



EMORY
UNIVERSITY

**Business Practice
Improvement**

Call the Internal Consultants: Lessons from Business Practice Improvement at Emory

Agenda

- Business Practice Improvement
 - Continuous Improvement in the Emory Environment
 - BPI's Governance and Project Structure
 - Approach and Methodology
- Case Study: Corporate Card + Travel & Expense
- Case Study: Implementing Research Administration Service Centers
- Case Study: Design & Build a FFR Reconciliation Tool
- Lessons learned
- Q&A

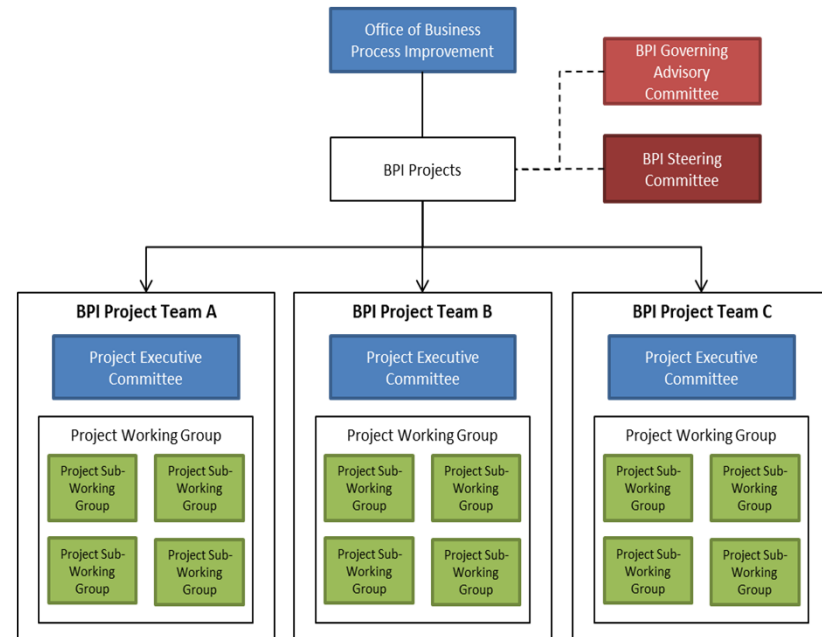
Continuous Improvement in the Current Emory Environment

- **Emory has experienced rapid growth over the past decade**
 - Rapid growth was not accompanied by process and system redesign
- **Schools & units have developed their administration somewhat independently**
 - Best practice in some areas; improvement needed in others
 - Highly variable service levels
 - Confidence in adequacy of internal controls
 - Increased compliance requirements from sponsors
- **Business Practice Improvement function established in 2011**
 - Local delivery of administrative services with adherence to central policies
 - Ensure that changes are implemented, operated, reviewed and continuously improved
 - Given Emory's decentralized nature, it is critical to:

engage the community and have **strong leadership support.**

BPI: Governance and Project Structure

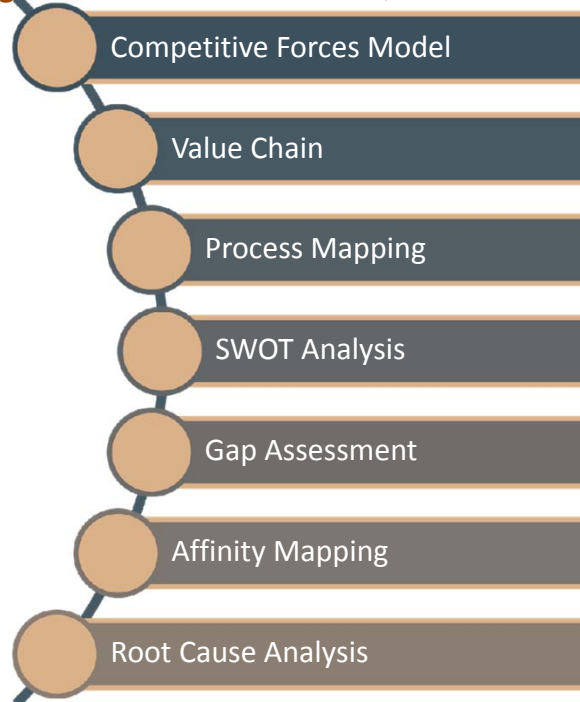
- **Governing Advisory Committee**
 - Executive Vice Presidents of F&A and Healthcare, Provost, Deans, and Faculty Leaders
 - **Objective:** Support, high level strategic advisory and final decisions
- **Project-specific Working Groups**
 - 15 to 30 high performing faculty and staff (volunteers) Selected for expertise and unit representation from across campus
 - Tactically executes project plan and performs work (under BPI leadership)
 - **Objective:** Helps to achieve broad support and buy-in from schools and units



Internal consulting skill set

- **Emory's Business Practice Improvement function**
 - Quality of staff
 - Depth of consulting experience
 - Breadth of experience of alternative organizational models
 - Ability to catalyze the wealth of higher education experience at Emory

