



Operational Excellence Update

*Audit & Advisory Services –
Bridging the Gap*
January 9, 2013

Stephanie Metz
OE Program Office
Senior Financial Analyst

Operational Excellence

- Gain general familiarity with overall OE program
- Learn about current status of selected OE projects
- Learn about highlights of OE program for 2013

Operational Excellence key goals

1. Reduce administrative costs to direct more resources towards teaching, research, and public service
2. Create more efficient, effective administrative operations
3. Establish a culture of continuous improvement

How? By **INVESTING** in

PEOPLE



+

PROCESSES



+

TECHNOLOGY



Target:
\$75 million
annual savings
by 2016

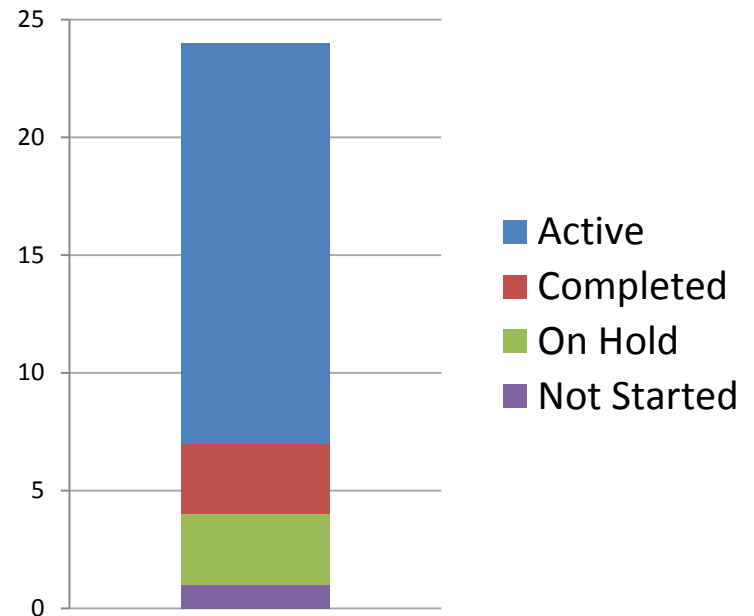
Operational Excellence

BING-OE!

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Current Program Status

- 24 total projects
 - 17 active
 - 3 completed
 - Unit Restructuring
 - BearBuy
 - Application Support Center
 - 3 on hold
 - 1 not yet started
- \$27 million invested to date
- \$55 million in total savings already achieved



Check out our monthly update newsletter at

<http://oe.berkeley.edu/>

Project Highlights

Campus Shared Services

Creating a single center for IT, Finance, HR, and Research Administration support

Campus Shared Services Center opens Jan 17, 2013

- Cohort 1 Jan-Jun
 - Starting with VCAF and IST; adding more units over time
- Starting with IT services; add'l services rolling out over time

Cohort 1
▪ Biological Sciences Division (L&S)
▪ Chancellor's Office
▪ College of Environmental Design (CED)
▪ College of Natural Resources (CNR)
▪ Engineering Research Support Organization (ERSO)
▪ Information Services & Technology (IST)
▪ Intercollegiate Athletics (VCAF)
▪ University Health Services (VCAF)
▪ Vice Chancellor of Administration and Finance

Remaining cohorts throughout 2013 & 2014

Watch the website and emails for updates

<http://sharedservices.berkeley.edu/>

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bConnected (IT Productivity Suite)

- *Converting campus email system to bMail*
- *Converted faculty, staff, and students to bCal for calendaring*
- *Implemented single campus-wide license for Microsoft Office software*
- *Implemented single campus-wide license for Adobe software*

Office Productivity Software

- Now everyone can be on the same version!



Other Tools

- Email (bMail) - transition started in 2012, continues in 2013
 - More modern, reliable, cloud-based system
- Calendar (bCal) - transitioned from CalAgenda in 2012
 - Now everyone can be on the same calendar system!
- Document storage/sharing (Drive/Google Apps)



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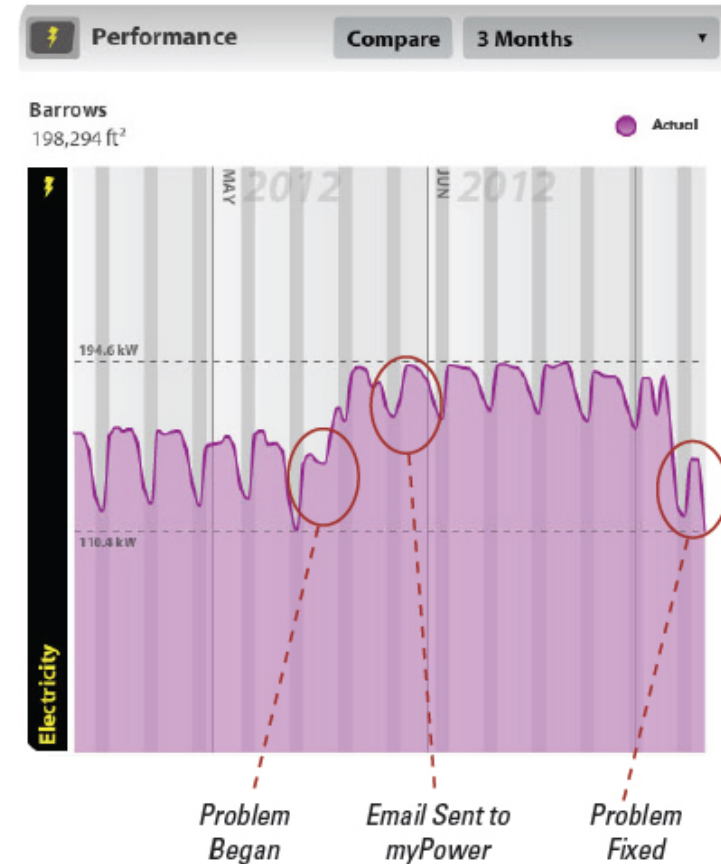
- *Installed energy-use displays in campus buildings*
- *Providing incentives for employees to reduce energy usage*
- Units now receive monthly electricity usage reports
- Units can earn incentive payments for reducing energy use
- Campus energy policy to be released soon
- Check out the MyPower website:
<http://mypower.berkeley.edu/>



