



World-Class GBS – Key trends and real life experience

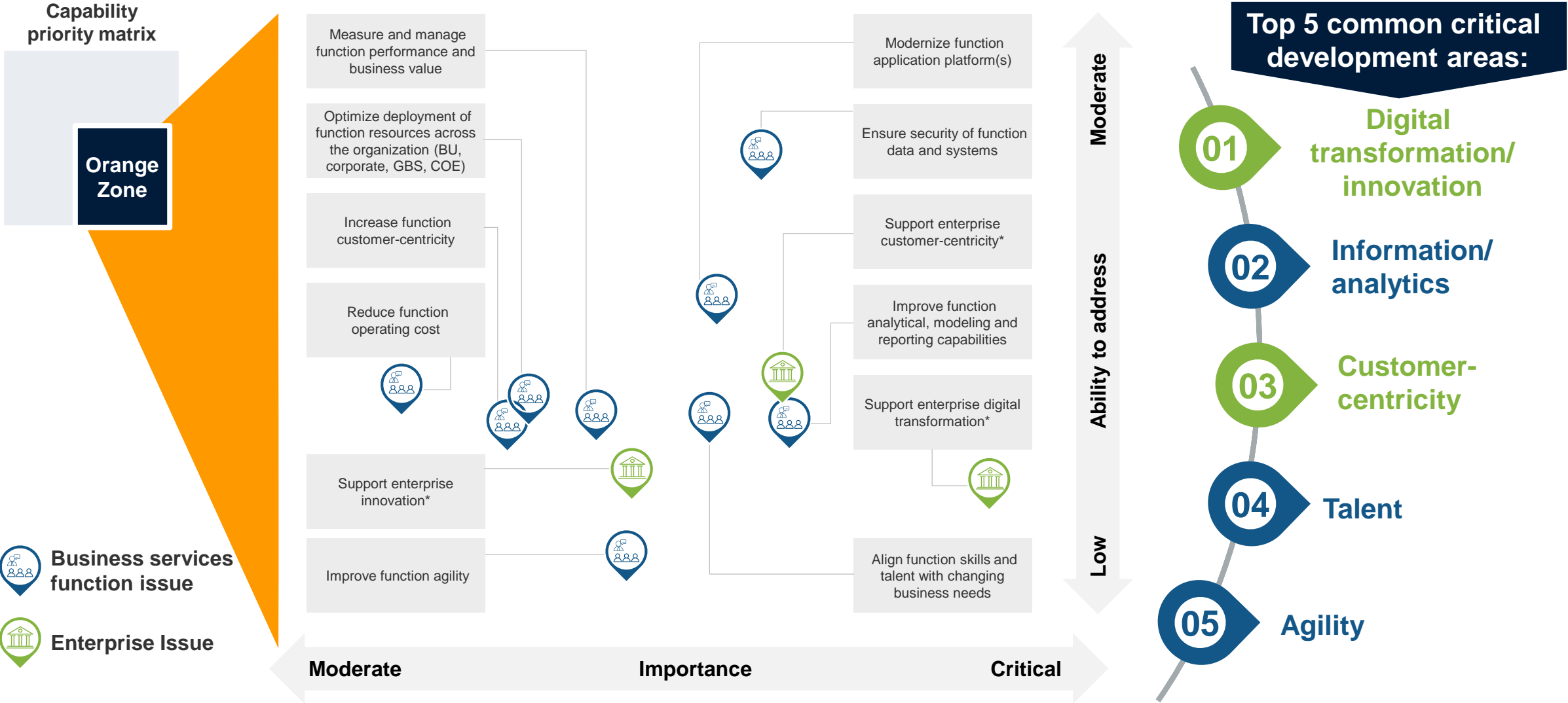
Tom Bangemann, SVP Business Transformation, The Hackett Group
Justyna Piwowarczyk, Center Head, Smith & Nephew

June 2019

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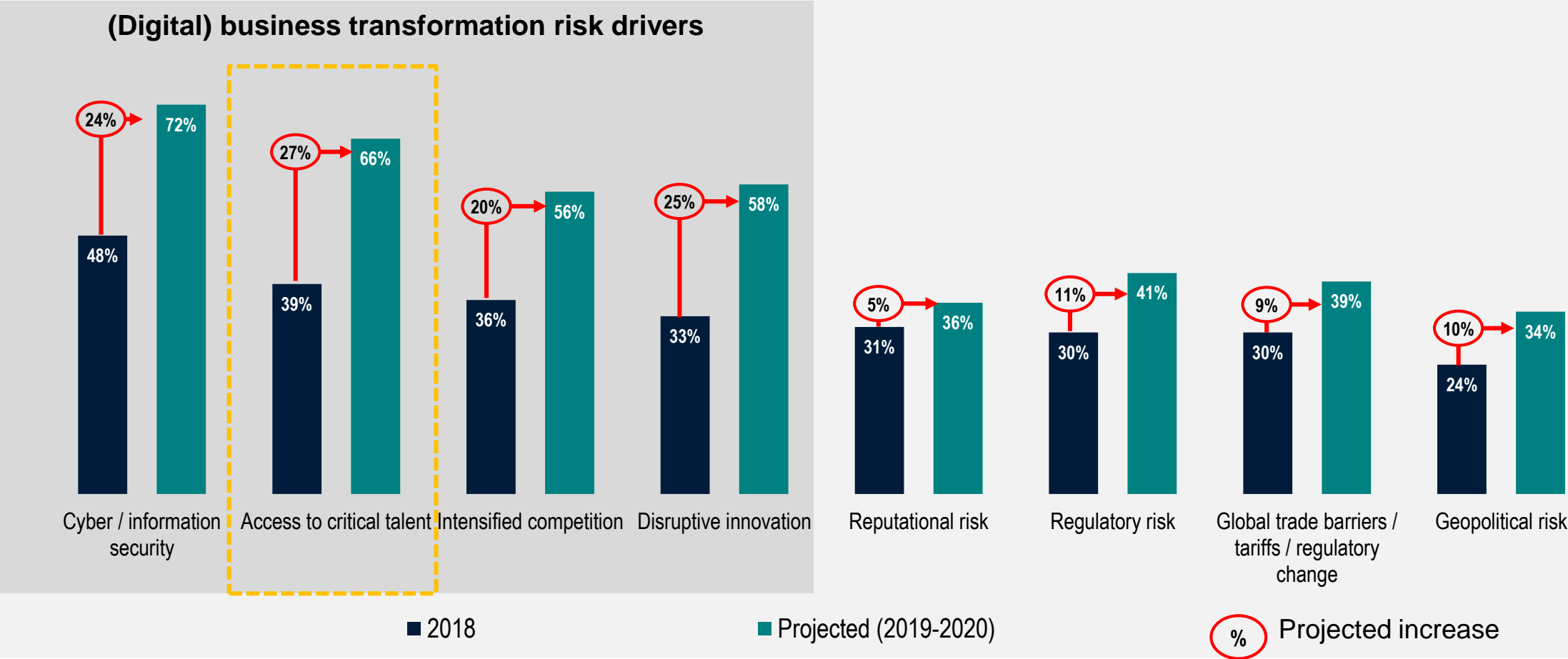
- World-Class GBS Overview
- Smith & Nephew Example
- Q&A

Our executive interactions reveal critical imperatives that aggregate into five critical performance themes across the enterprise and within functions



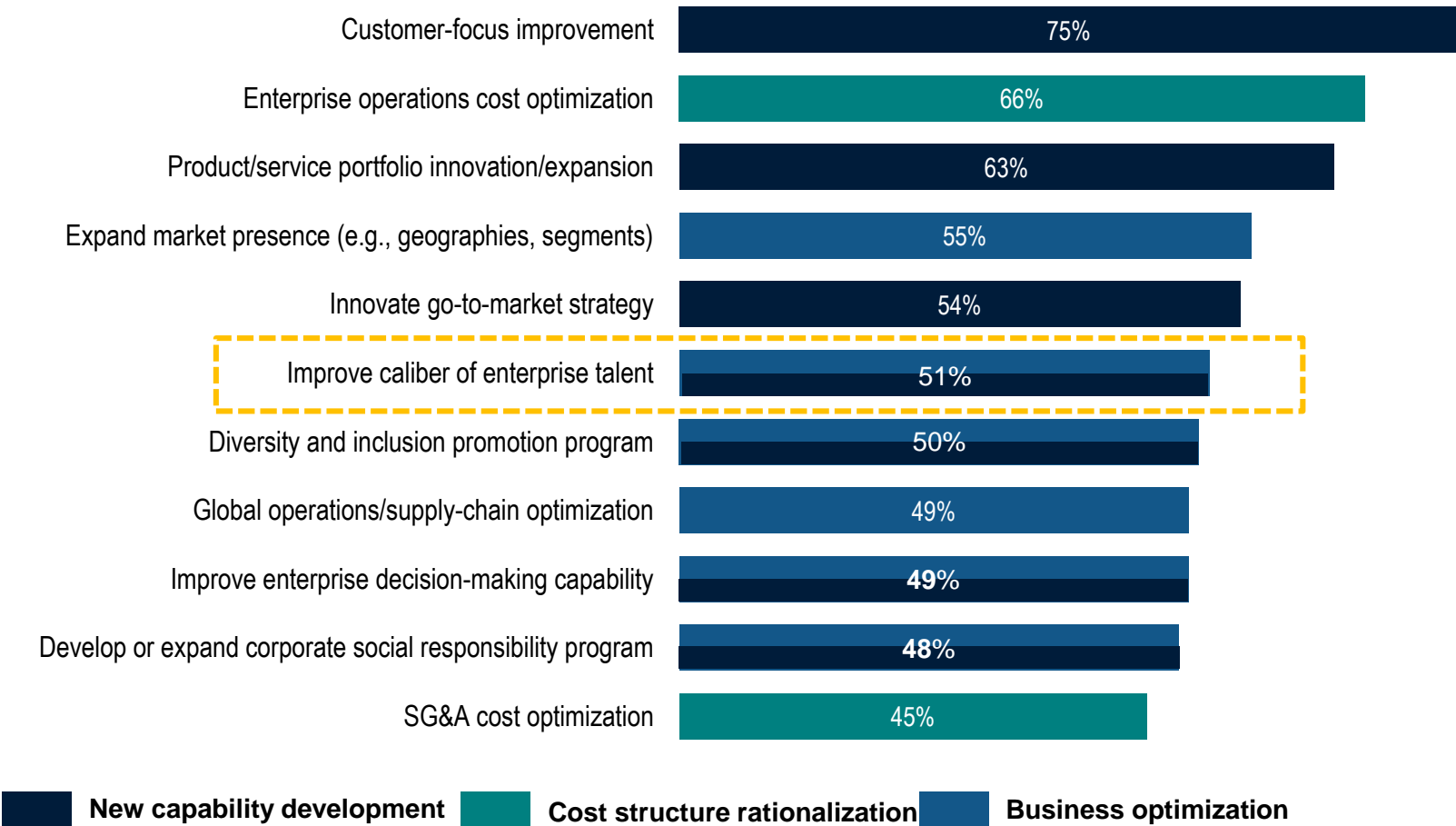
Cybersecurity is the top business risk in 2019 followed by access to critical talent; talent risk is projected to grow the most going forward

