Global, end-to-end process ownership is one of the most critical enablers of Global Business Services (GBS) success. When a single global owner is in charge of each process, companies can gain the benefits of end-to-end management, even in complex environments that include shared services, outsourcing, and retained organization operations.

End-to-end process management and global process ownership help ensure leading-class performance in terms of costs, performance, compliance, and insights. End-to-end process owners can decrease overall cost and handoffs, and increase quality and speed of execution. They can gain visibility into any duplicative or contradicting efforts and eliminate them. A process organization with end-to-end ownership eliminates territorial barriers, enabling change that may be required to meet higher-level business objectives. Companies can become nimbler, able to make acquisitions faster, and merge new systems and processes more easily. Figure 1 shows how process ownership models evolve with GBS maturity.

**What is GBS?**

Global Business Services is a next-generation operational and organizational model for enterprises to deliver business processes such as HR, finance, IT, and customer care to internal and external customers. It’s often applied on a global scale using multiple service delivery models, including outsourcing, shared services and, increasingly, cloud solutions.

Why are organizations considering significant investment in GBS? Because it can help them:
- reduce costs
- get to market faster
- drive process excellence
- unlock the power of data and analytics
- mitigate overall business risk and ensure compliance
- enable excellence and consistency in the customer experience
- build an internal repository of high-quality talent
- establish a consistent brand experience
- accelerate time to benefit from mergers and acquisitions.
Process ownership models evolve with GBS maturity

Figure 1

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<tbody>
<tr>
<td>- Inconsistent/ non-standardized process definition/documentation</td>
<td>- Documentation exists for most major processes</td>
<td>- Standard process designs are formally defined</td>
<td>- Standard measures in place for process performance</td>
<td>- Process improvement strategies are developed and implemented</td>
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<tr>
<td>- Multiple formats for process documentation</td>
<td>- Established process archiving and access</td>
<td>- Standard tools and formats</td>
<td>- Formalized continuous improvement</td>
<td>- Process innovation used to create competitive capabilities</td>
</tr>
<tr>
<td>- No or limited change control or versioning</td>
<td>- Multiple formats for process documentation</td>
<td>- Process governance determines who can approve process changes</td>
<td>- Process monitoring used to ensure process compliance</td>
<td>- Governance establishes accountability for process strategy</td>
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<td>- Some change control or versioning</td>
<td>- Governance establishes accountability for process performance</td>
<td>- Governance establishes accountability for process improvement</td>
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KPMG’s analysis\(^1\) of Global 1000 organizations shows a high correlation between global process ownership and above-average financial performance. For example, per KPMG’s GBS maturity research across more than 200 enterprises, GBS organizations with high levels of maturity deliver year-on-year SG&A savings of 1.8 percent per year, versus flat SG&A for lower-performing organizations. To put this in perspective, this equates to roughly $50 million per year savings for a $10 billion company.

\(^1\) KPMG, Strategic Visions on the Sourcing Market 2016.

Challenges

In practical application, managing end-to-end processes and enabling global ownership is hard to do. Processes must be integrated across multiple functions, geographies, and business units, often using shared services and outsourcing along with retained organization resources. Integrated information technology applications and systems must be in place—often significantly enhanced or implemented anew—to enable the integration.

Change management efforts also play a vital role in enabling global process ownership. Companies have historically cherry-picked the functions they moved into shared services, left in a retained organization, or outsourced. As a result, issues can arise over ownership and span of control, functional responsibilities, handoffs, and support technology. More than one group—internally and externally—is managing a process, each reluctant to let go of their piece of it, yet also reluctant to take responsibility when something goes wrong.
Leading practices
While no single solution fits all situations, our experience working with many of the world’s largest GBS organizations does point to some of the leading practices that the best share in common when implementing end-to-end process management.

– They focus on end-to-end design and service delivery.
– Common responsibilities for process owners include defining the process, master data, the technology platform, and the service delivery model.
– In most cases, process owners are part of GBS or shared between GBS and the function (a hybrid GBS).
– End-to-end ownership is accompanied by responsibility, and individual performance measures drive accountability for expected results.
– Executive sponsorship is a key enabler of process ownership.
– For the best success, organizations institute process ownership at the start of the GBS journey.

KPMG’s GBS framework is optimized and enabled by 10 dimensions
- Delivery and sourcing strategy
  The strategic intent of the GBS organization and its relationship to the overall enterprise
- Tax and risk optimization
  Managing change and regulations, including fiscal, legal, and tax
- Commercial perspective
  Enabling GBS to operate ‘like a business’ and strengthen customer relationships
- Enterprise service governance
  Working with stakeholders to manage risk and drive business value from GBS
- Enabling technology
  Standardizing services with a common technology platform across ERP, applications, and tools
- Process excellence
  Providing end-to-end services for quality, continuous improvement, and innovation
- 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
- Service portfolio
  Supporting the breadth, depth, and geographic reach of GBS services
- Data and analytics
  Enhancing value through predictive and prescriptive analytics
- Talent management
  Attracting, retaining, and engaging resources
- Change and program management
  Promoting understanding, buy-in, and ownership

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Critical questions to consider about end-to-end process management:

- What is the current state of global ownership across processes? Do you even know who owns and manages each piece of a process globally?
- Who is in charge? Is there a single governance group? Is it aligned with the process owners, or are they one and the same?
- Do you really understand what’s going on in your processes? Do you have all the data and analytics you need?
- How difficult will this journey be for you? How rigid is your organization? Can you garner meaningful and hands-on senior executive support to drive efforts?
- How do you drive process excellence across constrained environments?
- How do you manage the different owners in shared services, outsourcing, and the retained organization?
- Do your information technology systems and applications adequately support a move to end-to-end process management? Or, are you using too many different systems and applications for different pieces of the process? If so, how do you reconcile that? What would be the cost and level of effort to better consolidate and integrate?

How KPMG can help

KPMG recognizes that today’s enterprise business services leaders face increasingly complex demands and challenges.

Globally integrated teams from our Shared Services and Outsourcing Advisory (SSOA) practice, in seamless partnership with professionals from KPMG International’s broader set of member firm capabilities in risk, transactions, tax, and compliance, help our clients transform their business services to deliver improved value, increased agility, and sustainable business performance.

If your organization is seeking innovative ways to achieve genuine business services transformation, KPMG SSOA can help. For more information, there’s no better place to start than by accessing our research and thought leadership on the KPMG Shared Services and Outsourcing Institute.

Read more of KPMG’s core success factors for GBS here.

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