



Why Sharing is Good for You!

July 30th, 2013

No we will not break out with the dreaded Barney song but we will list some reasons why sharing has always been good business. In our ever more connected social media world it might just be critical!

The word 'share' can mean many different things. So many that we have decided to 'share' what our online dictionary said:

- First off al it is a 'noun';
- Definition: portion, allotment
- Synonyms include: appointment, chunk, claim, commission, contribution, cut, cut in, dividend, division, divvy, dose, fraction, fragment, helping, interest, lot, measure, part, piece, proportion, ration, segment, serving, stake, taste....
- Antonyms: Whole [CUT HERE]

Perhaps we should go back to Barney when he sang (whined?) that "sharing is caring"

Of course, it is also the word that we use when we talk about ownership of a company – "he owns shares in that company."

So what do we mean about the word 'Share' in a business sense, when we talk about a "Shared Service Centers?"

We mean a partitioning of the work between what you do well and what someone else can do for you better, faster and more inexpensively.

Better, faster and more inexpensively?

Yes all three.

When you started out your business you might have been given advice of all sorts. Let's focus on three keep elements:

1. Have goals that are WaRM; written, realistic, and measurable

2. Have a USP: Unique Selling Proposition
3. Focus on your STRENGTH and sub out the rest

You may have heard them. You may have read them in a “how to” or a “Dummies guide to” or even saw it somewhere in your business plan, but thought “so what?”

Well, we think that if you want to succeed in business you cannot do all the things that need to be done from:

- Sales
- Marketing
- Accounting
- Finance
- Taxation
- Regulatory reports
- Human Resources
- Customer service
- Information Technology
- Production
- Inventory management
- Costing
- Systems and analysis
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Oh, did we remember, cooking, washing and taking out the garbage.

The above list is not comprehensive; there are over 20 systems that your business should have.

And who is in charge? Why you are as the owner/president/chief operating officer.

You might have some good staff that can help – great. But should your staff not be focusing on revenue generating matters?

That is where a Shared Customer Facility can help. If you are running a multidivisional company you can advocate for this internally. For instance, if you are running a breakfast restaurant with multiple locations, this type of concept can save your operators a lot of time, stress and money!

There are learning curves involved in doing the above listed activities; there are economies of scale that can be had; there are staffing mixes that can be had – do you really want your \$75,000 per year controller handling that customer service issue?

Shared service centers allow businesses to focus on their strengths, whether they are in manufacturing, distribution, medical, technology or marketing.

Businesses can focus while allocating to a firm (Shared Service Company (SSC) that has their core strengths in

- a. Customer service
- b. Accounting and bookkeeping
- c. IT services
- d. Etc.

The firm (SSC) must have the management and human resource expertise to appropriately handle the related staffing needs.

These staffing needs can be entirely different from the clients' business. For instance what do you know about hiring a bookkeeper if you are running a breakfast restaurant chain?

In the past, people advocate moving these types of centers to geographic locations that have a lower human resource cost base. This idea can make sense for certain business, but often being located in North America can also more easily relate and service a North American customer base. This more effective servicing can more than offset any supposed savings of going offshore.

How to go about deciding what to allocate away? We suggest that you go back to those three keep elements:

1. Have goals that are WaRM; written, realistic, and measurable
2. Have a USP: Unique Selling Proposition
3. Focus on your STRENGTH and sub out the rest

Do a written set of goals for your desires. Then work backwards from there.

Good sharing to you! Visit our [LinkedIn](#) page and built the network for our future projects. Visit our [Facebook](#) page and share your ideas!

From the desk of Andre M.

To your success!