



Department of the Treasury San Francisco Financial Center Customer Advisory Board Meeting

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Agenda

- Vision and Mission
- What is Shared Services – Definitions and Benefits
- What is the NASA Shared Services Center?
- Shared Services – A Value-Added Business Model
- Return On Investment
- Success of the NSSC
- Accomplishments and Awards
- Key Challenges
- New Business
- 2006 - 2011





NASA Shared Services Center - Vision and Mission



Vision:
Unparalleled Service



Mission:
To provide timely, accurate, high-quality, cost-effective, and *customer-focused* support for selected NASA business and technical services.



What is Shared Services – Definitions and Benefits

- What is Shared Services?
 - An approach for providing commonly used services to multiple organizations to achieve economies of scale without losing customer focus
 - A business model for delivering support services
 - » Centralization is not shared services
 - » Consolidation is not shared services
- What are the benefits of the NASA Shared Services Center?
 - For select business services, the NSSC provides high-quality products at a cost savings to the Agency
 - Cost savings and quality service are achieved through
 - » Consolidation
 - » Standardization
 - » Automation



What is the NASA Shared Services Center (NSSC)?

- Performs a variety of transactional and administrative activities in four lines of business:
 - Procurement
 - » Grants, SBIR and STTR Contracts, Agency-wide Contracts
 - Financial Management
 - » Accounts Payable, Accounts Receivable, Payroll, Financial Reporting
 - Human Resources
 - » Benefits, Personnel Action Processing, SES Case Documentation
 - Information Technology
 - » Enterprise License Management, Tier-1 Help Desk



Shared Services as a Value-Added Business Model

- The benefits of a shared services business model are more than financial
 - Improved services: NSSC's cross-cutting infrastructure such as the contact center, customer service web, document imaging, and service recovery plan add structure to the management of customer interactions
 - Leveraged buying: the NSSC expanded use of the Institute of Electrical and Electronics Engineers (IEEE) library consolidated contract from five to seven Centers
 - Improved processes: the NSSC redirected \$4.3M by using credit cards in lieu of purchase orders to pay for external training
 - Standardization: consistent interpretation and application of policy ensures equity; and, consolidating work in one location (from 10 Centers to the NSSC) and standardizing processes makes it easier to change processes or fix problems
 - Increased and more efficient use of technology: high-volume makes it easier to identify and prioritize system changes
 - Full cost of delivering support services is captured and major cost drivers are identified



Return on Investment

- December 26, 2008: the NSSC announced the \$35M financial investment the Agency made in establishing the NSSC had been paid in full
 - Payback was 3.67 years instead of the projected 3.54 years
- Currently exceeding the initial savings estimate of \$6 to \$8 million per year and on track to recognize savings of \$12-\$16 million a year
- The NSSC has the potential cost avoidance/savings to the Agency of \$209M through 2015

Success of the NSSC

- Number one factor for the NSSC's success...

...Commitment to Customer Service!

- Transparent metrics and financials – provided monthly to our customers
- Process reengineering to improve services for our customers
- Robust customer satisfaction survey program to measure customer satisfaction and to solicit improvements from our customers
- Mandatory Customer Service/Service Recovery Training for all employees to provide exceptional service to our customers
- Dedicated to achieving our Vision and Mission
- Multiple venues for customer issue/problem resolution (e.g. Customer Contact Center, Customer Service Website)



Success of the NSSC (continued)

- Benchmarked by other Federal agencies – we're doing great things and others are noticing!
 - Health and Human Services (HHS) – November 2010
 - Central Intelligence Agency (CIA) – October 2010
 - National Security Agency (NSA) – August 2010
 - State of Mississippi Governor's Office – December 2009
 - Department of Treasury – September 2008
 - Forest Service – January and May 2008
 - National Geospatial-Intelligence Agency (NGA) – April 2007
 - State Department – June 2006



Accomplishments

- January 2011: The NSSC Customer Contact Center has been selected as a finalist in the categories of Technical Excellence and Overall Excellence for the tenth annual Government Customer Support Excellence Awards
- August 2010: Corporate Executive Board “Force of Ideas” Award winner for Shared Services Performance Measurement – Advanced Shared Services Category; award recognizes best demonstrated practices, key business processes, and the creation of sustainable, measurable value
- August 2009: Enterprise Licensing Management Team (ELMT) cited on White House website as an innovative acquisition best practice



Accomplishments (continued)

