



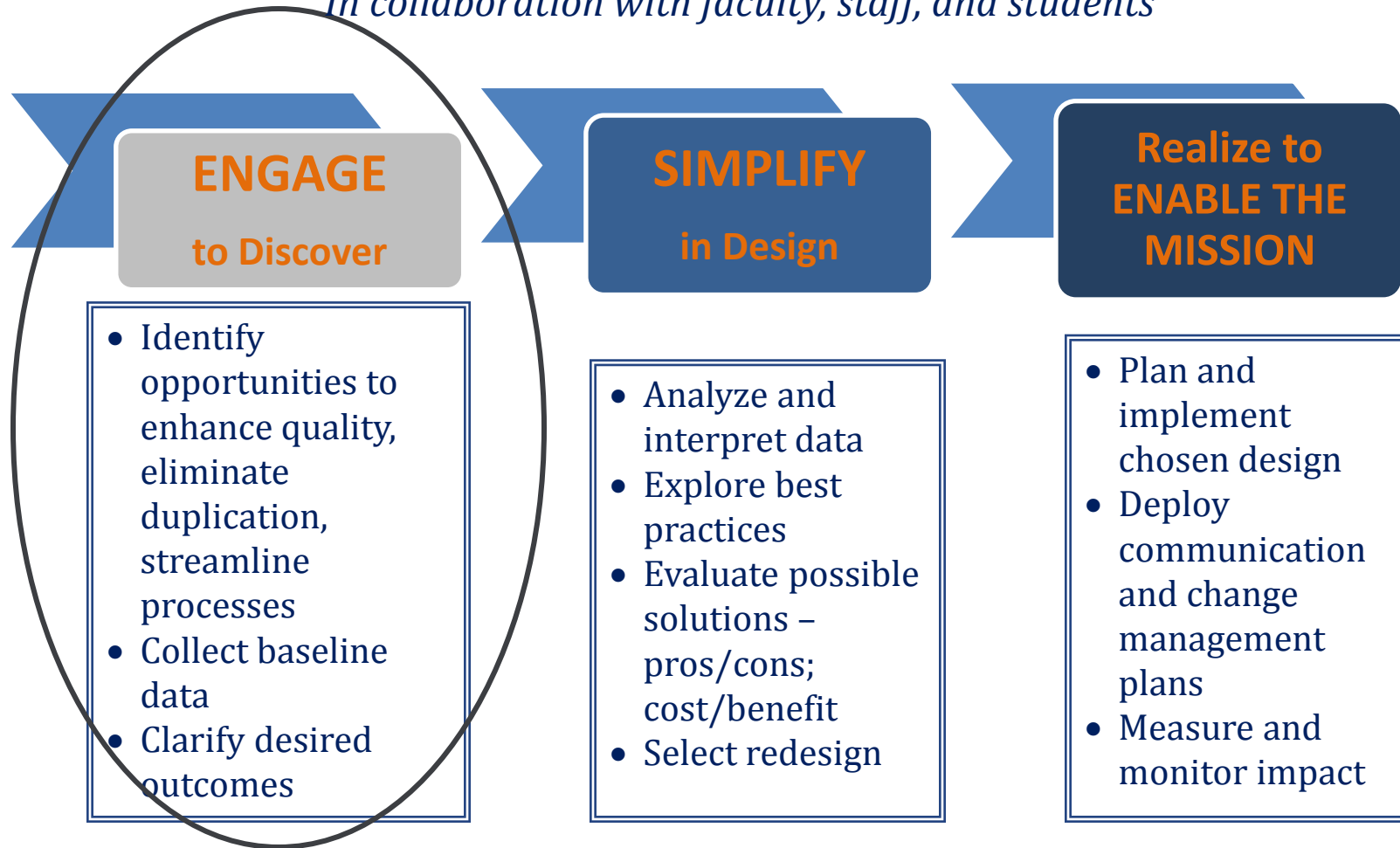
Benchmarking Study of Administrative Services

An initiative of Organizational Excellence

“an institutional value and formal program”

ORGANIZATIONAL EXCELLENCE APPROACH

In collaboration with faculty, staff, and students



BENCHMARKING FOR EXCELLENCE

UVA's Benchmarking Study of Administrative Services

What is Benchmarking?

Benchmarking is the process of measuring processes and services and assessing performance. Benchmarking provides an opportunity for us to gather information across all of the University so we have an understanding of the current administrative service structure and delivery and make comparisons with external, comparable higher education institutions and organizations.

