

GBS: Yielding the Butterfly Effect

The changing role of Global Business Services

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INTEGRITY

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GBS: Yielding the Butterfly Effect

Playing catch up or leading from the front?

While the Global Business Services (GBS) ecosystem has matured with more than 10,000 centers¹ around the world, the growth potential is still immense. The projected growth of the industry from USD 1.8 trillion in 2022 to USD 2.5 trillion USD by 2025² is a reminder that GBS remains an important component of the value equation for global enterprises.

With this scale and double digit growth, GBS centers hold the potential to tackle critical priorities for their parent organizations. Over the years, the role of GBS centers has evolved significantly (refer Exhibit 1). They now find themselves taking a pivotal role in the organization by repositioning themselves as global talent hubs leading transformation and business outcomes for the enterprise. An inflow of varied talent has also allowed them to diversify their portfolio of services by building capabilities in disruptive technologies such as AI, ML, IoT, AR/VR.

Exhibit 1 – Role of GBS organizations has evolved coupled with rapid expansion of their service portfolio, focus on resiliency & effectiveness



Taking pivotal role in the organization

- Providing resilience through its global footprint
- Bringing organization wide transformation: Developing playbook and scaling prototyped ideas across the parent organization
- Adapting to the 'New Normal': Enabling parent organizations with remote work infrastructure, hybrid work-friendly policies
- Act as value drivers, leverage talent for high value tasks and serve as channel for outsourcing standardised activities



Repositioning as a global talent hub

- Developing specialized skills: Hiring niche talent, upskilling employees to support innovation
- Access to untapped talent: Building systems for temporary/flexible work (gig economy), setting up offices in tier 2/3 cities
- Reshaping culture to nurture innovation: Transitioning to innovation-linked incentives, promoting Intellectual Property, filing of patents



Serving as Centre of Excellence (CoE)

- Climate and sustainability: GBS leading the agenda for parent organization, e.g., tracking carbon footprint, re-engineering of products
- AI/ML models created and tested at GBS, ensuring continued innovation without disrupting the parent organization
- GBS helping organizations leverage upcoming technologies like IoT, Cloud and Blockchain to improve critical functions eg. supply chain, R&D

The GBS Leadership Survey and Methodology

The GBS Leadership Survey (GLS) 2022, conducted by the Boston Consulting Group (BCG), focused on three key objectives – 1) Identifying the overarching trends in GBS transformation, 2) Analyzing the shifting trends for GBS post-pandemic and the roadmap for growth, and 3) Identifying the key challenges faced by GBS leadership. The survey drew participation from GBS senior leadership across the industry supporting organisations based out of North America, Europe

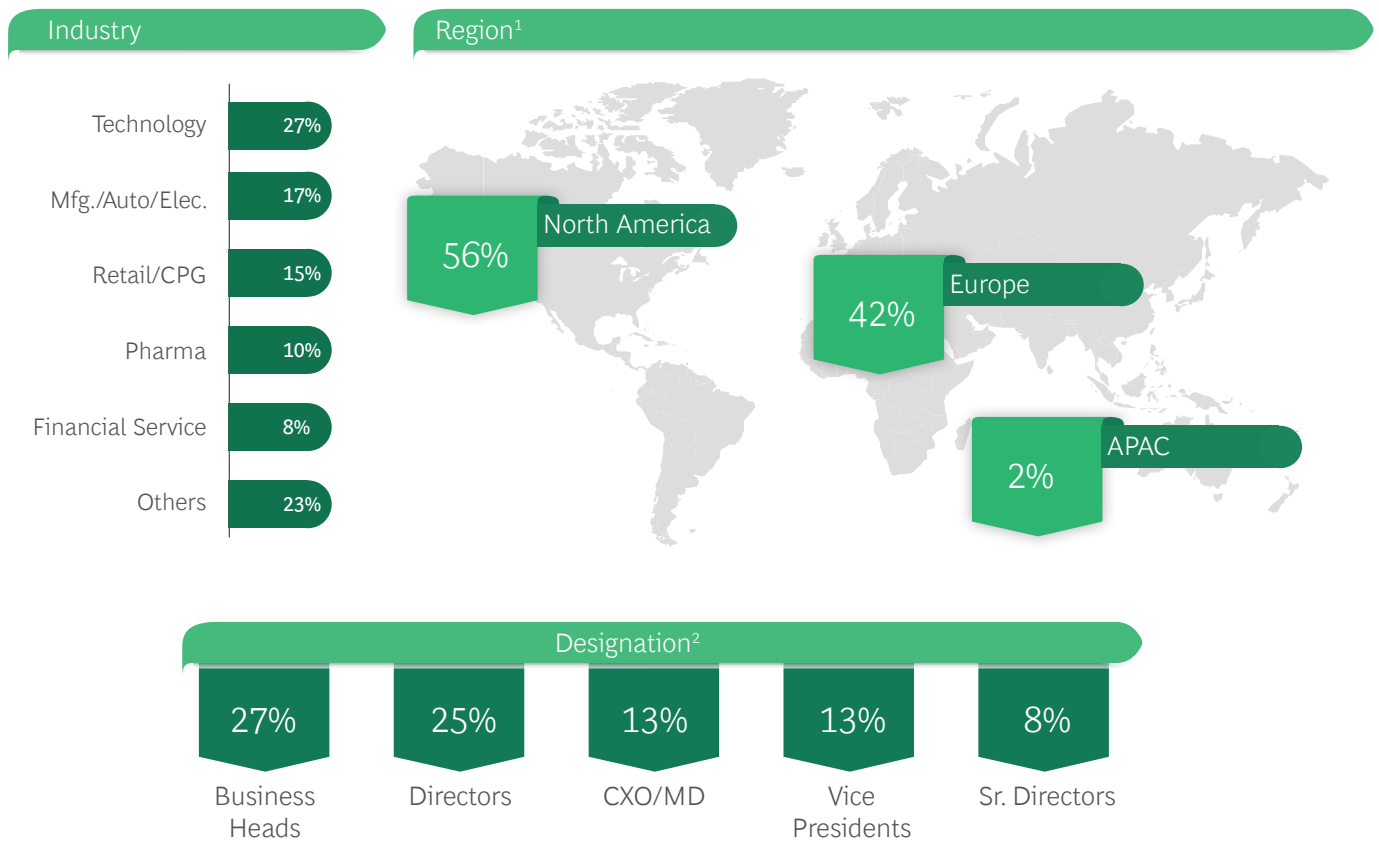
& APAC (refer Exhibit 2). This white paper presents findings from the survey responses coupled with GBS topic expert interviews, secondary research & internal BCG perspectives gleaned through quantitative research backed by qualitative insights. GBS priorities & performance were assessed through the lens of 5 categories & 20+ dimensions as outlined in Exhibit 3.

