

Service Excellence Transformation Transition Plan

December 2020

*Overview, current activity,
and proposed approach for
administrative restructuring*



**UNIVERSITY OF
ALBERTA**

**UofA for
TOMORROW**

TABLE OF CONTENTS

3	Introduction
3	Overview
4	Transition planning Unit- and faculty-level transition plans Planning of new and consolidated roles Centralization and consolidation plans
7	Transition approach Maintain critical services <i>Service Culture</i> Support a fair and consistent transition <i>Moving to new roles</i> <i>Human resources principles</i>
11	Timeline
11	Conclusion

The University of Alberta respectfully acknowledges that we are situated on Treaty 6 territory, traditional lands of First Nations and Métis people.

INTRODUCTION

While the Board of Governors' approval of the university's new operating model was a significant milestone, it is only the beginning of the administrative restructuring process. Since then, the SET team has been planning the transition of the university's administrative services from the current state to the new model. This process will centralize a number of administrative services and requires a redistribution of the university's workforce from faculties and central portfolios to new units in the centre, which will allow the university to take advantage of economies of scale and provide services more efficiently.

The initial focus of transition planning includes functional reviews to change and improve processes through the six functional streams and identifies critical services and timeframes to ensure the appropriate resources are in place to maintain these services. It also includes a commitment to support our staff through this challenging transition. This document outlines the proposed approach to managing this complex transition process.

OVERVIEW

The administrative services staff reduction necessary to meet the university's reduced budget is substantial. As a result of government funding reductions, approximately 1050 full-time equivalent continuing positions (FTE)—equating to \$95 million—will be lost through layoffs, attrition, and retirements. At fiscal year-end on March 31, 2020, approximately 400 of these ~1050 position reductions had been completed. Since then, layoffs have continued, and through this year and next, the university will need to continue to reduce its workforce to save \$60 million. Staff reductions will come from both faculties and central units to save \$30 million by the end of this fiscal year; further reductions, equating to an additional \$30 million, will occur from April 2021 to March 2022.

The operating model offers a new structure to provide services with fewer administrative staff. This new model will support service continuity by centralizing staff and introducing new structures and roles to enable effective communication and service delivery.

The model achieves its objectives by centralizing approximately 400 administrative FTE by March 31, 2022, from the faculties and central support units into new central units to simplify service delivery, drive consistency, and build capacity in core service delivery functions. Approximately 120 of these positions will transition to central units within the operating model by March 31, 2021.

FTE

The future-state FTE targets for each central unit and faculty (beyond April 1, 2022) is tied to a reduction in the current operating budget. The FTE allocation is therefore determined based on the average total salary and benefit cost to the university of an administrative employee (\$92,000 per annum). Actual FTE per central unit/faculty post transformation is likely to vary to some degree depending on the average cost of employees that remain within the operating budget.

TRANSITION PLANNING

Three planning processes are in progress to ensure the transitions are successful. Central portfolio units and faculties are developing detailed transition plans to inform the shift, the HR team within SET has started designing the new and consolidated roles, and the planning to support the centralization and consolidation of core service delivery functions is underway.

Unit- and faculty-level transition plans

Central portfolio units and faculties are developing unit-level staff transition plans to inform the transition to centralization. These plans will support the transition to the new operating model, beginning in January 2021.

The unit- and faculty-level transition plans outline proposed changes to implement over the remainder of this fiscal year and next fiscal year. These plans identify new roles, changed roles, roles where work will be consolidated to a central unit, and roles to be eliminated.

Units and faculties have provided the SET program with recommendations for the types of roles that they believe should transition to a different part of the university to better align with the new operating model. From these recommendations, a unit-level staffing impact analysis was completed in November, and the design of implementation approaches will be completed in December 2020. The HR team within SET will work with faculties and units to implement these plans in January 2021 in accordance with the HR principles, collective agreements, handbooks, procedures, and legislation.

Planning of new and consolidated roles

As a result of the more centralized operating model, there will be a significant shift of university administrative personnel from faculties and central portfolio units to the new central structures. It is important to note that central units follow the same model as the faculties and will, therefore, transfer the corporate functions that are not core to their mandate to other central units.

Some new positions and structures are necessary for the operating model to be successful and to ensure that the university can continue to deliver high-quality administrative services to our students, faculty, and staff. Approximately 400 new roles will be created and filled in these new central units; these may be direct transfers or expressions of interest (i.e., applying for a posted position) from current staff to new roles in the Staff Service Centre, the Student Service Centre, Transaction Processing Hub, one of the various Centres of Excellence, or as faculty general manager or service partner roles.

