Shared Service Centers
Governance and Funding

August 2012
Contents

This document shares the planned governance, funding and staffing for the Shared Service Centers (SSCs).

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  – Customer Contact
  – Accountability to Deans and Center Directors
  – Accountability to Central Offices

• SSC Funding Plans
  – Assumptions
  – Lift and Shift Model

• SSC Staffing
  – Campus Input
  – Planned Model
  – Open Positions

The CFE Executive Committee ratified the funding and governance model on August 22.
Why Shared Service Centers
KU is moving to a SSC model to create capacity for greater focus on the academic and research mission.

SSC Benefits to the Units, Schools and Centers

- Funding to support the initiatives of Bold Aspirations
- Staff who are provided with more training in HR, finance and research administration
- Increased responsibility and authority for staff performing HR, finance and research administration work in the SSCs
- SSC HR, finance and administration staff will have back-up:
  - Vacation, FMLA, etc., support
  - Employees are trained by the SSC staff
- Shared best practices

The goals of the SSC implementation are better service and decreased costs.
Initial SSC Timeline – Implementation

The campus implementation timeline will be flexible based on lessons learned through the initial site implementation.

As implementation progresses, the campus plan and implementation schedule will be reassessed.

<table>
<thead>
<tr>
<th>Initial Site: Liberal Arts and Sciences SSC</th>
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<tbody>
<tr>
<td>Planning and assessment</td>
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<tr>
<td>Wave 1: Humanities, Arts, Honors</td>
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<td>Wave 2: Social &amp; Behavioral Sciences</td>
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<td>Wave 3: International &amp; CLAS Administration</td>
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<td>Wave 4: Natural Sciences and Math</td>
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**Campus Rollout**

| Biosciences SSC                        |
| Life Span SSC                          |
| Campus Administration SSC              |
| Campus Operations SSC                  |
| Music, Architecture, Law & Libraries SSC |
| Business, Engineering & Pharmacy SSC    |
| Education, Journalism & Social Welfare SSC |
| Technology, Climate & Energy SSC       |

<table>
<thead>
<tr>
<th>YEAR 1</th>
<th>YEAR 2</th>
<th>YEAR 3</th>
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<td>June</td>
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Year 2

Year 3
SSC Governance

Governance must align SSCs with the needs of the Deans, Center Directors and Unit Leaders and allow central offices to drive policy, training and compliance.

- Matrix reporting relationship
- Staff hiring and performance input by the Deans, Center Directors, Unit Leaders and Central Offices (Comptroller, HR, IOA, RGS)

- Comprised of Deans, Center Directors and the SSC Director
- Monitors quarterly/bi-annual customer service surveys
- Monitors key performance indicators (KPIs) and metrics

- Outline the customer’s expectations of the SSC
- Monitored and upheld by the Assistant Vice Provost for SSCs

The governance model involves Deans, Center Directors, Unit Leaders and Central Offices in setting service expectations and hiring, but removes the administrative burden of managing the staff.
Proposed Organizational Structure

A matrix reporting relationship allows for alignment with the Deans, Center Directors and Unit Leaders and allows central offices to drive policy and compliance.

An Assistant Vice Provost position with accountability for the success of SSC.

SSC Managers are accountable to the deans and directors through dotted line reporting relationships.

Functional Team Managers are accountable to central functional departments through dotted line reporting relationships.

Each SSC is led by an SSC Director.
Reporting Relationships – Management
Each SSC will be led by a Director who reports to Administration and Finance.

Shared Service Center Leadership
(Jason Hornberger)

SSC Directors are critical: accountable to leaders served by their SSC, they are expected to develop constructive working relationships with the center, unit and departmental leadership.
Reporting Relationships: Finance

Finance Directors are accountable to the Comptroller’s Office and Central Finance as well as to the Deans and Directors.

Oversight of Financial Compliance, SOPs and Training
- Involved in SSC Finance staff hiring, especially Finance Directors
- Responsible for financial processes, policies, protocols and training of SSC staff
- Conducts regular reviews of transactions to test compliance and accuracy

Central Finance
(Katrina Yoakum, Linda Sadler, as appropriate)

Shared Service Center Leadership
(Jason Hornberger)
- Accountable for SLA compliance
- Accountable for KPIs

School/Area
Dean/VP/Director

• Involved in SSC staff hiring
• Monitors quarterly/bi-annual customer service surveys
• Monitors key performance indicators and metrics

Finance Directors

Customers
Reporting Relationships: HR

HR Directors are accountable to Central HR as well as to the Deans and Directors.

Central HR
(Ola Faucher and Fred Rodriguez, as appropriate)

Shared Service Center
Leadership
(Jason Hornberger)

School/Area
Dean/VP/Director

- Accountable for SLA compliance
- Accountable for KPIs

SSC Directors

HR Staff in the SSC

HR Directors

Customers

Oversight of HR Compliance, SOPs and Training
- Involved in SSC HR staff hiring, especially HR Directors
- Responsible for HR processes, policies, protocols and training of SSC staff
- Conducts regular reviews of transactions to test compliance and accuracy

Reviews SSC Performance
- Involved in SSC staff hiring
- Monitors quarterly/bi-annual customer service surveys
- Monitors key performance indicators and metrics
Reporting Relationships: Research Administration

Research Administration Directors are accountable to RGS and the Center Directors.

