

A WIN-WIN APPROACH TO DEVELOPING LEADERSHIP WITHIN GBS

GBS is a unique and brilliant construct because it has a broad overview of most work processes along with transformation leadership experience within a company. What young GBS leaders don't always have is the experience of being in a business unit or product unit of the company. What if you rotated leaders between GBS and the business for mutual growth and development?



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Leadership roles with the ideal outcome being a stepping-stone for talent development is an overlooked strategy when it comes to improving skills in both business units and GBS. Typically, Business Units exist to help the company deliver the duality of implementing market segmentation efficiently while also offer products of value to consumers. Integrating Business Unit leadership assignments into your GBS organization will not only train your workforce to better manage their given tasks, but also increase the value proposition of the business while the talent development increases alongside it. In the following article, I will explain how to establish leadership roles for talent development, why this is effective, and list examples of challenges and solutions for GBS leaders and Business professionals alike.

The Business Units get the opportunity to provide their young talents exposure to a challenging leadership environment while facing demanding customers, large-scale operations, and evolving technologies. The GBS organization will benefit from in-depth business knowledge brought into the organization through experienced young forwarders and in having an increasing number of business leaders with in-depth shared services experiences. That brings GBS and the Business Units closer in continuing to transform the business in the future, diminishing change resistance and reducing organization silos in the company.

Furthermore, this leadership rotation works in the other direction as well. Large GBS organizations have strong leadership talent who manage thousands of employees. Attrition levels in GBS continue to be over 10% because of the lack of a strong career path. Rotating strong GBS leadership talent to the Business Units and back can increase both retention and the company GBS value creation.

Leadership Development Challenges in Shared Services

Increasingly, GBS has moved away from being an “order taker” of providing individually requested and customized support for a business partner at low-cost locations. Today’s environment requires Shared Services which provide value beyond low-cost. The best GBS organizations drive effective and efficient global standard services through large scale operations, enabled by state-of-the-art management tools providing KPIs and operational data.

At the same time, the Shared Services of today need to provide knowledge-based competence centers enabled by next generation talent (e.g., millennials) with unique skills and expertise (especially in process automation and data analytics).

What can GBS leaders do? They can turn these leadership development issues into positive corporate talent development opportunities using the win-win job rotation idea mentioned above.

To recap the specific challenges faced by GBS Leaders for leadership capabilities, here are seven capability issues. All of these also represent potential opportunities to grow and groom the leadership capability of leadership talent to make them into compelling company leaders.

**"HERE ARE SEVEN
CAPABILITY ISSUES"**

1. Transformation Management

All GBS stakeholders have high expectations of the GBS leader to manage conflicting interests. The ability to display confidence and resilience when faced with inevitable setbacks is of utmost importance.

Many Shared Services leaders experience a lot of pushback during implementation and expansion, predominantly from functional heads and business units. When the focus of a GBS organization shifts to prioritizing delivery standardized services, it can challenge their business partners because this might require process changes. Prioritizing delivery of standardized services can also change the way of working and require extensive change management on the business partner’s end. The first priority of a shared services leader, thus, is to provide visibility of standard and common practices to their business partner. The GBS leader must facilitate the change towards a country and within the retained organization. As for the GBS team, the leader must be both assertive and an active listener to be a strong anchor driving the change.



2. Talent Management

A GBS leader needs to maximize the duality of having a lean, cost-effective organization, and the risk of negative impact of staff attrition on service levels. There is a relatively high attrition in the shared service industry (often over 20%). GBS leaders need to minimize the risk of losing talent due to competitive market environment while dealing with the reality of the limited growth opportunities caused by lean organizational structures within GBS.

To address the risk of attrition, a strong GBS leader must work closely with HR to provide a highly engaging work environment while building strong relationships with partners, external departments, internal departments, and potential incubators or universities with potential future talent.

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3. Process Management

Today's GBS leader's mission is to deliver the highest quality service at optimal cost while simultaneously taking a holistic view of the service and drive a more strategic value proposition.

