



Operational Excellence

Portfolio and Project Updates from the Operational Excellence Program Office

Highlights

- OE is gaining momentum; there are now 23 approved projects in various stages of implementation.
- Several OE projects have launched or had significant milestones in the last month including Energy, CalPlanning, and BearBuy.
- Advising Council, Student Technology, One Stop, and Berkeley Ops have hired project managers.
- The current OE portfolio forecasts \$75 million in ongoing annual savings, meeting one goal of OE.

Program Update

Three OE projects had significant milestones the first week of April. The Energy Management team launched its campaign by introducing real-time, online campus energy dashboards for 57 campus buildings. CalPlanning Phase 2 went live and campus planners are now using CalPlanning to prepare their department's fiscal year 2013 budget. Also the first week of April, BearBuy went live with its second cohort of campus users.

The Shared Services implementation proposal was approved by the OE Executive Committee on March 8 and the implementation team is developing the workforce transition and funding models due later this spring. Several units have been identified as "early adopters" of Shared Services and will begin to transition this fall, including the Vice Chancellor for Administration and Finance, Office of the CIO/IST, the College of Environmental Design, the College of Natural Resources and Biological Sciences.

Recent Accomplishments in OE

- Campus users can now go online to watch real-time energy usage in 57 campus buildings and learn ways to take individual action to save energy on campus. The Energy team is also recruiting volunteer **Power Agents** to champion energy conservation. Information at <http://mypower.berkeley.edu>

- CalPlanning Phase 2 is now live enabling campus planners to prepare their FY 2013 budget using CalPlanning.
- The first two cohorts of campus users have been trained and have begun using BearBuy to purchase supplies and equipment.
- The Metrics, Berkeley Operating Principles, Student Technology, and Student Advising Council projects have all hired project managers who are now meeting with key stakeholders on campus.
- On March 22, the OE Program Office sponsored **OE Expo 2012** at the International House. More than 1,000 faculty, staff, and students attended in-person and joined online to hear updates from OE project teams. Videos of all sessions are available online at oe.berkeley.edu

Upcoming Milestones & Events

- Tuesday, April 17 – IT Productivity Suite and IT Governance address student OE DeCal class.
- Monday, April 23 – BearBuy Cohort #3 classroom training begins.
- Monday, April 23 – Energy Power Agent orientation.
- Wednesday, May 2 – Chairs and department administrative officers forum on Shared Services.
- Tuesday, May 8 – Faculty Forum on Shared Services.
- Monday, May 14 – BearBuy Cohort #3 goes live.

Portfolio At-a-Glance

Current active projects: 22

Project implementation completed and transitioned to operations: 1 (Unit Restructuring)

