

## Key Word - by Area: Cost Reduction/Efficiency

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<b>Department Name</b>	Academic	#	259
<b>Title</b>	Auditing Higher Education to Improve Quality		
<b>University</b>	Chronicle of Higher Education		
<b>Additional Info</b>	<a href="http://chronicle.com/weekly/v49/i41/41b01601.htm">http://chronicle.com/weekly/v49/i41/41b01601.htm</a> (Contact Dianne Parkerson for access)		
<b>Abstract</b>	<p>Today, a small but growing number of institutions both in America and abroad are achieving significant quality improvements through academic audits. The objective of an academic audit is to elicit thoughtful conversations about how to produce tangible improvements in education quality without having to spend more money.</p> <p>Rather than trying to micromanage teaching, an audit asks how professors organize their work and the kinds of data they use to make decisions, as well as how faculty members can use the resources available to them and work collegially to do better. An academic audit relies on the following simple and widely held tenet of academic life: "Professors want to provide quality education, and they will do so when supported by good processes." Good education-quality processes systematize a department or other unit's approach to quality, instead of leaving it mainly to unmonitored individual initiative.</p> <p>Contact Dianne Parkerson if User ID/Password is needed to access article</p>		

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<b>Department Name</b>	Academic	#	422
<b>Title</b>	Reduction of Academic Costs		
<b>University</b>	University of Missouri - Kansas City		
<b>Additional Info</b>	<a href="http://www.umkc.edu/provost/documents/policies/Reduction_of_Academic_Cost-Final.doc">http://www.umkc.edu/provost/documents/policies/Reduction_of_Academic_Cost-Final.doc</a>		
<b>Abstract</b>	<p>The Task Force on Reduction of Academic Costs was formed to address current and future fiscal conditions. The specific charge of the task force was to:</p> <ol style="list-style-type: none"><li>1. Review the instructional costs associated with programs with low enrollments and/or completions. As part of the review, the task force should examine a variety of productivity measures, including the student credit hours, research and public service funds generated per faculty member. The task force should calculate the cost savings associated with the consolidation, discontinuation, or other recommendations for low enrollment degree programs.</li><li>2. Review duplicated programs, particularly those that are high cost or unnecessarily duplicated, across the four campuses of the University of Missouri. Calculate the cost savings associated with the elimination of a duplicated program, the impact of the program closure on State needs, and alternative means to provide access to a similar program for the affected students.</li><li>3. Review the faculty workload policy in the Collected Rules and Regulations (310.080) and similar policies for each campus. Consider variations in the workload policies together with the possibility of capping enrollments as a way to lower instructional costs and maintain academic quality.</li></ol>		

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<b>Department Name</b>	Academic	#	511
<b>Title</b>	An Academic Program Cost Model, a Tool for Strategic Decision-Making		
<b>University</b>	Midlands Technical College		
<b>Additional Info</b>	<a href="http://www.sacubo.org/sacubo_resources/best_practices/2006.html">http://www.sacubo.org/sacubo_resources/best_practices/2006.html</a>		
<b>Abstract</b>	<p>Midlands Technical College's governing board is interested in the cost of programs and challenged the administration to analyze the college's cost of programs for use in strategic decision-making. Understanding and managing cost is critical in today's environment of declining revenues from public sources. The college's credit and noncredit programs were analyzed based on the model used for funding colleges in South Carolina. The model has provided the college a significant tool to better understand its cost of programs and clearly identify programs that subsidize those with higher costs. The model allowed the college to quickly and accurately respond to legislative inquires regarding the cost of educating nurses. As a result, the college received a substantial new allocation from the state in recurring funds for its nursing program. Additionally, a spin-off model that simulates the affect of section sizes and net financial contributions to the college was developed collaboratively with the college's academic departments. The spin-off model allows the academic departments to make effective faculty loading decisions.</p> <p>Retrospect The college's governing board and administrators have been very pleased with the model and its impact on the college's strategic planning. The model has been accepted institution wide as a viable and valid tool for use in strategic decision making. While the administration wishes the model had been created earlier, it is now better positioned to allocate resources, make programmatic decisions and to understand the impact of those decisions.</p>		
<b>Department Name</b>	Budget Office	#	768
<b>Title</b>	Possible Best Practices Initiatives		
<b>University</b>	Wake Technical Community College		
<b>Additional Info</b>	<a href="http://planningandresearch.waketech.edu/bestpractices.php">http://planningandresearch.waketech.edu/bestpractices.php</a>		
<b>Abstract</b>	Includes Cost Containment and Savings Strategies and Revenue Generation - good bullet points		
<b>Department Name</b>	Budget Office	#	887
<b>Title</b>	An Eye on the Dashboard, an Eye on the Budget: Driving Higher Education Financial Operations in the Right Direction		
<b>University</b>	Louisiana State University		
<b>Additional Info</b>	<a href="http://www.sacubo.org/sacubo_resources/best_practices/2008.html">http://www.sacubo.org/sacubo_resources/best_practices/2008.html</a>		
<b>Abstract</b>	<p>The call for higher education institutions is to become more accountable to the students they enroll, its constituents, and financial supporters. How institutions utilize their resources is critical to accountability. Equally important is a statistically sound model on which leadership can base strategic decisions. Louisiana State University System developed a dashboard that responds to the call for accountability, but also provides a solid statistical foundation for planning, monitoring and tracking of its financial operations. The dashboard allows the system to speak to specific financial goals and achievements in a very succinct way. It also places at the fingertips of leadership a snapshot of system operations based on indicators that are mission critical to higher education success.</p> <p>Document contains charts and a link to the system - <a href="http://www.lsusystem.lsu.edu/dash/">http://www.lsusystem.lsu.edu/dash/</a>.</p>		

