IT Strategy Board

February 3, 2014

Agenda

- **HR/Payroll Update**

- **UW-IT Portfolio Review and Allocation**

  - FY 2015 Portfolio Review with IT Service Investment Board

  - UW-IT Portfolio Asset Allocation by Service Category

- **IT Support for Research Administration**

- **IT Project Portfolio Executive Review**

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HR/P Update

IT Strategy Board
February 3, 2014

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HR/Payroll
MODERNIZATION

Objectives

1. Demonstrate the need for modernization
2. Discuss our opportunity and anticipated benefits
3. Provide project cost and funding model
4. Outline next steps and the timeline
5. Discuss impact on resources
6. Answer your questions

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THE NEED FOR HR/P MODERNIZATION

UW has Changed: 1982-Now

The current payroll system was implemented in 1982; the UW's business needs have evolved significantly since then.

		1982	Today
Annual Revenue		$552 million	$4.6 billion
Primary Revenue Sources	State appropriation	28% ($154M)	6% ($276M)
	Tuition and fees	13% ($71.8M)	13% ($598M)
	Research grants and contracts	27% ($149M)	30% ($1.38B)
	Patient care	14% ($77.3M)	29% ($1.33B)
Human Resources	Number of employees	20,000	40,000
	Number of faculty	2,496	3,927
	Unionized staff	7,000	17,000

UW's Compliance Profile has Changed

	1982	Today
Scope of bargaining agreements	*Prohibited* from negotiating salary, hours of work, overtime, premium pay, leave, corrective action, performance management	Civil Service Reform *opened the scope of bargaining to include all of these areas*
Geographic compliance scope	3 states N/A	29 states 66 countries
Federal, state, and hospital requirements and regulations	HEPPS was implemented to be compliant for the time, but lacks the flexibility to keep up with change	Over 30 major federal regulatory programs and requirements, numerous changes to state and hospital rules & regulations, including: ADA, FMLA, COBRA, FLSA for state employers, new state retirement and insurance eligibility rules, extension of bargaining rights to temporary employees, new Joint Commission rules, etc.

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A Complex Workforce

UW's complex workforce of 40,000 includes:

- 11,000 medical center employees
- 300+ employees in 26 other countries
- 4,400 graduate students with health benefits
- 365+ earning types (regular, hourly, etc.)
- 165+ unique pay differentials or premiums
- 4,000 retirees
- 9 unions representing 16,000+ employees

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M O D E R N I Z A T I O N

However…

The technology to support UW's complex needs is

32 years old!

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Our Opportunity

- Replace UW's existing payroll system with a *modern*, integrated HR and payroll system

- Implement a technology platform that allows UW to outsource the infrastructure

- Implement standardized HR and payroll processes and practices across the entire University

- Reduce UW's risks, realize efficiencies, enable modern practices, and provide better competitive positioning

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Recommended Vendor: Workday

- Software-as-a-Service

- Core functionality delivered in 22 months

- Iterative approach to implementation

- Will partner with IBM for implementation

- Other higher-ed institutions using Workday include:

  - Academy of Art University
  - Barry University
  - Broward College
  - Brown
  - Carnegie Mellon
  - Champlain College
  - Cornell
  - Georgetown

  - Madison College
  - NYU
  - Stevens Institute of Technology
  - University of Miami
  - USC
  - UT Austin
  - Yale

■ = System is live
■ = Implementation is underway

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Anticipated Benefits

Realize Efficiency	Enable Modern Practices	Reduce Operational Risk	Provide Better Competitive Positioning
Eliminate Waste	*Implement Best Practices*	*Strengthen Compliance*	*Support Attracting & Retaining the Best People*
• Streamline labor-intensive, manual processes through automation and technology • Eliminate unnecessary administrative burden • Eliminate rework and adjustments due to poor data quality • Provide a single source of accurate employee data	• Enable enterprise-wide HR/P processes through leading / best-practice application • Create bandwidth to focus on strategic initiatives • Provide accurate, timely employee data for use across UW • Increase transparency into HR/P processes, metrics, and data	• Manage critical compliance concerns through technology • Keep pace with ever-changing regulatory requirements • Support operations with reliable technology platform • Enable business continuity and disaster recovery functionality for HR and payroll	• Redeploy current transaction-based workforce to value-add activities • Create a progressive administrative environment • Enable a stronger recruiting web presence • Provide comprehensive data for decision making • Provide better customer service

HR/Payroll MODERNIZATION

Impacts All UW Workforce Members

Every member of UW's workforce will be impacted:

- **Faculty, Staff, and Student Employees** will use a new interface to:
    - Quickly access earning statements, leave balances, and time off requests;
    - View and change direct deposits and W2 withholdings; and
    - Change personal information, such as contact information and benefits selections.

- **Managers and Supervisors** will be able to easily review employee schedules, approve time-off requests, track credentials, and recommend training opportunities for staff.

- **Staff with HR/payroll processing responsibilities** in their departments may experience some work shifting from one office to another or new methods of accomplishing certain actions.

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Project Cost & Funding

Cost:

- 22-month implementation costs: $60-70M
- Ongoing costs: $14.2M to $15.5M annually

Funding Plan:

- The HR/P Modernization project will be funded through a combination of reserves and debt.
- During the implementation phase (through June 2016), all costs will be paid by the Provost. One half of this will be considered a permanent investment by the Provost; the remaining half will be allocated to campus units on a straight line basis over 10 years.
- Following the stabilization and optimization period, all ongoing costs will be allocated to campus units. These costs include UW costs, subscription fees to Workday, and debt service.
- Costs will be downstreamed using a method to be finalized by a costing sub-committee in spring 2014.

