

## Sharing services, strategy and territories: reflections of operations in Brazil, Portugal and Europe

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### ABSTRACT

The objective of this text is to analyze territorial development factors, promoted by the agglomeration strategy of shared service centers, which contribute to the regional and urban economy through the spillover effect, observing interrelated corporate components of governance, strategy and location, as well as externalities on non-participants, namely at an economic, social and environmental level. Studies were carried out in different sectors of the Northeast and Center-South geo-economic regions of Brazil, with emphasis on the beverage, pharmacy, transportation and financial services segments; and in the cities of Lisbon, and Porto, in Portugal-Europe in their respective metropolitan areas, namely in the segments of technology, telecommunications, transport, automobiles and health. To this end, a literature review was carried out, relating elements of human capital, innovation and knowledge with the phenomenon of sharing services and areas of research support; and accessed executive documents dealing with the planning and implementation of call centers. The methodology focused on the content analysis of semi-structured interviews with one hundred and fifty professionals from companies and governments in the regions, which provided a better understanding of the phenomenon, its activities and repercussions. The relevance of territorial configurations was perceived as a strategic and economic development component, promoted by the agglomeration of people, processes and technology in sharing services, potentiated by the agglomeration of these equipments, which operate in different ecosystems, but obtain a competitive advantage and increase in supply chains. value through the network economy. The research contributed to broadening the understanding of the relationship between territory and companies' strategies, with emphasis on development factors.

**Keywords:** service sharing, governance, strategy, territory, regional development.

### 1 INTRODUCTION

(a) In the last decade and particularly in recent years, the revitalization of the debate on new ways of organizing the production of goods and services, as well as studies of the factors that contributed to spatial development as an alternative to large urban-industrial centers, especially human capital, innovation and knowledge. The main conclusion of these investigations can be summarized as follows: cities, regions or territories are not passive structures for the location of economic activities, they can become active spatial areas and play a certain role in the decision as

destinations for public and private investments.

(b) The concept of territory makes it possible to understand and describe ways of life, how people and groups organize and relate to each other. This essay sought theoretical and practical approximations, intertwined in each section, on territorial development, recovering more significant themes. That said, it helps to identify ways of using and appropriating spaces and environments, as well as the production and consumption of goods and services, mainly through material and symbolic relationships and exchanges. Thus, studies on territories actively contribute to changing production and consumption processes and, in broader terms, ways of life. Dallabrida (2017, p. 27) states that “several authors, when elaborating syntheses on the evolution of theories of development, distinguish between spatial theories and economic theories”.

Embarking on paths still unexplored, or partially known, is perhaps the most important challenge of scientific research. Inconclusive results trigger new efforts. In this way, there is continuity of learning and development of interpretive schemes, capable of providing elucidating elements for new questions, whether specific or of a theoretical-methodological nature.

The global environment promotes significant changes in companies, which seek to meet new demands - organizational, market, regulatory and social - and the desires of a public - internal, external and other interested parties - increasingly demanding not only with results, but with these have been achieved. Competitiveness is the word that guides corporate movements and initiatives and increased productivity and cost reduction are materialized in call center models, the result of strategies aimed at agility, agility and security of internal transactional processes, putting them on an industrial scale .

In this sense, the sharing of services emerges as a solution for governance models, their practices and recommendations and become equipment that concentrate business processes, information technology and specialized people; thus, due to their characteristics, they can act as instruments of territorial development, largely potentiated by their geographical agglomeration.

This research, the second part of a first postdoctoral internship work hosted by the Interdisciplinary Center for Social Sciences, Universidade Nova de Lisboa (CICS.NOVA), revisited part of the literature on Territorial Development, Regional and Urban Economics and Shared Services Centers. (SSCs), and had strategic and executive information from companies operating in geoeconomic sectors in the Northeast and Center-South of Brazil: beverages, pharmacy, transport segments. and financial services; and in the metropolitan areas of Portugal-Europe: segments of pharmacy, technology, telecommunications and logistics.

Based on examples in Brazil, Portugal and Europe, it intends to discuss territorial development factors, promoted by the phenomenon of agglomeration of shared service centers, which contribute to the regional and urban economy through spatial relationships and the economic effect of overflow. The results

reflect the analysis of executive corporate documents and interviews with one hundred and twenty professionals from companies and governments in the regions, which provided a better understanding of the phenomenon, its activities and repercussions.

