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ASSIST Conference

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Fairmont Hotel, St Andrews

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Improvement Service



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Why Shared Services ?

- Efficiency, economies of scale and cost reduction
- Economies of skill and capacity to deliver
- In theory - more efficiency savings to be delivered via a shared service than can be achieved through internal improvement alone
- Improved outcomes: Co-production through collaboration
- Transformation: Re-inventing public services

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The Different Meanings of Shared Services

- Shared capacity within or across sectors: ‘Scotland Excel’; ‘myjobscotland’; co-funding and co-location projects; ‘Customer First’
- Moving from separate services to a single shared service: Locally between partners or sectorally (SPV; lead authority, etc)
- Sharing staff resources: Common CEO’s; directors or programme managers
- PPP’s, JV’s, etc: Sharing across the public and independent sectors
- Sharing knowledge, tools and approaches: National Diagnostic; PSIF; Communities of Practice



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Shared Services – the answer?

- Myjobscotland, Scotland Excel, Customer First
- UK, Local Government consortiums, International
- Clyde Valley, ELSBF, North East, West London Alliance, AGMA
- Finance, Revenues and benefits, HR, ICT, Regulatory Services, Professional Services.

Major shared services can deliver service improvements and benefits.....



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Why not?

- No surprise - many major change projects fail to deliver all of the expected benefits,
- Shared services come with some particularly difficult challenges
- Different departments (internal shared services), different organisations (external shared services or outsourcing) or both
- Business case and robust benefits realisation
- Long lead times and payback periods
- Fragility of coalitions and maintaining trust
- Even 'no brainers' require strong leadership
- Escalating costs

Focus on transforming service delivery (outcomes) –
shared services not an end in themselves

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Starting Point is.....

- 12+% real reduction 2011/12 – 2013/14
- Capital programme may decline by 50%
- Long term pressures: Demand and finance
- The scale of spend on negative outcomes
- Improving efficiency and 'best value' against outcomes

'Doing the right thing' and 'doing the thing right'

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A game of two halves ?

- 2011 – 2014



- 2014 - 2017



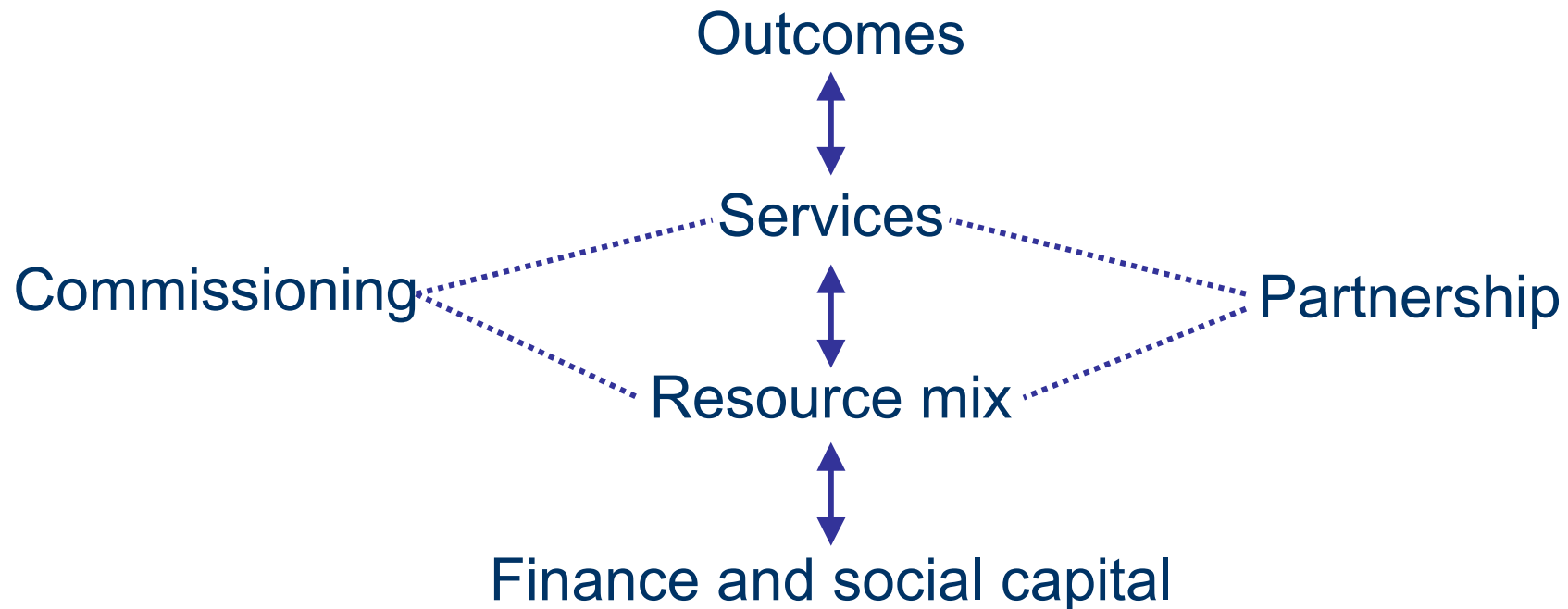
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Key Resources

