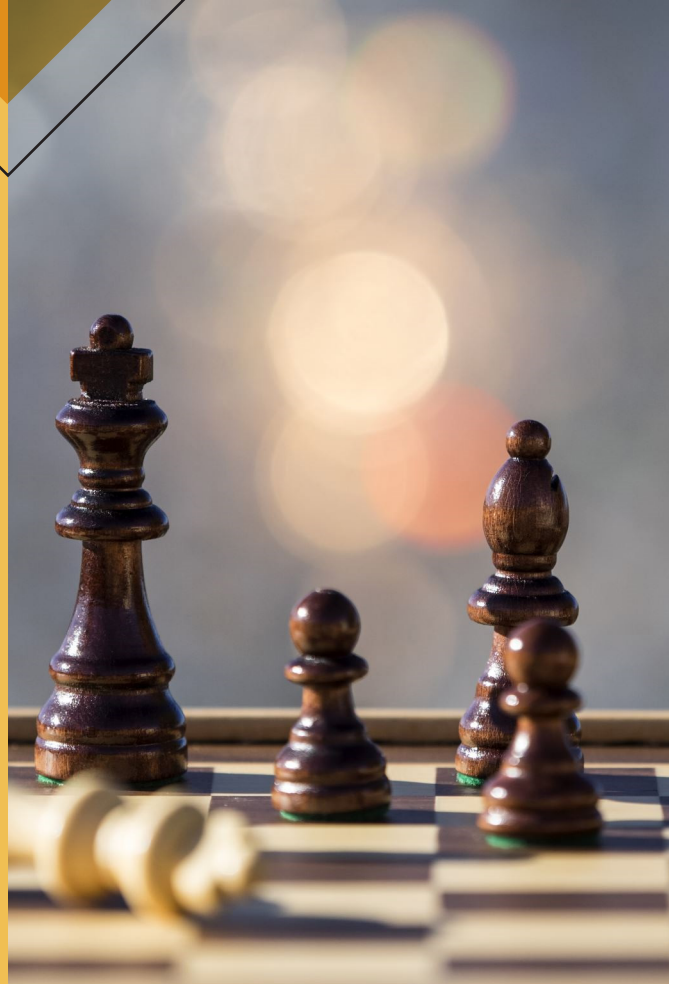
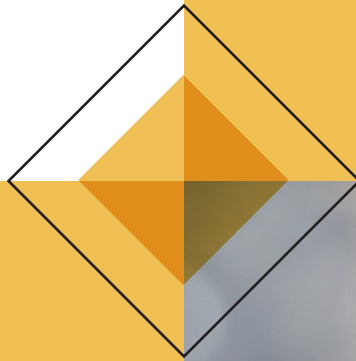


# LEADERSHIP CHALLENGES IN GBS

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AND HOW TO OVERCOME THEM

ABSL FUSION  
2022



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# WELCOME

„LEADERS DON'T FORCE PEOPLE TO FOLLOW, THEY INVITE THEM ON A JOURNEY.“  
*CHARLES LAUER*



**OUR GOAL** is to bring additional value to the GBS sector by identifying main challenges of business service leaders and analyzing how they deal with them from different perspectives.

As a result, we would like to share the best practices and insights in focus areas with an effort to be objective and non-judgemental.

# OUR TEAM



## ABSL FUSION TEAM 1

We are a group of professionals from Accenture, Knorr-Bremse, Atlas Copco and Siemens with drive and the right spirit to introduce a study on Leadership challenges. We all have several years of experience within GBS we are keen to share it.

We are located in the major business service hubs across Czech Republic and we are gender balanced which helps us to overcome bias, but most of all, we are a team of people having fun together.



## HANA DOLEŽALOVÁ

### SIEMENS

Hana is a Senior Team Leader in the area of business administration and controlling at Siemens. She has over 6Y of experience in leadership and people development. She is also responsible for business relationships with internal and external clients and for continuous business development. In her free time, she loves hiking and she's enthusiastic beach volleyball player.



