



Cabinet Office



Shared Services Strategy for Government

Setting a clear direction for the next ten years



Shared service strategy for government

A Brilliant Civil Service enabled by cost effective shared services which will meet end user needs



Objective Delivering value and efficiency

1

Separating technology from service centres, and including all transactional services

Objective Convergence around processes and data

2

Consolidating and modernising technology platforms whilst maintaining choice for departments

Objective Meeting end user needs

3

Promoting excellence and convenience for both staff and managers



Context

Government has a strong foundation upon which to build for the next 10 years

Key achievements



Over **half a million employees** supported by shared services

Over **90%** of total employees within Ministerial Departments are **supported**

Completed the rollout of **MOJ and the RM Family to the SOP**

Engagement



More than **150 stakeholders**, across functions, from **22 departments** engaged in the strategy work

Inflight projects and plans were documented

A **quick wins** identification project was completed with Defra

The importance of improved **user experience** was a consistent theme

Progress in 2017



Home Office Oracle Cloud project underway

Finance data standards defined, user experience in progress, and **process splits and level 3 processes** documented end to end

HR customer experience **workshops are 80% complete** with departments, cross-government workforce **reporting standards in draft**, and user journeys, RACI charts, process splits and standards in development



01 Delivering value and efficiency

Separating technology from service centres, and including all transactional services such as pensions

01

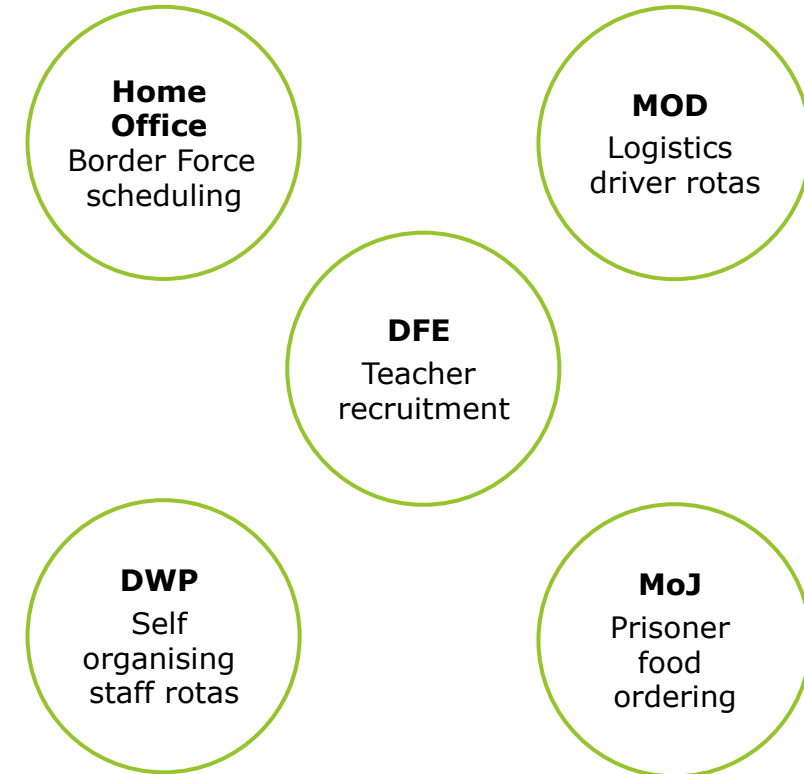
Governments position on the value curve



Five point value maturity scale

Model	1. No shared service capability	2. Independent Functional Pillars	3. Functional arrangement with Some Sharing	4. Global Shared Services with Common Infrastructure	5. Global Shared Services Fully Integrated
Description & Examples	In-house No sharing No governance	Discrete functional managed centres No sharing Governance by function	Co-location Individual functions managed in growing centres Governance by cross functional committee	Multi-Functional Increased integration Common approach to service and contract management Governance via coordination	Multi-Service Common approach to continuous improvement & talent development Full integration E-2-E process ownership Ownership by Global Leader with a common governance structure
Benefits of moving along the maturity scale	<p>Simplified, standardised, efficient processes</p> <p>Retained functions focused on core and value-add services</p> <p>Greater central visibility and control on technology</p> <p>Improved cost and performance comparability across organisations</p> <p>Greater consistency and satisfaction for the end users</p> <p>Stronger data governance to drive improved reporting and business insights</p>				

Department-Specific Opportunities



01

How value and efficiency will be delivered



Summary

The spend on shared services across government is significant. Future savings are predicted to be in line with the 2013 business case.