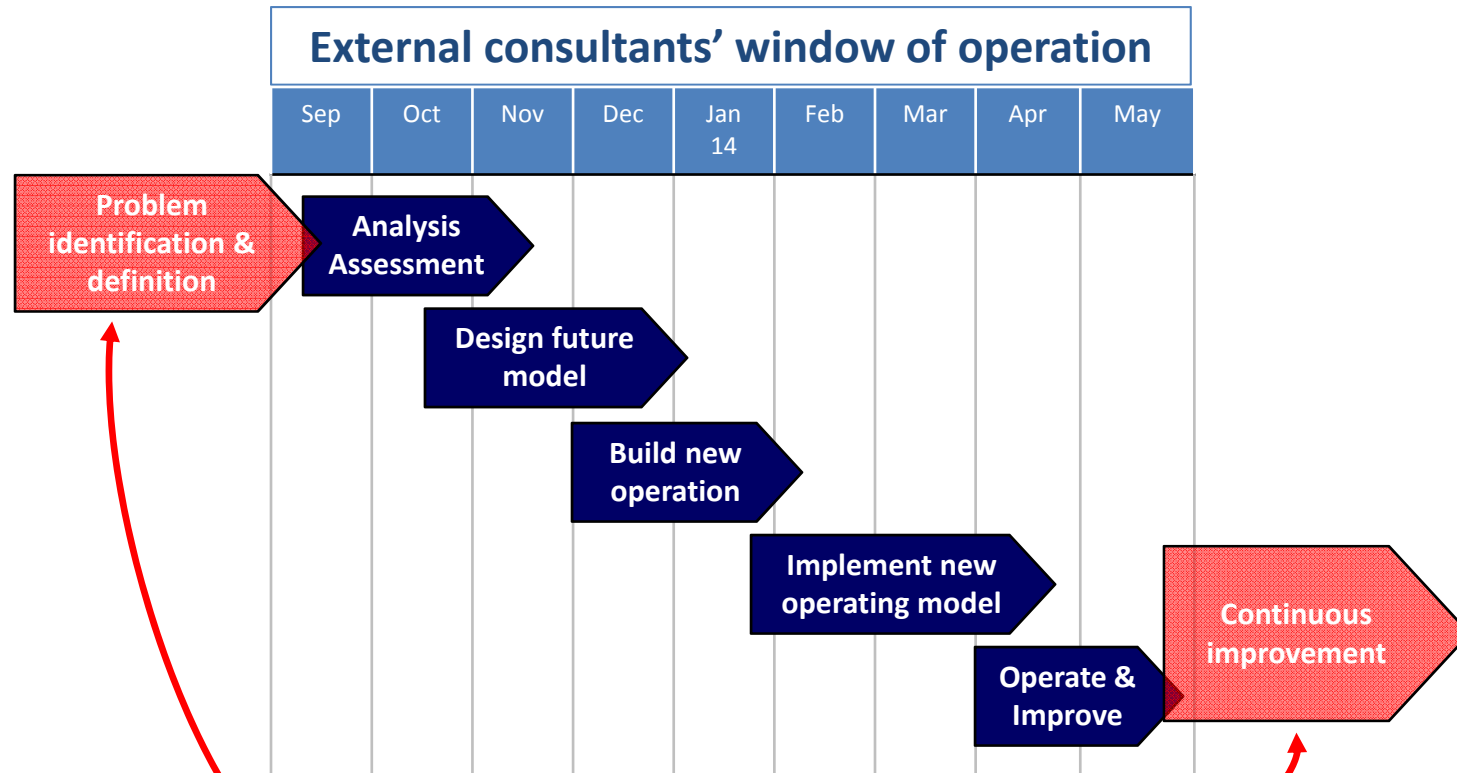
Quantitative analysis



Qualitative analysis



BPI: Approach and Methodology



Areas where internal consultants have inherent advantages but we need to “call the baby ugly” and then must live here!

Case Study: Travel & Expense Reimbursement Process + Corporate Card Implementation Change Management

Jamie Smith Director, Business Practice Improvement

Corporate Card + Travel & Expense Case Study

Emory Travel & Expense Background:

- **Unpopular** Travel Agency mandate issued in 2010
- **Travel agency RFP** not issued since 2005
- Large, **difficult PeopleSoft implementation** from 2008-2011
 - T&E PeopleSoft Module difficult learning curve for many
 - Low morale and satisfaction among employees
- **Policies** maintained in **unintuitive interface**
- Extremely low corporate card adoption – **less than 10%**
- High volume of **personal reimbursements = high administrative burden & cost**
- Proxy-heavy environment: **80% of travelers do not submit their own expense reports**



Opportunity: Enhance user experience. Reduce administrative burden and costs.

Corporate Card + Travel & Expense Case Study

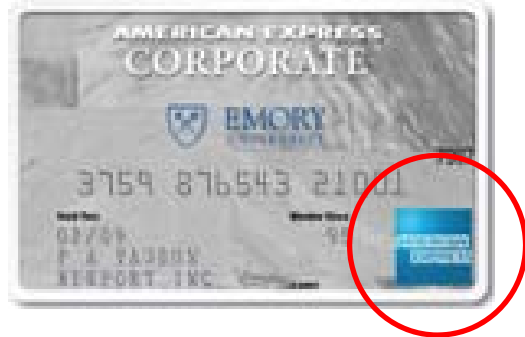
Emory Corporate Card Background:

- Widespread **dissatisfaction** with worldwide acceptance of **AMEX**
- Negative **myths** about Corporate Card program: personal liability and data collection
- **Lack of trust:** “My expenses will not be processed in time & I’ll have to pay late fees”
- Policies and procedures **convoluted and difficult to locate**
- Arbitrary **spending limits:** Legitimate business expenses were sometimes declined
- Extremely low corporate card adoption – **less than 10%**
 - Most business expenses were **personal reimbursements = higher costs**



Opportunity: Incentivize staff. Increase adoption. Enhance data and reporting.

