



# CENTER FOR TECHNOLOGY IN GOVERNMENT

UNIVERSITY AT ALBANY State University of New York

## **National Science Foundation Business and Operations Advisory Committee**

### **A Brief Presentation on Shared Services**

**Presenter: Theresa A. Pardo**

**Discussant: Adam Goldberg**

*December 6, 2017*

*Alexandria, Virginia*



# This Session

- Larger Context
  - Shared Services being considered as a pathway efficient and effective service delivery at all levels of government and the private sector.
- Federal Government
  - Discussions about the potential of SS solutions and the risks.
- NSF
  - Seeking shared services solutions that would increase efficiency and reduce staff workload and associated costs.
  - Seeking advice from others' experiences with shared services.



# Critical Outstanding Questions Facing NSF

- What more do we need to know to help us determine:
  - What to choose?
  - How to evaluate?
  - What to expect?
- What are the drivers pushing organizations toward shared services?
- How do these drivers align with organizational priorities?
- What are the characteristics of those processes/functions that lend and do not lend themselves to shared services?



# Shared Services: Some Useful Definitions

- **Shared Services**
  - Financial and administrative services provided by a single organization established to provide such services efficiently and effectively for the benefit of multiple organizations or entities.
- **Shared Services Provider or Shared Service Center**
  - A separate and distinct organization established to provide financial services to other entities efficiently and effectively. Providers may be in-house (captive) providers, external federal providers (Centers of Excellence) or external private sector providers.
- **Shared Services User**
  - The organization or entity that receives the service; the customer or client.
- Shared Services arrangements occur when an organization extracts activities supporting core business processes from multiple business units and consolidates them into a separate operating unit relying on community ICT to support service delivery.

