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Streamlining Information Technology Services in Local Government

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Streamlining Information Technology Services in Local Government

Subject Key Words: Intermunicipal Collaboration, Technology,
Service Delivery, E-Government

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Abstract

This research paper examines the outcome of the City of Toronto's Shared Services foundation project. Drawing on the lessons learned from previous shared services projects at the City, it aims to answer the question: "What factors promote or discourage shared services between a local government and its agencies?" The paper conducts a systematic literature review with the aim of discovering a candidate set of factors that promote or discourage participation in shared services between a local government and its agencies. It then uses the literature review to explore the potential for future shared services between the City of Toronto and its agencies. Documentary research of the City of Toronto shared services' archival documents and external websites is performed. Employing content analysis methods and a desk research strategy, the paper finds that clearly articulated benefits such as long-term financial sustainability, risk management, and compliance are critical incentives for shared services implementation. Committed senior leadership, a phased approach to implementation, and common IT applications are critical success factors. This paper will contribute to the decision making capability of the City of Toronto's Division heads as well as the inter-agency shared services body of knowledge. It will also connect to the broader public administration conversation of multi-level governance and the relationships between special purpose bodies and their home municipal governments.

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Introduction

Change is a constant feature in local government. Thus the need for change in local government service provision is ongoing and changes in the economy, demographics, technology, and other factors help determine public service need and scale (Henderson 2015). Given this fact, economies of scale and transaction costs justify the use of consolidation or coordinated service provision (Boadway and Shah 2009). Economies of scale depend on both size of population and density. Political concerns regarding the roles of the government, the importance of self-determination, and the appropriate level of centralization or decentralization (Boadway and Shah 2009) are key considerations.

It has been argued that public goods problems are best resolved at the most local level through a system of voluntary collective organization (Ostrom 1990). Others argue that voluntary cooperative service delivery may be more efficient than consolidated service delivery (Parks and Oakerson 1993).

Despite the potential benefits of shared services, resistance among inter-municipal partners to shared services is high. One of the reasons for resistance is fear of losing control. This is because the majority of shared service arrangements are formed when partners agree to a contract that names one of them as the lead agency responsible for producing the service, and the other(s) as the agency that receives the service (Holzer and Fry 2010).

While there is an abundance of literature on inter-municipal cooperation, there is a scarcity of literature on intra-municipal cooperation, that is, shared services between the municipality and the agencies within the municipality. Agencies or municipally

owned corporations (MOC) have independent corporate status and are increasingly being used to provide local public services and are often more efficient than local bureaucracies (Bel and Gradus 2018). MOCs are often more efficient than local bureaucracies in the provision of some services such as refuse collection, water distribution, and transit services (Voorn, van Genugten and van Thiel 2017). Fiscal constraints, spatial, and organizational factors are significant drivers of cooperation (Bel and Warner 2016).

This study will answer the research question: "What factors promote or discourage shared services between a local government and its agencies?" The paper conducts a systematic literature review with the aim of discovering a candidate set of factors that promote or discourage participation in shared services between a local government and its agencies. It then uses the literature review to explore the potential for future shared services between the City of Toronto and its agencies. Documentary research of the City of Toronto shared services' archival documents and external websites is performed. Employing content analysis methods and a desk research strategy, the paper finds that clearly articulated benefits such as long-term financial sustainability, risk management, and compliance are critical incentives for shared services implementation. Committed senior leadership, a phased approach to implementation, and common IT applications are critical success factors. This paper will contribute to the decision making capability of the City of Toronto's Division heads as well as the inter-agency shared services body of knowledge. It will also connect to the broader public administration conversation of multi-level governance and the relationships between special purpose bodies and their home municipal governments.

The literature review will discuss the definition, history, and value of shared services. It will also address factors determining when to use or not use shared services. Shared services will be discussed in the context of the public sector. The review will also define agencies and the relationship between local government and agencies. The literature review will conclude with a theoretical framework of factors that promote and discourage shared services. The paper will apply the literature to a municipal-agency relationship, using the City of Toronto and its agencies as a case study. It will describe a previous City of Toronto's shared service foundation project, contextualize the literature findings and relate attitudes and expectations towards public service delivery to the determinants for shared services adoption.

Research Design and Methods

On the basis of empirical observation of the relationship between the City of Toronto and its agencies and document research from prior work, the question of factors that promote or discourage participation in shared services between the local government and its agencies will build on existing knowledge and literature on inter-agency relationships.

The unit of study is the City of Toronto and selected City agencies. These agencies are: Exhibition Place (EP), Toronto Parking Authority (EPA), Toronto Police Service (TPS), Toronto Public Health (TPH), Toronto Public Library (TPL), Toronto Transit Commission (TTC), Toronto Zoo (Zoo), and Toronto Community Housing Corporation (TCHC). The reason for selecting these agencies out of the many City agencies is that these were the same agencies that KPMG studied in 2013 using selection criteria such as agencies' size and scope, appetite for change, and cost

savings. The Council's Executive Committee and the City's Auditor General had directed that opportunities for shared services between the City and the agencies be explored. KPMG was selected through a competitive process to undertake this study. The purpose of the study was to reduce costs, increase service efficiency and effectiveness, and improve customer service (City of Toronto 2013). The shared services to be considered in this research report is IT shared services. The reasons for selecting IT shared services among the many services include the following: First, there currently exists an informal and selective collaboration across these agencies. Second, considering the importance of IT services and the high cost to the City and agencies to deliver these services independently, there exists the greatest potential for organizational success and the greatest value for the City of Toronto and the agencies when unifying these costs under a single shared services unit. Third, a lot of work has already been done at the City of Toronto on the concept level of IT as a shared service, but implementation of recommendations is lacking. With new leadership at the divisional level, there is an opportunity to move forward with specific division-level shared services. The use of selection criteria helps to attain focus and allow for depth of analysis and to identify opportunities for shared services across City divisions and agencies for common services and functions. Table 1 provides the selection criteria based on what is most material, practical, and feasible (City of Toronto 2013).

The research strategy is to analyze the City of Toronto's shared services repository and to discover similarities in concerns at the agency level, that when addressed, would lay the foundation for success. The findings' reliability will be

measured by looking at experiences of current shared services in Toronto versus the factors identified in the literature.

