The State of Shared Services in 2024: Asia
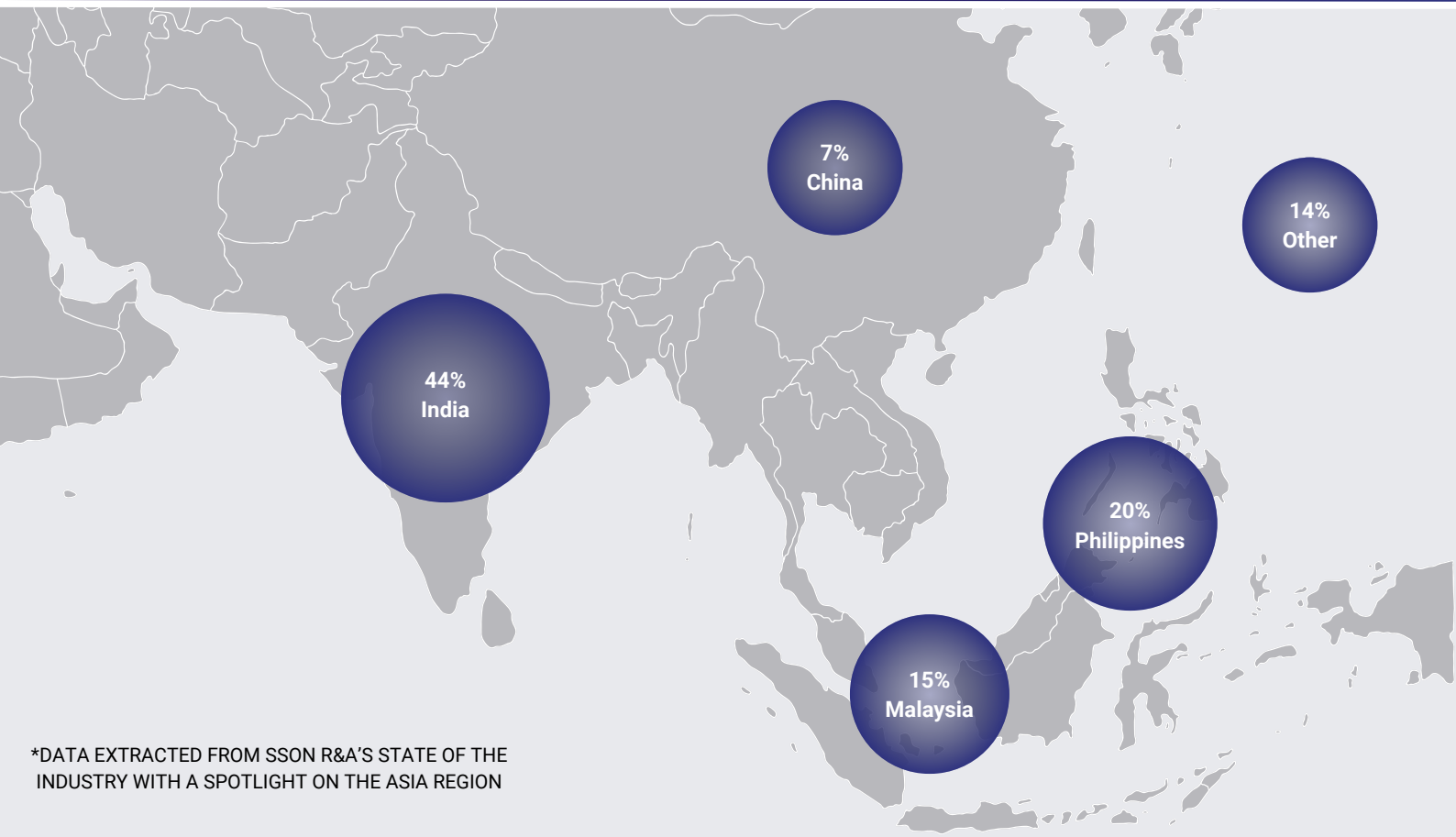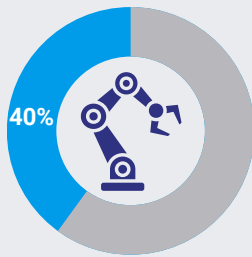
7% China

14% Other

44% India

20% Philippines

15% Malaysia

Whom does the shared services/GBS operation report to?

