

Non-Core Business Processes and Support Services

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For many, an enterprise quality and the cost of non-core business functions are a cause of eternal irritation and conflicts.

Is your business an exception? Just ask your personal assistant. What does he or she think about your Finance and accounting people? Or IT? Or call center? Are they helpful? Are they ready to solve problems? So? What does your PA say? What? You dare not use such words in a decent company?

Very often, although such services are called "support services," you actually get very little support from them.

An employee who has a question regarding payroll or who wants accounting to pay for materials is given a sort of gibberish instruction: "Get-a-number-of-approvals-and-maybe-we-will-pay." When he calls IT support, the latter lets the user understand how incompetent he is. Why does the user have to be competent in using software? Why can't the IT provide an intuitive interface? It's an enigma.

Not just any support department has the power to terrorize the business.

There should be at least two parameters for this:

1. Complexity and science of the expertise that the service possesses. Everybody can do marketing and football (at least so they say), but no one will ever try to count the balance of his or her own free will.
2. The processes that the department handles are business-critical. (You know how much an accounting mistake may cost, and this is not all about money).

The fear of the unknown, of the consequences of a mistake, can make a manager an easy victim of any claims from such a department.

Accounting needs two more employees, the IT demands a new server. The cost and number of personnel of the supporting services increase annually. Will the expenses be cost-efficient? Why doesn't the department cope with the tasks in time and in line with the budget? What was reason for the failure of the project? Were there objective causes or was it your employees' mistakes?

How can you possibly make heads or tails of it?

1. Benchmarking is the first answer. Count, count and compare. You don't even need regular reports. Just ask a friend how many people do payroll in his company. Is the number of accountants there equal to yours even though his company is two-times smaller? Congratulations! And how big is IT support? The same as yours, and they support the SAP system, which you are only planning to integrate? Hmm, you have to think it over.
2. Ask your employees to assess the supporting services. Your client assesses your company by buying or abstaining from the purchase. If you get more, it's the best appraisal you can get from the customer. Your internal service departments also have a client. It's your employee. Then make the employees' appraisal a part of the supporting department KPI. Of course, not all the marks assigned to the service department by your employees would be fair. Some of the people may be offended or prejudiced. But not all 5,000 employees. If everyone has a grudge against your inner service, there may be something wrong with the service. Don't forget to modernize your request system. Introduce a point to "estimate the performance" in the request form.
3. Outsource your non-core business processes, or parts of them. In this way, you will not have to organize the department's work and control it; you can forget about the risks — the outsourcer will take the responsibility for the legislation compliance. However, to make the best of outsourcing, you have to set the task correctly, and it might not be easy, since it takes expertise in the service in question.
4. Norms and standards. A Service Level Agreement is not meant for external providers only. Set the deadlines for the documents' approval, user request closure, set a standard for a number of operations per minute. Of course, you can't find such norms for every industry. Sometimes they are closely connected with your company features. Let's say, financial analysis will be ready much faster if you have an ERP system. However, there are several methods for setting the labor norms. A "working day photo" is one of them. In this case, a consultant spends several days with your employees registering all their activities. On an observation basis, the consulting company will make recommendations regarding the labor efficiency at your enterprise and propose labor norms.
5. Audit, internal or external. You can audit the performance of the department or just several processes it supports (HR administration, IT infrastructure). It will help you to understand how well the processes are organized, if they meet the legislation requirements and what you can improve.

But the best way to secure your non-core business processes is, of course, to find the best

people for them. People you can trust. Trust but verify — that rule goes both for people and money.

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