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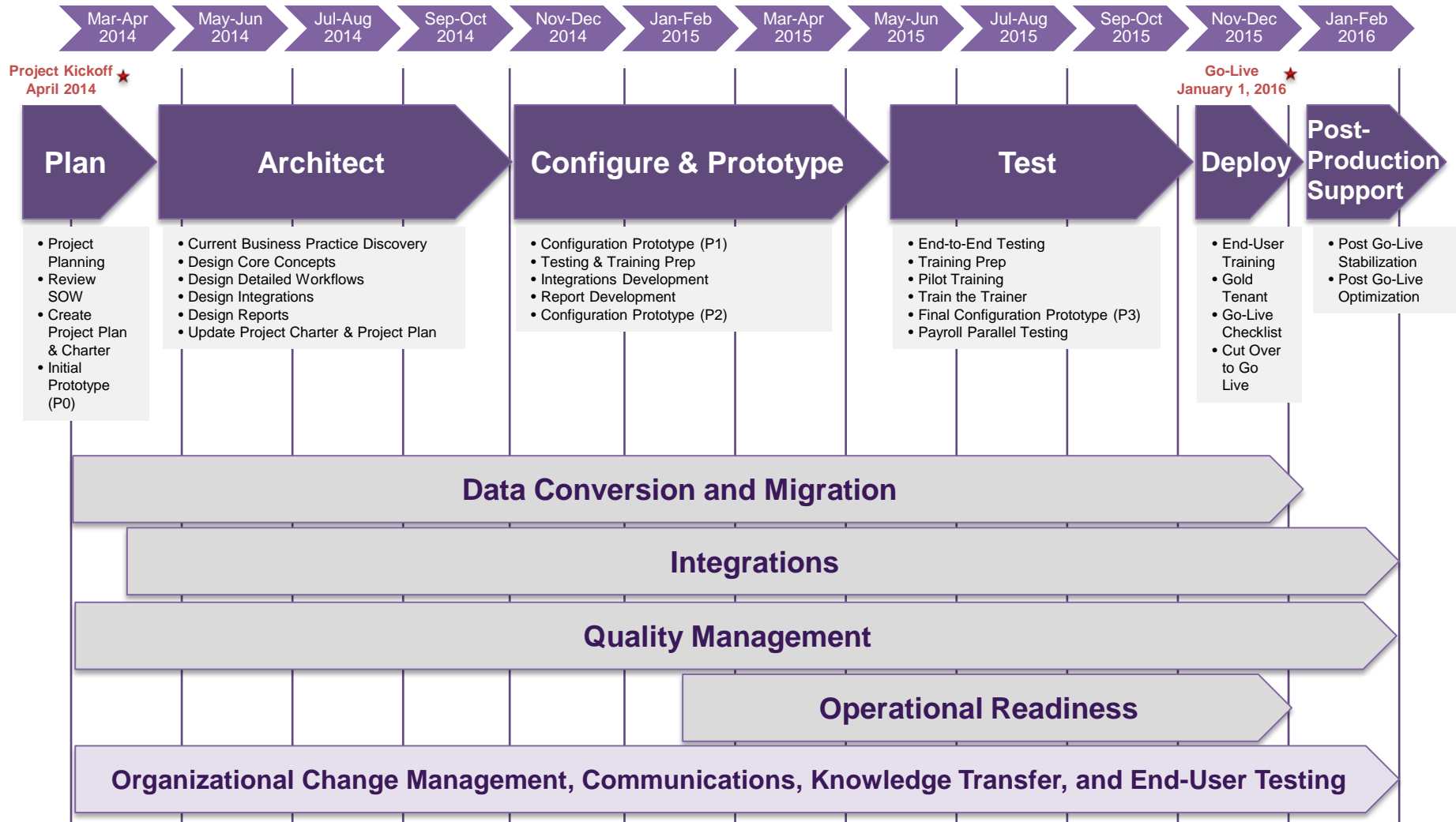
NEXT STEPS & TIMELINE

Status & Next Steps

- Presented recommendation to Board of Regents last week

- Return to Regents for approval on Feb. 13

- Receive State CIO's Office approval in parallel

- Implementation to start March 4

- Planning for "go live" in early 2016

HR/Payroll
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HR/P Implementation Timeline

Mar-Apr 2014	May-Jun 2014	Jul-Aug 2014	Sep-Oct 2014	Nov-Dec 2014	Jan-Feb 2015	Mar-Apr 2015	May-Jun 2015	Jul-Aug 2015	Sep-Oct 2015	Nov-Dec 2015	Jan-Feb 2016

Project Kickoff April 2014 ★

Go-Live January 1, 2016 ★

Plan

- Project Planning
- Review SOW
- Create Project Plan & Charter
- Initial Prototype (P0)

Architect

- Current Business Practice Discovery
- Design Core Concepts
- Design Detailed Workflows
- Design Integrations
- Design Reports
- Update Project Charter & Project Plan

Configure & Prototype

- Configuration Prototype (P1)
- Testing & Training Prep
- Integrations Development
- Report Development
- Configuration Prototype (P2)

Test

- End-to-End Testing
- Training Prep
- Pilot Training
- Train the Trainer
- Final Configuration Prototype (P3)
- Payroll Parallel Testing

Deploy

- End-User Training
- Gold Tenant
- Go-Live Checklist
- Cut Over to Go Live

Post-Production Support

- Post Go-Live Stabilization
- Post Go-Live Optimization

Data Conversion and Migration

Integrations

Quality Management

Operational Readiness

Organizational Change Management, Communications, Knowledge Transfer, and End-User Testing

HR/Payroll MODERNIZATION

Activities During Implementation

- **Plan (January – March 2014):** Finalize implementation plan.