Table 1: Selection Criteria

| Selection Criteria | Rationale and Desired Attributes |
|---------------------------|--|
| Size and scope | Reflects the degree of impact across the organizations. Service delivery models with larger footprints are preferred to those that affect a small number or scope of organizations and services. |
| Proof of concept | Service delivery models which have been demonstrated to be successful in our own organization and other jurisdictions will be preferred to those which have not. |
| Appetite for change | Service delivery models which result in minimal organizational resistance or which are accompanied by a strong desire for change are preferred. |
| Cost savings | Service delivery models which create the greatest cost savings (including the cost to implement) are preferred. |
| Implementable | Service delivery models which adversely affect or disconnect a service from its core business are not preferred. Moreover, services that are highly standardized across divisions or agencies are preferred. |
| Time horizon | Service delivery models which can be implemented in the short term will be preferred to those which require greater lengths of implementation timelines. |
| Service excellence | Operational service delivery attributes that are well-advanced and have the capacity to take on additional scope. |

Source: Excerpt from Shared Services Efficiency Study (City of Toronto 2013).

As a first step, a systematic literature review regarding shared services implementation in government is conducted (Kitchenham, et al. 2002). Following this review, the factors found in the literature analysis are used as input for the second step: validation and extension of the shared services concept using content analysis, interpreting the content of the City's shared services project documents. The findings and recommendations presented in the consultant report to the City of Toronto, which is a main source of information for this research paper, were informed by documents and information stored on the City's information database, which documented interviews

conducted with over 67 individuals, and 14 workshops with participants from across the City; hence, no interviews were conducted as part of this research paper, as this paper leverages work already done (City of Toronto 2013). The research limitation is that the author did not have access to the underlying materials that fed into that report and was working from the report itself.

The descriptive framework helps identify patterns and determinants of success across agencies. The paper performs documentary research of the City's shared services archival documents repository from January 2012 to December 2018 using a keyword search for the following terms: shared services, payroll, human resources, and agencies. The literature review exploring key elements of inter-agency shared services as it relates to the City's shared services helped to form the basis for this paper, using a keyword search for the following: shared services, public service delivery, local government, and inter-agency cooperation.

Documents produced by and about the City of Toronto Shared Services Project were analyzed. Documents reviewed include:

- Shared Services Implementation Project Charter;
- 2015 Update on the Shared Services Project; and
- IT Shared Services Assessment Project Streams Charter

The document analysis was used to understand the structure of the decision-making process, stated goals, desired impacts, metrics for success, and the anticipated roles of various participants.

Literature Review

This literature review highlights the history and value of shared services. It also addresses factors determining when to use or not use shared services. Shared services are discussed in the context of the public sector. The literature review also defines agencies and the relationship between local government and agencies. The literature review concludes with a theoretical framework of factors that promote and discourage shared services.

The history of shared services can be traced back to the old typing pool, where typists were centralized and the typing work process streamlined and organized to deliver economies of scale and improve internal service (Bondarouk 2014, 68). However, the trend of establishing shared service centres for internal back-office functions such as accounting and payroll, human resource management, and information technology started in the private sector during the 1980s (Tammel 2017). In government, it first appeared at state level in Australia and Canada in the 1990s (Elston and MacCarthaigh 2016). Therefore, the concept of shared services has been evolving for nearly three decades. The financial crisis of 2008–2009 and the following recession period forced governments to reduce public administration costs, prompting more urgent and ambitious reforms in many local, regional, and national governments around the world. Thus, today over 80% of Fortune 500 companies operate shared services functions in one form or another (Shared Services Handbook 2011).

Woodrow Wilson, widely regarded as the father of American Public Administration, wrote a foundational article in which he recommended that the administrative government should be separate from political government. His article also contends that the complexity of society and issues of public policy require

administrative methods of government to deal with and that public administrators should be given great power and discretion in order to perform their roles effectively and efficiently (Woodrow 1887). Wilson's classical public administration theory that governments should be run like a business led to the development of the New Public Management (NPM) theory. NPM theory has influenced governments around the world for decades. NPM, which is an approach to running governments and public sector organizations like a business, was developed during the 1980s in order to improve organizational efficiency. The citizen is seen as a customer following private sector management models (Denhardt 2011). Some of the NPM basic principles for changing governments include community-owned government, competitive government, results-oriented government, and customer-driven government (Osborne, D. and T. Gaebler 1993). Some local governments have endeavoured to implement these ideas by reducing bureaucracy in administrative procedures and instituting citizen participation programs (Denhardt 2011). NPM has been in Canada since the 1990s. This service delivery method requires a local government to set policy direction while the private sector or public sector agencies employing their efficient way of conducting business, would deliver their service at a lower financial cost (Windfield, Kaufman and Whorely 2000).

Municipal governments seeking to reinvent themselves have found that they are less of a political entity and more an extension of the community (Tindal and Tindal 1995). Imbibing the spirit of NPM, Tindal and Tindal suggest a number of actions municipalities should take. Municipalities need to understand their role (Tindal and Tindal 1995). Are they in the business of governance, that is, making decisions about

services and programs to provide to the community or in the business of delivering the actual services and programs themselves? Municipalities that give special importance to governance know the value of getting things done through others, collaborating with private and public organizations. Municipalities' use of public private partnerships is an example of how they are becoming more entrepreneurial and acknowledging the value of NPM.

NPM emphasizes performance measurement. Municipal governments are collecting and reporting performance measurements which enables them to quantify output resulting from the money spent, and determine level of service provided to the community (Tindal and Tindal 1995). Thus it could be determined whether performance is in alignment with the overall organizational strategic goals and support the organization's business drivers.

The move from a traditional consolidated model of municipal governance towards NPM and its focus on customer service is seen in the increased use of special purpose bodies in large metropolitan centres, as there is an increased desire to adopt private sector performance criteria and practices (Fox and Fox 1940). Special purpose bodies have been in existence for quite a long time. The earliest known use of special purpose bodies is in 1532 when a law was enacted in England to establish special purpose bodies. In the United States, housing authorities were created as special purpose bodies, according to Fox and Fox's writing in 1940 (Fox and Fox 1940).

There is widespread use of special purpose bodies in large urban areas. Special purpose bodies are extra layers of government in the larger urban areas whose jurisdiction and powers includes (and may extend beyond) the area of the central

municipality. Examples of this institutional type in Canada include the regional transportation planning agencies of Metrolinx (in the Greater Toronto Area) and Translink (in Greater Vancouver) where large-scale special purpose bodies are used (Krawchenko 2011).

