

HELASS

Does it matter where I live?



PLYMOUTH
CITY COUNCIL

JISC

**WITH
PLYMOUTH
UNIVERSITY**

serco

21st November 2011



YOU HAVE A CHOICE...



- Take the red pill and you have the official line.
- Take the blue pill and you get a different take route...

AGENDA



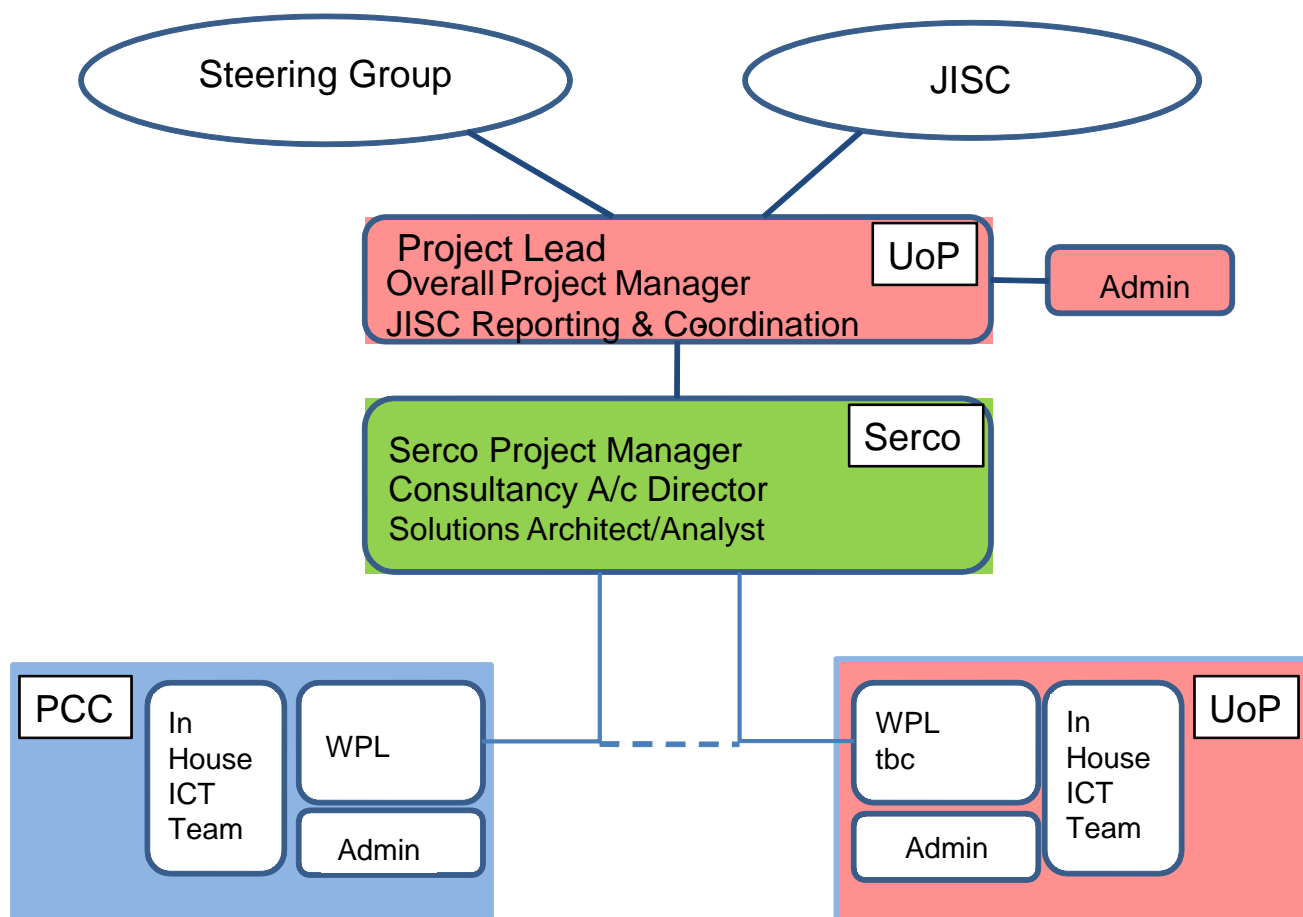
- Project team structure
- Project aims
- Key objectives
- What was possible
- Risks & constraints
- Real benefits
- Lessons learned
- Summary and close



PROJECT TEAM STRUCTURE

HELASS PROJECT STRUCTURE

JISC Flexible Service Delivery
ERH July 2010 V3.0



THE OVERALL AIMS



- To explore the possibilities of developing a shared services framework for ICT infrastructure and support services across a HE institution and a large local authority.



