The shared services approach

Broadly speaking, shared services refers to an organizational model where a firm merges common business functions performed by multiple operating entities into a distinct unit that delivers services to the rest of the firm as its business clients (Ulrich, 1995)

Taken from http://w4.stern.nyu.edu/news/docs/Shared_Services_2009.pdf p382

Page 3 BB, useful definition of shared services: “Shared services is a collaborative strategy in which a subset of existing business functions are concentrated into a new, semi-autonomous business unit that has a management structure designed to promote efficiency, value generation, cost savings and improved service for the external customers of the parent corporation, like a business competing in the open market.”

It differs from other, more traditional, approaches to dealing with duplication of work (for example centralising all similar activity – or outsourcing to another company) as the case study on page 7 BB shows.

Key to the shared services model is ‘competition’ – the new business unit must compete for the business of the parent company and if it does not offer the best pricing or services then the parent company is free not to use it – and the new business unit will fail.

The main reasons for adopting a shared services model are to increase efficiency, make cost and time savings and to improve service. BB says p xx “The shared services model is fundamentally about optimizing people, capital, time and other corporate resources”. As resources are concentrated, investments in technologies can be made efficient and can be updated more quickly offering greater response to their customer’s requirements.
Common disincentives are that this new model requires a significant culture change among employees - those who move into the new business unit may resent not being part of the parent company and the culture of competing through superior service and pricing may be a departure; the new business unit is also likely to require less employees to function effectively which may cause friction if individuals are given alternatives roles they are not happy with for example; the new business unit will have high start-up costs - sometimes akin to starting a new company (P18 BB) and there will also be a loss of control for the ‘parent’ company as the new business unit will need to be led and managed on a semi-autonomous basis. In addition, the shared services model requires a certain size of parent company and revenue stream to work, where this is too small benefits will be not be forthcoming. BB p21 “the shared services model is a viable option where the savings from reduction in staffing are greater than the added overhead of creating a management structure to run the shared business unit”

The shared services model does not historically involve different organisations setting up a new ‘semi-autonomous unit’ between them to take over some of their processes. It tended to be departments within a large corporation, or businesses with the same parent ‘owner’ who set up this new unit to take on all relevant services. The view in HE coming from bodies such as xxx seems to be that xxxxx

Essentials of Shared Services by Brian Bergerson (ISBN: 978-0-471-25079-1, published by Wiley and Sons) Some sections are online at:
http://books.google.co.uk/books?hl=en&lr=&id=jMXck2c55sC&oi=fnd&pg=PR3&dq=%22shared+services%22&ots=w4ShDAOCE1&sig=1q32hj5J1J5g86hrkzmTjbs64SYs#v=onepage&q&f=false

The book includes chapters on implications of adopting shared services; management issues; how the various approaches to shared services can be evaluated; practical aspects of implementing shared services and a useful glossary of terms.

Other business models that are similar to shared services:

The co-operative model – focusing on linking together to purchase goods

Insourcing – identifying employees who have spare capacity and giving them work from other areas of the business to do in this time.

Shared services in finance and accounting

Tom Olavi Bangemann
0 Reviews

Most large companies worldwide today have some kind of shared services concept in place. Over half of the medium and large companies are currently engaged in some kind of shared service project activity. The investment in shared services is always calculated in millions. In other words, the costs of getting it right (or getting it wrong) can be huge. Tom Bangemann’s book is a concise blueprint for identifying, assessing, designing, implementing and improving the process for shared services in the finance and accounting function. The author focuses on critical success factors, the people issues involved, and learning from other people’s big mistakes. The book includes a variety of real life examples and real benchmarking data, performance metrics and best practices. The section
on implementation is based on a proven five-phase methodology and explains the steps and activities involved as well as showing examples of the deliverables and the results you can expect. Any CEO, MD, CFO, Finance Director and senior finance people will find this book a 'must-have' guide to the process before they start and an excellent benchmark against which to measure the performance of any existing shared service operation.