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<b>Department Name</b>	Budget Office	#	892
<b>Title</b>	Texas A&M University's Budget Model		
<b>University</b>	Texas A&M University		
<b>Additional Info</b>	<a href="http://www.sacubo.org/sacubo_resources/best_practices/2008.html">http://www.sacubo.org/sacubo_resources/best_practices/2008.html</a>		
<b>Abstract</b>	<p>In 2004, Texas A&amp;M University's Division of Finance was up against several budgeting and financial analysis-related challenges. Turnover had decimated the knowledge base at senior levels; loss of institutional knowledge was compounded by outdated legacy systems; and budgeting and financial analysis of strategic initiatives was largely a manual driven process involving a number of resources across the university.</p> <p>Development of the model was separated into four phases, approximating the university's four fund groups (Educational and General, Designated, Auxiliary, and Restricted). The first phase, the Educational and General (E&amp;G) budget, has been completed. The next phases in progress include Auxiliary and Designated budgets, which will then be followed by our Restricted Fund budget.</p> <p>In the end, Texas A&amp;M now has a centralized tool that takes into account both financial and operational statistics and their relationships with each other in order to predict a resulting outcome. Modeling of the budget and financial analysis of strategic initiatives is no longer people dependent. The model is built primarily using Microsoft Excel and Access, no other computing resources were required.</p>		

**Key Word - by Area: Cost Reduction/Efficiency**

**Department Name** Business Services **#** 21

**Title** Print Rightsizing

**University** University of Texas at Austin

**Additional Info** [http://www.sacubo.org/sacubo\\_resources/best\\_practices/2004.html](http://www.sacubo.org/sacubo_resources/best_practices/2004.html)

**Abstract** The CFO Organization at The University of Texas at Austin conducted a "rightsizing" analysis to determine if savings could be obtained. Rightsizing means putting the right functions on the right sized multi-function device to meet the business requirements of the people that are using the equipment. Instead of having several printers, a copier, a fax machine and a scanner to support an office group, one multi-function device that handles print, copy, scan and fax would be used. This device would be based on the required output. Rightsizing consolidates several pieces of equipment into one networked device that can be accessed to multiple users to handle multiple functions. This approach ensures that users are not over-purchasing equipment that was designed for higher utilization.

The rightsizing pilot project involved five different vendors and lasted approximately four months. The outcome of this effort was the selection of a single vendor who provided a solution to consolidate 100+ pieces of office equipment down to 24 multi-function devices for the CFO Organization. This consolidation resulted in a 40% reduction in print output costs in terms of equipment purchases, leases, maintenance and supplies. Additional soft costs were realized in terms of reduced support by technical personnel of the equipment fleet.