Current and projected high business risks



As in 2018, improving customer focus is the top 2019 enterprise initiative; enterprise cost reduction has risen to number two

Percentage of companies with major initiatives on 2019 agenda



Causing a paradigm shift in how we organize work

1

FUNCTIONAL ORIENTATION



2

PROCESS ORIENTATION

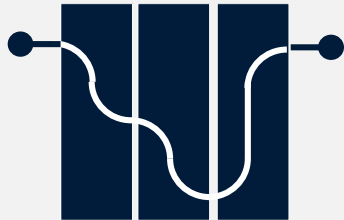


3

CUSTOMER ORIENTATION

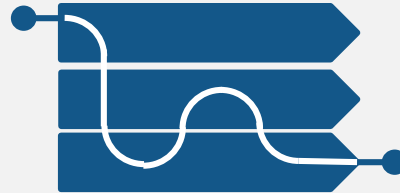
ORGANIZING PRINCIPLE:

Task specialization based on physical proximity of people to recording, manipulate and output data to create products & services



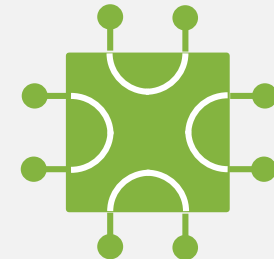
ORGANIZING PRINCIPLE:

Data recording, manipulation and output generation from enterprise resource information technology systems to create products & services

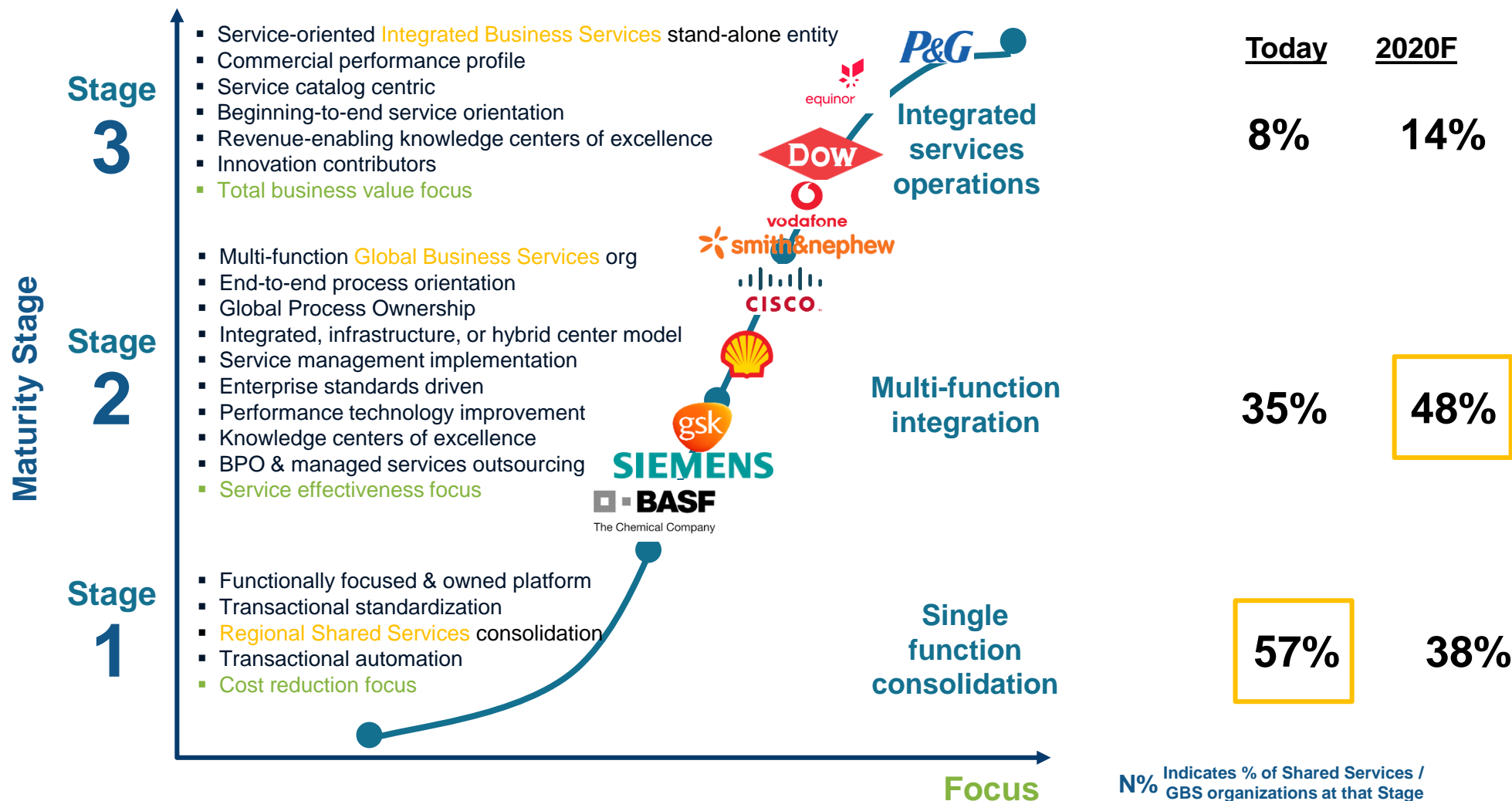


ORGANIZING PRINCIPLE:

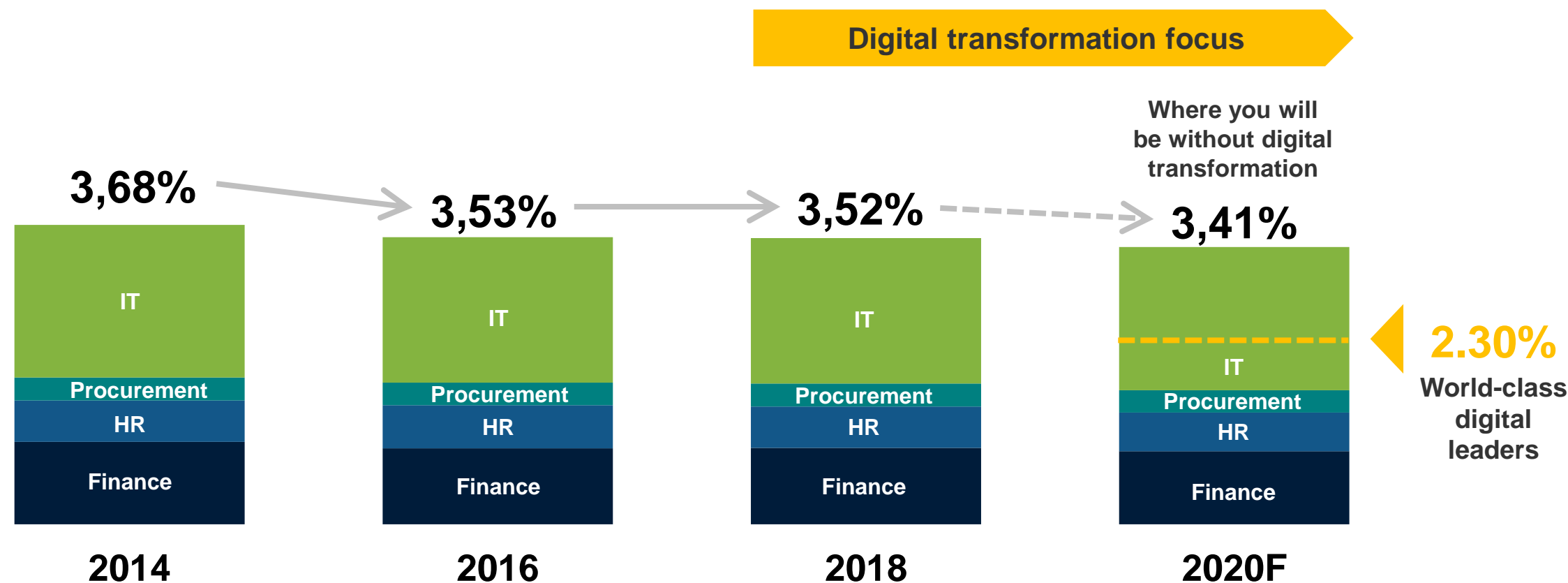
Capture data digitally at source and transform to create products & services maximizing use digital technology



