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New models for research administration in an Academic Medical Center (AMC)
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Shared services center overview

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Shared service model goals

- Create a central level business office to allow college business officers ability to focus on higher level work (strategy).
- Produce better data to increase the reporting capability and access to enhance business decisions (to serve our customers), through standardized work, succession management/cross training, workflow access, consumer education, risk mitigation and high quality assurance focus.
- Find efficiencies through reduction of re-working of business processes and potentially realize FTE savings.
- Achieve improved services to faculty and students/learners.
- Transactional office – no authority/control lost by college.

Higher education/AMCs and shared services

- Universities/Academic Medical Centers are looking to create efficient operations, eliminating redundancies, creating standardized processes, and creating specialist in functional areas.
- Organizations are trying to find ways to invest in the missions (education, research, clinical, public service) and some are "shifting" cost savings in administration to the academic/research/clinical activities.
- Organizations like Cornell University, Emory University, University of New Hampshire, University of Minnesota, and more are moving toward some form of shared service centers.
- Presentations at major business officers meetings have 350+ people attending the sessions on shared service models.

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Key strategic benefits of a shared service center

- Flexibility and scalability – provides a flexible and scalable model according to business needs.
- Process quality and standardization – achieves better quality through common, consistent processes within organization.
- Business focus – frees up the resources to focus on core business and activities.
- Customer service focus – promotes customer focused approach and enables high quality service.
- Transactional based – create Subject Matter Experts (SME)
- Improved efficiency – reduce number of touchpoints
- Cost savings – may represent a reduction in costs, depending on the design of the service center
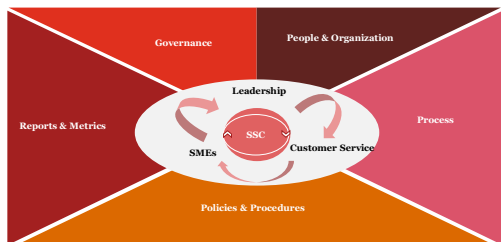
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Shared service center components

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Emory University

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There is a need for change

- Thanks to the great work of our faculty, Emory's **research funding activity has grown** dramatically.
- However, the **administrative practices** and organization of labor to support research have not developed at the same pace and thus are **not as effective as they need to be or can be.**
- Given the **continued growth in research** and the urgent **need to improve the cost effectiveness** of administrative support, there is strong agreement among senior leadership that we **need to change the current model.**

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What we heard – Opportunities for improvement in research administration

Roles & responsibilities	Structure	Communication
• Unclear roles & responsibilities resulting in limited accountability	• Fragmented and siloed; multiple, distinct operating units • High variability in support provided to PIs	• Unclear or lack of communication across silos • Multiple, uncoordinated communication channels

People	Processes	Systems
• Inconsistencies in staff knowledge, competencies, and focus on research administration	• Some processes are inefficient (duplication, multiple touchpoints) • Some processes are not standardized across units • Limited process transparency • Specific "pain" surrounding certain processes (e.g., award set-up, invoicing, financial status reports)	• Compass grants module can be challenging to work with • Data in Compass not always accurate • Compass reports are not meeting needs • Multiple IT systems that do not communicate with each other

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Expected benefits

- Enable Emory to significantly **improve the services, performance, satisfaction, and cost effectiveness** of the work required to support a top tier, vibrant research institution.
- **Improve the quality and level of** research administration **service** to principal investigators.
- **Decrease the time** it takes to accomplish research administration activities.
- **Improve the capabilities** of research administrators, **create career paths**, and recruit, develop, and retain high quality personnel.
- **Improve cost effectiveness** and economics of research administration activities by reducing fragmentation, inconsistency, redundancy, rework, and overall complexity and improving invoicing and collection cycle.
- **Effectively support** the increasingly complex research **compliance environment.**

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Research administration shared services implementation project involves

- Developing a **model for a research administration shared service centers** at Emory, including:
  - Defining **roles and responsibilities**
  - Determining **staff roles, skills** needed, and **job descriptions**
  - Develop **Standard Operating Procedures (SOPs)**
  - Developing **performance agreements** (between service centers and faculty/departments; between service centers and central offices)
- **Piloting two shared service centers** (one in RSPH and one serving multiple departments in the SOM) and **evaluating pilot success**
- Developing a **campus-wide tactical roll-out plan**
- We expect these phases to **last approximately 1 year**; The next phase will constitute a broader campus roll-out, taking another 1 to 2 years.
- Business Practice Improvement **(BPI) is leading** and working with PricewaterhouseCoopers (PwC) in this effort