The CFO Organization structured an agreement with a single vendor that allows all departments on campus to participate and to pool volume on an annual basis. This will reduce costs because many of the University's copier agreements are based on a set amount of monthly copy minimums, even if actual usage is significantly less. Additionally, any month in which the minimum volume is exceeded results in monthly overage charges. By participating in the rightsizing program, all volume is pooled on an annual basis. If a department is over its volume target at the end of the year and another department is under, then volume can be pooled to offset one another, resulting in no overage charges.

This agreement also includes annual rebates for increased program participation. As more departments join the program and total volume increases, annual rebates will be returned to departmental program participants. This ensures that everyone benefits from leveraging the University's collective buying power, which provides incentives that cannot be duplicated by the individual contracts purchased under state negotiated pricing.

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<b>Department Name</b>	Business Services	<b>#</b>	171
<b>Title</b>	Cutting Waste Seamlessly (Print on Demand)		
<b>University</b>	University of Arkansas		
<b>Additional Info</b>	<a href="http://www.sacubo.org/sacubo_resources/best_practices/2003.html">http://www.sacubo.org/sacubo_resources/best_practices/2003.html</a>		
<b>Abstract</b>	<p>Situation: The University of Arkansas Cooperative Extension Service traditionally has written, designed, printed and warehoused hundreds of fact sheets.</p> <p>Problems: Fact sheets had been printed on offset presses for decades. This required authors to order a given quantity at the time of printing. Several titles continued to be warehoused beyond relevancy, contained outdated information and reflected previous design standards. The process wasted paper, employee time and warehouse space.</p> <p>Objectives:</p> <ul style="list-style-type: none"><li>To reduce waste.</li><li>To assure the timeliness of fact sheet content.</li><li>To bring about change in a way that appeared seamless for users.</li></ul> <p>Strategies:</p> <p>Information Technology (IT) rewrote the on-line ordering program:</p> <ul style="list-style-type: none"><li>- Orders for fact sheets that were warehoused would continue to be directed to the warehouse.</li><li>- Orders for fact sheets that were prepared for print-on-demand would be directed to the Print Media Center.</li></ul> <p>The Print Media Center provided 48 hour turn-around on print-on-demand fact sheets to assure a continued quality of service. A system was established by Communications section so that authors could make content changes to update information in fact sheets.</p> <p>Results:</p> <ul style="list-style-type: none"><li>County faculty are unaware that the fact sheets they order are printed only as needed.</li><li>Waste has been curtailed.</li><li>Warehouse space has been freed.</li><li>Service has been improved.</li><li>The content of fact sheets is timely.</li></ul>		

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**Department Name** Business Services **#** 797

**Title** Copy/Print Management Program

**University** Kennesaw State University

**Additional Info** [http://www.sacubo.org/sacubo\\_resources/best\\_practices/2007.html](http://www.sacubo.org/sacubo_resources/best_practices/2007.html)

**Abstract** Kennesaw State University ("KSU") had an unwieldy semi-centralized copy/print program for both the administrative and student users that was established in 2000 and was to expire in June 2005. The contract called for guaranteed minimum usage, had built in annual price increases, required use of vendor manufactured paper at their prices, did not have clean audit trails or adequate reporting, and did not provide for consequences to the vendor for under or non-performance.

A cross functional team of faculty and administrators formed a task force in the summer of 2004 with the express purpose of devising a new business model that would address these issues as well as the over \$700,000 in annual cost for the existing program that was borne by the entire University not just copy/print service users.

Steps in the process included: 1) obtaining state technology authority approval, 2) engaging a consultant, 3) site visits and telephone interviews of references, 4) doing our homework, and 5) providing adequate testing and training before final implementation. The results have been worth the effort as a true cost-per-copy business model was developed with the cost of the program assigned to the users.

The NPM solution is online which enables clear audit trails, reconciliation between use and vendor charges, detailed reports for administrative departments that reflect by person, by device use, and total "portability", the ability to use any networked device from a desktop for printing or in person copying without individual machine programming. Functionality (faxing, color, and scanning) has been increased across campus while reducing costs significantly.

Paper costs were reduced from approximately \$0.04 per page to the state contracted rate of less than \$0.01 per page (a significant savings when usage is over 20 million images per annum). On-site technicians trained to industry guidelines were added to campus (as part of the cost-per-copy) and clear, measurable vendor expectations (like strict 98% uptime performance and 2 hour problem response times) were identified with penalties for non-performance.