## **2 LITERATURE REVIEW AND METHODS**

Regarding territorial development, the literature highlights two approaches that focus on development, from the territorial perspective: the globalist and the regionalist. Both have different variations, which will be summarized in the text, based on the debate on Flexible Accumulation and Regulation Theory and on the discussions and their main theoretical exponents. Dallabrida (2017) argues that the first manifestations of the problem of development would be theories that were restricted to explanations related to differences in the concentration of territory or production, known as spatial. In general, the theoretical basis of the globalist current is supported by the thesis of the homogenization of local space, based on liberal principles, in which it is believed that a situation of perfect competition between localities is possible. Here, it is worth mentioning the issue of smart territories.

This text presents four perspectives recognized by the main authors. The first is the so-called School of New Urban Policy (Cox, 1995). His analyzes are centered on the discussion of the crisis that affected industrialized cities in developed countries in the 1970s, associated with the closing of factories, with the consequent urban social degradation of former industrial areas in Europe and America. This approach, despite slight variations, maintains its argument in the idea that governments and local communities have no choice but to offer all kinds of concessions, such as legal flexibility, tax exemptions and even direct investments from the local government itself to attract new investment. (Rodell, 1993; Thompson, 1997).

The second variation, dating from the late 1980s, emphasizes competition between European cities and regions, as part of the process of unifying the European market. Based on city marketing strategies, it would be up to cities and regions, increasingly, to assume responsibility for generating employment and income, through the elaboration and adoption of a business behavior to attract capital, already considered scarce and volatile. At this point, the city assumes a role in the global competitive context (Kanter, 2003, p. 120), highlighting a possible form of urban growth:

The great danger to the viability of communities is not globalization, but a return to isolationism and protectionism. (...) Ironically, the best way for communities to preserve their local control is to become more globally competitive.

A third variation, the 1990s, corresponds to a line of work on the emergence of networks of cities and regions, connected to each other in a global society based on the flow of information. Thus, a process of globalization is presented, driven by the great advances in information, telecommunication and

transport technologies, providing opportunities for knowledge flows, transferred very easily to anywhere on the planet, practically online and without great additional costs. The role of large companies in managing global information flows is highlighted, from their production units located in different territories, stimulated by the deregulation of capital markets (Borja, 1993; Castells, 1997; Sassen, 1998). It is important to point out that part of this movement is currently under judicial review by the data protection regulatory bodies, especially with regard to large social connection groups.

Finally, the fourth variation, inspired by the administrative and managerial literature on globalized models, proclaims the emergence of an international order without national borders, with a consequent exhaustion of the role of the National State and its macroeconomic regulation policies (Ohmae, 1996), or even its disappearance (Strange, 1996). It is a version that has condemned the interventionist behavior of the State and defended the advantages of free competition between cities or regions.

A group of authors emphasizes the perspective of territorialization of development in the context of the new globalized international economy. Re-territorialization [or territorialization] must be understood as a process that guarantees certain spatially concentrated economic, political, social and cultural conditions. These provide site-specific configurations that cannot be replaced, at least not immediately, through the locational strategies of transnational companies, without substantial transactional costs (Klink, 2001). According to the authors who defend the possibility of territorialization of development, there has been a considerable increase in the capacity of cities-regions-territories to act on structural factors, implying a “greater ability to use and take advantage of these global factors according to the specificities of the place” (2011, p. 23). It is understood that the joint participation of local stakeholders in the decision-making process is fundamental.

In the history of Economic Sciences, few authors have cared about space issues. Benko (1999) states that although men have always lived in space, economists have ignored this evidence, perhaps because these discussions go beyond certain existing theories. In this context, part of the theoretical work developed within this paradigm takes up Marshall's classic approach, which addresses economic agglomerations for three reasons: (1) agglomeration provides the phenomenon of labor pooling, a group of skilled workers, which reduces hiring and firing costs, and increases productivity; (2) industrial agglomerations and districts are characterized by the density of networks between different specialized producers and suppliers, which stimulates and attracts other companies; and (3) agglomeration offers important positive technological externalities, as geographic concentration favors its diffusion and internalization in the region as a whole.

