



Global Business Services overview

Global Business Services adds strategic, sustainable value to the enterprise

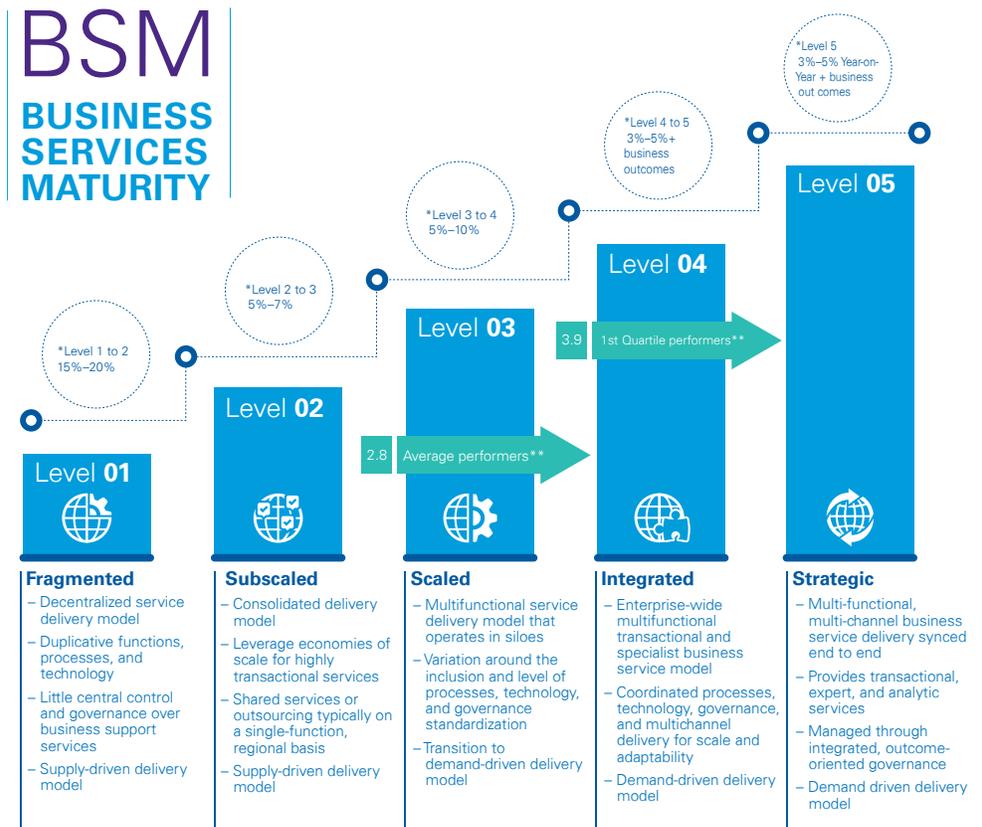
The traditional shared services and outsourcing constructs are evolving into a new model that adds tremendous strategic value to the enterprise. This new transformative model is built on efficient, adaptable, end-to-end processes that seamlessly integrate resources and capabilities for services such as procurement, finance and accounting, IT, and human resources at its core and increasingly more middle and back office processes.

This holistic approach – called Global Business Services (GBS) – enables enterprises to enter new markets easier, integrate acquisitions faster, adopt new processes more rapidly, and access and analyze a wider range of data that serves their customers better.

The evolution from single-function, transactional service delivery to a strategic GBS model that spans multiple functions, geographies, and delivery channels has recalibrated the value proposition for back and middle office services, and highlighted the need for a stronger business focus and engagement.

GBS maturity creates transformative opportunities

Every business services organization is unique, and each experiences different levels of maturity along the path toward sustainable value and strategic impact. The agility available at the highest maturities – which focus on comprehensive business outcomes and seamless alignment of back and middle office services – can create opportunities to take advantage of disruptive technologies and shifts in market demands, and enhance financial performance.



As GBS organizations progress toward more mature service delivery, they quickly recognize the transformative opportunities available by leveraging analytics, establishing a portfolio management approach, adopting digital technologies, and focusing on global process governance. In addition to economies of scale and cost optimization, benefits of GBS maturity include:

- **Flexibility:** GBS provides an integrated set of management and back and middle office delivery capabilities to allow the enterprise to focus their front office activities on growing the business and more rapidly adapting to business changes.
- **Simplified management:** GBS offers a standard approach to globally manage a holistic set of back and middle office services making it easier for internal and external customers and other partners to do business with the enterprise.
- **Innovation:** Centers of excellence are identified and integrated into the services portfolio allowing the enterprise to pool scarce talent and resources to stay on top of leading industry trends and opportunities.
- **Risk management:** GBS provides a in which to more effectively manage risks such as business disruption and deploy a global controls framework across services and geographies.

Experience the power of GBS

KPMG understands the pressures leaders face every day, and our Shared Services and Outsourcing Advisory practice – a recognized leader in GBS initiatives – can give you the tools, knowledge, insights, and data you need to build value, achieve sustainable process improvements, and align services with your organization’s overall business strategy.

Our breadth and depth of experience helps enterprises on each step of their journey toward delivering mature services and driving high-value, sustainable transformation.

