

Deloitte.

Managing in a Deficit:
Proven Approaches to
Cost Reduction

FMI Working Session



November 3rd, 2010

Session objectives

- Discuss the scope and scale of the fiscal challenges facing jurisdictions worldwide, including Nova Scotia
- Present a framework for identifying and realizing cost reductions
- Explore two key categories of cost reduction
- Share examples of successful cost reduction
- Engage you in a discussion about what can work in your organization

Agenda

- Introduction and session objectives 9:00
- Overview – Fiscal outlook
- Cost reduction framework
- Efficiency opportunities
- Break 10:15
- Changing model
- Client Example: Leicestershire County Council
- Client Example: State of Minnesota
- Concluding remarks
- Adjournment 12:00

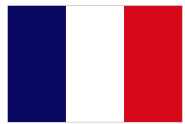
Overview – Fiscal outlook

Fiscal outlook - Imbalances abound

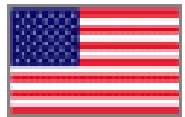
Countries, provinces, states and cities around the globe are facing significant gaps between revenues and expenditures



Borrowed one pound for every four it spent in 2009



Government is borrowing a billion Euros a day, and the national pension system running \$15 billion/year deficit



By next spring, Illinois will face a deficit of 15 billion USD, or half of the state's yearly spending. California faced a 19 billion USD shortfall this year



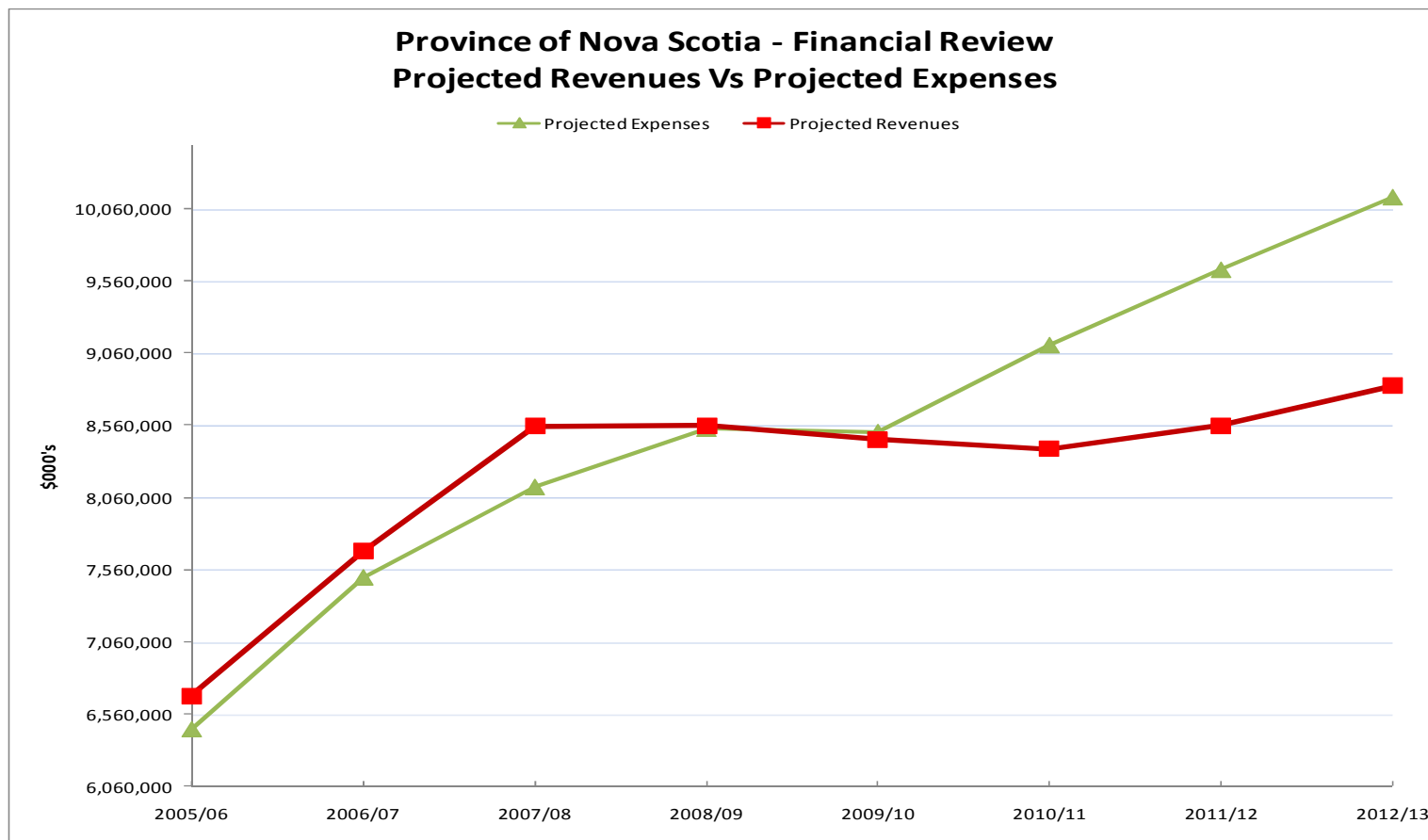
In 2009/10 nine of ten provinces ran fiscal deficits, and the same nine provinces are forecasting deficits for 2010/11

Fiscal outlook

- The Canadian federal deficit for 2010/11 is projected to be approximately \$50 billion, or 21% of federal revenues
- Deloitte's financial review of the Province of Nova Scotia predicted a deficit of \$1.3 billion in 2012/13 (approx. 12% of total spending)
- Deloitte identified the following key drivers of Nova Scotia's provincial deficit:
 - Loss of offshore petroleum revenue
 - Reductions in amount of Federal transfer payments
 - Expenditure growth outpacing revenue growth

Forecasted revenues and expenses – Province of Nova Scotia

- Deloitte’s Report forecasted expenses to surpass revenues in 2010/11, and that expense growth will outpace revenue growth from 2010/11 through to 2012/13



The 'Gap' is real, the 'Gap' is growing

- There exists both a fiscal gap, and a performance gap
 - Fiscal gap – difference between revenues and expenses
 - Performance gap – difference between the way government currently operates and the realities of the current demographics and economy
- Most deficits have a cyclical nature, however most jurisdictions are facing **structural deficits**, meaning even if there is an economic boom, a sizeable gap will still exist
- It is not an economic puzzle, where the deficit can be eliminated by moving around and changing a few pieces
- The task at hand is a difficult one, and addressing the fiscal gap will be challenging

Available options

- There are three primary levers available to address a fiscal deficit:
 - Increase taxes (revenues)
 - Grow economy
 - Cost reductions
- Our presentation will explore cost reduction options

Cost reduction framework

Cost reduction opportunities

- Cutting costs seems like the most logical way for governments to address a deficit; however, governments must be careful when deciding where to make the cuts
- Across-the-board budget cuts are not sustainable and can actually hinder the delivery of services. Governments need to develop cost reduction strategies aligned with their needs
- They need to look at mission-related and non-mission-related costs
 - Mission-related costs are those that directly relate to the objectives of the organization
 - Any expenditure that is not related to the priorities or objectives of the organization is a non-mission-related cost and is a potential candidate for cuts

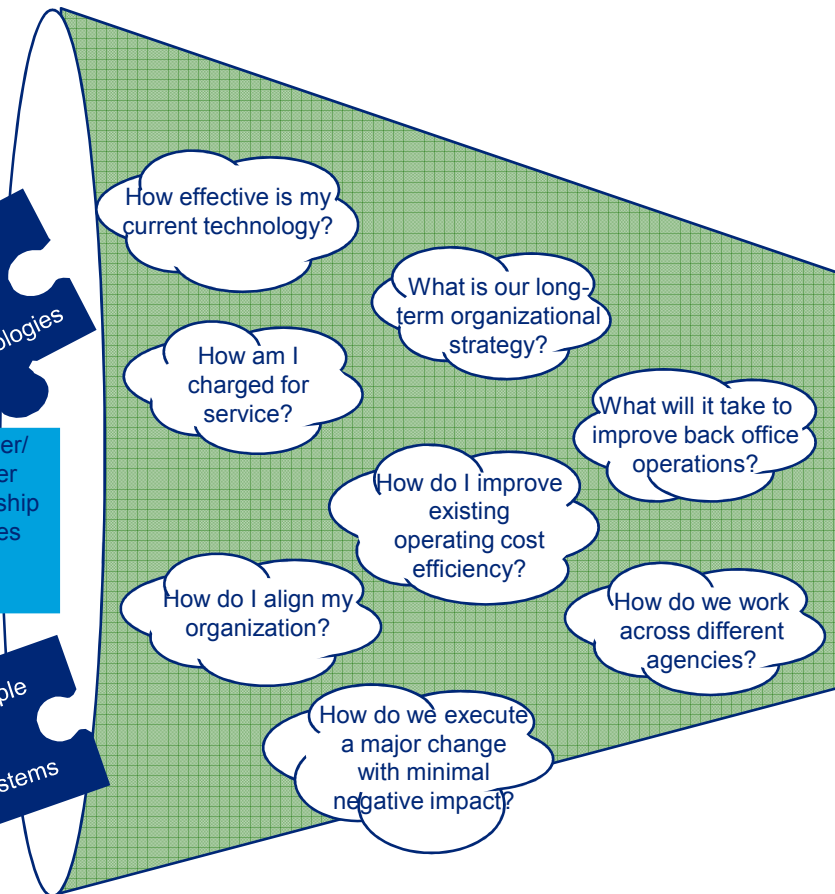
Why transform? Many reasons, but in today's world...