At this point, SSC operations, especially in cities that tend to attract several of these facilities, can contribute to territorial development, enhancing the factors of geographic agglomeration and its regional diffusion. Referring to development policies, in order to overcome the opposition between exogenous and

endogenous understandings, Swyngedouw (1997) resorted to the concept of glocalization to address, at the same time, fundamental aspects related to morphology and dynamics. of the functioning of capitalism in its post-Fordist phase, based on a society of production, today understood as one of consumption.

According to Amin and Thrift (1992), that term seeks to encompass and reflect the new symbiotic relationship between the global space, where the economic system is reproduced in real time, and the local spheres, where dynamic productive nodes that enter global networks are located, being processes of reintegration between the social, institutional and economic levels that act in the intraterritorial sphere. It is important that the SSCs, which configure strategic responses of large companies driven by the global economy and the movement of capital, can articulate with the conditions offered by the places where they are implemented and contribute to their development.

Regarding the regional and urban economy, approaching region, location and development is a complex task, as there are different currents of thought and very distant conceptions. The basic study of region is linked to the fundamental notion of differentiation of geographic areas. In this sense, to understand the meaning of region and the alignment of this work, it is necessary to refer to the historical period and the context in which it arises.

Spagnoli (2009) states that from the last decades of the 19th century, two important processes emerged that marked Europe and the geography of the region. The first refers to the phase of territorial expansion of capitalism and the second reflects the systematization of geography as a science, which contributes to the relevance of discussions on the region, thus pointing out the first divergences. It is, therefore, a matter of separating

[...] the natural region, influenced by the deterministic current, which is characterized by the uniformity of the results of the combination or integration in areas of the elements of nature, justifying the exploitation of natural resources by economic interests, and the geographic region, resulting from the vision Vidal de La Blache's possibilist, in which the human and natural components of the landscape give a specific combination to diversity, singularizing the regional space (Gomes, 2000, p.35)

In the discussion with Martins (2010), the region is like a set of places where the internal differences between these places are smaller than the differences between them and another set of places. For Lopes (1995) the region is an observable concept because it concretely results from the overlapping of areas of influence of the cities contained therein. Therefore, a region must consider areas endowed with interdependent relationships, not excluding economic, political, social and cultural factors, as well as the functioning of that region within its system of regions. This functionalist perspective of the region is already a long way from naturalist conceptions and proves to be more interesting from the perspective of this work, to understand the location decisions of SSCs and the resulting flows of capital, people and information. Santos (2006) describes region as a concrete and historical synthesis of social processes, as

a product and means of production and reproduction of all social life, and also reports that, for phenomenologically based geography, the region can be understood as a construction individual mentality inscribed in the collective consciousness.

The region's capacity for social organization is defined by the existence of components capable of allowing its internal growth. The analysis of this set of factors makes it possible to explain the development of a given location, making use of data elements and indicators, including statistical variables for their measurement. This research recovered the issue of Flexible Accumulation, referring to the occupation of space and its relationship with global markets and operations.

Studies on regional development emphasize the factors of agglomeration and production defended by economists and geographers between the 19th and early 20th centuries, and can also be understood as an analysis of the spatial organization of the economy. Among the theorists concerned with this issue, three stand out, due to their relationship with the intended analysis: Johann Heinrich von Thünen, Harold Hotelling and Paul Krugman.

Recognized as the founder of land use theory, von Thünen's work is the foundation for the development of the modern urban economy (Thisse, 2011). According to Dallabrida (2011) von Thünen focused studies on the analysis of distance, transport cost and market location, as explanatory variables of the pattern of agricultural land occupation. He demonstrated that market prices increased with increasing distance between production sites and the consumer market, an interpretation that led to the "Thünen rings", which are the circles around the city, each one corresponding to the area of production. cultivation of a product. Von Thünen inspired several theorists of regional and urban economics and urban planning. Unit transport costs and the price of urban land are, until today, decreasing functions of the distance to the centre. As such, location income is inversely related to distance. These conditions continue to be relevant for understanding the location of companies at urban and regional scales. SSCs are no exception.

As well, Hotelling made extensive theoretical contributions to the fields of economics and statistics, and applied optimization methods to several practical and important problems in economics, most notably the spatial economy (notably, the spatial competition model) and the optimal management of resources. natural. Dallabrida (2011), with a different theory, studies the nature of competition in space and the way in which companies choose their location in a strategic environment. In this model, the difference refers to the locational decision as a way to obtain a competitive advantage in relation to the competition. The decision of where to produce is fundamental to endogenously define the distribution pattern.