CFO 38%

CEO 15%

CTO 9%

CHRO 8%

Top Technology Investment Priorities For 2024

40% RPA

31% AI
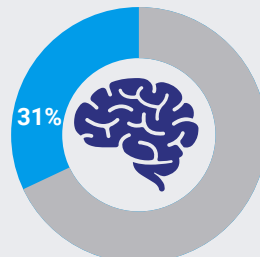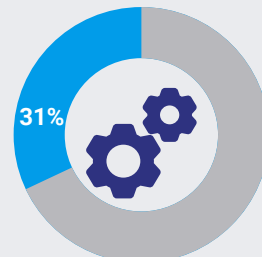
31% ERP

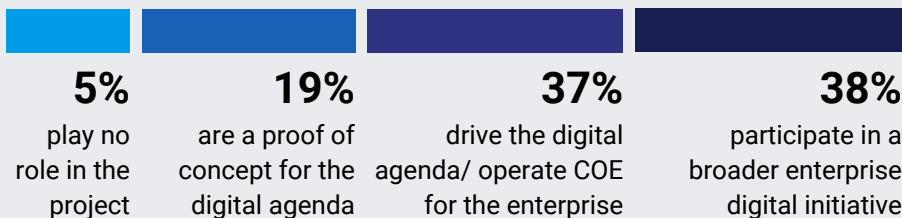## 2024 ASIAN SHARED SERVICES LANDSCAPE

INFLUENCE

Over **two-thirds** of SSCs report to C-Suite roles. In addition, only a small minority of SSCs are not involved in the digital agenda of the enterprise. This situates Asian SSCs as having a generally **strong influence within digital spaces.**

SCOPE

India is heavily saturated with SSCs, with China, Philippines and Malaysia following behind. As of 2024, **India has 1,637 SSCs, Philippines 739, China 455 and Malaysia 442.**

*According to SSON's Shared Services & BPO Atlas

Digital Agenda Influence

5%
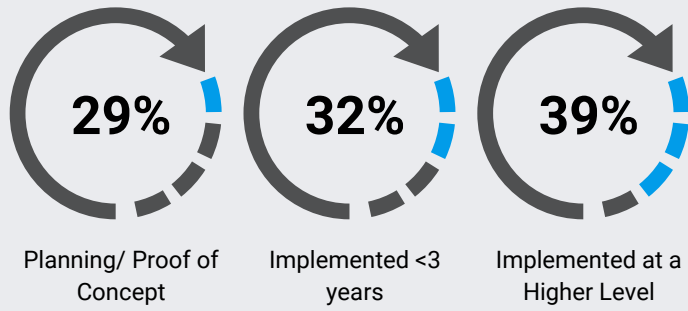play no role in the project

19%
are a proof of concept for the digital agenda

37%
drive the digital agenda/ operate COE for the enterprise

38%
participate in a broader enterprise digital initiative

SSON | RESEARCH & ANALYTICS SSON

Perceived Automation Level

21% Low (0-25%)

56% Medium (26-50%)

21% High (51-75%)

