Approach to Evaluating Your Institution's Service Delivery Model

William Bonner, Matt Fiorino, Vivek Cherian, Allison Philabaum Shah

The Importance Of Service Delivery Evaluation

As higher education institutions are met with unprecedented restrictions to their budget models, and as the demand for increasingly diverse offerings increases, even the most prestigious of institutions are thrust into an uncomfortable period of reevaluation. Considering and analyzing alternative service offerings is becoming essential to institutional survival, all while working carefully not to put an administration at odds with campus constituents (faculty, staff, and students). As such, institutions are increasingly turning to their service delivery models in an attempt to identify new methods of providing quality at reduced administrative costs. **The organization's service delivery model is defined** as the **overall approach used to deliver administrative support to further the missions of the institution**. It includes the people, processes, technology and organizing principles of the support units—whether those are centralized, shared, or local.

Many institutions have begun this process by examining service delivery models that maintain flexibility at a local level (campus or department), but consolidate their administrative expertise into a more centralized model. This approach allows them to respond quickly to the needs of their departments while providing a standardized set of services across the institution. Many services that run across the institution—functions such as finance and accounting,

At a Glance
Huron's Approach to Evaluating Service Delivery

· Our five phase service delivery evaluation methodology.

Evaluating the Need for Shared Services in Higher Education

· Huron's service delivery evaluation methodology

This White Paper Addresses
Phase 1: Plan

· Build the framework

· Develop a communit

Phase 2: Evaluate

· Understand selection criteria and the available service delivery models

· Select a model

· Go/no-go decisio

Phase 3: Design

· Target institutional drivers

· Design future state

· Look towards implementation

human resources, information technology, research administration, and payroll—share transactional

similarities, and may benefit from closer coordination and centralization of these processes.

This idea of sharing expertise in similar areas, and thus providing enhanced service delivery, is commonly known as the shared service delivery model. Shared services are an alternate approach to service delivery that many institutions have increasingly chosen to design and deploy in order to achieve economies of scale and increase consistency with regard to the transactional items that occur within the connected business units of an institution.

Complexities and Misconceptions of Shared Service Delivery Models

Shared services as a concept has endured a long and complicated reputation in higher education, representing to some the difficulties of attaining efficiencies across a decentralized institution. In these scenarios, it is depicted as a one-size-fits-all solution—lacking the flexibility and adaptability the industry demands. In fact, a poorly planned approach to shared services may lead to increased implementation costs, complications in service offerings, and minor realization of the true benefits the organization originally desired. However, by following a structured approach to evaluating an institution's current organizational model, business practices and technology, and aligning the model with the institution's culture, mission, and goals, a desired service delivery model can be successfully implemented. At a minimum, this requires:

1. **Establishing a Business Case:** This outlines the reasoning and the expected benefits

from the transition up front, then measures progress against the initial benefits after an implementation. This progress should be measured through a designed set metrics, which will be discussed later in greater detail.

2. **Developing a Vision for the Transition:** It is critically important to articulate the goals and objectives associated with evaluating the service delivery model of the university. This aligning factor is less about deploying a shared services model, and more about shaping the overall strategic direction.

Prior to implementing shared services, an organization must properly plan for success, evaluate the current state of their institution, and effectively leverage this information to design for the future. This paper will discuss Huron's approach to planning, evaluating, and designing shared services, and the key activities involved in tackling this critical phase of the transition.

Huron's Approach to Evaluating Service Delivery

Huron's Service Delivery Evaluation Methodology

Through our focus and passion for the higher education industry, Huron has forged a strong reputation for the successful design and deployment of service delivery solutions within a range of diverse environments. Huron's approach focuses on data-driven results within higher education, with an

