

awards

arvato
BERTELSMANN



businessCLOUD9



Egypton

FS*tech*



ICTA
ideas actioned



logica
be brilliant together

↳ LUXOFT
ENGINEERING BUSINESS PERFORMANCE

NOA PATHWAY

OLSWANG

OMNEXT

outsource

MADRID
PROMOMADRID

publicTECHNOLOGY.NET

RR DONNELLEY

 **SCOTTISH**
DEVELOPMENT INTERNATIONAL

sourcing |
focus.com

 VALUESHORE®
Spain. Your Destination for IT Sourcing

And the Winner is...

The eighth year of the exclusive NOA awards once again showcased the exceptional work and best practice of organisations involved in outsourcing.

The judges, all outsourcing experts, whittled down hundreds of applicants to the final nominees and winners. In the following pages, the winners are presented to you as examples of best practice and the judges offer an insight as to why each organisation won the accolade.

The EOA Awards are currently accepting submissions. Please visit the NOA website for further details: www.noa.co.uk. Additionally, if you would like to attend a workshop for "Writing Award Submissions", please register your interest with admin@noa.co.uk.

NOA

NATIONAL OUTSOURCING ASSOCIATION
2011 SUMMIT & AWARDS



BPO CONTRACT OF THE YEAR

National Rail Communication Centre and National Rail Enquiries

WHAT THE JUDGES SAY:

“The NRCC and NRE have transformed the way in which they work. They have increased both their technical and staff capabilities.

“This contract delivered very real benefits to the general public through improved information and continuous performance improvements throughout the year.”

Acting as a supplier to National Rail Enquiries (NRE), the National Rail Communication Centre (NRCC) plays a pivotal role in the provision of information to customers travelling on UK rail, as well as NRE contact centre staff and train operators. From the early stages of train planning right through to real time train running and service disruption the NRCC acts as a clearing house for the information that goes out via all NRE channels.

Each year, the NRE receives 250+ million enquiries through various channels including its website (www.nationalrail.co.uk), live departure boards and NRE contact centres, as well as emerging channels such as Facebook and Twitter, and the NRCC is at the core.

The NRE recognised that the ever-growing passenger need for information was led by the increasing capability to access it. In order to drive up passenger confidence, it needed to keep pace and provide the best information possible. This was a challenge as the delivery of such information required a combination of railway knowledge, IT skills and an understanding of complex information management.

Implementation

Transeo, (a Thales - DB Schenker JV) commenced operation of the NRCC in 2006 with the remit to work alongside NRE, the Train Operating Companies and Network Rail to deliver accurate information to the travelling public 24 x 7. Since then the NRCC has been transformed from a simple extension to the contact centre into a highly-skilled, proactive and efficient centre of information provision, rapidly expanding the service to meet evolving passenger needs. Five years in, the NRCC is delivering more output more quickly and to a much higher standard than the original contract requirement.

There are seven key tools and technologies in use within NRCC:

- Web publishing – real time management of www.nationalrail.co.uk
- Social media – use of Facebook and Twitter enabling two way communication between the NRCC and the travelling public
- JIRA – qualitative workflow management (e.g. disruption tracking)
- Workflow management systems – quantitative management (e.g. incident reporting timeframes)
- Darwin – real time information system which feeds the stations' live departure boards
- Control centre of the future – colour coded rail vehicle mapping system showing real time delay information
- Business continuity solution – a robust and regularly tested solution, which has actually been used on occasion

A focus on standardising processes and developing industry best practice has been key and driven through engagement with the wider industry. Workshops and site visits have been central to ensuring best practice development, as has a commitment to managing personal development been central to the implementation of best practice.



Benefits

The overall benefit delivered by the NRCC is a more comprehensive and accurate picture of train running to all customers of UK rail.

This has been delivered through:

- the continuous improvement of performance to meet the response time on incident reporting - from 90% to 95% (within five minutes of notification of an incident occurring), enabling passengers to make more informed decisions about their travel plans
- the introduction of quality metrics across all reporting categories, with an initial target of 90%, later increased to 95%
- using plain English guidelines to ensure that incidents are reported accurately and concisely, improving readability for passengers
- assisting the TOCs and NR to move the publication of the Weekly Engineering Circular from four to ten weeks in advance, highlighting timetable inaccuracies much earlier in the planning cycle
- the introduction of a new incident category in July 2011, further improving the service reporting by providing more information at a local level
- direct interaction with passengers through Facebook and Twitter which enables more engagement with passengers who are actually travelling, as opposed to those planning their journey. This has led to an improved perception of NRE in general

Working collaboratively, Transeo and NRE are continuously increasing analytics to improve standards and increase customer confidence in the NRCC as a provider of information.

“Having worked with a number of outsourced suppliers, Transeo have shown themselves to be a cut above when dealing with our demands. They have developed their team to deliver against them: I can't fault them.”

Jason Durk, Head of Passenger Information at NRE



IT OUTSOURCING PROJECT OF THE YEAR

Wipro and Diversey

WHAT THE JUDGES SAY:

“We felt the project was a powerful example of continuous IT service improvement and demonstrated various improvement techniques working together to generate impressive benefits, whilst streamlining the budget spend on IT infrastructure and new application development.

“We also liked the creation of a ‘Value Director’ – it was an excellent initiative.”

With sales in more than 175 countries, Diversey is a global provider of commercial cleaning, sanitation and hygiene solutions.

Diversey engaged Wipro Technologies, an information technology, consulting and outsourcing company, as its partner to help it achieve its outsourcing objectives:

- to reduce its revenue-to-IT spend quotient and to bring it in line with industry standards without compromising Diversey's IT services
- to transform its IT environment in order to provide the best service at the best possible price and with the utmost transparency of cost
- to significantly improve organisational key performance indicators (KPIs) and overall business experience

At the beginning of the engagement Diversey instituted stringent control measures, including dates to achieve the transformational milestones. KPIs were drawn from the robust global customer review process that highlighted the support characteristics most important to Diversey's line of business (LOB) users.

The contract had two key mechanisms: critical service levels, including measurement for network and server availability, enterprise resource planning response times and incident type response times, and key measurements, most of which were service desk orientated, with metrics such as ticket WIP variance levels, ticket re-open rate, preventable incidents and channel contact objectives.