KPMG supports the GBS journey across 10 dimensions





Delivery and sourcing strategy

Delivery and sourcing strategies reflect overall success. We can help you coordinate the GBS value proposition with your corporate strategy.

Service portfolio

Service portfolio requires a continuous focus on creating value and managing risk. We can help you align your governance and business strategy with functions at various levels of service development.

Data and analytics

Data and analytics can provide insight into corporate strategy and improve enterprise operations. We can help you leverage the value of your data, and develop analytic dashboards to evaluate and shape GBS performance.

Talent management

GBS can build rewarding careers. We can help you support effective talent management practices so that GBS staff and leaders are recognized for their insights, innovation, and customer orientation.

Process excellence

Companies with higher levels of GBS maturity and optimization have the highest levels of process integration across geographies and functions. We can help you ensure that global process ownership incorporates both the GBS and non-GBS portions of end-to-end processes.

Enabling technology

Companies moving toward GBS maturity adopt a holistic digital services environment. We can help you leverage robotics; bring operations closer together for customers, employees, and service providers; standardize IT applications and systems; build more digital, mobile, and socially centric services and engagement models; and create a virtual workforce and services organization.

Enterprise services governance

GBS serves as an independent operating unit, and governance and accountability should be aligned with functional leaders and other managers. We can help support you GBS services that are accessible through an intuitive, simple interface.

Commercial perspective

A customer relationship model can align services to business needs. We can help you run GBS like a business that's aligned with long-term objectives.

Tax and risk optimization

Relevant tax data and financial controls should be aligned and embedded in the new operating model. We can help you structure that appropriately, and analyze GBS locations and pricing decisions.

Change and program management

With effective change and program management, GBS groups can achieve greater benefits, reduce resistance to adoption, and mitigate risks that might undermine the value of the initiative. We can help GBS managers explain why the change was needed, share performance results, and get feedback from stakeholders.

The KPMG team helps organizations transform business services

We are not outsourcers, and we don't favor any supplier or delivery model. Our services are backed by 30,000 professionals across the Americas, Europe, the Middle East, and Asia Pacific. KPMG advisors have deep functional knowledge of business services across technology, finance and accounting, human resources, procurement, customer contact, and facilities management.

Businesses in many industries have benefited from our expertise. Here are a few brief case studies:

Global consumer products company

Challenge: Our client wanted to accelerate growth and increase profits by reallocating resources to GBS. The goal was to focus investment on marketing, sales, and new products in high-growth markets. The initial conversations focused on a finance transformation involving global process and technology changes, but the project quickly evolved to GBS on a broader scale.

Solution: GBS provided an opportunity for the client to take finance, customer service, logistics, marketing, analytics, and other services to the next level by developing a network of global and regional centers to deliver seamless global services to its growing global enterprise.

Leading pharmaceutical company

Challenge: Our client was selling its pharmaceutical division and retaining its medical-devices division. The divestiture included a two-year transition service agreement (TSA) for the medical-device company to provide back-office support to the new pharma company. The pharma company needed to redefine itself quickly because all the people, processes, and technology support from the medical-device company would end when the TSA ended.

Solution: Based on a GBS maturity assessment, we supported transformation initiatives across enabling technology, services portfolio, process ownership and optimization, and talent management functions. Support organizations made the transition without any significant service disruptions.

Major beverage company

Challenge: Because the company has a large presence around the world, many projects had been initiated on a local or regional basis with limited alignment globally. The client's global leadership team established a strategic priority to leverage its scale by centralizing non-core activities and allowing local businesses to focus where they could add the most value.

Solution: We supported the high-level design, detailed design, and implementation of the client's GBS organization, working on all aspects of the operating model. The implementation of GBS helped maximize the value available from the in-flight projects by executing in a consistent way globally. As a result, the GBS organization became a competitive strength for the company.

KPMG provides GBS maturity assessments

Since 2011, our Shared Services and Outsourcing Advisory practice has conducted ongoing, survey-based research into the maturity of Global 500 and Fortune 1000 companies' GBS efforts. More than 200 organizations have participated to date.

The survey evaluates each organization's maturity level across 10 dimensions. After our analysis, companies receive a report with the aggregate results of all organizations surveyed, and a customized GBS maturity benchmark analysis based on more than 60 metrics. Also included are targeted recommendations about how to drive GBS maturity for next-level growth.

Find out more about KPMG's GBS maturity model and maturity assessment research program here: <http://www.kpmg-institutes.com/institutes/shared-services-outsourcing-institute/articles/campaigns/global-business-services-maturity.html>





How KPMG can help

KPMG recognizes that today's enterprise business services leaders face increasingly complex demands and challenges.

Globally integrated teams from our Shared Services and Outsourcing Advisory (SSOA) practice, in seamless partnership with professionals from KPMG International's broader set of member firm capabilities in risk, transactions, tax, and compliance, help our clients transform their business services to deliver improved value, increased agility, and sustainable business performance.

If your organization is seeking innovative ways to achieve genuine business services transformation, KPMG SSOA can help. For more information, there's no better place to start than by accessing our research and thought leadership at www.kpmg.com/us/gogbs. Learn more about our GBS capabilities at www.kpmg.com/us/gbs.

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