

# Board of Regents

State of Iowa



Rising to the Next TIER –  
a Transparent, Inclusive Efficiency Review

*TIER Town Hall*

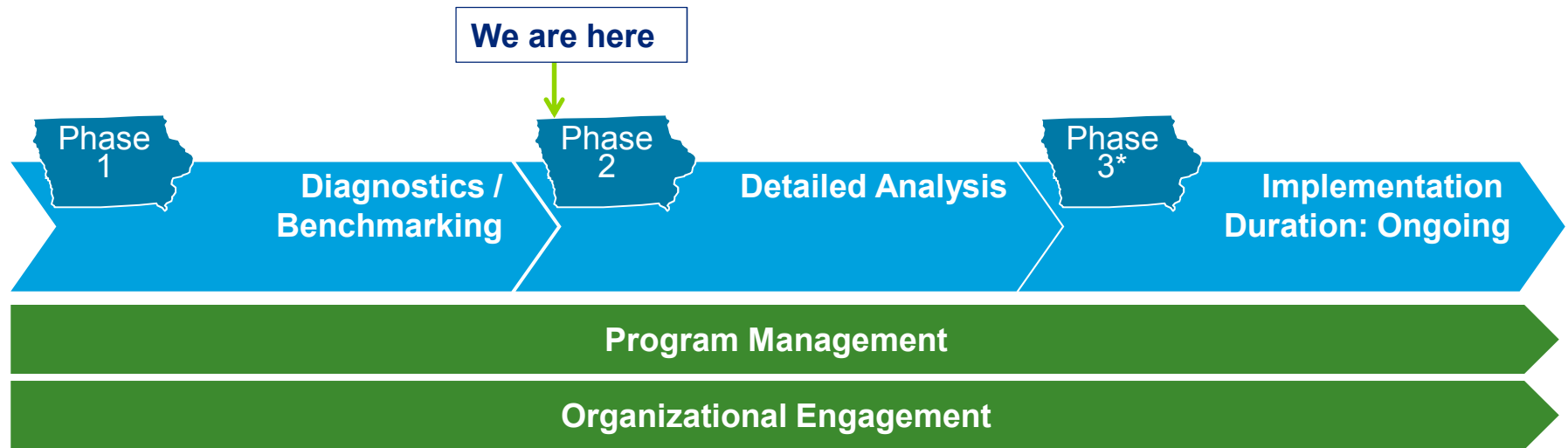
June, 2014

## Topics to cover today

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- Overview of timeline
- Summary of Phase 1
- Areas of focus for Phase 2

# TIER uses a three phase approach to identify opportunities, conduct more detailed analysis, and implement improvements to transform Iowa's public universities



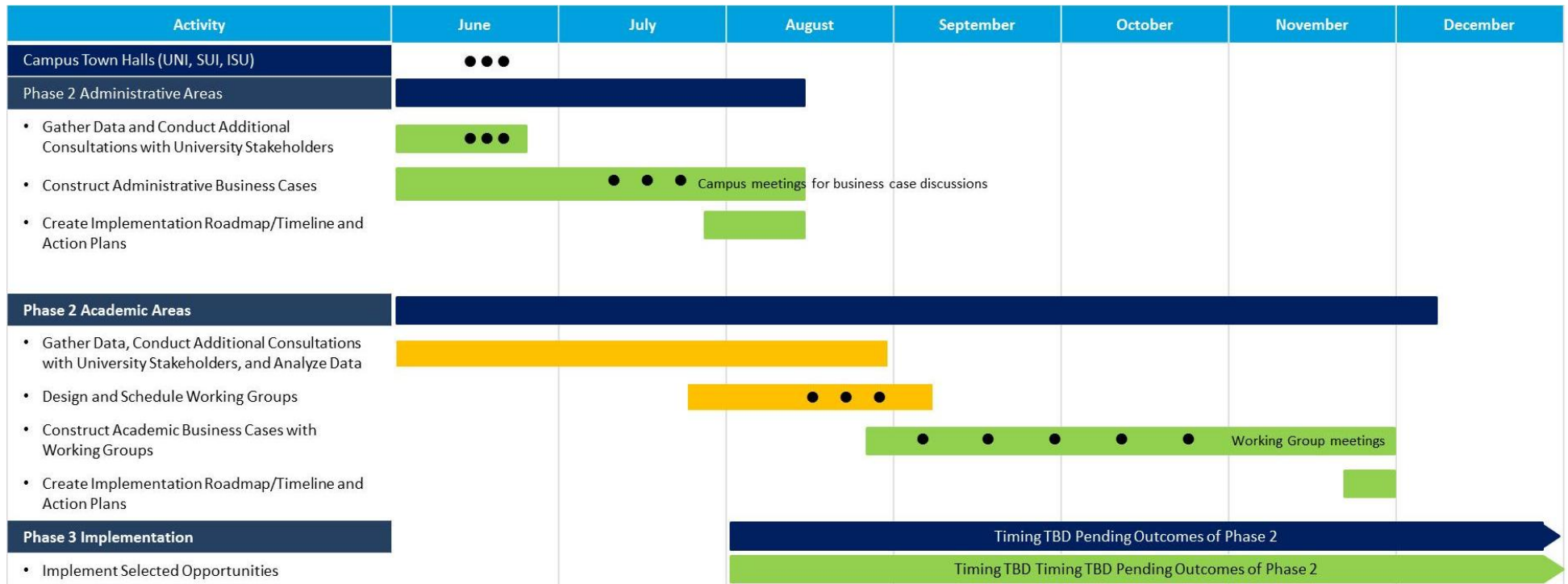
Phase	Objectives
Phase 1	<ul style="list-style-type: none"> <li>Identify key strengths and challenges ✓</li> <li>Identify strategic priorities ✓</li> <li>Identify opportunities to improve service delivery and reduce costs ✓</li> <li>Determine a focused list of opportunities ✓</li> </ul>
Phase 2	<ul style="list-style-type: none"> <li>Develop business cases to quantify the estimated impact and effort required to implement select opportunities</li> <li>Develop a detailed implementation roadmap</li> </ul>
Phase 3	<ul style="list-style-type: none"> <li>Design, test, and launch improvements</li> </ul>

