

THE **MPG** CHRONICLE

Organisational excellence in the public sector



New Corporate Business System - Opportunities and Risks

By Scott Mead

The Queensland Audit Office (QAO) recently released a better practice guide which reported learnings identified as part of the development of their report “Effectiveness of the State Penalties Enforcement Registry ICT reform (Report 10: 2019–20),” which was tabled in the Qld Parliament in February 2020. www.qao.qld.gov.au/reports-resources/reports-parliament

The better practice guide highlights the significant risks associated with ICT procurement projects and identifies ways in which these risks can be managed. Through our work with Councils we have seen examples of well managed ICT procurement and implementation projects that have delivered performance improvement and nett financial benefit to Councils and others that have delivered the opposite. Unfortunately, the latter is most prevalent.

**IMPROVED
PERFORMANCE**

**OUTCOME DELIVERY
EFFICIENCY**

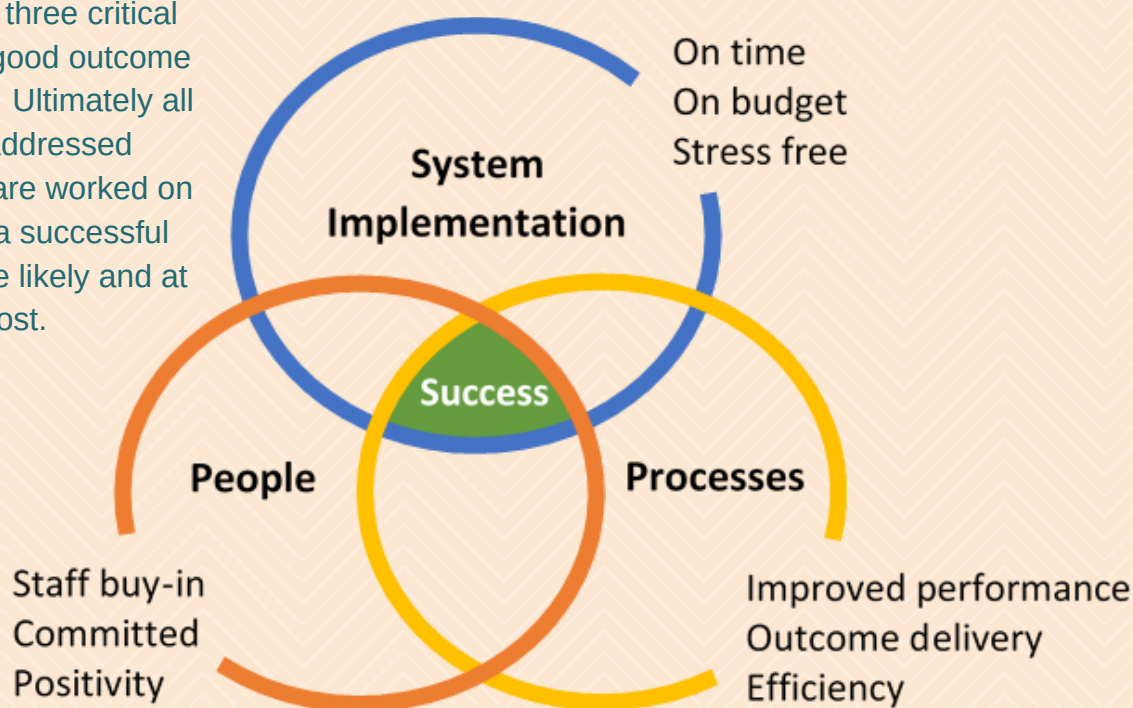
**STAFF BUY-IN
COMMITTED
POSITIVITY**

**ON TIME
ON BUDGET
STRESS FREE**

Changing a corporate business system (CBS) is not only a significant financial investment but is also one of the most challenging organisational changes a Council can face. In most instances, however it also presents a rare opportunity to make significant performance improvement and to deliver real benefits to the community.

In all instances a new CBS will cost money, put pressure on staff resources and create change anxiety for individuals. It is not something to be done lightly or to take on underprepared. How it is undertaken will be the difference between success and ongoing cost and dissatisfaction for the organisation.

In our view, there are three critical elements to getting a good outcome from the CBS change. Ultimately all three need to be addressed eventually, but if they are worked on proactively up front a successful outcome is much more likely and at much less cost.



As pointed out by the QAO, governance and probity are critical aspects of the process. This includes ensuring contracts are appropriate and managing how steering committees operate. Importantly they state that *“When an entity lacks the expertise it needs for a major ICT project, it should engage a ‘critical friend’ who is independent of the delivery team and can provide objective and independent advice to the project steering committee on risks.”* Taking on a project of this magnitude and complexity will challenge any organisation and inevitably strain customer and supplier relationships to the detriment of the project. In our experience, having an independent party or “critical friend” to liaise between supplier and Council and maintain accountability ensures that the project progresses and maintains an outcome focus.



Key elements for CBS change success

People

- Staff wellbeing
- Clear communication
- Staff engagement and involvement
- Coaching and training
- Collect and analyse feedback

Processes

- Map processes
 - Current state
 - Ideal state
- Develop action plans
- Refine procedures
- Align with system functionality

System Implementation

- Establish a project management plan
- Identify key factors
- Define KPIs
- Monitor and review progress

In addition, a dedicated third party can maintain an internal focus on progress and importantly support and maintain a focus by staff on agreed business process change and alignment to system functionality to ensure that Council gets the best possible return from its significant investment.

We are pleased that ICT reform has been recognised by the QAO as a significant issue for the Public Sector. At MPG we have the skills, experience and capacity to support Council through procurement, implementation or reengineering and would be happy to discuss how we may be able to help you.

the secret of change is to focus all of your energy not on fighting the old, but on building the new!

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