Adaptable
Shared Services

*Delivering progressive Shared Service
improvements through an evolving 'Ideal State'*

Delivering Transformation. Together.

sopra steria

An interesting role reversal is underway.

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The private sector has long been known for spearheading progressive strategic thinking – but the last decade has seen an interesting change take place. The government's concerted focus on austerity has compelled public sector organisations to seize far more radical ideas that deliver much-needed rapid and deep results, fundamentally rethinking how they operate.

They are now the driving force behind an ambitious Shared Services agenda spanning the whole public sector. The aim? To deliver significant new savings and insight right to the heart of government.

The first phase of this Shared Services drive is already revolutionising huge swathes of Central Government and Public Services, allowing government bodies to refocus critical resources back on delivering front line services. Priorities are being re-balanced to put the citizen first and a wider cultural change is underway. In today's budget-strapped, competitive commercial markets, many private sector organisations are now ambitious to replicate this success, challenge the internal pace of change, and accelerate improvements for their customers.

So, what is there to gain from an adaptable Shared Service model and could it be the smart way forward for your organisation?

Expertise built on real world experience

Sopra Steria was one of the pioneers of Shared Services, taking expertise from running private sector services into the public sector. We now run two of the world's largest Shared Services projects for the UK National Health Service (NHS) and the UK Government. These are delivering gold standard services enabling strategic organisational change. As a result, we're uniquely placed to help organisations honestly appraise the Shared Services landscape, understand their options, examine the road ahead so benefits don't atrophy and leverage proven best practice

> " *I was struck by the commitment, enthusiasm and professionalism of all the staff I met within the different functions. They are clearly committed to continuous improvements in their systems and delivery recognising that the end result of their efforts is an improvement for the NHS.* "

Director of Finance and Deputy Chief Executive, North Cumbria University Hospitals NHS Trust

Fresh thinking, distilled.

Creating your Shared Service vision.

The key to developing a successful new Shared Service or optimising an existing deployment is defining a vision that fits the future aspirations of the organisation – one that can flex and adapt with uncertainty and change. Sopra Steria believes an organisation's Shared Service vision should not necessarily be built solely on 'best practice', but on a pragmatic Target Operating Model grounded by the specific needs of the business. We refer to this as the 'Ideal State' and getting there successfully is dependent on the following factors:

- **A realistic, personalised vision – Shared Services are not a one size fits all.** Not every organisation wants to conduct a root and branch transformation, although some do. A successful partner will work closely with an organisation to ascertain what their 'Ideal State' looks like and then deliver it in the way that best suits their unique operational needs and long-term objectives.

- **Shared Services need to work in practice, not theory.** The hard direction an organisation takes will be informed by a range of critical but soft factors such as their prevalent cultural norms, competitive, financial or operational challenges, the availability of talent, management's appetite for risk and any merger, acquisition or divestment activity that maybe underway. Talented people will be needed to execute the vision and deliver the day-to-day realities of the operation – so the importance of these soft factors should not be underestimated

- **An organisation's Ideal State needs to be progressive.** Of course, what is optimum today will change over time as targets are met and higher goals set. So each Shared Service approach needs to be flexible enough to adapt to the changing needs of the business and be future proof: able to embrace new challenges and technological innovations as they emerge.

- **Shared Services should be transparent, clarity is critical.** The journey to the Ideal State does not need to be costly, complex or time consuming. However it does need to be right for your organisation – moving in phases to deliver quick wins and tangible ROI back to the business.

These factors can only be achieved by being crystal clear from the outset about the organisation's objectives. As such, a smart Shared Services approach can help an organisation to:

- Reduce operational inefficiency, removing value destroying activities

- Streamline expensive cost bases, optimising delivery

- Transform poor productivity, exploiting comparative analytics, talent and culture to focus on performance

- Improve customer satisfaction, aligning service to the customer journey

- Benchmark performance to enable continuous improvement

Identify the starting point.

Organisations typically find themselves in one of three scenarios: debating whether to set-up a Shared Service but unsure of which model to adopt; considering whether to join an existing Shared Service and questioning whether it represents a good strategic fit in terms of cultural alignment, size and maturity; or asking themselves 'Is my existing Shared Service optimal and could it be doing more'?

By blending consultancy, implementation and optimisation, Sopra Steria has created a Shared Services approach that will help map the journey regardless of the starting point to deliver guaranteed results.

Phase One: Consultancy

This starts with gauging the performance of your existing operations using Sopra Steria's tried and tested 6-point Shared Services Assessment called SWARM. This looks at key areas such as customer relationships, locations, service complexity and governance to get an accurate picture of today's operating model. We then recommend improvements based on a client's objectives and desired Ideal State – creating a practical, real-world transformation roadmap.

Phase Two: Implementation

We extend this roadmap into our proven Start-Up Methodology, which designs a new Target Operating Model and the transitional journey to reach it. This steers and guides the organisation as it makes the transition to ensure a positive outcome.

Phase Three: Optimisation

Finally, we support organisations to develop their Shared Service model over time and in line with their roadmap – starting with a review of the organisation's challenges and objectives. This creates a huge capacity for flexibility and builds a fundamentally agile organisational model. Each aspect can also be undertaken separately depending on the needs of the organisation.

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Don't overlook value-add processes.

While Finance & Accounting, Human Resources and IT functions offer solid starting points for Shared Services, Sopra Steria believes additional value can be delivered from beyond the back office, sharing core processes that support the very heart of an organisation. Our experience shows that even heavily complex, vertical-specific processes can prosper in a Shared Service environment. With Cleveland Police, Sopra Steria has extended the remit of the Shared Service beyond the back office to help successfully run key crime management, control room and citizen contact support functions too. This has enabled Cleveland

Police to reassign over 100 officers from back office functions to frontline duties, delivering £7 million in cashable savings per annum, a 22% cut in operating costs and a 94% positive satisfaction rating from the public.