## ZUZANA ANDRLOVÁ

### ATLAS COPCO

Zuzana is Finance Manager in Swedish corporate company Atlas Copco. She has 6 years of experience within Leadership, she believes that investment in people is always worth and that continuous improvement plays crucial role not only in GBS sector. In her free time she loves mountains and sports and motto driving her forward says that *there is always (better) way*.



## PETR TOMŠEJ

### KNORR-BREMSE

Petr works as a Project Manager at Knorr-Bremse Business Services. He mostly leads the Finance Digital transformation projects but his interest lies also in process mining technologies. He is certified in Prince2 and Lean Six Sigma. He is a passionate climber and ski mountaineer.



## VOJTĚCH SŮVA

### ACCENTURE

Vojtěch is a Senior Finance Manager in Finance at Accenture in Prague. He has been for more than 6 years in the executive role and currently he is leading the team of more than 75 people working as controllers for internal Accenture contracts in German speaking countries. He spends his free time with his daughter and he likes travelling and cooking.



## NORBERT RIETHOF

### COACHING SYSTEMS

Norbert is an executive coach working with leaders and managers on their individual professional and personal development. He is a founder of Coaching Systems and the Academy of Coaching Excellence. He also works as a lecturer. Norbert has published 2 books "How to increase team effectiveness" and "The Guide to the world of Coaching and Personality Type"

# THE IDEA

There were a lot of ideas at the beginning of the project on how to bring additional value to the GBS sector. After a brainstorming and a review with the help of our team coach Norbert Riethof, a topic of Leadership was picked and later on we have launched a questionnaire.

The question was simple: Can you specify what are your current leadership challenges? What would help you to deal with them?

The results of the questionnaire were analyzed and showed that the leaders in GBS sector are mainly interested in five specific areas, resulting in five topics of our final interview survey.

The topics are quite extensive and the main question was how to distil the best of them and bring value to ABSL audience. We have decided to create set of provoking questions and organize 1:1 interviews with selected GBS leaders in various seniority level, different number of direct reports and several years of experience in leadership. The outcome of the interviews can be found on the next pages together with the direct quotes from our leaders.

## STATISTICS

16

Average years of interviewee experience

18

Interviews with leaders in Global Business Services

27

Hours of recordings (audio/video)

35

Fusion Team meetings

40

Percent of female interview respondents

92

Hours spent travelling between locations

# FOCUS AREAS



01

## PEOPLE DEVELOPMENT

Both feedback from managers and employee development play essential part in improving employee skills. It supports employee personal growth and it helps the company achieve goals. Main focus is on exploring what practices work best in people development and feedback areas.



02

## TALENT RETENTION

Retaining talent is a key objective for each leader. This part is looking at the GBS lead's role in retaining their key talents and the leader's view on the main reasons why people stay with the company and a role of the compensation in talent retention.



03

## CHANGE COMMUNICATION

Effective communication during change process is crucial. It helps people to move from where they currently are to what is required from them. The topic collects tips on how to communicate changes right and how to keep employees engaged.



04

## TIME MANAGEMENT

This topic sheds more light on the GBS lead's ideal involvement in organizing time for their team as well as their own time and the ideal number of direct reports. Last but not least, the impact of over-times is being discussed.



05

## TEAM SPIRIT

With the remote work and not enough interaction, team spirit is a new challenge for every leader and a larger team. GBS leads share the view on the importance of cross department interaction, understanding the team dynamics as how to solve some of the difficult situations.

# PEOPLE DEVELOPMENT

The topic of **PEOPLE DEVELOPMENT** is very broad and covered by many different approaches and theories.

This chapter will provide answers to the questions on general approach to individual development, difference between strength and weakness maintenance, setting annual goals and maximizing employee potential.

GBS leads provide insights in these areas and tips on what is working in their teams.