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**Department Name**    Controller's Office - A/P # 520  
**Title**                    State Sales Tax Exemptions and Information at your Fingertips  
**University**            University of Virginia  
**Additional Info**        [http://www.sacubo.org/sacubo\\_resources/best\\_practices/2006.html](http://www.sacubo.org/sacubo_resources/best_practices/2006.html)  
**Abstract**                Questions or concerns regarding the payment of sales tax to states other than Virginia were being researched and addressed on an ad hoc basis. Our goal was to replace this ad hoc, reactive method with a proactive, informative approach to providing sales tax information. To achieve our goal, we established an accessible, informative database which schools, departments, and procurement services can access to obtain information about the University's sales tax status for each state.

The Results:  
A well-designed, easy-to-access web page describing the University of Virginia's sales tax exemption status in all states.  
<https://netbadge.virginia.edu/>

Determination of sales tax requirements prior to or at the time of the purchase resulting in improved budgeting and cash savings for University departments. Our projection is that this will result in savings of at least \$50,000 in the first year of implementation.

10/07 This was considered, but FAU does not pays sales tax - if it ever does, it is a very rate situation. Sales tax related to travel is another issue.

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**Department Name**    Controller's Office - Property # 1021  
**Title**                    Virtual Surplus Property Disposal  
**University**            State of Georgia  
**Additional Info**        <http://www.nasca.org/awards/Georgia-Vitural%20Surplus%20Property%20Disposal.pdf>  
**Abstract**                For years, the State of Georgia Surplus division warehoused items and held quarterly live auctions, literally selling everything in each of three state surplus warehouses. Since the auctions were held quarterly, inventory turns were 4 per year. With the advent of internet auctions, several years ago Surplus began utilizing websites to sell surplus. Websites like eBay and GovDeals have been used to significantly broaden the buyer audience. During this period, up to 70% of the state's surplus goods were sold over the internet and warehouse inventory turned over 12 times annually. This has helped make the Surplus operation more efficient.

Along this same time, DOAS conducted a cost analysis to determine the costs involved in handling the sale of various categories of surplus items. We found that over 70% of sales revenues were generated by just 1.5% of the surplus goods. Thus, cars and trucks generate the vast majority of the revenue, though they represent very little of the surplus item count. We further discovered that the state was losing money, by trying to sell other surplus commodities such as office furniture and equipment.

A 2-year plan was designed whereby the operation would morph into a virtual operation utilizing the internet to sell all goods in place, and eventually eliminating the need to transport and store goods at the state's three warehouses. The streamlined process now focuses on moving information, not material; a much more efficient and economical process.

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<b>Department Name</b>	Financial Affairs	# 387
<b>Title</b>	Guide to Cost-Based Decision-Making	
<b>University</b>	State of Texas Auditor's Office	
<b>Additional Info</b>	<a href="http://www.sao.state.tx.us/reports/main/05-139.pdf">http://www.sao.state.tx.us/reports/main/05-139.pdf</a> (Original URL No longer valid)	
<b>Abstract</b>	<p>Government managers have traditionally had difficulty obtaining consistent and comparable information about the "true" cost of government services or products. Part of the problem is the inability to establish a rational cause and effect relationship between a particular service or product and the many types of direct and indirect costs. For example, the costs of many services such as purchasing, payment, revenue collection, human resources, management information, and reproduction and printing services are generally not linked to the specific service provided or the program served. Further, there generally is no attempt to derive a unit cost for such services.</p> <p>Introduction and Overview Chapter 1 - Developing an Activity-Based Costing System Chapter 2 - Planning and Budgeting Chapter 3 - Monitoring for Efficiency, Quality, and Effectiveness Chapter 4 - Pricing Chapter 5 - Outsourcing and Consolidation Decisions Appendices: A - Conducting Random Moment Time Studies B - Developing a Detailed Process Flowchart C - Discount Rates D - Glossary E - Bibliography F - Acknowledgment</p>	