Total investment committed: \$59 million

Projected run-rate annual savings of approved projects: \$75 million

Investment-to-date: \$15 million

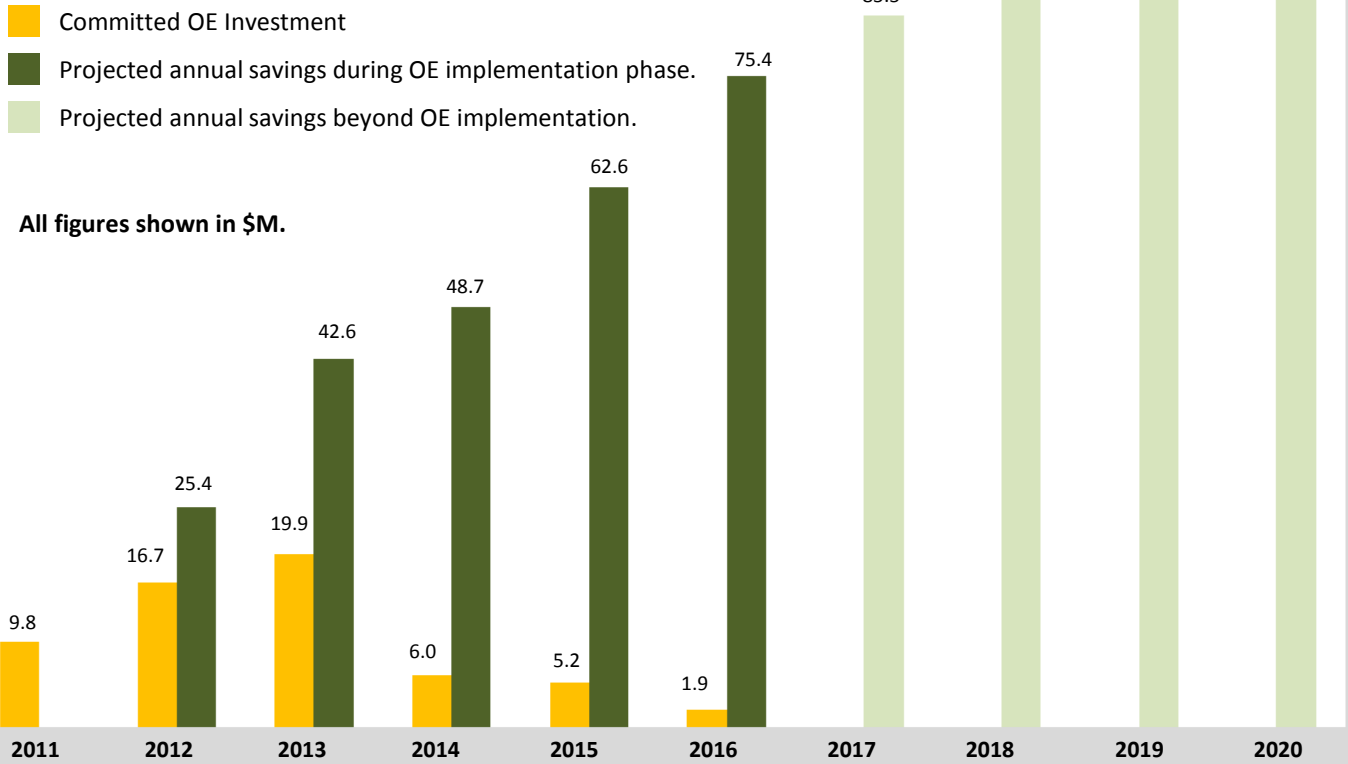
Savings-to-date: \$20.5 million



Portfolio Profile

Portfolio Investment and Savings Projections by Fiscal Year

approved portfolio as of April 1, 2012

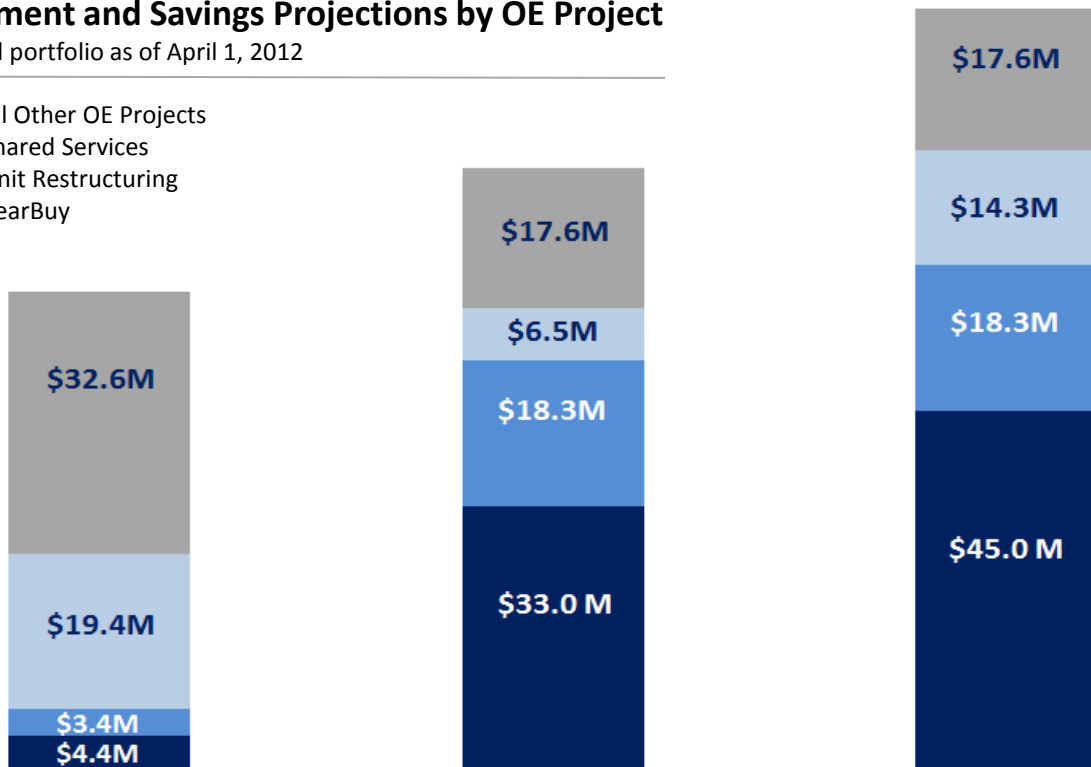


All figures shown in \$M.

Investment and Savings Projections by OE Project

approved portfolio as of April 1, 2012

- All Other OE Projects
- Shared Services
- Unit Restructuring
- BearBuy



ONE-TIME INVESTMENT

ANNUAL SAVINGS BY FY 2016

ANNUAL SAVINGS BY FY 2020

Project Financial Profile

PROJECT	EXECUTIVE COMMITTEE APPROVAL DATE	COMMITTED INVESTMENT \$	EXPENSES TO-DATE \$	PROJECTED ONGOING ANNUAL SAVINGS BY FY 2016 \$	SAVINGS TO-DATE \$
ENERGY					
Energy Office	3/11/2011	4,021,000	41,405	2,095,300	-
Incentive Program	3/11/2011	2,039,295	22,810	740,000	-
Outreach	3/11/2011	482,340	58,652	700,000	-
FINANCE					
CalPlanning	3/11/2011	6,157,185	3,623,005	-	-
HIGH PERFORMANCE CULTURE					
Berkeley Operating Principles	8/26/2011	120,000	-	-	-
Metrics	8/26/2011	120,000	-	1,800,000	-
