Service Provider Staffing & Turnover	STAGE	Prioritization

PROPOSAL OVERVIEW

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Problem Statement	According to CUPA and O*net benchmarks, MSU staff are significantly underpaid. Central and distributed administrative functions experience high rates of turnover because of issues such as low pay and heavy workloads. High turnover costs the institution time and effort in training new hires and adversely affects customer satisfaction and efficiency.
Proposed Solution	Assign a project team of qualified staff working with external consultants as needed to develop a long-range staffing plan for functional areas across the university, including a classification and compensation review with researched salary information to verify or establish new norms for salary basis consistent with the goals of the MSU strategic plan.
Key Performance Indicators or Outcome Measures	Central functions staffed at average levels in comparison to benchmarks Reduced turnover Increases service provider job satisfaction
General Time & Effort Required	MEDIUM. Exact figures to be determined in Design phase. Time and effort of project team with external consultant costs as needed.
Alternative Solutions	Establish an administrative council of central and distributed staff to guide operations such as training, staffing, standardized processes.

ALIGNMENT

Data Support	☐ Surveys	☑ Focus Groups	☑ Professional Expertise	
Initiative Objectives	☑ Operational Efficiency	☑ Employee Satisfaction		

Departments Served

☑ Academic Depts	☑ Agencies	☑ Fin & Acct Central	☑ HR Central
☑ IT Central	☑ Purchasing Central	☑ Sponsored Programs	☐ University Comm

Constituents Served

☑ Service Users	☐ <100	☐ 100-500	☑ >500
☑ Service Providers	☐ <100	☑ 100-500	☐ >500

Problems Addressed

☐ Paper process	☑ Customer service	☐ Central/Dist model	☐ Lack of integration	☑ Comm/Coord
☐ Redundancy	☑ Staff expertise	☑ Staff capacity	☐ Allocation/prioritization	☑ Compensation

Processes / Services Addressed

☑ HR Recruiting	☑ Purchasing	☑ IT Support	☑ Sponsored Programs	☑ Web Dev & Content
☑ BPAs	☑ Budget/Finance	☑ EPAFs/Payroll	☐ IT Governance	☐ Employee Relations

COST-EFFECTIVENESS

A cost-benefit analysis was not conducted because the project is less defined and therefore not easily quantifiable.

Upfront Real Cost	$ -	**Upfront T&E Cost**	$ -
Ongoing Annual Cost	$ -	**Ongoing Annual T&E Cost**	$ -
Benefits	☐ Cash Savings ☐ Incr. capacity	**Estimated New Net**	$ -

COMMENTS AND RECOMMENDATIONS

Alignment Rating	0%	**Cost-Effectiveness Rating**	0%	**Probability of Success Rating**	0%

Service Provider Staffing & Turnover

REF	CATEGORY	FACTOR	METRIC	VALUE
ALIGNMENT				
A.1	Institutional:	Mission	Outcome aligns directly to support of MSU discovery, creativity, service mission.	0
A.2	Initiative:	Increased efficiency	Outcome results in optimized process, productivity, and throughput.	0
A.3	Initiative:	Improved satisfaction	Outcome results in improved employee job satisfaction.	0
A.4	Scope:	Horizontal problems	Outcome addresses all the identified horizontal problems of the organization	0
A.5	Scope:	Processes/services	Outcome addresses all the identified process or service problems	0
A.6	Scope:	Functional areas	Outcome addresses all of the functional area departments in the initiative scope	0
A.7	Constituents:	Constituent reach	Outcome directly addresses deepest identified constituent needs.	0
A.8	Constituents:	Constituent span	Outcome directly addresses needs of the widest number of constituents.	0
COST-EFFECTIVENESS				
C.1	Cost:	Ongoing	Ongoing cost is minimal or none.	0
C.2	Cost:	Upfront	Upfront cost is minimal or none.	0
C.3	Fiscal:	Cost Savings	Outcome reduces cash outflow.	0
C.4	Functional:	Time Savings	Outcome reduces time on process.	0
C.5	Opportunity:	Resource Availability	Necessary FTE and other resources are available and underutilized.	0
C.6	Opportunity:	Alternatives Availability	Time & effort cannot be better spent on any possible alternative.	0
PROBABILITY OF SUCCESS				
P.1	Institutional:	Critical Success Factors	CSFs are achievable with a high probability of occurring easily.	0
P.2	Institutional:	Funding Availability	Upfront and ongoing funding is sufficient for the life of the project.	0
P.3	Institutional:	Cultural willingness	The institutional culture is ready and willing to adopt this solution over alternatives.	0
P.4	Planning:	Training	Training needed is minimal and has been adequately planned for.	0
P.5	Planning:	Measurement	Outcome performance is measurable and will be reported.	0
P.6	Planning:	Stakeholders	Stakeholders are identified; expectations are reasonable and manageable.	0
P.7	Scope:	Complexity	Complexity is minimal; scope is defined and manageable.	0
P.8	Sustainability:	Ongoing Support	Ongoing support needed is minimal or readily available at low cost.	0

OpenMSU Objectives Addressed

- **Improve service provider satisfaction-** address compensation and workload issues.
- **Improve service customer satisfaction-** improve customer service through adequate staffing of experienced employees.
- **Improve allocation-** improve allocation of services among MSU units by ensuring that central units, which serve all units, are adequately staffed with experienced employees. Improve allocation of workloads among service providers by ensuring that functions are adequately staffed.

Supporting Data

- In comparison to the HR benchmarking metric used in UC Berkeley's Operational Excellence Diagnostic Report, MSU-Bozeman's Human Resources Office appears to be understaffed. MSU-Bozeman has 183 employees per HR Office employee while the average higher education institution has 127. Based on this metric, the HR Office would need to hire 9 additional employees to be staffed at the level of an average higher education institution. (Note that although the HR Office has 27 employees, payroll FTE is not typically included in this calculation. MSU's HR Office has 6.5 FTE that are dedicated to payroll.)

Detailed Problem Statement

Administrative operations at MSU-Bozeman (MSU) are provided by a mix of central and distributed (unit-level) service providers. Some central functions, such as the HR Office, University Business Services and the Information Technology Center and administrative functions distributed in academic and other units experience high rates of turnover because of issues such as low pay and heavy workloads. According to CUPA and O*net benchmarks, MSU staff are significantly underpaid.

Central functions provide services to the entire institution, and business processes that are initiated at the unit level often flow through to these central functions. Inadequate staffing levels and turnover negatively impact the efficiency and effectiveness of the institutions' administrative operations.

Turnover in distributed functions negatively impacts unit-level administrative operations because of time and effort associated with training new employees. Training new distributed service providers is challenging because of the breadth of knowledge needed and the lack of a mature training program for distributed service providers.

Detailed Solution Statement

Assign a project team of qualified staff working with external consultants as needed to develop a long-range staffing plan for functional areas across the university, including a classification and compensation review with researched salary information to verify or establish new norms for salary basis consistent with the goals of the MSU strategic plan.

Alternative solutions

- Establish an administrative council composed of central and distributed staff to guide university-wide administrative operations such as:
  - o Ensuring that service providers are adequately and equitably compensated and that appropriate staffing levels are maintained,
  - o Ensuring that development and training of service providers is effective,
  - o Standardizing administrative processes and technologies (including whether processes should be conducted by central or distributed service providers), and
  - o Responding to emerging regulations that affect administrative practices.

Cost-Benefit Analysis

A cost-benefit analysis was not conducted because the project is less defined and therefore not easily quantifiable.