In line with the objective to streamline processes, align IT with business and drive operational efficiency, Wipro followed up with an amalgamation of control process themes like Six Sigma, Kaizen and ITIL v3

processes as part of a multi-year ITO agreement with Diversey. Throughout the project lifecycle, Wipro and Diversey viewed the entire business transformation process as a continuum, rather than as discrete projects.

While the information technology infrastructure library (ITIL) provided a framework and guidelines for Diversey in terms of service management, the Kaizen Six Sigma programme was inherent in all IT operations and defined a roadmap for continually mapping, measuring and improving quality of IT service delivery and support. Multiple Kaizen sessions were carried out on a regular basis to attain a greater insight into processes. With a continuous improvement programme in place, Diversey realised significant reductions in cycle time and crisis situations, enhancing productivity.

For each of their ITIL processes, Wipro implemented "Process Leaders". These Process Leaders worked across all IT towers to ensure a problem wasn't stuck between two IT towers and thus served as arbitrators for potential issues and conflicts. This resulted in a considerable improvement in key user metrics.

Diversey intended to run its IT environment providing the best service with the best possible price along with the utmost transparency of cost. In order to streamline and simplify processes, Wipro helped Diversey establish the IT Service Catalogue, in support of the Business Service Catalogue, which itself enabled the LOB users to drive support decisions, based on their unique needs and available budget. The move to Service Catalogue-based invoicing was quick, with the first draft completed in five months and is now used as the official ITO billing document.

Wipro and Diversey also established a country-specific invoicing process that spans multiple countries and yields considerable improvements to their EBITDA.

Perhaps most noteworthy in the Diversey-Wipro effort is the introduction of the "Value Director" role. Seeking to continually drive innovation, this role helps position IT as a thought leader, proactively addressing the business' emerging needs. The Value Director is juxtaposed with Diversey's Chief Architect and Wipro's Chief Technology Officer to identify nascent solutions which would support the business community. Monthly Innovations Councils were held to brainstorm ideas and introduce new items into an innovation funnel and go on to develop proof of concepts. A rapid response team was also created to improve response to global incidents.

Results

The results of the partnership included:

- Diversey posting a \$5m USD savings to its bottom line through its direct billing system
- open incidents tickets down from 760 to 200
- ticket cycle time reduced from 5.8 days to less than three days
- ticket standard deviation (or handling consistency) reduced from 12 days to less than six days
- 150 severity 1 and severity 2 tickets per month fall to less than 50 per month



FINANCIAL SERVICES OUTSOURCING PROJECT OF THE YEAR

Co-operative Banking Group

WHAT THE JUDGES SAY:

“This project involved developing a future-ready scalable solution for customers with visual impairment, dyslexia or learning difficulties. The bespoke service allows for documentation to be designed to meet the specific needs of the customer, including the use of MP3 and WAV technology, as well as a secure PIN process for the visually impaired.”

In 2006, a third party contract was put in place to enable Co-operative Banking Group to provide customer documentation (bank statements, Visa statements and policy documents) in alternative formats (AF), including large print and Braille, to meet the needs of its customers with particular needs and to satisfy the requirements of the Disability Discrimination Act 1995.

In 2009, Co-operative Banking Group reviewed the original AF contract as it needed to expand the range of products and services to meet customers' changing demands whilst ensuring its products/ services remained in line with changing legislation that was to become the Equality Act 2010.

Objectives included:

- Superior customer service with a fast product delivery and high-quality output with an underlying desire to provide the same level of service to all customers, regardless of ability
- Implementation of a secure data/system solution to meet data security standards
- Replace the existing agreement with a commercially focused contract providing the business with a sound commercial platform to deliver benefit and value to customers and stakeholders
- Introduce a unit cost model to drive significant value and year-on-year savings
- Provide a scalable solution, capable of growth in product range and customer base without compromising service delivery
- Innovative extension of service proposition to meet customers' developing needs

Strategic Review

Using known best practice methods, the experiences relating to the incumbent AF supplier were captured and a detailed analysis of challenges was completed against the following themes:

- Risks and issues
- Consequences of identified challenges
- Treating customers fairly (TCF) initiatives
- Legislative requirements
- Financial implications
- Service performance against customer requirements
- Measurement against the Co-operative Banking Group 'Balanced Scorecard' (four quadrants – financial, customer, people and process)

Using this analysis as a starting position, a number of key stakeholders, including the Co-operative Banking Group Treating Customers Fairly and Diversity managers, were engaged to assist with developing a 'go-forward' service specification.

Two options were considered to facilitate the future delivery of the service:

- Review existing contract with a view to expanding the scope and revising service level agreement measures
- Conduct "Best in Market" review and complete request for proposal (RFP) to identify a Co-operative Banking Group preferred partner that met its sustainability and ethical requirements

Following this detailed risk and benefit analysis, the most appropriate option identified was to progress with an RFP. At this point Co-operative Banking Group procurement was engaged to support the process and assist with the development of a procurement strategy.

A baseline AF cost assessment was completed, enabling the sourcing team to quantify any proposed savings, service and controls improvements. The responses were evaluated (weighting applied of 30% cost and 60% product/service provision). As a result, two out of four suppliers were short-listed and were invited to present detailed business proposals. This additional, more detailed proposal was scored (remaining 10%) by the sourcing team resulting in the identification of Vision Support Trading Ltd (VST), a social enterprise, as the preferred supplier.

Partnering with VST has provided Co-operative Banking Group with an innovative way of accessing and managing AF provision. Co-operative Banking Group can now access a wider range of products (including services made available to customers with dyslexia or learning difficulties), significantly improved



service delivery and a transparent pricing model. It is a future-ready, scalable and flexible service that enables Co-operative Banking Group to offer a bespoke service to its customers.

This bespoke service allows for documentation to be designed to meet specific individual customer requirements including the use of MP3 and WAV technology. In addition, for the very first time, Co-operative Banking Group was able to introduce a new secure PIN process for visually impaired customers. Alternative format PIN numbers can now be provided giving the customer total independence in managing their card-based transactions. In addition, a Braille card carrier has been introduced that enables blind customers to read the details on their cards.

Results

All business case objectives were exceeded. Throughout and since implementation, VST has consistently achieved the improved SLA target across the full product range. In addition, the QA process output confirms 100% compliance against agreed document format, content accuracy and ISO 9001:2008 standards.

The secure data/system solution was successfully implemented within a challenging three month timeframe. A full due diligence review was also completed in June 2011 with results confirming full adherence to ISO27001 standards.