Why did we do a Benchmarking Study?

We engaged in this study to learn about our effectiveness and efficiency in delivering administrative support services (i.e. procurement, information technology, human resources, finance, student services and research administration). The findings gave us a current state assessment, identifying areas where we are high performing, and pinpointing areas for improvement. This study will help us best align our resources with the core missions of education, research and public service.

How did we benchmark?

For a comprehensive assessment, we captured where these activities are happening throughout the University. This required collecting data from all schools and units about these processes. Additionally, stakeholder feedback was solicited to provide insight from a user perspective about service quality and value. (The Medical Center is not included in this study.) We partnered with an external consulting firm, The Hackett Group, to facilitate the data collection and lead the analysis. The Hackett Group has extensive expertise in benchmarking.

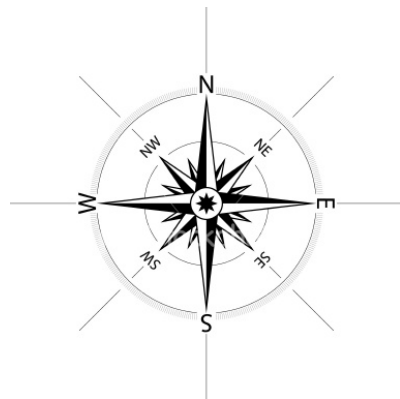
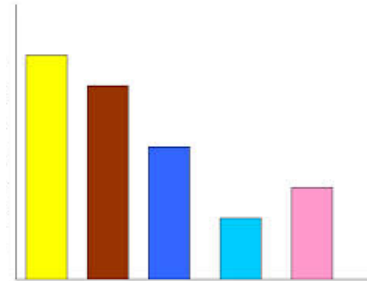
OVERVIEW OF BENCHMARKING STUDY OF ADMINISTRATIVE SERVICES

Scope:

Functions of Finance, Procurement, HR, IT, Research Admin, Student Services (Facilities/Development) (+90 processes)

Output: Current State Assessment

- Analysis of structure, costs, and performance
- High-level observations and recommendations
- Insight about where to focus



Status: Translate and Apply

- Interpret/further analysis
- Integrate findings into current projects
- Develop new initiatives for enhanced effectiveness/efficiency

Organizational Excellence - Benchmarking Initiative Roles

OE
P
R
O
G
R
A
M

Org. Excellence Leadership Council Benchmarking Subgroup

- Advisor to initiative
- Provide guidance and support
- Make recommendations on key elements of project

Project Management Core Team

Sarah Collie, Lee Baszczewski, Mary Brackett, Consultants

- Manage project scope, resources, timing
- Responsible for project deliverables
- Identify & escalate potential issues and solutions
- Realize change

Functional Sponsors

Finance, HR, IT, Procurement, & Univ. Services

- Define the scope of work
- Accountable for results
- Foster a culture of improvement and sustained quality

Functional Leads

Finance, Human Resources, Info. Technology, Procurement Development, Student Services, & Research Administration

- Assigned to team full or part time
- Responsible for project objectives & specific team deliverables
- Manage and plan project activities
- Coordinate documentation, data collection, and data analysis efforts

Central/
School/Unit
Team
Members

Central/
School/Unit
Team
Members

Central/
School/Unit
Team
Members

- Assigned to team full or part time
- Responsible for project objectives & specific team deliverables
- Identify potential issues and solutions
- Responsible for data collection, verification, and documentation

BENCHMARKING STUDY TIMELINE AND ACTIVITIES

October 2013

February 2014



Planning Meeting	Training Meeting	Activities	Activities	Activities	Executive Presentation
<ul style="list-style-type: none"> Project Overview Data collection structure Collection timeframe Identify project resources /team Discuss documentation Set up web collection tool Establish weekly status meeting Roles and responsibilities 	<ul style="list-style-type: none"> Benchmark methodology & timeline Roles and responsibilities Review planning assumptions Definitions and question set Web based portal demo 	<ul style="list-style-type: none"> Complete FTE worksheet and process questions Collect stakeholder survey via portal Gather directionally correct data Enter data into online portal Raise questions and issues to Hackett 	<ul style="list-style-type: none"> Internally validate collected data Externally validate collected data Preliminary review of benchmark results Review selected peer group data Investigate and finalize data submission Sign off on final data 	<ul style="list-style-type: none"> Perform analysis on final data and incorporate stakeholder survey responses Develop tactical recommendations and high level action plan Conduct Executive Preview 	<ul style="list-style-type: none"> Executive review of benchmark results with comparison to peer and World-Class Improvement recommendations Next steps

