

Avoid Failure in Governance – Tips from AstraZeneca



Interview by Helen Winsor, **SSON**

Graham Russell, Head of Global Transactional Finance at AstraZeneca, joins Shared Services and Outsourcing Network to discuss how to excel in governance, leadership and process excellence.

SSON: What does governance mean to you as it supports the shared services and outsourcing initiatives at AstraZeneca?

G Russell: Well, for me the meaning of governance is that it's the provision of management oversight to ensure the smooth running of operations or transition in either a shared services or BPO environment.

SSON: And who is involved and how did you choose this leadership team?

G Russell: In our case, I'll speak to what we've done from a BPO perspective, but I believe the same governance could equally in a shared services environment. What we've done is implement a multi level governance process, so we have for several levels – and I'll just quickly identify each. We have a strategic level which includes the more senior folks from our BPO provider and their own company. That meets every six months and deals with strategic issues. The second level is what we call our global management steering board. It meets quarterly and it pulls together from a set of more junior boards the issues from operations, transition or contract, and for each of those three pieces we have another set of boards. So, firstly, on the operational side, we have regional service delivery boards; on the transitional side we have regional transition delivery boards; and then we have a contract delivery board.

At the Ops level, the regional service delivery boards meet monthly, as do the transition delivery boards, and they're set up by region, and then the contract delivery board meets monthly and pulls and works through just the various contract issues.

SSON: What are sort of primary responsibilities of the governance board?

G Russell: Well I'd say that principally it's to flag and manage issues of the day, and also to anticipate any upcoming challenges either from an operational or a transitional perspective. At the more strategic level we tend to deal with fewer of those issues because they get resolved at the more junior or lower level boards and so at the strategic level we also look at new opportunities for both parties.

SSON: How is governance supporting your current process excellence initiatives at Astra Zeneca?

G Russell: Well I do have to say that we've just started in this area. As you can imagine, when you're transitioning a significant number of FTEs around the world, there's a high focus on priority on the transitions. But as you move more and more into the operational space with more and more of our work being in the service delivery area, then we have more and more

opportunity to identify improvement possibilities or process excellence possibilities. What we've done is identify a top ten list and we basically prioritise that top ten list, and that's now being worked by a combination of people in the partner and our own organisation.

SSON: Where do you often see governance fail and why do you think?

G Russell: Well I do have to say that we have not experienced any failure in the AstraZeneca environment, but I would say that that's largely due to the fact that we've had active participation from all of the members of the various boards up to and including the CEO of the partner and the CFO of our organisation, and that makes a huge difference. I could imagine a world where governance could fail if people didn't show for meetings or meetings were continually rescheduled. People could assume it's not being treated seriously, but that's not our situation.

SSON: Now obviously you're taking part in our Shared Services and Outsourcing Week. What are you looking forward to most and what are you hoping to gain from participating?

G Russell: Well I have to say that I'm one of the veterans of the shared services and outsourcing world, having been attending events now for many, many years, so what I always enjoy most is just the networking opportunity, the opportunity to meet with fellow colleagues from other companies, from the providers, and just share new war stories basically and learn of new activities in the industry.

The Shared Services and Outsourcing Week will be hosted from 9th - 11th May, 2011, at the Rai in Amsterdam, Netherlands. For more details, please visit the website: www.ssoweek.com, call freephone: 0207 368 9300 or email: enquire@iqpc.co.uk.

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