Service Delivery Optimization Methodology*

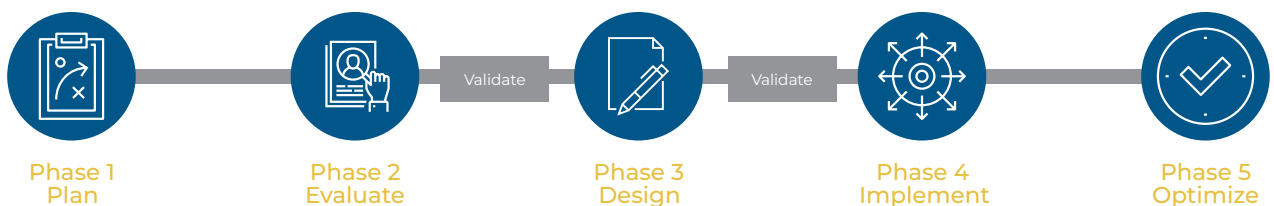| Phase 1 Plan | Phase 2 Evaluate | Validate | Phase 3 Design | Validate | Phase 4 Implement | Phase 5 Optimize |

Figure 1: Huron Methodology: Service Delivery

*This white paper covers Phases 1–3, Phases 4–5 are covered in a separate white paper.

emphasis on change management and stakeholder engagement. A comprehensive five-phase service delivery strategy directly addresses the common challenges encountered within the industry in order to ensure success.*

· **Phase 1: Plan.** Establish project goals, milestones, project governance and communication strategies

· **Phase 2: Evaluate.** Evaluate current state and propose service delivery optimization solutions to inform "go / no-go" decision (Note: Leadership will validate the institution's readiness to move forward. The next phase will not begin until buy-in from leadership to move forward is achieved)

· **Phase 3: Design.** Design future-state service delivery model and implementation plan (Note: Leadership will validate the institution's readiness to move forward. The next phase will not begin until buy-in from leadership to move forward is achieved)

· **Phase 4: Implement.** Provide project management and operational assistance throughout an implementation

· **Phase 5: Optimize.** Ensure the sustainability of project goals and optimal results

Plan, Evaluate, Design

This paper covers sections one through three of our methodology, including: Planning the project goals and governance, assessing the current state model and evaluating a go / no-go decision, and designing the resulting future state service delivery model. Our subsequent paper focuses exclusively on implementation and optimization to round out the Huron Methodology.

Phase 1: Plan

The planning phase aims to achieve three key objectives:

1. Initiate a planning framework and establish project mission and vision, ultimate goals, milestones, and stakeholders

2. Identify a project and process advisory group consisting of key stakeholders and influencers from various institutional business units (both academic and administrative)

3. Identify a community of change agents including: managers, advisors, subject matter experts, and business users

In order to fulfill these objectives, the planning phase must focus on leveraging project sponsors and key institutional stakeholders (e.g., faculty, researchers, staff, and leadership) affected by the transition—including all levels within the organization—to commit to and champion the move towards a new service delivery model. Driving the planning phase will hinge on two main overarching activities, including the development of the planning framework and the establishment of a campus community of change agents focused on driving the transformation.

Build the Framework

An essential piece to successfully planning a project of this scale is laying a solid groundwork rooted in the values and mission of the institution. This phase involves several key steps, covering the spectrum from vision, mission, goal and scope setting, to overall strategy development, and finally, to identify key stakeholders. This section examines the activities and considerations an organization should evaluate while planning a new service delivery model.

First, institutional leadership and project sponsorship should determine the vision, mission, goals and key milestones for the project. Not only should it focus on what the final solution may look like, but what the threshold for the "go or no-go" decision will be (we'll examine this further at the end of the planning section). Determining the affected business units and areas within the institution early may avoid re-examination of scope later on in the lifecycle, which can be both costly and time consuming.

Once goals are identified, a project governance structure should be established, delineating the hierarchy of decision making and thus allowing the project to proceed with minimal interruptions, set pathways for escalation, and an established avenue for issue resolution.

The hierarchies may unofficially exist within the institution currently, however committing those to paper in the form of guiding principles (e.g., project scope) will allow for a more fluid process as the project proceeds.

Finally, the organization may take this time to develop a high-level project plan and overall timeline for the project, with additional detail to be added as the evaluation and design phases continue to build the full picture. Key deliverables of the framework include:

1. **Defining the Project Vision and Mission** allows the institutional leadership and project sponsors to define the overall guiding principles and objectives of the project. The business case for the transition is built prior to the planning phase.

2. **Assessing the Project Scope** allows project management team to establish the specific project outcomes, timeline, key milestones, initial decision hierarchy and overall direction for the project. It also allows project management to initiate communications to the campus community and formally kick off the evaluation of a new service delivery model.