## ASPECTS OF PEOPLE DEVELOPMENT



### OWN VISION & GOAL

Each individual needs to understand where they want to go and what they want to do in the future. The leader will then navigate, support and promote their ideas, help them with the publicity and networking.



### TRAINING AND COACHING

Leader's role is to give opportunities to the people to show what they can do. One part is to help employees know themselves and the other is to give them opportunities to grow. For a more senior role, on the job training and coaching is the right method to be used.



### FEEDBACK

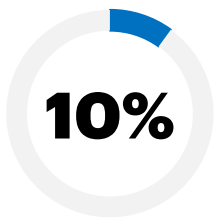
It's important to give regular feedback to employees so that they know how they are progressing. On the other hand, feedback should not be too frequent to give them enough time to work on the agreed actions.



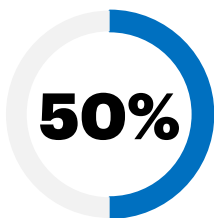


“Development is a two-fold story. There needs to be a vision and a goal that the employee wants to achieve. Good leaders then should provide training, coaching and empower the employee.”

## DEVELOPING PEOPLE AND PRODUCTIVE WORK



Majority of leaders agree that the reasonable time dedicated for people development during the working hours is 10% of their total working hours. This should guarantee that there is enough time for their core activities.



When there are new employees joining the company, it's ok to spend up to half of their time on the self development.

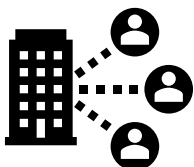
### SELF-STUDY



Many leaders pointed out that fixed time each week for self-study is neither effective, nor feasible for some people. People should get flexibility and space.

Some say that even the percentage should be based on the individual's personality.

### PERSONAL VS WORK TIME



Most of the leaders agree that development required by the employer should be done during the working hours and that the employee should be provided with tools and space to do so.



I CAN'T

## STRENGTHS vs WEAKNESSES

Majority of the leaders agree that in people development, we should focus mainly on strengths rather than weaknesses.

As many companies have the strengths maintenance as part of their core training programs (supported by studies including Clifton Strengths finder), it has become a natural point of focus for many leaders.

However, weakness maintenance needs to be at least on the hygienic level, so that they don't limit people from doing their job. It is recommended especially for the hard skills.

### LEADER'S INFLUENCE

When developing employees' potential, the most important factors among the respondents are:

**STEP 1** ● \_\_\_\_\_

Active listening and Communication

**STEP 2** ● \_\_\_\_\_

On the job development

**STEP 3** ● \_\_\_\_\_

Focus on strengths

**STEP 4** ● \_\_\_\_\_

Recognition and support



"Build on the strengths of employees, distribute work in the team accordingly."

"Recognize potential and give opportunity."

"It is important that they enjoy their work and want to improve themselves."

"Assign right difficulty level of tasks/projects."

# ANNUAL GOALS

## S.M.A.R.T. GOALS

### SPECIFIC

Be clear and specific so your goals are easier to achieve. This also helps you know how and where to get started!

### MEASURABLE

Measurable goals can be tracked, allowing you to see your progress. They also tell you when a goal is complete.

### ACTIONABLE

Are you able to take action to achieve the goal? Actionable goals ensure the steps to get there are within your control.

### REALISTIC

Avoid overwhelming and causing unnecessary stress and frustration by making the goal realistic.

### TIMEBOUND

A date helps us stay focused and motivated, inspiring us and providing something to work towards.

## SETTING GOALS

➤ BUSINESS NEEDS

➤ RECURRENCE

➤ QUALITY

All leaders agreed that setting goals is important and if they are set correctly and realistically, they have a motivating effect on employees.

Goals should reflect the needs of the business and at the same time they should follow the SMART criteria.

Feedback on the set goals should be communicated on regular basis, the annual interview should be only a wrap up.

Goals should be well set. They should be achievable and understandable for employees.

