

Ian Herbert & Kathleen McLoughlin of the Ssc Research Team of Loughborough Centre for Global Sourcing and Services interview Ian Parr of Sport England: Achieving grant-making efficiencies through shared services

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Many organisations in both the private and public sector have been making a move to a shared services model in order to make cost savings and improve efficiency. A shared service centre is a specialised unit which focuses on repetitive transaction-intensive activities. But does this model actually work?

Iann Parr, Head of Sport England's shared service centre, talks to Kathleen McLoughlin and Ian Herbert about how setting up a shared service centre helped them to achieve more efficient grant-making.

When and why did you decide to set up a shared service centre? What were your objectives? And why didn't you outsource instead?

Sport England's shared service centre was established in March 2008 following a review of our administrative function.

There were two main reasons for establishing a shared service centre. Firstly was cost. We were spending a large amount of money on outsourcing our telephony service and also duplicating effort on our payments release processes with 9 regional offices all undertaking the same function.

Secondly was quality. The services we were outsourcing were not felt to be providing the right levels of customer care. So we decided that a small team of experts could resolve customers' issues and add qualitative value to our role in developing community sport.

By creating a multi-functional team expertise in a range of sports administration issues could be built which provides for a better service to customers. It also helps ensure efficiency by using quiet times in terms of phone contact (typically between 8am and 10am and after 4pm) on other tasks.

What is the relationship between the shared service centre and the rest of Sport England?

This has evolved from a purely administrative function to one of providing expertise on programme development and delivery. It now operates two funding programmes in their entirety and supports the delivery of a number of other programmes.

Why was Loughborough the chosen site for this?

Cost was an important factor in selecting the site and Loughborough represented good value when compared to bigger cities. But also the potential work pool was important with Loughborough being a famous sporting university. While the role of the Shared Service Centre is not about providing sports development, an interest and knowledge of the sporting

landscape is important. Many national governing bodies of sport are also located on the same site, so we'd be closer to our customers.

What service level agreements (SLA's) do you/did you have in place?

We started with detailed service level agreements giving performance timescales and clarifying expectations on both sides. These have become largely obsolete as the relationships with our internal partners have changed but we retain our own performance management targets. We measure our telephony service through PCA targets and call monitoring and we have turnaround performance targets for grant and payment processing.

Why did you move from having a contractual style (service level agreement) to having a more relational way of working?

The cultural and structural change moving from 9 regional offices to a more centralised approach took a while to gain acceptance and an SLA was important to begin with, making obligations clear on both sides. However, it was always hoped that a more unified team would be created and negate the need for this level of formality. We have been able to build relationships within the wider organisation and a more flexible and collaborative approach now exists.

How do you see an SSC as being different to just a traditional centralised function?

We may not be typical of all Shared Service Centres but we have strived to build expertise in process development to help the organisation maximise the benefit from its available resources. Staff here have multiple roles which helps them to understand the wider business. We also encourage a culture of continuous improvement so everyone gets the opportunity to shape their jobs and the service we provide. Multi skilled staff also provide a flexibility to move between functions to meet the peaks and troughs of demand for different work.

Who are your customers?

Sport England has a wide range of stakeholders but the primary customers contacting the Shared Service Centre are people from sports clubs and associations, representatives of local authorities and from the National Governing Bodies of sport.

How do you assess the level of customer service that you're providing?

Feedback is primarily obtained from our user survey that is given to applicants at the end of their application process. The survey looks at both the service provided by support staff but also the technical process of applying for a grant via our on-line system. Feedback has helped us shape this and we look to constantly evolve to meet changing needs.

How has setting up the shared service centre better enabled you to meet the needs of your customers?

It has put Sport England nearer to its end customers and we are no longer reliant on a third party to provide our front line services. Having a multi-functional team covering all stages of the grants management process also enables us to provide a better response to customers as there is with less transferring of calls between departments.

How has the shared service centre impacted upon the business? Did it achieve the initial objectives?

The difference in terms of costs was quickly seen with a £1m saving made in the first two years. Improvements in customer feedback were harder to judge because baselines hadn't been set in a way that enabled evaluation but subsequent customer feedback has been very positive with satisfaction regularly being in the high 80's to mid 90's%.

What would you say are the key factors to get right when implementing a shared services model successfully?

Getting the right people is important to manage any structural and cultural change. We were fortunate that our leader was an established and respected Sport England employee who knew the business and had a passion for improving customer service. We all bought in to her vision of how the team should operate and she was able to sell the benefits to the wider organisation. While resistance to change across any organisation is inevitable the benefits need to be clear and sold in a positive way, so having someone whose opinion is respected helps with the communication.

However, staff at the Shared Service Centre were all new so there were no "old habits" carried forward and the balance of the team was designed not to be focused on sport, but on customer service and grants management experience.

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