

A best practice approach that's made for sharing

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Paul Blantern – Corporate Director of Customer and Community Services, Northamptonshire County Council



Challenge

Over 1.2 million people live in Cambridgeshire and Northamptonshire and every day their respective County Councils endeavour to make a measurable impact upon their quality of life through the effective delivery of a wide range of economic, social, and welfare services.

Fujitsu had already implemented and was managing an Enterprise Resource Planning (ERP) application, based on the Oracle eBusiness Suite, for Cambridgeshire County Council. However, the system was nearly six years old and the Council recognised that if it was to continue being effective in supporting its evolving needs then there would be a major cost involved in upgrading the application and the associated hardware.

Stephen Moir, Director of People and Policy, Cambridgeshire County Council, says, *“The Council has a strong track record of high performance, low cost IT and we wanted to make further improvements to equal industry best practice, especially in transactional processing. However, the affordability of these changes would have been a major challenge and we were already looking at the broader Government agenda for shared service delivery and were keen to take a lead in this area.”*

At the same time, Northamptonshire County Council was looking to create its own ERP capability as Paul Blantern, Corporate Director of Customer and Community Services, Northamptonshire County Council, explains, *“The Council had no form of ERP system, so it was a business imperative for us to fast track a solution, and Fujitsu was clearly in a good place to help us do that.”*

Consequently, with Fujitsu’s help, the two Councils began evaluating the possibility of creating an ERP shared service. Stephen Moir comments, *“We have a good working relationship with Northamptonshire County Council and had a shared vision to create a modern and cost-effective ERP system, so there seemed to be a good opportunity for us to collaborate and achieve significant efficiency and performance gains and cost savings.”*

Solution

Cambridgeshire and Northamptonshire County Councils entered a ground-breaking tripartite partnership with Fujitsu to create a unique ERP shared service. Based on the Oracle 11.i.10 e-Business Suite, the solution enables the two Councils to share the delivery of back office processes and transactional services across a range of key functions, including finance, human resources (HR), on-line procurement and payment facilities. The underlying infrastructure is owned, hosted and managed by Fujitsu, which also provides shared technological support and application development.

Paul Blantern continues, *“We wanted to keep the Oracle application as pure to its core design as possible, so that we could offer ‘out of the box’ best practice to any public sector body, but we also wanted a ‘right-sourced’ solution for the ongoing systems management to ensure maximum scalability.”*

SUMMARY OF KEY FACTS

Organisation

Cambridgeshire & Northamptonshire County Councils

Services delivered

Development and management of an ERP shared service, based on Oracle 11.i.10 e-Business Suite, that enables the sharing of back office processes and transactional services

Key metrics

- Cambridgeshire – 18,000 staff and up to 6,500 users
- Northamptonshire – 19,500 staff and up to 5,000 users

Benefits

- **Improved customer experience** – significant resources can be re-directed and aligned to customer needs
- **Reduced costs** – the Councils expect to save a total over £3 million in the next two years
- **Optimised productivity** – the enhanced functionality and standardised processes has streamlined operations
- **Enhanced decision-making** – comprehensive information is available to manage performance and resource allocation
- **Improved customer service** – 80% of citizens’ requirements are dealt with on first contact and the choice and speed of accessing and paying for services has improved dramatically
- **New revenue opportunities** – through the expansion of the service to include other public sector organisations
- **Enhanced operational agility** – the Oracle platform is fully up-to-date and can be extended in the future

CASE STUDY CAMBRIDGESHIRE & NORTHAMPTONSHIRE COUNCILS

In just seven months Fujitsu developed and implemented the new Oracle shared service, which is now fully live and in operational use by both authorities as well as Fujitsu, which is using the solution to manage its own financial processes. *“The technical implementation went remarkably smoothly, especially in terms of the ‘go live’, which is a big testament to the combined teams,”* says Paul Blantern. *“ERP implementations are very hard to get right, so going into two organisations at the same time is a massive achievement.”*

Stephen Moir adds, *“Despite the scale, complexity and issues involved in this project every milestone has been successfully achieved. In terms of where we wanted to be, it is one of the fastest implementations of such a large project that I’ve ever known in local government, and Fujitsu worked very hard to ensure that it delivered an effective shared services capability.”*

Building upon the project’s success the Councils are now undertaking a ‘soft market test’ of their vision to create a local government shared service centre. The shared Oracle platform has the capacity to provide best practice business processes to up to eight local authorities, and in the process further enhance overall performance, reduce costs, create even greater economies of scale and generate new revenue.