If government was to implement this strategy with impetus industry experience indicates that approximately 10%-15% of further savings can be achieved over the life of the roadmap.

There is potential that further savings could be delivered through an increase in offshoring.

Getting shared services right will also have non-financial value for departments and will provide support for management to drive value and efficiency.

Key to success will be process convergence.

As shared service technology trend moves to cloud and automation, it requires a split between BPO provider and technology to expedite a reduced BPO.

This inevitable move has the implication of a need for strengthening the capability in the centre and department to ensure there is no single point of failure.



Splitting technology and service

This will drive efficiency by providing government with the flexibility to pursue shorter BPO contracts, use of multiple suppliers, and ultimately increase leverage with suppliers.

Facilitates a more co-ordinated approach to additional shared services

This will require a substantive negotiation with SSCL and building of internal capability. The two objectives are implementing the new split, and delivering new ways of working.

The Home Office project with Oracle Fusion is a pathfinder for this delivery model.

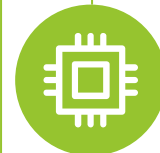


Adopting cloud software

This will lead to wider value across the lifetime of this strategy for example the Oracle Cloud Home Office pathfinder being extended to other departments enabling wider value to be achieved.

Increasing the focus on software as a service facilitates a quicker and less resource-intensive upgrade process.

Drives value for money for departments by providing greater control over technology and BPO providers.



Self service, robotics, and offshoring

Self-service will drive efficiency because end users are empowered to complete appropriate activities themselves.

Robotics automates repeatable tasks and allows processes to be completed with greater speed and accuracy.

Offshoring will be determined based on compliance with relevant HMG and Departmental data security policy and relevant legislation and the offshoring arrangement will be assessed periodically to ensure ongoing compliance with said policies.



02 Convergence around processes and data

Consolidating and modernising technology platforms whilst maintaining choice for departments



Finance

Human Resources

Standard and consistent end user support processes

Standard and consistent reporting processes

Purchase-to-Pay
Order-to-Cash
Record-to-Report
Payroll
Expenses
Cash Management
Investment Appraisal
Inventory
Project Accounting
Non Current Assets
Grants Administration
Cross-Government Reporting

Level 2 Process characteristics:

Developed with leading process characteristics that are consistent and standard across government

Clear process splits and hand-offs between retained teams, CoE's, Shared Services Users and Shared Services

End to end in mind to identify upstream and downstream improvement opportunities

Designed with optimal end user experience in mind

People Strategy & Planning
Organisation & Positions
Joining Work
Building the Workforce
Managing the Workforce
Rewarding the Workforce
Leaving Work
Managing Service
Vetting

Consistent data principles and standards

Strong data governance
 Standard and simplified data maintenance processes and policies

