

Collaboration and Automation Boost Efficiency Across South Lanarkshire Council



South Lanarkshire Council
South Lanarkshire, Scotland
www.southlanarkshire.gov.uk

Industry:

Public Sector

Annual Revenue:

US\$1.48 billion

Employees:

16,250

Oracle Products & Services:

Oracle E Business Suite
Oracle TeleService
Oracle iProcurement
Oracle Self-Service Human Resources
Oracle Payroll
Oracle Scripting
Oracle Discoverer
Oracle Portal
Oracle Content Management

“We chose Oracle because it offered more applications than anyone else we considered. It also complied with all the recognized industry standards, which a number of its competitors did not. We recognized straight away that Oracle offered us the best growth potential.” – Kay Brown, Head of IT and e-Government Advocate, South Lanarkshire Council

Every council throughout the United Kingdom is charged with reducing spending and making efficiency improvements of 2.5% year-over-year. Councils have to make these savings across every department—from customer services and IT to human resources finance, and procurement. Since its creation in 1996, South Lanarkshire Council has systematically updated and consolidated its systems, infrastructure, and processes to provide better service to the local population and to meet government efficiency targets.

The fifth largest council in Scotland with a population of more than 300,000—South Lanarkshire Council is committed to offering its rural and urban population increasingly better and more efficient services. With more than 16,000 employees working across departments that range from housing, social work, and education to planning and leisure—this commitment to continuous improvement is a tremendous challenge.

South Lanarkshire Council worked with Oracle to implement an array of efficiency changes across all departments. The results have been far-reaching and have included better customer service, increased productivity within the HR department, improved collaboration, and more efficient procurement processes.

Efficient Customer Service

With its dedication to improving customer service, South Lanarkshire Council carried out a detailed gap analysis to map its current capabilities with future business requirements. Kay Brown, head of IT and e-government advocate explained, “We did the analysis and found that switching to another supplier would cost us an additional US\$593,000 (£400,000) in software

Key Benefits:

- Cut administrative time spent handling public inquiries by 25%
- Generated quicker response times with more efficient customer tracking
- Increased job satisfaction and enabled greater efficiency among staff
- Saved US\$593,000 in customer relationship management software costs
- Enabled 60% more inquiries and payments to be handled via the Web site
- Saved US\$1.2 million in purchasing system costs
- Improved collaboration and process efficiencies throughout procurement
- Expect to save US\$2.9 million across human resources over five years
- Provided hosted and shared services to increase council income

alone. On top of that, there would have been hardware costs as well as the time spent retraining staff on new systems. The logical step was to stay with Oracle customer relationship management applications that we have had for six years, and we are now working hard to use the system to its fullest potential.”

The council contact center is the main point of contact for a number of services including environmental health, trading standards, and libraries. It manages approximately 1,500 telephone inquiries and 100 e-mail inquiries each week. Average queue time is just 7 seconds, and agents answer 93% of all calls within just 30 seconds. In addition, the CRM function sits behind the face- to-face contact at the council’s eight one-stop shops.

“The greatest and most immediate benefit of Oracle CRM applications is customer tracking. The ability to track customer details and queries by holding them all in one central store enables us to reduce administration time by 25%,” Brown said.

As important, employees like working with the system. “When we did the initial training for the pilot, the staff was enthusiastic and keen that we implement CRM as quickly as possible, Brown said. “A single day of training showed the potential of the system and how it could simplify their jobs and make them more efficient and able to offer better services. Access to a central system has made their lives a lot easier.”

The council now handles a large number of customer service inquiries via its Web site—www.southlanarkshire.gov.uk. The council relaunched the Web site, which runs on Oracle Portal and Oracle Content Management, in 2005 with a major revamp in 2008. Web site use is growing every month, with 60% more forms completed online in 2008 compared to 2007. Monthly visitors to the Web site have now reached up to 80,000 with nearly 7,000 on-line transactions taking place each month—ranging from library book orders to payment transactions.