KEY OBJECTIVES



1. Identify ICT based Shared Service opportunities that will deliver cost reduction and/or service improvement
2. Identify standalone ICT based opportunities within PU and PCC
3. Identify suitable candidates for Shared Service pilots



THE ART OF THE POSSIBLE



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■ 45 opportunities to potentially collaborate

- Infrastructure
- Business processes
- Staffing
- Support arrangements
- Applications
- Information
- Procurement

Description	Cat	Met	Impact	Cost	Time	Risk	SCORE	Comment
Pully merged ICT organisations under one entity (e.g. JV)	O	Y	5	4	4	2	20	Complementary peaks'n troughs & multiple synergies
Shared SW/SQL plans & facilities	B	Y	5	4	4	2	20	Reciprocal arrangements
Shared Technical Services organisation	O	Y	5	7	5	4	23	base/commodity level infrastructure support
Shared Service Desk organisation	O	Y	5	8	7	5	25	peak'n troughs synergies, single repository, cross-asking
Shared Operational organisation	O	Y	5	7	7	5	23	Monitor & alert function
Shared Application Support organisation	O	Y	5	4	4	2	20	helpdesk / niche issues?
Shared GreenIT strategy	B	Y	5	5	5	5	26	WIP -> x-ref other reference contracts & thought leadership
Common Microsoft platform strategy	T	N	5	7	6	4	24	CRM Dynamics, Sharepoint, etc.
Common information / knowledge Management platform	I	N	6	8	7	6	27	Shared knowledge and enabler for merged functions
Shared data centres facilities	T	Y	5	5	4	5	26	x-ref IIC email
Shared Office facilities	B	Y	7	7	7	4	27	Enabler for fully merged functions
Shared Plymouth wide network (or network subset)	T	Y	7	5	4	4	25	x-ref IIC observation at 22/23 workshop
Shared HR Payroll systems	A	Y	5	5	5	5	26	Move away from SAP to PCC?
Shared Finance Systems	A	Y	5	4	4	2	16	Not a business imperative or even aspiration?
Shared other Corporate Applications	A	Y	7	5	4	2	19	xRef, FMA, Expenses, Time Management, etc.
Shared Service Management function	O	Y	6	6	5	5	22	Tools, processes & people
Shared ICT procurement function	B	Y	6	6	5	5	28	Economies of scale
Sharing ICT best-practice & experience	B	N	5	5	5	5	32	Knowledge sharing forum
External delivery entity (e.g. JV)	B	N	9	5	4	4	22	UsP & PCC staff seconded in (x-ref ACCESS)
Shared simplification, standardisation & automation pgn	B	N	8	5	5	7	26	Remove/reduce bespoke and over-complex components
Shared ITIL environment	B	Y	6	6	7	5	37	Common processes (subset of other entities)
Shared Hardware (Server) estate	T	Y	6	5	5	7	23	Virtualise, common strategic supplier, etc.
Shared Hardware (Desktop) model / estate	T	Y	7	7	6	6	28	Common base builds, common roll-out tools & processes, common support structure
Shared Enterprise Architecture (EA) Framework	B	N	6	4	4	7	23	Common strategic vision, strategy & components
Shared Outsourcing contracts & providers	B	Y	6	7	6	6	24	Joint procurement strategy
Shared Print Facility	O	Y	7	6	5	4	24	Physical print room & shared print plan (economies of scale)
