

# lasting transformation through radical change

# Introduction

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Today's government leaders are facing significant challenges on all sides. There is a pressing need to cut costs whilst also investing in the digital agenda to maintain and improve services for an increasingly demanding public. The growing economy is certainly helping but the need to reduce spending and inject more cash into 'the system' is paramount.

So just how feasible is it to make the Public Sector fit for purpose for today's society at the same time as saving money? Is it really possible to do more with less? This white paper considers a few of the options for change and urges government leaders to think differently about how they 'Partner' for transformation.

It's clear that dynamic and lasting change is needed to almost all aspects of service provision across government. But issues such as dealing with legacy systems, the need to digitise, the introduction of self service and the migration to 'channel shift' whilst ensuring that any 'new' services are flexible, scalable and offer maximum value for money are making the challenge even greater. Sometimes it seems that there's so much to change that the sheer scale and size of the issues seems insurmountable. It's no surprise then that many government departments seek to share the burden and 'outsource' major service contracts with a trusted and expert business technology partner.

It's important to look at why the government is evolving and implementing change. Certainly huge advances in technology have created a whole new world of possibilities. It's a truism that there's been more change in the last 10 months than in the previous 5 years; so keeping up with the 'art of the possible' is a continual challenge for government. The Cloud and mobile technology advances have transformed the way we all live and work, and public services need to keep up. But perhaps the biggest challenge government is facing is satisfying the expectations of 'Generation Z' who are adept at using a variety of media whilst also meeting the needs of the older population, many of whom prefer a more direct and personal approach. It's a big ask for any organisation and a huge challenge for government over the next few years.

After all, keeping pace with new developments and implementing technology is key, as is the need to 'do' things differently. IT is certainly a game changer, but processes and ways of working need to be changed as well if major efficiencies and savings are to be realised. The right transformation partner will ensure you are aware of the latest thinking as well as the business, technology and process innovations to help you plan and deliver the optimum outcomes and customer experiences for the public.

Outsourcing is a much used word in government. It's certainly a proven success and key to carrying out huge volumes of work and moving forward successfully at dramatically reduced costs. But sometimes, major outsourcing programmes disappoint or fail to deliver. So what are the secrets of successful radical change? Crucially, how can you identify a good transformation partner from an unreliable one? And are there some learnings for government from past experiences good and bad?

Based on our years of experience of successfully working in government and delivering radical and lasting change, we feel we have a few 'best practice' tips of value to pass onto government decision makers which might make things clearer, simpler and more straightforward; to help you make the right decision at the right time.

So we've drawn up a few steps, which we have found to be successful in large-scale transformation projects. These may not be on the current political agenda nor what you are hearing from everyone in the sector, but from our own direct experience, we know that they work.





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# 10 steps to transformational change

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## Stay focused on what really matters:

The public (citizens and the taxpayer) is at the heart of everything you do, so be sure that you and your team focus on them at every stage and not on the change project itself. At all times, ask 'is this going to benefit the public and the efficiency of government to help?' and if not; then maybe the team needs to revisit what its doing and refocus its efforts. It's so easy to become distracted by the 'politics' of a major project or to simply focus on the cost savings or even the technology and lose sight of the bigger picture and what you are actually trying to achieve. Think about the outcomes and the citizen centric experience it's delivering and ensure it's truly meeting needs and expectations more effectively and efficiently.

## Be open, clear and brave:

Implementing radical change is inherently risky - and there is a very real 'fear factor' within government of working with a company that might fail. Many departments leaders perhaps fear that a decision might 'come back to haunt them' and are afraid to make a bold decision and try and lock everything down with regard to the contract and partnership terms. But truly effective partnerships need room to breath. So try to keep things clear, transparent and open at all times and get the 'balance' right with regard to sharing the risk. Listen to and learn from your transformation partner and don't feel you need to get everything agreed and tied down at the start. Projects need to adapt and evolve as knowledge and learnings increase and priorities change, so keep the partnership as 'open' as possible so trust on both sides can develop and grow.

## Think bold, think big and think different:

Do something exciting and different! Innovation is a hugely overused word today but taking the time to take a fresh, unrestricted look at an issue is always worthwhile. It's too easy to be held back by what we think can be developed than what is really needed; blue-sky thinking is as key today as it ever was. It's sometimes tempting to look to make small incremental changes to minimise the risk when what's really needed is radical change and true transformation. So don't settle for 'accepted' ways of working but look around for new, fresh ideas and be prepared to make bigger, bolder decisions. Get what you and your citizens really need and achieve; don't settle for what you think you can get!