Corporate Card + Travel & Expense Case Study



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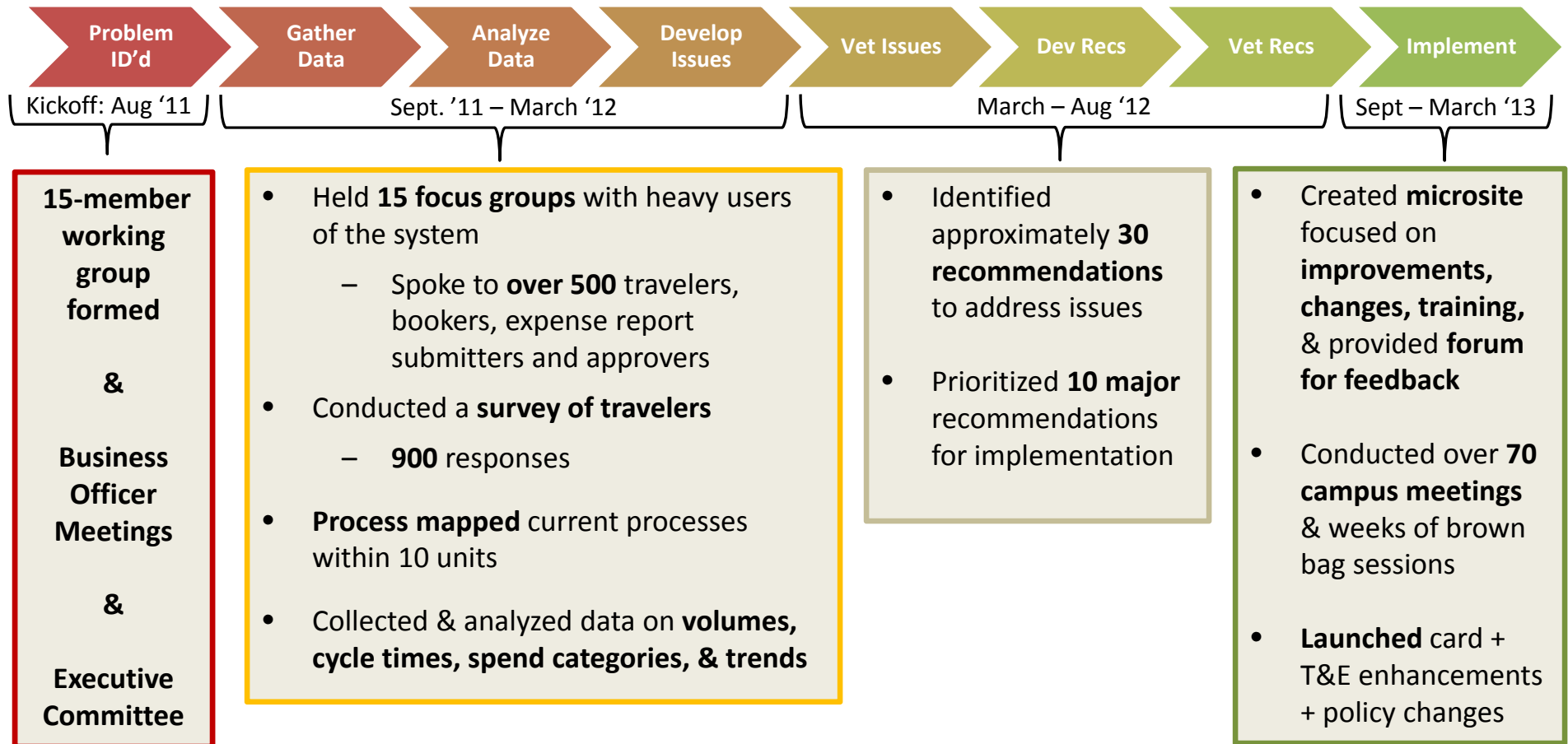
Opportunity:

*Leverage the BPI process & build **broad data-driven consensus** to increase the potential for **positive improvement**.*

Corporate Card + Travel & Expense Case Study



Corporate Card + Travel & Expense Case Study



Continuous transparent stakeholder engagement and feedback.

Corporate Card + Travel & Expense Case Study

Results:

- Created simplified user experience = more efficient, less paper, less time, less manual
 - **Example of How:** only receipts over \$75 are required if you use **Corporate Card**, no paper “missing receipt forms,” and no paper currency conversion required for credit card expenses
- Developed uniform, clear & vetted policies = sensible, buy-in & easy to locate
 - **Example of How:** All schools are now enforcing the same per diem rates vs. some schools using the State Department rates or \$50/day
- Reduction in duplication and unnecessary steps in system = lower costs & faster turnaround
 - **Example of How:** Adjusted procedure so that items on an expense report are only reviewed for approval once
- Increased adoption of corporate card = Robust spend data, less paper, enhanced reporting
 - **Example of How:** Set higher spending limits to capture 98% of expenses, reduced restrictions and led large communications campaign stressing *ease of use, more trust*

Overall result: Improved the user experience, doubled corporate card adoption, reduced costs, enhanced spend data, and reduced risk.

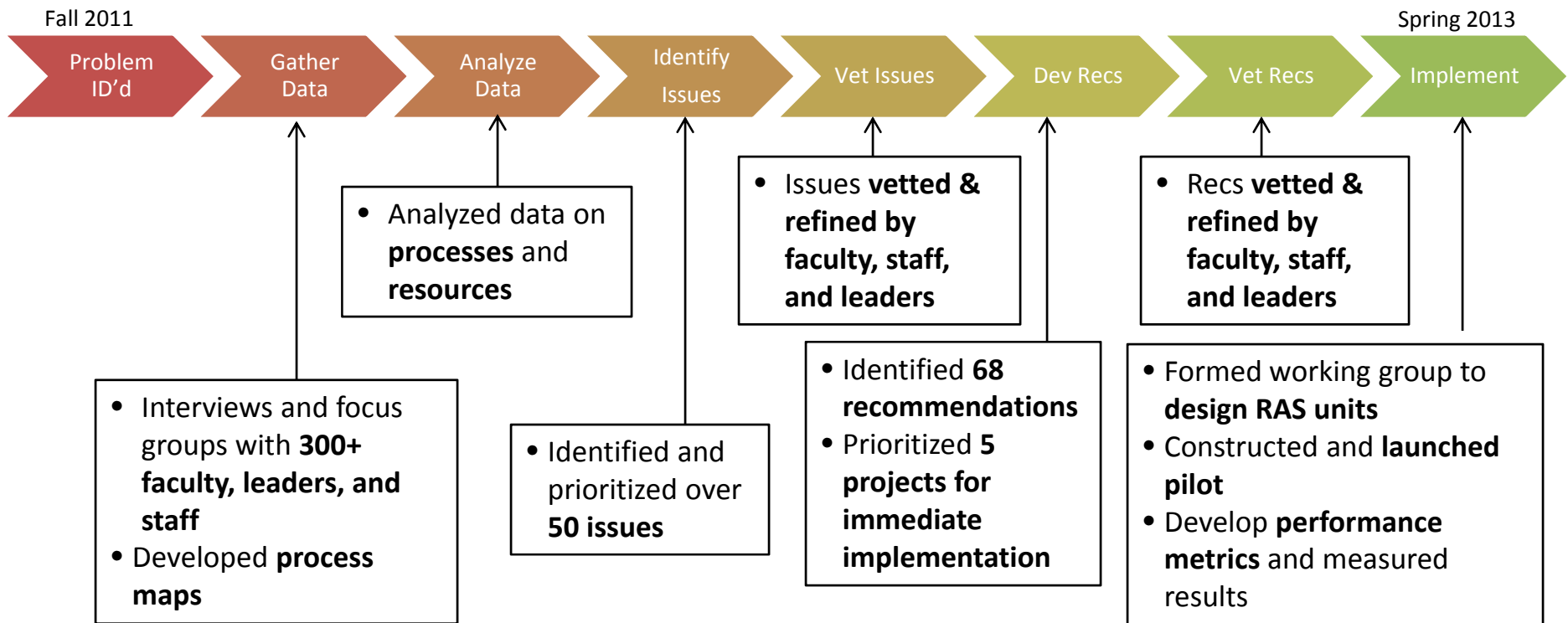
Case Study:
Implementing Research Administration
Service Centers

