

# Research on Operational Efficiency Improvement Strategy of Human Resources Sharing Service Center

Fan Jinhong

Guangdong Nanhua Vocational College of Industry and Commerce, Guangzhou, Guangdong, China

**Keywords:** human resources; shared service center; operational efficiency

**Abstract:** With the continuous development of the enterprise, after a certain stage of development, the enterprise will face the problem of human resource management, which will have a very adverse impact on the long-term development of the enterprise. With the continuous development of information technology, it has laid a good foundation for the construction of enterprise human resources sharing service center. Many enterprises are trying to establish their own human resources sharing service center, which has achieved certain results in practical application, but also exposed many problems. It is necessary to conduct targeted research on these problems, and then take some targeted strategies to effectively improve the operation effect of these service centers.

## 1. Introduction

As a new management mode, the value of shared service center has been recognized by many world-famous enterprises. According to the survey report, 90% of the top 500 European industrial enterprises consider adopting various forms of shared services, and the priority of human resources shared services is second only to financial shared services. With the wide application of information technology in enterprise management and the intensification of market competition, human resource management is also undergoing great changes. Many enterprises have entered the stage of strategic human resource management. At this time, the research of human resources will not only focus on the core value of enterprise transformation, but also help the enterprise to have the most effective human resources. After the implementation of human resources reform, it will not only help the enterprise to optimize its human resources, but also help the enterprise to enter the new stage of human resources management.

## 2. Shared Service Center

The so-called shared service refers to the transactional work and professional service work originally scattered in various businesses, such as administrative logistics, maintenance support, financial revenue and expenditure, accounts receivable collection, complaint handling, after-sales service, logistics distribution, human resource management, it management services, legal affairs, etc. The separation unit establishes a special department to operate from the original business unit in the organization, so as to realize the marketization of internal services, provide unified, professional, standardized and efficient services for internal customers, and create value[1].

The operation mode of shared service center originated from Ford company in the 1980s. It used this concept to establish the world's earliest financial shared service center. In the next few years, more multinational giants, such as IBM and general electric, established similar institutions one after another. Shared service center started late in China. After entering the 21st century, some enterprises began to share service centers in China. In recent years, this model has gradually formed a consensus among some large enterprises with high management maturity. Among them, Alibaba and JD.com have become new stars of domestic shared service centers(As shown in Figure 1).



Figure 1 Alibaba and JD.com.

### 3. Characteristics of Human Resources Sharing Service

Compared with a single organization company, the human resource sharing service model is more suitable for large group enterprises[2]. This is because the headquarters and subsidiaries at all levels of group enterprises generally have human resources departments, and the related work is highly repetitive. Centralized processing of repetitive transactions of subsidiaries at all levels can produce scale effect and reduce unit cost. Human resources management and control at all levels of group enterprises are relatively decentralized and independent. Human resources work must maintain consistent standards, unified services and smooth government orders. The sharing mode is conducive to the establishment of unified standards and processes and the group's control. It is not difficult to understand that the company of a single institution is small, and the human resources sharing service model is difficult to reflect the scale effect of centralized integration, so the necessity of sharing is relatively small.

Enterprises generally separate the simplified and standardized work items from the business responsibilities of the human resources department for centralized processing. This centralized processing can ensure a certain amount of business, so as to realize the scale effect. Through the operation of unified processes and the implementation of unified standards, we can not only reduce management costs, but also effectively control risks.

The premise of shared service is to get the support of IT technology system, realize business sharing, and reduce the workload of transaction processing through automation function, so as to improve efficiency. At present, almost all foreign enterprises implementing human resource sharing services have self-service systems.

From the perspective of enterprises that have implemented shared services, it is usually to establish a shared service center within the enterprise. It is a new business architecture that professionally provides human resources related transaction support. According to the size and geographical distribution of the enterprise, you can only establish one shared service center, or you can choose to establish multiple service centers in different regions.

Human resource sharing service not only has the advantages of reducing costs, improving efficiency, service specialization, process standardization and supporting the focus strategy of human resource management, but also has the risks of redundancy of shared team personnel, unbalanced specialization of team members, collaboration between shared service and financial system, information system and so on. The coexistence of advantages and risks is also a major feature of human resources sharing service.

### 4. Suggestions on Optimization of Human Resources Sharing Service Center

#### 4.1. Process optimization and management

The process of combing, perfecting and improving the existing workflow is called process optimization. Process optimization is a strategy to maintain the competitive advantage of enterprises by continuously developing, improving and optimizing business processes. Process optimization,

whether the overall optimization of the process or the improvement of some links, such as reducing links and changing opportunities, is to improve work quality, improve work efficiency, reduce costs, reduce labor intensity and save energy consumption. Process optimization not only refers to doing the right thing, but also includes how to do it correctly. A simple and clear process can not only bring efficient work to the human resources department, but also provide clear guidance to employees and managers.

