



Shared Service Center in Germany

Industry Snapshot

By Deutscher Outsourcing Verband e.V. in cooperation with 5com media
www.outsourcing-verband.org



1. General usage in the mid market segment

About 80% of SSCs in DACH are located in Germany

About 60% of mid market companies use SSC's

About 55% maintain 1 SSC, 25% 2-3 SSC's and 20% more than 3 SSCs

2. Activities and Functions

Finance and Accounting: 69% of which:

16% General accounting, 11% accounts payable, 11% accounts receivable, 10% general ledger, 9% tax, 8% controlling

IT: 34%

HR: 67% of which:

19% payroll, 15% recruitment, 12% training and development, 10% compensation and benefits, 9% HR administration

Procurement: 19%

Emerging functions: 16% and within these 16% we have 18% legal, 18% facilities, 15% marketing, 11% logistics ...

3. Operations of business support functions

FA: 42% SSC, 36% central division, 21% decentralized

IT: 6% outsourced, 41% SSC, 46% central division, 7% decentralized

HR: 23% SSC, 41% central division, 36% decentralized

Controlling: 1% outsourced, 17% SSC, 37% central division, 44% decentralized

Procurement: 1% outsourced, 16% SSC, 61% central division, 22% decentralized

4. Location general

Headquarter: 68%

Own subsidiary abroad: 15%

Germany, but not at headquarters: 7%

If located outside of Germany:

Poland is most popular with 38%

Czech republic second with 17%

5. Location after cities

Berlin 7,8%

Munich 7,3%

Hamburg 4,6%

Cologne: 4,1%

Frankfurt: 2,8%

Mannheim 2,3%

Düsseldorf: 2,3%

Hannover: 1,8%



6. Location after counties

Nordrhein Westfalen: 24,6%
Bavaria: 17,7%
Baden-Württemberg: 17,1%
Hessen: 8,6%
Berlin: 9,7%

7. Industries

27% Automotive
13% Banking and finance, insurance
12% Utilities
11% Pharma and chemicals
7% Construction and engineering
5% Retail
5% Media

8. Size

10bn plus: 56,8% of which are 35% DACH HQ and 21,8% foreign SSCs
2bn – 10bn: 23,7% of which are 17,3% DACH HQ and 6,4% foreign SSCs
SME (mid-market): 18% of which are 14% DACH HQ and 4% foreign SSCs

9. Served markets

Germany – domestic and DACH: 33%
Germany – EMEA: 8,6%
Germany – global: 4,6%
Germany – APAC: 1,6%

Sources:

KPMG - Der Shared Service Markt 2014, SSON - DACH Shared Services Centres Landscape (2017), GTAI Business Services Industry 2016, Outsourcing Verband - collected data

The **Deutscher Outsourcing Verband e.V.** (German Outsourcing Association) is a completely independent member organisation. As registered association we act as platform for professionals and organisations involved or interested in sourcing or providing IT or business process services in/for the D-A-CH markets.

Our primary task is to actively support and influence the market for co-operations with external service providers in IT, finance, HR, procurement, manufacturing and management. In practice this means, that we accumulate, analyse and process information that are relevant for our markets, that we evaluate national and international service provider landscape as well as single organisations, that we provide opportunities for exchange and contact and that we provide active business support.



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