- The Student Service Centre and Staff Service Centre will provide a 'front door' through which students and employees respectively can access university services.

Note on names

The SET Program Office recognizes that *Centres of Excellence* is a confusing name because of its established association with research funding; as well, the title *Service Partner* may not accurately reflect the nature of the role in some cases.

Therefore, the SET team will be reviewing options for new names for these elements.

- The Transaction Processing Hub will enable scaled processing for specific services and will support the university to continue to improve its processes.
- Most faculties will gain access to a faculty general manager (small faculties may share one) who will lead and manage administrative staff who remain in their faculty and also act as the primary liaison to services delivered from the centre.
- Service partners will report into central portfolios and provide strategic support to faculties and central portfolio units to help them receive the services they need from the centre.

Sequencing the creation of consolidated roles in central units will be based on need and ease of implementation. These roles will be filled as they become available or as central units finalize resourcing needs. Role transitions will occur from January 2021 until March 2022; a more detailed timeline is provided at the end of this document.

Centralization and consolidation plans

In addition to the unit- and faculty-level transition plans, central portfolio units will be included in functional reviews to clarify their respective organizational structure and roles. The President's Executive Council - Strategic (PEC-S) will approve these revised structures sequentially beginning in January 2021. This will allow a more targeted reduction of staff from the faculties and central units for an equitable approach to consolidation.

While central units will be larger in the new model, they have also been provided budget targets and will be required to make reductions prior to consolidation to meet these targets. While consolidated staff numbers in the end-state are higher in the central units than currently, the intention is that those additional staff members will come from faculties and departments.

SET will seek to provide clarity and consideration for faculties and central units. Formal decision criteria—to which stakeholders, including deans and AVPs, will have an opportunity to contribute—will be developed to guide the assignment of staff to the central units. There will be a limited ability to negotiate exceptions to the criteria based on the faculty and central units' special circumstances. These decision criteria will align with the Board's approved approach and the university's budget parameters.

This process will support the current round of staffing reductions through to the end of March 2021. It will also enable the university to confirm specific transition dates for each function over the 2021/22 period.

The table below shows the end-state targets for the proportion of staff who will be allocated to central units vs. remaining in the faculties in the new model.

ACTIVITY TYPE:	CONSOLIDATION TO CENTRAL STRUCTURES (compared to current central staff)	TARGET % STAFF ALLOCATED TO:		
		COE/ SHARED SERVICES	SERVICE PARTNERS	FACULTY/ UNIT
RESEARCH ADMIN	+5%	10%	20%	70%
INFORMATION TECHNOLOGY	+15%	80%	5%	15%
HUMAN RESOURCES	+30%	60%	25%	15%
STUDENT SERVICES	+8%	50%	10%	40%
FINANCE	+35%	65%	20%	15%
EXTERNAL ENGAGEMENT	+30%	65%	10%	25%
FACILITIES MANAGEMENT	+9%	95%	0%	5%
LIBRARY	0%	95%	0%	5%
GOVERNANCE	0%	70%	0%	30%
GENERAL ADMIN	0%	30%	0%	70%
TEACHING ADMIN	0%	30%	0%	70%
OPERATIONS TOTAL	+12%	56%	10%	34%

Consolidation of roles will focus on six core service delivery functions:

1. **Finance:** 35% of the university's finance FTE will move from faculties and central units to the Finance Centre of Excellence or Transaction Processing Hub, requiring 70 new roles across financial services, supply management services, the Staff Service Centre, and the Transaction Processing Hub. This includes finance service partners.
2. **Human resources:** 30% of the university's HR functions will move from faculties/units to the centre, leading to the creation or transfer of 55 roles to the centre. These will include human resource services roles, the Staff Service Centre roles, the Transaction Processing Hub, and the HR service partners.
3. **External engagement** (this includes communications, marketing, and advancement): 30% of the university's external engagement FTE will shift from faculties to central areas. This will lead to 60 new roles in the new Vice-President (External Relations) portfolio. These roles include communications and marketing service partners and advancement partners.
4. **Information technology:** 15% of the university's IT staff will move from faculties to the central IT team, with close to 50 new and existing roles transitioning to centralize all core IST applications. This includes IT partners.
5. **Student services:** 8% of the university's student services staff will move to the centre. Approximately 50 new roles will become available in the centre with the introduction of the Staff Service Centre and student services partners.
6. **Research administration:** 5% of the university's research administration staff will move from faculties to the Vice-President (Research and Innovation) portfolio.

