Turbo-charge your CV with the new Postgraduate Certificate in Shared Services

Dr. Wim van Vuuren, Programme Director at Canterbury Christ Church University explains the structure of the new postgraduate certificate

South Worcs Revs and Bens: lessons learned on your behalf

What did the scrutiny committee find when it reviewed three years of shared services?

Are you in the "Spiral Of Despair"?

Prof. Victor Newman shares his "Spiral of Despair" technique from the new Accelerating Innovation in Shared Services seminar

Get up to date on FE College collaborations

Manny Gatt on the journey of shared services in the FE Sector

Test your shared service business case skills

Take the "shared service business case test" to see how confident you feel if you were asked to draft one tomorrow

Shared HR in Local Government

How helpful is the IDEA/IES report to your work in shared HR?

Safety In Numbers

Alasdair Robertson does the maths on the optimum size for a shared service partnership

Ones to watch...

UNISON and APSE's new "case study packed" report proves valuable at the shared service discussion table

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Case Studies   *Tools & Techniques*   *Reviews*

ACCELERATING INNOVATION IN SHARED SERVICES
Your invitation to a one day master class in the essential tools and techniques for developing innovative shared services in the public sector, with Professor Victor Newman, University of Greenwich

Victor Newman, Visiting Professor in Innovation, University of Greenwich

Victor's key expertise is the development of 'fast innovation' techniques for shared service teams.

Before taking up his current role at University of Greenwich, Victor was the Chief Learning Officer to Pfizer's Global R&D operation where he led on shared service activity between Pfizer departments. He has delivered innovation and shared service seminars for the NHS National Innovation Centre, shared service practitioners at Kent Business School and the Academy of Chief Executives.

Victor's key messages to the public sector are, "Stop publishing more reports and advice, start teaching people what works and develop the leadership culture to think outside the box!".

With up to 40% cuts on the horizon, shared services can act as the disruptive catalyst for doing things differently, better and at lower cost.

This seminar will **equip you** with a dozen tools, techniques and templates for you to work effectively with residents, customers, external stakeholders, Councillors, Board Members and staff to innovate shared services that are different, better and lower-cost than your current ways of working.

People are not born innovators, they learn the skills of innovation. **If you have never been taught innovation skills, then this seminar is for you**.

You will leave this seminar equipped with:

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- A set of key innovation skills that can put you at the heart of budget cutting projects **and may position you as indispensable to your employer** and shared service partnerships
- A diagnostic tool to **help you build the problem solving/innovation skills** of a shared service project team

Seminar dates and fees:

Dates available for the Accelerating Innovation in Shared Services master class...

Tuesday 7th September 2010

Tuesday 5th October 2010

Tuesday 9th November 2010

Venue: The Local Government Information Unit, Euston, London

£495+VAT for a single delegate

For 2 delegates, if booked before 27/08/2010:
£425+VAT each
A saving of £70 per delegate

For 3 delegates, if booked before 27/08/2010:
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sharedservicearchitects   in association with: Canterbury Christ Church University

contents

"Go back to your councils and prepare to share everything!" summarises the message Eric Pickles, the new Communities Secretary, delivered to the Local Government Association Conference on 7th July.

If he is right then you are well placed, if you are a shared service architect, to retain (or obtain) a job when the cuts come. And, there is plenty of new knowledge and skills in this edition of the magazine to help you.

We have given you the *"Spiral of Despair"* tool, part of the new and exciting "Accelerating Innovation In Shared Services" seminar with Prof. Victor Newman. The seminar will equip you with skills to help your organisation develop new ways of *delivering better services at lower cost.* This seminar is relevant for Total Place practitioners too.

We have also provided a diagnostic tool from the new *"Shared Service Business Case Toolbox"* seminar, which teaches 30 tools for drafting key elements of a shared service business case in-house. This seminar is *estimated to shave up to £10k per business case, off consultancy costs* by applying these tools in-house. If you have 10 services being considered, that £100k consultancy cost saving could fund your job as the shared service architect.

We are also pleased to announce that we have partnered with the Association of Colleges to develop a teaching programme for building shared service capacity across the 370 colleges in the FE sector. In addition, in the Autumn, Canterbury Christ Church University are to launch their postgraduate certificate in shared services using the Shared Service Architect's "Highway Code", "Toolbox" and "Business Case" seminars as the foundation units.

This is a good time for you to be a shared service architect. It could either help you retain your post when cuts are being made, or give you a competitive edge in future job interviews.

Dominic Macdonald-Wallace
Editorial@sharedservicearchitects.co.uk

Reigate and Kent County Councils to share revenues team

"... If the change is agreed in principle, we would then proceed to more detailed planning to realise those benefits."

Kent County Council's website (19/06/10) reports that its officials are looking at teaming up with Surrey's Reigate and Banstead Borough Council.

The partnership would involve providing revenue and benefits, finance and procurement, ICT and personnel services jointly through Kent County Council and Reigate and Banstead Borough Council.

KCC's Cllr Roger Gough states that "What is particularly important about our work with Reigate and Banstead Borough Council on

future joint delivery of services is that it is very wide ranging. So far, we have mapped out the benefits in doing this. If the change is agreed in principle, we would then proceed to more detailed planning to realise those benefits.".

Surrey County Council have recently announced a shared service strategy for Surrey, so this cross-county alliance has surprised some observers. A spokesperson at Reigate and Banstead said the authority had chosen to team up with KCC, rather than Surrey County Council, "...due to a shared vision".

Councils to merge education support services

Westminster City Council and Hammersmith & Fulham are discussing a merger of their education services departments to save duplication on running the service.

The two beacon boroughs expect the move will make savings of around 20 per cent in three years. The ambition is to drive up standards by improving the capabilities of the service to intervene effectively when a school is

failing and commission providers who can effectively deliver free schools.

Hammersmith & Fulham already shares directors for its legal and highways departments with Kensington & Chelsea, but the merging of education services with Westminster is claimed to be the first of its kind in the country and could pave the way for a raft of similar mergers as councils seek to cuts costs.

East Kent Shared Services appoints £90k pa director

The partnership, which began its journey in 2006, is between the North East Kent councils of Thanet, Dover and Canterbury.

Thanet Council's director of customer services, Donna Reed, has been appointed as the new £90k pa, director of shared services by three East Kent councils.

The partnership, which began its journey in 2006, is between the North East Kent councils of Thanet, Dover and Canterbury.

A fourth partner, Shepway District Council, withdrew from the partnership earlier this year.

Ms. Reed has worked at Thanet council for seven years, initially as head of the customer services department and more recently as director of customer services and business transformation. Previously she worked at CIPFA and Kent County Council.

There are a range of shared services being considered by the partnership with a shared HR and payroll project to be delivered with Kent County Council.

Is shared trading standards a first in the South East?

West Berkshire Council and Wokingham Council have created a shared trading standards service which is expected to save £500,000 over the next five years.

The two councils believe that they are the first authorities in the south east to share a trading standards service, which oversees enforcement of issues such as animal health and welfare and food standards.

The new service, launched in June, will be known as West Berkshire and Wokingham Trading Standards Service.

Trading standards staff will be based in Newbury and Wokingham so that local access to the service can be maintained.

The service will be overseen by West Berkshire at a cost of £283,440 a year to Wokingham council.

A press release states that "... bigger services are more flexible and able to cope with the unexpected such as an animal disease outbreak. This merger will also allow us to build our levels of specialist knowledge yet further and provide a strong foundation for the future."

Shared CEO to be paid £115k pa

West Devon Borough Council and South Hams District Council have advertised for a new shared chief executive on £115k per annum.

The job advertisement describes the challenge as, "...overseeing two different authorities each with their own ambition and values, and developing a single strategic vision for them.

You will have the ultimate responsibility of providing high quality, shared services for over 130,000 people across the two authorities."

£115k is similar to the salary levels for a single council chief executive in some areas and has drawn comments in the press about "Buy one, get one free!".

Shared Service Architecture celebrates a year of taught seminars

Shared Service Architecture is celebrating its first year of taught shared services seminars, since their first sponsorship by the East Midlands Improvement and Efficiency Partnership in July 2009.

"This has been an exciting journey for us over the last 12 months and almost 200 students have participated in our programme." says Manny Gatt, managing director of SSA. "The response of our students has been excellent with 100% of them recommending the seminars for colleagues who are new to shared services.

We would also like to thank the sponsors of the programmes who understood that it is a nonsense for public sector managers to be

thrust into shared service activity without any formal training or development. That can be very damaging for them and also for the organisation they represent when things go wrong."

"The cuts in budgets will demand far more in-house development of shared service activity and we are pleased to be equipping managers with the skills and knowledge to be successful."

Major sponsors for the seminars have been the East Midlands Improvement and Efficiency Partnership, Improvement East, Improvement and Efficiency West Midlands and the Learning and Skills Council (now part of the Association of Colleges).

Turbo-charge your CV with the new Postgraduate Certificate in Shared Services

Dr. Wim van Vuuren, Programme Director at Canterbury Christ Church University explains the structure of the new Postgraduate Certificate in Shared Services(PCSS)

The PCSS is a mix of taught and distance learning, to be delivered in locations across the country.

