TN | **Customer Focused Government**

STATE OF TENNESSEE-SHARED SERVICES OVERVIEW

September 8, 2022

Why Shared Services?

High-Level Strategic Initiatives and Value Proposition

1. Continuously decrease the cost of acquired goods and services.
2. Achieve reductions in the cost of our real estate.
3. Enable improved state operations and customer service through information technology.
4. Improve customer service satisfaction and decrease operating costs of the state through the expansion of shared services.
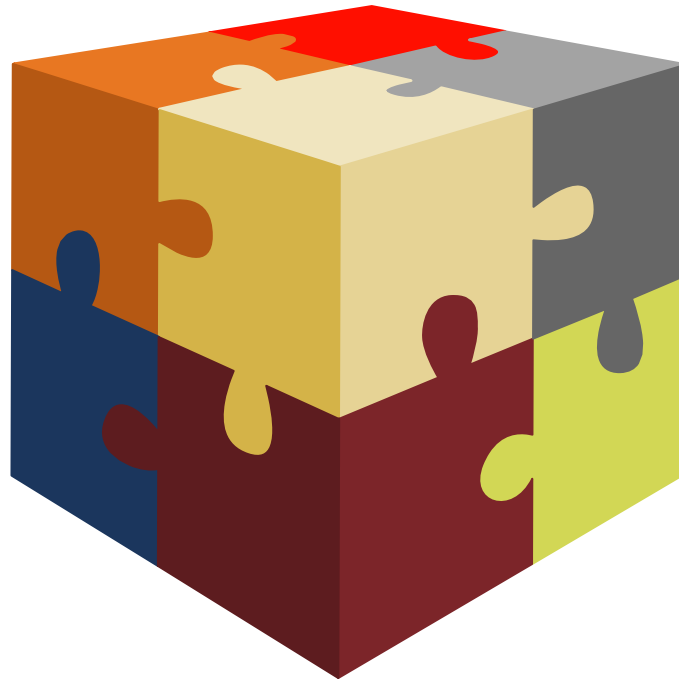
Shared Services Processes / Initiatives

General Services

- Procurement & P-Card
- Vehicle Management
- Postal Services
- Print & Media Services
- Real Estate Management
- Surplus Property
- Warehousing & Distribution
- Telecommunications
- Video Conferencing