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Vision – What a shared service center looks like

- A **locally-based team providing high quality research administration services** to a group of divisions, departments, units, or schools
  - Estimated 8-12 shared service centers across campus
- Clearly **defined Roles & Responsibilities**
  - Roles & Responsibilities could include those that today exist at the department/division, school/unit, and or central offices (see next slide)
- **Standardized and streamlined processes** (with written Operating Procedures)
- All **stakeholders held accountable for performance** (metrics regularly used to track performance)
- Staff positions filled by **knowledgeable, competent staff** focused solely on research administration
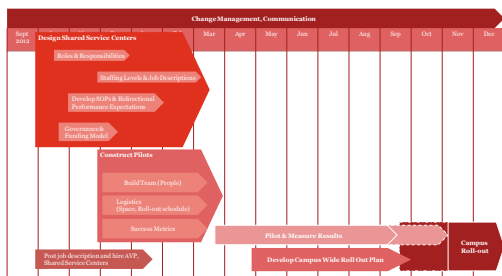
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The need at Emory

Why are we doing this?	• High variability in the quantity and quality of support provided to PIs
	• Inconsistent communication across departments/schools/central
	• Improve the effectiveness of research administration by reducing fragmentation, inconsistency, redundancy, rework, and overall complexity
What are we doing?	• Develop "blueprint" (including detailed mapping of all roles and responsibilities, determining skills needed, performance metrics, etc.) for research administration shared service centers across the campus
	• Pilot two shared service centers
	– School of Public Health
	– School of Medicine (departments TBD)
	• Plan and launch campus-wide roll out
	• Significant input from schools, staff, and faculty during entire process
What do we want to accomplish?	• High levels of support for PIs
	• Increase efficiency and cost effectiveness
	• Clear roles & responsibilities and accountability
	• Streamlined and standardized processes, as practical
How long will it take?	• See next slide

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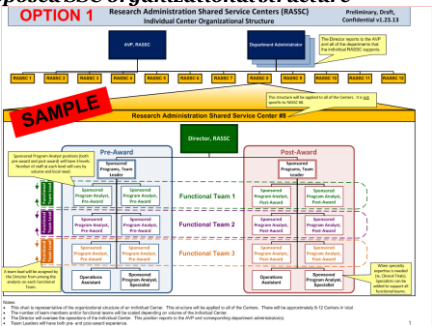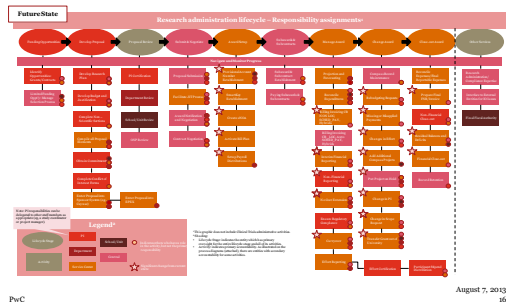
Design and Pilot SSC timeline

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Proposed SSC organizational structure

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Roles & Responsibilities assignments

Challenges and expectations

- **Preparation for Pilot**
  - Having all of the SOPs, PeopleSoft Job Aids, Training, etc. ready for the pilot.
- **Managing Fear**
  - Staff (central and non-central) are concerned about their future and what we will look like. We can answer some of their questions but cannot answer many of them.
- **Managing the Workload on Managers**
  - This implementation demands significant attention from central research administration managers and other staff within the University. All of these individuals have "real" full time jobs and we have a number of other large projects going on at Emory. Managing competing priorities is a large challenge.

Challenges and expectations, Current status

- **Development of Training Materials and Program**
  - This is a very large project (and is again pulling from the managers in central offices).
- **Transition of Staff**
  - Many staff are and will be relocated to new working environments and responsibilities.
- **Staff Adjustment to New Tasks**
  - Some have been very surprised by the complexity of tasks that were formerly assigned fully to central offices.

Challenges and expectations, Current status

- **Managing Risks**
  - Like any large structural change, this one has ups and downs. University's don't "have patience" and, the reality is, mistakes can cost money in a variety of ways.
- **Developing Monitoring Program**
  - Identifying ways to monitor what is being handled by pilot and catch transactional errors.
- **Development of New Reports Necessary to Work in New World**
  - Many management, exception and other reports were designed to support central office needs. Reporting needs have now changed.