Canterbury Christ Church University, in partnership with Shared Service Architecture, have established the UK's first postgraduate qualification in shared services and is inviting students to apply for the first cohort in October 2010.

Canterbury Christ Church University is recognised as one of the UK's leading providers of learning to the public sector. It has an excellent track record in developing innovative and cutting edge academic driven learning to the health, local government, police, fire and rescue sectors.

As part of that commitment the university has partnered with Shared Service Architecture to develop and deliver a Postgraduate Certificate in Shared Services (PCSS).

Almost 200 existing SSA students[1] who have been funded through the "Highway Code" and "SSA Toolbox" programmes by either their employer, their RIEP or the Association Of Colleges may be able to fast-track to the programme subject to their acceptance by the University as a suitable postgraduate student[2].

The programme is a 60 credit, level 7 postgraduate award, has three 20-credit modules and is expected to be completed across a six month period.

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[1] This will require that you provide your CPD certificate issued to you whilst attending these sessions.
[2] The normal CCCU entry requirements for study at post graduate level will apply. For example a good honours degree. However consideration will be given where applicants have a professional diploma, or equivalent, at an appropriate level in a relevant subject discipline, or can demonstrate significant professional experience at an appropriate level, together with relevant qualifications.

Module 1: The Essentials of Shared Service Architecture

The first module consists of three taught units that provide the building blocks for the whole programme and introduces the concept of reflective practice as a method of work. The three units are these one day seminars:

The Shared Service Architect's Highway Code: *What are the regulations and constraints that narrow or enable the choices in shared services?*

The Shared Service Architect's Toolbox: *40 tools, techniques and templates for building strong trust and absolute clarity of shared vision between public sector partners in shared services*

The Shared Service Architect's Business Case Toolbox: *30 tools, techniques and templates for developing elements of a shared service business case in-house*

As a result of these taught units students will have a sound and systematic understanding of shared services. They will be asked to demonstrate how they intend applying the learning to a current workplace shared service through an evidence portfolio and written assessment.

Module 2: Change Management and Analysis

In the second module, students develop a more conceptual understanding enabling them to identify and critically evaluate current research and practice in the field of change management and its impact in shared services.

The first cohort is planned to commence the certificate in October 2010, completing the course by April 2011.

This involves a written literature review and a written critical appraisal of 2-3 existing Shared Service initiatives. The appraisal will identify what can be learned from them and applied to the workplace setting of the student.

Module 3: Developing a Shared Service Roadmap

Through this module students will apply their deeper understanding of Shared Service initiatives to their own organisation and construct a detailed plan or 'road map' to take their organisation forward along the route of shared services.

The full certificate should be completed by students within six months.

Joining the first cohort...

The first cohort is planned to commence the certificate in October 2010, completing the course by April 2011.

Please email wim.van-vuuren@canterbury.ac.uk for more details on the Postgraduate Certificate in Shared Services.

The learning structure for the
CCCU Postgraduate Certificate in Shared Services

| Basics of shared services | The Shared Service Architect's Highway Code | The Shared Service Architect's Toolbox | The Shared Service Architect's Business Case Toolbox | 20 credits |

Following these taught sessions, students will demonstrate how they intend applying the learning to a current workplace shared service through an evidence portfolio and written assessment.

| Change management analysis in shared services | Critical understanding of key change management concepts | Self-enquiry literature review relating to a chosen project | Self-enquiry appraisal of similar shared service projects | 20 credits |

This involves a written literature review and a written critical appraisal of 2-3 existing Shared Service initiatives.

| Developing a shared service roadmap | Theoretical concepts, tools and issues in implementing shared services | Developing a shared service roadmap for the benefit of an employer | Communicating how to implement a shared service project to key stakeholders | 20 credits |

Students will demonstrate how they intend applying the learning to a current workplace shared service through development and presentation of a road-map for use by their employer.

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sharedservice architects

Canterbury Christ Church University

Learning from the South Worcs Shared Revs and Bens Review

In August 2009 a scrutiny team of three councillors was formed to look back at the original business case and evaluate whether it was fit for purpose when compared to the current operation of the service.

Their final report was published in Jan of this year.

Three years after inception, a joint scrutiny team spent five months reviewing the South Worcestershire Shared Revenues and Benefits Service. What generic shared service lessons can we learn from their report?

The R&B shared service was set up in 2007, initially with a business case covering six councils, but three withdrew and the project was taken forward by Malvern Hills District, Worcester City and Wychavon District Councils.

In August 2009 a scrutiny team of three councillors was formed to look back at the original business case and evaluate whether it was fit for purpose when compared to the current operation of the service.

This included analysing the current performance level compared to each councils' pre-shared service performance.

What was the review timetable?

The timetable for the review covered a five month period:

- August/September 2009 identifying the focus, terms of reference and scoping the review

- October/November was spent evidence gathering from service users, stakeholders (e.g. Housing Associations, Citizen's Advice and the Federation of Small Business on NNDR) and "floor walking" the Worcestershire Hub Shared Service and talking to senior staff in each council

- December/January drafting and finalising the report

So was the 2007 business case fit for purpose?

The scrutiny team, whilst acknowledging that the Shared Service had met its financial target, felt that the original business case had not been robust enough and "could have been more

transparent in ....identifying where the proposed savings could have been achieved"[1].

The recommendations are that in future all shared service business cases should be more detailed and include:

- Service targets

- Expected amounts of support cost savings that can be made and where they will be achieved from

- Informed costings

- Shape and expectations of the service

Perception vs Reality: What was the impact on service levels and quality?

Through interview, three housing associations and the CAB reported that their perception was of a decline in service levels since the implementation of the shared service. However, compared to the prior and post implementation service statistics the perception was not reflected in the quantitative data.

Also, the housing departments of the three participating authorities informed the scrutiny team that they felt the experience of using the service was less effective than under the old system. The reason cited was that under the old model direct expert advice was available from the officer handling the case. Compared to the new system, where the public dealt through customer service agents, their perception was that "the public had received a more personal service" prior to 2007[2].

However this could not be evidenced in customer complaints or compliment statements because there was no distinction between issues created by the front or the back office teams[3]. This suggests that attention be given to structuring the way in which customer feedback is collected so that "before and after" comparisons can be easily made in assessing the success of the transition.

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[1] Page 8
[2] Page 9.
[3] Page 10.

There was also a reduction in investment costs of £1.29m, set out in the business plan, by the decision not to create a bespoke IT system.

Another factor relating to performance was the impact of the economic downturn which increased benefit claims. This had not been predicted in the original business case[4].

What efficiencies and cash savings have been achieved?

Efficiencies have been achieved as a result of the services coming together. For example:

- Wychavon Council reported £420,000 of savings
- Malvern Hills reported £160,000

In terms of cash savings, £1.2m had been achieved on the operational budget of the R&B shared service. In addition, a "one off" saving of £995k was made by using in-house staff to conduct lean systems reviews rather than external consultants.

There was also a reduction in investment costs of £1.29m, set out in the business plan, by the decision not to create a bespoke IT system.

Was the new service shinier and better?

An ambition of the scrutiny team was to establish if the performance had improved under the shared service. The performance data shows that it had improved apart from a dip during 2009/10 "due to recession related demand"[5].

However, through out the report there are references to the perception of the quality of the service being lower than its actual performance.

This is developed on page 19 in the section on communication. *"A clear theme that became apparent to the [scrutiny] Team was the lack of communication with stakeholders in the development and implementation of the shared service as well as around the problems the shared service has faced since inception.[6]"*

For example few of the stakeholders had received formal communication regarding backlog situations. The team noted that little things like a shared service team organisational structure chart, with contact details, would have been helpful to the stakeholders.

The communications recommendations include:

- Regular structured meetings with stakeholders to discuss operational and service issues
- Regular updates/newsletters to manage the expectations of stakeholders
- That in "all future" shared services greater consultation should be undertaken to (a) inform service users of changes in service delivery and (b) to help inform policy and procedural operations

Improved Governance Arrangements

The governance arrangements, set up in 2007, were under the joint committee system[7]. In the early days the joint committee met monthly but this was moved to quarterly after the service was established. The Team's two recommendations on governance are:

- That in any new shared service, the head of the shared service should be in post asap following the decision to proceed and preferably prior to the date of commencement of the service
- That Members and the public should be made aware of governance arrangements and that all associated papers and meetings are open to them

A full summary of service-specific recommendations is on page 25 of the report.

Thank you to the **South Worcestershire Revenue and Benefits Shared Service**

We would like to thank SWRBSS for undertaking this review and putting the report into the public domain so that we can all learn from their pioneering activities.

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[4] Page 11: The shared service hub dealt with the same volume of changes of circumstance in the mid-five months of 2009, than in the whole of 2008. There was an effective increase of almost 60% in volume of work compared to the original business case predictions and that created resilience issues.

[5] Page 15

[6] Ed. Note: In the Watford and Three Rivers shared service activity a full time communications manager was appointed early-on in the process and this appears to have tackled the perception vs reality issues in their journey.

