

# At your service

MAXIMISING THE BENEFITS OF SHARED SERVICES IN THE PUBLIC SECTOR



## EXECUTIVE SUMMARY

At a time when the public sector is faced with a challenging economic climate and increasing demand for its services, the hunt is on to make big budget savings. To do so involves a radical transformation of the way your organisation and people work and the technology used.

Central to achieving this are shared services – where common processes can be shared internally and externally. Such a move enables you to streamline the back office, expand front line citizen services and dramatically reduce costs.

But not all shared services are equal. To maximise the benefits you need a proven model, based on best practices that has delivered efficiencies, time after time, in the public sector. Tried and tested, it can still be further moulded to meet your long-term strategies. And with continuous improvement built-in, you can realise greater savings, year-after-year.

Here, to help you be ready for the transformation to come, we look at how to choose a shared services model that will enable you to save money and deliver better, more cost-effective citizen services.



## SHARED SERVICES, SHARED VISION

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Think of a public sector where there's nothing that gets in the way of delivering the services your stakeholders demand. Where routine everyday operations are just that – routine. Back office functions run smoothly and effortlessly, day after day. Finance, HR, Payroll, Procurement, IT and facility management follow best practice, models of efficiency and effectiveness.

**All quickly realised within a much smaller budget. So that despite any continuing and emerging changes in policies, legislation or the financial environment there will be no effect on the quality of your services.**

It's a vision that is achievable with shared services. It's already in place for many public sector organisations across Europe that are using the Logica Public Sector Shared Services Framework.

## FIVE COUNCILS MERGE INTO ONE

The new unitary authority of Wiltshire (UK) had to create a single shared system for its five former constituent councils – while maintaining and improving service quality, providing accurate management information for better decision-making and enabling self-service HR.

- Savings of £5 million a year, with more to come
- Single set of business processes
- Project managed within a tight deadline of 13 months



## BRINGING IT ALL TOGETHER

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Shared services will help you radically transform your organisation by re-engineering end-to-end processes around optimised and automated support functions.

Common processes, brought together using best practice, can be shared across departments, between organisations or completely outsourced. This way you will:

- Significantly reduce your operating costs year-on-year – by building in best practice and greater efficiency
- Rationalise investment – already made in integrated application technology
- Increase the quality of service – by investing more in direct services
- Improve focus on front line citizen services – reducing the administrative burden
- Provide rapid access to accurate information – to make the right decisions, save money and maintain quality
- Reduce the cost of operating your IT platform – and lower it further through strategic collaboration with other public sector agencies
- Ensure statutory compliance – using standard, built-in processes to help minimise risk and provide an easy-to-use service for all

### EXPANDING FRONT LINE CITIZEN SERVICES

Streamlining the processes that support your front line people empowers them to do what they do best – deal with citizens. By freeing up as much of their time as possible from activities that add no value they are able to concentrate on the things which do make a difference. They can take ownership from the initial contact – across multiple channels – to final delivery without wasting time on back office administration. Expanding the scope and quality here brings more savings, as you can increase the take up of lower cost, self-service options by staff and citizens.

### STREAMLINING THE BACK OFFICE

By bringing together all common processes you will have a platform for more radical transformation in service delivery. Using Lean principles you can cut out anything that doesn't add value, working more efficiently and effectively – while improving performance in a way that is easily sustainable.

### CONTINUOUS IMPROVEMENT, CONTINUAL SAVINGS

Within the shared services framework there should be a roadmap for driving continuous improvement. By identifying and scoping ways that more services can be transformed it's possible to increase cost reductions from which you'll benefit year-after-year.



## THE RISK IS DOING NOTHING

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Shared services help public sector bodies cut costs significantly while improving the quality of services. But not all shared services solutions are equal. So how do you reduce the risk of going with the wrong option and make sure you get the maximum benefit?

The easiest way is to go for a tried and tested template solution that has been shown to deliver efficiencies across public sector organisations like yours. One that is based on proven, robust world-class technologies – rather than costly fragmented point solutions. This way you have the framework for an off-the-shelf, fully integrated solution that is specially designed for the public sector. One example is the Logica Public Sector Shared Services Framework, which can be adapted further to meet your long-term strategic plans.

With a proven process you take the risk out of shared services and have the fastest route to achieving the benefits they offer. To get the maximum return for minimum risk look for a shared services model that is:

**Transformation driven** – focused on successfully managing the radical changes needed in the way you operate, rather than just being another IT solution.

**Benefits led** – using a consultancy approach to identify and deliver realisable savings, year-on-year, while improving service quality.

**A proven, repeatable model** – a templated framework that delivers significant results for public sector clients, time after time.

**Powered by pre-defined best practice** – to maximise benefits and achieve your vision.

**Actively managed** – to give targeted benefits.

**Future proofed** – using a continuous improvement cycle to identify additional cost efficiencies.

**Based on experience** – with an established operating model that is flexible enough to adapt to what's right for you, at a pace that suits you.

**Using the best technology** – as a given, so technology is not an issue, just a component within the solution, proven and repeatable.

**A genuine partnership** – where your objectives and successes are shared by your service provider.

## YOUR CHOICE OF DELIVERY MODEL

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Where does your vision of shared services take you? Every organisation has a different start point and finish. In working out the roadmap for your organisation there are three main routes:

### OPTIMISING YOUR ORGANISATION THROUGH INTERNAL SHARED SERVICES

Significant transformation of your support functions will bring all your common activities together, in one unit, to service the rest of the organisation at agreed performance levels. That doesn't just mean business as usual from a more central location. Who does what – and how many people are needed to do it – will be redefined, as well as the best way of doing things.

**Benefits: Optimal way of working; more efficient purchasing; significant savings**

### SHARING WITH YOUR PUBLIC SECTOR PARTNERS – SHARED SERVICE CENTRE

You come together with another public or private sector organisation to share common processes and functions, or join an existing public sector provider to share these common processes.

**Benefits: Optimal way of working; more efficient purchasing; significant savings.**

### OUTSOURCED SHARED SERVICES

You buy your services from a private sector provider, who is fully responsible for delivering them.

**Benefits: Much lower transactional costs; far greater procurement efficiency; substantial cost savings.**

The best approach will depend on how far you have gone in setting up shared services and your current readiness for transformation.

The maximum benefit comes from outsourcing shared services. But with a flexible framework, you have a roadmap which enables you to move from one option to another as your organisation changes.

Whatever route you travel, the foundation for any shared services should cover HR, Payroll, Procurement, Financial Administration and Facilities Management. Then as your organisation matures you can easily add others that offer additional benefit and enable you to create a true centre of excellence.

## WHAT TO LOOK FOR

When assessing a shared services solution, look for:

**Business-focused processes** – that enable your organisation to concentrate on core citizen services

**A framework that is just that** – an approach built on proven best practice

**A tried and tested model** – that has been proven many times over, in the public sector and elsewhere, across Europe and beyond

**A solution that uses proven technologies and best practice** – so efficiency and effectiveness are greater as your organisation expands

**The experience** – to maximise benefit, faster

**An operating model that can expand** – to deliver even more benefit

**A solution that transforms** – not just changes your organisation

Learn more about how to get the benefits of cheaper, better support services – and focus more on citizen-centric services – with the Logica Public Sector Shared Services Framework.

Call: [+44 \(0\)118 965 9600](tel:+44201189659600)

Visit: [www.logica.co.uk](http://www.logica.co.uk)

Read: [Moving ahead together: The way to cheaper, better public services.](#)

Our complementary white paper highlights why shared services are the way forward for the public sector.



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