

# Shared Service Centers

## Governance and Funding

August 2012



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

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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.

	YEAR 1										YEAR 2	YEAR 3
	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	Year 2	Year 3	
<b>Initial Site: Liberal Arts and Sciences SSC</b>												
Planning and assessment												
Wave 1: Humanities, Arts, Honors												
Wave 2: Social & Behavioral Sciences												
Wave 3: International & CLAS Administration												
Wave 4: Natural Sciences and Math												
<b>Campus Rollout</b>												
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												



# 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)

## Reporting Relationships



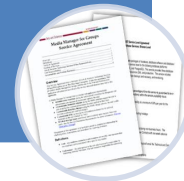
- Comprised of Deans, Center Directors and the SSC Director
- Monitors quarterly/bi-annual customer service surveys
- Monitors key performance indicators (KPIs) and metrics

## Governance Committee



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

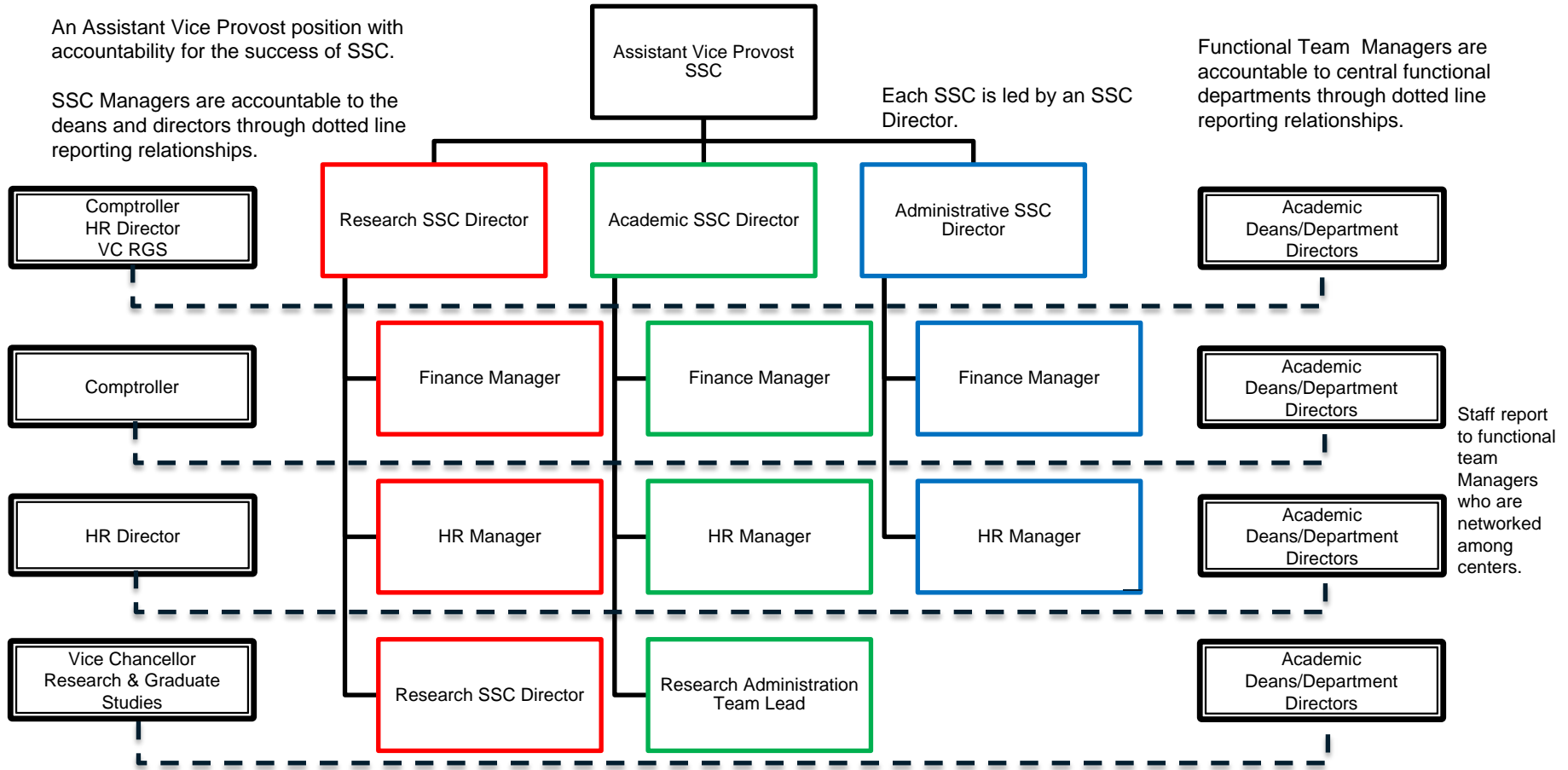
## Service Level Agreements



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.

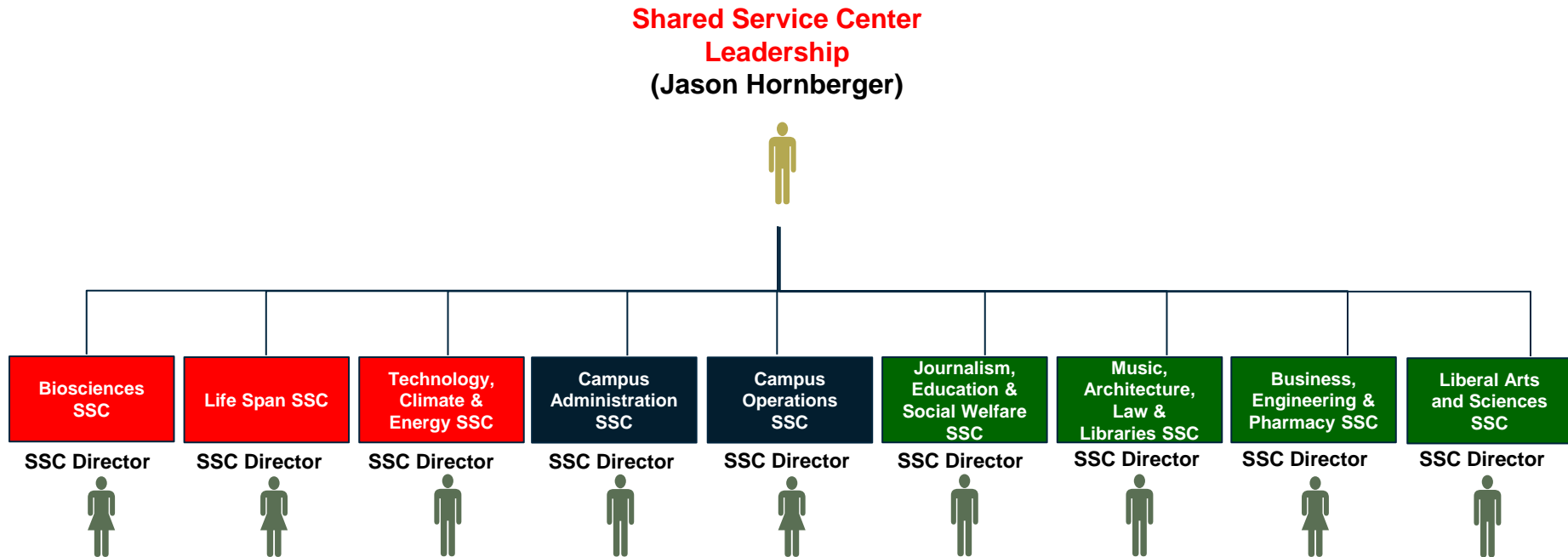
# Proposed Organizational Structure

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



# Reporting Relationships – Management

Each SSC will be led by a Director who reports to Administration and Finance.



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.