Finally, an improved pricing model with VST was implemented resulting in a significant Return on Investment (ROI).

“The provision of services to our customers with particular needs is very important to enable us to provide consistent excellent customer service and treat all customers fairly. The ongoing performance of our new Alternative Format partner Vision Support Trading has completely justified the transfer of these services and the relationship approach forged during this project phase continues to develop towards a strong strategic relationship”

**Nikki Bond, Account Manager,
Operational Partnerships Management,
Co-operative Banking Group**



PUBLIC SECTOR OUTSOURCING PROJECT OF THE YEAR

arvato and Chesterfield Borough Council

WHAT THE JUDGES SAY:

“We were impressed with arvato’s transparent approach to service delivery – flagging, discussing and resolving issues in ways that prioritise citizen satisfaction and value for money.

“They had strong evidence of implementation, evaluation and best practice, as well as employee engagement. It was a very well executed project.”

As the public sector struggles to slash budgets, Chesterfield Borough Council found a way to make significant cuts, without impacting on the services it offered, or losing any local jobs.

Objectives

In 2010 Chesterfield Borough Council and arvato agreed a 10-year outsourcing partnership which covered a wide range of services including: ICT, customer services, human resources, revenues, benefits, payroll, accounts payable and invoice processing, as well as engineering and facilities maintenance and asset management through Kier.

In addition to transforming the quality of services, the partnership aimed to make considerable cost reductions through increased efficiency, whilst protecting local jobs through a collaborative approach. The aims of the project reflect the Council’s own aims for:

- a sustainable community
- an accessible, equal and cohesive community
- a living community
- a working and learning community
- a safe, healthy and active community
- a high-performing council



“Our first priority in Chesterfield is to protect and enhance public sector jobs and services. We will work innovatively and proactively with arvato to give the best service to residents and promote inward job creation for Chesterfield’s economy.”

Councillor John Burrows, Leader of Chesterfield Borough Council

- The Lean Six Sigma review of the benefits service has produced approximate cost savings of 17%, while the invoice processing review created savings of around 27%
- A greater number of calls are resolved at first point of contact, meaning 27% fewer calls are referred back to the benefits service

arvato has committed to transforming services and creating more than £4m in cost savings. arvato is also investing £1.7m in technology and infrastructure and developing a modern customer service centre to improve access to council services for local people.

Implementation

To enable employees to actively engage in improvements, a development programme was established to train all employees to Six Sigma White Belt standard. A further 15% of the workforce has been accredited to Yellow Belt standard in Lean Six Sigma. Employees were empowered to challenge existing ways of working and 202 submissions were distilled into 25 key activities, which became projects within the continual improvement plan. Lean reviews were undertaken across each service to streamline activities and improve workflow.

Results

During the first nine months the partnership achieved improvements across the board, despite the increased demands placed on services as a result of the current economic climate:

- 200 employees TUPE transferred to arvato and 100% of employees retained through the transition
- 98% of 100 daily Key Performance Indicators (KPIs) achieved
- In 2011 citizen panels, 75% of respondents expressed satisfaction with the way the Council runs service. Representing a 7% uplift on 2010 and 27% increase on 2008

“The cultural fit between the Council and arvato is underpinned by a feeling of mutual interest. We have a strong sense of being an important component in arvato’s portfolio and that arvato would invest with us in creating a best-practice model for district councils.

We’re still in the early days of our relationship but because we have found the right partner and established a genuine partnership, we are confident that we will be able to deliver the desired improvements and efficiencies for our citizens and businesses. This is bringing Chesterfield into the 21st century.”

Huw Bowen, Chief Executive, Chesterfield Borough Council

TELECOMMUNICATIONS, UTILITIES AND HIGH-TECH OUTSOURCING PROJECT OF THE YEAR

AND

END USER OF THE YEAR

Efficio Consulting Ltd and Thames Water

WHAT THE JUDGES SAY:

“We felt this project reshaped the procurement outsourcing space, by moulding the best features of a classic consulting engagement and a traditional outsourcing model. The results gave compelling benefits, enabling Thames Water to exceed all of the original project objectives.”

Despite the success of a recently transformed in-house procurement team, Thames Water’s procurement leadership team decided to conduct a strategic review (“Fit for the future?”) to assess the team’s capacity to deliver the challenging targets set in the five-year corporate business plan.

Some core risks were identified in the review, which were seen as unacceptable delivery threats:

- Flexibility – demand for procurement resources outstripped capacity and was often very “peaky” and required at short-notice
- Talent – the best talent was necessary given the complexity of projects proposed, which often included make/buy and strategic re-engineering of business processes
- Cost reduction – business plan required headcount and fixed-cost reduction in all functions. Investment in additional well paid fixed-cost staff was inconsistent with this

People:

- Retention risk – caused by very high workloads, flat organisation structures and restrictions of corporate salary banding
- Recruitment of “top-talent” difficult due to brand perceptions and salary banding
- Minimal training budgets and career development

To mitigate this risk it was decided to assess an outsourced solution alongside an internal team development model.

Table 1: Innovative managed services delivery model

Key TW Objective	Market Norm from RFP1	TW Innovation
Total resource flexibility	Set FTE against agreed scope and per diem rates for any additional out-of-scope activities. This creates a barrier to scope expansion and a negative conversation when additional resources are required.	Service Provider (SP) provides all resources required at their risk – this gives client a superbly flexible service, and resources can be tuned (up + down) to match demand
Engagement with market	Often clients are too prescriptive in their approach and can stifle innovation by overly prescriptive models.	Considerable time spent engaging with market to define the “right” models and avoid the common pit-falls
Full- scope	Traditionally outsourcing has been aimed at non-strategic /core commodities.	TW view is “why create a “Rolls Royce” capability just to handle the non-core spend?” All commodities are sourced by the SP.
Risk transfer	“Cake and eat it” model – high % fixed fee with little at risk. Little to drive behaviours and results to align with client goals.	Only core TW TUPE team covered in fixed cost. All other cost at SP risk to be recovered and paid for from gain-share of results.
Stronger team at exit	Create client dependency, through systems and integration into SP staffing model. Prevalent reduction of TUPE resources over time, creating “hollow-shell” at end of contract.	Clear requirement to develop function with option to bring-back in house at 5 year break point. Focus on developing TUPE staff.
Integrated resources & stakeholder intimacy	General reluctance to accept TUPE of TW staff. Reliance on “resource sharing “ models. Low focus on staff development and stakeholder intimacy.	TUPE of TW 20 FTE, working in integrated sourcing teams with TW stakeholders and SP consultants. Located with key stakeholders in TW offices to maximise client intimacy.