“This is a huge flagship project that has enormous potential business benefits for everyone, because it is so far ahead of the curve as no-one else is doing this at the moment,” explains Stephen Moir. *“It is a real pathfinder for other organisations that want to exploit shared services.”*

Paul Blantern comments, *“Our aim is to provide shared services ‘by local government for local government’, and with Fujitsu’s help we have proved that a shared services approach is not a myth. It can exist and does enable business change, so that more resources can be moved to the front-line of citizen-centric organisations. And the more organisations that join in the more it’s a win.win.win.”*

Benefits

The ERP shared service, based on Oracle eBusiness Suite, implemented by Fujitsu is enabling both Cambridgeshire and Northamptonshire County Councils to:

- **Improve customer experience** – significant financial and staff resources can now be re-directed to customer-facing operations and aligned more closely to the needs of citizens
- **Reduce costs** – the Councils expect to save a total over £3 million in the next two years through savings on IT costs, economies of scale in the delivery of services, and greater operational efficiency
- **Optimise productivity** – the enhanced functionality and standardised processes have streamlined operations and replaced labour intensive, paper-based processes
- **Enhance decision-making** – comprehensive and reliable management information is available to monitor and manage service performance and resource allocation
- **Generate new revenue** – through the expansion of the service to include other public sector organisations, which will also increase the overall economies of scale
- **Enhance operational agility** – the Oracle platform is fully up-to-date and can be extended in the future to include new functional areas in order to maximise operational synergy and further improve efficiency.

Stephen Moir says, *“Through our shared services partnership we are delivering a high performance, sustainable corporate service, but for £1 million less, so we have already shifted more Council money into front-line customer services.”*

“As we had no ERP system to start with there are more ways for us to make efficiency savings, so we expect to save £2 million in the first two years,” continues Paul Blantern, *“The ERP shared service has enabled a significant step change in our ability to manage our operations and deliver a positive customer experience.”*

Approach

The project is the first time in local government that two county councils have collaborated on such a large scale on the strategic development of an ERP shared service. It is also quite unique in that Fujitsu engineered the solution by incorporating its own ERP hosting requirements.

“Fujitsu is not a typical technology supplier,” confirms Stephen Moir. *“It very strongly supports the shared services concept and has shown remarkable commitment and literally ‘put its money where its mouth is’. But what really makes everything work is the behaviour and attitude of all those involved. We have a very clear vision of what we are trying to achieve and no-one runs back into their organisational silos – it’s a very mature relationship. It simply wouldn’t work unless it was a true partnership.”*

Paul Blantern agrees, *“Together we have made a multi-million pound investment in creating this shared service, so anyone else who joins now won’t have to. However, we have also all worked hard on building and maintaining a strong governance relationship. It’s quite an achievement.”*

Expertise

Fujitsu has a proven track record in complex systems integration and application development and management services that reduce costs, improve productivity and customer services and deliver a compelling return on investment. In particular, Fujitsu has more than 4,000 SAP and Oracle specialists worldwide and privileged access to Oracle’s expertise and technology roadmap.

“Fujitsu and Oracle have a very positive relationship and approach,” says Stephen Moir, *“so we get the best of both.”*

Paul Blantern adds, *“What we get from Fujitsu as a managed service provider is its ability to deliver on the ground. It is an excellent application implementer and maintainer. While you may buy a car from a manufacturer, Fujitsu is like the garage that keeps it running smoothly – and it liked the car so much it bought one too!”*

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