

# Professional Services

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## *Delivering World Class Public Services for the People of Wales*

Andrew Davies, Minister for Finance and Public Service Delivery, sets out his vision for the delivery of public services in Wales.

**As Wales changes, so must our public services. They are currently undergoing a revolution due to rising expectations, demographic shifts and changes in technology. They have to respond to a world of more diverse populations and more complex circumstances.**

The age of standard, 'one size fits all' public services are rapidly disappearing. The citizens and service users of Wales want to make their own decisions about their futures and they want service providers to engage with them on their own terms. They want services which are tailored to the individual or community, more responsive to their needs and circumstances. And vitally, these services must be integrated and 'joined-up'.

This is a challenge facing all those who provide public services. In the private sector, the best are responding by making the citizen's experience the key issue for every level of their organisation.

The challenge facing public services is even greater – we must place the citizen and user at the centre of all that we do. This approach is the key element of our agenda following the Beecham review, 'Beyond Boundaries'. This landmark publication concluded that service performance in Wales was patchy and that barriers to improvement included complexity in the machinery of government and service delivery, over-stretched capacity, and a public service that was not sufficiently ambitious.

We have made substantial progress in addressing these issues. Wales has the potential to become an exemplar of small country governance. We must achieve and maintain high levels of performance, whilst ensuring that public services interact seamlessly with each other. Importantly, we must make the service user's voice powerful in the way we design and deliver services. By doing all of these, we can transform public services.

As a Government we have big plans for Wales, and I am determined that our

public services should be comparable to the best in the world. To achieve this ambition, we must adapt. This makes innovation absolutely crucial. Innovation driven by pride in what we do – wanting to be the best.

However, this change must also be driven by raising our game and challenging the way we do business. We need to close the gap between how things currently are and what the citizens' want and need. In the next few months I will be publishing the results of the 'Living in Wales' survey of people's experiences of ten areas of public services.

The findings offer some striking insights about where we need to be improving access and about people's appetite to be more involved in key service issues.

They also show just how important this kind of information is, not for its own sake but as a driver to improvement. If we are to provide services that deliver for the people of Wales, we need to know what they want and what they expect.

Over the past decade we have seen considerable growth in public expenditure and investment in our public services. However, we are now working in the context of a slower rate of growth in public spending. This means all parts of the public sector must work together to find innovative and imaginative ways of delivering services.

My role as a Minister covers two complementary elements – that of Finance and Public Service Delivery. The public sector must deliver value for the Welsh pound in all areas. The issue is not how much we spend, but how we spend it and the results we achieve. I want to see an end to inefficiency and duplication. Delivery and not inputs is the key.

The Welsh Assembly Government has policies in place to achieve this. We have set a target of £600m in efficiency gains by 2010 across public services. This saved money will be reinvested in front line services. Within the Assembly Government we are seeking to contain costs and reduce the burden we place on others. Across the public sector we are supporting and encouraging smarter procurement and commissioning better

management of estates. We are taking a more strategic approach to capital investment with the creation of the £400 million Strategic Capital Investment Board (SCIB).

I acknowledge that reform and change can be challenging and sometimes uncomfortable for those who have to achieve it. Nevertheless the interests of the citizen, and not those who deliver public services, should be our only concern. In Wales we have shown that we can respond to ongoing challenge of creating services fit for the 21st Century. We have the drive and policies to create the public services Wales and its citizens deserve.

# Foreword

Andrew Davies



## *Hugh James' London office – Earning a Reputation as a Centre of Excellence on Outsourcing*

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Ever since the 80s, the business world has been well aware that widget manufacturers should concentrate on making widgets rather than ancillary activities such as running fleets of lorries to transport widgets or making cardboard boxes in which to package the things.

Outsourcing – securing non core services from third parties – however, is not as simple as it may sound and entering into such arrangements requires considerable care and attention – not least in relation to the legal implications involved.

