

BPR Part II: Improving Methods for Continuous Improvement

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Abstract

Total Quality Management, Quality Circles, Just-in-Time, Kaizen, and Business Process Redesign are just a few examples of systems that are utilized by organizations seeking to standardize a methodology for increased productivity and continuous improvement. As productive as these systems can be, their success is predicated on the support of management and the willingness of the organization to embrace and structure it into its planning and decision-making process.

The Business and Finance Division (B&F) of the University of West Georgia (UWG) first introduced Business Process Redesign (BPR) in August 2000. Having already identified seventy-five business processes and redesigning nine, we continue to prioritize and promote the remaining processes within our division by incorporating it into our annual goals and objectives, promoting cross-functional committees, and conducting monthly staff reviews.

BPR is divided into three distinct phases:

Phase I: Discover – Build sponsorship, lay the foundation for change, identify and prioritize opportunities to improve the institution’s administrative process radically, and create the business case for change.

Phase II. Redesign – Analyze the selected processes in detail, identify technological solutions to enable change, innovate, redesign, and develop implementation plans.

Phase III. Realize – Finalize implementation plans, and then implement the redesigned process, including changes in policies, organization, work procedures, staff assignments, training, and technology.

BPR accomplishments for the past year included:

- *The completion of ten process redesigns and the scheduling of seventeen for the 2005-06 fiscal year.*
- *Involvement of forty committee members from both inside and outside the UWG community.*
- *Development, implementation, and completion of customer satisfaction measurements in all B&F areas.*

Introduction of the Organization

UWG, a senior unit of the University System of Georgia, is a co-educational, residential, liberal arts institution located on 394 acres in Carrollton, Georgia. Located 50 miles west of Atlanta, Carrollton is the seat of Carroll County and one of Georgia's fastest growing industrial areas.

UWG originated in 1906 as the Fourth District Agricultural and Mechanical School (A&M), and one of twelve such institutions established by the State of Georgia between 1906 and 1917. From an enrollment of 576 in 1957, the institution's student body is now over 10,000. West Georgia offers 12 undergraduate degrees with majors in over 50 fields.

Accredited by the Commission on Colleges of the Southern Association of Colleges and Schools (SACS) in 2003, UWG was reaffirmed with no further monitoring reports necessary for another ten years.

The Division of Business and Finance (B&F) is one of four major divisions that support UWG. Responsible for the administration of UWG's fiscal, physical, human resources, and safety requirements, B&F provides service and support to 10,216 students and 1,000 faculty and staff.

Statement of the Problem/Initiative

Like so many institutions, we face an era of declining fiscal resources coupled with enhanced expectations regarding the services that we provide our students, faculty, staff, and community. With Education and General funding diminishing and privatization of projects becoming more prevalent, our way of doing business must be continuously evaluated in order to ensure that we maintain our pulse on our customer demands while anticipating their future needs.

B&F first initiated BPR in September 2000 as a methodology to assist in:

- Achieving a better understanding of our policies and practices
- Preparing and planning for the future technology enhancements such as PeopleSoft.
- Utilizing technology more effectively
- Becoming proactive in meeting the objectives of the University Strategic Planning process

At the time, a total of 75 core processes were identified within the division and 9 were considered for redesign. A total of 34 B&F representatives were selected to map out the processes, evaluate the methodology, consider new technology that was available, and make recommendations for improvements.

With our SACS reaffirmation of accreditation in 2003, UWG's dedication to the spirit of continuous improvement and self-evaluation helped to stimulate B&F to consider institutionalizing the BPR model for assessment practices.

The 2004 BPR effort was a challenge of our SACS commitment, ongoing technological advances, new personnel, process modifications within the university

system, and the realization that to implement change, existing philosophies had to be altered and empowerment had to be promoted. B&F administration adopted the model that was outlined in the 1994 publication of the NACUBO Business Process Redesign for Higher Education and began the arduous process of reviewing how things were done, why they were done, and could they be done more efficiently. The results have provided us with improved efficiency, renewed teamwork, a proactive approach to changes in processes, and an increased value to our customers.