- **Architect (April-October 2014) and Configure (November 2014 – May 2015):** A highly iterative process. The HR/P team will calibrate the design with stakeholders on an ongoing basis and conduct detailed design sessions.

- **Testing (June – November 2015):** Additional stakeholders will have hands-on exposure to the new system's look, feel, and functionality. Testing will be a collaborative and iterative process. The project team will look to confirm the solution's usability and to identify opportunities for refinement prior to system deployment.

- **Deploy (November – December 2015):** Future system users will participate in campus forums and training activities to learn how to use the new system to support their job tasks.

- **Go Live (January 2016):** The new system is expected to go live in early 2016.
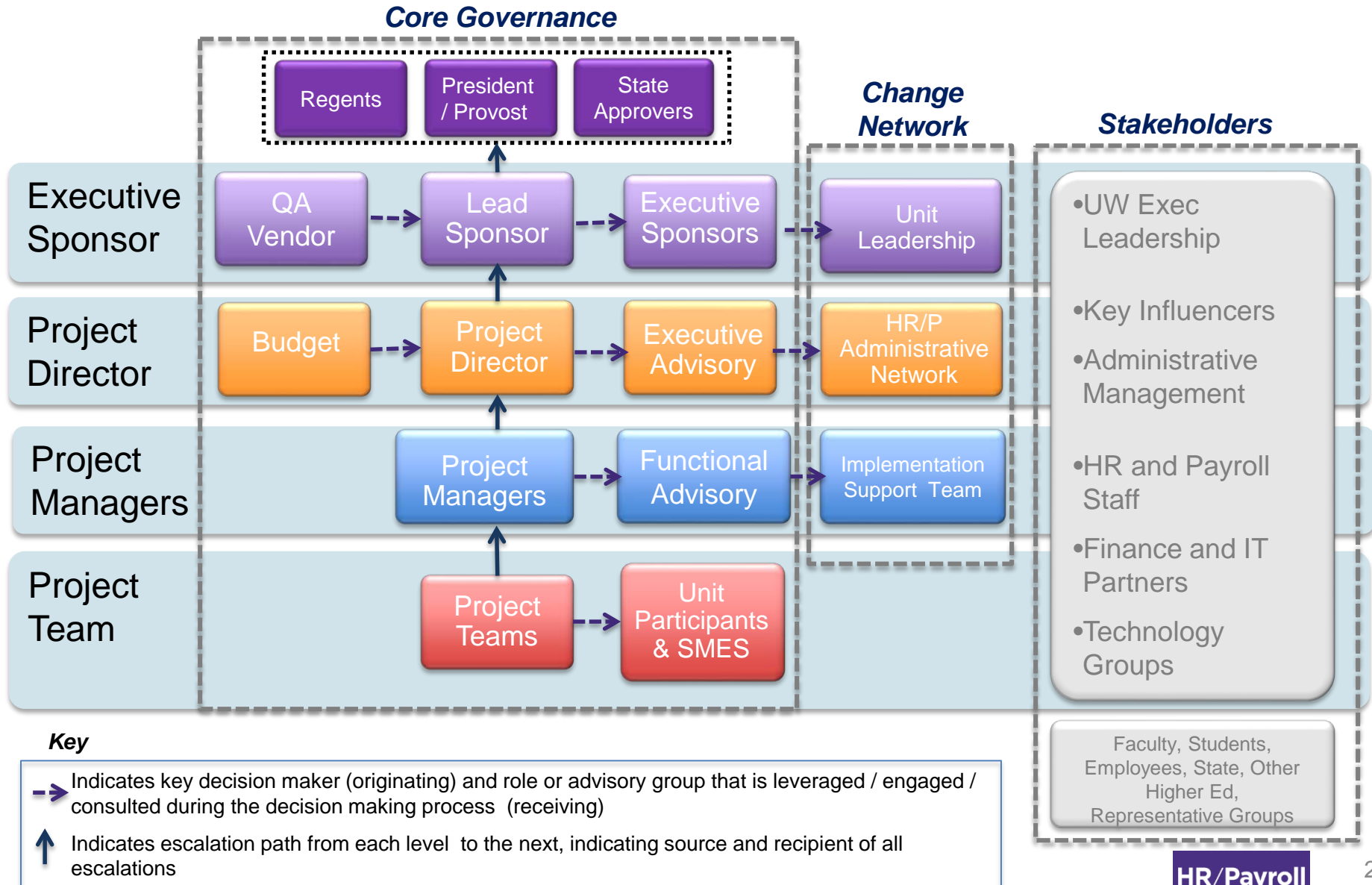
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M O D E R N I Z A T I O N

IMPACT ON RESOURCES & CHANGE NETWORK

Impact on Resources

- This is going to be the No. 1 priority for UW-IT, UWHR, Finance & Facilities

- Will impact UW's ability to allocate resources to other projects during the 22-month implementation