The following business objectives were agreed with the Board and validated through the strategic Leadership and engagement phases:

- De-risk and out-perform the procurement savings in the internal business plan
- Step-change enhancement of agility, capability and capacity of the procurement team
- Deliver excellent service to Thames Water stakeholders with access to wider talent pool and deeper resources – available “on-demand” to flex with the business needs

Following extensive evaluation, the winning bid successfully met all agreed milestones and in spring 2011, Thames Water awarded a five-year contract to Efficio Consulting Ltd for the provision of a “Managed Procurement Service” covering £2.5bn of spend over a five-year period across all core operational and capital expenditure.

It involved the TUPE transfer of 20 Thames Water full time employees and the creation of a single integrated service team, located on-site in Thames Water (TW) headquarters to maximise stakeholder intimacy. This innovative delivery model, takes the best features from a classic consulting engagement and a traditional outsourcing model. The bid business plan has been re-aligned with the actual 2011/12 TW business plan, and is on-track to out-perform the award business case:

- Full flexibility – all new stakeholder requests have been accommodated with 19 “flexi-resources” consultants deployed across the business in addition to the core TUPE team
- Savings – forecast is over four times the original internal TW business plan (worth an additional £59 Million), achieved by rescheduling projects and applying additional better quality staff, using enhanced sourcing and data analysis processes and systems
- ROI of 7:1, comparing incremental costs vs benefits.
- Quality – client satisfaction is trending above target on balanced scorecards, three monthly Steering Panels have been successfully concluded

TUPE has gone smoothly, with personal development planning underway, strong morale and optimism for future career prospects.

Innovation was key to creating value. The final outsourcing strategy and delivery model has challenged the traditional model prevalent in the market, and created a new space – “Managed Services” – positioned between the classic consultancy and outsourcing models (see table 1).

The deal has reshaped the procurement outsourcing space, providing compelling benefits and enabling TW to meet all of the original project objectives and achieve the desired step-change in procurement competence.



OFFSHORING OPERATION OF THE YEAR

RR Donnelley and Anglian Water

WHAT THE JUDGES SAY:

“This offshore pilot has proved a resounding success – delivering an effective solution for processing the large amount of correspondence generated by Anglian Water’s customers. This operation was recognised for bringing together the best outsourcing operations with excellent workflow technology.”

Every day, Anglian Water supplies over 1.1bn litres of high-quality drinking water to 4.3m domestic and commercial water customers via 140 water treatment works and more than 37,000 kilometres of water mains.

In June 2009, Anglian Water appointed RR Donnelley to undertake a pilot project to determine whether a third party offshore supplier could maintain its existing service levels whilst managing a number of different work-streams of various complexities. In particular, Anglian Water wanted to enhance its contact centre services by outsourcing a number of back-office functions that were being handled in-house.

Following the successful completion of the pilot, Anglian Water tendered for a five-year, over £4m, business process outsourcing (BPO) contract for over 120 workstreams. In May 2010, Anglian Water appointed RR Donnelley as the offshore provider of correspondence processing services. Since then, RR Donnelley has delivered increasing levels of customer services, volumes and performance enhancements derived from an innovative, continuous improvement programme.

The pilot began with three workstreams and 15 agents processing correspondence from RR Donnelley’s shared service platform in Trivandrum, India, using Citrix to access Anglian’s CRM and SAP billing system. The pilot exceeded Anglian Water’s expectations and KPIs and gave the ability to integrate new projects without risk to the company’s operations. Within the first two months of the contract start date, RR Donnelley received nearly 90,000 correspondence items and responded in writing in more than 20,000 instances.

Today, around 125,000 correspondence items are processed each month by a combination of onshore scanning and digitisation, and offshore processing in RR Donnelley’s shared service sites in India. 104 RR Donnelley agents, plus support staff

based in Trivandrum, now work across more than 185 workstreams, receive correspondence in an electronic format, manage correspondence activity through judgement-based workflow processes, and respond directly to the consumer, where appropriate. Each month around 125,000 correspondence items are received, of which 19,000 are quality checked. From the 125,000 items, RR Donnelley creates on average 15,000 written responses. In addition, to enhance customer engagement, RR Donnelley makes around 500 monthly outbound calls to ensure issues are resolved promptly.

On a daily, weekly and monthly basis, RR Donnelley provides Anglian Water with performance management information in the form of a reporting 'dashboard' derived from new quality systems introduced to complement and strengthen the whole end-to-end process. This allows the client to monitor performance levels and contractual KPIs very closely and, in turn, the effect on the client's contact centre services.

Results

This has led to all KPIs being met or exceeded and achieving 100% compliance with Anglian Water's commitment to responding to customer enquiries within five working days (Ofwat's regulations for service provision).

As part of its contractual commitments, RR Donnelley is also implementing an ongoing innovation programme, including quarterly workshops focusing on two key areas. The first aspect of the innovation programme is to investigate ways to re-engineer and improve outsourcing services provided by RR Donnelley as part of a continual improvement initiative. The second is to look at opportunities in the broader context of the company.

RR Donnelley's multi-site platform, the 'BlendShore' Model, provides clients access to qualified and experienced personnel with a flexible platform to mix onshore, nearshore and offshore teams to optimise the way services are delivered, driving performance improvements, flexibility and efficiency savings.

RR Donnelley believes 'BlendShore' enables it to re-engineer and transform the processes outsourced by clients in a controlled 'onshore' environment, before migrating the parts of the process that can be replicated, packaged and managed offshore. This results in a process in which clients get transformation in a minimised risk, quality environment and significant cost benefits as the process scales.

OUTSOURCING PROFESSIONAL OF THE YEAR

Shamus Rae, KPMG

WHAT THE JUDGES SAY:

"Shamus is a veteran of the industry though is still actively involved in carving out its future. He was a very strong candidate showing experience across the full breadth of skills: creativity; innovation; strategy and implementation."

Shamus Rae is a partner within KPMG's Shared Services and Outsourcing practice, a group that helps organisations with strategy, implementation and execution of change programmes focused on corporate services.