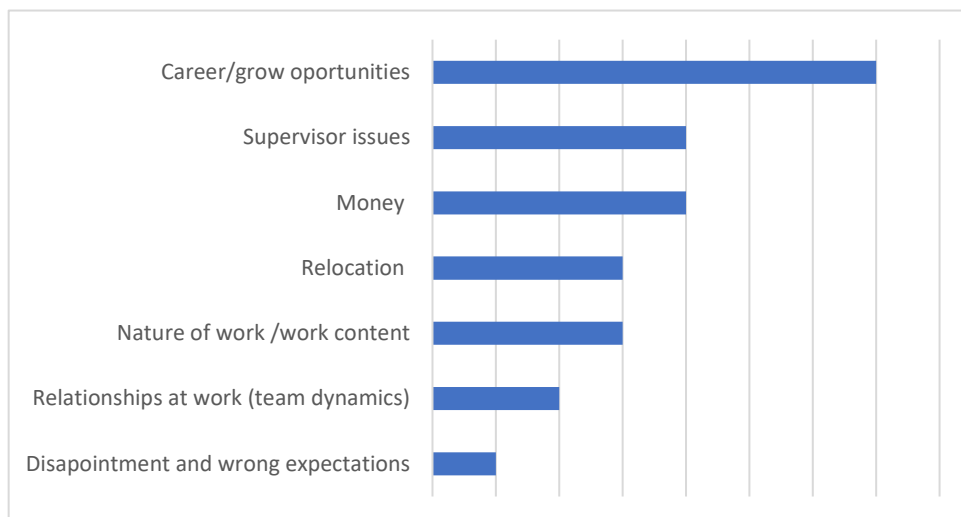
# TALENT RETENTION

**EMPLOYEE RETENTION** is a key topic for every good leader. Even more at a time when unemployment is very low, and the market is quite competitive.

In this chapter, we will focus on personal insights that we obtained from interviews with GBS leaders. Tips on what to focus on if we want to keep our employees happy and satisfied in the company for the long-term view.

We will also look at the reasons why leaders think that employees stay in their teams and what we should avoid. We will not forget to mention what they consider to be the most common reasons why employees leave.

## REASONS TO LEAVE THE COMPANY

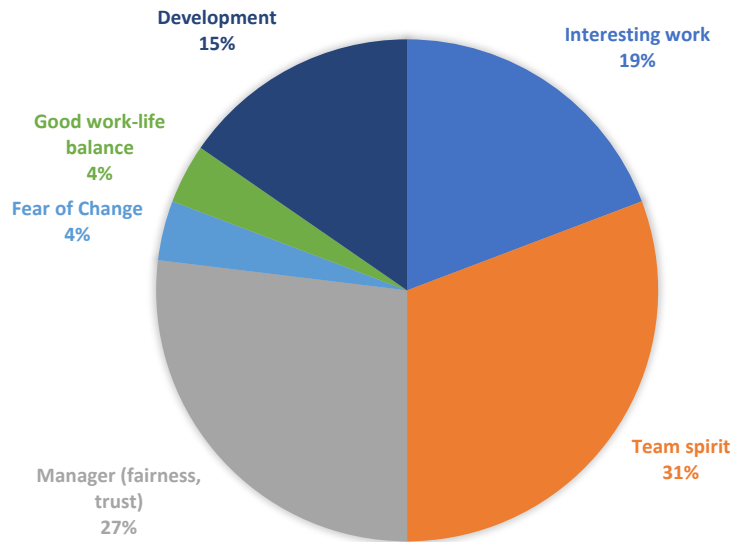


„It’s not always about salary, there is always something else behind, however it depends on how big the gap is between the salary we offer and market salaries“

„Task of the leader is to create the working environment where people feel comfortable.“

“Each job is important and has its significant place in the company.”

