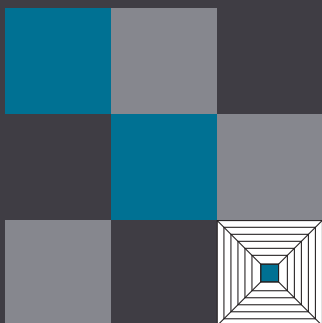


Case Study Streamlining Administration in Tertiary Education

Synoptic Consulting
creates value
through implementing
practical and
sustainable solutions.

Understanding the big picture;
Managing the detail



Synoptic Consulting

Streamlining Administration in Tertiary Education

The effectiveness of the shared service function is often restricted by inefficiency and high costs. It can also become the scapegoat for inadequacies within the business units it is servicing.

A leading Australian university has 35,000 students, 7,000 staff and a turnover exceeding \$1.4bn. Steadily declining federal funding, combined with increasing operating costs and outdated policies and procedures, was putting significant pressure on delivery of administration services.

Synoptic Consulting was asked to complete process mapping and business process re-engineering for key Finance and Human Resource processes, with the objective being to define changes in these processes to deliver improved customer service at a reduced cost.

Approach

Over a 6 week period, using our methodology and specialised process

analysis tool, we;

- modelled 16 core Finance and HR processes, calculating the key metrics of process work time, cycle time, cost to serve (weighted average process cost) and FTE requirements
- obtained stakeholder participation via an intranet published HTML model
- worked with university staff to critique each process & identify operational issues
- 'designed out' these issues through changes to process, policy and/or behaviours
- remodelled the future processes, recalculated and compared the key metrics
- identified significant time and cost savings, which facilitated a process ranking.

Findings

- not all changes required long term, costly I/T-related initiatives. System changes often needed only the configuring of dormant application functionality, redesigning poor input screens, and removing spreadsheet work-arounds
- policy and behavioural quick wins were also commonplace and effective

Finance Processes - Opportunity Matrix

	Solution / Process	Policy Change	Procedural Improvement	Behaviour Change	Electronic Forms/ Workflow	Functionality Outsourced/ Insourced	Process Improvement	ERP Screen Reconfigure	Systems Development/ Re-alignment	New System
Large Annual Financial Benefits	Purchasing Goods & Services	Limit P.O. for high value items (use more C/Card)	Adopt I.D. Numbering	Better Training of GL Coders			Implement centralised invoice handling	Redesign P.O. management screen in ERP	Enhance P.O. approvals workflow	
	Payment for Purchases					Scanning of suppliers invoices	Exclusive online invoice approval			
	Reconciling and Paying Credit Card	Reduce paper archiving, enforce card usage policies		More effective 'carrot & stick' for Cardholder on responsibilities		Scenario A: implement online recon and mgt system			Scenario B: Upgrade existing txn approval system	
	Creating Suppliers on System	Rationalise supplier population				Online bank file to conform with standards	Adopt provisional supplier creation to support faster ordering		Smart form with data validation & workflow	
	Reimbursing Employee Expenses	Increase utilisation of Credit Card	Use EFT payments with few CHQ exceptions	Train staff better on GST procedure		Scenario A: implement online recon and mgt system	PDF writable forms supporting expense claims			
Small	Paying Independent Contractors	Standardise payment method: AP vs Payroll	Invoice checking routing form	Enforce invoice details requirements			Provide invoice approval prior to contract finalisation	Scanning for contract documents		

very low cost & < 3 months effort
Solution Complexity
very high cost & > 6 months effort

Key:



Indicates co-requisite solutions

- the 'Row' view - most processes would benefit from a wide range of improvement initiatives, ranging from relatively quick/inexpensive, to lengthier/costlier. Some solutions required multiple, co-requisite initiatives in order to deliver the full benefits, others required multiple but independent initiatives. Partial solutions would simply yield partial benefits. This guided change management, particularly in Action Team selection
 - the 'Column' view - most processes would benefit from recurring themes of intervention (eg. policy changes), again guiding change management
 - higher priorities - in general, initiatives above the 'bottom-left to top-right' diagonal
- The spectrum of change initiatives can best be displayed in the opportunity matrices shown below.

Results

- a reduction in process 'turn around' time of between 50% - 67% was identified

HR Processes - Opportunity Matrix

	Solution / Process	Policy Change	Procedural Improvement	Behaviour Change	Electronic Forms/ Workflow	Functionality Outsourced/ Insourced	Process Improvement	ERP Screen Reconfigure	Systems Development/ Re-alignment	New System
Large	Casual Payment		More HR authorisers - improve 'high pay' validation reports	More timesheet training, get more online timesheet approval	More use of intranet and email, minimise print/ photocopies		Provide online timesheet approval & payment details	Redevelop poor time capture screen, incl GL acct validation	Improve Self Service function	
	Casual Engagement		Store induction docs and offer letters online				Update workflow - provide expiry dates and alerts	Provide electronic contract search facility	Develop standard web forms for contracts with workflow	
	Process Job Applications		Increase existing short listing functionality						Provide electronic application docs storage	
Annual Financial Benefits	Select Job Applicants	Enforce 'Manage Events' appointments								
	Initiate Job Requisition		Streamline duplicate positions	Enforce search prior to new position request	Rationalise positional information forms				Common online library of selection criteria	
	Make Ad Hoc Paymentst	Payment queries directed to Departments, not HR		More training and help to use existing Self Serve system			Provide payslip, electronic advice, and Self Service info as for routine payments		Enhance data transfer & validation for batch runs	
	Print Payslips								Cease printed payslips - provide online self-print process	
Small	Appoint Job Applicant	Reduce layers of approval			Scanning for signed contracts - incorporate data validation				HR-AP interface to avoid data re-entry	
	Advertise Job Vacancy		Better on-screen search filtering for job advertisements			Increase website advertising, run 'pointer' media ads	Simplify the proofs approval process			
	Run Casual Payroll	Additional online banking approvers	Speed up batch data transfer in system				Faster system and network response speeds	Enter data validation steps (reduce rework)		
	very low cost & < 3 months effort			Solution Complexity				very high cost & > 6 months effort		

- a significant annual labour cost saving was identified
 - numerous process features targeting better customer satisfaction were designed
- The use of cost saving/benefit as the yardstick for prioritising process improvement initiatives dispelled the tradition of 'the squeaky wheel gets the oil'. Instead of perceived process problems usually receiving the most attention, the University now knew where and how to get the best return on their investment in business improvement.

How Synoptic Can Assist You

We can streamline your Institution's shared services organisation. We offer;

- **Speed** - typically around 2 days per business process reviewed
 - **Effectiveness** - combining your staff's knowledge of the problem and the solution with our understanding of business processes is our core philosophy
 - **Cost Effective Results** - delivering twice the value in 1/3 of the traditional time
- Please contact us overleaf for more information on how we could assist you.

"Very impressive - this has been an extremely thorough review. You've delivered significantly more value than we were expecting. You've given us a lot to think about." - Senior Manager

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