

Connect your business services to the future

People, customers, technology

kpmg.com/us/gbs



Create strategic, sustainable value

Most enterprises want the same things: success, growth, profit, respect, ability and agility to adapt to change. Easier said than done with all the disruptive technologies and changes in market demands. That's why a more tightly connected internal organization is more important than ever.

It's a holistic approach referred to as global business services, or GBS. KPMG defines it as a set of resources, capabilities and systems to deliver support services such as finance and accounting, human resources, procurement and other front-, middle-, and back-office business processes and services across an organization. They're all connected and all vital: The goal is to leverage IT and business processes, models, and practices to deliver these services more efficiently and effectively. This is frequently done on a global scale, using a variety of service delivery models—often involving shared services, cloud, outsourcing and, increasingly, intelligent automation.

This GBS approach involves efficient, end-to-end processes that seamlessly integrate resources and capabilities. And streamline your access to, and analysis of, data. Now you can move beyond a single-function, transactional service delivery to a strategic model that spans multiple functions, geographies, and delivery channels.

It's all about maturity. Where is your organization in its attempts to create a business services organization that adds strategic value to your enterprise?

Maturing your way to opportunity

As enterprises grow in the maturity of their global services, they'll be able to achieve sustainable value and strategic impact. The ultimate goal, at the highest levels of maturity, is a seamless alignment of back- and middle-office services. This in turn creates opportunities to take advantage of disruptive technologies, gives you the agility to respond guickly to changing market demands, and even the ability to enhance your financial performance.

We're not talking about the shared services and outsourcing models of the past. These are evolving into a formula that adds tremendous strategic value to the enterprise. It's a transformative model that leverages analytics and digital technologies, that takes a portfolio management approach and focuses on global process governance. In addition to economies of scale and cost optimization, GBS maturity yields other benefits:

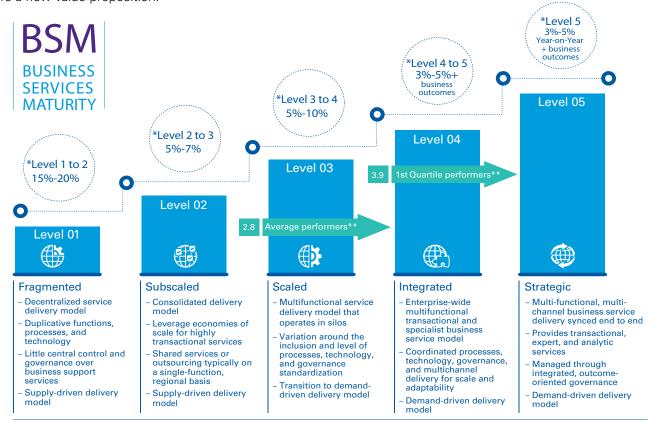
Flexibility. An integrated set of management and back- and middle-office delivery capabilities enable the enterprise to focus their front-office activities on growing the business and more rapidly adapting to business changes.

Streamlined management. GBS offers a standard approach to globally managing a holistic set of back- and middle-office services. This makes it easier for customers and other partners to do business with your enterprise.

Innovation. Centers of excellence are identified and integrated into the services portfolio, so your enterprise can maximize its talent and resources to stay on top of industry trends and opportunities.

Risk management. GBS can help your enterprise more effectively manage risks such as business disruption and deploy a global controls framework across services and geographies.

It's an approach that can enable your enterprise to enter new markets more easily, integrate acquisitions faster, adopt new processes more rapidly, and access and analyze a wider range of data to better serve your customers. It's an evolution to a strategic GBS model that spans multiple functions, geographies, and delivery channels—and offers a new value proposition.



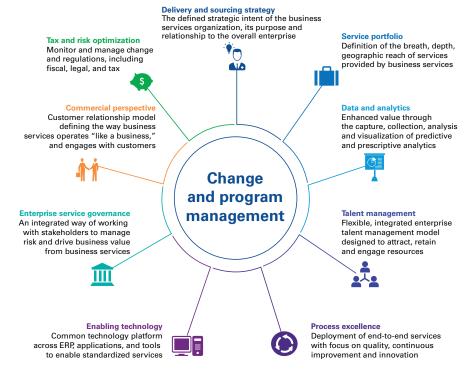


Streamline your GBS journey

KPMG understands the pressures business leaders face every day, adapting to constant change and disruption. Our Shared Services and Outsourcing Advisory practice is a recognized leader in GBS initiatives; we can provide you the tools, knowledge, insights, and data you need to build value, achieve sustainable process improvements, and align services with your organization's overall business strategy.

It's not an easy or quick journey if you're just starting to figure it out. But KPMG knows the road. We have the experience and capabilities to help you every step of the way to mature your business services and drive high-value, sustainable transformation.

Ten dimensions of operational excellence



Change and program management

A focused, holistic approach for getting the people and the enterprise ready, willing, and able to fully adopt and sustain changes through targeted strategies promoting understanding, buy-in and ownership. Change management helps to achieve greater realization of expected benefits, reduce resistance, and mitigate risks that might undermine the value of the initiative.