Todd Bruce, Senior Associate, Business Practice Improvement

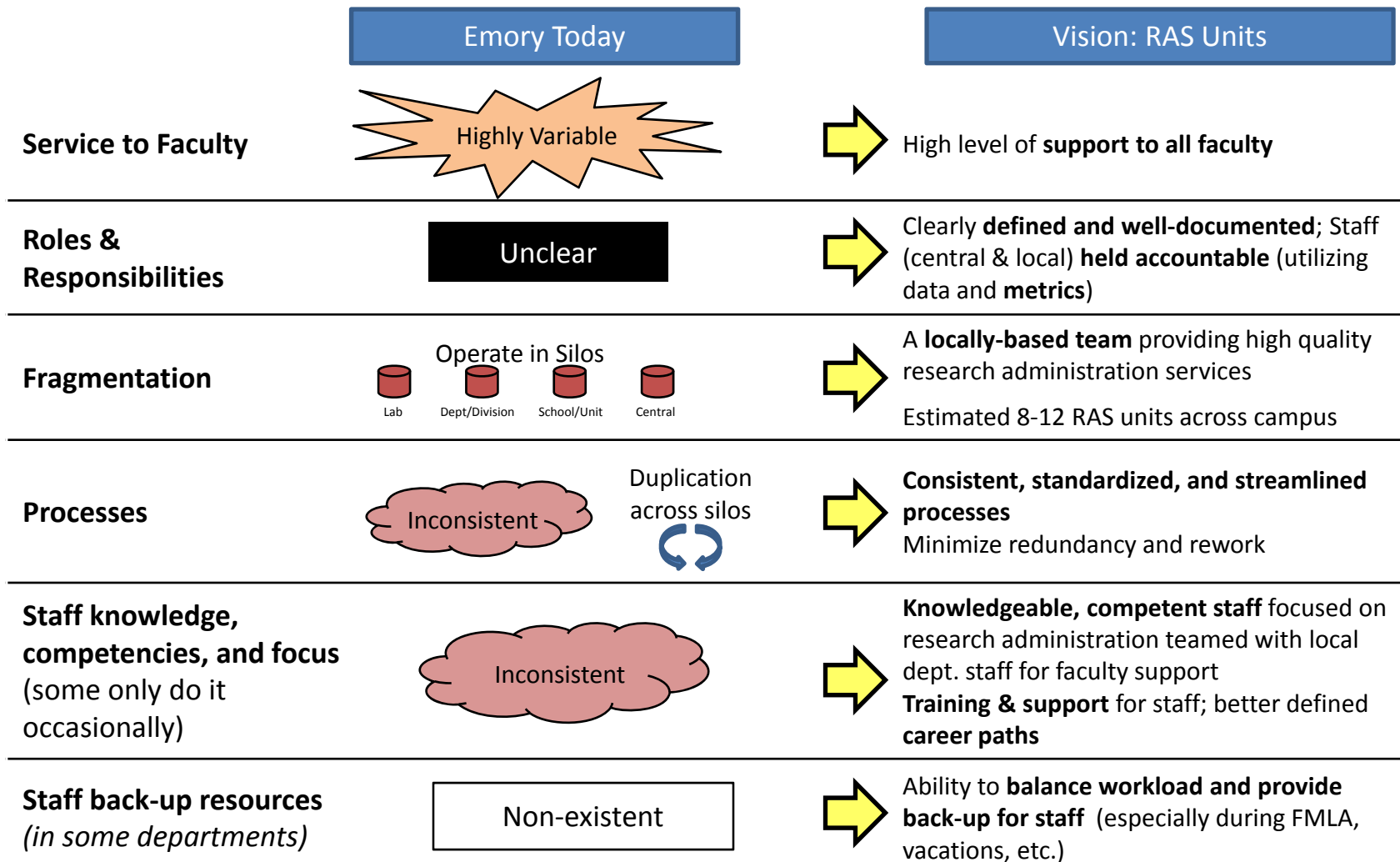
Research Administration Services (RAS) Overview

Problem Identification:

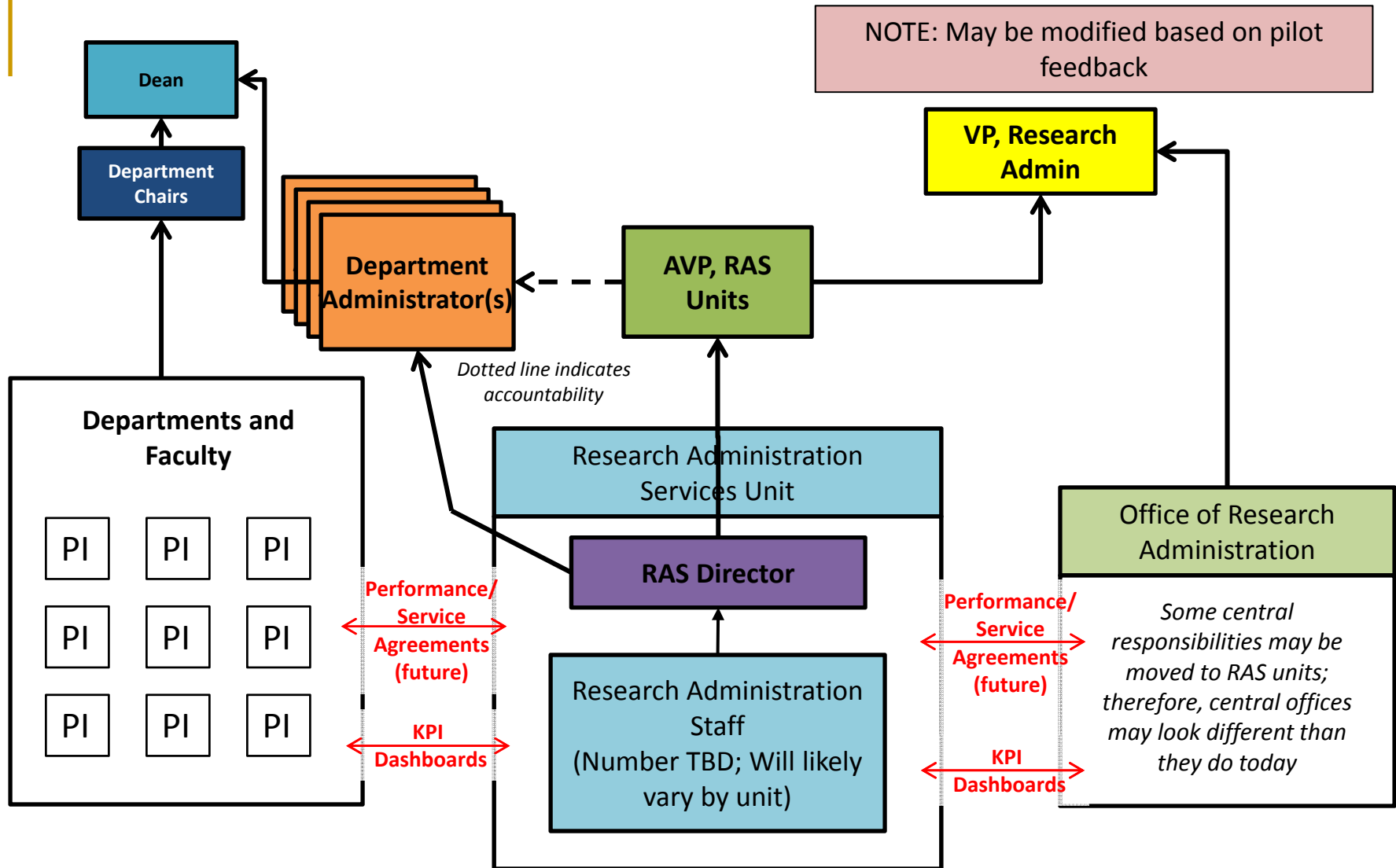
- While Emory's research funding and activity has grown dramatically over the last decade, the **administrative infrastructure, practices, and organization of labor has not adequately developed at the same pace.**