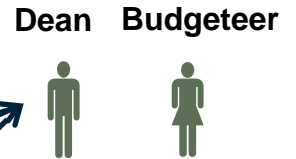
# Reporting Relationships: Finance

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

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

**Shared Service Center Leadership**  
(Jason Hornberger)

**School/Area**  
Dean/VP/Director



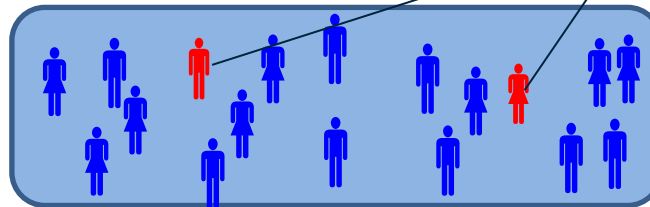
- Accountable for SLA compliance
- Accountable for KPIs

SSC Director



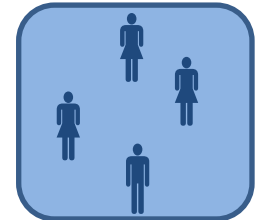
Finance Staff in the SSC

Finance Directors



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

Customers



**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



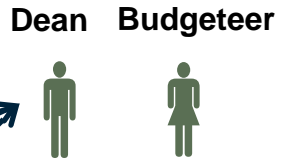
# Reporting Relationships: HR

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

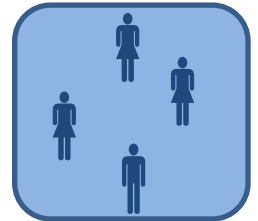
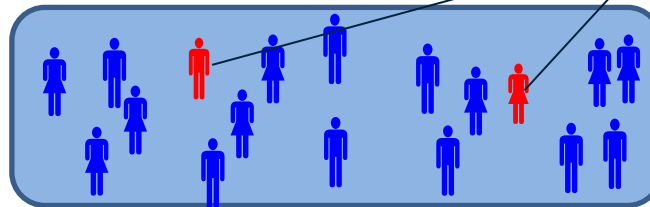


- Reviews SSC Performance**
- Involved in SSC staff hiring
  - Monitors quarterly/bi-annual customer service surveys
  - Monitors key performance indicators and metrics