Joint (ICT) commoditisation programme	B	N	6	5	5	5	23	Reduce bespoke, niche, specialist, etc.
Shared Centralised Remote Geographic Support	O	Y	5	5	4	7	21	Remove local on-site (departmental) presence
Plymouth Outsourcing Model Co-Operative	B	N	5	4	4	6	25	Move outsource (share) models
Shared Utility Computing Model	T	N	7	5	5	4	23	Hand models (peak'n troughs synergies again)
Shared Storage Model	T	Y	5	5	7	4	18	CDP model
Shared Cloud Computing Model	T	N	6	5	5	4	20	Future development, technology not yet mature enough?
Plymouth Common Delivery Platform	B	N	6	5	4	5	20	Inc, soc, people, processes, etc.
Shared Web Presence	T	Y	6	5	5	5	21	Internet, intranet, extranet
Shared E2E Service Management toolset	T	Y	7	5	5	6	23	IBM, CA, BMC, HP, HEAT, HMI/BI, etc.
Shared mobile working initiative	B	Y	4	7	5	5	21	Mobile workers
Shared home-working initiative	B	Y	6	7	5	5	21	Release office space?
Shared Document Production facility	B	Y	6	5	5	7	23	UsP capability
Shared Application Development Centre	A	Y	4	4	4	4	15	Mainly packages but some bespoke development
Shared Resource Pool (SRA / standard job definitions)	B	Y	6	5	5	6	30	Free base of cross-dealing and industry standardisation
Increased self service and Remote support	B	Y	7	6	6	6	27	Remove drive plans of support
Shared Training function	B	Y	6	6	7	6	29	Share trainers, courses, costs, facilities, etc.
Joint contract (re)negotiation strategy	B	Y	6	6	6	6	30	Re-assess & re-align selected/all existing ICT related contracts
Joint lead strategy	A	Y	7	7	7	7	25	Utility/on-demand aspirations
Technology reuse/assess across UsP & PCC (beyond?)	T	Y	5	5	7	7	27	Extend to citizens at EDL?
Joint Service Catalogue	B	N	6	6	7	6	29	"Buy" services from most cost-effective provider
Commodity ICT / skills assessment programme	B	N	6	6	6	6	28	realign Technology programme
ICT Convergence Model	B	N	6	5	5	5	23	3 year programme?
Uniques identification and isolation	B	N	6	6	6	6	32	What MUST remain isolated within UsP & PCC?
Initial/on-going secondment model	O	N	5	5	6	6	28	Initial trial to iron out constraints & obstacles
Joint paper/hardcopy elimination programme	T	Y	7	6	4	7	24	Reduce paper trail (x-ref Green Agenda)
ICT enabled property portfolio rationalisation programme	B	Y	6	4	4	4	20	Diagnose ACCESS model
Joint Capacity Planning / Management / Reuse Programme	T	N	5	5	7	6	28	Shared Capacity models (peak'n troughs)
Plymouth Learning/Training Programme/Platform	B	N	6	5	5	5	21	x-ref A2
Shared Offshore Model	B	N	6	6	6	6	23	Both office functions only
Shared hardware maintenance contract(s)	T	Y	6	6	6	6	28	Pushed-up maintenance into single provider
Unit-Costing Benchmark Framework	B	N	7	6	7	6	30	On-going unit cost measurement & continuous (internal) benchmark
Joint Service Portfolio Approach	B	N	7	6	7	6	30	Service Catalogue (x-ref A6) is an output of this
Jointly provisioned Extended Service Hours	B	Y	6	6	6	7	27	A6, A6d, or as agreed