## Be inclusive and open to sharing:

Don't keep 'good' news' or experiences to yourself; share wherever and whenever you can. This might mean telling people about successes in your own area or looking at other departments where things are going well and getting involved to see if you can benefit. So many departments need the same 'core' functionality - so why try to reinvent the wheel? For example the payments engine that Atos and NS&I have introduced can be quickly and simply applied across other departments. It's already saved in excess of £530m and boosted employee productivity by 400% whilst also incorporating channel shift and digitisation. Adopting this same approach will save almost all departments time, money and effort, freeing up resources to focus on other vital public services. So don't shy away from collaboration and 'shared services', it's good for everyone; government, public and the taxpayer. And it will also maximise your budgets and your potential to deliver ground breaking and cost effective change.

## Only pay for what you really need:

Sometimes it's difficult to predict demand, so it can be tricky to know where and how to reduce costs when looking at a major transformation or outsourcing deal. However, today's modern estate (i.e. IT, property, people) ensures you only need to pay for what you use, so you shouldn't be 'hit' with huge infrastructure and running costs when the demand isn't there. This 'on demand' approach also speeds up IT implementation; change can be delivered faster than ever before so there's no need to wait 2 - 3 years for a major implementation. So make sure you work with an outsource organisation that understands and adopts this approach and don't get stuck waiting around or paying for people or a service when you don't want or need it. To ensure this happens, it's important to remember that contracts sometimes needs to flex a little so don't try to tie down every aspect at the start. Social changes may be a factor in driving the digital agenda and self-serve which might mean that find you are left with technology and people that you no longer require. So make sure your transformation partner builds this flexibility into their contract and will work positively with you to substitute it for something that is more urgent. All too often, outsource organisations charge for something as it's in the contract, yet don't flex to 'change the agenda' to meet the evolving business needs, meaning you end up paying more and not less for the same service.

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## Accept and tackle conflict:

Change is difficult for almost everyone and radical change can make people feel scared, insecure and unsettled. Negative thinking and talk can derail even the best-run project and create rumours and affect morale. So build 'conflict' into your project plan and ensure that you anticipate and counter any backlash to keep your messages and communication as clear as possible so everyone knows what you are trying to achieve. We recommend adopting new, engaging and online ways of communication to get messages across to teams within your department as well as across other areas. This helps to build commitment to the change process and instil confidence. It can also be quickly, easily (and cost effectively) changed as your messages are updated.

## Assign ownership and accountability:

Large-scale provisioning is a complex business so it's often tempting to split up the ownership of the policy and service delivery elements between different partners and suppliers. Current thinking suggests that this should lower the risk and cut the cost, but our experience shows that this often results in more and not less problems. Multiple ownerships can confuse and obscure progress and instead of reducing, costs often increase and delays start to bite. A saving made in one area (for example the back office) might increase the workload and costs in another (the call centre). So it's important that your business technology partner has a 'big picture' view of all activities so they can orchestrate change activities and trade off any savings effectively, ensuring you end up with an optimum result. We strongly recommend working with a partner that understands all the components and complexities and takes ownership of the entire end-to-end customer experience. And in our view, as well as the ownership, your transformation partner should be accountable for the entire delivery. You can still split up smaller parts of the project but make sure your key partner retains responsibility for the overall project itself as well as the risk and the costs. And last (but definitely not least), ensure that all your suppliers work well, positively and openly together - so they operate as part of a team and not as competitors!

## Balance and share the risk:

Risk is a big element in any large-scale project, so ensure you adopt a mature approach to risk management and share the risk with your transformation partner. We all know that things can and do go wrong from time to time, but it's important to be able to move forward positively and resolve the issue rather than spend time assigning blame and issuing penalties. It's key to identify what risk can realistically be transferred to a partner at the start of the project and to highlight which risk should be retained. This joint approach should also extend to any other decisions that might be required during the contract. Occasionally, further investment in the service might be needed by one or both parties so it's vital that a joint agreement to both the investment and the benefits to be realised can be discussed and approved as early as possible. So try to be as open, clear and transparent as possible from the start in the matter of risk and ensure that you have a joint agenda and full alignment of objectives and goals with regard to investment and risk with your chosen partner. Of course, it's vital you retain control of the rate and pace of change so don't leave this to chance. Ensure you contract for clear outcomes with clear risk boundaries, setting out what can and cannot be transferred so there are no surprises or 'difficult' discussions further down the line.