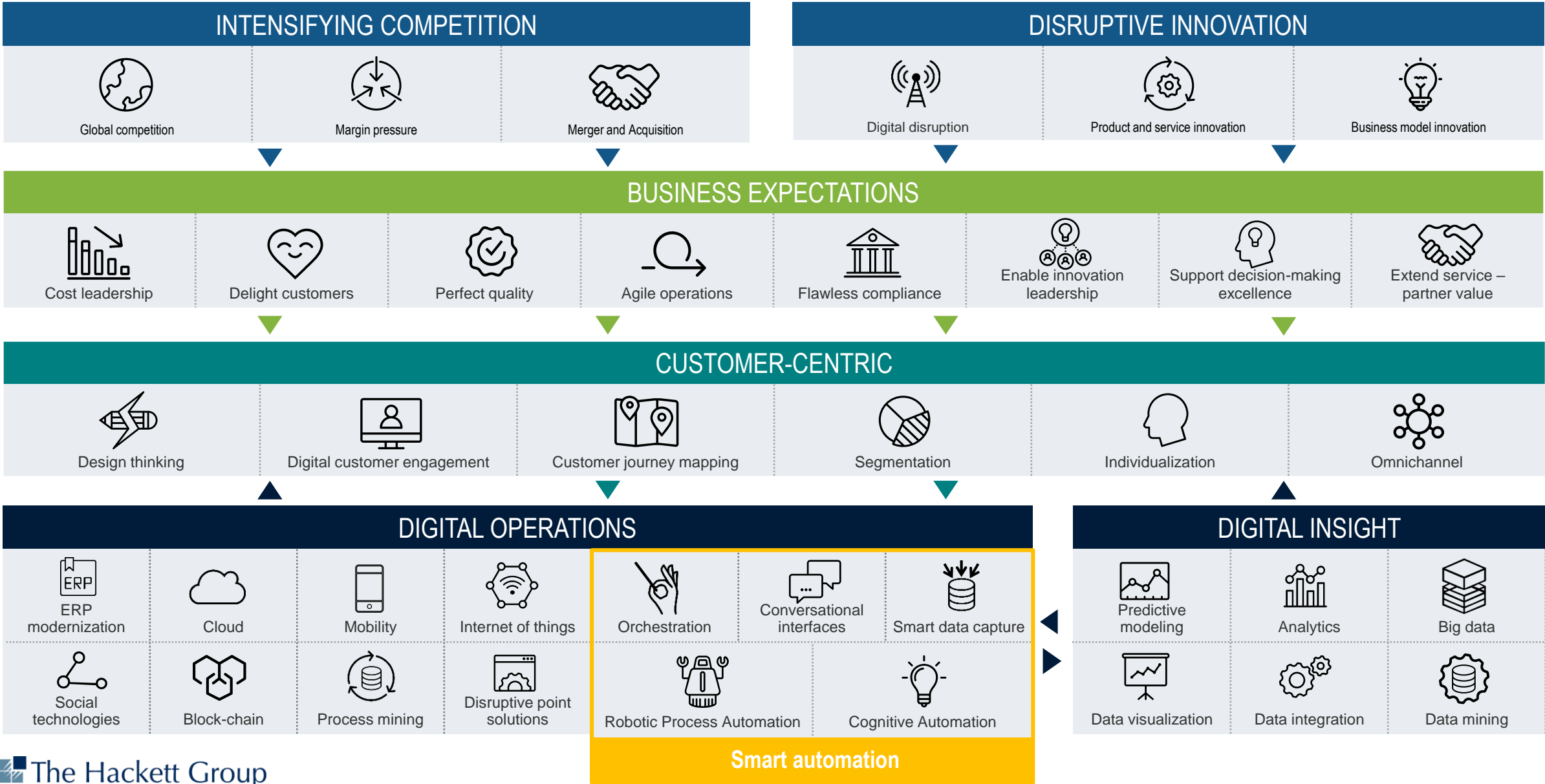
As GBS organizations mature, the need for talent that has GBS specific skills & capabilities is crucial to achieve World class performance levels



G&A Actual and Forecasted Cost as a Percentage of Revenue through 2020



Hackett Digital Transformation Landscape



'Live' Use Cases Are Even Being Seen in Areas That Were Previously Resistant

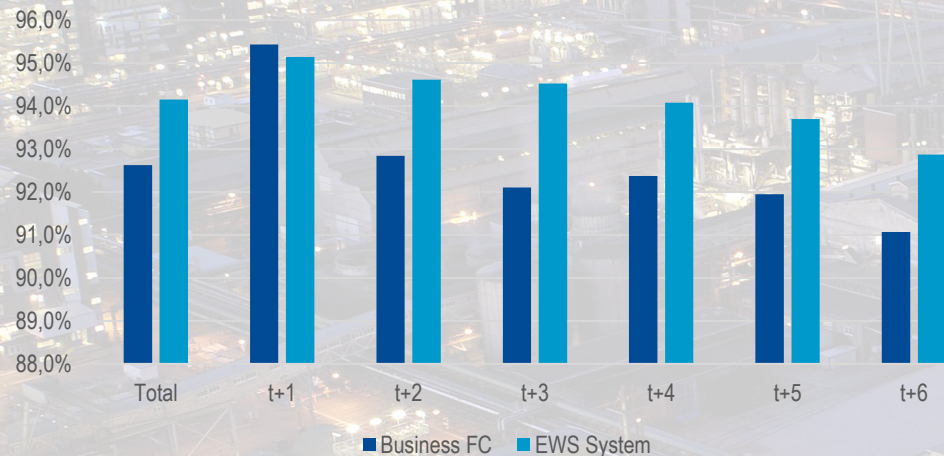
Smart Automation Heatmap: A2R and FP&A			FP&A Heatmap			
Level 1	Level 2		Robotic Process Automation	Cognitive Automation	Chat/Voice/NLP	Orchestration
Planning and Performance Management	Strategic Business Planning Support	Support, develop and monitor the strategic business plan			Medium	
		Consolidate financial input from business units and functions to strategic business plan	Medium	Medium		Medium
		Support preparation of long-term business plans			Medium	Medium
		Provide strategic planning expertise, assumptions & analytical support to other functions			Medium	
	Annual Planning/Budgeting	Establish business and economic assumptions underlying annual plans	Medium	Medium	Medium	Medium
		Prepare and consolidate annual budget schedules	Medium	Medium		Medium
		Inputting budget and capital plan into respective systems	High			
		Prepare and consolidate annual sales and production schedules	Medium	Medium		Medium
		Provide assistance to operations in preparing operating budget plan			Medium	
	Forecasting	Establish business and economic assumptions underlying forecasts	Medium	High	Medium	Medium
		Prepare and consolidate forecasts of P&L, balance sheet, cash flow statements	High	High		Medium
		Support Sales & Operations Planning and reconcile to financial forecasts	Medium	High	Medium	High
		Cashflow forecasting	High	High		High
		Input of forecasts into respective systems	High			
		Distribution of periodic forecast	High			
	Business Performance Reporting	Consolidating and reporting of current and prior year actuals vs budget and forecasts	High	High	Medium	Medium
		Develop and maintain business performance scorecards and related metrics	High	Medium		
		Consolidating and reporting of capital spending vs plan, budget and forecasts	High	High	Medium	High
		Calculating and reporting on cash flow, margins and ROI	High	High	Medium	Medium
		Ad-hoc reporting	Medium	Medium		
Business Analysis	Business Analysis	Provide financial information for performance assessments and investment decisions	Medium			
		Analysis of profitability, operations, contract and competitors and trends	Medium	High	Medium	Medium
		Development of business case and financial analysis of Capex spend requests	Medium	Medium	Medium	Medium
		Analysis of proposed business transactions				
		Analysis of cost accounting data and performing cost analysis	Medium	High	Medium	Medium