- Staff
- Information
- Physical assets (property, roads, etc)
- Equipment
- Community and service user capacity
- Reputation and image
- Finance but because it allows real resources

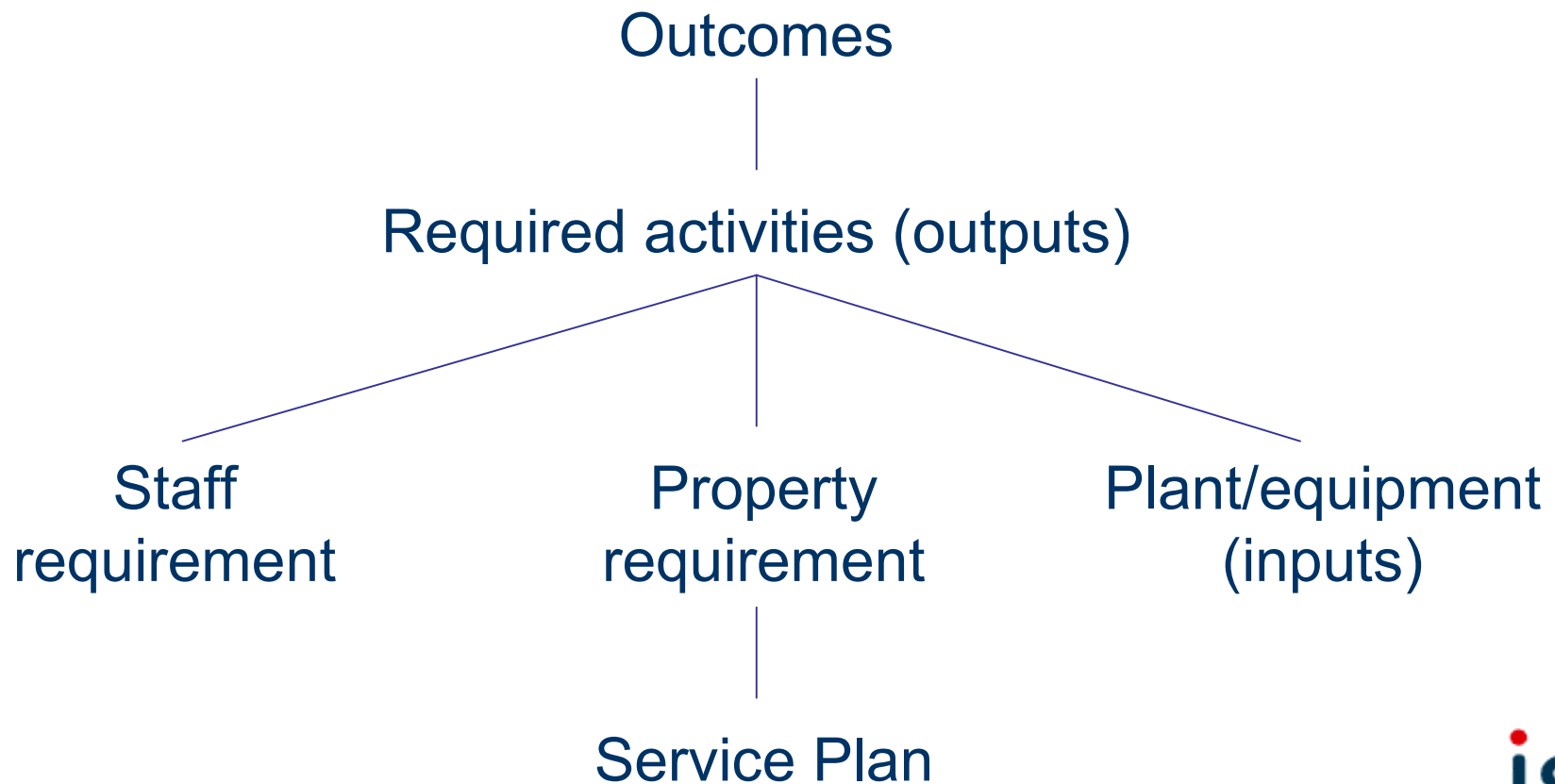
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Rethinking Service Delivery



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Linking to Service Planning





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Example – Hospital Care

- Emergency admission of older people to hospital: £1.5 billion
- ‘Patients follow the money’ -v- ‘The money follows patients’
- ‘Health’ or NHS focus: Outcomes
- Family and community as part of resource mix



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Example : Care Assessment

- Office based: Go to clients; do assessment; return to office; enter information; go to next client
- Mobile working: Go to client; input assessment directly; go to next client
- Reduced property requirements; admin/reception costs; unproductive time; assessment/delivery time

Flexible plans

- 15 to 20 Councils implementing enterprise programmes >10,000 employees
- Target of 7 desks to 10 people.
- Property rationalisation programmes
- Effectively a 30% reduction in space and furniture requirements across these Local Authorities.
- Field workers never go to an office
- Open workspace and home working.

Opportunity to collaborate to reduce costs and timescales.



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Conclusions

- Clarity of purpose critical: Shared service is not an end in itself
- Leadership and vision are essential
- Rethinking service delivery – rethink the mix
- Business case and robust benefits realisation
- Collaboration as well as shared services