1. SSON's State of the Shared Services & Outsourcing Industry Global Market Report 2022

2. SSON Network

Exhibit 2: Data snapshot for GLS 2022

N = 48



1. Parent HQ

2. Remaining 14% from other designations

Source: GBS Leadership Survey

Exhibit 3 – GLS 2022 assesses GBS priorities & performance across 5 categories & 20+ dimensions



Automation & supporting tech

- ⦿ Process automation, % human intervention
- ⦿ Use of AI to escape manual work
- ⦿ AI for agent matching
- ⦿ Consolidated customer view
- ⦿ AI/ NLP for real-time solution suggestions
- ⦿ Tech systems



Talent management

- ⦿ Employee attrition rate
- ⦿ Employing gig / temporary workers
- ⦿ Employing specialized talent
- ⦿ Flexible working models



GBS value proposition

- ⦿ Cost focus vs customer orientation
- ⦿ Ownership of products/ services
- ⦿ Outsourcing vs in-house delivery of shared services
- ⦿ Responsibility for business-critical activities



Centers of Excellence

- ⦿ Climate and sustainability CoEs
- ⦿ AI/ML CoEs
- ⦿ Supply chain CoEs
- ⦿ Hyper-automation CoEs

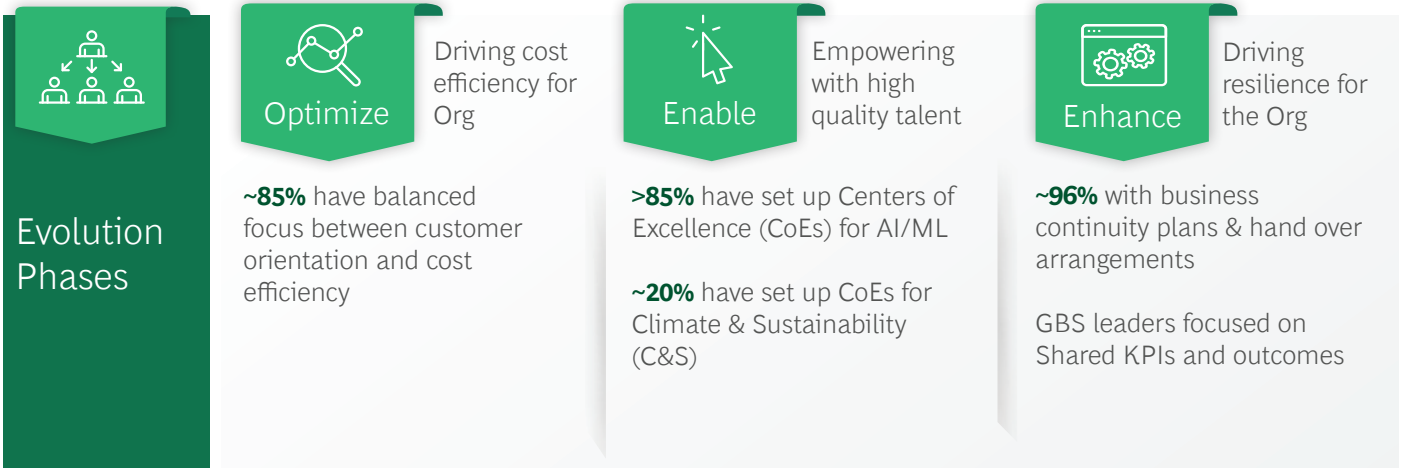


Governance structure

- ⦿ Defining clear outcome metric
- ⦿ Reviewing and updating governance mechanisms
- ⦿ Alignment of goals between GBS and BU
- ⦿ Policies for remote/ hybrid work infra
- ⦿ Business continuity
- ⦿ Risk management

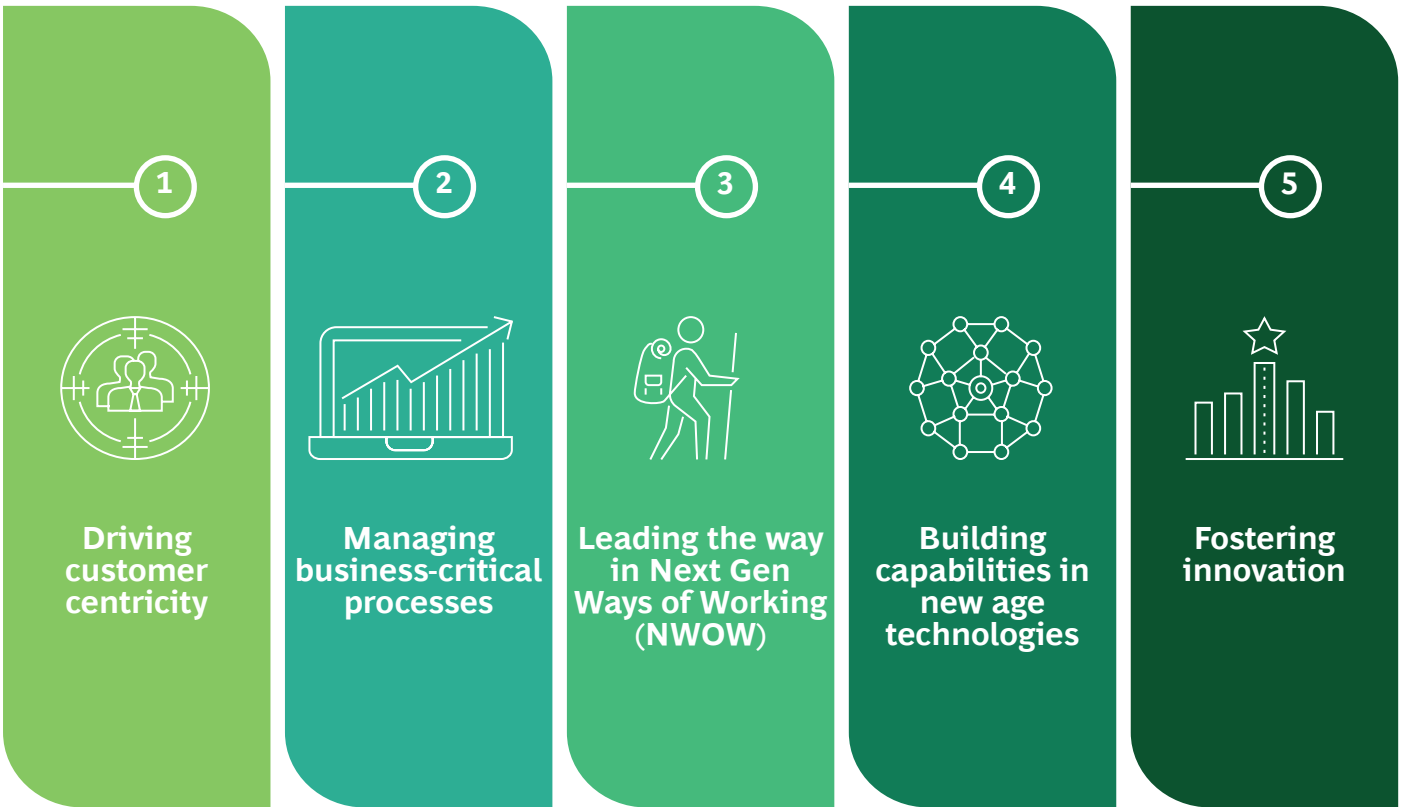
The transformation of GBS organizations from traditional cost centers to strategic partners has happened through three stages as shown in Exhibit 4. Mature centers have evolved not only as cost efficient, customer oriented organizations but also as partners who are responsible for leading business outcomes for the enterprise.