BASF Digital Finance Roadmap

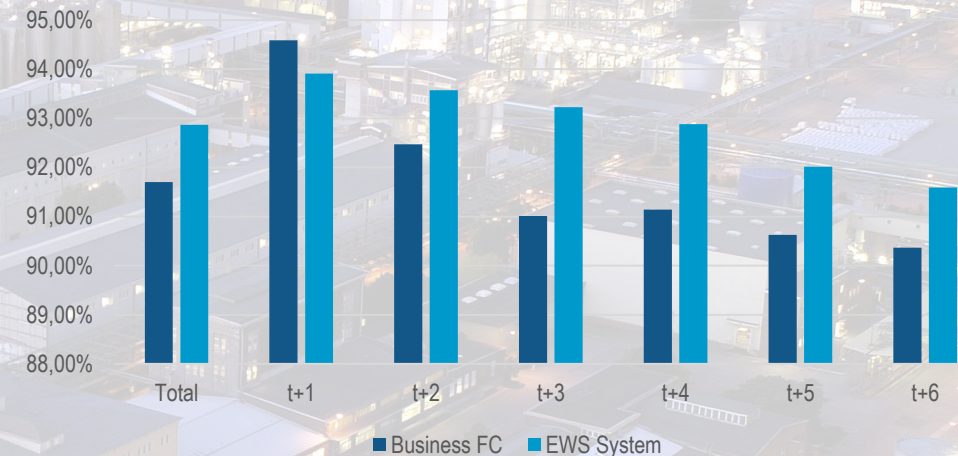
Example: Predictive Analytics

First Results

Net Sales Forecast Quality



Contribution Margin Forecast Quality



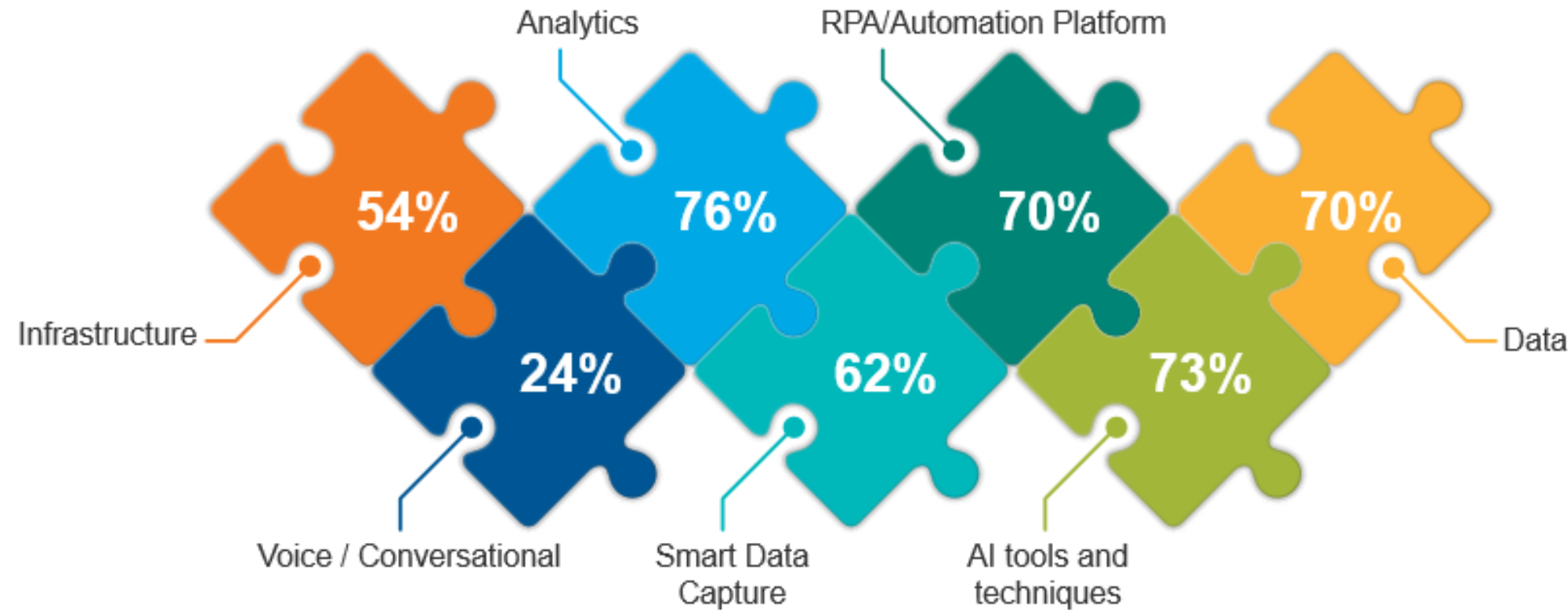
Benefits

- Improved FC accuracy especially for mid-term outlook
- Unbiased values
- Less effort for forecast generation
- Input for Operational Planning
- Create competitive advantage

Source: The Hackett Group's European Best Practices Conference - *Evolution of Finance and Controlling* © BASF supported by Technology.

Digital Transformation Is About Combining New Tools, Techniques and Technologies

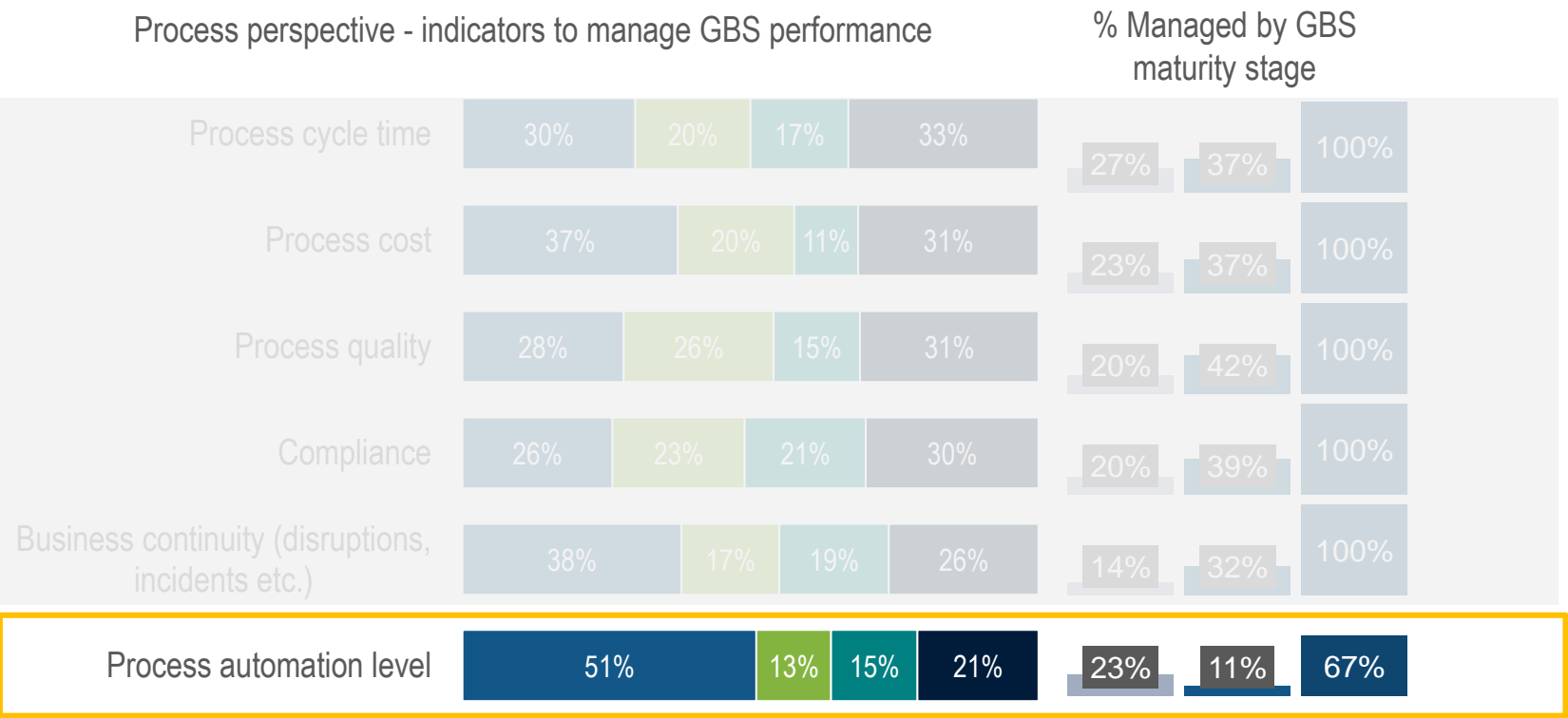
Percentage of use cases incorporating disruptive tool or technique by category



Automation Is Bringing Together New Names, with Familiar Names



Automation levels in GBS are often not known as they are not measured



■ None ■ Measured ■ Targeted ■ Managed

Managed - KPIs defined, targets set; major initiatives defined

Targeted - KPIs defined, targets set; no major initiatives defined

Measured - KPIs defined, no targets set, no major initiatives defined

None - limited or no KPIs defined

Unlocking Digital Value – The Race to Transform First



“When digital transformation is done right, it’s like a caterpillar turning into a butterfly, but when done wrong, all you have is a really fast caterpillar.”

George Westerman, Principal Research Scientist with the MIT Sloan Initiative on the Digital Economy

10 Characteristics of World-class GBS Organizations

10. TALENT MANAGEMENT

Emphasize talent retention and cross-functional development for valued employees, stimulate business partnering

9. ANALYTICAL CAPABILITIES

Create value beyond labor arbitrage through analytics and other non-transactional services

8. DIGITAL TECHNOLOGY

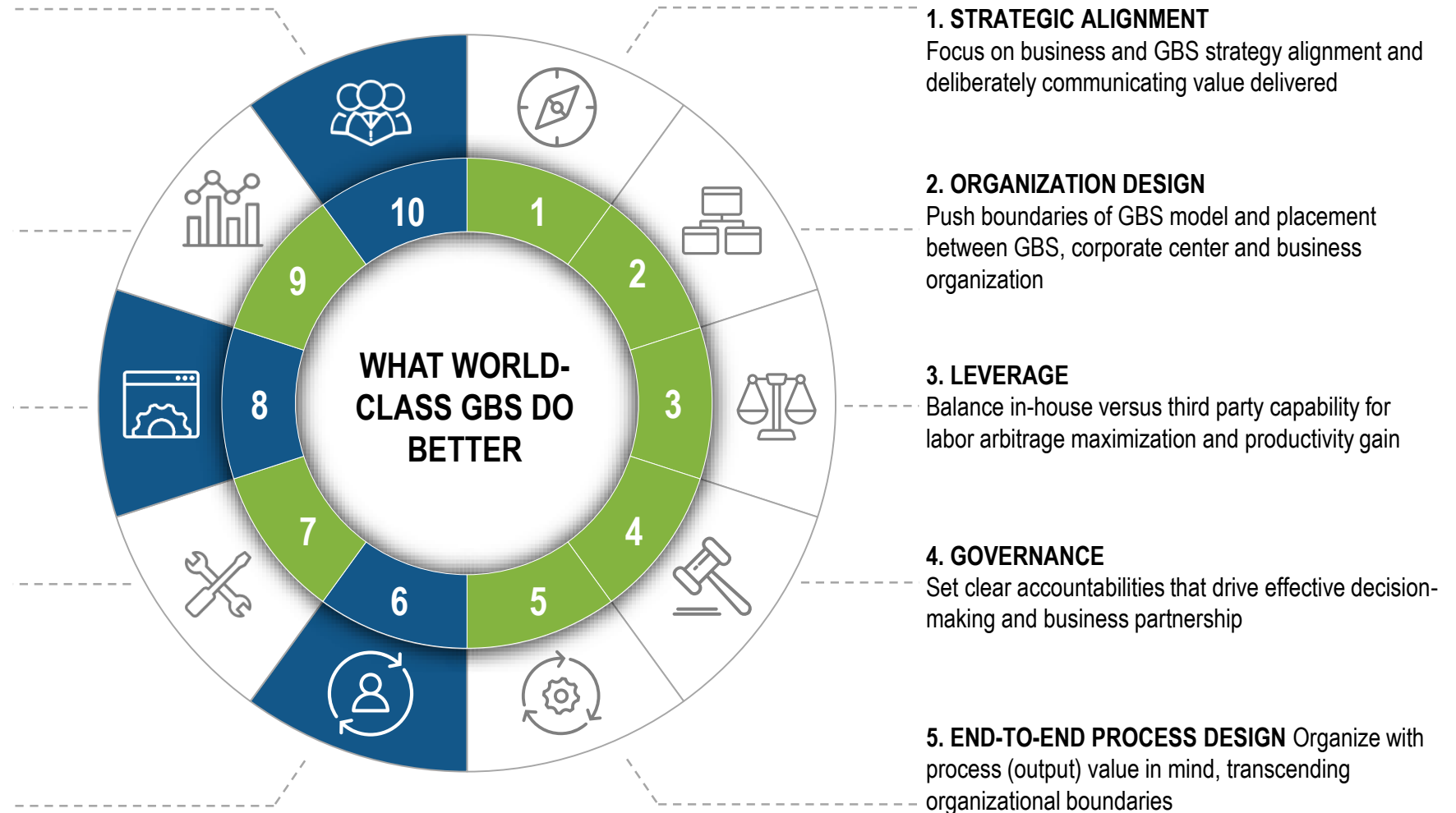
Lead on implementation of existing and emerging technologies to create a digitized service portfolio