HR Staff in the SSC

HR Directors

Customers

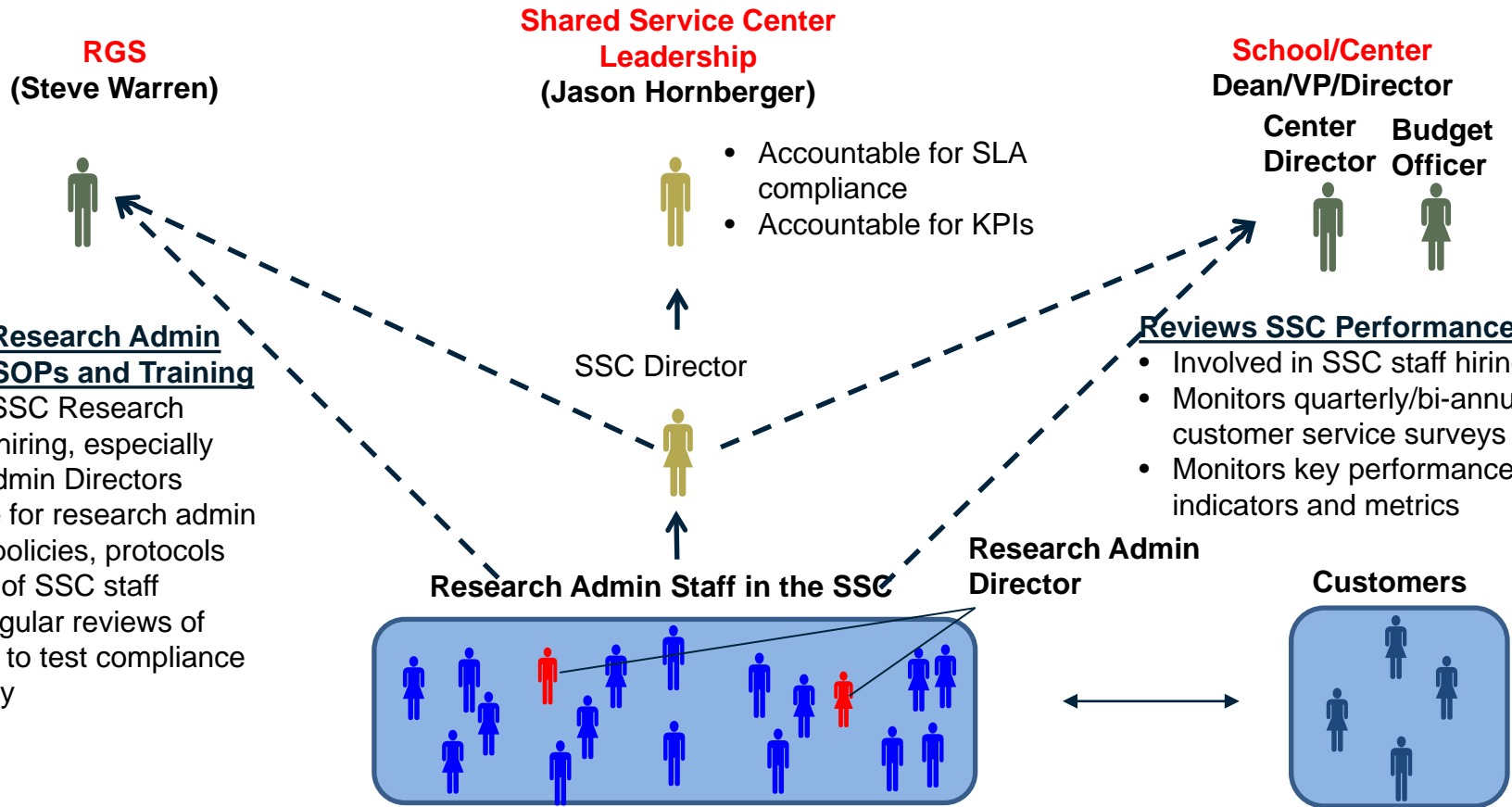


**Oversight of HR Compliance, SOPs and Training**

- 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

# Reporting Relationships: Research Administration

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





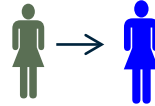
# Customer Contact Model

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

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Customers Contact Specific Individuals for Different Transactional Needs\*

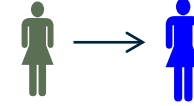
Recruiting & Onboarding



Grant Reports



Travel & Expense



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

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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.

Lift and Shift	Tax on Salary Expense	Tax on Operation Expenses	Hybrid – Lift and Shift, then Tax
<ul style="list-style-type: none"> <li>Move staff and their associated budget line into the SSC</li> </ul>	<ul style="list-style-type: none"> <li>Tax the school/ center/ unit's salary expense</li> </ul>	<ul style="list-style-type: none"> <li>Tax the school/ center/ unit's operating expense (all funds)</li> </ul>	<ul style="list-style-type: none"> <li>Initially lift and shift</li> <li>Tax salary</li> <li>Increase budget in the amount of the tax</li> </ul>

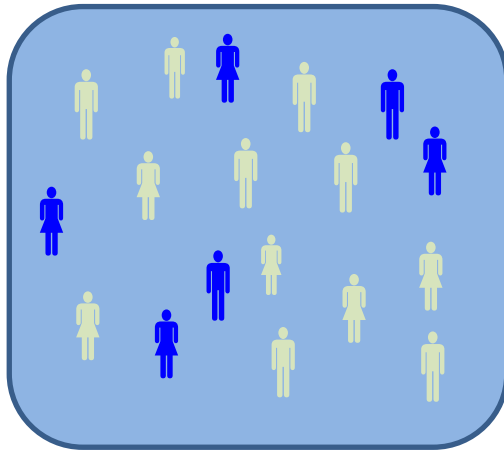
Recommended approach	<p>Model creates disparity of “winners and losers”; requires work around for grant funded areas</p> <p>Clear benefit to this model is automatically funded growth: this is not desired</p>	Too complex
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After examining the impact of the different models over time, a Lift and Shift model was adopted by KU.

