	29	100%	100%



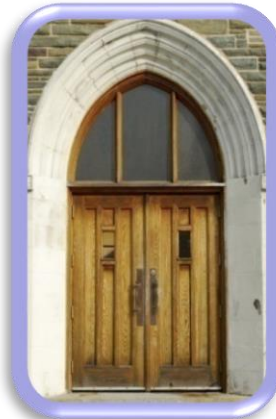
Source: Jeitosa

Discussion – Global Service Delivery

Working with your subgroup, discuss the following questions and be ready to discuss with the full group :

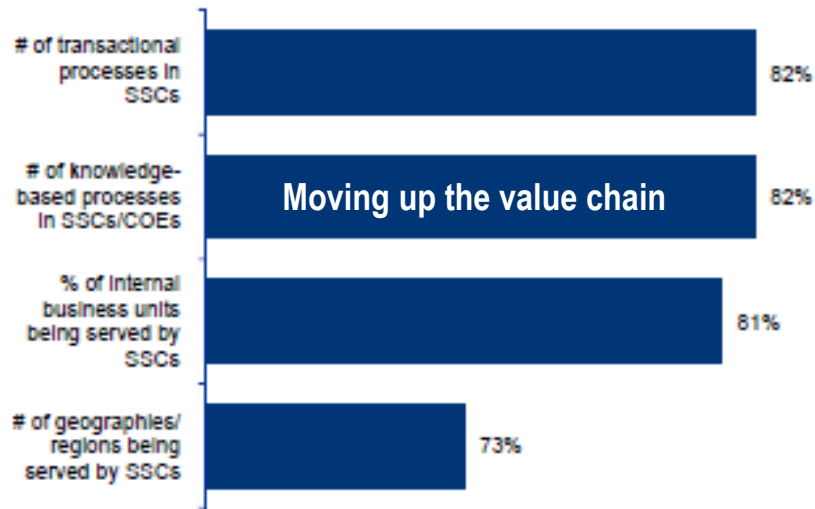
1. How realistic is it to standardize HR activities 90%? How about Payroll?
2. What are some of the pros and cons of local vs regional vs global service delivery models?
3. What are some of the most successful methods you know for managing change and increasing adoption of a new model or approach?

Global Outsourcing Strategies



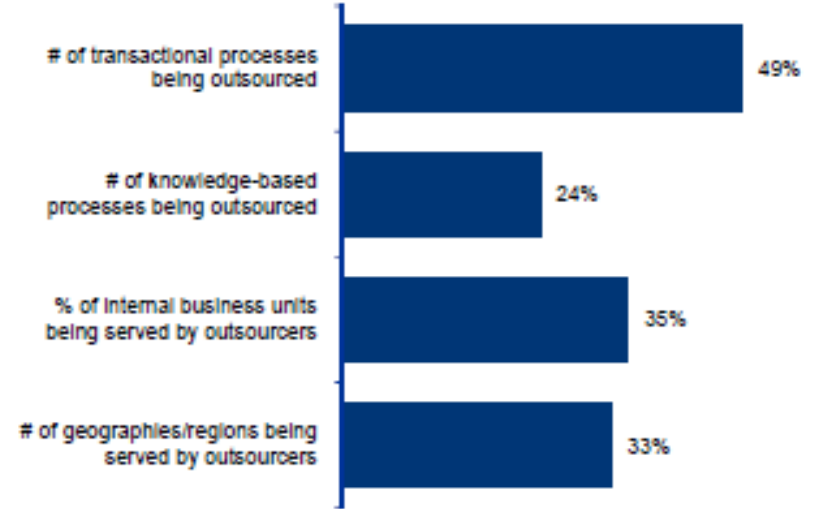
Shared Services and Outsourcing Projected Growth

Expected Increase in Shared Services



The majority of survey participants plan on expanding the scope and reach of their SSCs