# WHY PEOPLE STAY WITH THE COMPANY?



- Good atmosphere is essential. It is important that people are happy at work.
- People should feel recognized, valued and treated with respect.
- There has to be fair balance between sense of purpose and salary.
- Employees should have freedom in their area of their responsibility.
- Professional growth and development plays a significant role.
- Salary raise usually doesn't have a long term impact on talent retention.



## BALANCE

Balance is the key from several reasons. Not only in the area of tasks setting, but also in finding a fair balance between right sense/purpose in what the employees do and salary level to keep them on board as well.



## MANAGE EXPECTATIONS

We should manage employee expectations, already at the initial interview, so that everyone knows what is expected from them. This can save us additional effort in the future.



## ADMIN WORK

Whenever possible, minimize administrative tasks through automation. If this is not possible, then explain the importance and benefits of such activities. Some people might prefer the more admin type of work

# ANNUAL BONUSES



## TIPS FOR DEALING WITH ANNUAL BONUSES

- FOR EVERYONE**  
 Majority of leaders agree that all the employees should be eligible for the annual bonus.
- PERFORMANCE RELATED**  
 The bonus should be differentiated according to the performance of individuals, if the nature of the work allows it.
- DISTRIBUTION**  
 Ideally it should be a mix, everyone gets something and the top performers get more.
- TRANSPARENCY**  
 The bonus should be transparent and clearly stated how people can influence the amount of the bonus.
- SPOT BONUSES**  
 Leaders should not wait only for the end of the year if someone has done something extra.



„I don't think it is the right option [not to give annual bonus to everyone] and some of your employees will not get anything, cause you also need to keep healthy foundation“



Most organizations today are in a constant state of flux as they respond to many factors that are impacting their business - technological advancement, economic changes and environment.

This means that systems, strategies and workplace processes must continuously change and evolve for an organization to remain competitive.

Change affects our most important asset, our people. Losing employees is costly due to the associated recruitment costs and the time involved getting new employees up to speed. Each time an employee walks out the door, essential knowledge of business leaves with them.

It is people manager's job to support a change and lead their people through it. Therefore being skilled in Change Management is one of the most important assets that leaders can possess so their people feel safe and accept the change.



„The most important is to be honest and transparent. Cause when people realize you are not telling them the whole story and truth, in that very moment you lose their trust and respect.“

„Open communication is key. Explain the background and what has led to the decision. Listen to the feedback.“

# CHANGE COMMUNICATIONS.

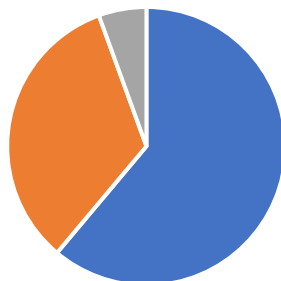
## WHAT ARE THE KEY MESSAGES?

- Explain the background and reason for the change
- Emphasize the benefit but explain also the impact
- Let people know that you support them
- Be ready to listen to the feedback and answer questions
- Communicate the change early enough so people can process it
- Be open and honest, do not make up stories



## HOW TRANSPARENT ARE LEADERS TO THEIR TEAMS

Transparency



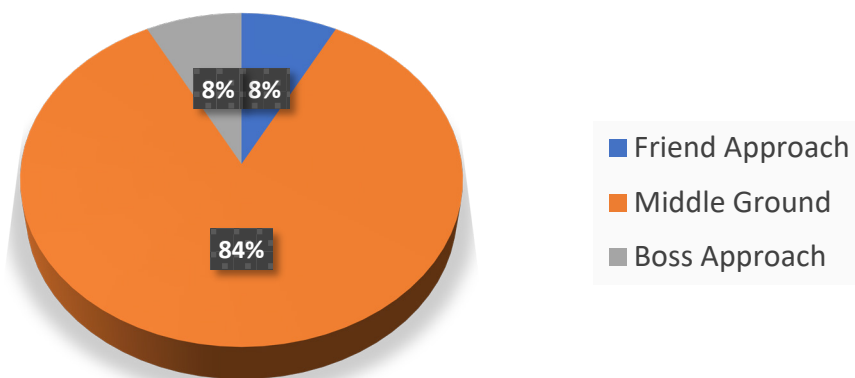
- Full Transparency
- Partial Transparency (necessary information)
- Zero Transparency





