

# An Innovative Model for Delivering Shared Services in Universities

A Shared Services in Higher Education Case Study



**T**he University of Saskatchewan, a large Canadian research university with more than 20,000 students, was experiencing low levels of satisfaction across its portfolio of administrative services. Research submissions were declining due to increased administrative burdens placed on faculty. At the same time, overall university administrative support costs continued to grow. The University's leadership desired to transform its administrative functions to provide best-in-class service aligned with the University's teaching, research, and community service mission, vision, and goals.

## The hub model can increase operational efficiency and provide services within close proximity to faculty, staff, and students

With the help of ScottMadden, the University designed and implemented an innovative, horizontally and vertically integrated shared services model across human resources, finance, and research. This innovative model enabled the University to achieve its goals of improving customer satisfaction while creating scalable administrative functions that meet the needs of faculty, staff, and students in a growing environment.

By designing and deploying a progressive shared services model and taking a measured change management approach, the University overcame challenges that many other universities frequently encounter:

- Universities experience significant difficulty implementing campus-wide change due to disparate organizational silos
- Colleges within a university are often run like independent businesses led by a dean with his or her own administrative staff. Deans are often hesitant to “give up” their own administrative staff when universities consider implementing shared services
- Space is constrained on campuses; however, faculty, staff, and students prefer services that are provided within geographical proximity of their college
- Customer satisfaction is often low with administrative units; however, faculty can be very vocal and opposed to changing the status quo

The University partnered with ScottMadden to leverage the firm's extensive experience with both higher education institutions and Fortune 100 companies in designing, implementing, and improving shared services. The University challenged ScottMadden to design a shared services model with the personal touch required for success in a university setting while achieving the efficiencies of a best-in-class Fortune 100 company.

### Designing an Innovative Shared Services Model

Key stakeholders were involved early in the design process, as well as regularly throughout the implementation to achieve buy-in

and to ensure the rollout met stakeholders' expectations. Through these interactions, the University and ScottMadden collected and incorporated important input on the design of the shared services model.

Initially, the University considered standing up the most common shared services model seen in universities today—the “hub or cluster model.” In comparison to having siloed, highly decentralized administrative functions within each college, the hub model consolidates administrative services into multiple service center locations across campus (e.g., the colleges of medicine, nursing, and dentistry share one service center; the colleges of agriculture and engineering share another). The hub model can increase operational efficiency and provide services within close proximity to faculty, staff, and students. However, this model requires available space at multiple college locations (generally five or more).

Through significant interaction with key stakeholders, it became evident that the deans were unwilling to sacrifice valuable research and teaching space necessary to implement the hub model. It also became clear that the University would lose the economies of scale that they had already realized through the consolidation of some campus-wide services (e.g., payroll) if they implemented the hub model.

To overcome these challenges, the University and ScottMadden designed a unique, network-based shared services model with small campus “storefronts” where faculty, staff, and students could conveniently access personalized services. A single, larger transactional service center, built in line with corporate shared services leading practices, was designed to support the storefronts and complete the bulk of administrative work and transactional processing. The new model was taken to the Dean's Council for feedback and received overwhelming support.

This unique, network-based service model provides the following advantages:

- Provides the Personal Touch: Desirable on-campus locations where faculty, staff, and students can easily drop off paperwork, ask questions, and receive support
- Creates Service Efficiencies: Consolidation of multiple service centers into one reduces overhead and overlapping/duplicative processes (e.g., one location for payroll processing rather than five payroll processing locations spread around campus)
- Reduces Administrative Footprint on Campus: Consolidation of backend processing into one service center located off campus frees up valuable space for teaching and research on campus
- Enables the Administrative Units to Efficiently Scale with Growth: As the University grows, it will be better positioned to efficiently provide services to more and more faculty, staff, and students

To supplement the new delivery model, ScottMadden introduced other mechanisms for faculty, staff, and students to easily access administrative services, including an online portal, knowledgebase, and a single phone number to access customer support for

any human resources, finance, or research topic. Although this technical infrastructure is common in a corporate shared services environment, it is still quite rare in higher education. These mechanisms, including the storefronts, have been highly utilized and were positively received by the campus community.

