

Developing International Service Jobs
In Partnership with the Public Sector Administration



A presentation by the Irish Business Process Services Sector

Win/Win

- ❑ Deliver substantial **Savings** and efficiencies to the Public Sector
- ❑ **Share World Class** IT Enabled services **expertise** across the Public Sector
- ❑ Provide **employment** opportunities in the Shared Services sector with a **Regional** balance
- ❑ Partner with a business sector that has the potential to **win international business**.

□ **Irish Companies**

- Turnover of €480m of which €160m is exported
- Growing at 20%-30% each year
- Key Domestic Players (representing 60% of total employment)
 - Abtran
 - Fexco
 - Forward Emphasis
 - Rigney Dolphin
 - SouthWestern

□ **Multinational Companies**

- Accenture, Capita, EDS, IBM, TCS, Cap Gemini, HP, Perot, ACS, Conduit

- ❑ Revenue: Processing for Taxation
- ❑ Agriculture: Animal Traceability
- ❑ TV Licences: Administration
- ❑ Energy: Electricity Supply: Customer Service
- ❑ Energy: Gas Supply: Customer Service
- ❑ Environment: Managing the change to cleaner Environment
- ❑ Health Board Administration and Call Centre
- ❑ Passport and Visa processing
- ❑ Taxi Regulator
- ❑ Financial Regulator
- ❑ Department of Justice Shared Services (Insource)
- ❑ And Many Many more

Enablers

- Technology
- R&D
- People
- Innovation
- International Skills
- World Class Methodology
- Benchmarking

Utility Provider – Shared Services Partner since 2004 - Provision of Contact Management Services

Challenge:

Deregulation of market

Inability to flex up/down quickly to deal with peaks in activity

Customer Contact not core specialisation

Shared Services Partnership Solution:

Transition work to specialist partner

Align strategies to anticipate future developments

Benefits:

Significant cost savings (30% +)

Flexible workforce

Growth achieved through specialist partner

Advancements in technology and best practice utilised

Additional Value Added Savings and Process Improvements:

Collections Department – 59% increase in overall collections revenue in Year 1

Dedicated Team focused on payment processing

Proactive promotion and action in signing up customers for direct debit

Expertise developed in specialised contact handling and payment conversion

Process Improvement Implementation

Reduction in frequency of calls requiring escalation

Reduction in call handling time

Increased business intelligence availability on call drivers

Increase in Customer Satisfaction

- **National Scheme Administration contracted out in 1996**
 - **Provision of Registration, Database Administration, Customer Service and Knowledge reporting**

- **Challenge:**
 - National scheme to comply with EU legislation
 - Meet citizen statutory obligation
 - Provide an efficient public service

- **Shared Services Partnership Solution:**
 - Department officials dictate Policy and Design
 - Partner developed systems, process, customer service and reporting process
 - An effective program and change management structure established

- **Benefits:**
 - Efficient service to the Citizen (IFA, ICMSA)
 - Cost Effective (Cost in Ireland less than 50% of UK cost)
 - Flexibility in time of crisis and legislation change
 - Reporting centre for fraud prevention, demographics, census, control and compliance



Department of **Agriculture, Fisheries and Food**
An Roinn **Talmhaíochta, Iascaigh agus Bia**

- Single Farm Visits
- Payments Admin
- IT Consolidation
- New Services

Department of Justice, Equality and Law Reform
An Roinn Dlí agus Cirt, Comhionannais agus Athchóirithe Dlí

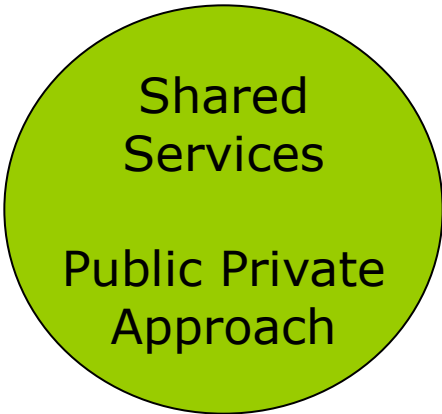

- Take-on existing Shared Services

Department of Social and Family Affairs
An Roinn Gnóthaí Sóisialacha agus Teaghlaigh
Helping you build a better life

