# The Business Case for a Center of Excellence

WHITE PAPER

## Turning Scattered Program Expertise Into a Funded, Defensible Capability


## Abstract

Most life sciences organizations already have a de facto center of excellence. It just does not have a name, a budget, or a mandate. It is the two or three people everyone quietly calls when a protocol deviation needs handling or a vendor contract needs the right risk language, operating on goodwill and overtime rather than a funded structure. Deloitte's 2023 Global Shared Services and Outsourcing Survey found that organizations formalizing this kind of expertise into a genuine center of excellence report standardization and process efficiency gains at an 88% success rate, up from 84% just two years earlier, and cost reduction remains the single most consistently achieved objective at 83%. The same research shows center of excellence adoption climbing steadily with organizational maturity, from 33% in organizations one to three years into their shared services journey to 57% among those with more than a decade of experience, evidence that this is not a fad leadership outgrows but a structure they grow into. The harder question is not whether a center of excellence works. It is how to build the business case that gets one funded before the informal version burns out the two or three people currently holding it together. This white paper applies established program and portfolio management best practices to making that case.



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## The Center of Excellence You Already Have, Unofficially

Ask any program manager in a mid-size pharmaceutical or biotech organization who they call when a complex protocol amendment needs a second set of eyes, or when a vendor contract needs language nobody else on the team fully understands. There is usually an answer, and it is usually the same one or two names across the whole portfolio. That informal expertise hub is a center of excellence in everything but name, funding, and staffing. It exists because the organization needs it, not because anyone decided to build it.

The problem with an unofficial center of excellence is not that it lacks a title. It is that it lacks the structure that would let it scale, survive turnover, or get credit for the value it produces. The two people everyone calls are doing that work on top of their assigned roles, without dedicated capacity, formal recognition, or a mandate that would let them say no to a request that falls outside their actual job. When one of them leaves, the organization does not lose a center of excellence. It loses institutional memory nobody realized was concentrated in two people until it walked out the door.

This pattern repeats across functions that carry specialized, cross-cutting expertise: protocol design review, vendor governance, regulatory intelligence, data standards. Each one develops its own informal hub, and each hub eventually hits the same ceiling, doing more work than its unofficial capacity can sustain, with no budget line to point to when leadership asks what it would take to do more.

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## What the Evidence Actually Shows

Deloitte's 2023 Global Shared Services and Outsourcing Survey offers one of the more rigorous looks at what happens when organizations formalize this kind of expertise. Standardization and process efficiency ranked as the second most commonly achieved objective among organizations running a shared services or center of excellence model, with 88% reporting success in 2023, up from 84% in 2021, a meaningful improvement in an area most organizations already considered a strength.[i] Cost reduction held steady as the top achieved objective at 83% across both survey years, evidence that the case for a center of excellence does not weaken as organizations gain more experience running one.[i]

Adoption data tells a complementary story. Organizations one to three years into a shared services journey run center of excellence models at a 33% rate. Organizations with more than a decade of experience run them at 57%.[i] That upward curve is not what a failing or fading structure looks like. It is what a structure looks like when organizations that have actually tried it keep choosing to expand it, which is a more credible signal than any single case study.

None of this means every center of excellence justifies itself automatically. The same survey data shows real variation in outcomes, particularly around automation-linked savings, where 46% of organizations achieved less than 10% savings and only 7% exceeded 40%.[i] A center of excellence is not a guaranteed win. It is a structure that, built and scoped correctly, consistently outperforms the informal alternative most organizations are running today.

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## Applying Best Practices: Building the Case Before Building the Function

A foundational best practice in PMO maturity treats Strategic Alignment and Value Measurement as a core maturity dimension, and a center of excellence business case is where that dimension gets tested before a single hire is made. Applying that discipline to a working business case framework means answering four questions before proposing the structure to leadership.

1. **Where Is the Informal Version Already Operating.** Identify the specific people and functions currently absorbing cross-program expertise work outside their formal roles, and document the actual volume and value of what they are already doing without recognition or budget.
2. **What Would Formalizing It Actually Cost.** Build a realistic staffing and budget model for the proposed center of excellence, distinct from the vague statement that it will pay for itself, since a credible case needs a real number leadership can evaluate against alternatives.
3. **What Specific Metric Will It Move.** Name the outcome the center of excellence is meant to improve, whether that is protocol amendment rate, vendor contract cycle time, or audit finding volume, and establish the current baseline before the structure exists.
4. **What Happens If the Informal Version Breaks First.** Make explicit the risk of not acting: what happens to institutional knowledge, response time, and quality if the current unofficial arrangement loses one of the people holding it together.

A business case built on these four questions gives leadership something concrete to evaluate, rather than a values statement about the benefits of expertise sharing. It also gives the eventual center of excellence a built-in baseline against which to prove its value once it exists, closing the loop with the benefits realization discipline every standardization investment needs.

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## What a Center of Excellence Buys, and Where It Gets Hard

### Advantages

- **Expertise that survives turnover:** formalizing a center of excellence means institutional knowledge belongs to a function rather than to whichever individuals happen to be holding it together informally.
- **A scalable capacity model:** dedicated staffing means the center of excellence can absorb more demand as the portfolio grows, instead of hitting the same ceiling the informal version always hit.
- **Consistent standards across programs:** a center of excellence applies the same rigor to every program that requests its expertise, rather than the variable quality that comes from whoever happens to be available informally.
- **A visible home for specialized talent:** a formal center of excellence gives specialists a defined career path and recognition, making it easier to retain and recruit against the alternative of quietly absorbing extra work with no title to show for it.