TRANSITION APPROACH

Transitioning to the new operating model will be complex, but there are two key aspects of the transition process that will remain constant:

- **Maintain critical services:** Our transition approach will ensure that we maintain critical services throughout the transition.
- **Support a fair and consistent transition:** We will carefully follow the letter and the spirit of our agreed-upon employment principles, practices, and processes throughout the transition process.

Maintain critical services

The functional review process will support the university in transitioning to the new operating model while maintaining critical services. Critical services are defined as those that must be provided on a continuing basis to ensure the university is operational (e.g., classes are provided, research is ongoing, staff are paid, etc.). A complete list of critical services is being compiled through the functional review process.

SET will support the functional reviews to ensure staff movements and layoffs are well-sequenced and to maintain critical service delivery during this period. These functional reviews will cover the six workstreams (i.e., IT, Finance, HR, Research Administration, Student Services, and External Engagement).

As we develop the new organizational structure, specific services and functions will transition to the new operating model according to the agreed-upon service catalogues. Service catalogues list the activities and services in a particular functional portfolio and determine where they are best placed within the model.

- **IT and Student Services workstreams:** functional reviews are underway.
- **HR and Finance:** have begun the discovery phase of the functional review to connect with functional experts.
- **Research Administration and External Engagement:** will initiate functional reviews starting in January 2021.

Discovery phase of functional reviews

The SET team will work with the faculties/units using an assessment matrix to gather process information from a representative sample of subject matter experts within faculty/unit. The information from this assessment will provide a prioritized list of process and activities for detailed process analysis. The detailed review will include consultation with operational staff in their respective areas.

Each functional review will develop contingency plans for how to operate as the services and processes are transitioned—including knowledge retention to ensure the shift from current to end-state does not result in the loss of critical institutional knowledge. The SET team will prioritize these contingency plans by business impact and will then execute them starting in January 2021. It is expected that:

- The functional reviews will allow service delivery to shift within the agreed-upon timeframes by working closely with subject-matter experts at all levels to document key process steps and institutional knowledge, which will be built into training plans for transitioned staff in an overlap period before transitioning.
- Service expectations with agreed-upon criteria will be determined before services are transitioned; a more formal service level agreement will be developed once services are stable in their new 'home' for at least six months.
- Specialist teams in central units will increase their service delivery capacity, in tandem with Centres of Excellence, as service delivery is transitioned.
- Services to be provided by service partners will transition from faculties to central units; as these roles are filled, partners will work closely with faculties and central portfolio units as the key relationship liaison to bridge the transition.

Service Culture

As part of the new model, services will no longer be delivered locally; therefore effective and efficient service to faculties and units will be instrumental in achieving success for the future of the university. The SET team will engage with key client stakeholders (i.e., deans, students, etc.) to establish the following:

- Service-level expectations through consultation with faculties and units to set standard levels of service;
- Measurement processes (also known as Key Performance Indicators/KPIs) to gauge our service levels against the standards. Measures are likely to include client satisfaction surveys, cycle times, response times, error rates, etc., and will include a formal service feedback process; and
- Service training and professional development programs will be required for all administrative staff.

Accountability for service quality will start with university leadership, and all administrative staff will have a clear understanding of acceptable service levels. Central functional areas providing services will have self-monitoring systems that should detect issues before they become apparent to their client groups, with an expectation that the issues will be quickly resolved and communicated. In addition, service partners will proactively discuss service requirements with their faculty/unit stakeholders as part of continual improvement. Likewise, faculty/unit stakeholders can also initiate discussions with their service partners to clarify service expectations and requirements. An escalation process will be implemented to ensure leaders of service areas are aware of any issues.

Support a fair and consistent transition

We will carefully follow the letter and spirit of our HR principles, collective agreements, handbooks, policies, and legislation throughout the transition process. Timely and purposeful consultation with AASUA and NASA is ongoing to gather feedback and meet our obligations under the collective agreements.

We will aim for the minimum possible disruption of staff while transitioning individuals into new roles. Where new roles are substantially similar to an existing role, direct transfers or appointments will be the goal. Within the operating model, where brand new roles are required as a result of existing activities that are substantially changing, positions will be posted through internal expressions of interest and/or open postings if required. We will strive to post externally only when necessary.

From January to the end of March 2021, approximately 120 staff will transition to roles within the centralized operating model, and there will be a reduction of approximately 325 FTE. Between April 2021 and March 2022, there will be a further reduction of approximately 325 FTE, as well as the consolidation of approximately 280 roles (of the total 400) into central units.