Expected Increase in Outsourcing

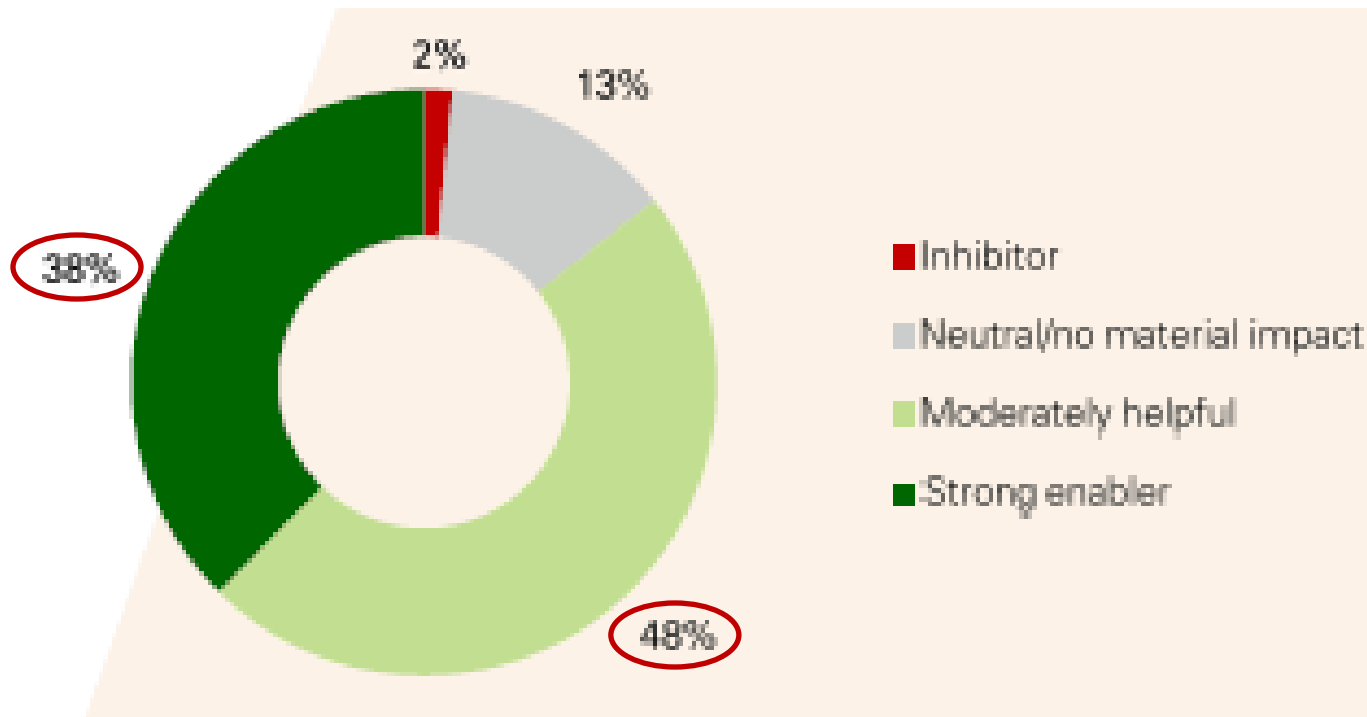


Respondents continue to expect to increase the use of outsourcing for transactional processes

Source: Deloitte Shared Services Survey 2013

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Shared Services as an Enabler of Outsourcing

