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## **Innovation in Public Service Delivery in Terms of Shared Services Centres in Local Governments: A Case Study of the City of Toruń (Poland)**

### **Abstract**

*Objectives:* The public sector has been subjected to financial pressure. One of the tools to improve the environment of the public sector entities and introduce greater management flexibility in governance is establishing Shared Services Centres (SSCs).

*Research:* The article presents a case study regarding the implementation process and the effectiveness assessment of this solution based on the example of the city of Toruń.

*Research Design & Methods:* The paper provides a case study of SSC of the city of Toruń.

*Findings:* Based on the results, it can be concluded that the key barrier to the implementation of SSCs as the innovation tool of public management is the lack of understanding of business management tools among directors of public sector units that were not involved in the issue of management efficiency.

*Implications / Recommendations:* What appears to be the most challenging is the sociological factor that matters in terms of SSCs implementation. Social capital of the units' directors, trust, and reciprocity is much more important than institutional arrangements.

*Contribution / Value Added:* The paper shows the first evaluation of SSC in local government in Poland based on a case study. It is believed that this approach might be very fruitful for further theoretical research and practical implementation.

*Article classification:* research article

*Keywords:* public management, innovation in public management, shared services centres, collaborative governance, reforming public administration

*JEL classification:* H83

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## Introduction

The recent decades have shown fundamental changes in public management. Fiscal pressure and seeking savings generated the necessity of searching for new tools for public administration management (McLaughlin, Osborne & Ferlie, 2002). This has led to a new public administration approach that incorporated business tools and good governance into public sector. The changes were expected to deliver better-quality services and an improved standardisation of tasks with less spending (Ringen, 1987; Forst, 1997; Kettl, 2000; Bovaird & Loeffler, 2004; Braun & Winter, 2005). Although there are no uncritical supporters of the new public management, the aspects that are being discussed in the public sector include management flexibility and the evaluation of received outcomes. One can also see that the focus has been shifted from legal procedures to the effects that public activity brings to the local community. As a result, we need to discuss new public management paradigms, where effectiveness is still indicated as an important element of public sector organisation<sup>1</sup>. However, there are other aspects that need to be taken into consideration when discussing the new public administration. These include: co-production of public services, hybrid organisation domain or collaborative and network governance, innovation in public administration, and service-dominant approach (Virtanen & Stenvall, 2014; Kinser & Vigota-Gadot, 2017).

## From innovation to collaboration

By definition, innovation in public administration is the process of introducing new elements, such as new knowledge, a new organisational structure, a new management philosophy, and new processes, adding these to an already existing and working organisation. At present, public administration has

<sup>1</sup> See also: Dunleavy P., Margetts H., Bastow S., & Tinkler J., *New Public Management Is Dead: Long Live Digital-Era Governance*. *Journal of Public Administration Research and Theory*, 16(3), 01.07.2006, pp. 467–494.

a silo structure. In order to introduce innovation to its design, we suggest incorporating a joint-up organisation based on the collaborative-governance approach. The previous solution has not been applied in the public sector on the large scale (Osborne & Brown, 2005). One needs to bear in mind, however, that it is impossible to give a clear definition of the collaborative-governance approach. It stems from the fact that the general theory of collaboration does not exist (Wood & Gray, 1991). However, as Blomgren figured out, “collaboration suggests a closer relationship, it suggests that participants ‘colabour’, it entails a new structure, shared resources, defined relationships, and communication. Collaboration also involves creating, enhancing, and building on social and organizational capital in pursuit of shared purposes” (Blomgren, 2009). Researchers focusing on collaboration highlight elements such as: (1) process (Lawrance & Phillips, 2002; Amirkhanyan, 2009); (2) structure (Mandell & Steelman, 2003; Sowa, 2008); (3) participants (Ansell & Gash, 2008; Mullin & Daley, 2009), and, last but not least, (4) outcome process (Agranoff & McGuire, 2003; O’Leary, Gerrard & Bingham, 2006).

## Why collaborate?

The choice of collaborative governance can be supported by the so-called collaborative advantage. This means that no department standing alone is able to achieve the same or better results or solutions as the structures collaborating with one another. This is also called the synergy effect that can be achieved by joint-working (Huxham, 1993). However, designing and implementing collaborative structures is not an easy task. There are several elements that have to be taken into consideration in order to ensure proper and sufficient work. According to Thomson, Perry, and Miller, there are five elements of collaboration that are crucial for a collaborative institution. They can be divided into two groups, namely institutional factors and sociological factors: (1) institutional factors: governance – understood as choosing partners, setting up decision-

making processes, and participating in group-brainstorming sessions and administration – these are the practical aspects of collaboration that include the participants who are perfectly aware of their roles and their efforts to achieve goals set before; (2) sociological factors: mutuality – it has the greatest importance in the social capital context, which is focused on communication and the efficient flow of resources and information to achieve better results; trust and reciprocity – developed between collaborative partners when they learn to count on each other and build commitments, and it might act as a social lubricant to enhance mutuality; autonomy – the tension that occurs when the parties of collaboration need to juggle goals settled for both the organisation and collaboration purposes. When collaboration occurs, organisations must not neglect their usual tasks; they have to dedicate their capacity for collaboration instead (Thomson & Perry, 2006; Thomson, Perry & Miller, 2007). Nonetheless, scholars agree that there is still much to be learnt about collaborative governance. A good example of such an activity is Toruń Shared Services Centre. Therefore, our case study examines its designing and implementation process.