  - Exploring alternatives to build out eFECS

  - MyFinancialDesktop is on hold

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Broad Engagement Model

Core Governance

- Regents
- President / Provost
- State Approvers

Change Network

Stakeholders

Executive Sponsor	QA Vendor → Lead Sponsor → Executive Sponsors →	Unit Leadership	•UW Exec Leadership
Project Director	Budget → Project Director → Executive Advisory →	HR/P Administrative Network	•Key Influencers •Administrative Management
Project Managers	Project Managers → Functional Advisory →	Implementation Support Team	•HR and Payroll Staff
Project Team	Project Teams → Unit Participants & SMES		•Finance and IT Partners •Technology Groups

Faculty, Students, Employees, State, Other Higher Ed, Representative Groups

Key

→ Indicates key decision maker (originating) and role or advisory group that is leveraged / engaged / consulted during the decision making process (receiving)

↑ Indicates escalation path from each level to the next, indicating source and recipient of all escalations

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Change Network

Unit Leadership

The visible support of Unit Leadership is critical to promoting the adoption of changes throughout the UW and providing legitimacy to the activities of the UW Administrator Network. They're responsible to:
- Promote Project Activities
- Promote Cooperation of Unit Staff
- Support the Unit Administrator

HR/P Administrative Network

The HR/P Administrative Network is the heart of the Change Network and comprises unit-level leaders and administrators across UW. They're responsible to:
- Serve as primary point of contact for their unit
- Champion the project within the UW community
- Support execution of project activities
- Provide guidance and unit oversight to Implementation Support Team

UW Implementation Support Team

The UW Implementation Support Team is critical to support implementation activities on the ground-level, throughout departments across UW. The team comprises individuals selected by the Administrative Network member. They are responsible to:
- Support the Administrative Network participants
- Support project change activities
- Support project implementation activities
- Work with and receive direction from the HR/P team

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HR/P Administrative Network Membership

Unit	Name
Advancement	Christina Chang
Arts and Sciences	Linda Nelson
Attorney General	Dawn Glinsmann
Built Environments	Rachel Ward
Business	Kate Bouchard
Business	Pam Grindley
Center for Commercialization	Sara Burmeister
Dentistry	Jean Garber
Education	Roberta Hilton
Educational Outreach	Jennifer Buck
Educational Outreach	Laura Bohaty
Engineering	Lisa Drechsler
Environment	Darlene Feikema
External Affairs	Kathryn Daughhetee
Finance and Facilities	Barbara Wingerson
Graduate	Gary Farris
Health Sciences Admin	Bob Ennes
Human Resources	Evelyn Harris
Information	Mary Clark
Law	Julie Straub Barreto
Law	Paula Johnson
Libraries	Patrick Osby
Medical Centers	Darren Layman

Unit	Name
Medical Centers	Karen Odle
Medical Centers	Pam Palagi
Medical Centers	Paula Minton Foltz
Medical Centers	Walter Thurnhofer
Medicine	Randi Wasik
Minority Affairs & Diversity	Jan Kendle
Nursing	Chesca Ward
Pharmacy	Christene James
Planning and Budgeting	Amy Floit
President's Office	Evelyn Dunagan
Provost Office	Kim Dinh
Public Affairs	Linda Lake
Public Health	Lawrie Robertson
Public Health	Ben Robinson
Research Office	Debbie Flores
Social Work	Vicki Anderson-Ellis
Student Life	Amy Kim
Undergraduate Academic Affairs	Judi Gray
UW Bothell	Denise Rollin
UW Tacoma	Richard Wilkinson
UW-IT	Bill Ferris
UW-IT	Susan Lawrence

Questions?

HR/Payroll

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UW-IT Portfolio Review and Allocation

IT Service Investment Board
FY 2014 Portfolio Review Outcomes

- Decision to hold two projects: eFECS and MyFD

- Seek funding for top two priorities: 40G Network and Undergraduate Admissions Modernization

- Priorities will guide UW-IT project resource allocations

- Improved transparency and understanding of UW-IT capacity and resource challenges

- Lessons learned will improve and streamline FY 2015 process

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IT Service Investment Board
FY 2015 Portfolio Review Process

- Align timing with UW-IT and UW budget processes – SIB finalize priorities by May 21

- Improved and streamlined process
  - Revised criteria, scoring methodology and business case proposal in response to board input

- Use Strategy Board asset allocations to guide process

- SIB to rank by Service Categories

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Revised Criteria

Importance

Strategic Value

- Does this project improve the University's academic or research excellence?

- Does it improve the UW's competitiveness by helping to attract the best students, faculty, and staff or by increasing and diversifying funding?

- Does it enhance interdisciplinary collaboration in research, instruction, or other University efforts across organizational, regional, or global boundaries?

Impact

- Does this project improve the personal productivity or experience of students, faculty, or staff (i.e., individual end user of system or service)?

- Does it benefit a large number of UW students, faculty, or staff?

- Does it improve administrative efficiency or reduce overall administrative costs for the University (and not by shifting costs to units)?

Risk

- Does this project help sustain and strengthen core IT operations, mitigate operational risk, or ensure key services are resilient?

- Does it address compliance, financial, or information security and privacy risk?

Likelihood of Success

- Does UW-IT have staff resources available to support this project?

- Does this project require minimal contributed resources from other divisions?

- Does this project carry minimal risks related to an outside vendor or contractor?

- Does this project have funding for implementation? (Not including UW-IT contributed effort.)

- Does this project have funding to sustain this service on an ongoing basis? (Not including UW-IT contributed effort.)

