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Metrics for Research Administration Offices (Part 1)

By Nathan Haines

Research administration units need meaningful information — metrics— to measure and improve outcomes. In this article, the first of two, we will discuss the benefits of developing and implementing metrics. A second article will explain methods for implementing and effectively using metrics. Benefits from the use of metrics include the following:

- Motivate teams to achieve desired outcomes
- Define business processes and responsibilities
- Manage stakeholder expectations
- Monitor the impact of new processes
- Improve decision making and prioritization
- Evaluate staff performance

Motivate Teams to Achieve Desired Outcomes

Research administrators primarily exist to support investigators. However, an ambiguous goal like "improve investigator support" often does not help a team understand what exactly they should do to achieve the goal. By translating the goal into metrics, e.g., "reduce clinical trial agreement execution time by 50% in 2012," personnel can start taking specific actions to achieve the goal of improving investigator support.

Effective support requires teamwork among different administrative functions and between central and departmental administrators. If administrators are not working together as a team, inefficiency and investigator frustration can result. By simply increasing transparency, metrics can trigger positive culture change and improve outcomes. Using metrics to monitor business processes improves accountability so high performers can be recognized and bottlenecks addressed. For example, faster payment of clinical trial invoices is often achieved by instituting a clear process for the tracking and follow-up of accounts receivable.

Define Business Processes and Responsibilities

Implementing metrics requires a determination of what to measure, which, in turn, requires an organization to identify its desired outputs and encourages it to define business processes for delivering them. Defining business processes and measuring performance through the use of metrics helps identify the causes of operational bottlenecks. It is common for organizations to discover that personnel have different understandings of processes, roles and responsibilities.

Manage Stakeholder Expectations

Investigators are often dissatisfied with the support they are receiving based on impressions that a process is not working properly. A common example is account set-up. Upon receipt of an award, many investigators expect an account to appear almost instantly, without recognizing the work required of administrators.

Metrics enable clear communication of process goals and current status to stakeholders. With concrete information, stakeholders can accurately decide whether their needs are being met and have meaningful discussions with process owners. If an institution sets reasonable goals, and those goals are achieved and clearly communicated, customer perception of performance can improve simply through better understanding. For example, compare the following two statements:

> *We understand you are dissatisfied with account set-up timelines. We are working hard to address your concerns.*
>
> *Last year, only 20% of award accounts were set up within five business days. We recently created a new process, and last month 54% met this goal. Our office is continuing to improve this process so 95% of awards meet this goal by year end.*

The second example sets solid measurable goals that clearly set expectations and demonstrate progress.

Monitor the Impact of New Processes

As a new process is implemented, metrics confirm that the change is working, can identify bottlenecks, and can help motivate your team. Here is one example:

> *In 2011, we implemented an account set-up pilot designed to improve processing timelines for unilateral awards and provide a system to record and track bilateral agreements. Metrics allowed us to evaluate and refine the new process and to measure and publish our results. Specifically, unilateral awards that were part of our pilot were finalized in 3.6 days, compared to 18 days under the previous process. These metrics, which translated into an 80% improvement, were the cornerstone of a compelling story of our commitment to streamlining and expediting award processing and irrefutable evidence of the success of this pilot, resulting in increased client satisfaction, internal pride, and office recognition.*
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> Patti Manheim, University of California, Los Angeles, Director of Office for Contracts and Grants Administration

Improve Decision-Making and Prioritization

Metrics provide leadership with insight as to where attention and resources are needed. Concrete information improves decision-making and allows managers to better understand and identify opportunities to improve compliance, financial management, and operational performance.

It is hard to justify an investment in technology, additional staffing, or even business process improvement by saying, "This investment will have a significant return." It is much easier to justify investments with metrics that define important, specific and measurable benefits. An investment might speed study start-up, control staffing costs, reduce billing errors, improve investigator satisfaction, or increase regulatory compliance. With metrics, management can intelligently prioritize investments and then hold personnel accountable for delivering the benefits.

Evaluate Staff Performance

Metrics allow leadership to objectively track staff contributions both individually and collectively against operational goals. Without metrics, performance assessments can be subjective, based on random impressions, and prone to politics. With metrics, personnel know their assessments are objective, why they are receiving their assessments, and how to improve them.

A Comparison

To more fully paint the picture, let's compare the research finance offices of two institutions: Alpha and Beta.

Alpha has been operating in the same "business as usual" manner for the past six years. Management and staff are both frustrated with the office's performance. Many of the delays are blamed on people outside the office. Large backlogs exist, and work product is often delivered late. Within the office, cliques and long-running disputes pervade the work environment, and managers do not enjoy much respect. Office and individual employee performance is not measured in any meaningful quantitative or even qualitative way. Investigators and institutional executives speak negatively of the office.

In contrast, Beta exemplifies a collaborative work environment. Management and staff say they feel challenged in their daily roles and stimulated by working with their colleagues to deliver high and improving levels of service. Teams have replaced cliques and there is a clear sense of camaraderie. Fact-based discussions focus on solving current problems and improving processes. There are no backlogs to speak of. Managers enjoy the respect of supervisors, subordinates and colleagues. Work product is usually delivered on time. Performance is measured with quantitative and useful metrics. Employees believe that their managers understand their challenges and help them achieve their career goals. Investigators and institutional executives speak highly of the office.

The above scenarios actually describe a real-world example of the same office, before and after leadership implemented a process for tracking key operational metrics.

> *When I arrived at UCLA in 2009, annual employee turnover in our post-award office was close to 25%. The office had significant backlogs in many areas, and customer complaints were numerous. This office has undergone a complete turnaround as a result of new leadership, improved business processes and the hard work of dedicated staff. Within one year, on-time submission of financial reports improved more than 50%. Financial report and invoice backlogs decreased 51% and 72%, respectively. This was achieved without increasing FTEs during a period of time when volume increased 18%. The invoice backlog reduction alone improved unbilled receivables by $35 million. Creating a monthly metrics report at the onset of our efforts allowed us to track progress, validate the effectiveness of process changes, and celebrate our successes along the way. We have worked hard to create an environment within research administration in which employees strive for excellent performance, benefit from opportunities to learn and grow, and have fun.*
>
> Marcia Smith, University of California, Los Angeles, Associate Vice Chancellor for Research

As exemplified here, this institution employed metrics to effect a dramatic transformation in performance and customer satisfaction.

What Should You Do?

If your institution sounds similar to Alpha and Beta sounds attractive, you have already taken the first step toward employing metrics as an effective management tool. Next, assess your institution's current use of metrics. Typically, one of the following three categories will apply:

- **Metrics are not used at all.** We think we could perform better, but we have no way to objectively measure our performance. To get a sense of our performance levels, we rely on anecdotal feedback (usually complaints) from customers.

- **Metrics are tracked.** However, collecting data and reporting metrics is burdensome and time consuming. Results would be more useful if they arrived sooner, so metrics get less attention than they should. It is not clear how the metrics are calculated or how management uses them, if at all.
- **Metrics are employed effectively.** Metrics are meaningful, timely, efficiently gathered, and used by all personnel to track performance against their goals. We know where and how to improve performance. In these areas, goals that are specific and measurable have been established and shared. Leadership skillfully uses metrics with customers to improve accountability and manage expectations.

The second article in this series will delve into specific lessons and issues related to metrics, illustrated with real-life examples and more in-depth data analysis.

Author

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