3. **Building a Project Plan** defines initial direction, tasks and activities, and a go forward approach for the evaluation of current service delivery (people, process, technology) and the design of a future state model.

4. **Developing a Communication Plan** allows the project team to send out an engagement announcement from senior leadership to the community, and creates a steady strategy for engaging project stakeholders across the organization.

Building this framework in the leadership space considers only a fraction of high level contingencies sitting between the University and a successful implementation. The next piece comes from drawing in stakeholders from all levels, creating a community of change, and developing a communication plan.

Identify Process Advisory Groups and Project Team

One of the most important aspects of the planning phase is assembling the key personnel that possess the business expertise and organizational influence needed to lead the institutional transformation. These groups—generally referred to as advisory groups—combine campus leaders from functional and technical departments, subject matter experts (SMEs) and department business users to create a future-state that is most beneficial and effective for the organization. University leadership must confirm with the advisory group the goals and scope of their operations, the timeline for the project, and the expectation for communicating and initiating the project kick-off.

The advisory groups are expected to serve several functions in preparation for the evaluation phase, and may vary across several individual units:

1. **The Executive Leadership Team** holds the ultimate decision making authority for the project. Their duties and responsibilities, powers, and other guiding principles are defined in the project plan and other project documentation.

2. **The Advisory Group** may vary in its model, but generally will provide broader input from campus though leaders and other key business users, department and organizational heads, and other change managers.

3. **The Project Management Team** handles day to day execution responsibility for the transition to the new service delivery model—this team will report to the Advisory Group, and occasionally to the Executive Leadership team, as necessary.

Identify Community of Change Agents
Fostering community buy-in is important while working towards any organizational transformation and even more pressing when it comes to deploying a new service delivery model.

For more on shared services, follow **@Huron** for up-to-date webinar, events, and speaking engagements.

To develop a strong community of change agents and develop perspective, organizations should provide outlets (e.g., focus groups, quarterly e-mail communications, and monthly town hall meetings) for feedback to those not directly represented in the advisory group. Identifying change agents and champions can further strengthen the resolve of the organizational community to move forward with the project instead of holding it back. As we now progress into the evaluation phase, change leaders should take time to identify stakeholder interviewees, conduct kick-off meetings, and request relevant data and documents needed to assess the organizations current standing.

Deliverable Checklist: Plan Phase		
Status	**Plan Phase Activities**	**Associated Deliverables**
✓	Build the Framework	• Project scope and guiding principles • High level project plan • High level yimeline • Project kick-off • Communication plan
✓	Identify Sponsorship and Governance Structure	• Executive leadership team (decision authority) • Advisory group (broad input from campus thought leaders) • Project management team (day-to-day execution responsibility)
✓	Identify Community of Change Agents	• Change management • Establish periodic review and feedback process

Phase 2: Evaluate

Following the planning phase, the organization should evaluate their current service offerings to determine what form of delivery may be most effective for the future transition. During this evaluation they should consider both what current service levels should be maintained, and how to expand or consolidate future offerings. Further, the institution should assess what their current state delivery model looks like in order to establish the pertinent issues and needs that the transition should satisfy. During this exercise, it is important to identify and capture the pain points of the institution to assist in the identification of all gaps in the current model. These gaps should be highlighted within the future state.

During the evaluation phase, the organization should look to achieve three key objectives:

1. Understand the factors for selecting a new model, and the models available, and

2. Deliver an assessment, including a selected model and a go/no-go decision, and

3. Begin preparing stakeholders for change

Understand Selection Criteria and the Available Service Delivery Models

The available service delivery models range from highly flexible to wholly integrated, with varying levels of adaptable models in between. As discussed in our previous summary[1], a model should be selected based on the institution's criteria for their future delivery model. The organization should understand how their needs drive model selection: how it fits into the institution, whether it bolsters services that are already exceptional, and whether or not it provides the flexibility to operate effectively. By matching the correct delivery model to an institution's needs, services can benefit from best practices, increased service delivery, expertise in transactional activities, improved compliance and ultimately cost savings.