**IN  
PROGRESS**

\* Timing of Phase 3 to be determined

# As we head into Phase 2, we will focus on Administrative areas during the summer and Academic areas in the Fall

We will focus on developing business cases for the **Administrative areas** during the **summer** while laying some groundwork for the **Academic areas** which will be the **focus in the Fall**



█ Slower pace in summer for Academic area  
● Meetings

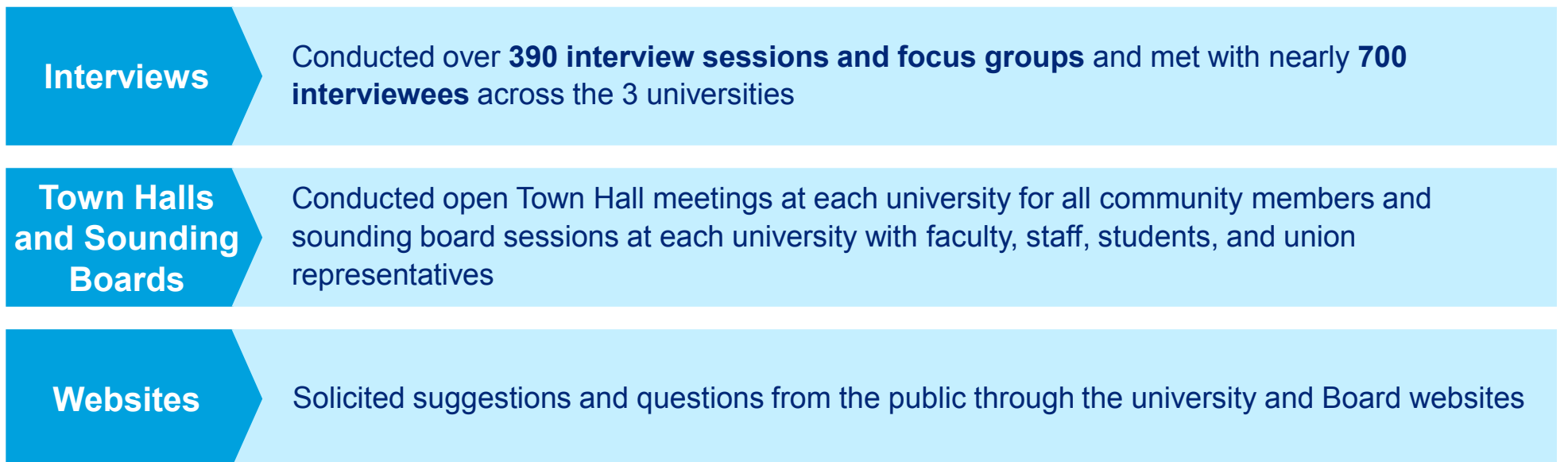
# Summary of Phase 1

# Phase 1 involved a rigorous and inclusive process of interview sessions, focus groups, benchmarking, and Town Hall meetings

