SSON | RESEARCH & ANALYTICS

State of the Shared Services & Outsourcing Industry

Global Market Report 2025

From Back Office to Business Enabler: Elevating Impact in a Digital World

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Introduction: Resilience and Innovation

The shared services model continues to reaffirm its role as a critical enabler for businesses navigating an era defined by rapid technological advancements, global interconnectedness, and shifting workforce dynamics. This report shares insights from an extensive global survey conducted in Q4 2024 of 350+ shared services and outsourcing executives to highlight key trends, challenges, and opportunities shaping business services today. It presents a comprehensive view of how shared services organizations (SSOs), and global business services (GBS) are evolving to meet the demands of a volatile and increasingly digital business landscape. These findings provide a foundation for repositioning shared services to remain resilient and innovative in the face of widespread disruption. Whether you are a leader seeking strategies to enhance operational efficiency, expand your talent pool, or leverage emerging technologies like generative AI, this report offers actionable insights to support your success in the year ahead.

We wish you the greatest success in your ventures.

Barbara Hodge
Editor-in-Chief
SSON Research & Analytics

Barbara is responsible for SSON Research & Analytics' global content - including specialist reports - which cements SSON's position as the most trusted resource for practitioners from around the world.

Syazana Lim
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Syazana leads a talented team of data scientists and developers, spearheading all SSON R&A's product suite, including the Metric Benchmarker, City Cube, Shared Services Atlas, Intelligent Automation Universe, and Visual Analytics Workbooks. She plays a key role in SSON R&A's Top 20 Most Admired SSO/GBS Study and World's Best GBS Study.

Josh Matthews
Global Membership Director
SSON Research & Analytics

This report is part of SSON Research & Analytics' ongoing research series – detailed and insightful reports based on survey data that highlight not just the current market status, but offer candid insights from experienced practitioners, and actionable solutions.

For more information on how to become a **premium subscriber to SSON Research & Analytics**, and gain access to monthly Research Insights Reports + data tools, please contact Josh Matthews at **Josh.Matthew@sson-analytics.com.**

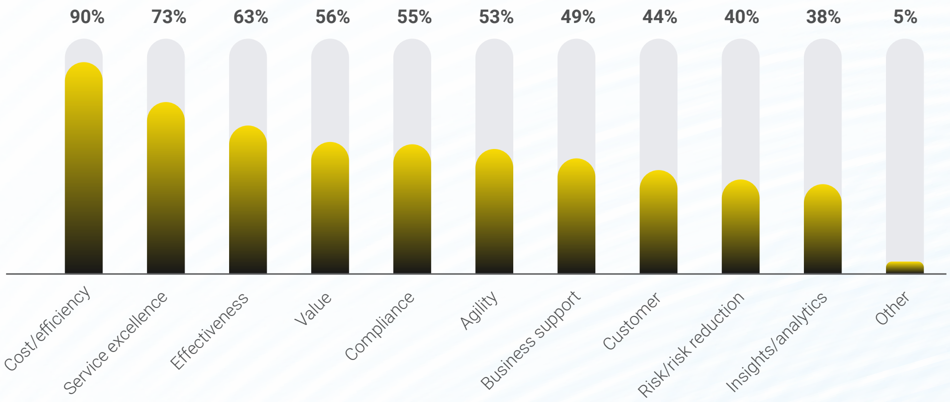
Shaping the Future of Shared Services in a Complex Landscape

The shared services industry is entering a new phase of maturity and strategic alignment. Just over half of survey respondents perceive their SSO/GBS operations to be at a **medium level** of maturity, while only **25%** rate themselves as **advanced** or **progressive**. This spectrum of maturity reflects the diversity of approaches and capabilities witnessed, highlighting the need for continuous evolution in governance, scope, automation, and talent strategies.

Indeed, respondents' strategic priorities reflect a strong focus on delivering efficiency, excellence, and value, highlighting streamlined operations to reduce expenditures (90%), enhanced service quality and delivery (73%), and ensuring processes and workflows drive measurable outcomes (63%). More than half the respondents are focused on adding strategic value to the enterprise. These insights underscore shared services' dual focus on operational efficiency and delivering strategic value, setting the stage for transformation in the years ahead and setting the stage for an in-depth exploration of the trends, opportunities, and strategies defining the shared services and outsourcing industry.

As we delve deeper into this report, we will uncover how organizations are addressing these priorities, overcoming challenges, and capitalizing on opportunities to build a future-ready shared services model.

WHAT ARE YOUR SSO/GBS STRATEGIC TARGETS IN GENERAL?



Reimagining the Operating Model: Strategies for a Resilient and Agile Future

Reimagining the Operating Model: Strategies for a Resilient and Agile Future

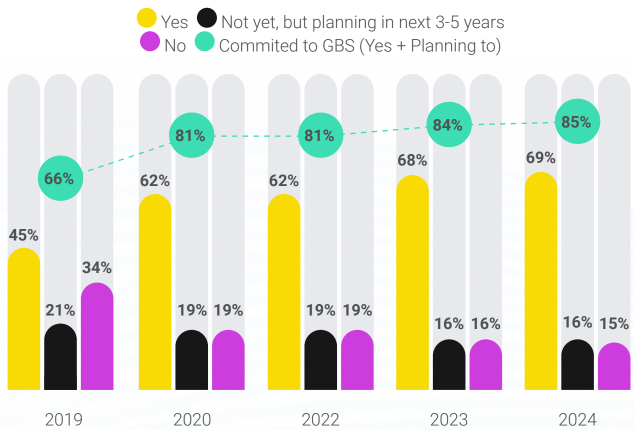
Shared services operating models are at the heart of organizational efficiency. In 2025, a shift towards *hybrid* has become more prominent. This includes multiple aspects of "hybrid," but the common denominator is agility. So: outsourcing versus captives, landlord versus ownership, remote versus in office workers, etc. These evolving models are not only designed to optimize cost but also to better align with business strategies, enabling organizations to pivot swiftly in response to market changes.

GBS Remains the Target

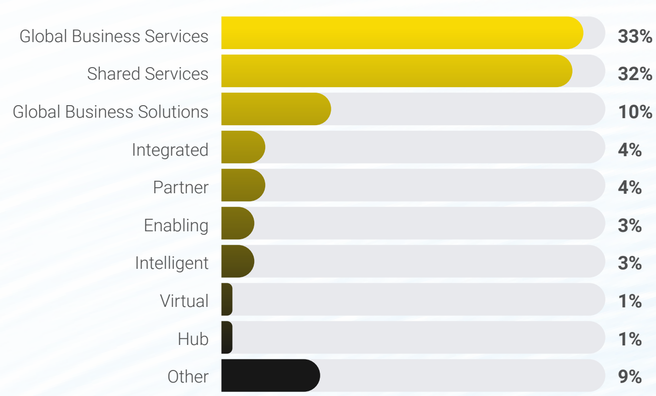
The foundation of a successful shared services operation lies in its operating model. Survey responses highlight the continued shift toward **Global Business Services (GBS)** as a preferred model, with **69% of organizations** either currently operating as GBS or actively transitioning toward it. In addition, 16% plan to adopt GBS within the next five years. Thus, 85% of shared services are committed to the GBS model, demonstrating a clear trend toward integrated and enterprise-wide approaches to service delivery.

This is reflected in naming conventions, which reveal a preference for terminology that underscores global reach and business alignment. Forty three percent of respondents use the term **"Global Business Services" or "Global Business Solutions,"** reflecting the integrated, enterprise-wide nature of their operations – compared to **32%** that use the term **"Shared Services,"** emphasizing the core principle of consolidating functions for efficiency and cost reduction. Other descriptors include **"Integrated"** or **"Partner,"** positioning services as strategic partners to the broader business. The variety of names highlights the evolving perception of shared services and reflects the way organizations are branding their services to align with business goals, enhance perceived value, and communicate evolving capabilities to internal and external stakeholders.

DO YOU OPERATE AS A GBS?

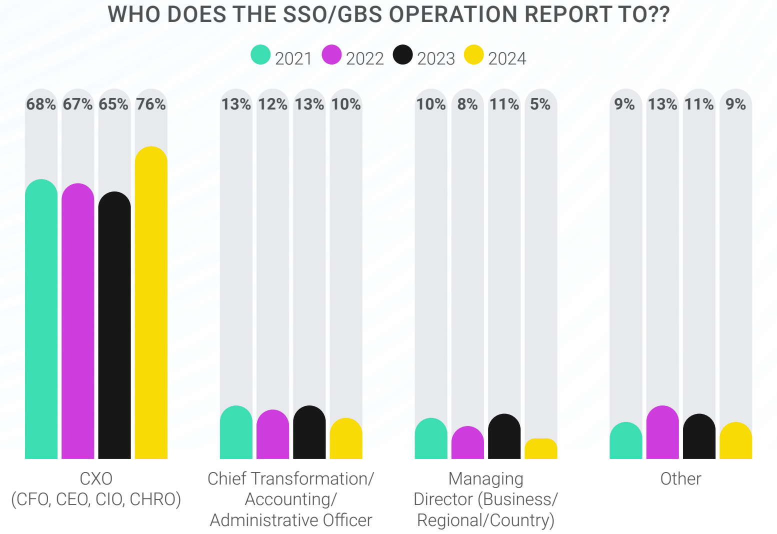


WHAT BEST REFLECTS YOUR "NAMING" STRATEGY?



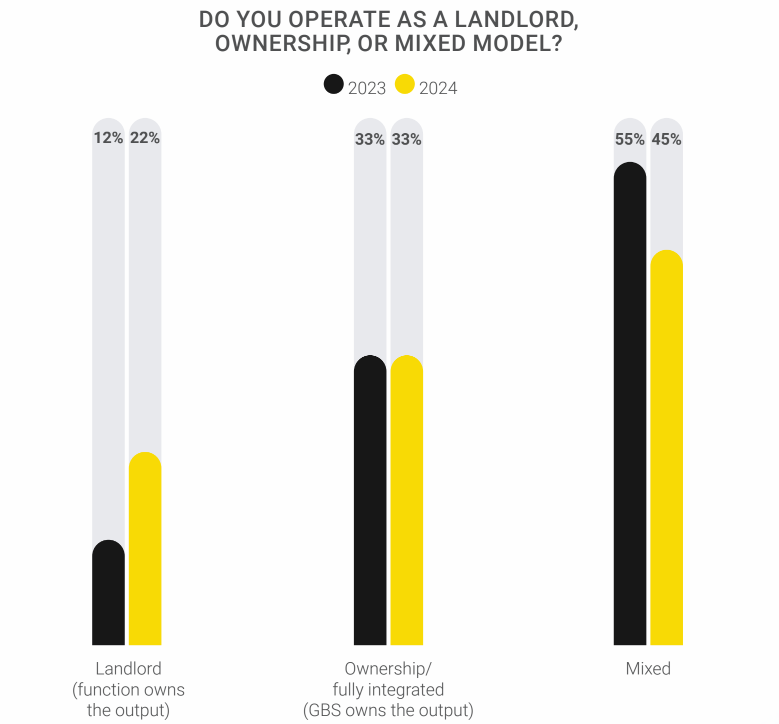
Reporting to C-Suite

Reporting structures are also evolving, with **52% of shared services reporting directly to the CFO**, reflecting a heightened emphasis on financial alignment and strategic oversight. Overall, 75% report to the C-suite (CFO, COO, CEO, CIO, or CHRO), with others reporting to transformation or administrative officers, or business unit/country MDs.



Shift Towards "Ownership" Model

The data also reveals an increasing division between **landlord** and **ownership** approaches, with year-on-year comparisons showing a tendency to ownership: a third of respondents confirm an **ownership approach**, where the SSO/GBS fully integrates and owns the output. This enables a centralized governance structure, promoting standardization, consistency, and strategic alignment across the enterprise. The ownership model is particularly suited for those focused on end-to-end process optimization and enterprise-wide transformation initiatives. By contrast, just 22% of respondents use a **landlord model,** where the individual function or business unit owns the output. This model emphasizes decentralized control, allowing functions to maintain autonomy over their deliverables while leveraging shared services for operational support. The balance (45%) is using a **mixed approach**, combining elements of both.

