Shared Services – Why not ?

A different approach for a different environment; turning debate in to reality

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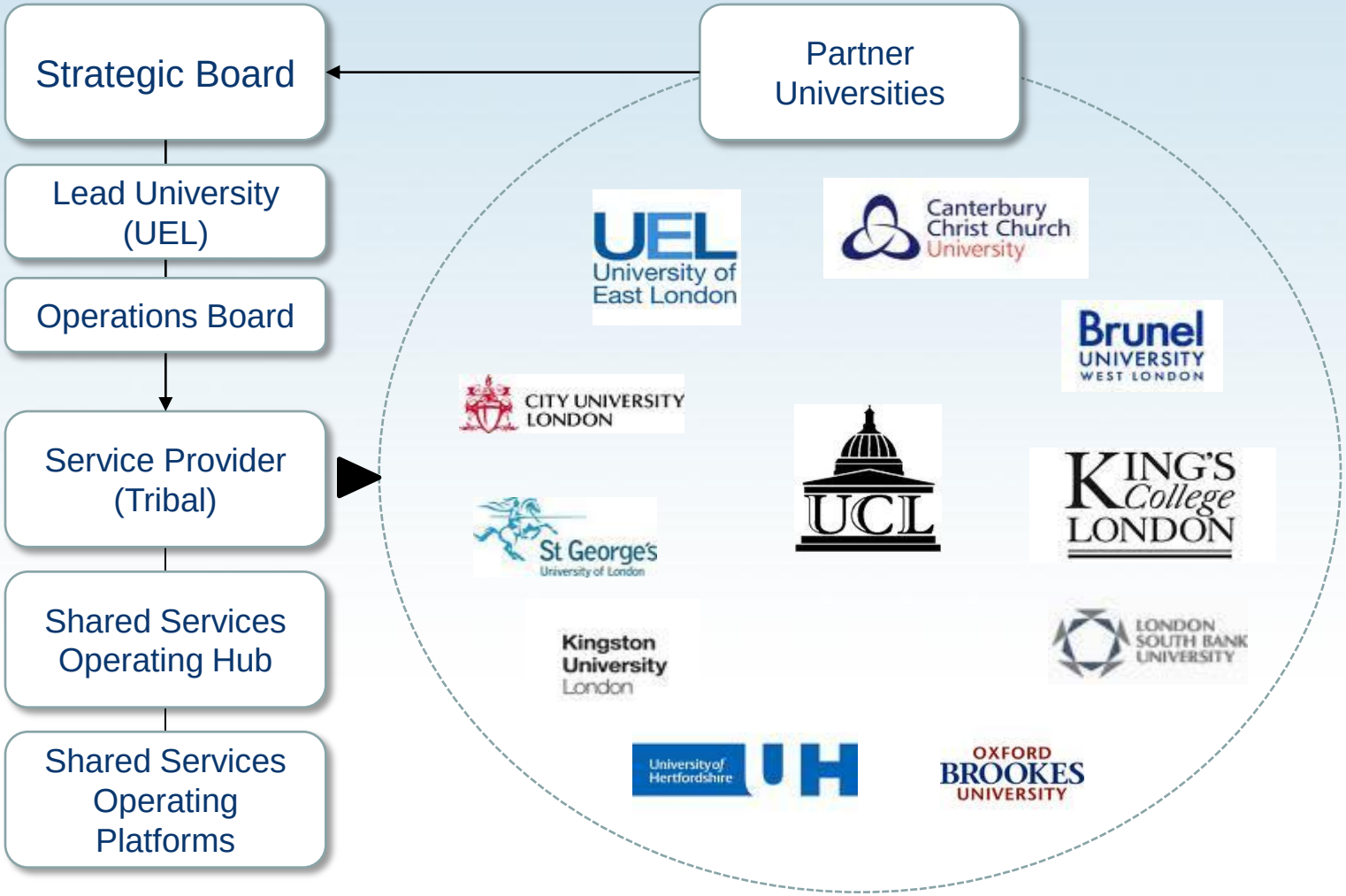
Example : placement management (PMP)



PMP Figures

- Live service started February.
- Four of the seven disciplines are live and using the system to allocate their student placements for 2011/12.

