Potential options for Watford Borough Council to share their Lagan CRM

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LAGAN
Connecting Governments and People

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1. Introduction

1.1 Purpose And Scope of Document

Watford Borough Council (WBC) are existing users of Lagan CRM, having originally purchased the software in 2005. The Council works in strategic partnership with Three Rivers District Council (TRDC) and share services under this partnership, including ICT.

TRDC are looking to replace their existing CRM system in FY11/12, and this document describes some potential options for WBC to share the existing Lagan CRM deployment with TRDC. These sharing options can provide significant savings for both the WBC and TRDC across a number of potential areas including:

- Licensing

- Annual Support and Maintenance

- Procurement

- Hosting

- Administration

At present, no specific requirements have been provided to Lagan, and so the objective of this document is to provide a background for further discussions on this topic. WBC are a long-standing and valued customer, and we very much recognise the current tough financial climate faced by Local Government. We hope that the options described in this document demonstrate tangible ways in which Lagan could 'play our part' in addressing those challenges.

We look forward to discussing these options further with the Council.

2. Sharing Options Overview

2.1 Separate Lagan CRM installations for each council using Watford BC server infrastructure

This option is based on the TRDC Lagan application residing on the WBC infrastructure as a separate instance dedicated to TRDC. This primary benefit of this option is that it offers TRDC complete control of its own application, but without the need to support the associated infrastructure or introduce potentially complex security solutions as would be required for a fully shared instance i.e. the separation is physical rather than logical. The required Lagan skills could be provided for both implementation and ongoing configuration and development from within the current team at WBC, thereby reducing the need for separately staffed and trained resources to support TRDC.

From a commercial perspective, Lagan would regard the installation as one shared instance, and would therefore offer a concession on the production application server licence(s) that would otherwise be required for TRDC.

The Lagan Application Server licences are priced per Core, with a minimum of two 'per Core' licences being required. Software run in a virtual OS environment is licensed based on the number of virtual processor cores used by that virtual OS environment, rather than all the physical processor cores in the server.

The specific licence savings for this option would therefore depend on the target architecture, but are in the range of £15k - £25k. Furthermore, by enabling WBC and TRDC to share a Lagan installation in the manner described here, the council's will both be able to benefit from reduced support and maintenance charges, i.e. WBC will be able to off-set their current Annual Support Fee (ASF) by securing a contribution from TRDC. The current ASF is £25,924, suggesting mutual savings in the region of £13k if the fees are split 50/50.

One further option that could be included in the scenario is the ability to share contact centre resources, such that customer advisers/agents can raise and track cases on behalf of both WBC and TRDC. This could be supported either through use of a specific user portal for this purpose, or a 'Lagan to Lagan' adapter to move cases between systems according to the designated fulfilment rules.

2.2 Combined installation using the WBC Lagan CRM application and server infrastructure

This scenario is similar in many respects to the option at 2.1, but is based on WBC sharing the existing Lagan application residing on the WBC infrastructure. In this scenario the two Councils would share a single database, share a Gazetteer, and operate under common administration. The instances of Lagan would be separated logically such that classifications and processes are set up to reflect TRDC operating practices, and the Lagan Enhanced Security feature would be used to "separate" the

council's data, and manage the appropriate access permissions. Again this offers the Lagan application to TRDC without the need to support the associated infrastructure, with Lagan skills being be provided for the single shared environment within the team at WBC.

The headline license and ASF savings are identical to the savings for the option at 3.1, since from a sizing perspective there are no additional application server licences needed to support the additional circa 20 contact centre seats required for TRDC. This scenario would mean the ability to share contact centre resources, such that customer advisers/agents can raise and track cases on behalf of both WBC and TRDC is intrinsic to the deployment i.e. there would be no need to implement a 'Lagan to Lagan' adapter to move cases between systems according to the designated fulfilment rules.

Whilst there would be some operational and cost-efficiencies through the use of shared components and resources, this scenario would represent a more tightly integrated approach to the CRM deployment. This may not be an issue for either WBC or TRDC, but would create additional activities should it subsequently be decided to fully separate both Councils' instances to effectively purge TRDC data from the WBC Lagan instance.

