

Benchmarking the administrations of the Association of North German Universities

A practical approach to the different steps

Benchmarking in Higher Education. International Benchmarking Conference
13th/14th September 2012, Hannover

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10 universities in Northern
Germany want to benchmark
their administrations
together with HIS.



University of Flensburg



University of Bremen



University of Hamburg



Technical University
Hamburg-Harburg

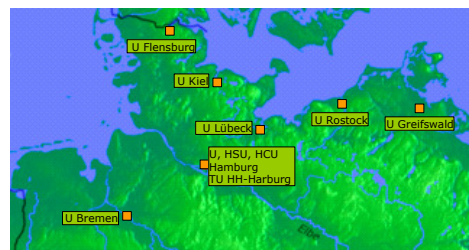


Harbour-City-University
Hamburg



Helmut-Schmidt-University,
University of the Federal Armed
Forces Hamburg

Initial situation
Participating Universities



Christian Albrecht
University Kiel



University of Lübeck



University
of Rostock



Ernst-Moritz-Arndt-
University Greifswald



Traditio et Innovatio

Initiative

The project was initiated by the chancellors of the participating universities.

In a structured way the different experiences on the current situation of administration should be exchanged.

Project design

The project consists of two phases:

1. In phase I indicators for the different services in the administration are ascertained and compared.
2. Dependent from the indicated differences the significant processes and tasks are compared in workshops and process analysis in phase II.