Shared services – originally defined by Greg Hackett

Pss refers to a survey by the Hackett Group (THG)

The top 6 reasons companies introduce a financial shared services model (2003)

1. Reduce administration costs (79%)
2. Improve services and quality, accuracy and timeliness (69%)
3. Reduction in headcount and salary/wages (64%)
4. Group similar tasks and expertise for a critical mass (61%)
5. Standardise services (44%)
6. Simplify roll-out and IT systems support (38%)

This highlights that there are a wide range of reasons for introducing such a model, and that while cost reduction is a major one, there are usually a number of reasons involved and benefits expected.

Shared services are described as:

Shared – to be used by several recipients (internal customers, partners, businesses)

Services – focusing on services (internal and administrative, not operational outputs)

Competition is key - a quote is referred to from JBS on p19 “The key to shared services is treating what was once a corporate service like a whole new business. This is achieved by duplicating the environment of an independent service business, including customers, counting costs, and letting in the competition. Just as market competition improves a firm, so it will improve your in-house business”

Shared services in local government: improving service delivery

By Ray Tomkinson

The definition used here is “the shared provision by more than one local council of a specified service in which service aims and objectives are mutually shared and for which local people are the end customers.”

While most commercial organisations share services internally (So there is an HR and finance team for the whole company), local authorities often have separate service teams (an accountant and HR for example) for a number of different service departments. This book also notes that sharing services between councils is still uncommon, although external pressures are increasing and the ‘opportunities’ are there.
Evidence about which services would be good to ‘share’ – the main criteria include:

- The service is an administrative overhead not a service which is strategic to the business
- the service is based on standardized outputs
- the service is low risk

Success with sharing these initial services often leads to organisations beginning a further stage of ‘sharing’ for other services such as knowledge based services involving specialist expertise.

Four models of shared services relevant to local government are presented (although many shared services are mixtures of more than one of these):

- Intra-service model – collaboration on specific and or specialist services where only part of a service is shared, for example procurement
- Service model – where one sharer transfers responsibility to another, so that the entire service can be shared, but the organisation is not itself changed to adapt to the sharing.
- Corporate – where the sharing involves a formal agreement and change to the local council’s organisation (for example setting up a new management group)
- Super-corporate – where a new or separate organisation is created to deliver or support the shared service.

A Preliminary Decision Model for Shared Services: Insights from an Australian University Context

20th Australasian Conference on Information Systems Decision Model for Shared Services
2-4 Dec 2009, Melbourne

The paper differentiates between traditional models for sharing services (intra-organisational) and inter-organisational shared services (Yee and Chan 2008)

“The conventional wisdom of today is that the potential for Shared Services is increasing due to the increasing costs of changing systems and business requirements and also in implementing and running information systems.” P492

Shared Services is relatively young (having its origins in the early 1990s)p492

A focus on the opportunities for sharing services between “administrative financial functions of Accounts Payable, Accounts Receivables, General Ledger and Travel and Entertainment is suggested, due to their relative homogeneity across organisations generally and across universities specifically.”

P493

SHARED SERVICES VS OUTSOURCING

Although the idea and implementation of Shared Services is relatively young, a review of the business, marketing and management literature yielded several different definitions and conceptions of “Shared Services” or “Shared Service Centres” (SSCs). As mentioned earlier, (Bergeron 2003) defines Shared Services as “a collaborative strategy in which a subset of existing business functions are concentrated into a new, semiautonomous business unit that has a management structure designed to promote efficiency, value generation, cost savings and improved
service for internal customers of the parent corporation, like a business competing in the open market.” (Quinn, Cooke and Kris 2000) defines Shared Services as “the practice of business units, operating companies and organisations deciding to share a common set of services rather than have a series of duplicate staff functions” whereas (Shah 1998) defines Shared Services as “the internal consolidation of services that were formerly handled by individual business units, and that this consolidation facilitates the sharing of both staff and technological resources and the provision of high quality service”. (Schulman 1999) however, provides a common working definition of Shared Services as “The concentration of company resources performing like activities, typically spread across the organisation, in order to service multiple internal partners at a lower cost and with higher service levels, with the common goal of delighting external customers and enhancing corporate value.”

