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How Business Practice Improvement Draws Returns for All Units

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The following interview is with Bill Dracos and Jamie Smith of the Business Practice Improvement office at Emory University. Emory has seen a significant spike in its growth in recent years and has worked to scale its processes and systems to keep pace with the change and provide its students with high-quality service. In this interview, Dracos and Smith discuss this transformation and share their thoughts on the value of efficiency-creating projects for the institution.

1. Emory developed its BPI office to improve the effectiveness and efficiency of Emory's business operations. What were some of the challenges that led Emory to develop the Business Practice Improvement (BPI) team?



As institutions grow rapidly, it's easy for inefficiency processes to become ingrained, despite their inability to serve the needs of an increasingly larger organization.

Bill Dracos (BD): Emory has experienced rapid growth over the past decade. This occurred not only in our academic programs, but in our resource portfolio, our clinical operations, etc. With that, you had a university with somewhat of a siloed structure. The business environment ended up being inconsistent; we ended up with

each school looking at problems in different ways.

The BPI office was founded in 2010 to serve as an internal consulting practice for Emory. Our goal is to facilitate improvement — effectiveness, efficiency, initiative and qualitative ROI [return on

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investment] and cost savings — and to bring some consistency to what we're doing.

That doesn't mean completely uniform operations, but it means better understanding, better collaboration, amongst the schools and units. In the end, our goal is to put sensibleness in our practices to find areas that are, frankly, just broken or not operating well or disconnected among the university and bring them into alignment, redesign their processes, operations, policies, procedures, controls and finances to get them to be more efficient.

2. How do you define or identify a particular unit or a process as inefficient?

BD: When BPI was founded, there were two major areas we focused on brought about by the great growth we had, but also obvious pain points that existed among faculty and staff. The first was around research administration. Emory grew from about \$200 million of external funding to half a billion dollars in about a decade. When you do that, you don't always design for the future state. There was much pain there amongst faculty and staff around award setup, getting your grant ready to be used, getting your project ready

and then financial reconciliation as well as around understanding, getting budgets aligned and getting the reports in to the grant sponsors.

The other one was around financial operations and travel and expenses. We had issues getting reimbursed; we had issues with corporate card usage and things like that. They were pretty obvious pain points, obvious areas we had to attack. When we attack a project like that, we look at the issues and we collect a lot of information — interviews, surveys, focus groups, etc. — to understand problems. We then consolidate that, do thematic analysis — we vet that information back with constituents we're talking to, then it leads us to solution development and to understanding new processes, policies and operations.

Jamie Smith (JS): BPI was very fortunate to have a couple of large-scale projects we could sink our teeth into at the beginning and one of the benefits of that was that those projects ended up going very well and had great outcomes, so our brand was established on campus and we've now got a lot of goodwill across the university.

Now we're in a position where people are bringing projects to us. We have a litany of opportunities we can take on to make a contribution to the university.

3. A highest common denominator solution meets very specific needs that's customizable to different units while also meeting the larger needs of the university; is that where you are coming from?

BD: When we develop solutions, we're looking at both levels. We're looking at institution-wide applicability; is it something that can be fairly consistent across the institution? Consistency doesn't mean identical answers. There's not necessarily a cloning technique at work here. It's more common consistency, common thread. What's the other side of that coin? Each unit is somewhat unique and somewhat different. We try to design standardized approaches or fairly consistent approaches that can be tailored and customized to the individual units and [their] needs.

4. How is staff satisfaction and productivity impacted by efficiency-creating mechanisms?

BD: [Many institutions] move cautiously, carefully, but thoughtfully, so you must be equally thoughtful in your approach to make these kinds of changes. Change management is something we proactively address in everything we do. You have to plan the strategy for change, you have to engage leaders, communicate all the time and talk about what's going

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to happen differently and what the need might be, how it's going to move, how people might react — you have to try and anticipate that.

In research and administration, we probably were understaffed in many areas and had to add staff to increase productivity. It's been the right answer and it's made things a lot better. Once you weather that initial storm, things get better and they see the benefit and they start living the benefit.

5. Overall, what is the impact of these kinds of efficiency-creating projects on the institution?

BD: In terms of the quantitative and qualitative benefit for this, we've sensed improvement in satisfaction among the faculty and staff, we've seen improvement in ROI from a financial standpoint as well — most of that's gained from savings of wasted effort.

For example, there's something required to the federal government called an FFR, the final report you give to the government at the end of your grant. We have PeopleSoft as a system of record. For individual post-award analysts or accountants to reconcile an award was a process that previously took multiple reports pulled out of the system, looking at various pieces of information;

it was very cumbersome. We have about 3,000 research grants a year and each individual grant could have anywhere from one to dozens of subprojects inside of it. Imagine reconciling myriad data without a tool to do it.

BPI instigated a new tool called the account review and reconciliation tool. We built a customized PeopleSoft report and it downloads it into Excel. It works as a tool and it allows the accountant to see every subproject organized in a consistent way with every expense, and allows him or her to reconcile those and capture the journal entries that need to be made back in the system. This has saved hours across the whole institution and the conservative estimate on wasted time that we've saved is up to \$1.5 million per year, repeated. Not to mention tens of millions of dollars averted in risk in terms of wrong expense reports given to the federal government.

6. Is there anything you'd like to add about the value of efficiency-created projects for the institution and how the BPI office has managed to transform the way Emory approaches efficiency-related issues?

JS: Change is a process and we've been successful by leveraging good ideas. At the end of the day, we always emphasize that we have to

keep ... in mind that what we're doing is a part of a bigger picture and that we're trying to advance the mission of Emory, not just of our units or our specific department within the university.

This is the first installment in a two-part series by Bill Dracos and Jamie Smith discussing the business practice improvement work being done at Emory University. In the second installment, we will highlight the examples and case studies they raised during this Q&A.

Next installment coming soon

This interview has been edited for length.

Key Takeaways

- Institutions that grow rapidly may find that operational efficiency takes a back seat and inefficient processes become ingrained.
- By solving efficiency problems unit-to-unit, the BPI team can find models of efficiency that could be applied across the institution.
- The BPI office has been beneficial in that their solutions support faculty and staff satisfaction and improve institutional ROI in terms of time and money saved.

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