Indeed, so complex has the subject become, that the London office, set up by Wales' largest independent law firm, Hugh James, to specialise in outsourcing and procurement, is expanding to cope with the demand.

Outsourcing is now into its third generation market. A vast range of services including finance and accounting, procurement, IT, and HR are now handled by service providers. Outsourcing is often even more radical. Where once, widget manufacturers looked to outsource

services from the other side of town, they are now looking to Asia and they are not just looking at tertiary services. Rather, they are looking for Asian manufacturers to actually make the widgets, leaving the parent company to design, innovate and market (assuming they haven't outsourced marketing).

Outsourcing the Hugh James way calls for a combination of legal and technical business skills. An integrated approach to outsourcing acknowledges that it is not a simple procurement process. Among other things, it requires a sophisticated analysis of competences and costing and for advanced negotiating and legal skills.

To provide such a safe and effective service in this multi national market place, Hugh James' clients need to be confident their complex deals are being handled by experienced specialists. Projects which the firm has recently handled include the outsourcing of human resource services; insurance admin services and information technology platforms. The Firm has also been involved in complex negotiations involving the procurement of facilities management services across UK-wide sites and in working on public sector outsourcing projects.

The Hugh James London team has particular experience in handling outsourcing for financial institutions and in advising multi-national corporate clients on business process outsourcing. Its work also encompasses business transformation and off-shoring ranging across global sectors, including Government, IT, Telecoms and pharmaceuticals.

Hugh James set up in Canary Wharf in response to demand from the firm's increasing client list in Wales and London. The office is seen as a springboard for further growth and means the company can offer clients expertise in a comprehensive range of services across just about every aspect of corporate law.

The emphasis, at all times, is to provide clients with a seamless service whether they are in the private, public or corporate sector. Hugh James has been on a growth curve for some years and now has 720 employees and 50 partners. The critical mass means that the firm has the skills,

Outsourcing and Procurement Team  
Richard Lane, Alicia Young, Phillip Rees, Elizabeth Fletcher and Hywel Evans



resources and flexibility in-house to handle all of its client's requirements.

The days when any organisation, private or public, would employ vast numbers of staff – each beavering away in their own in-house department dealing with everything from canteen services to wages have long gone. Just like the professional services such as accountancy and legal advice, which have always been provided by outside firms, everything which is non-core is now handled by contractors. Global Outsourcing is a matter of increasing importance to business and Hugh James is ideally placed to further grow its influence and impact on the sector.

## Our Expertise

Members of the London team have advised on over £1 bn of transactions over the past two years including one of the largest off shore outsourcings in the closed book insurance sector. The project involved complex negotiations on TUPE, VAT structuring, Intellectual Property Rights ownership and Finance structuring covering both the UK and India.



## *Mapping What's Being Said About You in Cyberspace*

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In a world where GPS tracking and sat-nav guides our every move who needs maps? The answer is any company, organisation or individual who cares about reputation. We're not talking here about Ordnance Survey A to Z or scenic route maps but Web Maps, which tell you what people are saying about you on line.

**W**eb Mapping is one of the latest tools in the communications armoury. We have long known that a reputation, built up carefully over years of hard work, can be destroyed by a couple of careless words such as Gerald Ratner's "total crap" description of his firm's jewellery which, in 1991, destroyed the company and wiped out £500 million. Now, however, with the proliferation of the internet, blogging, MySpace, chat rooms etc, other people can say bad things about you or your service or product. Unless you know how to map what is being said, you will be none the wiser until your reputation crumbles, seemingly inexplicably around you.

NB: Ironically, after keeping his head down for a decade, Gerald Ratner successfully re-launched his jewellery career on-line!

The task of mapping or scanning the internet for references about you may seem daunting and, indeed, it is no simple matter. Good Relations, however, has developed a specialist service which enables us to monitor cyberspace on your behalf. It all gets a bit technical but in short, we help you identify potential on-line communities, then identify within them who are the key influencers. We can then analyse and track the issues they are talking about, and the spread of their influence. In other words, having agreed what areas and issues may affect you we search for comments and conversations which may have implications for you.