## People really matter:

Great services depend on great people. Outsourcing has a bad reputation in the media as far as 'people' and 'jobs' are concerned. It can certainly mean optimising jobs but it doesn't always have to be a bad thing for the staff concerned. A strong transformation partner should take meeting the needs and aspirations of the Public Sector staff incredibly seriously with robust HR policies and procedures aligned (where relevant) to Trade Unions. Our ethical approach means that individuals who transfer to us through TUPE are happy with their new conditions; our 98% staff retention rate is testament to our claim that we do TUPE well. In many cases, staff are retained on protected terms with a whole new set of training and career development opportunities. Although 'outsourcing' is often seen as a negative thing, we positively look for all parties to benefit and to maximise the potential for the individual and company concerned. So make sure the 'people factor' is part of any partner contract and ensure that talented and committed employees that operate our vital public services are well looked after.

## Choose a trusted partner with relevant experience:

Work with a trusted, expert partner to help you plan your optimum transformation approach. The right partner brings knowledge, intelligence, experience, information and skills as well as specialist software. So use their expertise to help you ask the right questions before you make that major decision. They should also have a contractual commitment to fresh thinking and innovation, constantly looking for new and better ways of working. Most importantly, make sure you are a good 'cultural fit'. Pick a company you like with similar values to your own so you can work as openly and productively as possible with them. And spend some time to get to know the leadership team. Contract negotiations can be very lengthy so use this time to find out as much as you can about key individuals and to check out values and attitudes. Partnerships need to be sustainable and must work for both parties over a long period of time. A true partnership of minds, values, ethics and morals will always result in a better outcome and working experience for all concerned. We all work best with people we know and respect, so put in the groundwork before you sign the contract and get to really know your transformation partner.

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# Conclusion

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At Atos, we know that implementing radical change is hugely challenging, but you don't have to 'go it alone'. Work with us, borrow our 'brains', consult with our experts and find out why Atos is trusted by key government departments to deliver radical and lasting transformation.

We bring you the best thinking and ideas from both the Public and Private Sector and our extensive experience ensures we can help you to maximise the value out of a Business Process Services (BPS) partnership. We continually challenge ourselves to look for new ways to exploit technology on behalf of our customers and our specialist Innovation centres are focused on 'new' thinking, ensuring we are always ahead of the game. What's more, our 'customer experience labs' enable us to test out new ideas and ways of working with both customers and employees before they are implemented, giving confidence and assurance that the impact of any proposed or new implementations will be positive.

Finally, we understand government and the issues you face and our Atos/NS&I relationship is a proven success story. And as one of the biggest BPS providers in the UK, we have size, scale as well as the track record of achievement and success to give you the assurance you need. Our consultative approach puts you at the centre of all we do; we take the time to find out what you really need and promise never to do the 'hard sell'. We are independent, adaptable and agile and always focused on doing the right thing for our customers.

As an organisation, we are driven to make a real impact and a tangible difference to our clients and the services they deliver. We are partnership driven, not contract driven and from what our customer tells us, we are very easy to do business with.

To find out more about our 'success through partnership' approach to transformation or to discuss any aspect of this paper further with us please call **+44 (0)20 7830 4444** or email **[ukwebenquiries@atos.net](mailto:ukwebenquiries@atos.net)** or visit **[uk.atos.net](http://uk.atos.net)**.

We're also happy to put you in touch with our customers in government who can talk to you in confidence about why Atos is trusted to deliver lasting transformative change. Please let us know if you would like to receive contact details and references.



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# About Atos

Atos SE (Societas Europaea) is a leader in digital services with 2013 pro forma annual revenue of €10 billion and 86,000 employees in 66 countries. Serving a global client base, the Group provides Consulting & Systems Integration services, Managed Services & BPO, Cloud operations, Big Data & Security solutions, as well as transactional services through Worldline, the European leader in the payments and transactional services industry. With its deep technology expertise and industry knowledge, the Group works with clients across different business sectors: Defence, Financial Services, Health, Manufacturing, Media & Utilities, Public Sector, Retail, Telecommunications and Transportation.

Atos is focused on business technology that powers progress and helps organisations to create their firm of the future. The Group is the Worldwide Information Technology Partner for the Olympic & Paralympic Games and is listed on the Euronext Paris market. Atos operates under the brands Atos, Atos Consulting, Atos Worldgrid, Bull, Canopy, and Worldline.

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