- March 2009: Winner of Best New Captive Shared Services Organization Excellence Award; recognizes the most successful shared services organization launched within the last three years; nationally recognized as the highest accolade for shared services organizations; and runner-up: Wal-Mart Stores, Inc.
- January 2009: Help Desk Certification by Help Desk Institute
- March 2008: Government Information Technology Executive Council (GITEC) Project Management Excellence Award in the category of Cost Savings / Cost Avoidance (OMB)
- March 2007: Second Place - Best New Shared Services Organization Excellence Award
- Met or exceeded 92.9% of SLIs since “go-live” in March 2006 (94.9% in FY10)



Key Challenges

- Staffing
 - Acquiring the right person with the right skills for the right job
- Cost containment
- Cultural changes
 - Continuous improvement
 - Business acumen
 - Fiscal and process discipline
 - Transparency leading to a new level of accountability
 - Balancing policy, processes, service levels, and cost
- New Business opportunities
 - ESD/ESRS, ACES, I3P Business Office transition



New Business

- Enterprise Service Desk (ESD) - Tier-1 Service Desk (estimate an additional 30-40 employees)
- Enterprise Service Request System (ESRS) - Customer-focused searchable catalog for I3P orderable services
- Agency Consolidated End-user Services (ACES) - Program management, provisioning, and support of desktops, laptops, cell phones, personal digital assistants (PDAs), and office automation software (currently under protest)
- IT Infrastructure Integration Program (I3P) - Business Office
- ESD/ESRS Phase 2
- Business Cases under consideration
 - Software Services Management
 - Project-Funded Training Purchases
 - Strategic Sourcing Initiatives for Laboratory/Electronic Equipment IDIQ Contracts



NSSC Metrics - Then versus Now

Description	FY 2006	FY 2010	FY 2011 (First Quarter)	Totals since Go Live – March 2006
Employees	279 (Feb 06)	522	525	525
Activities	10	52	52	52
Customer Inquiries	8,851	88,444	21,206	380,583
Grants (Awards & Funding Supplements)	686	5,443	704	16,385
Travel Vouchers	25,420	75,269	16,823	346,617
AP Transactions	0	87,476	20,199	227,789
Initial Calls Resolved	4033 @ 91%	29,078 @ 97%	5,762 @ 93%	153,855 @ 97%
Budget	\$41M	\$58.4M	\$15.5M	
Payroll	\$30M	\$51.2M	\$13.4M	



September 2006 – Activities

Activity by Center	ALL
Payroll	
Domestic Travel	
Foreign Travel	
PCS (6) Travel	
PCS (15) Travel	
PCS (30) Travel	
Agency Honor Awards	
Off-site Training	
SES Appointments	
Grants	
Initial Call Resolution	
Call Response Rate	
Website Availability	

Legend:

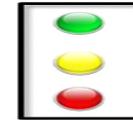
	Met or Exceeded SLA
	0 – 5% below SLA
	>5% below SLA



December 2010 – Activities

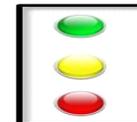
Activity	DECEMBER
Accounts Payable - On Time Payments	G
Accounts Payable - Int. < \$200/MM	G
Payroll	G
Domestic Travel	G
Foreign Travel	G
PCS (6) Travel	G
PCS (15) Travel	G
PCS (30) Travel	G
Relocation Assistance - Prudential	G
NASA Awards & Recognition Processing	G
Off-Site Training	G
Internal Training <25K	G
Internal Training >25K	G
SES Appointments	G
SES CDP Mentor Appraisals	G
Retirement Estimate - 10 day	G
Retirement Estimate - 20 day	G
Retirement Estimate - 45 day	G
Retirement Processing - 10 day	G
Retirement Processing - 20 day	No Activity
eOPF - 15 Day	G
eOPF - 25 Day	G
Personnel Action Processing	G
Grants	G
Grants Supplements	G
SBIR / STTR - Phase 1	No Activity
SBIR / STTR - Phase 2	No Activity
SBIR / STTR - Phase 2 - Modifications	G
Initial Call Resolution	G
Call Response Rate	G
Call Abandonment Rate	G
Website Availability	G

AP Legend:



≥ 98%
 < 98% & ≥ 97%
 < 97%

Legend:



Met or Exceeded SLA
 0 – 5% of stated target SLA
 > 5% of stated target SLA



Back-Up Slides



Lessons Learned – Strategy

- Make it about the model; emphasize the superiority of the shared services support model, not the dedication of the workforce, superiority of the SSO leadership, etc.; when we make it about the SSO and not about the model, we inadvertently create ill will that we must overcome later
- Tag and bag the savings
- Top-down commitment must permeate down through all levels of the organization to the lowest levels...usually where the greatest resistance resides



Lessons Learned – Process

- Strong functional and corporate leadership facilitates transition
 - Timely policy decisions
 - Process ownership
 - Transition is an opportunity for improvement
- There are four pitfalls the SSO can avoid by exercising due diligence in the planning phase of the transition to shared services:
 - Underestimating the volume of work
 - Vague or ill-defined scope
 - Underestimating the rework
 - Signing up to unrealistic expectations
- These force the SSO to raise rates or renege on service levels which damages the SSO's credibility



Lessons Learned – Process (continued)

- The least offensive process is often the least efficient
- Validate SLIs before transition
- Equal attention should be given to how rejects are handled
 - Design the optimum process for handling rework
- Baseline the pre-transition process
 - Volume
 - Timeliness
 - Quality (conduct a pre-transition failure analysis)
 - Customer satisfaction



Lessons Learned – Process (continued)

- Develop a Service Recovery Plan (including communication templates) for common service failures in advance
 - Systems outages
 - Network failures
- Resist designing a process that involves customers in performing the work
 - Requires customer to retain resources
 - Resources remain with customers when
 - » Focus is on the least offensive process design rather than the most efficient
 - » The SSO is not given the authority needed to handle failures, necessitating customer involvement



Lessons Learned – Process (continued)

- Resources remain with customers when (continued)
 - » The process is designed by people who currently perform the work (higher-level review is absent), predictably leading to customers continued involvement in the work
 - » The scope of work is not clearly understood or defined
 - » Customers insist on unique requirements outside of the standard process
 - » New systems do not deliver all the promised functionality
 - » Work that must be performed on site is not identified up front

