

Manchester City Council

Report for Information

Report To:	Resources and Governance Overview and Scrutiny Committee
Date:	21 st May 2009
Subject:	Customer Relationship Management (CRM) System, Information Strategy, SAP roll out and Corporate Contact Centre (CCC) - Capital Expenditure
Report Of:	Elaine Bowker, Strategic Director, Manchester Improvement Programme

Summary

The Manchester Improvement Programme (MIP) is delivering a portfolio of projects and programmes supporting service improvement across the Council to deliver the vision of the Corporate Plan and Community Strategy. During 2008, MIP was commissioned to deliver a number of key strategies to drive forward transformational change:

- Customer Services Strategy (CSS)
- Information Strategy
- Information and Communication Technology (ICT) Strategy

Collectively the strategies are referred to as the Service Transformation Strategies that provide a co-ordinated, joined up approach to creating sustainable, transformational change. The delivery of these strategies has been integrated into the MIP portfolio and the following programme of capital funded work has been identified in support of the strategies:

1. Customer Relationship Management (CRM) Roll Out - to support a single view of our customers and neighbourhoods, and facilitate improved information sharing and business planning to ensure services are fully responsive to their customers' needs.
2. Information Strategy – implementation of a number of solutions to enable the Council to analyse, use and where appropriate share the information held for the benefit of its customers. It will enable a single view of customers to be established to support service planning, performance management and an accurate view of our citizens and community.

3. SAP Optimisation / Roll Out – opportunities to improve service delivery and achieve efficiency savings through greater self service and e-recruitment.
4. Development of a Corporate Contact Centre - the consolidation of contact centres which are currently operated and managed by individual services, into a single operation that will cater for all customer telephone contact to deliver excellent customer service.

This report provides the context for and details of the programme of capital works required to develop and implement this programme of work. The Executive will be asked on the 27th May 2009 to approve the release of this capital spend to deliver the programme as described in the report. Capital resource has already been reserved as part of the budget process.

The revenue funding associated with this programme of work has been approved by Executive on 11/2/09 as part of the Medium term Finance Plan 09/10 to 10/11 and Revenue Budget 2009/10.

The Committee are asked to note the Capital Budget spend associated with the programme of work and to note that Executive will be requested to approve release of the funds on the 27th May, 2009.

Wards Affected: All

Community Strategy Spine	Summary of the outcome of delivering the three Strategies
Performance of the economy of the region and sub region	By ensuring the services we provide meet the needs of all our customers and are supported by the appropriate technological infrastructure we will create a city where businesses want to invest and people want to move to and stay. This will also act as a catalyst to enable residents to take a more active role in the local economy as a result of them being able to more readily access the Council.
Improved outcomes for residents	<p>Delivery of the Service Transformation Strategies will result in better outcomes for residents, as they will be able to take greater responsibility for meeting their own needs by accessing public services in the manner that helps them the most.</p> <p>Better information about how services are being used will help our services to co-ordinate and integrate their work, driving greater effectiveness and a focus on customer satisfaction.</p> <p>Residents will be less dependent on Council officers to access services by having</p>

	<p>opportunities for self-service and better access to information.</p>
<p>Value for Money</p>	<p>Improvements to information, which provides a better understanding of our customers' needs will allow us to make more appropriate decisions on the effectiveness of services, a key component in assessing value for money. By integrating the Service Transformation Strategies with our neighbourhood focus, we can develop and deliver more appropriate services to customers that avoid the duplication of services, assets, processes and interventions to meet their needs in their local areas.</p> <p>The Service Transformation Strategies will provide our staff with technology that is easy to use, economically viable, and will enable better quality services to be delivered at lower cost. The effective deployment and use of CRM and SAP technology provides the potential to deliver improvements in value for money through driving down costs of investment, increasing productivity of staff or reducing processing costs through improved automation. The simple but effective 4 point criteria embedded in the ICT Strategy seeks to ensure that new investment delivers value for money.</p>
<p>Promoting economic development:</p>	<p>By using information to measure the effectiveness of Council services to support economic development, our customers and staff will have greater confidence in the ability of the Council to drive economic development. This will be achieved over time by progressively establishing a single view for each customer and business and linking the associated records to wider demographic records.</p> <p>Improvements to the way businesses interact with the council will further support economic development.</p>
<p>Reaching full potential in education and employment:</p>	<p>Improved access to information and the development of joined up targeted services will enable customers to access new training and employment opportunities, allowing them to reach their full potential in education and employment.</p> <p>New technology will promote new skills for staff</p>