Paul Krugman (1997) presented the microeconomics of spatial economic agglomerations and regional imbalances at national and international levels. Thus, he constructed a general equilibrium model capable of explaining why, how and when economic activity can be concentrated in a few places.

According to the New Economic Geography, the current in which the author belongs, the location of companies is endogenously determined by the combination of Marshallian factors (natural resources, labor, technology, ...); However, these factors give rise to others (for example, external economies depending on the size of the market), which end up triggering a self-reinforcement of agglomeration, according to which “manufacturers tend to locate themselves where the market is large, but the market is large where manufacturers are concentrated” (Krugman, 1991).

About Shared Service Centers, the concept varies both in scope and focus, with three meanings being identified in the literature. In the first sense, SSC involves the concentration of resources aimed at processing common and repetitive activities, which are distributed throughout the organization. In this universe, two basic premises are cost reduction and improvement in the level of services offered to the so-called internal customers (Schulman et al, 1999). In the second interpretation, business units decide to share a set of support services, rather than having them as a series of duplicated activities within the company (Quinn; Cooke; Kris, 2000). In the third, the SSC represents a collaboration strategy, in which a subset of business functions is concentrated in a new semi-autonomous unit. In this reading, the SSC has a management structure aimed at increasing efficiency, generating value, reducing costs and improving services for the company's internal customers (Bergeron, 2003).

During the 1970s, large corporations used the centralized model of organization, mainly for their support functions (such as human resources, finance, information technology, accounting and general procurement). Strengths of the centralized model are highlighted: common systems, consistent standards and controls, and economies of scale. From the second half of the 1990s onwards, the model began to be applied as an operational strategy, adopted by most major economic agents.

Global shared services survey carried out by the consulting firm Deloitte (2015), with the participation of almost four hundred respondents, from nine sectors of activity, representing the main regions of the world and more than seven hundred service centers, revealed the main themes related to the planning, implementation and operation efforts: (1) digital transformation; (2) cost efficiency; (3) global business services organization (GBS) structure; and, to be highlighted in this work, (4) location strategy, since the largest companies (with revenues of approximately US\$ 25 billion) look for differentiated opportunities in manpower and scale, as well as in delivery.

Faced with the complexity of a SSC, Frederico (2014) highlights challenges and steps that support the decision to implement. It is an exponential structure and each installation project must be seen as a new business. Within a so-called “zero” stage, there is the feasibility study: process mapping and diagnostics; identification of candidate processes for the SSC scope; delimitation of the processes to be operated by the SSC; survey of possible benefits to be obtained with centralization; geographic location

analysis and decision; dimensioning of the infrastructure and the team necessary for the execution of the project and its effective implementation; and development of the Implementation Plan.

According to Schulman, Harmer, Dunleavy & Lusk (2001, p. 9), SSCs can be defined as

the concentration of the company's resources acting with activities spread throughout the organization, in order to serve multiple internal partners, at low cost and with a high level of services, with the common objective of satisfying external customers and adding value to the company.

Silva, Santos & Santos (2006) argue that shared services consist of an environment in which a given company can absorb activities that support the main business processes of each of its other business units, consolidating such activities in an operation unit. main.

Due to the constant changes and needs of the current global environment, Pinto (2015, p. 3) highlights the change in the economic paradigm in which “[...] new organizational realities and new management models emerged”, reinforcing that the concept of service sharing is based on a collaborative strategy whereby selected transversal services, common to different business units of an organization, are concentrated in business units that promote efficiency and effectiveness, considering three principles: standardization, consolidation and reengineering, all with strong dependence on Information and Communication Technologies.

The research method of this work was based on the bibliometric analysis of publications on Territorial Development; Regional and Urban Economy; and Shared Service Centers, intertwining them, in addition to the theoretical framework, with examples in Brazil, Portugal and Europe, discussing territorial development factors, promoted by the phenomenon of service sharing and agglomeration strategies, which contribute to the regional and urban economy through the spillover effect.

Phenomena are constituted, founded and transformed from multiple determinations that are essential to them. Such determinations are constitutive of the phenomenon, are part of it, are determined or compose other relationships. Knowledge is not produced, therefore, from a simple reflection of the phenomenon, but must reveal, in the phenomenon, what constitutes it and which is, in principle, obscure; The method of producing this knowledge presupposes, therefore, that the phenomenon is discovered as it really is behind the appearance, and what is more, what even determines that it appears in the way it appears (Andery et al., 2014).