The motives for having this separate incorporation relates to the principles of NPM. First, it makes the function independent and free of politics. Second, special purpose bodies enjoy the administrative flexibility and freedom from red tape necessary for efficient operation as a business enterprise (Fox and Fox 1940).

The drawbacks in the use of special purpose bodies is that while co-ordination is possible, the apparent disintegration evident in a separate organization may bring about an increase in administrative costs and prevent maximum utilization of resources. Full use of the resources of the independent special purpose bodies and the member municipalities usually require extended negotiations and special agreements. This no doubt goes against the foundational principles of NPM that is usually used as a justification to set up special purpose bodies.

With regard to the governance of metropolitan areas, there are two camps – the consolidationists and the polycentrists. Consolidationists recommend single, general purpose jurisdictions extending over an entire area, while polycentrists argue in favour of multiple, specialized jurisdictions such as special purpose bodies (Lyons 2014). Because polycentrists and consolidationists are concerned with achieving similar outcomes, but differ on what type of local government structure is likely to achieve these outcomes, shared services acts as a bridge between both camps.

Shared services is often used as a tool to achieve the desired efficiency objectives and outcomes of the municipalities and their special purpose bodies as it relates to the goals of NPM. Similar to NPM principles, shared services operate on the concept of internal customer and internal service and thus contributes to NPM business management theory. Shared services bring together the advantages of centralization and decentralization, such as cost savings, service improvement, and technology consolidation (Janssen and Joha 2006). Shared services are also viewed as an alternative to outsourcing for corporations desiring to "reduce costs, improve service quality, justify better IT and engender a quasi-market orientation" (Herbert and Seal 2009). Municipal corporations can utilize a variety of techniques such as centralization, outsourcing, and offshoring to lower costs, achieve economies of scale, and become more competitive (Bondarouk 2014). Table 2 provides a list of most often cited characteristics of shared services.

Table 2: Most often cited characteristics of shared services

| Characteristics | Number of citations |
|---|----------------------------|
| ... is the result of the consolidation/concentration process within an organization | 9 |
| ... is engaged in support services/staff functions/internal services | 9 |
| ... reduces costs/competitive costs | 8 |
| ... has a focus on internal clients/delivery to internal customers | 8 |
| ... is aligned with external competitors | 7 |
| ... is a separate organization within the group | 7 |
| ... is operated like a "normal business unit" | 7 |
| ... improves service quality/competitive quality | 5 |
| ... makes use of "best practices" | 5 |

Source: (Bondarouk 2014)

There is a lack of a general consensus on a standardized definition of shared services (Schulz and Brenner 2010). However, to measure the value of shared services

requires a good conceptual definition (Bondarouk 2014). One definition of shared services is that it is “a new model for delivering corporate support combining and consolidating services from headquarters and business units into a distinct, market efficient entity” (Aguirre, et al. 1998). This definition makes the argument that shared service providers must be able to compete with outside providers and that internal customers can specify their service needs. Table 3 provides a set of shared services principles. Another definition of shared services is that it is “the internal provisioning of services by a semi-autonomous organizational unit to multiple organizational units involving the consolidation of business functions supported by a sharing arrangement” (Miskon, Bandara and Fielt, et al. 2010). This definition highlights important characteristics of shared services, namely, that shared services are engaged in support services with a focus on internal clients, and are a separate organization within the group (Bondarouk 2014, 74).

Table 3: Principles of Shared Services

| |
|------------------------------|
| Principles |
| Price transparency |
| Business management |
| Market responsiveness |
| Best practices proliferation |
| Process standardization |
| Service culture |

Source: (Aguirre, et al. 1998)

There is no single optimal model for shared services in local government. Corporations implement shared services with different priorities and purposes. The following four specific models for shared services have been identified in order to meet the needs of public agencies. The first model is the government centre of excellence, in which an organization performing several functions is shared across operating units

internal to the agency. The second model is the government shared services provider, wherein a government agency provides one functional service for both internal and external clients. The third shared services model is the commercial shared services provider, where a commercial company provides shared services to public sector clients. The fourth shared services model is the public-private partnership, where both a commercial and government organization team up to provide shared services to government (Gould and Magdieli 2007).

Within government and the public sector, the formation of a shared services organization to provide overall functionality for separate departments and agencies is becoming more prevalent. Such an approach is, in fact, a form of outsourcing, in other words, an insourcing, as the specialized organization remains a public sector body, with a set of responsibilities transferred from previously separate units (Roy 2006). This new organization works with individual agencies as clients, establishing service-level agreements in the same way as a public-private partnership.

Shared services produce both tangible and intangible benefits that may be difficult or impossible to measure. Table 4 provides some of the benefits of shared services found in literature. There is no publicly distinguishable process to examine or demonstrate the claims of benefits realized. They promote efficiency, value generation, cost savings, and improved services for its internal customers (Tammel 2017). They are based on the principle of treating the business units like customers, offering services they value (Bondarouk 2014). Therefore, the quality of the services provided by the shared service centre is agreed in a service level agreement. This is why focusing on internal service delivery can enhance a unit's strategic value to the corporation.

Table 4: Benefits of Shared Services

| Benefits of Shared Services | Literature Source |
|--|---|
| Cost reduction | (Kearney, Rewriting India's shared services playbook. Confederation of Indian industry. Gurgaon, India: A.T. Kearney. 2013) |
| Capability enhancements | (Kearney, Rewriting India's shared services playbook. Confederation of Indian industry. Gurgaon, India: A.T. Kearney. 2013) |
| Global delivery | (Kearney, Rewriting India's shared services playbook. Confederation of Indian industry. Gurgaon, India: A.T. Kearney. 2013) |
| Business transformation | (Kearney, Rewriting India's shared services playbook. Confederation of Indian industry. Gurgaon, India: A.T. Kearney. 2013) |
| Organizational flexibility | (Forst 2001); (Kearney 2004) |
| Consolidation of expertise | (Forst 2001); (Kearney 2004) |
| Higher levels of customer satisfaction | (Forst 2001); (Kearney 2004) |
| Cost savings | (Janssen and Joha 2006) |
| Service improvement | (Janssen and Joha 2006) |
| Technology consolidation | (Janssen and Joha 2006) |

There are recent public service shared service reforms in Canada worthy of note. Shared Services Canada, created in 2011, has 43 client organizations across the federal government, while Health Shared Services BC, created in 2010, has seven health authorities in British Columbia (Elston and MacCarthaigh 2016). Shared Services Canada was given the mandate to modernize and consolidate the Government of Canada's information technology infrastructure, while working with federal partners and clients to improve the user experience by consolidating, modernizing, and standardizing this infrastructure (Shared Services Canada 2019).