- We have no money, so the only way to do the same or more with less is to do it differently

External Drivers



Internal Challenges

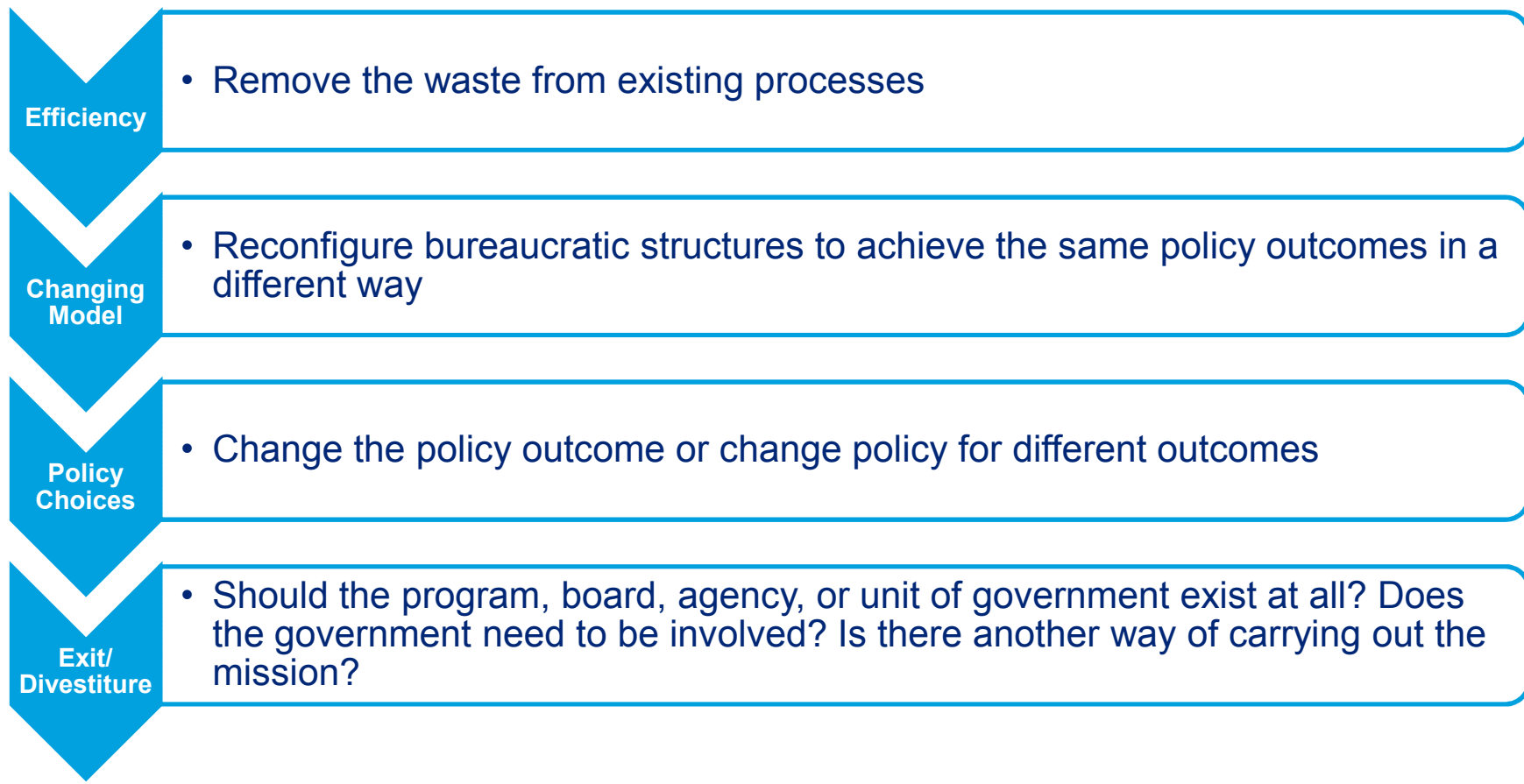


Objectives



Framework for identifying cost reduction opportunities

- There are hundreds of different ways to reduce costs. These opportunities generally fall within four broad categories. We will deal with the first two categories during today's discussion:

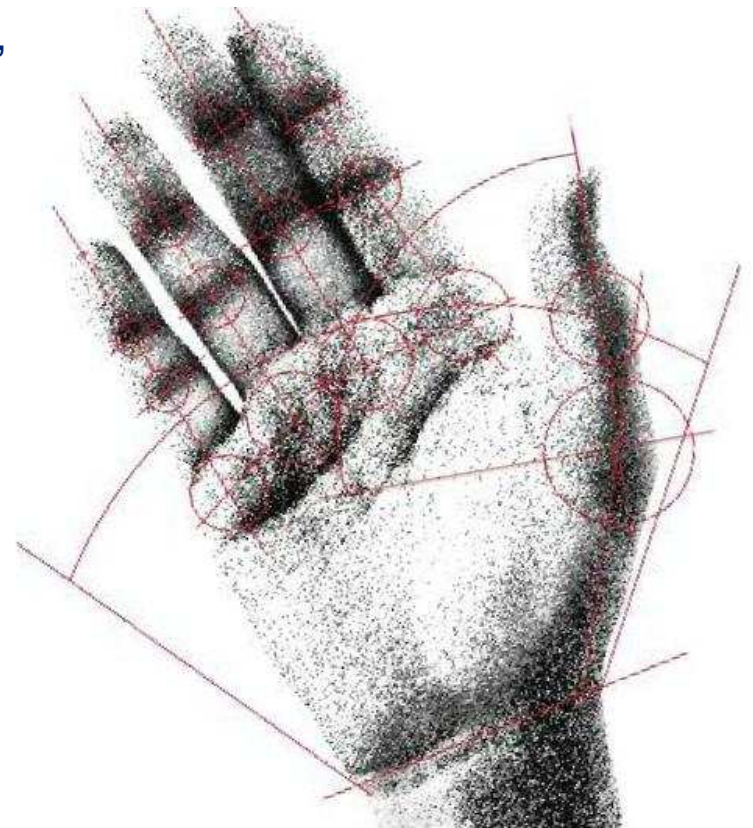


Efficiency

Efficiency: Potential tools and methods

There are numerous tools and methods available to identify and implement cost reduction opportunities, including:

1. Business Process Reengineering
2. Lean process redesign
3. Desk Audits
4. Activity Based Costing
5. Budget analysis
6. Management by Objective
7. Performance Reviews
8. Balanced Scorecards
9. Benchmarking and Functional Area Diagnostics



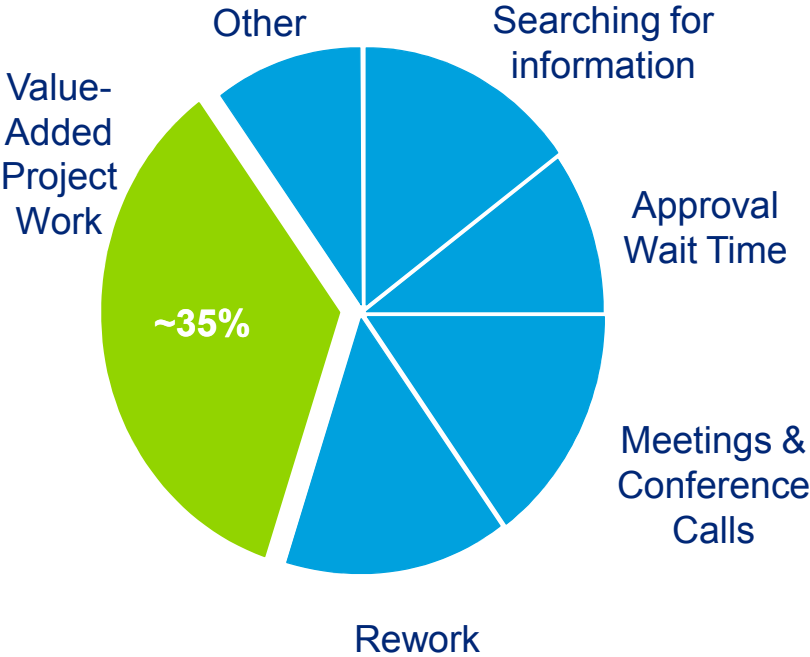
The benefits of lean

- Untapped opportunities exist for governments to adopt lean practices
- In the past decade, “lean” techniques have become a prominent approach in the pursuit of **process efficiency** and **cost reduction**
- Lean is in part a set of best practice analytical techniques for **driving operational innovation**
- Lean focuses on matching delivery to the citizens’ needs through **continuous process improvement** and can empower frontline staff to **eliminate waste** and improve the customer delivery chain in terms of cost, quality and time



Lean improvement efforts focus on reducing waste

Product Development Environment

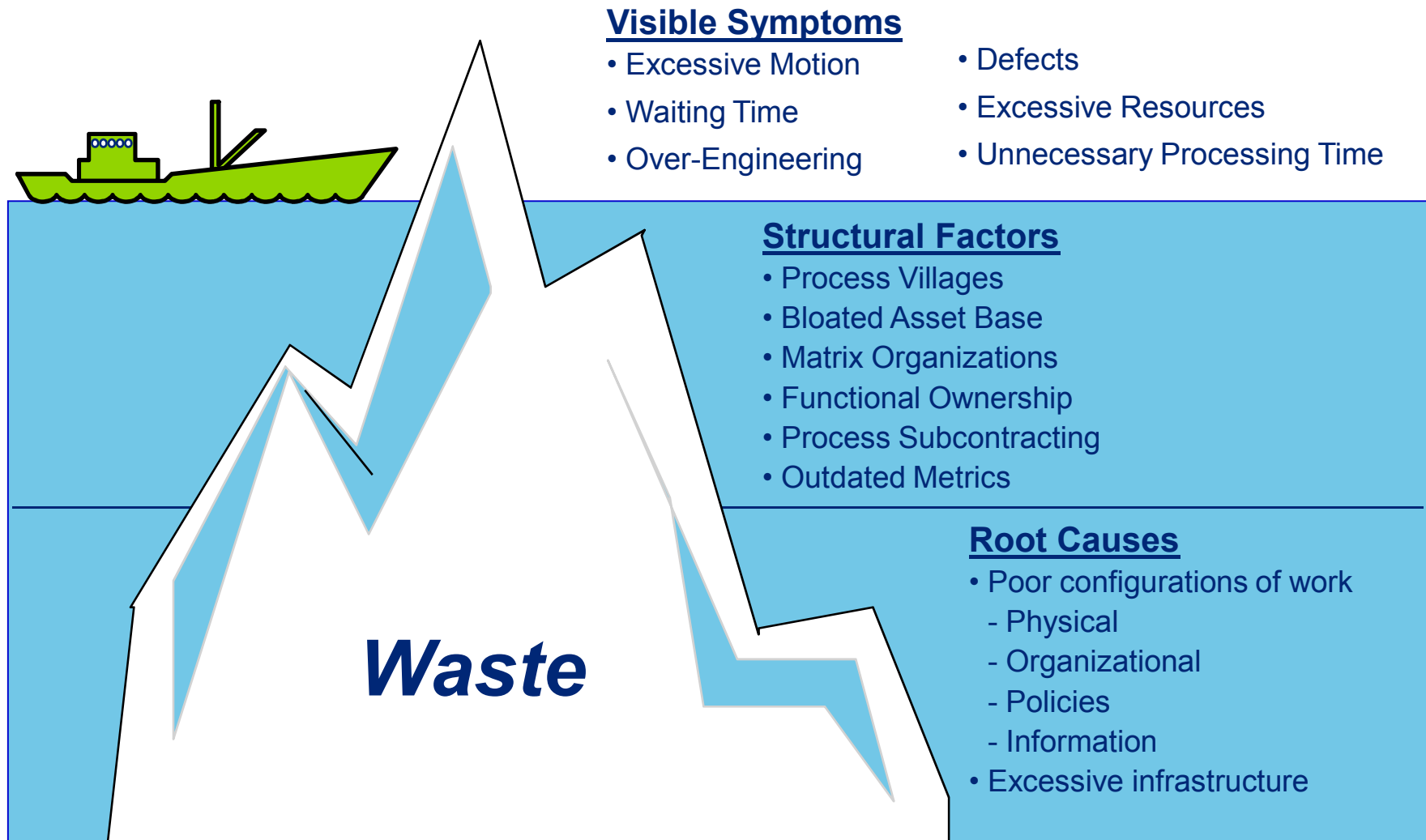


Source: Deloitte client experiences

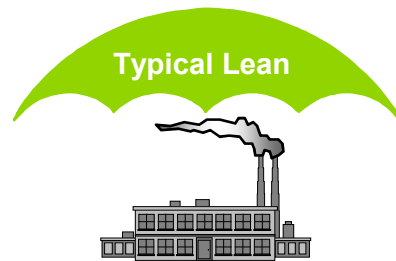
Seven Deadly Wastes

Excessive Motion	<ul style="list-style-type: none"> • “Chasing” approvals • “Searching” for information
Waiting Time	<ul style="list-style-type: none"> • Waiting for approvals • Meetings and conference calls
Over-Engineering	<ul style="list-style-type: none"> • Poorly defined or communicated requirements • Excess resources lacking clear work activities
Unnecessary Processing Time	<ul style="list-style-type: none"> • Processing information from “non-standard” sources
Defects	<ul style="list-style-type: none"> • Rework • Failing to meet customer requirements
Excessive Resources	<ul style="list-style-type: none"> • Poor resource leveling to meet demand • Minimal understanding of bottlenecks • Redundant activities
Unnecessary Handoff	<ul style="list-style-type: none"> • Unnecessary approvals • Verification loops