The conditions in which SS (versus outsourcing) would be more suited for an organisation are presented, including consideration of:

- Cost and projected yield
- Dependency
- Knowledge management
- Motives
- Orientation
- Nature of improvements
- Risk of threat to security and confidentiality
- Strategic benefits
- Nature of suitable functions

The case study was conducted in an Australian university with the pseudonym of UniQ. The primary objective of the case study was to look out for inefficiencies and ineffectiveness in the financial administrative functions of Accounts Payables (AP), Accounts Receivables (AR), General Ledger (GL) and Travel & entertainment (T&E) as it was conventional knowledge that the processes involved in these functions were relatively homogeneous across organisations generally and universities specifically. A secondary objective was to compare the findings with the conditions (specifications) framework presented in table 1 to comment on any correspondence (or not) observed. The case study approach (Yin 2003; Benbasat et al. 1987) has been chosen for its benefits such as allowing the authors to study the phenomenon (i.e. the state of SS potential) in a natural setting as well as gained valuable insights which the researcher has not discovered before or which has not been reported. As such, the case study is very much exploratory in nature and seeks to contribute to the (little) research studying the potential of implementing SS across organizations.

With regards to the systems and applications bring used in practice in the higher education sector, the findings suggest that there is commonality among systems being used by universities in Australia; in other words, several universities are using the same applications independently to perform the same functions. This suggests that the potential for such universities to share such systems and services is significant. To further highlight this, the findings from a separate independent study by Higher Ed Services Pty Ltd23 provides examples of systems which are common to universities in Australia, suggesting that such overlap and homogeneity in the use of administration systems and applications further makes the idea of sharing common services to save cost a possible one. Study findings can potentially be extended and validated in various contexts.
The next section summarizes the rooms for further discussion and areas of improvement in understanding SS potential.

SO services can be shared then outsourced, or shared .....then insourced (a new unit is created).

Shared services has the potential to bring significant value to the firm. Specifically, shared services can lower firms’ operating costs by reducing the number of service employees and gaining efficiency (e.g., Ulrich, 1995). Shared services can enhance firms’ architectural agility by facilitating their transformation toward new organizational forms such as “shared service organization” and “service-oriented enterprise” (Bergeron, 2003; Janssen & Joha, 2008). Shared services may improve organizational learning and innovation by concentrating technical and managerial expertise and facilitating knowledge sharing (e.g., Cooke, 2006). Shared services may increase service quality by forming a customer-oriented mindset within the service organization and professionalizing service delivery (e.g., Forst, 2001; Janssen & Joha, 2006). Shared services may also bring political advantages such as enhancing credibility and solving internal conflicts (Forst, 2001; Janssen & Joha, 2006). In a global economic downturn like today’s, the need to leverage the benefits of shared services becomes increasingly urgent, giving rise to recent emergence of outsourcing megadeals (e.g., IBM, 2008; Weinstein, 2009).

Meanwhile, implementing shared services incurs a number of risks, such as overstandardization of systems and processes, lack of operational flexibility, unbalanced power concentration, increased system complexity, unclear service accountability, dampened employee morale, ineffective communication, unexpected implementation cost escalation, and long project timelines (Cooke, 2006; Wagenaar, 2006). These risks are exacerbated by today’s volatile economic environment and occurrence of unpredicted events (e.g., Tibken, 2009). These risks may significantly affect the perceived and realized value of shared services, which eventually lead to limited user satisfaction (Rigby & Bilodeau, 2009).