# Recommended Model: Lift and Shift

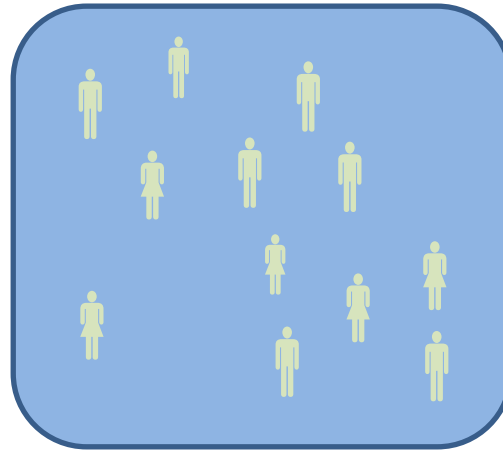
This model moves the staff currently performing the work into the SSCs. Because of the fractional nature of jobs, job redesign in the units is needed.

Current Department



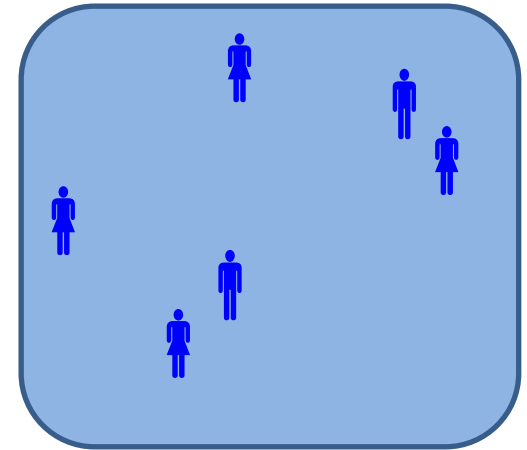
The activity assessment will identify the number of staff in the department currently performing the work

