

Event write-up

Excellence through efficiency

Report on shared services conference organised by the University of Salford on 15th June 2017



To say that that this was a packed programme might be something of an understatement. It certainly presented the 100+ delegates with a lot of food for thought regarding how the shared service model could be applied, and the opportunities for leveraging emerging technology. The theme of the day was excellence through efficiency, and there was a refreshing blend of practitioner and academics, along with specialist vendors offering solutions to those parts of the back-office which ERP systems tend not to either cover or excel in.

Summing up the day, it was evident that the shared services model has been a success story as a means of 1) creating scale and scope efficiencies through sharing services and resources, 2) driving organisation-wide standardisation of systems and protocols AND 3) acting as a vehicle for end-to-end process working. Although, Mark Simpson, Audit Manager at the National Audit Office, had some cautionary accounts of large-scale public-sector projects that had failed to deliver the expected benefits. He explained how there was a range of reasons for the difficulties, including; lack of clarity on funding [who is funding what], lack of coordination, poor starting data, and unrealistic benefit targets.



Mike Stewart, Head of Robotic Process Automation, Arvato, presented an insightful account of robotic process automation across 18 revenue operations at Sefton Borough Council. Working with Blue Prism, Arvato is helping the council to significantly increase the processing speed of a range of repetitive, administrative tasks, from signing people up to council tax direct debits to applying discounts to customers' accounts and uploading information, with 100 percent accuracy:

processes previously performed manually. The main outcome is that council employees have a greater level of job satisfaction and are now able to focus on value-added tasks to improve services for citizens.

Graham Gornall, Managing Director of ELFS Shared Services (NHS) explained how Salford Health Authority had built a scalable cross-institutional finance platform for public sector organisations. ELFS offers a clear option to public sector bodies that wish to take advantage of scale economies in finance processes without having to set up their own SSC projects. Graham also talked about how a client-oriented approach to business could add tangible value to an organisation.

There were interesting case studies presented by Peter Morley, Director, Moore Stephens Insight Limited and Kevin Foster, Chief Operating Officer, Orbis about actual SSC implementation. Kevin explained how investing in people is key to the successful shared services partnership created by three councils on the south coast.

A particularly intriguing insight was presented by Simon Robinson, Managing Director of ERPaaS, who explained the possibilities afforded by applying Cloud hosted cognitive intelligence applications to back office Finance, Procurement, HR and Payroll systems. The 'new game in town' is how to capitalise on the data already held in back-office applications rather than replacing them with Cloud hosted equivalents. He demonstrated a cognitive self-service application which made a request for maternity leave with just a few keystrokes on his mobile phone. The transaction was completed in seconds and replaced what ordinarily would be a manual document, typically taking several days to process.

The panel discussion chaired by Ian Herbert, Loughborough University, debated whether Shared Services can deliver on its promises? Lending considerable experience of shared services to the debate were Damian Crowe, Founder, Obillex and David Brown, Founder and former CEO of Oxygen Finance and Graham Gornall. Amongst the issues discussed was the way that multi-national organisations have largely taken the lead in shared service delivery, although many sub-national public-sector organisations are now also achieving success. The SSC sector continues to advance with mature SSCs being chiefly distinguished by five outcomes. First, moving offshore, although not always acceptable in the public sector. Second, progressively moving stabilised routines to specialist BPO vendors. Third, moving up the value chain by taking in activities previously retained in divisions. Fourth, applying the SSC model to other professional functions and then integrating these together in multi-disciplinary process streams.

Fifth, leveraging technology to achieve 'lights-out' processing.



Damian and David made the point that scale advantages can be realised in numerous ways. One option is for local authorities to use their blue-chip credit rating to pay suppliers early in conjunction with sophisticated purchase to pay systems. This facility enables the inward supply-chain to be more efficient and hence, to reduce input costs. They provided more details about the scheme in their subsequent presentation.

While the day had presented shared services and outsourcing as a success story, Eileen Roddy, Associate Dean International, University of Salford, urged for reflection too. She argued that there are emerging implications for accounting education. As many finance activities become routinised and embedded into process stream working, accountants can develop into higher level, more cognitive, roles. Such transformation will require quite different skill sets, particularly the softer skills involved in communicating to managers and influencing the corporate decision-making. There needs to be a new partnership between Higher Education, employers and professional bodies to reorient the curricula.

The day was wrapped up by Manny Gatt of Shared Service Architecture Ltd, who explained the importance of collaborative leadership in bringing together different departments to share service delivery and design new ways of working. He showcased some of the self-audit tools that were available to help senior managers to evaluate the extent of collaborative working actually taking place.

Ian Herbert 16.7.17