SCOPE OF BENCHMARKING STUDY – PROCESS ORIENTATION

Finance

- Cash Disbursements
 - Accounts Payable
 - Travel and Expenses
- Revenue Cycle
 - Credit
 - Customer Billing
 - Dispute Management
 - Collections
 - Cash Application
- Accounting and External Reporting
 - Fixed Assets
 - Intercompany accounting
 - General ledger accounting
 - Cost Accounting
 - External Reporting
- Tax Management
- Treasury Management
 - Cash Management
 - Capital & Risk Management
- Compliance Management
- Planning & Performance Mgmt
- Business Analysis
- Function Management

Human Resources

- Total Rewards Administration
- Payroll Services
- Data Mgmt, Reporting & Compliance
- Staffing Services
- Labor Relations
- Workforce Development Services
- Organizational Effectiveness
- Total Rewards Planning
- Strategic Workforce Planning
- Function Management

Procurement

- Supply Data Management
- Requisition and PO Processing
- Supplier Scheduling
- Receipt Processing
- Compliance Management
- Customer Management
- Sourcing Execution
- Supplier Management and Development
- Function Strategy and Performance Management
- Sourcing & Supply Base Strategy
- Function Management

Information Technology

- IT Business Planning
 - Alignment, Prioritization
- Enterprise Architecture Planning
- Emerging Technologies
- Infrastructure Development
- Application Development and Implementation
- Quality Assurance
- Infrastructure Management
- End User Support
- Application Maintenance
- Risk Management
- Function Management

Research Administration

- Pre-Award
- Post-Award

Student Services

- Admission services
- Financial Aid Services
- Academic Catalog and Records Management
- University Data Management, Reporting & Compliance

BENCHMARKING STUDY

General Findings

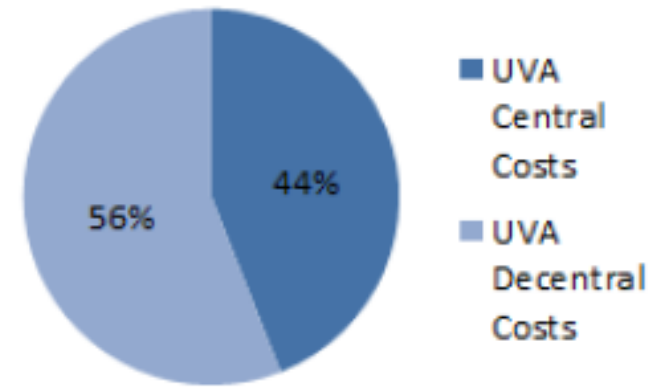


GENERAL FINDINGS FROM BENCHMARKING STUDY

STRUCTURE OF ADMINISTRATIVE WORK

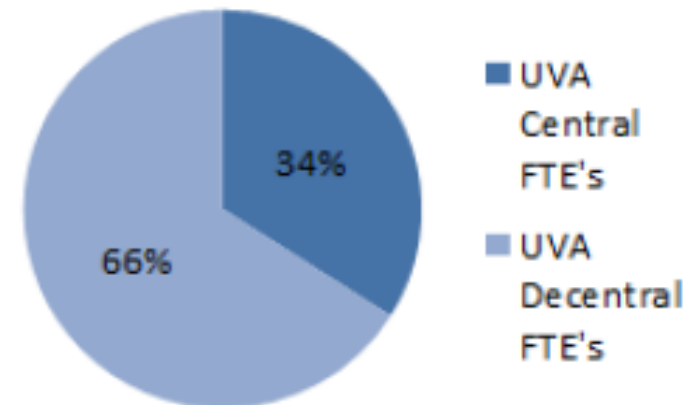
Costs

- A little less than 1/2 of costs (**44%**) are **central**.
- A little more than 1/2 of costs (**56%**) are **distributed**.



FTEs (not individual staff – aggregate effort)

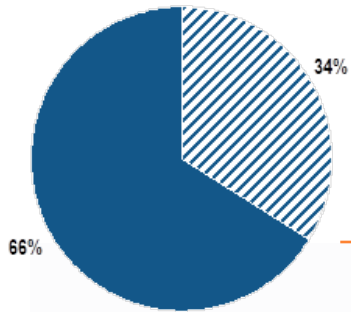
- About **1/3** of FTEs are **central**.
- About **2/3** of FTEs are **distributed**.