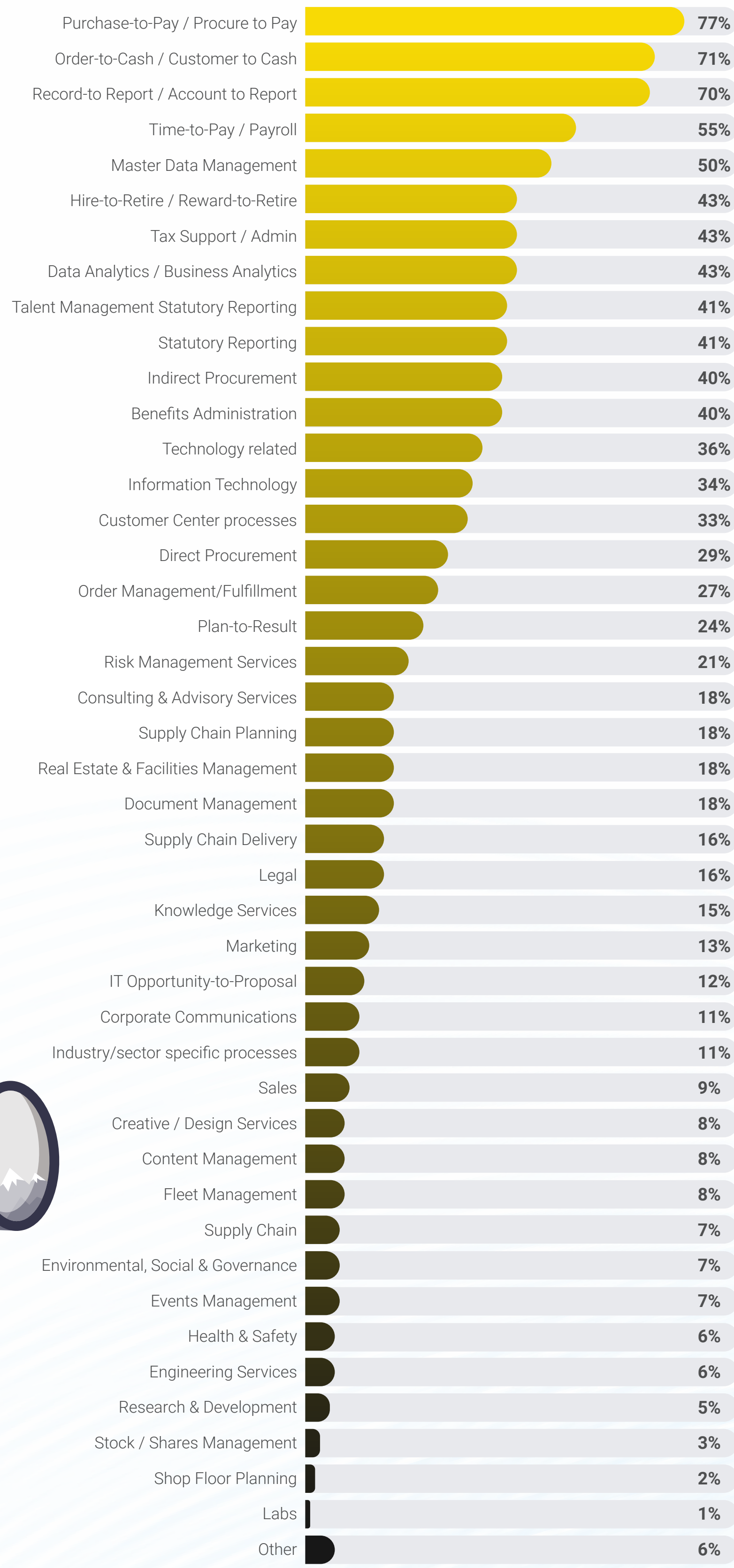


Expanding Scope and Transitioning to Core Business Support

Shared services today encompass a broad array of functions with the survey showing notable diversity in scope. **Procure-to-pay (offered by 77% of respondents)**, **order-to-cash (71%)** and **record-to-report (70%)** remain foundational processes that continue to form the backbone of most shared services operations. However, there is increasing uptake in high-value areas such as **data analytics (43%)** and **master data management (50%)**, reflecting an expanding remit to drive business intelligence. Emerging areas such as **Tax Admin support (43%)**, **Statutory Reporting (41%)**, **Technology-Related services (36%)** and **Call Center/Front Office support (33%)** are also gaining traction. Functions like **Supply Chain Management**, **Risk Management**, and **Consulting & Advisory Services** are still underrepresented (around 20% or less), but offer room for expansion as shared services mature and diversify their offerings.

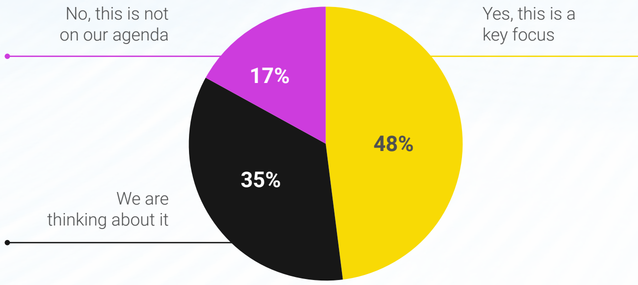
Beyond the already considerable scope of work outlined above, there is a significant trend toward expanding the scope of operations. Nearly **40%** of respondents plan to expand both **services offered *and* geographic reach**, while **38%** plan to only expand **services** and **6%** only **geographic reach**. This indicates a strong momentum toward increasing the breadth of offerings (77% in total) and expanding delivery locations (45% in total). Only **15%** reported no change planned for the upcoming year.

WHICH OF THE BELOW LISTED PROCESSES/ FUNCTIONS DOES YOUR SSO/GBS PROVIDE?



We also see a shift from traditional back-office work toward **core business support**, as confirmed by roughly **50%** of respondents, reflecting a commitment to delivering more decision support, research, and end-customer-facing activity. Another **35%** are considering moving in this direction. Only **17%** do not plan a change. *These findings underscore shared services redefining their contributions to enterprise success by moving closer to core business operations.*

ARE YOU MOVING FROM TRADITIONAL, TRANSACTIONAL BACK-OFFICE ACTIVITIES TOWARDS CORE BUSINESS SUPPORT?



EXECUTIVE PERSPECTIVES

From Back Office to Core Business Support

GBS risk becoming obsolete if they remain solely focused on back-office functions. To become even more relevant, it will be essential for our people to leverage technology effectively and seamlessly integrate into core business operations to provide strategic value.

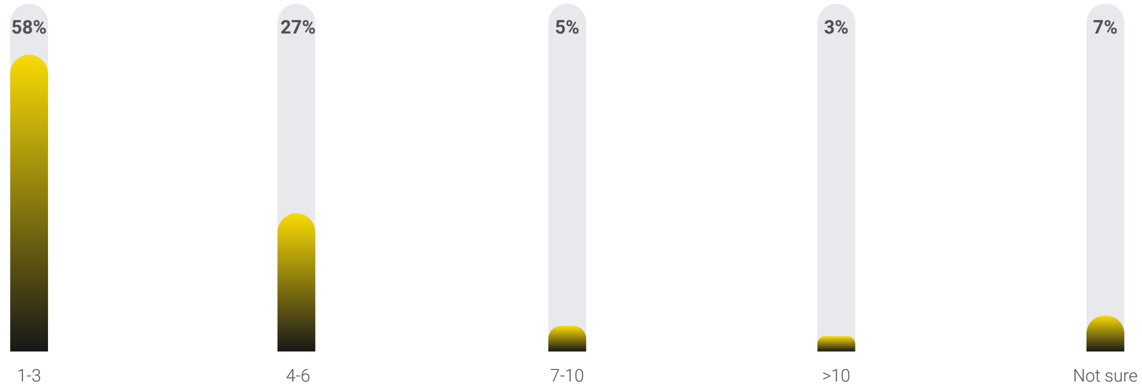
Turan Sahin
Chief Executive Officer,
Allianz Services

Strength in Numbers: More Captives in Range of Locations

Optimization is the underlying theme of shared services, and we see this reflected to some extent in the number of global centers in place. A majority of respondents (**58%)** operate **1–3 captive centers globally**, while the balance operates with at least four centers. Nearly 30% of respondents say they have increased their number of captives in the past two years, and 25% plan to further expand in the year ahead.

In terms of location, the survey indicates strong clustering in established hubs such as **India** (44% of respondents operate captives here), USA (35%), **Poland** (22%), **China** (20%), **Malaysia** (18%), and **Mexico** (18%). At the same time, Latam markets are gaining attention, reflecting the industry's responsiveness to evolving global labor and cost dynamics (9% are already operating in Brazil and Colombia).

HOW MANY CAPTIVE CENTERS DOES YOUR SSO/GBS RUN GLOBALLY?

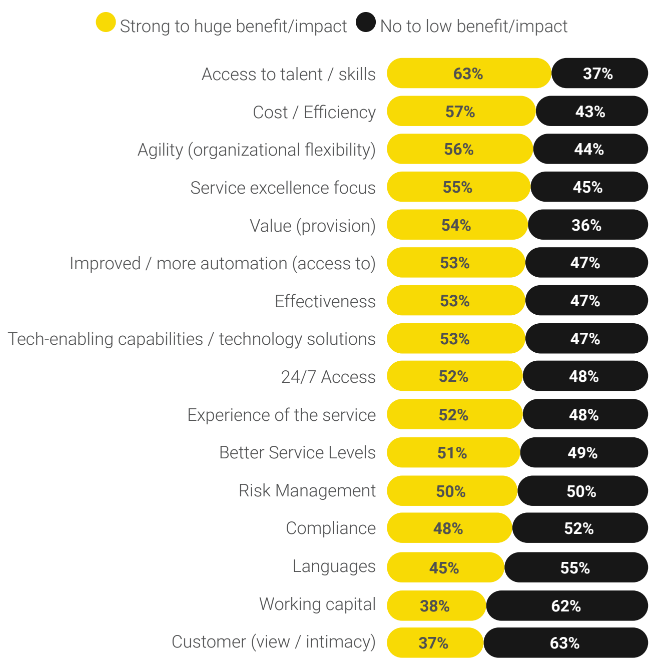


Outsourcing Driven by Scaling and Skills

Outsourcing is still a key element of shared services delivery, but only for half of SSO/GBS. This ratio is consistent, year-on-year. We note that 22% of respondents plan to increase their *volume of outsourcing* (i.e., the extent to which they are outsourcing services) in the next year. The strategy is obviously working for them, and our data confirms that the key benefits of outsourcing include enhanced scalability and access to specialized expertise. The leading driver of outsourcing, in fact, is access to talent and skills, with cost in second place. The improved agility that outsourcing offers is also listed as a benefit, and more than half the respondents cite improved access to technology-enabling capabilities or solutions as a key factor.

The global distribution of BPO and outsourced centers reflects the continued importance of cost-effectiveness and talent availability, but also proximity to key markets. We see a strong preference for traditional outsourcing hubs with **India** leading the way. However, 20% are outsourcing to the US, presumably for proximity reasons or to access specific skills, while Poland, Malaysia, and the Philippines are also in the top five locations listed by respondents – all long favored for their competitive labor costs and talent availability. Organizations are also looking beyond traditional outsourcing destinations, diversifying locations to leverage regional advantages, such as time zone alignment and proximity to European and North American markets. This highlights an evolving strategy to mitigate risks associated with over-concentration in a few countries and ensure business continuity in an increasingly globalized environment. (See SSON R&A's **Location Series** on Latam, North America, Europe, Africa and India.)

IF YOU OUTSOURCE, HOW WOULD YOU RANK THE FOLLOWING BENEFITS?



Winning the War for Talent: Building a Future-Ready Workforce

PROHANCE

Winning the Talent War: Building a Future-Ready Workforce

The nature of work is evolving at an unprecedented pace, driven by demographic shifts, changing career patterns, and technological advancements. The COVID-19 pandemic has accelerated these changes, particularly in establishing hybrid work as a permanent fixture in the corporate landscape. This evolution presents unique challenges for organizational leaders who must deliver improved results with constrained resources while managing distributed teams.

While many leaders turn to technological solutions like chatbots, AI, and robotics, technology alone isn't sufficient. Organizations face a critical choice: invest in developing tomorrow's essential skills or risk falling behind with an underprepared workforce. The challenge is further complicated by the need to retain talent while meeting expectations for flexible work arrangements.

ProHance offers a comprehensive approach to building a future-ready workforce centered on three fundamental elements:

- **The Work** - understand and re-evaluate the tasks being performed to ensure a focus on work that drives business value.
- **The Workforce** - consider who or what does this work, and what is the best way to perform these tasks by developing a hybrid workforce that integrates humans—employees and contingent workers—and machines.
- **The Workplace** - where and how the work happens. Consider the location and methods of work. Use insights and experiences from the pandemic to explore innovative working arrangements.

Success in this transformation requires understanding both external and internal factors affecting an organization's future. While external data is readily available through industry forums and industry bodies, gathering comprehensive internal data presents a greater challenge. This internal data encompasses both the organization's business strategy and the three key elements mentioned above.

