



## Appropriate consulting – even more important in times of crisis. Also for Shared Services.

In times of economic challenges particularly more emphasis should be laid on Shared Services. These are important levers for the stabilisation of individual organisations and hold the potential to free resources if they are designed in an optimal way.

### The importance of Shared Services

Importance and impacts of Shared Services, i.e. organisation-spanning in-house services, is various and resources deployed are considerable. Indistinct roles and responsibilities between line and corporate functions often lead to tensions and complicate cooperation. Well structured and ideally integrated Shared Services can develop great leverage for the overall performance of a business organisation.

### Definition of Shared Services

Our understanding of Shared Services can be summarised as follows:

- Human Resources (HR): all measures for employee recruitment, -development and -compensation as well as optimal staffing
- Business Steering / CFO domain: steering of a business organisation on the basis of systematically recorded and processed financial and non-financial indices as well as further activities necessary for management of the organisation located in the corporate centre
- In-house IT: Operation of the infrastructure, office environment and various applications such as ERP systems
- Corporate Communication: In-house and external communication, media relations

and positioning of the business organisation in terms of communication ranging to Corporate Identity and support as well as guidance of people engaged in communication.

Read more on HR and Business Steering in this Newsletter

### Shared services – a full SME within each business organisation

For years, organisations tried to integrate in-house services in the fashion of support processes or with help of other workarounds – never fully satisfied with the result. HPO has developed a revolutionary approach which has been tested in several real-life cases. The essence of the approach proposes to organise in-house services in the manner of an independent SME: including clients, products and a fully developed business process for innovation in order to assure a slim offering of products and services fully aligned to client expectations. So, not only an efficient scope of products and services is being guaranteed, but more importantly persistent effectiveness and efficiency in provision of products and services when facing continuous changes in expectations can be assured. Designing optimal processes of a Shared



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**With HPO HR newly positioned in a strategic way and endowed with efficient processes and tools**

“... With HPO we have found the optimal partner. The experienced consultants condensed the strategic value added of the HR-department together with the executive board as basis for realignment. With high technical and methodological expertise, HPO subsequently detailed and documented relevant HR-specific processes in cooperation with the project team. In process definition, major emphasis was placed on efficiency and ease of handling. We considered distinctively valuable HPO’s systematic approach, which – on the one hand – ensured full coverage of relevant aspects and allowed on the other hand for integration of already defined contents within the optimised processes. Intensive involvement of employees – HR-intern as well as line-management – added to success as well. HPO’s integral approach as well as successful training of managers has been major factors for success in anchoring necessary changes within the organisation.”

Service Unit, criteria identical to organisations with focus on external clients are being applied. Examples for such criteria are e.g. "low complexity in business processes and products / services", "one face to the customer", "homogeneous core competences" and "end-to-end responsibility for individual business processes". The necessity to distinguish tasks of Shared Services in contrast to business-line specific tasks alongside definition of roles and core products / services has to be highlighted in this context.

**Human Resources (HR): The internal service provider for human capital**

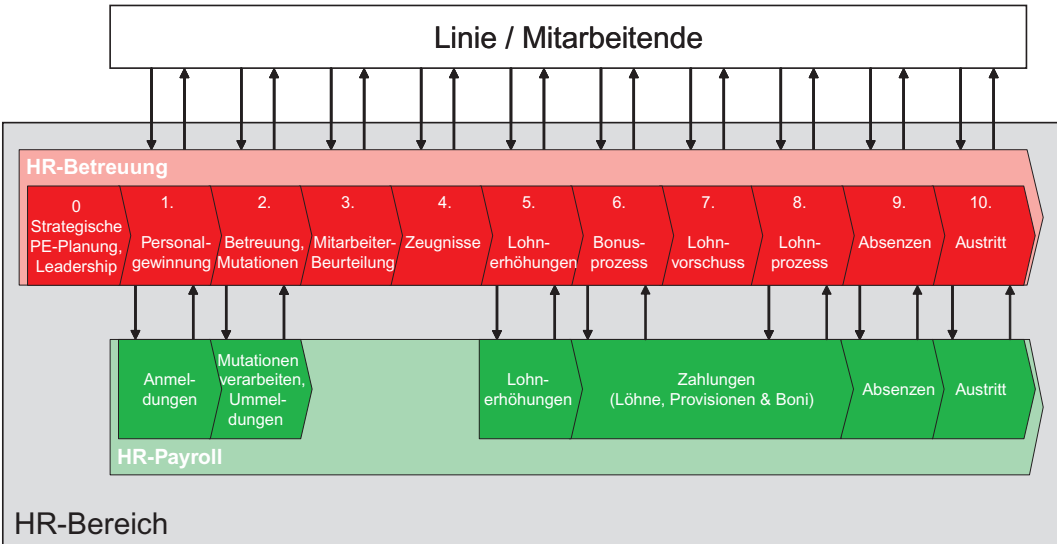
HR tasks cover all measures for employee recruitment, -development and -compensation as well as optimal staffing. Together with the management, the HR domain defines and formulates the human resources strategy. So HR guarantees long-term quality of human capital. Focus is optimal supply of employees in qualitative and quantitative terms, i.e. prevention of capacity shortfalls and excess capacity. Management and employee development are being included with the implication of a much wider area of responsibility in contrast to classic personnel offices mainly in charge of administrative tasks in the role of an administrative department. Moreover, the HR management creates a high level of transparency which is necessary in order to manage the division according to principles equal to those of “common” profit centres.