*Source: Tomasino, Fedorowicz and Williams, 2017*

*Source: AGA Corporate Partner Advisory Group Research, 2005*



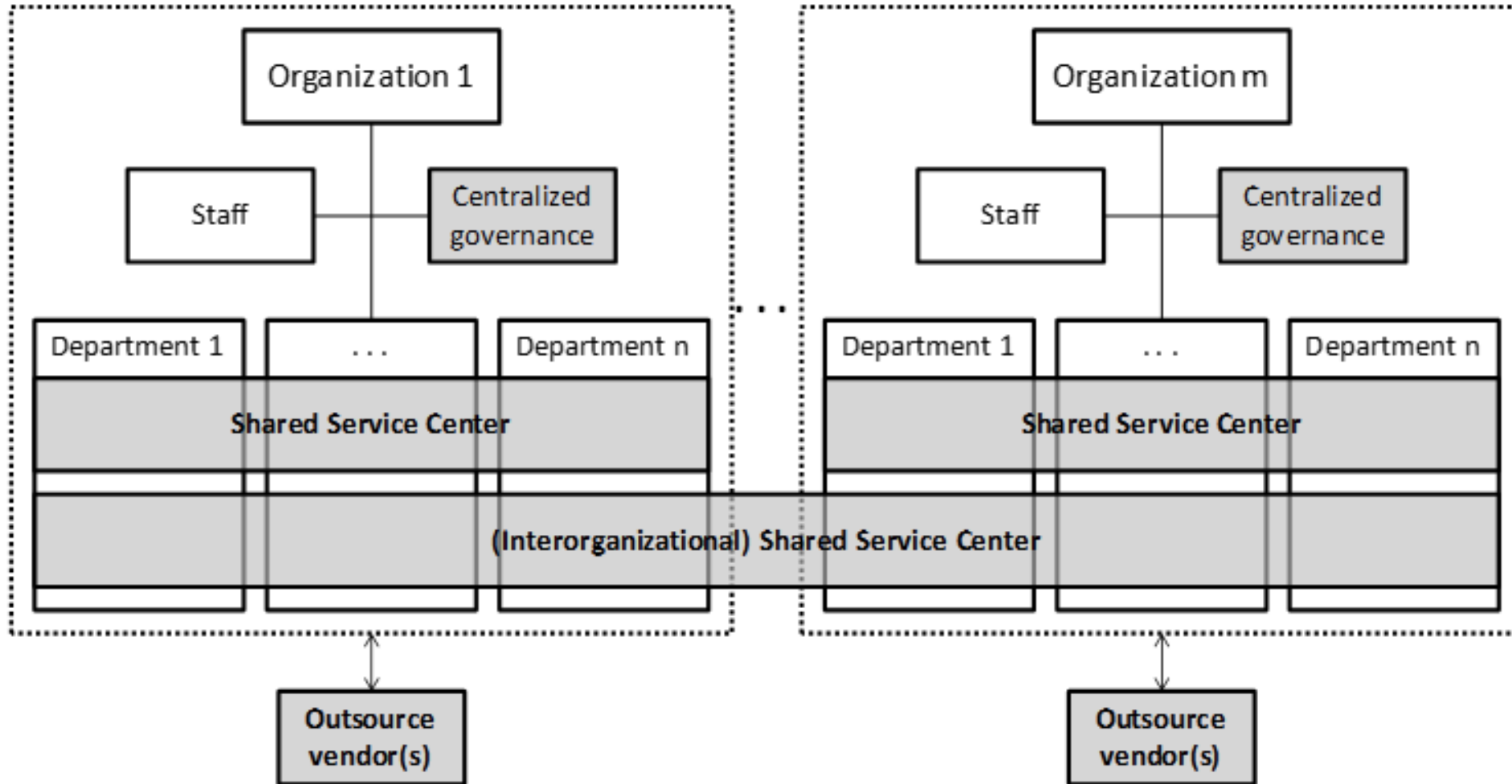


Figure 1. Positioning of the SSC (from (Janssen & Joha, 2006))



# Administrative Resource Center

## Bureau of the Fiscal Service

Search

Change Text Size: [-] [+]

### OUR SERVICES

- › Financial Management
- › Human Resources
- › Information Technology
- › Procurement
- › Travel

### CUSTOMER ACCESS PAGES

- › Access Your Agency's Information
- › Access Your Agency's New Employee Orientation Page
- › Careers
- › Vendors & Contractors
- › Invoice Processing



- Home
- Who We Are
- Quality & Value
- Our Customers
- Contact Us



## Government-to-Government Shared Services

› From accounting to travel, we are a leading provider of services to the federal government.

### WHY CHOOSE ARC?

Welcome to ARC, the Administrative Resource Center. We are a federal government agency, part of the U.S. Department of Treasury's Bureau of the Fiscal Service.

### NEWS

**2017 Federal Benefits Open Season**

The 2017 Federal Benefits Open Season runs from November 13 through December 12, 2017.

### SHORTCUTS

**2017 ARC Customer Meeting**

**Communications Bulletin (December 2017)**  
(PDF, 53K)



# Administrative Resource Center

Bureau of the Fiscal Service

Change Text Size: [-] [+]

## OUR SERVICES

- › Financial Management
- › Human Resources
- › Information Technology
- › Procurement
- › Travel

## CUSTOMER ACCESS PAGES

- › Access Your Agency's Information
- › Access Your Agency's New Employee Orientation Page
- › Careers
- › Vendors & Contractors
  - › Invoice Processing



- Home
- Who We Are
- Quality & Value
- Our Customers
- Contact Us

## Our Customers

› ARC serves a wide-range of government organizations.

### Our Customers

#### Customers We Serve

#### Customer Testimonials

#### OUR MISSION

ARC works with you to improve your agency's success by delivering responsive, **customer-focused**, cost-effective administrative support. Our mission is to fully and **professionally support** your mission.

#### Our Commitment to Customer Service

ARC is an OMB approved Center of Excellence for Financial Management, a Public Key Infrastructure Shared Service Provider, and a Shared Service Center for both the Human Resources and Information Systems Security Lines of Business. We provide:

- 40 organizations with financial management services
- 55 organizations with travel services
- 41 organizations with procurement services
- 29 organizations with HR services
- 9 organizations with information technology (hosting) services
- 8 organizations with information technology (security) services
- 16 organizations with budget formulation and execution manager (BFEM) services

#### Some of Our Customers

- Armed Forces Retirement Home
- Department of Homeland Security
- Federal Mine Safety & Health Review Commission



TRAVEL

REAL ESTATE

ACQUISITION

TECHNOLOGY

POLICY & REGULATIONS

ABOUT US



Home > Acquisition > Purchasing Programs > Shared Services >

### SHARED SERVICES

> Overview

Human Resources Service

Payroll Shared Services

Customer Links

Technical, Administrative, Other Solutions

# Shared Services

**Human Resources Shared Services:** The General Services Administration (GSA), HR Shared Services provides innovative human resources and compensation management solutions for the Federal Government. By leveraging GSA shared services, agencies can focus on their unique mission - enabling a more effective and efficient government for the American people.