### Shared Services Centres (SSCs) – theoretical background

The revolution in public management has led to creating a new tool called ‘shared services centres’ (SSCs). SSCs were originally introduced in the British public sector<sup>2</sup>, and only then in other European countries<sup>3</sup>. The implementation of shared

<sup>2</sup> For more on theoretical foundations of the functioning of the SSCs in the public sector, see *Municipal Shared Services and Consolidation: A Public Solutions Handbook*, (eds.) Henderson, A. Routledge. New York, 2015, pp. 3-17. For more information on the applicable legislation on SSCs in the UK, see Sandford, Mark. *Local government: New models of service delivery*. House of Commons Library. London, 2015; Tomkinson, Ray. *Shared Services in Local Government: Improving Service Delivery*. Gower. London, 2007.

<sup>3</sup> International experience in implementing the SSCs is presented in the work by Deborah Peel, Brendan O’Keeffe,

services engagements has a long history. They were first introduced in business organisations when large corporations consolidated separate units to create a solitary entity (Lacity & Fox, 2008; Hesketh, 2008; Kamal, 2012). SSCs became especially popular in the early 2000s. They were introduced in order to bring savings in bureaucratic financial programmes, improve access to innovation, and make a more efficient use of the functions and competences of the employees (Ulbrich, 2003; Janssen & Joha, 2006; Wagenaar, 2006; Aksin & Masini, 2008; Becker et al., 2009; Miskon et al., 2010; McIvor et al., 2011). In short, as Quinn et al. figured out SSC’s aggregate back-office services within a single area to provide their services across the entire organisation (Quinn et al., 2000). As a result, we will define SSC as Bergeron said as “an accountable semiautonomous unit within an (inter)organisational entity used to bundle activities and provide specific pre-defined services to the operational units within that (inter)organisational entity, on the basis of agreed conditions” (Bergeron, 2003). Although SSCs have been operating in the public sector for many years, there are still few empirical studies that would allow one to indicate differences in the implementation of shared services centres into the public sector and business<sup>4</sup>. The experiences of Polish cities in this area are still at an initial stage due to their short period of validity. Therefore, the authors of this article do not focus on ideal types of the shared-service-centres organisation (Becker et al., 2009), the explanation of the organisational

Linda Shi, Kendra Leith, and Karen Keaveney, entitled *Shared Services Across Local Government* (Dublin, 2011).

<sup>4</sup> One example is Becker, Niehaves & Krause, *Shared Services Strategies and Their Determinants: A Multiple Case Study Analyst in the Public Sector*, American Conference on Information Systems, 2009; another is Janssen & Joha, Emerging shared service organisations and the service-oriented enterprise: Critical management issues. *Strategic Outsourcing: An International Journal* 1(1), 2008; yet another is Janssen, Joha & Weerakkody, Exploring relationships of shared service arrangements in local government. *Transforming Government* 1(3), 2007.

transitional journey (Grant & Ulbrich, 2010), or even the rational motives for establishing shared services centres (Janssen & Joha, 2006). Instead, the authors have used the case-study methodology to figure out how the SSC management idea is being adapted at an early stage and how to transform previous, traditional ways of management into the SSC type. In Poland, SSCs were introduced on the basis of a report prepared by the Ministry of Administration and Digitalisation, entitled: *The Assessment of the Situation of Local Governments* (2012, p. 37). It drew attention to the fact that Polish local governments were burdened by costly legal solutions that in no way served to realise their mission (Modrzyński, Gawłowski & Modrzyńska, 2018). Although these legal regulations should focus on the standard of services provided to inhabitants, they aimed at indicating the manner in which local governments should deliver their services. In this way, the organisational and management decisions of local governments were limited. The indicated barriers in the management of local government units result from the public finance act which is in force. According to the act, all budgetary units have the same right to receive funds from the budget regardless of their size and the income they earn. The budgetary unit must have an approved financial plan, statute, it must manage the property, and all financial matters must be carried out by the chief accountant. Furthermore, each local governmental budgetary unit establishes its own accounting policy and has its own reporting obligations stemming from legal regulations, an archive, and a company social-benefits fund. Thus, the legal regulations do not give any room for flexible management depending on, e.g., the size of the unit. This problem was indicated in the governmental draft act amending the Act on Gmina Local Government and some other acts<sup>5</sup>.