Areas: Finance, Procurement, IT, HR, Research Administration, Student Services

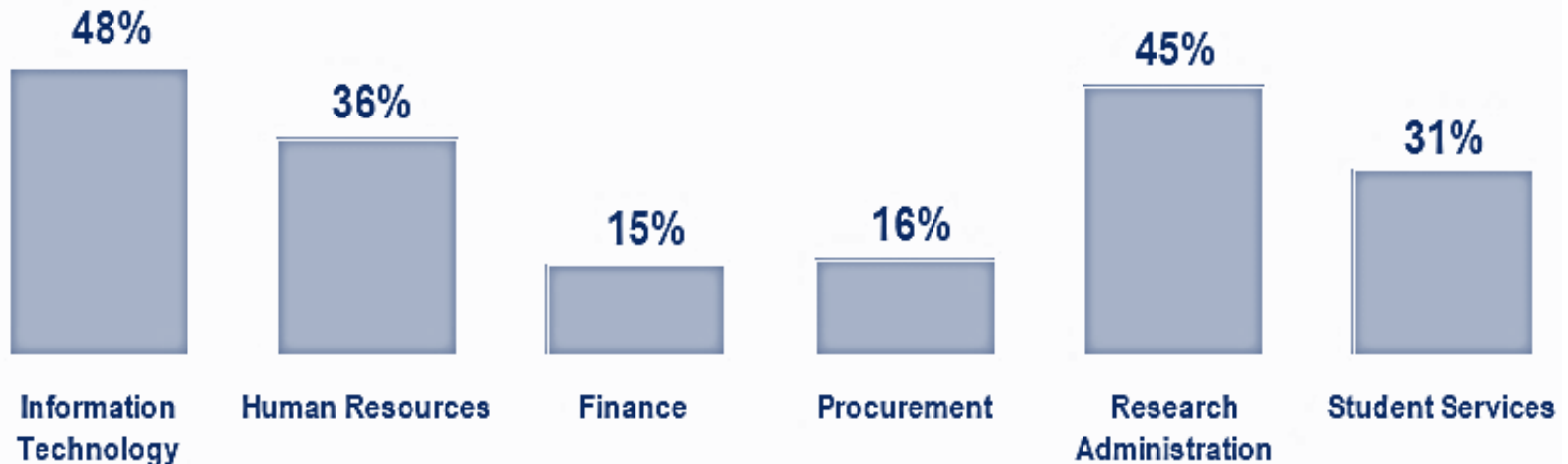
GENERAL FINDINGS FROM BENCHMARKING STUDY

FTE STRUCTURE OF ADMINISTRATIVE WORK



 UVA Central  UVA Decentral

Percentage of Centralized FTES (not individual staff, aggregate effort)





General Findings From Benchmarking Study

Nature of Work

Transactional Work (rather than analytical)

- Finance – **69%** overall transactional
- HR – **47%** overall transactional
- Procurement – **75%** overall transactional
- Most transactional processing is **distributed**.

Fragmentation of Administrative Work

- Many employees are **generalists with fragmented responsibilities** spanning several functional areas.
 - 59% of headcount are generalists across the 6 functions.
 - 41% of headcount are specialists across the 6 functions.
 - Specialists defined as dedicating more than 60% of time to one function.
- Concentration of generalists/specialists varies by function.



General Findings From Benchmarking Study Technology and Stakeholder Perception

Mixed Enabling Technology

- Some automation
- Many activities **manually intensive, even with technology**
- Utilized for **data capture**, rather than analysis
- **Low access to information** and reporting capabilities

Stakeholder Perceptions of Function

- Majority view role as:

Gatekeeper – Setting policy and procedure

Administrator – Processing transactions

vs

Valued Business Partner – Spends time to understand and advance school/unit needs and ***Expert*** – Function knowledge and skills

BENCHMARKING STUDY

Leveraging the Findings





Benchmarking Study

Recommendations Focus on Designing Processes and Services to “GET IT RIGHT”