**Payroll Shared Services:** The GSA's Payroll Services Branch (PSB) provides a full range of payroll services for over 20,000 employees, which includes GSA and more than 30 independent agencies or presidential commissions.



Print

Last Reviewed 2017-08-13

AT&T AllAccess  
1 new update(s) available



# Research on Shared Services

- Bergeron Framework (2005)
  - Most Cited Shared Services Framework.
- Focus on Back Office
  - “Current research focuses mostly on practices to commoditize these back office services to achieve cost control, consolidation of ICT resources, and standardized customer service.” Tomasino, Fedorowicz and Williams, 2017
- Focus on the Private Sector
  - Relatively few shared services studies focus on planning and implementation in the public sector. (McIvor et al, 2011)



# Some Motivations for Pursuing Shared Services in Government Organizations

- Cost reduction
- Improve quality of service
- Improve efficiency and effectiveness/productivity
- Access to external resources
- Standardize processes
- Focus on core competencies
- Concentration of innovation
- Improve customer orientation
- Exchange of internal capabilities
- Improve control

Source: Paagman, Tate, Furtmueller, de Boom, 2014.



# Some of the Latest Research on Shared Services

- Adaptations to Bergeron by Tomasino, Fedorowicz and Williams, 2017
  - Back office versus mission critical processes.
  - The unique and important role of public policy.
  - Can research and guidelines on establishing, using, and evaluating private sector SSCs supporting back-office processes be applied to the public sector or to mission critical processes without critical reexamination?
- Wicked and Complex Problems and the Role of Context



# What makes it work?

- Back office operations and or mission critical services?
- Context characteristics; how and in what way do they matter?
- Generic versus customized approaches?
- Business case versus public policy?
- Big bang approach versus incremental?
- Workforce perceptions and implications?
- Context specific critical success factors?
- Cost?



# Best Practice and Case Examples

- NYS Municipal Shared Services
- Urban Blight Information System
- ITS Transformation
- Yours?





Services

News

Government

Local

Search

Location

Translate

# Shared Services Initiative



SHARE SHARED SERVICES

AT&T AllAccess  
1 new update(s) available

## COUNTY-WIDE SHARED SERVICES INITIATIVE

# Reducing Property Taxes and Lowering Costs of Local Government

Governor Cuomo's new initiative to reduce property taxes requires counties to assemble local governments to find efficiencies for real, recurring taxpayer savings.

The County-Wide Shared Services Initiative, included in the enacted FY 2018 Budget, requires county officials to develop localized plans that find property tax savings by coordinating and eliminating duplicative services and propose coordinated services to enhance purchasing power.

The property tax is the largest tax burden to the New York taxpayer, with the typical taxpayer paying 2.5 times more in property taxes than in income taxes. While Governor Cuomo has made reducing this burden a central priority of his administration, the tax is still a significant expense for property owners. The goal of this new initiative is to save taxpayers money by identifying collaborative opportunities for shared services between as many local governments as possible.



**HOW IT WORKS**

# The Chief Executive Official of each county, excluding NYC, will:

### Establish a Shared Services Panel

The panel will include the mayor of each city or village and the supervisor of each town. A representative of a school district, board of cooperative education services, and/or special improvement district may be also invited to participate.

### Develop a Property Tax Savings Plan

The panel will develop a County-Wide Shared Service Property Tax Savings Plan to identify, propose and implement new actions to save taxpayers money through shared, coordinated and more efficient services between local governments within the county.

### Have Opportunity for State Match Funding

Plans that create actual and demonstrable savings across multiple jurisdictions may be eligible for a one-time match of the net savings resulting from new actions implemented pursuant to the Plan.