7. SERVICE MANAGEMENT

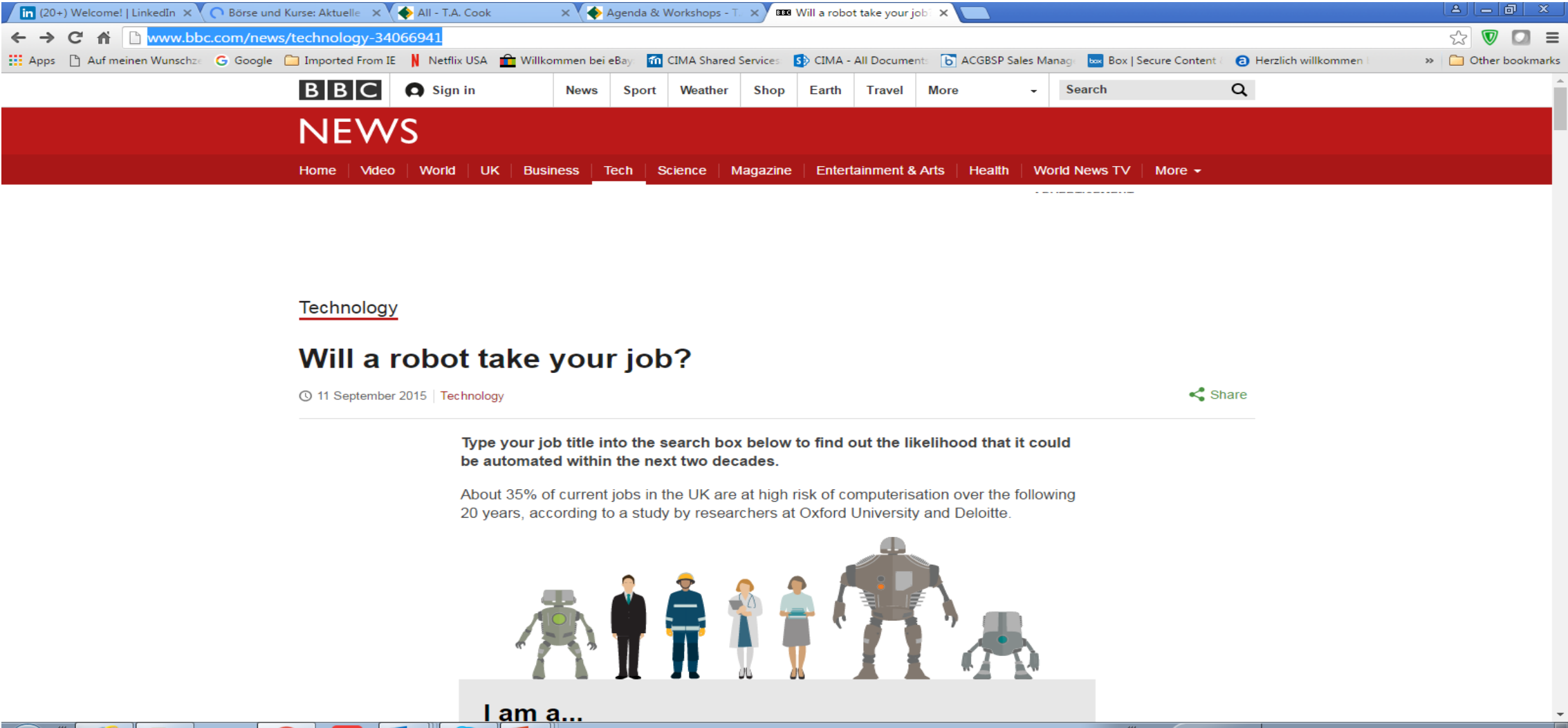
Master all elements of service management for an uninterrupted, seamlessly delivered service

6. CUSTOMER-CENTRIC

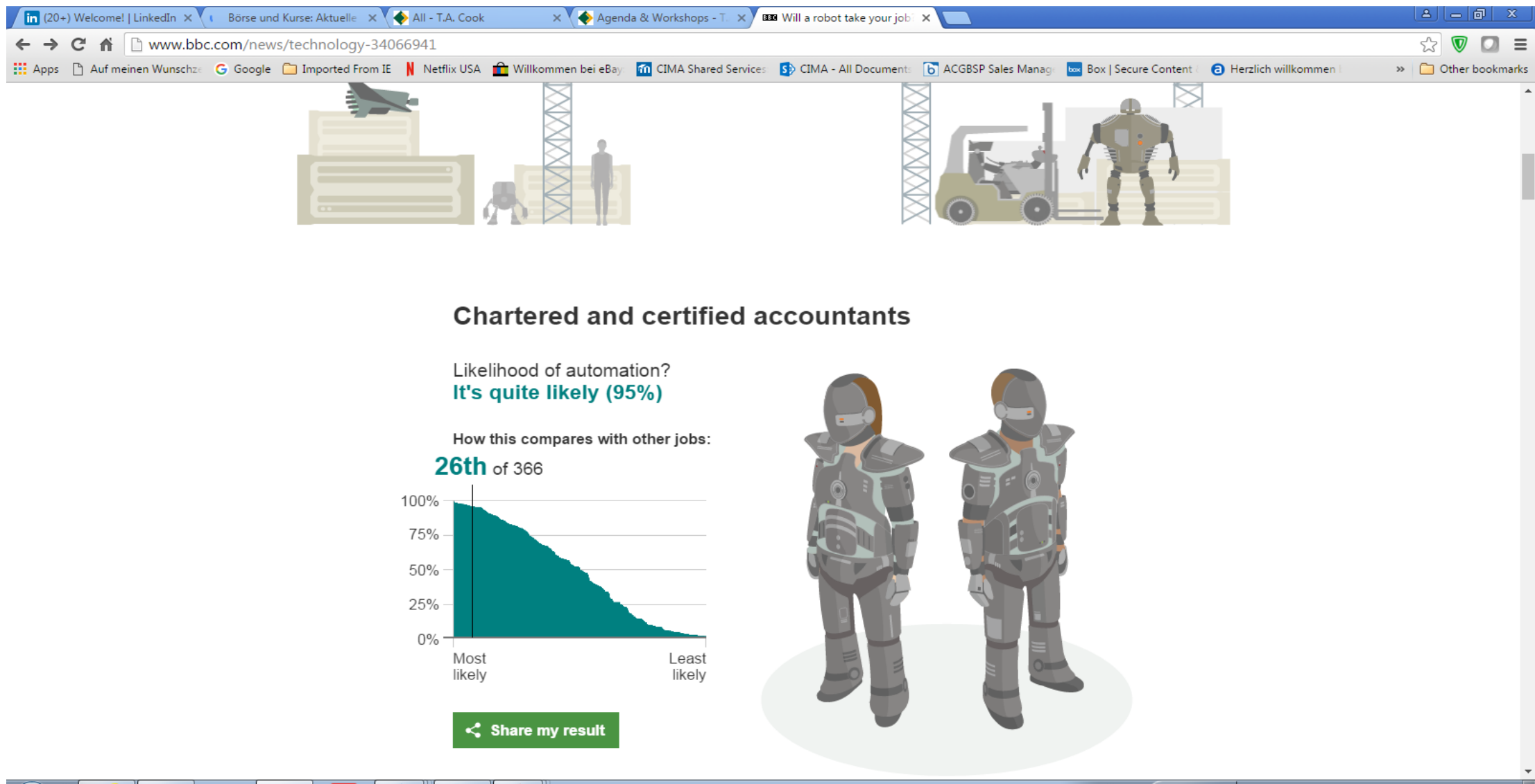
Apply design thinking to create a customer-focused service experience



This was the view in 2015: Robotics Impact on Individual Jobs (Study by Oxford University)



Robotics Example from Study: Chartered and Certified Accountant



Will Robots Take My Job ?

