

# Shared Services Plan

## Questions and Answers

March 2019

### ***What are the plan's highlights?***

The plan calls for the creation of a new Unified Procurement Services Team (UPST) that will deliver procurement and accounts payable services to all campuses. The plan also calls for further analysis of payroll.

### ***What are the benefits of a unified service model?***

Key benefits are efficiency, improved customer service, and cost savings. These benefits come from maximizing efficiency of processes across all campuses and increasing our emphasis on strategic sourcing and category management.

### ***Were other public systems studied?***

Several peer public systems, including Colorado, Maine, Missouri, and Indiana, have pursued shared services and talked to the Steering Committee about their experiences. The UMass plan incorporates many of the characteristics from these systems.

### ***How much money will the university save?***

The savings estimate is \$16.5 million over the first 12-24 months. Annual, ongoing savings will be estimated once the unit is fully operational. The majority of savings will come from an emphasis on strategic sourcing and category management. Opportunities are expected for campuses to re-invest savings back to academic programs.

### ***How much will this transition cost?***

Some investment will be required to make the initial transition to the UPST. Campuses will not have to fund anything additional related to the initial transition. Once the UPST is up and running, campuses will pay an assessment based on an agreed-upon funding model.

### ***When will the UPST be fully operational?***

The UPST is expected to go live in January 2020 and be fully operational by June 2020. The transition process will involve the re-organization of staff, review and update to policy and process, and the establishment of new functions including customer service and spend analytics.

### ***Who will lead the UPST?***

A Chief Procurement Officer (CPO) will be hired to lead the UPST. The CPO will work closely with system-wide governance groups.

### ***Will the UPST be based in Shrewsbury?***

In talking to peer systems, we learned that unified services can be delivered both through co-location and a campus-based model. As the new organization is designed, a determination will be made as to which staff will remain on campus versus work out of Shrewsbury.

### ***What will happen to staff that currently work in procurement and accounts payable?***

The University has a skilled and experienced workforce, and the success of the UPST will depend on many of these employees joining the UPST team. HR leaders across the system will work with impacted staff to make sure they understand their options, which may include becoming part of the UPST or seeking opportunities elsewhere in the University. Although some layoffs may be possible, it is our collective goal to minimize layoffs and use the creation of the UPST as an opportunity for staff to enhance their skills and gain valuable experience.

### ***What about staff that are members of a union?***

Some impacted employees are represented by employee unions. As the new organization is designed, the labor relations teams on each campus will notify union leaders of any impacts and comply with any contract language or other obligations.

### ***How will customer service be measured?***

First, governance groups with campus representation will work closely with the UPST. Second, Service Level Agreements (SLAs) will be established and maintained. Finally, the UPST will include a Customer Service team that will continuously gather feedback from campus stakeholders and vendors and modify accordingly.

### ***What happens next?***

The Shared Services plan will be made available to all staff, and campus leadership will schedule discussions with impacted staff and anyone else who is interested. The design and implementation phase begins in April.