Target Talent Development	6/8/2011	595,000	-	-	-
IT					
IT Governance	6/8/2011	3,959,000	63,714	-	-
IT Productivity Suite ^a	6/8/2011	5,848,000	1,511,835	2,110,000	-
ORGANIZATIONAL SIMPLIFICATION					
Shared Services ^b	3/8/2012	19,460,000	1,124,845	6,500,000	-
Timekeeping	4/19/2011	2,916,000	1,418,431	3,200,000	-
Unit Restructuring	9/1/2010	3,371,000	2,132,312	18,300,000	20,500,000
PROCUREMENT					
BearBuy ^{a,c}	5/23/2011	4,354,400	3,358,055	33,000,000	-
STUDENT SERVICES					
Car Sharing	5/12/2011	-	-	112,300	-
One Stop Business Services Center	12/1/2011	1,000,000	-	208,000	-
Student Advising Council	11/11/2011	558,650	1,040	2,316,500	-
Student Technology Phase One ^d	11/14/2011	458,000	-	-	-
Tools for Meal Plans ^a	5/12/2011	-	-	747,000	-
NON-INITIATIVE PROJECTS					
Application Support Center - Help Desk	11/14/2011	588,000	58,983	-	-
Enterprise Data Warehouse - Governance	7/15/2011	357,000	91,951	-	-
Enterprise Data Warehouse - Procurement	7/15/2011	2,749,000	1,528,384	2,963,000	-
Enterprise Data Warehouse - Student Finances	7/15/2011	728,000	-	634,400	-

Notes

This report shows the OE-funded portion of each project. Project funding from other than OE sources, if any, does not appear here.