	<p>and for communities. Staff and Elected Members using new or more technology will gain confidence as their familiarity grows. As service improvement drives new technology investment into communities, the skills and confidence of those using it will also grow.</p>
<p>Individual and collective self esteem – mutual respect</p>	<p>A key element of the service transformation is about involving customers in the continuous improvement of services. Information will be made more freely available to customers, allowing them to build up an accurate picture of their neighbourhoods and the resources allocated to them. This will empower customers, allowing them to have a greater say in how their neighbourhoods can be improved.</p>
<p>Neighbourhoods of Choice</p>	<p>Accurate information, which provides a better understanding of our customers' needs and behaviours and which is shared between agencies is more likely to result in coordinated interventions and initiatives at a neighbourhood level. This, combined with the potential to better inform customers and communities, will increase customers' trust in the work agencies carry out in neighbourhoods and may well produce an increase in individual and group participation in interventions and initiatives that result in behavioural change and contribute to the shaping of services.</p>
<p>Improving council and community leadership</p>	<p>Good quality and timely information on customers' needs and service effectiveness will be made easily available to leaders in our Council and our communities to support their decision-making. Information will be managed in a way that ensures that strategic, business and policy decisions are based on sound evidence and will enable the Council to better lead and participate in partnerships.</p> <p>The internal HR, Finance, Procurement and Payroll operations will continue to be improved through further investment and deployment of SAP.</p>
<p>Developing our workforce to deliver high quality services</p>	<p>The service transformation will include a training programme to provide our employees with support</p>

	<p>and improved information to enable the delivery of high quality, customer-focussed services. This will include a basic understanding of the core technologies and systems used in the Council. Technology will enable staff to work in more flexible ways and allow them to be more responsive to customers. Greater flexibility will enable staff to be happier through improved work life balance. Managed information relating to our workforce will assist in meeting the People Strategy, our skills pledge and in maintaining our IIP accreditation.</p>
<p>Ensuring customer and neighbourhood focus and equality of opportunity in employment and service provision</p>	<p>Many Council services, and some partner agencies, independently receive and record feedback from customers relating to their neighbourhoods. A collective view of customers' wishes for their neighbourhoods will ensure all agencies working at a local level have a clear understanding of where their efforts need to be directed.</p> <p>Integrating the service transformation strategies with our Community Engagement Strategy and neighbourhood focus will allow us to improve access and deliver more appropriate services to all customers. Improving the way we use feedback that we receive from our customers will help us to monitor the effectiveness of services for all Manchester communities. This will ensure equal opportunities for all citizens and communities.</p>
<p>Managing our performance and risks to ensure we deliver our objectives</p>	<p>Performance management will be enhanced by better customer intelligence, and effectively recording and sharing customer data will strengthen risk management.</p> <p>Good quality information will lead to better decision-making, improved performance, and the effective management of risk. The service transformation strategies will ensure that the right performance information is available to the right people at the right time and will ensure that adequate governance arrangements are in place and that employees and managers alike have the appropriate tools to do the job.</p>

Full details are in the body of the report, along with any implications for:

- Equal Opportunities Policy

- Risk Management
- Legal Considerations

Recommendations

The Committee are asked to note that on the 27th May, 2009, the Executive will be requested to approve the release of funds through the Capital Programme Gateway process to implement the programme of works as set out in this report as follows:

1. An increase to the Capital Budget by up to £5.8m over the next 3 years in support of the following projects:
 - CRM Roll Out
 - Information Strategy implementation
 - SAP Optimisation / Roll Out
2. An increase to the Capital Budget by up to £1.2m over the next 2 years in support of the project to create the Corporate Contact Centre.

It should be noted that capital resources have been reserved as part of the budget process to implement this programme of work. The procurement of the associated components, i.e., software, hardware, development, building works will comply with the Council Procurement Frameworks. This will ensure that Value For Money is achieved and all current market offerings are considered during the assessment phase.

The revenue funding associated with this programme of work has been approved by Executive on 11/2/09 as part of the Medium term Finance Plan 09/10 to 10/11 and Revenue Budget 2009/10.

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Background Documents:

Customer Services Strategy (CSS)
Information Strategy
Information and Communication Technology (ICT) Strategy

1. Introduction

This report provides the context for and details of the programme of capital works required to develop and implement a Corporate Customer Relationship Management (CRM) System, the Information Strategy, the roll out and optimisation of SAP technology and the Corporate Contact Centre.