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<b>Department Name</b>	Financial Affairs	# 740
<b>Title</b>	Tips and Hints to Control Costs In Your Organization	
<b>University</b>	Book by James Hickel, Cost-Effective Organization	
<b>Additional Info</b>	<a href="http://mysite.verizon.net/vze6l53f/id2.html">http://mysite.verizon.net/vze6l53f/id2.html</a>	
<b>Abstract</b>	<p>Covers - General, Human Resources, Finance, Administrative Expenses, Purchasing</p> <p>Examples -</p> <ul style="list-style-type: none"><li>* Review the number of internal reports that your company generates and find a way to eliminate them. Better yet, eliminate routine reports entirely: Reports should often show only critical exceptions, not routine information.</li><li>* Constantly review whether services currently performed in-house would be more cost-effective if contracted out -- and vice versa.</li><li>* Review who is subscribing to what publications in the office, and consider eliminating unnecessary or duplicate subscriptions.</li></ul>	

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<b>Department Name</b>	Human Resources - Employment	# 930
<b>Title</b>	Best Practices in Employee Layoffs	
<b>University</b>	About.com	
<b>Additional Info</b>	<a href="http://humanresources.about.com/b/2008/11/15/best-practices-in-employee-layoffs.htm">http://humanresources.about.com/b/2008/11/15/best-practices-in-employee-layoffs.htm</a>	
<b>Abstract</b>	Treat people with dignity. Do the layoffs individually with Human Resources and the employee's manager present. Complete the process on the same day. Do not even consider a mass meeting, telephone conference call, or an email to lay people off. They deserve more than that from you. Additionally, giving your employees information about the business problems and some sense of layoffs coming up as soon as you think they may be necessary will increase the trust of the remaining employees.	
	Also covers severance pay, who, when & how.	
	Link to Downsizing With Dignity - <a href="http://humanresources.about.com/od/layoffsdownsizing/a/downsizing.htm">http://humanresources.about.com/od/layoffsdownsizing/a/downsizing.htm</a>	
	Also see <a href="http://www.wnewsj.com/main.asp?SectionID=49&amp;SubSectionID=156&amp;ArticleID=172046&amp;TM=1031.88">http://www.wnewsj.com/main.asp?SectionID=49&amp;SubSectionID=156&amp;ArticleID=172046&amp;TM=1031.88</a>	

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<b>Department Name</b>	Human Resources - Employment	# 1005
<b>Title</b>	Conducting Layoffs: 'Necessary Evils' at Work	
<b>University</b>	Harvard University	
<b>Additional Info</b>	<a href="http://www.exed.hbs.edu/cgi-bin/wk/6084.html">http://www.exed.hbs.edu/cgi-bin/wk/6084.html</a>	
<b>Abstract</b>	Executive Summary:  "The core challenge for everyone who performs necessary evils comes from having to do two seemingly contradictory things at once: be compassionate and be direct," say Joshua D. Margolis of Harvard Business School and Andrew L. Molinsky of Brandeis University International Business School. Their research sheds light on best practices—typically overlooked—for the well-being of those who carry out these emotionally difficult tasks. Q&A Key concepts include:  * Most managers who conduct layoffs feel a mix of emotions that may catch them by surprise: sympathy, sadness, guilt, shame, anxiety, and perhaps anger. * Best practice for managers includes understanding yourself and recognizing your limitations. Recognize ahead of time the emotional cocktail that you will likely experience when performing a layoff, say the researchers. * Companies should focus not only on getting the task done and on ensuring the well-being of victims, but also on the well-being of those who perform the layoff. * Conduct training beforehand; have pairs or teams perform the tasks together; provide a good physical environment in a nonpublic, quiet area of the organization; and later allow those who carried out the layoffs to decompress and debrief.	