<sup>5</sup> What is worth emphasising is the fact that at the stage of the government legislative process of the indicated act, not all legal solutions in the scope of increasing the flexibility of local government units were taken into account. For example, during inter-ministerial consultations, the Ministry of Labour and Social Policy did not agree to

As the legislator pointed out in the justification to the act, local governments need more flexibility in organising their work so that they can adapt the solutions to local needs and possibilities (Modrzyński, Gawłowski & Modrzyńska, 2018). Moreover, the way in which local government units are handled has not changed during the last five decades. This was to be served by the increased independence and flexibility of the organisational structures stipulated in the project. The indicated objectives were achieved by adding Art. 10a et seq. of the Act on Gmina Government, Art. 6a et seq. of the Act on Powiat Government, Art. 8c et seq. of the Act on the Voivodeship Self-Government, as well as the relevant amendment to the Public Finance Act<sup>6</sup>. In the literature devoted to the issue of shared services centres, the main point of interest is the legal and organisational regulations determining the way they function and the potential benefits that the public (as well as private) sector is able to achieve through the introduction of this solution. Therefore, the implementation process of SSCs might be seen as a huge innovation in local governments. In this context, the idea behind shared services centres is to change the way in which organisational units are running and, in consequence, find new measures to improve public service delivery. Given the long experience of working without the necessity of collaboration among organisational units, we suspect that sociological factors seem to be more important than institutional ones. Therefore, the research hypothesis formed for the purposes of the article is that the directors of educational organisational units do not fully use the management possibilities of the managed units which result from the introduction of shared services centres. The hypothesis has been tested by means of answering the following study questions:

cover social care institutions with the service of shared services centres.

<sup>6</sup> For more on the legislative process, see the legislative process on the website of the Sejm of the Republic of Poland <http://www.sejm.gov.pl/sejm7.nsf/PrzebiegProc.xsp?nr=2656>, accessed on 17.12.2017.

- How does the professional experience of the organisational units' directors influence the way that the SSC and the local government administrative unit cooperate?
- What chances and threats did the directors of the organisational units notice in the implementation of SSCs as the innovation process?
- What recommendations can be drawn for other SSCs implementations based on the Toruń case?

For the time being, there is a lack of knowledge about the way in which SSCs have been implemented as well as what the performance of this kind of organisations is in Poland. Therefore, we strongly believe that our research gives more insights into the SSCs issue, introducing a scientific debate about it.

## Methodology

The theoretical framework of this study was based on the collaborative paradigm. It is defined as the process where collaboration is being built between organisations, different administrative levels, and even sectors. For instance, collaboration is established between the public and private sectors as well as non-governmental organisations to perform public functions (Emerson, Nabatchi & Balogh, 2011). This article presents the analysis of the experience gained in the first years after the shared services centres were implemented in Poland. The study was based on the opinions of directors in charge of local government organisational units founded by the City of Toruń. In order to find the answers, the authors applied the collaborative governance regime (CRG) in an intra-organisational dimension (Emerson, Nabatchi & Balogh, 2011). This gave a specific framework to this case study. CGR was chosen as it examines collaborative governance broadly and treats it as an emergent system. In order to obtain answers to the questions listed above, questionnaire surveys addressed to the directors of educational units were carried out. The study group included the following educational units: kindergartens, schools, pedagogical and psychological counselling centres,

as well as youth centres of culture. All of these were being served by the Toruń Shared Services Centre (TSSC). The aim of the research is more descriptive in nature, but it also shows some evaluation insight into the SSC implementation process. The study consisted of two parts. The first one included the questions concerning the knowledge, experience, and managerial competences of the organisational units' directors. The second part of the questionnaire contained questions regarding the potential opportunities and barriers in implementing the Toruń Shared Services Centre. What is more, the respondents were asked to assess how administrative services function for public-finance-sector entities. The questionnaire was sent to sixty-eight local government units operating in Toruń. The questionnaire was divided into two parts. In the first one, there were five questions about directors' professional experiences. This part of the survey was inserted in order to figure out what the professional profile of the directors is. The second part was devoted to the respondents' ratings in terms of opportunities and threats concerning the implementation process of SSCs. In the questionnaire, the respondents were able to assess the significance for each of the answers, taking into account the following scale: from 1 to 5, where 1 is the INSIGNIFICANT element and 5 is VERY SIGNIFICANT element. There were twenty-four answers received, which constitutes 35.3% of the total study sample. In order to increase the number of answers, the authors did repeat the mailing of the questionnaires, but the directors failed to respond. The study was conducted in September-October 2017.

## The Toruń Shared Services Centre

The Toruń Shared Services Centre was established by the City Council of Toruń in November 2016 (Resolution No. 466/16 of the City Council of Toruń of 24 November 2016 on the creation of a local government organisational unit – the Toruń Shared Services Centre). The TSSC supports sixty-eight educational institutions, including kindergartens,

primary schools, secondary schools, and centres of culture. In addition, on the basis of the act mentioned above, the service of the TSSC has covered other twenty-three local government organisational units of the City of Toruń (e.g. the Poviast Labour Office, the Business Support Centre, the Urban Town Planning Studio, and the City Guards). It provides the supported units with shared organisational, financial, and administrative services, consisting of: accounting; payroll issues of employees; financial and budgetary reports for financial and statistical operations; financial and accounting services for the Company Social Benefits Fund, the Employee Loan Fund; material support for students; settlements with the Tax Office, the Social Insurance Institution, and other institutions; tax settlement on goods and services; VAT returns for the City of Toruń and its adjustments. The process of commencing the TSSC operation and launching its activity was divided into four stages. At the first stage, i.e. from 1 January, 2017, the TSSC started to provide the shared service covering only the VAT settlement centralisation of all the organisational units of the Gmina. Then, on the following dates: 1 February, 1 May, and 1 August 2017, other shared services included in the planned scope

were commenced and extended to subsequent educational units<sup>7</sup>.