### Risks and Barriers

- **Becoming a bottleneck instead of an accelerator:** if the center of excellence is underresourced relative to demand, it can slow programs down waiting for its input rather than speeding them up.
- **Perceived loss of autonomy:** program teams accustomed to solving problems their own way may resist a center of excellence that introduces standardized approaches, even when those approaches are objectively stronger.

- **Funding vulnerability:** a center of excellence built without a clear, measured value case is one of the first line items cut in a budget tightening cycle, because its contribution is easy to characterize as overhead if nobody tracked it.
- **Scope creep:** a successful center of excellence tends to attract requests beyond its original mandate, and without discipline about what it does and does not take on, it can drift from focused expertise hub to catch-all dumping ground.

## Case in Point: The Two People Everyone Called

A mid-size biotech's clinical operations function had two senior program managers who had become the unofficial protocol design review hub for the entire portfolio, reviewing amendment language, catching feasibility issues, and advising on vendor scope changes across a dozen active trials, all on top of their own assigned programs. Neither had a formal mandate for this work. It happened because they were good at it and colleagues knew to ask.

When one of the two left for another role, the review backlog tripled within a month, and amendment quality on the programs that had relied on informal review visibly declined, with two amendments requiring rework after sponsor feedback caught issues the informal review process would previously have flagged. The organization's leadership, prompted by that visible drop in quality, approved a formal protocol design center of excellence with two dedicated staff and a documented review process within the following quarter, funded largely by pointing to the concrete cost of the amendment rework that had already occurred. The business case that got funded was not a projection. It was evidence of what happens when an informal structure fails, made concrete enough that leadership could not ignore it.

## Recommendations for PMO and Functional Leaders

1. **Map where informal expertise hubs already exist.** before proposing a new center of excellence, identify and document the unofficial version that is likely already operating somewhere in the portfolio.
2. **Quantify the value that informal work is already producing.** estimate the volume, cost avoidance, or quality impact of the work currently being absorbed off the books, and use that as the foundation of the business case.
3. **Build a specific staffing and budget model.** avoid vague value statements in favor of a concrete cost proposal leadership can evaluate against other investment priorities.
4. **Name the metric the center of excellence will move.** and capture a baseline before the structure launches, so its value can be measured rather than asserted.
5. **Scope the mandate explicitly from day one.** define what the center of excellence takes on and what it does not, to prevent the scope creep that erodes focus and credibility over time.
6. **Revisit the business case annually.** treat the center of excellence's funding justification as a living document, updated with real performance data rather than the original projection.

## Measuring Success: KPIs for a Center of Excellence

- **Demand versus capacity ratio:** the volume of requests the center of excellence receives against its available staffing, tracked to catch a bottleneck forming before it slows programs down.
- **Quality metric improvement:** the change in the specific outcome the business case named, such as amendment rework rate or vendor contract cycle time, measured against the pre-launch baseline.
- **Program team satisfaction:** a periodic survey of how program teams rate the center of excellence's responsiveness and value, tracked to catch the shift from accelerator to bottleneck early.
- **Scope adherence:** the percentage of requests handled within the center of excellence's defined mandate versus requests that represent scope creep, tracked to keep the function focused.

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## Conclusion

Most life sciences organizations do not need to be convinced that concentrated expertise produces better outcomes than expertise scattered thinly across every program. They are already relying on an informal version of that concentration, usually without realizing how much weight it is carrying or how fragile it is. Deloitte's research confirms what the informal version already suggests: organizations that formalize this structure keep reporting stronger standardization and cost outcomes the longer they run it, and adoption keeps climbing with organizational maturity rather than fading as a passing trend.

The business case for a center of excellence is not a leap of faith. It is a matter of documenting what an organization's informal expertise hub is already doing, pricing what it would cost to formalize and protect that capability, and naming the specific outcome leadership should expect to see move. Organizations that build that case before their informal version breaks get to choose the terms. Organizations that wait get to react to a crisis instead.

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## About OmniTek & Contact Information

OmniTek Consulting is a trusted partner for organizations seeking to enhance governance, operational agility, and decision-making. We specialize in modernizing business processes with a blend of human-centered design, technology expertise, and hands-on change management.

For PMO and functional leaders who suspect their organization is already running an unofficial center of excellence and want to formalize it before it breaks, OmniTek applies proven best practices to build a practical business case methodology: mapping the informal work already happening, pricing what it would take to protect it, and naming the metric that proves its value. Whether you are building the case for the first time or defending a center of excellence's budget at renewal, OmniTek can help you make it with evidence instead of assertion.

Contact us today to explore how OmniTek can support your transformation journey and drive lasting results.

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**Click here to book a 15-minute call to see how OmniTek can help your team put these insights into practice.**

## Endnotes

[i] Deloitte, "2023 Global Shared Services and Outsourcing Survey Executive Summary", available at https://www.deloitte.com/content/dam/assets-zone3/us/en/docs/services/consulting/2023/us-2023-global-shared-services-and-outsourcing-survey-executive-summary.pdf