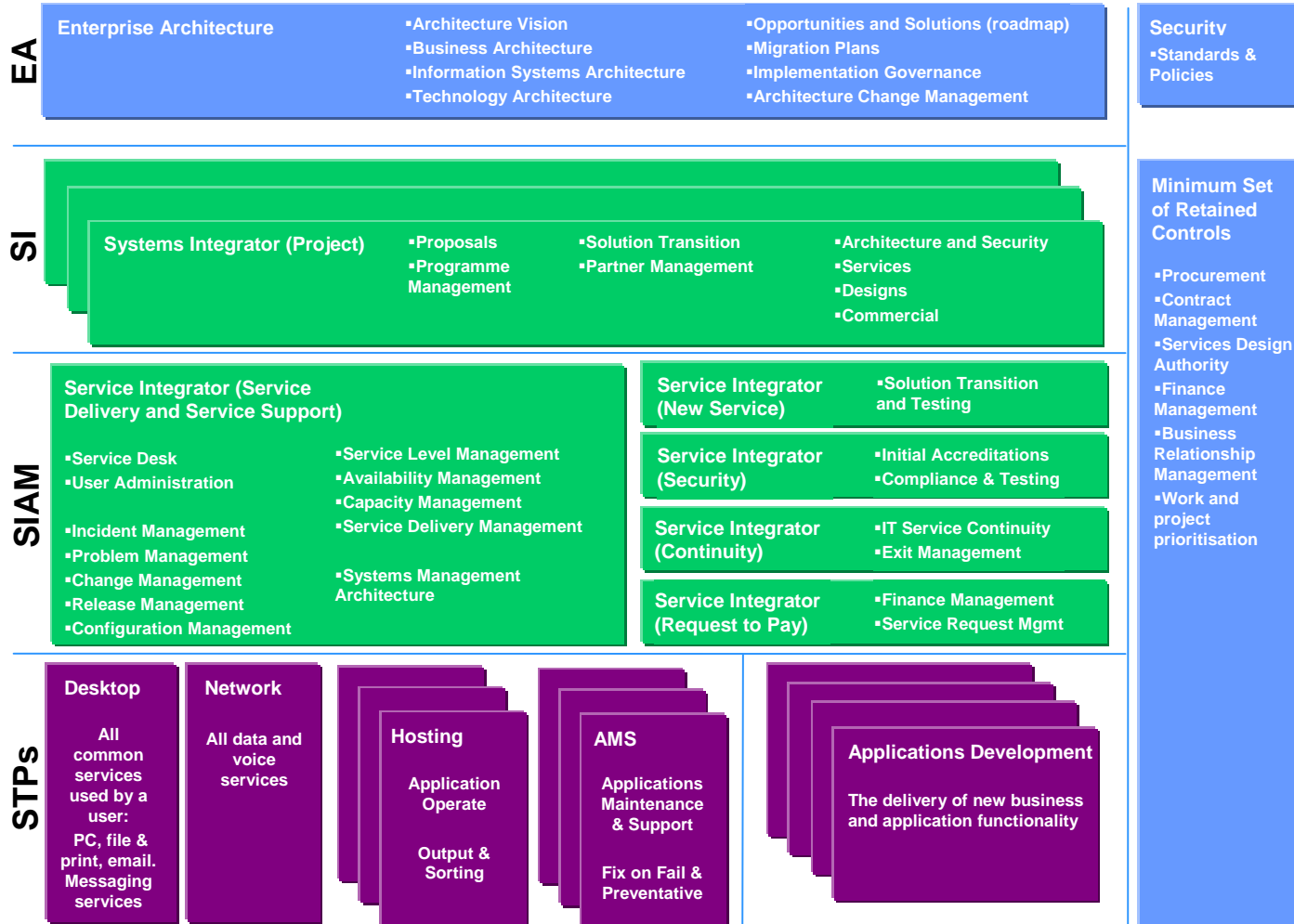
Scoring Matrix



The identified potential Shared Service options were jointly assessed with the UoP and PCC project representatives and allocated a maximum score of 10 against 4 criteria:

- **Impact.** The potential positive impact across the University of Plymouth and Plymouth City Council enterprises. Primary considerations taken into account were projected impact on both the cost and quality of service delivery. Other parameters considered were the strategic or tactical nature of the option and its ability to enable further downstream Shared Services
- **Cost.** Primarily assessed in two dimensions, the first being the absolute cost of implementing the Shared Service and the second being the cost in relation to the potential impact assessed in (a) above
- **Time.** An assessment of the elapsed time to fully implement the potential Shared Service, where 10 represents an immediately available option and 1 represents longer than 3 years.
- **Risk.** An overall assessment of the risk associated with implementing the potential Shared Service, where 10 equates to no associated risk and 1 equates to an unacceptable level of business risk.

HOW DOES THIS LOOK?



RISKS AND CONSTRAINTS



1. Speed of thought & action?
2. Resource availability?
3. How far to go – tactical versus strategic?
4. Other Shared Service partners?
5. Cultural fit?
6. Resource & Cost Allocation?
7. Other individual PU & PCC agendas?
8. Exit plans?
9. PU & PCC commitment to the shared service agenda?

TANGIBLE BENEFITS



Total current joint annual ICT in scope spend = £13.7m
Theoretical annual fully Shared Service cost saving* = £1.671m

But.....has multiple complex interlinked obstacles, with significant risk, cost and elapsed time to achieve

But.....the sum of the parts MAY be greater than £1.671m?