To expand the analysis, a practical dimension was sought, through Bardin's (2007) content analysis of executive documents, which deal with corporate strategy, basically planning and implementation of call centers, and semi-structured interviews with one hundred and twenty professionals from companies. and regional governments, which provided a better understanding of the phenomenon, its activities and repercussions. Studies were carried out in different sectors of the Northeast and Center-South geo-



economic regions of Brazil, with emphasis on the beverage, pharmacy, transportation and financial services segments; and in the cities of Lisbon and Porto, in Portugal, and others in Europe, their respective metropolitan areas, namely in the pharmacy, technology, telecommunications, transport, automobile and health segments.

In the discussion of regional economic development, it is important to understand what the term “sustainability” means, which has several meanings, but which, for the purposes of the study proposal verbalized in this document, will be understood as

[...] to provide the best for people and the environment in the present and with a view to the future, in an ESG dimension. Thus, sustainability is linked to a long-term vision and constitutes a motivating factor for the organization that manages to conduct its actions in an ethical manner.

The company needs to contribute to the development of society, monitoring the economic, social and environmental impacts of its actions in relation to the various stakeholders. Concern for its stakeholders [...] is essential for an organization's sustainable operations (Naves, 2009, p. 202).

It is also important to understand corporate governance, here responsible for the implementation of SScs, from a reflex action of ethics, which deals with the discussion about the relations between the corporate world and society, between companies in the same supply chain. business and, within companies, between shareholders, boards and executive management. In this way, governance appears as a

[...] a set of principles and practices that seek to minimize potential conflicts of interest between controlling and non-controlling minority shareholders, as well as among other stakeholders, with the objective of maximizing the company's value and, consequently, increasing the return for its shareholders (ANDRADE; ANDRADE, 2012).

The interviews were carried out with information, circumstances and expectations, in two stages, the first focused on the company and the second focused on the territory. Discussions took place in the decision-making sphere due to the shared model and geographic location, as well as governance practices, organizational structure, processes and technologies, human capital, relations with the government and repercussions for economic development.

### **3 STUDY RESULTS**

The objective of this text was to analyze territorial development factors, promoted by the agglomeration of shared service centers, which contribute to the regional and urban economy through the economic effect of spillover, observing interrelated corporate components of governance, strategy and location, as well as as externalities on non-participants, namely at an economic, social and environmental level.

More than a hundred professionals working in the planning, implementation and operation of shared services in Brazil, Portugal and Europe were consulted. Discussions took place within the scope of decision-making by sharing and geographic location, as well as governance practices, organizational structure, processes and technologies, human capital, government relations (and the public policies involved, rescued by the Theory of Regulation) and repercussions for the economic development.

The result in Brazil brought elements of planning and coordinated actions of public entities, still with a strong influence on the process, in the sense of promoting cities, regions or territories as candidates for service centers of large economic agents, as well as and, perhaps, mainly, to attract and retain qualified and better paid human capital, contributing directly to economic development. They are experiences in the spatial dimension, on a regional scale or in specific geographic areas, constituting instruments of intersectoral planning.

The results in Portugal and other European cities or territories reinforced the perception of optimal territorial aspects and how these influence locational decisions for global operations. Despite the parity of variables identified in the interviews and observed in the research, the discrepancy between the two countries was noticed, as well as the paths that must be followed to maintain or expand the status. Likewise, it was observed that the relationship between service centers and territories is virtuously circular, as investment attracts investment and consumption, which promotes development and, consequently, the capacity for greater investment.

The analysis also reinforced the importance of territorial configurations as a strategic component and economic development, promoted by the agglomeration of people, processes and technology in shared service centers, enhanced by the agglomeration of these equipments, which operate in different ecosystems, but obtain competitive advantage and increments. in value chains by the network economy. Schumpeter reinforces that development is closely linked to technological knowledge, the existence of efficient institutions and the entrepreneurial spirit (Dallabrida, 2017).

Choosing paths still unexplored, or partially explored, is perhaps the most exciting challenge of scientific research. New phenomena, relationships and inconclusive results trigger new investigations. The continuity of learning and the development of interpretive schemes, capable of providing elucidating elements for new questions, whether specific or of a theoretical-methodological nature, are essential for more assertive constructions.