ProHance tackles the lack of internal data and provides visibility on the effectiveness of technology investments in the long run – and this valuable data helps re-align organization's business delivery strategy through tech. On the other hand, leaders use ProHance to gain an understanding of the 3 key elements an organization does at a granular level (what tasks are performed, by whom, and where); this is otherwise a herculean task and cannot be done by human workers. Organizations turn to ProHance, a leading workforce management and analytics platform to capture the "work activity blueprint". Some strategies that organizations can implement with insights into ProHance *work activity blueprint* are:

- Determine what work needs to be done and what doesn't.
- Leverage hybrid workforce strategies to get low value work done (contractors and gig workers).
- Skill mapping - decide which skills are core to the business. Non-core core skills can be borrowed while more people are trained to enhance core skills.
- Hiring - mitigate risks of chasing skills that are a rage but uncertain of their leverage and long-term applicability.
- Target learning strategy avoiding unnecessary costs.
- Empower Employees - allow flexi work time and plan their career.

By comparing external factors with ProHance *work activity blueprint*, organizations can identify which skills and tasks are likely to face disruption, allowing them to prepare accordingly.

This deep understanding helps HR teams support flexible working arrangements while enabling learning teams to develop targeted training programs for different workforce segments – both aspects contributing directly to talent retention.

The journey to building a future-ready workforce requires leaders to develop a deeper understanding of their organizations than ever before. Success depends on their ability to identify, develop, and nurture the skills necessary for both current and future work environments. With proper insight and planning, organizations can create a resilient workforce capable of thriving in tomorrow's business landscape.

Khiv Singh
Country Manager & SVP – Americas
ProHance

Winning the War for Talent: Building a Future-Ready Workforce

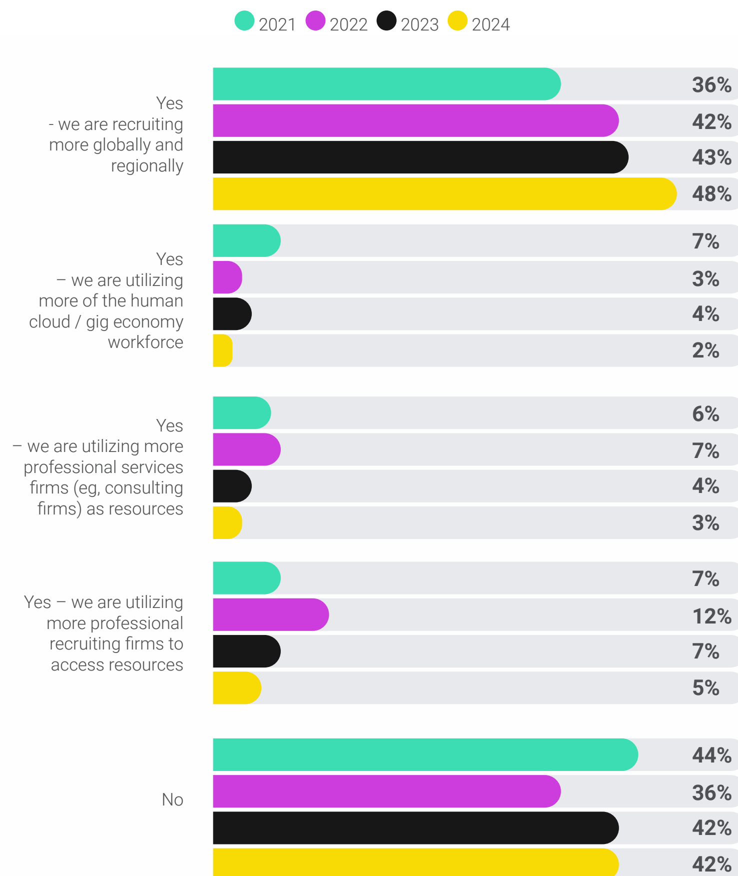
Attracting and retaining talent remains a critical priority in 2025, as shared services leaders grapple with the continued challenge around integrating remote workers, generational shifts, and growing skills shortages, especially relating to the new digital ecosystem. Workforce strategies have become increasingly multifaceted, blending traditional talent acquisition efforts with innovative approaches such as employer branding and the adoption of gig-based and remote workforces.

Staffing and Recruiting Strategies

Survey results show that shared services and GBS organizations vary widely in their staffing levels. Some employ less than 250 staff across the entire organization, and others more than 10,000. Balancing captive and outsourced staffing models remains a strategic decision influenced by scale, cost efficiency, and operational complexity.

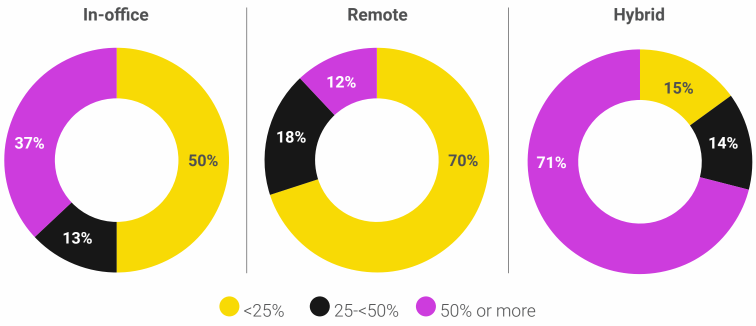
In response to changing work dynamics, recruitment strategies are adapting. According to the survey, **27%** of organizations are adopting more global, location-agnostic recruitment practices, while **21%** are focusing on regional talent pools. In total, therefore, nearly half of respondents have adopted **location agnostic recruiting practices** that offer access to a wider talent pool. This shift towards flexible recruiting has increased consistently over the past four years. Less than a quarter of respondents are sticking with traditional commuting-distance hiring models. While professional recruiting firms and the rise of the gig economy platforms also signal a diversification of talent acquisition methods, neither is making a significant impact on shared services recruiting practices.

HAS YOUR RECRUITING STRATEGY CHANGED AS A RESULT OF FUTURE OF WORK TRENDS OVER RECENT YEARS?



When it comes to office arrangements, flexibility is crucial. **Respondents** reveal a significant shift towards hybrid work models, with **71%** indicating that more than **50%** of their workforce is hybrid. Pure remote work remains less common, with **70%** of respondents indicating **at most a quarter of their staff** are fully remote. Similarly, **50%** say that at most 25% of their workforce is entirely in office. These findings emphasize the need for policies that balance flexibility with operational efficiency.

WHAT PERCENTAGE OF YOUR EMPLOYEES ARE IN OFFICE VERSUS REMOTE VERSUS HYBRID?



EXECUTIVE PERSPECTIVES

Flexibility as the Key Driver

While in some industries and regions there is a shift back to the office, it's primarily driven by regulatory requirements, such as data privacy for processes payments. I believe flexibility remains paramount and that team-level decisions should dictate office presence. The focus ought to be on delivering outcomes rather than imposing rigid quotas for in-office attendance. Enabling flexible working and prioritizing the well-being of our people are central to how we support productive and engaged teams.

Turan Sahin
Chief Executive Officer,
Allianz Services

Defining the Office as a Primary Workspace

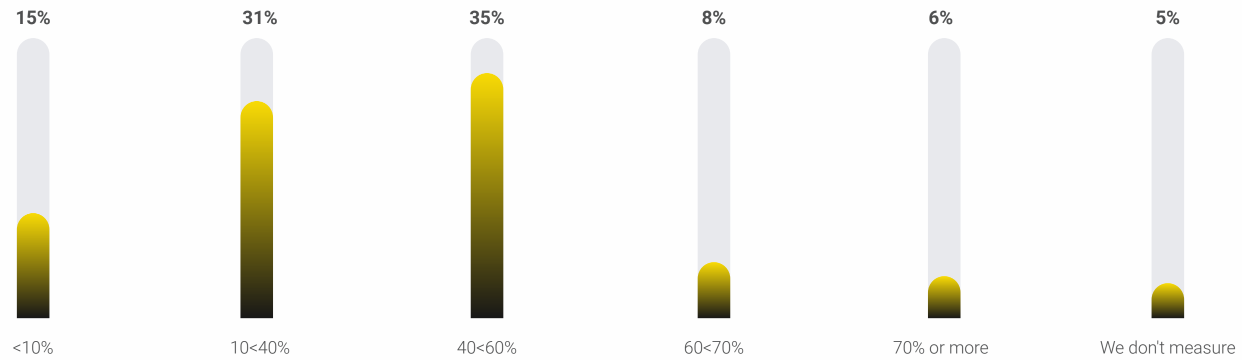
In our case, employment contracts clearly define the office as the primary place of work. Flexibility is granted, but employees are expected to be available for in-office requirements. Consequently, we focus on recruiting talent within commuting distance to support this policy.

Frank Schueler
Managing Director,
Global Service Center,
DHL Global Forwarding, Freight

Gender Diversity

Promoting gender diversity in leadership is not just a moral imperative but a strategic one. Our research shows a mixed picture. If we consider the ideal as numerical balance based on *gender parity* – in other words 50/50 – then the sweet spot would be between 40 to 60% female representation at senior management levels. A present, just over a third of respondents are there. More disappointingly, 46% are below that ratio. (Note that this measure considers numerical balance only. Gender *equality* is a broader issue concerning fairness and equal opportunities for all genders.)

WHAT PERCENTAGE OF YOUR GLOBAL SSO/GBS SENIOR MANAGEMENT TEAM (DIRECTOR/VP/SVP) IS FEMALE?



To address gender disparities, organizations are employing multiple strategies. The most common approaches, cited by 55-60% of respondents, include leadership development programs, driving gender-inclusive cultures, and promoting flexible work arrangements. Nearly half of respondents have introduced mentoring programs to improve career progression.

Where we might expect to see more effort is in establishing gender diversity goals: at present, less than half of respondents have committed to such goals within their shared services. We also see 36% making efforts to implement targeted recruitment strategies. Taken together, these initiatives signal a growing recognition of the importance of gender diversity in meeting market expectations but also driving towards fairer employment practices.

INDUSTRY PERSPECTIVES

Enhancing Productivity Through Workforce Analytics

Workforce analytics are vital for optimizing employee productivity within shared services. Data-driven insights help leaders streamline workflows, allocate resources effectively, and benchmark performance against industry standards.

Key Strategies to Boost Productivity:

Set Clear Goals and Priorities:
Define and communicate expectations clearly to ensure employees are aligned with organizational objectives.

Track Employee Productivity:
Regularly measure output against benchmarks to identify efficiency levels, work patterns, and areas for improvement.

Promote Work-Life Balance:
Support flexible arrangements and boundaries to prevent burnout and sustain long-term productivity.

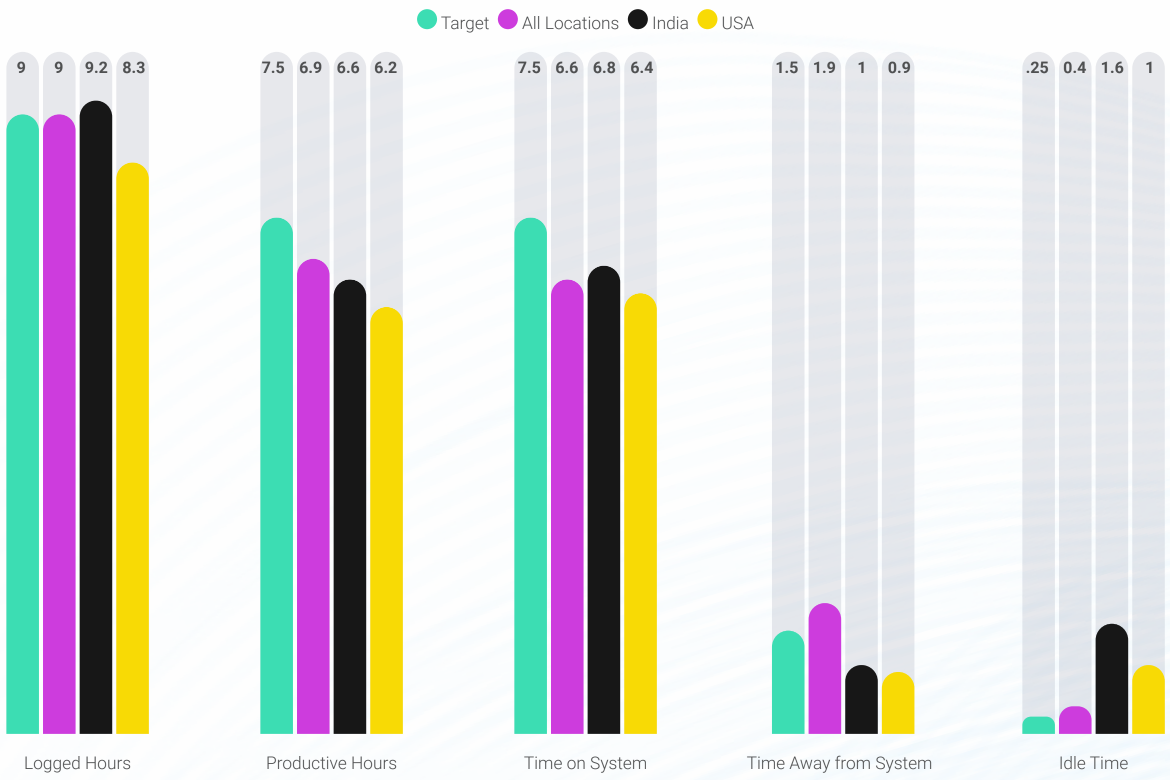
Encourage Engagement:
Involve employees in decision-making and provide growth opportunities to keep them motivated and invested

Provide Tools and Resources:
Equip employees with the necessary technology, training, and development opportunities to enhance efficiency.