Accelerate the journey.

Sopra Steria's consistent, award-winning heritage has been delivering guaranteed results for over 40 years. Our Process Intelligence methodology enables organisations to reach their Ideal State quicker by:

- **Re-engineering the business with certainty of outcome**
  Shared Services offer a quantifiable and proven model which typically delivers 20-40% savings depending on the maturity of the organisation and the delivery model selected.

- **Increasing focus on the core business**
  With an outsourced model, we take care of Shared Service functions so you can focus on your core business. The back-office is the central line of business for Sopra Steria and we are able to bring new levels of attention, skill and experience to it alongside an unbiased perspective.

- **Gaining smarter analytical insight**
  Many organisations operate in process silos, have poor clarity of management information and no real-time visibility. A Shared Services model creates unrivalled transparency and management insight. Multi-client models also help drive an organisational mind-set change by delivering comparative analytics that sharpen an organisation's appetite for optimisation.

- **Re-drawing organisational boundaries and rethinking what's possible**
  Considering a move to a Shared Service is the perfect time for an organisation to actively reassess what they do in-house and why – and explore how those boundaries might effectively shift to create a dramatically more streamlined and efficient operating model.

- **Proactively defining a future-proof roadmap**
  Shared Services compel an organisation to define their Ideal State, creating a roadmap that helps them navigate at speed to single-mindedly and cost-effectively deliver against that vision while solving burning cost or service quality issues.

- **Delivering continuous improvement**
  The journey to the Ideal State should not stop at the original Target Operating Model. The Shared Service provider should continually evolve what 'ideal' looks like as the organisation matures and operational, political or competitive challenges morph. As the central vision changes, so will how the organisation delivers against it, all methodologically measured and pro-actively pursued.

- **Motivating cultural change**
  Moving to an outsourced Shared Service provision is a powerful catalyst, enabling a wider and deeper cultural change in the delivery of key functions.

- **Optimising the Service Chain**
  Sopra Steria can help identify what needs re-engineering and transform how processes deliver value across the Service Chain – including all the services and processes that contribute to operations across in-house and third party providers. Hard boundaries are replaced with integrated end-to-end processes using shared knowledge repositories. The result? Value-destroying activities are removed and handoffs between functions are smoothed and made lean and agile.

Did you know
Sopra Steria operates a global Cyber Security Shared Service from Toulouse, France through a unique innovative approach. In the on-going battle to reduce information leaks, targeted attacks and more efficiently protect sensitive sites against advanced threats, this SSC offers organisation real-time breach detection and rapid response to unauthorised activates and to support security transformation from strategic to operational levels.

When is the right time to move?

Public sector organisations are increasingly drawn towards Shared Services by the need to cut costs and increase value for money as well as by new governance edicts around charting accounting changes, which require the greater transparency and accountability that Shared Services offer. Any private sector company looking to cut costs, increase management insight and fundamentally reshape productivity and innovation should now be considering Shared Services too and challenging the benefits of existing shared services if these have plateaued.

- The rapid implementation of new services: When delivering new services to customers or citizens, organisations need to be able to act quickly. Shared Services free up funds for expansion and create the agility to scale up or down at speed, reducing risk in the business.

- Major merger/divestiture/acquisition: Agile Shared Services will allow accelerated business integration or separation. When structural change occurs in the public sector, multi-agency working and greater collaboration between authorities also eases the necessary transitions.

- Gearing up innovation and performance: Emerging new technologies or the encroaching obsolescence of an existing IT estate can become catalysts for delivering a step-change in performance. Shared Services are an effective way of achieving this for a lower cost and risk while freeing up funds for innovation – all supported by the vital transformation and change skills that an experienced third party can offer.

> 66 *By working together in partnership with Sopra Steria, we are transforming our systems and processes, enabling us to face the future challenges of policing, whilst maintaining the service we deliver to the public.* 99

Jacqui Cheer, Chief Constable, Cleveland Police

Shared vision. Increased results. Better together.

Just as virtualisation and cloud are transforming IT agility and mobility is transforming workforce productivity, Shared Services are now reshaping the way we structure organisations and measure business and IT value, forever.

Sopra Steria has unrivalled experience of creating, on-boarding, optimising and delivering Shared Services for some of the world's largest organisations in the private and public sector. We are the largest Shared Service provider in Europe and number one provider of Government Shared Services in the UK – as well as running Europe's single largest shared service, NHS SBS.

Run smarter, with Sopra Steria.

The expert team at Sopra Steria is here to help. Take advantage of our Shared Services assessment by contacting us today. Simply call the team on +44 (0)845 601 8877 or email us at BPT_Practice@Sopra Steria.com and let's get started.

Did you know
Our Sopra Steria Shared Services Weighted Assessment of Relative Maturity (SWARM) methodology, we investigated the effectiveness of a two-year old shared service centre in Lithuania for a German Mittelstand organisation. This helped focus the Board's priorities and has given it a roadmap to transform the centre into a Group strategic asset that will help its global growth agenda

About Sopra Steria

Sopra Steria, European leader in digital transformation, provides one of the most comprehensive portfolios of end to end service offerings in the market: Consulting, Systems Integration, Software Development and Business Process Services. Sopra Steria is trusted by leading private and public organisations to deliver successful transformation programmes that address their most complex and critical business challenges. Combining high quality and performance services, added-value and innovation, Sopra Steria enables its clients to make the best use of information technology.

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