

Outsourced HR services for the BBC

A case study



Delivering real transformation through partnership

“Up and running in 6 weeks, with £50m savings”

Today, there is an ever increasing requirement for HR to take on a more strategic focus. HR administration and operational elements are no longer seen as core functions, with organisations now frequently outsourcing parts, if not all, of these services. Business is demanding clear measurable outputs and continuous improvement.

In March 2006 the BBC announced Capita as its preferred partner for a ten-year integrated HR Services Contract. Just six weeks later, Capita's services were up and running. The deal means Capita will work in partnership with BBC People - the department responsible for the BBC's people strategy - to deliver many of the BBC's HR services across the corporation for the next ten years. The BBC expects to save in excess of £50m over the life of the contract.

Outsourced HR services for the BBC

The BBC People challenge

The BBC's decision to outsource HR services followed an internal review which identified this as one of the measures to help put extra resources into programmes as part of the BBC's radical plans to transform the organisation into a simpler and more creative digital broadcaster.

The services which BBC People, the broadcaster's strategic HR division, were seeking to outsource included the full HR process administration, 1st line ER advice, recruitment process, remuneration, relocation, occupational health and disability access services. BBC People supports around 27,000 BBC staff, some 6,000 casuals and 6,000 freelancers based within multiple UK locations and internationally.

The solution designed by Capita had to provide the breadth of required services at the scale dictated by the size of the organisation. Fixing the service costs for up to 10 years, it had to deliver 30% savings while improving consistency, introducing new e-solutions and releasing the BBC People team to focus on key business change issues. Throughout, a strong cultural fit with the BBC had to be maintained.

BBC Key objectives

- Reduce and fix the cost of service
- Improve the consistency of the service
- Deliver direct a large range of services
- Support the organisation's e-strategy
- Transform the service and performance
- Mirror the business culture

The solution

Service capability, transformation expertise, delivery excellence, partnership.

Capita took over the services in April 2006, just weeks after signing the contract.

The Capita Group is no stranger to outsourced services or indeed to the BBC. It has been a service delivery partner of the BBC's since 1998, administering the BBC Information Service since then and administering the TV Licensing service since 2002.

Employing more than 3,000 HR professionals, Capita provides complete end-to-end managed HR solutions as well as individual stand-alone services. Wayne Story, Managing Director of Capita Integrated HR Solutions, explains "Capita has invested heavily in its HR business to build a strong direct capability, delivering solutions that are tailored to clients' individual requirements. We have a unique breadth of experience across HR and depth of knowledge and expertise in each specialist area, which means that we don't need to procure additional specialist services."

Capita Centres of Excellence & HR locations:

1. Edinburgh
2. Belfast
3. Sheffield
4. Leeds
5. Manchester
6. Birmingham
7. Maidenhead
8. Windsor
9. Blackburn
10. Cambridge
11. Bromley
12. Basingstoke
13. London



“The BBC will reduce the cost of the service by over £50m”

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The outcome

The BBC will reduce the cost of the service by over £50m over the life of the contract.

Capita has proven experience in delivering major HR transformations. Our pricing delivers significant, sustainable and transparent reductions, and our partnership approach reduces business risk.

The BBC's Jeremy Nordberg, concludes: "The value created from this deal is significant and will release funds from services into content enabling the BBC to invest more of the license fee in creating innovative programmes and services for our audiences.

The initial transfer of HR services in April this year went smoothly, and after an initial transition period we are now working on a programme with Capita to transform the service provided to the BBC and deliver our HR vision over the next decade."

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Senior Search & Selection

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Interim Management

Specialist recruitment

Occupational Psychology

HR Administration & Payroll

HR Advice

Leadership Development

Disability Access

Occupational Health

Learning & Development

Pension Administration

Pension Services

Out Placement Services

Capita's HR capability spans HR administration, payroll, recruitment, outplacement, benefits, training, pensions administration, occupational health services and advisory services. Wayne continues "Our specialist services are 'best in breed' and operate as stand-alone businesses. They can be delivered as a fully integrated HR solution, selected as a bundle of defined functions, or used as individual services".

The model tailored to the specific needs of the BBC was based on four essential elements: breadth of HR Services managed, process alignment and e-technology, high level of cultural fit, and measurable benefits.

"Fixing the service costs for up to 10 years, Capita had to deliver 30% savings"

Through clearly defined processes, this outsourced model empowers line managers and provides staff with easy access to HR services. From e-recruitment, case management and intelligent forms to management tools and reporting, the technology solutions deployed by Capita were chosen to easily integrate with the BBC's existing SAP HR and BBC People Internet Gateway.



Capita is delivering a full integrated range of HR services to the BBC including recruitment; the administration of pay (excluding pensions); occupational health; disability access and relocation services. While essential customer facing roles remain at BBC sites, the Service Centre is located in Belfast, one of the Capita Centres for BBC activity. Additionally Capita's Centres of Excellence across the UK support key activities such as Occupational Health,

"Employing more than 3,000 HR professionals, Capita provides complete end-to-end managed HR solutions"

and Relocation. Around 260 jobs transferred to Capita and 100 new jobs will be created in Belfast. Any staff not wishing to relocate to Belfast would be offered redeployment opportunities at other, nearer, Capita locations.

Jeremy Nordberg, Acting Director of BBC People, says "The 10 year deal with Capita was signed in April after a rigorous procurement process where Capita was the clear choice. It marries our expertise in Human Resources with the resource and expertise of a leading player in business process outsourcing."

Wayne Story adds, "The BBC's approach ensured the best solution could be devised. They had a clear vision of what they wanted to achieve from the outset, encouraged regular access to senior management and provided quick feedback. This meant that we could create plans that we were confident would be practical and workable. It also meant that we were able to identify and involve a delivery team that could form a good working partnership with BBC People."