

THE GROUPE SHARED SERVICE CENTERS

Jean-Yves Naouri, COO, Publicis Groupe

Our priority this year, as ever, was integrating agencies that joined the Groupe at the end of 2010 and in 2011. Thanks to the expertise that we've developed in our main Shared Service Centers (SSC), these integrations are now faster, enabling the Groupe to ensure very rapidly not only a high level of compliance, but also new services for these agencies, and reduced costs.

In 2011 the geographic coverage of our SSCs continued to widen, essentially in the EMEA region, with deployment of new SSCs in the Middle East. In the Americas and APAC region, our SSCs are approaching their maximum.

Our efforts focused mainly on optimizing processes, and particularly on aligning these processes to prepare for the future deployment of worldwide Enterprise Resource Planning (ERP). This effort has already enabled us to construct regional skill centers in Asia and the Americas, and should facilitate ERP, which is heavily dependent on the integration of client and supplier data-bases and the adoption of joint processes spanning all our agencies worldwide.

In Europe, a number of services (notably treasury, legal, tax, real estate and procurement) are being deployed out of major SSCs in order to service countries, such as the Nordics and Baltics, which are not currently covered.

Various new services (both legal and in human resources) are now available to our agencies, while other departments have widened their scope, notably in procurement, real estate and IT. The program to consolidate our real-estate assets sharply accelerated in 2011. Policy adopted over the past six years has enabled us to reduce unused assets to a record low (less than 1.5%), and has optimized occupation rates, reducing our real-estate costs. Outside a few traditionally high-cost markets (Japan), most countries have managed to contain the increase in rental payments, and to maintain rents at an overall worldwide level of less than 6%. We will pursue these initiatives to bring every region to less than 6%.