Typical Lean projects tend to address only the visible symptoms of waste

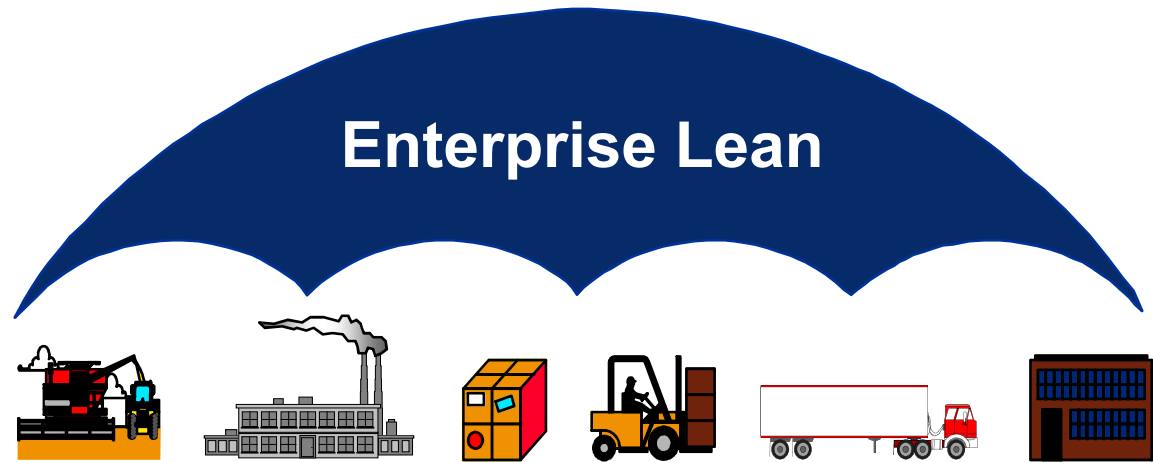


Enterprise Lean expands the focus to the entire business



Unit-Level Focus

Typical Lean improvement efforts focused on making tactical improvements at the unit level



Cross-Enterprise Focus

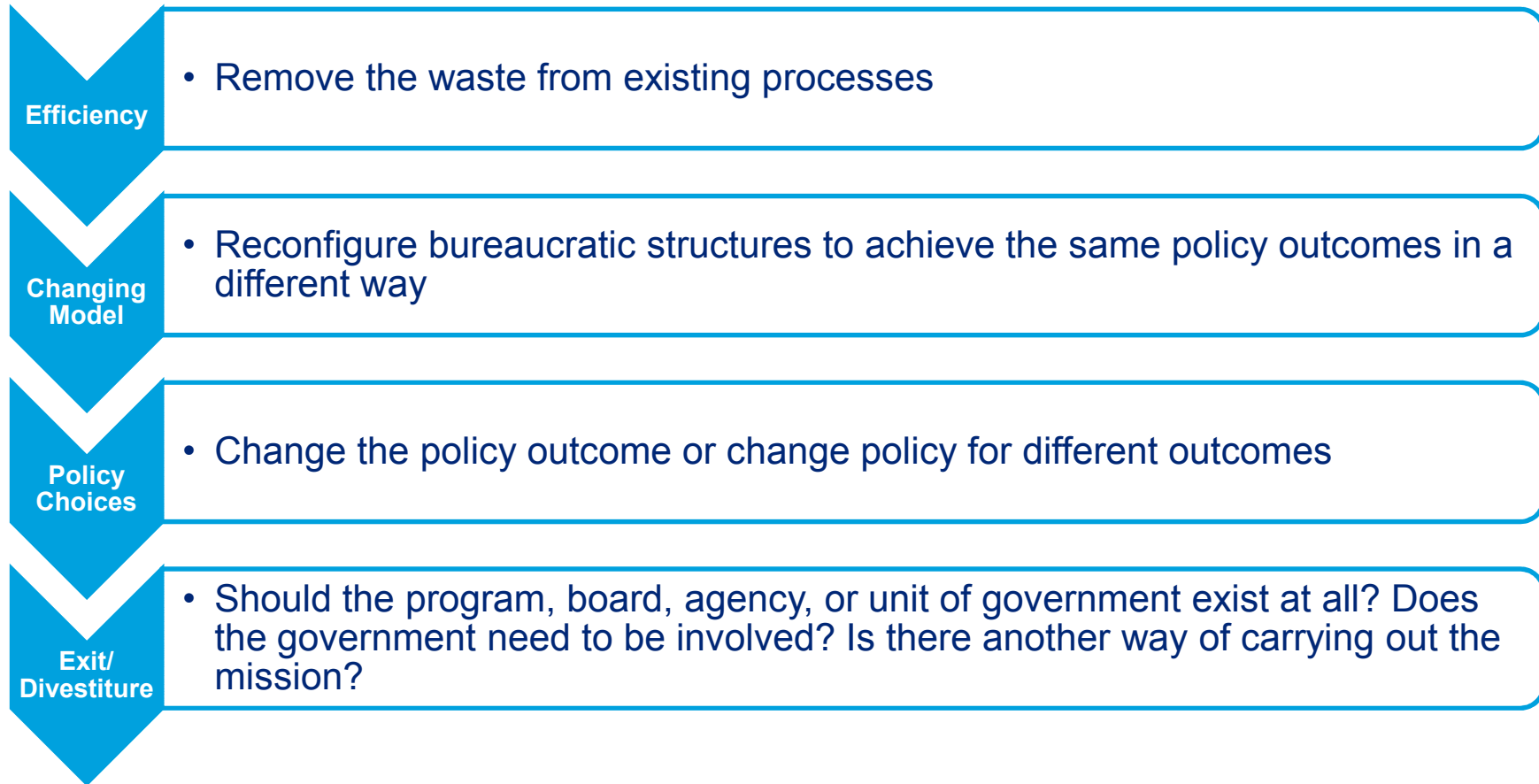
Enterprise Lean attacks waste at all areas of the value stream. A value stream is a set of interdependent activities through which a specified service is performed

Table discussion: Efficiency options

- At your tables discuss the following questions:
 - Which efficiency techniques have you used in the past?
 - Have you applied lean techniques?
 - What is the best example at your table of a successful efficiency improvement?
 - What were the 2 - 3 critical success factors?
 - What were the 2 - 3 obstacles to overcome?
- Please take notes and appoint a spokesperson for your table

Changing model

Framework for identifying cost reduction opportunities



Operating model cost reduction techniques

Shared services

- Share back office functions (e.g. HR, finance, procurement) with other departments or public bodies

Reduce overlap

- Adjust the responsibilities of bodies at local, state, and national levels to reduce overlap and better align behaviors

Rationalize

- Reduce the number of agencies, units of local government and “arms length bodies” involved in delivering public services

Redesign

- Adjust organizational hierarchies to increase spans of control and “delayer” middle-management roles (both within government jurisdictions and across federal, state and local government)

Shared Services Quiz

1. What is the primary reason organizations adopt shared services?
 - a. Increase customer satisfaction
 - b. Improve quality
 - c. Reduce cost
 - d. Increase service innovation

Shared Services Quiz

2. What function is most commonly delivered through a shared services model?
 - a. Finance
 - b. IT
 - c. Human Resources
 - d. Procurement

Shared Services Quiz

3. Which process is most commonly performed by shared services organizations?
 - a. Payroll
 - b. Accounts Payable
 - c. Internet and Web Service Delivery
 - d. Collections

Shared Services Quiz

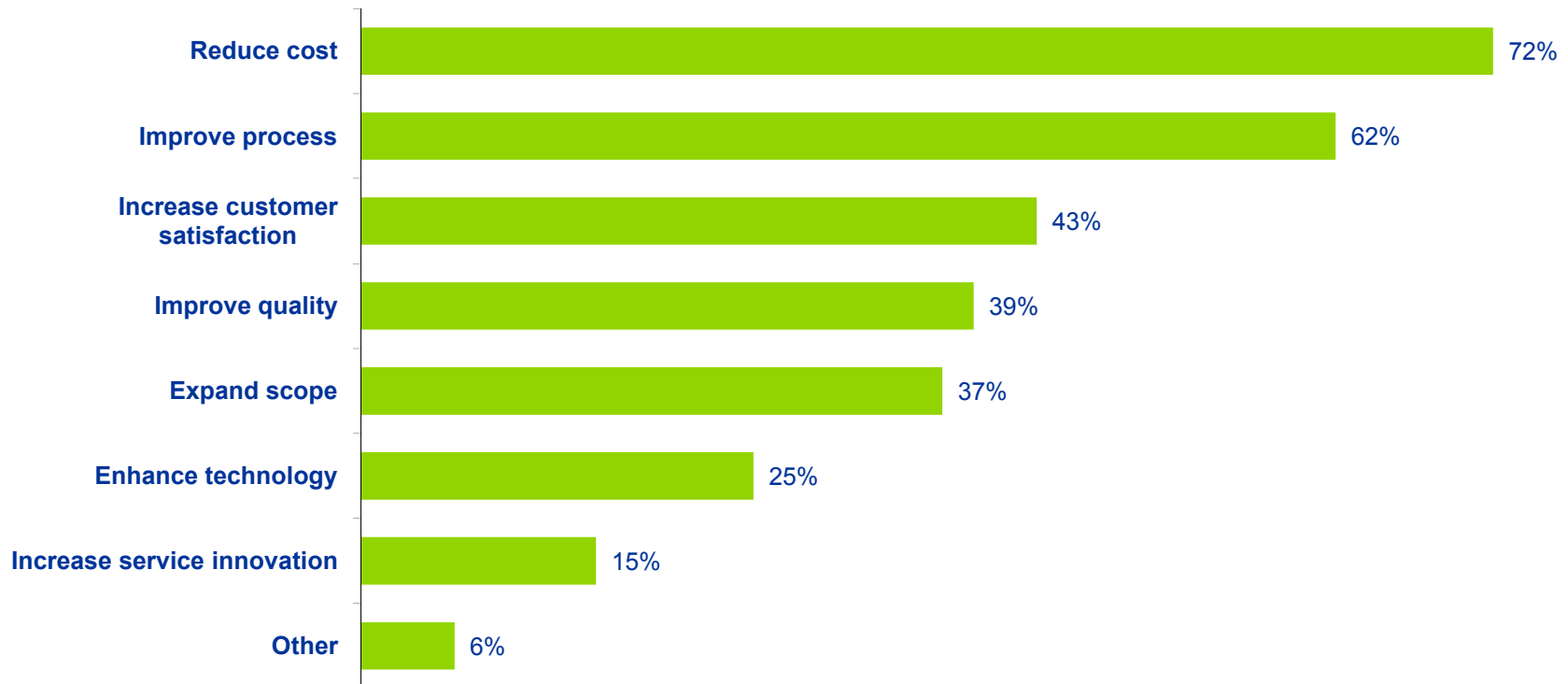
4. What is the average headcount reduction achieved during the first year of implementing a shared services model?
- a. 3%
 - b. 7%
 - c. 12%
 - d. 20%