Physiotherapy (5 Universities)

Placements Required	2,125
Placement Offers Received	1,705
Percentage of Offers Received	80%
Placements Confirmed	359

Occupational Therapy (4 Universities)

Placements Required	1,211
Placement Offers Received	628
Percentage of Offers Received	52%
Placements Confirmed	119

Speech & Language Therapy (2 Universities)

Placements Required	1,465
Placement Offers Received	1,010
Percentage of Offers Received	69%

Podiatry (1 University)

Placements Required	210
Placement Offers Received	174
Percentage of Offers Received	83%
Placements Confirmed	32

PMP Benefits

For Placement Providers:

- Quantify their contribution to education and their resourcing entitlement.
- Plan their placements throughout the year rather than responding to numerous requests.
- View all placement requests together.
- Reduce administrative burden.
- Single point of contact for all when problem solving.

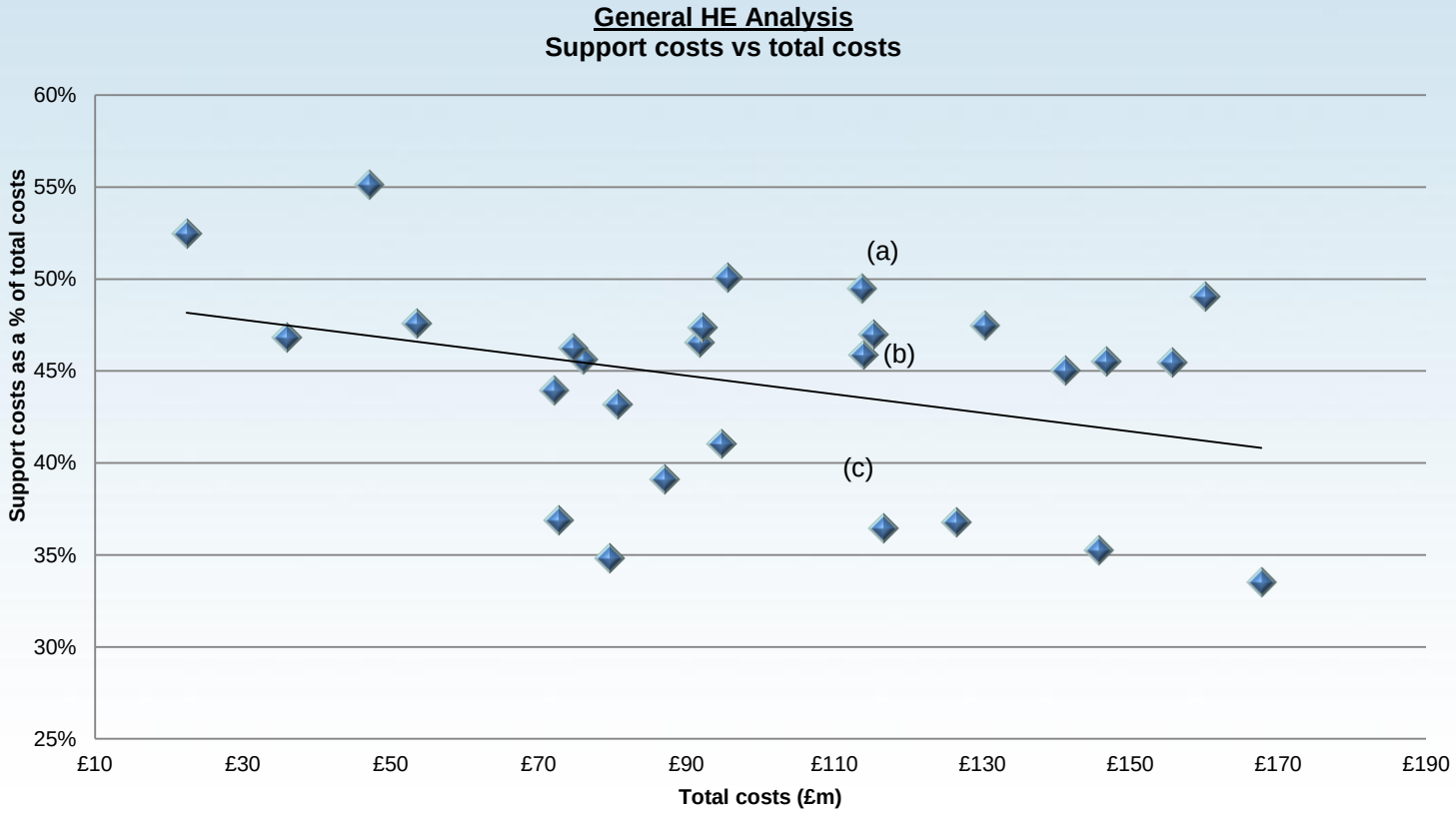
For Universities (HEIs):