Local governments are comprised of both the municipal governments and the special purpose bodies within the municipal government. Special purpose bodies are also known by terms such as agencies, boards, and commissions. In Ontario, there are

some 2,000 special purpose bodies compared to 444 municipalities (Tindal and Tindal 2004). One key differentiating attribute of special purpose bodies is that they are an autonomous entity with a separate governing body and carry out one or specific set of functions (Siegel 1994). There is a wide variety among municipalities in the way special purpose bodies are used. Some municipalities who adhere to the doctrine of consolidation have integrated a majority of the functions normally carried out by special purpose bodies elsewhere into its municipal organization. Others who favour fragmentation have used special purpose bodies to perform a wide array of functions.

Special purpose bodies in Canada have histories that stretch back for hundreds of years; some of them are even older than municipal government itself. These agencies, boards, and commissions of local government--library boards, school boards, transit authorities, and many others--provide vital public services and spend large sums of public money (Lucas 2016). Apart from school boards, special purpose bodies, for the most part, have a board of directors comprised of appointed citizen representatives and elected municipal councillors (Siegel 1994). As they do not have taxation power, the majority of their budget and funds come from their member municipalities. Other sources of revenue include grants or transfers from other levels of government and user fees. These institutions are vital to our understanding of institutional fragmentation, efficient service delivery, and the costs and benefits of “functional, overlapping, competing jurisdictions” (Lucas 2016).

Shared services between municipalities and special purpose bodies address issues of functional fragmentation. One of the many functions in organizations is Information and Technology (IT). Senior management in organizations take a leadership

role in restructuring their organizations' business processes and the foundational IT infrastructures to be more productive, efficient, and support the company's goals (Roy 2006). In other words, there is a shift from a mere simplistic IT outsourcing transfer to a more direct collaboration and interdependence, achieved internally via shared services entities. Shared service supports government's ongoing ability to deliver IT-enabled public services in the era of digital government or e-government. Innovation is seen as a problem solving tool in Government. After the technology is standardized, innovation specialization and collaboration contributes to the success of shared services. Table 5 shows the innovative features of an IT shared service that cannot be delivered via traditional approach to governance.

Table 5: Innovative features of IT Shared Service

| IT Shared Service Theme | Innovative Feature |
|--------------------------------|--|
| Reintegration | <ul style="list-style-type: none"> Network simplification Single tax and benefit systems using real time data Decentralized delivery Radical disintermediation in public service-delivery chains Delivery-level joined-up governance |
| Holism | <ul style="list-style-type: none"> Interactive and "ask once" information-seeking and provision Agile processes (e.g. exception handling, real-time forecasting and preparedness) Joined-up delivery of local public services Coproduction of services Online reputational evaluations in public services, including citizens' testimonials and open book government Development of "social web" processes and field services Single benefits integration in welfare states Single citizen account Integrated service shops at central/federal level New service-delivery models linked to austerity and central disengagement |
| Digitization | <ul style="list-style-type: none"> Active channel streaming, customer segmentation "100% online" channel strategies and mandated channel reductions (potential removal in part or whole of Government agencies and departments)"Government Cloud" and Government apps Free storage and data retention Web-based utility computing New forms of automated processes (e.g., zero touch) Isocratic administration (e.g., coproduction of services) "Rich" technology driven by "social web" Freeing public information for reuse, mash-ups |

Source: (Fishenden and Thompson 2013)

There are a number of reasons why shared services are utilized in government organizations. These reasons include cost reductions (Selden and Wooters 2011), improving quality of service (Zeynep Aksin and Masini 2008), improving efficiency (Wagenaar 2006), effectiveness (Miskon, Bandara and Gable, et al. 2011), access to resources (Redman, et al. 2007), standardizing processes (McIvor, McCracken and McHugh 2011), focusing on core competencies (Sako 2010), concentration of innovation (Borman and Janssen 2012), improving customer orientation (Ulbrich 2006), exchange of internal capabilities (Abbott and Fitzgerald 2011), improved control (Baldwin and Irani 2001), improved compliance with legislation and standards (Dollery, Grant and Crase 2011, 161), and risk minimization (Janssen and Joha 2006).

NPM, shared services, and special purpose bodies share common foundational features, principles and strategic alignment. For example, using the entrepreneurial, performance-based principles of NPM, both special purpose bodies and shared services have produced economies of scale and lower unit costs, provide important answers to the resource limitations of local government, and address the complexities of government in a world of reduced resources, and increasing expectations (Abels 2012). The use of shared services between the home municipality and the special purpose bodies requires political collaboration that is extremely difficult to realize. To operationalize the concept of collaborative lead teams for the purpose of providing multi-jurisdictional service delivery at the micro or operational level, chief executive officers from all partner organizations must dedicate leadership and resource support to the lead agency tasked with forming the collaborative team (Abels 2012).

A Framework to Understand Determinants of Success

The literature review identifies a number of key factors that promote and discourage the use of shared services in local government. These factors are presented below.

The first factor identified through the literature review is governance structure. Governance structures regulate who participates, how organizations make decisions, what policies they apply, and how mutual relationships and power are kept in balance (Bondarouk 2014, 175). Governance may be a shared responsibility, or assigned to a lead organization or a dedicated organization. A critical success factor in shared services is centralized and decentralized governance with respect to allocation of responsibilities, budgeting, evaluation, and investment decisions (Borman and Janssen 2012). Implementing a transformational initiative, such as shared services, across governance structures is challenging. This is because special purpose bodies or boards are governed by independent boards. Hence, shared service implementation must respect each Board's governance and authority and make business sense for each affected Board.

The second factor identified through the literature review is labour relations. Labour force can be outsourced to another vendor or organization in the case of municipal/agency shared service relationship, possibly terminating intra-organizational responsibility for the actual delivery of services in due time (Bondarouk 2014, 175). Some shared services implementations may involve complex labour relations issues. Hence, there is a need to develop a high-level labour relations and collective bargaining strategy that is aligned across organizations that are partners to the shared service.

Planned change to union and non-union jobs and the associated reskilling needs to be carefully managed (Borman and Janssen 2012).