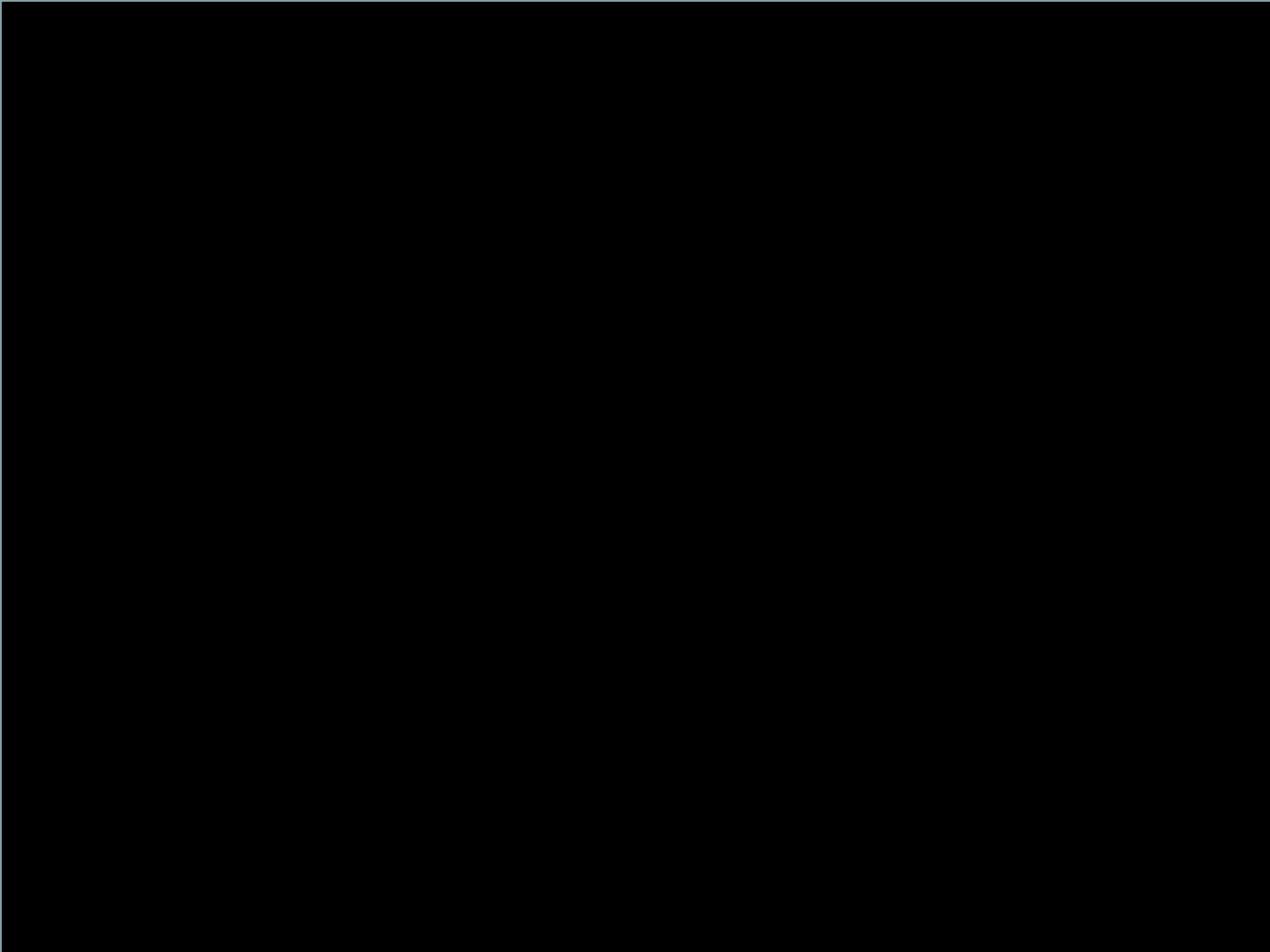
$$SS_1 + SS_2 + \dots + SS_n > £1.671m \text{ p/a} ?$$

LESSONS LEARNED



- It can be done!
- There are tangible benefits
- There are consequential benefits
- It is helpful to have external stimulus
- You need to commit time and resource
- Those senior ICT managers need to believe
- There has to be senior political buy-in, without this all is lost...
- The geographical and sectoral balance can be made
- But consider your exit plan – Have a pre-nuptial agreement





BUT FIRST A QUESTION

Who knows their films?

“Are we shooting
people or what?...

...I don't know the
answer! That's what
I'm trying to find out!”



Source: Warner Bros 1999

BACK TO THE FUTURE



“Don't worry. As long as you hit that wire with the connecting hook at precisely 88mph the instant the lightning strikes the tower... everything will be fine!”



Source: Universal Pictures 1985

SHARED SERVICES – WHY?

- 1970's - Bureau services and time sharing e.g. payroll
- 1990's - Outsourced services and FM e.g. data centres
- 2010 – Economic driver for significant cost savings and new model – Cloud?