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[7] Joint committees come under section 102 of the Local Government Act 1972 and enables two or more authorities to set up a joint committee to discharge their functions jointly. The arrangements must comply with the Local Authorities (Arrangement for the Discharge of Functions) (England) Regulations 2000

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With up to 40% cuts on the horizon, shared services can act as the disruptive catalyst for doing things differently, better and at lower cost.

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An example tool from the seminar notes is provided, free, on the next four pages of this magazine.

You will leave this seminar equipped with:

- 12 simple but highly effective 'fast innovation' tools that **you can use** with residents, customers, external stakeholders, Councillors, Board Members, senior managers and staff **to innovate shared services** in ways that improve the service whilst lowering costs at the same time
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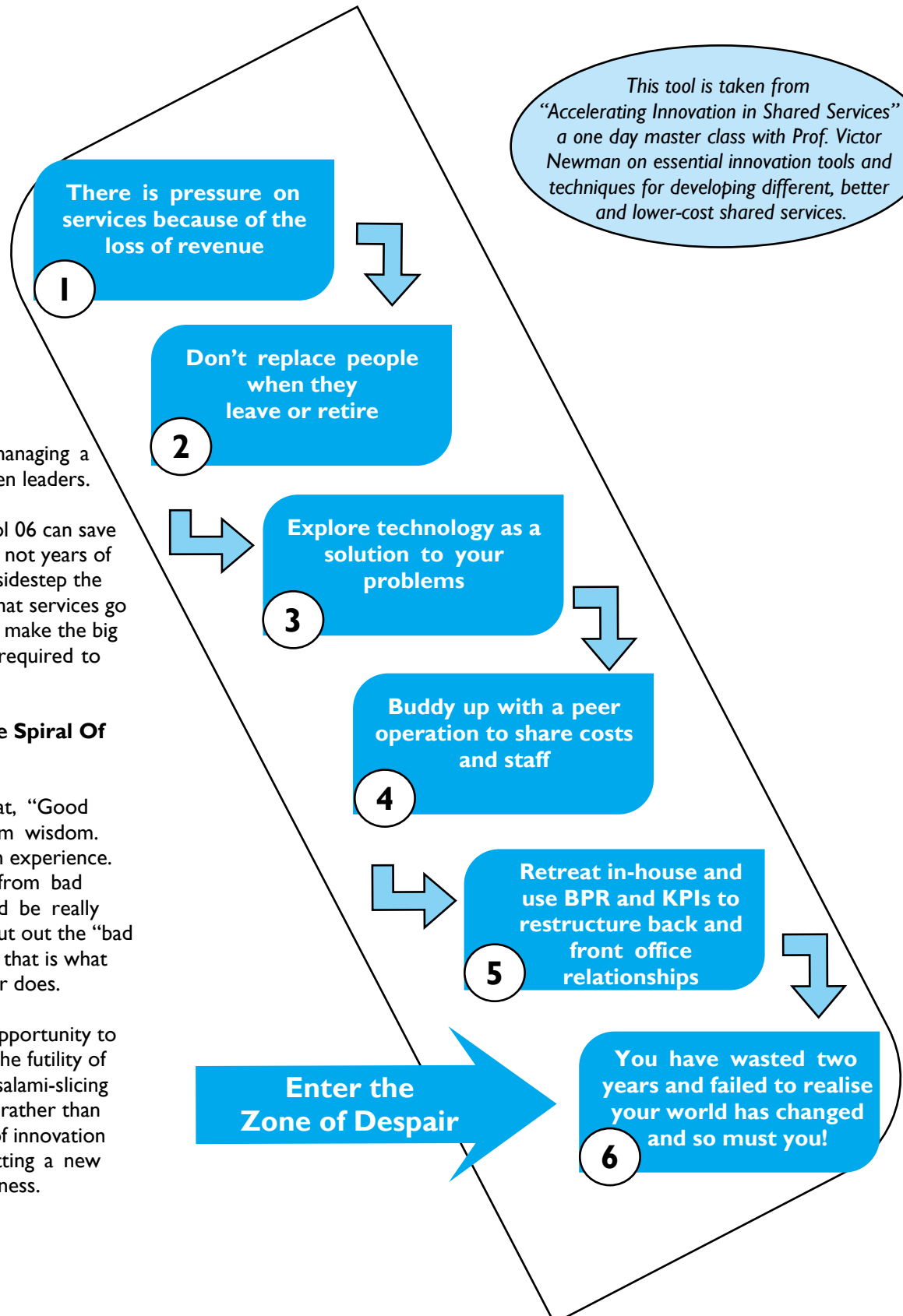To contact us for more details or to book your place

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Canterbury Christ Church University

Tool: 06
HARNESSING THE SPIRAL OF DESPAIR

This tool is taken from "Accelerating Innovation in Shared Services" a one day master class with Prof. Victor Newman on essential innovation tools and techniques for developing different, better and lower-cost shared services.

There is pressure on services because of the loss of revenue

1

Don't replace people when they leave or retire

2

Tool 06 is about managing a conversation between leaders.

In an afternoon, Tool 06 can save you many months, if not years of pain by helping you sidestep the "Spiral Of Despair" that services go through before they make the big change innovations required to survive.

Explore technology as a solution to your problems

3

Buddy up with a peer operation to share costs and staff

4

The wisdom of the Spiral Of Despair

The saying goes that, "Good decisions come from wisdom. Wisdom comes from experience. Experience comes from bad decisions.". It would be really helpful if we could cut out the "bad decisions" stage and that is what the Spiral Of Despair does.

Retreat in-house and use BPR and KPIs to restructure back and front office relationships

5

This exercise is an opportunity to vicariously explore the futility of months or years of salami-slicing efficiency exercises, rather than grasping the nettle of innovation and focusing on setting a new standard in effectiveness.

Enter the Zone of Despair

You have wasted two years and failed to realise your world has changed and so must you!

6

For the sake of being neutral, an external consultancy is paid an eye-watering amount of money to produce a business case that could have been developed in-house for a tenth of the fee.

Maybe you will recognise the following organisational Spiral Of Despair in the public sector[1]:

The Problem: There is pressure on services because of loss of revenue income

Your solution is to start to focus on efficiency and cutting costs that will deliver <u>the existing service</u> within the new, lower budget.

However, in your excitement to valiantly take on board this new "challenge[2]", you fail to notice that the customer is changing and that maybe today's service is already obsolete. But in a moment of denial you still try to deliver it <u>in the same old style</u>, but more cheaply.

First Action: Don't replace people when they leave or retire.

Nice try, but the reality is that the best people leave[3] resulting in a sub-optimal employee pool where survivors take on bigger loads. The out come is that the processes becomes more perfunctory, delivered by under-achieving, increasingly exhausted staff regularly going on long-term sick leave. Now the service, which may no longer meet your client's needs, is being delivered poorly.

Next Action: Explore technology as a solution

You wake in the night to realise the logic that if people are letting you down, you should turn to technology. Technology doesn't have morale

[1] When I talk about these in workshops, there are usually embarrassed giggles from leaders, because they have chosen all or some of these options at one time or another only to find that they were insufficient to solve the problem being faced.

[2] The lexicon of management martyrdom supplies us with the wonderful word "challenge" to cover up the months from hell that are going to result from the project.

[3] Dr Caela Farren (2009) a consultant in the retention of staff in business transformation strategies says that high performers are usually the most employable and many times are the first to leave in time of business transition.

problems, can be replaced when it goes ill and it doesn't want holidays. In fact it can work 24/7!

So your first flirtation is with aggregation strategies. Put everything on the web or make it available through a call centre with controlling tele-scripts for use by unskilled warm bodies, with regional accents.

Months later you wake in the night again to realise that you have created a F4P (fit-for-purpose) solution, but for yesterday's customer. Still, you can console yourself that even if you are doing things that customers don't want, at least you can claim you are doing it faster and at lower cost.

The hidden problem though is resilience. Your IT success has increased customer demand, but with fewer staff, it only takes the flu or the holidays to create problems.

Next Action: You buddy up with a peer operation to share costs and staff.

Genius! If your department is experiencing capacity or resilience issues, why not collaborate with a similar department in your organisation.

So you jointly spend many months benchmarking and trying to align services to make them measurable[4]. During this time of months nothing changes but you look busy. Then, for the sake of being neutral, an external consultancy is paid an eye-watering amount of money to produce a business case that could have been developed in-house for a tenth of the fee.

The report provides undisputable evidence for efficiency and improvement gains. However you are puzzled when the SMT/board members bury it because they are not willing to give up

[4] There is an excellent account of this in Ray Tomkinson's book "Shared Services In Local Governmnent" (2007) p83.

Actually, you breath a sigh of relief because its so much easier not to work in partnership. You can revert to your "its my way or the highway" style of leadership.

the control, required to adjust the existing services of their organisation.

Next Action: Retreat back into your department and use BPR & KPIs to restructure your Back and Front-Office relationships

Actually, you breath a sigh of relief because its so much easier not to work in partnership. You can revert to your "its my way or the highway" style of leadership.