## Study results

The first part of the study focused on the professional experience and competences that the directors of the studied organisational units have (cf. Figure 1). As for the formal requirements that are imposed on applicants for the management position at the educational institution, they need to hold a graduate or postgraduate diploma in management, or have completed a qualification course in education management (cf. Figure 2). These courses' curricula need to comply with the provisions for teacher training institutions. In addition, the applicants must have obtained the Master's degree and teaching qualifications for a given educational institution. In practice, it means that management positions are entrusted to teachers and guidance counsellors who have little or no management experience.

However, in the context of SSCs, it is important for the directors to know how to implement the management tools that are specific for business in the public sector they work for. It can be assumed that the lack of knowledge and experience

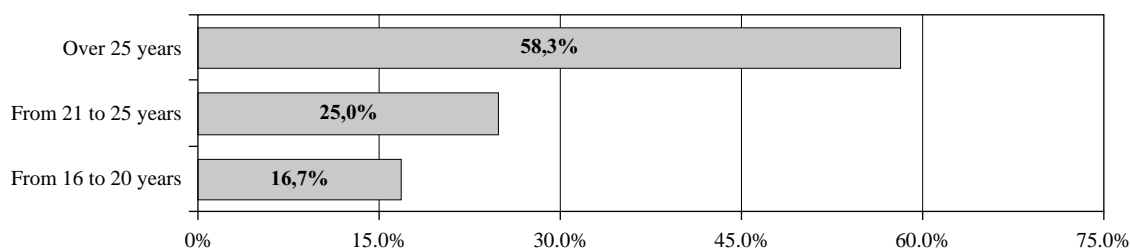


Figure 1. Presentation of the respondents' answers to the question: "How many years of professional experience do you have?"

Source: own study based on the results of the research.

<sup>7</sup> Cf. Resolution No. 466/16 of the City Council of Toruń of 24 November 2016 on the creation of a local government organisational unit – the Toruń Shared Services Centre – assigning it the statutes and shared service of organisational units of the Gmina of the City of Toruń, <http://bip.torun.pl>, accessed on 10.07.2017.

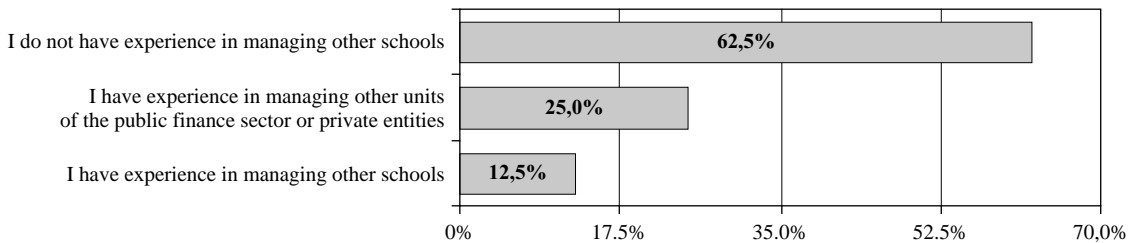


Figure 2. Presentation of the respondents' answers to the question: "Have you ever worked in other units (except for the one in which you currently work)?"

Source: own study based on the results of the research.

in this area has a huge impact on the effective implementation of changes. In the studied group, as many as 75% of the respondents have never worked in the private sector.

Over 80% of the respondents have at least twenty years of professional experience, and every fourth respondent has experience in managing local government organisational units. In the group of respondents with experience in managing entities, nearly 60% have been managing units for at least six years (cf. Figure 3).

The success of implementing business solutions in the public sector largely depends on the involvement of the team responsible for this task. It is especially challenging if the implementation is conducted in a very specific environment, such as educational units from our case study. The

management staff of educational units in the vast majority have experience only in managing such units. In terms of statutory tasks – conducting usual tasks connected with educational activity – this kind of experience is undoubtedly a significant advantage. However, if an innovative business solution is implemented in the public sector, this factor can substantially impede or even barrier this process (cf. Figure 4).

Nearly 92% of the respondents participated in various managerial courses or trainings, mainly on educational units management. It is worth emphasising that all the respondents have expressed their willingness to improve their professional competences and qualifications in the future. The following key training areas were indicated (cf. Figure 5): finance management (21.4%),

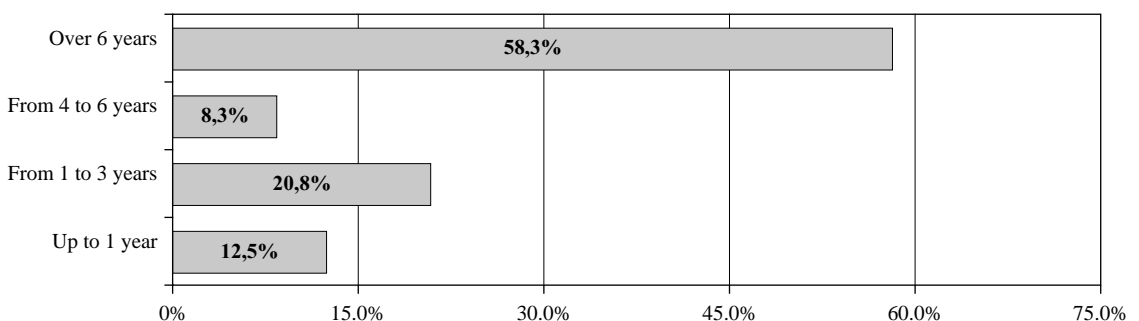


Figure 3. Presentation of the respondents' answers to the question: "How many years of experience in managing units do you have?"