Driving global change programmes across functions as critical as IT, finance, HR and procurement is extremely difficult and requires deep domain expertise, extraordinary creativity and limitless reservoirs of energy. Shamus is one of a very rare breed displaying all of these characteristics.

Shamus has over 14 years of experience in outsourcing, shared services, offshoring and management of large programmes involving complex change in the corporate sector, public sector and banking and insurance.

Before joining KPMG, Shamus was a partner at PwC Consulting, which became part of IBM Consulting. Prior to joining PwC Consulting, Shamus built and sold Compass Connections, the specialist finance BPO firm, and was one of the founders of WNS, now one of the largest BPO companies floated on the New York stock exchange. He has built dozens of shared service centres around the world and in 2004/5 was managing a series of centres with 17,000 staff in Asia, Europe and the Americas.

Most recently Shamus played a leading role in the successful acquisition of EquaTerra – a complex international exercise. The acquisition created the largest independent third-party sourcing advisor in the UK, with over 150 dedicated sourcing professionals in the UK and Europe.

Shamus said: "Looking ahead to what I can offer the industry, I think sourcing advisory is changing again, and we are going to be at the forefront. You



will see KPMG in the UK taking a leadership position in corporate services transformation using the skills, capabilities and assets from EquaTerra along with the deep functional skills in KPMG advisory.

"I don't want to announce just yet what some of our new offers will be, but we will keep our sourcing team busy and ahead of the market."

"I have been in the industry since the early '90s and as a founder of WNS and a founder of IBM's BPO arm I think I have proved myself capable of driving the industry forward. With the EquaTerra acquisition I am now driving the sourcing advisory market forward as well.

Shamus Rae, KPMG



OUTSOURCING SERVICE PROVIDER OF THE YEAR

Luxoft

WHAT THE JUDGES SAY:

"Luxoft's submission showed excellent depth in all key areas of successful outsourcing, along with a copious number of good examples. The company's solid growth is supported by robust processes and constant innovations."

Luxoft, a principal subsidiary of IBS Group, is a provider of advanced application and software engineering outsourcing services for global and regional enterprises.

Luxoft adds value to technology product companies and IT-enabled enterprises by designing and delivering solutions for increased productivity, accelerated innovation, and optimised IT architecture. The company boasts impressive technical proficiency, engineering excellence, deep domain expertise, and best-in-class practices to improve business effectiveness and maximise ROI.

With a worldwide offshore infrastructure of 18 offices in 11 countries and long-term commitment to R&D, Luxoft delivers flexible and scalable services across a wide array of industries including financial services, telecom, travel & aviation, automotive & transport, energy, technology.

Luxoft delivered new offerings in telecommunication industry sector (LUXNOC), energy & utilities (demand response, smart substations) and automotive industries (DPOI, LuxDASH).

Luxoft's revenue for 2011 was \$204.7m.

Global recognition

- Luxoft CEO received "Russian Business Leader of the Year 2010" Award at the Global Russia Business Meeting
- Luxoft has been identified as a key supplier of Avaya
- Luxoft is the first company in Europe certified CMM/CMMI Level 5
 - Luxoft achieved CMMI-DEV version 1.2 Maturity Level 5 for its Aerospace Customer Delivery Centre
 - Luxoft was accepted into the vendor roster of the United Nations Procurement Division (UNPD)
 - Luxoft joined the Global Infotainment Alliance GENIVI, Automotive Industry Association



- Luxoft was inducted into the Top Global Services 100 Rating 2011
- Luxoft earned the global Frost & Sullivan Best Practices Award 2011 for Competitive Strategy Innovation in Automotive industry
- Luxoft is the only Eastern European provider included in Everest's PEAK Matrix for Large Banking Applications Outsourcing

Luxoft's Core Platform

- **Strong client commitment** – Luxoft has long-standing cooperation with its clients, such as Boeing, Deutsche Bank, UBS, IBM, Dell, Bosch, Harman, Hotwire, Alstom, Sabre Holdings, Avaya, Ping Identity and many others. Luxoft prides itself on its dedication to achieving the ultimate quality and meeting the strictest compliance standards. In order to contribute to its clients' success in the most positive way, Luxoft has formed a Customer Advisory Board (CAB), an important step in the meeting of the minds of key customers and top Luxoft business leaders that identifies effective drivers in addressing clients' strategic goals
- **Engineering excellence** – Alliances with leading global technology organisations enable Luxoft to deliver best-in-class technology systems: Open Link, Microsoft, Tibco Software, IBM, Sun Microsystems, BEA Systems, Oracle etc
- **Exceptional talent pool** – Strong maths and science education system in Russia, Ukraine, and many other Eastern European countries produces highly skilled professionals for solving complex intellectual methodological tasks. Luxoft employs over 5,000 IT professionals, and 80% of the company's engineers have Masters Degrees. Luxoft continuously invests in various education and industry programs and has one of the biggest education centres in the EU with multiple free technical courses
- **Best-in-class processes** – Luxoft is the first company in Europe to achieve the highest industry standard: Level 5 CMMI quality certification, certified with ISO 9001 & ISO 27001 by Lloyd's Register Quality Assurance, and ISO 17799 security standards and offers the highest level of information security and protection
- **Research and development** – Luxoft invests heavily in R&D work and into developing its branded in-house tools, e.g. LUXProject – an integrated project management environment
 - **IP protection** – Luxoft's commitment to IP protection means that its clients never have to worry about compromising their trade secrets. Through its work with large multinational enterprises Luxoft has learned, designed and

implemented strategic security methodologies and practices that factor in established and emerging government regulations and intellectual property laws

- **Agile** – Luxoft is a European pioneer in leveraging the agile methodology for the distributed development and brings innovation through its dedicated Agile Excellence Centre. The Agile methodology streamlines delivery and minimises risks for dynamic and complex ITO projects, allows rapid incorporation of customer feedback into products by delivering software in short iterations

A proven provider

Harman Int. – the largest manufacturer of automotive devices was looking for a partner to jointly develop a universal car infotainment and multimedia system that would include telephony, internet communications, onboard navigation and interactive speech control, as a platform for a number of high-end vehicle manufacturers.

For more than four years, Luxoft has been involved and continues its work in the maintenance of Harman's current products, as well as the development of future products and platforms, that are critical to meeting evolving consumer demands.