For our purposes, we'll examine three main models: the Single Center Model, the Multiple "Regional" Networked Centers Model, and the Unit-based Service Model.

In the **Single Center Model,** staff is organized into a central office responsible for policy-setting, training and auditing. The "Shared Services Center" is the processing and customer facing entity, and requires a fully vetted service level agreement and significant

Figure 2: Shared Service Delivery Models

investments in self- service at the unit level. The benefit to this initial cost is the fully developed specializations on transactional processes by staff, increased standardization of processes and delivery, and reduced audit findings.

In the **Multiple "Regional" Networked Centers Model** staff are organized into a Shared Services Center, but are individually assigned to specific departments to support the local operations. The benefit to this approach is that the relationship with the units and departments is maintained as the staff members will remain embedded. Service delivery should also be improved through standardization of processes, and a clear and enforceable Service Level Agreement is required to understand how staff is actually structured.

In the **Unit-based Service Model,** staff members at the unit level are organized around functional tasks, potentially serving multiple departments rather than being used part-time to fulfil those same needs for the individual units they operate within. This preserves the flexibility and responsiveness to the unit, while improving policy and process consistency across the institution. The drawback from a centralized model is that the staff members are still disparate, and it limits the specialization they can achieve.

Key deliverables and activities of this review include:

1. **Evaluating organizational metrics** supports identification of best practices or "bright spots" and issues or "pain points" within the institution.

   – This evaluation may include gathering metrics through information requests, performing quantitative analysis internal benchmarking,

and conducting interviews, surveys and workshops with faculty, staff, and leadership to understand current state.

   – The evaluation should also consider evaluating metrics on the current use of information technology and software solutions to support service delivery

2. **Conducting an impact analysis** by developing recommendations based on the metrics and information collected in step one. Leadership will evaluate the impact of the recommendation and institutional readiness for change.

Though organizations may find these models as a solid ground for building the framework for an updated delivery model, no one institution is limited to the choices above. Institutions may adopt any one of the three, or a hybrid model, based on their specific needs and circumstances driving the transition.

Select a Model

After developing an understanding of the current state metrics, impact analysis and models available to the institution, the Advisory Group should begin the process of selecting a new model. While evaluating the options, the organization should consider vision, mission and guiding principles established by the project sponsors and evaluate what criteria are essential to the new model, including taking a hard look at the impact it will have on the governance and organizational structures, faculty flexibility, staffing, and current technology portfolio. Periodic check-ins with the Executive Leadership Team is essential to confirming the overall direction of the project.

During the selection process, leadership should consider the effects of their resolution, including:

1. **How closely does the current service delivery model fit to the proposed model?** Leadership will need to balance the institution's needs with the realities of the current operating model. Moving from a disparate to centralized model,

or vice versa, can be a significant challenge from a change management perspective. Institutions should weigh the impact of such a move with the best information available and may ultimately choose to move to a delivery model that is more traditional, rather than force a complete change in current operations.

2. **Do the skill sets and expertise currently exist to support the change?** If there are no resources available with expertise in working in a centralized model, moving towards such a format may prove costly. However the organization ultimately decides to proceed, understanding the financial implications of the selected model are imperative

3. **Does the current technology support the change?** If the current technology portfolio is antiquated or in need of modifications, assessing available system options should be a key consideration of the selection process.

Ultimately, it will be the current-state assessment of the institution, overall vision and mission set by leadership, and appetite for change that will provide insight into which model is the right fit. Not only will the evaluation identify gaps in current performance, it will also develop insight into existing opportunities for improvement.

Go/No-Go Decision

Finally, the project team should complete and deliver their evaluation report outlining the full assessment of the current state, and recommend the future state service delivery model they feel is right for the organization.

Leveraging the advisory group, stakeholder input, and any other pertinent inputs created during the design and evaluation phases, a final recommendation should be made to the Executive Leadership Team: Is the institution ready to proceed with the recommended future state design and resulting implementation? This is the go/no-go decision, a key point in the evolution of an organization's service delivery model. At this point, the institution should be in a position to determine

not only what model best suits its needs and mission, but whether or not changing the service delivery model will be beneficial in the long-run. A go forward decision exhibits an organizational willingness to embrace change, and begin to design and implement the new service delivery model.