Expectations in the benchmarking project

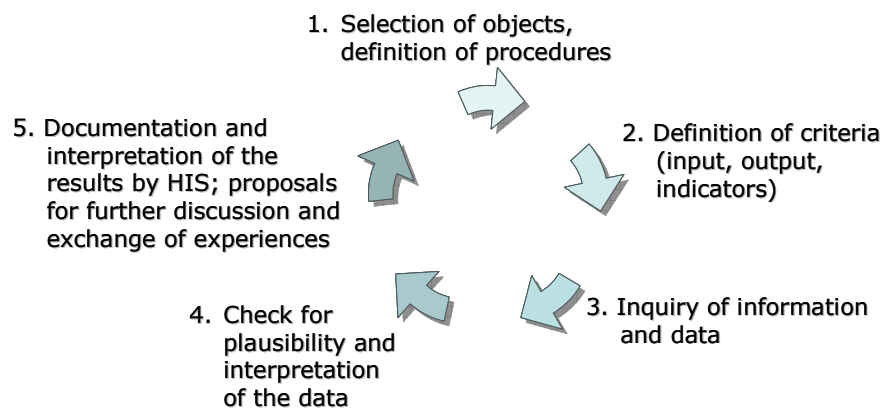
Different expectations and perspectives

Processes

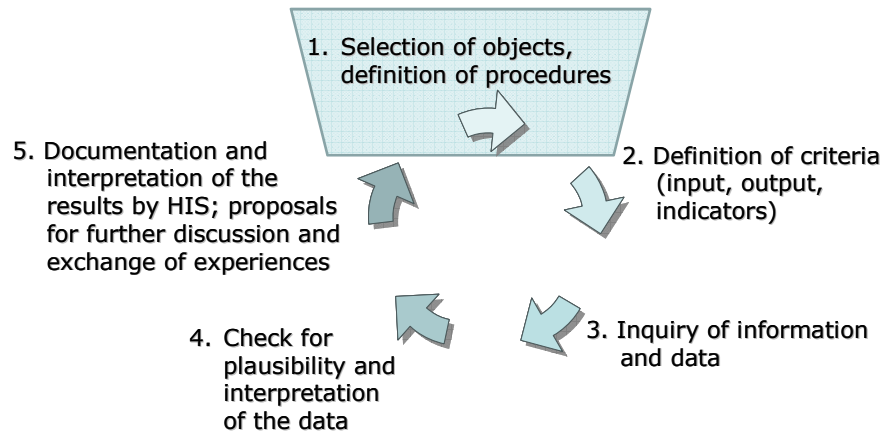


Indicators

Project design benchmarking



Project design: indicator based benchmarking

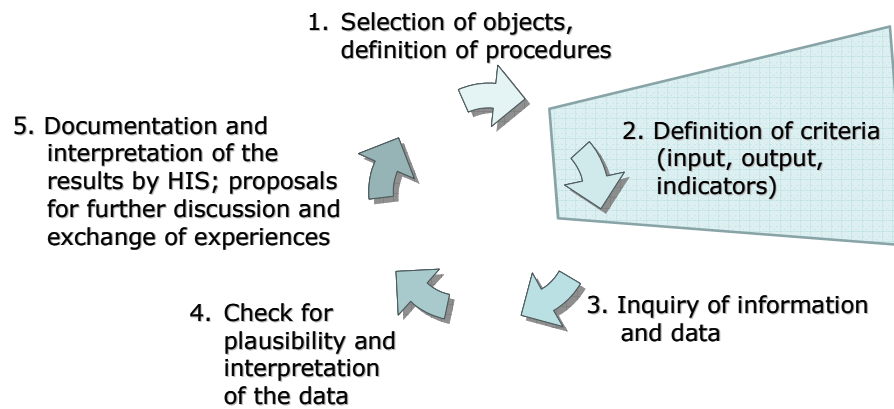


Objectives

Based on indicators and comparison of processes the whole administrations of the universities should be compared and analysed.

Potentials for optimisation should be identified and their realisation should be initialised.

Project design: indicator based benchmarking



Questionnaires for indicator based benchmarking

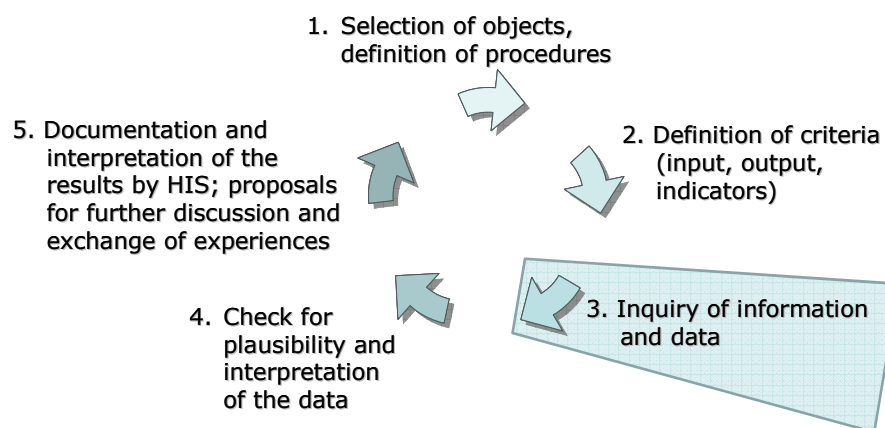
Together with universities HIS has designed questionnaires for the following administrative fields of services:

- Financial management
- Research administration
- Human resources administration
- Student administration
- Exams administration
- International office
- Facility management
- IT management, Public relations, Other administration

Phase I: Questionnaire benchmarking

Product/Task	actual value	Target 2009	Name of department/ section (optionally more than one), where the task is carried out
	Target date: 31.12.2008	register only, when: deviation from actual cost	
	Staff	estimated cost in full-time equivalent	
1	2	3	4
Superior and cross sector tasks			
management functions			
secretary tasks			
Explanation: This includes all tasks carried out in management functions (e. g. quality assurance, strategic planning, outerrepresentation) resp. in "traditional" tasks of secretary's office (office, antechamber).			
Annotations:			
Administration of applications			
Explanation: This includes the tasks conceptual authoring of data (Print/Internet) for educational residents/-foreigners, compilation/ shipping/issuance/display of application papers			
Annotations:			
Administration of admissions			
Explanation: This includes the tasks capture resp. additional demand of application data, admission reply (admission including check of Qualification for Admission to Higher Education, Move-up processes, selective conversations, participation in suitability-discovery processes, plaint processes (legwork), admission processes for non-fundamental courses of studies)			
Annotations:			
Administration of enrolments			
Explanation: This includes the tasks conceptual authoring of data (Print/Internet) for educational residents/-foreigners, data entry, financial contribution and dues			
Annotations:			
Administration of students			
Explanation: This includes the tasks re-registration, exeat, exmatriculation, change of subject resp. course of studies			
Annotations:			