As a strategic partner of Harman, Luxoft dedicated more than 300 development and testing experts to work on a vast variety of projects including development of:

- High speed navigation systems
- Human Machine Interface (HMI)
- Multimedia players
- Software update systems
- Telephone/ Voice over IP systems
- CAN and MOST analyser
- Software quality assurance services

Benefits

"Consumer demand in the automotive sector is evolving rapidly, as drivers today are in search of sleek, sophisticated options that not only give them access to vehicle performance data, but also high-end infotainment options," said Dinesh Paliwal, CEO, Harman International. "To meet that need, Luxoft has proven to be an invaluable partner over the past several years due to its industry expertise, ability to innovate and exceptional product and service delivery."

OUTSOURCING CONTACT CENTRE PROVIDER OF THE YEAR

bss

WHAT THE JUDGES SAY:

“bss has managed to truly differentiate itself in a crowded market and its strongly embedded ethos is clearly delivering results for clients. The 2011 Census contact centre handled nearly one million phone calls in ten weeks, without any downtime – a complex project delivering significant benefit to the authorities and the public alike.”

bss is the UK's only not for profit provider of multi-channel outsourced contact centres, mobile, web development fulfilment and mailing services. It has an exemplary track record in delivering Information Advice and Guidance (IAG) services to a number of clients.

Originally set up in 1975 to support the BBC when it launched the ground breaking adult literacy campaign, bss later became an independent organisation with the remit to enable people to take action to improve the quality of their lives and society, through the provision and management of impartial information and advice. Its clients include: Halifax, British Heart Foundation, Department for Business, Innovation and Skills, the National Fraud Authority, Skills Funding Agency, Macmillan Cancer Support, HM Revenue & Customs, BIG Lottery Fund, BBC, Mind, and the Home Office.

bss is a contact centre with a difference and robust ethics at its heart:

- bss is the UK's only not for profit provider of multi-channel outsourced contact centres
- The bss philosophy is 'results before profits', so each client benefits from an approach that ensures the most effective results are delivered cost efficiently
- bss' unique mission is to enable people to take action to improve the quality of their lives and society, through the provision and management of impartial information and advice by empowering citizens through the delivery of information over profits
- bss promotes itself as information specialists and has a specialist Knowledge Management team

which identifies changes or emerging trends to update information provided to members of the public

- bss proactively gathers feedback and suggestions from managers and contact centre staff via monthly focus groups and workshops

Client: The 2011 Census

Last year, bss set up and managed the contact centre for the 2011 Census for the Lockheed Martin UK led consortium supported by the Office for National Statistics and the Northern Ireland Statistics and Research Agency.

This was a dedicated service available to 25m UK households who received the 2011 Census questionnaire to help them complete the form. The contact centre, which was available from 4 March to 15 May, handled nearly one million phone calls and did not experience any downtime as a result of bss infrastructure or people.

This resulted in the following:

- 98% of sampled callers to the contact centre commented positively on the politeness and professionalism of the advisors
- over 900 people were recruited and trained for the contact centre

“bss has been a very professional and reliable partner. They have met or exceeded all key programme objectives and service levels and I am delighted with their performance. From the outset bss took a collaborative and transparent approach working closely with every one of our partners within the consortium. This coupled with excellent planning and project management skills have all been key factors in the successful delivery of contact centre services for the 2011 Census.”

**Graham Emmons, 2011
Census Programme Director,
Lockheed Martin UK**



Client: Action Fraud

Run by the National Fraud Authority (NFA), Action Fraud provides the public with a central point of contact to report fraud and receive prevention information via a dedicated website and helpline number – it is the only service of its kind in the world. bss has managed and operated the contact centre since the service's inception in November 2009 and achieved the following results

- bss is seen as a strategic partner and sits on the Action Fraud Operation Board
- Action Fraud has had a total loss of over £170m reported to the service
- Users of the service report a 94% satisfaction rate which exceeds bss targets by over 10%

"We see bss as an extension to our own in-house contact management team playing an integral part in our fight against fraud. Many of the people using the service are victims of fraud and sometimes quite vulnerable. bss has embraced its role in helping fraud victims, taking on board complex advice and making the service accessible."

Jamey Johnson, Head of Action Fraud at the NFA



OUTSOURCING ADVISORY OF THE YEAR

Hogan Lovells International LLP

WHAT THE JUDGES SAY:

"This was a closely fought award; however, the judges felt that Hogan Lovells consistently delivered a wide variety of innovative and high-profile solutions throughout the year."

High profile financial services outsourcings

On 1 May 2010, Lovells LLP and Hogan & Hartson LLP merged to form a new global firm, Hogan Lovells. Post-merger, the firm has grown to a combined worldwide outsourcing team of nearly 100 lawyers. It is one of the few law firms able to offer an integrated, single firm approach to advising on cross-border outsourcing transactions in all the major jurisdictions.

The financial services sector has had some challenging years in the wake of the credit crunch. Consequently, much of the sector has focused on a mix of business consolidation and business transformation to position itself for the next few years. Outsourcing, and in particular the outsourcing of middle office, back office and administration services, has been a key part of this.

Over the last year, Hogan Lovells has advised on many of the key outsourcings in the asset management and life and pensions sectors, notably:

- The UK arm of one of the world's largest listed life and pensions companies on its pioneering new wrap-based business model. This model was conceived to drive future growth in the 'at retirement' and workplace savings markets, and involved fully outsourced IT and administration arrangements
- An independently owned leading investment management group on its first major business process outsourcing, part of a suite of activities to bolster its business against a background of pressure from activist shareholders
- One of Europe's largest asset management and life companies on a major outsourcing following a recent consolidation of various legacy asset management and life and pensions businesses. Some of the in scope operations were already outsourced to various providers and some were being undertaken in-house

In each case, Hogan Lovells successfully guided its clients through what was for them a challenging process which frequently required the delivery of innovative and high profile solutions within tight timescales.

Size and geographic reach aside, what also distinguishes Hogan Lovells' outsourcing practice from its competitors is that it is built around a cross-disciplinary, best practice approach.

Thus, each member of the practice has specific outsourcing expertise, and is also an expert in his or her own particular industry sector or practice area (such as technology, financial institutions or FMCG). Team members are not just able to advise on the legal aspects of outsourcing, but can also draw on their specific sector expertise. This approach requires Hogan Lovells to maintain a strong focus on coordinated training for outsourcing team members.