Trends in shared services in the UK public sector and the approach of Fujitsu services
David Tryon and Nick Woodward (2007)

The paper lists three different ‘routes’ government organisations (p86-) are taking in relation to shared services:

1 – Standards based approach: One partner establishes a services unit, others can then choose to buy into the services offered, with some minor variations to suit their requirements. The initial establishment will thus have a single line of accountability, but as expansion begins governance and stakeholder management will become more complicated.
2 – Building shared services within one “accountability” group and expanding: One partner/department brings together services from other partners/departments under its own roof first, then may further offer these services more broadly once established. Despite the shared services being located within one organisation, there are usually several partners whose needs must be addressed cooperatively. The unit would likely be starting on a much larger scale than the standards based approach, and governance etc would need to take into account all partners.

3 – Building a hub across many organisations and expanding: This is the most challenging approach given the significant governance etc challenges when bringing multiple organisations together at once. However, it can be a faster approach to benefits as the one programme delivers to each partner at once (as opposed to being spread over time as each organisation is brought in).


SHARED SERVICES Strategic Framework, Dexter Whitfield, European Services Strategy Unit, May 2007

A new six-part typology is proposed based on the type of relationship between public sector organisations.

1. Collaboration and shared procedures between two or more public bodies
2. Corporate consolidation within a public sector organisation at regional or national level
3. Lead authority on behalf of a group of public bodies
4. Jointly managed services between a group/consortium of public bodies at subregional or regional level.
5. Strategic partnership or joint venture with the private sector
6. Outsourcing and offshoring

Source: European Services Strategy Unit, 2007

The paper also presents sections on:
- Principles for shared services
- Potential benefits of shared services
- Shared services risks
- A public sector shared services strategy
- Democratic governance and accountability
- An evidence-based strategy
- Regional/subregional collaboration on economic development and regeneration
- Quality jobs
- Comprehensive appraisal criteria and impact assessment

Shared services in HR
Ulrich 1998
HR shared services is hot and getting hotter

Jim Scully and Barbara Levin, Article first published online: 13 JUL 2010, DOI: 10.1002/ert.20294, Employment relations today, V37:2:1-89

IT’S BEEN OVER A DECADE since David Ulrich proposed his new model for HR that has led to an explosive growth in HR shared services as a means of delivering cost-effective and efficient HR programs.

A recent Shared services institute survey (shows that more companies implemented shared services in the past 2 years (2009-10) than did in the prior 15.

Since the downturn began in the US, shared services start ups increased at an average rate of 39% per year.

http://www.toorenburg.net/timbv/shared-service-centers/modeling-an-hr-shared-services-center/view

MODELING AN HR SHARED SERVICES CENTER: EXPERIENCE OF AN MNC IN THE UNITED KINGDOM
Fang Lee Cooke 2006

An increasing number of large and multinational organizations are moving to shared services models in delivering the human resource function. It is commonly believed that the adoption of an HR shared services model can transform the role of HR by enabling the HR function to be more strategic at the corporate level and more cost-effective at the operational level. However, few academic studies have been carried out to investigate challenges to implementing an HR services center successfully and the impact of adopting an HR shared services model on different groups of employees. Through a case study of a multinational corporation, this article reveals that there remains a significant gap between literature espousing the efficacy and utility of HR shared services and the extent to which the adoption of such a model is successful.

Reasons for Adopting HR Shared Services
Reilly (2000) observes four strategic reasons for setting up HR shared services:

- to be part of a wider business change introducing the concept of “professional” or functional services;
- to achieve a greater degree of structural flexibility to respond to business change;
- to improve organizational learning across organizational boundaries; and
- to allow HR to reposition itself as more strategic; to reduce involvement in administrative trivia.

Organizations that opt for shared services often keep a small HR team at the corporate level to focus on high-level strategy, governance, and policy (Reilly, 2000). It is believed that by so doing, companies will be able to maintain best practices, monitor delivery, be more sensitive to customer needs, and generally reposition HR as more strategic and less encumbered by administrative tasks. Therefore, HR shared services focus on administrative tasks, such as relocation services, recruitment administration, training support, and maintenance of personnel data.

