

SUCCESS STORY

FINANCIAL SERVICES AUTHORITY

Transforming IT delivery



Sopra Steria helps the Financial Services Authority (FSA) transition its Application Management Service to a flexible model built on offshore service delivery

The UK Financial Services Authority sought to transform delivery of its IS Division's technical services and applications projects with an outsourcing model.

The Challenge

Since April 2013 financial regulation in the UK has been undertaken by the Financial Conduct Authority and the Prudential Regulation Authority. Prior to that, the Financial Services Authority (FSA) was the UK's regulatory body for all financial services providers.

The FSA undertook an effectiveness review of its Information Systems (IS) organisation that identified a need for service transformation. The review assessed the structure, activity levels, costs and quality of service measured against market best practice. It also assessed the FSA's existing use of third party IT suppliers for the provision of IS/IT services.

In addition to identifying a need to transform delivery of the IS Division's technical services and applications projects, the review findings suggested that outsourcing would offer a practical route to transforming the division's capabilities. It indicated that outsourcing could support the FSA's objective of delivering a large portfolio of business applications as part of a programme to rationalise its legacy application estate.

Key Points

- Smooth transition from the FSA's in-house Application Management Service to an offshore delivery model
- Value for money Application Management with reduced costs and improved availability of systems
- Ability to respond to the FSA's need for any emergency legislative changes

The FSA believed that this rationalisation would be too big a task for the IS Division to carry out on its own and that the acceleration of business benefits could best be achieved by engaging world-class service and applications projects with an outsourcing model.

Our solution

The FSA sought a solution and delivery partner in line with its objectives for Application Management. These included engaging a delivery partner with a high quality service leadership team.

As world-class experts in the processes and standards used to supply and service applications, Sopra Steria was selected to be this partner and deliver the following objectives to the FSA:

- Build a cost effective, flexible and robust delivery capability with guaranteed delivery
- Ensure a smooth transition with uninterrupted service provision
- Progress quickly to industry leading service to the business reusing existing experience, methodologies and processes

How we worked together

Sopra Steria's partnership with the FSA was set up in line with the FSA's adoption of a Best of Breed outsourcing model. The delivery model utilises Sopra Steria's extensive offshore capabilities, which reflects the FSA's own strategy and outsourcing vision to leverage offshore cost savings.

Crucially, a strong leadership team has been central to the success of the project with onshore and offshore colleagues encouraged to work as 'one team'. In addition, the offshore delivery team is located in a secure area in order that access to the FSA systems and data is restricted to approved Sopra Steria resources.

The solution sees Sopra Steria managing a variety of applications, from Oracle E-Business Suite to bespoke systems with a mixture of technologies. While Sopra Steria's Application Management Service is not sector specific, the nature of the FSA requires some highly specific technologies, such as market monitoring technology, which Sopra Steria is able to provide as bespoke offerings.

Sopra Steria successfully carried out a smooth transition from the FSA's previous in-house Application Management Service to the offshore delivery model. This involved knowledge transfer for more than 100 systems and was met with all transition SLA targets achieved in full.

Service flexibility ensures that Sopra Steria can meet the FSA's needs for any emergency legislative changes. It also allows Sopra Steria to support other FSA Application Development Framework (ADF) partners. For example, the Sopra Steria Application Management support team is able to use enhancement days to apply minor enhancements, such as additional interfaces or integration, to support the development of new solutions being delivered by the other ADF partners.

Results and benefits

The FSA is receiving value for money Application Management with reduced costs and improved availability of systems. Sopra Steria is providing the FSA with tangible benefits that include the following:

- Robust delivery capability: this is evidenced by three and a half years' delivery without a single missed or failed service level agreement
- Cost effectiveness: the model has productivity built into the price. This ensures that Sopra Steria is continually looking for new ways to improve productivity levels
- Price reduction: Sopra Steria's reputation for innovative and flexible pricing is reflected with a commitment to price reduction over the length of the service. After three years this had delivered a 43% reduction in the cost of the service
- Flexibility: this is evidenced by a 30% increase in the number of software enhances applied to legacy systems at no extra cost

The outsourcing of its IS services represented a major milestone in the transformation of the FSA's information systems.



About Sopra Steria

Sopra Steria, European leader in digital transformation, provides one of the most comprehensive portfolios of end to end service offerings in the market: Consulting, Systems Integration, Software Development, Infrastructure Management and Business Process Services.

Sopra Steria is trusted by leading private and public organisations to deliver successful transformation programmes that address their most complex and critical business challenges. Combining high quality and performance services, added-value and innovation, Sopra Steria enables its clients to make the best use of information technology.

With 37,000 employees in over 20 countries, Sopra Steria had pro forma revenue of €3.4 billion in 2014.

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