Project design: indicator based benchmarking



product areas	University		Data processing		
	personnel expenditure	in %			
General management	6,25 FTE	12,8%			
Budget affairs	9,47 FTE	19,5%			
cost for budget planning	2,34 FTE	4,8%			
cost for budget proceeding and accounting	3,83 FTE	7,9%			
cost for costs and activity accountings	3,30 FTE	6,8%			
Accountings and payment-related issues	19,15 FTE	39,4%			
costs for invoice processing	3,78				
costs for income entry	5,06				
costs for cashbook keeping	4,72				
		basic numbers	University	Comparison	
				mean value	median
		(1) budget resources [in €]	77.592.533 €	126.823.310	127.800.000
		(2) third-party funds [in €]	15.915.731 €	30.496.339	29.430.000
		(3) budget resources and third-party funds [in €]	93.508.264 €	157.313.808	157.230.000
		(4) number of different accounts	0	7.446	4.535
		(5) number of accountings for the budget year	167.974	142.704	149.880
		(6) Number of appointments of funds	30.737	13.259	6.583
		(7) number of accounts payment orders	22.272	67.231	46.846
		(8) number of receivables postings	4.889	8.750	9.282

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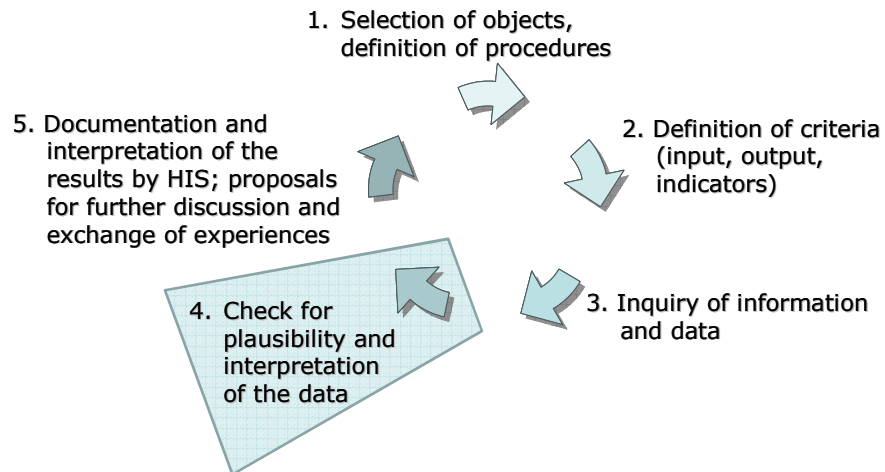
Practical Approach

Data processing			
Indicators budgeting central administration		University	Comparison
			mean value median
(1) FTE general management to FTE financial management		13,2%	8,4% 7,4%
(2) budget resources volume and third-party funds volume to FTE financial management		1.976.083 €	7.185.410 € 5.848.823 €
(3) budget resources and third-party funds to FTE budgetary matters		10.760.445 €	51.847.542 € 40.453.507 €
(4) budget resources volume to FTE budgetary matters		8.928.945 €	41.982.959 € 35.237.634 €
(5) third-party funds part on the overall budget [in %]		17,0%	18,1% 16,8%
(6) numbers of bookings to different accounts			63 23
(7) part of internal transfers to bookings		1,8%	16,8% 17,0%
(8) part of automatical accountings to bookings		55,1%	24,9% 19,2%
(9) bookings without fund appointments to FTE accountings and payment-related issues		7.166	15.002 14.160

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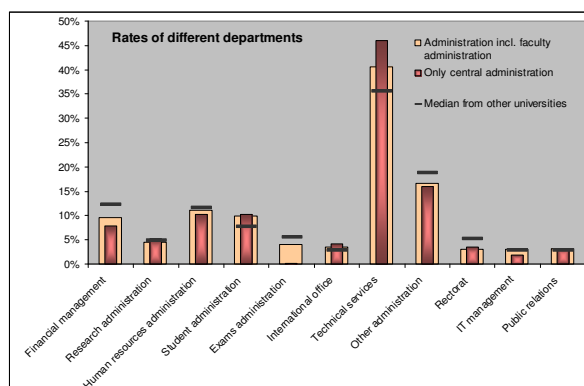
Project design: indicator based benchmarking