Territorial configurations are strategic for location decision making. The interviews led to the aspect of high technology and available infrastructure, including sophisticated locations such as research centers and universities. These would be relevant points for the better allocation of resources and the microeconomic efficiency of production, based on the endogenous perspective.

The research contributed to broadening the understanding of the relationship between territory and companies' strategies, with an emphasis on development factors, understanding that this promotes structural and spontaneous changes in the flow channels of the previous economy. Likewise, it demonstrated the need for higher studies to discuss theories, phenomena and relationships arising from governance, sharing of services and regional economic development, to consider a third work on the theme "smart territories", with a spatial cut in the operations of the main cities Europeans.

#### **4 DISCUSSION OF CASES**

The city of Salvador was the first Portuguese capital of Brazil and one of the oldest cities on the continent. It is located in the so-called geoeconomic region of the Northeast and stands out throughout the country and in the world for its gastronomy, music and architecture. The African influence, present in many aspects of their territories (revisited concept of the Internal Cities Project, researched by the Department of Regional and Urban Development at Salvador University, in which it identifies some cities within the city of Salvador, considering historical, cultural and economic aspects) makes it the center of Afro-Brazilian culture. Recent studies point to Salvador as a strategic choice for the implementation of national service centers, with international operations (Mercosul), mainly in the Energy, Oil and Gas segments, as it is located a few kilometers from the Camaçari Industrial Complex, which plays a transforming role for the development policies of the State of Bahia. The work by Castro (2020) highlights both the strategic choice of the region for the implementation of the Pole, inaugurated in 1978, the first planned petrochemical complex in the country, and the decision of Petrobras, the largest Brazilian company, to maintain the Operations Center in Salvador, in the period 2008-2015, promoting development through the concentration of processes, technologies and people.

When the Center was transferred to the company's headquarters, in Rio de Janeiro, it left the important legacy of a more structured region to receive new ventures, mainly shared services, which happened in the following years. Following the trend of the service center model, many economic groups invested in the concentration of transactional activities, in the case of Salvador, taking advantage not only of a ready operation and support infrastructure, but also of the territorial configurations of the capital and metropolitan region, that were attractive. and receptive to such ventures.

Also in the State of Bahia, in the last five years, there has also been a more intense movement west of Feira de Santana, practically, a new ecosystem of production and services, with production poles and agribusiness activities linked to the States. Goiás and Minas Gerais, located in the Center-South geoeconomic region, which suggest important contributions to territorial development, through, according to interviews with public actors, the installation of two hundred new operations and the generation of approximately three thousand direct and indirect jobs, just in the last four years. It is important to note

that agribusiness and related activities have not suffered negative impacts from the COVID-19 health crisis. The regional figures indicate an average growth of 16% and the perspective of increments in the order of 10% for the coming years.

The first block of interviews aimed to validate the trend and decision of the model and location of SSCs in the planning and implementation stages, based on global practices and corporate governance. In this sense, responses from approximately one hundred and fifty professionals prevailed on the need to reduce costs, standardize processes, meet the recommendations of governance, strategy and competitiveness dominated the discussions. The arguments on location were diverse and on challenges and difficulties, their perceptions were divided between the incentives of local governments (Regulation Theory) and the retention of human capital, determinants of geographic location.

The city of São Paulo is the most important federative unit in Brazil, located in the region called Centro-Sul geoeconomics. Currently, with 46.6 million inhabitants, about 22% of the Brazilian population, it is the most populous state and the largest electoral college in Brazil, the third most populous political unit in South America and the most populous national subdivision in the American continent.

São Paulo's workforce is one of the most diversified in the country and, in addition to Portuguese, indigenous and African influences, descends mainly from Italians, who began to emigrate to the country in the late 19th century at the end of Brazil's colonization, installing the first European settlements in the region, Amerindian peoples - indigenous peoples, Africans and migrants from other regions of Brazil.

It is understood that having the largest number of companies and decision-making structures for operations distributed throughout the country would not be enough to guarantee the largest number of service centers, but the territorial configurations of the interior of a developed state did and, nowadays, present elements attracting and retaining human capital. One of the interviewees was recently hired by the service center object of this study, after an outplacement process, triggered by the non-acceptance of returning to face-to-face work in the capital. He highlighted family, quality of life and services offered in the region.

