

Affinity Group Workshop #4

Use of Industry as a Service Broker

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Outsourcing Provider Definition

- ❖ Contractual obligation between public Organizations and Supplier
- ❖ Scope can be whole, partial insource and outsourcing
- ❖ Service can be provided to both government and citizens
- ❖ Accountability resides with government



Various Models of Outsourcing

- ❖ Government  Service Provider
- ❖ Government  Broker  Client
- ❖ Governments  Broker  Client



Key Ingredients

\$ + Accountability

Operational (back office)

Reliability

Cost



Risk management

Program (front office)

Visibility

Relevance

Trust

Public interest/goods

Tolerance

Arm's length



Operational

Advantages

Expertise

Certainty

Rationalization

Efficiencies

Potential cost effectiveness

Disadvantages

Loss of institutional Knowledge

Service definition
eg loss of control
loss of flexibility



Front office

Advantages

Rationalization
Of presence
(storefront)

Brand trust

Integration

Market forces

Partnership (\$)

Disadvantages

Political !!

Sustainability



SLA – Service Level Agreement

government

Accountability

Financial
control

Terms &
conditions

supplier

Delivery

Critical mass

Competitive
Environment

profitable

citizen

Subject

Awareness
Of rights

Obligations

entitlements

