

**OpenMSU Proposal**

<b>Banner Payment Authorization (BPA) Process</b>	<b>STAGE</b>	<b>Prioritization</b>
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**PROPOSAL OVERVIEW**

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<b>Title/Department</b>	Asst VP of Finance	<b>Phone</b>	406-994-4311
<b>Problem Statement</b>	The current BPA process involves duplicate entry of data and physical movement of forms. About 36,750 BPA forms were processed in FY2011, which is a high volume of transactions at MSU. The BPA process had the second most survey comments for an activity that took significantly longer than it should, tied with recruiting/hiring as the process most critical to change and/or streamline.		
<b>Proposed Solution</b>	Redesign the BPA process through the use of electronic document management & workflow technology, including elimination of unnecessary paper and manual processes.		
<b>Key Performance Indicators or Outcome Measures</b>	Reduced time to process an invoice Reduced cost per invoice Employee satisfaction with ease of use Reduction of physical paper storage		
<b>General Time &amp; Effort Required</b>	MEDIUM. Dependent on implementation of Doc Management and Workflow. Exact figures to be determined upon Concept clearance. Moderate training, communication and adoption management.		
<b>Alternative Solutions</b>	<ul style="list-style-type: none"> <li>• Redesign the BPA process without automating it.</li> <li>• Implement shared services to provide BPA support to multiple units.</li> <li>• Hire an external consultant to evaluate the process and develop potential improvements.</li> </ul>		

**ALIGNMENT**

<b>Data Support</b>	<input checked="" type="checkbox"/> Surveys <input checked="" type="checkbox"/> Focus Groups <input checked="" type="checkbox"/> Professional Expertise			
<b>Initiative Objectives</b>	<input checked="" type="checkbox"/> Operational Efficiency <input checked="" type="checkbox"/> Employee Satisfaction			
<b>Departments Served</b>	<input checked="" type="checkbox"/> Academic Depts <input checked="" type="checkbox"/> Agencies <input checked="" type="checkbox"/> Fin & Acct Central <input checked="" type="checkbox"/> HR Central <input checked="" type="checkbox"/> IT Central <input checked="" type="checkbox"/> Purchasing Central <input checked="" type="checkbox"/> Sponsored Programs <input checked="" type="checkbox"/> University Comm			
<b>Constituents Served</b>	<input checked="" type="checkbox"/> Service Users <input type="checkbox"/> <100 <input type="checkbox"/> 100-500 <input checked="" type="checkbox"/> >500 <input checked="" type="checkbox"/> Service Providers <input type="checkbox"/> <100 <input type="checkbox"/> 100-500 <input checked="" type="checkbox"/> >500			
<b>Problems Addressed</b>	<input checked="" type="checkbox"/> Paper process <input checked="" type="checkbox"/> Customer service <input type="checkbox"/> Central/Dist model <input type="checkbox"/> Lack of integration <input checked="" type="checkbox"/> Comm/Coord <input checked="" type="checkbox"/> Redundancy <input type="checkbox"/> Staff expertise <input type="checkbox"/> Staff capacity <input type="checkbox"/> Allocation/prioritization <input type="checkbox"/> Compensation			
<b>Processes / Services Addressed</b>	<input type="checkbox"/> HR Recruiting <input checked="" type="checkbox"/> Purchasing <input type="checkbox"/> IT Support <input type="checkbox"/> Sponsored Programs <input type="checkbox"/> Web Dev & Content <input checked="" type="checkbox"/> BPAs <input checked="" type="checkbox"/> Budget/Finance <input type="checkbox"/> EPAFs/Payroll <input type="checkbox"/> IT Governance <input type="checkbox"/> Employee Relations			

**COST-EFFECTIVENESS**

**DISCLAIMER: Conceptual cost-benefit analysis with an estimation range between -30% to +50%.**

<b>Upfront Real Cost</b>	*	\$	-	<b>Upfront T&amp;E Cost</b>	\$	20,700
<b>Ongoing Annual Cost</b>	*	\$	-	<b>Ongoing Annual T&amp;E Cost</b>	\$	-
<b>Benefits</b>	<input checked="" type="checkbox"/>	Cash Savings	<input checked="" type="checkbox"/>	Incr. Capacity	<b>Estimated New Net</b>	\$ 409,000 *

**COMMENTS AND RECOMMENDATIONS**

<b>Alignment Rating</b>	0%	<b>Cost-Effectiveness Rating</b>	0%	<b>Probability of Success Rating</b>	0%
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\* Estimated new net result is dependent on implementation of electronic document management and workflow. Upfront real and ongoing annual costs associated with implementing this technology are captured in the Eliminate Paper-based Processes and Inefficiencies proposal.

<b>#REF!</b>				
REF	CATEGORY	FACTOR	METRIC	VALUE
<b>ALIGNMENT</b>				
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
<b>COST-EFFECTIVENESS</b>				
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
<b>PROBABILITY OF SUCCESS</b>				
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

# Banner Payment Authorization (BPA) Process Improvement OpenMSU Proposal

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## OpenMSU Objectives Addressed

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- **Reduce cycle times-** reduce time to process an invoice.
- **Coordinate activities-** implement a process that improves coordination between central and distributed service providers.
- **Increase capacity-** implement processes that take less service provider time to create additional service provider capacity.
- **Improve allocation-** enable shared services, which can improve the allocation of services among MSU units, through an automated accounts payable process.
- **Improve service provider satisfaction-** meet campus demand for an improved BPA process.
- **Improve service customer satisfaction-** meet campus demand for improved finance & accounting processes.

## Supporting Data

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- In response to the OpenMSU Service Provider Survey:
  - 18% of responses (84 comments) commented that the BPA process was an activity that took significantly longer than it should at MSU. This was the second most comments for any activity in response to this question.
  - 12% of responses (45 comments) commented that the BPA process was the process most critical to change and/or streamline at MSU. This was tied (with recruiting/hiring) for the most comments for any process in response to this question.
- In response to the OpenMSU Service Customer Survey, 31 out of 80 process overall (take too long, too difficult, duplicate effort, paper/manual) themed comments were about the finance & accounting function.
- About 36,750 BPA forms were processed in FY2011, which is a high volume of transactions at MSU.

## Detailed Problem Statement

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According to the OpenMSU surveys (as can be seen in the supporting data section), there is significant campus demand for an improved BPA process.

The current BPA process involves duplicate entry of data and physical movement of forms as discussed in the following:

- Data is entered onto BPA forms by departmental staff (often using programs such as Microsoft Access or other software such as the Facilities project accounting software).
- BPA forms are then printed out and manually delivered to University Business Services (UBS),
- UBS then enters this data into the Banner system.

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## Detailed Solution Statement

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Redesign the BPA process through the use of electronic document management & workflow technology, including elimination of unnecessary paper and manual processes. Automating the BPA process is dependent on implementation of the EDMW solution.

A BPA process redesign has high-impact improvement opportunities with high transaction volume and will address the significant campus demand for manual process elimination and improvement. The project team should be comprised of relevant stakeholders, including central and distributed service providers, to ensure proper design.

The project should also include a review, and if needed, a change in the duties of personnel and methods now used for preparing and/or authorizing and/or inputting documents into the Banner system. For example, larger departments with approval processes in place could choose to enter their own BPAs into Banner, attaching the imaged document for review by a central office, eliminating time and effort. Smaller departments could choose to use a different approach, such as having this work performed for them by the central office.

## Alternative Solutions

- Redesign the BPA process without automating it.
- Implement shared services to provide BPA support to multiple units.
- Hire an external consultant to evaluate the process and develop potential improvements.