



## SHARED SERVICES:

### Material Considerations -- Geography

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The central complication of deploying Shared Services internationally is the existence of national differences in many aspects of the environment that may be simply taken for granted in the home country. A global operation needs to accommodate significant national differences in all of the countries served. One area in which such national characteristics differ is the material context -- the features of the physical and natural environment, such as:

- Geography,
- Weather and climate,
- Time zones,
- Infrastructure, and
- Illness and disease.

Selection of an appropriate geographic structure is essential: does the company need Shared Service Centers (SSC) that service a specific country, a region, or all global operations? Geographic organization should align with the company's present and planned operational reach. For example, if operations are clustered in a few locations, the best approach may be regional rather than global: a small number of SSCs each handling particular regions such as the Americas, Europe, and Asia Pacific.

Solutions are not necessarily parallel; the optimal organization may involve a mix of global, regional, and national centers. The principal criteria for optimizing geographic coverage are proximity, accessibility, and travel. Locating the SSC close to the operations it supports facilitates access and minimizes travel time and expense for users of the service who must visit the center. Where services are readily accessible over the Web or via telecommunications,

proximity and travel become less important. The right choice depends on how the SSC will interact with its stakeholders in the company.

Some strategies for dealing with geographical differences in a Global Shared Services environment include:

- Tailor the Shared Services plan to the company's geographic reach,
- Investigate the infrastructure and technology requirements for each country/region,
- Evaluate the company's service delivery model to determine its impact on site selection and accessibility.

When the geographic reach of a global SSC extends a substantial distance east-to-west, it will necessarily be providing services across various time zones, widening its hours of operation to serve customers across different zones. Companies operating within the U.S., Canada, Australia, and Russia, for example, are already familiar with these issues on a limited scale. But doing truly Global Shared Services necessarily means operations 24 hours per day. Furthermore, international differences in work days, holiday schedules, and seasons mean that Global Shared Services must have operational capability seven days per week, 365 days per year. This may be difficult to staff or to run economically in a single location.

What strategies can companies adopt to provide 24x7x365 coverage? The answer depends in part on whether the services in question need immediate live staff response or can be time-shifted or automated. Some possible strategies include:

- Where live responses are necessary, implement a follow-the-sun strategy, with multiple centers in different time zones and rolling support and telephone routing continuously around the globe.
- Where immediate human interaction is not vital, a time-shifted response strategy may be feasible, using email or voicemail that allow for response during normal business hours.
- In a Web-based, self-service environment, some services may be implemented in the form of an automated online application, which is available 24x7x365, even if human monitoring and oversight is not.

Jeitosa has experience working with a number of companies in deploying global shared services operations. Future newsletter articles will share more of our insights. 🌐

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