HE Shared Services Forum

Agility in shared services and outsourcing

"Nothing stops an organization faster than people who believe that the way you worked yesterday is the best way to work tomorrow."

— Jon Madonna, former CEO of KPMG

Paul Hopkins – HE-Shared Services Ltd
Thursday 29th November 2012
Westminster Studio, 10 Greycoat Place,
London SW1P 1SB

Overview & Synopsis

- HE Shared Services – who are we?
  - Ex senior University officers doing things that interest them for the good of the HE community
  - Supporting the community do the things that benefit from external support
- Synopsis
  - History, culture and environment for sharing across HE
  - What has worked, hasn't worked and might work
  - Pragmatic advice

Further details can be seen in 300+ page study of "Early Adopters of Shared Services and Cloud Computing in HE" or view http://tiny.cc/fw69b or google "JISC FSD FEAST"

The UK HE Environment

- It is independent, autonomous. Members have quite different goals/objectives
- It is fiercely competitive but also very willing to socialise with peers from other institutions for common good and knowledge sharing!
- Somewhat conservative and resistant to changes unless there is potential benefit
- The core transactions are 'Lectures', 'Dissertations', 'Research findings' – NOT an 'Orders', 'Invoices', 'Inventory movements'
- It is NOT Public Sector and 'mostly' NOT 'for profit'
- UK HE Governance is unique compared to many/most countries!

The Sector

- ‘Top-down, Directed, Policy-driven’ approaches not easily workable
- Solutions and approaches developed for industry may require significant adaption for deployment in HE
- No major consultancies (systems integrators) have to date made significant penetration (high ‘cost of sale in HE’!)
- Many ‘low-hanging fruit’ improvements already made by each HEI
- ‘Bottom-up, voluntary, issue-driven’ approaches can work – sometimes VERY quickly and they can spread sector wide…

Working Shared Services

Most have started ‘bottom-up’ but grown to become almost sector-wide

- Innumerable cross-sector, role-based, active associations (UUK, BUFDG, AHUA, AUA, UCISA, AUDE, UHR, SCONUL, AMOSSHE…)
- UCAS (formerly UCCA, PCAS) – for applications
- JANET – data network between HEIs plus many added value services
- UMAL… - mutual insurance – research, property, travel etc 69 instns
- SCONUL and many library activities
- Research – shared resources e.g. National Grid, Particle Physics etc
- Purchasing consortia, e-Procurement, The Energy Consortium etc
- Lots more… jobs.ac.uk, London careers service, ULCC, NorMAN-OOH

Only a few have started at the top to provide a cross-sector service

- JISC – top down and bottom up services provider (new model 2013)
- HESA– mandated and linked to institutional funding
- Student Loan Company

Note that JANET/UCAS etc may now seem top-down…

HE Shared Service failures

We have had high-profile ‘failures’ which have made the sector cautious

- The MAC Initiative (early 90s) casts a long shadow still over shared and common administrative computing platforms
- E-University
- RCUK – Research Councils Shared Services Centre

And Shared Services initiatives which may have worked elsewhere but failed to get community support

- National computing facilities (High Performance Computing centres etc.)
- Undertaking common software development – eLearning, Administration, Library management….
- Out-sourcing or sharing to service core non-academic business processes
- etc.

Success Stories progressing rapidly

- The sector has widely adopted outsourced email and personal storage ‘for life’
  - Google mail and Microsoft Mail for students and staff?
- The sector has adopted learning platforms both commercial and open source but these are increasingly being hosted externally
  - Blackboard, Moodle, etc.
- The sector is adopting new desktop paradigms
  - Office 365, Google Apps provide collaborative tools for ‘free’

…but these are still being implemented institution by institution…

Future opportunities may come from…

- The financial imperatives causing an internal refocus towards core business activities to streamline and save money
- Technological changes (e.g. mobile devices, Networks, ‘Cloud’ and ‘student analytics’,Gaming) create new opportunities
- The expansion in bandwidth is enabling off-campus activities such as
  - Brokerages between the sector and external providers – see JANET, ULCC, Eduserv, JISC Nexus etc.
  - Brokerages to support service sharing between HEIs
    - the VAT question and supplier dilemma operating into not for profit!
  - Outsourcers who can provide tailored services which fit within the different cultures AND appetites of the community (Not the ‘One-size-fits-nobody’ approach!)

A useful model for Shared Services

There are distinct models both for internal and external:

- Local –institutions are physically close and able to do unique things
- Regional Services – geography support interworking
- Common Services – 'Birds of a Feather' Institutions
- Non-geographic services – Commodity services of a type
- Cross-sectoral services – engaging with wider communities NHS, local authorities, charities, etc.
- Commercially transparent – services where the cost model and service parameters are crystal clear and interests of customer are common

…within each of these 'types', it is possible to identify large numbers of different opportunities for sharing of services between institutions and/or commercial providers…

Summary

Successful shared services are driven by all of the characteristics which make any project in to a success – namely

1. A clear vision of the problem is, how to addressed it and the benefits

2. A respected Champion/Leader to drive the project through to success.

3. The active support of all of the stakeholder institutions and the prioritisation and availability of the required resources

4. Quick wins to create the momentum for continued success.

Note that the above critical success factors are primarily PEOPLE-related rather than emphasising 'Process' and 'Technology' factors.