Stage of Automation

29% Planning/ Proof of Concept

32% Implemented <3 years

39% Implemented at a Higher Level
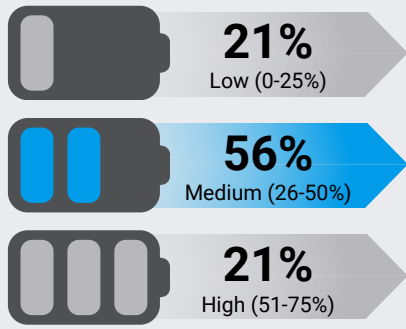
39% of SSCs are looking to leverage automation platforms this year
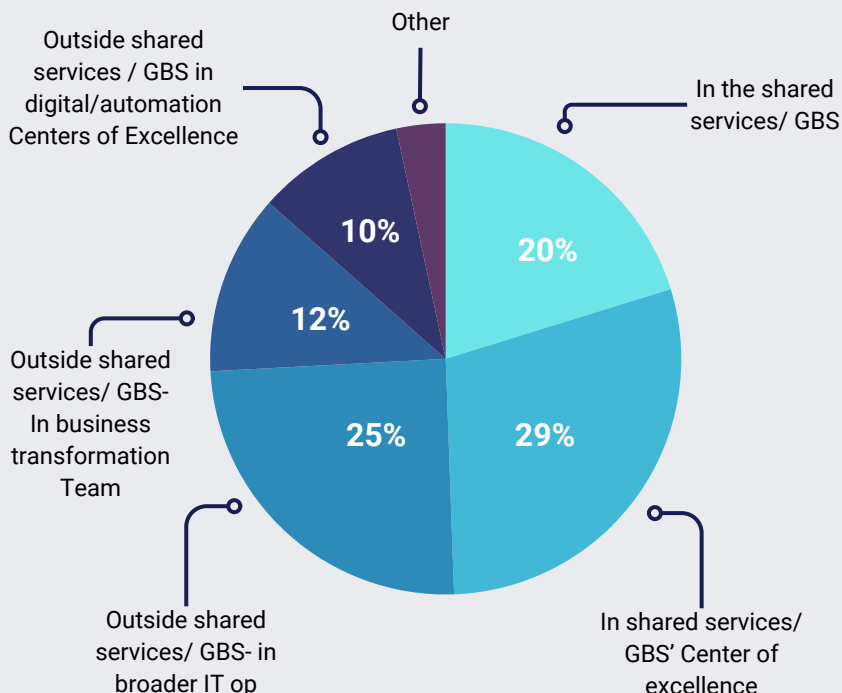
43% of SSCs are looking to upskill shared services/GBS staff this year

37% of SSCs are looking to business partnering this year

Which tools/ approaches are SSOs Highest Priorities?

Tool	Percentage
Automated Solutions/ RPA	83%
Data Analytics	82%
Workforce optimization (bot/human)	81%
Collaboration Tools	79%
ERP	78%

Where do enterprise digitization projects reside?

- Outside shared services / GBS in digital/automation Centers of Excellence — 10%
- Other
- In the shared services/ GBS — 20%
- In shared services/ GBS' Center of excellence — 29%
- Outside shared services/ GBS- In business transformation Team — 12%
- Outside shared services/ GBS- in broader IT op — 25%

AUTOMATION

Automation remains the top priority within Asian SSCs. 83% of organizations already reported using RPA and 40% plan to invest in the technology in 2024. Currently, **the majority of SSCs perceive their automation level at medium**. The strong focus on RPA investments will likely see more organizations reaching high levels in 2024.

2024 PRIORITIES

The top priorities for Asian SSCs are: **leveraging automation platforms, upskilling staff and business partnering.** This reflects the current state of the industry, as organizations are **addressing skills gaps (or opting for third-party providers) to keep up with the everchanging digital landscape.** Harnessing technology remains a key way to stay competitive.

DIGITIZATION

Almost half of Asian SSCs report that their digitization projects reside within the shared services/GBS. However, **many are establishing digital teams,** either in IT and Business Transformation, which is moving digitization out of the SSO/ GBS space.