OFFSHORING DESTINATION OF THE YEAR

Poland

WHAT THE JUDGES SAY:

“Poland is the sole European country to demonstrate positive economic growth throughout the crisis. The total value of British investment in Poland has now reached \$3.54bn. The judges felt the entry demonstrated that Poland has remained price competitive with the required labour skills. The Polish IT market is expected to maintain its status as one of CEE’s fastest growing IT markets through 2014.”

Poland has a reputation of excellence in Business Process Outsourcing. There are currently 282 service centres with foreign capital active in Poland, owned by 220 investors. The prevailing majority are BPO/IT and SSC centres while the remaining centres specialise in research and development (R&D).

Poland offers numerous advantages for investors from the BPO sector including a young and well educated population with foreign language skills, competitive costs with Western Europe, political and economic stability and over a dozen academic centres. Poland also has 5.66 million m² of modern office space which is the largest office market in CEE. Global corporations often choose Poland as an investment destination in Europe as the number of new investment projects is continually growing, especially in the automotive, R&D, electronic and chemical sectors. Additionally, foreign investors can also obtain investment incentives such as government grants for the purpose of creating new jobs, CIT exemption offered in special economic zones and specific grants from EU funds.

Some of Poland's major benefits include:

- In top 30 largest markets in the world, largest among the new EU
- Trustworthy and reliable partner for international business (member of the EU, NATO, OECD)
- Biggest politically and economically stable country in CEE
- The only country, where GDP increased by over 1% during the crisis
- Leading country in CE in terms of FDI

- CEE region's fastest growing IT market over the 2010–2014 forecast
- Software market is projected to be worth US\$2.6bn by 2014, giving a CAGR of 11%
- Beneficial/competitive tax rates
- Injection of EUR 67bn into economy by 2013

One of the unique assets in Poland is the highly skilled population. One in ten European students come from Poland and the number of scholars graduating from Polish universities every year continues to grow. Well-educated Polish economists, engineers, IT specialists and scientists are highly sought-after by IT companies, R&D centres and scientific institutes.

“Poland offers not only lower costs but also availability of graduates with language skills. The client is buying not only capacity, but also experience and skills.”

Darren Owens, Director of BPO Operations, Capgemini

In terms of its infrastructure, Poland is well-connected to major European cities and other continents through air routes. It has low-cost air connections to many European cities and a well-developed domestic network. Poland has 122 airports (89 with paved runways), and 23,429 kilometres (14,558 miles) of railway tracks, 916 kilometres (570 miles) of motorways; 606 km (380 miles) of expressways, and an extensive network of other roads of which about 1,200 km (750 miles) are dual carriageways connecting all major cities.

“Poland came out top as an area for us because of its high technical and language skills. There also seemed to be a sense that doing business there would be easier than some other countries in the region”,

Ganesh Pai, Senior Vice-President at MphasiS

“Luxoft Poland office, located in Krakow, offers a comprehensive mix of application and product development services for large enterprise and product development companies. The development centre specialises in solutions for the finance, travel and logistics industries. The Poland Centre complements Luxoft’s current global development sites and further drives the company’s core culture of innovation, engineering excellence and flexibility. It offers yet another option in delivering optimal cost structure, offshore/onshore capability, efficient communications and processes to new and existing customers throughout Europe”.

Dmitry Loschinin, CEO at Luxoft

Basic information about Poland	
Area	312,679 km2
Language	Polish
Population	38.2m, 8th largest population in Europe omitting Russia
Capital	Warsaw agglomeration: population 2.5m
Executive Branch	President (5 year term), Council of Ministers (4 year term)
Time zone	GMT +1
Currency	1 Zloty (PLN) = 100 Groszy = 0.19 GBP (as we go to print)



INNOVATION IN OUTSOURCING

Serco and Barclays Cycle Hire

WHAT THE JUDGES SAY:

“Serco delivered Mayor of London Boris Johnson’s vision of making London a genuinely cycle friendly city, whilst having to learn an entirely new business and multi-sourcing with 10 sub-contractors.”

Serco’s talent for innovation helps to reinvent the bicycle wheel

Serco’s pioneering approach to designing, building and operating the Barclays Cycle Hire (BCH) initiative has inspired a transport revolution in London. With 5,000 bikes, and 10,000 docking points, the system is highly complex, yet very easy to use, making a positive contribution to the lives of thousands of environmentally conscious Londoners.

Serco was responsible for designing, building and then operating what has been an ‘industry first’. The company had to work to highly challenging deadlines; just nine months to design and build 315 BCH docking stations, train over 250 staff (including an apprentice scheme), procure systems and develop infrastructure. The result has been that Serco has delivered what is a brand new and innovative mode of transport that has quickly become an integral part of the London streetscape and existing public transport system.

Proven track record

In August 2009 Serco signed a six-year contract worth £140m with Transport for London (TfL). From the outset, the initiative was defined by innovation. Serco began developing a scheme based on Montreal’s award-winning Bixi system and incorporating the best features of other successful bike schemes worldwide. Around 100 Serco systems and IT engineers developed a state-of-the-art platform to support the scheme. The platform comprises two separate but interlinked elements: the first manages the scheme’s assets while the second element serves the people who use them.

Innovative infrastructure

The bikes, terminals and docking points are controlled by the ‘BOP1’ software platform, which ensures all assets can be monitored and tracked when they are on the streets of London. The system uses sophisticated computer modeling to understand usage patterns. It also powers real time information displayed on the on-street terminals and on-board touch screens.

Unlike other cycle schemes around the world, the bikes have no lock. Instead, a unique cassette is built into the docking point, where it secures the bike until the next customer hires it. Members can release the bike from the docking point using their key; casual users can obtain an access code from the terminal and enter it into the pad on the docking point.

The equally innovative billing and customer management functions are run through the second major system: ‘BOP2’. Written specifically for BCH, this system enables customers to sign up as members and manage their accounts online through a fully interactive website.

Results

As the following facts show, BCH has proved hugely popular since day one:

- By the end of the first week, 12,000 customers had signed up as members
- Within 10 weeks, the scheme had registered a million bike rides
- To date, over six million cycle hires have been successfully completed in just twelve months
- In addition, over 132,000 members have subscribed to the scheme
- London Assembly research also shows that 21% of users have replaced the Tube with cycling as a direct result of the scheme
- Innovative technology means just 15 bikes have been stolen to date

The scheme has quickly captured the London public’s imagination, catalysing a fundamental change in attitudes towards cycling while acting as a template for equally ambitious schemes in other cities.