Design

In August 2000, BPR was one of the first initiatives undertaken for B&F personnel to take a step back and witness how other areas within the division approach work and the impact that work has on the customer. Cross-functional teams were developed across the division (Discover Stage) to chart the core business processes, identify value-added vs. non value-added steps, review where technology could improve the process, and prioritize which processes to include in our short and long term goals. That effort resulted in the: 1) identification and mapping of seventy-five processes (Redesign Stage); 2) prioritization of nine processes to review, evaluate, and modify; 3) organization and training of nine cross-functional teams totaling 35 representatives; and 4) an agenda of processes to review for continuous improvement as well as establishing future goals.

Having completed the original nine processes in 2001 (Realize Stage), B&F used BPR as the driver for continuous improvement by launching ten new processes for consideration in February 2004. Those processes were Purchasing Cards; Budget Process – Plant Allocation; Return to Work; Program Management; Civil Operating Procedures;

PBX; Chemical Management; Higher One Card; Meal Plan Registration; Georgia Oglethorpe Award (Malcolm Baldrige) application. The BPR steering committee evaluated and prioritized these processes and established reasonable target dates for completion. Representatives were expanded to include division members, faculty members and even a representative from the University System of Georgia. Monthly meetings were scheduled to review the processes, evaluate alternative methods/technologies, and develop action plans for the implementation of change. In addition, customer satisfaction surveys for each area of B&F were developed, administered, and the results were incorporated into our annual goals with action plans for improvement.

The results from both initiatives were posted periodically to the B&F website for the teams to reference and the university community to review. The BPR efforts on the second round of processes concluded in May 2005, with an end-of-year luncheon that included team presentations as well as brainstorming for the next round of processes to review.

Implementation

For any system to be successful, it has to have the support from the top. What has made this effort so special was that it was initiated from the top. Thanks to the leadership of our Vice President for Business and Finance (B&F), William Gauthier, the implementation of BPR was a highly charged effort that included the development of a mission, vision and core values; operational plan; targeted goals and objectives; the buy-in from B&F administration and the vision/realization that we were going to have to change. By maintaining this effort over the past three years, BPR has slowly evolved into an annual process rather than a “system” to try out.

The initial effort required training in the form of workshops with direct reports and teams, as well as the purchase of the NACUBO Business Process Redesign manuals for all team representatives. Additional training on Microsoft Visio was provided in order for team members to learn how to illustrate the process and identify the symbols used in mapping the steps. Teams were assigned chairpersons that were not only knowledgeable of the BPR system but also of the process being reviewed and who could provide an explanation and rationale behind the procedures that were established. Timetables were created for team research and evaluation, and when completed, a presentation was made by the team to the B&F staff for approval.

Monthly meetings with staff were scheduled to review the status of the projects and make the decisions that were necessary (i.e. change management; technology, etc.) to support the recommendations of the teams and maintain the momentum. The meetings were structured according to the following core rules:

1. There will always be an agenda
2. The agenda will be published in advance
3. Minutes will be taken
4. Minutes will be distributed to all and/or posted in a timely manner
5. Attendance and participation are expected
6. The meeting will begin and end on time
7. Missing more than two meetings may result in you being replaced

The meetings required a status report from a team representative and a team presentation when the process review was completed.

The department website (<http://www.bf.westga.edu/BPR/>) became a living document in that the meeting agendas, project status, and meeting notes were posted monthly. This helped to guide the team members on their assignments, reduced paperwork and allowed the university community to monitor our progress.

