



MIAMI UNIVERSITY

Governor's Task Force on Affordability and Efficiency

Administrative Improvement Strategies


Pressure to Change

- Investment Losses
- Decline in entering class size
- State budget cuts

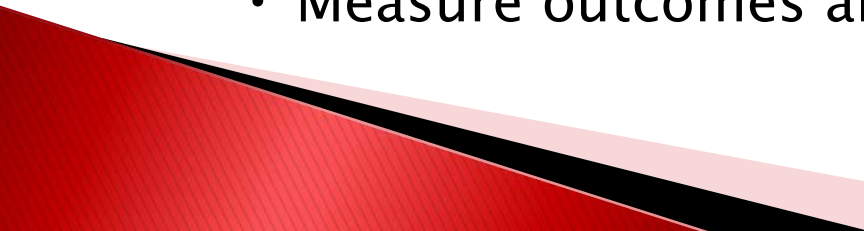
Initial Response

- Three rounds of layoffs
 - Other reductions in spending
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Recognition that Higher Education Landscape had Permanently Changed

- ▶ Increased competition/Disruptive technology
 - ▶ Greater price pressures
 - ▶ Changing demographics
 - ▶ Uncertain outlook for federal and state support
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Need for Permanent Change

- ▶ Examined how we spend and prioritize resources
 - Broad look at all spending
 - External assessment of administrative costs (Accenture)
 - ▶ Adopted a budget model that aligns with new philosophy
 - ▶ Developed revenue strategies and targets for investment
 - Strengthen admission strategies
 - Improve data analytics
 - Measure outcomes and not inputs
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External Assessment Outcomes


- ▶ Strategic sourcing (Consultant)
 - Payback on investment was less than one year
 - ▶ More efficient utilization of technology (Consultant)
 - Payback on investment was five years
 - ▶ Process redesign and improvement (Lean)
 - Payback on investment was less than one year
 - Return on investment has grown every year
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What is Lean?


- ▶ Evolved from the “Toyota Production System”
 - ▶ Focus on “value added” and “elimination of waste”
 - ▶ Waste is any activity that consumes resources but doesn't add value
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Organizational Improvement


Adoption of Lean and Other Continuous Improvement Strategies

- Targeted areas prioritized by project teams
 - Trained and empowered employees
 - Measure performance and focus on continuous improvement
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How did we change?

- ▶ Used a part-time consultant to teach our staff “how to fish”
 - ▶ Created training programs for staff participating in project teams
 - ▶ Staff learned how to assess the current state and design and implement a future state
 - ▶ Project teams were empowered to make changes
 - ▶ Expanded training programs to develop more sophisticated knowledge of Lean techniques and tools
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How has our culture changed?

- ▶ Started small and built out our program through successful projects
 - ▶ Projects are prioritized by steering teams
 - ▶ Since 2010– 502 Lean projects have been completed
 - ▶ There are over 200 active projects today and more being added
 - ▶ Over 2000 employees (including student employees) have participated in Lean training
 - ▶ Thirty–six employees have achieved the status of “Senior Lean Leader”—a two year program in Lean tools and project leadership
 - ▶ Only one employee is dedicated full–time to the Lean Initiative; everyone else has a full–time job doing something else
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How has our culture changed?

- ▶ Projects are identified by university leaders but also through our staff “Lean idea” program
 - ▶ A monthly newsletter highlights project teams and their accomplishments
 - ▶ Meritorious ideas and accomplishments are recognized through “PRIDE awards” and a new “quality and innovation” award
 - ▶ Total value of the completed projects since 2010 is almost \$30 million
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The Importance of Dashboards and Metrics

	<u>Staff</u>			
	Fall 2008	Fall 2014	<u>Change</u>	
Total Staff	3,706	3,338	-9.9%	
Finance and Business Staff	1,456	1,200	-17.6%	
Staff per 1000 Students	226	183	-19.0%	
Finance and Business per 1000 Students	89	66	-25.8%	
	<u>Health Insurance</u>			
	CY 2009	CY 2014	<u>Change</u>	
Cost per Covered Life	\$4,952	\$4,726	-4.6%	
	<u>Facilities</u>			
	FY 2004	FY 2014	<u>Change</u>	
Energy- KBTU/GSF	163.9	128.1	-21.8%	Note- FY 2014 experienced a 17% hotter summer and a 13% cooler winter
Facilities Staff per 1M GSF	75	52.4	-30.1%	
	<u>Enrollment</u>			
	Fall 2009	Fall 2015	<u>Change</u>	
Incoming Class Size	3236	4100	26.6%	
SAT	26.1	28.0	7.2%	

Questions?