Deliverable Checklist: Evaluate Phase		
Status	**Evaluate Phase Activities**	**Associated Deliverables**
✓	Understand Selection Criteria and Available Models	• Organizational metrics • Surveys and benchmarking • Impact analysis recommendations
✓	Select a Model	• Evaluate service delivery model (current vs. future) • Evaluate resources for transition
✓	Go/No-go Decision	• Evaluation report (current state assessment) • Recommended ruture state model • Go / no-go decision (executive leadership team)

Phase 3: Design

Having made the decision to proceed with a new service delivery model for the institution, the project should turn towards the design of the future state. Here, the current state evaluation is utilized as the basis for creating the new service delivery model, leveraging the strengths and weaknesses identified during the assessment. Knowledge developed during the evaluation should be used to design, or redesign, the institution's service delivery using the selected model by enhancing existing capabilities and bolstering existing pain points.

The Advisory Group typically remains intact to guide the organization through design and should utilize other stakeholder working groups, task forces

and leadership as necessary. Broad stakeholder involvement from all aspects of the organization, constant communication between the advisory group, campus stakeholders and change agents, and continual information gathering and education is imperative for a successful implementation. During the design phase, the organization should look to accomplish several key objectives:

1. Complete design sessions with a broad cross section of stakeholders, focusing on those currently engaged in the work, any applicable task forces, and other stakeholders, leveraging the community of change developed during the planning phase (discuss pain points, needs, desires, and technology)

2. Design the future state service delivery model, including governance model, organizational structure, and business processes

3. Establish a draft implementation plan and Key Performance Indicators (KPIs) to measure future state effectiveness

Target Institutional Drivers

Due to the collaborative format of the design phase, a large volume of campus stakeholders (e.g., administrative leadership, deans and department heads, faculty and student advisory) must be involved in the process. To bring this large group together, the University should plan a series of discussion sessions to discuss the guiding principles and drivers that shape the future state, and consider how the organization will shift people, processes, and technology. During this process, the advisory group should organize the key stakeholders into task forces (or other committees) focused on a specific business area, which they are responsible for driving forward during design. These discussions should cover topics related to the future state organizational design: current pain points that the organization wishes to address, their needs and ultimate desires that the future state will provide, and a solution in terms of the appropriate technology portfolio (whether that's part of the current mix, or requires implementing additional applications).

Current State Focus. As part of the design discussions, stakeholders should discuss the current pain points that served as part of the original driver for the transition and how these can be used to design the future state. As each institution is unique in how they operate, so too are the gaps in their current service delivery models. Though Universities must recognize their own distinctive challenges, understanding the concerns of their peer organizations serves as a solid starting point to this discussion. Some common challenges may include excessive lag in service delivery, outdated policies, inefficient or lack of technology, lack of accountability and ownership of processes, and redundant responsibilities across departments.

Future State Focus. After addressing the pertinent pain points for the new design, the group should turn focus to other needs and desires (e.g., automating processes, expanding service delivery). Depending on the volume and timeline of the changes, each institution may have more or less ability to address these additional improvements in service delivery. From addressing the highest level needs of the institution, to the more granular needs of the individuals and departments, the organization should make the tough decisions here to decide what will be part of the new design, and what may have to wait for the optimization phase[2].

Evaluating Technology. Finally, as part of the discussion sessions the organization should review their current technology portfolio and decide whether the current mix fully supports their desired delivery model. Though the actual alignment of the technology may come at a later stage, whether during design or implementation, the strategy and decision to support this future effort should be addressed during the initial design. Software selection can be a long and exhaustive process, so starting the discussion at this point would benefit the process down the line.

Design the Future State
As an organization begins building the project charter, the next portion of the future state design involves turning a critical eye to the existing organizational structure to determine its readiness for the

transformative process. Several things must be kept in mind when looking at how the structure is designed. First, depending on the current state of an institution's structure, new offices (e.g., central office, shared office pods) and positions may need to be created.

Designs and redesigns commonly solidify control of particular processes and services to individuals and clarify the reporting structures, creating these new positions, or significant changes to the existing positions, as necessary. It will be imperative to clearly state responsibilities of all positions, both new and existing, as well as invest in training to prevent management or departments from deviating from the project's mission.