2.3   On Demand

The scenarios described in options 2.1 and 2.2 relate to an on-premise deployment, which is the Lagan deployment option most frequently adopted by Councils. It involves the procurement of relevant software licences and services and is based upon the Council providing the required server and networking infrastructure, and supporting this on an ongoing basis.

As an alternative to this approach, Lagan also offers an innovative approach to the provision of a Customer Services solution through the provision of an On Demand service. It is effectively a "piped-in" Lagan application environment which includes hosting, installation services, standard storage facilities and standard support for an annual charge. From a feature perspective, Lagan OnDemand still supports the citizen response management business processes such as answering citizen questions, handling requests for service and managing follow up queries, but is more homogenised in its approach to support individual council requirements. It includes a searchable Knowledge base, and the ability to manage service requests (including SLA's) for as many different service request types as needed.

A number of service request type templates are used to present each service request to the end user ranging from the simple to the sophisticated. For example, a template is included that provides a powerful GIS enabled mechanism to pin point the location that the service request relates to. Lagan OnDemand also provides the ability to monitor the efficiency and performance of the operation across all associated departments, giving key insight into the top concerns of their citizens, together with a number of pre-configured enterprise reports that can be customised if required. Finally, Lagan OnDemand provides a range of social networking features to enable communication within one council alone, and/or between councils that are working in

partnership with each other such as WBC and TRDC. Features include fully functional Forums, Wiki and RSS Reader.

Lagan OnDemand may be a viable option for TRDC as a stepping stone towards an on-premise deployment, particularly as it enables the solution to be deployed in very rapid timescales. It also represents the 'entry level' for a Managed Service option, which is described in the next section.

2.4 Managed Service

This fourth option can be thought of as an extension to the Lagan OnDemand scenario, in that the application would still be 'piped in', but WBC and TRDC would have more flexibility in regard to the nature of the configured solution. This option has been made possible through Lagan's recent acquisition by KANA. KANA has had a long standing capability to provide a Managed Service offering to its customers, and it is used today by well-known companies such as Carphone Warehouse, enabling them concentrate on their core business, using business insight from statistical analysis to optimise their use of the KANA applications.

End-to-end hosted managed services include application management, application administration, and a Continuous Improvement program within a fully secure IT infrastructure. These services are based on the Information Technology Infrastructure Library (ITIL) framework.

In this deployment model, the Council licences the software in the traditional way, but Lagan fulfils the ICT elements required to host and support the application. This enables a 'staircase of value' concept starting with a SaaS approach (i.e. Lagan OnDemand) that can be thought of as low touch from a supplier perspective, which can then be complemented with a menu of options enabling the Council to build the required service, ultimately leading to a high touch relationship with Lagan in the 'fully optioned' scenario. Service options available include:

Service Level Management
Planning, coordinating, monitoring, and reporting on Service Level Objectives (SLOs), along with ongoing evaluation of service quality versus contractual agreements.

Incident Management and Investigation
Support services to restore normal performance and minimize adverse impact on business operations, root cause analysis, and initiation of actions to improve/correct the situation.

Change Management
Application changes and upgrades, help with approval process, and determination of which changes should be deployed to the production environment to minimize disruption.

Release Alignment
Application functionality, skills assessments, role definition, mentoring planning, designing, building, testing, and deploying hardware and software components, along with preparation and coordination of new releases.

Capacity Planning

Resource, performance, demand and load management, capacity modelling and application sizing, and demand-based planning to support SLOs.

Application Administration and Continuous Improvement

Completion of core administrative functions within the application suite, regular reports related to application performance, and guidance on best practices and optimization strategies.

3. Indicative On-Premise Costs for TRDC

Licences	Licence Fee (one-time)	Support Fee (annual)
Lagan ECM Server Production	No Charge	No Charge
Lagan ECM Server Non-Production	£2,500	£575
21 x ECM Production Licences for Contact Centre Staff	£15,750	£3,622
2 x ECM Non-Production Licences for Contact Centre Staff	£376	£86
10 x Scripting Workflow Production Licences	£1,500	£345
2 x Scripting Workflow Non-Production Licences	£76	£17
1 x Configuration Studio Licence	£4,000	£920
Licences Totals	**£24,202**	**£5,565**
Services:	**Price from Lagan**	**Delivered by:**
Project Initiation Services	£3,400	Lagan/WBC
Technical Workshop	0	WBC
ECM User Training	0	WBC
Business Configuration Training	0	WBC
ScriptFlow Training	0	WBC
Implementation Support and Project Management	£4,300	Lagan
Skills Transfer	£5,950	Lagan