Study Findings
The findings of the study suggest that the implementation of the initiative exhibited a number of operational problems that are typical in change management. They conclude that the financial and emotional cost of moving to a shared services model can outweigh the tangible cost savings predicted by firms. The idea of separating the HR function into strategic, operational, and administrative components may prove to be too simplistic, although it underpins the initiative of HR shared services.

The case study highlights a number of issues which those considering a move to outsourced HR services could find relevant, the paper provides a useful analysis of the lessons learned in this area.


HR Shared Services Optimisation, Attaining the full potential of HR Shared Services. Deloitte Consulting (Southeast Asia) Limited.

The implementation of a shared service centre can greatly reduce costs, standardise processes and permit greater control. However, there are some big pitfalls to avoid.

IT shared services

International Journal of Information Systems and Change Management

Issue: Volume 1, Number 3 / 2006

Pages: 223 - 240

URL: Linking Options

Shared services: a conceptual model for adoption, implementation and use

Adam Craike and Prakash J. Singh

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Abstract:

The 'shared services' concept, which can be described as a business model for the management of internal service functions, is extremely popular in many large public and private sector organisations. This is having a tremendous impact on how these organisations operate. However, research relating to the concept is at an early developmental stage, leading to a lack of understanding of how this concept manifests itself in organisations. This paper aims to provide some formative research into the concept by investigating the issues of its adoption, implementation and use within a large Australian publicly owned organisation. To frame this research, shared services was conceptualised as an organisational innovation, thus providing for the use of existing theories of innovation diffusion and implementation. Empirical data were gathered from interviews with 15 managers.
Using the grounded theory approach, analysis of the interview data allowed for the development of a conceptual/theoretical model of shared services adoption, implementation and use. This model provides insights into the concept that can be useful for practitioners as well as researchers.

NetworkWorld.com - Higher education slowly embraces shared network services
http://www.umassonline.net/news/635.html

Colleges and universities can no longer afford go it alone in meeting campus demand for network and IT services.

That warning came from the president of EDUCAUSE, a nonprofit group that focuses on IT issues in higher education. But at least some of his listeners are heeding the warning.

Later this year, for example, health studies undergraduates at Simmons College, in Boston, can log into a learning management application, the Vista edition software from WebCT, to review new course content from the professor. The students can call or e-mail a help desk if there's a problem.

But neither the application, nor the tech support, nor the gigabit fiber network over which a student's session is running is owned by Simmons College. Instead, the 3-year-old fiber net was created by the Colleges of the Fenway, a group of five private schools, including Simmons, and one public institution, all located near each other. The group formed in 1995 to explore ways of sharing and funding common services. The learning management application and tech support is being provided by University of Massachusetts' UMassOnline division, which functions as an application service provider to Colleges of the Fenway and other schools in the state.

Governance of Shared services

Designing governance for shared services organizations in the public service

Gerald Grant, Shawn McKnight, Aareni Uruthirapathy and Allen Brown

"Eric Sprott School of Business, Carleton University, Ottawa, Canada

Available online 1 November 2006.

Abstract

As shared services organizations (SSO) become more popular as a service management and delivery option in government, properly defining and setting up the governance structure continues to be a key success factor. This paper explores the options and issues to consider when selecting and implementing shared services governance including topics such as oversight, accountability, culture, management of resources, and of day-to-day operations. Shared services organizations are increasingly common in private sector companies and the particular challenges involved in the governance of an SSO in a public service context are highlighted and discussed.

Governance Models for Shared Services
Designing governance for shared services organizations in the public service

Gerald Grant\textsuperscript{a}, Shawn McKnight \textsuperscript{a,b}, Aareni Uruthirapathy\textsuperscript{a} and Allen Brown\textsuperscript{a}

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\textbf{Implementation}


Effective performance metrics and measures integrated into organisational vision enables a shared services business unit to provide increased value for an organisation.