According to these situations, the human resources sharing service center can be optimized in the following aspects.

Firstly, all processes should be managed uniformly. The responsibility for process formulation and optimization belongs to the operation service team, which is responsible for different processes according to everyone's professional knowledge. It is recommended to appoint a special person to centrally manage all processes and summarize the information of each process: process name, effective time, update, person in charge, link address, etc., which can not only help the shared service center clearly understand the process, but also provide guarantee for subsequent optimization work.

Secondly, establish a regular evaluation mechanism. The change of human resource policy, the adjustment of organizational structure and the introduction of new methods will promote the optimization of the process. From the perspective of work quality, work efficiency, cost and work intensity, it will also lead to the continuous improvement of the process. In addition to the process owner's initiative to optimize and improve, the regular evaluation mechanism also helps to timely understand whether the current process is still effective and easy to use. Unified management experts can hold regular meetings with process leaders every two months or every quarter to evaluate the update and optimization needs of each process.

Finally, do a good job in publicity and communication. Many problems stem not from the lack of process, but from the lack of communication. On the basis of unified management, the shared service center can re publish the processes with low awareness in the form of e-mail. Any process optimization shall also be timely notified to employees through various channels, such as e-mail, meeting, intranet, etc. In addition, on the human resources page of the company's website, you can highlight common processes and clearly list processes under the theme of human resources activities, so that employees can find the required processes as easily as possible.

#### **4.2. Publication of human resources journals**

The publication of human resources journals is an active communication form adopted by the human resources policy process, system tools and common problems sharing service center. It will effectively help employees understand the latest policies and activities of the human resources department, the human resources issues that employees are most concerned about, and improve the customer-centered image of the shared service center. For example, in the performance evaluation stage, the human resources journal will sort out the whole evaluation process and the tasks that employees and managers need to complete at each time point, and regularly publish outstanding task reminders and the completion of each stage. In this way, employees' doubts and confusion in the performance evaluation stage will be greatly reduced. Consulting not only helps employees and managers to better complete the performance evaluation, but also promotes the performance management of the human resources department. The contents of human resources journals can be combined with the annual human resources activity schedule, or refer to the key topics in the same period of previous years, so as to gradually make the journals become a regular publishing platform for human resources professional information.

#### **4.3. Setting up new posts**

In order to give full play to the advantages of human resources sharing service mode, enterprises can consider increasing the following post resources, further improve the service level of sharing service center, and make up for the neglect and deficiency of legal compliance in various countries and regions caused by centralized management. Regional Operation Manager: the newly established regional operation manager is responsible for handling, coordinating and communicating relevant

employment policies and practices of the country or region, making them comply with the requirements of local laws and regulations, and conducting dialogue and communication with local social groups and trade unions when necessary. Senior case manager: the senior case manager will be responsible for handling complex, special and difficult cases requiring face-to-face communication with employees in the shared service center, mainly involving employee complaints, punishment after employee violation of discipline, termination of labor contract proposed by the company due to business adjustment, serious violation of discipline, personal performance and other reasons.

#### 4.4. Support of corporate culture

Focus on customers: for the enterprise human resources sharing service center, its customers are internal employees and managers of the company. Starting from the needs of customers and understanding the expectations of employees and managers can better guide the work direction of the shared service center and improve the service value(As shown in Figure 2). Open communication: as a communication channel between the human resources department and front-line staff managers, the enterprise human resources sharing service center should advocate an open communication working atmosphere, prevent one-way release of information or passive handling of problems, and always ensure the two-way, transparent and open communication. Win win progress: the win-win progress here can be understood as two levels: between the human resources sharing service center and team members, and with internal customers. This will help to establish a more efficient and win-win working relationship with customers. From the perspective of corporate culture and values, the enterprise human resources sharing service center can promote the implementation of optimization schemes by discussing, setting an example and rewarding behaviors in line with values.



Figure 2 List of shared service center relationships.

#### 5. Conclusion

With the continuous development of enterprises, it has brought great difficulties to the management of enterprises, especially in the management of human resources. In order to manage employees more effectively, enterprises should speed up the construction of enterprise human resources sharing service center. In view of various problems existing in the actual operation of enterprises, enterprises should learn to take comprehensive measures to give full play to their own role and promote the long-term development of enterprises.

#### References

- [1] Ouyang Lingyun. Concept of Group Shared Service Center Construction Based on Big Data[J]. Computer knowledge and technology,2018,(16):111-113.
- [2] Wu Tao. Application Research on the Improvement of Operation Efficiency of Human Resources Sharing Service Center [D].Shanghai Jiaotong University,2018:1-20.