Security Configuration	£4,250	Lagan
LLPG Property Load	£5,100	Lagan
Services Totals	**£23,000**	
LICENCES AND SERVICES TOTALS (ONE-TIME)	**£47,202**	
SUPPORT PER ANNUM	**£5,565**	

Notes:

1. Assumes dedicated Lagan instance for TRDC on WBC infrastructure.

2. Lagan does not anticipate being party to any eventual charging arrangements between WBC and TRDC in the event of the above services and general support being provided by WBC; accordingly whilst these elements will attract no charge from Lagan as reflected above, it may be that TRDC will incur a charge from WBC.

3. To ensure a pragmatic and cost-effective approach to services we would be happy to discuss further the service components with a view to determining the most appropriate split of Lagan/WBC delivered services to TRDC.

4. It is assumed that a common reporting tool based on an existing WBC application will be used.

5. Prices exclude reasonable expenses which will be charged as incurred and VAT which will be added in accordance with prevailing legislation.

6. All prices are indicative and do not represent a formal commitment by Lagan.

4.   Managed Services Costs

The prices for Managed Services the option are based on the following high level profile. Some of these 'anchor' points are beyond the scope of the licence pricing provided elsewhere e.g. integrations, self service etc, but are felt to be representative of the likely profile that TRDC will be aiming at. We would be pleased to provide any specific licensing costs aligned to this option as and when the detailed requirements for TRDC can be provided.

- 21 concurrent agents (agent facing)

- 20 back office agents (named)

- self-service traffic for 84,000 residents

- Dual redundancy hardware

- Full blown LAGAN ECM deployment

- 6 points of integration

- Dedicated connection (pipe) between our dc and the Watford/Three Rivers

PRICE OPTION 1: Full Managed Services:

- Monthly Price including site-to-site VPN = £9,713

- One-Time Set-up Fee = £7,562 GBP

Prices stated are based on provision of the following environments:

PROD Environment (dedicated):
2x WEB/APP Servers (dual redundancy)
2x DB Server (virtual) + back-up

TEST Environment (dedicated):
1x WEB/APP Server
1x DB Server (virtual)

DEV environment (dedicated):
1x WEB/APP Server
1x DB Server (virtual)

PRICE OPTION 2: Lightweight Managed Services:

- Monthly Price including site-to-site VPN = £6,358

- One-Time Set-up = £6,395

The reduced prices for this option are based on removal of the following 4 items from the service offering to hit this price point.

1. DEV Environment (moving from 3 tier above to 2 tier), although obviously we'd still have dual redundancy

2. Application Management (customers responsibility)

3. CSI (quarterly recommendations on how the client can improve their use of the solution)

4. Baseline Reporting (customers responsibility)

Datasheet

This document defines the scope (business processes and features), project implementation, hosting and support arrangements and price of Lagan OnDemand.

Provide Service

Lagan OnDemand supports your citizen / customer response management business processes such as answering citizen / customer questions, handling requests for service and managing follow up queries.

Search the Knowledge Base. The Knowledge Base is a centralized location where Lagan OnDemand users (employees or citizens on the web) can go to get answers to Frequently Asked Questions. The FAQs are created and managed by the organisation's chosen knowledge administrator(s) using the Lagan OnDemand system. The Knowledge Base provides the ability to keep parts of each FAQ private to organisation employees without having to create separate FAQs.

Submit a Service Request. Lagan OnDemand enables organisations to manage their service requests from creation through to fulfillment (Perform Work) through the system. The system enables organisations to configure as many different service request types into the system as they wish, each with their own specific attributes (e.g. fields and target response time / Service Level Agreement or SLA). Further, the system is shipped with a number of pre-configured service request types that organisations can choose to use as a starting point if they wish. Lagan OnDemand also comes with a number of service request type templates that are used to present each service request to the end user. These range from the simple – a template that simply presents the organisation-configured data fields - to the sophisticated – a template that additionally provides a powerful GIS enabled mechanism to pin point the location that the service request relates to.