- Maximise the use of placements through sharing of information.
- Reduce competition for placements.
- Allow specific requests for location and specialities to be accommodated.
- Provide a single point of contact for all.
- Facilitate the distribution of feedback to providers and HEIs.
- Create a comprehensive database of placements, enabling HEIs to plan in advance and better allocate students.

Shared Services

- “cloud’ based shared technology and process/transaction services
- ERP for University administration
  - Registry
  - Student Services
  - HR
  - Finance
- Cost and quality benefits from standardised, shared processes

Initial stimulus



This analysis indicates the potential for significant cost savings because:

- As scale grows, proportional cost decreases;
- There are big variances in the costs of the same function between universities of a similar size – some of which can be reduced by standardising processes and platforms.

If University (a) was able reduce its support costs to the same proportion as university (b), it would achieve potential annual savings of over £4m a year. But if it was able to reduce proportional costs to the same as university (c), this could equal savings of £15m a year.

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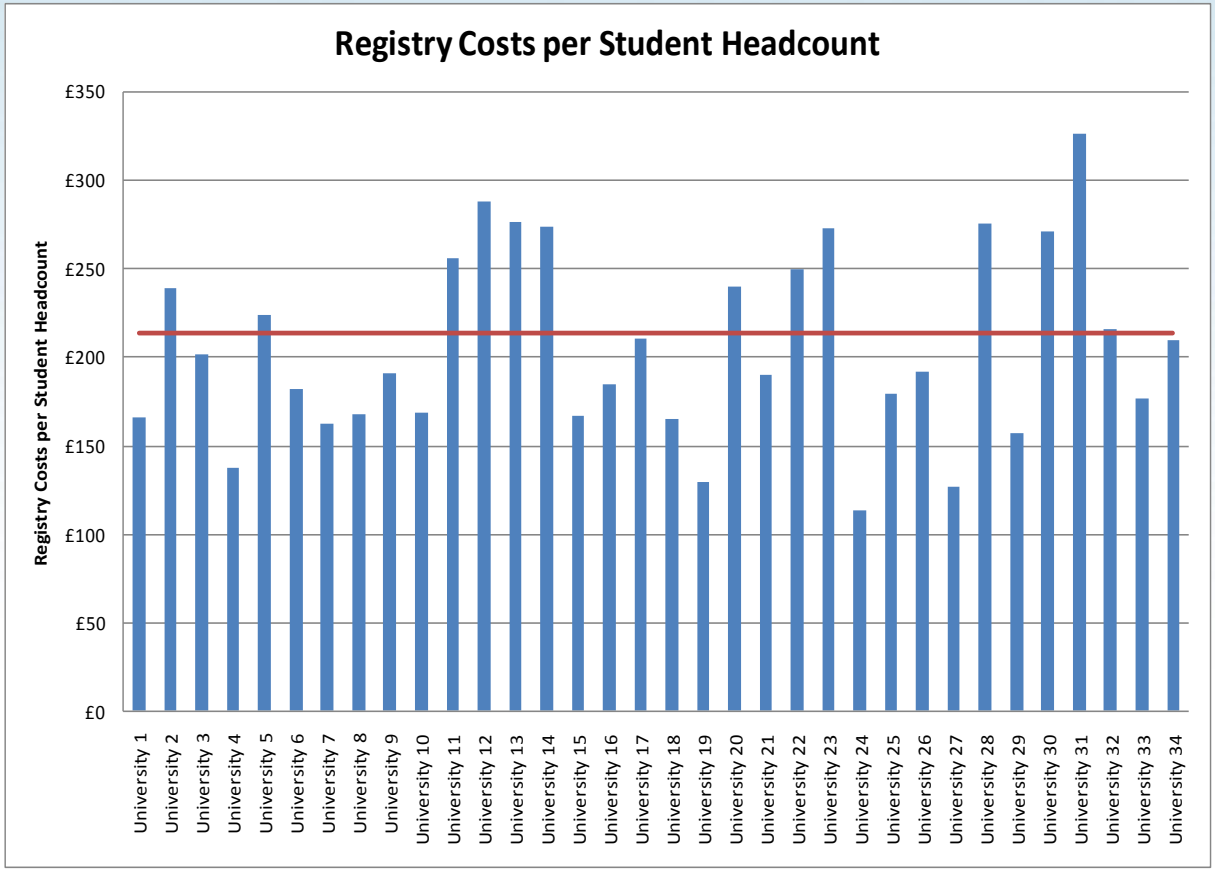
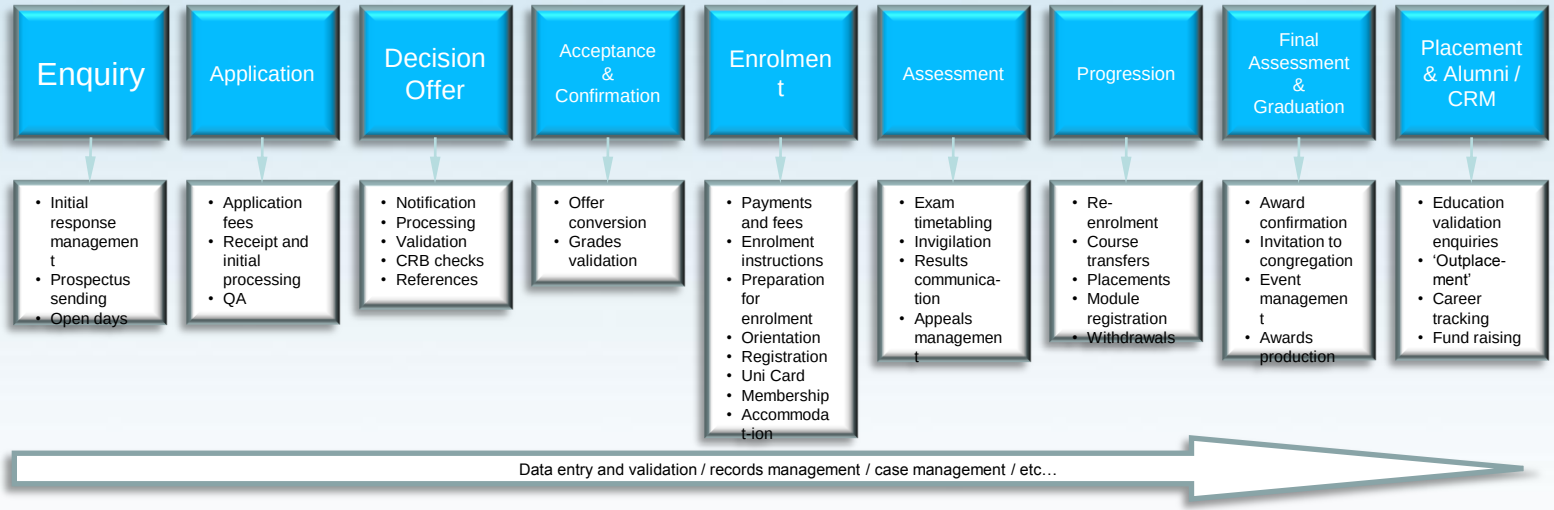
Registry Costs