Managing Corporate Identities in a Changing Environment: A Case Study of A Public Sector Shared Services Provider

Jai Kim
\textit{Brisbane Graduate School of Business, Queensland University of Technology, Brisbane, Australia}

Caroline Hatcher
\textit{Brisbane Graduate School of Business, Queensland University of}
The UK HE context – Hefce, JISC etc

Hefce latest on shared services

Hefce funded report on Shared Services in the Higher Education Sector, by KPMG 2006.

http://www.hefce.ac.uk/pubs/rdreports/2006/rd15_06/

This report found that:

- Definitions of shared services vary. Typically they describe a model of providing services (not just so-called “back-office” services) in a combined or collaborative function, sharing processes and technology. In the private sector this is usually within the same group of companies, but in the public sector it will most often be between separate entities. The most sophisticated models involve establishing a completely new organisation, run and managed as an autonomous business.

- HEIs are already co-operating to achieve savings and improve performance in a range of areas.

- Sharing support functions are not the only form of collaboration which could offer benefit – also taking advantage of existing shared service arrangements within higher education and other sectors and extending other forms of collaborations, as well as considering dedicated shared services centres.

- The fact that VAT is irrecoverable on outsourced shared services is a major barrier to realising its potential.

- In order to realise the potential for shared services (assuming the VAT issue is resolved), the impetus for moving towards sharing additional services must come from the institutions themselves.

Hefce’s own perspective on shared services (which follows on from the KPMG report) is set out as a circular letter on their website. http://www.hefce.ac.uk/pubs/circlets/2006/cl20_06/

Hefce have since funded feasibility studies for shared services in the following areas.

- Computing
- Estates
- General business administration: HE
- Human resources
- Information management
- Knowledge transfer
- Libraries
- Legal services
• Procurement
• Research management
• Management of student applications
• Student experience
• Student records
• Teaching and learning


Lift tax-barrier to shared services, Alliance pleads, 10 June 2010, Simon Baker, THE

Tax reforms that would encourage universities to share services and potentially save millions of pounds are now crucial as the sector faces severe funding cuts, the director of a mission group has said. Currently, institutions that want to share activities such as payroll management must save at least the cost of VAT - 17.5 per cent - as although universities are classed as VAT-exempt, they cannot reclaim the tax paid on the services they buy.

www.liv.ac.uk/bufdg/documents/BUFDG_Seminar.PPT

BUFDG shared services update

Policy papers

http://www.scotland.gov.uk/Publications/2007/12/SharedServicesGuidance/Q/EditMode/on/Force Update/on/Page/1

The Guidance Framework for Shared Services aims to provide information, education, guidance and case study examples to those considering Shared Services and to those already on a Shared Services journey.

Gershon report 2004


http://www.publictechnology.net/sector/local-gov/shared-services-could-save-welsh-school-budget-41bn

Shared services could save Welsh school budget £4.1bn

Collaborative working and shared services could drive £4.1bn out of the current amount spent on Welsh education.
The PricewaterhouseCoopers report says more collaboration between schools and the use of a single back office by all non-departmental public bodies in Welsh education could bring quick savings as well as other benefits.

The study recommends a swift move to standardised systems, common applications and shared infrastructure so that ICT commitment in Welsh education can better focus on delivery of education.


Welsh universities may have to share resources in financial squeeze

Jun 4 2010 by Aled Blake, Western Mail

UNIVERSITIES in Wales may be forced to share services and resources under plans drawn up by the body which funds them.

Under the proposals, the institutions would have to reduce “unnecessary duplication” because of the squeeze on finances.

The funding body which pumps money into higher education in Wales wants universities to collaborate better and it wants potential students living nearby have to have more choice and access to the courses they provide.

Under the plans set out by the Higher Education Funding Council (HEFCW), universities in three regions of Wales – North and Mid Wales; South-East Wales; and South-West Wales.

HEFCW says its plans will “create better opportunities for progression through higher education”, with the provision of a “coherent higher education system for Wales”.

The body says that universities must identify “learning needs and priorities” within their regions to create clearer paths to HE from school, the community, the workplace and further education. It adds: “By working with other learning providers and employers, universities will create better opportunities for progression into HE through co-ordinating programmes in community, workplace, further education and higher education settings.