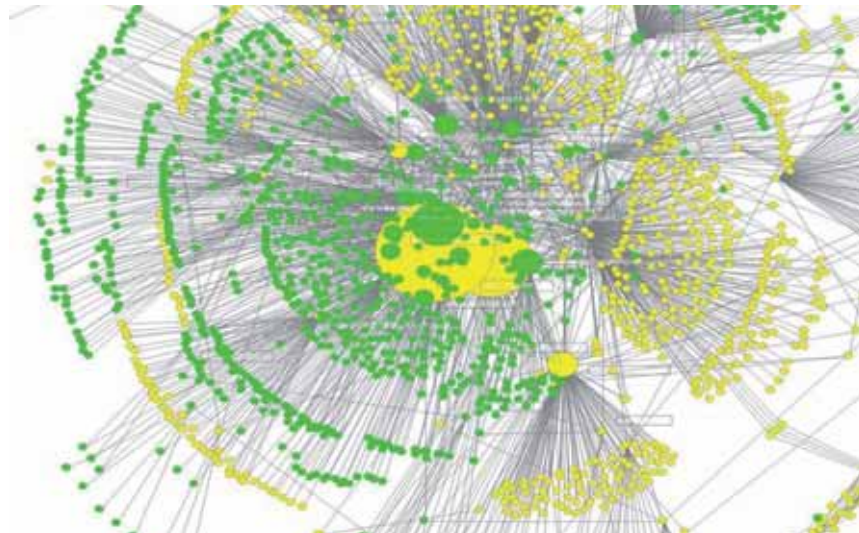
A prime example is the launch of Apple's MP3 player, the ipod Nano. A couple of users started conversing, on-line, about the way the device screen was susceptible to scratching and damage. That led to a few other people joining in the on-line chat, saying they, too, had had problems.