So, in-house you implement and link a Back Office factory and Front Office triage system. However, you note a growing volume of customer complaints illustrating that the service no longer fits requirements in spite of improved transaction times and well managed "failure demand".

You also begin to notice that the new KPIs are reinforcing a lack of trust and alienation in your staff with people adapting and learning to "work the system" to meet your approval, not the needs of the client.

So what are you going to do now? Since your first action, two years have passed and costs have gone up! You haven't really solved the original problem or its latest mutation and you still haven't cut costs enough to catch up with reality.

Welcome to the Zone of Despair

The Zone of Despair is the place or moment in time when an organisation realises that their customers are changing radically and so must they.

Its the moment where hard choices are listened to by politicians, boards and senior managers and only innovation techniques will yield the new ways of delivering the services that customers demand and deserve.

Tool 06 helps you manage a conversation with decision makers to work through the spiral in a few hours, rather than experience first hand the months or years of pain, misery and chaos described above.

How can you use this tool?

In an afternoon, Tool 06 can save you many months, if not years of pain by helping you sidestep the "Spiral Of Despair" that organisations go through before they make the big change innovations required to survive.

Step 1: Blue-tac six, blank A1 flipchart sheets to a wall. Label them in the numbered sequence 1-6 (shown over the page) from "Pressure on Services are due to... " through to: "Enter the Zone of Despair"! *(You may wish to mask the titles by sticking the bottom of the flipchart to the top with blutac, so that you can reveal them in sequence,.)*

On each are written three questions:
1. Attraction? (Why is this option attractive?)
2. Consequences (What are the potential good and bad consequences and what do team members remember about last time it was done?)
3. Duration? (How long will it take to find out if it has been effective? E.g 12 months, 2 years, etc.)

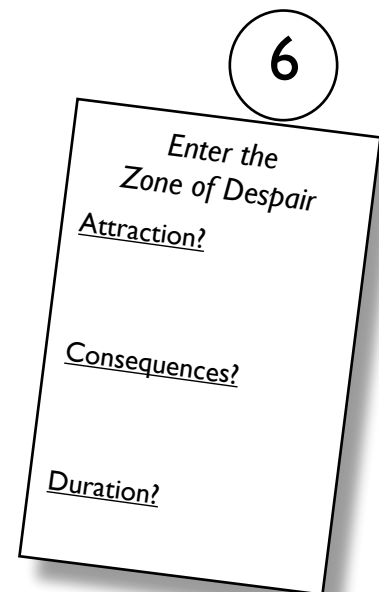**Step 2:** As facilitator you need a yellow pad of post-its and a black flipchart pen.

introduce the team to each Typical Step in sequence (1 through to 6). Taking each of the three questions, encourage team members to shout out, based on their experience, awareness and cynicism, predictions of what may happen when each step is undertaken. Capture these, using the post-its and puts them on each flip chart.

(The story of the steps, provided in the previous pages, are a back-up source for your use with naive audiences! You may find that the team come up with superior material depending upon their awareness, experience and cynicism.)

Step 3: When all six steps have been discussed, divide the team into groups of three. Ask each triad to discuss what their recommendations might be for your project as a result of predicting the six stages of the Spiral of Despair.

Capture their recommendations and use them to build the next steps for your project.

Tool: 06

(1)

Pressure on services are due to...

30% cuts in budget *30% cuts in budget* *30% cuts in budget*
30% cuts in budget *30% cuts in budget*

(2)

Don't replace people...

Attraction?

30% cuts in budget *30% cuts in budget* *30% cuts in budget* *30% cuts in budget*

Consequences?

30% cuts in budget *30% cuts in budget* *30% cuts in budget* *30% cuts in budget*

Duration?

30% cuts in budget *30% cuts in budget* *30% cuts in budget*

(3)

Explore the technology solution...

Attraction?

30% cuts in budget *30% cuts in budget* *30% cuts in budget* *30% cuts in budget* *30% cuts in budget*

Consequences?

30% cuts in budget *30% cuts in budget* *30% cuts in budget*

Duration?

(4)

Buddy up with a peer operation...

Attraction?

Consequences?

Duration?

(5)

Back-office factory ....Front Office triage

Attraction?

Consequences?

Duration?

(6)

Enter the Zone of Despair

Attraction?

Consequences?

Duration?

(7)

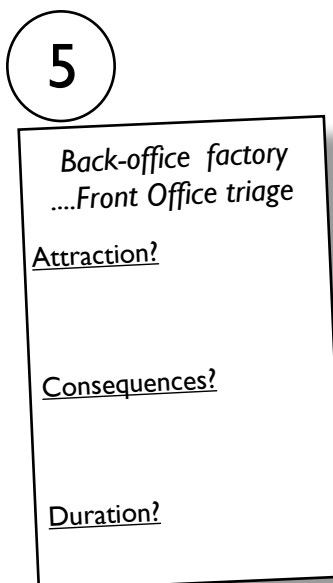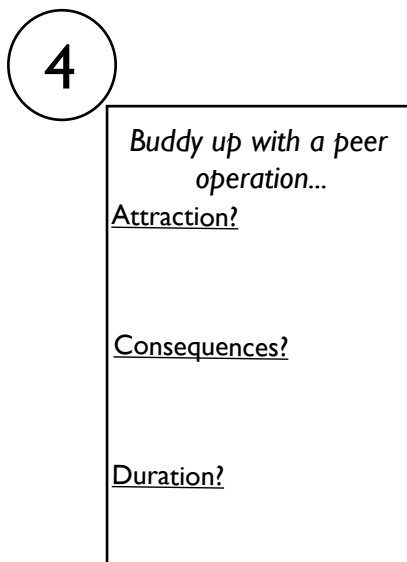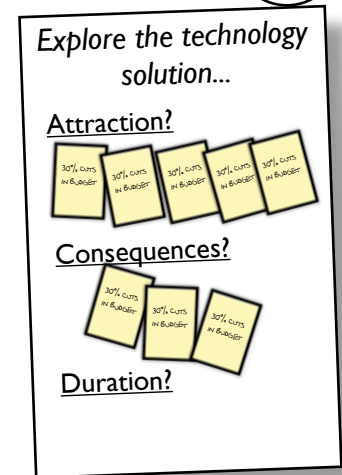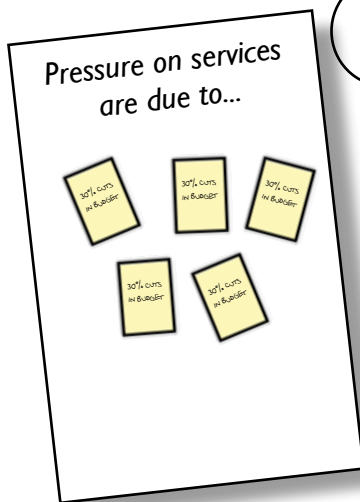What are our recommendations and what should we do now?

The facilitator introduces the team to each Typical Step in sequence. (1 through to 6).

Taking each of the three questions, team members are encouraged to shout out, based on their experience, awareness and cynicism, predictions of what may happen when each step is undertaken. The facilitator captures these, using the post-its and puts them on each flip chart.

The Shared Service Architect's Toolbox

40 tools, techniques and templates for building strong trust and absolute clarity of shared vision between public sector partners in a shared service.

"A lack of real trust and clear shared vision between partnering organisations will cause shared service projects to stall or fail, no matter how much money is available, or how good the project team and IT systems on offer may be."
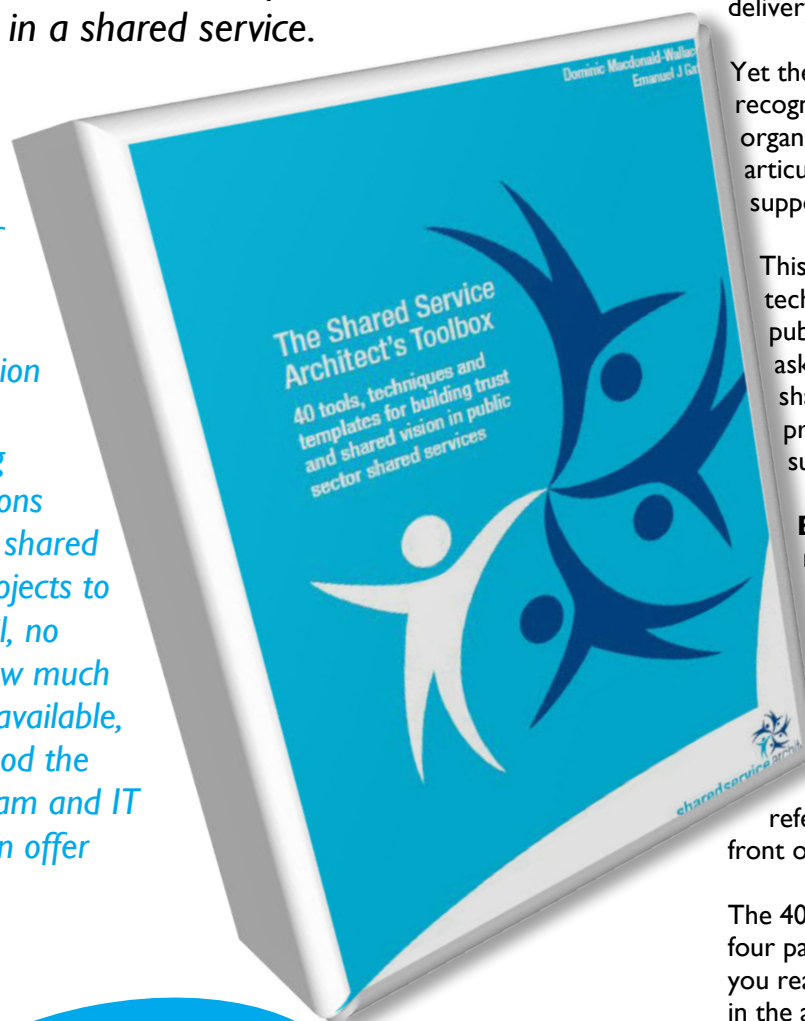
Save up to £15*
by buying through our website before 30th Oct 2010

Why do shared services take so long, stall or fail?