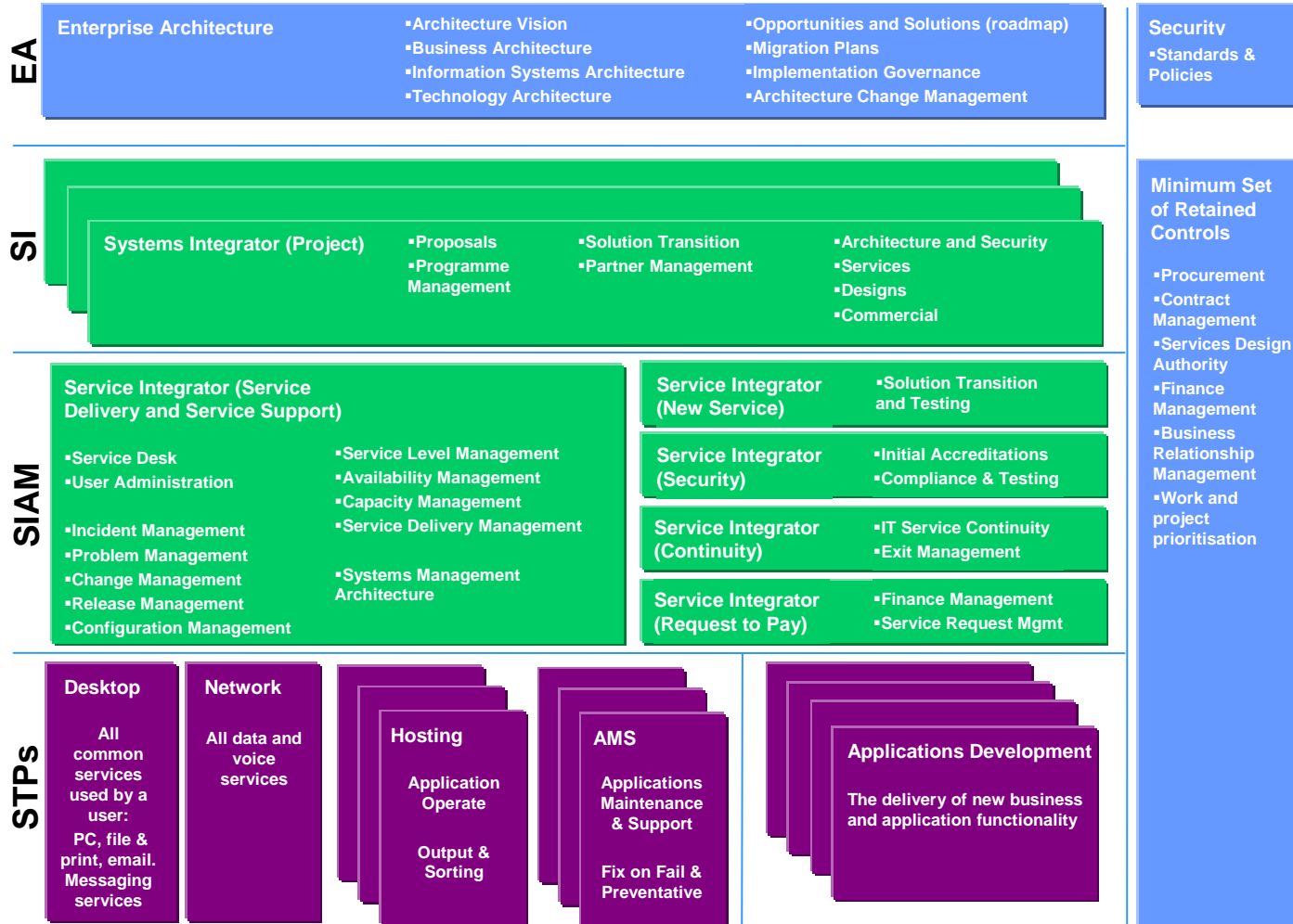
Share skills, maximise investment, reduce cost

MINIMISE THE “DIFFERENT”

- 
- Unique
 - Bespoke
 - Situation specific components
- 
- Common components
 - Commodity components
 - Complementary components
 - Disposable components
 - Reuseable & repeatable
 - Industry standard
 - Generic
 - Sector independent
 - COTS OTB
 - Economies of scale



THE ART OF THE POSSIBLE



SO WHAT COULD WE DO?



