

Arts and Sciences Business Process Redesign

Dear Colleagues,

In September, Ohio State contracted with the outside consulting group Navigator to review the fiscal and HR business processes in the arts and sciences as well as the organizational structure for administering these processes. Navigator representatives spent more than three months on campus in discussions with subject matter experts, including fiscal and HR officers, departmental staff and chairs, and University business operations teams (for example, Internal Audit, Purchasing and Receiving, and Human Resources) to understand and map current processes. They also reviewed data from a variety of sources to determine the current volume of relevant fiscal and HR transactions.

Arts and Sciences received the 270-page Navigator report in late December. The report includes:

- recommendations on streamlining business processes;
- a proposal for restructuring the business organization by creating shared service centers for fiscal and HR transaction-level activities;
- recommendations for longer term implementation of new technology solutions;
- an analysis of potential improvements in services;
- an analysis of projected cost savings over five years; and
- recommendations for implementing changes.

After careful review of the report and discussions with the divisional deans, the college fiscal and human resources officers, and senior University administrators, I am ready to move forward with redesigning our business processes.

I anticipate that improved services, new efficiencies, and cost savings that allow us to redirect funds to our academic mission will be among the most immediate benefits of reorganizing our business practices. In addition, centralizing common human resource and financial tasks and providing expertise for activities not routinely performed at the departmental level will allow departments to focus more fully on their most critical contribution to our shared enterprise, their academic mission.

A Business Process Redesign Steering Committee is being formed to construct a plan and a timeline for rolling out these changes. The Committee will be led by Arts and Sciences Chief Administrative Officer Brad Harris and will be made up of representatives from each of the divisions and from the Arts and Sciences Executive Committee. It will also include a representative from the University's Office of Business and Finance and a representative from the Office of Human Resources.

We anticipate that the roll out will be done in three phases. Accepting the Navigator schedule will mean that, once a department has transitioned to the new model, the human resource, benefits, payroll, and fiscal transactional processing will be done by the appropriate specialized shared service center staff. The shared service centers will be designed to facilitate centralized processing of high-volume, transactional tasks. Departments will retain decision-making responsibility and budget authority in these areas.

Planning will start immediately for Phase One, with the intent to initiate this Phase in late summer, 2009. Navigator has proposed that we begin to implement its recommendations with two or three departments in each of our three divisions. Phase One will serve as a pilot program for the subsequent two phases.

Phase Two will start in autumn, 2009, when Navigator suggests expanding the Phase One group by five to six additional departments per division. Lessons learned during Phase One will allow us to make necessary adjustments for Phase Two.

Phase Three should start before the end of the calendar year, with implementation of changes by the remaining departments.

In moving to this new business model, we will look carefully at staffing levels and staff assignments. Until the implementation plan is fully developed, however, we won't know exactly how specific staff duties may be redefined.

In order to be as transparent as possible about decisions and action steps, we will be providing regular updates on the Arts and Sciences website at <http://artsandsciences.osu.edu/facultystaff/ascrestructuring.cfm>. The Executive Summary of the Navigator report is now available at that website for your reference.

The next Arts and Sciences Town Meeting is scheduled for February 18, 2009, at 4:00 p.m. in 100 Independence Hall. One component of that meeting will be a presentation on the Navigator report, with ample opportunity for questions and answers afterward.

The changes proposed by Navigator will be challenging, of course, and will involve many people over the next several months. I am confident, however, that the proposed redesign of our business practices will enhance the processing of human resource, payroll, finance, and procurement activities across the Arts and Sciences and will allow us to redirect significant resources to our academic mission.

I look forward to taking steps with you to establish the Arts and Sciences as a model of business process innovation for the University.

Sincerely,

Joan R. Leitzel
Interim Executive Dean and Vice Provost
Arts and Sciences