6 Rules for Successful Shared Service Partnerships

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New Jersey Department of Community Affairs

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Rule 1: Know your own mind

- Not always entirely clear what each partner around the table wants.
  - Figure it out in advance

- Politically and managerially, each partner needs to know what it wants to achieve – and why
  - Can you really make the commitment?
Rule 2: Know your partner’s mind, too!

- Work with who you know
  - Starts with confidence
  - Forge lasting partnerships based on a shared set of ambitions

OR

- Learn about your partner and their culture
  - Develop a relationship – let it evolve
Rule 3: Take the leap, but look first

- Courage to commit to a partnership is essential
- Find a great partner by:
  - Thorough analysis
  - Sound financial plan
  - Management commitment
- Leadership with a focus on delivery
  - Someone has to be in charge – focus on outcomes
Rule 4: Agree in advance

- Don’t put off hard stuff until the last minute
  - Can cause partnerships to fall apart just before or after the agreement is signed
  - Know your concerns; and address them up front

- Know what you are getting into
  - No surprises on either side
  - Business case and agreement must identify costs and benefits

- Have an exit strategy
  - Create dispute resolution process
  - Have a break-up plan – just in case
Rule 5:
Take opposition seriously

- Shared Services can result in substantial change
  - Identify potential obstacles and be prepared to mitigate them
- It’s more than job’s changing – it’s people too
  - People see careers at risk – on both sides
  - Commit to addressing the real worries faced by the people affected
- Shared services are not a “soft” option
Rule 6: Invest in the relationship

- Doesn’t end when the agreement is signed
- Contract management is critical
  - Plan to meet and discuss it regularly
  - Then do it
- Good governance depends on resources, capacity and a positive attitude
- Prepare the parties for a culture that drives improvement and innovation