## BOSS vs FRIEND APPROACH

Majority of the leaders agree that neither of the two extremes is the right choice. They advice to use empathy and common sense. Nevertheless to keep a certain distance is a must. It is the best if authority is built naturally.



- » Make logical, not emontional decisions
- » Focus on creating opportunities for success
- » Separate the personal and professional



“Each manager should create an atmosphere where people are not afraid to speak up and share their thoughts. I try to create an informal atmosphere but everything is about trust. I give everyone my trust until it is broken. In all cases I interact with people with respect and empathy.”

“The principle lays in authority and respect. But in general “boss approach only” will never work.”

# TIME MANAGEMENT



Nowadays, when „I am busy“ is the next most common phase, right after „You are muted“, Time Management is becoming hot topic for all of us.

It is not only topic within work environment, but also in personal life – to be able to find the right balance between work tasks vs. family, friends, sleep and hobbies.

Most of our respondents marked this topic as the most burning and complex one.

Our provoking questions were pointed mainly to management of priorities, Do Not Disturb status, number of direct reports and limitation of distractions.



„Good leader creates riverbed - the direction. Dealing with a stream curves is then up to each individual.“

# KEY SUCCESS ELEMENTS

## DELEGATION



It is key to manage each leader's time, but there has to be:

- the right selection what to delegate
- the right way to delegate
- people whom to delegate

No matter of above, there always has to be interaction with each individual in your team (calls, 1 to 1 meetings, ...).

## PRIORITIZATION



„The one closest to the problem is the one closes to the solution.“ *Atlas Copco belief.*

Majority of our interviewed leaders let their people to prioritize, but for all of them agreed communication is the key.

## TOOLS



100% of our respondents agreed that to have the right level of time management you need a tool. The most common are pen&paper, sticky notes, excel, Outlook, To-Do list, MS Teams and Watch.

But no matter which one you (get inspired to) use there has to be discipline.

# 40%

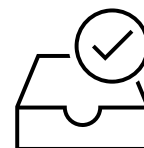
of of our leaders prioritize work of their direct reports.

# 60%

let their direct reports prioritize themselves

Most of our respondents agreed that even if prioritization is let on teams/individuals and tasks are effectively delegated, certain tools are used, there has to be proper

## FOLLOW UP



# OVERTIMES

During the survey we encountered that word overtimes has not the same meaning for everyone, so we tried to look up some definitions:



*„A period of time in a sports game in which play continues if neither team has won in the usual time allowed for the game.“*

Cambridge dictionary

*„Time that you spend working in your job in addition to your normal working hours.“*

Longman dictionary

*“Time in excess of a prescribed period”*

Dictionary.com

All of the respondes agreed that overtime is some time extra, however they have split the answers between Long and Short term overtimes. Short term overtimes are happening in many of the areas of GBS , where employees need to fulfill certain deadlines on a regular basis (quarter closing, monthly reporting cycles), while long term overtimes are caused by excessive workload.



100% of our respondents think long-term overtimes is a mirror of bad resource capacity planning from management side. Without further delays this should be revised.



Short term overtimes is a mirror of period/project peaks and should be possible to manage.