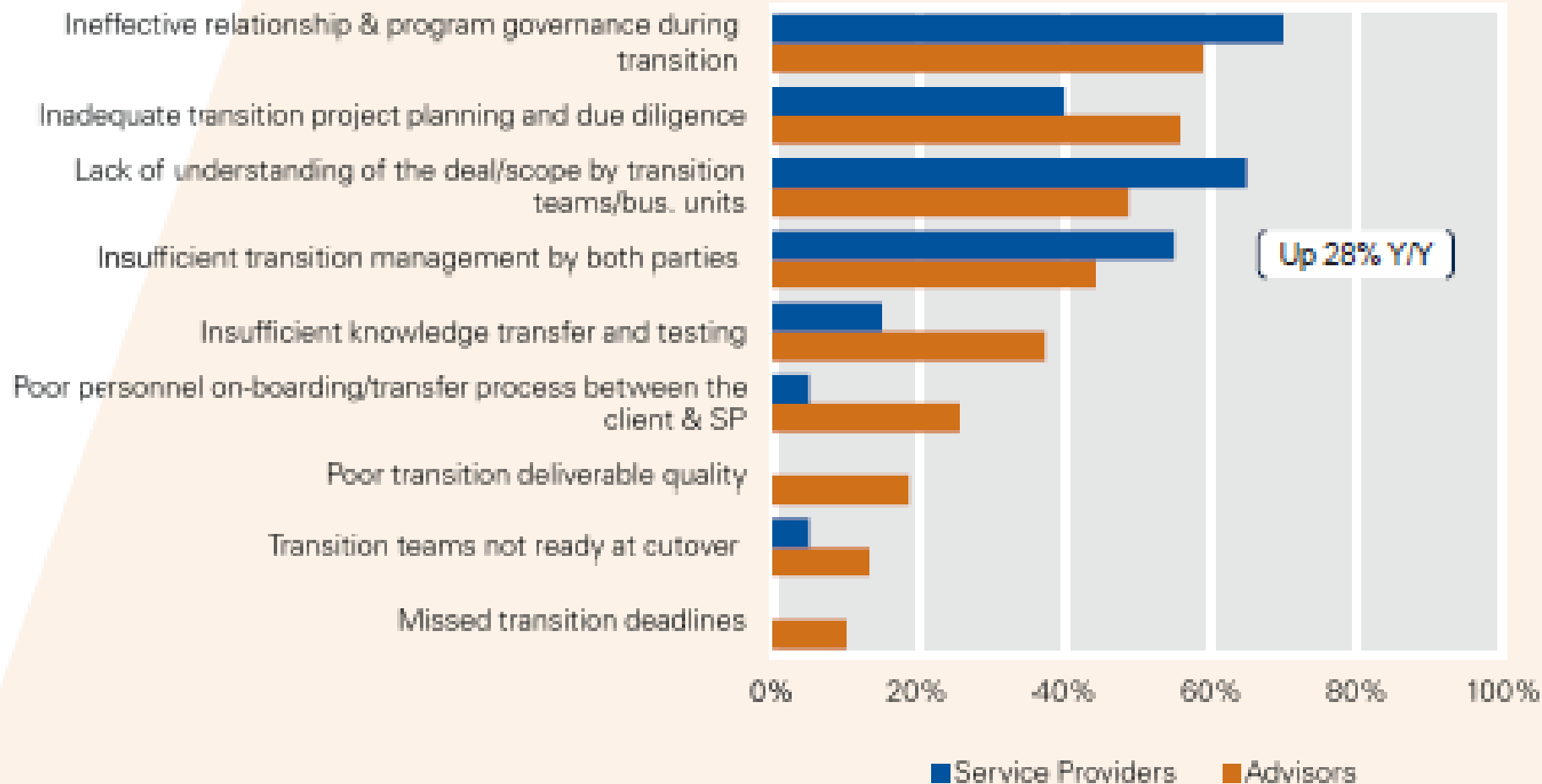


48% felt that having deployed internal Shared Services before undertaking significant outsourcing was moderately helpful to Shared Services success and 38% felt it was a strong enabler to success.