Results of indicator based benchmarking

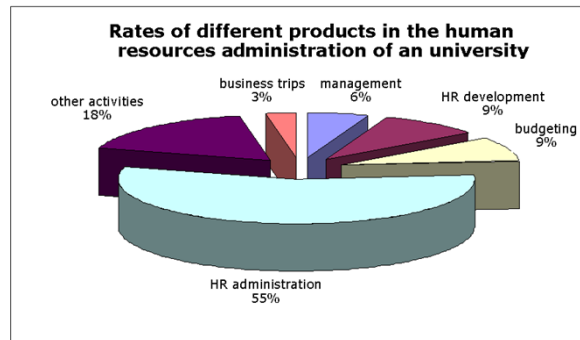
The costs for the different fields of administration were estimated in every university.

Then the results were validated and checked for plausibility. From that first ideas for optimisation resulted.



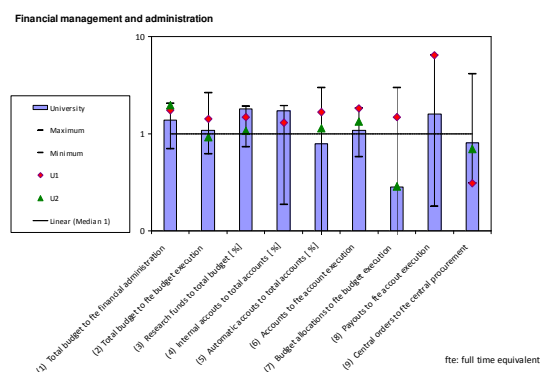
Results of indicator based benchmarking

The more detailed analysis of the costs show the distribution of the costs to the different products in every field of university administration.



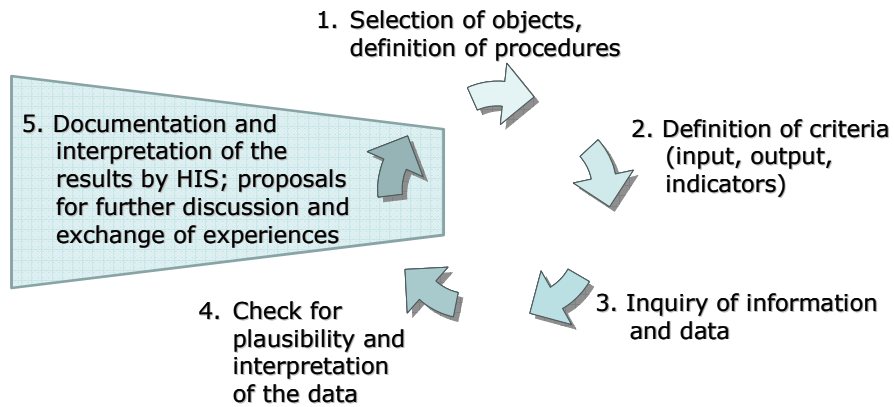
Results of indicator based benchmarking

A first idea of the situation results from a comparison against anonymous data from other universities.



The indicators of each university were compared to the median, the maximum and the minimum of the whole data set.

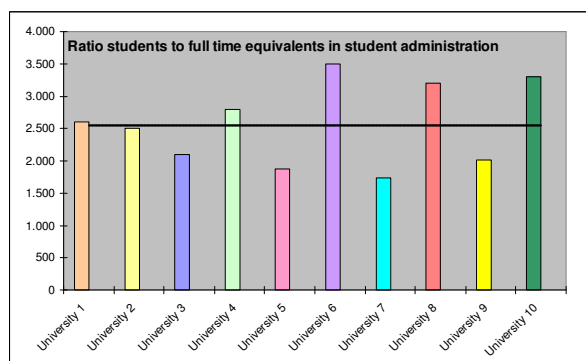
Project design: indicator based benchmarking