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<b>Department Name</b>	Human Resources - Employment	# 1015
<b>Title</b>	Penn State University's Human Resources Department Cuts Costs and Increases Productivity	
<b>University</b>	Penn State University	
<b>Additional Info</b>	<a href="http://www.highereducationconsortia.com/HERGHRCasestudiesOIT.html">http://www.highereducationconsortia.com/HERGHRCasestudiesOIT.html</a>	
<b>Abstract</b>	<p>Penn State University, one of the world's largest and most recognized institutes of higher education, currently has 80,000 enrolled students and 15,000 employees on twenty-four campuses spread across PA. Penn State has one centralized Human Resources Department located at their main campus at University Park. HR is responsible for all aspects of employment for every campus location. With potentially 15,000 Penn Staters available to apply for job postings during the first stage and an infinite amount of people to apply if the posting goes to the second stage (public), and the fact that each applicant had to submit an application, cover letter and resume, the amount of paper being shuffled through HR each year was becoming more and more difficult.</p> <p>Before implementing the Optical Image Technology, Inc. (OIT) DocFinity® Suite of Document Management Solutions, HR would collect every outside resume, cover letter and application for each new job opening and enter that information into a database. Each week, Penn State could have between 15-45 new job openings with 5-50 or more applicants for each position. This means that HR was receiving up to 6,750 new documents a week! HR would sort through the documents and organize them per job posting, then photocopy each document to be faxed or mailed to the correct department. HR would then store each document for two years</p>	

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<b>Department Name</b>	Library	# 202
<b>Title</b>	Student Laser Printing	
<b>University</b>	University of Richmond	
<b>Additional Info</b>	<a href="http://www.sacubo.org/sacubo_resources/best_practices/2002.html">http://www.sacubo.org/sacubo_resources/best_practices/2002.html</a>	
<b>Abstract</b>	<p>The primary goal was to limit free laser printing. Regardless of how one limited the free laser printing, some students were going to want to print more. The process for allowing heavy laser printing users to purchase additional printing capability had to be developed and had to be simple. The handling, security and accounting of money had to be documented.</p> <p>With that in mind, AND Technologies, Inc. had the appropriate software (Pcounter) at an affordable price. All of our students already had to log on to computers in the labs or in the library in order to use them. With Pcounter, when the student logs on to the computer in the labs or libraries, he or she is automatically logged on to Pcounter. When the student prints, Pcounter tracks the number of copies printed and updates the student's balance by subtracting the number of copies printed. One printed sheet equals one printing unit.</p> <p>A student is given 400 printing units per semester and any unused units carry over to the next semester and even to summer school. At the end of summer school, prior to the beginning of fall semester, the printing units left are deleted and new balances for the fall semester are entered. If a student uses all of his or her printing units, he or she can go to the library circulation desk and purchase additional printing units. The minimum purchase is 20 printing units for \$1.00. The number of free printing units per semester and the cost of printing units in excess of 400 per semester was determined with student involvement. Students were involved with the process from the beginning to the end.</p>	

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<b>Department Name</b>	Purchasing Department	#	982
<b>Title</b>	Leveraging Electronic Procure to Pay for Revenue		
<b>University</b>	University of Virginia		
<b>Additional Info</b>	<a href="http://www.sacubo.org/sacubo_resources/best_practices/2009.html">http://www.sacubo.org/sacubo_resources/best_practices/2009.html</a>		
<b>Abstract</b>	<p>The Department of Procurement Services at the University of Virginia consists of both Purchasing and Accounts Payable. By working collaboratively on implementation of electronic purchasing, invoicing and payment systems, Procurement has been able to increase the efficiency of the entire procure to pay process and to realize the power of its combined operation. Through strategically targeting its top suppliers and leveraging these electronic processes, Procurement has begun to generate revenue for the University.</p> <p>Procurement started by purchasing an electronic catalog ordering system. This system allows goods to be purchased electronically from supplier catalogs hosted in our system, aptly named the UVa Marketplace. This same system allows invoices to be submitted electronically and match automatically to catalog orders. The third and final piece is electronic payment. Procurement utilizes two new electronic payment options provided through its banking services provider. The first is Automated Clearing House (ACH) and the other is a ghost card program for payments via credit card.</p> <p>Leveraging the efficiency gains and the improved payment cycle created by these three electronic processes, Procurement Services has been able to negotiate rebates and early payment discounts with some of its largest suppliers. It is the negotiation of the revenue generated from these rebates and discounts that is our best practice.</p>		

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**Department Name** University Wide **#** 115

**Title** Becoming a Lean University™

**University** University of Central Oklahoma

**Additional Info** [http://www.sacubo.org/sacubo\\_resources/best\\_practices/2005.html](http://www.sacubo.org/sacubo_resources/best_practices/2005.html)

**Abstract** Under the direction of the VP of Administration, the University of Central Oklahoma has embraced the concept of Lean Thinking as it faced significant financial issues. During the last three years, the University has experienced funding challenges including a 15% budget reduction in FY 2002. All indications suggest that there is not expected to be any significant revenue increase from state appropriations in the foreseeable future.

