New Coalition Aims to Save $50 Billion in Federal Money Per Year

Washington, D.C. – Launching today in the nation's capital, the Shared Services Leadership Coalition (SSLC) will push for streamlining and modernizing of the federal government's back office functions like financial management, human resources and purchasing, by accelerating use of a business model known as shared services. The Coalition is made up of members from the private sector and the public interest communities who are advocating for legislation to pick up the pace at which the government adopts this model.

"After decades of use around the world, shared services are the default delivery model in large enterprises almost everywhere except the federal government. Enhanced transparency, accountability and a more secure cyber business environment would result from eliminating hundreds of antiquated, substandard, high-risk platforms and concentrating business transactions on fewer, higher-power, fully compliant ones," said John Marshall, the founder and CEO of the Shared Services Leadership Coalition.

Every Presidential Administration from Ronald Reagan through Barack Obama has tried to implement similar reforms. The leading success story to date has been payroll, but it took 26 years to consolidate from dozens of agency-specific platforms to today's four government-wide platforms, which has delivered an estimated savings of $1.6 Billion so far.

"The move to this model cannot be pulled off by the executive branch alone. As noted by U.S. Comptroller General Gene Dodaro, *'Successful management reforms in the federal government need to have legislative underpinnings so they have permanence and consistency over time, no matter who's in the White House or who's leading departments and agencies,' "* said Mr. Marshall. "And with the President including shared services in his 2016 budget, it is a signal that the administration is open to moving forward. Now is the time for Congress to get involved to ensure continued progress from administration to administration with measurable benchmarks and deadlines."

"Fully implemented shared services could produce the most significant modernization and restructuring of the federal bureaucracy since World War II with enormous cost savings and other important benefits," continued Mr. Marshall. "Streamlining and scaling the federal back office would enable improved focus and allocation of resources on front-line activities and help reduce risk of core mission failures. The quality of services to agencies and employees would improve through competition among best-of-breed providers and free choice by agency consumers."

In addition to the cost savings, a shared services model will enhance government performance, transparency, accountability and cyber security. Under the model, rather than every agency owning and operating its own full-service back office, agencies pool resources and purchase common services from third party providers with high capacity platforms and capabilities to serve multiple customers more cost-effectively than individual agencies can serve themselves.

"Industry, associations and good government groups are rallying around a future vision of a robust,

public-private marketplace driving shared services to increasingly higher states of performance, cost-savings, customer satisfaction and accountability. A majority of federal executives in a recent Association of Government Accountants survey expressed support for just such a marketplace.

With this support from a growing community, the Shared Services Leadership Coalition has been launched to show the way. It's time to move our government into the 21st Century and the first step needs to be taken by Congress," concluded Mr. Marshall.

John Marshall will be speaking on the initiative during a U.S. Chamber of Commerce/Professional Services Council event this Thursday, March 5. Click here for more information. To register contact Emma Chaiken at echaiken@uschamber.com or 202.778.6079.

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What is the SSLC?
The SSLC is a single-purpose, non-profit coalition of companies, nonprofits, and individuals providing educational and government relations support for legislation to accelerate shared services implementation in the Federal Government.

What are Shared Services?
"Shared Services" is a business model for delivery of common back office administrative services, e.g., human resources (HR), financial management (FM), purchasing, etc., and common mission-support services, e.g., geospatial services, in which customer organizations receive services from third party providers with high capacity platforms who can serve multiple customers more cost-effectively than individual customers can serve themselves. After decades of evolution, shared services has become the default delivery mode for common business transactions in leading public and private sector organizations throughout the world. Global experience demonstrates typical cost savings of 25% to 40% and better service over self-service models. The advent of "cloud" technologies is creating ever-increasing opportunities to drive "commodity" transactions to shared service business models.

SSLC Mission Statement:
The SSLC advocates that the Federal Government accelerate implementation of modernized Shared Service business models to reduce costs and improve performance of common administrative and mission support functions on behalf of the public interest in competent, cost-effective 21st Century government.

SSLC Goal Statement:
The SSLC's goal is to enact legislation to codify and accelerate progress in "good government" Shared Services initiatives with the potential to realize annual savings of over $50 Billion in government administrative costs and substantial improvements in services, employee morale and government mission performance.

SSLC Vision of Future State Federal Shared Services
The SSLC shares and supports realization of the future Federal shared services marketplace:

"Federal shared services should operate in an open, dynamic, smartly governed marketplace wherein larger scale, highly modernized and higher-performing government and commercial shared service providers compete and collaborate in the business of serving customer agencies, and customers are empowered to freely choose their providers based on reliable market information. The market should operate and be governed by sound, consistent and transparent business rules and best practices that will drive the market towards increasingly higher states of shared service utilization, performance, innovation, accountability, cost-savings and customer service."

Why is legislation necessary?
Shared services implementation has been underway in the Federal Government for decades with support from Presidential Administrations of both parties. Progress has been excruciatingly slow and discontinuous across administrations.

The leading success story to date has been Federal payroll – but it has taken nearly 30 years to consolidate from dozens of agency-specific platforms to today's four government-wide platforms. This glacial pace of progress is unacceptable and fails to meet the needs of a 21st Century government. The absence of a legislative mandate has been a critical missing success factor. As noted by US Comptroller General Gene Dodaro, *"Successful management reforms in the Federal Government need to have legislative underpinnings so they have permanence and consistency over time, no matter who's in the White House or who's leading departments and agencies."*

SSLC Members
Microsoft, Accenture, Avaya, IBM, the Data Transparency Coalition, the National Academy of Public Administration and the Professional Services Council.

Website

www.SharedServicesNow.org

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About the Shared Services Leadership Coalition

The Shared Services Leadership Coalition (SSLC) is a single-purpose, non-profit coalition of companies, nonprofits, and individuals providing educational and government relations support for legislation to accelerate shared services implementation in the federal government. Created in 2015, the Coalition members are Microsoft, Accenture, Avaya, IBM, the Professional Services Council, the National Academy of Public Administration, and the Data Transparency Coalition. More information about SSLC can be found at: www.SharedServicesNow.org.