

State IT shared service centres

The Government Resolution on the Development of IT in State Administration (the Government IT strategy) was issued on 15 June 2006. The Government IT Shared Service Centre was established at the beginning of 2009 to implement the Government IT strategy by taking responsibility for arranging the production of integrated IT services according to the strategy. The idea was that the IT shared service centres in different administrative sectors could better focus on maintaining and developing IT systems in their own core activities.

The objective of the audit was to determine whether the state IT service centres have been organised so that they operate effectively. The audit mainly concerned the Government IT Shared Service Centre and its activities. The audit examined how studies connected to the establishment of the Government IT Shared Service Centre were carried out and how well the establishment and supervision of the Government IT Shared Service Centre have proceeded. The audit also examined the establishment, activities and supervision of the Information Management Service Unit for Regional Administration, the ICT Service Centre and the ICT Service Centre for the Judicial Administration.

When the IT shared service centres were established, in the background was the need to centralise basic IT services in order to take advantage of economies of scale through integration and to free personnel to maintain and develop IT systems in core activities.

The IT shared service centres have now been established and produce the services they were meant to produce. They have created process descriptions and have performance and service agreements in place.

The audit found that no guidelines have been issued for creating process descriptions and that different IT shared service centres created descriptions following their own approach. Although sectoral IT shared service centres produce similar services, their per-

formance and service agreements differ in terms of structure and presentation. Organisational forms and reporting practices also vary.

When the Government IT Shared Service Centre was established at the beginning of 2009, only the Government Information Management Unit's basic information technology tasks were shifted to it. Since then more attention has been paid to developing new services. Harmonised performance indicators have not been developed for the IT shared service centres, decisions have not been made regarding the harmonisation of ICT terminology, steps have not been taken to harmonise sectoral service centres' procedures and processes, and tools have not been created to compare service centres' activities. Consequently an information base has not been developed to evaluate IT shared service centres' activities, efficiency and economy and to compare their performance.

In the opinion of the National Audit Office, if the aim is to improve the cost-effectiveness of the production of IT services in state administration by centralising services, decisions must be made regarding harmonised ICT terminology and the comprehensive use of harmonised operating processes. The reliability of the ICT information base should be improved by harmonising accounting procedures, developing cost accounting and specifying performance indicators and reporting procedures as a tool for monitoring and managing activities.

The audit found that twelve spearhead projects were selected for development programmes for shared IT services. Comprehensive cost-benefit analyses regarding services were not conducted. With so many projects, it is not realistic to regard all of them as equally important in terms of benefits.

The National Audit Office considers that more extensive cost-benefit analyses should have been conducted in preliminary studies for projects. On this basis attention could have been focused primarily on the projects that would have resulted in the greatest benefit in producing shared IT services.

The audit also looked at risk management in IT shared service centres' IT development projects. Problems in the projects that were examined typically concerned tight schedules, insufficient guidance, inaccurate cost estimates and the lack or insufficient scope of risk analyses. The audit found that many key matters have been left up

to IT shared service centres to decide when the organisation supervising a project should have presented final decisions and borne responsibility for them.

The National Audit Office considers that in future, supervising organisations' decisions should be clearly recorded in steering groups' minutes and other necessary documents. Particularly in project plans and project evaluations for long-term projects it would also be good to record separate inspection points, in which case it would be possible to steer a project in a new direction on account of changed circumstances, to terminate a project or to take other measures to achieve a project's objectives.