Source: own study based on the results of the research.

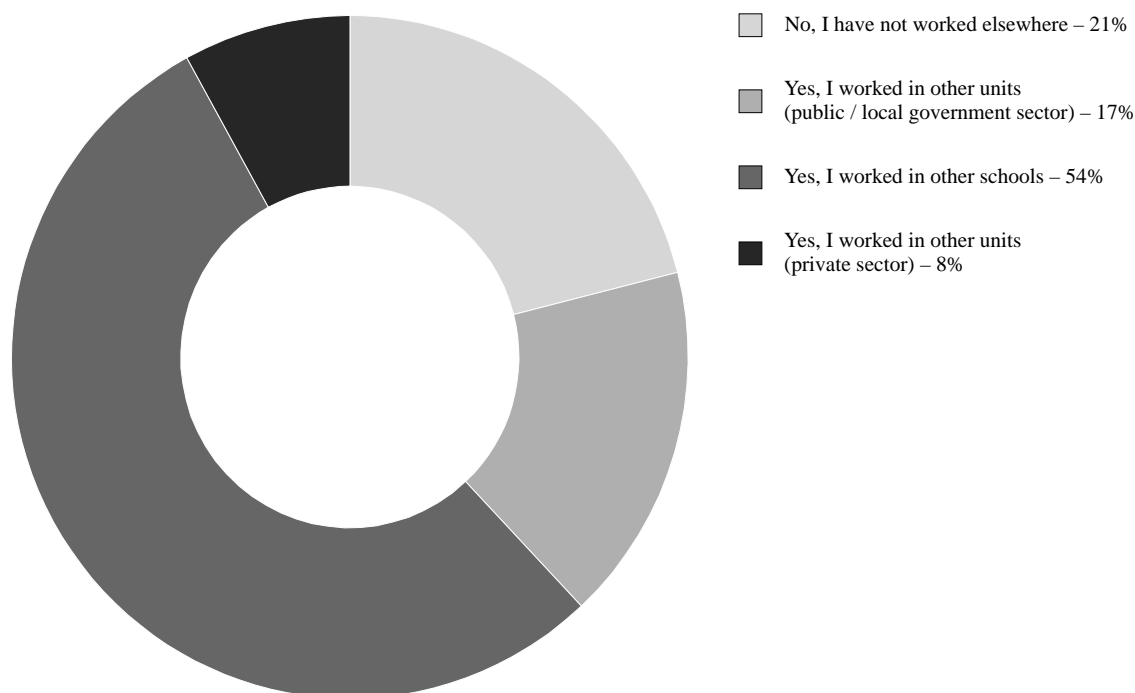


Figure 4. Presentation of the respondents' answers to the question: "Have you ever worked for another business sector (except for the one in which you are currently working for)?"

Source: own study based on the results of the research.

education law, and human resources management (19.6% of responses each).

The second part of the study concerned the knowledge and opinions of directors on the implementation of the maintenance tasks of local government organisational units by the TSSC.

The results obtained are significant from the perspective of identifying the opportunities and threats to the functioning of local government shared services centres. The idea of centralising financial, accounting, payroll, and tax services did not attract interest among the heads of units selected to be covered by the shared service. Almost all the respondents (95.8%) reacted to this project in a negative way. Unfortunately, also more than half of the respondents (58.3%) did not have knowledge about the functioning of shared services centres and the implementation of selected tasks in the formula of entrusting them

to a shared service. The above factors were of key importance in further assessment of the functioning and efficiency of the SSCs. The greatest concerns among the management of units covered by the shared service were related to the limitation of access to information (average rating of 4.38) and the limitation of capabilities of managing the unit (average rating of 4.04).

After the several months of the functioning of the TSSC, the directors of the served units were not convinced about the validity and effectiveness of the back-office being centralised and implemented in the outside parent unit. Over 66% of the respondents would return to previous organisational solutions. In the opinion of the studied heads, the greatest benefits result from taking over the implementation of the tasks of centralisation of VAT (average rating of 3.79) and limiting the risk of conducted operation, and