Old and tired administrative processes were contributing to employee job dissatisfaction and low productivity levels. Because of recent budget cuts and insufficient funding to cover mandatory cost increases, the University needed to find ways to dramatically improve productivity and improve deteriorating employee morale. Lean Thinking methodology was introduced in the Administration area through a comprehensive employee training program with the intent of fostering program acceptance, creating more efficient job processes, and generating greater job satisfaction through job improvements.

Lean Thinking projects during the last year have migrated into other University areas as part of the University's overall continuous improvement program. Lean Thinking is very well received because of its relatively quick rate of implementation.

NOTE: This abstract is vague and is hard to put into a few words - interesting proposal and one worth reading - appears it started with Work Orders, but will cover all areas of the University.

See update at <http://www.sacubo.org/2007BestPractices/PDFs/UnivofCentralOkla-LeanUniversity.pdf>

## Key Word - by Area: Cost Reduction/Efficiency

<b>Department Name</b>	University Wide	# 630
<b>Title</b>	5 Ways to Cut Costs in 2005	
<b>University</b>	Business Finance Mag.com	
<b>Additional Info</b>	<a href="http://www.businessfinancemag.com/magazine/archives/article.html?articleID=14296&amp;highlight=best%20practice">http://www.businessfinancemag.com/magazine/archives/article.html?articleID=14296&amp;highlight=best%20practice</a>	
<b>Abstract</b>	<p>Reducing expenditures remains at the top of CFOs' priorities list, even as they turn their attention to revenue enhancement.</p> <p>Cost-cutting initiatives remain firmly at the top of most CFOs' agenda. In a May 2004 survey of finance executives at more than 150 large companies conducted by New York City-based consulting firm Booz Allen Hamilton, 85 percent of respondents said cost reduction is their highest priority. Nearly 60 percent reported that they are focusing on opportunities to reduce the cost of providing overhead services by trimming nonessential spending, restructuring costs and standardizing service levels. And only 3 percent said they have reduced overhead costs as much as possible.</p> <p>Ongoing studies by The Hackett Group confirm that cost containment remains most companies' primary objective. "Sixty-one percent of 300 executives who responded to a recent poll said cost cutting was their number one companywide priority," says Richard Roth, Hackett's Atlanta-based chief research officer. "There's still a strong feeling among senior executives that 'if our company does grow, let's make sure our costs don't grow along with it.' "</p> <p>While the draconian cost-cutting campaigns many organizations implemented during the downturn may already have harvested much of the low-hanging fruit, savvy CFOs can still find opportunities to ferret out efficiencies. Here's a look at five approaches finance executives may want to consider as they plan their cost-cutting strategies for 2005.</p> <p>May need to scroll down to see document.</p>	
<b>Department Name</b>	University Wide	# 807
<b>Title</b>	Becoming a Lean University	
<b>University</b>	University of Central Oklahoma	
<b>Additional Info</b>	<a href="http://www.sacubo.org/sacubo_resources/best_practices/2007.html">http://www.sacubo.org/sacubo_resources/best_practices/2007.html</a>	
<b>Abstract</b>	<p>The model used to implement the Lean University™ has been proven effective in other types of organizations. The 4-step model is described below:</p> <p>Step 1: Identify the Opportunities - Complete an organization-wide diagnostic search for issues, problems and opportunities.</p> <p>Step 2: Solution Design - Create a blueprint for success that involves all employees: training, mapping, and planning.</p> <p>Step 3: Implementation – Use kaizen events, core teams, and metrics to implement and illustrate change.</p> <p>Step 4: Continuous Improvement – Monitor performance after projects are completed.</p> <p>Implementation of Lean University™ has resulted in numerous benefits and reduced waste. The overall impact is the cultural concept that positive change can and does happen at the University of Central Oklahoma. Employees have realized that they have been empowered to make improvements that help the financial position of the university, make their sense of satisfaction higher, reduce their frustration, and increase their productivity.</p>	