← → ↺ 🏠 🔒 https://willrobotstakemyjob.com ☆

📱 Apps 📄 Auf meinen Wunschzettel 🌐 Google 📄 Imported From IE 📧 Anmeldung Concur | 🖨️ https://hackettgbs.th... 🖨️ Ti CGBSP Student Sig... 🌐 Sign in to your WebE...

WILL ROBOTS TAKE MY JOB?

[About](#) [Rankings](#)

Enter your job

or show [random example](#)

HIGHEST AUTOMATION RISK		LOWEST AUTOMATION RISK	
1. Data Entry Keyers	99%	1. Recreational Therapists	0.28%
2. Cargo and Freight Agents	99%	2. First-Line Supervisors of Mechanics, Installers, and Repairers	0.30%
3. Watch Repairers	99%	3. Emergency Management Directors	0.30%
4. Title Examiners, Abstractors, and Searchers	99%	4. Mental Health and Substance Abuse Social Workers	0.31%
5. Telemarketers	99%	5. Audiologists	0.33%
6. Tax Preparers	99%	6. Orthotists and Prosthetists	0.35%
7. Sewers, Hand	99%	7. Occupational Therapists	0.35%

Job Rankings

TOP SEARCHED JOBS		TOP PAID JOBS WITH HIGHEST AUTOMATION RISK	
1. Accountants and Auditors	94%	1. Compensation and Benefits Managers	96%
2. Computer Programmers	48%	2. Nuclear Power Reactor Operators	95%
3. Lawyers	4%	3. Nuclear Technicians	85%
4. Software Developers, Applications	4%	4. Administrative Services Managers	73%
5. Software Developers, Systems Software	13%	5. Atmospheric and Space Scientists	67%
6. Teachers and Instructors, All Other	1%	6. Power Distributors and Dispatchers	64%