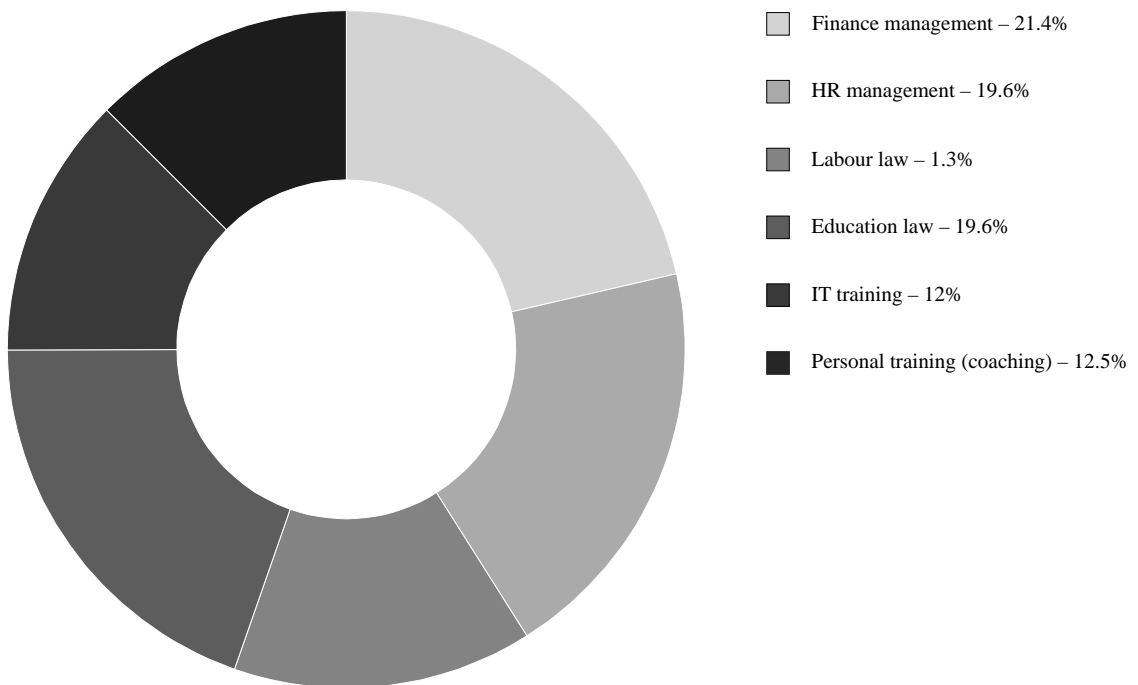


Figure 5. Presentation of the respondents' answers to the question: "In what subject area is the improvement of qualifications required?"

Source: own study based on the results of the research.

transferring these tasks to be performed by an external entity (average rating of 3.25). Table 1 presents the distribution of the respondents' answers regarding the opportunities/possibilities and threats/concerns of the heads of units covered by the shared service related to cooperation with the SSC. The most important areas for the heads of units who indicated the validity of extending the scope of the service provided are: legal service (25.6% of responses), IT service (18.6%), as well as health and safety service and fire protection service (16.3%). The areas indicated above are currently being implemented by external entities, i.e. in the outsourcing formula. Where the implementation of specific tasks has been elaborated on in a natural way in cooperation with an external entity, the heads of units naturally point to the possibility of them being covered by the shared service. Interestingly, none of the heads indicated

the possibility of entrusting external entities with the tasks of cleaning the facility or, in this case, entrusting them with the shared service. Two observations can be made here. Firstly, services that are already being implemented by external entities in an obvious and natural way can and should be covered by the shared service. Secondly, the problem of services provided under the shared service concerns only the services provided so far by the employees of this unit. Therefore, the key aspect in assessing the validity and effectiveness of the functioning of the SSC is more about the reduction of the staff available to the heads of units than the nature and scope of the shared service provided (cf. Figure 6).

In addition, other significant problems indicated by the respondents included: the lack of sufficient knowledge and experience concerning how the TSSC should function (average rating of 3.88);

Table 1. Presentation of the results of the respondents' ratings to questions about the opportunities/possibilities and threats/concerns of heads of units covered by the shared service in cooperation with the TSSC

<b>What threats/concerns did you identify in relation to covering the unit with the service of the TSSC?</b>	<b>Share [%]</b>	<b>Average rating</b>
Lack of current access to information	28.4	4.38
Limitations with regard the ability to manage the unit	26.2	4.04
Limitations with regard to financial decision-making	25.9	4.00
Limitations with regard to personnel decision-making	19.5	3.00
<b>What opportunities/possibilities did you identify in connection with covering the unit with the service of the TSSC?</b>	<b>Share [%]</b>	<b>Average rating</b>
Raising the level of management efficiency with the units serviced	16.3	2.88
The possibility of focusing on the implementation of basic objectives of the unit	16.0	2.83
Management control – reducing the level of risk of the processes carried out (transferring their implementation to the TSSC)	18.4	3.25
Centralisation of VAT settlement (implementation by the TSSC)	21.5	3.79
Lowering the costs of the functioning of the unit, which he/she manages	14.6	2.58
Optimisation of employment in units covered by the shared service (e.g. no problems with the accountants going to retirement, leaves, etc.)	13.2	2.33

Source: own study based on the results of the research.