Shared services and collaborations in the public sector are a key option for addressing the diminishing funding from central government. However, even apparently straight forward voluntary projects between public sector organisations can take from 28 months to several years from inception to delivery.

Yet the solution to this problem is well recognised in the academic field of inter-organisational relations, and is now being articulated by the many government agencies supporting this field of work.

This 240 page book, containing 40 tools, techniques and templates, is written for all public sector managers who are being asked to lead on inter-organisational shared services and want to overcome the problems that slow down shared service success.

Based on years of field work and 18 months of academic study

The 40 tools in the Toolbox are based on many years of frontline field work, an 18 month academic study at Canterbury Christ Church University, 10 shared service workshops and the evidence from almost 100 documents referred to in the knowledge bank at the front of the book.

The 40 tools, each described clearly in its own four page layout, are designed so that what you read in the morning you could be applying in the afternoon.

The book is also supported by an online library of links to over 500 shared service documents and updated quarterly through this magazine.

Download example chapters and free tools from:
www.sharedservicearchitects.co.uk

* this offer does not apply to purchases through Amazon

A recent history of shared services and collaboration across the FE sector

Manny Gatt, MD of Shared Service Architecture Ltd, has been developing the new FE sector shared service programme with the Association Of Colleges. In this article Manny precis the recent history of collaboration between colleges.

A long tradition or a recent history?

Prior to 1992 the FE sector was characterised by close control of college provision by central government and the local education authorities.

Since the 1992 incorporation, colleges have enjoyed a larger measure of independence and been free to respond to markets. This has increased competition but it also has been a spur to collaborate.

Today FE has a strong history of collaborative activities across its sector and with higher education and schools.

Much of this activity has been promulgated and supported through national[1] and regional networks[2].

According to 2010 LSC research[3] the high watermark for shared services activity in FE was between 2006-7. During this period the national Learning and Skills Shared Service Programme (LSSSP) was established to explore the potential for shared services.

The LSSSP identified a number of 'in scope' service areas that had the potential to move towards a shared service approach. They include transactional corporate services such as HR, finance, procurement and some elements of student management.

The LSSSP commissioned Tribal to undertake a current state assessment in 2006. The consultants report identified at least 17,000 full time equivalent (FTE) posts involved in the 'in scope' services mentioned above. The pay costs of this were estimated at £420 million per annum.

Efficiency gains from moving to a shared service delivery model were estimated as being between 20% to 40% of annual operating costs equating to £95 million to £191 million per annum[4].

As a result of the review the LSSSP went on to develop a shared service blueprint and a strategic business case.

What can we learn from the Scottish colleges?

At the same time the Scottish Funding Council (SFC) commissioned York Consultancy[5] to undertake a review of shared services and collaborative activities across the Scottish colleges.

They reported over 100 examples of shared services and collaborative activities, many of which were nationally initiated and Scotland wide. Fewer examples were found of 'bottom up' shared services initiated by colleges themselves.

Simultaneously, the JISC commissioned consultants Duke and Jordan to undertake a study[6] of shared services in further and higher education. This survey identified between 25% and 33% of responding institutions had at least one shared service in place and a further 10% were planning one. Most of the examples they cite in the report are from HE rather than FE.

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[1] Examples include the Association of Colleges (AoC), the 157 Group, Learning and Skills National Procurement Team, the Learning and Skills Shared Services Programme (LSSSP) and the Joint Information Systems Committee (JISC).

[2] Examples include regional networks such as ACER and localised federations of colleges such as the Lincolnshire Federation.

[3] Bland, K. (2010) *LSC: Shared Services: Further Education-Centric*

[4] LSSSP (2006) *Current State Assessment v0.1*

[5] SFC (November 2007) *Review of shared services and collaborative activities in Scotland*

[6] JISC (April 2008) *Study of shared service in UK further and higher education*

In response the LSC established a 'collaboration and sharing fund' to help colleges develop and test collaborative practices.

Post the 2007 high watermark.......

Since the high watermark of shared service activity in 2007 the level of interest appears to have subsided. Neither the LSSSP shared service blueprint nor the strategic business case were taken forward.

Kathy Bland, author of a 2010 LSC commissioned report[1] postulates;

"No reasons have been given for this. All involved in steering the (LSSSP) project have since moved on. The project may have been too ambitious. The aspiration of 25% of the sector being involved initially and quickly rising to 100%, may have been unrealistic. Another possibility was that the efficiencies that shared services bring did not get high enough up the agenda for individuals and organisations. It may have been the case that collaboration between colleges was simply too complex and difficult, given that colleges guard their independence jealously."

Whatever the reasons why collaboration and shared service initiatives seemed to have stalled in 2006/7, the winds of change are blowing through the entire public sector in 2010.

They are driven by factors in the credit crunch, a sharp reduction in public expenditure and demand pressures as more young people seek shelter in FE during the economic storm.

Light at the end of the tunnel....

Despite all the doom and gloom, one area of collaboration that has proven a success has been procurement.

The National Audit Office undertook a review of procurement in FE colleges back in 2006[2] and noted the scope for improvement and efficiencies.

In response the LSC established a 'collaboration and sharing fund' to help colleges develop and test collaborative practices.

The LSC supported a total of 10 projects mostly centred on 'shared service procurement' models at either a local or regional level.

Some of the projects helped fund shared procurement managers and implement software that enabled them to capture and classify non-pay spend in colleges.

The combination of shared management resources, hard data and collective spends proved a potent mix, enabling participating colleges to achieve real and substantive saving on purchases.

Whilst many of the pilots did identify barriers such as a lack of trust, suspicion and some operational difficulties at the outset, the LSC most recent report (2010) stated that;

'Over a period of time the dynamics changed as a result of building relationships and demonstrating procurement successes.'

Maybe we can begin to conclude that for a shared service architect working in FE, there is a growing willingness for partners to undertake shared service exploration.

During 2010, Manny Gatt is facilitating a series of shared service seminars for principals and chairs of college boards, funded by the Association of Colleges. Colleges will subsequently be invited to put forward senior managers to be equipped with the skills and knowledge to act as the shared service architect in college collaborations.

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[1] Bland, K. (2010) *LSC: Shared Services: Further Education-Centric*

[2] NAO (2006) *Improving procurement in further education colleges in England*

Setting Up HR Shared Services In Local Government
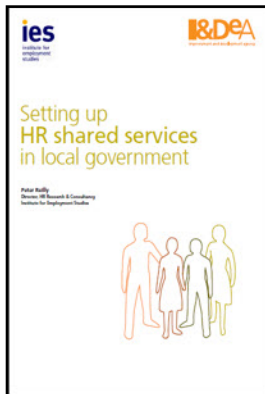
Free: LGID and the Institute for Employment Studies

Click here to download

Our recommended reading for this quarter is the joint LG Improvement and Development (formerly IDEA) and Institute for Employment Studies paper on *Setting up HR shared services in local government[1].*

Packed with a generous mix of detailed background material and step by step guidance this 19 page report could prove very helpful to you when stepping into the shared HR project arena.

The report has been written by Peter Reilly, the Director of HR Research and Consultancy at the Institute of Employment Studies in a readily accessible, well laid out manner.

In it he examines six main areas:

1. What is shared services?
2. Key decisions
3. The impact on wider structural change
4. Potential benefits
5. Challenges to be faced
6. Questions to ask

What are the key service areas to be considered under the HR banner?

Under the opening heading of "What is shared services?" the report suggests that they are, *"...a common provision of services with (in theory) the nature of the services determined primarily by the customer[2]."* but openly acknowledges the reality so many of us find:

"In practice, most shared service operations have been introduced as a cost saving measure. As a result, they have taken on more the form of centralisation than customisation of services, that is, the processes are designed and delivered under the auspices of the corporate centre of the organisation[3]."

There is a helpful table of 11 activities that could be considered in an HR shared services function:

- payroll changes (on/off/variation)
- employee records administration
- relocation services
- recruitment administration
- benefits administration (including flexible systems and share schemes)
- company car provision
- pensions administration
- employee welfare support
- training administration
- absence monitoring
- management information

This list feels a little light. For example in the East Kent Shared HR Service business case[4] they have a more thorough examination of options and consider up to 34 areas. Although that could be balanced by the Shared HR business case from Ealing Borough Council which wrapped everything up into only 8 areas for sharing[5].