On submission, service requests are automatically routed to the organisation-configured responsible department / team.

For those citizens / customers who choose not to receive email updates, Lagan OnDemand also supports the handling of citizen / customer enquiries on the progress of previously raised service requests with the Search for a Service Request function.

Perform Work

Lagan OnDemand supports the fulfillment / resolution of service requests created by the Provide Service feature. Security governs which service requests users have access to. Sorting functionality enables users to prioritize the fulfillment of service requests that are nearing their target response date / time (calculated automatically and based on the associated response time / SLA). Workflow functionality enables multiple users to work on service requests off the same queue without conflict. Drill down functionality enables users to get a complete view of the service request. Work orders can be printed and, when completed, located accurately on the system with bar code readers for subsequent update. Notes, photos and files can be added to service requests by any authorized users.

Monitor

Lagan OnDemand provides the ability to monitor the efficiency and performance of your operation across all affected departments. Additionally our clients have found that the Monitor function gives them key insight into the top concerns of their citizens / customers, the "citizen / customer pulse" is easily identified with the out-of-the-box metrics provided by Lagan OnDemand. Lagan OnDemand comes with a number of enterprise reports including those that enable you to:

- Report on the top 10 knowledge solutions that satisfactorily answered questions
- Report on questions that could not be answered allowing the required answers to be provided
- Monitor each department's ability to met their outstanding service requests within their target response times
- Report historically on the performance of each department in their ability to meet their target response times
- Lagan OnDemand also comes with an integrated report writer which enables the customer to create additional reports as required.

Finally, Lagan OnDemand also provides a dashboard which visualizes the performance of your organisation as a whole and also by department.

Collaborate

Lagan OnDemand provides a range of social networking features to enable communication within your organisation, between your organisation and Lagan and between organisations that are working in partnership with each other. Features include fully functional Forums, Wiki and RSS Reader.

Get Help

Lagan OnDemand provides two mechanisms to enable a user to "get help". The first is the On-line Help facility which provides a description of each of the features within Lagan OnDemand. The second is an eLearning capability which is pre-loaded with courses that not only enable users to get trained to use the system but also enable them to go back for refresher-training improving productivity. The platform provides social networking / collaboration features allowing users to provide feedback on course material.

The eLearning platform also can be used by organisations to develop and host their own courses for both employees and their citizens / customers.

Project Implementation

Base-line System implementation Services are defined as follows; these services are included in the monthly licensing fee.
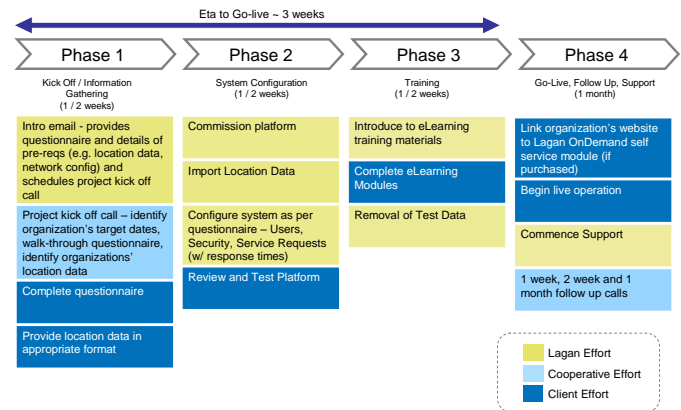
Please note:

- Additional services and product options may affect this implementation timeline.
- Additional services over and above those listed here must be agreed in advance and will be charged at the prevailing daily rate (plus expenses where applicable).

Hosting

Lagan OnDemand is hosted through partners that:

- Are highly resilient and secure
- Provide 99.95% up-time commitments (SLAs)
- Are SAS-70 Type II Tier 4 compliant data center
- Lagan current hosting partner is Amazon EC2
- Optional live Disaster Recovery configuration
- The base price for Lagan OnDemand includes all hosting related costs (transactional and data storage costs) for a typical use of the system. Specifically, the base price includes 5GB of storage plus an additional 500Mb per user.