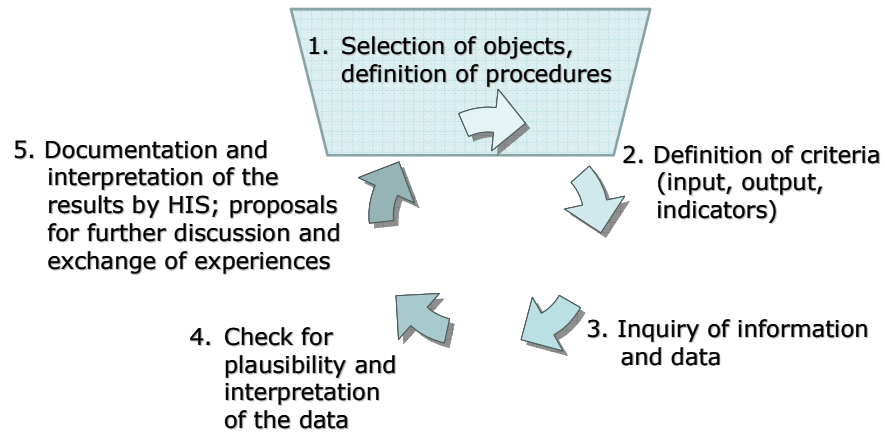
Results of indicator based benchmarking

Then the indicators of the various universities became directly compared and discussed in common.

The themes for a deeper discussion in common workshops resulted from the differences.



Project design: process based benchmarking

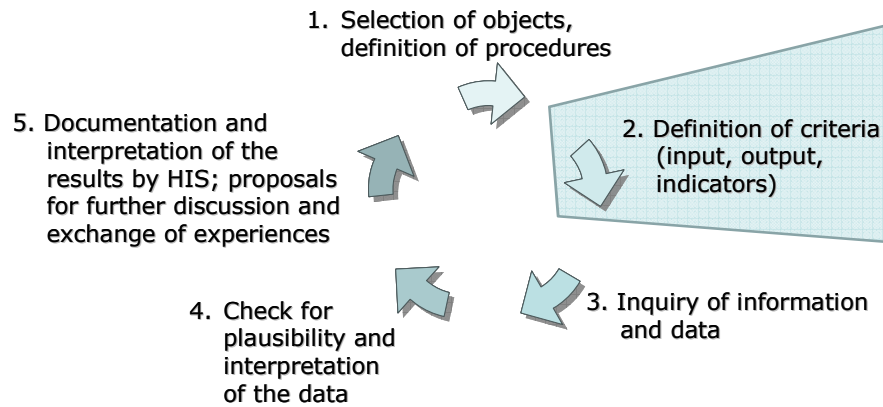


Process analysis and benchmarking workshops

The universities decided to analyse different processes in five common workshops:

- Management of third party funding
- Student administration (e.g. application, admission, enrolment)
- Organization and supervision of written exams
- Employment of academic staff
- Supervision of the procurement process (e.g. demand analysis, procession of invoice, payment)
- Resolve technical faults and problems

Project design: process based benchmarking



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Phase II: Questionnaire benchmarking

Organisational classification of tasks in the process "Procurement-Accounting-Payments"

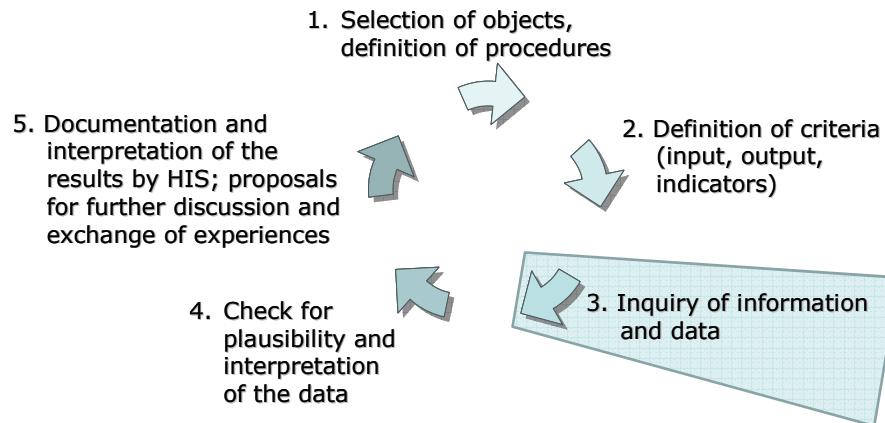
Process start: material requirement exists
Process end: Invoice is booked and paid and if necessary inventoried