The third factor identified through the literature review is effective change management. Managing change effectively is essential to ensure success in the implementation of shared services, especially when considering the complex and long-established business models of the local government and the agencies. Hence, having someone to develop and lead a change management strategy to support the implementation of shared services project is crucial (Borman and Janssen 2013). The change lead develops a change strategy for the shared services project and ensures organizational change management plans are in place and the relevant partners are ready to move to enterprise partnership. Change management also includes the delivery of comprehensive training to all impacted stakeholders, including help desk, and the use of any new technology (Borman and Janssen 2012).

The fourth factor identified through the literature review is common IT applications and standardization, a single solution implemented as the cornerstone of shared services, replacing the multiple systems previously used (Borman and Janssen 2012). For example, sharing one IT network infrastructure facilitates the sharing of common intranet sites, self-service tools, and e-learning solutions. At the same time, if it fails it brings everyone down because there's no redundancy! This risk of failure is mitigated by building redundancy into the design of the IT network infrastructure (Fishenden and Thompson 2013).

The fifth factor identified through the literature review is top management support (Borman and Janssen 2013). Included here is the existence of a project champion. Strong leadership, informed decision-making, focus on execution and clear communication is required (Carrizales, Melitski and Schwester 2010). The municipal senior management team (and its elected officials) as well as executive heads of the special purpose bodies have to agree to assume central management responsibility of the program if it is to succeed.

The sixth factor identified through the literature review is the need for a great implementation team, teamwork and composition and a cross organizational team. (Borman and Janssen 2012). A great team knows that a good idea that is not well implemented leads to increased costs and/or poorer service standard. This avoids the emergence of a shadow team after shared service adoption.

The seventh factor identified through the literature review is the need to have performance measures that can be used to evaluate progress with regard to realizing the strategy in place (Umble, Haft and Umble 2003). Performance management has been widely promoted in public agencies. Performance measurement is one of the NPM features and a technique increasingly used to create service monitoring systems in local government. For example, performance measures such as the number of calls received for service, response time, and cost savings can help assess the overall results for shared service for police service (Carrizales, Melitski and Schwester 2010).

Table 6 summarizes the key factors that promote or discourage the implementation of shared services.

Table 6: Factors that promote or discourage shared services

| Factors that promote or discourage shared services |
|---|
| Governance structures |
| Labour relations |
| Effective change management |
| Common IT applications and standardization |
| Top management support |
| Great implementation team and cross organizational team |
| Focused performance measures |

The framework from Table 6 regarding a candidate set of factors that promote or discourage participation in shared services between a local government and its agencies is used in the rest of this paper to explore the potential for future shared services between the City of Toronto and its agencies.

Case Study: City of Toronto and the Agencies

The City of Toronto is the fourth largest city in North America with a population of some 2.9 million residents (City of Toronto 2019). There are 17 agencies and 9 corporations in the City of Toronto (City of Toronto 2019). From the time the City of Toronto was amalgamated in 1998, the City has used a shared services model provided by internal Corporate Services cluster of divisions to deliver corporate-wide services to all City divisions. However, the City agencies, which are at arm's length with the City, and have separate governing boards, continue to manage and deliver some of their own services. These agencies use non-standard and ad-hoc means to share services with the City (City of Toronto 2016). The City aims to improve this by expanding the shared services model to the City and its agencies.

In 2011, the City of Toronto launched a Service Review Program, reviewing all of the City's services (Service Review Program 2019). The Service Review Program included a Core Service Review that examined which services the City should deliver,

service levels, and how to ensure the most efficient and cost effective delivery of City services.

In 2012, as an output of the Service Review Program, the City of Toronto initiated a review of strategies in which the City and its agencies could share business support services with the objective of reducing costs, increasing service efficiency, effectiveness, and improving customer service. KPMG was engaged to complete this review and findings were reported in February 2013 (City of Toronto 2013). KPMG's preliminary analysis recommended the creation of a technology infrastructure shared services unit within the Shared Services division of the City Manager. In the spring of 2013, the City Manager submitted a staff report to Council that recommended initiating a Shared Services project to make progress on a number of functional areas. In January 2014, City Council directed the Deputy City Manager/Chief Financial Officer to assess and report on options to accelerate the implementation of Shared Services. As a result, the Shared Services Implementation Project was created to explore these options. This led to an Executive Steering Committee and 15 working groups being formed. Each working group was given responsibility for a specific functional area, such as payroll, benefit administration, and information technology. KPMG's study focused on the City's six largest agencies with a view to expanding any resulting opportunities to additional City agencies, where appropriate. The agencies included were: Exhibition Place, the Toronto Parking Authority, the Toronto Police Service, Toronto Public Health, Toronto Public Library, and the Toronto Transit Commission. Two additional organizations, Toronto Zoo and Toronto Community Housing Corporation, were later added. The functions for which associated shared services were explored included the

following: Facilities Management, Financial Planning, Fleet Services, Human Resources / Labour Relations, Information Management, Information Technology, Insurance & Risk Management, Internal Audit, Legal, Parking Services, Purchasing, and Real Estate.

City Council approved the implementation of 18 opportunities and no further action on two opportunities. Eleven opportunities were recommended to be implemented in the shorter term. The remaining seven opportunities were broad transformational directions to the City and its Agencies that require significant business process re-engineering, organizational change, and information technology investment to successfully implement. City Council referred the payroll and benefits administration shared service opportunities to the City Manager for further due diligence and consultation with City agencies and report back to Executive Committee with a multi-year shared service implementation plan and after consideration by Boards of affected City Agencies (City of Toronto 2016).

Prior to the Shared Services Project, the City was already using a shared services model to deliver services to its 44 internal divisions and was extensively collaborating with the agencies. For this reason, benefits were not expected to be as significant as other jurisdictions that have undertaken shared services. Table 7 summarizes the level of collaboration between City's Departments/Functions and the agencies prior to the Shared Services Project.