**Tobler Group: Professionalization of HR management by means of transparent design**

Due to frequent changes in management, within Tobler Group a continuous and uniform HR management could not be established. Variations in business processes caused additional expenses. Acceptance of a separate HR function among the business lines was very low. Management mainly was appointed to administrative tasks not being able to set strategic priorities.

In order to close the gap to in-house clients, the objective to position HR as provider for in-house services and to organise the unit in line with the maxim of customer orientation has been formulated. Likewise responsibilities and roles within the business processes were subject of clarification.

In the Micro-Design phase, the new organisation has been designed to function more efficiently. At the same time complexity was reduced by: 1) consistent and clear business processes (see illustration below), 2) distinct allocation of tasks and competencies, 3) clear split of responsibilities and minimal number of interfaces among persons involved. In addition to that, in the phase of Micro-Design, complexity of day-to-day business processes has been reduced and basic principles and tools (forms, check lists, guidelines, workflows, model contracts and documentation on the intranet) have been made available. The new organisation is characterised by a competent contact. It clearly controls responsibilities of HR and business line (one face to the customer) and therefore considerably relieves management from non-core tasks.



**Illustration:** The process model of the HR department clearly separates the customer related business process (red) and “production” (green).

**Business Steering / CFO domain: Here performance improvement is possible as well.**

The task of Business steering can be summarised in the delivery of customised services such as provision of information relevant for organisational steering in high quality to in-house clients. Business Steering covers not only Finance and Controlling but also Legal & Compliance, Risk Management as well as further steering functions. In doing so, such a comprehensive organisational unit identifies options for action in an early stage and protects the business organisation from undesirable developments. It creates transparency for in-house clients and acts as constructive challenger in the role of an in-house coach or consultant respectively.

**Swisscom Switzerland: High Performance Business Steering**

In the course of the reorganisation of Swisscom Switzerland from product to customer focus, the unit Swisscom Business Steering has been created. The scope of the previ-

ously existing units Swisscom Mobile, Swisscom Fixnet and Swisscom Solutions had to be considered. In designing the organisation of Swisscom Business Steering based on business processes, criteria have been applied present in the reorganisation of Swisscom Switzerland overall. Analogous to a SME providing products / services to customers, services to be performed have been systematically refined in architectures of value proposition for each specialist area within Business Steering. In addition to that, business process models for each specialist area have been derived. Appointed managers were involved in the development phase which followed HPO design criteria so that finally the new process-based organisational structure could be derived. In order to assure end-to-end responsibilities for in-house customers, clear responsibilities for specialist areas have been allocated.