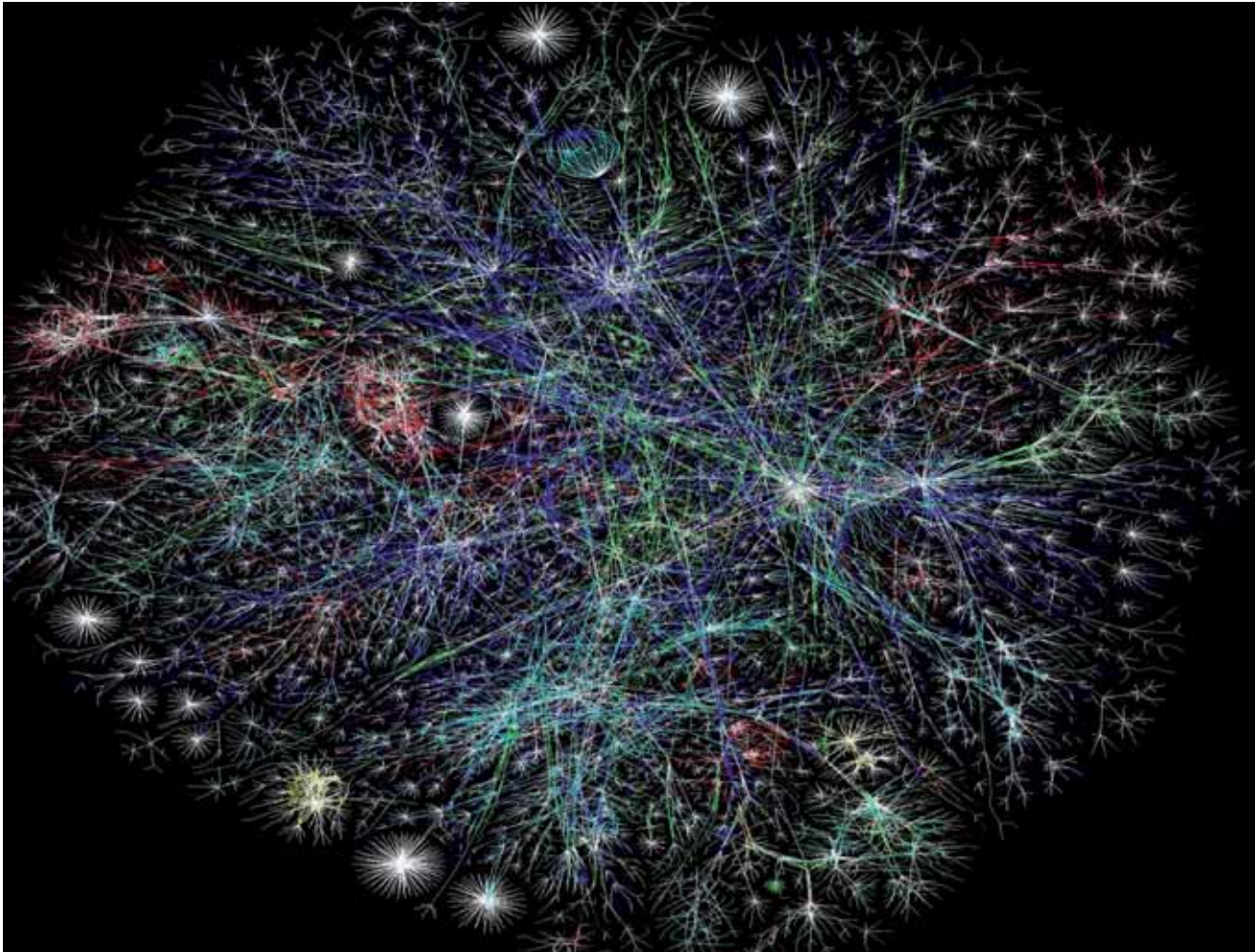
Before you could say "ipod Nano" the reputation of the device was in tatters. Journalists started writing about the problems and Apple was faced with a major crisis which had massive implications for their bottom line as potential purchasers shunned the Nano. Apple was eventually forced to issue a product recall in order to salvage the problems and the company's reputation. Having learnt from Apple's misfortune,

Good Relations Account Director Paul Shackson, mapping malicious and flattering web comments about clients



A typical webmap with a multiplicity of internet connections showing how 'hot news' spreads like wildfire on the web





Sony, when it launched its Playstation 3, monitored the web every four hours to keep a check on discussions about potential problems.

If the company had been aware, earlier, that its product was being rubbished, then it could have taken appropriate communications, marketing and public relations measures to address the situation. If appropriate, it could even have taken manufacturing steps to modify the device to rectify the nascent problems.

The success or failure of organisations depends as much, if not more, on what they say about what they produce or what they do than the viability of the product or service itself. That is why people who really care about their reputation commission professionals like Good Relations to help establish, develop and

protect their reputation. Whether you are in politics or manufacturing; academics or retailing people judge you and decide whether they will support you or buy your product based on what others are saying about you.

Typically, advertising will draw our attention to the latest eco-friendly go-fast car produced by Bloggs Motors. You may be tempted to buy, having road tested the vehicle but the clincher usually comes if you hear good things from a friend or read an article in a newspaper which praises the car. Equally, if you hear from a third party that the car isn't at all eco-friendly and is about as go-fast as a Trabant on a bad day, you will probably pass on the deal.

It is essential for Bloggs Motors, therefore, to ensure that the company has

an integrated communications strategy in place and that, embedded in that strategy, is a Web Mapping capability – just to keep an eye on what people may be saying about their wonder-car.

The list of services lumped in under the generic banner of 'Public Relations' is massive. Strategic Planning; Media Relations; Issues Management and Crisis Handling; Media or Interview Training; Press Office Services; Media Monitoring are just a few. And now Good Relations has added Web Mapping to the list of specialisms available to its clients. If you want to learn more – or to find out what people are saying about you – get in touch.