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Challenges and expectations, Current status

- **Defining new central Pre and Post Award Offices**
  - With tasks moving to service centers and the central offices becoming more responsible for oversight in some areas, it is necessary to redefine what these Offices look like.
- **Communicating Change**
  - It is critical to communicate the changes regularly in a manner which will minimize stress and emphasizes that we are prepared and organized for this change.
- **Responding to Researcher Concerns**
  - It was expected that when some of their local staff was relocated, some would express concerns. Some of this has begun.

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University of Kentucky College of Medicine

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Research operation overview

The College of Medicine research enterprise includes 33 departments/centers. On an annual basis, approximately 1,090 proposals were submitted to external grants agencies, and 1,070 research accounts were active to manage the research grants.

Departments/Centers*	Total
# of Proposals	1,090
# of Active Research Accounts	1,070
# of Departments	33

* Centers include Rural Kentucky Healthcare (7H060)
Data Source: Research Administration office

COM – Research administration assessment

Project Scope

- University of Kentucky COM and associated departments/divisions are undertaking an analysis of their research administration functions in an effort to identify opportunities for facilitation of regulatory compliance, enhanced efficiencies, standardization, and cost improvements.

Approach

- Performed Activity Analysis for staff in 33 departments, centers, and College Grants Officers
- Completed 25 interviews with faculty and staff, representing 23 departments and centers
- Conducted faculty online surveys and 3 open forums for faculty (for feedback)
- Conducted 2 roundtable discussions with pre- and post-award staff
- Performed workload benchmarking analysis
- Proposed and validated alternative research administration structures

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Activity analysis results

Activity Analysis consisting of research administration functions were conducted with all the basic science, clinical departments, centers and COM central office. The total research administration effort is estimated at 116.2 FTEs.

Departments/Centers	Pre award FTEs	Post award FTEs**	Other RA FTEs	Total RA FTEs
Basic Science	6.31	19.97	6.66	32.95
Clinical	10.45	15.94	16.03	42.42
Centers*	7.00	14.41	15.41	36.82
Admin	2.55	0.90	0.55	4.0
Total	26.31	51.23	38.66	116.20
Average Salary	$52K	$42K	$46K	$46K
Total Salary	$1,368K	$2,152K	$1,778K	$5,298K
Salary & Benefits @ 25%	$1,710K	$2,690K	$2,223K	$6,623K

Data Source: COM Activity Analysis completed by department administrators; Research Administration office; EBA FY12

Benchmarking analysis results

Based on current research volume (i.e., number of proposals and active research accounts), industry benchmarks and UK internal workload targets, approximately 18.64 FTEs, or 16% of research administration FTEs, can be saved. Using average salaries for each function, the saving is estimated at approximately $1.1 million.

Activities	Volume	FTE target	FTE reduction	Potential savings (Avg. Salary + Benefits @ 25%)	Performance target/Benchmarks	Source
Pre-Award	1,090 Proposals	16.77	9.54	$620K	65 Grants/FTE	SRA/NACUBO Survey
Post-Award	1,070 Active Research Accts	26.75	3.30	$173K	40 Accts/FTE	UK Internal Workload Target
Procurement – Admin*		13.38	0	0	80 Procard Accts/FTE	
Other Research Admin (see next page)		32.86	5.80	$333K	Gain 15% efficiency	Industry Experience
Total		89.76	18.64	$1,126K		

* Based on job titles, procurement activities performed by research positions (9.46 FTEs) were excluded from the benchmarking analysis
Procurement FTE (11.72) was lower than target (13.38) by 1.65, in the table, FTE reduction was rounded to 0.

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## *Activities to be performed by the shared service unit*

Category	Survey function
Pre-Award	Proposal/Budget Development
	eIAF Review, Tracking, and Follow-up
	Progress Report Review/JIT
Post-Award	Receipt of PADRs/File Establishment
	Dept. Ledger Set-up
	WBS Reconciliation/Encumbrances
	Procurement
	Flag issues
Other Research Administration	Faculty & Staff Training
	Travel Reimbursement Review
	Other Miscellaneous Research Administration Activities