However, if you are wondering where to start then Peter Reilly's list offers a valuable guide.

Should you work alone or in partnership?

Once the areas of potential shared activity have been defined, Reilly suggests that the next choice is who to share with. The report defines six options for local government:

1. Entirely in-house[6]
2. A county council in combination with district councils[7]

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[1] IDEA (June 2010)

[2] Maybe it could have stressed that actually there are also a range of customers in local government, the residents, Members, the Chief Executive, and staff

[3] Page 4

[4] East Kent Joint Committee (2008) *Shared HR Business Case*

[5] Ealing Borough Council (2008) *HR Shared Services Proposal*

[6] For example within a large County Council which has separate payrolls for education, highways, etc.

[7] The is the East Kent model where Kent County Council will host the payroll for three districts

Under this section the report poses a set of 47 useful questions for Members, Chief Executives and Line Managers to ask when evaluating shared HR proposals.

3. Adjacent unitary, metropolitan and county councils clubbing together (including districts or not), perhaps in a regional configuration[8]

4. Physically separated councils (of whatever sort) combining, usually through having a shared technology platform

5. Linking together with other parts of the public sector, especially Primary Care Trusts in health

6. Outsourced provision

Building the new shared service around the lifecycle of an employee

An encouraging view of the innovation opportunity that the disruption of setting up a shared service brings is illustrated in the table on page 7.

Reilly states that, "*Some private sector companies have investigated a much more radical customer centric approach by looking at a life cycle model. The basis here is that employees have needs during the joining employment phase, the in-service phase and during exit. Administrative services could acknowledge this fact by delivering together the necessary services.[9]*"

The table then sets out, under three headings of "Joining", "Working" and "Leaving" a user centric view of the journey of an employee.

Starting with being given a pass, desk and phone and added to the payroll, it tracks the employee through to "return of laptop" and "exit interview".

The recommendation is that these should form the shared vision for the services to be delivered, rather than a process driven approach that attempts to combine existing ways of doing things.

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[8] This is the model for Merton and Sutton Councils in London, although there is still some debate if this is a shared service relationship or just one council running a service for another.

[9] Page 7

Questions to ask...

Under this helpful section the report poses a set of 47 useful questions for Members, Chief Executives and Line Managers to ask when evaluating shared HR proposals.

For example a Member could pose the questions, *"What benefits will this shared services proposal achieve? Which are guaranteed and which depend on its successful operation? What governance will be put in place and what control will we have as Members?[10]"*

A Chief Executive could be tempted to ask, *"What size of job cuts are expected and will they be achieved by voluntary or compulsory severance?"*

In addition a shared service architect could use the 47 questions as a way of testing the development phase of a business case, to ensure they are all answered before it drops onto Members or a Chief Executives' desk.

Seven out of 10 for value...

On the scale of quality and usefulness this report scores a 7 out of 10.

It would have been very informative to see a more academic footnote style used, evidencing the basis of the statements made by the author.

There is a bibliography of 39 reports, books and website under the heading of "Where to find more information" however we don't know if, or how, those materials informed this valuable report and its recommendations. Also we don't know which of the 39 we should turn to, to find out more about any of the specific issues raised in the report.

That said, this is a worthy addition to your shared knowledge bank. Keep it close to hand if shared HR is coming up on your agenda.

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[10] Page 12

Could you save up to £100,000 in consultancy fees if you had the tools and techniques to write chunks of your shared service business cases in-house?

The Shared Service Architect's Business Case Toolbox seminar is now available at a council or college near you!
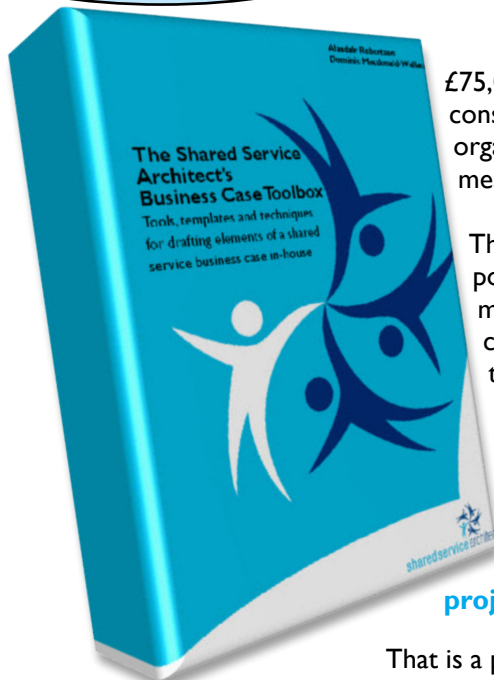
This is the Shared Service Business Case seminar and Toolbox you have been asking for.

This new, one day seminar, and the accompanying book of 30 tools, templates and techniques, has been written to build the capacity of you and your colleagues to effectively draft as much of a shared service business case as possible, in-house.

£75,000 appears to be a rough guide to the fees paid to external consultants to draft a shared service business case. If ten services in your organisation are being considered for sharing with partners, that could mean up to £750,000 of external consultancy spend on business cases.

This seminar and toolbox (which are a foundation unit of the postgraduate certificate in shared services) equips public sector managers with effective tools, techniques and templates to delegate chunks of the drafting to colleagues and thereby considerably reducing the external consultancy spend. Just how much of that £75,000 could be consumed in-house will vary from organisation to organisation.
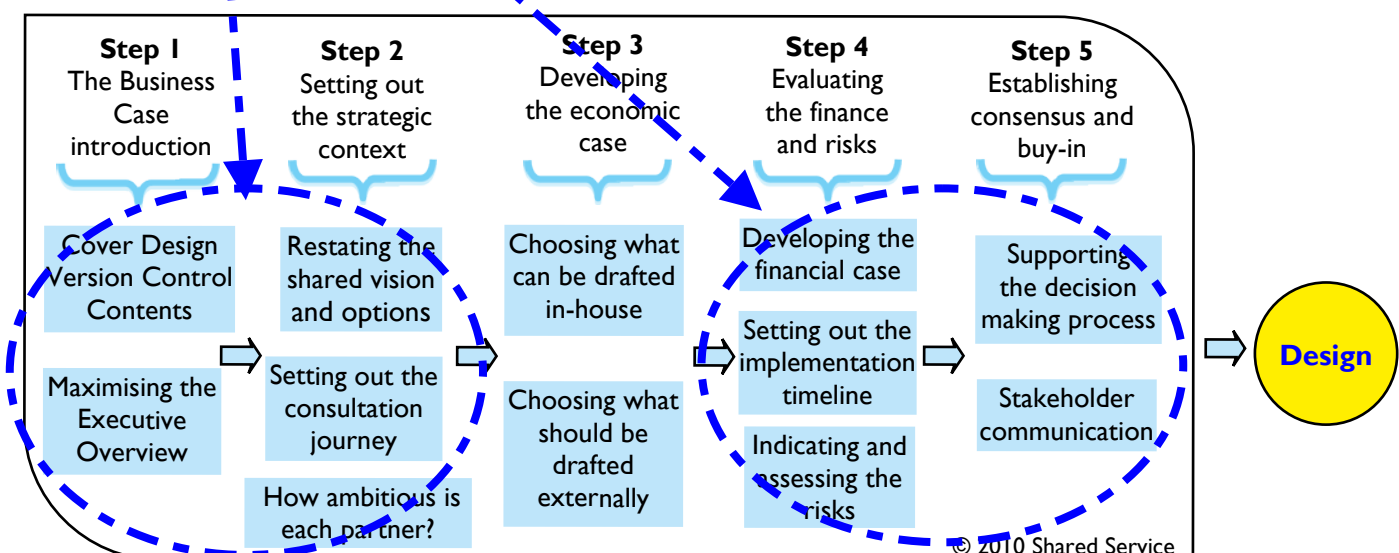
However the ambition of the seminar and toolbox is to help you shave up to £10,000 of consultancy payments off the cost of each shared service business case - a potential saving of £100,000 or more for organisations with 10 projects.

That is a potential saving of up to £100,000 for only **£425+vat per delegate**

The seminar and 30 tools will equip you with the skills and knowledge to draft these sections of a shared service business case

Email: Dominic.Wallace@sharedservicearchitects.co.uk to find out about discounts for hosting a seminar at your offices.

THE FIVE KEY STEPS OF THE SHARED BUSINESS CASE ROUTE MAP

Step 1
The Business Case introduction

Step 2
Setting out the strategic context

Step 3
Developing the economic case

Step 4
Evaluating the finance and risks

Step 5
Establishing consensus and buy-in

Cover Design
Version Control
Contents

Maximising the Executive Overview

Restating the shared vision and options

Setting out the consultation journey

How ambitious is each partner?

Choosing what can be drafted in-house

Choosing what should be drafted externally

Developing the financial case

Setting out the implementation timeline

Indicating and assessing the risks

Supporting the decision making process

Stakeholder communication

Design

© 2010 Shared Service

Tool: 01

HOW CONFIDENT DO YOU FEEL ABOUT DRAFTING A SHARED SERVICE BUSINESS CASE?