Enterprise Wide

- AWS-Remote Work
- Citizen Centric
- Digital Records
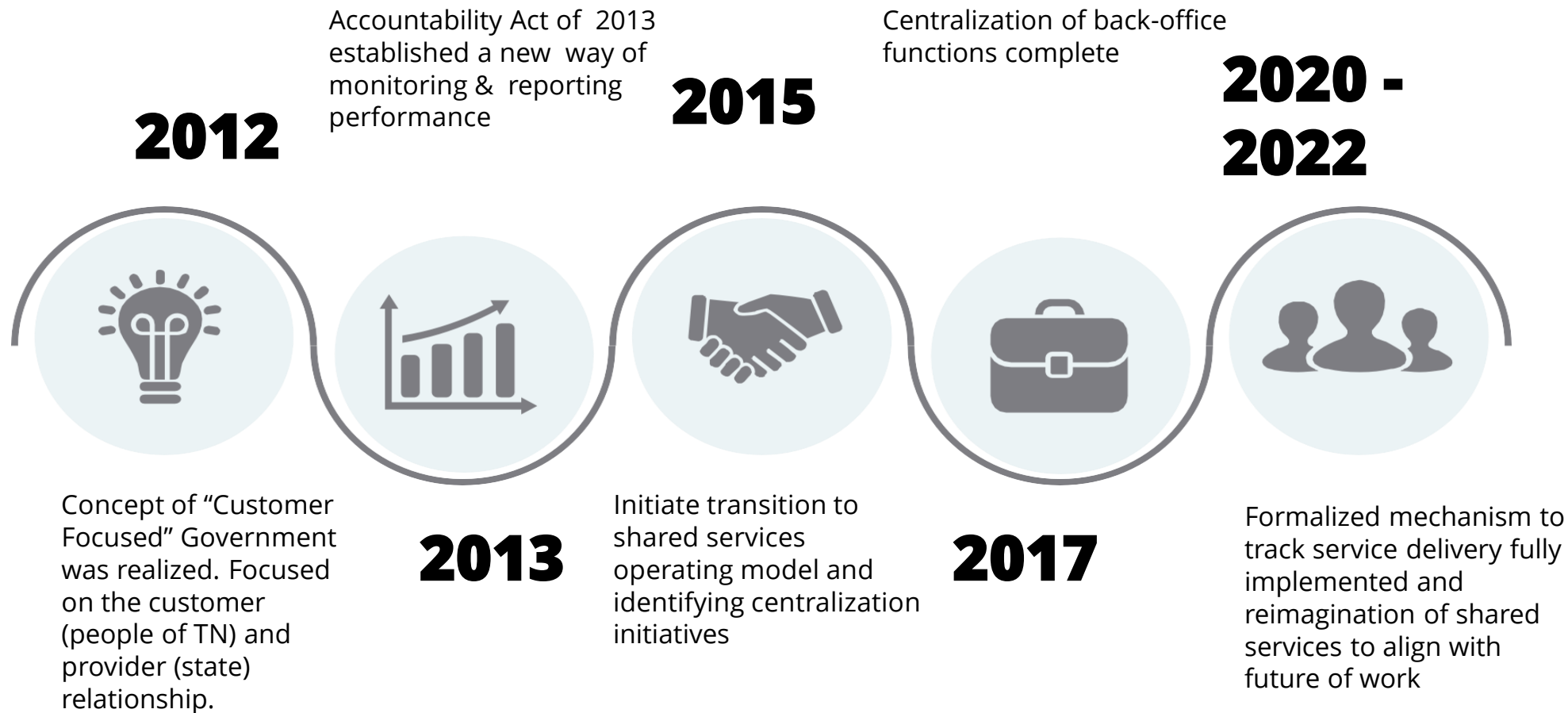- Energy Management

Human Resources

- Strategic HR Service Delivery

Finance & Administration

- Centralized Accounting
- Audit
- IT
  - Applications
  - Infrastructure
  - Portals
  - Workstations

Shared Services Timeline

2012

Accountability Act of 2013 established a new way of monitoring & reporting performance

2015

Centralization of back-office functions complete

2020 - 2022

Concept of "Customer Focused" Government was realized. Focused on the customer (people of TN) and provider (state) relationship.

2013

Initiate transition to shared services operating model and identifying centralization initiatives

2017

Formalized mechanism to track service delivery fully implemented and reimagination of shared services to align with future of work

Shared Services Sub-Cabinet Focus and Governance

Attribute	Shared Services View
Departments are treated as	Customers
Leadership	Chairperson: Chief Operating Officer
	Commissioner-Department of Finance & Administration
	Commissioner-Department of General Services
	Commissioner-Department of Human Resources
	Director, Customer Focused Government
Service Responsibility and Management	Shared between shared services team and customers as stated in service level agreements
	Service level agreements, key performance indicators, performance reporting
Customer Contact Management	Multiple channels (e.g., voice, email, web); contact center staffed with customer service reps; case tracking software, automated call distributor, client relationship managers
Typical Management Processes	Customer relationship management, continuous improvement, knowledge, management, performance management, service management, Baldrige

Shared Services Strategy and Impact

Reimagination of Work/Remote Work Impact

| Increased productivity and flexibility for our **employees**

| Enhancing the **culture** of state government

| **Recruitment** and **retention** of top talent

| Better customer service for our **citizens**

| Improved **energy** management

| Reduced square footage, therefore **lower cost**

Reimagination of Work/Remote Work Survey Results

▌ 80% of employees believe that Alternative Workplace Solutions (AWS) provides them a **better work-life balance**.

▌ 73% of employees believe they are **more valued** by their department.

▌ 60% of managers have reported that their teams are much **more productive** due to AWS.

▌ Agencies implementing AWS have saved a **total of $5M** in annual real estate costs.

