

The Role of Global Business Services (GBS) in the Enterprise Sustainability Agenda: Current Adoption and the Path Ahead

December 2023: Complimentary Abstract / Table of Contents



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- ▶ Payer and Provider Business Process
- ▶ Payer and Provider Information Technology
- ▶ Pricing Analytics as a Service
- ▶ Process Intelligence
- ▶ Process Orchestration
- ▶ Procurement and Supply Chain
- ▶ Recruitment
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Benchmarking

Contract assessment

Peer analysis

Market intelligence

Tracking: providers, locations, risk, technologies

Locations: costs, skills, sustainability, portfolios

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Everest Group’s sustainability framework includes four key pillars – Environment, Social, Governance, and Profits

NOT EXHAUSTIVE

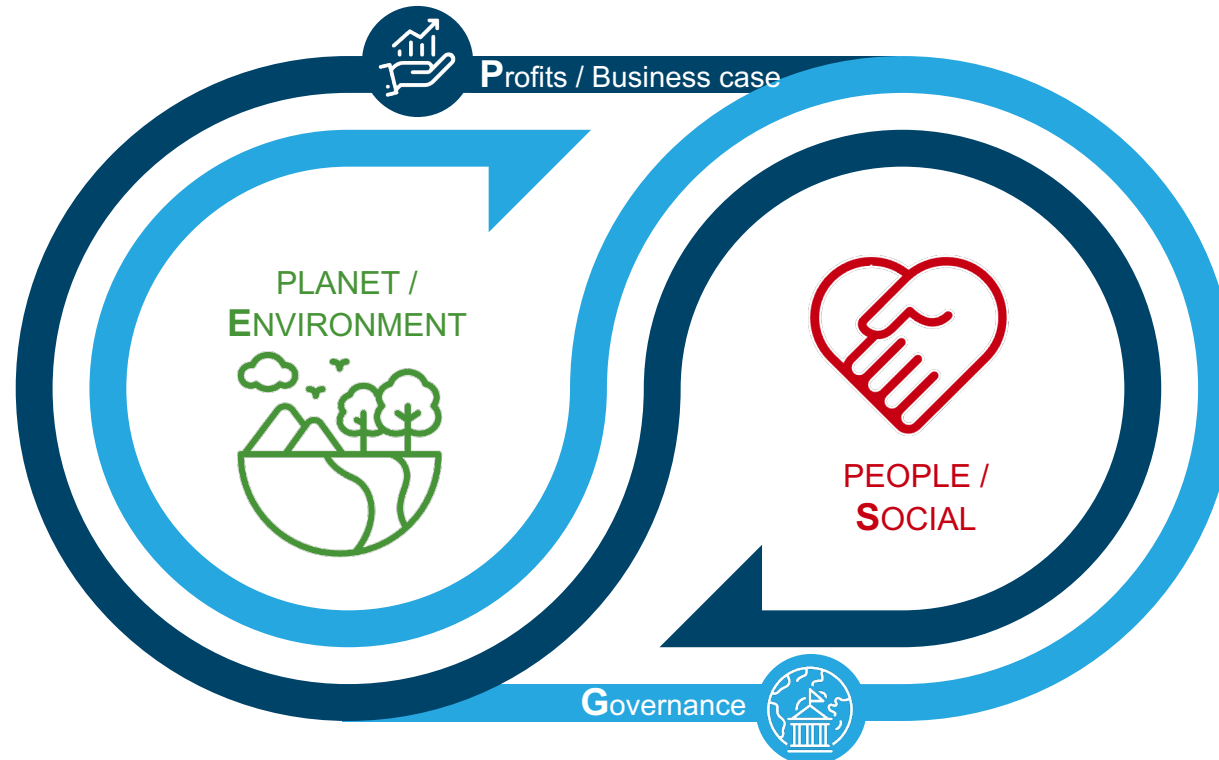
Sustainability for revenue and profitability

