



Fulfilling **THE PROMISE**

ORGANIZATIONAL EXCELLENCE

S p e a k e r S e r i e s



Continuous Improvement at UCSF

Organizational Excellence Speaker Series
UC Riverside
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We help you put the pieces together

Topics

- Today's Objectives
- Part 1: Our Journey
 - In the Beginning
 - Our Initial Years
 - Operational Excellence Program
 - Where We are Today
- Part 2: Infrastructure to Support Continuous Improvement
 - Governance and Decision-Making
 - Stakeholder Engagement
 - Effective Program Management
 - Funding Continuous Improvement
- Q&A
- Table Discussion Topics

Today's Objectives

1. Provide an overview of the work we've done over the last decade to improve our administrative operations
2. Highlight some key elements that have helped us build our institutional muscle for continuous improvement

First, some data points about UCSF:

- Campus is dedicated to Health Sciences
- 4 Professional Schools and a Graduate program
- Funding is three-fold
 - Clinical Care: \$2.4 billion annual revenues (54%)
 - Research Contracts & Grants: \$1.1 billion (26%)
 - Other (State Support, Tuition, Private Gifts): \$0.9 billion (20%)
- 2,500 faculty; 20,000 staff; 4,300 students & residents

PART 1 – THE JOURNEY

In the beginning



UCSF 2000:
A typical day in
the life of an
administrator

UCSF Circa 2000

- Manual, paper-based processes with limited enterprise-wide technology
- Where systems existed, duplicate/triplicate data entry
- Snail mail workflows, multiple approvals, and excessive lead times to complete a task
- Through grass roots efforts, and support from campus leadership, administrators formed a governance group and put forth the first Administrative Systems Strategic Plan
 - 40 plus pressing technology needs
 - Funding for the top five provided
 - 2002 – the start of the improvement journey. Our goals:

Improve Service

Contain and Lower Costs

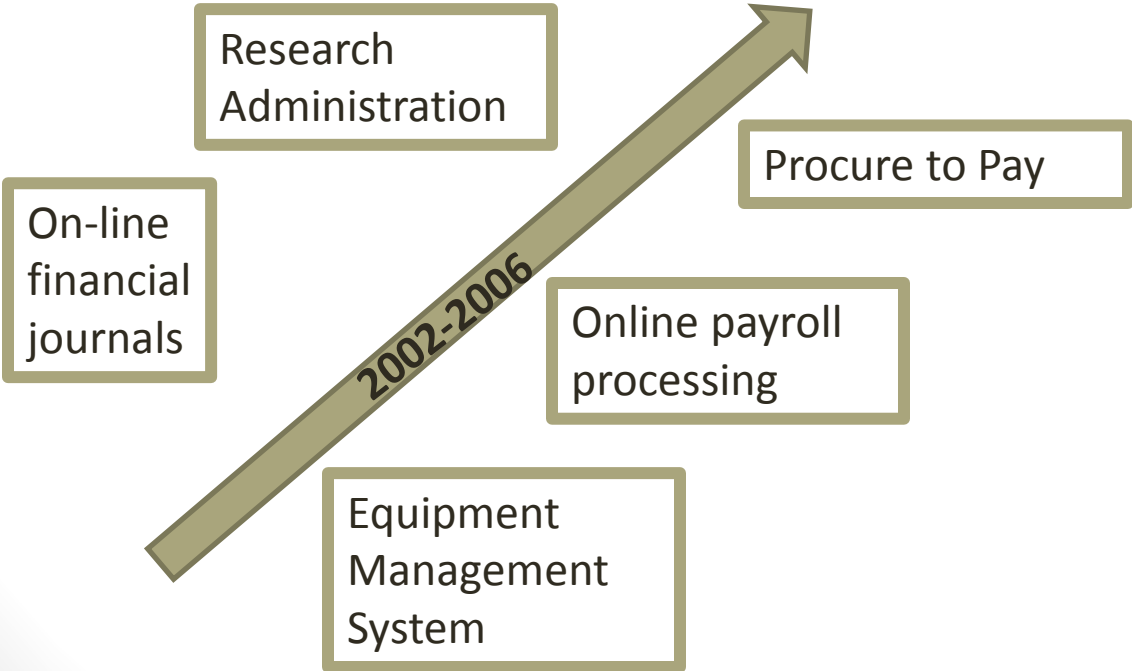
Improve Controls

Improving administrative systems and operations

Improve Service

Contain and Lower Costs

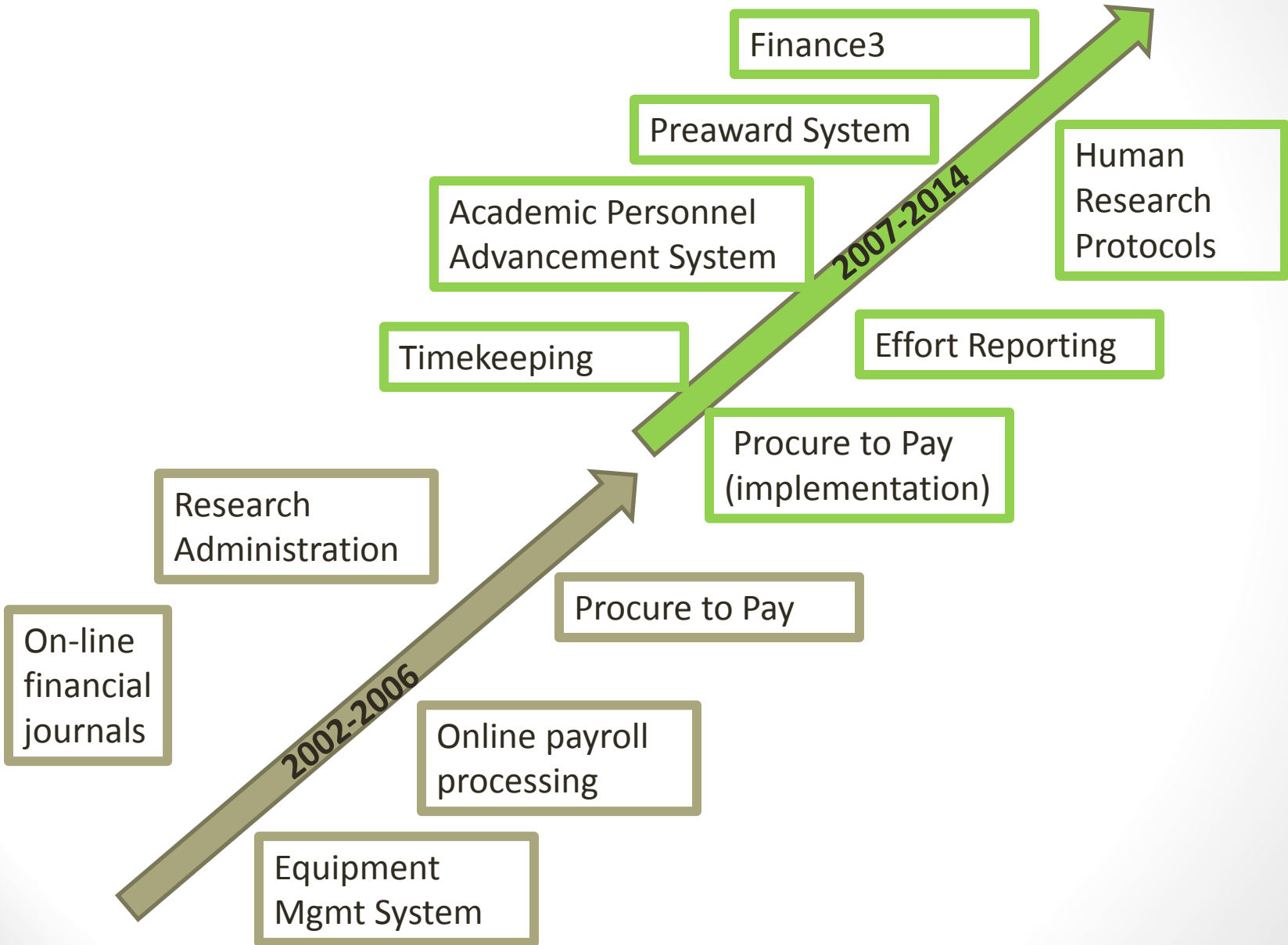
Improve Controls



Improve Service

Contain and Lower Costs

Improve Controls



Some lessons learned in deploying enterprise-wide systems

- Software usability
- Modifying unit processes to optimize efficiencies
- Balancing simple vs. complex user needs
- Pilot period
- Team composition
- Old habits die hard

Meanwhile, by 2010 campus costs continued to escalate

- Personnel costs, particularly benefits, were rising rapidly
- Chancellor's Executive Committee spearheaded the *Operational Excellence Program* to identify cost savings opportunities across key administrative areas
- Savings targets set by program area for a total of \$48 million in 4-5 years

UCSF's OE Program

Five Focus Areas

1. Finance Administration
 2. Strategic Sourcing
 3. IT Infrastructure
 4. Human Resource Management
 5. Pre-Award Research Administration
- 

Improvement Components

- Organizational realignment to streamline operations
- Improved processes and policies
- New software and on-line tools to achieve efficiencies
- Increased people and service effectiveness through enhanced training and consistent performance expectations