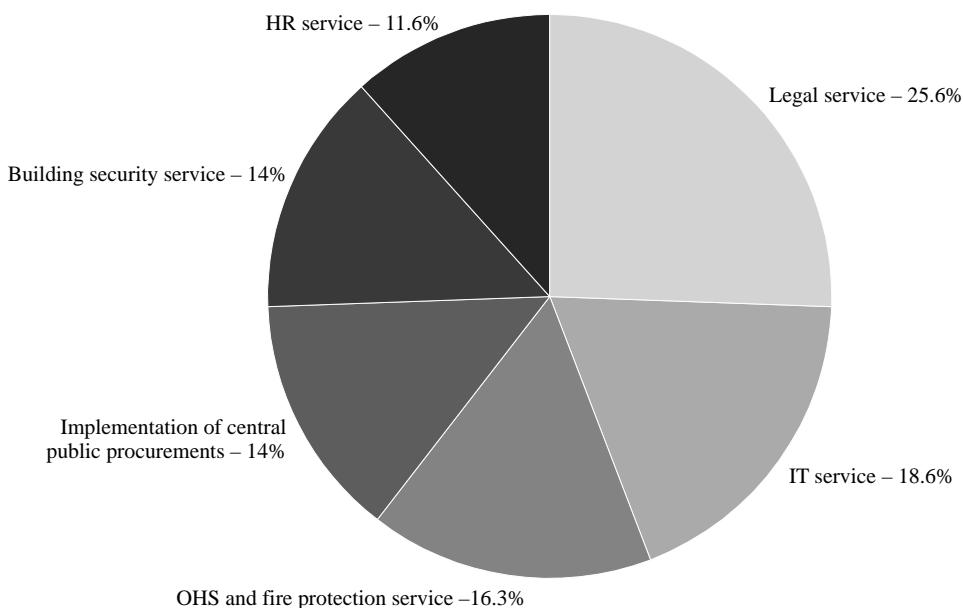


Figure 6. Presentation of the respondents' answers to the question: "Please indicate possible areas for extending the scope of the shared service provided"

Source: own study based on the results of the research.

the lack of support from consulting companies at the level of the serviced units (average rating of 3.71) (cf. Table 2).

On the other hand, the respondents positively assessed the fact that the City management and

TSSC management were involved in the SCC implementation process. They also did not indicate this area as problematic when the tasks were being transferred from units to SSC (average rating of 2.75).

Table 2. Presentation of the results of the respondents' assessments of questions regarding problems occurring when transferring tasks covered by the shared service to the SSC

What problems did you experience when transferring the tasks covered by the shared service to the TSSC?	Share [%]	Average rating
Lack of/slight interest in the subject of the SSC on the part of the city's management	11.5	2.83
Lack of/low interest in the SSC on the part of the management of units covered by the shared service	11.2	2.75
Mental attitude of employees of units covered by the shared service (those who were transferred to the TSSC)	14.2	3.50
Lack of knowledge and experience	15.8	3.88
Lack of external support (e.g. consulting companies, legal offices)	15.1	3.71
Training (lack, inadequate number or quality)	14.4	3.54
Too short time of implementation of the TSSC in the Gmina	17.8	4.38

Source: own study based on the results of the research.

Another important aspect is that the idea of SSC is based on horizontal organisational structures, whose main principle is cooperation. In contrast, in the public sector, the organisational structure is usually based on rigid vertical relations. They usually involve a strictly defined hierarchical subordination. This discrepancy has led to the fact that the directors of units serviced by SSC found it problematic to cooperate with the TSSC as the new formula has its foundations in mutual cooperation and the transfer of information (average rating of 4.50 for cooperation and 4.04 for providing information respectively). Additionally, part of the staff, mainly accounting and payroll divisions workers, were relocated from their previous units to TSSC. Therefore, the remaining statutory tasks had to be distributed among the remaining administrative staff of the serviced unit. In the opinion of heads of these units, this is a significant problem (average rating of 4.67) related to the cooperation with the TSSC (cf. Table 3).

The implementation process of SSC can be divided into two parts. The first one involves the transfer of tasks from the local unit to SSC, while the second one is covering tasks by SSC on a daily basis. In the light of the first phase, the higher rates are gained by the answer concerning the adjustment of the service provided to the specificity of units – 2,71. It means that there is a room for improvement that directors see in terms of SSCs implementation (cf. Table 4).

With regard to the positive aspects of the cooperation with the TSSC on a daily basis, it needs to be pointed out that the average of ratings is significantly lower than the negative outcome (negative: 4.29, positive: 2.47). The respondents listed reducing the risk of conducted activity – transferring the responsibility for the implementation of processes to the TSSC (average rating of 2.79), and competences of the employees of the TSSC (average rating of 3.29) – cf. Table 5.

Table 3. Presentation of the results of the respondents' assessments of questions regarding the problems/threats occurring in cooperation with the TSSC

<b>What are the problems/threats in cooperation with the TSSC?</b>	<b>Share [%]</b>	<b>Average rating</b>
Poor information flow	18.8	4.04
More information/reporting obligations for the heads of the unit	21.7	4.67
The need to consult the decisions made with the TSSC	21.0	4.50
Maintaining the quality of the service provided at the level before taking over the service by the TSSC	20.2	4.33
Competencies of the employees servicing the unit	18.3	3.92

Source: own study based on the results of the research.

Table 4. Presentation of the results of the respondents' assessments of questions regarding the positive aspects occurring when transferring tasks covered by the shared service to the TSSC

<b>What positive aspects occurred during the transfer of tasks covered by the shared service to the TSSC?</b>	<b>Share [%]</b>	<b>Average rating</b>
Flexible terms of employees' transfer to the SSC	15.5	2.42
Adjustment of the service provided to the specificity of units	17.4	2.71
Providing comprehensive information	15.8	2.46
Training conducted by the TSSC	16.8	2.63
Meetings with the employees of the TSSC	17.9	2.79
Openness of the TSSC to the current problems of units	16.6	2.58

Source: own study based on the results of the research.