Table 7: Summary of Existing Collaboration.

| City of Toronto Departments/Functions | Agencies | | | | | | | |
|--|----------|-----|-----|-----|-----|----|-----|------|
| | TTC | TPH | TPS | TPL | TPA | EP | Zoo | TCHC |
| Facilities Management | | ● | ● | | | | ■ | |
| Financial Planning | ● | ● | ● | ● | ● | ● | ● | ● |
| Fleet Services | ■ | ● | ■ | ● | | ■ | ■ | ● |
| Human Resources / Labour Relations | | ● | | ■ | ■ | ● | ● | |
| Information Management | ■ | ● | ■ | | ■ | ■ | ■ | ■ |
| Information Technology | ■ | ● | ■ | ■ | ■ | ■ | ■ | ■ |
| Insurance & Risk Management | | ● | ● | ● | | ● | ● | ● |
| Internal Audit | | ● | ■ | | | ■ | | ■ |
| Legal | ● | ● | ● | ● | ● | ● | ● | ● |
| Parking Services | ● | n/a | n/a | ■ | ● | | | ● |
| Purchasing | ■ | ● | ■ | ■ | ■ | ● | ■ | ■ |
| Real Estate | ■ | ● | ● | ● | ■ | ● | ● | ■ |

| | |
|-----|---|
| ● | High level of collaboration between organizations |
| ■ | Moderate level of collaboration between organizations |
| | Limited to no collaboration between organizations |
| n/a | Not applicable |

Source: City of Toronto Staff Report (City of Toronto 2015)

In the context of the City, the project defined shared services as "the redesign of corporate services with the goal to reduce duplication within and across business units and optimize processes" (City of Toronto 2016). It is to be acknowledged that shared services are often described by organizations that have implemented these delivery models as a journey that takes time, leadership, careful planning, strategic investments, and good governance. Implementing shared services often involves a multi-year and multi-phase transformation to effect technology investments and business re-engineering across multiple organizations.

The City is at the forefront of public sector shared services implementation, as other governments of the City's size that have undertaken shared services have only

included internal departments and have not included agencies due to the complications of implementing a transformational initiative across governance structures (Toronto 2015). For this reason, the Shared Services Executive Steering Committee was clear that any recommended implementations must respect each Board's governance and authority and make business sense for each affected Board.

The next section of this paper looks at the outcome of the foundational shared services project in Toronto versus the factors identified in literature and what this means for City's divisions and agencies in terms of readiness. The section that follows discusses both arrangements that have already been implemented and ones that may be possible in the future.

Analysis

In this paper, three high level nodes have been created, namely, NPM, special purpose bodies, and shared services. This structure formed the foundation for further filtering and analysis. The literature was scanned for definitions, features, framework, and principles. The main focus of the literature review is on public sector implementation of shared services with regard to internal support functions, evaluating the factors that promote or discourage shared services.

In this section of the paper, the theoretical framework that was developed in Table 6 will be compared systematically to the case study. To simplify the analysis, the context is within a single metropolitan area investigating a single service within an inter-governmental arrangement. To help in better understanding the role and potential for inter-municipal shared service cooperation, focus is on seven important considerations or factors, namely, governance structures, labour relations, effective change

management, common IT applications and standardization, top management support, great implementation team and cross organizational team, and focused performance measures.

First, this study provides insight into a particularly significant determinant of success, namely, governance structures. Governance structures of special purposes bodies vary, but in general, they can be divided into two categories: autonomous and integrated. In Ontario, the governance structure of majority of the special purpose bodies are autonomous, which implies that they operate as distinct local governments. The boards of the autonomous special purpose bodies are composed of both elected municipal representatives and citizen appointees. The analysis of the governance of special purpose bodies is based on the idea that these organizations are semiautonomous governmental actors in a complex and dynamic public policy system, rather than as agents in a hierarchical, bilateral relationship with a principal (Skelcher 2007). Any shared service recommended implementations must respect each Board's governance and authority and make business sense for each affected Board. Implementing a transformational initiative across governance structures is complicated. In determining when to use or not use shared services, provincially imposed governance structures is a key consideration. The Boards of the City of Toronto's Agencies all gave as a condition for their participation in shared services discussion the fact that Board governance and authority be recognized and respected, proving that this is a significant determining factor in the success of a shared service between a local government and its agencies. A search of the term "governance structures" yielded eleven hits from a staff report to Council on shared services. (City of Toronto 2016).

Second, the analysis shows that a determining factor in the success of a shared service is developing a labour relations and collective bargaining strategy. Municipalities have strong labour and union ties and would much rather see services delivered in-house by unionized employees, rather than through a private contractor or other public sector organization with weaker labour protections (Lyons 2014). These are factors that should be taken into consideration when planning to implement shared services. KPMG estimated that the City and the agencies would realize potential benefits of \$47 million from pursuing a joint labour relations and collective bargaining strategy (City of Toronto 2016). If labour relations issues do arise, they may vary between organizations and will require careful investigation and due diligence as options are examined. All implementations will have to comply with collective agreement obligations. Control over the collective bargaining function is a factor to consider, as the majority of City and agency positions are unionized positions. For instance, in considering the results of the Shared Services Study, the Toronto Public Library and the Toronto Police Services both gave as a condition for participating in shared services discussions that they must maintain control over the collective bargaining function. Consequently, leadership must develop a high-level labour relations and collective bargaining strategy that is aligned across participating organizations. Questions such as the following should be considered when examining a shared services implementation between the City and the agencies and corporations: What is the current IT complement including a breakdown by permanent/temporary and full-time/part-time? What is the employment relationship for each of the employees (Union / Non-Union/Contract)? Is the service delivered a legislated essential service? What are pre-employment qualification requirements (for

example, background check, drug test, police clearance letter)? Are there any possible barriers to each model of employment by City or the agencies and corporations? Are there possible barriers to each model of retaining employment by the home organization? What are benefit/pension implications? If a separate and new entity, will it be an Ontario Municipal Employees Retirement System (OMERS) pension organization? What are the contracting out provisions in the collective agreement(s)? What are the employment security provisions in the collective agreement(s)? If there are multiple bargaining agents, who will represent the employees in the new entity? What are the potential constructive dismissal considerations for non-union employees? What other terms and conditions of employment will need to be "harmonized" in a new entity (sick pay, vacation entitlement, Long Term Disability)? What are the current wage structures? Are the terms of the collective agreements the same (expiry dates, negotiated wage increases)? What are the job classifications for each of the agencies, boards and corporations and the City? Will there be new classifications? Who will rate them?

Third, effective change management is a common factor found across the literature and the case study as it relates to the implementation process. While the literature refers to the importance of change management in general, the City of Toronto case focuses on a specific approach to be followed – evolutionary roll-out. The biggest mistake made in implementing shared services is insufficient change management. Thus, the greatest challenges come from people issues and are overcome with improved communication. Managing change effectively is essential to ensure success, especially when considering the complex and long-established business models of the

City and the agencies and corporations. The City of Toronto created a Change Management Centre of Excellence as it was recognized that this is a dependency for the success of the other Shared Services initiatives at the City (City of Toronto 2016). Effective change management practices reduce impacts on employees and lessen disruption to the business.