## Phase 1 Methodology



## Level of Engagement



# The following common themes were identified across the three universities during Phase 1

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## Common Themes

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### Key Strengths

- Dedicated and talented faculty and staff
- Highly engaged, motivated students
- Clear focus on the mission of each institution
- Strong desire to use resources effectively
- Keen interest in continuous improvement

### Key Challenges

- Limited cross-university collaboration
- Many siloes within and across universities leading to overlapping and duplication
- High degree of complexity across functions, resulting in inefficient processes
- Difficulty accessing and using data to drive decision-making

## **Phase 1 was a broad review across key areas to identify preliminary opportunities to reduce costs, increase revenue, and improve service**

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### **Analysis Areas**

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- **Sourcing & Procurement**
- **Finance**
- **Human Resources**
- **Academic Programs**
- **Facilities Management**
- **Strategic Space Utilization**
- **Information Technology Services**
- **Student Services**
- **Construction**
- **Auxiliaries**
- **Research Administration**
- **Marketing & Advertising**



# The opportunities identified during Phase 1 resulted in selection of 17 business cases for Phase 2 which are within 8 different areas

## Phase 1 List of Opportunities

#	Opportunity Name	University / System	Findings	Potential Opportunity Description	Benefits <sup>1</sup>	Expected Time to Implement
SP-01	Use the strategic sourcing process to negotiate more favorable contracts for targeted spend categories	SW	Savings from sourcing have already been achieved by the different university procurement organizations. However, the level of savings achieved compared to benchmarks <sup>1</sup> suggest that significant incremental savings opportunities still exist on material and services spend categories.	Organize expense categories into logical, market-facing groupings and strategically source (i.e. conduct competitive bidding process). The following targeted categories would be divided into sourcing waves (i.e. phases) that would take 18 months to 2 years to complete. Specific grouping of categories into waves still underway and require validation during the business case development phase <sup>2</sup> . The primary categories include: 1) Facilities Services 2) IT 3) Office Supplies 4) Maintenance Material 5) Lab Supplies & Equipment 4) Hospital Supplies 5) Agricultural Supplies and Equipment 6) Travel 7) Food 8) Telecom 9) Transportation & Fleet 10) HR Benefits 11) Utilities 12) Professional Services 13) Print Marketing	High	Short <sup>1</sup>
SP-02	Strengthen the procurement functions at each University by aligning staff to standard expense categories	SW	There is considerable sharing of category responsibility. Multiple people may have responsibility for the same category. Tighter category definitions should be established and individuals should be given responsibility and accountability for driving category results.	Fine-tune the current organization structure of the Procurement organizations to focus on the management of well-defined spend categories. Examples of these categories include IT, Facilities Services and Maintenance Materials. Each of these categories will also have sub-categories that are actively managed (e.g. hardware, software, maintenance as part of the IT category).	More effective management of spend categories to drive higher savings	Medium

**8 areas were selected for further analysis in Phase 2 resulting in 17 business cases:**

## Eight Areas of Analysis

### 1. Sourcing and Procurement

- Strategically source targeted areas of spend

### 2. Finance

- Simplify how finance processes are performed

### 3. Human Resources

- Simplify the distributed Human Resources model for transactional services
- Establish clear policy for Professional and Scientific staff search committee size and structure

### 4. Academic Programs

- Strengthen academic programs to achieve maximum competitiveness
- Broaden student access through Distance Education
- Develop system-wide Institutional Research reporting and data sharing

### 5. Facilities Management

- Reduce utilities and operational costs by limiting use of buildings during evenings and summer
- Reduce energy consumption by investing in energy mgmt. initiatives

### 6. Strategic Space Utilization

- Improve Utilization of classroom space through scheduling policy
- Optimize faculty allocation through a data-informed, student-centered course schedule

### 7. Information Technology

- Simplify the distributed IT model for commodity technology services
- Transform the central ITS service delivery model
- Simplify the applications portfolio across the three universities including ERP platforms
- Utilize technology innovations to reduce the total cost of ownership (TCO) for infrastructure

### 8. Student Services

- Create a common application portal
- Standardize "manual" calculation of Regent Admission Index

# Areas of Focus for Phase 2

## Based on analysis during Phase 1, areas were selected for further analysis in Phase 2

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### Sourcing and Procurement

Relates to the purchasing of goods and services

#### Phase 2 Business Case Selected:

- **1.a Strategically source targeted spend categories:** Organize expense categories into logical, market-facing groupings and strategically source (i.e. conduct competitive bidding process).