2. Background

The Manchester Improvement Programme (MIP) is delivering a portfolio of projects and programmes supporting service improvement across the Council to deliver the vision of the Corporate Plan and Community Strategy. During 2008, MIP was commissioned to deliver a number of key strategies to drive forward transformational change:

- Customer Services Strategy (CSS)
- Information Strategy
- Information and Communication Technology (ICT) Strategy

Collectively the strategies are referred to as the Service Transformation Strategies that provide a co-ordinated, joined up approach to creating sustainable, transformational change. The outcomes of the strategies are summarised below:

People:

- A new customer service vision, driven across our organisation by embedding customer service values in recruitment, appraisal, and training;
- The staff, technology and operating model to develop modern, welcoming customer service environments located in the Town Hall complex and in local libraries, starting with the Town Hall Service Centre (THSC);
- Improved systems for staff, including default open-access to all staff diaries, self-managed resource bookings, and an updated and improved contact directory;
- Mobile and flexible working solutions that will increase service effectiveness and efficiency;
- A facilitated ICT training and support programme;

Processes:

- A central telephone contact channel – the Corporate Contact Centre (CCC), open to suit customer demand, with multi skilled operators who can deal with enquires efficiently and effectively, and resolve most enquires at the first point of contact;

Technology:

- An integrated Customer Relationship Management (CRM) System, that

- supports a single view of our customers and neighbourhoods;
- An improved website, offering more transactional services and, opportunities for self-service;
- An Information and Security Review that will improve storage of information and identify and mitigate against data security threats;
- A technology enabled, Council-wide performance management system;
- An Electronic Document Records Management Systems (EDRMS) that improves information management and supports a single electronic mailroom;
- A Ward Portal, accessed through the website, providing customers with access to ward level services and information, such as Council spending at ward level, Elected Members surgery diaries, planning applications and wider Council initiatives;
- Further utilisation of SAP technology to improve service delivery and achieve efficiency savings.

The outcomes are dependant on the following programme of work:

- Customer Relationship Management (CRM) Roll Out
- Information Strategy Implementation
- SAP Optimisation/Roll Out
- Corporate Contact Centre Implementation

3. Customer Relationship Management (CRM) Roll Out

3.1 Overview

The delivery of an integrated Customer Relationship Management (CRM) System, will support a single view of our customers and neighbourhoods, and will facilitate improved information sharing and business planning to ensure services are fully responsive to their customers' needs. It will enable the Council to develop common business processes therefore delivering efficiencies. The delivery of the CRM solution is required to support the Customer Services Strategy (CSS), Information Strategy and the Town Hall refurbishment plans.

The CRM will support the development of a:

- new Town Hall Service Centre to support face to face customer contact
- consolidated Corporate Contact Centre
- 24 hour 7 day customer self service via the Council Website.

3.2 Capital expenditure

Capital funding for CRM will cover the following areas of expenditure:

Phase 1 – Town Hall Service Centre

- Hardware
- CRM Licences
- One off product configuration and training by the supplier

Phase 2 – Environment on Call

- Hardware
- CRM Licences
- One off product configuration and training by the supplier

Phase 3 – Other Services

- One off product configuration and training by the supplier

The existing CRM system is provided by SAP. A procurement process will follow the Corporate Procurement OGC Catalyst Framework for the provision of the new CRM system. Suppliers will provide tenders and a full system evaluation will be undertaken on all short-listed suppliers of the CRM system. SAP is a potential option for suppliers and will be included in the evaluation process if proposed by a supplier.

4. Information Strategy Implementation

4.1 Overview

The Information Strategy will enable the Council to analyse, use and where appropriate share the information held for the benefit of its customers. It will enable a single view of customers to be established to support service planning, performance management and an accurate view of our citizens and community.

The Information Strategy will ensure the Council has the guidelines and safeguards required to ensure information is used intelligently and securely, whilst respecting the privacy of our customers. The Information Strategy will deliver:

- **Information Security Solutions** - developing a culture that values, trusts and shares good quality information effectively inside and outside the Council to safeguard confidentiality.
- **Single view of the customer** – developing a single view of our customers to ensure services are fully responsive to their needs. Provision of quality information about services and the use of technology to enable efficient and valued interaction with the Council.
- **Performance Reporting** – effective use of information in performance management, business planning, decision making and use of resources.
- **Ward Portal** – use information to support neighbourhood working, ward coordination and to improve customer engagement.
- **Electronic Document Records Management System (EDRMS)** – improves information management, reduces storage of paper-based information, and enables all records to be quickly retrieved and information to be shared centrally.
- **Census information** – provision of accurate and up to date information to ensure that the Council is in a position to provide an accurate population estimate ahead of the 2011 Census, indicate to ONS where they may find

population areas difficult to count and how information sources have been analysed to provide accurate results.