Shared Services Quiz

5. Of the 13 provinces/territories in Canada, how many established or are in the process of establishing shared services?
- a. 6
 - b. 9
 - c. 11
 - d. 13

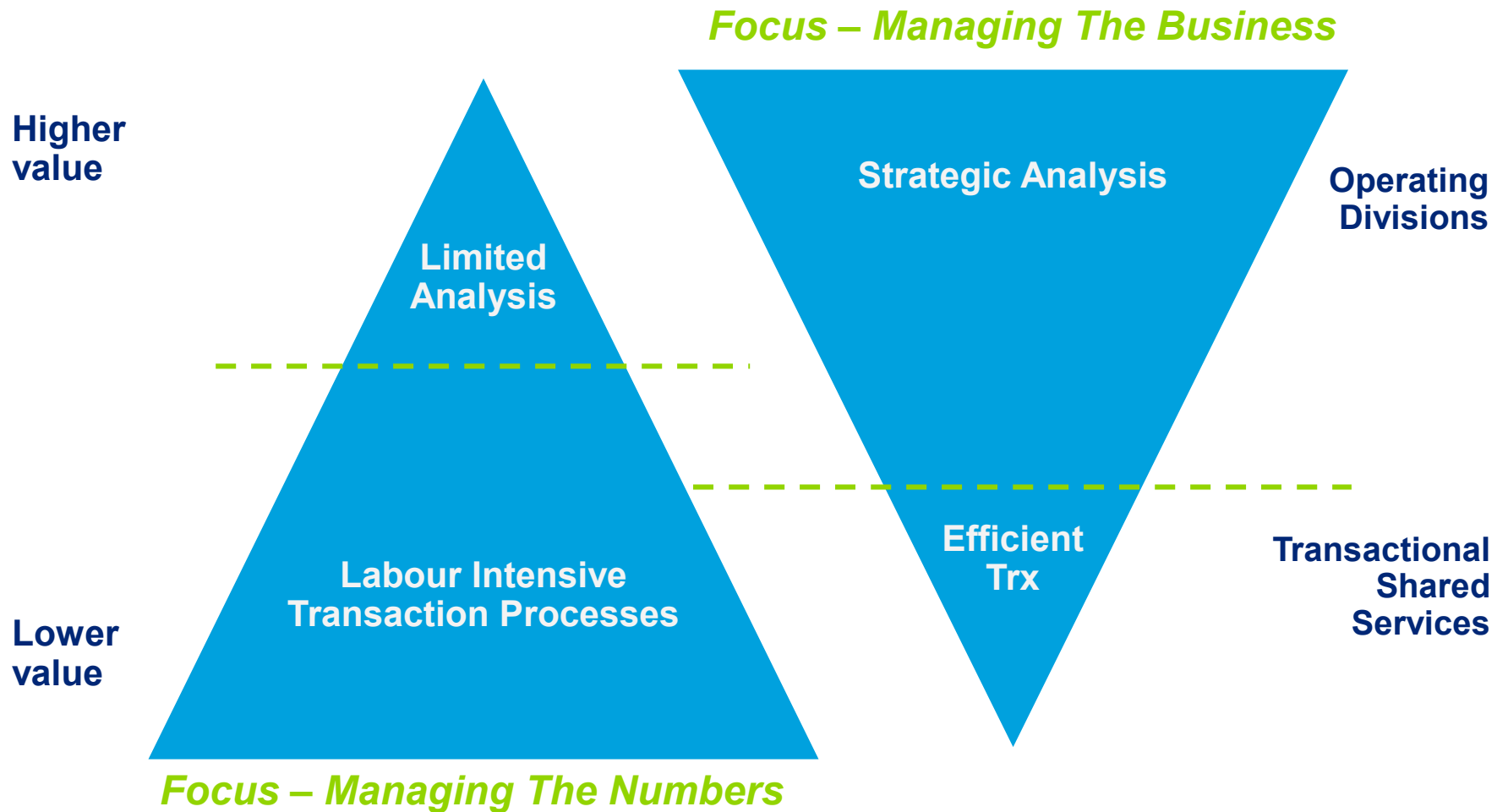
Why do organizations adopt shared services?

- Cost reduction was overwhelmingly the top ranking shared services priority for participants in Deloitte's 2009 Global Shared Services Survey
- Customer satisfaction has become a much higher priority since 2007

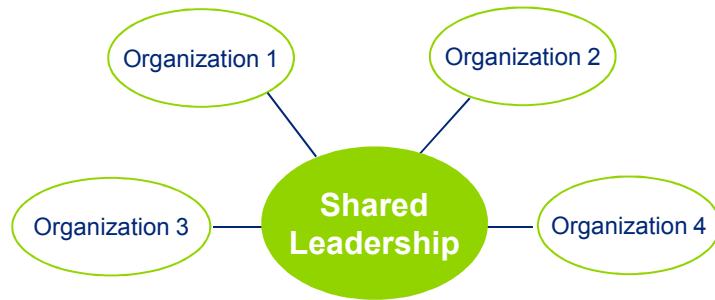


Shared services strategic benefits

- For many, consolidating activities can free resources from routine activities to focus on higher value activities

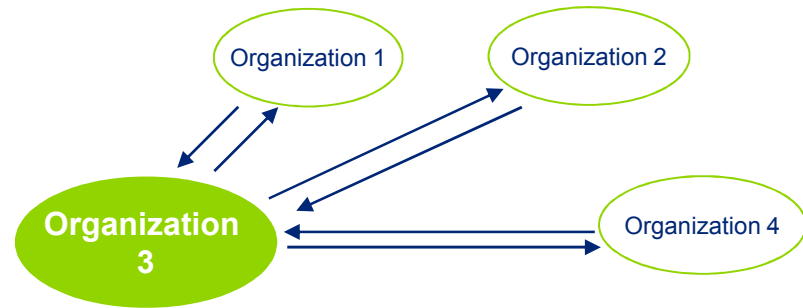


What is shared services?



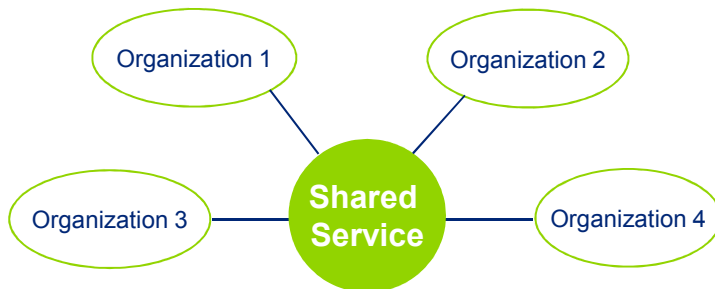
Model 1 – Shared Leadership

The organizations continue to deliver their own services but operate under the guidance of a shared leadership position for planning and coordination.



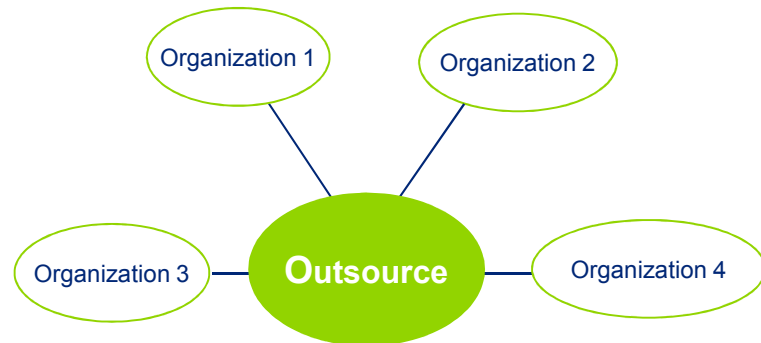
Model 2 – Managed Service

One organization expands its capability and provides services to other organizations according to a joint services agreement.



Model 3 – Shared Services

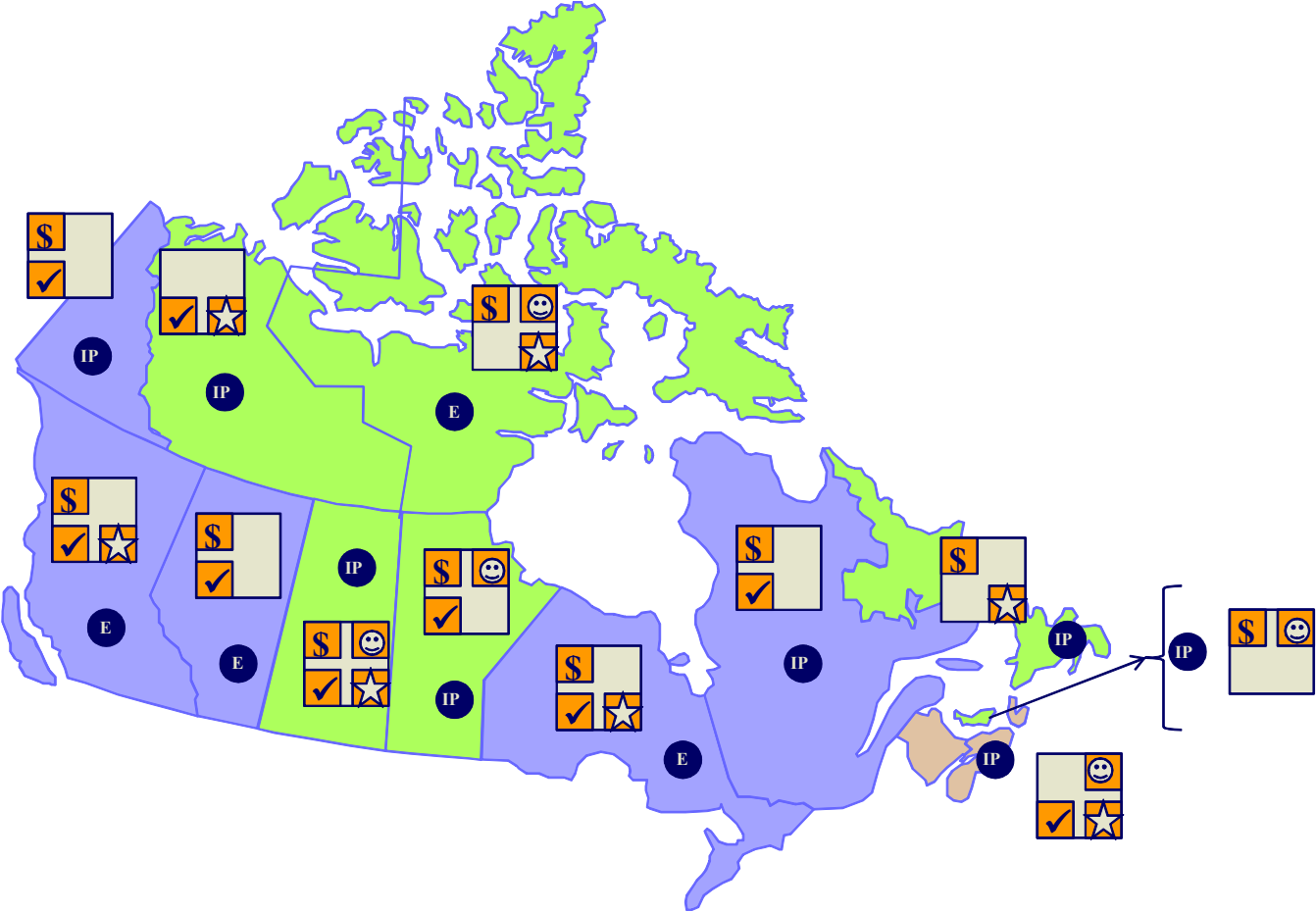
The organizations create a jointly and wholly owned shared service to manage and deliver services.