What we heard and the vision of RAS unit

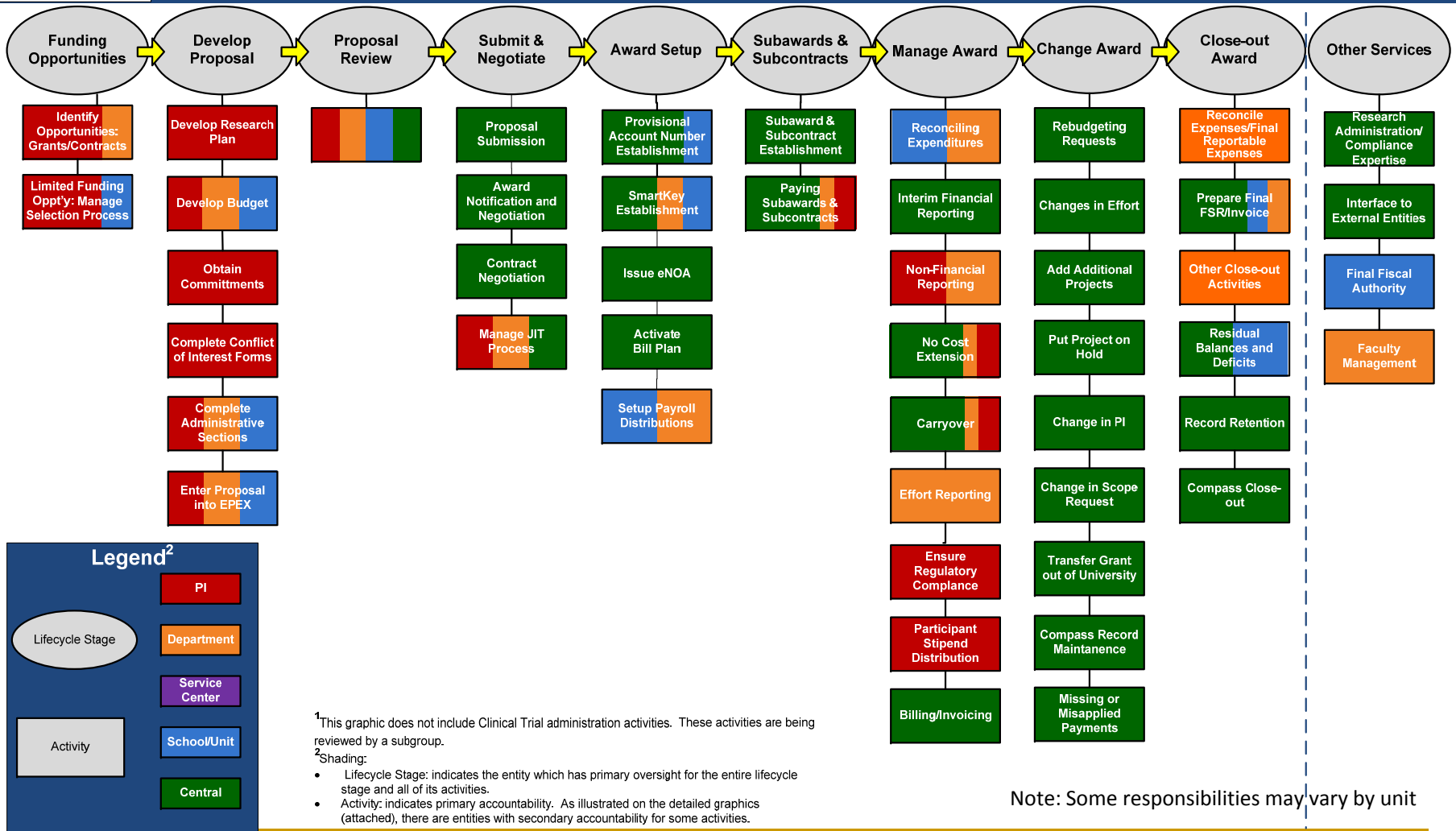


Detailed RAS Unit Structure



Research Administration Lifecycle: Current State

CURRENT STATE (approximate) Research Administration Lifecycle: CURRENT Responsibility Assignments¹ Draft, Confidential, Preliminary, v12.11.12