AWARD FOR BEST PRACTICE IN OUTSOURCING

Co-operative Banking Group

WHAT THE JUDGES SAY:

“Co-operative Banking Group’s relationship management capability provides a disciplined, consistent, approach to making Co-operative Banking Group an intelligent customer. It powers effective collaboration between all business stakeholders within the sourcing lifecycle – nurturing a culture of common language and thinking across the full range of Co-operative business units.”

Co-operative Banking Group recognised that it had a number of Supplier Relationship Management (SRM) teams who were managing suppliers in different ways.

Operational Partnerships Management (OPM) is a dedicated SRM team within the Co-operative Banking Group, with a focus on managing the Operational Supplier Performance.

Over the last 18 months, OPM has introduced a governance framework that enables a consistent, robust, industry-leading approach to SRM. This framework, called the Operating Model, uses SRM best practice acquired through industry collaboration, encompassing the NOA’s Outsourcing Lifecycle Model.

The Operating Model was developed to provide Co-operative Banking Group with access to a consistent, robust, scalable and industry leading framework that delivers tangible business benefit.

The Operating Model enables:

- access to a framework to manage and improve on wider aspects of the relationship, not just service performance
- the demonstration of appropriate controls and management routines appropriate to a financial services business
- a range of SRM/governance activities focusing on the Financial Services Association (FSA) regulatory requirements
- consistency in evidencing performance on all suppliers using a supplier relationship scorecard



The Operating Model is distinctive in its approach in aligning its suppliers with Co-operative Banking Group’s vision and values. It also drives thought leadership within the organisation by powering collaboration among all business stakeholders within the sourcing lifecycle to inform the strategic direction of sourcing activities.

The benefits of the model are:

- flexible framework, enabling the business to extract value and benefit from the relevant Operating Model elements whilst sharing best practise across the Co-operative Banking Group and the extended supply chain
- use of common language and thinking across the full range of Co-operative business units
- providing a balanced approach to relationship management recognising ‘value’ as a key differentiator and moving away from cost driven decisions and strategies
- ensures effective adherence to industry regulations, including risk and control management
- guarantees alignment to Co-operative Banking Group vision and values
- enhanced account manager skills and driving improvements within partner organisations
- organic development of the commercial relationship and supplier performance
- provides a disciplined, consistent approach making Co-operative Banking Group an ‘intelligent customer’

The OPM team has helped to transform the way suppliers are managed within Co-operative Banking Group by setting new standards through the implementation of the Operating Model. The model is

a powerful vehicle to enable sharing of best practice within the business and through its partners, and encompasses all elements of the NOA's outsourcing lifecycle model.

The Operating Model has also demonstrated a partnership approach, driven by various tools within the model. It is commercially focused and ensures high quality service delivery whilst achieving maximum cost efficiencies.

The team find the Operating Model distinctive in how it aligns suppliers to the business' practising ethos, whilst ensuring adherence to industry regulations. OPM is also committed to a continuous review of the framework to ensure it remains current and market leading.

By applying the Operating Model across the supply chain, OPM has made significant savings and avoided additional costs whilst ensuring customer service levels are improved.

“Winning this award provides the team with industry recognition confirming that the detailed approach associated with our ‘Operating Model’ demonstrates ‘Best practice’ in the Co-operative Banking Group’s management of suppliers across a wide range of relationships. Winning this award has also helped to promote the importance of professional Supplier Relationship Management discipline across our business and the significant added value role that we can play within the Relationship Lifecycle”

**John O’Grady, Function Leader,
Operational Partnerships Management,
Co-operative Banking Group**



AWARD FOR CORPORATE SOCIAL RESPONSIBILITY

Infosys BPO Ltd and Project Genesis

WHAT THE JUDGES SAY:

“This innovative programme provides students with the relevant proficiencies to perform well in this dynamic industry. Additional acknowledgements were made on the range of the industry partnerships and use of technology in analysing skills and enhancing language skills.”

With a growing gap between IT industry requirements and the current education curriculum, the industry faces a huge challenge in hiring students who are aware of the BPO industry and understand its workings. This is especially true for students from tier two and three towns in India, who have little or no knowledge and exposure to the BPO industry.

Project Genesis is a community project conceived with the aim of bridging this gap. The programme aims at improving the employability of a student through focused training through various mediums by college academics.

The project addresses a dual need of impacting both the society and the industry:

Society need: To spread the impact of the booming BPO economy to every town and village in the country and not restrict it to the metros.

Business need: To create an available talent pipeline of right skilled individuals to fuel the growth of the entire industry.

The project follows a 'train the trainer' model in which academics from identified colleges are trained over a period of 10 days on the new developed Global Skills Enhancement curriculum at campuses. The curriculum includes two modules: Language Enhancements & Analytical Skills. Language Enhancement is aimed at improving the written and spoken communication capability of a student and the Analytical Skills module is aimed at improving the aptitude capability of a student. The complete training programme is sponsored by Infosys BPO with no expense being incurred by the participating academics.



Results

By partnering with academics to create modules which are beneficial to the students, Project Genesis has created employment opportunities in tier two and three towns in India. The programme has evolved itself from conception to now offer multiple versions depending on the student capability and industry requirement. The project over its six year course, has reached out to over 85,000 students through 2,888 academics in 1,527 educational institutions in 7 states in India, and Infosys has made job offers to 6,202 of those Genesis Project students. Apart from training students, the programme has also assisted the academics in improving their skillset.



AWARD FOR ACADEMIC ACHIEVEMENT

Anu Biswas at HML

The Judges said “2011 NOA Pathway graduate, Anu Biswas, worked her way to the top of the class with a tailored outsourcing development plan for an actual project, and input these into the HML strategy. Her project focused on development of the right skills, knowledge and behaviours to be able to strategically lead an outsourcing organisation.”

CHAIRMAN'S AWARD FOR OUTSTANDING CONTRIBUTION TO THE OUTSOURCING INDUSTRY

Jon Burbanks for Capital One

Martyn Hart, NOA Chairman, said: “It was an absolute pleasure to give the outstanding contribution to the outsourcing industry award to Jon Burbanks and Capital One. Jon has continually challenged the industry's views on outsourcing particularly the mindset of the financial services sector. Jon was a dedicated and intelligent NOA Pathway student who has been very proactive in disseminating views on best practice throughout his peer set.”