It is essential that GBS leaders understand their operational complexities and the details of the services they deliver. In leading large-scale operations, it is important that the GBS leader manages service performance by analyzing varying operational data and KPI's (incl. financial and personal KPI's). To continuously improve service quality and productivity, leaders must apply six sigma tools and methods.

However, in today's world, it is not sufficient for a GBS leader to only understand the service delivery details, they also must know the context in which they are operating and the impact the services they represent have on the adjacent processes and teams.

GBS leaders must know the operational model of the business are supporting and how their service delivery impacts the end customer experience. They must have an end-to-end mindset to better analyze the root causes or inefficiencies emanating from upstream processes, as well as, handover gaps or performance issues that may occur downstream of the process.

4. Change Management & Communication

GBS leaders must handle many tasks at one time. To handle these tasks effectively, it is important that the GBS leader has a strong awareness of change management options and methodologies. Additionally, it is essential that when implementing new shared-services or initiating change that delivers services and process improvements, the GBS leader executes the processes in a way that is organized, efficient, and effective.

Strong communication capabilities that allow for the translation of strategic initiatives into digestible local actions and tasks helps the GBS leader to deliver this change and convince both their stakeholders and their demanding business partners. Addressing issues, concerns, and potential outcomes is an important part of leading an effective GBS organization; with assertiveness and doing the right thing for the business they are serving at the top of priority, even if at times it means refraining from providing a service to the business unit.

5. Collaboration & Negotiation

Today's shared services are more about integration than executing a specific task. Thus, GBS leaders must build lasting relationships with their networks, customers, and partners to deliver on their mission. A GBS leader relies on a network of process owners, subject matter experts, and functional leads to overcome roadblocks with their demanding business partner while implementing standard services. Having strong influential skills will help to identify, contribute, or deliver on synergies between functions, products, and/or countries or service delivery centers. To identify and promote the best practices, a GBS leader must have relationships, influential qualities, and trust within the network.



6. Customer Relationship Management

A GBS leader must be a strong customer relationship manager, or in the context of the GBS industry, they must be a strong business unit relationship manager. Having an active listener approach to the business need and “selling” the standard services provided, is crucial. Furthermore, business partners often have unique and specific requirements. These requirements may or may not align with the services offered. When this happens, it is important for the GBS leader to be open minded, confident, and clear with their vision in order to influence the business partner’s shift towards standardized services. By doing this, it will be cost effective and support quality standards. Thus, the GBS leader’s role is to find the right balance between maximizing standardization of global services and reducing local customization needs of the business partner to the bare minimum. Often, the business partner needs to be persuaded of the value of globally standardized shared services provide as a business enabler. Thus, actively listening to the business partners concerns is critical to align the globally standardized services and processes to the local business needs.

7. Tech-Savvy

One of the characteristics that can support the success of a GBS leader is the ability to keep up with the technology which the service delivery uses. With the increasing rate of digital transformation, it is essential for the GBS organization to keep up to date about emerging solutions, understand the digitalization initiatives within the various departments of the business unit, and become familiar with the technology trends in the shared services industry.

In the early stages of shared services, the priority is focused on people and process. However, true efficiencies remain out of reach without technology. There are many systems and global applications that are prime enablers of efficiency within the business itself. Additionally, digital solutions provide additional valuable capabilities for shared services. For example, Smart OCR, Machine Learning and AI, Data Analytics, RPA, API’s, and Process and Task Mining to Develop Analytics are all solutions that will help deliver an efficient shared service organization. The GBS leader needs to know the capabilities of these technologies and needs to be capable to leverage from those.

In Conclusion

The specific leadership challenges mentioned above provide ample opportunities for a GBS leader to grow and groom young talent and to strengthen their leadership capabilities based on their specified framework.

The win-win idea for GBS Officers and Business Unit leaders in the company is to cross-fertilize emerging top talent in each other’s organizations.

This can be done by embedding shared services assignments as a developmental step within the holistic leadership development program. And conversely, to provide rotation to top GBS leaders within Business Units.

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