- Means testing
- Applications
- Payment processing

DEPARTMENT OF EDUCATION AND SCIENCE
An Roinn Oideachais Agus Eolaíochta

- Means testing
- Student loans
- University fees
- Grant Admin
- Shared Services

Department of **Health & Children**
AN ROINN SLÁINTE AGUS LEANAÍ

- Claims
- Means Tests



Feidhmeannacht na Seirbhíse Sláinte
Health Service Executive

- Shared Services
- Claims
- Health Records

Department of Finance
An Roinn Airgeadais

- Cross Government Shared Services
- NTMA/NAMA

Department of Communications, Energy and Natural Resources
Roinn Cumarsáide, Fuinnimh agus Acmhainní Nádirtha

- Scheme Administration
- Payment/Grant schemes



Comhshuíocht, Oidhreacht agus Rialtas Áitiúil
Environment, Heritage and Local Government

- Waste Management
- Water Administration
- Grant management

- ❑ **HEGS – Higher Education Grants**
- ❑ **Saving of €20m per annum by centralising and outsourcing**
 - ❑ Currently:
 - ❑ Grants are processed by 66 different organisations including VEC's and Local Authorities
 - ❑ Decision pending to centralise processing with VEC's, Councils or Dept
 - ❑ Different systems and processing standards currently used
 - ❑ Duplication of resources across organisations
 - ❑ Low flexibility to deal with peaks in demand
 - ❑ Poor experience for the applicant

- **Local Government – County Councils Administration**
- **Saving of €20m++ per annum by centralising and/or outsourcing**
 - Currently:
 - Higher Education Grants,
 - Other Grant Administration
 - Housing Administration
 - Motor Tax Administration
 - Waste Management Admin
 - Water Services, billing Collection
 - Planning Administration

Savings

Transaction Based Pricing

Example Cost per transaction € 60

Outsourced Shared Services
Cost per transaction € 30

Savings made by:

- Average 40% less people are used in BPO's because
 - Scale and Business Process systems
 - Best of breed systems & technology (e.g. document management/control)
 - Specialisation in process administration
 - Flexible team available to deal with peaks in activity
 - Shared facilities, technology and management resource

*example of processing a licence

Savings based on equivalent tasks performed using typical technology solution, and at fully loaded price

- Create success early, start simple
 - Start on Low hanging fruit
 - Simpler/ transaction process
 - Consolidation opportunities
 - New Services
 - Use world class transition methodology
 - Earn respect of the people involved
 - Create champions
 - Celebrate, Communicate
 - Contest new opportunities

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Key areas of activity of Polish Government*

- Ensuring energy security
- Speeding-up the construction of the road and motorway system
- Solidarity of generations: senior citizens
- Solidarity of generations: children
- Utilisation of community aid
- Efficient staging of EURO 2012
- Entrepreneurship package
- Building a professional army
- Modern curricular foundations for the Polish school
- Competitive scientific research and higher education system
- Healthcare system
- Strong Poland in Europe
- Justice system
- Culture matters
- Polish Agriculture as an Important Component of the EU's Agriculture
- Environment – Poland's Potential for Growth
- Digital Poland

* Source: <http://www.kprm.gov.pl>

Outsourcing opportunities

- Some of the areas of activity are the same or similar as in Western Europe countries or US and partially or fully are being served by outsourcing companies.
- Most of the activities can or should be outsourced in Poland as well
- Energy, Healthcare, Social Insurances, Entrepreneurship, Education, Agriculture, Environment – first areas where outsourcing can be developed and bring innovations and improvements
- Outsourced processes are integrated, customer focused and developed with innovation, flexibility and respect of Public sector demands, requirements and expectations giving real quality assurance, optimization and cost effectiveness.