96%

Compensation Managers

AUTOMATION RISK LEVEL

You are doomed

or 96% probability of automation

PROJECTED GROWTH

7%

by 2024

MEDIAN ANNUAL WAGE

\$116,240

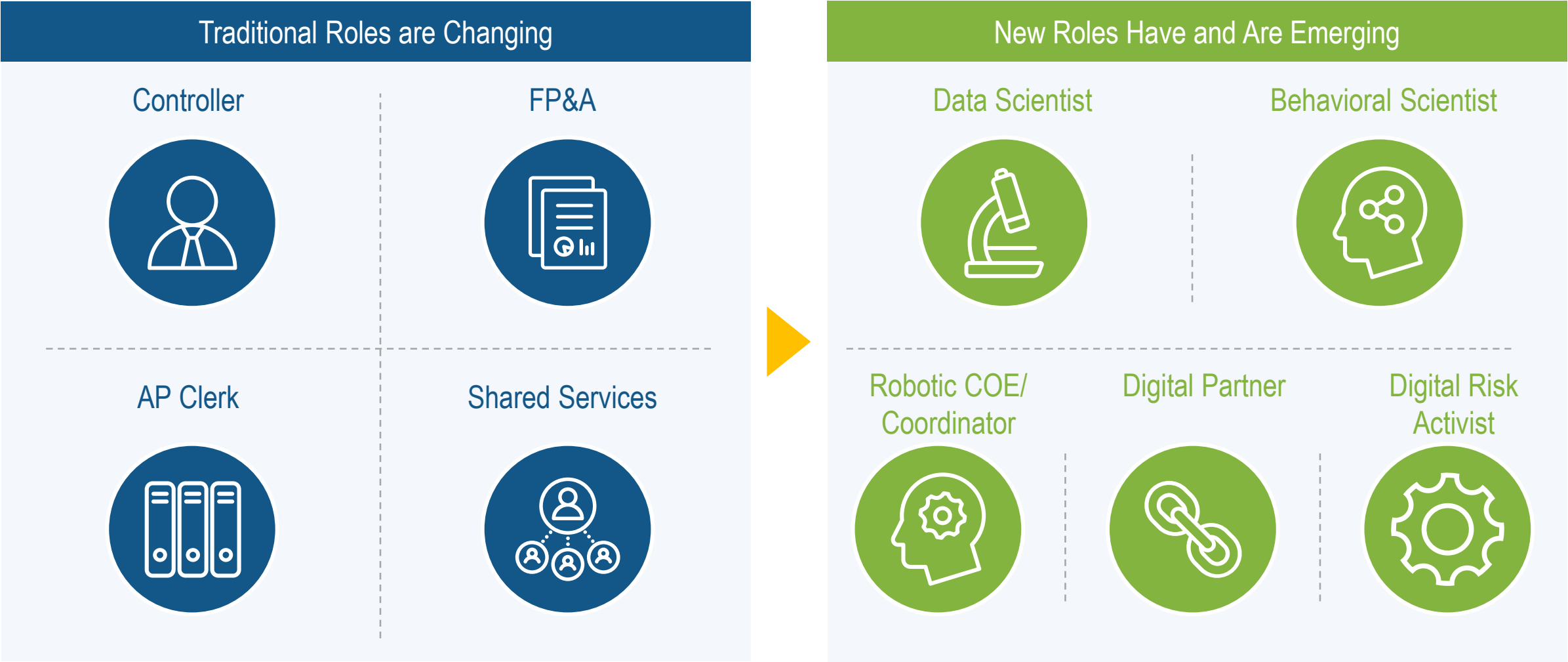
or \$55.88 hourly

PEOPLE EMPLOYED

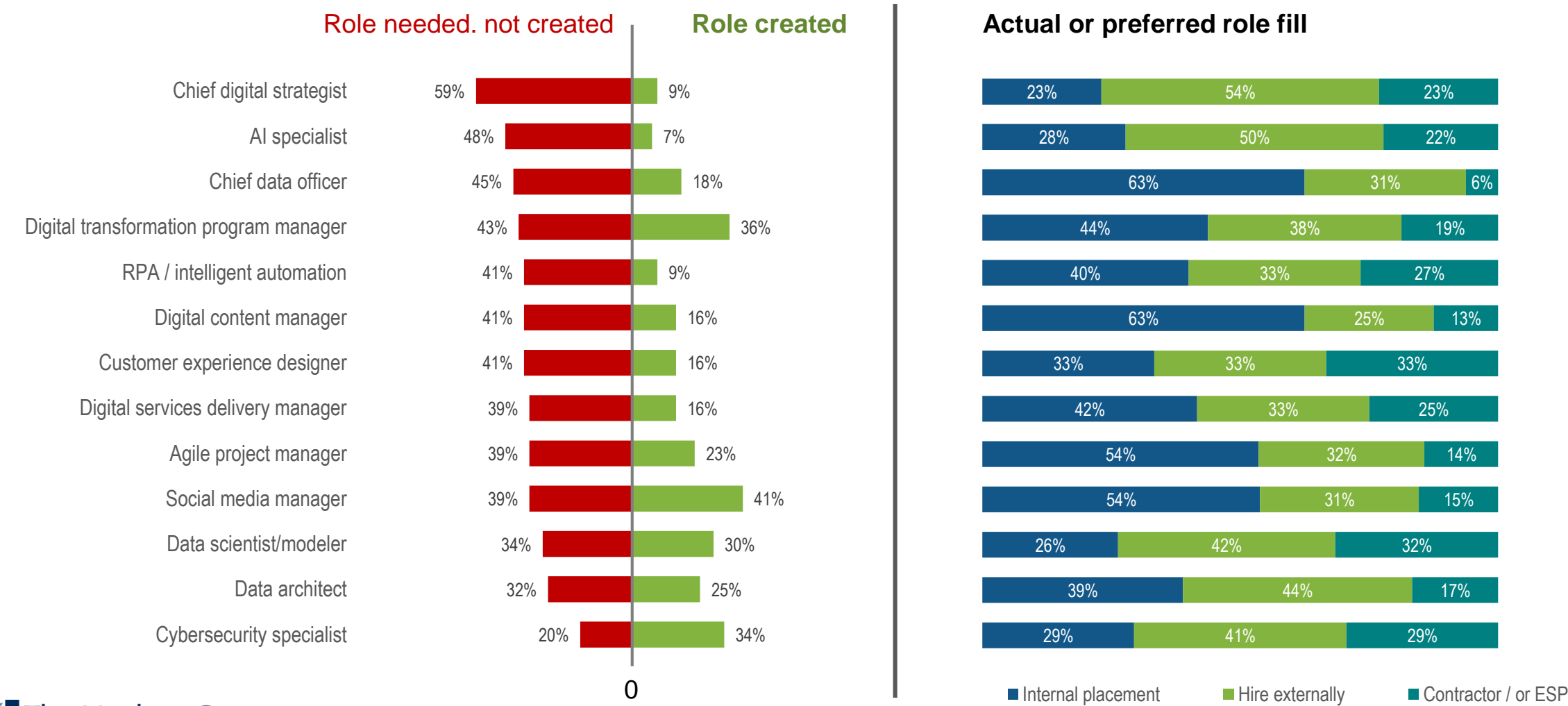
15,230

as of 2016

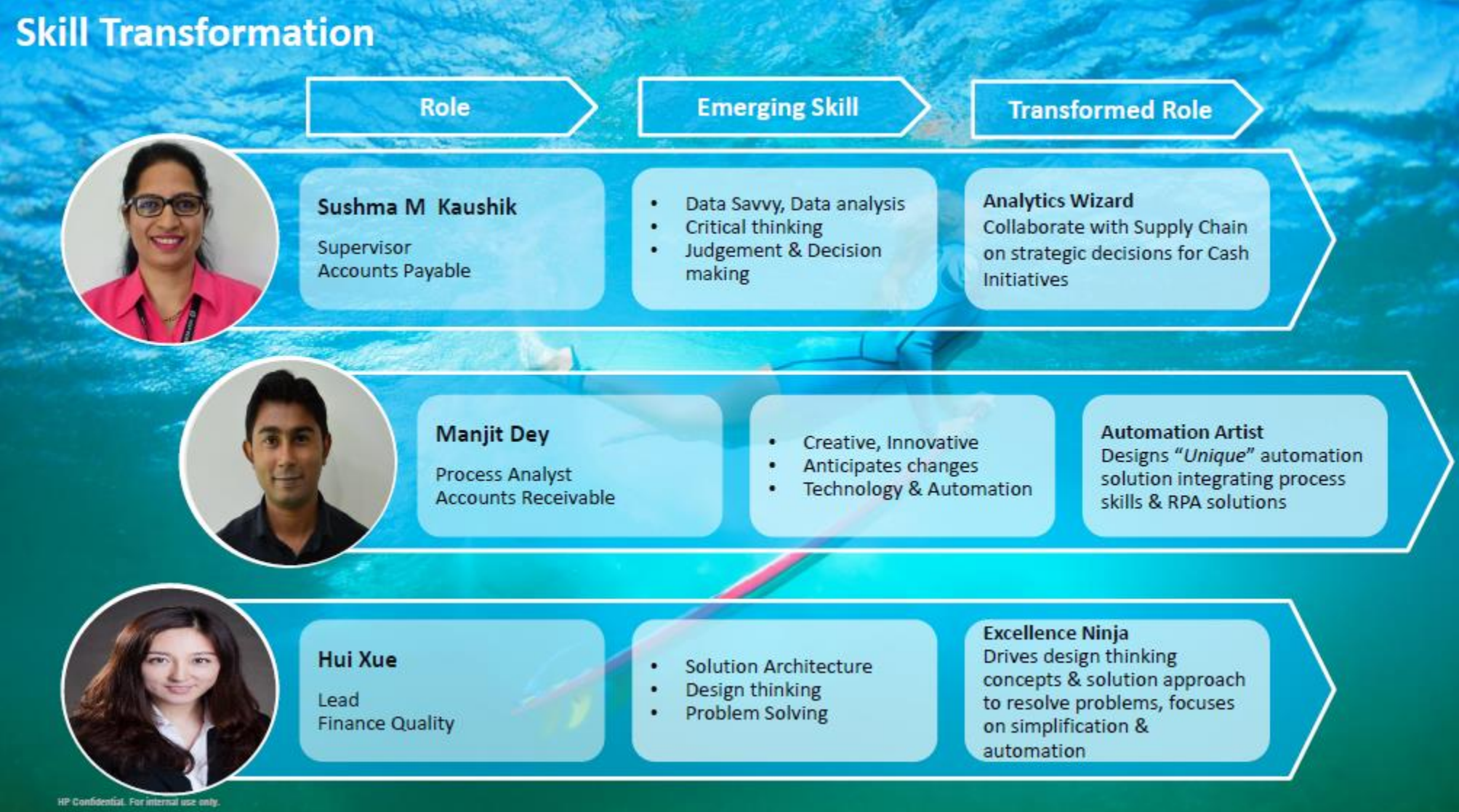
Parting Thought – Ready your Workforce Today!



New digital roles needed, created and filled



New Career Paths are opening up Huge Opportunities for our People



Increasing Amount of Title Rebranding: Companies hire for ‘data wranglers,’ ‘growth hackers’ in the race for talent



Same Job, New Name

Number of postings and searches on job site Indeed.com with the following terms:

Rock star

■ Postings ■ Searches



Ninja

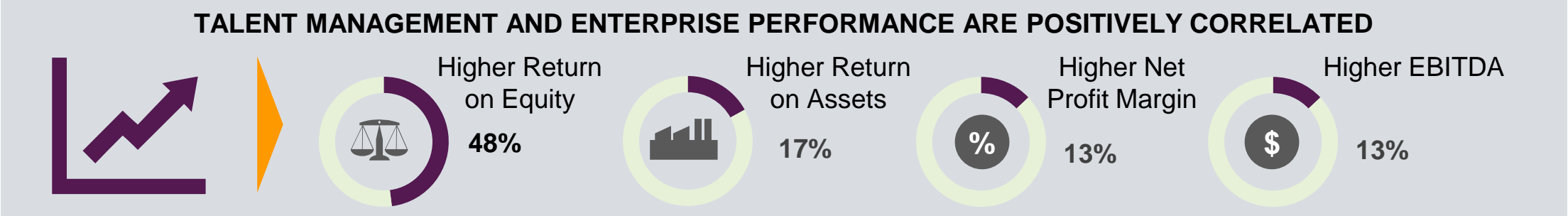


Note: Based on a monthly sample of one million postings.
Source: Indeed.com

Talent Management does pay off – it is proven



GETTING IT RIGHT MATTERS



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LEGION° Revision
Total Knee
Replacement System



NOVOSTITCH° PRO
Meniscal Repair System



RENASYS TOUCH
Negative Pressure
Wound Therapy

S&N Purpose: **Life Unlimited**

S&N Culture Pillars: **Care, Collaboration, Courage**

S&N Five Strategic Imperatives:



1 Achieve the full potential of our portfolio



2 Transform the business through enabling technologies



3 Expand in high-growth segments



4 Strengthen talent and capabilities



5 Become the best owner

GROW

TOGETHER

EFFECTIVELY

A full-page background image showing a hiker with a large backpack jumping over a rocky ledge at sunset. The hiker is silhouetted against a bright, hazy sky. The text "Life Unlimited" is overlaid in large white letters.

Life Unlimited

GBS purpose:

Underpinning everything we do is an ongoing effort to listen to feedback and continuously improve to achieve superior customer experience

Superior customer experience can be achieved only through right **Talents** and **Technology**

Service Management – Shift Left Strategy

Shift Left Strategy: **Increase Productivity & Reduce Cost** of Support

Eliminate contact

Strategy: Problem
& Knowledge
Management

Automate

Strategy: Self-
service portals &
tools

Low Cost Channel / Access

Chat Strategy:
Agents handle 3-5
users per session

Right-Sourced Agents

Strategy: Labor
arbitrage & service
levels

Onsite Support

Strategy: Reduce
need, improve
accessibility &
multi-purpose

service**now**

GBS Portal

Leverage capability of online **ServiceNow** platform to implement Shift Left strategy

- Expansion of Knowledge Management Database
- GBS Portal / Service Catalogue Alignment / Personas
- ServiceNow Cross-Functional Chat Capability



GBS Portal Service Catalogue



Global Business Services

My Approvals 19EnglishSarah Dennett

IT

HR

Procurement

Travel & Expense

Knowledge Base

Search

Outage

SERVICES

Personal Details

Pay & Benefits

Employment Update

Employee Relations

Time Off Work

Joining S&N

Leaving S&N

Performance Management

Company Cars

Vacancies

Team Management

LearnCenter

Report Request

Workday Guides

Global mobility Services

Life Events

Pension / Retirement

Policy Question

Job profile

GEM Recognition

Payroll Question

Dental / Eye claim

Health Insurance

Other

HR Services

HR Services are the first point of contact for all your HR needs including Workday support

All HR Services

Order Something

Get equipment and other items needed for your job

Software & Business Applications Support

Learncentre, Workday, SAP, AXAPTA, Word, Excel etc.

Computer Hardware & Telephony Support

Computer, Printer, Telephony including Mobile

Pay & Benefits

Salaries, Claims, Retire



My Approvals 19EnglishSarah Dennett

IT

HR

Procurement

Travel & Expense

Knowledge Base

Pay & Benefits

Salaries, Claims, Retirement etc.

Home

Pay & Benefits

Life Events

Ask a question about life events

Pension / Retirement

Ask a question about your pension or retirement

Policy Question

Ask a question about policy

Job profile

Ask a question related to a job profile

GEM Recognition

Ask an employee recognition question

Payroll Question

Ask a payroll question

Dental / Eye claim

Ask a Dental or Vision Insurance question

Health Insurance

Ask a health insurance question

31

Managing Spam and your Quarantine Folder

KB0014352

Article Owned by Christian Ward • 182 Views • 2y ago • ★★★★★

Solution:

The two documents below guide you through tips and tricks on how to effectively manage your spam and quarantine settings in your email box. Both documents offer detailed instructions to help you.

Attachments

How_To_Office365_SPAM_Mgmt_Personal_Quarantine.pdf How_To_Office365_Managing_Junk_Email_Settings.pdf

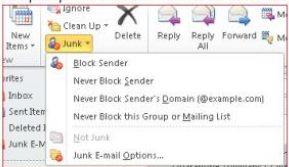
Managing Your Junk Email Settings

JUNK MAIL: DESCRIPTION AND AVAILABLE OPTIONS

- There is a **Junk E-mail folder** available in the user's mailbox where all junk/spam emails are filtered to. It can be added to the user's favorites in Outlook:

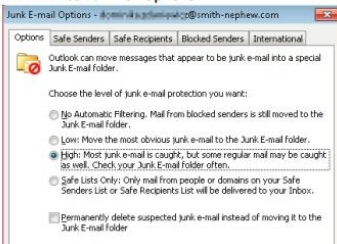


- Multiple options are now available for users under the Junk dropdown:



This is a quick way to **Block** or **Never Block** a sender or a company domain.