Exhibit 4 – GBS organizations have evolved, and now are maturing to drive the strategic future agenda of the parent organization



Value creation in essential pockets

The role of GBS has inarguably expanded and they are well-positioned to create exponential value for their organization in certain areas. The key initiatives through which GBS organizations are creating value for the enterprise are:





Driving customer centricity

It is becoming increasingly evident that GBS organizations have matured to strike a balance between cost efficiency and customer centricity, thus empowering themselves to drive greater impact. In fact, the survey indicates that approximately

85% of GBS leaders already believe that their focus on customer orientation has improved, as compared to the earlier focus on just cost efficiency.



Earlier we were quite cost focused. Our KPIs have now moved to product ownership and capturing new market segments.

– GBS Head, Leading Global Tech Co



Our operations were set up here in India because it is a low-cost center, and many skilled resources were available. But now it is more focused on what does the customer want, and designing for that.

– GBS Head, Global Pharma Major

Case Study: Ensuring low-cost of operation for GBS via outsourcing, technology investments and upskilling



About

GBS of Global Retail Major



Maturity

Early stage GBS focused on Optimizing cost efficiency



Key Projects



Collaborating with and outsourcing work to IT/ tech services cos

- Processing time for key activities reduced by 95% - from minutes to seconds
- Improved Success rate

Investing in Research / Technology to improve efficiency

- 56% reduction in FTE requirement by building mechanisms/ tools for: low efficiency, data duplicity, etc.
- Shift from legacy systems to newer platforms solved system speed, lack of standardization, etc.

Partnership with academic institutions

- Upskilled employees able to leverage new age tools/ systems better
- Several long/short term courses and workshops for employees to upskill & further help in building COEs for higher efficiency

Highlights



Managing business-critical processes

Interestingly, one of the primary ways through which GBS organizations are able to shoulder more business responsibilities is by outsourcing on behalf of the parent company (refer Exhibit 5). In fact, around 80% of GBS organizations now outsource standardized services which are not business critical and have no industry or company-specific requirements, as long as vendors can guarantee the

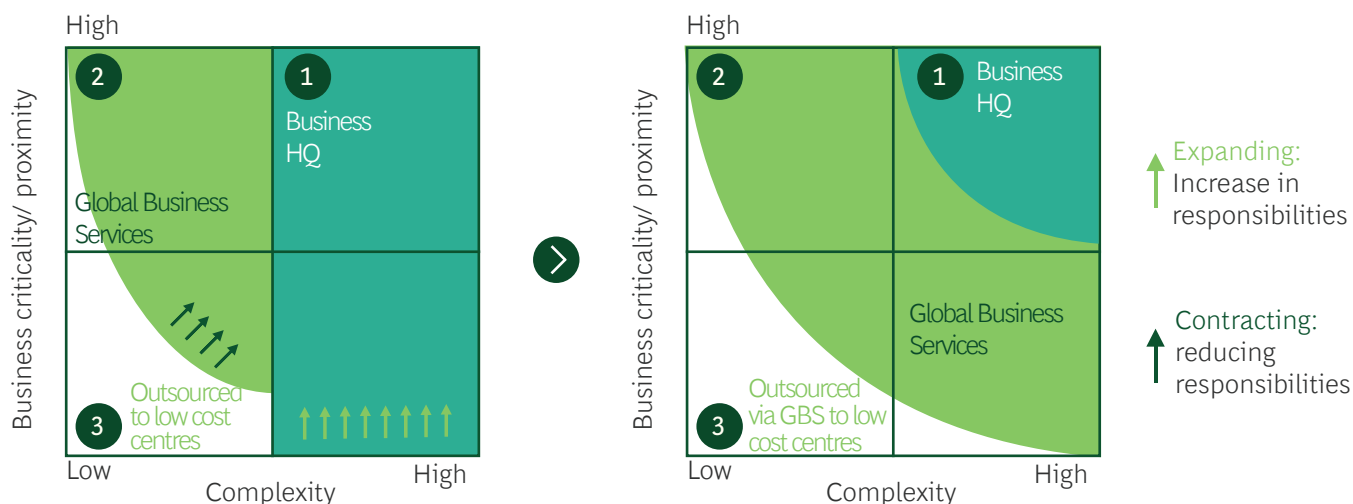
same service quality at lower costs. Further, 85 % of GBS centers now follow a predefined and comprehensive partner selection process which is approved by the parent organization. This has allowed GBS centers to take on complex business-critical processes allowing the headquarters to focus on time-critical strategic tasks



GBS is taking quite a different shape now, they are working on a value-based pricing model. For high-value products, the developer work is getting outsourced to more cost efficient human resource countries due to developing trust in the virtual work ecosystem.

– GBS Head, Global Engg. Major

Exhibit 5 – GBS slowly taking larger share of global responsibilities, as it becomes more efficient and forward looking



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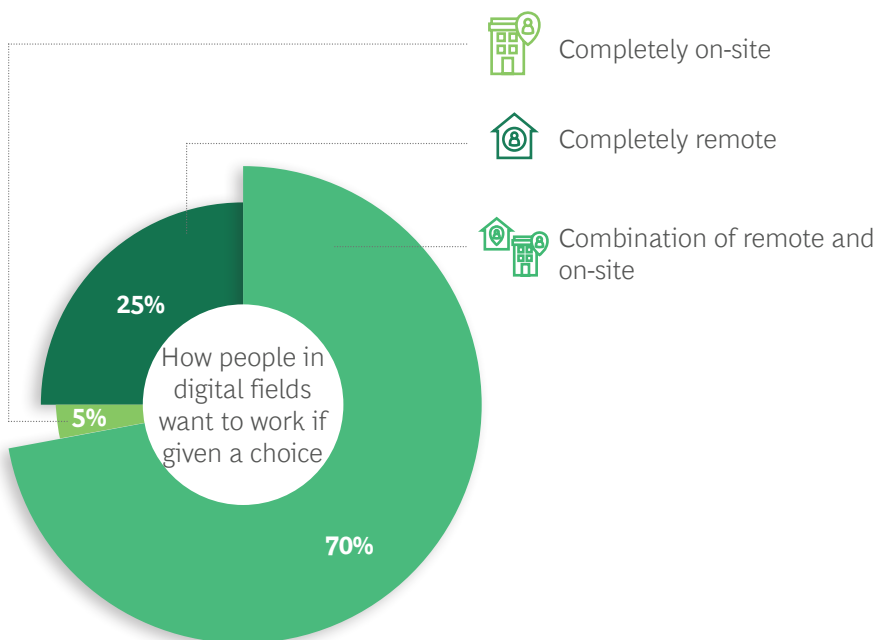
Leading the way in Next Gen Ways of Working (NWOW)

Remote & hybrid working models have become a reality in the post-COVID world. A recent report by BCG & NASSCOM¹ shows that approx. 70% of employees would prefer a hybrid

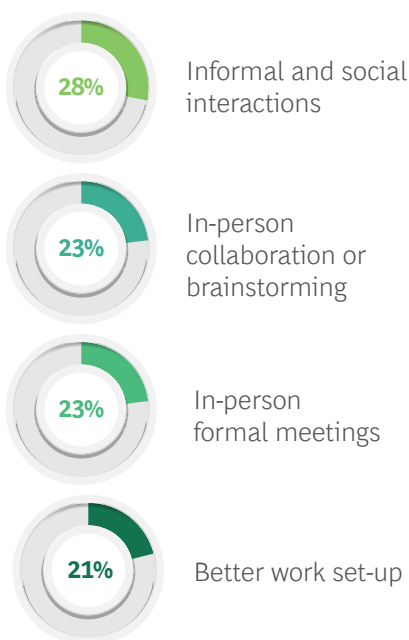
working arrangement (refer Exhibit 6) with 80% of IT services & GBS centers likely to facilitate such an arrangement for their employees.