Meet revenue and profitability objectives by enhancing sustainability of products/services and/or by launching sustainability focused products/services

Sustainability for competitive differentiation

Enhance competitive differentiation by enhancing sustainability of products/services and/or by launching sustainability focused products/services

- Decarbonization
- Resource management
- Supply chain management
- Nature and bio-diversity
- Sustainable IT



- Impact sourcing
- Diversity, Equity, Inclusion, and Belonging (DEIB)
- Health and safety
- Accessibility
- Community impact

Corporate governance

Stakeholder engagement

Code of conduct

Risk management

Background of the research

ESG is an acronym for Environmental, Social, and Governance, and these are the three key constituents of Everest Group's sustainability framework. ESG takes the holistic view that sustainability extends beyond just environmental issues:

- **Environment:** environmental issues such as carbon emissions, water scarcity, and environmental pollution
- **Social:** social issues such as discrimination, gender issues, equal pay, and wealth distribution
- **Governance:** governance issues such as executive pay, corporate responsibility, and regulatory intervention

The number of organizations that are proactively investing in ESG-related initiatives, is on the rise. It is essential to recognize that ESG is no longer a niche concern but a central aspect of business strategy. ESG considerations have rapidly transcended the realm of corporate social responsibility to become a fundamental facet of contemporary business strategy. GBS leaders are now at a pivotal crossroads, where understanding and integrating ESG principles into their operations is not merely advisable but indispensable. By prioritizing ESG, GBS leaders can navigate the complex landscape of stakeholder expectations, a critical element in the long-term sustainability and success of their organizations.

In our current research, we surveyed over 50 global GBS organizations to understand their role in supporting enterprise ESG agendas. We combined survey findings with insights from Everest Group's proprietary databases and interactions with GBS leaders. This report unpacks ESG adoption trends, key success factors and ESG enablers, challenges, opportunities, and case examples of some leading GBS organizations in the ESG space