Source: KPMG Sourcing Advisory Global Pulse Survey, October 2012

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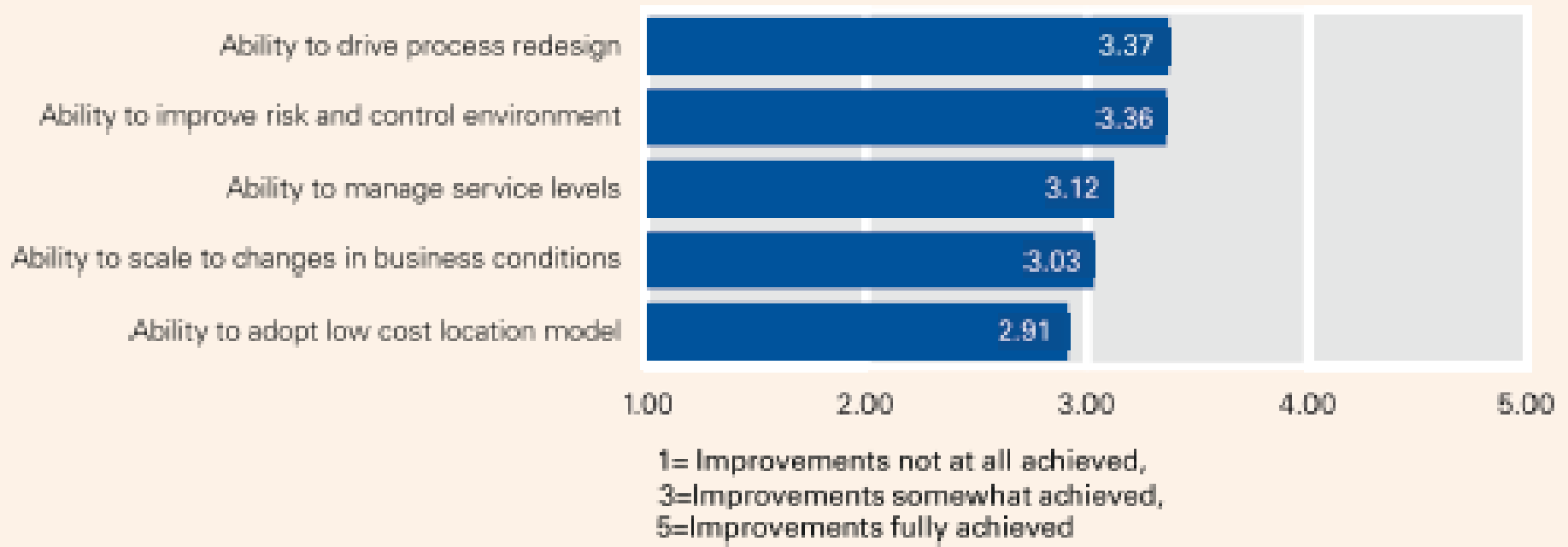
Reasons for Transition Failure



Source: KPMG Sourcing Advisory Global Pulse Survey, October 2012

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Improvements when Outsourcing Replaces SSCs



Most often cited improvement is the ability to drive process redesign, followed by the ability to improve the risk and control environment.

Source: KPMG Sourcing Advisory Global Pulse Survey, October 2012

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Discussion – Global Outsourcing

Working with your subgroup, discuss the following questions and be ready to discuss with the full group:

1. How can you increase your effectiveness in outsourcing high-volume, low value-add transactions?
2. How can Shared Services better prepare the organization for effective outsourcing?
3. How do you best leverage the advantages and mitigate the risks involved with offshoring?

Thank You

gracias, merci, efcharisto, hvala, kiitos,
durdaladawhy, asante sana, bedankt, danke,
rekhmet, go raibh maith agat, salamat,
doh je, spasibo, Ευχαριστω, arigato, tack,
shukriya, tesekkür ederim, bayarlalaa, terimah,
mahalo, takk, kasih, mamnoon, dhannvaad,
धन्यवाद, dziêkujê, tapadh leat, grazie, 谢
dakujem, khawp khun, ngiyabonga 谢

Contact us at: www.jeitosa.com

Thank You



jeitosa — [zhay-taw-za] (Brazilian Portuguese) adj. agile, skillful, adroit, clever, innovative, solution-oriented.

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