Fourth, the literature research and City of Toronto case study comparison highlights the fact that standardized processes using common IT applications is a critical success factor. KPMG's recommendation for the City of Toronto and its agencies was for them to create a technology infrastructure shared services unit that delivers core IT infrastructure services. The primary focus of the new unit is to provide data centre, infrastructure management, and storage services. Infrastructure consolidation is a key enabler as it provides the ability to easily capture the application landscape at the infrastructure level. Another recommendation is the establishment of a seconded project team with the objective of implementing an application rationalization program having the expressed purpose of designing the future target state of the application landscape, and identifying potential applications for consolidation. This data is a critical success factor for driving discussions and presenting business cases for standardizing to shared applications for common functional areas. Implementing SAP software application across the Agencies was highly recommended.

Fifth, top management support is vitally important in order for shared services implementation to be successful. The importance of local leadership, particularly when it comes to implementation cannot be overemphasized. Successful shared services adoption requires strong leadership, informed decision-making, focus on execution and

clear communication (Carrizales, Melitski and Schwester 2010). The leadership of disparate City agencies may fear losing their autonomy, and by drawing upon their own power bases on council and in the community, derail the City's plans for shared services (Lyons 2014). Recognizing the importance of this initiative and the significance of top management support, the City of Toronto's shared services implementation team reported directly to the City Manager. As a further example of top management support of the shared services initiative, City Council authorized the City Manager and the Executive Director of Human Resources to lead the development of a labour relations and collective bargaining strategy for the City and its agencies, in consultation with City agencies, and report the strategy to the City's Employee and Labour Relations Committee for approval in principle (City of Toronto 2016).

Sixth, great implementation team and cross organizational team is a critical success factor identified in literature and evident in the case study. The City's shared services initiative was executed with support from a specialized, coordinated team, made up of City staff only. One potential major challenge to the shared services initiative was getting and maintaining buy-in from the agencies. A mitigating strategy was to involve the agencies in all major decision-making and ensure the project team is independent. Based on literature, the risk would have been better mitigated by having a cross organizational team made up of Agency and City of Toronto staff. This would ensure all stakeholders understand the goals of the project.

Seventh, the analysis shows that a determining factor in the success of a shared service is focused performance measures. Developing performance measures such as efficiency, effectiveness, accountability, coordination, and responsiveness would help

address the project identified challenges of maintaining political buy-in and meeting agency expectations. The City of Toronto's future plans for a possible shared services opportunities (Fleet Services as a Shared Service and Facilities Management Shared Services) identified the need to develop common benchmarks for best practices, setting standards and performance metrics.

Recommendations and Lessons Learned

Although there are many challenges related to implementing a shared services model across the City and its agencies, the potential benefits outweigh the potential risks if implemented properly. One benefit of the Shared Services foundation project has been the establishment of the CreateTO, an organization launched on January 1, 2018, by the City of Toronto to manage its real estate portfolio. Of course, Build Toronto already existed, but it was not very effective. This new city-wide model centralizes the delivery of its real estate services and ensures the most effective use of real estate assets. Previously, more than 24 divisions, agencies and corporations had been involved in a variety of real estate functions and activities (CreateTO 2018).

Another benefit achieved through the shared services foundation project is that the City and some agencies executed and implemented successful fuel hedging contracts and other bulk purchases which led to approximately \$90 million in savings. There were missed opportunities, though. For example, the Toronto Public Health, Toronto Community Housing Corporation, Toronto Police Services, Toronto Public Library, Toronto Transit Commission, and the City of Toronto all had individual projects at the same time to build separate IT data centres. They could have consolidated all IT

data centers into one, sharing the City's data centre infrastructure. Due to lack of committed leadership from the agencies and the City as well as lack of mutual trust, this opportunity with associated savings was missed.

Mutual benefit can be gained by the City and the agencies creating a community of practice to share best practices and examine any potential shared services opportunities. Shared services should be considered once the City has completed their process of modernizing their IT systems. Any City division planning to explore shared services with agencies should hold monthly meetings with the agencies to update the agencies on the status of the major capital projects, to share best practices, review all collective agreements and business requirements, and determine potential shared services opportunities, given the differences in each agency's business.

In order to have shared services between a City division and the agencies, guiding principles should be developed to guide all aspects of the shared service project. First, solutions should only be implemented if they meet the project goal and add value to the agencies and the City. Second, all options for implementation should be examined; it should not be limited to current City or agency solutions. Third, the best-suited organization should lead implementation. Fourth, service improvement. The primary goal should be to improve service for all in-scope organizations. There is a need to identify ways to improve service using various methods including process re-design, increased collaboration, and changes to service delivery models. Fifth, cost savings. The secondary goal should be to achieve cost savings without reducing services.

There are some drawbacks and risks to having a shared service, which may discourage participation from the agencies. This include some loss of independence for agencies in bargaining with local units, increased risk of labour disruption if member compensation is dramatically affected, legal basis for such a shared service approach could be challenged, including claims of “one employer” from the unions (City of Toronto 2013).

In order to obtain buy-in from leadership of the agencies towards shared services, emphasis should be placed on how shared services help the leadership manage risks and compliance and how this factor into the long-term financial sustainability of the organization. Some of the smaller agencies may not be properly equipped to manage risks or deal with the emerging cyber security risks. Leveraging the expertise and resources of the bigger agencies and the City would result in equalization and efficient use of resources.

Shared services also connects to the broader public administration conversation of multi-level governance and the relationships between special purpose bodies and their home municipal governments. Some agencies, such as the Toronto Public Service, Toronto Public Health, and the Toronto Public Library are enshrined in provincial legislation. For these restricted boards who only receive budgetary directions from the City, and have independent boards, any potential changes will require a thorough evaluation of the respective provincial act to comprehensively understand the potential legislative and financial risks. The discussion of 'who decides what and to what effect' in relation to regional policy is a key consideration (Bache 1998).