São Paulo is today the most sought after destination in the country for the implementation of shared services. Investment in business and urban infrastructure, as well as an increase in the quality of life in some regions, facilitated the acceptance of the workforce that, naturally, in the context of the health crisis (COVID-19), began to migrate from the capital to the countryside. The interviews showed a willingness to move from large urban centers and new residence in the so-called "developed interiors".

The analysis of executive documents of the companies studied signaled concern with the volume of investment for the implementation of service centers, significantly multiplied when including logistical movement and programs for training and retaining human capital. In the researched examples, the participation of local stakeholders stands out for the viability of the projects. In practice, the companies

list candidate cities, considering specific prerequisites for the operation and the people, and a team starts negotiations with the local and state governments, in the search for conditions or incentives for the referred undertaking.

The service center of a pharmaceutical laboratory, located in the city of Salto, in the interior of the State of São Paulo, drew attention in the research, as public resources in the form of incentives, in the period of 30 years, halved the forecast of the total amount invested by the company, from the initial order of US\$ 350 million and now exceeds US\$ 500 million. As part of a regulatory effort and territorial dispute, the study government provided land, sanitation, electricity, tax benefits and subsidized financing from the National Bank for Economic and Social Development for civil construction. The project at the end of implementation and the expectation is to generate 2,000 direct and indirect jobs and attract more than a dozen new companies.

The economic group in the beverage segment maintains a service center attached to a production unit, in Jaguariúna city, in the interior of São Paulo, which, between attraction and formation of human capital, employs a good part of the economically active local population, around five thousand people. The “independent” businesses work for the company in such a way that one of the researchers found it difficult to have a simple coffee, outside the company's premises, during the plant's opening hours. It was observed that small businesses open at alternate times.

This region of the interior of São Paulo is quite peculiar, as in the same lane of the highway (BR-374), with about 150 km, there are two large operations in the beverage segment, three pharmacy (one in the implementation phase), three for logistics, one for cement - from one of the largest economic groups in the country - and now under construction, one for financial services, all with shared service centers. The latter is scheduled to open in 2023.1 and move or hire 900 professionals locally (updated number). The works visited indicate the construction of a high standard housing for the four hundred employees. Presentations and an executive project suggest a place with environmental concern, integrated with nature, self-sustainable and a meeting point for professionals in transit, integration and development, as well as to receive clients, but with a view to the development of the territory, especially the region and urban economies.

In the interior of Bahia, an ecosystem is growing with industrial production, which serves the capital and the rest of the state and the country, and agribusiness activities, which primarily serve, considering exchange and price strategies, the international market. Some plants have decision-making centers located in the Center-South geo-economic region, especially São Paulo, and other smaller service centers in the region itself. It is still a timid movement, but it already has about fifteen municipalities, the most developed ones, with technological infrastructure, logistics and greater government presence - interviews highlighted health, safety and education.

In the interior of São Paulo, in the BR 374 region, the level of integration of local governments, promoted by the state government, reinforces interest and allocation of public resources, totaling around R\$ 1 billion, for the viability of service centers. The research identified an effort to consolidate “rings” of support services - hospitality, transport, financial, education, leisure - in ranges between 20 and 30 km from large units or unit groups. According to interviews, everything is being thought of firstly to offer companies better infrastructure and secondly to facilitate the process of attracting and retaining human capital with training, income and willingness to consume.

The researchers became aware of a company specialized in the construction of commercial and service centers, which maintains dozens of projects in the interior of the Center-South geoeconomic region and is currently adding eight business units to its portfolio. Interestingly, the company also operates in the Funeral segment, building and managing cemeteries in thirty-two municipalities.

Portugal consolidates itself as an attractive market for the implementation of international operations, due to factors such as its strategic location, quality of human resources, climate of political stability and social peace, robust infrastructure of connectivity and innovation and digital transition. According to a study by Savills (2021), Portugal on the Radar of Business Service Centres, the country appears as a destination of choice for investment in multiple sectors, especially by foreign investors.

Shared service centers are a global trend and are growing and contributing to the development of the Portuguese territory, responding to companies' need to optimize resources, ensuring maximum productivity levels at more competitive costs, safeguarding the quality of the production process.

Also according to the Savills study, the country has one hundred and seventy-five centers of this kind, in Lisbon, Porto, Braga and Aveiro - metropolitan areas are preferred in the installation of this type of companies, normally close to train stations or buses. The interviews indicate that more and more multinationals are betting on the Portuguese market as a location for shared service centers, either owned or outsourced.