- Does this project align with UW-IT's enterprise architecture strategy?

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UW-IT Service Portfolio

Service Portfolio

- 7 Service Categories

- Tied to Strategic Goals (+1)

- IT Strategy Board to balance the Investment and Spend Allocation across the Service Portfolio

- IT Service Investment Board to prioritize investment within Service Categories, based on that Allocation profile

Service Portfolio Expenditures* - FY14†

Service Category	Run	Invest	Total
Teaching & Learning	$3.4M	$0.1M	$3.6M
Research	$0.3M	$0.1M	$0.4M
Administration	$15.3M	$4.0M	$19.3M
Infrastructure	$19.8M	$1.8M	$21.5M
Collaboration	$1.5M	$0.6M	$2.0M
Enterprise Risk	$2.6M	$1.9M	$4.5M
IT Management	$0.6M	$1.4M	$2.0M
Total Labor	**$43.5M**	**$9.9M**	**$53.4M**

†Expenditures from first half year, annualized

*Labor only

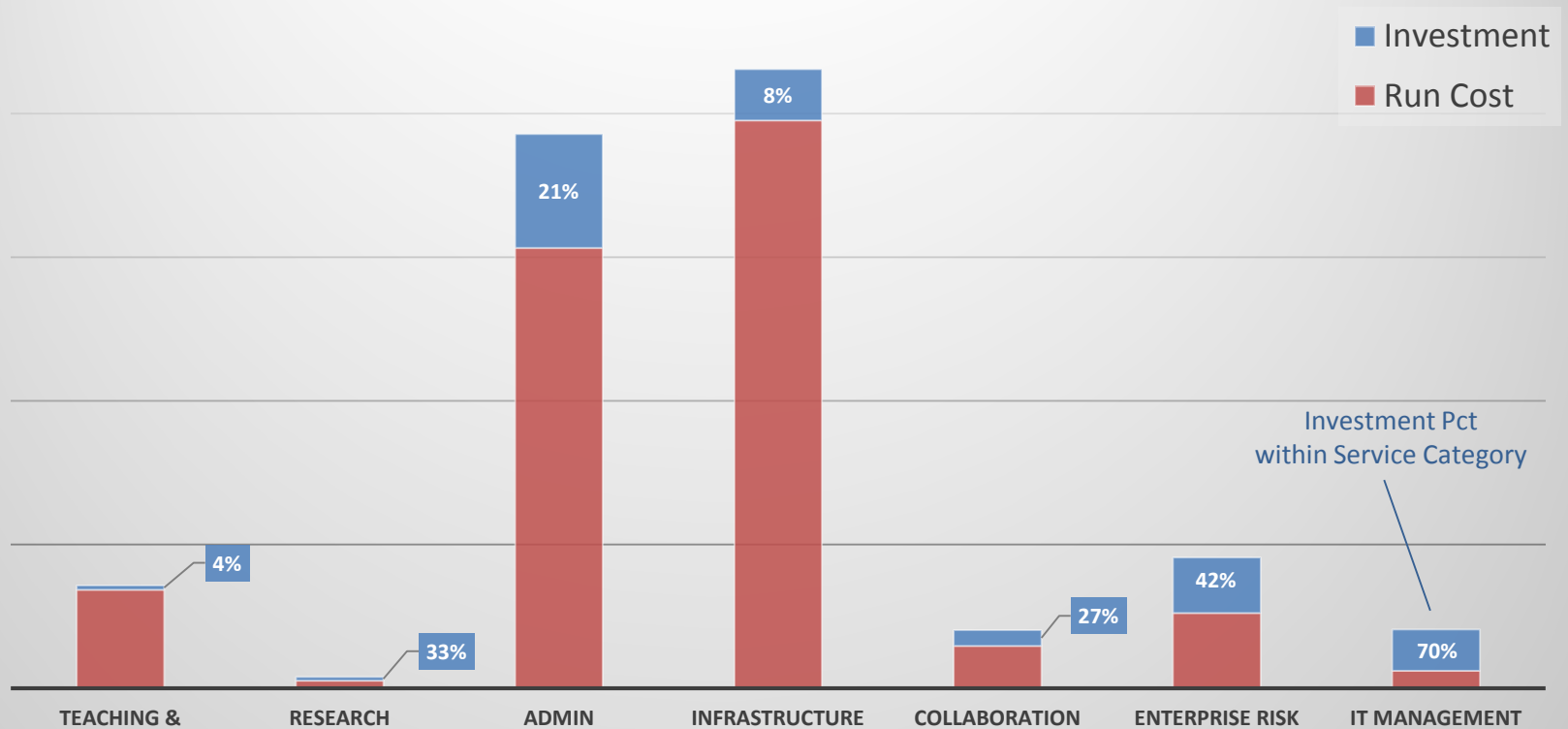UNIVERSITY *of* WASHINGTON

Service Categories

- Teaching & Learning

- Research

- Administration / Business

- Infrastructure

- Collaboration   *(cross-cutting)*

- Enterprise Risk *(cross-cutting)*

- IT Management *(organizational overhead)*
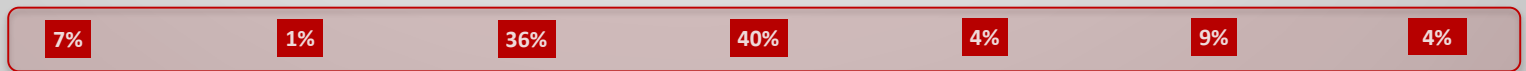
UW-IT Service Portfolio
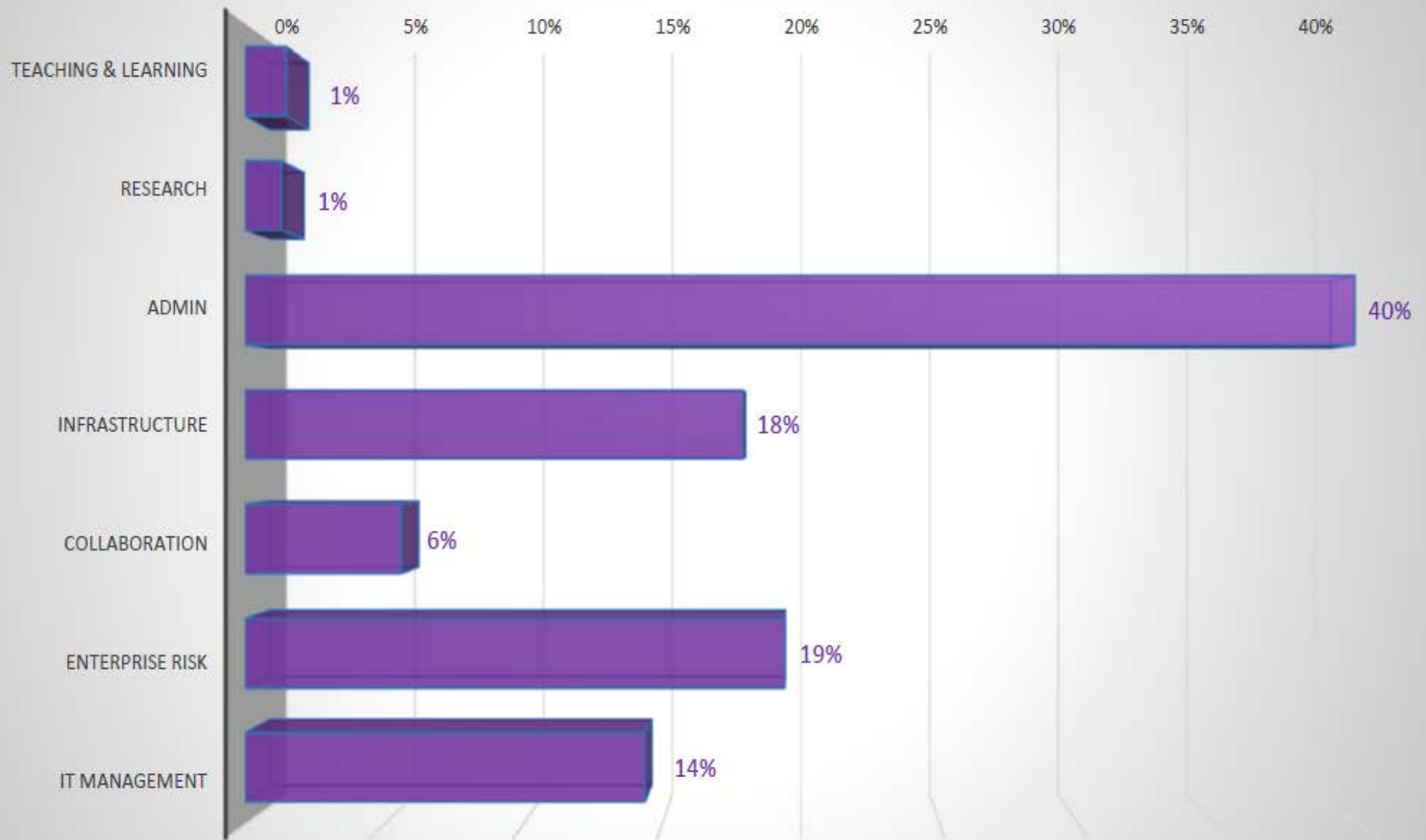**Expenditures & Strategic Allocation* - FY14†**

Legend:
- Investment
- Run Cost

Investment Pct within Service Category

Chart bar values (Investment Pct within Service Category):
- TEACHING & LEARNING: 4%
- RESEARCH: 33%
- ADMIN: 21%
- INFRASTRUCTURE: 8%
- COLLABORATION: 27%
- ENTERPRISE RISK: 42%
- IT MANAGEMENT: 70%

	TEACHING & LEARNING	RESEARCH	ADMIN	INFRASTRUCTURE	COLLABORATION	ENTERPRISE RISK	IT MANAGEMENT
Category Spend	7%	1%	36%	40%	4%	9%	4%
Investment Allocation	1%	1%	40%	18%	6%	19%	14%