Model 4 – Outsourcing

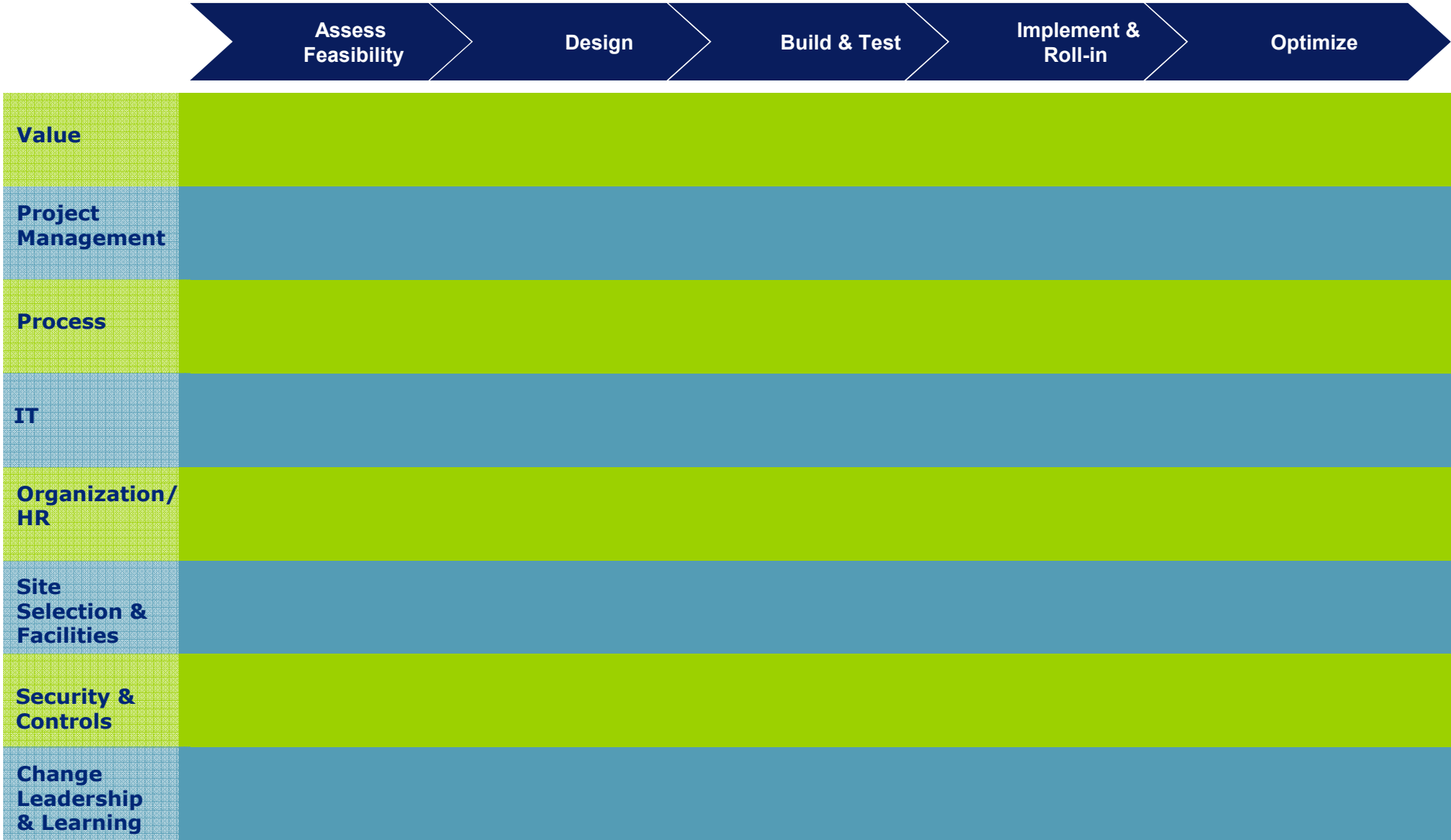
A third party private sector organization delivers contracted services to the organizations.

Shared services experience across Canada

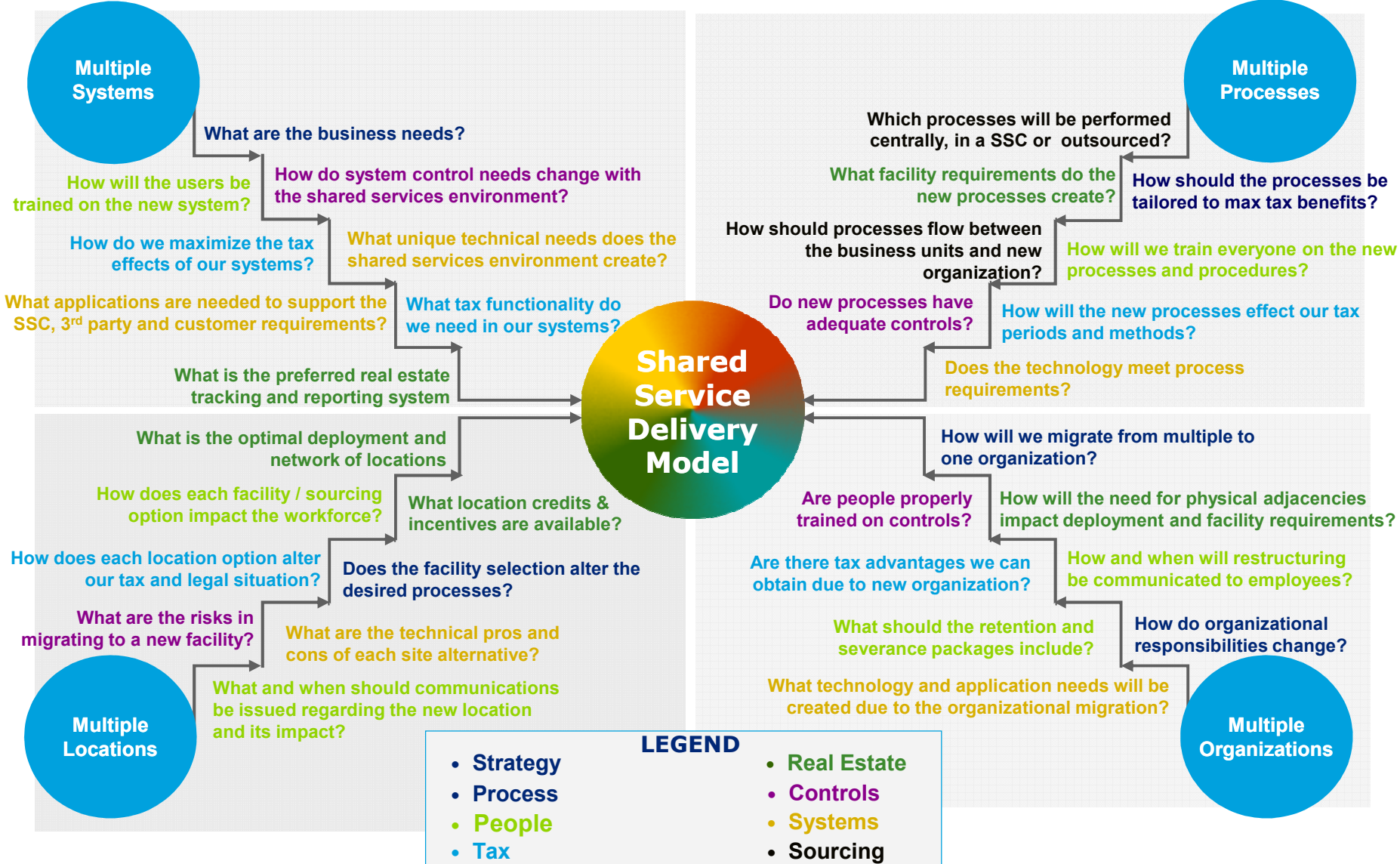


Predominant Structure	Primary Business Drivers		Status of Shared Service Model
Integrated shared services model	Cost savings	Resources	Established shared services model
Functional shared services model	Efficiency	Improving services	In progress of establishing shared services
Decentralized model / No shared services			

