

The relocation of the Police IT Management Agency

The Police IT Management Agency was established on 1 January 2000 following a decision that was made by the Ministry of the Interior on 9 December 1999. The Police IT Management Agency operated as a result unit of the National Bureau of Investigation from the beginning of 2000. It was placed in charge of IT management, the production and procurement of IT services and infrastructure according to the operational and IT strategies adopted by the Police.

The Ministry of the Interior made a decision to relocate the Police IT Management Agency to Rovaniemi on 16 October 2001. According to the decision, the relocation of the IT Management Agency to Rovaniemi was to be carried out as soon as possible and by 1 January 2006 at the latest. The IT Management Agency became an independent unit on 1 September 2002. At the same time the IT centres that had operated under the Provincial Police Commands were shifted to the agency and its personnel doubled. The IT Management Agency has offices in 16 other locations besides Rovaniemi

The purpose of this audit was to examine the operational, financial and personnel impacts of the relocation of the Police IT Management Agency on the agency as well as regional impacts on the Rovaniemi region.

The impacts of relocation on the Police IT Management Agency

With regard to the operational impacts of relocation, the key problem for the Police IT Management Agency involved the shifting of skills and accumulated knowledge. Although a broad orientation programme was devised for new employees, a large part of skills and expertise was lost at least momentarily, since old personnel did not move to Rovaniemi in practice. The relocation of the agency's head office required the large-scale recruiting of new personnel. The relocation had an impact on activities, but not in a major or long-term way, as indicated by the agency's operational performance or the responses that were given in a survey of customers and stakeholders.

With regard to operational benefits, one positive factor that must be mentioned is the peaceful labour market. As a result of low personnel turnover, the IT Management Agency has been able to invest in personnel's skills, and in addition to the quality and permanence of personnel this has improved the agency's operational capacity. These are a direct consequence of relocating the agency's head office to Rovaniemi. From the viewpoint of Police activities, tasks demanding critical know-how that were previously outsourced have been returned to the agency.

The rise in the Police IT Management Agency's operating costs is not due to relocation alone but above all to the expansion of activities and the increase in personnel. Over a third of the increase in personnel resulted from the shifting of regional IT centres to the agency. In addition to actual travel expenses, travel costs should take lost working time into account. According to an estimate that was made in the audit, taking lost working time into account increased travel costs by 28%. Travel costs declined from 2005 to 2007 and are likely to decline further as a result of video conferencing equipment. The IT Management Agency used video conferencing in its own activities a total of 4,160 hours in 2007. This was three times as much as in 2003.

Information that was collected during the audit concerning old employees' attitudes towards the relocation were clearly more negative than the information that was collected by the IT Management Agency in 2005.

The audit indicated that employees' initiative was an important factor in the relocation. Orientation to new jobs and the organisation was successful.

Regional impacts

The opening of sixty new jobs to begin with and over a hundred jobs later on and the resulting improvement in the employment situation were naturally good news in Rovaniemi, nor should the stimulating effect of subsequent job rotation on the labour market be underestimated.

According to the results of a study that was conducted in connection with the audit, at the 2007 level the agency's regional economic impact and financial benefit for the Rovaniemi region is about 0.7-0.8% in public administration services, consumption and employment and about 0.1% in economic growth, purchasing power and overall employment.

On 1 March 2008 the IT Management Agency was expanded into the ICT Service Centre. The ICT Service Centre produces ICT services for administration under the Ministry of the Interior using a purchaser-provider model. According to the Regional Council of Lapland, the State Provincial Office of Lapland, the Employment and Economic Development Centre for Lapland and the Rovaniemi Development Agency (Rovaniemen Kehitys Oy), interest in the Rovaniemi region has increased among actors in the ICT field. The relocation of the Police IT Management Agency has influenced the formation and development of a regional ICT cluster or concentration of expertise and functions and has also enhanced Rovaniemi's image. The views presented by the above organisations concerning the significance of the relocation of the IT Management Agency's head office for the Rovaniemi region give a clearly more positive picture than that given by a study that was conducted for the National Audit Office by the Ruralia Institute or than one might conclude on the basis of the large volume of IT purchases made by the IT Management Agency in other parts of Finland.

In the opinion of the National Audit Office, the Police IT Management Agency - now expanded into the ICT Service Centre - was suitable for relocation in terms of functions and size. Operationally the relocation of the head office was a success.

Developing preparation

Relocation decisions must be carefully prepared and planned, and sufficient time must be given for their implementation. A big challenge is to minimise the loss of expertise that is in the possession of employees who stay behind. The decision to relocate, any delay in relocation and resulting uncertainty cannot help having a negative impact on personnel and their occupational health, well-being and motivation. Relocation can cause age discrimination and favour young employees and employees without a family, who are in a better position to move.

The audit indicated that quantitative research methods should be used much more in performing preliminary studies and particularly in evaluating operational and financial impacts. A good basis for this kind of research would also be provided by evaluations of the operational and financial impacts of implemented relocation measures. The National Audit Office considers that these should be monitored for at least a few years

after relocation. This kind of evaluation should also include the tasks that are performed by employees who stay behind. The state economy has to bear additional costs as a result of pay and pensions for employees who do not make the move and who must be replaced by recruiting new employees for the relocated unit, and these should be taken into account in estimating the impacts of relocation on the state economy. The National Audit Office also points out that relocation is in conflict with the National Productivity Programme insofar as relocation increases the number of personnel.