Process start: material requirement exists Process end: Invoice is booked and paid and if necessary inventoried			Actors									Software/ Work equipment				
University		Sequence of tasks (please number consecutively)	Faculty (dean)	Head of Institute	Professor	Store	Procurement	Accounting/ document entry	Accounting/ Asset accounting	Cash management	other actors (please enter the name)	used software or IT - solution (please name)	IT-supported with self-service functions	without self-service functions	automated (via IT)	without IT support based on paper forms (manually)
Task																
Sub-Process: Determination of requirements																
Determination of requirement (Type, Amount, Quality)																
Verification of requirement																
Control of stock																
Control of existing financial resources																
Sub-Process: Choice of vendors and procurement																
Obtaining offers																
Choice of offers																
Choice of vendors and suppliers																
Preparation of application for procurement																
Issue a tender																
Place an order																

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Project design: process based benchmarking



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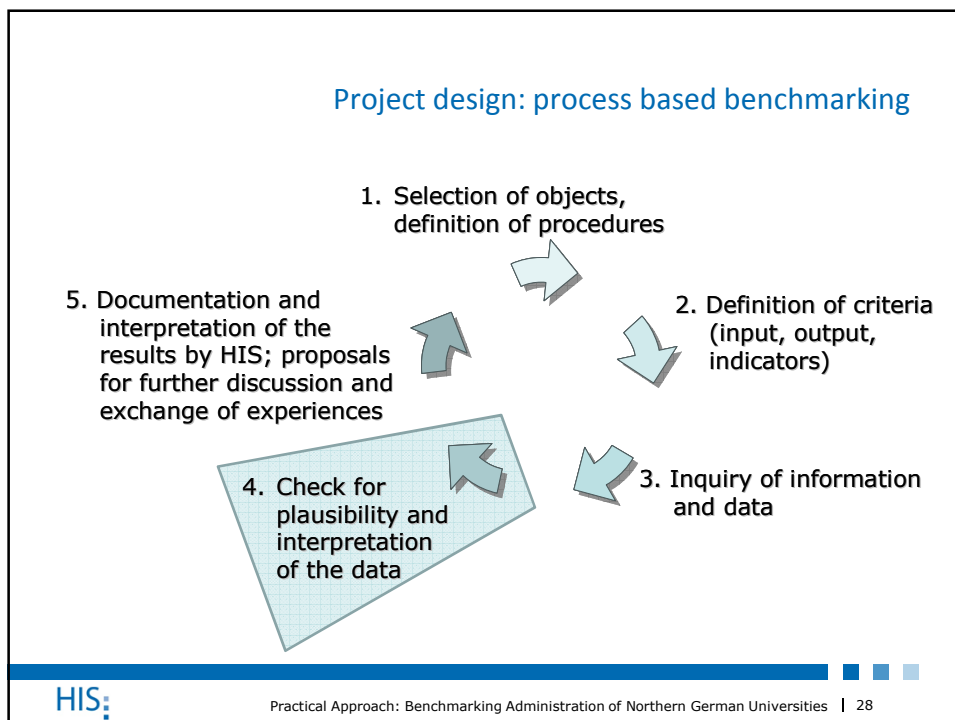
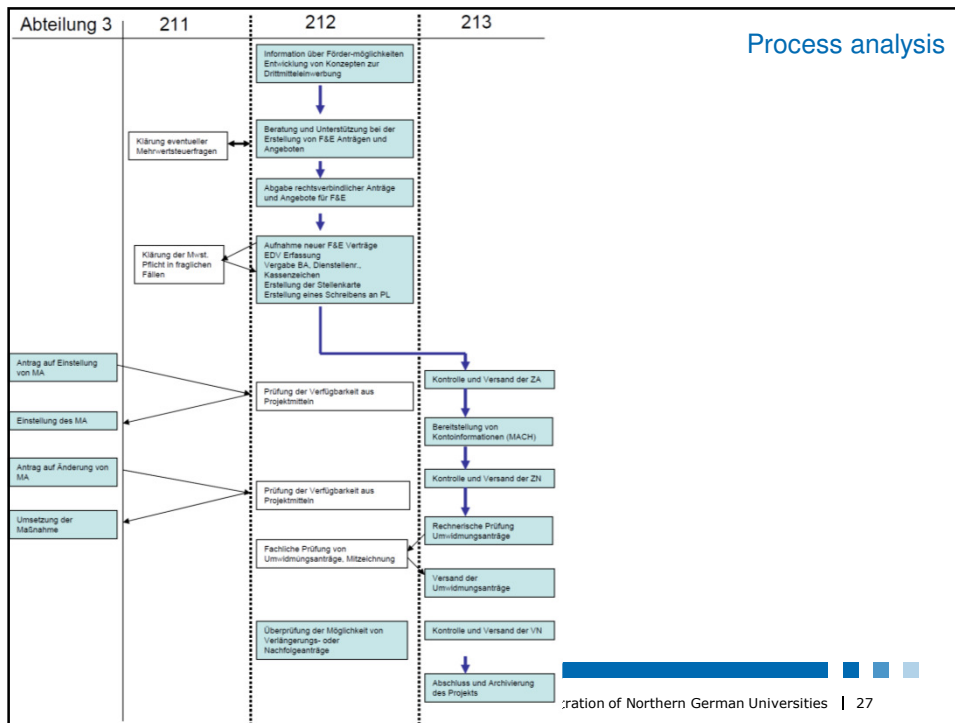
Phase II: filled questionnaire