Scope of this report



Geography
Global



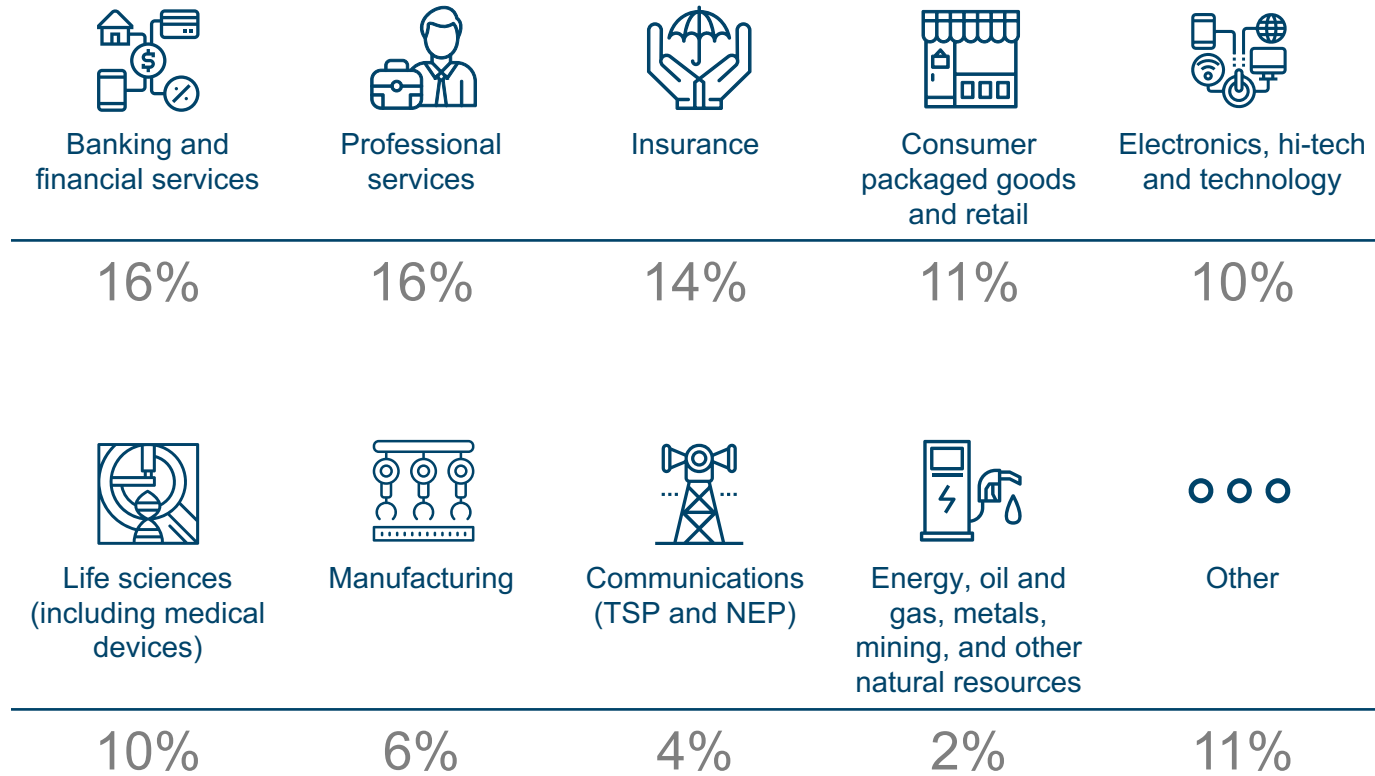
Industry
All industries



Services
Environmental, Social, and Governance
(ESG)

We studied 51 leading GBS organizations via an extensive survey to analyze their role in driving enterprise ESG agenda (page 1 of 2)

Participants by industry vertical (N=51)