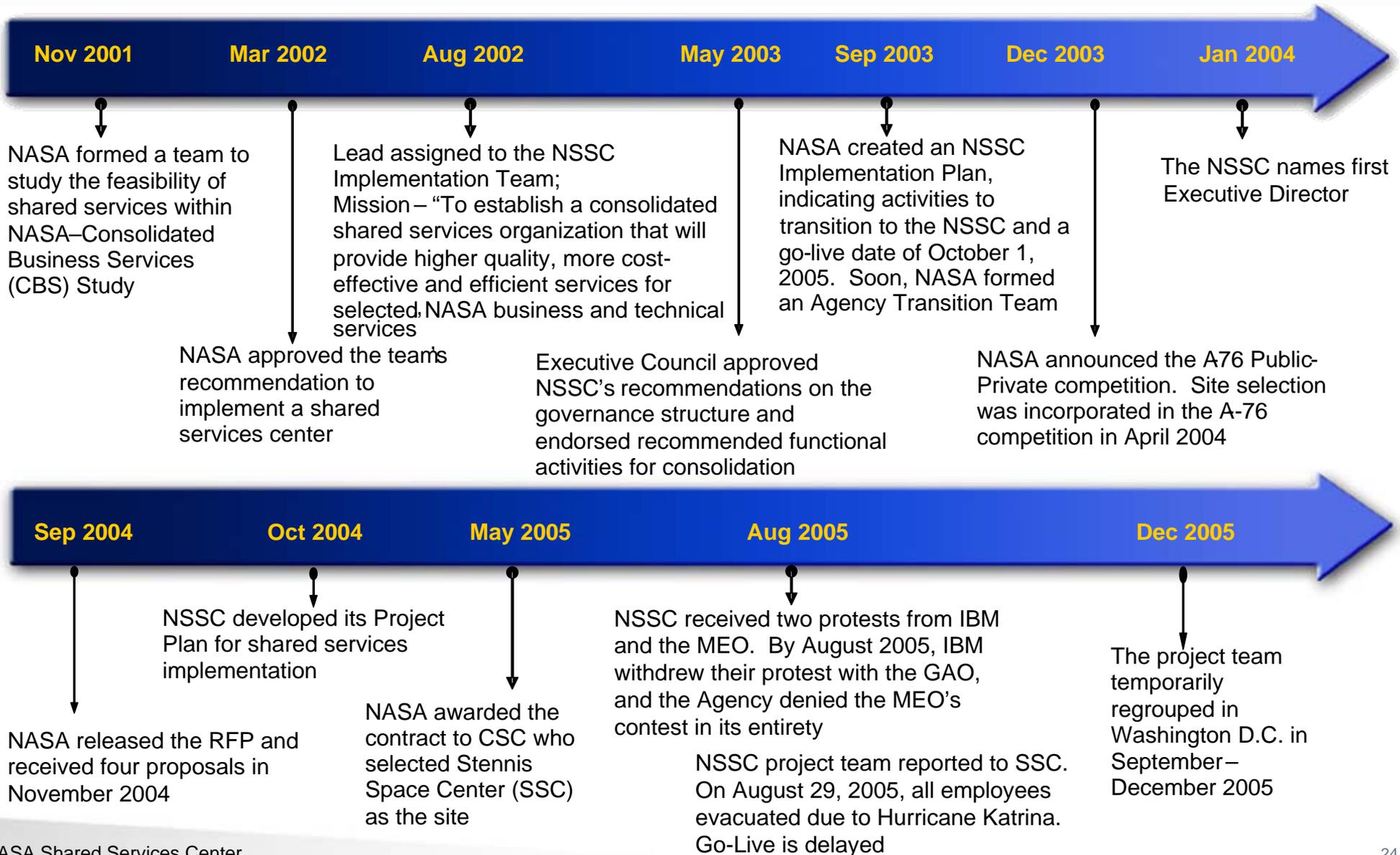


Lessons Learned – Systems

- A smooth running end-to-end Electronic Document Management System
- Identify business intelligence gaps
 - Adequacy and source of data needed for end-to-end insights into the process
 - Adequacy and source of data to measure and monitor performance
- If possible, avoid transitioning an activity at the same time a new system is being deployed
- Insist on documentation for home-grown applications transitioning to the SSO