Shared Services in Pre-Award and HR

- **Service Center Attributes (at formation)**
 - HR: 180 staff; 5 centers plus specialty groups; centers grouped by business line; two locations
 - Pre-Award: 125 staff; 10 teams; teams grouped by business line; multiple locations
- **Implementation Strategy**
 - HR: phased; predetermined; short pilot
 - Pre-Award: phased; volunteer process initial phases; longer pilot
- **Implementation Period:**
 - **January – June 2010:** business cases
 - **July 2010-June 2012:** design and implementation
- **Common to Both**
 - Competitive Recruitment with approaches to drive Retention
 - Careers
 - Training
 - Department Transition
 - SLAs
 - We did it ourselves

Some Lessons Learned from our Shared Services initiatives

- The consolidated organization will evolve over time
- Balancing expected service levels with economies of scale is challenging
- Processes that aren't standardized impede service delivery
- Transitioning high performers in small units to a service center structure requires additional training & development in the “non-SME” skills including leadership, management & customer service
- Shared Services physical space and infrastructure are BIG work plan items
- Don't lead with the money

Where UCSF is today

- Ongoing refinement and continuous improvement of our shared services functions
- Ongoing new technology improvements (Administrative Systems Strategic Plan 3)
- Continued focus on business process improvement (BPI), with a renewed emphasis on tools to support unit level BPI work including Lean training
- Continued innovative change at the department & unit level as a result of campus-wide changes and financial challenges

PART 2 – INFRASTRUCTURE TO SUPPORT CONTINUOUS IMPROVEMENT

Building the institutional muscle for continuous improvement

Our technology, process and organizational improvement efforts share common elements that serve as our institutional foundation

- Governance and Decision-Making
- Stakeholder Engagement
- Effective Program Management
- Funding Continuous Improvement

Governance and Decision-Making

- All initiatives have had governance groups structured to represent impacted constituencies
- Key group attributes
 - Members know the topic and understand the impacts
 - Group size is manageable – department reps but “UCSF hat” required
 - Coordinating body for multi-faceted programs keeps an eye on the big picture
- Governance role(s)
 - Evaluate, prioritize, decide, monitor and advocate
- Critical Success Factors
 - Strong group leaders (respected, balanced, active)
 - Excellent analytical and facilitation support
 - Group members really own their governing principles
 - Adeptly balance campus input with functional owner realities

Campus Engagement

- All initiatives have working groups to focus on solution design
 - Best ideas come from the ground
 - Starts the change management process
 - Cranky pants need to be included
- Complex changes need full time SMEs
 - Backfill current role
 - Redeploy back home at project conclusion or to support new solution
 - Win-win situation
 - Deep knowledge applied to solution
 - SME learns project management methods and can apply to local unit efforts
 - Project staffing variability is better managed

Effective Program Management

- Campus recognition that most projects cannot be accomplished in hobby time
- Campus appreciation of the need for project design & implementation skills
- The PMO's role on projects
 - project management including project methodologies and tools
 - analysis & solution design, with facilitation of governance groups to inform, vet and approve project deliverables
 - honest broker for all constituencies
 - partner closely with IT and Functional Owner departments
- Benefits of in-house project support
 - understanding of the organization
 - apply local lessons learned to improve each project
 - lower overall cost compared to external consulting firms
 - positively contribute to building the campus's capabilities to effect change

A snapshot of UCSF's PMO

- About 12 staff (senior program managers, project managers, project leads, project analysts)
- Prior experience is typically consulting and/or higher education line operations
- Staff deliver these PMO services:
 - Strategic Planning, Initiative Envisioning, Project Scoping
 - Organization, Process, Technology Assessment
 - Technology Implementations
 - Business Process Redesign and Implementation
 - Organizational Restructuring
- Team is supplemented by employee contract staff or consultants for resource intensive projects

Funding Continuous Improvement

- Improvement initiatives need one-time project funding
- Governance structures should prioritize which to implement
- Departmental funding contributions to enterprise-wide initiatives is becoming increasingly necessary
- A PMO unit can support smaller scale efforts via recharge directly to the department.

Some final thoughts...

Questions

Break

Table Exercise

WORKSHOP COMPONENT – DISCUSSION QUESTIONS

Table discussion topics

1. What key improvement components should UC Riverside focus on as it embarks on its OE Journey? How should these be sequenced?
2. What are the key attributes of the governance structure UCR might establish for its OE program? How can it ensure the structure remains nimble?
3. How might operational staff be assigned to an initiative and what benefits would be realized?
4. How can a PMO at UCR help UCR achieve its OE goals? What should its focus area(s) be?

PLEASE SAVE THE DATE:



ORGANIZATIONAL EXCELLENCE

The Path Forward

Tuesday, May 26

1:30-4:30 p.m.

HUB 302

More communication to follow

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UCRIVERSIDE