†Expenditures from first half of year, annualized   ***Labor only**

UW-IT Service Portfolio
Investment Allocation* - FY14†

TEACHING & LEARNING — 1%
RESEARCH — 1%
ADMIN — 40%
INFRASTRUCTURE — 18%
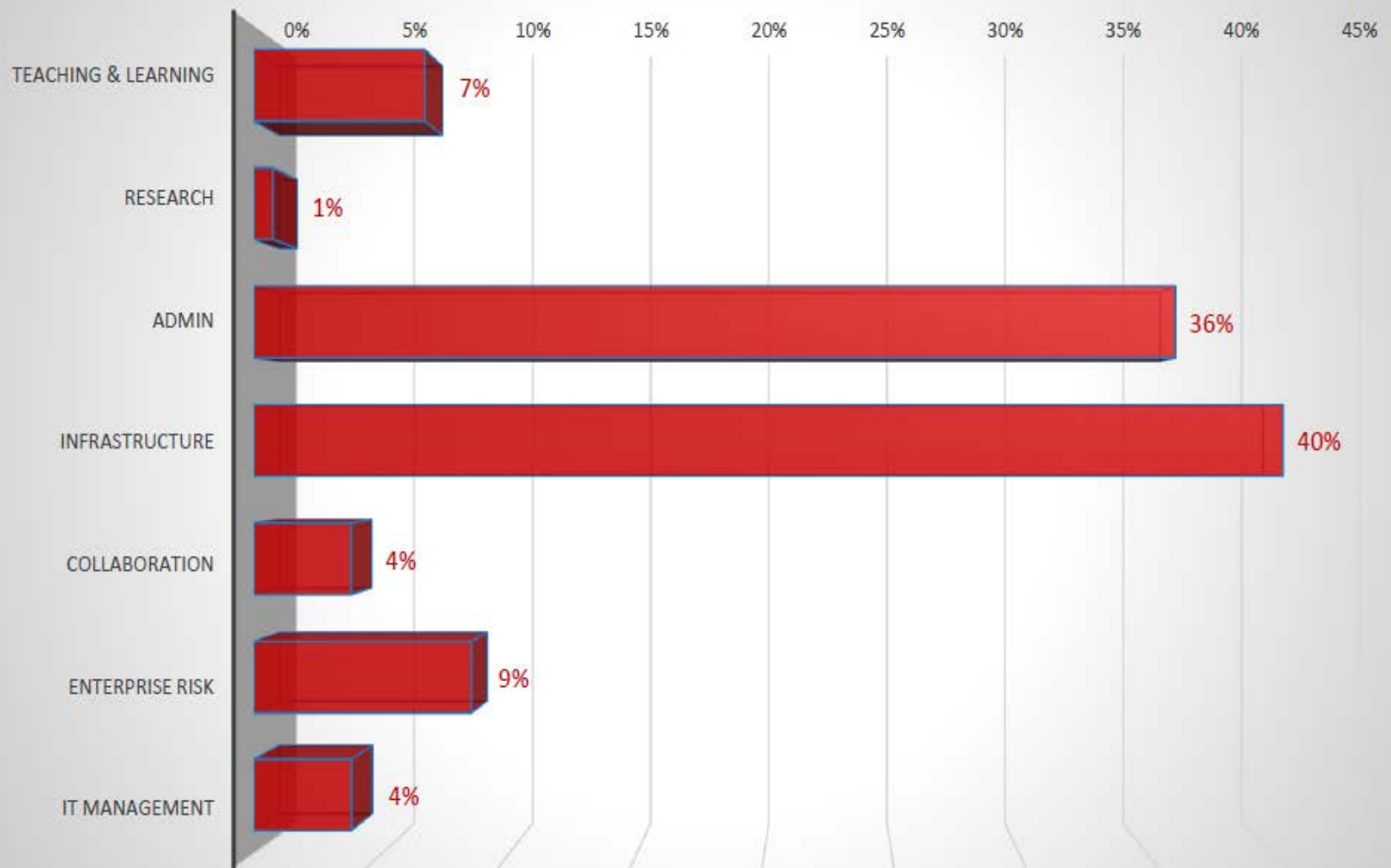COLLABORATION — 6%
ENTERPRISE RISK — 19%
IT MANAGEMENT — 14%

†Expenditures from first half of year, annualized

*Labor only

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UW-IT Service Portfolio
Category Expenditures* - FY14†

†Expenditures from first half of year, annualized

*Labor only

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Research Investments

- **FY 14**
  - 40Gb Campus Backbone
  - Azure
  - Backup and Archive Service *(proposed & deferred)*
  - Big Data in Hyak *(proposed & deferred)*

- **FY 15**
  - Big Data Research Support
  - Broader Lolo Access
  - Open Science Grid
  - Shared IaaS (Internet2)

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IT Needs for Research Administration

Mary E. Lidstrom

February 3, 2014

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Background: Research Roadmap

- Evolved from the roadmap process in 2007/08
- Vision: researcher-centric
  - single point of entry (researcher portal)
  - single data entry
  - interactive
    - access information
    - submit applications, revisions, updates, reports
    - register for training
    - monitor compliance functions
  - parallel processing of back office functions
- Funding: central royalty revenues