Future Department



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

Future SSC



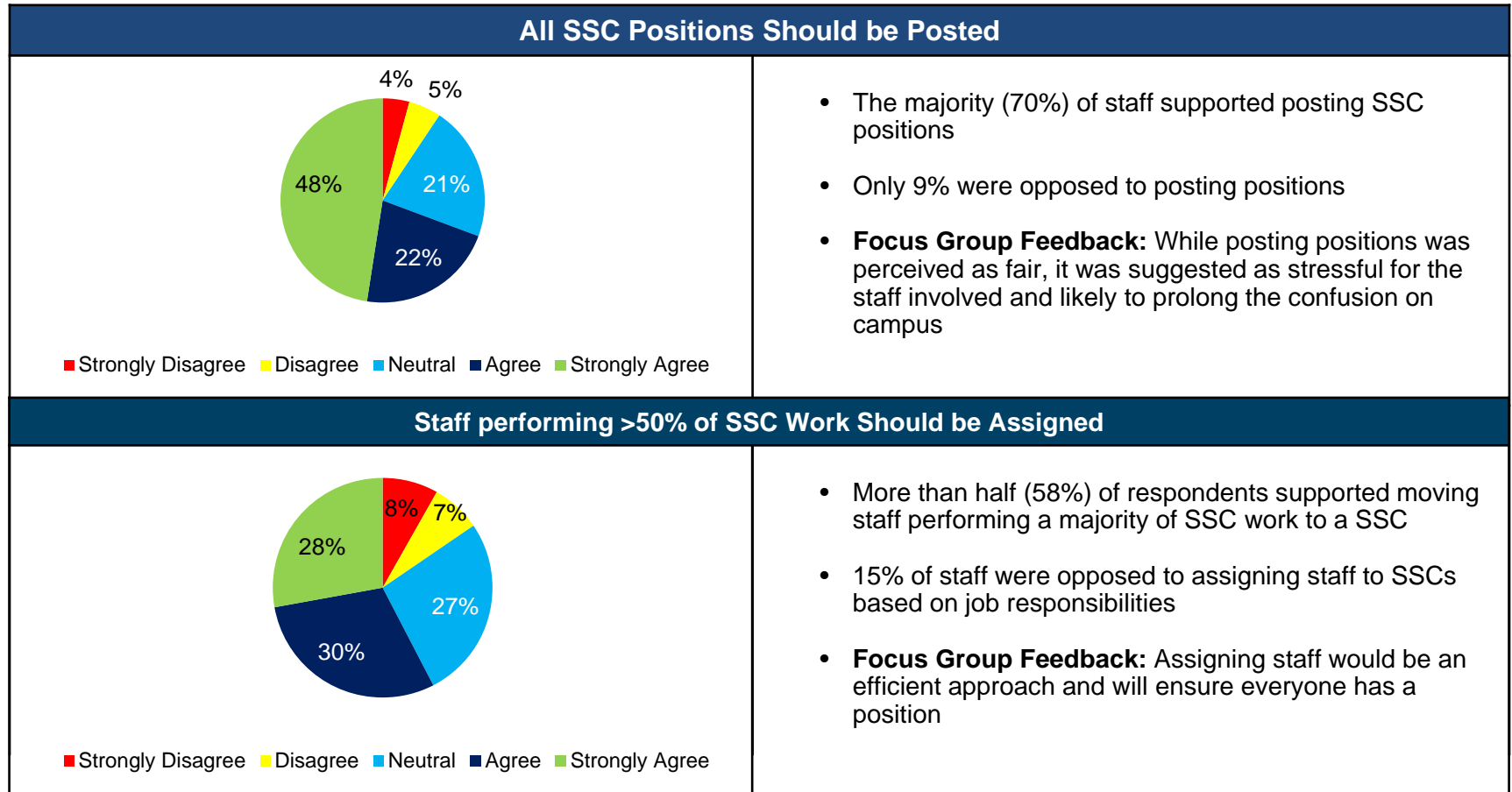
The number of staff identified for SSC work will move to the SSC, with their associated budget lines (or partial budget line) and OOE

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.