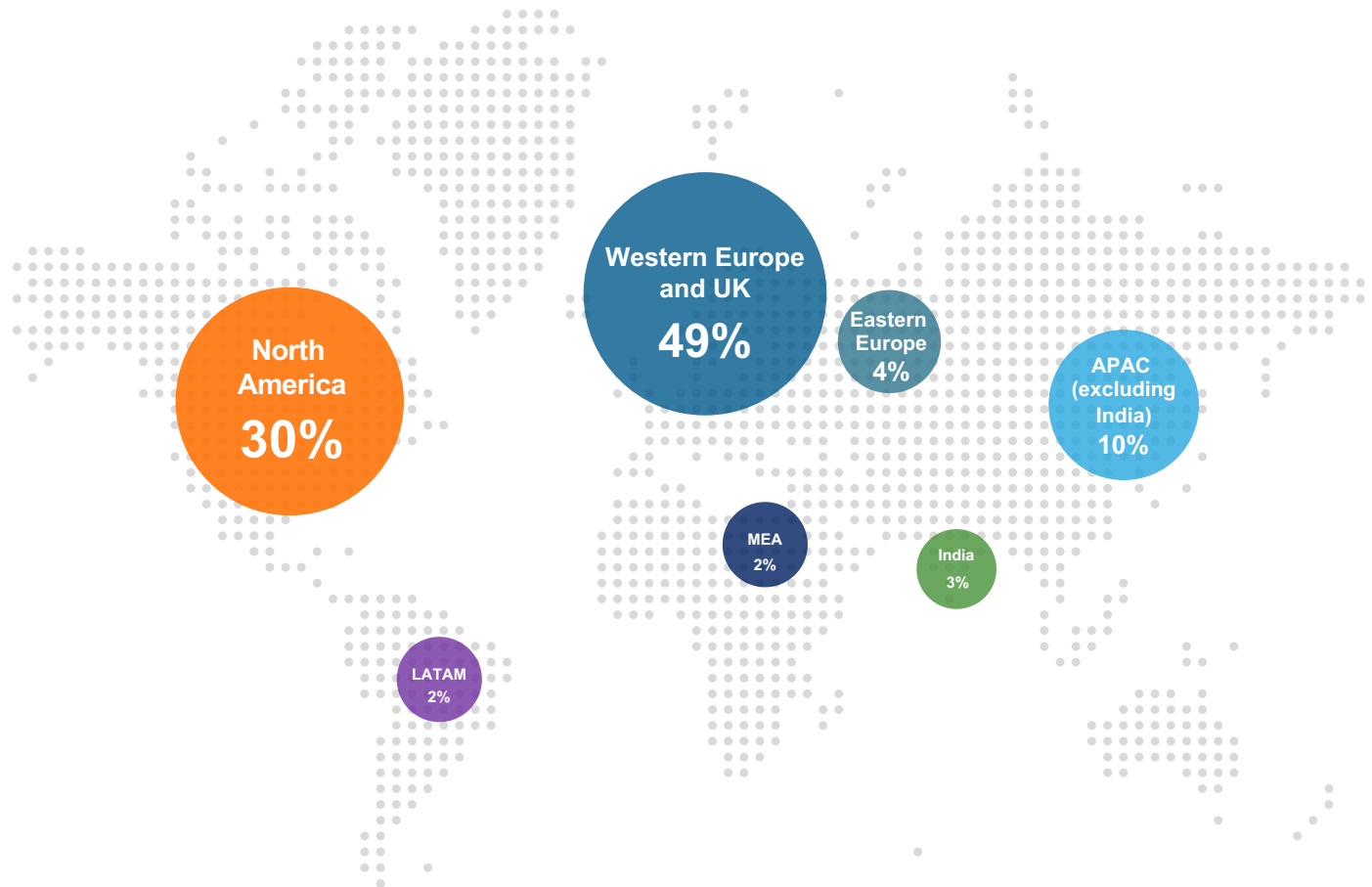


Representative firms included in the study

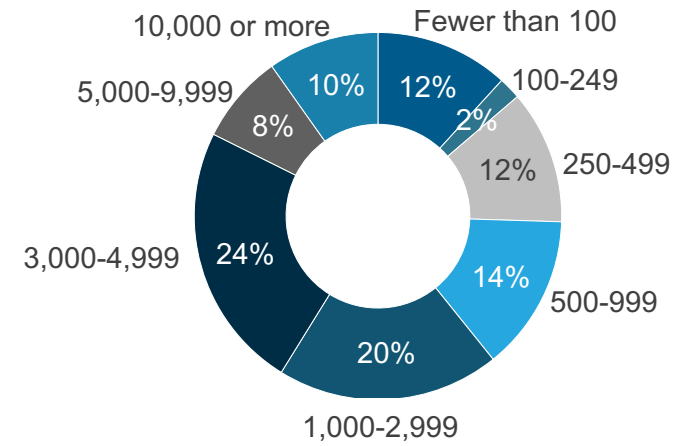
- 6 of the top 20 global banking, financial services, and insurance firms
- 2 of the top 5 global professional services firms
- 2 of the top 10 global telecom organizations
- 3 of the top 15 global life sciences companies

We studied 51 leading GBS organizations via an extensive survey to analyze their role in driving enterprise ESG agenda (page 2 of 2)

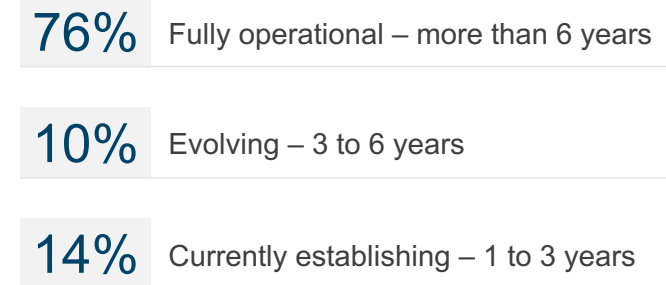
Participants by corporate headquarter (N=51)