Exhibit 6 – Employees are comfortable with a hybrid working model

Talent in technology firms is looking for flexible working options in the future



... but value the importance of office as well



GBS organizations have become essential catalysts in supporting this change by creating the necessary IT infrastructure to run applications, training employees in new ways of working & enabling team collaboration through centralized cloud-based systems. Further, GBS centers are

also helping the enterprise redesign HR policies to ensure efficiency, flexibility and safety in the modern workplace. This is the 'New Normal', and comes with its own set of challenges & benefits (refer Exhibit 7).

1. Future of work implications for India's technology industry

Exhibit 7

Substantial benefits can be realized by shifting to NWOW...

Productivity increase

- ⊙ Employee productivity increases by 15-40%, when working remotely in comparison to office counterparts
- ⊙ Productivity increase occurs due to lower distractions & “facetime”, allowing employees to focus on essentials

Cost savings

- ⊙ Average yearly savings of \$10k per remote working employee experienced by companies
- ⊙ Savings stem from reduction in electricity & other resource usage, fewer sick days, and the opportunity of down-sizing office space

Engagement

- ⊙ Employee commitment increases when allowed to adopt remote working
- ⊙ As a result, **absenteeism is reduced by 40%** on average

Retention

- ⊙ 54% of employees ask for more flexibility, in normal times
- ⊙ Implementation of remote working, leading to **12% reduction in turnover**

Environment

- ⊙ In recent years, remote working reduced **green-house gases by 3M tons**
- ⊙ Sustainability becomes more important for employee satisfaction

...However, it's critical to address key challenges to sustain this 'New Normal'



Connectivity & Platforms

- ⊙ Poor Work From Home (WFH) infrastructure
- ⊙ Tools not wired for remote working



Security requirements

- ⊙ Isolated network
- ⊙ Identity / “Shoulder surfing”



Productivity

- ⊙ Risk of missing SLAs
- ⊙ Lack of managerial supervision



Client permissions

- ⊙ Client data privacy concerns do not permit work from home



Regulations

- ⊙ Sector specific regulations, OSP¹ regime of DoT² can create complications
- ⊙ Complications with SEZ³ tax benefits



Culture & Engagement

- ⊙ May adversely affect joint working culture
- ⊙ Insufficient modes of engagement

1. Other Service Providers, 2. Department of Telecommunications, 3. Special Economic Zone



Building capabilities in new age technologies

As new age technologies disrupt traditional business models, enterprises need to be ahead of the curve, to identify & build capabilities in technologies that hold future potential for the organization. With the right mix of domain expertise, and a workforce with the necessary technology

skillset, GBS organizations find themselves in a unique position to drive the transformation agenda for the enterprise. Artificial intelligence & hyper-automation have emerged as key core-capabilities being built by GBS centers to achieve higher automation across the value chain.



AI has recently picked up, and the talent pool in deep neural networks is rising. We are actively looking to leverage this by hiring talent and partnering with startups in this space.

– GBS Head, Global Tech Major

The survey revealed that more than 85% GBS centers have expanded their AI teams in the past 2 years, with FI & consumer sectors leading the charge. These teams have the

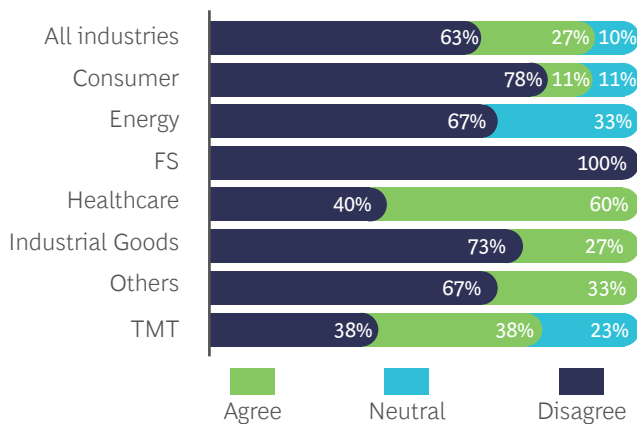
capability to develop use cases that could range from basic document analysis using OCR & AI models to advanced NLP based real time customer support (refer Exhibit 8).

Exhibit 8 – AI use case ranges from document analysis to NLP

FS leads, Energy & Industrial goods sector still exploring AI based use cases

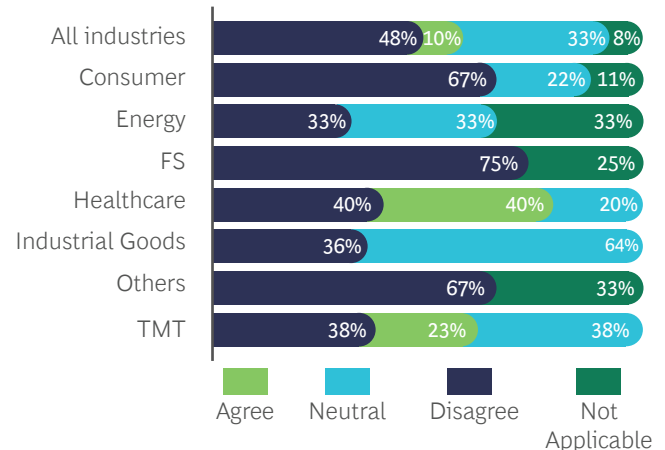
Basic Use Cases

Documents are analyzed by OCR and AI models, which update systems, systematize consequences of inputs or updates, and suggest courses of action.



Advanced Use Cases

AI-based customer issue anticipation, natural language processing enabled real-time solution suggestions, single dashboard, hybrid communication (voice and text).