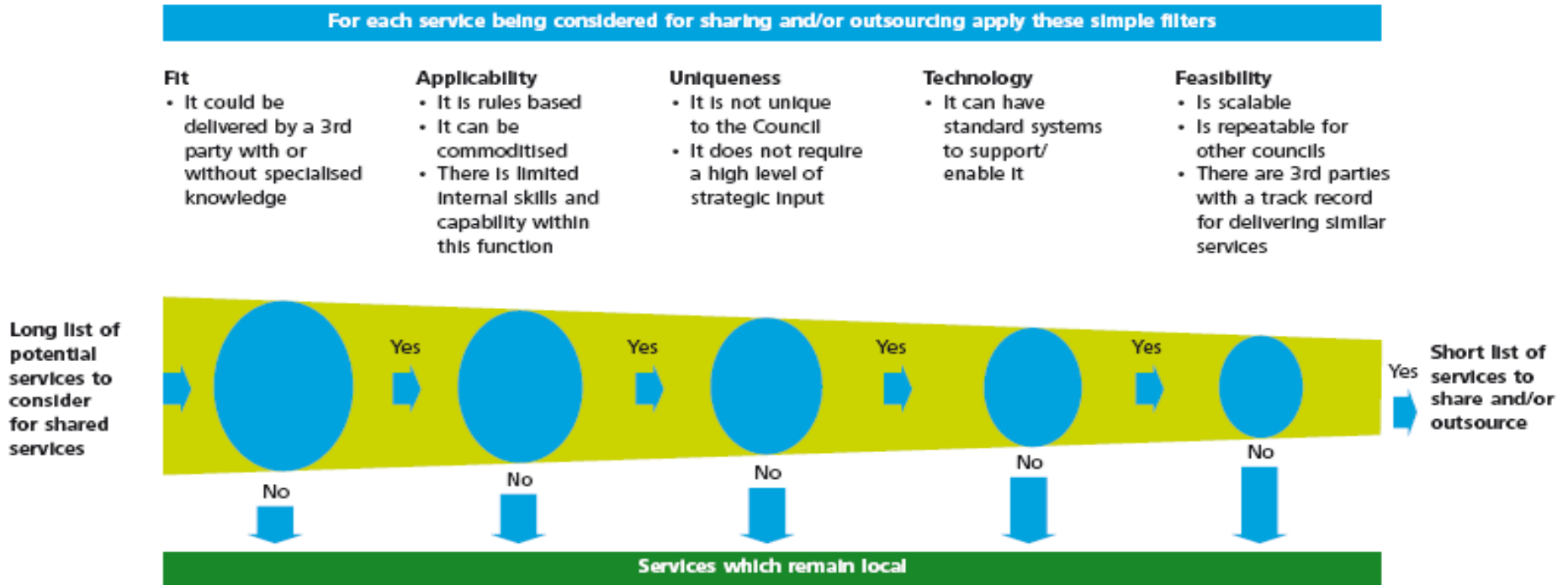
Shared services methodology



Implementing shared services

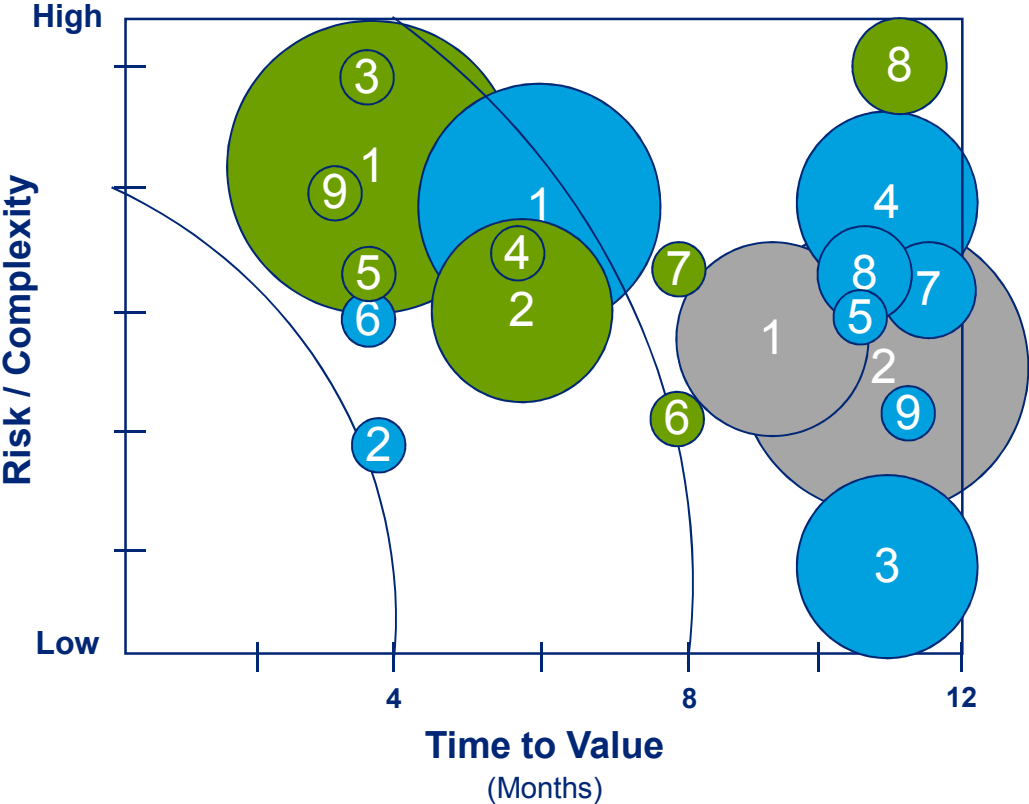


Deciding what to share



- How far you are prepared to go with shared services depends on your organization's:
 - Appetite for risk
 - Organizational maturity
 - Strategic priorities

Opportunities can be prioritized based on size of opportunity, risk/complexity and time to value



○ = Size of Savings

Opportunities by Function

- Business Affairs**
 1. Re-organize facilities
 2. Adjust service levels for res campus
 3. Re-negotiate facilities contract
 4. Re-negotiate food service revenue threshold, right-size services and re-negotiate rates
 5. Rationalize printing equip & cut services / re-negotiate
 6. Mandate sole source for print/copy
 7. Optimization – Bid-out facilities contract
 8. Optimization – Bid-out food service contract
 9. Optimization – Bid-out printing contract
- Student Life**
 1. Re-organize student life
 2. Reduce hours at health center
 3. Reduce advanced services at health center
 4. Reduce hours of counseling services
 5. Reduce avg. visits per student
 6. Optimize revenue stream
 7. Eliminate intramural participation in CoF
 8. Optimization - Eliminate onsite Counseling Services
 9. Optimization - Eliminate Spiritual Life
- Indirect Spend**
 1. Quick hits – Demand mgmt & Strategic sourcing
 2. Wave 1 – Demand mgmt & Strategic sourcing

Functions amenable to Shared Services – e.g. Education

Capability	Fit for Shared Service	Savings Potential (Comparative)
Direct (Services to Students)		
Food Service		
Instructional		
Safety and Security		
Health Services		
Indirect (Services to Staff or Infrastructure)		
Purchasing		
Finance and Payroll		
Facilities & Real Estate		
Human Resources		
Technology Services		
Administration		



Answers to Shared Services Quiz

1. What is the primary reason organizations adopt shared services?
 - a. Increase customer satisfaction
 - b. Improve quality
 - c. Reduce cost
 - d. Increase service innovation

Answers to Shared Services Quiz

2. What function is most commonly delivered through a shared services model?
- a. Finance
 - b. IT
 - c. Human Resources
 - d. Procurement

Answers to Shared Services Quiz

3. Which process is most commonly performed by shared services organizations?
- a. Payroll
 - b. Accounts Payable
 - c. Internet and Web Service Delivery
 - d. Collections

Answers to Shared Services Quiz

4. What is the average headcount reduction achieved during the first year of implementing a shared services model?
- a. 3%
 - b. 7%
 - c. 12%
 - d. 20%

Answers to Shared Services Quiz

5. Of the 13 provinces/territories in Canada, how many established or are in the process of establishing shared services?
- a. 6
 - b. 9
 - c. 11
 - d. 13

Table discussion: Shared Services

- Please take time at your table to discuss the following questions:
 - Which services or functions are the best candidates for delivery through shared services?
 - What benefits would you expect from moving to a shared services delivery model?
 - What are the most significant obstacles to implementing shared services?
- Please take notes and appoint a spokesperson for your table

Client example: Leicestershire County Council

About UK Government and Leicestershire

Central (Federal) Gov't: for example

Department of Health

Department of Transport

Home Office

Department of Work & Pensions

Gross expenditure of £35bn across the East Midlands region: 20% is pensions and benefits

Regional Gov't: for example

East Midlands Regional Assembly
Government Office
East Midlands Development Agency

To be disbanded from April 2011

Local Gov't: for example

Leicestershire County Council
Citizens: 670,000
Type of place: rural with 7 market towns
Employees: 20,000 staff (including schools)
Budget: £942m
Service responsibilities:

- *Adult social care*: social care, health and well being
- *Children and young people*: children social care and safeguarding, education (schools for children from 4-19 yrs old)
- *Highways and Transportation*: highways, passenger transport
- *Community safety*: fire and rescue services, community policing
- *Social and economic development*: libraries, museums and heritage and culture, planning, economic development

Facing 25% funding reduction from 2010-2014 with greater budgetary freedom

Leicestershire County Council: Baseline

Devolved Support Services

	Corporate Resources	Children & Young People Services	Adult Social Care	Highways, Transport and Waste	Community Services
Strategy	Three separate corporate functions overseeing: <ul style="list-style-type: none"> • ICT, HR and Finance • Perceived issue of 'centre' versus 'departments' 				
Professional advice and project delivery	Corporate finance Corporate HR Enterprise Architecture IT	Departmental: financial management, people management and IT Schools: budgeting/control, recruitment and performance and WAN	Departmental: financial management, people management and IT	Departmental: financial management, people management and IT	Departmental: financial management, people management and IT
Operations and transactions	Small transactional and helpdesk functions	Schools HR and Finance Schools ICT	Departmental financial transactions	Two departmental finance functions and IT support	Departmental financial transactions and IT support

- Each major department retained its own support service function, covering:
 - Advice, projects, change, operations and transactional processing
- Total headcount of over 600 staff with HR, Finance and ICT responsibilities: £30m annual budget

Leicestershire County Council: Phase 1

Consolidated Support Services

	Children & Young People Services	Adult Social Care	Highways, Transport & Waste	Community Services	Corporate Resources
Strategy	Three separate corporate functions overseeing: <ul style="list-style-type: none"> • ICT, HR and Finance • Perceived issue of 'centre' versus 'departments' 				
Business partners	Finance business partner HR business partner	Finance business partner HR business partner	Finance business partner HR business partner		
Professional advice and project delivery	<ul style="list-style-type: none"> • Corporate Finance: management accounting, financial accounting, reporting, etc. • Corporate HR • Corporate IT 				
Operations and transactions	<ul style="list-style-type: none"> • Finance transactions: three core transactional teams • HR: two core transactional teams • ICT: two core transactional teams (schools and non-schools) 				

- Each support function is managed by single 'professions' with numerous process variances aligned to specific departments: numerous systems, spreadsheets and databases
- Achievement of management / restructuring savings of c £1m (3%)
- On-going problems regarding management information, process compliance, operational productivity: majority of expenditure / effort focused on transactional processing

Leicestershire County Council: Phase 2

Shared Service Transformation



- Headcount reduced by nearly 40% to 370 FTEs
- Recurrent budget reduced by 20% (£6m) to £24m with greater focus on investment and support to the rest of the organisation to support transformation and change, rather than high cost business as usual operations
- Internal customer satisfaction has increased (particularly for HR)

Leicestershire County Council: What's next

East Midlands Shared Services

- Leicestershire was awarded “Council of the Year 2009”
- They believe they have gone as far as they can internally (regarding HR, Finance and IT)
- The Council is now implementing a wider shared service with Nottingham City Council (approximately the 80% the size of Leicestershire County Council)
- This model will cover ‘transactional’ services only
- The business case involves:
 - Providing Nottingham with Oracle e-Business Suite for £2.3m (against a typical one-off cost of £10m)
 - Saving the authorities £2.3m per annum for transactional finance and HR/payroll processing costs
 - Sharing the cost of change
 - Building on Leicestershire’s existing operating model
- Regarding IT, the Council is moving towards a ‘virtualised’ cloud-based delivery model

Conclusions

- **Redesign the service** to reduce cost and improve outcomes
- Provide the **leadership, commitment and confidence** to get through the process
- A **shared service model must fit** with your organization's target operating model
- Design the service around **the service user and planned outcome**
- You may want to consider a '**single service**' rather than creating a new 'shared service' if someone already has a workable solution
- **Avoid creating a division** in the way a service works (i.e., the shared part versus the retained part)
- Ensure that payment and performance mechanisms **encourage positive, mutually beneficial behaviours**