Right for the Mission

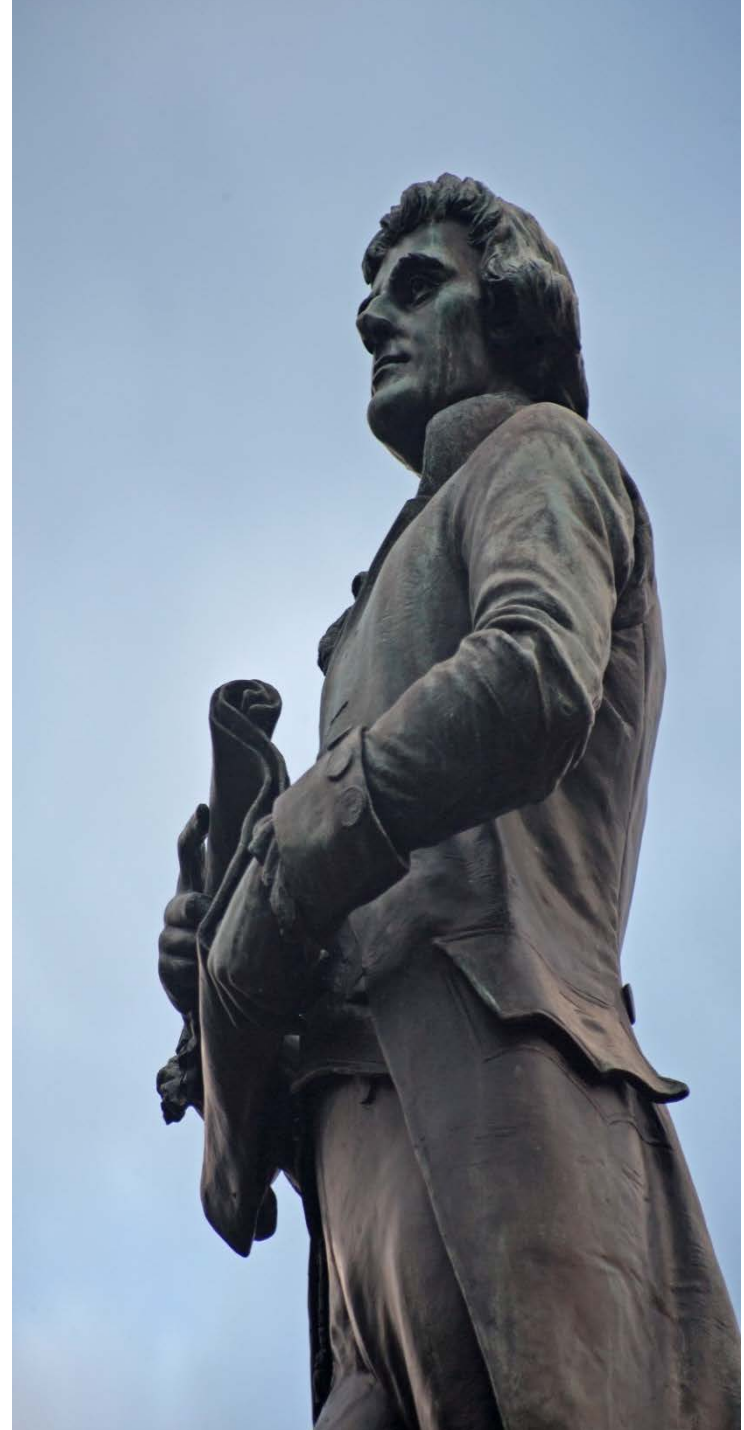
Right Structure – *service delivery model, central and/or distributed, sourcing*

Right People/Right Job - *right type of staff engaged in right level of activity with right skills, strategic workforce planning*

Right Process - *efficient and effective, eliminate redundancies, leverage standards, right the first time*

Right Technology - *meet needs, automate transactions, lessen complexity, provide analytical data for informed decisions*

Right for Faculty, Staff, Students - *effective communication, monitor and demonstrate performance*



STEP ONE – ALIGN, INTEGRATE, INFORM

Current Initiatives

OE Partnering with Sponsors (OSP, AVPF UHR, PSDS)

Benchmarking Study

Foundational

Human Resources

Research Administration

Finance

Procurement

Information Technology

Research
UVa

Research
Proposal
Process

Managerial
Reporting

Center for
Leadership
Excellence

UHR
Service
Delivery

Travel and
Expense
Management

Strategic
Sourcing

STEP TWO – CONSIDER EMERGING INITIATIVES

Examples: Internal Communications, IT, and Student Services

Current Portfolio of Org. Ex. Work

(Fall 2014)

- ✓ **Coordinate** a series of projects across an entire organization to achieve desired goals
- ✓ Analyze and **prioritize** for optimal delivery
- ✓ Determine best grouping and **sequencing**
- ✓ **Monitor** progress and impact



	2014			2015			2016
Initiative	Spring	Sum	Fall	Spring	Sum	Fall	Spring