



THE STATUS QUO AND THE CHANGE

What will continue to drive business value for SSCs, and what needs to evolve



Abstract

Shared Service Centers (SSCs) have delivered significant benefits to global businesses for many years. However, as is the case with all aspects of business, some degree of evolution is essential for survival and continued thriving. This article explores the key factors that will continue to drive business value for SSCs and identifies the key areas where evolution is the need of the hour.

Introduction

Over the past few years, Shared Service Centers (SSCs) have played a major role in the growth of businesses around the world. These SSCs have helped CXOs in reducing costs, increasing efficiencies, as well as tackling external challenges with ease. Gone are the days where SSCs were only associated with finance processes. Instead, they are now making a difference across the board – right from technology and automation to legal, HR, and administration.

Despite the huge benefits that have been delivered by SSCs, and their evolution over time, they need to continue to evolve. This is because the global business environment is highly dynamic today, with change inevitable over time. This creates a challenge for leaders within SSCs in terms of assessing the key areas of their business that need to be transformed. They must identify the aspects of their SSC that continue to drive business value and, at the same time, identify other areas that need to be radically changed.



Not fixing what's not broken

Some aspects of SSCs will continue to make significant contributions, even in a dynamic environment. One trend that has been seen across SSCs in recent years has been the relentless focus on establishing effective monitoring techniques. This focus needs to be continually maintained over the next few years as well. Effective monitoring and reporting of all SSC activities is not only important because it allows CXOs to keep track of what is

working well, it also ensures that the business is able to tweak key processes as and when necessary. Thus, effective governance mechanisms are currently working well for SSCs, and there is no need to make any drastic changes.

Secondly, in recent times, businesses have been making steady yet significant investments in SSCs in a periodic manner. These investments cover a range of areas, including capacity extension, training, and

development, as well as automation. This investment-based approach continues to work well because it ensures that SSCs can refine their key processes in accordance with their business needs. This practice will continue to reap benefits for businesses in the long run, and there are good reasons not to be slack in this area. Timely financial investments in SSCs can ensure that businesses continue to get tangible returns.

Key areas for evolution

However, while maintaining the focus on what is working well, it is also important for business leaders within SSCs to figure out the aspects that need to evolve with time. One of the most evident areas that needs constant evolution is in technology implementation. SSC leaders must keep track of the latest technologies developments out there in the market and make the most of them. As an example, they must be prepared to ride the current wave of Artificial Intelligence (AI) and incorporate this technology within their core operations. Technological developments such as AI will continue being refined over the next few years, and truly have the potential to transform the workings of SSCs by bringing hyper-productivity*. Therefore, leaders within this space must design and refine processes in such a manner that they are prepared for

future iterations of such technologies.

Another area of SSCs that needs to evolve considerably is to address the needs of the workforce. The world has witnessed major upheavals over the past couple of years. The COVID crisis has resulted in a situation where hybrid and remote working have gained traction in almost all major industries. Although the pandemic appears to be fading out, business leaders must take the opportunity to learn from this crisis and ensure that their SSCs are workforce friendly. Thus, the workplaces that they build must be highly inclusive and address the developing needs of the workforce. While it is quite possible that the needs of the workforce will evolve even further in the coming decades, leaders within SSCs will be prepared for this by taking the steps to building an employee-centric workplace today.

A final area that requires constant evolution is related to business innovation. It is well-known that innovation is a continuous and necessary process for sustainable success. Business leaders within SSCs must understand that they need to foster an environment of innovation within all their processes. In fact, the entire SSC workforce must innovate on a consistent basis. This can only be achieved by focusing on a holistic view rather than adopting a transactional approach. SSC leaders need to create a mindset of innovation and remain open to new ideas at all times. Such an organization-wide mindset of innovation could go a long way toward ensuring that the entity keeps up with the dynamic nature of today's — and even more so, tomorrow's — business challenges.



Wrapping up

It is evident that SSCs are well-positioned to take up a more strategic role in businesses. However, to achieve this on a sustainable basis, leaders within this space must understand that some areas within their SSC's need continuing focus while

certain other areas require continuous evolution. On the one hand they must continue with effective reporting and governance, and a steady investment approach. On the other, they must work towards refining processes using the latest

technologies, address the changing needs of their workforce, and foster a culture of innovation. Adopting this kind of a dual approach would go a long way toward ensuring that SSCs continue to drive business value for many more decades.

* 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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