Table 5. Presentation of the results of respondents' assessments of questions regarding positive aspects of cooperation with the TSSC

<b>What are the positive aspects of cooperation with the TSSC?</b>	<b>Share [%]</b>	<b>Average rating</b>
Reduction of the risk of the decisions made	18.8	2.79
Limitations with regard to tasks performed by the heads of the unit	14.8	2.21
Reduction in the number of tasks of the head of the unit regarding the supervision over the unit	13.2	1.96
The ability to improve the quality of the service provided	15.7	2.33
Competences of the employees servicing the unit	22.1	3.29
Limitations with regard to personnel issues/problems in the unit	15.4	2.29

Source: own study based on the results of the research.

## Discussion

It is not easy to achieve added value through SSCs. To illustrate the point, the UK Cabinet has had the longest experience in implementing SSCs as it launched the Next Generation Shared Services Centres strategy in 2014. However, the National Audit Office showed that some important tasks had to be improved (NAO, 2016). This is why Windrum and Koch argue that the innovation process is an art and as such has to be seen as a purposive act or a set of acts aiming to do something better, to satisfy a new need or to respond to new circumstances (Windrum & Koch, 2008). Therefore, one can say that the innovation was implemented by the top-down strategy. However, local governments were given a lot of room for modelling SSCs so that it fulfils their needs. This main element, called the policy legal framework, was a spark for a new intra-organisational collaboration. The above research aimed at checking how collaboration dynamics works in practice, in particular how implicit and explicit principles, rules, norms, and decision-making procedures are implemented. Implementing solutions from the business sector to the public sector is a difficult and time-consuming process. Therefore, it is important to find out what kind of drivers (leadership, consequential incentives, interdependence, and/or uncertainty) work.

Concluding the first part of the research devoted to professional experience of directors, we can highlight three crucial factors that are important in terms of SSCs implementation. Firstly, the vast majority of them (58.3%) have been working in the same unit for more than twenty-five years. Secondly, the unit that they are in charge of is the only one where they have been directors in more than 62% of cases. Last but not least, nearly 60% of the directors have been working for more than six years in the same position. These characteristics constitute a cornerstone of SSCs implementation in terms of social capital they possessed. These results show that during the implementation period much effort has to be put to explain the idea of SSC, their way of working, or

even the preparation of the handbooks for directors. It is unlikely to find the respondents' support for the process unless they have been properly equipped with knowledge; it is hard to expect that the directors will support SSCs implementation in the light of their lack of cooperation experience with other units.

Following the sociological factors that exert influence on collaborative governance, there is an issue of trust and reciprocity between the units and SSC. The information gathered during the research and, consequently, the final results reveal that collaboration between individuals is a fertile ground for any collaborative structure and innovation process. Moreover, collaboration depends on the officials and managers that must be equipped with the skills that make them effective collaborators. Therefore, the first elements to be taken into consideration are the interpersonal and communication skills, as well as the ability to listen to and work with people. These skills, together with the knowledge of the subject, were the most frequently mentioned ones by the respondents. Consequently, the dimensions of collaboration order – proposed by Thomson, Perry, and Miller – should be reversed and put on top of the elements regarding social capital issues followed by the other institutional factors. The authors are aware of the fact that the presented research results show an incomplete picture of the issue. However, the lack of trust between the units' directors and SSCs seems to be obvious and might be a result of the outcomes of the first part of the research.

Despite these drawbacks emerging during the implementation of the TSSC, there is a bright side of this process. Directors demonstrate the openness to extend the scope of the shared services. Therefore, the conclusion can be drawn that it is not the scope of the service that is the key here, but, rather, the nature and method in which it is implemented. It is the impact of the functioning of the TSSCs that occurred after the implementation (Emerson, Nabatchi & Balogh, 2011). Apart from the lack of strong drivers in implementing SSCs secured by law, one can say that there is still plenty of room

for improvement. The directors of the budgetary units express their willingness to develop further. It appears to be surprising due to the fact that they have criticised the solution itself. However, it is worth remembering that people who are in charge of the budgetary units are primarily responsible for the budget implementation, but not for raising funds for the functioning of the entity which they manage. In such an environment, the unit's functioning costs take a back seat (the costs level is determined by a resolution taken by a decision-making body, e.g. the Gmina Council). Additionally, the accounting and payroll staff of the serviced units were transferred to the TSSC. This reduction in workforce has negatively influenced the respondents' assessment of the SSC.

Last but not least, there is a question about the losses of the respondents and their influence on the final outcome of the research. As the researchers, we are convinced that we used all possible tools to encourage them to take part. Therefore, we are very unhappy that they failed to respond to the questions. However, we are certain that their absence from the research did not affect the results in the first part of the outcomes. However, it is hard to predict how it could influence the second part of the research. We suspect that a director might fail to take part in the research due to their unwillingness to show resistance to the SSC implementation. However, they did not want to reveal their attitude to this implementation. The reason for this might have been the fact that during the period when the research was conducted, financial irregularities in some units were revealed. Presumably, this fact has to be taken into consideration during the next research regarding SSCs in Poland. In order to avoid this problem in the future, it is highly recommended that different research methods should also be implemented, such as interviews with the units' directors. Despite the lack of the respondents, it is proved that sociological factors play a crucial role in the way in which SSCs are implemented.

Nevertheless, we strongly believe that our research outcomes provide an interesting lesson

to be learned with regard to the TSSC case, which might be used for conducting further research in subsequent cities.

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