Client example: State of Minnesota

State of Minnesota: Drive to Excellence

- The State of Minnesota has over 5 million people and 200,000 civil servants, 65,000 serving at the State level
- Minnesota has a budget of approximately \$35 Billion and faced a deficit of \$4.5 Billion with a commitment to balance the budget with no tax increases
- In 2004, the State of Minnesota began a journey to transform itself from an agency-centric model to a balanced enterprise framework in order to address its debt and deficit
- The program was called “Drive to Excellence”

Project background - Drive to Excellence

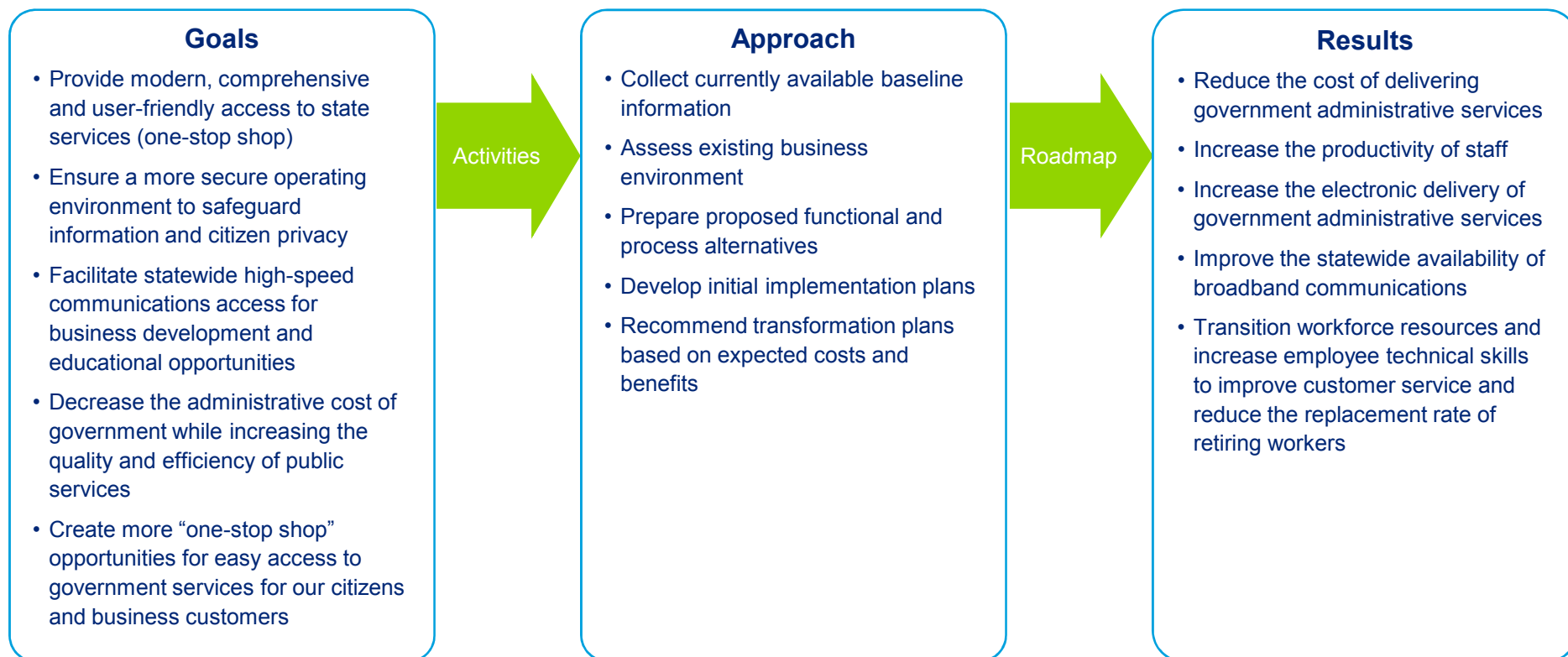
Business Drivers

- Economic constraints
- Historical lack of enterprise-wide planning
- Workforce transition issues
- Constituent expectations

Drive to Excellence

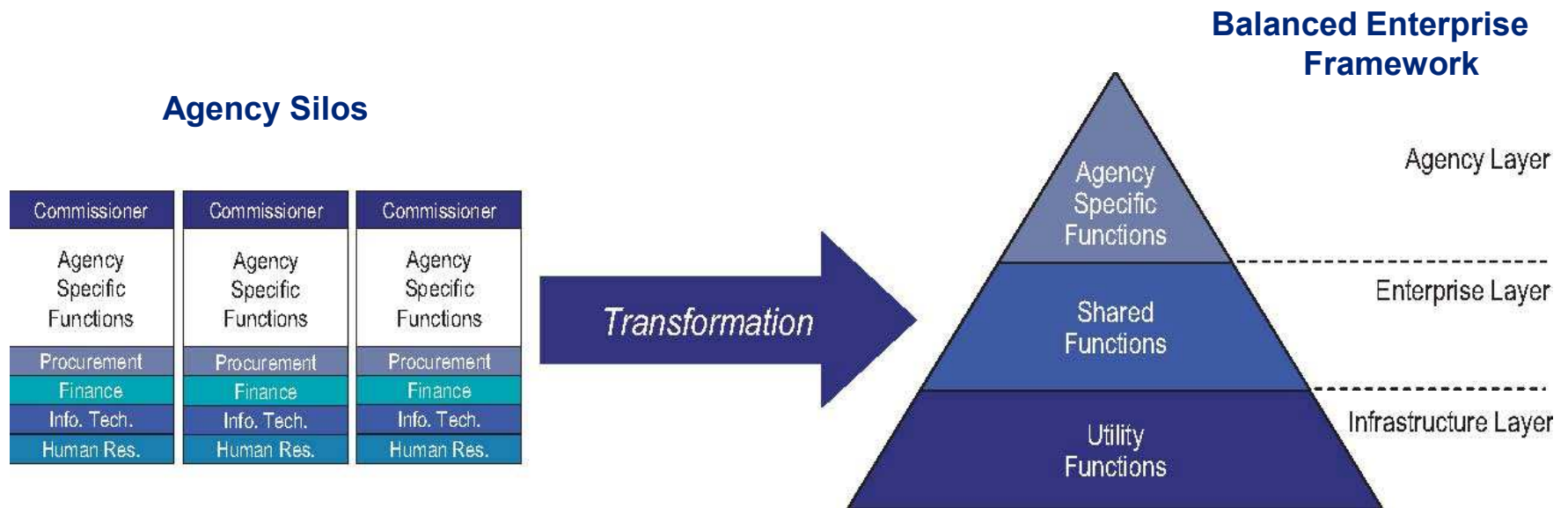
Principles

- Commitment to mission
- Focus on customers
- Simplify government
- Manage for results
- Improvement by innovation



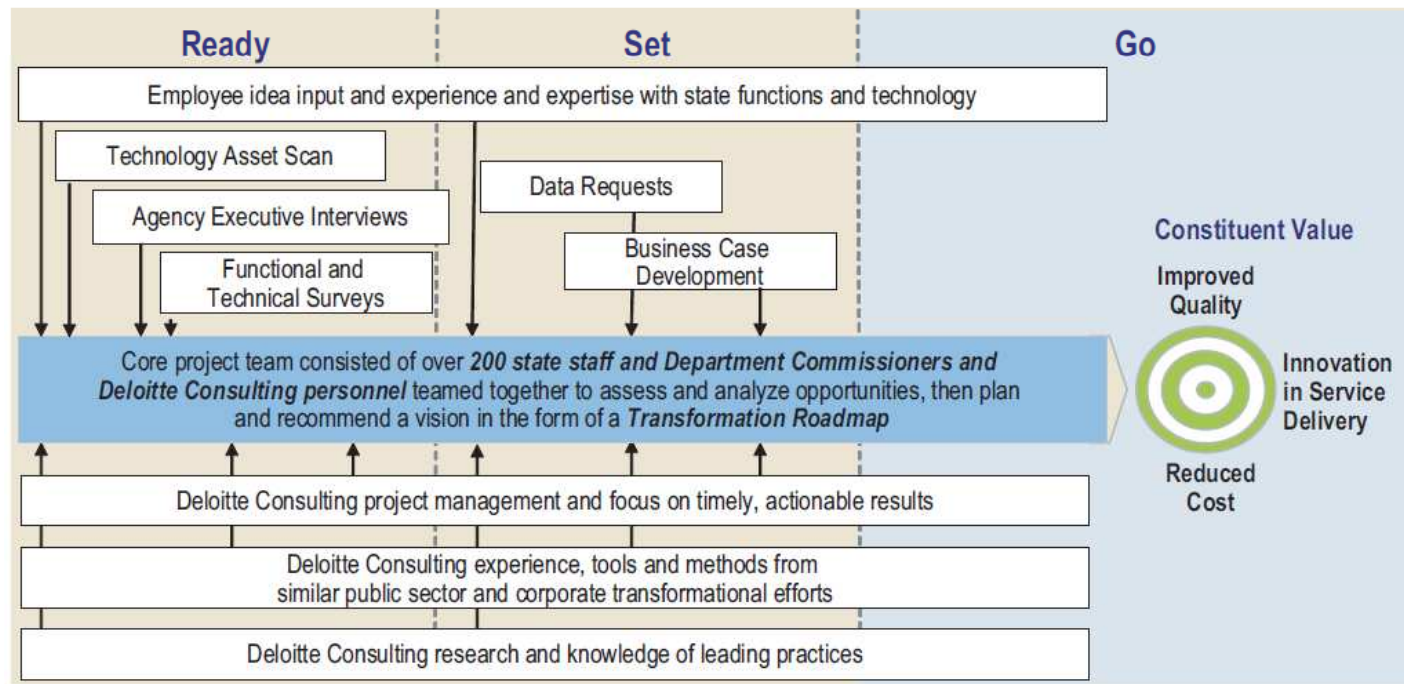
Transformation to an Enterprise Framework

- The balanced model includes three levels of functions:
 - Agency specific functions: unique “front-line” services and programs for citizens that are delivered by each agency based on their mission and purpose
 - Shared functions: functions that can be grouped together to promote effective delivery of front-line services
 - Utility functions: infrastructure that, if performed by one dedicated team, allows agencies to focus on their core business



The project launched initiatives through three stages

- **Ready:** data gathering – surveys, interviews and idea generation to identify areas for improvement
- **Set:** research into the ideas and data to identify valid opportunities for improvement. The opportunities were organized into broad categories.
- **Go:** sequencing the business cases, identifying interdependencies, and developing governance, policy, and structural recommendations.