4.2 Capital expenditure

Capital funding for the Information Strategy will cover the following areas of expenditure:

Information Security Solutions

Phase 1 - Information Technology Data Encryption Solution to cover mobile devices (Hardware / Software and one off product configuration and training by the supplier)

Phase 2 – Information Technology Data Encryption Solution to cover other security risk areas ((Hardware / Software and one off product configuration and training by the supplier)

Data Warehouse

A data warehouse is required to be set up in support of the single customer view, performance reporting and census elements of the Information Strategy. Requirements are:

- Computer Hardware
- New Disk Storage Units
- New Database licences
- New Software Licences for manipulation and management of data

Electronic Document Records Management System (EDRMS)

Phase 1 – 2009/10 – In support of the Town Hall decant

- New computer hardware / new EDRMS licences and one off product configuration / training by supplier

Phase 2 – 2010/11 – Roll out of solution across other service areas

- Additional EDRMS licences and one off product configuration / training by supplier

Phase 3 – 2011/12 – Completion of solution across Council

- Additional EDRMS licences and one off product configuration / training by supplier

The Council will follow the Corporate Procurement process to open market using the Pre-qualifying Questions (PQQ) process for the provision of the EDRMS system.

5. SAP Optimisation/Roll Out

5.1 Overview

The Council has already made a substantial investment in SAP technology. Following analysis with services during September-December 2008 additional areas of SAP technology development have been identified which provide the Council with opportunities to improve service delivery and achieve efficiency savings.

This work has identified the following opportunities:

- **Employee Self Service (ESS) / Manager Self Service (MSS)** which enables Managers and Staff to access, review and request a number of personnel information which supports better management of staff and employee self service, such as:
 - Submission of travel and expenses
 - View/amend personal information
 - Submit requests for leave and access to team calendars
- **e-Recruitment** – providing an enhanced, cost effective online application process to manage and process online applications.

5.2 Capital expenditure

Capital funding for SAP Optimisation/Roll-out will cover the following areas of expenditure:

Employee Self Service (ESS) / Manager Self Service (MSS)

- New Software (Nakisa Organisation Charting Software licences)
- Entry level licence
- ESS / MSS one off product configuration and training by supplier.

e-Recruitment

- SAP e-recruitment upgrade (version 3 to version 6) covered by existing support agreement
- One off product configuration and training by supplier

The Council will procure the additional SAP development in line with the existing framework agreement for the procurement of SAP related development.

6. Corporate Contact Centre (CCC) Implementation

6.1 Overview

The establishment of a Corporate Contact Centre (CCC) is key in offering customers a high quality, high performing telephone contact channel that:

- integrates service delivery (regardless of Council service);
- is responsive to customer demands;
- enables the resolution of large volumes of customer enquiries at the first interaction;
- offers high levels of customer service and satisfaction.

The project will consolidate existing service-based telephone contact centres into a single Corporate Contact Centre in a single location, with harmonised processes, a unified operating model, cross-skilled staff and utilising standardised ICT, including the corporate CRM solution.

The consolidation will initially consist of all existing contact centres, currently defined as Adult Social Care (Contact Officer Service), Family Information Service, Town Hall Switchboard, Revenues and Benefits, the telephone element of Manchester Advice and Environment on Call. The CCC will be located at Pink Bank Lane to utilise existing contact centre infrastructure in place within Environment on Call.

The intended outcomes of this project will be that the Corporate Contact Centre will handle high volumes of customer contact with increased opening hours to meet customer demand, as appropriate. The Contact Centre will handle telephone calls, emails and texts, and as knowledge increases within the Contact Centre more customer requests will be resolved at the first point of contact, thereby reducing demand in the back-office.

The CCC will enable service improvement, as a result of the business intelligence and insight that is provided from information gathered within the CCC operation. On the basis of this information and service improvements resulting from its analysis, the Council will have the opportunity to change its working practices in order to modify customer behaviour at the neighbourhood level. The consolidated view of the customer compiled within the CRM system will be a significant factor in enabling this process and as such the CCC is defined as Phase 2 of the Corporate CRM rollout (following the Town Hall Service Centre).