Example – Registry process



- An over-simplified process map for the Registry function for many universities looks similar to the diagram above. Below each process are some examples of the transactional elements that could be run by a shared services.
- Transactional elements will, of course, need to interface with other processes that may or may not be part of the shared service, such as:
  - Curriculum design, approval and reviews;
  - Student finance and fee collection.
- Standardising these transactional elements implies using common operating systems, such as Tribal for student records management, which can be integrated into the shared service offering.

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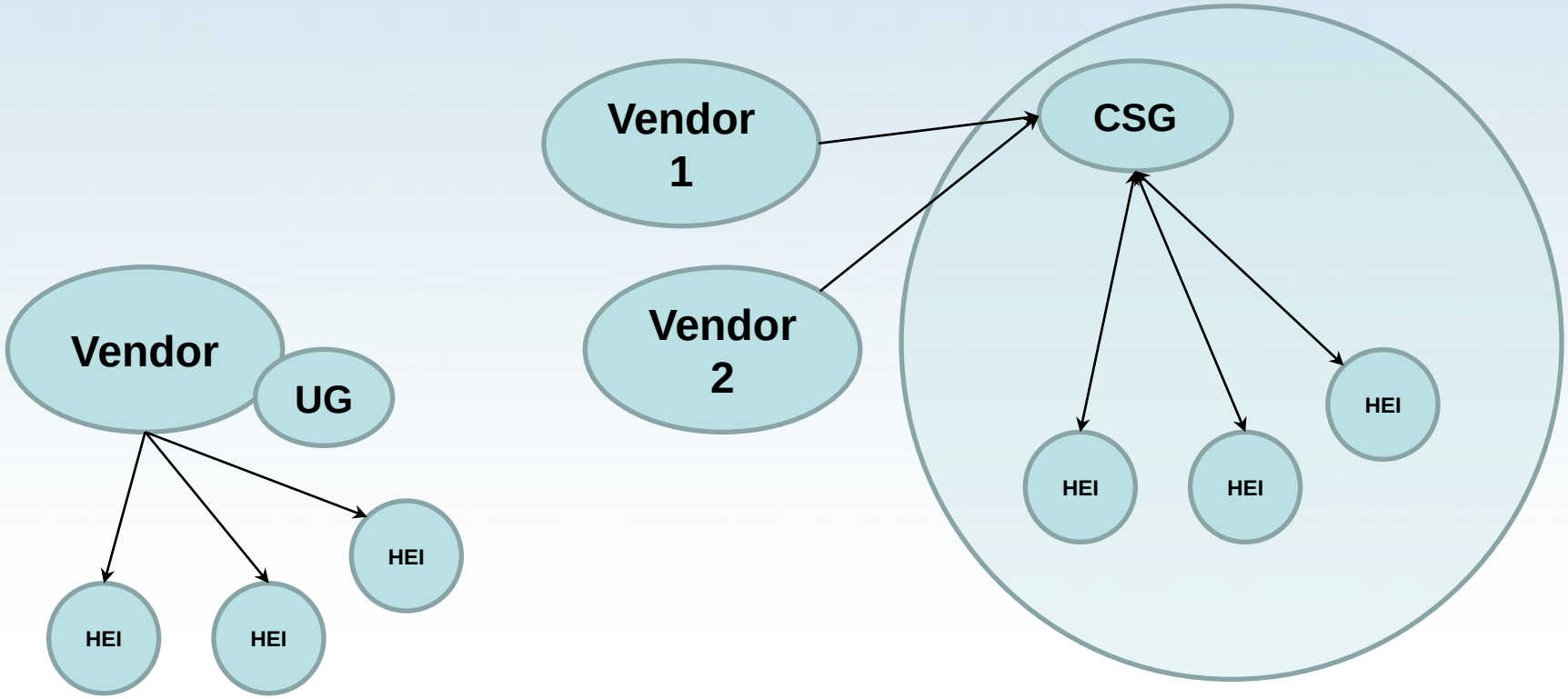
So, what are we building ?