A benefit of shared services is that human resources based shared service tools, such as self-serve resources, provided to employees can be an indirect predictor of individual task performance and behavior, influencing employee work behaviors (Shen and Benson 2016). Citizens have been increasingly demanding for a responsive government and expect public service quality and excellent customer service. Hence, public organizations, such as municipalities and agencies, should create a conducive environment that motivates public employees to effectively engage in service behaviours within as well as beyond their role requirements. Human resource management using shared service as an enabler is one of the effective tools to promote such service-oriented behaviours among public servants (Bosire, Moses and Evans 2017). Every government employee has a role in improving citizen services and experience. By streamlining internal service delivery and improving customer service to internal employees, employees are better able to focus on providing excellent customer service to citizens and addressing the needs of citizens with greater efficiency, speed, and relevance.

The findings from this research is that there are several critical success factors to consider in order for future shared service initiatives between the City and the agencies to succeed. As there are opportunities for shared services between the City and the agencies for other functions and services, question arises as to the lessons learned from the shared services foundation project in terms of organizational factors that City divisions should bear in mind as they plan for division-specific shared service with the agencies.

First, committed leadership starts from the City council to administration senior leadership. The change to by-laws governing purchasing contracts enabled the City and the agencies to have joint procurement contracts resulting in efficiencies for all organizations and millions in savings. It is recommended that a mix of legislated and negotiated approach be used when planning for a shared service implementation. The reason for the failure of other shared service initiatives, such as the planned consolidating of the IT data centers between the City and some agencies, is that there was no committed leadership from both the City and the agencies. Fear of loss of control and independence could have been mitigated with a legislated and negotiated approach.

Second, the shared service foundation project failed to achieve its goal because it was not broken down into phases. It became too big with issues too complex to tackle. To ensure success for a shared service project of this size and scope, it is important to take an iterative approach to implementation, breaking down the implementation into phases. The Shared Service Canada implementation was broken down into three phases to ensure success (Shared Services Canada 2019). It is recommended that a three-phase approach to shared services be adopted. Phase 1 (Setting the Foundation) deals with creation of governance, preparation of project and communication plans, and creation of business case for moving to Enterprise Partnership. At the end of this phase, a decision will be made regarding the readiness to move to Enterprise Partnership. Phase 2 (Enterprise Partnership) deals with standardization of processes, standardization of systems, and coordination of purchasing and contract management. This phase focusses on increasing collaboration between the organizations with an

agreed-upon approval process. At the end of this phase, a decision will be made if a business case exists to move to Managed Services based on the estimated costs and potential benefits. Phase 3 (Managed Services) deals with consolidation of functions between the City and the Agencies & Corporations. Based on the results of Enterprise Partnership, the decision will be made whether to move to a consolidation. Phased approach also enables the organization to identify quick wins and implement accordingly.

Third, implementation of shared services programs should be cost neutral to the Board and provide a return on investment. It is difficult to predict savings in the short-term; majority of the benefits in the short-term are non-monetary. The immediate benefit of a shared services implementation is increased collaboration, followed by improved service delivery, resulting in cost avoidance in the long term. Given this fact, focussing solely on savings is discouraged. The lack of cost savings should not be an impediment to adoption of shared services (Thurmaier and Wood 2002, 595).

In order to mitigate against resistance and obtain buy-in to the shared services concept by all relevant stakeholders, all parties to the shared services should be mutually committed to fostering the spirit of partnership. A service level agreement should exist between the City of Toronto client divisions and appropriate agency which covers the provision and support of standard services. This will create a common understanding and agreement regarding the services and service levels provided by the lead service provider. The agreement describes the terms, roles and responsibilities in delivering the services and issue management/escalation protocols.

What lessons can be learned by looking at current shared services between the City of Toronto and the agencies in terms of benefits achieved related to fleet services, procurement, information technology, labour relations, learning and health & safety, and city stores? For one thing, the City and the agencies have matured through their increased collaboration in specific functions shared between the City and the agencies. The agencies do not trust that the City is able to provide better service level standards. The agencies and the City are at different levels of IT maturity and service standards. If the City wants to take a leading role in the shared service space, prior to the City examining shared services opportunities in depth, it needs to upgrade its IT infrastructure and modernize its end-to-end processes. As a result, the focus will be to review its business processes and organizational structure to prepare the foundation for shared services.

One City division that appears to learn the lesson from the shared services foundation project is the Pension, Payroll, and Employee Benefits division (PPEB). The division completed a program review of operations, including a complete review of its end-to-end business process. This review along with Auditor General findings showed the need to address risks and integrate processes, as well as the need to move to deploying more self-service with systematic controls. Based on the results of this review, PPEB embarked on three major IT infrastructure projects - the Employee and Management Self Service Portal; an Enterprise Time, Attendance and Scheduling Management program; and a major update to SAP software as it relates to payroll. PPEB has a vision to transform PPEB from a back office administrator to an enterprise enabler (Shared Services) and a key objective of building the foundations and a

scalable structure of a dynamic Shared Service model. They have commissioned a transformation project focusing on the need to move from a delivery centric to a client centric model driven by outcomes.

Conclusion

Of the four specific models of shared services available, this paper has been primarily concerned with the government shared services provider model, wherein a government agency provides one functional service for both internal and external clients. While there is a lack of a general consensus on a standardized definition of shared services, there is a shared understanding of common principles, features, and characteristics of shared services.

There is an obvious linkage between NPM, special purpose bodies, and shared services principles, as these all enhance government performance by promoting efficiency and effectiveness.

Although there are many challenges related to implementing a shared services model across the City and its agencies, the potential benefits of Shared Services outweigh the potential risks, if implemented properly. Opportunities must be fully analysed to ensure benefits will be achieved before starting implementation. A phased approach to implementation ensures success. Committed leadership from elected politicians to senior administrative leaders is critical. Division heads and their counterparts at the agencies should review opportunities and make decisions on implementing initiatives based on thorough analysis and solid business cases.

Previous shared services study and projects in the City have laid the foundation for shared services between the City and the agencies, such as future payroll and

employee benefits as well as IT shared services. Organizational factors to consider for shared services, such as collective bargaining strategy, labour relations considerations, Board governance and authority, and change management were discussed.

The shared service project between the City and the agencies was based on the City of Toronto being the lead agency or service provider. Perhaps there may be less resistance if opportunities are explored where some agencies with service maturity capability in a specific function can be designated a lead agency or service provider.

This study examined the extent to which the factors associated with shared service successful implementation or the lack thereof were present in the case study. A significant challenge of previous shared service initiatives at the City included lack of buy-in from senior leadership at the agencies. A future study can look into the various shared service models and which model works best for an intra agency relationship especially with regard to mitigating these challenges.

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