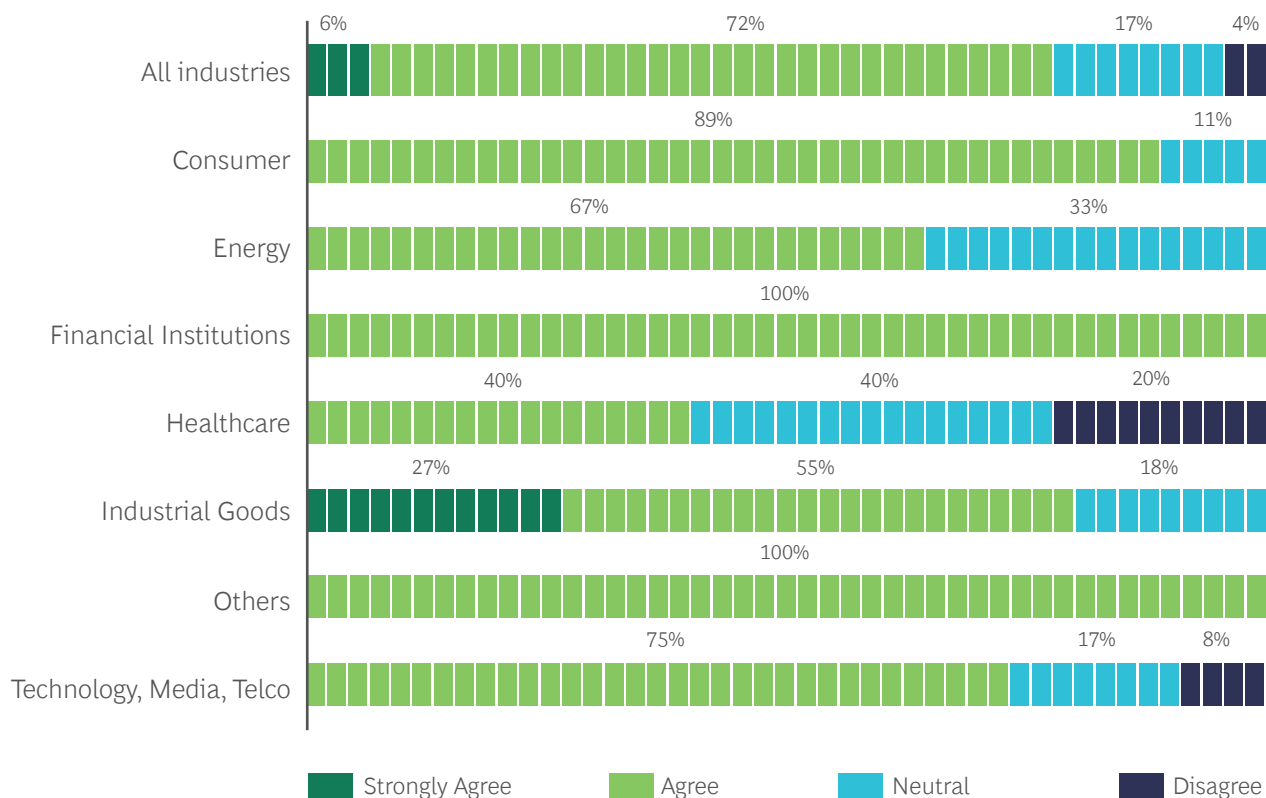
Source: GLS 2022 ; n=48

NLP – Natural language processing

Hyper-automation is a top of the mind priority for GBS leaders across industries. 72% (refer Exhibit 9) participants have adopted and implemented automation with financial institutions & consumer sectors showing the highest

adoption rates. As routine & repetitive tasks are automated, employees can devote more of their time on tasks that require creative thinking & analysis.

Exhibit 9 – Percentage of respondents¹, by views on process automation



1. Respondents asked if most of their processes were automated with pre-defined inputs & outputs structure for various scenarios, with minimal human intervention

Case Study: Acting as a conduit for Technology explorations of the parent organization, enabling quick launch of new products while managing product development costs

About



CoE of a GBS - Global Tech Major



Maturity

Mid-stage; Product development focus by ensuring mix between cost efficiency and shortened Time To Market for products



Key Projects



Building pipeline of projects for parent organization

- Running a tech radar internally to identify upcoming technology disruptors like AI, ML, Blockchain etc.
- Running ideas by the parent org & creating prototypes, ensuring checkpoints and market readiness

Enabling Go to market (GTM) for mature products of parent organization

- Managing GTM for mature products in new customer segments and new geographies
- End to end responsibility of identifying opportunities and shaping the value proposition

Enabling cost efficiency on the talent front

- Identifying right skillsets and upskilling internal employees for high-value work
- Outsourcing part of development work to low-cost providers while retaining the control of overall product development

Highlights



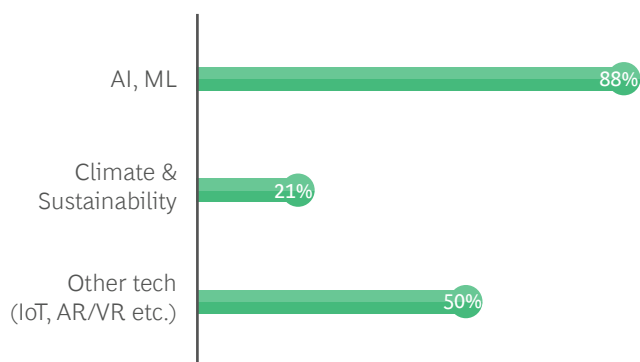
In the unrelenting race to remain relevant, enterprises need to continuously evolve. GBS centers are supporting this endeavor by fostering innovation through policy linked initiatives or collaboration with start-ups & academia. Establishing CoEs to focus on key topics aligned with the enterprise's strategic vision has gained traction as a way to

institutionalize innovation. In fact, 75% of GBS centers have established 3 or more new CoEs (size >50) in the past 18 months with AI, ML and climate & sustainability (C&S) emerging as key focus areas. FI & IG sector companies are leading the pack in C&S CoE setups (refer Exhibit 10).

Exhibit 10 – GBS organizations are developing capabilities beyond AI, CoEs focused on Climate & Sustainability are beginning to scale up rapidly

CoE setups focused on key topics has gained momentum ...

% of GBS that have set-up CoE on the topic in last 18 months

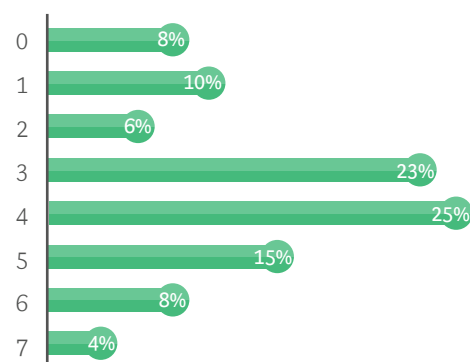


Percentage of respondents,
By new CoEs set up in respective domain in last 18 months

Source: GLS 2022 n=48

... and over 75% of GBS centers have set up 3 or more new teams (size >50) for CoEs in the last 18 months

By number of new CoE teams set up in the last 18 months



Percentage of respondents,
By number of new teams set up in the last 18 months

GBS organizations are increasingly leveraging internal & external ecosystems to conceptualize and develop products & services. They are acting as a test-bed where these proof

of concepts can be further refined & tested until they are ready to be launched across the world (refer Exhibit 11).

Exhibit 11 – GBS organizations acting as a breeding ground for advancements, bringing ideas to fruition across the parent org



Supporting organic & open innovation/ idea generation

- Creating innovation-linked incentives for in-house product development & IPs
- Collaboration with startups (40,000+ active startups in India, with ~12,500 in tech, 2,100+ in AI, IoT and other "deep tech" fields)
- Collaborations with academia



Testing Proof of Concept (PoC) at GBS level

- Deployment of ideas within the GBS, e.g. AI model testing conducted with disrupting day-to-day functioning of parent organization
- Developing playbook to scale up process; engage in hiring/ upskilling of employees



Implementation across Parent Org

- Providing supporting infrastructure/ technology
- Supporting employees through the transformation via training programs, workshops etc.

