

# *Taking it to the next level*

## Growing with your Shared service centre

*Shared services can transform your business beyond just cost savings*



# Achieving shared service excellence

## Introduction

Improving services, while keeping costs down has always been at the forefront of everyone's mind when our Oil & Gas clients discuss their organisation's support functions. It's possible to run these functions both efficiently and effectively through standardising, simplifying, making effective use of resources and technology, with the right combination of shared services and outsourcing models.

According to PwC's Global Survey 2011, Shared Service Centres – 'the 2<sup>nd</sup> generation' roughly 20% of organisations have made cost savings of more than 20%-40% on their support functions. And they've done this by either creating a shared service centre (SSC) and/or outsourcing some part of its support functions.



### ***How do you know you need to transform your business services?***

Your organisation could benefit if you have some or all of the following:

- A complex business model
- A need to reduce support function costs or improve the service they provide
- Recently made or are about to make changes in scale
- Existing SSCs or outsource contracts needing improvement or renewal
- New people in leadership positions
- Considered shared services or outsourcing in the past for a single function, but not across multiple areas
- A common Enterprise Resource Planning (ERP) system in place or are in the process of evaluating a new system

Do any of this sound familiar to you?

# Case in point

<b>Client</b>	Major oil and gas holding
<b>Project</b>	Shared Services Centre Set-up and Start-up
<b>PwC role</b>	<p>The Major oil and gas holding was focused on increasing operational excellence in core business and support functions of its headquarters and subsidiaries. One of the Client's key projects in this initiative is SSC development within its financial function. The Client required PwC's professional advice on strategy of financial function improvement and regional SSC implementation.</p> <p>PwC was asked to help the Client with SSC implementing and undertook responsibility for the following tasks:</p> <ul style="list-style-type: none"><li>• Review of the current accounting processes for SSC migration</li><li>• Unified tax and accounting methodology development</li><li>• Development of detailed SSC implementation plan</li><li>• Methodology and templates of process mapping formalisation</li><li>• Pilot business process mapping</li><li>• SSC organisational structure, headcount and functional responsibilities templates design</li><li>• Service Level Agreement (SLA) template development</li><li>• Preparation of recommendations regarding SSC KPI system formation</li><li>• Arrangement of recommendations for SSC document flow organisation, IT-architecture, personnel migration and change management</li></ul>
<b>Success</b>	PwC has provided the Client with expert guidance and support from the stage of specification of operational SSC model to SSC implementation and start up.

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# *PwC's role*

At PwC, our goal is to help you address all the strategic, operational, regulatory and financial issues associated with your shared services and outsourcing decisions. Our services can be tailored to both new entrants and existing players. We already act as auditors and advisors to a number of existing SSCs in Malaysia. In doing so, we bring our experience from the areas of assurance, advisory and tax to help you:

- Link the shared and outsourced activities to your business strategy
- Assess the viability of the SSC option early in the process and define the longer-term benefits
- Structure your shared service and sourcing arrangement
- Deliver the change and transition programme
- Manage, optimise and often transform ongoing activities
- Renegotiate or restructure your shared service level agreement or outsourcing contracts

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***To have a deeper conversation, about how this subject may affect your business, please contact:***



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