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• MLIS, Taxonomy, Information Design, University Of Washington, 2004
• Nominee 2019 Distinguished Teaching Award - UW Center For Teaching And Learning

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• Puyallup River Watershed Council - Non-profit Board Member

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• Michael G. Foster Chair in Accounting
• Dean Emeritus

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• Affiliate faculty, UW Quantitative Ecology and Resource Management

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Professor, School of Business, UW Bothell
• PhD, Columbia University, 1985
• Chair, Curriculum Committee, UW Bothell School of Business
• Doctoral Colloquium Coordinator, Asian American Accounting Association
IMPLEMENTATION TIMELINE

JAN 2020

PLAN
2 months

ARCHITECT
7 months

CONFIGURE & PROTOTYPE
9 months

TEST
9 months

DEPLOY
3 months

JUL 2022

END-TO-END TESTING

CONFIRMATION SESSIONS

PROCESS DESIGN WORKSHOPS

END-USER TRAINING

USER ACCEPTANCE TESTING (UAT)

PAYROLL PARALLEL TESTING

TRAIN-THE-TRAINER

SYSTEMS DISPOSITION DECISIONS

We are here

CHANGE CHAMPIONS

PROCESS TRANSFORMATION TEAMS AND USER TASK GROUPS

FINANCE TRANSFORMATION
UNIVERSITY of WASHINGTON
WHAT’S HAPPENING WITH SHARED SERVICES?
### WHERE SHOULD FINANCE WORK BE PERFORMED?

#### Defining Shared

<table>
<thead>
<tr>
<th>Location</th>
<th>Definition</th>
<th>Example of Activities</th>
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</table>
| Enterprise Wide (EW) | Process can be shared by all of UW                                      | • Enterprise consolidation  
• Enterprise policy and procedures  
• Travel and Expense Compliance  
• Maintenance of Master Data (e.g. vendor master, customer master, foundation data model) |
| Org-wide (OW)   | Process can be shared by all of UWA or UWM, but not across both organizations | • Cash Application and Collections (Misc. AR)  
• Org-level close and financial statements                                       |
| Regional Hub (RH) | Process can be shared at a Regional Level via a hub (serving more than one major organization/major unit)  
(e.g. across multiple schools/colleges, administrative units, auxiliary units and/or campuses. For larger schools and colleges this could be across multiple depts/divisions) | • Initial point of contact for units for finance and supply chain questions  
• Transaction processing (e.g. purchase orders, travel & expenses entry, invoice generation)  
• Post award grants management analysis and reporting                             |

#### Unit Level Finance Work

Processes that are unique or specific to an individual unit
FOR THE SAKE OF COMPLIANCE, STANDARDIZATION, AND EFFICIENCY SOME WORK MUST SHIFT SPACE

### Regional Hub Activity Breakdown by Skillset

#### Finance / Accounting Skillset
- **Record to Report:**
  - Process Journals
  - Non-PO Invoice Processing
  - PO Processing
  - Manage Requisitions
- **Grant Award to Close:**
  - Non-PO Invoice Processing
  - Award Closeout Reconciliation
  - Effort Reporting Review

#### Customer Billing Skillset
- **Customer Req.:**
  - Generate Invoice (Internal & External)
- **Grant Award to Close:**
  - Clinical Trial Invoicing

#### Sourcing / Procurement Skillset
- **Source & Contract Mgmt.:**
  - Manage Supplier Contracts* (Low Risk, Low Dollar)
  - Monitor & Manage Contracts
  - Manage Sourcing Event (Low Risk, Low Dollar)
- **Accounts Payable:**
  - Non-PO Invoice Processing
- **Purchase:**
  - PO Processing
  - Manage Requisitions
  - Travel & Expense
- **Travel & Expense Compliance:**
  - Travel & Expense

#### Segregation of Duties?

---

*Low Risk, Low $*
THE ORIGINAL PLAN: A NUMBER OF REGIONAL HUBS, SERVING BASED ON AFFINITY AND DISTRIBUTING EFFORT

**Enterprise-wide (EW)**
- Research & Compliance Operations
- Office of Planning & Budgeting
- Student Fiscal Services
- Internal Audit
- Treasury
- Finance Policy, Mgmt. & MDM COA) and Enterprise Consolidation
- Procurement (Policy)
- Capital Projects
- Facilities