UPDATE ON WALES

Books

http://www.amazon.co.uk/Shared-Service-Architects-Toolbox-Techniques/dp/0956336108/ref=tag_dpp_lp_edpp_ttl_in
The Shared Service Architect's Toolbox: 40 Tools, Techniques and Template for Building Trust and Shared Vision in Public Sector Shared Services [Loose Leaf]

*Dominic C. MacDonald-Wallace* (Author), *Emanuel J. Gatt* (Author)

Why do shared services take so long, stall or fail? Shared services and collaborations in the public sector are a key option for addressing the diminishing funding from central government. However, even apparently straightforward voluntary projects between public sector organisations can take 18 months to several years from inception to delivery. This book is written for all public sector managers who are being asked to lead on inter-organisational shared services and want to overcome the problems that slow down shared service success. The academic research, case studies, government reports and practitioner experience distilled into this book agree the undeniable truth that a lack of strong trust and clear shared vision between partnering organisations will cause shared service project to stall or fail, no matter how much money is available, or how good the project team and IT systems on offer may be. The 40 tools in this toolbox are based on many years of field work, an 18 month academic study at Canterbury Christ Church Business School, 10 shared service workshops and the evidence from almost 100 documents referred to in the knowledge bank of this book. The 40 tools, each described clearly in its own four page layout, are designed so that you what you read in the morning you could be applying in the afternoon.

**Shared Services:**

*A Manager's Journey*

*Daniel C. Melchior*

1 Review

John Wiley and Sons, 2007 - *Business & Economics* - 245 pages

Praise for Shared Services *A Manager's Journey*

"In Shared Services: A Manager's Journey, Dan presents the real business cultural challenges along with human factors when taking on such a change in a company's processes. A must-read for any executive, manager, or team member who is considering, decided to, or is already in the process of converting a company from a decentralized organization to a shared services environment."

-Katherine M. Ericsson Vice President of Membership, Project Management Institute of South Florida and director of a project management office, in a shared services environment within the distribution industry

"A how-to/survival guide for those thinking about entering shared services or beginning the journey...for the rest of us, an entertaining look back at our journey both professionally and personally. A great read!"

-Steve K. Stone Senior Vice President and CFO, Newspapers and Shared Services Morris Communications Company

"Over the past fifteen years, I've had the pleasure of working directly with hundreds of companies who are implementing shared services. What is striking is how very different 'real experiences' are from the stories spun by consultants or keynote speakers at conferences. Getting to the 'real truth' of how to put the pieces together will help you keep consulting fees low and the probability of
success high. This book is a practical guide created by someone who has been there. It is the truth!"

-Mike Hostetler Managing Director, Shared Services Roundtable Corporate Executive Board

**Online resources**


Shared Services and Outsourcing network


This paper on shared services from December 2010 lists sources of information in the UK and Scotland, it is produced by Museums and Galleries Scotland. Some useful links include:

- The North West Shared Services Forum [http://www.sharedservicesforum.org.uk/default.asp](http://www.sharedservicesforum.org.uk/default.asp)
- The Chartered Institute of Public Finance and Accounting ‘sharing the gain’ shared services advice papers [http://www.cipfa.org.uk/sharingthegain/index.cfm](http://www.cipfa.org.uk/sharingthegain/index.cfm)

**Some useful terms**

**Service Level Agreement**

A service level agreement is a negotiated agreement between two parties wherein one is the customer and the other is the service provider. This can be a legally binding formal or an informal "contract" (for example, internal department relationships). The SLA records a common understanding about services, priorities, responsibilities, guarantees, and warranties. Each area of service scope should have the "level of service" defined. The SLA may specify the levels of availability, serviceability, performance, operation, or other attributes of the service, such as billing. The "level of service" can also be specified as "target" and "minimum," which allows customers to be informed what to expect (the minimum), while providing a measurable (average) target value that shows the level of organization performance.

**Wikipedia**