Everyone can play a role in reducing energy costs!

Energy Management

Energy dashboards – online and in lobbies – display energy consumption for 57 campus buildings.



Prof. Duncan Callaway reported a spike in energy use in Barrows Hall. The Energy Office tracked down the cause and resolved the problem. Annual avoided costs: up to \$45,000.

Operational Excellence

- *Implemented an electronic procurement system to increase efficiency*
- *Has already saved campus \$10+ mil in procurement-related costs*

- BearBuy now used by 100% of departments.
- Savings exceed targets!
 - \$27M Berkeley + UCSF
 - \$10.8M at Berkeley alone!
- 55,000 orders, \$185M volume at Berkeley
- 80% of Berkeley purchase requisitions approved in 1 day

Implemented new campus-wide budgeting and reporting software

- CalPlanning used to build FY13 campus-wide, all-funds operating budget (first time!)
- Can create forecasts for current and future years
- Standardized reporting formats
- In February, will add position-level budgeting for FY14

CalPlanning marks a significant shift to strategic budget planning and data-driven decision making

Implementing a single, automated, campus-wide timekeeping system

- Helps bring UC Berkeley in alignment with UCOP's longer-term UC Path project
- 5000+ exempt employees began using CalTime in 2012
- Non-exempt employees, and remaining exempt, will begin in 2013
- Non-exempt employees transition to bi-weekly pay in 2013



CalTime allows campus to reduce costs and standardize pay cycles

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Berkeley Operating Principles

Developed a set of principles to guide and inspire staff in their administrative work

- Operating Principles, approved Dec 2012:
 - *We include and excel, together*
 - *We imagine and innovate*
 - *We simplify*
 - *We are accountable to each other*
 - *We focus on service*
- In 2013: Embed principles into campus operations (through hiring, training, recognition programs, etc.)

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One-Stop Student Business Center

Creating a single center to help students with financial aid, registration, and billing

- Centralized location for students to conduct most common business transactions
 - Reduces trips between Sproul and University Hall
- Staffed by service-oriented, cross-trained professionals
 - Financial Aid
 - Fees and Billing, Payments, Disbursements
 - Registration
- Scheduled to open January 15, 2013



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Student Advising Council

Creating a shared vision and best practices for student advising

- Collaboration through three work groups:
 - Advising Vision
 - Advisor Development
 - Program Level Effectiveness
- Coming in spring 2013:
 - Advising Philosophy and Vision Statement
 - Definition of “Advisor”
 - Best Practices and Policies Report



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Highlights for 2013

- **Transformation Support Services:** Assist campus units in adjusting their administrative operations to take full advantage of OE projects.
- **Student Technology Roadmap:** Prioritize campus student IT investments over the next 3-5 years (Admissions, Financial Aid, Registration/Enrollment, Academic Planning, Student Financials)
- **Enterprise Data Warehouse / Cal Answers:**
 - Create web-based reports showing procurement data, student registration data, student financial data
- **OE Program Office transition...**

Transition for the OE Program Office

To help work toward John Wilton's vision for financial sustainability:



Financial Sustainability means both efficiency gains AND growth:

We are aggressively driving **efficiency gains** through Operational Excellence.
Examples of this ambitious campus-wide effort are:

[CalTime](#)

[BearBuy](#)

[Energy Management Initiative](#)

[CalPlanning](#)

We are also pursuing several large-scale **growth initiatives** in the following areas:

[Online Strategy](#)

[Richmond Bay Campus](#)

Philanthropy

Research

Unit-level

[Entrepreneurialism](#)

→ OE focus so far

→ Adding to OE in 2013

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Transition for the OE Program Office

We will build on OE to:

- Actively manage **current OE projects** through completion.
- Solicit and manage **new efficiency projects**:
 - Cost control, operational improvement
- Provide a resource to units for **projects that generate net revenue** (after expenses):
 - Enable innovative thinking and try new ideas
 - Provide technical assistance

QUESTIONS?

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THANK YOU!

Operational Excellence

A stylized logo consisting of overlapping white lines forming a circular shape on the left and a rectangular shape on the right, set against a dark orange background.