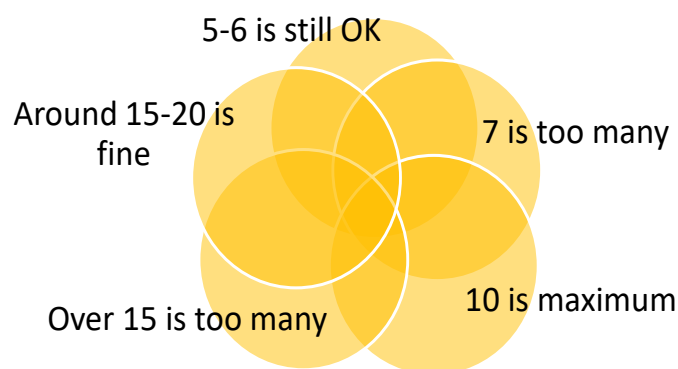
With home-office work, term of overtime gets however a bit controversial. People have flexibility to manage their own time and distribute activities throughout the day. Therefore, the question remains how term overtimes will be perceived going forward ... ?

# HOW MANY DIRECT REPORTS IS TOO MANY?

This question resulted in most various responses. Important is that we should not target to come up with one number.

We have to consider factors as level of seniority, position itself and scope related to it, level of hierarchy, relation to customer/supplier and some others.

Below is wide spread of responses we have got for this question:



The main message coming out of this question is that „*When you don't have time to support them, it's too many*“.

## DO NOT DISTURB STATUS, LIMITING DISTRACTIONS



People should be allowed to set DnD status if that helps them to focus. The same applies for leaders. However in both cases, if focus time needs to be longer, people should be reachable in case of urgency - e.g. via cell phone. Majority of our interviewed leaders think it should not be used as a whole day status.

Mature leader should be able to limit distraction by discipline and stable workplace (in office or HO), list of activities to be done or proper agenda in calendar. Switching off Outlook and chat notifications is also an option for those who get tempted to open them immediately they appear. All of our respondents agreed that this is very challenging task.

# TEAM SPIRIT

In the section of **TEAM SPIRIT**, Leaders were looking at the topics ranging from social interactions within the teams as well as with other departments in the company, to working remotely, dealing with toxic people and understanding the importance of the team as well as nature of work.

As with other topics, GBS leads provided different methods and views on how to deal with them.



## COLLABORATION

It can help employees do their work better and more efficient due to the networking. It also gives people a feeling that they are part of a bigger team that follows a common goal.



## VIRTUAL ENVIRONMENT

Many leads have noted that especially in the past two years it's very difficult to make the collaboration between departments work. Virtual communication reduces the networking element. Sometimes it is difficult to motivate the employees on large virtual calls.



"Our business is about team work. It is good to meet across departments - to increase awareness and feeling of belonging"

"Social interactions are alpha and omega since they are a soft asset for the company. However, for employees it needs to be the real experience, not only empty talks."

# CROSS-DEPARTMENT COOPERATION

## WHY IS IT IMPORTANT?

- When employees know the broader context of their work, they can perform at their best.
- It does not need to be in detail, but rather on a general level with a priority on the things directly related to the employees.
- In ideal case it should be part of the company culture and a role of the leader to promote the collaboration between departments.
- It is especially crucial between the departments that are working together or relying/dependent upon each other (recruitment vs. rewards, controlling vs. accounting, IT vs. business...).

## DO NOT PUSH

It's important to understand the needs and preferences of individuals. Leaders should not push for an interaction that is too frequent as for some of the personality types this can be demotivating.



Additionally, due to the increased requirements on people working from home, their availability and willingness to meet outside of working hours is not always high.

## INSIDE THE TEAM



For a cooperation within the team, leaders suggest to support the face to face cooperation. Additionally, the activities should not be artificially created, it makes sense to combine people on work wise projects and activities together

Leader's role is to create an environment where people can share with others what they are doing to expand the expertise and broaden their network.

# MOTIVATION

When we have asked about the motivators for employees to stay within the department, whether it's **nature of work** or **people** around them, majority of the GBS leaders are of an opinion that it's always a combination of both and it cannot be separated.

There are however some variances depending on the type of work and process.



## » REPETITIVE WORK

If the processes are not unique and more straightforward, then the main motivator is the team and people around them.