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Description	Cat	Met	Impact	Cost	Time	Risk	SCORE	Comment
Fully merged ICT organisations under one entity (e.g. JV)	O	Y	5	4	4	3	20	Complementary peaks'n'troughs & multiple synergies
Shared O&M/BCP plans & facilities	B	Y	5	4	4	3	20	Reciprocal arrangements
Shared Technical Services organisation	O	Y	5	7	5	4	23	base/commodity level infrastructure support
Shared Service Desk organisation	O	Y	5	8	7	5	25	peaks'n'troughs synergies, single repository, cross-skilling
Shared Operational organisation	O	Y	5	7	5	4	23	Monitor & alert function
Shared Application Support organisation	O	Y	4	4	3	3	18	bespoke / niche issues?
Shared GreenIT strategy	B	Y	5	8	5	5	26	WIP -> x-ref other reference contracts & thought leadership
Common Microsoft platform strategy	T	N	5	7	6	4	24	CRM Dynamics, Sharepoint, etc.
Common information / Knowledge Management platform	I	N	6	8	7	4	27	Shared knowledge and enabler for merged functions
Shared data centre facilities	T	Y	6	5	6	5	26	x-ref ITC email
Shared Office facilities	B	Y	7	5	4	4	27	Enabler for fully merged functions
Shared Plymouth wide network (or network subset)	T	Y	7	5	4	4	20	x-ref ITC observation at 21/13 workshop
Shared HR/ payroll systems	A	Y	6	5	5	4	25	Move away from SAP in PCC?
Shared Finance System(s)	A	Y	5	4	4	3	16	Not a business imperative or even aspiration?
Share other Corporate Applications	A	Y	7	5	4	3	19	eMail, FM, Expenses, Time Management, etc.
Shared Service Management function	O	Y	6	5	5	4	22	Tools, processes & people
Shared ICT procurement function	B	Y	6	8	7	7	28	Economies of scale
Sharing ICT best-practice & experience	B	N	5	5	5	5	12	Knowledge sharing forum
External delivery entity (e.g. JV)	B	N	9	5	4	4	22	UoP & PCC staff seconded in (x-ref ACCESS)
Shared simplification, standardisation & automation pgm	B	N	6	5	6	7	26	Remove/reduce bespoke and over-complex components
Shared ITIL environment	B	Y	6	6	7	8	27	Common processes (subset of other entries)
Shared Hardware (Server) estate	T	Y	6	5	5	7	23	Virtualise, common strategic supplier, etc.
Shared Hardware (Desktop) model / estate	T	Y	7	7	8	6	28	Common base builds, common roll-out tools & processes, common support structure
Shared Enterprise Architecture (EA) framework	B	N	6	4	4	7	23	Common strategic vision, strategy & components
Shared Outsourcing contracts & providers	B	Y	7	7	7	6	24	Joint procurement strategy
Shared Print Facility	O	Y	7	6	5	6	24	Physical print room & shared print plan (economies of scale)
Joint ICT commoditisation programme	B	N	6	5	5	5	23	Reduce bespoke, niche, specialist, etc.
Shared Centralised Remote Geographic Support	O	Y	5	5	4	7	21	Remove local on-site (departmental) presence
Plymouth Outsourcing Model: Co-Operative	B	N	5	4	4	7	25	Mixed outsourcing (shared) models
Shared Utility Computing Model	T	N	7	5	5	5	23	PAWS models (peaks'n'troughs synergies again)
Shared Storage Model	T	Y	5	5	4	4	18	CDP model
Shared Cloud Computing Model	T	N	8	5	7	4	20	Future development, technology not yet mature enough?
Plymouth Common Delivery Platform	B	N	8	5	4	5	20	Inv, sv, people, processes, etc.
Shared Web Presence	T	Y	6	5	5	5	21	Intranet, intranet, extranet
Shared E2E Service Management toolset	T	Y	7	5	5	6	25	IBM, CA, BMC, HP, BEAT, Hombell, etc.
Shared mobile working initiative	B	Y	4	7	5	5	21	Mobile workers
Shared home-working initiative	B	Y	4	7	5	5	21	Release office space?
Shared Document Production Facility	B	Y	6	5	5	7	23	UoP capability
Shared Application Development Centre	A	Y	4	4	5	4	15	Mainly packages but some bespoke development
Shared Resource Pool (SHA / standard) job definitions	B	Y	6	5	7	8	30	For ease of cross-skilling and industry standardisation
Increased self service and remote support	B	Y	7	6	6	9	27	Remove stove pipes of support
Shared Training Function	B	Y	6	8	7	8	30	Share training, courses, costs, facilities, etc.
Joint contract (re)negotiation strategy	B	Y	6	8	8	8	30	Re-assess & re-align selected (all) existing ICT related contracts
Joint SaaS strategy	A	Y	6	7	5	7	25	Utility/on-demand applications
Technology reuse/cascade across UoP & PCC (& beyond?)	T	Y	5	8	7	7	27	Extend to citizens at EOL?
Joint Service Catalogue	B	N	6	8	7	8	29	"Buy" services from most cost-effective provider
Commodity ICT / skills assessment programme	B	N	4	8	8	8	28	Kellogg Technology programme
ICT Convergence Model	B	N	6	5	5	5	23	3 year programme?
Uniques identification and isolation	B	N	6	8	8	8	32	What MUST remain isolated within UoP & PCC?
Initial/on-going secondment model	O	N	5	8	8	8	29	Initial trial to iron out constraints & obstacles
Joint paper/hardcopy elimination programme	T	Y	7	6	4	7	24	Reduce paper trail (x-ref Green Agenda)
ICT enabled property portfolio rationalisation programme	B	Y	6	4	4	4	20	Glasgow ACCESS model
Joint Capacity Planning / Reuse Programme	T	N	5	8	7	8	28	Shared Capacity models (peaks'n'troughs)
Plymouth eLearning/Training Programme/Platform	B	N	6	5	5	5	21	x-ref 42
Shared Offshore Model	B	Y	6	6	6	6	28	Back office functions only
Shared hardware maintenance contract(s)	T	Y	6	6	6	6	28	Pooled-up maintenance into single provider
Unit-Costing Benchmark Frameworks	B	N	7	8	7	8	30	On-going unit cost measurement & continuous (internal) benchmark
Joint Service Portfolio Approach	B	N	7	8	7	8	30	Service Catalogue (x-ref 48) is an output of this
Jointly provisioned Extended Service Hours	B	Y	6	6	6	7	27	16x6, 24x5, or as agreed

