Justifying Process Redesign: The University of Missouri's Work Distribution Survey

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The University of Missouri's core teaching, research, and community service missions are supported by human resource, finance, and student services administrative systems. These systems include processes such as registering students, managing grants and contracts, paying employees and vendors, and developing and monitoring budgets. Crossing departmental and divisional lines, these processes touch every student, faculty, and staff on each of the four University of Missouri campuses. Typical to other large universities, these processes, initiated decades ago using available technology, have mushroomed and metamorphosed over time. Viewed with the lenses of today's technologies and current practices, these processes are characterized by unnecessary manual operations, territorial isolation of related activities, redundant paper trails, multiple levels of review and approval, and, with the development of the personal computer, the proliferation of shadow systems.

Faced with the realization that dated processes and technology were adversely affecting "customer service" and administrative efficiency, the University wanted to take advantage of contemporary "best practices" and technology. To help support the case that although these processes seemed to be working but were in need of being overhauled, we wanted to (1) quantify the time and costs associated with the human resource, finance, and student administrative processes and activities; (2) identify the extent to which this work is done in central units versus in departments; (3) identify the opportunities for process improvement and cost savings; and (4) identify opportunities for using process redesign and new technology to reduce and/or redirect resources.

The Work Distribution Survey was jointly developed by the University of Missouri and Coopers & Lybrand Consulting to meet these needs. Initially created as a paper instrument, the survey was enhanced to be a web application. Non-teaching staff were asked to complete the web survey by estimating time spent on various processes such as administering human resources activities, managing finances and assets, providing student services, managing information technology resources, and providing administrative management. What was perhaps the most unique and powerful feature of the survey was that it was designed so that time spent on value-added activities such as customer service, electronic transactions, and professional services, and on non-value added activities such as paper transactions, review and approval, and shadow systems could be differentiated. In addition, estimates of time spent on each could be measured not only within each process, but also across the processes. Of the 5,223 potential respondents across the four campuses and system administration, 2,227 responded with their time estimates. These time estimates were used to prorate personnel costs for the processes and activities.

The results of the survey have been invaluable for measuring the magnitude and costs of our administrative processes and for developing new perspectives of administrative efficiency. For example, we now know that over half of all administrative activity is centered on human resource, finance, student services and information technology processes at an annual cost of over $100 million. We also know where to focus redesign efforts; more than half of all human resource, finance, and student service process activity is located in academic departments and not in the functional central units. The data also confirm our hypothesis that across these processes, significant resources (approximately $32 million) are spent on "non-value added" activities like paper transactions, review and approval, and shadow systems. These data suggest many opportunities to focus our efforts for process improvement and the application of newer technology to significantly improve our customer service and administrative efficiency and effectiveness. Most importantly, the Work Distribution Survey enables us to effectively communicate to the University's board, executives, staff, and constituents, the need and sense of urgency to undertake costly, and often painful, process improvement efforts and to invest in new technologies to support such endeavors.