Ethical Considerations for Employee Monitoring:

U.S., EU, and India Laws:
Monitoring is generally legal when employees are informed and give consent. However, regulations vary, and compliance with local laws is essential to ensure ethical implementation.

WORK TIME TRENDS IN SSO/GBS



Source: Prohance Analytics

Attracting and Retaining Talent

In an increasingly competitive talent market, attracting and retaining the best people requires a strategic and multi-faceted approach. Shared services are broadening their talent acquisition channels (58%) and leveraging their company brand (57%) to tap talent. Other approaches include selling the purpose lead vision of the company culture and revising the employee value proposition (EVP). Less than 40% mention increased compensation and benefits.

One year ago, employee value proposition was listed as the primary strategy for attracting talent. To get a better idea of how EVP is being revised, we asked for examples. Respondents highlighted themes such as flexibility, professional development, and diversity. One respondent succinctly noted the importance of "understanding what is important to the current generation of the workforce and meeting their needs for a career." Here is a summary of key points shared:

Personal and Professional Development: Offering opportunities for growth and development.

Understanding Workforce Needs: Aligning with needs/ values of workforce.

Supporting Pride in Work: Encouraging employees to take pride in their work.

Innovative Work Environment: Offering non-traditional high value work.

Career Growth and Flexibility: Growth opportunities and flexible work.

A Supportive Culture and Upskilling Staff: A positive culture and skills development.

Supporting a Positive Work-Life Balance: Acknowledging and enabling a balanced approach.

Driving Diversity and Inclusion: A welcoming environment supporting DEI.

Recognizing Purpose and Impact: Emphasizing corporate purpose /employee impact.

Employee Voice and Communication: Supportive platforms ensure voices are heard.

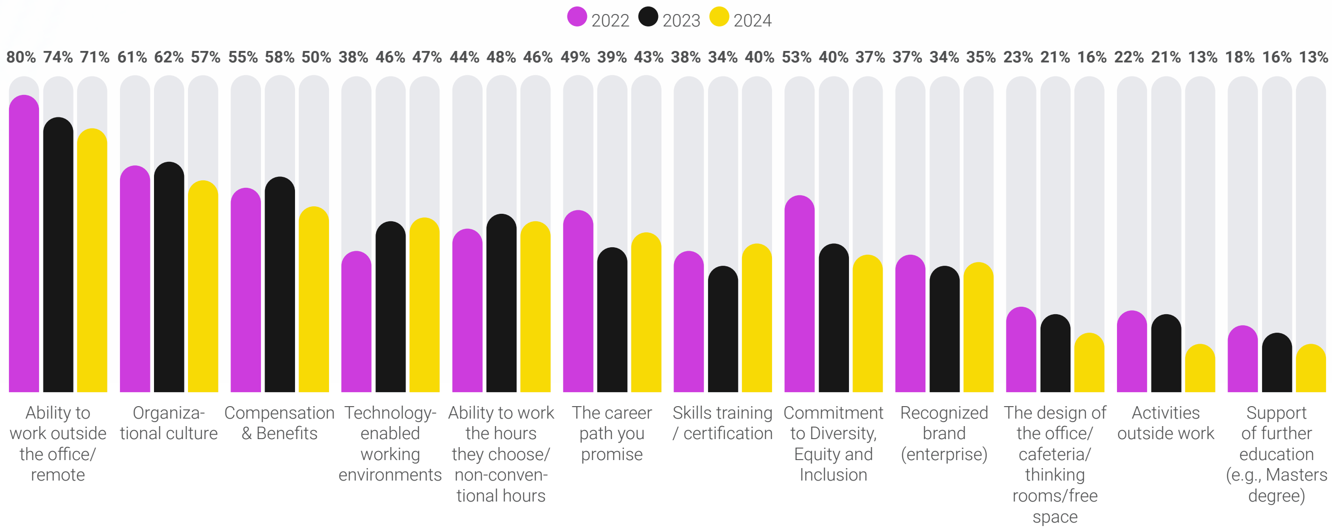
Flexible Work and Learning Opportunities: Engaging employees with the business.

Emphasising Employee Experience: Focusing on improving the overall employee experience.

To meet their talent requirements, organizations rely on multiple sourcing methods. In-house recruitment remains the most effective approach, followed by LinkedIn and University recruitment. Only a third of respondents consider poaching from other shared services. Internships are not effective, according to our data, in building robust talent pipelines.

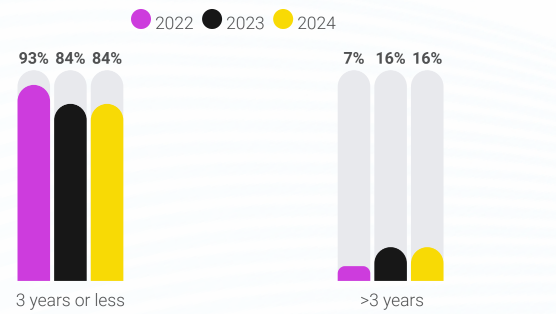
Understanding what motivates a younger, more self-aware workforce is crucial to successfully attracting and retaining it. The survey lists Gen Z priorities as flexible work (including outside the office and choosing the hours they want to work), organizational culture, and competitive compensation. Interestingly, although these are the top three factors cited, they have all reduced in importance over the past year. In contrast, we see a slight uptick in **technology-enabled work environments** acting as inducement, and more importance given to **career paths** and **skills training**. In other words, Gen Z is now looking to develop its competencies and establish a career in contrast to prioritizing flexible work arrangements. This is encouraging for shared services wanting to build up a solid talent pool.

IN ATTRACTING A MORE SELF-AWARE, REMOTE-BASED YOUNGER WORKFORCE DEMOGRAPHIC (GEN Z), WHAT ARE THE KEY ELEMENTS THEY ARE LOOKING FOR?



Despite these efforts, 84% of respondents believe that Gen Z recruits will leave their positions within three years – most between their second and third year. While this ratio has slightly improved over the past three years, it is still highly concerning in terms of its implications. One lesson may be to double down on retention after two years. Possible reasons for talent loss could be limited career progression, lack of flexibility, and compensation. Addressing pain points will be essential for organizations striving to retain top talent.

RETAINING THIS YOUNGER DEMOGRAPHIC IS PROVING CHALLENGING. REALISTICALLY, HOW LONG DO YOU THINK THEY WILL STAY?



INDUSTRY PERSPECTIVES

Top 3 Jumps in What Gen Z is Looking for

1. Skills Training & Certifications

2. Career Path

3. Tech-enabled Environment & Brand

Process Optimization: Unlocking Efficiency Through Continuous Improvement

celonis

Shared Understanding Key to Making Processes Work

Shared Services Centers are growing up and branching out. Beyond driving operational efficiency and cost reduction efforts, they are growing their remit, innovating, and delivering better quality service. Shared Services Centers could well be in their expansion era.

These global survey results come at a time when Shared Services Centers are navigating difficult terrain. Economic uncertainty, from the likes of fluctuating interest rates and inflation, refuses to ease. Heady technological possibilities – most notably GenAI's rise – are plentiful but often puzzling. Closer to home, leadership moves, internal resistance, and organizational change like mergers and acquisitions can all put at risk Shared Services Centers' success.

The need for greater efficiency in the face of all this is undeniable. The role of Shared Services Centers in achieving it is crucial. All that may sound daunting, but here's the upside: the business needs Shared Services Centers and the skills of the people working in them. We are in the right place at an important time.

However, attempts to optimize processes, improve operational efficiency, and achieve continuous improvement will only succeed if there's a shared understanding of how the business runs. How it really runs. Right now there's a disconnect at the heart of most businesses: departments are speaking their own languages, systems aren't playing nicely together, opaque processes are resistant to change.

The fallout? Shared Services Centers get stuck working at arm's length from the business, making it difficult to do the essentials like reducing costs, improving service levels, and nailing compliance – let alone take the lead on what's to come. All that puts Shared Services Centers at risk of being seen as simply a cost-cutting function rather than the more accurate view as a strategic business partner.

It's a 'volatile and increasingly digital business landscape', as this report's introduction rightly highlights. In response, Shared Services Centers must focus on end-to-end process visibility and assess AI's role in transforming the operating model, not just automating tasks. Only by gaining visibility over how processes run, can you make them work. Only by understanding your processes can you connect them, your teams, and technologies like AI to your business.

At Celonis we see that understanding - and the opportunities for process improvement it creates - lead to customers saving millions of dollars, freeing up many weeks' of time a year, and allowing teams to focus on strategic insights and value-added activities that will shape the next chapter of the shared services model.

It's reassuring to see these survey results reflect the continued ambition of Shared Services Centers to shine. The focus now must be turning that ambition into practical results. Encouragingly, the right combination of people, processes, and technology remains the most effective approach, according to the survey.

While not novel, this pairing is what delivers meaningful process improvements. Equip skilled people with the right tools, and you unlock efficiency through, for instance, digital twins that reveal business operations as they truly are, smart automation that removes the need for costly manual interventions, and smart AI agents that could propel us into a new era of productivity.

Since operational efficiency and cost reduction are at the core of why Shared Services Centers exist, making processes work has to be at the core of what they do. Process optimization, as you'll soon read, rightly remains a cornerstone of the shared services agenda. Turning that optimization into continuous improvement and efficiency gains demands one thing: real process understanding. So, ask yourself, how well do you really know your business?

Sayali Chavan
Product Marketing Manager,
Celonis

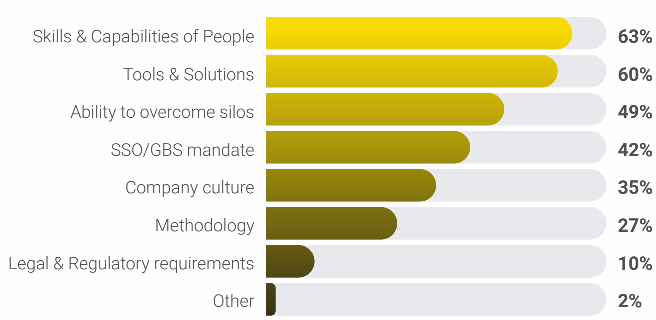
Process Optimization: Unlocking Efficiency Through Continuous Improvement

Process optimization continues to be a cornerstone of shared services strategy, with organizations focusing on end-to-end process improvements that streamline workflows and enhance customer experience. Leaders are leveraging technologies such as process mining and robotic process automation (RPA) to identify bottlenecks, promote workflow, and drive faster decision-making. In light of shared services' plans to expand their scope of work in the year ahead, ensuring processes are optimized becomes even more important.

Effective Approaches to Optimization

Respondents list the most effective approaches to process optimization as people (skills and capabilities), technology (tools and solutions), and end-to-end process integration (the ability to overcome silos). In other words, taking a structured approach and driving cross-functional collaboration while taking advantage of modern technologies to knit together workflow. Moreover, leadership and control play a significant role, with **42% of respondents** leveraging an overarching shared services mandate to ensure all stakeholders remain aligned toward end-to-end process improvement goals. Methodologies that prioritize clear metrics and feedback loops are also becoming standard practice across high-performing organizations.

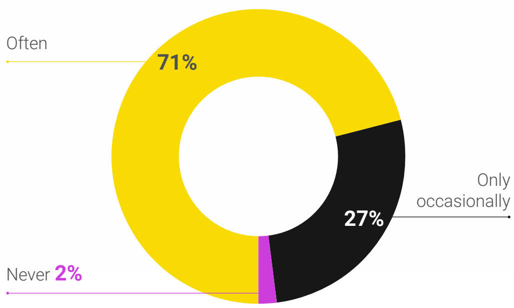
WHICH APPROACHES HAVE BEEN MOST EFFECTIVE IN DRIVING PROCESS OPTIMIZATION?