Eight broad categories were organized into two waves for implementation

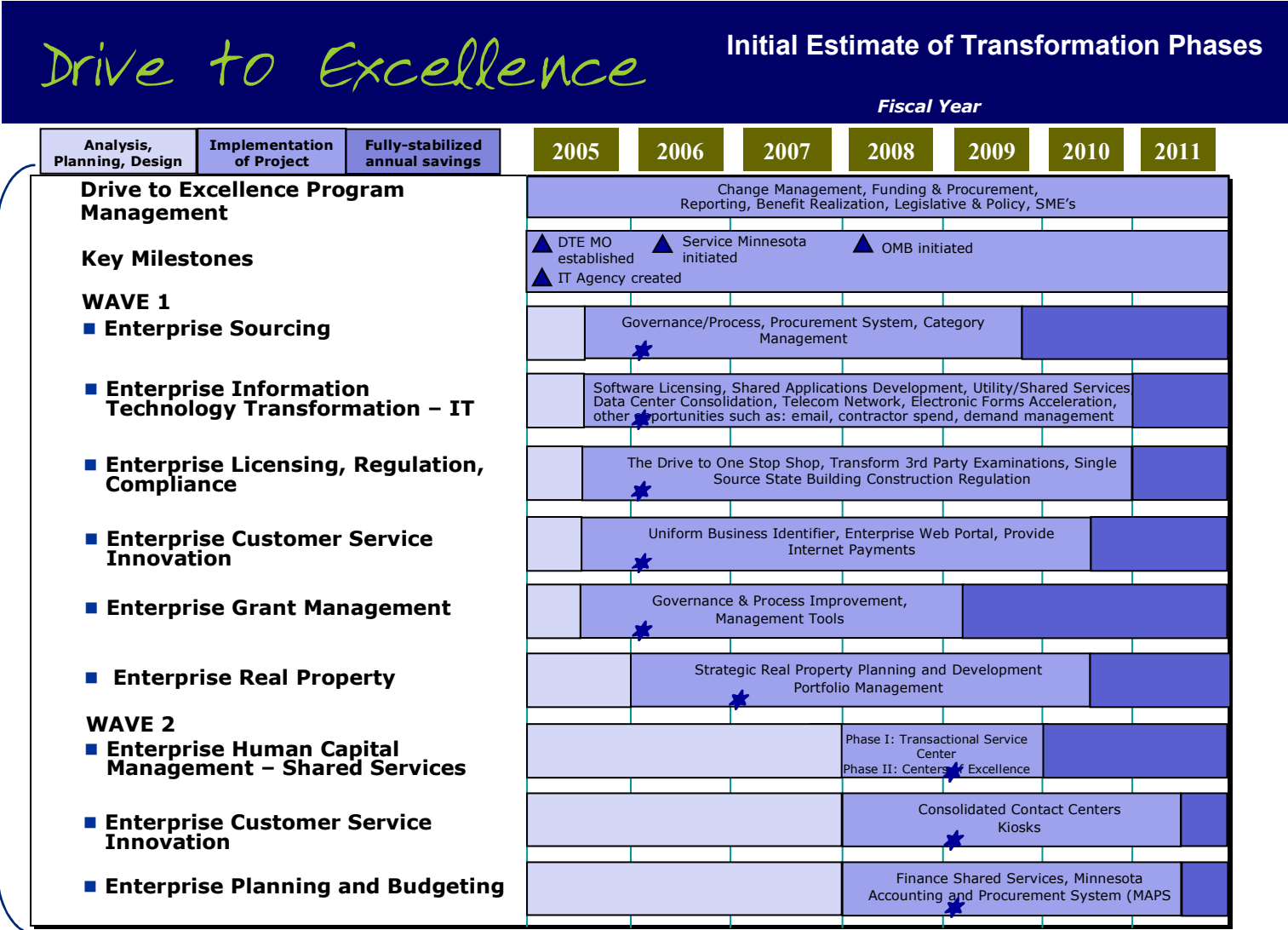
Wave One

- Sourcing/Procurement
 - Use buying power to create cost savings
- Information Technology
 - Promote shared systems, architecture and tools
- Licensing, Regulation and Compliance
 - Improve convenience, accessibility and consistency
- Customer Service Innovation
 - Consistent processes and web-based services
- Grant Management
 - Adopt enterprise model
- Real Property
 - Create shared services structure using a property management system

Wave Two

- Human Capital Management
 - Create shared services for transactional support
 - Create centres of excellence to provide specialized HR functions
- Enterprise Planning and Budgeting
 - Create shared services for transactional support
 - Adopt enterprise-wide financial system

Project Results — Initiatives



Transformation and Enterprise Cost Reduction

★ Savings begin

Drive to Excellence: Results

- The budget was balanced with no new taxes – hiring freezes and cuts, use of special revenue and rainy day funds along with payment timing shifts
- Normally one time savings were made permanent via process, organizational and technology changes
- An additional net of \$350 Million was saved and the initiative continues today as a continuous improvement program.
- Key areas of focus for reform include:
 - IT consolidation and shared services
 - Enterprise-based reorganization
 - e-licensing/government
 - Strategic sourcing, real property management, grant management, budget and finance systems and processes
 - Business process design/lean
- A next wave that includes looking at the relationship between state and local government and the number of government units is now beginning

Concluding remarks

Avoid the ‘Overconfidence Trap’

- **Cost savings benefits are normally overstated;** implementation costs dramatically understated
- A raw set of initiatives will typically contain up **to 25 percent double counting/errors**
- **At least 30 percent more in savings** than actually needed should be identified to achieve overall target savings
- If you count planned benefits by anything other than run rate savings, you **risk miscounting one-time windfalls** as structural cost reduction
- Benefits will not be achieved unless **driven through as a key part of the executive/leadership**



Task at hand

- Addressing the fiscal gap is a difficult task, for a variety of reasons
 - People have become dependent on many government programs and expenditures
 - Some changes require tough political decisions when there appear to be winners and losers
 - Competing interests exist across voters, unions, politicians...
 - Stakeholder groups will resist changes
 - Temptation often exists to hide bad news behind positive scenarios

Approaches to navigating the political landscape

- Seek agreement on the problem: share information, work across party lines
- Idea generation: be creative, think outside the box
- Engage alternate disciplines and approaches: bring fresh perspective
- Engage the public: communicate, involve
- Allow the hard choices to be made jointly
- Show that it is not all pain: highlight the positives that will result

Think about how you can help your organization navigate through tumultuous times

Deloitte.

Deloitte.

Paula Gallagher, FCMC
Consulting

Purdy's Wharf Tower II
1969 Upper Water Street
Suite 1500
Halifax, NS B3J 3R7

Canada

Tel: 902 721 5507
Mobile: 902 471 0284
paugallagher@deloitte.ca

Member of
Deloitte Touche Tohmatsu

Deloitte.

Robert Barton
Consulting

Purdy's Wharf Tower II
1969 Upper Water Street
Suite 1500
Halifax, NS B3J 3R7

Canada

Direct: 902 721 5627
Tel: 902 422 8541
rjbarton@deloitte.ca

Member of
Deloitte Touche Tohmatsu

Deloitte.

Jonathan Hopkins, P.Eng.
Consulting

100 Queen Street
Suite 800
Ottawa ON K1P 5T8

Canada

Tel: 613 786 7547
Mobile: 613 292 3992
jhopkins@deloitte.ca

Member of
Deloitte Touche Tohmatsu

Appendix: Additional detail on Leicestershire County Council

Strategy & Centres of Expertise: Scope

	Finance	HR	ICT
Centres of Expertise	<ul style="list-style-type: none"> • Technical accounting • VAT • Internal audit and risk management • Insurance • Treasury and investments • Projects (specialised finance) • Cost analysis and project support: <ul style="list-style-type: none"> – Unit costing – Priority based budgeting • Forecasting and budget planning 	<ul style="list-style-type: none"> • Organisation development • Employee and union relations • Training and development • Performance management • Workforce planning • Case management • Projects: <ul style="list-style-type: none"> – Org redesign – TUPE – Redundancy and redeployment • Etc. 	<ul style="list-style-type: none"> • Project portfolio control / assurance • Programme and project management • Solution development • Service transition • Security
Business Partnering	<ul style="list-style-type: none"> • Decision support • Budget challenge / critical friend • Financial planning support • Commissioning 'intervention' support 	<ul style="list-style-type: none"> • Decision support • Change management advice • Workforce planning guidance • Commissioning project support 	<ul style="list-style-type: none"> • Business relationship management • IT planning support • Customer relationship management • SLA management
Strategy	<p>Medium Term Financial Plan:</p> <ul style="list-style-type: none"> • Capital programme • Revenue planning • Cost reduction strategy • Etc. 	<p>People Strategy:</p> <ul style="list-style-type: none"> • Strategic workforce plan • Performance frameworks • Employment engagement strategy • Etc. 	<p>ICT Strategy:</p> <ul style="list-style-type: none"> • IT Innovation • Demand Management • Enterprise Architecture • Etc.

Shared Service Centre: Scope

	Finance	HR	ICT
Shared Service Centre transactional processes	<p>Accounts payable</p> <ul style="list-style-type: none"> • Invoice scanning and processing • Supplier payment <p>Accounts receivable</p> <ul style="list-style-type: none"> • Receipt of requests and raise sales invoices • Issuing of dunning letters • Receipt of payments <p>General accounting (G/L)</p> <ul style="list-style-type: none"> • Processing of GL journals • Management of accounting calendar • Posting of interfaces • Reconciliation of sub-ledgers and bank account <p>Fixed assets</p> <ul style="list-style-type: none"> • Addition/disposal/depreciation of assets • Revaluation and maintenance of asset book <p>Procurement or credit card administration</p> <p>Pensions administration</p>	<ul style="list-style-type: none"> • Absence management • Change control • Core HR • Employment checks • Expenses • Health and safety administration • Leavers • Management information • New starter • Overpayments • Pay claims / payroll • Recruitment and advertising • Reward and recognition • Salary sacrifice • Temporary placements • Third party claims • Temporary placements register • Training administration 	<ul style="list-style-type: none"> • Service request management • Availability management • Security management • Service continuity management • Access management • User administration • IT asset management • Application support / small change management • Training • Hardware installation, management and change
Customer service	<ul style="list-style-type: none"> • Self-service, MI, on-line guidance and advice • Manager and employee support • Supplier support 	<ul style="list-style-type: none"> • Self-service, MI, on-line guidance and advice • Manager and employee support • Supplier support 	<ul style="list-style-type: none"> • Incident management • Request fulfilment

Shared Service Centre: Scope (continued)

	Finance	HR	ICT
Reporting	<ul style="list-style-type: none"> • Trial balance production • Generation of financial and management a/c reports • Standard reports 	<ul style="list-style-type: none"> • Sickness absence • Agency staff use • Attrition rates / Overtime / expenses 	<ul style="list-style-type: none"> • Service Level Management • Service Reporting
Data management	<ul style="list-style-type: none"> • Master data admin, including users and access • Administration of chart of accounts • Procurement category code mapping • Supplier and customer listing and account management 	<ul style="list-style-type: none"> • Master data admin, including users and access • Pay elements / roles / positions • Organisation design / hierarchy • Etc. 	<ul style="list-style-type: none"> • All covered under transactional processes
Continuous improvement	<ul style="list-style-type: none"> • Business analysis, process improvement, application development, etc. 	<ul style="list-style-type: none"> • Business analysis, process improvement, application development, etc. 	<ul style="list-style-type: none"> • Problem management • Capacity management