- Savings for these projects has begun and will be reported in Q4, 2012.
- Although fiscal year 2016 is the analysis period for which all Operational Excellence projects are evaluated, annual savings for Shared Services are projected to increase beyond fiscal year 2016 and achieve \$14.3 million in annual operating savings by fiscal year 2020.
- Although fiscal year 2016 is the analysis period for which all Operational Excellence projects are evaluated, annual savings for BearBuy are projected to increase beyond fiscal year 2016 and achieve \$45 million in annual operating savings by FY 2019.
- Student Technology Phase One will develop and propose a detailed plan to leverage technology to improve the Berkeley student experience. The OE Coordinating Committee has recommended that up to \$11 million from the OE investment portfolio be earmarked to fund this anticipated proposal. The proposal and request for resources is expected in 2012.

Operational Excellence Projects

ADVISING COUNCIL

Advising Council will align advising services and develop standards for performance, communication and assessment in curricular and co-curricular advising.

APPLICATION SUPPORT CENTER – HELP DESK

The Application Support Center provides dedicated helpdesk support to the BearBuy, CalTime, CalPlanning and Shared Services implementation projects.

BEARBUY

BearBuy will streamline processes, increase efficiencies, and realize significant long-term cost savings for campus purchasing.

BERKELEY OPERATING PRINCIPLES

Berkeley Ops will develop a common set of principles to guide administrative work.

CALPLANNING

CalPlanning will enhance financial analysis, shift emphasis to decision support, and streamline the budget and planning processes.

CALTIME

CalTime will implement a single campus-wide timekeeping solution to reduce costs and standardize pay rules.

CAR SHARING

The Car Sharing program will replace 40 seldom-used university-owned vehicles with a campus-wide car-share program saving money and parking spaces.

ENERGY OFFICE

The Energy Office will track, oversee, and manage campus energy use and offer financial incentives to operating units to reduce energy use.

ENERGY OUTREACH

The Energy Outreach project will implement an outreach program focusing on individual action to reduce energy use.

ENERGY POLICY

The Energy Policy project will establish a Campus Energy Policy to articulate guidelines and standards relating to all aspects of campus energy use.

EDW GOVERNANCE

EDW Governance will add and fund a new position of Institutional Data Manager to support the EDW as well as develop governance policies and processes of the EDW.

EDW PROCURE-TO-PAY REPORTING

EDW Procure-to-Pay Reporting will incorporate procurement data into the EDW to realize significant savings and efficiencies as well as improved data accuracy, reliability, and security.

EDW STUDENT FINANCIAL STATEMENT

EDW Student Financial Statement will incorporate and integrate student financial data into the EDW to realize improved analysis capabilities, as well as improved data accuracy, reliability and security.

IT GOVERNANCE

IT Governance will help the University to strategically address, prioritize, and coordinate new IT efforts with ongoing projects, processes, and operations.

IT PRODUCTIVITY SUITE

IT Productivity Suite will direct campus-wide provision, management, and operation of proven productivity solutions to provide high-quality software across campus.

METRICS

Metrics will develop guiding principles for the development and implementation of administrative performance metrics.

ONE STOP BUSINESS STUDENT CENTER

One Stop will create a first point of service contact for the most common student business transactions.

SHARED SERVICES

Shared Services will include certain human resources, finance, research administration, and information technology work that is currently distributed in more than 200 locations across campus.

STUDENT TECHNOLOGY PHASE 1

Student Technology will create an implementation plan for delivering a more seamless and full-service online experience for Berkeley students.

TARGET TALENT DEVELOPMENT

Target Talent Development will enable the University to focus its learning and development efforts on positioning the workforce to meet the future needs of the University.

TOOLS FOR MEAL PLANS

Tools for Meal Plans is implementing several tools to bring more efficiency to resident hall dining food & beverage procurement and management.

UNIT RESTRUCTURING

Unit Restructuring implemented “spans & layers” analysis and methodology to create a flatter organizational structure campus wide.

Find information for all OE projects online
at <http://oe.berkeley.edu>