



**A REPORT TO THE PRESIDENT ON**  
**Shared Services**



Presented by  
The University of Texas at Austin Staff Council  
May 2014

Approved by The University of Texas at Austin Staff Council  
and sent forward to the President

Prepared by  
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Shared Services Committee

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## **Executive Summary**

The University of Texas at Austin Staff Council Shared Services Committee was established on August 2, 2013 during the annual Staff Council Workshop Retreat.

The initial purpose of the Shared Services Committee was to collaborate with the University of Texas Shared Services Project Management Team on their efforts to inform university staff regarding the implementation of a shared services model.

As part of our initial participation and collaboration with the Shared Services Steering Committee, we obtained the October 2013 Shared Services Draft Plan and participated in the Campus Dialogue phase to gather feedback from our fellow staff members.

From the feedback we have gathered, the Staff Council Shared Services Committee produced a resolution approved unanimously by vote of the Staff Council on February 20, 2014. This report will focus on the feedback we gathered, as well as the resolution for the Administration to take into account as the Shared Services Plan is implemented.

In January 2013, the Committee on Business Productivity presented their report, *Smarter Systems for a Greater UT*, to President Powers. The President shared this report with the campus on January 29, 2013.

One of the suggested objectives of the report is to move the University to an administrative shared services model for finance, procurement, information technology, human resources, and payroll functions.

In May 2013, the Shared Services Steering Committee began the planning phase of the project. This included over 100 workshops, interviews, and focus groups with more than 250 community members.

As the Staff Council Shared Services Committee our role has been to:

1. Collaborate with the university's Shared Services Steering Committee in communicating with constituents regarding the mission and objectives of the Shared Services Plan that was published in October 2013.
2. Collect and convey constituents' ideas, concerns, trepidation, and suggestions to the Shared Services Steering Committee as they establish a timeline and model for the implementation of the plan.  
Produce a resolution that was approved by the Staff Council at its February 20, 2014 meeting. See Appendix A

On October 14, 2013, the Staff Council Shared Services committee met with the UT Shared Services Steering Committee as well as the UT Shared Services Volunteer Group.

On October 25 and 30, UT Shared Services Steering Committee held town hall meetings at Pickle Research Campus and UT main campus respectively. Another town hall meeting was held in November 15, 2013 at the POB 2.302 (Avaya auditorium).

Since the initial closing of the UT community forums, the Staff Council Shared Services Committee continues to gather feedback from our constituents and forwards this feedback to the UT Shared Services Project Team.

Besides the open forums and town hall meetings, Staff Council Shared Services committee members emailed Staff Council representatives to inform their constituents regarding the Shared Services Plan. The feedback we gathered was conveyed to the UT Shared Services Project Team.

On February 20, 2014 at the Staff Council monthly meeting, Shared Services Committee chair, Leah Adrian, presented for vote a resolution addressing the main points Staff Council requests that the Administration take into account in their implementation of the Shared Services Plan.

The points are as follows:

- **Layoffs**

“The Staff Council does not support layoffs related to the implementation of the Shared Service Plan.”

Staff Council believes the university will benefit from increased morale if no layoffs occur as a direct result of Shared Services. In an article in Human Resource Management, “Announced Layoffs: Their Effect on Corporate Financial Performance,” researchers state conventional wisdom holds that restructuring and reduction of force is a normal and effective response to fiscal issues within an organization. In this study, evidence was found to suggest that just the opposite is true. The financial performance of Fortune 100 companies was tracked over a five-year period—two years prior to the announced layoff, the year of the layoff announcement, and two years following it. The results indicate that financial performance worsened, rather than improved following announced layoffs.<sup>1</sup> We believe layoffs would have a similar effect on of the University of Texas at Austin and would diminish the quality of service offered to the students, faculty and affiliated members of the community.

- **Forums**

“The UTSC would like to have continued open forum and ‘town hall’ meetings with The University of Texas at Austin Administration throughout the entirety of the project. These kinds of forums help to promote open dialogue among all stakeholders within the university, and foster transparency of the project and discussion in many areas.”

We believe these forums will go far in dispelling gossip, rumors, and myths about the changes happening during implementation of the Shared Services Plan. The forums provide an opportunity for staff to ask questions and provide input.

- **Affected Staff**

“If a Shared Services Program is implemented, the UTSC requests that the Administration provide professional development events for employees to update their professional resumes and cover letters, as well as a career fair event to advertise shared services opportunities and increase networking opportunities. Also, preference should be given to current university employees when filling positions with Shared Services.”

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<sup>1</sup> Human Resource Management, “Announced layoffs: Their effect on corporate financial performance” by Kenneth P. De Meuse, Paul A. Vanderheiden and Thomas J. Bergmann, November 2006

We believe the university should grant current staff the first opportunity to fill open positions in the new Shared Services team. The university will benefit greatly by giving current, trained, and experienced staff any positions in this new group. A great way of encouraging current employees to become more involved in this process is by having a job fair for upcoming opportunities within the Shared Services group, as well as training on updating resumes and writing cover letters.

Having updated professional documents will help to ensure the current university employees have the best opportunity to fill the appropriate positions.

- **Faculty Council Communication**

“The UTSC supports communication with the UT Faculty Council regarding Shared Services. Its goal is to enable staff to share their point of view directly with Faculty Council, and to provide the same opportunity for faculty.”

The Staff Council understands that the viewpoint we hold of a Shared Services Model is unique to the staff members of the university. We realize that our tangible future may be brought into limbo if reorganization occurs. That being said, we also understand that the faculty members of the university also have their own view of how a Shared Services Model will affect them. We would like to communicate with one another on how best to address the situation to have the best possible outcome for all parties involved.

## **Conclusion**

The Staff Council Shared Services Committee continues to collaborate with the UT Shared Services Steering Committee and we propose continued gathering of feedback as the Shared Services Plan is implemented. We request that transparency in communication with all staff be the continued practice in every stage of the implementation of the Shared Services Plan.