■ Impact

■ Cost

■ Time

■ Risk



HURDLES

- Cultural differences
 - Network openness
 - Security
- Alliances
 - Geographic
 - Sectoral
- Timing
 - Investment cycle
 - Organisational change



GEOGRAPHIC Vs SECTOR



Local Authority

- Other LA's
- NHS
- Public Sector
- Economic development
- Cost savings

University

- Other universities
- Academia
- Public Sector
- Jobs for students
- Cost savings



OPERATIONAL ALIGNMENT



- ICT maturity
 - Both upper quartile
- Operationally/tactically well aligned – similar platforms and strategies
- Discussions well facilitated ensuring momentum and progress made
- Energy and enthusiasm built up as project progressed
- Early route to savings identified



TANGIBLE BENEFITS



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But.....has multiple complex interlinked obstacles, with significant risk, cost and elapsed time to achieve

But.....the sum of the parts MAY be greater than £1.671m?

$$SS_1 + SS_2 + \dots + SS_n > £1.671m \text{ p/a} ?$$

STRATEGIC BUY-IN



- A variety of routes forward complicated the strategic decision making
 - Potential partners everywhere...
- Competing and shifting national agendas
 - Decline of PCTs, LA's to absorb public health
 - University funding
- Too many options all needing analysis urgently



IT'S EASY TO BE KNOCKED OFF COURSE



The partnership viewed the concept as “feeling right” early on, but it required an act of faith

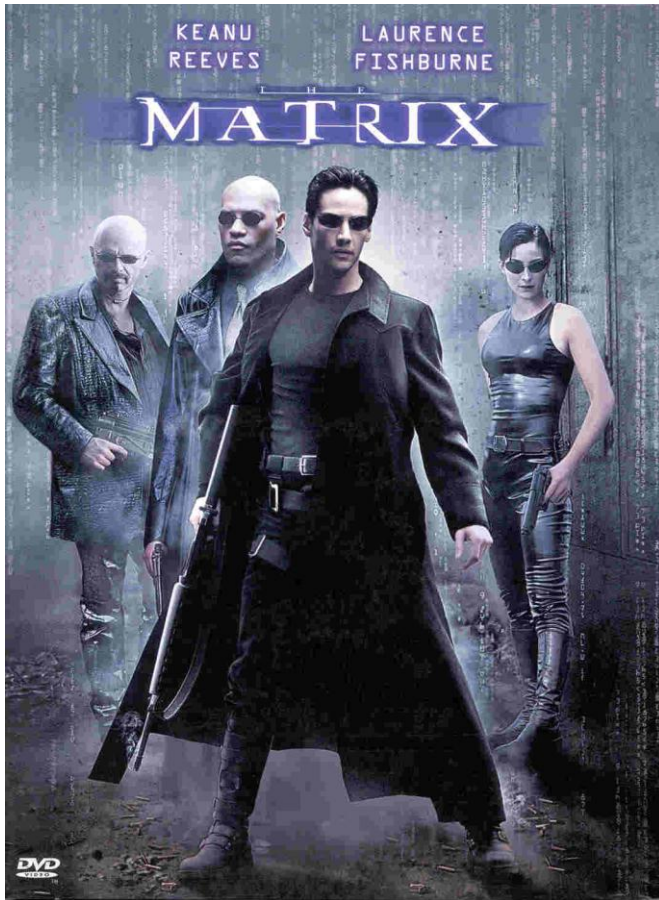
SUMMARY & CLOSE



- It can be done!
- There are tangible benefits
- There are consequential benefits
- It is helpful to have external stimulus
- You need to commit time and resource
- Those senior ICT managers need to believe
- There has to be senior political buy-in, without this all is lost...
- The geographical and sectoral balance can be made
- But consider your exit plan – Have a pre-nuptial agreement



A FILM QUOTE TO END...



“You hear that Mr Anderson?.. That is the sound of inevitability...

It is the sound of your death...

Goodbye Mr Anderson...”