Fostering Awareness of Broader Impacts

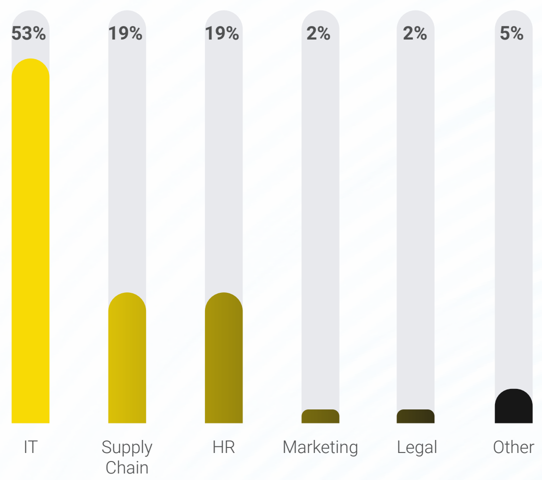
In considering the broader organizational ecosystem, **71% of respondents** say they regularly evaluate how shared services processes impact operations **outside the shared services** – and vice versa. This interconnected approach allows for a better alignment of objectives and ensures that improvements in shared services create ripple effects throughout the enterprise.

HOW OFTEN DO YOU THINK ABOUT YOUR IMPACT ON PROCESSES THAT HAPPEN OUTSIDE THE SSO/ GBS AND, VICE VERSA, THEIR IMPACT ON YOUR OPERATIONS?



This thinking extends to **interdependencies with other departments.** Processes related to **IT, supply chain management, and HR** have the greatest impact on shared services operations. This could mean data dependencies and the need for stronger collaboration frameworks. Core business activity (see the section on front office, above), traditionally viewed as separate from shared services, is also being drawn into optimization efforts due to growing reliance on analytics insights and process automation.

WHICH OF THESE TEAM/DEPARTMENT PROCESSES (I.E., OUTSIDE SSO/GBS) IMPACT YOUR DAY-TO-DAY OPERATIONS THE MOST?



EXECUTIVE PERSPECTIVES

Cross-Functional Impact on GBS Operations:Key Insights

IT: Need for Strategic Guidance and Tool Selection

IT plays a key role in GBS activity and significantly impacts our operations. The challenge lies in the ***rapid evolution of technology****. There is a need to* ***standardize and guide technology choices****, particularly with tools such as* ***AI assistants****.* ***IT departments have the opportunity to take the lead in defining clear technology standards****, for example, to streamline decisions and accelerate operations. This would pave the way for GBS by preselecting* ***the best suited solutions*** *from an overwhelming number of options. In addition, supply chain processes extend to various core functions such as* ***pricing, sales, claims handling****, and* ***policy administration****. In sectors like insurance, the supply chain's reach is often underestimated, despite touching almost every operational aspect.*

Turan Sahin
Chief Executive Officer
Allianz Services

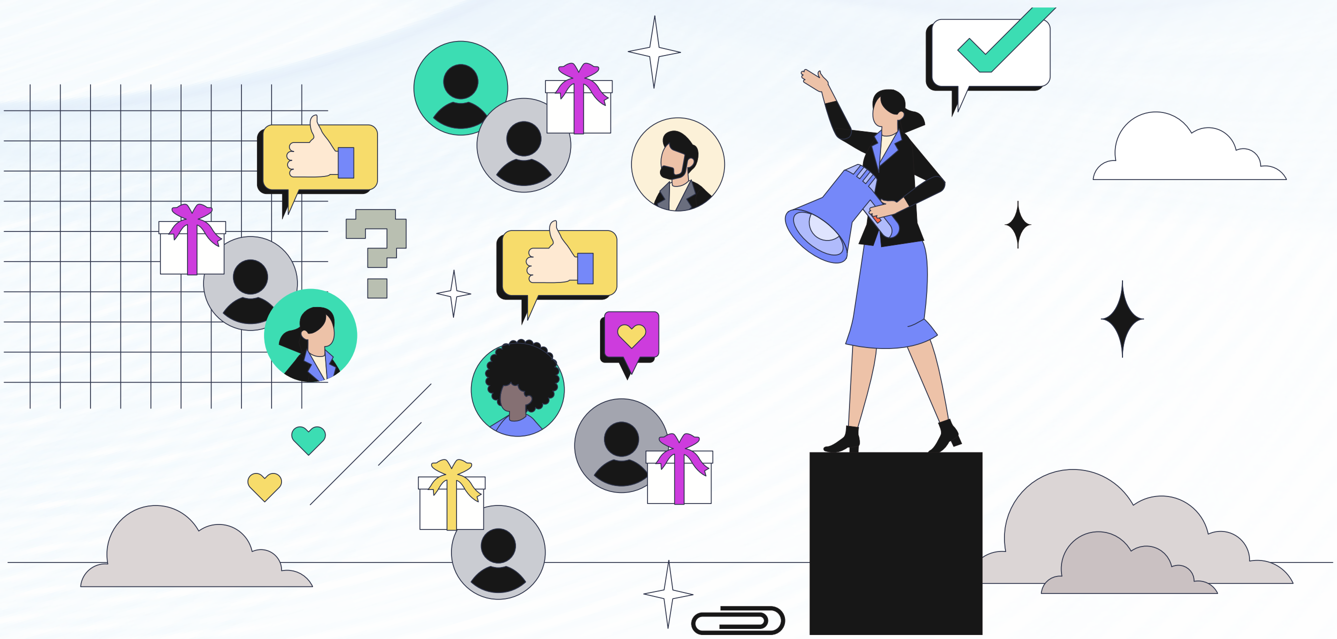
Supply Chain: Broad and Evolving Definition

There is a challenge in defining supply chain within a GBS context. For logistics-heavy operations like ours, supply chain processes inherently constitute a significant portion of GBS support. My team dedicates up to 80% of GBS resources to supply chain-related operations, reflecting its fundamental role. This functional dependency often doesn't fit traditional categories, adding complexity to GBS responsibilities.

Frank Schueler
Managing Director, Global Service Center
DHL Global Forwarding, Freight

GBS is expanding into front-office processes, such as demand and supply planning. Our organization recently integrated 30 staff members in the Philippines dedicated to supply chain planning. This integration aims to close existing gaps and align demand planning with GBS processes to enhance efficiency.

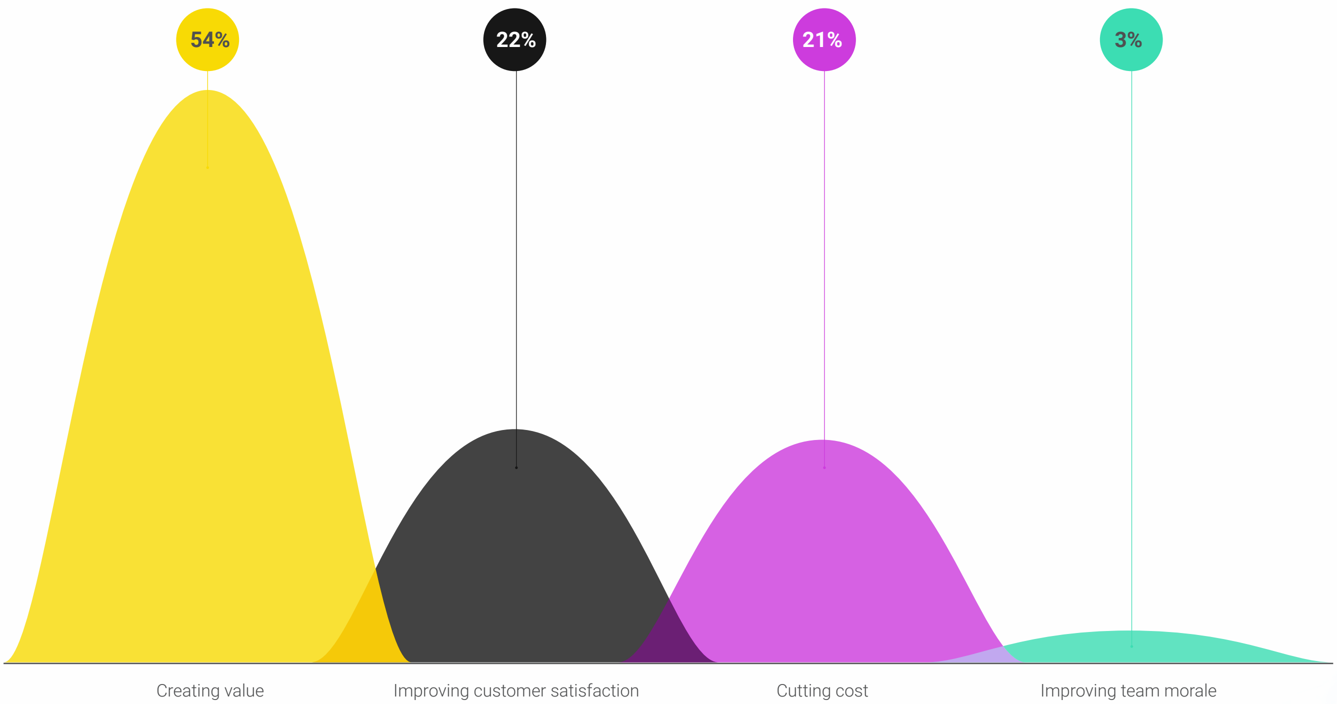
Jose Varela,
Senior Vice President, Global Services Center
3M



Recognizing Customer Priorities

Our research found that 74% of respondents define "value" in terms of customer satisfaction. Customer centricity is also a strategic target for 44% of respondents. Improving customer satisfaction or customer experience, therefore, is a priority for all shared services. This positions **the customer** as the primary target for process improvement efforts, as reinforced by the chart below.

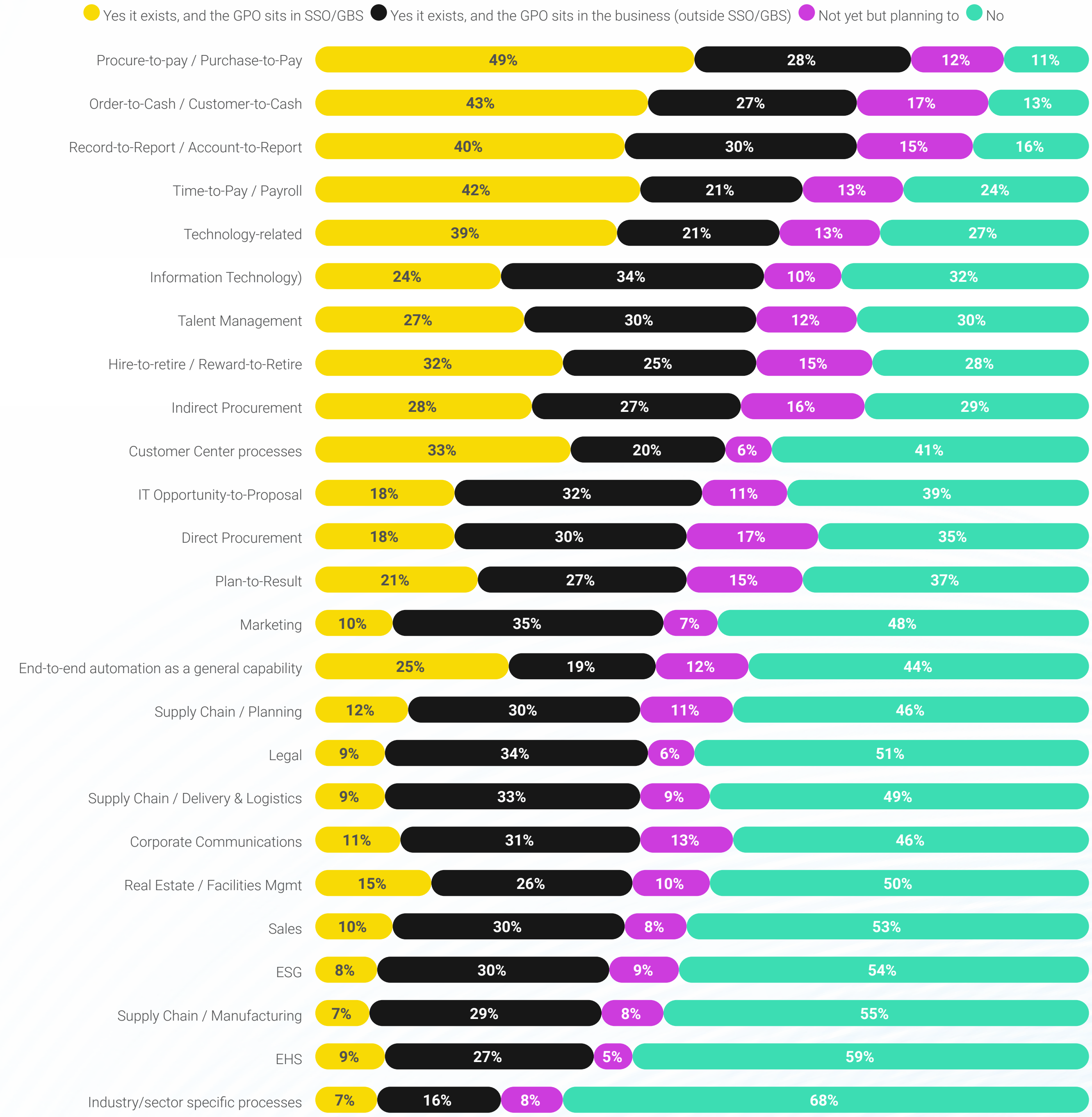
WHAT HAS EARNED YOU THE GREATEST SHOW OF APPRECIATION FROM YOUR CUSTOMERS?