Case Study: Building strong internal teams and partnering with the government to drive parent's climate and sustainability agenda

About

C&S COE in a GBS for Global Tech Major

Maturity

Mature GBS focused on forward-looking Sustainability goals



Key Projects



Partnership with govt. bodies to promote startups solving business problems

- Working with STPI (Software Technology Parks of India) to run Next Generation Service Interfaces (NGSI), providing seed funding to startups
- Partnering with NASSCOM to provide facilities to early stage startups

Research and model development on key strategic topics driven by parent organization

- Air pollution: using real time geospatial index to measure air quality index (AQI)
- Agriculture: Conducting soil modelling, impact on deep irrigation systems, etc.
- Forest conservation: Use of drone analytics & other tech to map forest area

Scaling successful pilots to parent organization

- Conducting cross border industry analysis ensuring cross-pollination of expertise across the org
- Assistance with international trade regulations, including compliance support for export

Highlights



Global parent and multi-geography operations often continue to operate in silos and find it difficult to implement operational efficiency programs and introduce new technologies (like AI/ML and C&S). GBS acts like a unifier and propagates one vision of the program with a standardized playbook. Driven by this philosophy- we have set-up about 60 CoEs in last 3 years and aim to accelerate the pace even further.

– GBS Head, F&B Major

Standing still is not an option - Navigating the sea of challenges

While GBS organizations have come a long way, several challenges still exist. The survey responses and expert

interviews highlighted four primary challenges faced by GBS leaders:

A



Managing high employee attrition

B



Mitigating resiliency risk

C



Tackling challenges in implementing automation programs

D



Defining clear outcome metrics

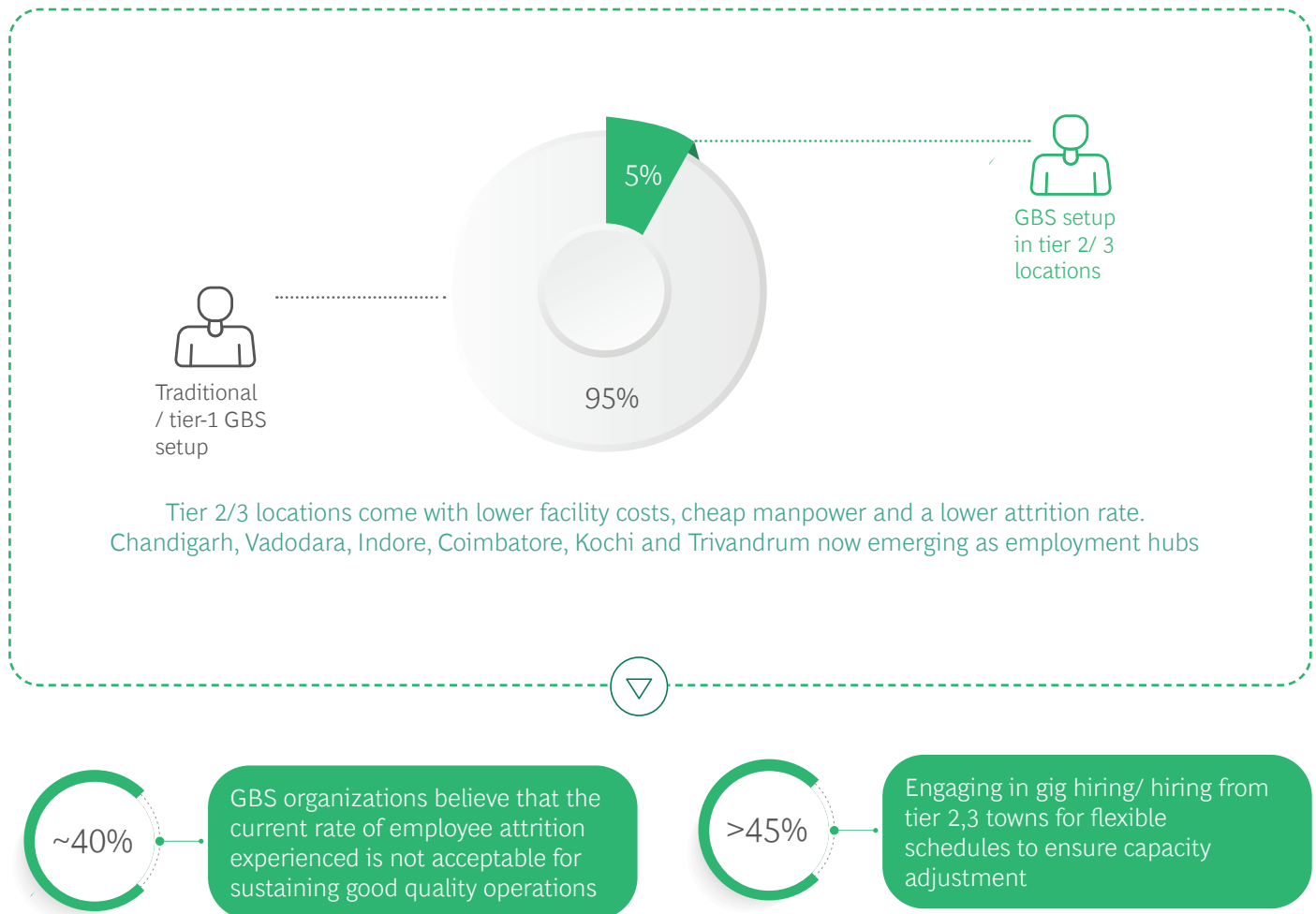
A. Managing high employee attrition: The captive attrition rate at 20-23%¹ spiked in India over the last 12-15 months. The key causes of this high attrition are concerns around lack of upward mobility & career progression, predominance of transactional work & lack of ownership in certain job roles. Interestingly, a high drop-out rate was observed during two points of a recent employee's tenure,

one during the first 6 months especially among hires from tier 1/2 colleges & the second at approx. the 2-year mark owing to better compensation offered for enhanced subject matter expertise.

In the survey, 40% of respondents said the current rate of employee attrition is not acceptable for sustaining good quality operations (refer Exhibit 12).

Exhibit 12² – Employee attrition is a major concern among GBS leaders

~40% find employee attrition to be a major concern



Respondents asked if employee attrition was at an acceptable rate
Source: GLS 2022 ; n=48

GBS centers must move towards new talent models and take measures to strengthen their EVP especially since most firms are adding 15-20% headcount in the next 10-15

months as a pre-emptive hiring measure anticipating higher work volumes to come in. Some primary ways through which we see this being done are shown in Exhibit 13.

