

Research on the Synergistic Effects of Financial Management and Other Functions Integration under the GBS Organization

Lei Han

ABB (China) Ltd., Beijing, 100000, China

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Abstract: This paper examines the synergistic effect of integrating financial management with other functions under the GBS (Global Business Services) model, exploring its advantages in improving business operational efficiency, optimizing processes, and reducing costs. The article analyzes the collaboration mechanisms between financial management and business units, taxation, master data management, and other functions, highlighting the role of standardized processes, cross-functional collaboration, and data sharing in driving synergistic effects. It also discusses the challenges faced during the integration process and strategies to address them, providing practical guidance for enterprises undergoing digital transformation.

1. Introduction

As an important form of modern enterprise shared services, the Global Business Services (GBS) model is characterized by standardization and centralization, effectively improving corporate operational efficiency and reducing operational costs. The application of GBS in financial management has demonstrated significant advantages in optimizing business processes, enhancing compliance capabilities, and driving automation.

By integrating resources and optimizing processes, GBS financial management not only achieves efficient operations but also promotes synergy between internal and external corporate resources. While providing specialized financial services, GBS is continuously expanding its functional scope and establishing closer collaborations with other business units. Measures such as robotic process automation (RPA), VAT digitalization, and process standardization further enhance the capabilities of GBS financial management, providing solid support for the global strategic development of enterprises.

2. Functional Positioning and Current Status of Financial Management in the GBS Organization

2.1 Concept and Characteristics of the GBS Organization

Global Business Services (GBS) is an enterprise service model designed to integrate global support

functions (such as finance, human resources, administration, IT, and legal affairs) and provide standardized and regulated services for global operational functions (such as R&D, production, sales, and after-sales) [1]. Its primary objective is to enhance operational efficiency while reducing costs.

The core advantage of GBS lies in its ability to leverage the latest technologies and professional expertise to facilitate business and digital transformation. By establishing a unified management framework, GBS provides high-quality and cost-effective support services to various functional departments within an enterprise. With continuous technological advancements, GBS has also incorporated digital tools and robotic process automation (RPA), further optimizing processes and achieving a high degree of automation. As a result, GBS has gradually become a crucial tool for enterprises to enhance their core competitiveness.

2.2 Major Challenges in Enterprise GBS Financial Management

During the process of functional integration, promoting standardization often encounters significant difficulties, especially in diverse regional and cultural contexts, where achieving unified operational standards requires additional time and resources. In terms of cross-functional collaboration, improving knowledge sharing and communication efficiency remains an urgent issue.

On the technical front, the implementation and maintenance of automation systems demand continuous investment and must constantly adapt to evolving technological trends. In talent management, the strong reliance of GBS organizations on highly skilled professionals makes attracting and retaining core talent a critical challenge. Unclear career development paths and work-life balance issues may also negatively impact team stability and engagement.

3. Necessity and Synergistic Effects of Integrating GBS Financial Management with Other Functions

3.1 Theoretical Foundation and Practical Significance of Functional Integration

3.1.1 Mechanisms for Improving Efficiency and Quality through Integration

In today's dynamic business environment, the GBS model has become an effective approach to optimizing resource allocation. By integrating business processes across various functional departments, GBS can significantly reduce redundant tasks and prevent resource waste, thereby enhancing overall operational efficiency.

In terms of service quality improvement, integration strengthens the standardization of processes, leading to greater service consistency [2]. A standardized process management system ensures that operations across different regions and functional departments remain uniform, thereby minimizing the risk of operational errors. Additionally, standardized processes provide strong support for the enhancement of internal controls, further strengthening financial management and compliance capabilities. Through the integration of tax reporting processes and the implementation of VAT digitalization initiatives, enterprises have significantly improved the efficiency and transparency of tax processing.

3.1.2 Mechanism of Synergistic Effects

Synergistic effects refer to the overall advantages achieved through the integration of resources and capabilities, which cannot be attained by individual elements alone. In the GBS model, the realization of synergy primarily relies on the effective combination of cross-functional collaboration and data sharing, enabling different functional departments to exchange information and share knowledge more efficiently, thereby significantly enhancing overall operational efficiency [3].

The collaboration between the finance department and business units, including regular workshops and joint performance evaluations, plays a crucial role in identifying areas for improvement, facilitating information flow, and supporting decision-making. In the GBS model, data is regarded as a core resource for process optimization and decision support. By establishing a unified data management platform, functional departments can quickly access high-quality data, thereby improving the efficiency of cross-functional collaboration.