This Tool is taken from the new "Shared Service Architect's Business Case Toolbox" a seminar and collection of 30 tools, templates and techniques for drafting chunks of a shared service business case in-house.

Tool 01 is a personal diagnostic for those who are new to drafting shared service business cases and would like to identify their areas of strength and areas for improvement.

The tool draws attention to the difference between drafting an in-house business case in a silo, command-and-control setting, and the more complex and iterative partnership-led approach required for a shared service business case.

The background research to this diagnostic...

The diagnostic draws on a wide number of sources to inform the 20 key areas of shared service business plan working.

A key document is the *Cabinet Office[1] Shared Services Team Detailed Business Case Template*. This sets out almost 30 areas of action in business case development.

However it is almost too detailed to the point it seems more concerned with writing a perfect document than motivating people to develop the best options and outcomes.

The second document is the IDEA's *Front Office Shared Services:Developing the business case[2]*. We would recommend overlaying this document on the Cabinet Office offering, as it has a clearer picture of the requirements to draft a successful shared service business case through collaboration across the partners.

For example it talks about the need for the partners to, *"...have developed sufficient trust, understanding and shared vision to instigate a project and are ready to develop a business case.[3]"*

And it goes on to state that a business case in a shared service setting should be developed "iteratively and incrementally" and

"collaboratively and inclusively" if it is to be successful[4].

The third guide we have drawn on is the PRINCE2 template for business case development which confirms the IDEA and Cabinet Office guidance.

In our research we have also dissected a dozen shared service business cases from across the local government spectrum. They cover district, county and unitary activity from two to eight partners.

Through a comparison process of all these sources we have drawn together the twenty actions that need to be understood by a shared service architect, or business case manager, when developing the document contents.

Do you have the right type of personality to be working on shared service business cases?

Writing shared service business cases can be frustrating for the personality type who likes to work on their own, and is convinced that their view of the world is the best one.

For example, in a shared procurement project we were involved in, the business case manager could not understand why the iterations of his business cases were continuously rejected by the partners. He took it personally that so many people were criticising his work.

The problem was that his only experience of writing business cases was as a solo worker, ready to please only one master, in a command and control setting.

The thought of **having to consult** across wide groups of people and entertain their methods and input their suggestions into **his** business case was anathema. And therein lies

[1] Cabinet Office (2007)
[2] IDEA (2009)
[3] IDEA (2009) p5

[4] IDEA (2009) p8

...a good shared service business case manager is more concerned with successfully managing others to draft the business case with them, than writing it themselves...

business cases was anathema. And there in lies the difference between the requirements of a good shared service business case manager and an in-house business case manager.

The dynamic of iterative partnership working for the latter is too slow, annoying because of the need for ongoing consultation at each step and bruising as they discover there are many other views of how things should be done, not just their own.

A successful shared service business case manager would evidence the following behaviours:

- Developing and managing a partnership team to collaboratively deliver the business case project

- Pro-actively seeking out the contributions of partners into the plan development so there is clear inclusiveness

- Managing "up-the-way" the leadership in each partner to deliver their necessary input, e.g. signing off iterations.

- Navigating the varying cultures of the partners and expressing the shared tasks in a number of different formats to fit the "way things are done" in each partner

- Successfully encouraging all members of their partnership team to ensure each partner meets their deadline

- Communicating, communicating and communicating at every opportunity

In those behaviours it is apparent that a good shared service business case manager is more concerned with successfully managing others to draft the business case with them, than writing it themselves.

How to use this tool:

Tool 01 is a personal diagnostic for those who are new to drafting shared service business cases and would like to identify their areas of strength and areas for improvement.

The tool draws attention to the difference between drafting an in-house business case in a silo, command-and-control setting, and the more complex and iterative partnership-led approach required for a shared service business case.

The diagnostic illustrates how the drafting is achieved only through "helping", "facilitating", "working with", "co-creating", "gathering" and "leading" and not by an individual sitting alone in a room, in a valiant solo effort.

Step 1: You, or a colleague who is new to drafting shared service business cases, should complete the diagnostic on the opposite page. Put a tick in the boxes where either you feel confident or not confident.

Match the areas where you lack confidence to appropriate tools on the laminate at the front of this toolbox so that you can draw on them to support you in those areas.

Step 3: Maybe consider attending the seminar that accompanies this book.

Tool: 01

How confident do you feel about undertaking each of these shared service business case tasks?:	Confident	Not Confident
1. Drafting a compelling executive overview of a business case, distilled into a few succinct pages?		
2. Supporting stakeholders in identifying and naming the drivers for the internal and external need for change?		
3. Helping leaders, staff and service users to vision the outcomes for a shared service and how they meet the business need?		
4. Working with partners to identify a set of project objectives that will contribute to business needs and outcomes?		
5. Co-creating a set of critical success factors that can be used by the partners to evaluate whether the outcome has been successful?		
6. Gathering the truth from partners about what is in scope and what is not in scope in terms of a shared service project?		
7. Facilitating a stakeholder analysis exercise across the partners to assess the stakeholders' level of interest and influence?		
8. Working with partners to help them articulate and record the constraints that impact on a project?		
9. Supporting workgroups to map the interdependencies between shared service projects and other external projects?		
10. Motivating and guiding research groups to gather data, test and validate assumptions that have been made by partners?		
11. Helping partners to recognise the level of risk associated with the aims of the project and create and maintain a risk register?		
12. Leading a partner-wide workgroup to identify the criteria against which a set of options will be evaluated and weighting and prioritising them?		
13. Assisting partners to draw conclusions based on options assessment criteria so that they can recommend options?		
14. Facilitating a working group to appraise the affordability of the options, setting financial values on them?		
15. Working with a group to map and describe how a new service can be delivered, the roll-out options, and the preferred roll-out options?		
16. Fostering the thinking of a partner workgroup to predict how acceptable an option will be to stakeholders and partners?		
17. Leading on the structure for the governance of the shared service, hierarchies and management in the new way of working?		
18. Guiding a group on calculating cost and benefit summaries?		
19. Providing support for a partner wide decision making process based on the final version of the document?		
20. Drafting stakeholder communications during the shared service business case document cycle?		

What is the optimal size of a shared service partnership?

SSA Tutor Alasdair Robertson does the stats for you on optimum shared service partnership membership

A burning question for many is, "What is the optimum number of partners that can successfully be involved in a shared service activity?" If you were to turn to Prof. Rosabeth Moss Kanter at Harvard Business School, your immediate answer might be two.

The reason is that Professor Kanter suggests that shared services in private or public sector activities is a mating game[1]. There is a first date, more going out together to see if there is "harmony" between partners and then an engagement (memorandum of understanding?) and if all goes well the marriage.

Based on that metaphor, potentially two is company and any more is a crowd.

There may be further evidence in the Welland Partnership which started with almost seven members but that slowly diminished to four. Then there is the South Wales HR partnership which started with eleven members and three fell out of the partnership.

On page 8 you can read about how the South Worcestershire Revenues and Benefits began with six but whittled itself down to three in the end.

_____

[1] R. M. Kanter (2004) Harvard Review

So is there some way in which we could work out a predictable optimum size for a partnership?

Ambitious leaders may tell you to assemble as many organisations as possible together to build economies of scale. That could work well for procurement, but where people are giving up control of a service, but retaining the governance responsibilities, size gets trickier.

Could it be evidenced that the greater the numbers of partners in the collaboration, there is an exponential growth in the potential for problems?

For example is doubling the number more than double the trouble?

Calculating added complexity...

In fact the amount of added complexity as partnership size grows can be calculated very simply as the graph below shows.

The bottom axis is the number of partners and the vertical the number of relationships that result directly from the number of partners involved.

4 partners creates six pairs of relationships
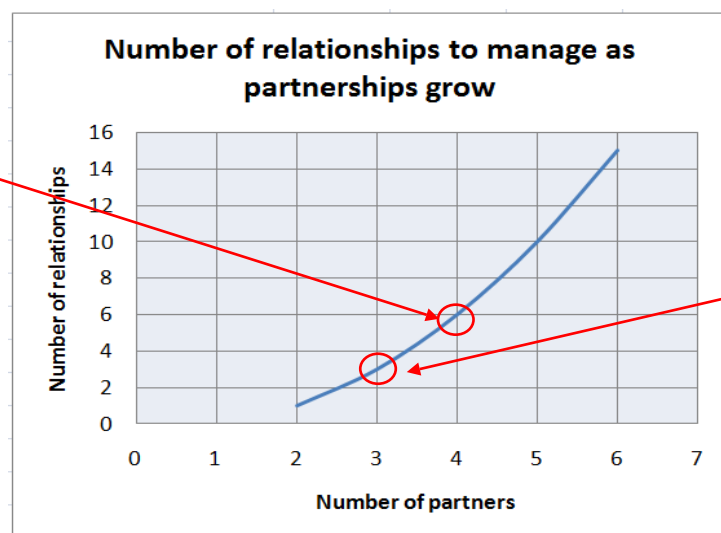
3 partners creates three pairs of relationships

Number of relationships to manage as partnerships grow

You will notice how with three partners there are three pairs of relationships (Partner A with Partner B, Partner A with C, and B with C).