Ownership and Accountability

Ownership of key processes remains pivotal to improvement initiatives succeeding, with many organizations implementing **Global Process Owners (GPOs)** to drive both improvement initiatives and accountability. Functions such as **procure-to-pay, order-to-cash, record-to-report, and hire-to-retire** are among the most likely to have GPOs in place – and to have these GPOs sit within shared services – reflecting the prioritization of core financial processes for optimization. Further down the list, in **plan-to-result, IT,** and **supply chain**, GPOs tend to sit in the business (i.e. outside shared services), whereby we are seeing a steady increase in the adoption of GPOs for **supply chain** and **customer management** as organizations expand the scope of their optimization efforts.

FOR WHICH OF THESE PROCESSES DO YOU HAVE A PROCESS OWNER (GPO OR SIMILAR), WHETHER FULLY OR PARTIALLY IMPLEMENTED?



EXECUTIVE PERSPECTIVES

Balanced Focus on 'What' and 'How' Skills

It is important to distinguish between technical skills ("what") and soft skills ("how"). Problem-solving, digital skills and data management are critical (the "what"), but adaptability, communication, and empathy (i.e., the "how") are equally essential. This aligns with the survey's top-ranked skills, namely Problem-Solving, Digital Technology Proficiency, Data Analytics, and Adaptability. I would add that empathy is really important – I would like to see it move much higher than 17%.

Turan Sahin, Chief Executive Officer, **Allianz Services**

Ownership and Accountability

There is a need for accountability and ownership, both essential for driving solutions beyond transactional tasks. While these traits don't fit neatly under traditional categories, they reflect a shift towards leadership and customer-centricity, reinforcing the need for GBS professionals to own end-to-end outcomes.

Viral Chhaya, VP, Global Business Services, **Diebold Nixdorf**

Domain Skills Quality

We continue to see that basic domain skills coming out of colleges, including among junior hires and even fresher Chartered Accountants for example, are not always where they need to be in order to be immediately successful in the world of GBS and Shared Services Finance. More hands-on, practical, real-world experience and examples, over and above standard textbook learnings being included within the curriculum, would be very advantageous for our industry. This emphasizes the need for process mastery and technical expertise as foundational skills, and to be complemented with just as essential "Power" skills for the workplace. It's a phenomenon we are seeing in India, for example. However, it is encouraging from recent conversations that learning Institutes are starting to take note of this, to better equip the students for the 'real world'.

Chris Gunning, Global Finance Operations, **NielsenIQ**

Skills vs. Capabilities

It's important to differentiate between skills (task-specific) and capabilities (outcome-driven). GBS success hinges on a blend of Knowledge-Based Capabilities (e.g., domain mastery), Solutioning Capabilities (e.g., decision-making), and Behavioral Capabilities (e.g., change management and communication).

Deborah Kops, Managing Principal, **Sourcing Change**

Exceptions Handling and Data Analysis

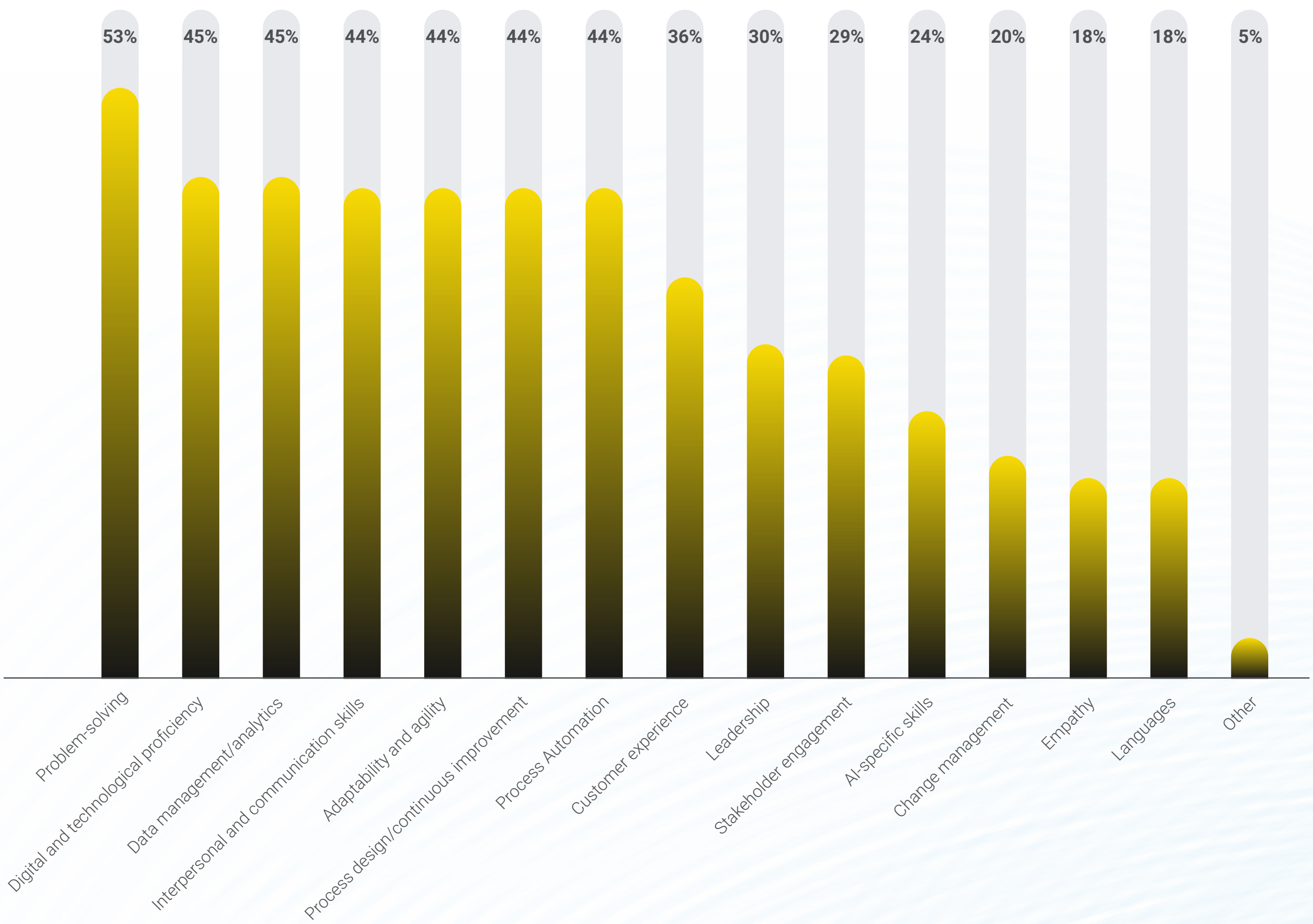
The trend toward increasing automation and AI is driving GBS professionals to focus more heavily on exceptions handling and data analysis versus purely transactional activities. This aligns with the prioritization of problem-solving and data management/analysis in the survey results.

Jana Vondran, SVP Global Business Services, **ex-Ingram Micro**

Top Skills Supporting Process Optimization

The survey data highlights the critical skills shared services leaders are prioritizing to drive process optimization. While the most sought-after skill is **problem solving (53%),** to support business customers' with solutioning, **process design and continuous improvement** is listed by 44% of respondents, alongside **digital proficiency, data analytics, communication,** and **adaptability**. These competencies are essential for identifying inefficiencies, streamlining workflows, and implementing continuous improvement initiatives.

WHAT ARE THE TOP SKILLS YOU ARE PRIORITIZING RIGHT NOW, IN TERMS OF RECRUITMENT AND TRAINING?



Automation & Digitization: Powering Transformation Through Intelligent Technology

Automation & Digitization: Powering Transformation Through Intelligent Technology

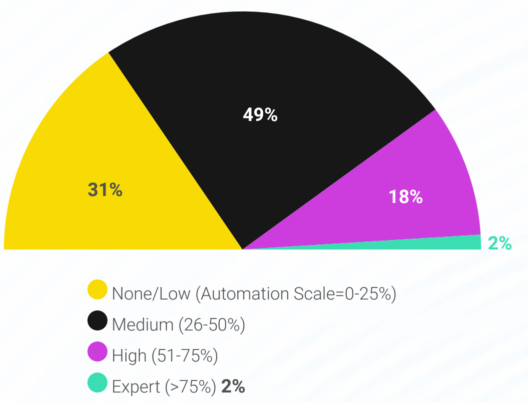
Automation and digitization are redefining the possibilities for shared services, with advanced tools like artificial intelligence (AI) and machine learning taking center stage as they promise big results. Generative AI, in particular, is emerging as a transformative technology, unlocking opportunities for innovation in areas such as content creation, process reengineering, and personalized customer support.

Current State of Automation

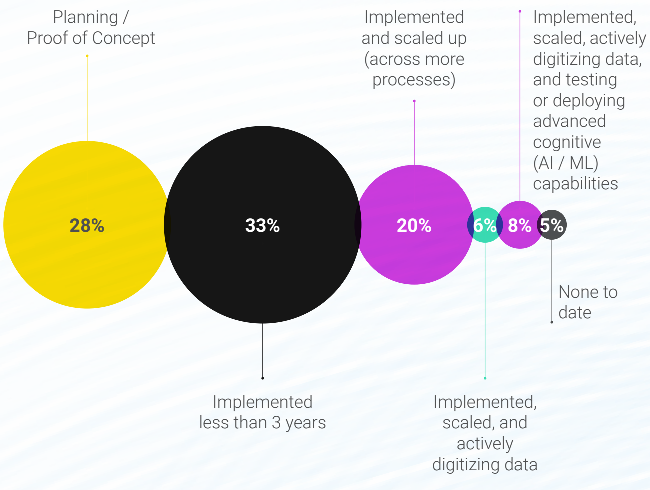
Robotic process automation was first recognized as an enabler of business services more than a decade ago. Since then, shared services, in particular, have embraced the ability to automate processes and reducing human intervention, in order to drive faster, cheaper, and more reliable outcomes. This approach is particularly relevant for standardized processes. Given the timeline, it's perhaps surprising that nearly a third of respondents still consider their overall automation level to be, at best, **low** while half the market considers itself at **medium** level. Only 20% consider themselves advanced. Considering the hopes placed on generative AI as a solution to build on past technology improvements, the *status quo* is slightly concerning.

In truth, the integration of automation across shared services is progressing at varying speeds. While nearly all respondents have implemented intelligent automation in some capacity, a third are at an early stage (three years or less) and roughly 30% are still at the planning stage. That leaves roughly a third at **advanced level**, in other words: scaling, digitizing data, and deploying advanced capabilities.

WHAT DO YOU PERCEIVE YOUR SSO/GBS OVERALL AUTOMATION LEVEL TO BE?