## Results

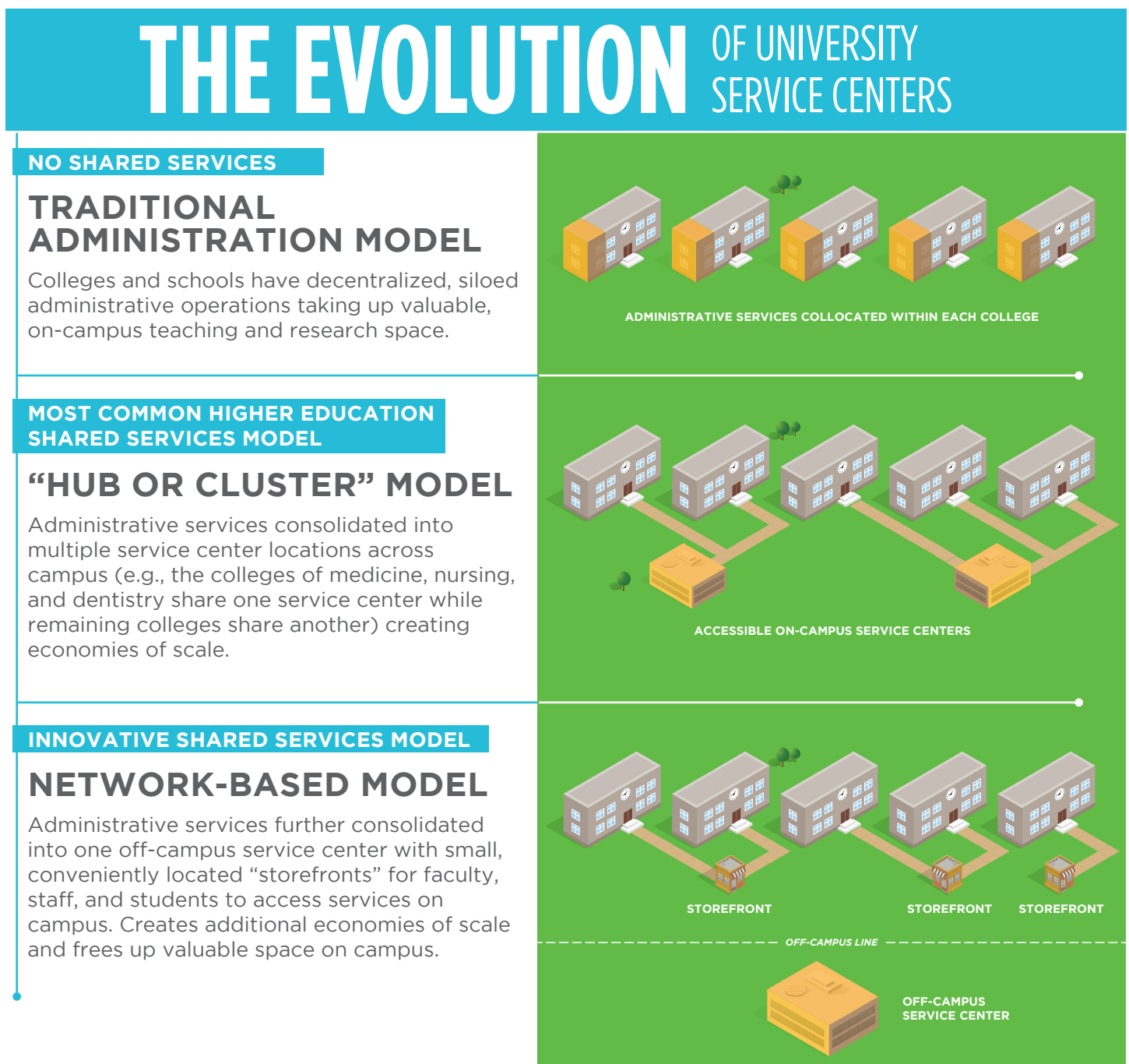
The combination of early and regular engagement of stakeholders along with implementing an innovative, network-based model resulted in a successful shared services implementation.

The new shared services model faced minimal resistance across the campus community, which is rare in university shared services

transformation efforts. Not only did the implementation go smoothly, but the results were immediate—customer satisfaction greatly improved and customers reacted positively to the enhanced accessibility of required services. One professor, frustrated by how inconvenient the process was to submit expense reports, submitted an entire year’s worth of backlog expense reports following the implementation of the new model. He couldn’t stop raving about accessibility of the storefronts and the helpfulness of the staff.

The University looks forward to reaping the benefits of its new shared services model for many years to come.

Figure 1: Shared Service Center Models



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