Security

Lagan OnDemand provides a number of critical security features including:

- Network encryption of all traffic (HTTPS – SSL 3.0 / TLS 1.0)
- Surge prevention for public Internet-facing traffic

- The option to implement IP range filtering for internal traffic

- Retention of encrypted backups with automatic replication of data

- Stringent human control procedures that require multi-factor authentication to access customer systems

- Option of dedicated VPN access, if required

Support

The following table documents the support options available with Lagan OnDemand.

Features	Standard Support	Premier Support
Case Limit	Unlimited	Unlimited
Online Customer Portal	✅	✅
Support Services Availability	12/5 [1]	24/7 [2]
Location	UK	UK
Toll-Free Access	❌	✅
Assigned Representative (SAO)	❌	✅ (75+ Users) [3]
Health Check (Annual)	❌	✅ (75+ Users) [3]
Priority Case Queue	❌	✅
Response Time	❌	2 hours
Live Phone Support	❌	✅
Price	Included in price of solution	Price available upon request

[1] Excluding US public holidays
[2] Available for critical issues only

[3] Assignment of a Premier only designated analyst will be made with purchase of 75 + licenses

Pricing

Category	Item	Charging Basis
Business Process		
	Provide Service – *Search the Knowledge Base*	Included
	Provide Service - *Submit a Service Request*	Included
	Perform Work	Included
	Monitor	Included
	Collaborate	Included
	Get Help	Included
	Citizen / Customer Self Service (Knowledge Base and Service Request)	Additional charge per month
Features		
Provide Service - *Submit a Service Request*	• Ability to easily configure an unlimited number of service request process types • Service request type configuration includes specific data entry fields and response time / SLA • Shipped with a number of pre-configured service request types that organisations can choose to use as a starting point if they wish • Ability to record against location data (property, intersection, street, geocode) • GIS integration (open street map, Google Maps[1]) • Intake wizard including information review and print • Tracking	Included
Provide Service - *Search the Knowledge Base*	• Ability to configure unlimited number of FAQs • Provides the ability to keep parts of each FAQ private to organisation employees without having to create separate FAQs • Powerful learning search mechanism • Seamless linking from knowledge solution to service request	Included
Perform Work	• Automatic routing of service requests to departments • Users manage cases in assigned work queue • Automated case history tracking • Add note / file / ad-hoc task to a case • Bar-coded cases for ease of field worker update • Case search • Automated citizen / customer notification on case creation and case closure	Included

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1 The ability to use Google Maps depends on the customer complying with Google's license policy which may incur an additional cost.

OnDemand

Category	Item	Charging Basis
	• Email escalation based SLA • Other mature case management capabilities such as queue reallocation, case linking and SLA suspend	
Monitor	• Drill down visual dashboards provides holistic and department performance view • Drill down Pre-Built operational performance reports • Knowledge Base Metrics e.g. Point of Contact Resolution • Point-density GIS report • All based on real-time data • Exportable report data • Access to reporting database with 3rd party tool of choice	Included
Collaborate	• Lagan OnDemand Support Community Access • Internal Wiki & Forum for intra-departmental discussions • RSS Reader	Included
Get Help	• eLearning OnDemand courses • eLearning management system • Online Help Documentation	Included
Citizen / Customer Self Service	• Citizen / Customer ability to find answers to their questions from the Web • Citizen / Customer ability to report incidents and request services from the Web	As for "Citizen / Customer Self Service" above
Integration	• Location batch one-way integration (property, intersection, street, geocode) • GIS (open street map, Google Maps) • GeoRSS enables service request data to be shared with other apps • Knowledge base one-way integration[2]	Included
Administrative		
	Hosting	Included
	Installation Services	Included[3]
	Support – Standard	Included
	Support – Premier	Price available on request
	Storage	Included; 250Mb per user
	Storage – Additional	Additional charge per month for

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[2] Requires implementation services not included in base price.
[3] See Implementation Services and Timeline section for details.

Datasheet

Category	Item	Charging Basis
		10Gb
Pricing		
	Price per named user per month	On application
	Minimum Users / Price per year	On application

Roadmap

Other items being considered for inclusion in Lagan OnDemand in the future are:

- Citizen / Customer Mobile (iPhone)
- Work Remotely (mobile)
- Hosted Call Center
- IVR