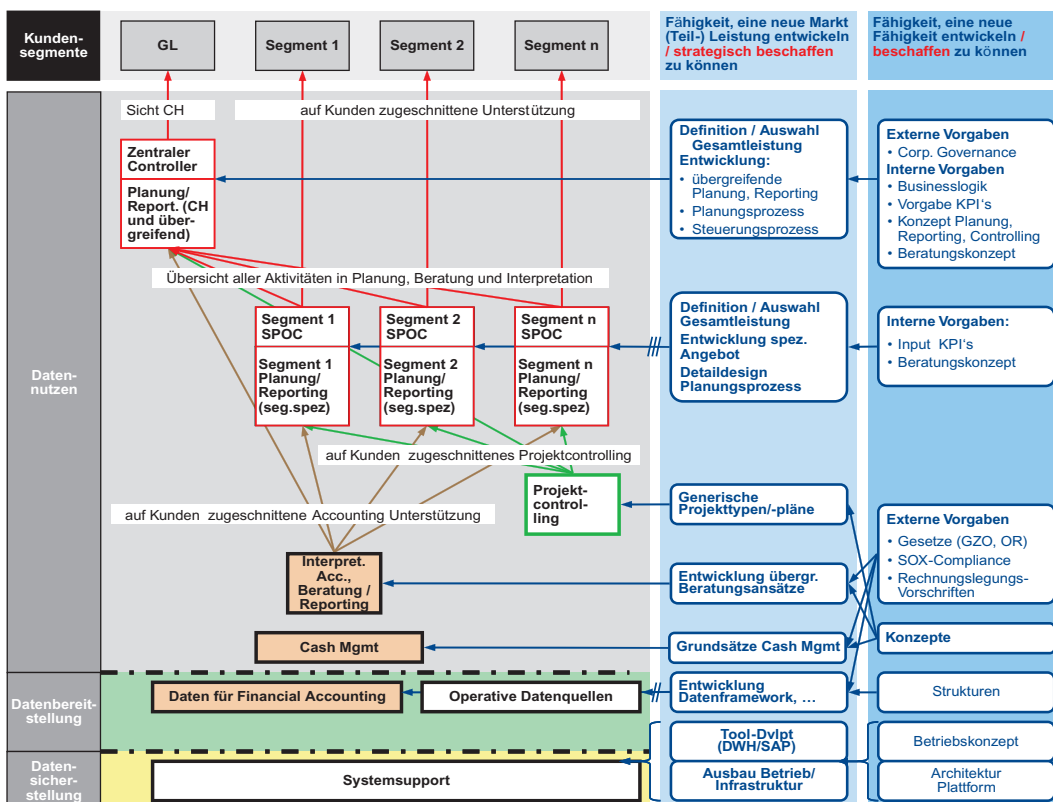
Process optimisation and separation of innovation and day-to-day business are foundation for necessary performance improvement in Business Steering as well.



Dieter Bernauer  
Head Business Steering  
Swisscom Switzerland

**With HPO the Steering Unit of Swisscom Switzerland designed with focus on customers**

“HPO has accompanied design of the organisational unit “Business Steering” based on requirements of in-house clients and potentials for efficiency improvement of Swisscom Switzerland in a stringent way and assured methodological consistency. The guiding idea for definition of business processes was the layout according to value-delivering and innovative business processes. Consistent alignment of services on customer requirements on the one hand and bundling of activities for efficiency improvements of the existing organisational units Swisscom Fixnet, Swisscom Mobile and Swisscom Solutions on the other hand is allowing us to improve performance in terms of quality at the same time considerably reducing costs.”



**Marktleistungsarchitektur:** Auch im Business Steering wird zwischen operativen Leistungen (grauer Bereich) und Innovationsleistungen respektive -fähigkeiten (blauer Bereich) unterschieden.

### Are all industries equal?

The occurrence of distinctively similar problem areas in different industries indeed is astonishing. All the more since proven approaches for problem solving easily can be transferred to other industries. For example business processes form the environment of industrial manufacturing easily can be applied in the finance industry. The methodology of HPO is based of these common patterns and guarantees development of optimal solutions.

On the other hand, industries are characterised by considerable differences. Business processes are generic, contents however very different. So vary technical terms and languages. In the banking environment, technical terms common in steel mills are out of place and vice versa. Therefore, besides the ability to abstract and to transfer the essence of concepts, in dept knowledge of specific industries is core competence of HPO. We hold and systematically develop expertise in the following industries:

#### Finance

Banks, insurances and private equity

#### IT and telecommunications

ICT service provider, system providers, application developers

#### Industry

Steel industry, manufacturing systems engineering, plant engineering and construction, chemical and pharmaceutical industry, construction industry, power industry

#### Chemical & Pharmaceutical Industry

#### Life Science

#### Power Sector

#### Non-profit organisations

#### Public sector

#### Transport

#### Healthcare

#### Commerce and consumer goods

#### Media

#### HPO AG

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## A high performance organisation is characterised by

Clear strategic objectives.

Simple architecture of value proposition in line with strategic objectives.

High performance processes alive in the organisation.

Organisational structure based on business processes.

Powerful and institutionalised Innovative strength.

Satisfaction of all stakeholders.

Capability and willingness to continuous development.



## Our name is programme: We design High Performance Organisation

High performance starts with a consistent strategy.

We develop or review your strategy.

We design your High Performance Organisation.

We guarantee implementation.

We improve your performance with our own proven framework.

We promote lasting improvements in your results by multiple EBIT points.

We accept performance based fees. And we have good reason to.

Step by step.

Towards success.