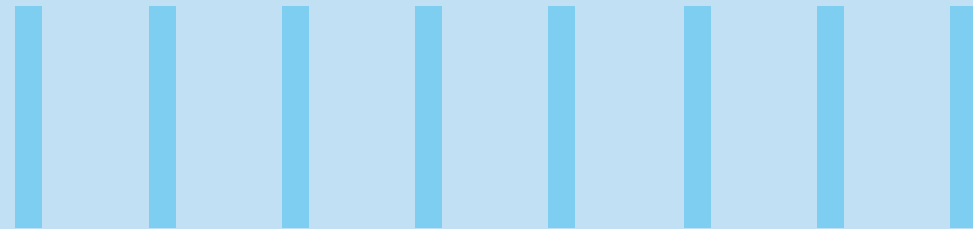# A SHOT IN THE ARM FOR SSCs

Leveraging Digital Better to Enhance Value for SSCs

Abstract

Over the years, Shared Service Centers (SSCs) have emerged as key drivers of highly efficient businesses. However, to continue this run, they must also continue to evolve with time by leveraging the latest technologies. This article explores some of the ways in which digitalization can help SSCs enhance their ability to create value for their organizations.

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Introduction

Over the past few decades, Shared Service Centers (SSCs) have become an integral part of the fabric of leading businesses around the world. These SSCs have built a strong reputation in terms of being able to deliver numerous benefits and increase the overall efficiency of their parent organizations. They not only provide administrative and technical support, but also reduce redundancies, deliver time savings, and streamline processes.

However, in parallel, the expectations from SSCs also continue to rise. Businesses are now looking to attain additional benefits from SSCs which could help them in gaining a competitive edge in the current business environment. In order to keep up with these heightened expectations, SSCs must look to embrace digitalization as it would help them in unlocking their true value, for instance through implementing intelligent process automation. Yet, it is important that leaders within the SSC space must build a strong understanding of digital transformation activities before laying out plans to adopt them on a large scale.

Digital transformation; an imperative for SSCs

The past few years have witnessed a rapid rise in technology adoption across industries with the digitalization of front-end operations helping several leading businesses in keeping up with the times. For instance, Whirlpool Corporation moved early to implement a digital-first strategy for modernizing its operations, and the firm has been reaping its rewards ever since. However, today, such digital transformations are not limited to the front-end operations of organizations. Rather, business leaders are also looking to improve their backend operations by integrating automation within SSC processes, leveraging data analytics in order to improve efficiencies, and reducing costs by using artificial intelligence (AI).

In fact, the growing importance of SSC digital transformation and its benefits simply cannot be overstated. Digitalizing SSCs would give key decision-makers within the organization the insights to develop better operational strategies based on ground-level analytics, and CXOs could similarly improve the quality of end-customer interactions. Consider the example of US banks, where customer onboarding has been automated to a great extent; customers are able to fill out their own details digitally, and the SSC only comes in to grant approvals or to check the documentation. The logical next step in this regard could be to digitalize the documentation aspect as well, although that could require a sophisticated AI-based model to be deployed.

In addition to the above, SSCs could also leverage digitalization in terms of building centralized databases. For example, they could build an integrated database for the sales team of the parent organization that provides an in-depth view of the products at hand while also listing the potential preferences of a customer as per their demographic profiles. Further, Digitalization could be leveraged to eliminate instances of human error to a large extent. At present, many organizations make use of SSCs for the purpose of handling customer queries via web chats. This process could be almost entirely automated in the future as companies make use of sophisticated chatbots to address customer queries.

Making the right moves

Once leaders within SSCs are aware of the ever-rising significance of digitalization, the next logical step is to formulate strategies that help them in implementing the technology for transformation. For this purpose, the IT team of the parent organization must partner with the SSC to build customized workflows. The two entities must sit together and brainstorm the key areas where digitalization could make a major difference. One possible starting point could be to scan the entire portfolio of backend solutions in order to categorize processes under different heads. These heads could include processes that need to be fully digitalized, those that need only partial digitalization, and others that would still require a high degree of human intervention. Such a systematic approach could help an organization in building a strong base for the digitalization of its SSCs.

Additionally, SSCs that have already adopted some level of digitalization must look for ways to leverage it in an even better manner. This can be achieved by concentrating on a holistic approach toward business and working towards orchestrating the capabilities, behaviors, and processes that form their key core. Towards this, SSC leaders need to build centralized digital dashboards that help them in analyzing all aspects of their organization at one glance. These dashboards would also ensure that strategic changes within the parent organization are easier to implement. Then, SSCs also need to be prepared for the future by building digitalized processes that are agile* and receptive to change. This way, they would be able to deliver next-generation services without modifying the very core of their processes. Such futureproofing through making use of digitalization could go a long way in ensuring that the parent company remains hyper-competitive.

The next step in this regard could be to leverage a digital model to understand the skill set needs of employees in the SSCs. Using a digital model, business leaders could categorize the processes that need a domain or other expertise. Thereafter, the hiring and training activities within these processes could also benefit from digitalization. For instance, business leaders could build lists of specific competencies that are needed within their processes and determine appropriate ways to find such talent. Similarly, a digitalized approach could also work well when it comes to performance monitoring within the SSC. Advanced machine learning models could gather data related to the actual performance of employees and make pertinent recommendations to the leadership.

The bottom line

It is clear that SSCs need to leverage digitalization in order to realize their true potential and its leaders must seek to understand the real value that can be realized through adopting a digital-first approach to operations. However, adopting such a strategy must cover all major aspects of SSCs — right from categorizing key processes to tracking employee performance — which will help minimize redundancies, improve front-end customer interactions, and increase internal productivity manifold.

* For organizations on the digital transformation journey, agility is key in responding to a rapidly changing technology and business landscape. Now more than ever, it is crucial to deliver and exceed on organizational expectations with a robust digital mindset backed by innovation. Enabling businesses to sense, learn, respond, and evolve like a living organism, will be imperative for business excellence going forward. A comprehensive, yet modular suite of services is doing exactly that. Equipping organizations with intuitive decision-making automatically at scale, actionable insights based on real-time solutions, anytime/anywhere experience, and in-depth data visibility across functions leading to hyper-productivity, Live Enterprise is building connected organizations that are innovating collaboratively for the future.

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