**Counties have submitted their plans for 2017**

[VIEW SHARED SERVICES PLANS](#)



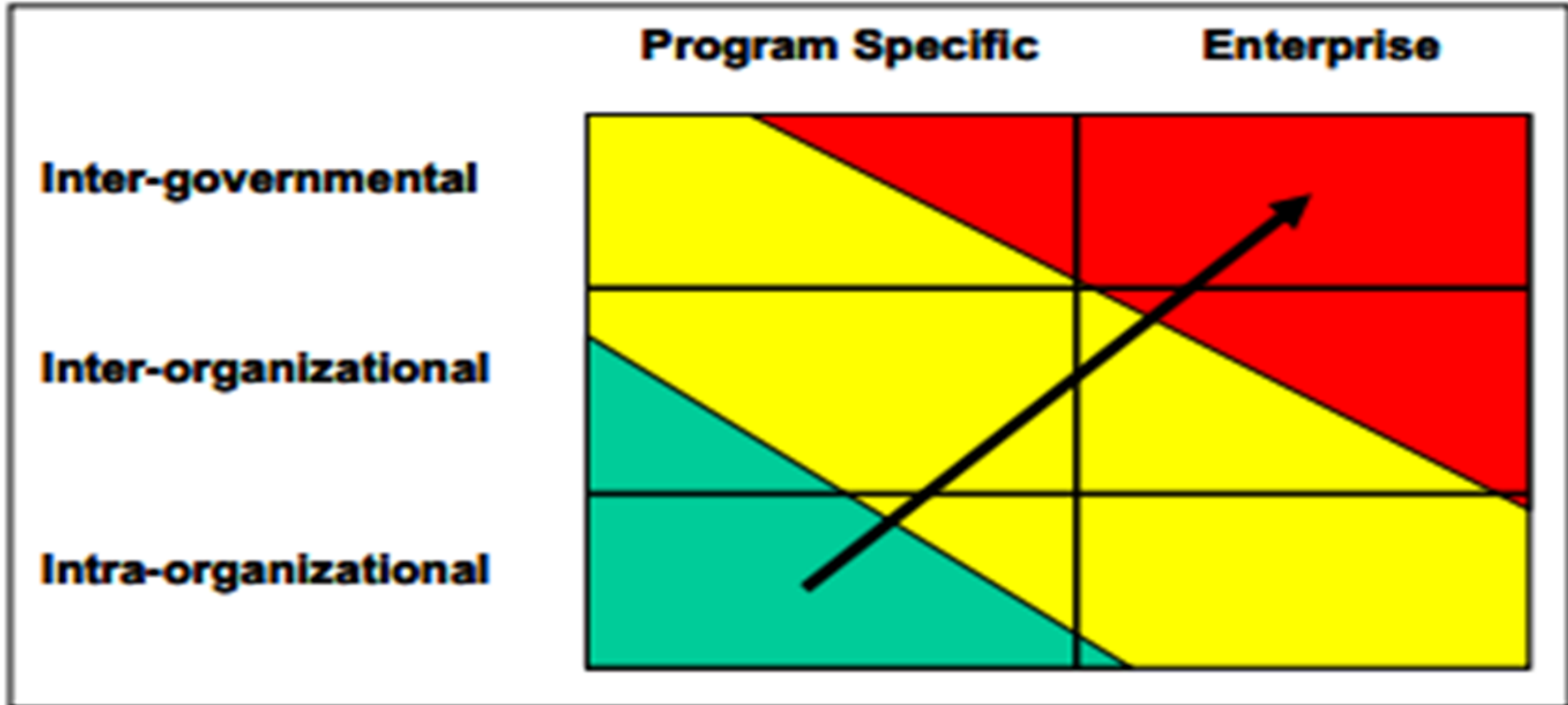


# A STATEWIDE RESOURCE FOR INFORMATION SHARING

A *shared information resource* for NYS municipalities to share data about properties, property owners, landlords, contractors as well as core processes associated with code enforcement, building permits, landlord registration, vacant properties, public assembly, demolition, and foreclosure management .



# Increasing Complexity





CENTER FOR TECHNOLOGY IN GOVERNMENT

UNIVERSITY AT ALBANY State University of New York

**National Science Foundation  
Business and Operations Advisory Committee**

**A Brief Presentation on Shared Services**

**Discussant: Adam Goldberg**

*December 6, 2017*

*Alexandria, Virginia*





# CENTER FOR TECHNOLOGY IN GOVERNMENT

UNIVERSITY AT ALBANY State University of New York

## National Science Foundation Business and Operations Advisory Committee

### A Brief Presentation on Shared Services

**Presenter: Theresa A. Pardo**

**Discussant: Adam Goldberg**

*December 6, 2017*

*Alexandria, Virginia*

