

Cornell's Center for Advanced Human Resource Studies

Targeted Benchmarking on HR Shared Service Functions



CAHRS Partners have the opportunity to benchmark with other partner companies on HR topics of interest. The benchmarking is typically conducted with 5-7 other CAHRS Partners selected by the company that initiated the request. The CAHRS office identifies the appropriate connections at selected companies and the benchmarking company then schedules 1:1 phone calls to explore their questions.

Examples of recent requests include: Sponsorship Initiatives, Organization Designs and Structures, Diversity Metrics, Talent Management Practices, Competency Models and a variety of HR Policy Questions (i.e. Relocation, Cost of Living, Airline Mile Usage, etc.).

CAHRS partners find this more qualitative approach to benchmarking very valuable for revealing novel insights and practices, as well as for building their network. At the conclusion of the process, the benchmarking company shares an anonymized summary of their findings with the participating companies and CAHRS, who then makes them available so all partners can benefit from the learning.



Executive Summary

Benchmarked with 6 companies provided by CAHRS. These companies represented the technology, fast food, consumer packaged goods, and aerospace industries. The conversations were held via video conference from September 2021 to December 2021 and centered around HR Shared Service functions.

Primary questions:

- What is the reporting structure for shared services area?
- What areas are in scope for your shared service team?
- Do you currently have a governance model which you follow?
- Does your shared service model service employees inside US only?
- What is your level of automation?
- What channels for employee connection do you use?
- Skillset needed for call center agents. Training?
- Has the incorporation of shared service area changed your ways of working?

Primary Findings:

- Structured Governance models are important for role clarity, funding, and operating models
- Drivers for process inclusion are simplification, highly repeatable & scalable, measurable value in scaling, standardized & centralized, cost efficient, potential for automation
- Technology enablers required to move to more self-service experiences
- Reporting structure primarily resides within the HR function though there were 2 exceptions in having a standalone unit
- Associate experience driven for high personalization/customization and building trust
- Common services in portfolio included benefits, payroll, data, travel, relocation, and recruiting
- Some companies cost focused with fragmented operations while others insights focused
- Significant differentiation between companies and position on maturity curve
- Progression on maturity curve introduced more automation, user focus, greater level of insights, multi-channel delivery methods and stronger governance model
- Tiered support levels differ by organization, need to determine best fit
- Manger enablement critical to success of shared service model