Oversight of Research Admin Compliance, SOPs and Training

- Involved in SSC Research Admin staff hiring, especially Research Admin Directors
- Responsible for research admin processes, policies, protocols and training of SSC staff
- Conducts regular reviews of transactions to test compliance and accuracy

- Accountable for SLA compliance
- Accountable for KPIs

Reviews SSC Performance

- Involved in SSC staff hiring
- Monitors quarterly/bi-annual customer service surveys
- Monitors key performance indicators and metrics

Customers
Customer Contact Model
The customer contact model was selected to minimize bottlenecks and create easy access to the SSC services.

Customers Contact Specific Individuals for Different Transactional Needs*

* Example contact scenarios only; other services besides those listed will be provided.

Communication with faculty and department staff is critical so that there is an understanding of:

- Which activities and transactions the SSCs support
- Who the faculty and other customers should contact for assistance with HR, financial and grant administration activities
- How to contact the SSC and how to reach their designated support person

Customers will have a designated SSC contact person for different types of transactions. The initial wave implementation in the Liberal Arts and Sciences SSC will allow testing of this model.
Governance and Accountability

Governance boards for each SSC, comprised of SSC customers, hold each SSC accountable for the services outlined in the SLA.

Example: Liberal Arts and Sciences Governance Board

Members (e.g.,)
- Dean of the College
- Director of the Hall Center
- Director of IPSR
- Assistant Vice Provost for SSC
- Liberal Arts and Sciences SSC Director

Responsibilities (e.g.,)
- Review Service Level Agreement (SLA) compliance
- Review Key Performance Indicator (KPI) progress
- Review customer satisfaction surveys
- Support an environment of continuous process improvement
- Support resolution of customer service gaps

Each SSC Governance Board will meet quarterly to discuss how well the SSC is meeting customer needs and provide input into solutions to overcome gaps.
Policies, Procedures and Compliance

Strong, well-defined relationships between the SSC Directors and central office staff will establish the basis for expertise and accountability in the SSCs.

Example: Human Resources

While the SSC staff are not a part of the central administration, a close working relationship will be supported by specific activities, including:

• A Memorandum of Understanding between each of the central offices (e.g., Human Resources) and the SSCs outlining the compliance and accountability role of the SSC HR Directors and HR staff
• SSC HR staff meetings (across SSCs) with the central office staff to discuss policy and procedure changes
• SSC HR Manager participation in HR meetings, as appropriate

The central offices will meet regularly with their SSC colleagues to share knowledge, communicate expectations and learn about the customers’ needs.
SSC Funding – Assumptions

A “Lift and Shift” model will be used to staff and fund the SSCs, based on the following assumptions.

1. SSC will be *initially* staffed at 100% of the FTEs currently performing the work.
2. Efficiency and improved service will be created through technology, training and process redesign.
3. SSC savings will be captured over time through attrition and tracked.
4. A small portion of the savings will need to fund the SSC Directors and work toward parity in the SSC pay structure.
5. The majority of the savings will be used to fund the teaching and research initiatives identified through *Bold Aspirations*.
6. SSC growth is not assumed; following 4-5 years of efficiency gains and attrition, funding increases will be at the Provost’s discretion.
Funding Models Examined

Four models were considered.

<table>
<thead>
<tr>
<th>Lift and Shift</th>
<th>Tax on Salary Expense</th>
<th>Tax on Operation Expenses</th>
<th>Hybrid – Lift and Shift, then Tax</th>
</tr>
</thead>
</table>
| • Move staff and their associated budget line into the SSC | • Tax the school/center/unit’s salary expense | • Tax the school/center/unit’s operating expense (all funds) | • Initially lift and shift  
• Tax salary  
• Increase budget in the amount of the tax |

Recommended approach

- Model creates disparity of “winners and losers”; requires work around for grant funded areas
- Clear benefit to this model is automatically funded growth: this is not desired

Too complex

After examining the impact of the different models over time, a Lift and Shift model was adopted by KU.
Recommended Model: Lift and Shift

This model moves the staff currently performing the work into the SSCs. Because of the fractional nature of jobs, job redesign in the units is needed.

Current Department

Future Department

Future SSC

The activity assessment will identify the number of staff in the department currently performing the work.

The academic and research activities remaining in the units will be redesigned by a leadership team of the impacted areas—this is critical to ensure that all critical work continues to be done.

The number of staff identified for SSC work will move to the SSC, with their associated budget lines (or partial budget line) and OOE.

Staff are responsible for “SSC” work as well as some academic and research support work. The redesign of departmental staff positions will be as critical as the movement of staff into the SSCs.
Campus Input – SSC Staffing (1 of 2)
Survey respondents and focus group members were supportive of several different approaches to staffing SSCs and helped identify challenges.