SSON | RESEARCH & ANALYTICS SSON

SKILLS

There appears to be a **technology skills gap** within Asian SSCs, as two of the main skills being prioritized are process design/ continuous improvement and data management/ analytics. Due to the shifting focus towards innovative technology **upskilling talent or leveraging third-party providers appears crucial to remaining competitive.**

Top Skills Being Prioritized In 2024

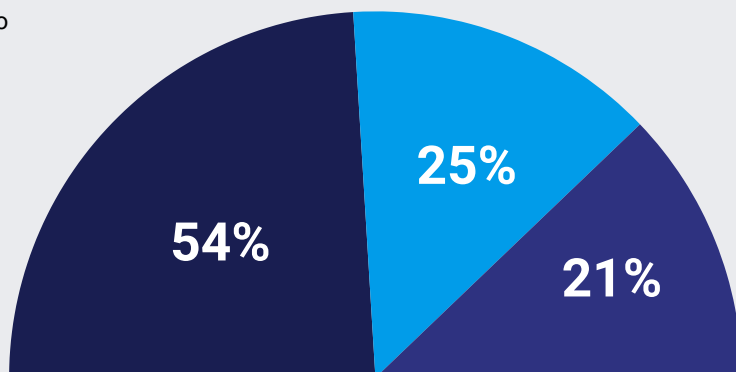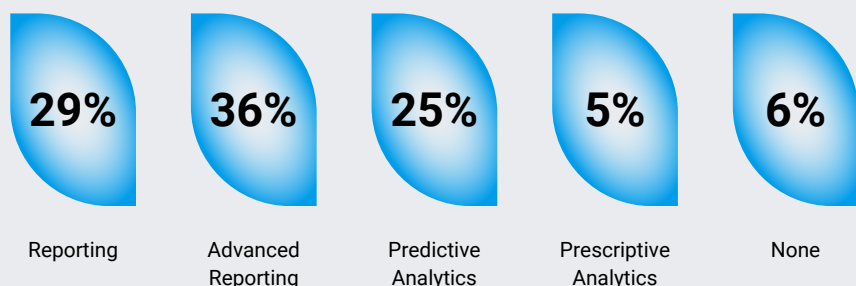| Process design/ continuous improvement	Data management/ analytics	Problem-solving	Customer experience	Stakeholder engagement
50%	42%	42%	39%	33%
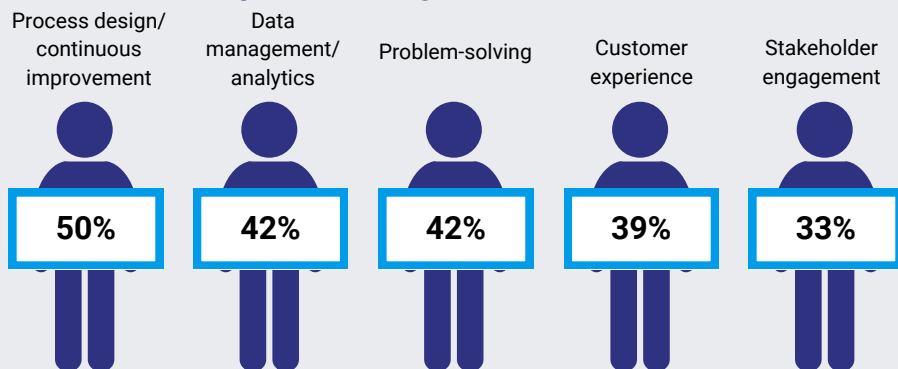
AI

Implementing AI is clearly a focus for Asian SSCs in 2024, as 32% of respondents listed AI as a top priority. However, there appears to be a **general uncertainty to AI implementation,** as over half of Asian SSCs have not deployed AI to drive process digitization. This caution extends to utilization of generative AI, as only 35% of Asian SSCs use it and consider it high priority. Instead, **tools such as RPA, Data Analytics, Workforce Optimization, Collaboration Tools and ERP remain more commonly leveraged.**