## Based on analysis during Phase 1, areas were selected for further analysis in Phase 2

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### Finance

Includes areas ranging from transaction processing to budget formulation

#### Phase 2 Business Case Selected:

- **2.a Simplify how finance processes are performed:** Increase standardization of how finance transactional activities are delivered (e.g., creation of travel and expense reports). Evaluate the potential to revise the service delivery model for decentralized finance processes and consolidate transactions to improve service quality, reduce handoffs, and improve accountability. Trained staff members will provide specialized and standardized expertise, quality assurance, and operate under mutually agreed upon service agreements.

## Based on analysis during Phase 1, areas were selected for further analysis in Phase 2

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### Human Resources

Includes areas ranging from recruitment to retirement

#### Phase 2 Business Case Selected:

- **3.a Simplify the distributed Human Resources model for transactional services:** Evaluate the potential to revise the Human Resources service delivery model and consolidate transactions to improve service quality, reduce handoffs and exceptions, and improve accountability. The new model should provide standardized, consistent levels of service for transactional processes such as personnel actions and basic customer inquiries.
- **3.b Establish clear policy for Professional and Scientific staff search committee size and structure:** Review policies surrounding P&S search committees and establish clearer policies around their appropriate size and structure. In particular, determine whether a search committee is necessary for all positions to remain compliant with federal, state, and Board of Regents policies.

# Context for Academic Program Opportunities – Strategy Map

The strategy map highlights the key tenets of an impactful academic program for all Regent

## Excellent and Affordable Higher Education as an Iowa Asset to the World

<p><b>Student Success</b></p>	<p><b>High-Quality, High-Value University Education</b></p> <ul style="list-style-type: none"> <li>➤ <b>Optimized time to earn degrees</b> <ul style="list-style-type: none"> <li>• Value of education on Iowan economy</li> <li>• State need-based aid</li> <li>• Reduced student debt</li> </ul> </li> </ul>	<p><b>Outstanding Student Outcomes</b></p> <ul style="list-style-type: none"> <li>• Employability and post-secondary education pursuits</li> <li>• Continued support of classroom learning and learning communities to improve retention and student success</li> </ul>	<p><b>Student Access</b></p> <ul style="list-style-type: none"> <li>• Outreach to high schools</li> <li>➤ <b>Integration of community college transfer students</b> <ul style="list-style-type: none"> <li>• Integration of veterans</li> <li>• Recruitment of out-of-state and international students</li> </ul> </li> <li>➤ <b>Distance Education expansion for non-traditional students</b></li> </ul>
<p><b>Instructional, Research, Community Outreach Excellence</b></p>	<p><b>Impactful Curriculum and Instruction</b></p> <ul style="list-style-type: none"> <li>➤ <b>Continuous curriculum and program improvement</b></li> <li>➤ <b>Sharing of proven pedagogical approaches</b> <ul style="list-style-type: none"> <li>• Excellent faculty</li> </ul> </li> <li>➤ <b>A diverse faculty and student body</b></li> </ul>	<p><b>Focused and Impactful Research*</b></p> <ul style="list-style-type: none"> <li>• Research that supports mission</li> <li>• Applied research on improving Iowa's economic viability</li> <li>• Impactful research for furthering global knowledge</li> <li>• Research integrated into undergraduate learning</li> </ul>	<p><b>Focused and Impactful Community Outreach/ Engagement</b></p> <ul style="list-style-type: none"> <li>• Community service supportive of university priorities</li> <li>• Focus on improving Iowa</li> <li>• "Real world" experiences integrated into undergraduate learning</li> </ul>
<p><b>Organization Excellence</b></p>	<p><b>Programs Linked to Student Needs and Post-graduation Opportunities</b></p> <ul style="list-style-type: none"> <li>• Defined and marketed differences among universities to different segments (value propositions)</li> </ul>	<p><b>Strong Enrollment Management</b></p> <ul style="list-style-type: none"> <li>• Targeted enrollment levels</li> <li>• Admissions and student mix</li> <li>• Persistence and completion rates</li> <li>➤ <b>Instructional class sizes</b></li> <li>➤ <b>Faculty and resource allocations</b></li> <li>➤ <b>Collaboration</b></li> </ul>	<p><b>Empirically Based Decision-making</b></p> <ul style="list-style-type: none"> <li>• Standardized reporting of data</li> <li>• Institutional research for monitoring and analyzing education-related issues</li> <li>• Evidence-based analysis</li> </ul>
<p><b>Fiscal Integrity</b></p>	<p><b>Fiscally-Sustainable Education-Delivery Model</b></p> <ul style="list-style-type: none"> <li>• Sufficient revenues to support excellent education</li> <li>➤ <b>Affordable and competitive tuition costs</b> <ul style="list-style-type: none"> <li>• Management of the costs of education</li> </ul> </li> </ul>	<p><b>Fiscally-Sustainable Research Programs</b></p> <ul style="list-style-type: none"> <li>• Research funding</li> <li>• Commercialization of research</li> </ul>	