Organisational classification of tasks in the process "Procurement-Accounting-Payments"

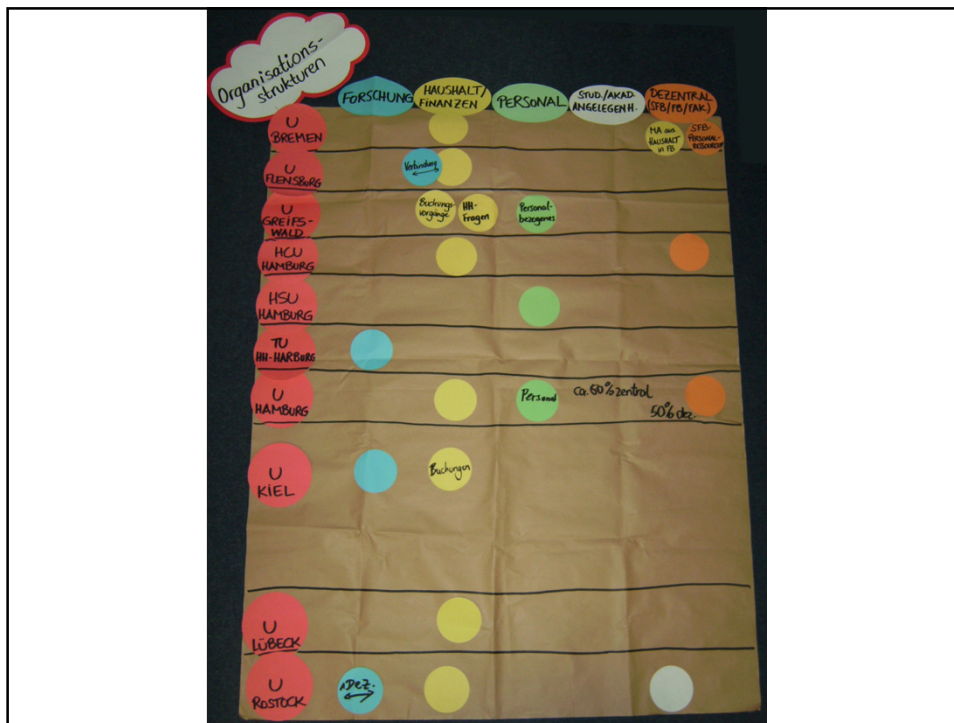
Process start: material requirement exists

Process end: Invoice is booked and paid and if necessary inventoried

University		Actors							Software/ Work equipment			
		Academic sector	Store	Administration				IT-supported		without IT support		
Task	If this task does not exist at your university then please mark this column with "x"	Faculty (dean) Head of institute Professor	Store	Procurement Accounting/ document entry	Asset Accounting/ accounting	Cash management	other actors (please enter the name) used software or IT-solution (please name)	with self-service functions	without self-service functions	automated (via IT)	based on paper forms (manually)	
Sub-Process: Goods and invoice receipt												
Acceptation of goods and deliveries		x					x					
Control of goods receipt (Type, Amount, Quality)		x					x				x	
Alignment of delivery note and invoice with the order				x							x	
Calculatory verification of invoice				x							x	
Factual verification of invoice		x					x				x	
Cancelling of determination												
Authorization of invoice for payment		x									x	
Sub-Process: Accounting and payments												
(Pre-)Inventory of invoice											x	
Preparation of payment order				x			x					
Accounting of invoices				x			x					
Forwarding of payment data				x			x					
Conduction of payout								x				
Archiving of voucher für payment				x				x				