▌ On average, agencies have **reduced** their **square footage** by **45%.**

Service Partnership Agreements

Where We Started

| Opportunity to create a model for shared services to deliver the highest quality product/service and provide customers a platform to clearly identify and communicate their service expectations.

| "Terms for service" that were in place did not address the customer's expectations or the quality of service(s) being delivered.

| Lack of shared understanding of processes and expectations.

Service Partnership Agreements

A Service Partnership Agreement (SPA) is a customized agreement between the shared service provider and the customer that:

- Establishes performance indicators and accountability

- Confirms expectations and clarifies responsibilities

- Facilitates systematic communication
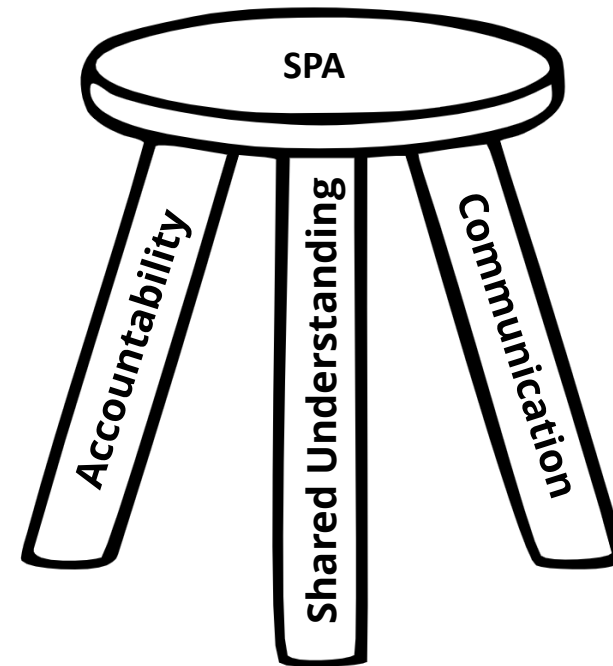
Performance Accountability Model

Two-Part Escalation Workflow:

- Peer-to-Peer resolution of service problems as they occur

- Problem resolution at the source to eliminate unnecessary involvement of upper management

- Documentation of reoccurring or unresolved service problems
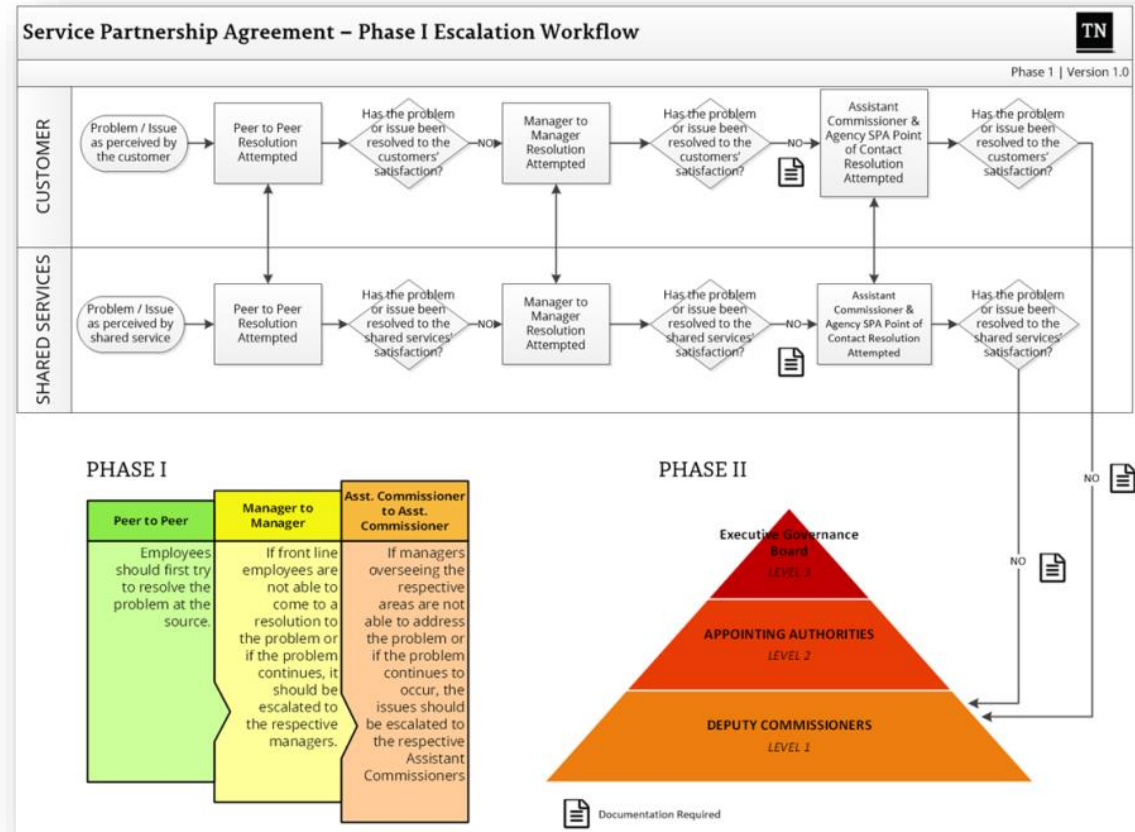
Measuring KPIs – Sample Scorecard