6.2 Capital expenditure

Capital funding for the Corporate Contact Centre will cover the following areas of expenditure:

- Refurbishment of office space at Pink Bank Lane to the same standard as the Environment on Call centre incorporating the following elements:
 - New telephony switch, communications cabinet, network points and cabling (voice and data) and telephone handsets
 - Refurbishment of premises including new ceilings, flooring, lighting

- Signage and display, first aid and fire equipment
 - Furniture for new contact centre workstations (desks, chairs, pedestals etc)
 - Mechanical and Electrical Air Conditioning upgrades
 - Additional upgraded uninterruptible power supply
 - Corporate Technical Services on-cost for design and build works at 5%
- Additional Contact Centre Technical Infrastructure for additional contact centre seats (computers, plasma wallboards)
 - Set-up of enhanced security infrastructure to support 24 hour 7 day Access

The Council will adopt the Capital Programme's Framework 3 procurement process to undertake the building works to ensure Value For Money is achieved.

7. Contributing to the Community Strategy

(a) Performance of the economy of the region and sub region

By ensuring the services we provide meet the needs of all our customers and are supported by the appropriate technological infrastructure we will create a city where businesses want to invest and people want to move to and stay.

(b) Reaching full potential in education and employment

Improved access to information and services will enable customers to access new training and employment opportunities, allowing them to reach their full potential in education and employment. New technology will promote new skills for staff and for communities. Staff and Elected Members using new or more technology will gain confidence as their familiarity grows. As service improvement drives new technology investment into communities, the skills and confidence of those using it will also grow.

(c) Individual and collective self esteem – mutual respect

A key element of service transformation is involving customers in the continuous improvement of services. Information will be made more freely available to customers, allowing them to build up an accurate picture of their neighbourhoods and the resources allocated to them. This will empower customers, allowing them to have a greater say in how their neighbourhood can be improved.

(d) Neighbourhoods of Choice

Accurate information, which provides a better understanding of our customers' needs and behaviours and which is shared between agencies is more likely to

result in coordinated interventions and initiatives at a neighbourhood level. This, combined with the potential to better inform customers and communities, will increase customers' trust in the work agencies carry out in neighbourhoods and may well produce an increase in individual and group participation in interventions and initiatives that result in behavioural change and contribute to the shaping of services.

8. Key Polices and Considerations

(a) Equal Opportunities

The introduction of CRM will allow the Council to improve access to services for all our customers through the deployment of the Corporate Contact Centre, Town Hall Service Centre and 24*7 Web access to services. Improving the way we use the feedback that we receive from our customers will help us to monitor the effectiveness of these services for all Manchester communities. This will ensure equal opportunities for all citizens and communities.

CRM will ensure that the Council operate standard business processes when interacting with all customers and will provide improved management information regarding customer behaviour from all communities for use by Service Management in designing improvements to service delivery.

By collating and presenting information at ward level, the development of the Ward Portal will enable comparisons to be done across wards and will enable the Council to ensure that resources are being targeted for all Manchester Communities.

The implementation of the Information and ICT Strategies will comply with Equal Opportunities policies both in relation to staffing arrangements, and in the provision of equal access to services by customers in the operating models that are introduced.

The creation of the Corporate Contact Centre will comply with Equal Opportunities policies both in relation to the staffing of the centre, and in provision of equal access to services by callers in the operating model that is introduced.

(b) Risk Management

The Information and Customer Services Strategies enabled by CRM will support the development of a single view of our customers. Better customer information will directly contribute to improved risk management across the organisation. When aligned with improved access channels to services, this will reduce the potential risk of vulnerable customers failing to receive an appropriate service and provide a joined up approach to business continuity.

Risk is being managed within the consolidation of services to create a Corporate Contact Centre, by the proposed implementation method. The addition of contact operations one at a time, will de-risk the implementation. Additionally, the Go/No-Go review at the end of the first phase will give the

project team the opportunity to halt the implementation if there are issues that need to be resolved prior to undertaking further phases. Finally, the People-Process-Technology approach will ensure that the migration of staff and getting this aspect of consolidation right in the first instance is not complicated by undertaking simultaneous process change and technology implementation which may otherwise complicate the implementation and introduce further risk. Structured project management methodologies will be used in the course of the project to manage risks associated with the implementation.

(c) Legal Considerations

There may be potential legal considerations related to the harmonising of contact centre staff terms and conditions of employment as contact operations are consolidated into the Corporate Contact Centre. However, this harmonisation will be undertaken with due involvement of corporate personnel and trade unions to ensure appropriate handling of any legal issues.

Maintaining and sharing information on customers will have potential implications related to the Freedom of Information and Data Protection Acts. The development of business processes associated with the collection, storage and use of this information will take due consideration of all legislative guidelines and protocols.