**All SSC Positions Should be Posted**
- The majority (70%) of staff supported posting SSC positions
- Only 9% were opposed to posting positions
- **Focus Group Feedback:** While posting positions was perceived as fair, it was suggested as stressful for the staff involved and likely to prolong the confusion on campus

**Staff performing >50% of SSC Work Should be Assigned**
- More than half (58%) of respondents supported moving staff performing a majority of SSC work to a SSC
- 15% of staff were opposed to assigning staff to SSCs based on job responsibilities
- **Focus Group Feedback:** Assigning staff would be an efficient approach and will ensure everyone has a position
A Leadership Committee Should Assign Staff

- 52% of respondents were supportive of forming a leadership committee to assign staff to SSCs.
- 16% were opposed to the idea of a leadership committee determining their future job.
- **Focus Group Feedback:** While assigning staff does not give staff a choice, it helps preserve existing knowledge and working relationships and ensures all staff have positions.

SSC Positions Should be Offered to KU Staff First

- The vast majority (88%) agreed with the proposal to offer all positions internally.
- **Focus Group Feedback:** Tenure at KU should have some influence on staffing decisions, but relevant work experience and ability to provide excellent service are vital.
Survey Results – Staff Support

Responses to proposed staff support activities suggested support activities that staff would find more helpful and will help guide the staffing.

<table>
<thead>
<tr>
<th>Activity</th>
<th>Not at all helpful</th>
<th>Not very helpful</th>
<th>Neutral</th>
<th>Helpful</th>
<th>Very Helpful</th>
</tr>
</thead>
<tbody>
<tr>
<td>Resume writing training</td>
<td>22%</td>
<td>17%</td>
<td>28%</td>
<td>19%</td>
<td>15%</td>
</tr>
<tr>
<td>Interview training</td>
<td>22%</td>
<td>18%</td>
<td>26%</td>
<td>20%</td>
<td>15%</td>
</tr>
<tr>
<td>Shadowing those in SSC positions</td>
<td>18%</td>
<td>12%</td>
<td>30%</td>
<td>23%</td>
<td>17%</td>
</tr>
<tr>
<td>Training in Excel, Word, Access, etc.</td>
<td>20%</td>
<td>14%</td>
<td>23%</td>
<td>22%</td>
<td>21%</td>
</tr>
<tr>
<td>KU workshops on coping with change</td>
<td>24%</td>
<td>19%</td>
<td>30%</td>
<td>16%</td>
<td>11%</td>
</tr>
<tr>
<td>Participating in a peer coaching program</td>
<td>15%</td>
<td>15%</td>
<td>31%</td>
<td>23%</td>
<td>16%</td>
</tr>
<tr>
<td>Meeting staff from other departments</td>
<td>8%</td>
<td>9%</td>
<td>27%</td>
<td>35%</td>
<td>22%</td>
</tr>
<tr>
<td>Meeting with a career advisor</td>
<td>12%</td>
<td>10%</td>
<td>25%</td>
<td>24%</td>
<td>29%</td>
</tr>
<tr>
<td>Talk to staff working in an SSC environment</td>
<td>5%</td>
<td>7%</td>
<td>26%</td>
<td>32%</td>
<td>29%</td>
</tr>
<tr>
<td>Discuss career prospects with supervisor</td>
<td>12%</td>
<td>8%</td>
<td>15%</td>
<td>26%</td>
<td>38%</td>
</tr>
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</table>
Staffing the SSCs
An activity assessment of each area will determine precisely how much staff time is currently being spent on SSC activities.

- Meetings to outline the expectations of the activity assessment
- Survey administrated to impacted staff to catalog current duties
- Supervisor review of responses for accuracy
- Analysis of results for outliers, using systems data to verify responses where possible

Identify staff currently doing SSC tasks

Post SSC Director and Manager Positions
- Competitive interview process to fill leadership positions

Individual conversations to help impacted staff make career decisions
- Leadership team determines new staffing assignments
- Individual preference taken into account where possible

Meet with impacted staff to assign which staff will move to the SSC

Move 100% of the FTEs currently completing the work into the SSC
- Savings will come over time through attrition

The leadership team making staff decisions will be specific to each area and will include leadership of the impacted schools, centers and units.

SSC staffing decisions will be made with extensive input from those impacted.
SSC Current Openings
We are seeking candidates for two current SSC leadership positions.

KU SSC Project Manager
• To manage the ongoing implementation of SSCs beyond the initial site

Liberal Arts and Sciences SSC Director
• To lead the Liberal Arts and Sciences SSC

The position descriptions are available at:
https://jobs.ku.edu/applicants/jsp/shared/search/SearchResults_css.jsp

The priority review date is September 3; resumes will be accepted until the positions are filled.
Your input is greatly appreciated!

CFE website
http://cfe.ku.edu/ssc/

SSC Office Hours
Every Wednesday, 3:00 pm – 4:00 pm, 213 Strong Hall

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