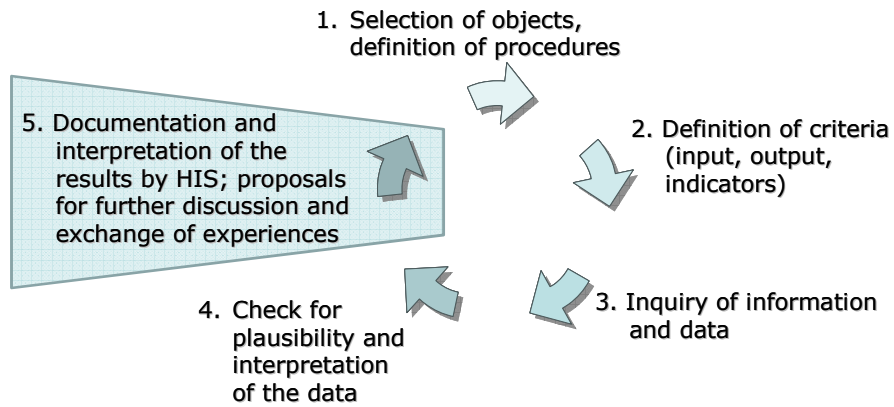




Zentral vs. Dezentral

- Warum dezentralisieren?
- Welche Möglichkeiten / Grenzen ergeben sich?
- Welche Veränderungen ergeben sich hinsichtlich Aufgabe / Kompetenz / Verantwortung?
- Welche Folgen ergeben sich für die
 - Fakultätsverwaltung?
 - zentrale Verwaltung?

Project design: process based benchmarking



Results of process based benchmarking

In a series of workshops the processes and tasks were compared and analysed.

Valuable ideas for optimisation of structures and processes resulted for the universities.

University	Department for research administration	Department for financial administration	Department for human resources administration	Decentral / faculties
U 1				
U 2				
U 3				
U 4				
U 5				
U 6				
U 7				
U 8				
U 9				
U 10				

University	Department for research administration	Department for financial administration	Department for human resources administration	Decentral / faculties	Total
U 1	0,25 FTE	14,43 FTE		3,20 FTE	17,88 FTE
U 2	0,90 FTE				0,90 FTE
U 3		4,30 FTE			4,30 FTE
U 4	1,00 FTE			0,15 FTE	1,15 FTE
U 5			1,00 FTE		1,00 FTE
U 6	4,80 FTE				4,80 FTE
U 7	0,80 FTE			7,10 FTE	7,90 FTE
U 8	3,30 FTE			0,05 FTE	3,35 FTE
U 9	0,03 FTE	1,60 FTE			1,63 FTE
U 10	2,65 FTE				2,65 FTE

Lessons learnt I

Quantitative data, i.e. indicators were dominating the discussion

Due to the standardisation and simplification necessary in the process of compiling data, the individual indicators can only provide information on deviations.

The discussion was quite often reduced to the mere numbers and lead to an unintended ranking among the universities based on 'better' or 'worse' assessments of the compared data.

Lessons learnt II

The only way to minimise this effect is a high degree of transparency or at least an elaborate communication strategy, especially in a case like this, where the project includes the entire administrative departments as well as the decentralised administrative units.

The combination of indicator- and process-based-benchmarking proved to be an effective tool to gain comprehensive insight into the overall administrative structure of the universities involved.

Each chancellor received a differentiated insight into the strengths and weaknesses of the universities administrative services.

How to go on?

In a very compact benchmarking project like this – reduced to the generation of indicators and only five process workshops for the whole administration of ten universities – one can only receive first ideas of strengths, weaknesses and optimisation potentials. Accordingly this type of Benchmarking is predominantly restricted to a quantitative level.

If some “red lights” occur two possibilities of a follow up exist:

1. Go on in the benchmarking club to a more intense and detailed analysis of the interesting objects.
2. Take the results home and use them as starting point of an internal reorganisation or change process.



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Thank you for your attention –
there is now time for questions &
discussion

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