

# National Express Group

Improving business systems and services

National Express Group plc is a leading international public transport Group. It serves more than one million passengers a year on its bus, train, light rail, express coach and airport operations.



The UK business of National Express Group comprises individual operating companies providing either bus, coach or rail services. Historically, each of the businesses had its own information systems to support rostering, time & attendance, HR & payroll and financial management

## **Strategic framework**

At the Group level it was recognised that the lack of a strategic systems framework was resulting in individual businesses seeking their own solutions to replace ageing software for which vendors were withdrawing support. In addition, solutions needed to be selected for new acquisitions.

There was a risk that decisions taken at local level would fail to minimise costs or maximise return on investment for the Group as a whole. Tefen Management Consultancy was invited to review the situation, confirm the benefits of harmonising systems across the Group and recommend the optimum strategy for review and adoption by the individual operating companies.

**“Tefen were quick on the uptake in understanding both our strategic intent and operational environment and translating this into an effective systems solution. We found their advice on package selection to be well founded.”**

**Stephen Taylor**

Head of Group Finance, National Express Group

**Project Conducted by ERSKINE  
Management Consultancy  
Tefen Management Consulting**

Cavendish Court  
11-15 Wigmore St.  
London W1U 1PF  
U.K.  
Tel: 44-20-74090222  
Fax: 44-20-74090777  
www.tefen.com

## **A Group strategy tailored to individual business needs**

Our work started by clarifying how the strategies and operational characteristics of each business should shape the future requirements for information systems. Existing technology environments, business processes and systems were reviewed and baseline costs produced. The feasibility, costs and benefits of alternative plans were then considered and evaluated.

The review found a strong business case for greater standardisation of systems and processes. Important differences in the starting points and requirements of each business were also identified. The recommended approach was designed to provide flexibility for each business to adapt elements of the strategy to their specific needs.

## **New systems & services selected**

Our next task was to further develop plans for standardising and integrating each of the applications for rail rostering time and attendance, HR & payroll and financial management systems. Details of the re-designed integration and process flows were then written into business requirements.

Working closely with the Group's procurement specialists, Tefen consultants prepared and managed competitive tendering and selection according to OJEU guidelines. As part of providing flexibility, tenders were invited for various scenarios including options for outsourcing parts of the business processes and systems hosting. Another feature was that tenders were invited for hypothetical requirements created by the possibility of the National Express Group winning rail franchises for which it was bidding at the time.

The tendering process was successful in identifying preferred bidders and confirmed the benefits outlined in the original business case. Contracts were agreed with Open Accounts, Workplace and Midland Software. Implementation proceeded immediately. The first business to receive the new systems is the new 'one' rail franchise created in 2004.

## **Business benefits**

- Operational performance - managing people and workload more effectively the new systems will help to improve labour productivity and free up management time to concentrate on operational improvements.
- Return on investment - the new strategy avoids unnecessary capital outlay and minimises selection, implementation and support costs.
- Reduced risk - standardised systems avoid over-reliance on key individuals and outsourcing provides a greater depth of IT resource and expertise.
- Business agility - the new strategy enables the Group to more easily and cost effectively manage the systems implications of integrating new franchises.
- Process efficiency - closer integration of systems enables the business to automate processes that are currently manual and labour intensive.