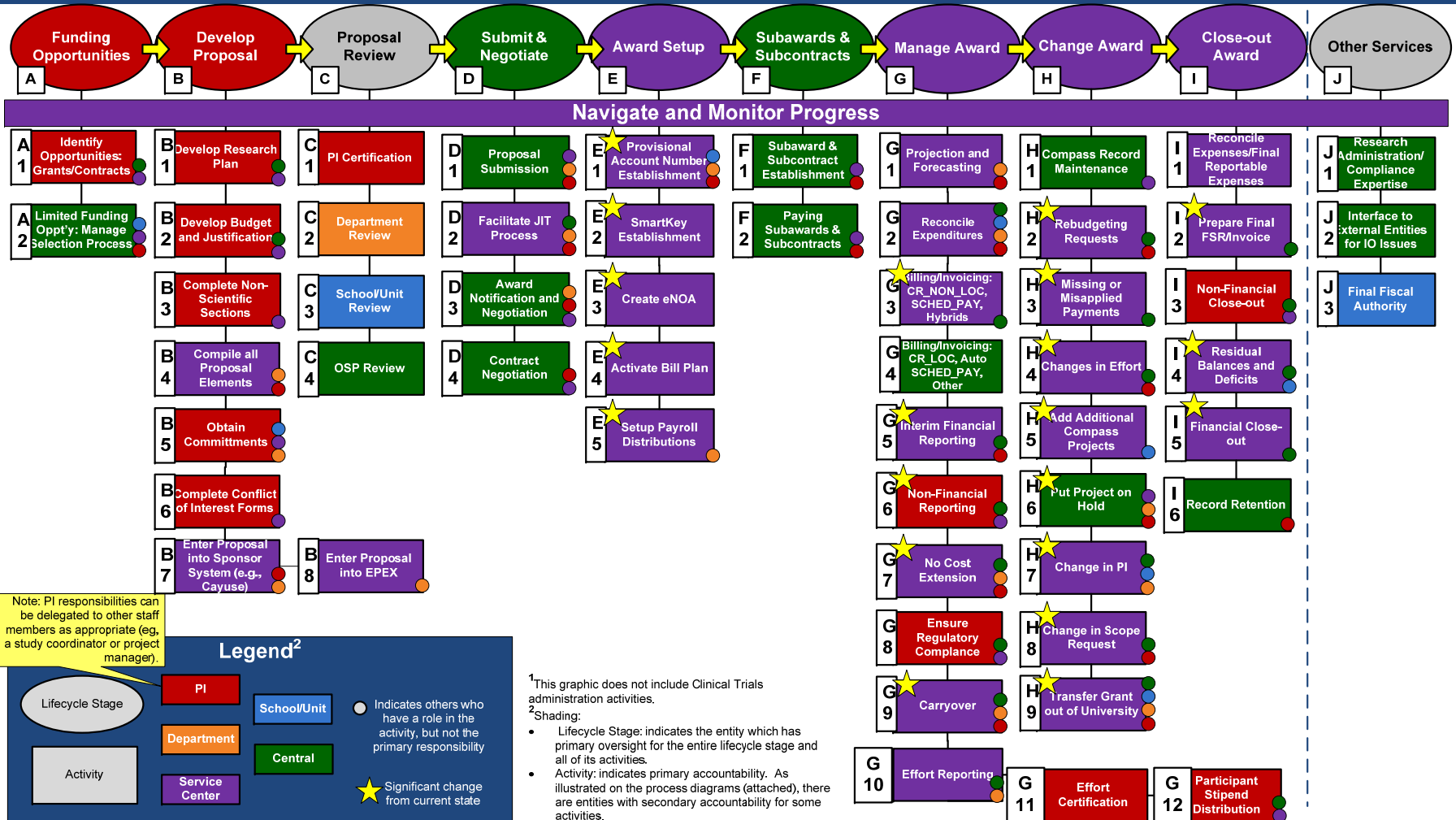


Research Administration Lifecycle: Future State

Draft, Confidential, Preliminary, v01.28.13

FUTURE STATE

Research Administration Lifecycle: Responsibility Assignments¹

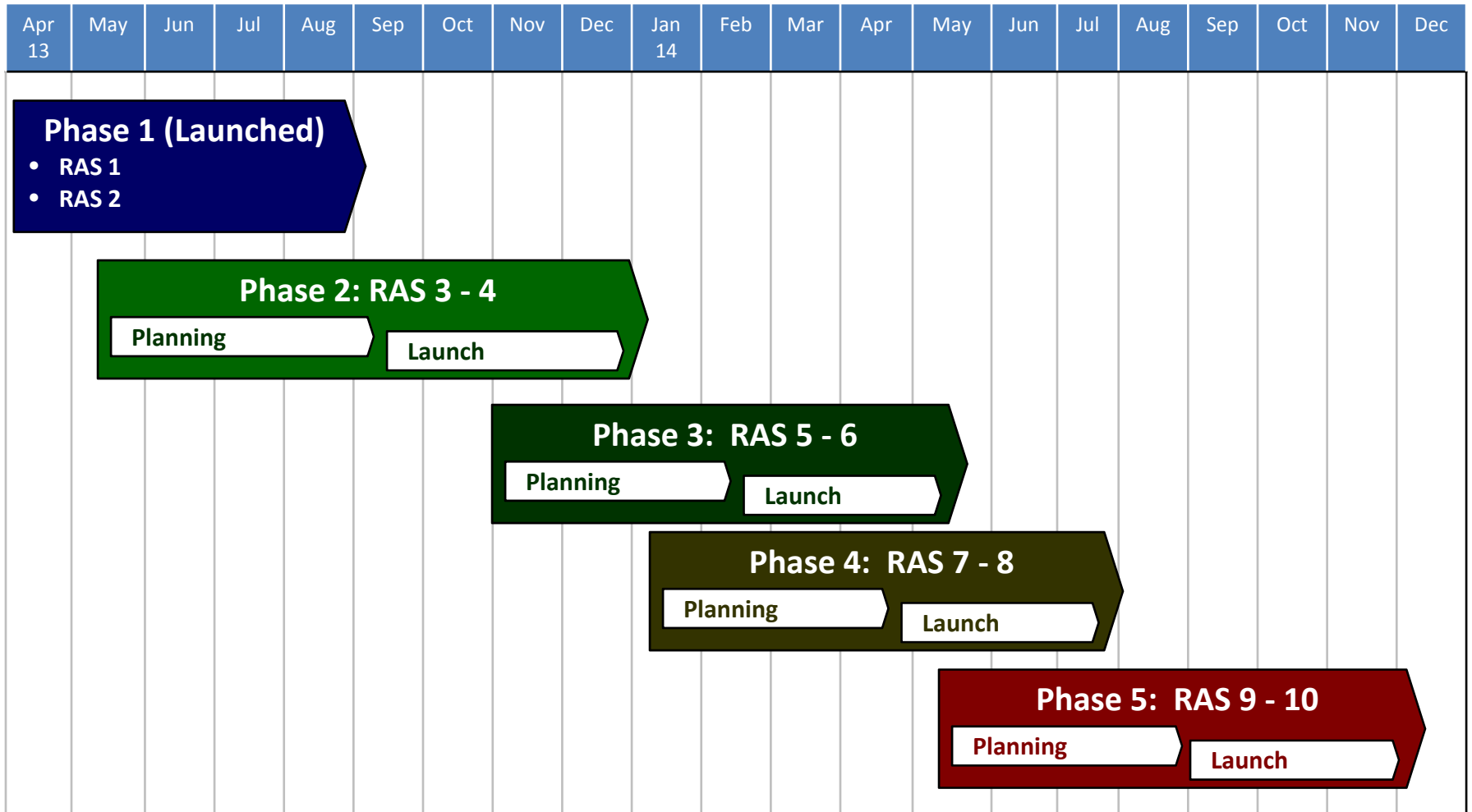


Research Administration Lifecycle: Future State

- Determined **roles & responsibilities** for Research Administration Services (RAS) units
 - **Clear accountability**
 - **Efficiencies/no handoffs**
- Developed **~30 Standard Operating Procedures (SOPs)**, including standardized templates, jobs aids, and checklists, where applicable
 - **Focus on consistency** across departments and schools
 - **Streamlined processes**, where possible
- Developed **15 job descriptions** for roles within RAS units
 - Provides **opportunities for advancement** and **defined career path**

Research Administration Services Rollout Timeline

Timeline is preliminary and may be adjusted



Continuously Updating People & Processes

- **Piloting** service centers allows the university to:
 - **Test functions** moving to RAS units
 - **Make adjustments**, as necessary
 - Enable a **smoother transition** for full campus rollout
- **Operations improvement logs**
 - **SOP, Suggestions, and Training logs**
- **Comprehensive playbooks** for future rollouts
- **Assessment tools and training programs**
 - Ensuring **high quality staff** and opportunities for **advancement**
- **Developed Key Performance Indicators**
 - **Building continuous improvement** into RAS operations