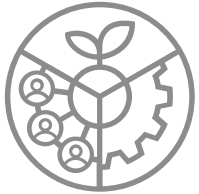
Participants by size of GBS



Participants by GBS age



Key takeaways and summary of the report



Today, less than half of GBS organizations are engaged in enterprise-level ESG efforts, representing a significant growth opportunity. Notably, social and governance aspects are more maturely embraced across industries compared to environmental concerns within GBS



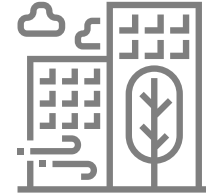
Amid numerous compelling reasons for GBS leaders to prioritize ESG, the key drivers are integration of ESG with GBS's existing services and mitigating compliance risks



GBS leaders face a myriad of challenges in ESG implementation, with constantly evolving ESG regulations and the difficulty of identifying their organization's top-priority ESG areas at the forefront



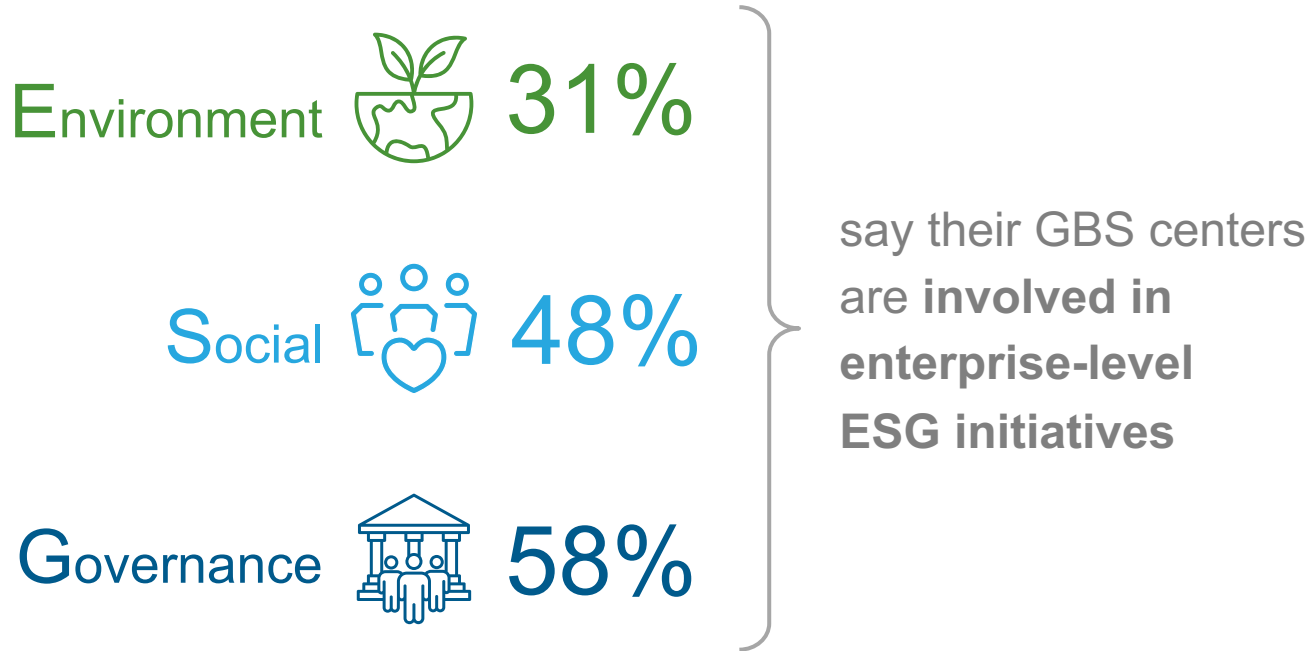
To drive their ESG journey effectively, GBS organizations must proactively identify opportunities, establish dedicated ESG teams, track impactful metrics, and foster an ESG-centric culture within the organization