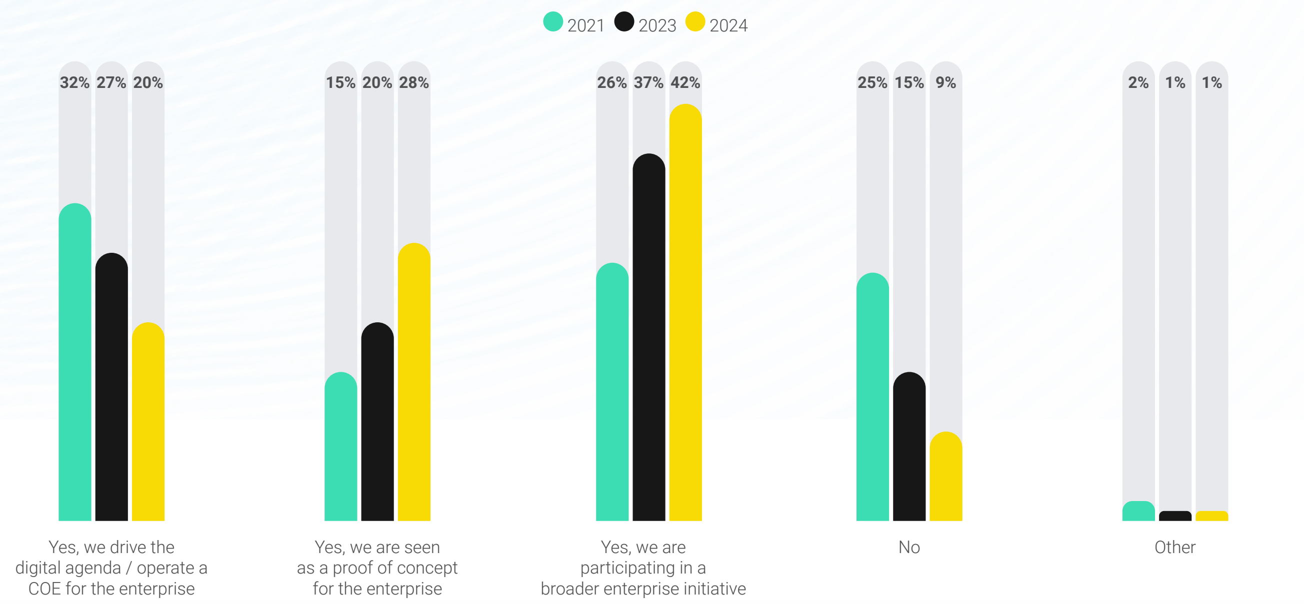
WHAT BEST DEFINES YOUR CURRENT STAGE OF INTELLIGENT AUTOMATION?



Supporting the Digital Agenda But Not Driving It

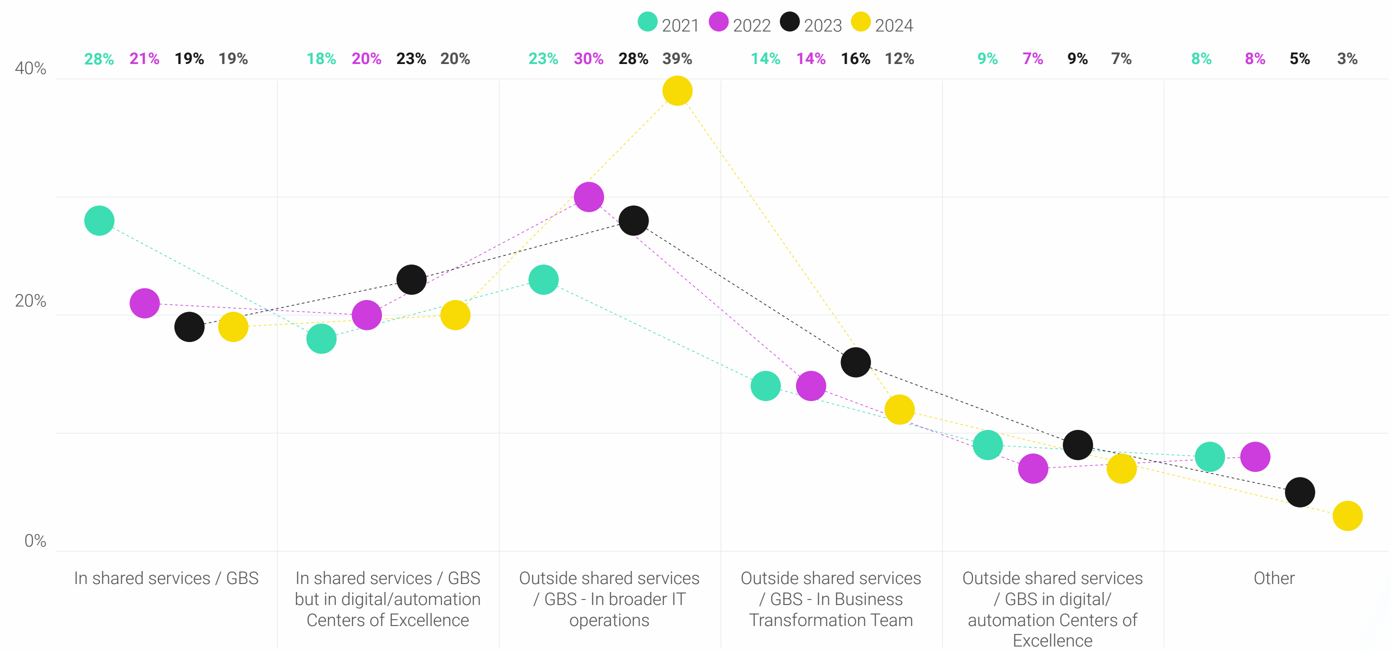
Shared services are playing a key role in supporting enterprise digitization. Year-on-year data shows a steady increase in involvement (witness 25% of respondents saying they played *no role* in 2021, versus 9% in 2024). However, shared services are unlikely to take a leadership role in this initiative – i.e., drive the digital agenda on behalf of the enterprise. Instead, we see nearly 30% acting as a proof of concept for digitization, and 42% participating in a broader enterprise initiative, showcasing the strategic value of SSCs beyond cost efficiency.

IS SSO/GBS PLAYING A ROLE IN SUPPORTING THE ENTERPRISE'S DIGITAL AGENDA?



This is borne out when we consider where digitization projects reside. Roughly 60% sit outside shared services, either in IT, business transformation, or in centers of excellence. The balance sits within shared services. The year-on-year comparison shows a downward trend as far as shared services ownership is concerned.

WHERE DO ENTERPRISE DIGITIZATION PROJECTS RESIDE?

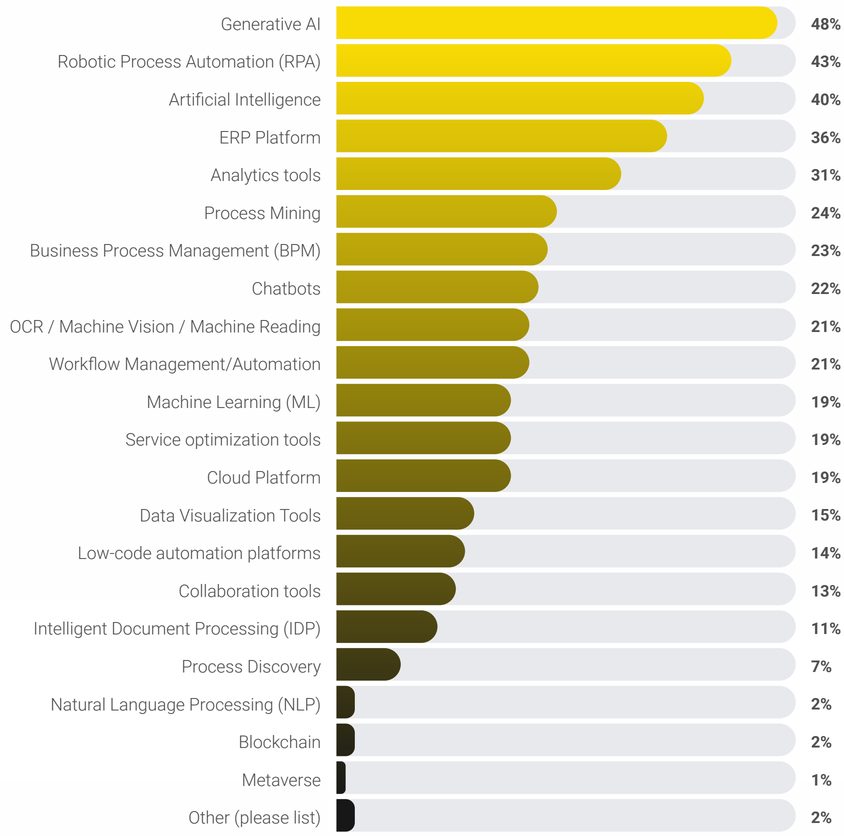


Key Use Cases and Investment Priorities

Organizations are prioritizing investments in tools that promise impact on performance and can deliver measurable outcomes. Generative AI and robotic process automation top the list (48% and 43% respectively listing these tools as a priority), along with analytics solutions that drive insights, and process mining / BPM solutions that highlight process blockages and enable process workflows.

Key areas of automation success include **procure-to-pay** and **order-to-cash**, given the heavily standardized processes that characterize these activities. To a lesser degree we are also seeing wins in **hire-to-retire** and **data management**, along with other finance processes, where automation is driving efficiency, reducing errors, and accelerating processing times. Generative AI applications are emerging in areas such as customer support and document processing, with early adopters reporting improvements in service quality and employee productivity.

WHAT ARE YOUR TOP TECHNOLOGY INVESTMENT PRIORITIES THIS YEAR?

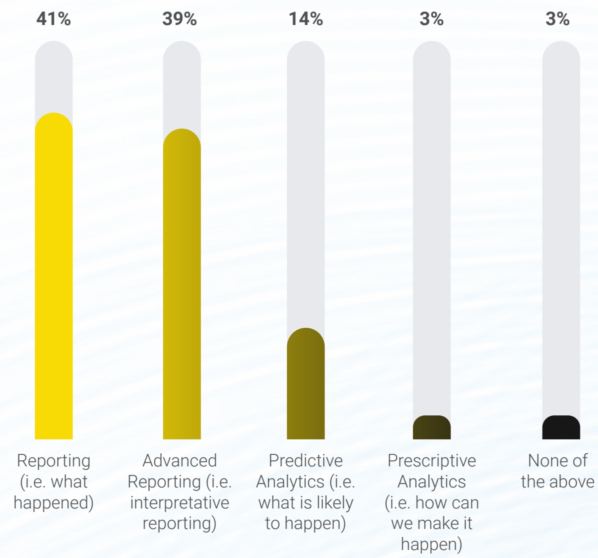


Data: The Backbone of Digitization

Data analytics continues to play a pivotal role in shared services transformation. While 41% of respondents confess to still predominantly looking "backward" and reporting on historic data, 56% are at **advanced stages** of data analytics, either interpreting, predicting, or prescribing what could or should be done. This is where the real value-add lies, and it is encouraging to see more than half the market already actively leveraging analytics that drive improved decision-making and performance.

Respondents identified **procure-to-pay** and **order-to-cash** as processes that have delivered the biggest wins through data analytics. Other areas that are benefiting include **process mining, customer engagement**, and **reporting**. We also see wins in **financial planning and analysis** (FP&A), where analytics is improving forecasting accuracy and revenue collection. Additionally, talent-related analytics, such as identifying and upskilling, are driving interesting results.

WHAT BEST DESCRIBES THE ANALYTICS MATURITY OF YOUR SSO/GBS?

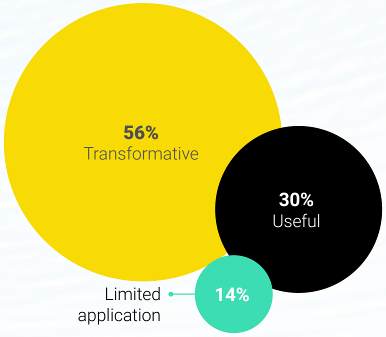


INDUSTRY PERSPECTIVES

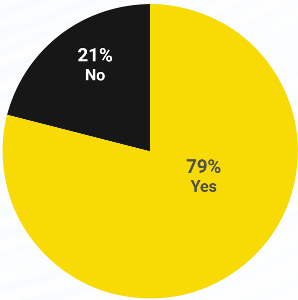
Generative AI: The Next Leap in Intelligent Automation

Generative AI (GenAI) is revolutionizing shared services and global business services, building on a decade-plus of intelligent automation success. As of Q4 2024, nearly 80% of shared services organizations had adopted GenAI, with over half rolling out strategic AI-driven process enhancements.

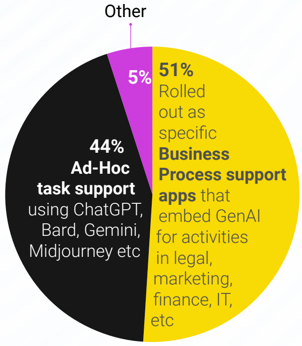
HOW DO YOU CURRENTLY PERCEIVE THE ROLE OF GENERATIVE AI IN SHARED SERVICES?



ARE YOU CURRENTLY USING ANY GENERATIVE AI TOOLS IN YOUR PROCESSES?



HOW DO YOU USE GENERATIVE AI TODAY?



Key Applications

Process Automation:
GenAI reduces manual labor and enhances efficiency by automating routine tasks.

Customer Service:
AI-powered chatbots and virtual assistants deliver personalized, real-time support, improving customer experiences and resolution times.