At this point, the Global Shared Services Center of a North American pharmaceutical company will be installed in Lisbon. The company already has a unit with sixty professionals and will receive, in 2023, an increase in a service center with more than two hundred people. According to interviews, the decision for Portugal was strategic, as Lisbon offers a highly qualified and relatively cheaper workforce, when compared to other European sites, made up of local and international professionals and supported by leading universities. The center's initiative stemmed from the need to transform important corporate functions and optimize the support operation.

The choice for Lisbon was also supported by the corporate sharing strategy, connecting decision-making facilities across the European continent. Planning for 2030 provides for the implementation of

two more service units, standardization of all computer systems, which will solve problems with legacy resources of M&A (Global Framework Project) processes and creation of approximately 1,700 jobs.

Interviews with professionals working in Portugal highlighted cost reduction, increased productivity, improved service quality and company growth as the main advantages of shared service centers. Some respondents added the absence of geographical barriers, the improvement of the language skills of employees, the optimization of costs and personalization, which facilitate implementation and innovation processes.

Public policies that guarantee accessibility, social stability and strong investment in infrastructure are also relevant criteria. In most cases, the location of the dwelling loses relevance. The prevalence of public policies in the daily life of Brazilian society contributed to the formation of a certain consensus among the population, bureaucracies, scholars and the media - the latter, in strong evidence since 2018, after the last presidential elections.

The service centers surveyed in Portugal together employ or will employ approximately 1,500 people. Executive documents show that 45% of university human capital has knowledge of two or more foreign languages, which facilitates communication and connection with other global operations. Territorial settings are decisive. Interviewees from an infrastructure and telecommunications multinational, new to the municipality of Amadora, Lisbon's metropolitan region, detailed that the geographic location offers a GMT+00 time zone, important even for a remote work schedule, the proximity to other European cities and the African continent and the rail and road network with quick reach to various parts of the country.

On sharing services and working remotely, interviews at that company signaled the definition of a permanent hybrid model in which employees work remotely for one month and fifteen days in the office, adopting new corporate strategies and defending aspects of the so-called New Economy. Here, it is worth highlighting the first service agreement and remote delivery, for specific governance, strategy and management projects, and not just technology, with a major economic agent, currently the largest financial services company in the euro zone.

An important transport and cargo handling company intends to expand its service center in Portugal. The geographic location has not yet been decided, but the idea is to concentrate activities distributed in the Iberian Peninsula. Planning and implementation documents, presented by the Governance, Risk and Compliance area, set the goal of finding the best working model in the post-pandemic scenario, given the challenge of dealing with the movement called Great Resignation and efforts in the search for standards that make meaning for employees and the business.

A car manufacturer in Spain (Madrid) aims, through a collaboration agreement with stakeholders - government, employees and social actors -, to develop different initiatives in the field of future mobility,

sustainability in its different aspects and diversity. This commitment highlights the union of values and vision of the future of the group companies that have already started changes in their shared service centers, aiming to meet the ESG demand. As in the Brazilian and Portuguese cases, such reconfigurations are based on territorial aspects and promote repercussions on the regional economy through the agglomeration of SSCs.

A multinational manufacturer of medical and hospital equipment in Germany (Wunstorf) has a shared customer service center in over 100 countries, including Brazil and Portugal. It offers remuneration and benefits above the European average, but has a highly specialized workforce that promotes the growth and development of the local economy. There are more than thirty support services companies that work in an integrated way in the company's business ecosystem.

Castro (2020) argues that preparing the region to host the service center and allocated human capital promotes economic development. People demand better services and are willing and able to pay for them, taking into account the education and income dimensions. The regional and urban economy takes on a new dynamic. Today, Lisbon is committed to renewing and placing an offer on the service office market in response to a demand movement with new occupation needs and forms of organization, which are reflected in workspaces, the same happens in the city of Porto and other European territories.

The interviews led to the aspect of high technology and available infrastructure, including sophisticated locations such as research centers and universities present in all the cities studied. These would be relevant points for a better allocation of resources and the microeconomic efficiency of production. The main economic agents seek ready-made solutions. When finding them, whether in Brazil, Portugal, Spain, Germany or any other places, regions, territories or countries, the location decision becomes outdated, moving on to the next issues that involve the implementation of a call center and make it an important agent of development.



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