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Placeholder for title
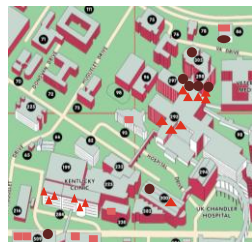
Basic science	Clinical	Centers
Anatomy	Anesthesiology	CVRC
Microbiology	Emergency Medicine	CDAR
Pharmacology	Family Medicine	Center on Aging
Physiology	Internal Medicine	Markey Cancer
Biochemistry	Neurology	SC&BIRC
Behavioral Science	Neurosurgery	Area Health Education
Nutritional Sciences	Ob/Gyn	Telemedicine
Toxicology	Ophthalmology	Rural Health
	Orthopedic Surgery	
	Pathology	
	Pediatrics	
	Physical Medicine & Rehab	
	Psychiatry	
	Radiation Medicine	
	Radiology	
	Surgery	

● Basic Science   ▲ Clinical Department   ■ Center

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Structured implemented
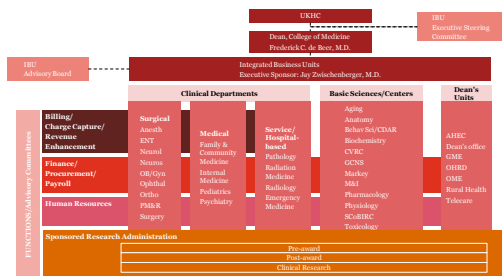
UK college of medicine – IBU structure

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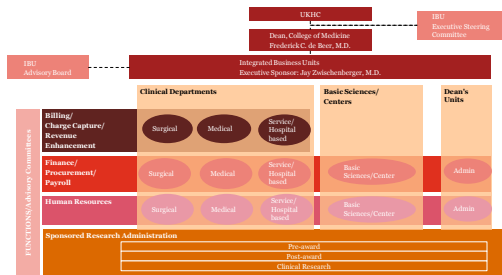
Sponsored research administration integrated business unit

	IBU Manager 48		
Proposal Development 44-46	Account Management 42-43	Account Reconciliation 39-40	Admin Asst/Runner TBD

• Manages process from beginning to end	• Account Troubleshooting	• Account Reconciliation	• Runner
• Downloads Packet	• Problem Resolution	• Document management	• Manage calendar for: Meetings Trainings
• Fills out administrative forms	• PADR review & compliance		• Submission Deadlines
• Prepares the budget	• PRD/PO approval		• Fac/Staff Certification tracking
• Initiates eIAF	• Identify CAS items		• Front Office needs
• Tracks progress of proposal and eIAF	• Request rebudgets as necessary		• Admin support
• Understands and intreprets sponsor & university policy compliance	• Journal Vouchers		
	• Account Forecasting		
	• FSR review		
	• Initiate Subcontract form		
	• Account closeout review		

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Transitioning from pilots to implementation

Reorganization Process

- Identify appropriate staffing for new IBUs
- Identify the appropriate staffing adjustments in department
- Communicate plan with staff who could be potentially affected
- Post the IBU positions and any new department positions
- Make hiring selections
- Conduct formal notification of affected employees of position eliminations/attrition

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Lessons learned through opening

1	Pilot (opened in Spring 2012) included Anatomy, Microbiology, Pharmacology, and Physiology Departments, with high cost savings calculated
2	Focus on efficiencies and service. Service is the selling point for faculty.
3	Start with your strongest leaders and staff.
4	Be patient and adapt.
5	Must have senior academic leader as Champion – critical for buy-in with chairs and chiefs and deans (of colleges/schools)
6	Without reorganizations back in departments (further create efficiencies) shared services will not create institutional savings
7	Cannot permit departments/center/divisions to "opt-out" – must be a strategic decision for the entire organization
8	Academic leadership and voice must be visible for project (open forum and communications)

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Research administration next steps

1. Official opening of the unit, move, transition of staff, logistics
2. Reviewing SOPs Processes in place to see how they are working, need to be adjusted, etc.
3. Work with departments and central offices on processes and how to further improve services, technology, processes, and develop SLAs
4. Review, adjust, communicate

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Challenges and expectations

- Space
- Financing of the unit(s)
- Organizational Structure
  - Reporting lines
  - Service level agreements
- People
  - Job descriptions
  - Standard operating procedures
  - FTE
- Quality Control
  - Metrics

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Challenges and expectations

Department Aftermath
Loss of employees
vs.
Loss of functions
Transition planning...

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Challenges and expectations

- Get the right people in the right roles (most importantly – the Leader)
- Clearly define expectations (functions, processes, & output)
- Monitor
- Adapt – changing culture is not easy
- Communicate, communicate, communicate

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