Collaboration in Purchasing

With a large annual purchasing budget, South Lanarkshire Council recognized the opportunity to make considerable efficiency savings by investing in its procurement systems. After considering supplier options, the council chose Oracle

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South Lanarkshire
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iProcurement, as it offered full procure-to-pay functionality and would immediately avoid paying US\$1.2 million (£800,000) on the initial costs for alternatives.

South Lanarkshire Council started rolling out Oracle iProcurement in 2007 and is seeing significant savings throughout the procurement process.

“One of the main issues across the council had been a lack of collaboration, Brown said. “Individual departments were previously sourcing and purchasing their own equipment and supplies—but we now have councilwide agreements in place with our suppliers. This means that we are in a much stronger negotiating position to ensure that we get the best service and price.”

The council is in the midst of a consolidation process that includes assessing and categorizing its more than 34,000 suppliers. By 2010, the council aims for all suppliers to be listed on iProcurement.

“Oracle iProcurement affords us a raft of efficiency savings, all of which help towards the 2.5% per annum target set by government, Brown explained. “These benefits include improved productivity and process efficiencies, better budgetary control, improved collaboration between departments, better management information, and a reduction in paper usage, which also meets some of our sustainability goals.”

Improvements to Staff Productivity

To meet its targets, South Lanarkshire Council needs to ensure ongoing improvements in staff and management productivity. After putting together a strong business case, the council chose Oracle Self-Service Human Resources to speed up tasks, such as expense and holiday authorization and reporting on absence and new hires. The first early adopters of the system will go live in February 2009, and the council aims to have 50% of its staff using the system by 2010.

“We have taken Oracle Self-Service Human Resources out of the box and have licensed 16,000 employees. The cost of implementation is US\$1.48 million (£1 million) over two years, but we expect to achieve US\$4.4 million (£3 million) in efficiency savings over five years, a net gain of US\$2.9 million (£2 million).

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Our biggest challenge will be providing access to employees without desktops. We need to offer anytime-anywhere access from home via a secure Web interface and will work closely with Oracle to implement this over the coming years,” Brown said.

High on the local government agenda is sustainability, and the council will use significantly less paper with the introduction of online pay slips. Further, it expects improvements in staff and management productivity with the automation of absence requests and authorization, as well as payroll error correction.

Why Oracle?

The council began its relationship with Oracle in 1996 when it deployed Oracle Financials and Oracle Database as the first steps toward replacing the hundreds of legacy applications the council inherited in the wake of government reorganization. The following year, it added Oracle Human Resources and quickly began using Oracle Payroll.

“We chose Oracle because it offered more applications than anyone else we considered,” Brown said. “It also complied with all the recognized industry standards, which a number of its competitors did not. We recognized straight away that Oracle offered us the best growth potential.”

Having invested in and become familiar with Oracle technology, South Lanarkshire Council saw no reason to change course. In addition, ongoing business cases and gap analyses have proven that Oracle remains the best choice from a financial perspective.

“Oracle helps us provide our citizens with e-government, which is in line with national government initiatives, Brown said. “We have seen Oracle develop and expand its products and services, and we feel we have been a part of that development—both in terms of contributing to it and benefiting from it.”

Implementation Process

“We have upgraded to Oracle E-Business Suite 11i across the board, which has accelerated processing times and allowed us to do things that weren’t possible before, such as handling maternity pay and sick pay. Meanwhile, our CRM implementation allows us to offer the fastest, most efficient service possible. In all, these have been very successful projects, Brown said. “The Oracle team and our own team work extremely well together, and we continue to see positive results.”

South Lanarkshire Council is the first council in Scotland to introduce self-service HR. It is also the first council to have fully automated absence management and the first to have single status. From this leading position, the council saw an opportunity to provide shared services to other organizations.

“We are already hosting services in our data-center for other government organizations and for a university. I see this growing to a point where the council data center generates a profit. In addition, we are now hosting payroll for the Fire Board and the Leisure Trust, and we’re working with Oracle to map out cost models to enable us to offer even more shared services in the future.” Brown said.

The South Lanarkshire Council, a single-tier unitary authority that ranks fifth among Scotland’s 32 councils, was created in 1996 as part of a local government reorganization in Scotland. The council handles the full range of local government services, including taxation, sanitation, housing, and social services.