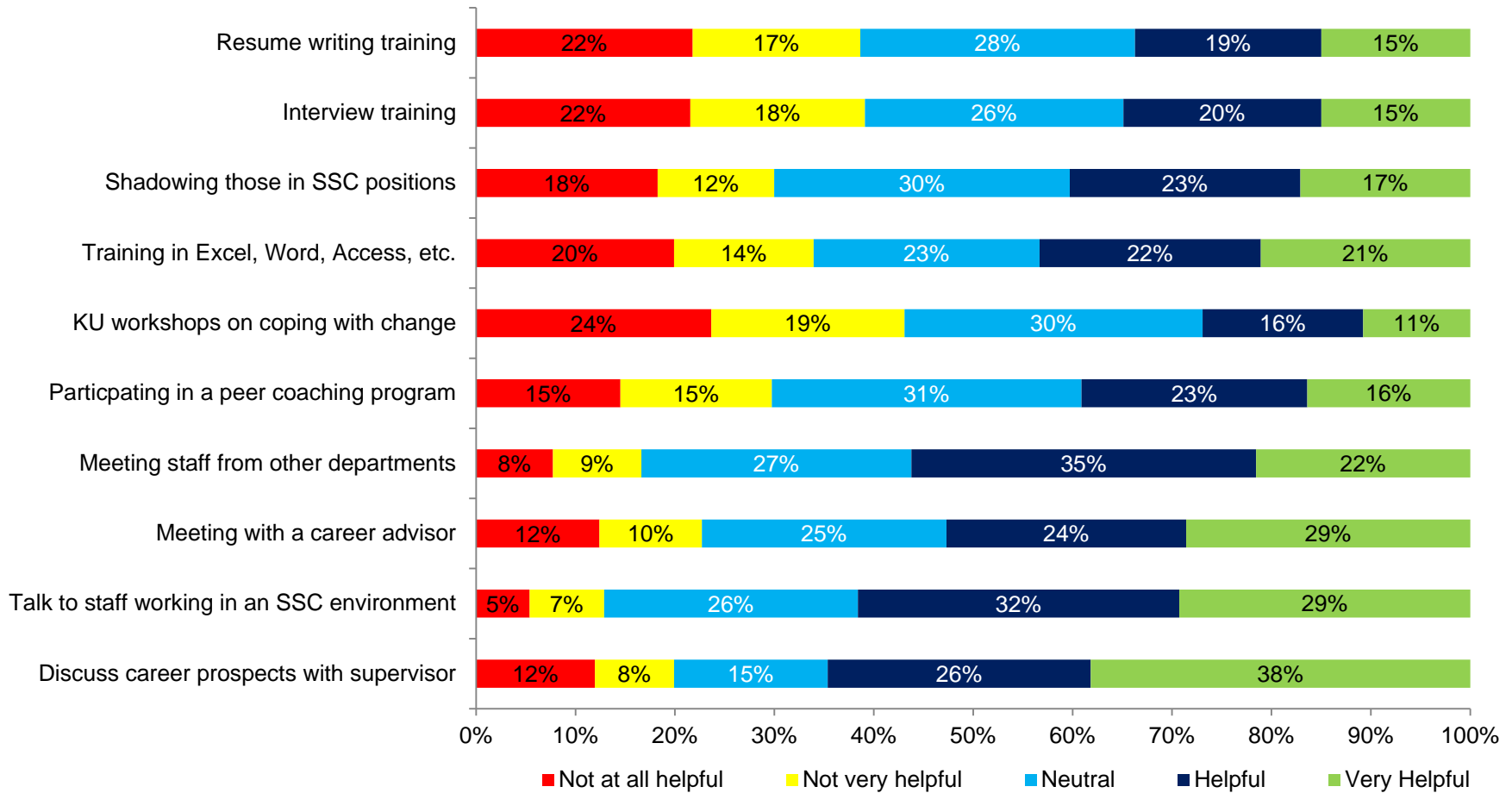


# Campus Input – SSC Staffing (2 of 2)

A Leadership Committee Should Assign Staff	
<p>7% 9% 31% 30% 22%</p> <p>■ Strongly Disagree ■ Disagree ■ Neutral ■ Agree ■ Strongly Agree</p>	<ul style="list-style-type: none"> <li>• 52% of respondents were supportive of forming a leadership committee to assigns staff to SSCs</li> <li>• 16% were opposed to the idea of a leadership committee determining their future job</li> <li>• <b>Focus Group Feedback:</b> While assigning staff does not give staff a choice, it helps preserve existing knowledge and working relationships and ensures all staff have positions</li> </ul>
SSC Positions Should be Offered to KU Staff First	
<p>2% 2% 8% 18% 70%</p> <p>■ Strongly Disagree ■ Disagree ■ Neutral ■ Agree ■ Strongly Agree</p>	<ul style="list-style-type: none"> <li>• The vast majority (88%) agreed with the proposal to offer all positions internally</li> <li>• <b>Focus Group Feedback:</b> Tenure at KU should have some influence on staffing decisions, but relevant work experience and ability to provide excellent service are vital</li> </ul>