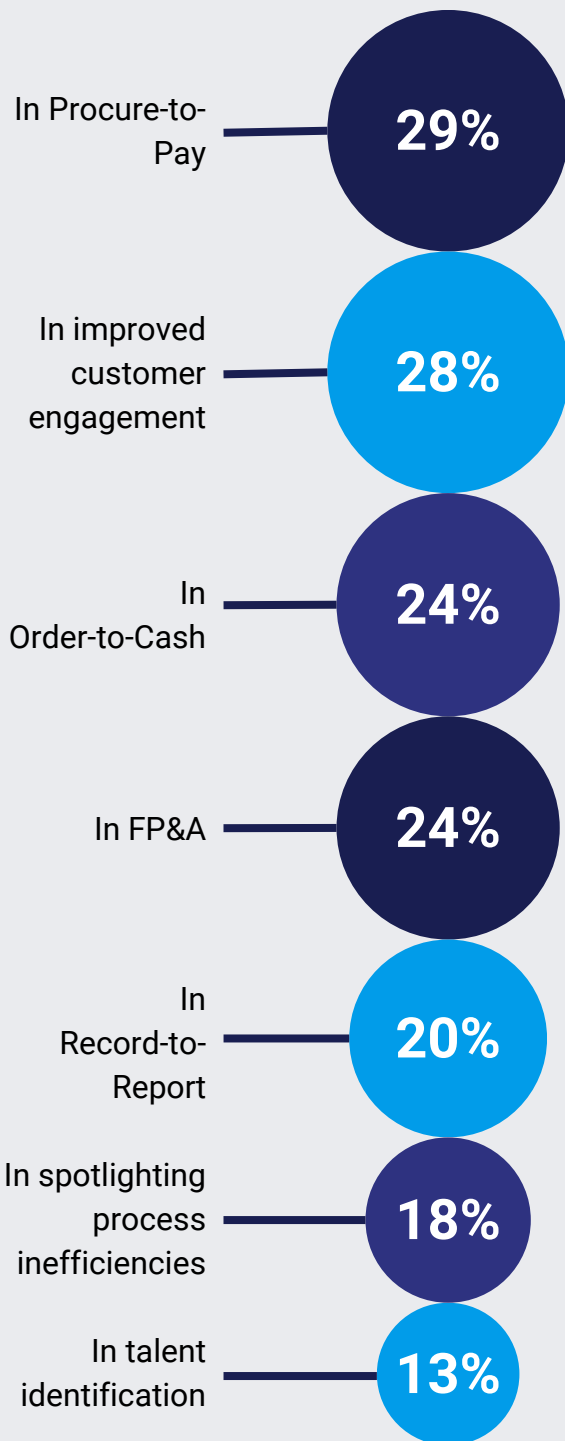## Are you actively deploying AI (as opposed to RPA) to drive advanced E2E process digitization?

- Yes, via packaged solutions
- Yes, via an inhouse developed AI solution
- No

- 54%
- 25%
- 21%

Analytics Maturity

Reporting	Advanced Reporting	Predictive Analytics	Prescriptive Analytics	None
29%	36%	25%	5%	6%

Where are the Biggest Data Analytics Wins?

- In Procure-to-Pay — **29%**
- In improved customer engagement — **28%**
- In Order-to-Cash — **24%**
- In FP&A — **24%**
- In Record-to-Report — **20%**
- In spotlighting process inefficiencies — **18%**
- In talent identification — **13%**

DATA ANALYTICS

Data Analytics continues to be a priority within Asian SSCs, with only a small minority not utilizing any form of analytics. The key areas of implementation and success include: **Procure-to-Pay, customer engagement, Order-to-Cash and Financial Planning and Analysis.**

However, the majority of organizations are **limited to lower maturity-levels of analytics,** such as reporting. Only a quarter have ventured into predictive analytics and a small margin into prescriptive analytics. We may see this begin to change as **42% of SSCs are prioritizing data management/ analytics skills.**

SSON | RESEARCH & ANALYTICS   SSON