So far so good, but increase the number of partners to four and the number of relationships becomes six.

When you move to five partners there are suddenly ten pairs of relationships!

But, why does this matter to the shared service architect?

Imagine there is a potential conflict arising from a decision needed next week. With 5 partners the relationship graph shows there are 10 potential flash points. Ten discussions to be held and differences reconciled.

That is a lot of mediation and negotiation to keep things on track!

Let's assume each pair of relationships has a chance of going wrong (this starts getting a bit more mathematical, but stay with me...)

Lets say that there is a 1 in 10 chance of a disagreement between any pair of partners. The chance of tension somewhere in the partnership is then the green line shown in graph 2 below.

With 5 partners, there is a 30% chance of all being well, but this drops off rapidly with larger partnerships.

If we're less optimistic on the chances of all partners agreeing and getting on, and put the chance of any pair falling out at 1 in 3, then even with 4 partners the odds are massively against us as the blue line shows at around 5% chance of success!

So what does this tell us?

Firstly, mathematically large partnerships may well be doomed to instability, anything over 3 or 4 and the odds get very long indeed.

Secondly, even in small partnerships, the effort should go into making sure that the focus remains on the common goal and that distrust doesn't enter into relationships.

Failure to do so makes the chance of a stable partnership drop fast. Lastly, that effort in being the 'oil in the cogs' becomes rapidly more time consuming as the size of the partnership grows.

Perhaps its no wonder that many of the bolder attempts at multi-partner working have been notorious for their lack of stability.

With those odds don't bet your organisation's future on a shared service with more than four partners.

What is the relationship between the number of partners and a successful shared service outcome
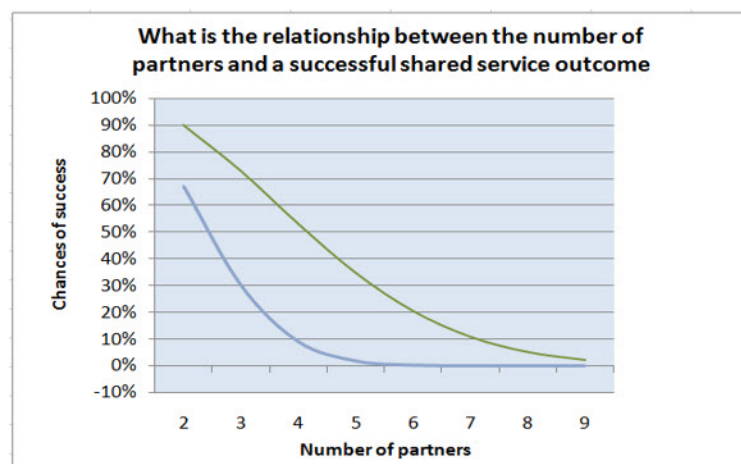
UNISON and APSE come to the table bearing gifts...
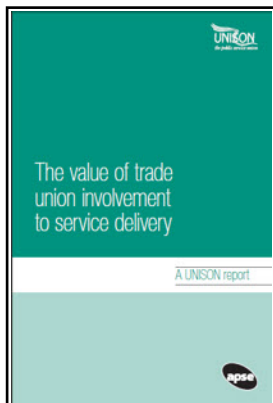
UNISON and APSE
Click here to download

In the forward to this May 2010 report from UNISON and APSE, Dave Prentis, General Secretary of UNISON writes[1]:

"This report for UNISON by APSE comes at a pivotal moment. Our members care passionately about the public services which they provide. But the economic crisis means they are deeply concerned about the effect of cuts on themselves and the people they serve.
UNISON supports our members in hard times, but our role goes beyond that. This research gives many practical examples of how, in good times or in bad, trade unions have a vital 'agent of change' role the heart sustaining and improving public services."

The document confirms that the unions are accepting the reality of shared services and, in a charm offensive of bringing helpful case studies to the table, clearly wish to be inside the tent during the early discussion phase of any public sector transformation, including shared service activities.

This approach became apparent in the 2008 UNISON Shared Service Branch Guidance and since then a range of documents have been released by UNISON with a similar sentiment[2].

The unions also received a positive mention in the Operational Efficiency Programme[3] in relation to the Drive for Change Tool created in central government.

The tool, *"...encourages employers, staff and trade unions to work together to innovate by tapping into staff knowledge and experience, to* build a shared *vision for* improvement and to deliver joint solutions.".

The 14 case studies in this report reveal much about the approach of trade unions which is one of carrot and stick.

For example they are willing to bring to the table comprehensive case studies of successful shared service or transformation activities that can inform the discussions.

At the same time, they will fund external evaluations of shared service business cases that can be challenging and influential in overturning shared service activities[4].

An example is the discussion in East-Lindsay and South Holland and Boston Councils on Shared Services. This report relates this story to show the influence the unions had in successfully challenging the business case[5].

"East Lindsey, South Holland and Boston Borough Councils explored the feasibility of merging their finance, human resources, ICT, revenues and benefits, and customer service functions and commissioned consultants Tribal to produce a feasibility study in August 2009. This report argued that £26 million could be saved by delivering these back office services on a shared and outsourced basis.

[the unions...] commissioned a report from the Association for Public Service Excellence (APSE), which evaluated Tribal's financial appraisal and provided a constructive challenge to its claims that outsourcing was the most cost effective model. Consultation and surveys among union members also showed that

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[1] APSE (2010) *The value of trade union involvement to service delivery.* Manchester: APSE publications

[2] See: (*Dec 2009) UNISON comments on Arbuthnot Report and (March 2010) UNISON Shared Workforces Report*;

[3] HM Treasury (2009) page 78

[4] For example Prof. Dexter Whitfield' report on the Brent Council Business Case (2009)

[5] See page 25 APSE (2010) *The value of trade union involvement to service delivery.* Manchester: APSE publications

The report provides many other case studies of where union activity has successfully influenced the transformation or shared services journey in public sector settings.

employees could deliver services in-house and still make savings, whereas the Tribal report had argued that sufficient skills and knowledge did not exist internally.

The report provides many other case studies of where union activity has successfully influenced the transformation or shared services journey in public sector settings.

For example:

- In Belfast UNISON worked with a number of care homes to deliver more 'person-centred care' to residents and better job satisfaction for staff.

- In Blaenau Gwent the UNISON branch worked with the council to protect local jobs by improving the efficiency of its corporate and transactional services.

- In Bradford unions have been centrally involved in service reviews and an agreed involvement framework allows for ongoing dialogue and continuous improvement.

- In Oxfordshire unions were involved in remodelling the council's finance and HR, releasing £4 million annual savings while protecting relocated or redeployed staff.

Shared service architects would be wise to factor this source of influence and knowledge into the shared visioning and business case stages of projects.

It could prove valuable for you to add this and the UNISON 2008 Branch Guidance On Shared Services to your knowledge bank folder, provided in our seminars.

Trade Union Branches Reshape To Match Shared Services

The March 2010 edition of UNISON South East's Campaigner Magazine carries the following story:

"The four East Kent local government branches of Thanet, Canterbury, Dover and Shepway have and continue to deal with the four Councils' headlong rush into shared services.

The first service of human resources and payroll has started and has been transferred to Dover DC which, obviously includes the transfer of staff...

Whilst we may not be able to turn the tide of shared services we must endeavour to represent our members in the best way possible. To this end , the four branches are looking at forming a joint branch to bring us in line with the four councils....

It also needs to be considered on the grounds of how branches are funded because one branch could lose a considerable amount of members to a host council which would affect the branch in how it can continue to operate.

The four branches have written to the Regional Secretary for this to be considered. It is our belief that radical change is ahead and we need to keep up with it."

So it appears that trade unions are using shared services to match the new shared service topography being created in local government.

July 7th - From the LGA Conference

Went to hear a key speech from Eric Pickles about shared chief executives and shared services. He says that being a chief executive is a "non-job" and can only be justified if it can be shared across local authority areas.

Great idea! Maybe that would work if four or five smaller councils came together with a single CEO, systems and management spine, and reduced the number of members. Wonder what we could call them? Unitary Councils?

To SSA Magazine
From
Eastbourne

To SSA Magazine
From
Queensland
Australia

4th August - Its all going wrong in the giant central government shared services project for Queensland. The Auditor General is saying that "Project management and implementation of new systems without effective consultation with other affected shared service stakeholders has led to inefficiencies in the delivery of key government outputs.". Sounds like they went into a room all by themselves and created a system no one wants. That would never happen in the UK!!!

9th July - Having a coffee and reading Guardian Public where there is mixed news about outsourcing firms. Its says that share prices in outsourcing specialists such as Capita, Serco and G4S have been destabilised through worries that government suppliers will be hit by the new age of austerity. They report a stockbroker as saying that: "Not everyone is going to be trashed by the drive for savings..." Is "trashed" a euphemism for "lost my job"?

To SSA Magazine
From
Manchester