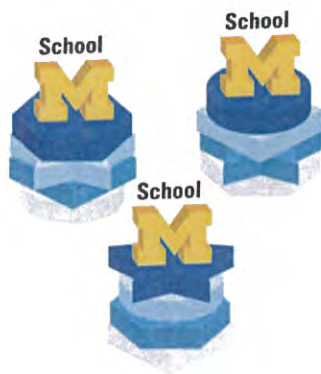


What is shared services?

Shared Services is a way of organizing administrative functions to optimize the delivery of cost-effective, flexible, reliable services to all “customers”.

Decentralized



- Autonomous departments
- Focus on responsiveness
- Different systems and non-standard processes
- Separate functional staff

Standardized



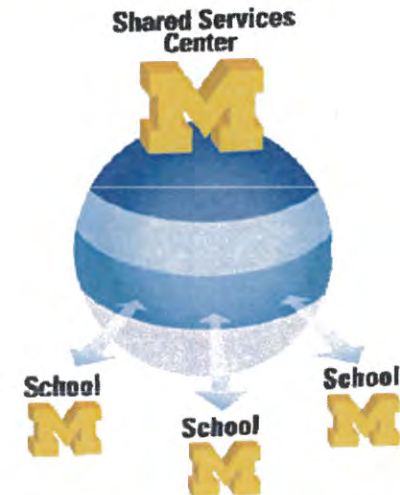
- Schools run similarly
- Typically some common sub-systems
- Common processes
- Separate functional staff

Centralized



- Single department or site which performs the function
- Focus on efficiency and control
- Typically some common sub-systems
- No service level agreements nor performance targets

Shared Services Center



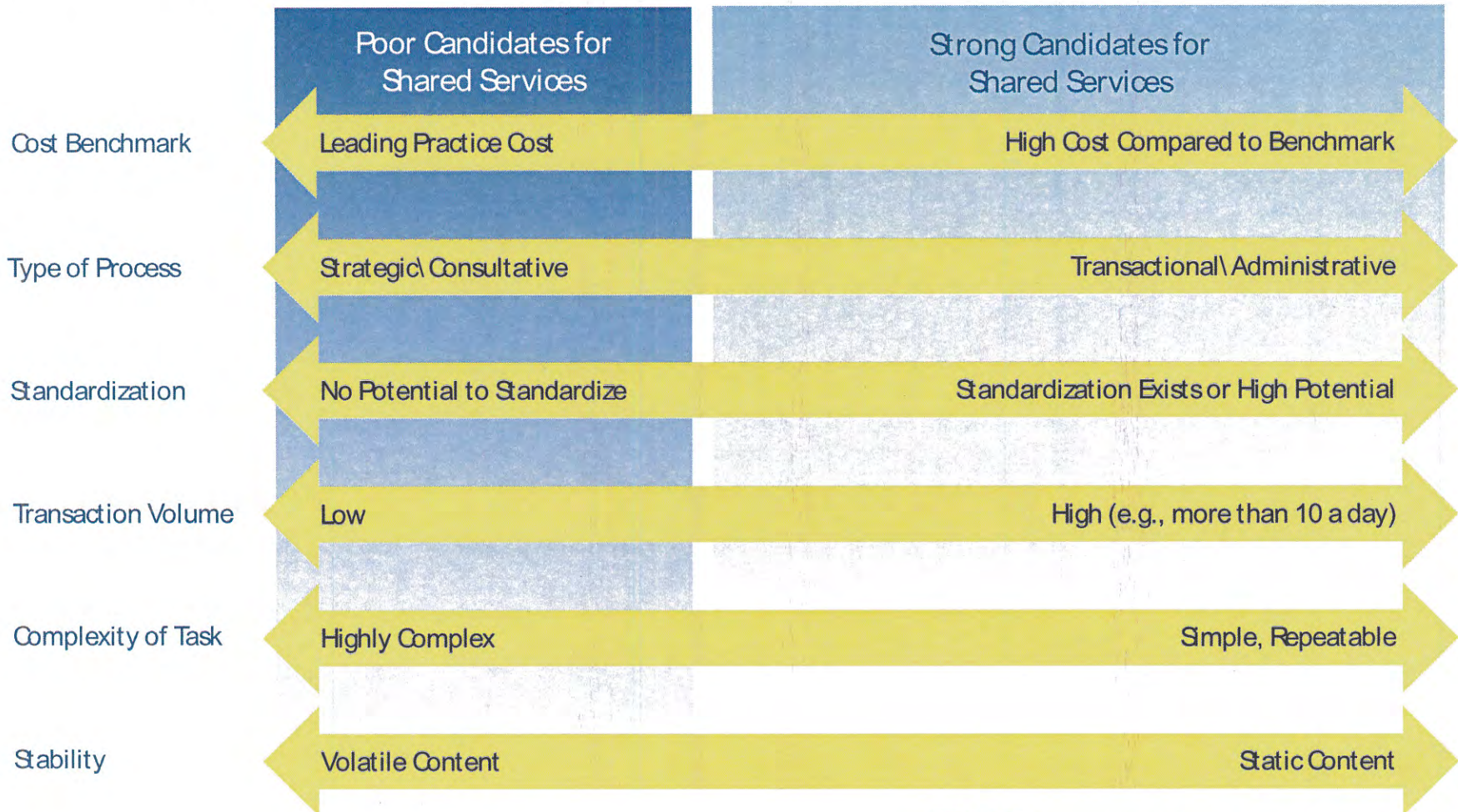
- Separate organization but linked to customers through oversight model
- Managed service delivery through clear service level agreements
- Customer driven transactions
- Performance driven culture through measurement and feedback
- Process ownership end-to-end

How is shared services different from centralization?

Attribute	Traditional View of Centralization	Shared Services View
Customers Treated as...	End Users	customers (e.g., colleges, schools, units)
Leadership	Central Oversight Entity/ Headquarters	Independent Unit—Customer Board/ Advisory Group (organization varies with geographic objectives)
Location	Capitol Area/ Headquarters	High Skill, Low Cost Area
Primary Focus	Cost Control	Service Excellence, High Performance, Cost Control, Continuous Improvement (service and costs)
Service Responsibility	Central Oversight Entity/ Headquarters	Shared between shared services center and customers as stated in Service Level Agreements
Service Management	Optional	Service Level Agreements, Key Performance Indicators, Performance Reporting
Customer Contact Management	Ad Hoc	Multiple channels (e.g., voice, email, web); Contact center staffed with customer service reps; Case Tracking software, Automated Call Distributor, Computer Telephone Integration; Client relationship managers
Typical Management Processes	Recruiting, Workload Management, Cost Management	Customer Relationship Management, Continuous Improvement, Knowledge Management, Performance Management, Service Management

Shared services criteria

Sample criteria used for Shared Services



What are the benefits for higher education?

Economic



- Higher productivity
- Lower cost location
- Reduced expenses
- Reduced systems infrastructure costs
- Leverage investments related to enterprise resource planning systems, other technology

Strategic



- Shift funding/focus from back office to front office
- Support meeting increased demand with fewer full time employees
- Achieve process and systems standardization
- Enable new/re-organized entities

Quality



- Improved information for decision making
- Better service to key stakeholders (e.g. students, parents, faculty, and staff)
- Reduced error rates - quality at source
- Develop centers of expertise and innovation

Speed



- Reduced cycle times (for example):
 - Close
 - Authorizations
 - Procurement
 - Payments
 - Billing
 - Sourcing