02

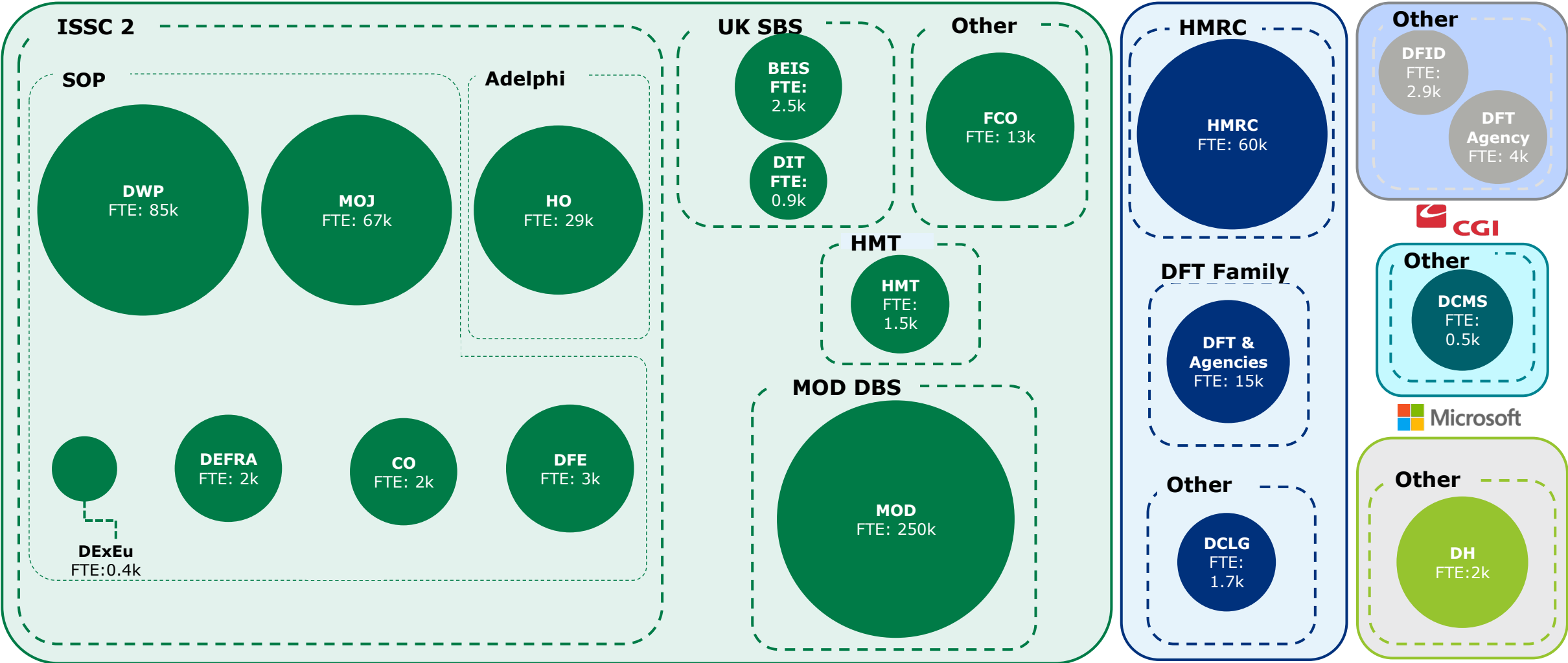
Current Technology landscape All core departments over 250 FTEs



ORACLE

SAP

AGRESSO



¹core departments over 250 FTEs

02

Future technology landscape

Technology arrangements will balance scale and risk, ensuring competitive tension among suppliers that helps to maximise value for government



Technology

Departments

99% of FTEs in scope

Service centre

Location TBC

1% of FTEs in scope



Summary

HR and Finance functions will lead process and data convergence which will be supported by strategic governance.

HR and Finance functions will establish and maintain a global process taxonomy and global standards.

The functions will be responsible for agreeing process change with departments through the Government Design Authority.

Government will also be supported by the following.



Technology to enable convergence

Technology Platforms will be consolidated to support standardisation of processes and data.

Departments will adopt a cloud platform during the life of the strategy to drive process convergence and automation.

Home office will pioneer the Oracle cloud pathway for other departments to join.



Developing three platforms for government

Departments will have a choice between Oracle, SAP, and a third modern flexible platform.

As established, leading ERP providers SAP and Oracle will create commercial tension and allow Government to demonstrate commercial leverage during negotiations.

The third platform will provide a cheaper, flexible alternative for smaller departments.



Sovereign departments leading their agencies

Departments will make decisions on agencies in their family.

Service centres will be competed when respective shared services arrangements expire.

All departments will move to a sponsored platform over the period of the strategy.