**Org-wide (OW)**
- UWA Org-wide Procurement / SC
- UWA Org-wide Finance

**Regional Hub (RH)**
1. College of Arts & Sciences Hub
   - College of Arts & Sciences
   - College of Built Environments
   - Evans School of Public Policy
   - College of Education
   - The Information School
2. School of Med Hub
   - School of Medicine
   - Foster School of Business
   - Continuum College
3. Health Sciences Hub
   - School of Dentistry
   - School of Pharmacy
   - School of Nursing
   - Health Sciences Admin***
   - School of Public Health
   - School of Social Work
4. Professional Schools Hub
   - School of Law
   - College of Built Environments
   - Evans School of Public Policy
   - College of Education
   - The Information School
5. Colleges of Eng & Env Hub
   - College of Engineering
   - College of the Environment
6-7. Central Admin Hub (President / Provost)
   - President
   - Provost
   - Research (includes APL)
   - Innovation Strategy
   - UW Information Technology
   - Human Resources
   - Undergrad Academic Affairs
   - Academic & Student Affairs
   - President
   - Advancement
   - External Affairs
   - Student Life
   - Graduate School
   - Minority Affairs & Diversity
   - Global Affairs
   - Digital Initiatives & UW Libraries

**Local Unit Finance / Supply Chain Presence Remains for Site Support (Local Transaction Processing) and Business Partnering (Budgeting & Reporting)**

**Further Discussion Required**
- UW Bothell
- UW Tacoma
- Housing & Food Services
- Intercollegiate Athletics
- Facilities Services
- Continuum College

*UWM Procurement also provides services to Valley Medical Center
** Further discussion is required to determine what would fall in UWM vs. SoM
*** Further discussion is required due to state of transition
THE PROVOST REQUESTED A PIVOT IN APPROACH

Unit (especially school and college) choice, as demonstrated by meeting set criteria, in what shared environment to have:

1. Single, unit-level shared environment
2. Join other units and create a mutual shared environment
3. Be served by a ‘central shared environment’
## Criteria for Unit Shared Services Work

<table>
<thead>
<tr>
<th>Category</th>
<th>Criteria</th>
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</table>
| **1. Capacity** | a) **Unit Shared Services Team:** Unit consolidate shared activities* and associated FTEs across each department/programs into a unit level shared environment, ideally in the Finance and Admin organization of the Dean’s office.  

b) **Cost Neutral Stand-up:** Shared service responsibilities completed within existing unit resources. Units start planning in FY21 for training (FT to provide), position review and change of duties/scope to ensure that units resources are redeployed by go-live.  
c) **Have redundancy and avoid single points of failure:** unit has a coverage model that has appropriate redundancy and avoids single points of failure. |
| **2. Competency** | a) **Process Expertise:** Unit FTE resources have adequate financial and procurement competencies/skills (e.g. accrual accounting, operational journal updates)  
b) **Workday Expertise:** ‘shared environment’ resources have an affinity for technology and learning new things. They will spend most of their time in Workday and they have sufficient Workday expertise to effectively execute transactions by go-live. Over time, efficiencies expected to be improved over todays current state. |
| **3. Compliance** | a) **Policy Knowledge:** Understanding of University and external policies to ensure Workday Finance and Procurement transactions are executed in a compliant manner. Knowledge of current regulatory requirements (local, state, federal) for grants and procurements is aligned with roles performed by central admin functions.  
b) **Security Role Concentration:** Ensure that only unit hub FTEs have security roles to process transactions slated for the hub level of shared  
c) **Internal Controls:** Unit has sufficient resources to ensure internal controls over financial transactions (segregation of duties). |
| **4. Operational Sustainability** | a) **Standard Tools:** Commitment to the use of standard tools (e.g. Workday, ServiceNow) to route Finance and Procurement transactions for review/processing  
b) **Continuous Improvement:** Investment and ability to continuously improve activity in a shared environment as processes in the Workday platform change and mature |
STAFFING GUIDELINES

The Sweet Spot

- Expertise
- 75% of time spent in WD
- Separation of Duty
- Limit those with security roles
- Enable redundancy, backup

Unit Shared Environment Transactions

**Purchasing**
- Manage Requisitions
- Manage Sourcing Event
- Manage Supplier Contracts
- PO Processing
- T&E Compliance

**Grant Award to Close**
- Perform Cost Transfers/JEs
- Award Closeout Reconciliation
- Effort Reporting Review

**Misc. A/R**
- Create External Invoices
- Perform Invoice Adjustments

**Record to Report**
- Process Journals
- Month/Year End Close
**SCHEDULE**

**Preparation**
- Oct 13: Admin Council – preview approach
- Oct 15: Sponsors meeting – preview approach
- Oct 19: Questionnaire and Supporting Material Prep
- Oct 21: Mark, Kim, Margaret and Sarah H. preview meeting

**Completion - Initial Evaluation**
- Oct 22: Present approach at BODC
- Oct 22 - Nov 5: Assessment email and supporting materials sent out
- Nov 6: Submission deadline
- Nov 9 - Nov 20: Compilation & Analysis
- Mid-Dec: Assessed

