



UK Public Sector Demands Clear Standards for Outsourcing Management

As UKTI's outsourcing comes under heavy criticism, an NOA poll finds that public sector managers crave clear guidelines for outsourcing best practice

Following the [National Audit Office's "damning report"](#) criticising UK Trade and Investment's approach towards its outsourcing contracts, a snap poll of the UK outsourcing industry (conducted by the National Outsourcing Association) has found that 72% of those in outsourcing working in or with the public sector think clear standards for outsourcing conduct must be implemented; the same survey found this view is reflected by 80% of the UK outsourcing industry overall.

Kerry Hallard, CEO of the National Outsourcing Association, commented: *"The National Audit Office has determined that UKTI's outsourcing has fallen 'well below the standards in managing public money'. The issue here is blindingly obvious – **there are no real standards for how public sector outsourcing should be conducted**, and our research has found that those responsible for managing the government's contracts are crying out for clear guidance.*

"Implementing best practice in outsourcing has been top of the National Outsourcing Association's agenda since day one. This year we launched our Corporate Accreditation Programme to help organisations eliminate outsourcing weaknesses and achieve outsourcing excellence throughout the contract lifecycle, especially those in the public sector! The [BBC recently became the first public sector organisation to achieve corporate accreditation with the NOA](#) – they've implemented our best practices company-wide across all of their major outsourcing contracts, and they're already seeing substantial benefits."

The NAO's report went on to claim that UKTI's service provider, PA Consulting, "should have been more transparent" in its dealings with UKTI. The NOA's survey also found that 88% of the UK outsourcing industry thinks increased transparency would not harm the efficiency of outsourced public services, and should be encouraged. Corporate accreditation with the NOA is proven to give public sector organisations an improved understanding of their outsourcing processes end to end, making transparency much easier to achieve. The BBC has testified to this fact, stating that the NOA's corporate accreditation has helped the broadcaster **handle "intense scrutiny" and "satisfy the BBC's external auditors"**.

Otherwise the NOA's survey demonstrated that, despite the negative media coverage and total lack of vocal government support, the majority of the UK outsourcing industry still thinks outsourcing helps the public sector more than it hinders it. 65% of the industry called outsourcing the public sector's "saviour", while 35% see it as more of a "villain".

Accordingly, the industry is adamant that the benefits of public sector outsourcing outweigh the negatives. 75% believe that outsourcing helps the public sector significantly cut costs; 63% say it increases process efficiency, while 57% argue service providers help the public sector by handling non-core processes, allowing government organisations to focus on what's core.

However, the negative results of public sector outsourcing were also acknowledged. Specifically, 47% of public sector buyers say that "service providers not delivering as promised" is an all-too-common outcome of their outsourcing; 27% of service providers to the public sector agreed with this

statement. And 37% of the entire industry think that, when the public sector opts to outsource, the retained knowledge of public sector workers is rarely put to good use.

Meanwhile, only 4% of those with first-hand public sector outsourcing experience think that the UK media's coverage of outsourcing in the public sector is acceptable as it currently stands. 80% think that the media's negative coverage of outsourcing in the public sector should be balanced with more success stories.

These findings demonstrate that public sector outsourcing has a significant image problem, with a firm consensus across the industry that the media doesn't do nearly enough to recognise the benefits outsourcing frequently provides for the UK public sector. However, there's also clear room for improvement, which could be achieved with the benefit of specialised training and clearly defined standards to follow – both areas in which the NOA is working hard to drive the outsourcing industry forward.

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About the NOA

The National Outsourcing Association (NOA) is the leading association serving both the outsourcing professional and the global outsourcing industry. Our vision is to grow the size and positive reputation of the outsourcing industry. Our mission is to be both the home and global ambassador of world class outsourcing. www.noa.co.uk

About the NAO

The National Audit Office (NAO) scrutinises public spending for UK Parliament. Their public audit perspective helps Parliament hold government to account and improve public services.

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