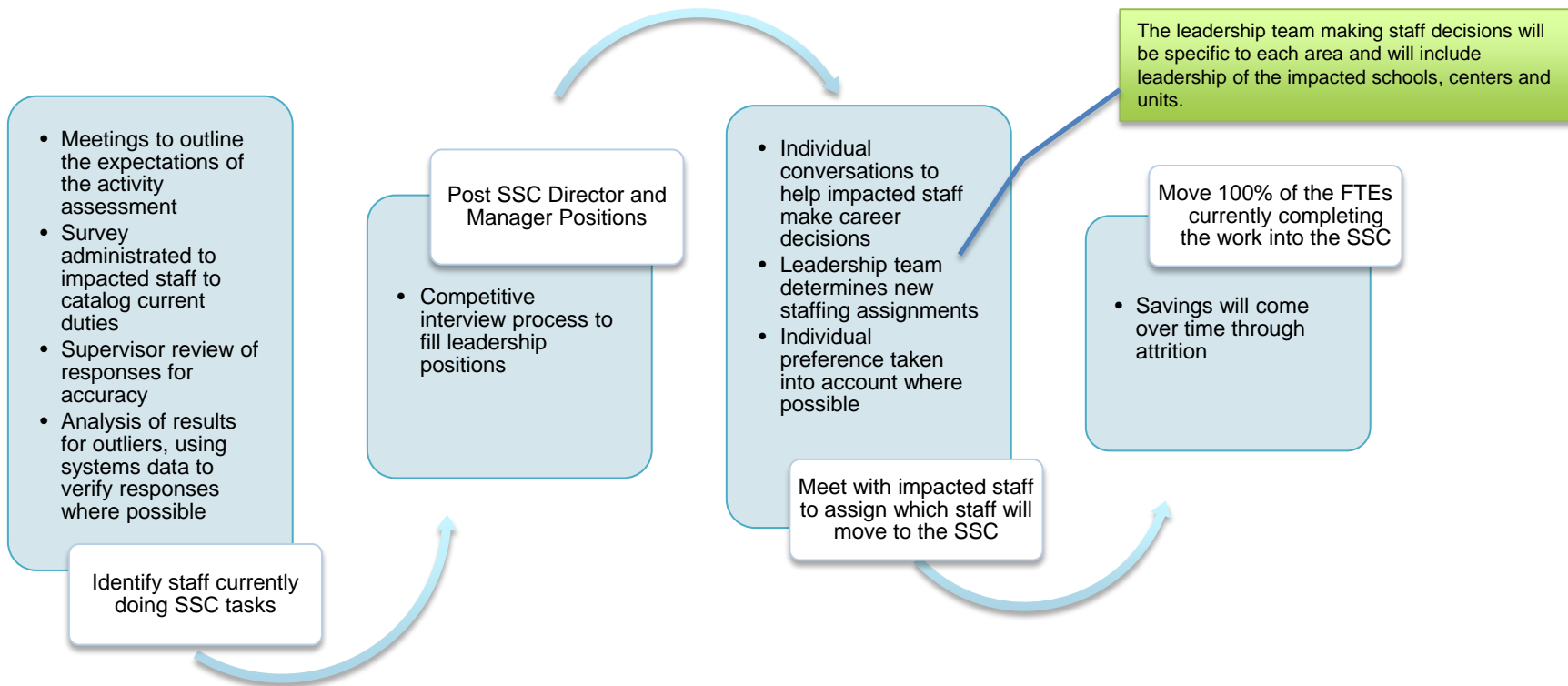
# Survey Results – Staff Support

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



# Staffing the SSCs

An activity assessment of each area will determine precisely how much staff time is currently being spent on SSC activities.



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](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

SSC Implementation Team

- Jason Hornberger: [jfh@ku.edu](mailto:jfh@ku.edu)
- Christy Edmonds: [cjed@ku.edu](mailto:cjed@ku.edu)
- Megan Cluver: [megancluver@ku.edu](mailto:megancluver@ku.edu)
- Travis Ringger: [travisringger@ku.edu](mailto:travisringger@ku.edu)