## Based on analysis during Phase 1, areas were selected for further analysis in Phase 2

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### Academic Programs

Includes student success, instructional research, organizational practices, and fiscal resources

#### Phase 2 Business Case Selected:

- **4.a Strengthen academic programs to achieve maximum competitiveness:** All three public universities could become more sophisticated regarding enrollment management to ensure cost-effective delivery of student learning outcomes through better programmatic configurations, faculty mix, and mix of class sizes so that students can expeditiously complete their programs.
- **4.b Student Access – Distance Education:** The three Iowa public universities could more effectively serve the non-traditional and place-bound student market - within and beyond Iowa - through Distance Education, and assess and track the effectiveness of online/ Distance Education courses.
- **4.c Develop system-wide Institutional Research reporting and data sharing:** SUI could establish a formal IR office and openly share information, building on efforts at UNI and ISU and meeting national standards. All three universities should move into using big data to address university issues on effectiveness and efficiency as part of continually striving to be better. In addition, the BOR should continue to work with the three public universities regarding the kinds of standard reports that should be routinely generated for trend analysis, system-wide comparisons, public accountability, and BOR reporting.

## Based on analysis during Phase 1, areas were selected for further analysis in Phase 2

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### Facilities Management

Includes building maintenance, custodial services, and energy consumption

#### Phase 2 Business Case Selected:

- **5.a Reduce utilities and operational costs by limiting use of buildings during evenings and summer:** The temporary closure can enable UNI to save on cost of utilities, custodial and maintenance services, as well as provide opportunities for renovation or repairs, as required. This may also be a potential opportunity for SUI and ISU.
- **5.b Reduce energy consumption by investing in energy management initiatives:** Increase efforts to manage consumption by investing in energy management initiatives with short, under four-year payback periods. Develop and evaluate business cases for energy savings that have these payback periods, such as: energy efficient light bulbs, motion sensor switches, building controls and building automation. To fund these initiatives, consider as one of the sources a rebate system that reinvests a percentage of savings each year from energy initiatives back into the energy management fund.



## Based on analysis during Phase 1, areas were selected for further analysis in Phase 2

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### Strategic Space Utilization

Relates to classroom scheduling and efficient space usage

#### Phase 2 Business Case Selected:

- **6.a Improve utilization of classroom space through scheduling policy:** Assess, each academic term, meeting pattern assignment and compression of activities into primetime. Create a policy that limits off-grid meeting pattern usage during peak scheduling times (primetime) and compression into primetime for each academic unit.
- **6.b Optimize faculty allocation through a data-informed, student-centered course schedule:** Assess faculty allocation each year, factoring in actual teaching loads, contractual loads and average enrollments taught to define student credit hour allocation versus model. Set floor policy levels by academic unit and release time ceilings.

## Based on analysis during Phase 1, areas were selected for further analysis in Phase 2

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### Information Technology

Includes areas ranging from IT strategy to data center management

#### Phase 2 Business Case Selected:

- **7.a Simplify the distributed IT model for commodity technology services:** Strengthen collaboration between distributed and central ITS teams.
- **7.b Transform the central ITS service delivery model:** Explore cross-skilling and the use of variable staffing models while streamlining overlaps in functions within the ITS teams.
- **7.c Simplify the applications portfolio across the three universities including Enterprise Resource Planning platforms:** Consider standardizing on primary application systems across key functional capabilities, and link to standard contracting
- **7.d Utilize technology innovations to reduce the total cost of ownership (TCO) for technology infrastructure:** Consider deployment of thin clients rather than standard desktop computers and further use VoIP to enhance quality of service and increase spend effectiveness.

## Based on analysis during Phase 1, areas were selected for further analysis in Phase 2

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### Student Services

Includes areas ranging from admissions to career services

### Phase 2 Business Case Selected:

- **8.a Create a common application portal:** Explore possible options for creating a common lowa application portal that allows for increased flexibility and collaboration for SUI, ISU and UNI in-state, out of state, and international applications.
- **8.b Standardize "manual" calculation of Regent Admission Index:** Standardize the RAI manual workaround process for all three universities to mimic the automatic acceptance process. Additionally, consider using business intelligence tools to identify parameters that lead to successful student outcomes, and adjust the RAI threshold of 245 given the analysis.

## Questions and Answers

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