



# The HR challenges of creating a shared services centre - HR Magazine

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## Exploring the key people challenges in establishing a shared services centre and how to solve them

The shared services industry is booming, and with good reason. Large multinationals like BP and Oracle and national players like ITV have successfully implemented shared services centres. With the model now effectively proven, more businesses are keen to reap savings in an increasingly competitive world. However, it can be a demanding undertaking with a rocky road from inception to realisation. Knowing the HR challenges you're likely to encounter is the first step to planning the solution.

### Know your goals

From day one you should seek to document and prioritise your objectives, involving relevant stakeholders in the process. If cost-cutting is key, continuity of service may be affected. If increasing the quality of service is paramount, heavy investment in information systems may be necessary.

This requires considerable planning time to create a business case and a detailed roadmap. However, it is time and money well spent – not least to address the next challenge...

### Plan for change resistance

First, think carefully about your business culture and how end users will come to terms with the planned changes (i.e. the 'change journey'). Aim to deliver a consistent service wherever possible, but consider differences between stakeholders. Do not assume that one size will fit all.

Explain the purpose of the changes; including what is happening and why. Ideally your explanation of why a shared services centre is being created should be tied to your business strategy. The senior management team should be well-versed on the topic; the weight of their sponsorship and engagement is invaluable.

### **Handle employee exits properly**

Ignoring that some employees are leaving can be fatal. The aim is to keep productivity consistent in a time of change. Ideally the business should be proud of the new model and individuals should feel responsible for its success.

When the time for redundancies comes, consult with employees properly and manage the legal issues. Value this process as another opportunity to implement your communications strategy. Have legally-approved scripts to keep messaging consistent, decide and offer exit terms up front rather than drip feeding information, and have multiple channels of communication open for employees to speak about their future.

TUPE or collective redundancy law will often impose information and consultation requirements, with up to three months' pay per employee as a penalty for getting things wrong (plus unfair dismissal damages). Engage with advisers – whether internal or external – to help spot any legal red flags. Statutory deadlines may apply, and the sooner you know these the better you can prepare for them.

Please click [here](#) to read the full article.