1. BCG analysis
2. Example from the India market

Exhibit 13 – Market interventions for EVP

🚩 Quick wins

⌚ Long-term Interventions



Talent attraction

- 🚩 **Design & promote EVP attuned to country of operations** by emphasis on **career pathing, access to leadership, ability to work on global mandates**
- ⌚ **Higher compensation** offered for **complex roles** within same job grade
- 🚩 Sizeable joining bonus (20-30%) in first month of joining with a lock-in period to limit early attrition



Talent sourcing

- 🚩 **Balance cost vs. experience** for complex functions that are judgment intensive, with bespoke client requirements
- 🚩 **Broaden talent pool** by tapping into non-traditional talent pools such as: expanding to tier 2/3 cities, establishing simple & clear rules for re-hiring from alumni, broadening “types of profiles” e.g., increasing intake from “non-target schools” and candidates with “non-traditional backgrounds”
- 🚩 **Prioritize sourcing for functions having high lead time for deployment vs. high growth rate**
- ⌚ Define & **implement bench/reskilling norms** for priority functions with high attrition (e.g., budgets & incentives/penalties for absorption)



Engagement & Retention

- ⌚ Reduce time to deployment for key functions by **customizing training based on FTE’s current experience level** instead of “one-size-fits-all” training
- 🚩 **Articulate roles and responsibilities** upfront to clearly define expectations at each managerial level (e.g.,: team leaders vs. manager)
- ⌚ Devise **leaner and foreseeable career paths** with **alternate tracks** (generalist vs. expert) available and higher opportunities to lead
- 🚩 **Strategies for early attrition:**
 - ⊙ **Checkpoint surveys** at 30/60/90/180 days of joining for both hiring manager and employee
 - ⊙ Hybrid working model with task-based appraisal than time-based
- 🚩 **Ringfence high priority employees** (exceptional performers & critical skillset):
 - ⊙ Function/BU-based engagement events where top performers are recognized & rewarded
 - ⊙ Manager/skip-level manager to have periodic direct 1:1 conversations with top 20% talent
 - ⊙ Leadership programs for managers with >7 years tenure
- ⌚ **Re-skilling/upskilling programs:** Self-paced micro-training modules on learning portals to make employees digital-ready
- ⌚ **Devise aspirational** (only for top performers) **global rotation program for mid-level managers**
- 🚩 **Shift-based retention:**
 - ⊙ Ensure rule-based, periodic rotation across all shifts
 - ⊙ Undertake functional rotations every 1.5—2 years

B. Mitigating resiliency risk: Geo-political issues & employee concentration are major risks that affect the resiliency of the organization and impacts GBS center operations. As data privacy becomes a matter of increasing importance with regulations such as GDPR coming into effect, businesses are

required to follow stringent guidelines on handling customer data. GBS centers must become reliable partners to guide the business through these changes & collaborate with them to plan & lead all necessary measures to remain compliant.

Businesses emerging from the COVID 19 crisis, have also begun to re-evaluate their site strategy to mitigate FTE concentration risk. They are determining the spread of their employees supporting critical processes across their GBS centers to assess how vulnerable they are to complete shut-downs & disruptions. Common practices we see being adopted to mitigate this risk include:

- ⦿ Adopting a disaggregated view of concentration risk at a process level instead of a site level by categorizing processes as per their criticality & subsequently deciding the concentration threshold at each site. This threshold can vary between organizations depending upon their risk appetite.
- ⦿ Establishing a 'Hub & Spoke' model with hubs having majority of the FTEs with end-to-end ownership and governance. The spokes provide for failover/resiliency in case of service disruptions at the hub. This model can also be used for addressing fragmentation of process in multiple sites.
- ⦿ Creating a network of sites across the globe which could include a combination of low-cost and high-cost sites (to optimize cost with high quality customer service), eastern and western hemisphere sites (to provide for follow the sun).
- ⦿ Increasing digitization to enable a hybrid working model improve Straight Through Processing (STP) rates thereby decreasing human intervention.

Interestingly, the survey revealed that GBS leaders are confident about managing risk and providing failover and redundancy support with 96% of organizations focused on creating a formal business continuity plan with predefined emergency and hand over arrangements and 92% of risk incidents being tracked / reported to risk committees and relevant bodies regularly. The survey has also identified 6 broad elements in resilience management including end-to-end mapping of resources, critical process identification, setting of impact tolerances, scenario testing, premeditation, and attestation to regulars.

C. Tackling challenges in implementing automation programs:

Automation has long been considered as a silver bullet for enterprise productivity, but organizations are realizing that automation programs are difficult to implement. GBS centers being the global powerhouse of automation are finding ways to better manage & implement programs by pressure testing assumptions, managing expectations during the planning stage, value stream mapping to understand all the process steps & touchpoints, defining clear business outcomes & creating time defined benefit realization plans.

Center of Excellences (CoE) have a better success rate in implementing automation programs by:

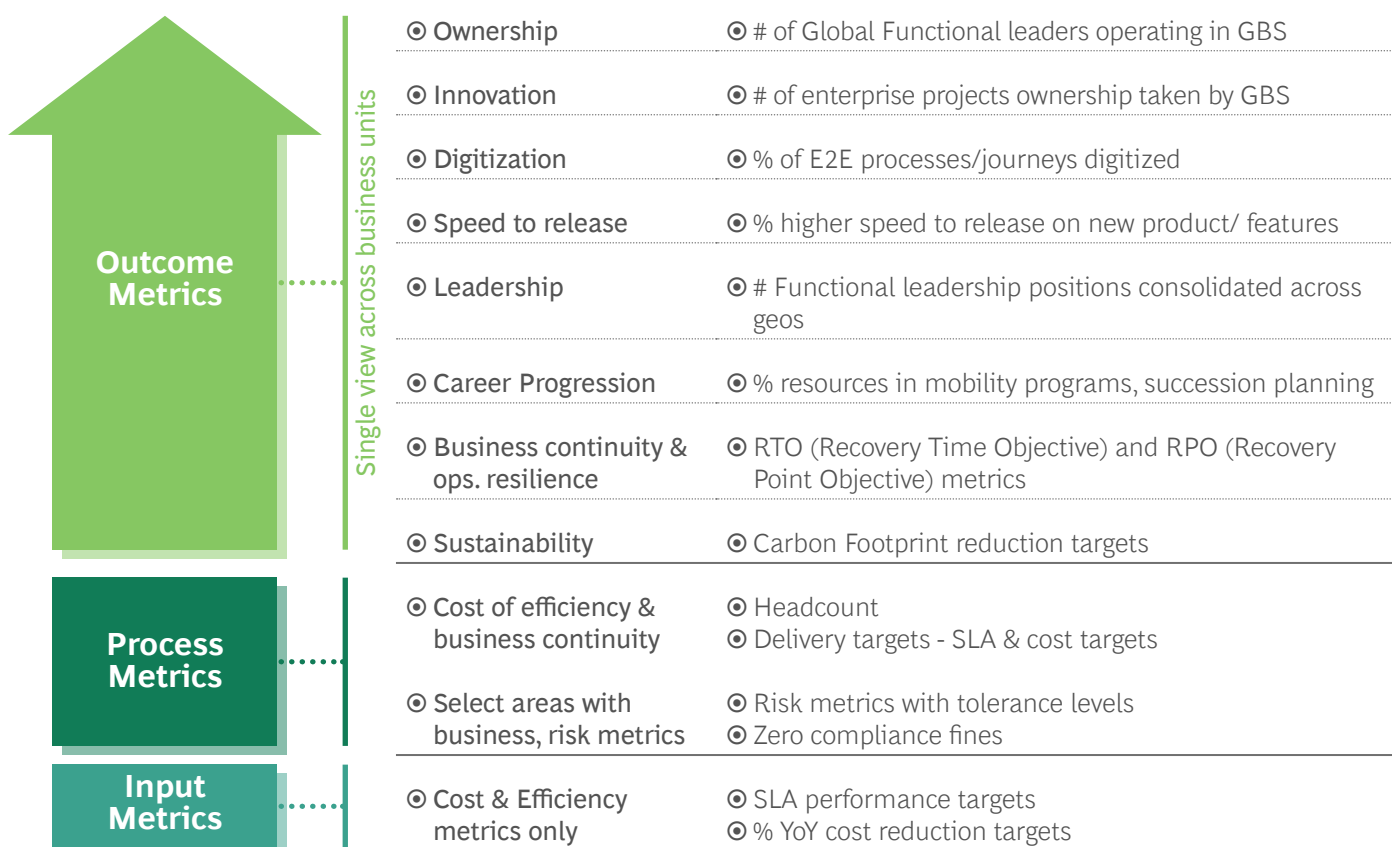
- ⦿ Working with Business Units (BUs) to evangelize the productivity solution benefits & confirming the value potential.
- ⦿ Coaching BU teams in adopting & implementing the solution.
- ⦿ Creating a reference architecture or standard playbook laying out a standard methodology, toolkit, best practices to follow while implementing an automation program.
- ⦿ Managing in-flight automation programs to ensure their continued adoption and value realization.

