Our Experience. Your Success.

**Shared Services &
Process Improvement**
for Higher Education & Government

10 YEARS

Chairperson Thoughts
November 29 – December 1, 2017

Shared Services is the organization that…

Elevator Speech
Treats its **internal client** with the same level of respect and service that external clients expect

Definition
Provides non-core services to the "business", employing a **specialist team, geographically unconstrained, and focusing on the requirements of the internal client**. This involves a philosophy and approach totally unlike traditional "corporate-driven" centralization.
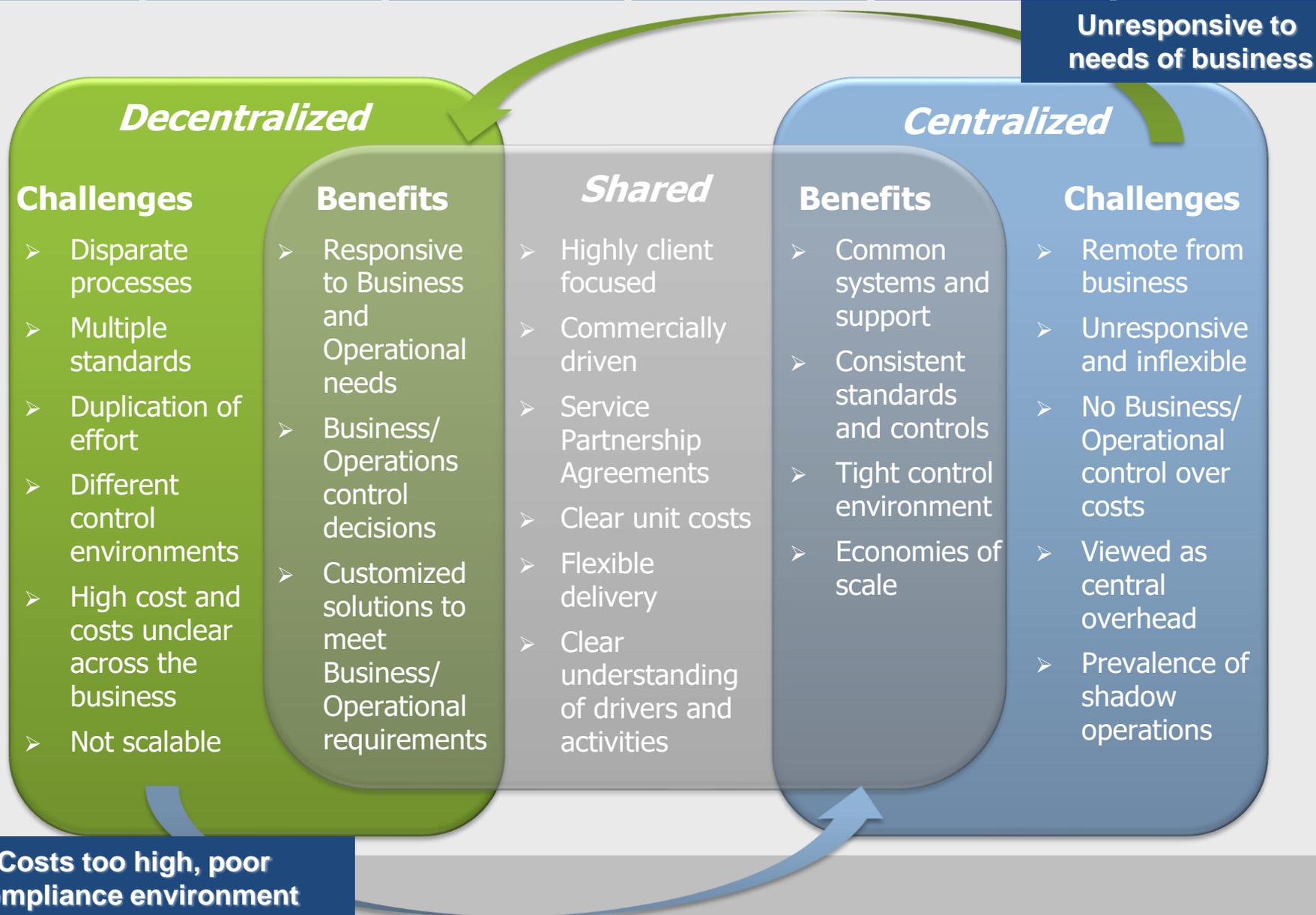
Goal
Providing **high quality, non-core, but mission critical services** (which can include both repetitive common processes and more specialized professional services) to the business at **lower cost and more efficiently** than the business could otherwise provide for itself.

How-To
Achieves cost savings and higher quality of service by **leveraging organizational re-alignment, economies of scale, technology, lower cost locations, standardized end-to-end processes and best practice**.