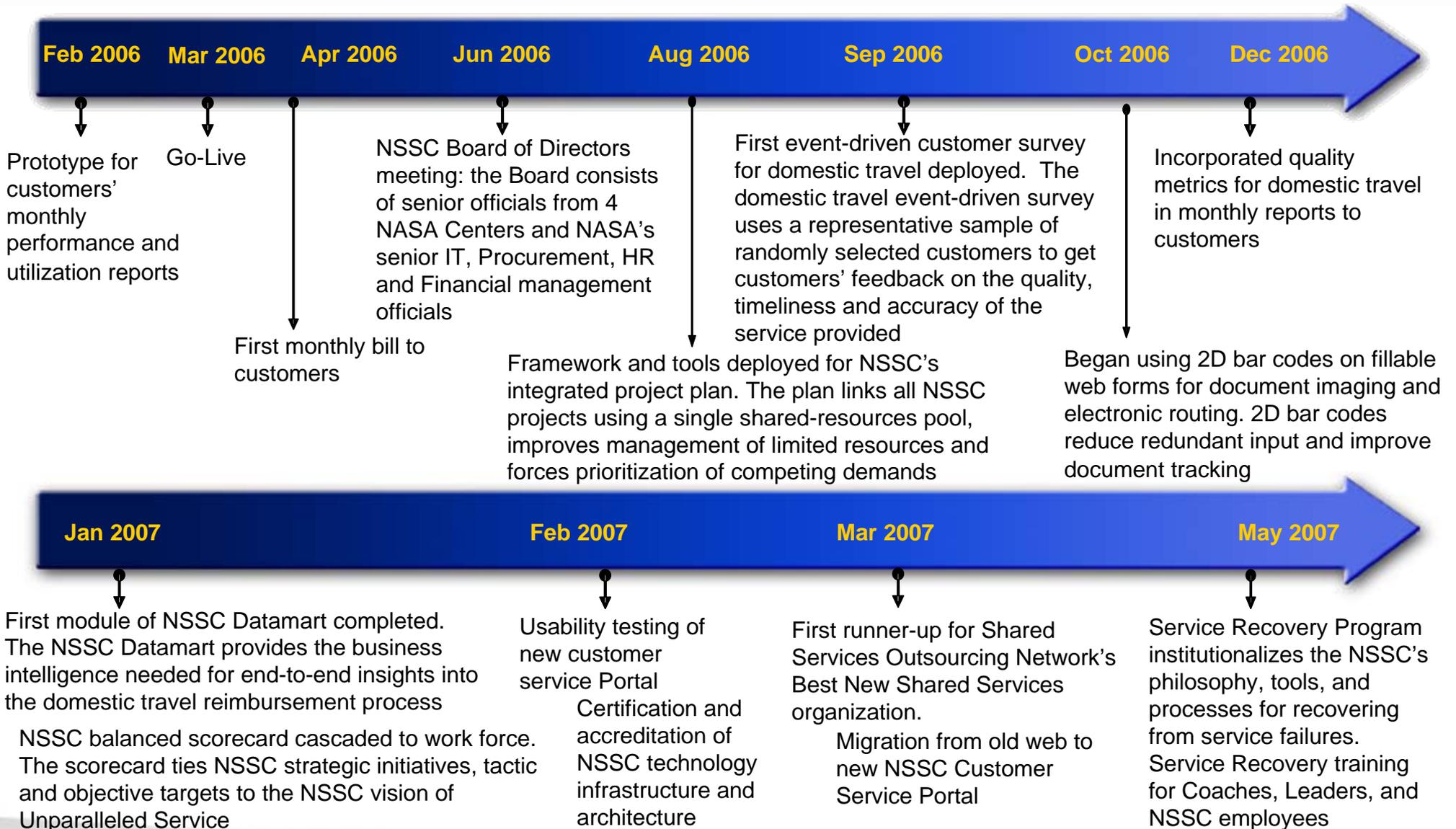


The NSSC's History



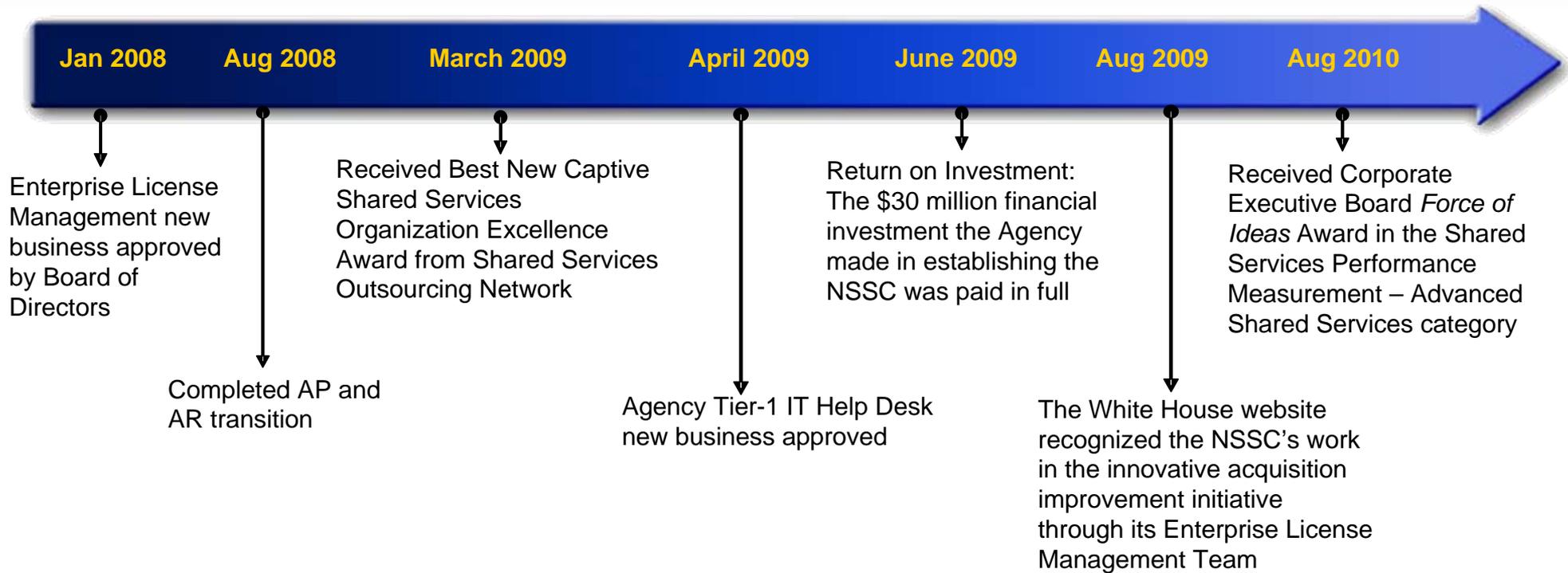


The NSSC's History (continued)





The NSSC's History (continued)





NSSC Transition Schedule By Service (continued)