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Our expertise supports your GBS journey





Delivery and sourcing strategy. Align your GBS value proposition with your corporate strategy for greater overall success.





Service portfolio. KPMG will help you maintain your focus on creating value and managing risk by aligning your governance and business strategy with functions at various levels of maturity.

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Data and analytics. Gain greater insights into corporate strategy and improve enterprise operations by realizing the true value of your data. With analytic dashboards, we can help you evaluate, shape and enhance GBS performance.

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Talent management. Retain, reward and recognize GBS staff and leaders for their insights, innovation, customer focus and contributions with effective talent management practices.

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Process excellence. Companies with higher levels of GBS maturity and optimization are better able to integrate processes across geographies and functions—ensuring end-to-end linkage of GBS and non-GBS processes.

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Enabling technology. Move toward GBS maturity by adopting a digital services environment that connects customers, employees and service providers. Build more digital, mobile, and socially-centric services and engagement models; create a virtual workforce and services organization; and standardize IT applications and systems.

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Enterprise services governance. GBS serves as an independent operating unit, and governance and accountability should be aligned with functional leaders and other managers. We can help support you with GBS services that are accessible through an intuitive, simple interface.

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Commercial perspective. Run your global business services like a business that's aligned with your enterprise's long-term objectives using a customer relationship model.

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Tax and risk optimization. Align and embed relevant tax data and financial controls in the new operating model. We can help you structure that appropriately, and analyze GBS locations and pricing decisions.

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Change and program management. Achieve greater benefits, reduce resistance to adoption, and mitigate risks with effective change and program management. KPMG can help GBS managers explain why the change was needed, share performance results, and get feedback from stakeholders.

We know what you're looking for—we've done the research and the work for our clients.

Since 2012, KPMG has conducted ongoing research based on interviews with global business services leaders at Global 500 and FORTUNE 1000 companies.

We have conducted hundreds of assessments with enterprises spanning pharmaceutical, financial services, consumer and technology, and the media and telecommunications industries.

Trusted advisors for your GBS transformation

Based on our research, organizations that are adopting GBS to drive business efficiency and value are focusing on attaining five vital outcomes:

- Align operations and delivery. Companies with the most effective global business services align all aspects of delivery with operations the closer the linkage the better.
- **Focus on growth.** An emphasis on supporting innovation and business revenue growth characterized the most mature GBS organizations.
- **Support noncore activities.** Supporting noncore activities is quickly becoming the norm as GBS organizations gain greater trust with business unit leaders.
- **Integrate global processes.** A high level of global process integration is valuable to support GBS expansion.
- **Provide data analytics.** Capturing, mining and analyzing operational data is the next plateau for adding value.

KPMG recognizes that today's enterprise business services leaders face increasingly complex demands and challenges. And we can help your enterprise harness the power of emerging technologies and business services delivery models to thrive in the 21st century.

Let us share our proven experience to help you transform your business services for greater value, increased agility, and sustainable business performance. If your organization is seeking innovative ways to transform your business services, learn more about our GBS capabilities at kpmg.com/us/gbs.

For more details on KPMG's GBS maturity model and maturity assessment research program visit:

https://advisory.kpmg.us/articles/2018/gbs-maturity-research-program.html

Case studies

Transforming business services globally

Nothing speaks more clearly than the results that KPMG's 30,000+ professionals have helped our clients achieve. Here are a few examples.

Global consumer products company

Challenge: Our client wanted to accelerate growth and increase profits by shifting resources to GBS. The goal was to focus investment on marketing, sales, and new products in high-growth markets. Early discussions focused on a finance transformation involving global process and technology changes, but the project quickly evolved to GBS on a broader scale.

Solution: GBS helped our client take finance, customer service, logistics, marketing, analytics, and other services to the next level by developing a network of global and regional centers to deliver seamless global services to its growing global enterprise.

Leading pharmaceutical company

Challenge: This client was selling its pharma division and retaining its medical-devices division. The divestiture included a two year transition service agreement (TSA) for the medical-device company to provide back-office support to the new pharma company. The pharma company needed to redefine itself quickly because all the people, processes, and technology support from the medical-device company would end when the TSA ended.

Solution: Based on a GBS maturity assessment, we supported transformation initiatives across enabling technology, services portfolio, process ownership and optimization, and talent management functions. The transition took place without service disruptions to the support organizations.

Major beverage company

Challenge: The company has a large presence around the world, so many projects were initiated on a local or regional basis with limited global alignment. Our client's global leadership team established a strategic priority to leverage its scale by centralizing non-core activities and allowing local businesses to focus where they could add the most value.

Solution: We supported the high-level design, detailed design, and implementation of the client's GBS organization, working on all aspects of the operating model. Implementing GBS helped maximize the value available from the in-flight projects using consistent global processes. As a result, the GBS organization became a competitive strength for the company.



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