D. Defining clear outcome metrics: It is important to establish appropriate & clear metrics to assess the outcome of activities and also identify areas that require course correction. The contours of GBS have changed substantially over the years and thus, it is important to eschew transactional KPIs in favor of differentiated metrics that can holistically capture the collaborative structure of current day GBS (refer exhibit 14). Currently, well defined and tangible metrics such as customer satisfaction levels, productivity, etc., are not actively used thereby leading to a lack of governance mechanism to ensure real-time transparency of outcomes. Approximately 20% respondents opined that GBS organizations currently lack clear outcome metrics and find it important to have a real-time dashboard with comprehensive coverage of key metrics such as productivity, customer experience, talent attrition, etc., to help progress seamlessly and unlock maximum potential.



Exhibit 14 – Resilience further strengthened through shared goals and outcomes metrics across the network

Illustrative



Answering What's Next?

GBS organizations have a tremendous opportunity to create the 'Next normal'. In order to do this, GBS leadership should focus on a few key imperatives. Firstly, there should be a focus on driving the talent agenda in terms of both attracting and retaining quality talent. More importantly, the talent strategy should also think about establishing gig and millennial friendly policies that can help create an innovative and culturally diverse workforce. Secondly, leadership

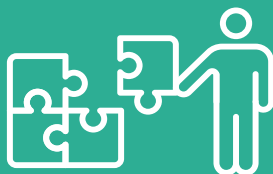
should prioritize the value equation, seeking to strike an optimal balance between cost and value. This would primarily entail adopting a value over cost approach and actively leveraging the power of automation to drive customer experience. Thirdly, leadership should wear hats of the future to ensure that they are able to effectively transition from GBS to Global Excellence Centers (refer Exhibit 15).

Exhibit 15 – Immense opportunity for the leadership of the parent organization and GBS to help create the ‘Next Normal’

Highlights



Driving the talent agenda
– talent shortages, fast evolving capabilities, gig and millennial friendly employee value proposition make GBS organizations ripe to be culture and innovation leaders.



Owning the value equation
– adopting value over costs and empowering automation to drive customer experience can expand GBS organizations strategic footprint.



Transitioning from GBS to Global Excellence Centers
– leveraging scale, talent and expertise to drive hyper-automation, AI and other board/ shareholder asks like Climate & Sustainability etc.

To reach these end goals, the leadership at the GBS and the parent organizations need to ask and seek answers to some key questions pertaining to their respective roles, value addition, and competitive advantage (refer Exhibit 16).

Exhibit 16: Key questions for the GBS leadership and parent organization to ask



Parent Organization Leadership

- ⦿ Is the GBS team truly **value and customer focused**?
- ⦿ Does the GBS leadership have the right **seat at the table (SATT)**?
- ⦿ What should be the **right measure of return**?
- ⦿ Is the current network providing **the right level of resiliency**?



GBS Leadership

- ⦿ What is our **competitive advantage**?
- ⦿ How do we compare against peers on **innovation, automation and operational excellence**?
- ⦿ How can we work as **“One Organization”** and deliver **“Twice the Value”**?

Conclusion

In a shapeshifting world, success is predicated upon thriving in change - attaining more capabilities and adopting agile methods of execution. Global Business Services (GBS) can alter the growth trajectory of global organizations, change the principles of ownership, talent, innovation and governance, while still improving efficiencies.

The survey has identified an immense opportunity for the leadership of the parent organization and GBS to collaborate and craft the 'Next Normal'. This requires a stringent focus on driving the talent agenda and owning the value equation.

While the opportunities for GBS organizations are immense, several challenges must be overcome to realize their true potential. This survey highlights high attrition, resiliency risk, low efficacy of automation programs & undefined outcome metrics as key challenges facing GBS leadership.

The future of GBS is exceptionally bright, but both the parent and the GBS themselves have to pose the right questions. They must steer away from the traditional center and FTE counts as a proxy to success, and craft a talent proposition that marries brand, gig friendly talent models, and established career progression approaches to drive innovation and knowledge management. Standing still is not an option.



Glossary

AI	Artificial Intelligence
AQI	Air Quality Index
AR / VR	Augmented Reality / Virtual Reality
BU	Business Units
CAGR	Compound Annual Growth Rate
CoE	Centre of Excellence
C&S	Climate & Sustainability
DoT	Department of Telecommunications
E2E	End to End
ER&D	Engineering, Research & Development
EVP	Employee Value Proposition
FI	Financial Institutions
FS	Financial Services
FTE	Full Time Equivalent
F&A	Finance and Accounting
GBS	Global Business Services
GDPR	General Data Protection Regulation
GLS	GBS Leadership Survey
GTM	Go To Market
HR	Human Resources
HQ	Headquarters
IG	Industrial Goods
IoT	Internet of Things
IT	Information Technology
ML	Machine Learning

NASSCOM	National Association of Software and Services Companies
NGSI	Next Generation Service Interfaces
NLP	Natural Language Processing
NWOW	New Ways of Working
OCR	Optical Character Recognition
OSP	Other Service Provider
PM	Project Management
PoC	Proof of Concept
RPA	Robotic Process Automation
RPO	Recovery Point Objective
RTO	Recovery Time Objective
R&D	Research and Development
SATT	Seat At The Table
SCM	Supply Chain Management
SEZ	Special Economic Zone
SLA	Service Level Agreement
STP	Straight Through Processing
STPI	Software Technology Parks of India
TMT	Technology, Media and Entertainment and Telecommunications
WFH	Work From Home

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