## » PROJECT, COMPLEX WORK

With project and more complex work, the tendency is to focus more on the nature of work. In case some of their colleagues leave, employees tend to stay with the company rather than if their nature of work is changed.

**75%** OF RESPONDENTS THINK THAT NATURE OF WORK AND PEOPLE IMPACT CANNOT BE SEPARATED



### PERSONAL MOTIVATION

It's all about motivation for each individual - "If you don't like what you do, it's pointless"



# TOXIC EMPLOYEES

When dealing with **TOXIC PEOPLE**, the suggestion is to look for the signs in early stages and try to eliminate them from the team, although many confirm the signs are not always easy to spot during interview for example.

Leaders need to quickly react and understand/change the view of the employee – toxic people quickly impact the ideas and opinions of other team members. Discussion should be fair, open, but strong.

There can be topics that employees deal with in their personal life, leaders should be able to discuss and show ways how company can support (time off, change in the workload, psychological support).

Communication and the team spirit is the key for each department; if employee understands that they are harming the team and they don't care, it's time to part ways with them.

## WARNING SIGNS

GBS leaders have mentioned various signs of toxic behavior.

Majority agrees that it's not always easy to spot the signs in the early stages of the employment however we should not ignore the "red lights".

- » **Gossips, Inadequate reactions**
- » **Exaggerated self-presentation**
- » **Demotivating other colleagues**
- » **Negative comments with no constructive idea**



Follow a simple motto during the recruiting process: "If there is doubt, there is no doubt."

## INDIVIDUALIZATION

Some people might not behave in line with majority of the team and could be perceived as toxic, however it is not always the case.

Leaders suggest to differentiate here and make sure we use the individual approach.



# VIDEO CALLS

The opinion on turning on the video is not aligned across the GBS leaders and we could see it depends on the nature of work. Many leaders are of an opinion that turning on video means significant discomfort during work from home.

When people are working with external clients, it's usually more common to turn on the cameras and in the back office work employees sometimes lack the motivation.

In some of the meetings video supports the interaction and motivation of the people (e.g. design thinking sessions), however leaders mention that in case of a 1:1 it's not a strict requirement, because you know the other person is engaged and listens.



## HOW TO INCREASE THE PARTICIPATION ON THE VIDEO CALLS:

### STEP 1 • \_\_\_\_\_

Lead by example

### STEP 2 • \_\_\_\_\_

Let people know in advance

### STEP 3 • \_\_\_\_\_

Ask people again during the call



"You cannot force them, start by leading by example, carefully explain, show advantages of such interaction."

"I have given up already. People working with external clients tend to switch on cameras more often, however still it doesn't motivate some people in backoffice/finance. It's rather an exception."



**Thank you for your interest in our publication and thanks to all the people who helped us make this happen - especially to the Global Business Service leaders who have agreed to participate in the interviews.**

## AUTHOR'S KEY TAKEAWAYS

*“Topic of Leadership is indeed very extensive. And although opinions among various leaders differ, one thing which they have in common is positive mindset. Positive towards importance of right leadership in place and positive towards overcoming challenges every day!”*

*“To have the possibility to sit down and interview my colleagues and leaders whom I respect was one of the most interesting parts of the project. We were able to switch off from the day-to-day tasks for a while and think about our role and inspiration for the others.”*

*“My biggest takeaway from the project is that there is no unique or perfect approach to people leadership. Instead, you need to have open mind and listen to the people. There is no cookbook on how to be the best leader, you need to use the human approach”*

*“It was a great experience to have a chance to peek into work lifes of multitude of leaders across different companies, functions and seniority to see what ´s their take on their leadership responsibilities and how they work with their people.”*

*“I think that, for some people, this manual will be just a confirmation that their leadership approach is in an agreement with what ´s written inside. However for some leaders there will be some eye-opening findings and I hope that it will help them to be a better leader.”*