Case Study: Federal Financial Report (FFR) Template

Andrew Louderback, Senior Associate, Business Practice Improvement

The Problem with Federal Financial Reports

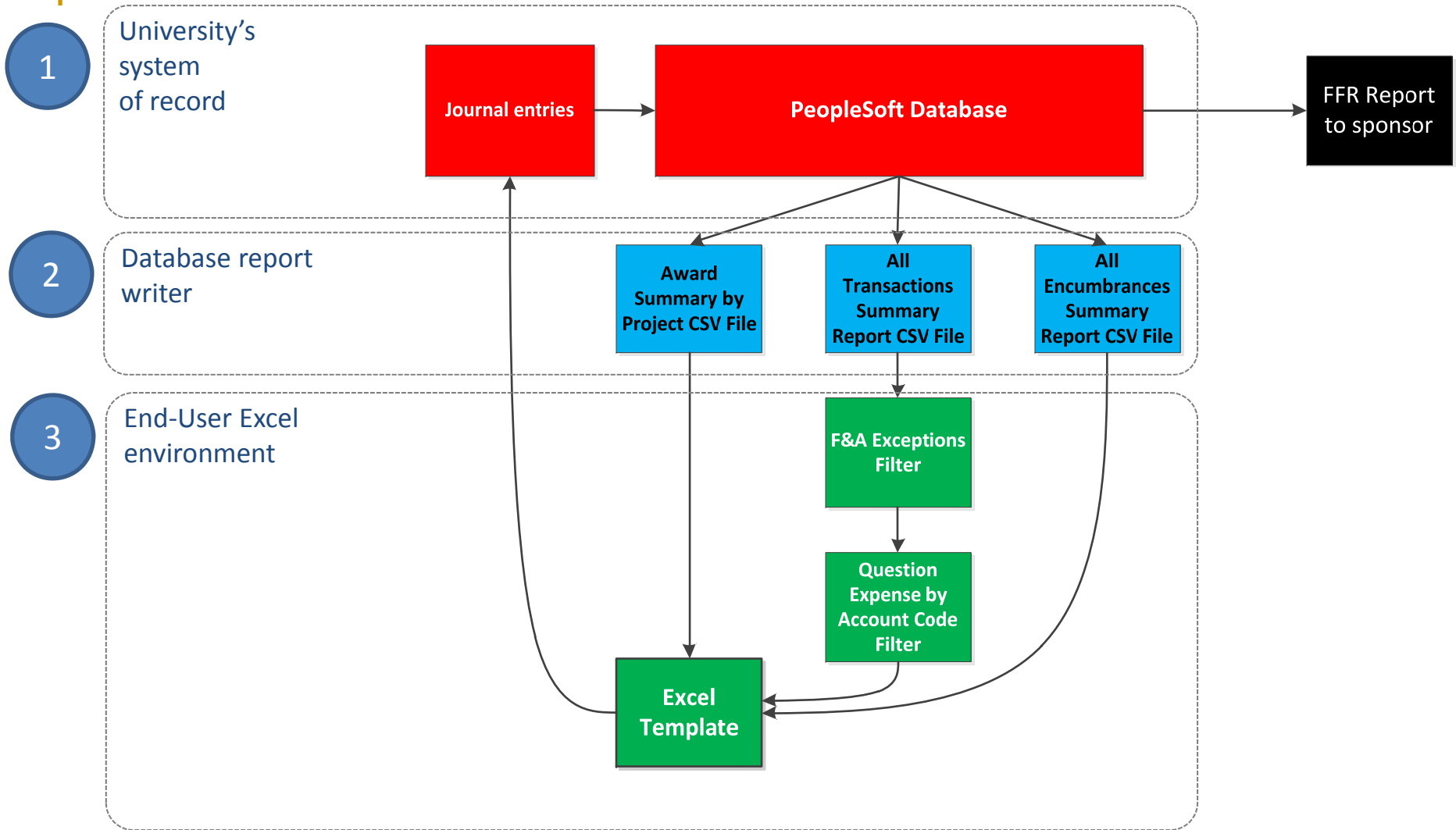
- Emory's Office of Grants & Contracts (OGCA) must approve every FFR prior to sending to a Sponsor
- OGCA would receive a wide range of submissions and justifications for FFRs increasing turnaround time and frustration levels for all parties
- Departments, responsible for the awards, have to pull from 5 to 90 reports
- Depending on the complexity of the award ... preparation can take months
- So, how do you improve a complex issue spanning the range of research awards **and provide the capability for continuous improvement?**

Investigate Available Options

	Options		
	Business Intelligence Data Warehouse	PeopleSoft Writer	Schedulable Query CSV Output
Cost	High	Medium	Low
Speed	Low	Medium	High
Uniformity	High	High	High
Able to CI	High	Low	High

- The best answer depends on variable prioritization
- Given the timeframe and available resources, a modified CSV file with a pre-made Excel template was the optimal route

Draft the Solution



BPI is the intermediary driving to the solution

Process Steps	Project Stakeholders			
	End User	BPI	Internal Resources	External Resources
1. Specify Needs	X	X	X	
2. Design & Create New PeopleSoft Reports		X		X
3. Beta Test	X	X	X	
4. Write SOP & Job Aids		X		
5. Train Users	X	X	X	
6. Continuously Improve Report	X	X	X	

Form the best available solution – most of the time the solution is a balancing act

Discussion:

- This project embodied the saying – *Don't let perfect be the enemy of good*
- Balance between users' ability to improve the tool and users' propensity to break the tool – who is responsible for driving continuous improvement?
- Fast-build tool might slow adoption of broader BI/data warehouse solution – the danger that “good-enough” impedes continuous improvement?

Learnings and Takeaways

Criteria for Success in, and Methods for Achieving Operational Efficiency

Key Criteria for Success

- Clear governance and decision-making
- Committed and visible leadership
- Stakeholder management including effective communications planning and execution
- Organizational readiness activities including transition management and training
- Adequate resources to tackle the method effectively
- Stakeholder inclusiveness in the process
- Commitment to questioning the status quo

Learnings & Takeaways (1 of 2)

- **Transparency, at all stages of the process**
 - Project methodology and project team
 - Issue identification
 - Recommendation development
- **Inclusion: achieve buy-in early and at all levels**
 - Working Group must be comprised of stakeholders
 - Working Group members are promoters within their units
 - Aids in implementation – you have a built in implementation team
- **Buy-in takes time**
 - Vet, vet, vet – at every stage
 - Be patient, and be flexible

Learnings & Takeaways (2 of 2)

- **Be data-driven experts**
 - Project managers must learn to be “subject matter experts”
 - Need to provide, substantiate, and push back with knowledge
 - Helps to identify when status quo is being protected
- **Pushing back against inertia is crucial to success**
 - Change is difficult and many don’t believe it can happen
 - Stakeholders will try to protect what they know, understand and are competent at
 - May have to change course – never lose sight of the goal
- **Solutions must be practical, meaningful, and implementable**
 - Must be balanced between radical and incremental – constant tension

BPI Golden Rule: Always have Emory’s best interests in mind.

Discussion and Q&A

...Or contact us for questions after NCCI at:

bpi@emory.edu

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