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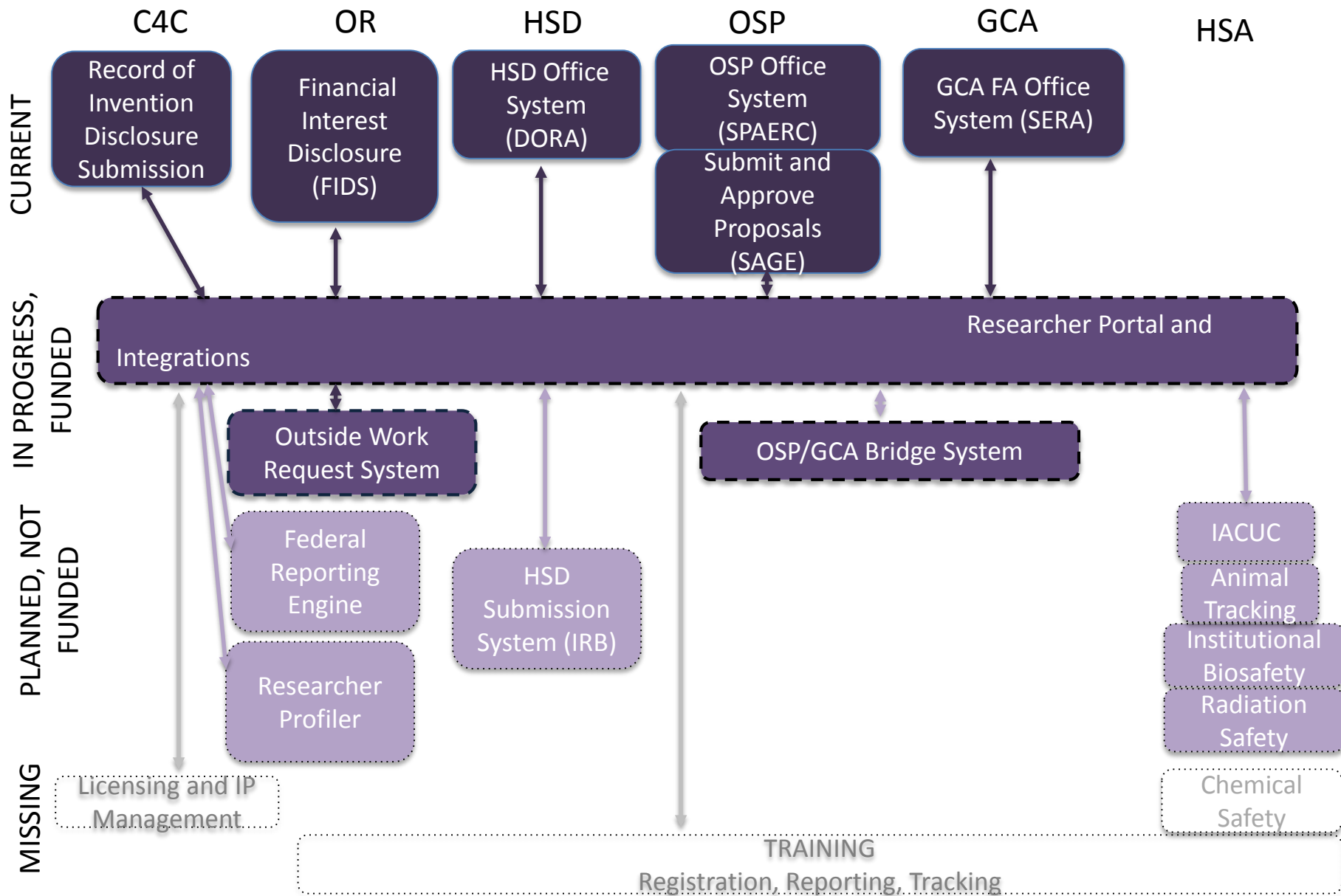# Initial Phase: electronic systems

- Research roadmap team identified priorities

- Work initiated in 2008/09

- ORIS-led initiatives in partnership with the key business offices and academic units

- HSA, HSD

- New FIDS system (response to new NIH COI)

- C4C partner (separate funding)

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Phase II: Integration Begins

- As electronic systems are being chosen and implemented, the work to develop an integration layer is going forward

- This analysis has highlighted significant gaps

Current, Planned/In Progress, and Missing Electronic Systems for Research Support

C4C — OR — HSD — OSP — GCA — HSA

CURRENT
- Record of Invention Disclosure Submission
- Financial Interest Disclosure (FIDS)
- HSD Office System (DORA)
- OSP Office System (SPAERC)
- Submit and Approve Proposals (SAGE)
- GCA FA Office System (SERA)

IN PROGRESS, FUNDED
- Integrations
- Researcher Portal and
- Outside Work Request System
- OSP/GCA Bridge System

PLANNED, NOT FUNDED
- Federal Reporting Engine
- Researcher Profiler
- HSD Submission System (IRB)
- IACUC
- Animal Tracking
- Institutional Biosafety
- Radiation Safety

MISSING
- Licensing and IP Management
- Chemical Safety
- TRAINING Registration, Reporting, Tracking

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Rough 10-Year Budget Estimate

	Office	Estimated One-time $	Estimated Ongoing $
Federal reporting	OR	$ 750,000	$150,000
Researcher profile	OR	$ 750,000	$150,000
IRB	OR-HSD	$1,000,000	$200,000
IACUC	HSA-OAW	$1,000,000	$200,000
Animal tracking	HSA-OAW	$1,000,000	$200,000
Inst Biosafety	HSA-EHS	$1,500,000	$300,000
Rad Safety	HSA-EHS	$1,000,000	$200,000
Training	OR	$1,000,000	$200,000
IP Management	C4C	$1,000,000	$200,000
Chemical safety	HSA-EHS	$1,000,000	$200,000
TOTAL		**$10,000,000**	**$2,000,000**

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Future Competitiveness

- Universities are more and more reliant on electronic research administration systems

- Faculty recruitment and retention issue

- UW is falling behind

- We will not remain a premier research institution 10 years from now, if we do not invest in these systems now

Proposal

- Create a 10-year plan and timeline to develop key elements for research administration IT for which funding is not available

- Secure funding (central royalty revenue as a possibility)

- Begin implementation

Discussion

- Impact?

- Priorities?

- Capacity?

IT Project Portfolio Executive Review

Questions & Discussion

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