Improving Administrative Services

Implementation Update to

Board of Trustees

January 20, 2011
University-Wide Implementation Effort

- Broad scale initiative to improve effectiveness and reduce cost of administrative services
- Campus, college and departmental initiatives are helping to reduce administrative costs
- University-wide implementation effort led by President and senior administrators
- Multiple projects initiated
- Significant savings achieved to date
Organized Leadership

Steering Committee
President Hogan (chair), Chancellors, Vice Presidents, Chair USC
Lead overall implementation effort, Set priorities, Approve projects

Functional Teams
Design/Implement functional initiatives, Consult with stakeholders
Manage to milestones and outcomes
Track and report

IT
August 2010

Procurement
August 2010

Capital Programs
August 2010

HR
August 2010
Strategic Procurement Services

Goals:

• Develop strategic purchasing contracts for high-usage services and supplies in order to leverage the University’s scale as a buyer

• Expand use of University e-procurement system (iBuy) by all departments

• Improve transaction processing systems to reduce costs
Strategic Procurement Services

Progress To Date:

• Over 60 purchasing agreements currently in place
• New ones being added continuously
• Recently added contracts:
  • Office supplies → savings potential $2.5 M / year
  • Computers → savings potential $1.7 M / year
• Q1 FY11 Utilization of iBuy up by 130% over FY10
Significant Savings Achieved

FY11 Q1 Total Savings $2,749,996

- $908,330
- $1,597,696
- $243,970

- New Contracts
- Existing Contracts
- Transactional Efficiency
Information Technology Services

Goals:

• Implement projects recommended in ARR report, campus reviews—and others—to improve effectiveness and efficiency of IT services.

• Recommend governance model(s) to improve stewardship of IT resources at all levels of the University to support the University’s mission.
IT Efficiency Projects

- Reduce cost of maintaining enterprise software system
- Appropriately reduce portfolio of application software
- Consolidate small data centers
- Consolidate email and calendaring services
- Implement method for reducing power consumption
- Support desktop technology more efficiently
- Converge voice and data communication networks
- Expand use of cloud computing and other rapid-response outsourcing
Progress to Date:

• Multiple Projects Underway
  • Savings goal $18 M / year
  • Projected savings from current projects $8.44 M / year
  • Savings to date $2.40 M / year

• Campus and university-wide groups developing better governance models
Effective Cost Restructuring Requires Transformational Change
Many Communication Platforms

Electronic Calendar

Telephone

Email

Voicemail

Online Chat

Audio/Video Conferencing

Instant Messaging

“Presence”
Decreasing the Costs for Communicating

• How do we improve the ability to communicate and save money at the same time?

• How can we achieve Smart-phone like simplicity and integration at the enterprise level?
Unified Communication System

Single Communication Platform

- Electronic Calendar
- Telephone
- Email
- Voicemail
- Online Chat
- Audio/Video Conferencing
- Instant Messaging
- “Presence”
Project Timeline

UC Project Dashboard as of 6 Jan 2011

Today

6/30/2011
RRB up (UC 31)

5/30/2011
OCS Support Tools in Place (UC 25)

3/31/2011
Support Processes and Tools for Google in Place

2/26/2011
OCS Service and Support Model Complete (UC 20)

1/22/2011
OCS Service Catalog Pieces Complete

1/31/2011
Exchange 07 Retired (UC 04)

2/24/2011
Google Rollout Project Complete (UC 08)

6/24/2011
NESSIE New Hire (UC 35)

3/10/2011
Oracle Calendar Retired (UC 01)

3/31/2011
E911 LENS SW Updated (UC 22)

5/13/2011
Tools and Processes for DeProv Google (UC 14)

4/1/2011

7/1/2011

10/1/2011

1/1/2012

4/1/2012

6/30/2012

Project End Date Timeline
6 January 2011

6/30/2011
Provisioning Deprovisioning for OCS In Place (UC 26)

6/30/2012
OCS Migration Schedule (UC 19)

3/19/2012
OCs Infrastructure (Node 9, SIP Trunks, OCs HW) (UC 10)

11/23/2011
MS Live Self Enrollment and Rollout Complete

12/30/2011
OCS Data Center Up (UC 39)

8/12/2011
OCS Infrastructure (Node 9, SIP Trunks, OCS HW) (UC 10)

5/4/2012
Centrex Retirement and Decommission (UC 23)

11/30/2012
Express Retired (UC 17) Exchange 2010 Service Deployed

6/30/2012
Centre x Retirement and Decommission (UC 23)

Draft: *Timeline subject to change*
More Effective System

- Multiple applications → Single platform
  - Media transferability and portability
  - Increases productivity of end user
- Cost Effective
  - Reduces cost of maintaining “Centrex” phone lines and multiple applications
  - Eliminates duplication of services
  - Recurring net annual savings of $3 Million
Business Process Improvements

• Improved business processes result in transactional efficiencies and better decisions

• Multiple process improvement projects underway:
  – Travel and expense management
  – Contract management
  – Grants management
University-wide emphasis on efficiency:

- Shared service centers in Colleges
- Coordination by libraries to reduce acquisition costs
- Greater diligence in travel and purchase decisions and other expenses
Before

Each department with own Administrative support (IT, HR)

After

Shared Center Serving Multiple Departments
Shared Service Center Benefits:

– Consistent service levels (greater expertise)
– Cost savings
  • $267,000 COE, Urbana
  • $800,000 LAS, Chicago
  • $175,000 SLCSL, Chicago
– Consolidation of servers
– Bulk purchasing
– Space efficiency
A Long-Term Project

In the early-stages of implementation effort.
The results so far are encouraging.

BUT

We must sustain the initiative.
Be disciplined in our decisions.
Inculcate culture of continuous improvement.