Moving to new roles

Within the transition process, there is the ability to appoint staff directly to new roles if the new role is substantially similar to an existing role. This means that the majority of administrative roles will either not be directly affected or will be minimally affected. More detail is provided below, as well as in the [SET frequently asked questions](#) on the U of A for Tomorrow (UAT) website.

Faculty to central unit transitions: Where administrative roles within the new model are the same or substantially similar to existing roles, we aim to transfer those existing roles (and the person in the role) from existing faculties and units into new central units. This is expected to account for many of the roles within the new model.

New role creation from existing talent pool: Where new roles—those not substantially similar to existing positions at the university—are created in the Centres of Excellence, the Transaction Processing Hub, as service partners, or in the Staff and Student Service Centres, existing staff will be asked to express their interest in those roles through internally-restricted postings. Candidates for those roles will be selected from the pool of interested candidates. Because many new roles will not be an exact duplicate of existing individual roles, successful candidates will be provided with additional training for their new appointments.

New role creation with differing requirements: Where new roles require talents, experience, or skills not normally found within existing staff roles, those roles will be posted both internally and externally. All things equal, internal candidates will be given preference over external candidates when selections are made.

Redundancies and role closures will follow established employment processes and practices outlined within our collective agreements, handbooks, policies, and legislation. Detailed plans will be in place for staff who remain in a faculty/central unit but whose roles are significantly impacted by the change.

Human resources principles

This is an enormously challenging time, particularly for those directly affected by job loss and job transition. The university is committed to offering support to our staff during the upcoming transitions and will adhere to the following principles throughout the administrative restructuring process.

To our employees, in the context of the pace at which we must progress, we commit to the following:

- Recognize and acknowledge the anxiety and confusion that staff are feeling through the U of A for Tomorrow transformation;
- Treat staff with compassion, dignity, empathy, and respect in our actions;
- Understand the important and meaningful work that administrators do within our faculties and units, and the valued contributions staff make to the university's success;
- Create a vibrant and healthy working environment that provides staff with meaningful work, engaging experiences, and fulfilling career paths;
- Support staff if changes to their role and responsibilities occur;
- Share consistent, transparent, clear, truthful, and timely information;
- Provide services and supports to help staff build and maintain good mental health and wellbeing;
- Be guided by the principles of equity, diversity, and inclusion in our decision making;
- Engage NASA and AASUA in meaningful consultation regarding changes affecting staff terms and conditions of employment;
- Follow the employment processes and practices outlined within our collective agreements, handbooks, policies, and legislation; and
- Share the processes and steps being used to implement the new model once we have completed consultation with the unions.

TIMELINE

The transition process will occur over the next 18 months, starting in January 2021.

Phase 1 Transition: until March 31, 2021

- **November to December 2020:** SET will support IT, HR, Finance, and Hub to design their organizational structure, governance, and roles.
- **Beginning January 2021:**
 - Staff reductions will begin. The university must generate \$30 million in labour savings for the 2020/21 fiscal year.
 - Centres of Excellence for administrative streams will begin to be established, and partner roles will be developed and approved.
 - Organizational structure, governance, and roles within central units will be designed.
- **From February 1, 2021:** Sequenced implementation of the new structures will begin, starting with service partners (noting that HR and Finance may start earlier).
- **By March 31, 2021:** Central portfolio units begin to shift into the new operating model.

Phase 2 Transition: April 1, 2021 - March 31, 2022

- **Throughout the fiscal year 2021/22:** The university will confirm reductions and transition pathways for each function. Likely transition dates will be:
 - Information Technology (IT)—**April** (but will take until June due to infrastructure);
 - Staff Service Centre and Transaction Processing Hub—Pilot in February, launch in **April**, and will build over the next 12 months;
 - Human Resources—**May**;
 - Student Services—Starting in January 2021 with the aim to launch in **May/June** and will build over the next 18 months;
 - Finance—**June**;
 - Research Administration—**June**; and
 - External Engagement—**July**.

CONCLUSION

The new year will be the start of significant change and transition at the University of Alberta. Success will depend on all of us working together as we restructure and reorganize how we work and deliver the university's core mission.

As the U of A begins a new era of transformation and transition, we recognize that this will be a stressful and uncertain time for staff, faculty, and students. We will continue to provide the university community with as much clarity as possible about what to expect over the coming months and throughout the transition process. With this in mind, please feel free to ask questions and provide your feedback on the SET program [using the form on the University for Tomorrow \(UAT\) website](#).

And as always, be kind to yourselves over the holiday season. If you need some extra support, please ask for help and refer to [one of the university's great health and wellbeing resources](#).