Data Analysis:
Organizations use GenAI to streamline reporting and extract insights from complex datasets

Efficiency Gains
GenAI boosts productivity by enabling faster service delivery (54%) and improving output quality (51%). It allows employees to focus on strategic tasks, with 80% of executives noting enhanced employee experience due to reduced workloads and skill augmentation.

For more, read: Generative AI in Shared Services & GBS: From Hype to Real-World Impact (Click here)

Strategic Adoption:
Successful implementation is driven by a compelling business case, data quality, and technology readiness. A growing trend toward in-house AI development ensures control and scalability, although challenges remain, particularly in data management (59%) and skills gaps (56%).

Opportunities for Growth:
The transformative potential of GenAI lies in automating processes, enhancing decision-making, and achieving deeper personalization. Organizations that effectively integrate GenAI with existing systems and develop robust governance frameworks will unlock significant performance gains.

The A-Ha Moment:
GenAI is more than a trend—it's a pathway to smarter automation, better customer engagement, and operational excellence. As shared services leaders embrace AI-driven tools, the industry stands poised to achieve new levels of efficiency, innovation, and customer satisfaction.

Conclusion: The Future of Service Delivery

Evolving Objectives and Priorities

Shared services are entering a transformative phase characterized by the need to upskill staff, continued automation, and partnering with customers to better solve their problems and deliver solutions. In this context, customer experience defines customer centricity. Technology continues to top shared services agendas. The evolving digital ecosystem is also driving leaders to rethink their operating models and recast them in a digital mold. As part of this shift, we recognize data digitation as a foundation for change. In addition, 22% of respondents list culture and branding as top objectives, reflecting the efforts GBS are making to communicate their value potential beyond transactional efficiencies.

HOW DO YOU DEFINE "VALUE" IN YOUR SSO/GBS?

EXECUTIVE PERSPECTIVES

Value Creation Takes Center Stage

Working capital management is a core aspect of value creation for us, reflecting a strategic shift from pure cost reduction to enhancing financial efficiency.

Chris Gunning
Global Finance Transformation
NielsenIQ

Five to ten years ago, cost-cutting dominated, but the landscape has evolved, with value creation now being the central focus.

Jose Varela
Senior Vice President, Global Services Center
3M

There is a certain dichotomy at play, whereby mid-level management appreciates GBS for creating value but senior leadership often reverts to evaluating GBS primarily on cost-cutting metrics. This reflects a persistent challenge whereby value-driven contributions are acknowledged but not always prioritized by executive leadership.

Jana Vondran
SVP Global Business Services
ex-Ingram Micro

There are also some practical aspects of value. Often, GBS creates value simply by providing scalable support during surges in demand. This may not always be recognized as value-add but remains critical for business continuity. Another way we provide value is that in cases where we simply cannot find skilled workers in a given location, we pivot to hiring them in other locations. That is a solution, that delivers value. But it's not really measured as such.

Frank Schueler
Managing Director, Global Service Center
DHL Global Forwarding, Freight

Customers come for the price but stay for the value. Cost efficiency may be the entry point, but long-term, trust-based partnerships depend on the broader value GBS delivers.

Turan Sahin
Chief Executive Officer
Allianz Services

"Value" is often touted as the differentiator between advanced GBS and the rest of shared services. To gain more clarity over this, we asked practitioners to define value. The vast majority cited cost optimization – a natural choice, given the board looks to shared services as a cost cutting / cost optimization mechanism. However, 74% of respondents also listed customer satisfaction and 42% employee satisfaction – highlighting two of their core stakeholders as reflecting the meaning of "value." More than a third listed **labor arbitrage** and work absorption, which goes to the core of shared services' value proposition: removing and optimizing costly operations through smart sourcing. A similar segment recognized **risk optimization** as defining value.

Growth, profit, margin and **cash** are where winners of SSON Research & Analytics' **World's Best GBS** have delivered significant results, and, indeed, is where value generated by GBS is also recognized by the board. While roughly 30% of respondents perceive these areas as defining value (see chart above), we may assume they are still in the early stages of the journey to getting there.

Despite not insignificant challenges, shared services and GBS models are proving their resilience. Ninety-three percent of respondents confirm their belief in the model's future sustainability, most believing it will increase in scope and, importantly, in impact.

Even if automation could potentially take on more of the current workload, the fact is that the human element, the stakeholder engagement, the empathy regarding business customers' problems, and the creativity of an innovative team, cannot be replaced. What is important to realize is that there are two versions of the model: one that focuses on cost optimization and transactional efficiency – and this one can be offshored, outsourced, and automated to a large extent. The other sees this as table stakes and, supported by a visionary board, has set its sights (much) higher. The **World's Best GBS Award** was established to identify, celebrate, and commend these visionaries. It's this differentiation that promises the greatest opportunity for the GBS model.

SSON | RESEARCH & ANALYTICS

What is SSON Research & Analytics

SSON Research & Analytics (SSON R&A) is the premier global research and data platform for Shared Services and Global Business Services (GBS) professionals. We offer metrics, benchmarks, trends, location assessments, market analytics, and advisory services through a user-friendly interface that supports your performance and transformation objectives. Most data is downloadable—helping you validate and de-risk your improvement initiatives while strengthening your credibility.

SSON R&A leverages the extensive network of the Shared Services & Outsourcing Network (SSON) to deliver industry-specific, reliable, and cost-effective access to critical insights when you need them most.

"The C-suite demands market metrics to assess Shared Services' performance. I've reviewed market options, and SSON Research & Analytics stands out for reliable, cost-effective benchmark data. With regional or industry-specific access, I can draw my own conclusions without relying on costly third-party analysts."

Edoardo Peniche, SVP, Global Business Services, IFF

What Tools & Services Are Offered?

City Cube

Compare over 3000 Shared Services locations worldwide across 20+ key variables like talent availability, cost of doing business, and cost of labor.

Intelligent Automation Universe

Listing of emerging "smart" technologies including AI and RPA, plus vendor comparisons, and customer footprints.

Shared Services Atlas

See who is where on a city-by-city basis. Locate and evaluate Shared Services hotspots, filtered by industry, function, and organization size. Assess current locations or planned expansions, with reference to current competition, talent and opportunity.

Research Insight Reports

Monthly reports based on current surveys, assessed by industry insiders with actionable insights based on real-time data.

Visual Analytics Workbooks

Curated charts highlighting core trends and shifts in Shared Services / GBS operating models.

Advisory Service

1:1 guidance from industry experts with a proven track record and decades of leadership experience [Premium Membership Required].

Metric Benchmarker

Assess your performance in 140+ key SSO/GBS metrics, either global or by industry / region / country; also compare to "Top 20 SSO/GBS" and "World's Best GBS" segments.

For more information on how to access this platform, contact Josh Matthews at

Josh.matthews@sson-analytics.com

SSON RESEARCH & ANALYTICS

Metric Benchmarker

ACTIVE SUBSCRIPTION

SSC Report Wizard | Metric Intelligence Hub™ | Top 20 SSO/GBS Benchmarks | Help & Documentation

Metric Intelligence Hub™

Benchmark against your peer group. Select from global, regional, country and industry specific benchmarking data sets generated in-house using a productivity efficiency benchmark model (CICI-PEB) which is unique and proprietary to SSON Research & Analytics. Select your metric, industry and location to access accurate, proven benchmarking data. 150+ metrics available.

HOW IT WORKS

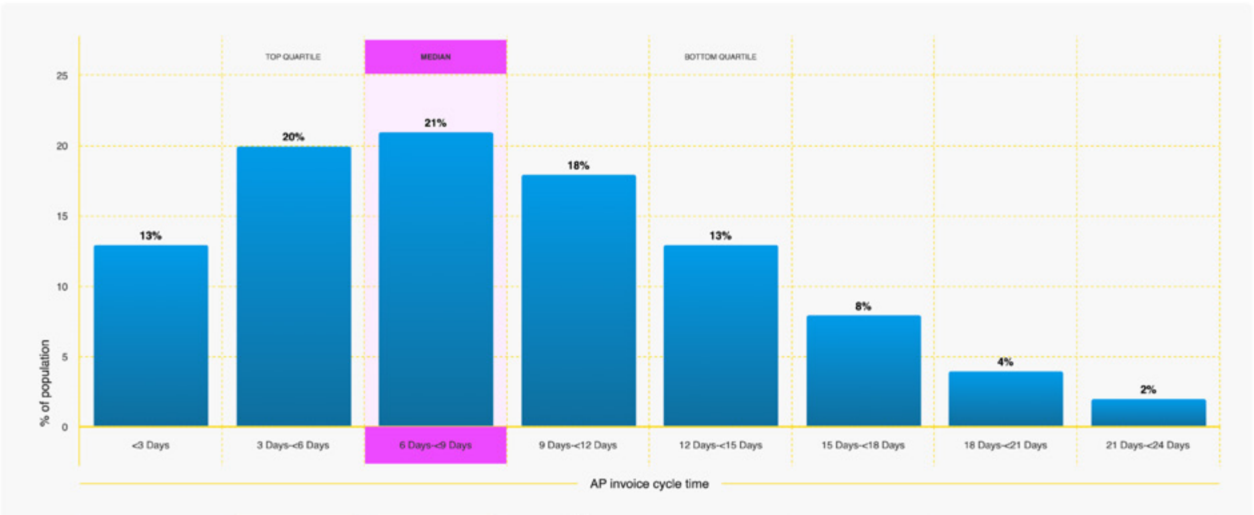
All Industries | Global

AP invoice cycle time

METRIC DEFINITION

Column Chart | Bar Chart | Stacked Chart

EXPORT PDF REPORT



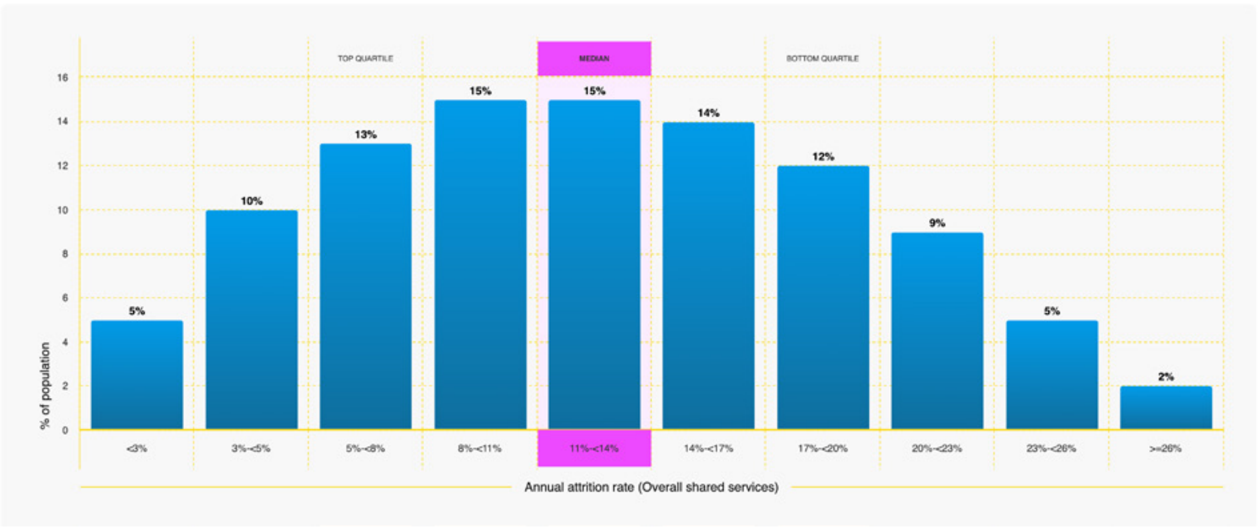
All Industries | Global

Annual attrition rate (Overall shared services)

METRIC DEFINITION

Column Chart | Bar Chart | Stacked Chart

EXPORT PDF REPORT



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About SSON Research & Analytics

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About Celonis

Since 2011, Celonis has helped thousands of the world's largest and most esteemed companies yield immediate cash impact, radically improve customer experience, and reduce carbon emissions.

Its Process Intelligence platform uses industry-leading process mining technology and AI to present companies with a living digital twin of their end-to-end processes. For the first time, everyone in an organization has a common language for how the business runs, visibility into where value is hiding, and the ability to capture it. Celonis is headquartered in Munich, Germany and New York City, USA with more than 20 offices worldwide.

About Prohance

ProHance is a New Age Workplace Analytics & Operations Management platform that provides insights for smarter decisions in complex, distributed, and hybrid workforces.

Top Fortune companies are using ProHance to improve work-life balance and productivity within their organizations to unlock the true potential of their Human Capital. The modular platform allows enterprises to get visibility into various aspects of work and productivity through 100+ customizable reports.

Over 200 organizations across 24+ Countries trust ProHance to optimize their workforce.