KPI WEIGHTING

1. Strategy – 15%

2. Solutioning – 20%

3. Resource Management – 15%

4. Project Delivery – 25%

5. Operations and Maintenance – 25%

2. Solutioning (20%)

KPI: Deliver innovative technology solutions at a high level of quality
Goal: Achieve customer satisfaction score of 3.5 for year 1 (CY18)

Customer Satisfaction Score
(Survey question: Identifying technology solutions to solve business problems)

KPI: Improve business processes and automation
Goal: Achieve customer satisfaction score of 3.5 for year 1 (CY18)

Customer Satisfaction Score
(Survey question: Business process improvement and automation)
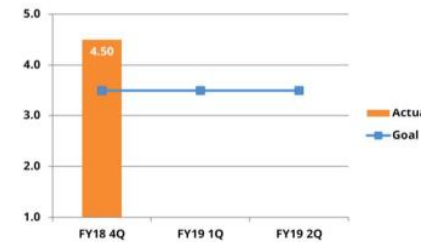
Survey Response Rate: 27% (3 out of 11 potential respondents completed a survey)
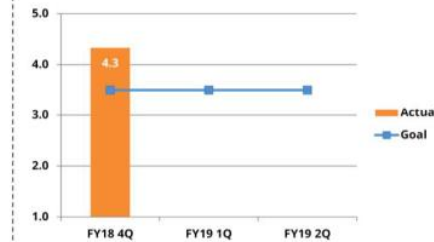
3. Resource Management (15%)

KPI: Maintain resource level as agreed upon with TDFI
Goal: Maintain resource level as developed in the annual resource plan

KPI: Increase time spent on strategic/ project initiatives
Goal: Allocate 40% of resources/hours worked to strategic/project work type
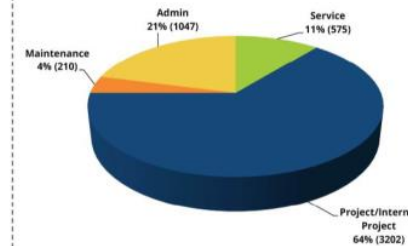
Resource Level
A collaborative working session will be conducted to develop and agree on an annual resource plan beginning May and completed by August 1st.

Resource allocation will be reported in each quarterly scorecard begining in October 2018.

Admin 21% (1047)
Service 11% (575)
Maintenance 4% (210)
Project/Internal Project 64% (3202)

Project: application development or replacement, large-scale, longer term work, etc.
Internal Project: projects that are estimated with a shorter duration
Service: Work required to fulfill an IT service, e.g. IT Service Desk, IT Endpoint Support, Server Management, etc.
Maintenance: operational support of an existing application
Admin: Includes day-to-day work not in support of a project, maintenance or service activity

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Moving Forward

| Customer Experience

- Increased Understanding on both Shared Service and Customer Side
- Improved Program and Service Delivery
- Data and Predictive Analytics
- MyTN Mobile Application

| Future of Work

- Intelligent Automation Opportunities/Robotic Process Automation
- Real Estate Reduction
- Expansion of Remote Work

Questions?