

Advanced Business Solutions advises local authorities on overcoming barriers to shared services

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The government is increasingly urging local authorities to go down the shared services route to cut costs in finance, human resources (HR) and IT. With budget cutbacks imminent, there has never been a more crucial time to consider shared services.

Setting off on the shared services journey involves transformation and as with any transformation, there are barriers to overcome. These barriers are political, people related and technological. Dean Dickinson, Managing Director of Advanced Business Solutions (Public Sector and Enterprise division) discusses the key shared services barriers that need to be considered and provides advice to managers within local authorities on how to overcome them.

Politics – Local authorities may have to overcome two types of political challenges. Firstly, neighbouring authorities may have different political allegiances, making sharing services a challenge. Elections will also be a barrier to start a shared service as coping with the negative press may impact votes.

Secondly, there is likely to be internal politics around who, from the two or more councils, are going to be the 'leaders' taking forward the shared services program and if there is a shared management team, how the roles will be shared between the councils. Knowing that there will be unwanted competition for management team places could well make councils reluctant to approach sharing services in a gung ho way.

Trust – Sharing services with local authorities involves having to overcome trust issues. To alleviate these issues, it is important for local authorities to carefully consider their partnerships and not to rush into a situation that may not be the right fit. Therefore research is key. Once satisfied with the chosen partner/s, there is no reason not to trust them. In fact, trust will be key to the success of the project.

People issues – Sharing services typically means consolidating resources into one central shared function and so there are potential job losses and the inevitable involvement of unions. The expected fallout may seem an insurmountable barrier. To overcome these people issues, it's important to have strong leadership, a clear vision and robust communications with both staff and unions.

Training and skills – A local authority may be happy to share their services but it may not be an easy sell to a new partner if the right training and skills are not in place. For instance, the financial director (FD) in a local authority shared service will need to be able to effectively market their financial skills and knowledge when trying to convince another public sector body to use their resources. Some FDs will see this new marketing and sales requirement as an enormous challenge and may require additional training.

Technology – Effective shared services requires the right IT infrastructure and if this is not in place, managers may think that moving to a suitable platform is too costly or troublesome. It needn't

be this way. The key is to choose a quality IT provider that has experience of shared services and has a track record of successful implementations.

When implementing a shared services model, it's vital for managers to do their background research, choose the right partners and providers, and to seek advice on how to overcome any potential barriers. If these guidelines are followed, managers will alleviate concerns and avoid wasting time. There will always be barriers to change but in the instance of shared services, the benefits are likely to far out way the issues.

-ENDS-

Notes to editor

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Advanced Business Solutions is a division of Advanced Computer Software Group plc, a leading supplier of software and IT services to the health, care and business services sectors.

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