- And under **Junk E-mail Options**:



Knowledge Article:

Junk email and quarantine

KB0014352

1



If you're expecting an email and it hasn't arrived, please check your junk and quarantine folders

2

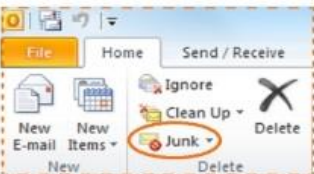


To see, release or delete emails that have been sent to your personal quarantine folder, click [here](#)

3



In outlook you can quickly block or unblock a sender or domain (e.g. @smith-nephew.com) using the Junk drop-down menu

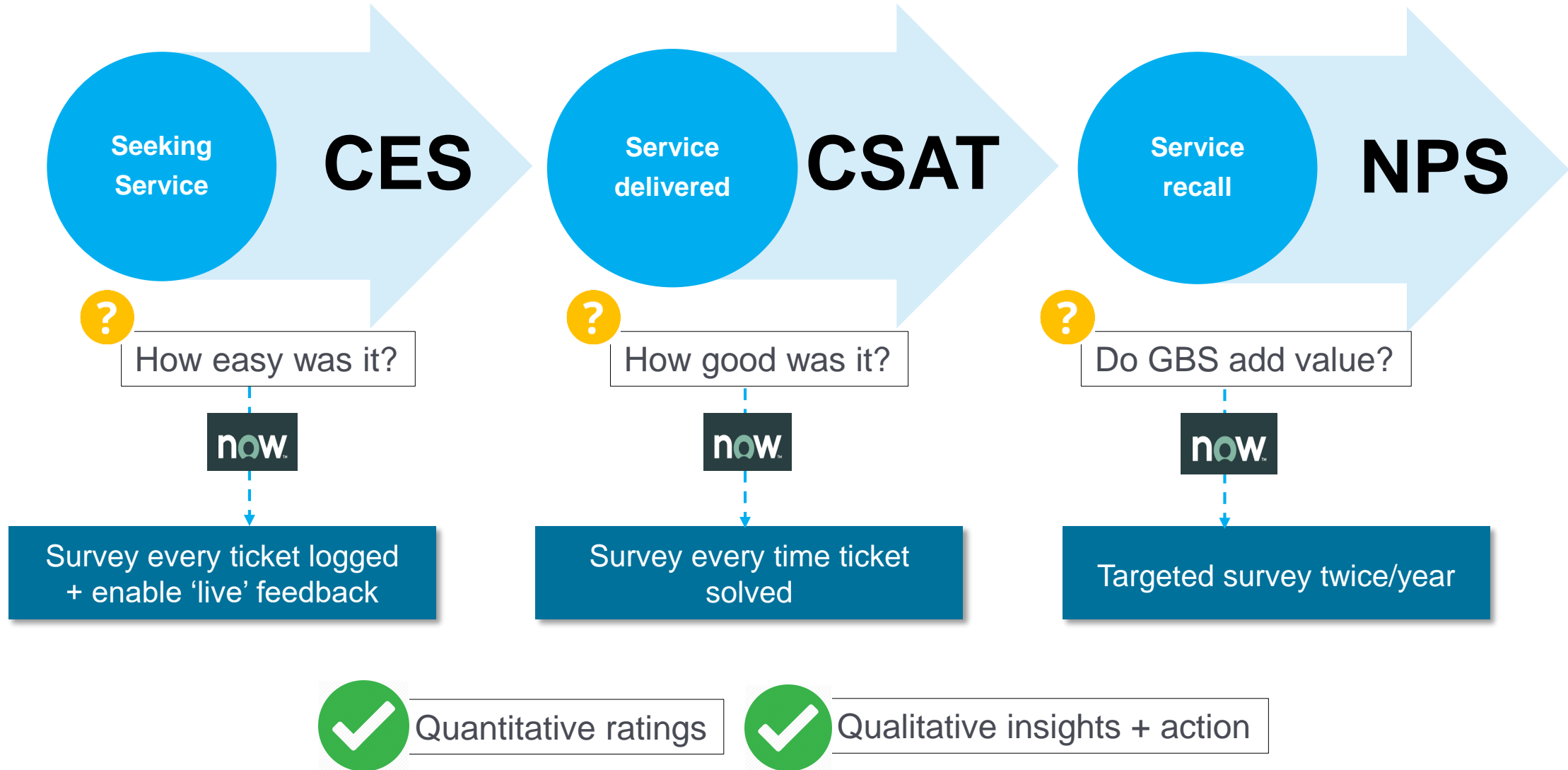


Ticket status - You can update and check the progress of your tickets by clicking on the 'My Tickets' section at the top of the portal homepage



Feedback - Give us your feedback using the 'Submit Your Feedback' option at the bottom of the portal homepage

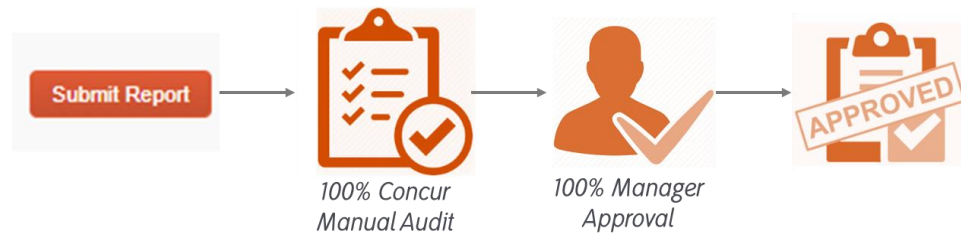
GBS CX Feedback model



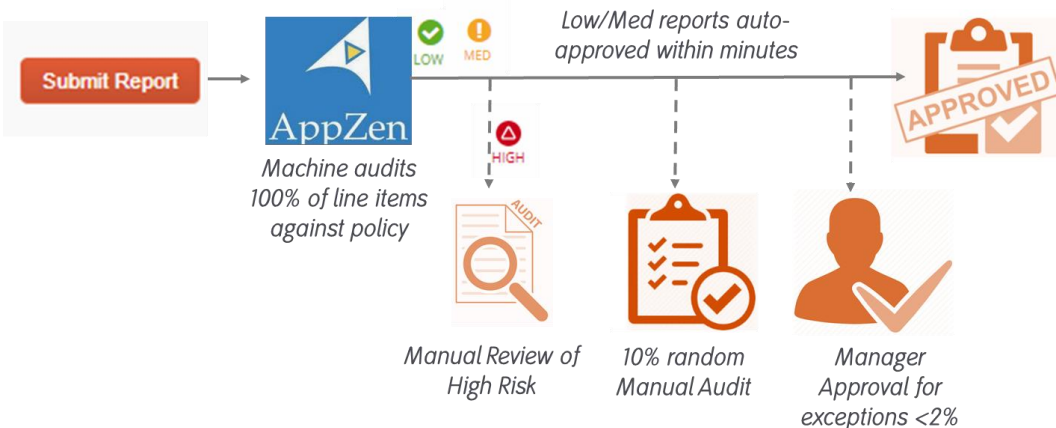
Concur detect

Artificial Intelligence (AI) auditing tool for expense reports

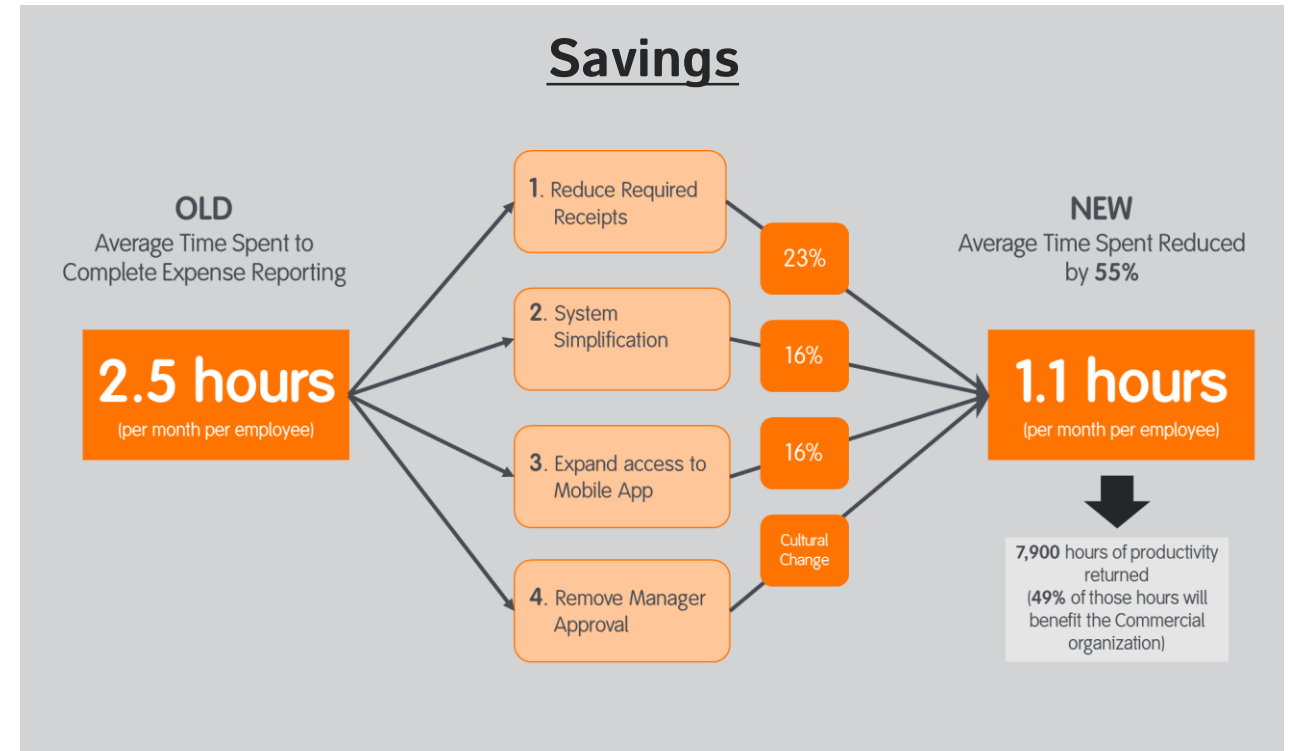
Current Process



Future Process



Savings



Questions?





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