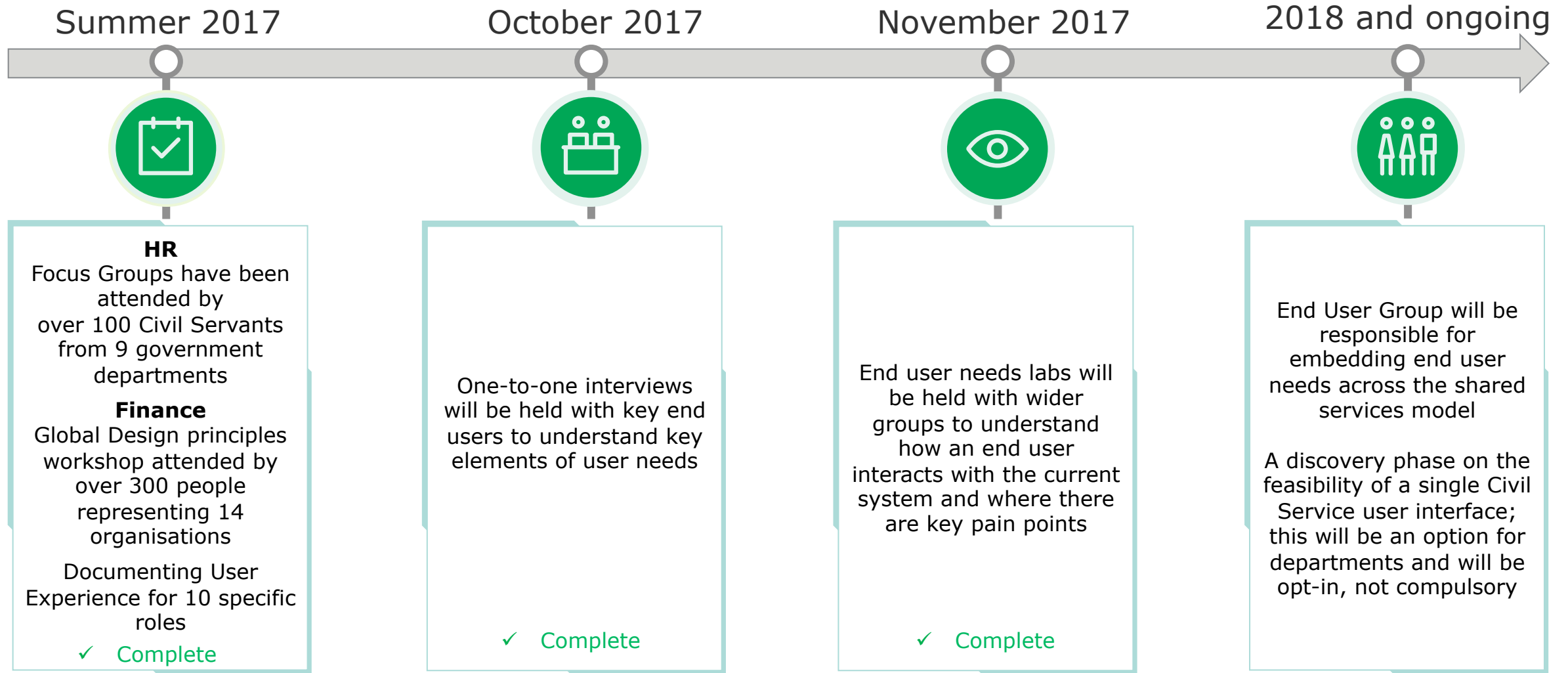
03 Meeting end user needs

Promoting excellence and convenience for both staff and managers

03

Understanding end user needs

There will be an ongoing process to understand and address end user needs



03

Emerging end user needs

Initial end user needs have been identified and will be further developed through the life of the strategy



Intuitive user interface



Web-based service accessible through multiple devices



Easily accessible management reporting and data



All employee information available in one easily accessible online place



Ability to track queries online







Summary

What this means for government




Delivering value and efficiency

Value and efficiency will be delivered through:

-  Increasing shared service scope
-  Splitting technology and service
-  Moving to the cloud – software as a service
-  Self service, robotics, and offshoring (in line with data security principles)
-  Keeping contact centres onshore




Convergence around processes and data

Convergence around processes and data will be delivered through:

-  HR and Finance functions will establish and maintain a global process taxonomy and global standards
-  Service centres will be competed when respective shared services arrangements expire
-  Departments will make decisions on agencies in their family, and all departments should move to one of three platforms over the period of the strategy

End user needs

End user needs will be met through:

-  A series of end user engagements being held to determine how an end user interacts with the current system and where there are key pain points
-  End users being represented in the strategic governance structure, through end user groups, to ensure end user needs are continually monitored and responded to
-  These groups will be responsible for embedding end user needs across the shared services model



Next steps from January 2018



1

Move to strategic governance, including strategy relaunch of GDA and repositioning of the NGSS and COF as Government Shared Services at Cabinet Office



2

Open and conclude negotiations with SSCL on splitting technology and service centers



3

Produce fuller implementation plan for the strategy



4

Commence work on platform 3 and get Fusion implemented at the Home Office



5

Launch communication campaign on strategy incorporating convergent processes launch event January 2018