Standardized data management also reduces communication barriers and minimizes the risk of misunderstandings, further enhancing the fluidity of collaboration. Through joint training programs and knowledge-sharing activities, employees from different functions can acquire cross-disciplinary skills and experiences, improving their professional competencies and injecting greater innovation potential into the team. Additionally, enterprises offer digital skills training programs to enable employees to quickly adapt to technological changes and leverage collaborative innovation more effectively.

3.2 Key Scenarios of Collaboration Between Finance and Other Functions

3.2.1 Collaboration with Business Unit Control Teams

The collaboration between business unit control teams and GBS financial functions is a key factor in optimizing resources and driving strategic implementation. Regular face-to-face workshops provide a platform for communication and coordination between local business control teams and GBS management. These discussions cover performance evaluation, the development of improvement plans, and the negotiation of future initiatives. By clearly defining their respective responsibilities and objectives, teams can align their efforts in daily operations, thereby enhancing collaboration efficiency.

Short-term support assignments and joint training programs are essential components of this collaboration. GBS provides short-term professional support to business control teams, helping them resolve specific issues while strengthening interdepartmental relationships and mutual understanding. Joint training sessions, such as those on master data management and robotic process automation (RPA), ensure both parties adhere to consistent technical standards and operational procedures.

In performance management and problem resolution, the tracking and execution of action plans ensure effective collaboration. By clearly defining responsibilities and deadlines, both sides can respond swiftly to challenges and optimize processes. This transparent and standardized collaboration model not only fosters mutual trust but also provides strong support for achieving both internal and external corporate objectives.

3.2.2 Collaboration with Tax and Master Data Management Functions

The collaboration between GBS financial functions and tax and master data management functions is a key practice for enhancing corporate compliance and achieving data integration. Taking the VAT digitalization project as an example, the automation of the VAT reporting process significantly reduced errors in manual operations, improving the accuracy and efficiency of data processing [2].

In the field of master data management, GBS works closely with relevant teams to optimize processes for data input, cleaning, and updating. By establishing a standardized and centralized data management platform, the enterprise can access critical information more quickly and accurately, promoting collaboration across departments and regions. This unified data-sharing model not only reduces the costs of redundant processing but also significantly improves overall operational efficiency.

The joint application of RPA technology further strengthens the collaboration between tax and

master data management functions by automating repetitive and clearly defined processes. This enables the teams to concentrate more resources on high-value tasks, thus improving overall productivity. The success of this collaboration also depends on the high alignment between both parties in terms of culture and operational standards. Regular communication and training activities help GBS, tax, and master data management teams establish shared goals and a common language, enhancing project execution.

3.3 Key Factors for Achieving Synergistic Effects

3.3.1 Internal Control and Data Standardization

For the GBS model, the effectiveness of internal controls directly impacts the smooth progression of cross-functional collaboration and data integration. In financial management, the adoption of process-based control measures, such as pre-approval procedures and systematic operational records, enhances the accuracy and consistency of data, providing reliable security for daily operations and laying a solid foundation for high-level decision-making.

Standardizing data formats and processing rules reduces errors and time delays in the information transmission process. In GBS practices, building a unified financial and tax data platform enables enterprises to achieve real-time data sharing and transparency in management goals.

3.3.2 Cross-Functional Knowledge Sharing and Capability Enhancement

Cross-functional knowledge sharing and capability enhancement are core approaches to achieving synergistic effects. In a GBS organization, strengthening information exchange and collaboration between functional departments can effectively foster innovation and significantly improve work efficiency. Regular cross-functional workshops and specialized training activities facilitate the widespread dissemination of professional knowledge within and outside the team.

Through systematic learning platforms and skill development programs, such as digital skills certifications and robotic process automation (RPA) application courses, employees' professional abilities and adaptability are comprehensively enhanced. The successful implementation of knowledge sharing requires both technological and cultural support.

On the technological front, the company builds a unified information management system, providing an efficient platform for the storage, transmission, and retrieval of knowledge. Culturally, the organization designs incentive mechanisms and establishes value-oriented approaches, actively encouraging employees to participate in knowledge sharing. For example, recognizing individuals and teams who excel in cross-functional collaboration helps stimulate employee engagement and creativity.

4. Conclusion

The GBS organization has become an important management model for modern enterprises to improve efficiency, reduce costs, and optimize resource allocation. This paper explores the synergistic effects brought about by the integration of GBS financial functions with other departments, with a focus on the role of integration in improving efficiency, optimizing quality, and driving innovation. Internal controls and data standardization ensure the consistency of processes and the reliability of data, providing a solid foundation for decision support within the enterprise.

Looking ahead, with changing business needs and ongoing technological advancements, the GBS organization must continuously refine its integration mechanisms and foster innovative development, creating more long-term value for the enterprise.

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