

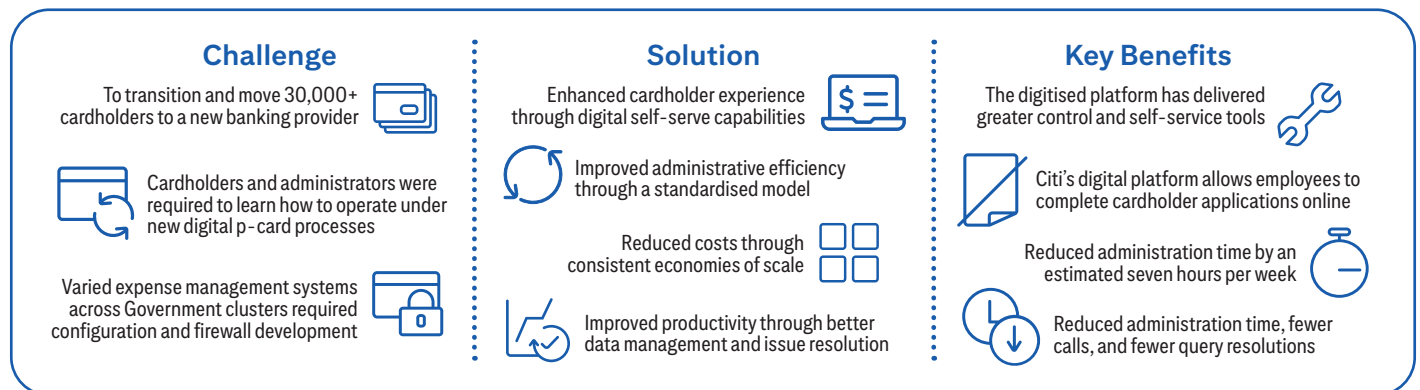


Case Study

NSW Government

Commercial Card Program delivers digitised tools for greater control, improved efficiency, and a better user experience.

The Government of New South Wales, known as the NSW Government, is the Australian state democratic administrative authority of New South Wales. The New South Wales (NSW) Government provides public sector services to the 7.5 million residents of Australia's most populous state.



NSW Government transitions to P-card solution

The Challenge

In a drive to improve operational efficiencies throughout its 142 Government agencies, the NSW Government undertook a state-wide banking transformation, which included switching to an innovative commercial card solution. This transition presented significant challenges as it required the movement of more than 30,000 cardholders to a new banking provider.

Cardholders and the underlying program administrators (PAs) were required to learn how to operate under new purchasing card (P-card) arrangements with digital processes. In addition, the varied expense management systems (EMS) across Government clusters would require configuration and firewall development to effectively align with the bank's systems.

The Solution

Following extensive consultation with their chosen bank, Citi, and after a comprehensive market-review process, the NSW Government established the following objectives for the new commercial cards program:

- Improved administrative efficiency through a standardised model of P-card arrangements.

Citibank, N.A. is incorporated in the United States of America and its principal regulators are the US Office of the Comptroller of Currency and Federal Reserve under US laws, which differ from Australian laws. Citibank, N.A. does not hold an Australian Financial Services Licence under the Corporations Act 2001 as it enjoys the benefit of an exemption under ASIC Class Order CO 03/1101 (remade as ASIC Corporations (Repeal and Transitional) Instrument 2016/396 and extended by ASIC Corporations (Amendment) Instrument 2020/200).

- Reduced costs through economies of scale and a more consistent whole-of-Government approach to P-card management.
- Improved productivity through better data management and issue resolution.
- Delivery of operational efficiencies and enhanced cardholder experience through digital self-serve capabilities for cardholder and PAs.

Implementing Best Practice and Innovation

In order to overcome the significant change management challenges associated with transitioning the NSW Government's agencies and employees to the new platform, the bank's implementation team, along with the sales team, conducted discovery sessions across the Government's ten

shared service centres. This change management impact assessment enabled the bank to gain a deeper understanding of the people, processes and technologies prior to the transition.

Following the discovery process, the NSW Government's P-card transition team held workshops across ten clusters where existing arrangements and financial processes were identified. Information gathered from each of these methods and sources were analysed, with the findings collated into a formal Change Management Strategy document. Further solution workshops also educated employees on how to use the online tool and other reporting tools available to cardholders and administrators, which digitised many of the previous manual processes. Throughout the implementation, progress was tracked

against agreed-upon framework milestones. Project governance included layers of oversight by a project team, a team of senior representatives and a P-Card Steering Committee, all of which had representation from both the bank and the NSW Government. The P-Card Steering Committee was responsible for overall oversight and direction of the transition. The Steering Committee advocated the benefits from delivery of the transition throughout the NSW Government, while ensuring the initiative was aligned to the Government's strategic objectives.

A strong relationship between the NSW Government's banking team and the bank's implementation managers, coupled with a clearly defined governance structure, allowed for effective oversight, and formed the foundation for the successful completion of the transition.

Key Benefits

Since implementation, the digitised platform has delivered greater control and self-service tools for the NSW Government's cardholders and administrators, offering a better end-user experience and improved overall efficiency. Citi's digital platform allows employees to complete cardholder applications online, eliminating paper processes. In addition, PAs are able to perform various administrative activities digitally such as accessing and changing credit limits in real-time.



More than 95% of the Government's 30,000 cards were transitioned to the bank within six months of starting implementation, which is a remarkably short time frame.



Reduced administration time by an estimated seven hours per week per PA due to reduced manual input, fewer calls, and fewer query resolutions.



Standardisation of P-card program across Government agencies.



Increase in card-based spend by 50% above contract estimated spend.



Estimated reduction of 3.25 hours per year per cardholder on activities such as card retrieval, PIN retrieval, disputes, and customer service calls.



Improved data analytics.

After the successful migration of 30,000 purchasing cards, the NSW Government and Citi are already working on innovative ways to implement Virtual Card Account (VCA) solutions for business-to-business payments. Citi's VCA product enables agencies to make payments via a unique 16-digit account number without having to issue a physical card. Each Virtual Card Number can be used for a specific transaction amount and can be locked down to specific merchants, time periods, single/recurring use, etc. Citi's innovation will also enable agencies to seamlessly connect and issue VCAs via Application Protocol Interfaces (APIs), through a web portal or batch file processes. These features of the VCA solution open up opportunities for the NSW Government to further optimise payments processes.

"This is an excellent milestone for the State in that the implementation of Citi purchasing cards allows the NSW Government to tap into new technologies and the expertise of a leading international bank to better serve the people," explained Roger Habib, NSW Treasury Transformation and Change Leader.