**Iteration/Follow-on**
- Nov 9 - Nov 20: • Assessment review sessions
  • Unit iteration (as needed)
  • Analysis; Op Model Org Design

**Outcomes and Comms**
- Mid-Dec: • Decision and Communication
  • Completion - Initial Evaluation
  • Initial Evaluation – Outcomes and Comms

**We are here**
- Oct 15: Sponsors meeting – preview approach
- Oct 21: Present approach at BODC
- Oct 22: Submission deadline
- Nov 6: Compilation & Analysis
- Nov 9 - Nov 20: Assessed
- Mid-Dec: Decision and Communication
QUESTIONNAIRE REVIEW PROCESS - GOALS AND KEY INPUTS

Our goals for the Questionnaire Review Process (QRP) are:
- Provide quantitative and qualitative data
- Ensure the ‘voice of the unit’ is brought forward without requiring the execs to read every questionnaire.
- Enable a review process that is efficient and effective
- Focus more time on reviewing questionnaires where the ‘best’ answer isn’t immediately clear
- Enable an ‘iterative’ process that facilitates clarification, discussion, etc.

Key inputs to the review process are:
- Hackett data for transaction numbers, # of people performing, full time equivalent calculation, peer benchmarking
- Unit size data (total FTEs, FTEs doing Fin/Proc/Grants work, # of depts, # of faculty, etc.)
- Questionnaire responses
- Reference: Unit specific Hackett Output – on the Change Network
# CRITERIA MODEL REVIEW HIGH-LEVEL TIMELINE

<table>
<thead>
<tr>
<th>Key Items</th>
<th>October</th>
<th>November</th>
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<tbody>
<tr>
<td><strong>Criteria Based Questionnaire Launch and Unit Input</strong></td>
<td>▪ Questionnaire launch and response submission</td>
<td>▪ Launch (10/22)</td>
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<td>▪ Process deep-dive sessions and office hours</td>
<td>▪ Close (11/10)</td>
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<td>▪ Follow-up with units that have not responded</td>
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<td><strong>Response Consolidation and Leadership Discussions</strong></td>
<td>▪ Review and aggregate unit responses</td>
<td>▪ Dev. Template (10/30)</td>
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<td></td>
<td>▪ Discuss outputs with UWFT core team (Op Model team with Design Leads)</td>
<td>▪ UWFT Leadership Review of Responses (11/16)</td>
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<td>▪ Identify where unit outreach is required (further info)</td>
<td>▪ Additional Info Gathered from Units (11/19)</td>
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<td>▪ Prepare material for UW leadership discussion</td>
<td>▪ Send UW Leadership Pre-read (11/17)</td>
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<td>▪ Criteria survey responses reviewed with leadership (Including Margaret Shepherd, Kim Dinh, Brian McCartan, Mark Richards, and others)</td>
<td>▪ UW Review of Criteria Questionnaire Results (11/19 &amp; 11/20)</td>
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## October
- **Launch (10/22)**

## November
- **Close (11/10)**
- **UWFT Leadership Review of Responses (11/16)**
- **Additional Info Gathered from Units (11/19)**
- **Send UW Leadership Pre-read (11/17)**
- **UW Review of Criteria Questionnaire Results (11/19 & 11/20)**

**Unit Responses Due**
CRITERIA MODEL – ENGAGEMENT FOLLOWING RESPONSE EVALUATION

### Configure & Prototype

<table>
<thead>
<tr>
<th>Key Items</th>
<th>November</th>
<th>December</th>
<th>January</th>
<th>February</th>
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<tbody>
<tr>
<td><strong>UWFT engagement with units that want to be own 'Shared Environment'</strong></td>
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<tr>
<td>▪ Determine strategy for engagement with units that elect to be own 'shared environment'</td>
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<tr>
<td>▪ Communication to applicable units</td>
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<tr>
<td><strong>Operating Model refinement with units that want to be part of a 'Central' Shared Service:</strong></td>
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<td>▪ Conduct ‘Get Messy’ sessions to gather sizing data (FTE needed and FTE provided)</td>
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<tr>
<td>▪ Strategic discussions on how to ‘cluster’ these units</td>
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<td>▪ Develop engagement sequencing timeline</td>
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**Key Items**

- Strategy for Units with own 'Shared Environment' (1/8)
- Unit Communication (1/15)
- FTE and Sizing Estimates
- Unit Clustering Approach (2/8)
- Engagement Timeline (2/22)

**Milestones**

- UW Review of Criteria Questionnaire Results (11/19 & 11/20)

**Key Discussion**

- Strategy for Units with own 'Shared Environment' (1/8)
- Unit Communication (1/15)