Centralization/Decentralization Cycle

Chazey Partners

Unresponsive to needs of business

Decentralized

Challenges
- Disparate processes
- Multiple standards
- Duplication of effort
- Different control environments
- High cost and costs unclear across the business
- Not scalable

Benefits
- Responsive to Business and Operational needs
- Business/ Operations control decisions
- Customized solutions to meet Business/ Operational requirements

Shared
- Highly client focused
- Commercially driven
- Service Partnership Agreements
- Clear unit costs
- Flexible delivery
- Clear understanding of drivers and activities

Centralized

Benefits
- Common systems and support
- Consistent standards and controls
- Tight control environment
- Economies of scale

Challenges
- Remote from business
- Unresponsive and inflexible
- No Business/ Operational control over costs
- Viewed as central overhead
- Prevalence of shadow operations

Costs too high, poor compliance environment

The Benefits

When implemented, managed and controlled properly, Shared Services can achieve the "triple benefit" of:

1. Improved service levels
2. Delivered in a more efficient manner
3. And supporting an enhanced control environment

Additional Benefits:

1. Standardization of processes which supports centralization and automation (including ERP deployment)

2. Ability to really look "end-to-end" at processes to eliminate redundancy, duplication, handoffs, loop backs, etc.

3. Empowering the Shared Services team to learn new things and work in a dynamic and exciting environment

4. Engendering a culture of continuous improvement and recognition of performance

5. Improves quality and integrity of data which supports faster and better decision making

6. Enables Mergers, Acquisitions and Divestitures

The Potential Scope of Shared Services

- **Finance**
  - **Accounts Payable**
  - **Billing/Accounts Receivable**
  - **General Ledger**
  - **Consolidations**
  - **External Reporting**
  - **Planning and Budgeting**
  - **Treasury/Cash Management**
  - **Internal Audit**
  - **Tax**
  - **Foreign Exchange**
  - **Business Support Analysis**
  - **Financial Reporting**
  - **Project Accounting**
  - **Cost Accounting**
  - **Lockbox Services**
  - **Records Management**
  - **International Accounting**
  - **Credit & Collections**

- **Marketing**
  - **Corporate Brand Compliance**
  - **Public Affairs/Media Relations**
  - **Communication Services**

- **Human Resources**
  - **Payroll**
  - **Travel & Expense**
  - **Compensation & Benefits Administration**
  - **Records Management**
  - **Training & Development**
  - **Relocation Services**
  - **Evaluation Planning/Review**
  - **Policies & Procedures**
  - **Labor Relations**
  - **Recruiting/New Hire On-boarding**
  - **Headcount Reporting**
  - **Succession Planning**
  - **Employee Recognition**

- **Information Technology**
  - **Desktop Support**
  - **Application Maintenance**
  - **Telecommunications**
  - **Hardware & Software**
  - **Application Development**
  - **Data Center Operations**
  - **Technology Planning & Development**
  - **Acquisition Support**
  - **IT Security**

- **Sales Operations**
  - **Sales Compensation**
  - **Order Management**

- **Legal**
  - **Litigation Support & Coordination**
  - **Regulatory Compliance**

- **Corporate Services**
  - **Travel Services**
  - **Real Estate**
  - **Facilities/Site Services**
  - **Fleet Management**
  - **Security**
  - **Environment, Health & Safety**
  - **Insurance**
  - **Mailroom**
  - **Health Clinics/Day Care Centers**
  - **Engineering**
  - **Emergency Management**

Typical Transformation Focus: Technology & Process, sometimes on the People …but Client-focus is missing

Internal Client

- Service orientation in place
- Structured way of dealing with customers
- Customer satisfaction levels understood
- SPAs in place
- Reality versus perception
- Account management

Process

- Processes documented
- Standardized, controlled & repeatable activity
- Recharging methodology
- Benchmarking – internal/external
- Metrics: Control Based; Efficiency & Effectiveness

CRITICAL SUCCESS FACTORS

Technology

- ERP implemented
- Document Scanning Solution
- Workflow
- Automated Payments
- Elimination of Side Systems
- Self services tools
- Automated Score Cards

People

- Skilled Leadership in place – do not compromise on competencies
- Team shape & stability – process shaped/spans of control/staff – perm v temps
- Team members – culture, values & behavioral competencies assessed
- Team morale, reward & retention
- Working environment conducive to team working

Client Interaction Framework

Account Management
- SSO to client; via reporting, interaction, escalation & communication

Client Contact Management
- Client to SSO; to manage and resolve queries and drive learning/improvement

Service Partnership Agreements
- SPAs are 2-way agreements clarifying both SSO services and client inputs

Internal Client Feedback
- Client satisfaction continuously monitored both informally and formally

Continuous Improvement
- Mechanisms to identify the areas for improvement and to develop solutions

Process Control Database
- Documents end-to-end SSO processes; highlights activity of both SSO & client

Performance Measurement
- Comprehensive KPIs, measures and metrics framework, SSO & client

Performance Reporting
- Process performance will be reviewed monthly by SSO and client
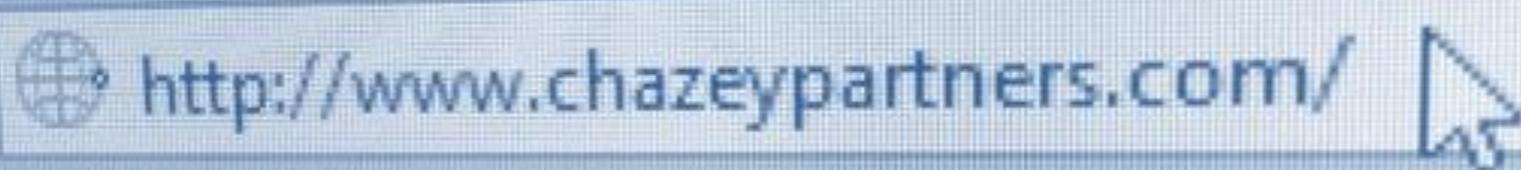
Recharging Methodology
- Define basis for charging for SSO services to turn consumers into clients

Leverage Our Experience for Your Success

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