Key growth opportunities for GBS lie in establishing an ESG Center of Excellence (CoE), leveraging GBS's technology expertise to accelerate ESG efforts, and supporting sustainable product and service development for the enterprise

...our survey results suggest that only around 45% of GBS organizations are actively involved in enterprise-level ESG initiatives

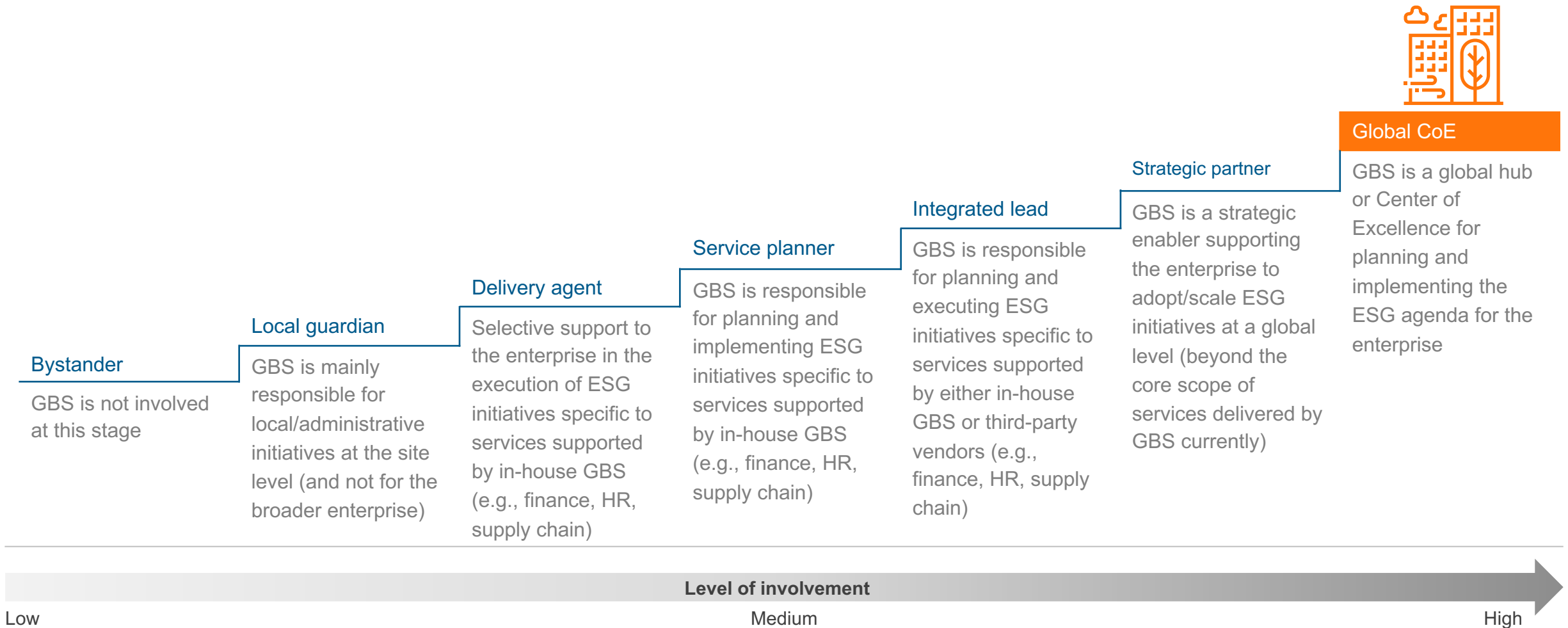
Share of survey respondents involved in enterprise-level ESG initiatives – by each of the three areas



“ At GBS, we have the capability and expertise that assists reporting both at the group and entity levels. We are also aiding the enterprise with sourcing data, streamlining it, and performing data synthesis.