A community structure

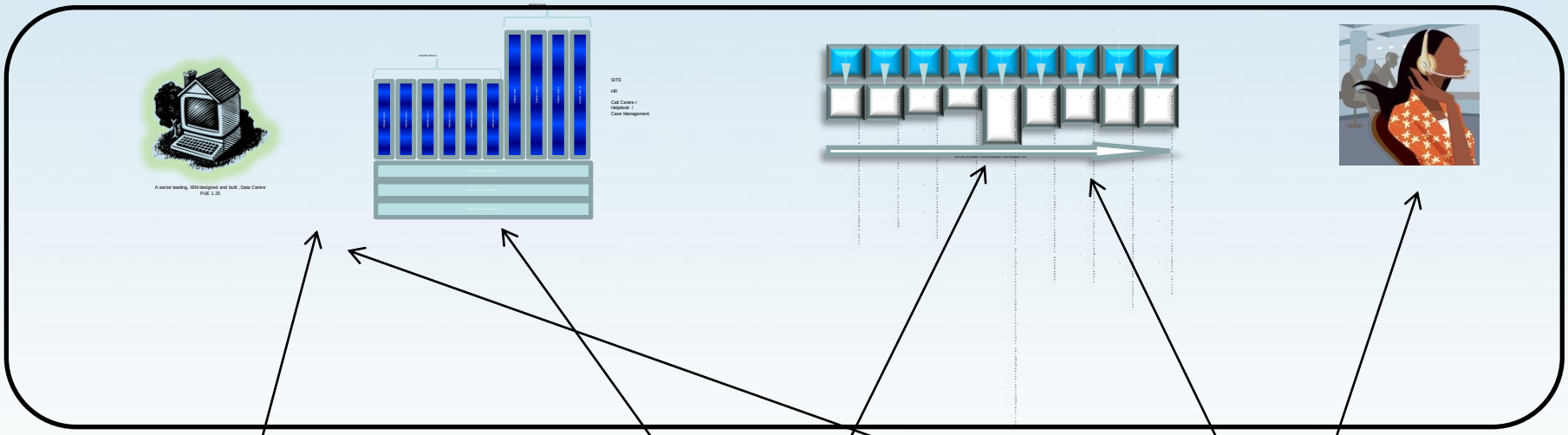
Services of clear relevance to the community

- Registry (applications, admissions, enrolment)
- Student support
- Research administration
- HR transactional processes
- Finance transactional processes

Shared, not outsourced



Options for degree of engagement



So, what are we building ?

Current benchmarking model

SITS: e-VISION

Process structures for over 100 universities

THE UNIVERSITY OF WARWICK

High quality service delivery

New benchmarking model to include:

- Quality
- Costs
- Functions

Calibrate for shared services

Foundation Group

Shared Services business model

- Registry
- Student Services
- HR
- Finance
- Other

- Managed Service
- Programme Management
- Advice & Guidance
- Benchmarking

Critical Success Factors

- Small Foundation Group
- Commercial participant
- Build → commitment
  not
  Commit → build
- Relevant, valued processes
- Deliver small, early ... then grow
- Use existing, proven technology

Issues to be managed

- VAT
- Procurement rules
- Ability (willingness) to standardise
- Decouple service and data from technology

Our aspiration

- 3-5 institutions on a shared Registry service within 12 months
- 5-10 institutions on a shared ‘ERP’ service within 2 years
- Ultimately :
  - 30+ institutions on a UK based shared service
  - International shared service hubs