

# HMRC's Innovative Approach to IT Partner Management

## Ecosystem provides HMRC with the best skills and technology in the market

### The Situation

When the Inland Revenue signed the Aspire contract with Capgemini, it was the first major re-competition of a large public-sector IT outsourcing agreement and a break from the norm. More flexible than its predecessor, it encourages innovation and allows significant changes to support business needs.

Following the merger of the Inland Revenue and HM Customs & Excise, Capgemini is responsible for IT systems and IT-led transformation services to HM Revenue & Customs (HMRC) including managing a multisourced environment. Harnessing capabilities of "best-in-class" companies—from hardware, software and specialist suppliers to IT service providers (often competitors)—Capgemini supports HMRC's efficiency and transformation targets and provides a window to the world of technology, globally.

### The Solution

Capgemini provides key services and also manages supplier relationships with core Aspire partners—Fujitsu, Accenture and BT—and another 30 business partners together with the myriad of other suppliers that are part of HMRC's Ecosystem. The scale, complexity and criticality of IT for HMRC means that no single supplier could deliver all the services to meet its needs. Equally, interdependencies of these different suppliers needs careful management. The governance model, known as Ecosystem@HMRC, establishes a tiered operational framework with a number of partners sharing delivery risk with Capgemini. On a commercial and contractual basis, it gives HMRC visibility and input into selection and management of Aspire partners who share their innovative ideas to help HMRC's transformation.

“The Ecosystem framework encourages innovation and enables us to maximize value and optimize resources for the benefit of HMRC.”

Jeff Marshall, Vice President,  
Business Objects



## The Result

HMRC uses Capgemini's management of the Ecosystem to leverage partner relationships, drive down cost and foster innovation. Examples include:

### Enterprise Resource Planning (ERP)

HMRC's new ERP system provides a single standardized approach to finance, HR and procurement, replacing over 200 legacy systems with a 'vanilla' SAP solution. Capgemini was prime contractor, transformation partner and systems integrator, while SAP was main solution provider with Fujitsu and Accenture providing specific capabilities.

### Channel Routing and Integration Service (ChRIS)

HMRC is at the forefront of Government e-services, making it easier and quicker for UK taxpayers and businesses to comply with tax obligations. ChRIS is a conduit between the Internet and a range of back-office tax systems to validate and transform incoming data and then route it to the appropriate system for processing. It supports the huge growth in online filing, reducing complexity and technology costs. Capgemini and Fujitsu deployed an open standards-based, service-oriented architecture in partnership with BEA, Sun and SoftwareAG.

### Standard Desktop

HMRC staff can use any workstation in any office to access core business services as a result of the programme to migrate the newly merged Department's desktops and laptops to Windows XP and upgrading legacy applications. As one of the largest ever software implementations in Europe, over 1,500 workstations were migrated each night. Capgemini led the program which included Fujitsu, Avanade, BT, Remedy, Microsoft, HP and Quest.

**“With the Ecosystem, BEA is being used more strategically and becoming involved earlier. This is a big improvement on how we have engaged with other suppliers where we are brought in only when problems occur.”**

**Peter Wisbey,  
Account Director, BEA**

## How HMRC and Capgemini Worked Together

Managing many different suppliers in a multisourced environment is a challenging and resource-intensive activity. The Ecosystem creates a cohesive unit of transparent and connected relationships which gives HMRC access not just to the obvious players, but also to niche providers so that Aspire can identify the best solution for each need.

As a strategic procurement function, the Ecosystem creates a community of pre-vetted partners, all managed via a set of procedures that encourage collaborative behavior. Details of partner products, services and expertise are reviewed when HMRC has a new requirement. Capgemini also regularly channels information about

HMRC business plans and challenges through the Ecosystem, giving partners a chance to put forward ideas and proposals to improve services. In this way, the Ecosystem aims to shorten the sales cycle and reduce both cost of procurement as well as sales.

Capgemini runs Special Interest Groups for HMRC staff to share challenges and learn from experiences of industry and business. Typically based around case studies, the workshops look at problems faced by other organizations, approaches that worked and didn't, and how HMRC could apply similar methods. For instance, one session focused on remote and mobile technology and how it could be used by debt management and banking to collect cash in different ways.



## About Capgemini and the Collaborative Business Experience®

Capgemini, one of the world's foremost providers of consulting, technology and outsourcing services, enables its clients to transform and perform through technologies.

Capgemini provides its clients with insights and capabilities that boost their freedom to achieve superior results through a unique way of working - the Collaborative Business Experience® -

and through a global delivery model called Rightshore®, which aims to offer the right resources in the right location at competitive cost. Present in 36 countries, Capgemini reported 2007 global revenues of EUR 8.7 billion and employs over 83,000 people worldwide.

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HM Revenue & Customs

In collaboration with



HM Revenue & Customs came into being in April following the integration of the former Inland Revenue and HM Customs & Excise.

Aspire is HMRC's 13 year partnership with Capgemini for the provision of systems and IT-led transformation to make it easier and quicker for UK citizens and enterprises to comply with their tax obligations. Capgemini's contract manages a partner Ecosystem to deliver services and foster innovation by providing access to the best available ideas, technology and services at best value for money.