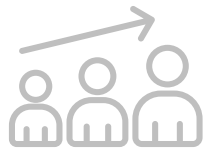
Vice President, leading European financial services organization

Through this study, we identified seven stages of involvement of GBS organizations in the enterprise's ESG journey



As GBS' mature, grow, and centralize their ESG team, their ESG impact grows too, with no significant difference based on corporate headquarters

Share of GBS organizations that have moved beyond delivery agent stage



Age

45%

GBS age > 6 years

vs.

18%

GBS age < 6 years



Size

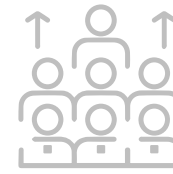
51%

GBS size > 5,000 FTEs

vs.

30%

GBS size < 5,000 FTEs



ESG team structure

42%

GBS with centralized team

vs.

28%

GBS with no centralized team



Company HQ

45%

GBS with North America HQ

vs.

42%

GBS with the UK and Europe HQ

Research calendar

Global Business Services

■ Published
 ■ Planned
 ■ Current release

Reports title	Release date
How-to Guide to Build CoEs in GBS Organizations	April 2022
Integrating Sustainability into the BFS GBS Charter to Help Enterprises Realize Their ESG Goals	November 2022
State of Play in GBS Change Management	November 2022
GBS CXO Insights: Key Issues Report 2023	April 2023
GBS Cost Benchmarks Book	May 2023
Top GBS Employers™ 2023	June 2023
Generative AI: Is This the Disruption GBS Model Needs or Just Another Over-Hyped Technology	August 2023
Learnings from Top GBS Employers™ – a Case Study Compendium	August 2023
Global Business Services (GBS) State of the Market 2023: Onward and Upward	September 2023
Global Business Services (GBS) Data Book 2023	October 2023
The Role of Global Business Services (GBS) in the Enterprise Sustainability Agenda: Current Adoption and the Path Ahead	December 2023
GBS Models to Launch CPG Organizations into the Next Wave of Evolution	Q4 2023
GBS Landscape for the Life Sciences Industry	Q1 2024
The Role of GBS in the Driving Environment, Social, and Governance (ESG) Agendas for Their Organizations	Q4 2023
Managing the Hybrid Resourcing Model in Global Business Services (GBS) Organizations	Q1 2024

Note: [Click](#) to see a list of all of our published GBS Membership reports

Research calendar

Sustainability Technology and Services

■ Published
 ■ Planned
 ■ Current release

Reports title	Release date
Sustainability Enablement Technology Services PEAK Matrix® Assessment 2022	June 2022
Sustainability Enablement Technology Service Provider Compendium 2022	July 2022
Maximizing value from cloud: Decoding Key Value Generation Levers	December 2022
A Primer on the Sustainability Software Provider Landscape: the Role of Technology in Driving Sustainability Momentum	April 2023
From Efficiency to Responsibility: How Enterprises Are Leveraging Technology to Drive Sustainability	May 2023
Sustainability in Applications - Paving the Way for a Greener IT Landscape	June 2023
Insuring a Sustainable Tomorrow: How the Insurance Industry is Driving Positive Change	July 2023
Net-Zero Consulting Services PEAK Matrix® Assessment 2023	July 2023
Net-Zero Consulting Services Provider Landscape – Compendium 2023	September 2023
Mapping the Carbon Mitigation Landscape: Carbon Emission Management Trailblazers	November 2023
The Role of Global Business Services (GBS) in the Enterprise Sustainability Agenda: Current Adoption and the Path Ahead	December 2023
A Provider's Playbook to Bridging the Sustainability Skills Gap	Q4 2023
Unveiling the Carbon Frontier: A Comprehensive Analysis of Players in the Carbon Offset and Carbon Capture Technology Space	Q1 2024
Sustainability Enablement Technology Services PEAK Matrix® Assessment 2024	Q1 2024
The Sustainable IT Blueprint: A Service Provider's Playbook for Client-Centric Technology Transformation	Q1 2024

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