FAQ: UCPATH Initiative Systemwide Shared Service Center

WHAT IS THE SYSTEMWIDE SHARED SERVICE CENTER?
The UCPATH Initiative will deploy an integrated payroll and Human Resource system to replace the old PPS system, which will serve all ten campuses and five medical centers. In addition to replacing PPS, a key piece of the UCPATH Initiative is a systemwide Shared Service Center. The Center will open its doors in January 2013 to serve Wave 1 campuses and will process routine transactions related to payroll, workforce administration, benefits administration and leave management. Staffing for the center will expand during Wave 2 and 3, as the remaining UC campuses and medical centers transition to the new payroll and HR platform over the following two years.

WHY IS UC CONSOLIDATING THESE SERVICES?
After months of thoughtful discussion and consideration with numerous stakeholders systemwide, the decision to create a single systemwide shared service center was motivated by a commitment to maximize cost efficiencies by fully leveraging economies of scale and ensuring consistency in business process quality and execution systemwide. The center will help UC more fully realize the goals of the UCPATH Initiative, which include:

- Delivering service with increased efficiency, accuracy, and quality;
- Achieving sustainable long-term cost savings by standardizing and simplifying common business processes and technology infrastructure systemwide;
- Improving UC’s ability to respond to changing business and reporting needs;

WHAT FUNCTIONS WILL BE INCLUDED IN THE SYSTEMWIDE SHARED SERVICE CENTER?
The systemwide Shared Service Center will include the following functions: Payroll, Benefits Administration, Leave Management and Workforce Administration. These are the most common transactional services that most easily lend themselves to standardization and centralization. While the major functions have been decided, work is now underway to determine business processes at the detail level. During spring 2012 design teams with representatives from each campus and medical center will develop the detailed processes for each individual work stream (e.g., hiring, reclassification, etc.).

WHAT FUNCTIONS WILL NOT BE INCLUDED IN THE SYSTEMWIDE SHARED SERVICE CENTER?
Many services are best left at the local level and will continue to be provided by campus and medical center staff. Examples of services that will not be incorporated include:

- Employee and Labor Relations issues
- Talent and Performance Management
- Staffing and Recruitment activities
- Learning services
WHERE WILL THE SYSTEMWIDE SHARED SERVICE CENTER BE LOCATED?
The location has not yet been determined. All UC locations have been invited to submit proposals to host the systemwide Shared Service Center. The project’s Executive Steering Team will discuss all proposals, with a final decision made by EVP of Business Operations Nathan Brostrom and CFO Peter Taylor in February 2012. The primary considerations for location selection will include:

- Ability to leverage existing talent at UC
- Availability and condition of space
- Ability to scale space as appropriate (expanding or contracting)
- Local leadership buy-in and support
- Real estate and labor costs

WILL CAMPUSES/MEDICAL CENTERS BE ABLE TO OPT OUT OF THE SYSTEMWIDE SHARED SERVICE CENTER OR ANY SPECIFIC SERVICES?
No. Campuses and medical centers will not be able to opt out of the systemwide shared service center nor any services. Additionally, no specific employee population will be able to opt out. Full participation is necessary to ensure consistency of business processes across campuses and standardization, quality and efficiency of services.

HOW MANY EMPLOYEES WILL WORK AT THE SYSTEMWIDE SHARED SERVICE CENTER?
Once all campuses and medical centers have transitioned to the new UCPath system and systemwide Shared Service Center in 2014, we anticipate there will be between 500-600 employees. The systemwide Shared Service Center will be staffed appropriately for each wave of implementation to ensure quality customer service. Staffing assumptions are based on other shared services facilities with similar numbers of employees and take into account UC’s complexity.

HOW IS THIS DIFFERENT FROM MY CAMPUS SHARED SERVICE INITIATIVE?
With the current economy and cuts to higher education funding, many campuses have engaged in campus shared service center initiatives. The systemwide Shared Service Center is an extension of these initiatives and will maximize long-term cost savings by standardizing business processes, reducing redundancy, and delivering consistent, high-quality service across all UC locations.

Campus shared service centers have been developed with different scopes of services and different implementation plans and, therefore, the impact of the systemwide Shared Service Center on any one location will vary. Ultimately, campus efforts are important steps towards administrative efficiencies and improved business processes. The UCPath Project Management Office is working closely with campus and medical center leadership and project management teams to draw on lessons learned and identify best practices for streamlining end-to-end business processes.
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HOW WILL THE SYSTEMWIDE SHARED SERVICE CENTER IMPACT ME?
The impact on each employee will vary by function, department and location. For employees who work in the functional areas of Human Resources, Payroll, and (transactional) Academic Personnel, some work practices will change as UC moves to a single set of business processes. In addition, work involving most transactional processes will move to the systemwide Shared Service Center. It is expected that over time, fewer positions in the core areas of payroll, HR, and academic personnel will be required University-wide, but it is too soon to know specifically when or how many positions will be affected. If positions are eventually reduced, UC intends to minimize involuntary layoffs through attrition (retirements), re-training and realignment of responsibilities. For directly affected staff, there may be opportunities to learn new skills or take on new roles as the nature of the work becomes more strategic and less transactional.

WHAT IS THE TIMELINE FOR THE SYSTEMWIDE SHARED SERVICE CENTER?
We are currently in the design phase. A Core Design Team is meeting regularly to create a design blueprint for the systemwide Shared Service Center, with the goal of completing its work by the end of Feb. 2012. The Core Design Team is a cross-functional group with campus/medical center and UCOP leaders from Human Resources, Academic Personnel and Finance. The design team is focused on the following:

- Scope of services
- Organization of the work
- Governance
- Communications
- Change management issues
- Technology solutions
- Facilities
- Roles/staffing
- Transition planning

HOW CAN I HELP OR BE INVOLVED IN THE UCPath INTIATIVE (FORMERLY PPS INITIATIVE)?
The best way to get involved is to keep informed of ongoing developments by regularly checking the Working Smarter website and reading your campus and medical center communications. The UCPath PMO is working closely with campus and medical center project managers, communication leads, and other project team members. If you would like to find out more about what is going on at your location, please contact your location’s PMO. A list of campus and medical center UCPath Project team members can be found at:
http://workingsmarter.universityofcalifornia.edu/projects/payroll-personnel-system/project-teams/

Find news and updates on the UCPath Initiative (formerly PPS replacement project) at the Working Smarter website: http://workingsmarter.universityofcalifornia.edu/projects/payroll-personnel-system/overview/