Second, an organization should turn their focus to redesigning the functional and technical business process to align with the new service delivery model. As previously mentioned, input will need to be gathered from all areas of the institution to determine the strengths and weaknesses of the current model, and determine the key differences the new model provides. Business processes should be designed around the key differences, and should drive training and change management activities down the road.

The transition to the new service delivery model will affect a wide variety of processes, from the actual delivery of the service, to the day-to-day business users that are impacted. A full review of all processes will ensure a smooth transition to the pilot and deployment of these processes. As with the approach to the future state design, the design of the future state business processes should be a collaborative effort and includes several key deliverables:

1. **Creating a Project Charter** helps leadership and business users understand the assumptions, scope, and approval structure as it exists in the new service delivery model

2. **Establishing a Service Level Agreement (SLA)** clearly identifies the scope of services and customer service level that the shared service center intends to provide to campus or location entities. Specifically, the SLA

> Subscribe to our monthly Future of Higher Education newsletter for a compendium of the industry's compelling and innovative thinking.

may further define the service components, performance expectations, performance metrics, and oversight for the new delivery model

3. **Designing a New/Updated Governance Model** assists leadership and business users in defining transparent ownership as the transition to the new model progresses. The governance model may cover such items as authorities, powers and purpose, membership, voting and escalation processes, and other items related to future state governance at various committee or organizational levels

4. **Developing a Roles and Responsibility Matrix** allows leadership and business users to understand their role in the future state, and where they should begin to fill in the gaps in resources

5. **Mapping and Identifying Current State Business Processes** allows the project team to better understand gaps and changes in the current model and identifies where changes should be made in the future state design

6. **Building Future State Business Processes** allows business users to understand how their day to day operations will change following the implementation of the new model

Look Towards Implementation

Once the design of the future state is developed and finalized, the organization should address a number of items in preparation for phases four and five of the implementation.

First, quantifying proposed process efficiencies and service delivery improvements is a key component of transition, and performance metrics provides a powerful tool of measurement. In order to perform this type of analysis, a list of key performance

indicators (KPI) may be developed before the assessment launches to measure progress during implementation and beyond. Some high-level KPIs may cover: volume of transactions/service requests passing through the system, volume and processing time of service requests, and number of customers served (and timing). The institution should work to create KPIs that measure progress key to their stakeholders, and meet their definition of success.

Second, the organization should develop an implementation road map. To track progress and manage timelines, it is important to assign clear milestones and desired outcomes for the next two phases. Developing an overall project timeline, and breaking the implementation activities into defined workstreams that can be assigned to individuals or groups may get the designed service delivery model off the ground. The main deliverables involved in preparing for the implementation phase are:

1. **Develop KPIs** to measure future progress towards the new service delivery model, and ensure the organization has reached the definition of success

2. **Create an Implementation Roadmap** to delineate key future milestones and outcomes

Post Design: The Path to Implementation

The concluding white paper to this series, titled "Implementing Shared Services Delivery Models in Higher Education," takes the newly designed delivery model discussed within this paper and moves into proper implementation of the newly designed future state. We will discuss in further detail what tasks and activities, as well as corresponding pitfalls, are involved in implementing and optimizing the new shared service model.

For more information on this topic, contact:

William Bonner, Huron Senior Director
wbonner@huronconsultinggroup.com

Contributors:

Matt Fiorino, Vivek Cherian, and Allison Philabaum Shah

---

1. Cluver, Megan. (2015). "Shared Services: Finding the Right Fit for Higher Ed". Huron Consulting Group.

2. This is discussed in Huron's subsequent white paper titled, "Implementing Shared Service Delivery Models in Higher Education"

HURON

huronconsultinggroup.com

Deliverable Checklist: Design Phase		
Status	**Design Phase Activities**	**Associated Deliverables**
✓	Targeting institutional drivers	· Establish task force · Review pain points, needs, and desires · Assess technology portfolio
✓	Designing the future state	· Create project charter · Create SLA and draft new or updated governance model · Define roles and responsibilities · Document current state and build future state business processes
✓	Looking towards implementation	· Key performance indicators · Implementation roadmap