Benefits

UWG and its customer base of students, faculty, and staff is the beneficiary of this effort in that the improvements that have evolved from these reviews, have made a positive impact on the services, grounds, facilities, and the type of environment that is required for education, living and working. Additional benefits include:

- The ability of B&F to begin Phase 2 of Strategic Planning and SACS Self-Study. This process becomes the basis of feedback for the kinds of reports, strategies, and planning that are mandated in the SACS assessment (e.g. annual report, SACS, the annual institution report).
- A comprehensive approach within B&F to collect data, measure customer perception and satisfaction, and develop goals and objectives that will achieve customer and market requirements.
- The utilization of cross-functional teams has helped to create an environment within B&F that promotes teamwork, empowerment, and organizational trust. Other spillover benefits include increased excitement and energy within the departments; improved morale, and a workforce that is more aware of the functions associated within each department and how changes need to be evaluated prior to implementation.

The B&F Division succeeded in completing a division-wide effort that not only yielded immediate improvements but helped to pave the way for future goals and objective setting. From identifying and mapping 75 core processes in 2000, to the completion of 9 BPR's in 2001, 10 in May 2005, to ranking what processes should be reviewed in September 2005, a pattern has indeed been established and a process is in place for continuous improvement.

BPR's completed in 2004-05, have been illustrated in the following chart:

Core Business Process	Originating Dept.	Project Status	Impact	Savings
P-Card	Purchasing	Completed 5/19/04	- Mandate levels increased to \$100 on short-term; \$500 on long-term.	No investment required. Dollar Savings of 500 PO's at \$100 per PO was estimated at \$50,000.
Budget Process - Plant Allocations	Campus Planning & Facilities	Completed 9/28/04	- Non-value added steps were eliminated by running a plant allocation at year-end rather than month-end.	No investment required. Savings of 6 days a month, 72 days per year, 576 hours, or 28% of working days
Return to Work Process	Campus Planning & Facilities	Completed 10/13/04	New process is contingent upon cooperation of assigned physicians.	No investment required. - 1999: State of GA reduced lost time expenses by 50% and realized a 26% savings in medical expenses. - Process to be reviewed annually
Program Management	Campus Planning & Facilities	Completed 12/15/04	- Process has been implemented. - Documented procedure. - Assigned Accountability - Improved teamwork. - Improved efficiency - Assures that project is documented.	No investment required. - 2004-05 projects totaled 2.7 million and were completed on time. - 612 bed residence hall with privatized funding completed within 11 months.
Civil Operating Procedures for Students (COPS)	Public Safety	Completed 2/23/05	- Procedural changes with City and County law agencies eliminated non-value added steps.	- No dollars required to implement. -Improved efficiency.

Core Business Process	Originating Dept.	Project Status	Impact	Savings
Chemical Management	Campus Planning & Facilities	Completed 2/23/05	Separate committee to form on software issue Cost is \$2,000,000 at UGA and \$250,000 at GA Tech	-Cost is \$23,000. Payback estimated in 5 years. -An increase of 8.4% in labor efficiency.
PBX	Auxiliary/ITS	Completed 3/30/05	Conversion completed 12/15/04	Estimated savings in FY 05 to be 30.8%
Higher One*	Auxiliary/Budget Services	Completed 3/30/05	System is working well. University working w/Higher One to help reduce operating costs.	
Meal Plan Registration	Auxiliary/ITS	Completed 3/30/05	Students can select meal plans on-line saving time to come in person to AE office to select plan.	
Georgia Oglethorpe Award Application**	Campus Planning & Facilities	Completed 12/17/04	-Application submitted 12/17/04 - Presentation 1/26/05 - Site visit on 4/22/05 – Did not qualify. - Focus Recognition received in 9/05	-\$135, 000 investment. On-time completion of -2.7 million in projects, privatized housing

* Recipient of the 2004 Best Practice Award for the University System of Georgia

** Recipient of the 2005 Georgia Oglethorpe Focus Recognition.

Retrospect

The success of this effort is attributed to two key proponents – leadership support and the willingness of the organization to change. With decreased state funding including salary freezes, attitudes in the workforce can become stagnate and the willingness to try something new gets defeated before it's ever introduced. To be effective, leadership must initiate and support this effort, and it must be able to inspire and make the organization believe that change is pivotal for future success.