

Shared Services Initiative Update

Board of Regents Meeting

November 17, 2016

Background

- OCHE staff, Vice Presidents of Administration and Finance from UM and MSU held preliminary discussions on feasibility of shared services
- Agreement on general areas of potential collaboration and shared services
- Agreement that all campuses must be involved in process
- Not an initiative to cut jobs, but could be changes to existing roles

Progress

- Determined shared services has various levels of complexity and achievability
- Success rate is high based on the confluence of Board of Regents priority and campus needs and motivation
- Improve services to customers and increase efficiencies
- Improve compliance with policies and regulations
- Capitalize on collective system-wide expertise

Best Practices and Lessons Learned

- MSU-Bozeman has five years experience implementing shared services at their campus
- MSU sharing its experience and expertise in shared services is an example of shared services

MSU Bozeman Lessons Learned

On **Implementation**:

- Departments must have a compelling need to make a significant change. Two primary drivers:
 - Loss of a key person currently doing these activities
 - Heavy workload for current staff, need to offload some of these tasks
- Early adopters generally have a higher level of comfort with working remotely and using technology
- The services are clearly not part of the department's primary mission
- If a department feels like they are handling these processes adequately, there is little incentive to change

On **efficiencies**:

- Do not believe we have seen significant savings yet in terms of FTE (Some departments need more services than they realized or were previously receiving from their staff in order to better manage their departments)
- Some processes do take less time due to expertise and volume (scale)
- Definitely saving time for departments, centralized HR and Business Services by answering department questions and improving compliance and quality (less re-work)
- Need more software/systems investments to make breakthroughs in efficiency

Lessons Learned Continued

- On Shared Services **staffing**:
 - Flexibility and openness to frequent change is necessary
 - High level of customer service, want departments to want to work with us
 - Add staff proactively, a little bit ahead of new departments joining so there is time to train. Reactive staffing was not working well, departments typically do not request services far in advance, frequently last minute requests, leading to heavy staff workload until new staff hired
 - Takes time to develop training and documentation for adding new staff as Shared Services grows, need continued focus here
- On Growth:
 - Need to build credibility slowly over time, give others a clear vision of how it works by establishing success stories (which are communicated by word of mouth across departments)
 - Make an effort to ensure that departments feel in control of our services
 - Customization, do it they way they want it done (but of course in compliance with policies)
 - Make it very clear that it is voluntary to use these services, no pressure to join; active communication, but no pressured solicitation of new departments (they initiate contact)

Current System-Wide Examples of Shared Services

- EverFi
 - AlcoholEdu, Haven, Transit, Haven Plus
- Legal Services
- Student Loan Default Prevention

Next Steps

- Develop Shared Services Task Force with representation from all campuses
- Define scope of shared services
 - System wide, MSU/UM and affiliates, campus level
- Identify specific areas with shared services potential
- Sub-groups with expertise in identified areas to determine feasibility
- Analysis to determine operational efficiencies and cost savings