## Key Word - by Area: Cost Reduction/Efficiency

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<b>Department Name</b>	University Wide	#	864
<b>Title</b>	Resize the Right Way		
<b>University</b>	NACUBO		
<b>Additional Info</b>	<a href="http://www.nacubo.org/x7974.xml">http://www.nacubo.org/x7974.xml</a>		
<b>Abstract</b>	<p>Downsizing Do's Reflecting on Ohio University's workforce reduction and medical clinic privatization initiatives, university leaders offer these realignment lessons.</p> <ul style="list-style-type: none"><li>* Adopt guiding principles. Shared values are important in times of great change. When difficulty looms, senior executives must adopt a clear set of guiding principles by which all decisions and institutional standards of behavior are assessed. Otherwise, many long-term practices may be discarded due to stress, fear, and the perceived or real magnitude of the problems at hand.</li><li>* Involve key constituent groups in decision steps. Doing so can increase trust in the process, the institution, and its leaders and will aid in managing future issues.</li><li>* Collaborate. Collaboration among senior officers is vital to show unity and directly acknowledge that all faculty and staff are working toward the same goals.</li><li>* Communicate. Especially during difficult times, communicating too little fosters rumors, erodes trust, and can cause other residual effects such as dissension. Communicate the same messages at all levels. This eliminates any turmoil surrounding what to communicate, when, and to whom.</li><li>* Include employees from day one. Good decisions can't be made without input from all employee and faculty levels. Tap employee input at every stage and on every aspect of plan design. For instance, hourly positions are often cut first in downsizing efforts, assuming that mid- and upper-level management positions are harder to replace. In such situations, morale can quickly deteriorate due to burnout when incumbents have to perform lower-level duties in addition to their own.</li><li>* Debrief. Debriefing sessions held during and after a staff reduction are necessary for institutional learning and employee assurance. These sessions must be honest and productive and help alleviate fear among the "survivors," who may be waiting for the other shoe to drop.</li><li>* Prepare. Since campuses are seldom faced with large reductions in staff, an institution's leaders may quickly find that state employment codes are not clear and are open to interpretation by various campuses and state offices. Take time now to develop a formal plan that also addresses potential legal pitfalls, including discrimination claims, breach of contract, and if applicable, Worker Adjustment and Retraining Notification Act violations. Other steps to ensure that you are legally defensible include hiring a legal specialist or securing the services of a nationally recognized career transitions firm, and training and educating supervisors—from senior officers down—to act appropriately and consistently communicate correct information.</li></ul>		

**Key Word - by Area: Cost Reduction/Efficiency**

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**Department Name** University Wide # 865  
**Title** Cost Cutting Ideas  
**University** Florida Atlantic University  
**Additional Info** <http://www.fau.edu/financial/best-practices/>  
**Abstract** Information gathered from many institutions related to actions taken to dealing with budget reductions. Presented to Financial Affairs, January 2008. In addition to the Word file, also gave cost cutting suggestions from this data base and suggestions on energy savings.  
  
How other universities deal with budget reduction - [www.fau.edu/financial/best-practices/budget-cuts.doc](http://www.fau.edu/financial/best-practices/budget-cuts.doc)  
Summary of Best Practices from this database - [www.fau.edu/financial/best-practices/cost-reduction.pdf](http://www.fau.edu/financial/best-practices/cost-reduction.pdf)  
Energy Savings from this database - [www.fau.edu/admin/fiscal/best-practices/Utilities.pdf](http://www.fau.edu/admin/fiscal/best-practices/Utilities.pdf)

**Department Name** University Wide # 988  
**Title** Ten Business Imperatives  
**University** Valencia Community College  
**Additional Info** [http://www.sacubo.org/sacubo\\_resources/best\\_practices/2009.html](http://www.sacubo.org/sacubo_resources/best_practices/2009.html)  
**Abstract** At Valencia Community College, President Sandy Shugart led the senior leadership team in developing Ten Business Imperatives in June of 2004 to help prepare for the future. These imperatives helped focus our attention on key business processes, which could potentially generate additional resources and enhance how students experience the college. As a result of our efforts, we were able to both enhance services to students and free up approximately \$3 million in annual savings, and this will grow as we are able to fully implement other aspects of our plans.  
  
Includes a brief summary of the Ten Business Imperatives and the benefits in either enhanced processes, reduced expenses or expanded revenue. Covers all areas of operations