Although you will find a broader overview of the SET components on this slide, the information in this presentation refers to phase 1 of the administrative transformation, which is where the substantial focus has been to this point. This is not to suggest the other streams are not important. We hope to yield significant savings in the procurement and space and facilities streams over time.
Stream 1: Administrative Transformation

- Work has started in preparation for phase 2.
- Each of the different functions listed under this phase have two co-sponsors assigned to them, generally one Dean paired with the administration lead for that function. An important component of this phase will be the proactive engagement with experts in each of the functions, from the front lines to the responsible Vice-President, to make sure we understand the process well. Consultation with subject matter experts has been initiated for the 6 individual initiatives. It is also anticipated that the Staff Advisory Team will provide input throughout the process.
U of A has a constrained set of future administrative operating model options

- The operating model is fundamentally about **structuring the university administration for success**.
- Faculties must be supported to **focus on their core mission** of teaching, research and engagement.
- The model must be **flexible to Academic Restructuring**.
- It will drive **standardized approaches** and **continuous improvement**.
- Building and maintaining a **service culture** is critical.

- A number of principles were identified as key success factors for a new operating model. A total of 31 sessions were completed with faculties and portfolios to rank design criteria for a new operating model.
A new operating model must set the administrative platform for UAT

- The proposed operating model must be feasible given the funding reality.
  - A devolved model that provides each faculty with dedicated resources is too expensive
  - A highly centralized model is not possible within the time constraints as this is a huge shift from the UofA’s current mode of operation.

- This limits the available administrative operating models and requires movement towards a blended model that delivers on the design criteria.

- Fundamentally the model must allow faculties to focus on core mission – research and education – and allow portfolios to build the scale and standardization needed to realize a service-centric culture.
An initial wide review of potential operating models was completed, and after comparing the options versus the preferred design criteria, three options were reviewed in greater detail. The benefits and challenges associated with each model were examined in detail and option 2 was selected as the preferred operating model.
Option 2 is the preferred choice balancing investment requirements with scalable efficiencies

- All options will achieve the required savings.
- Option 3 lacks additional benefits in terms of service synergies.
- It is difficult to quantify additional savings to justify Option 1 given the more substantial scale of change.
- Option 2 is preferred. It also possible to progress to Option 1 in future years.
Components of the preferred model are presented. These may seem complicated, but it is actually simpler than it looks. Some of these elements already exist, we just need to formalize, consolidate and potentially expand their scope. Each of these elements within the operating model have been successfully implemented elsewhere and will lead to a more efficient means of delivering administrative services. With this model, more services will be provided by the center. It also recognizes that faculties have unique requirements that will be delivered directly within the Faculty.
Employee Pulse Surveys are conducted monthly based on a random sample of 700 employees. While the sample changes every month, the questions remain the same. This is a tool considered best practice for change management, in order to assess the understanding and perceived impacts of the change over time. The first survey was completed in August.
Next Steps

- Develop operating model details through consultation with various groups including Subject Matter Experts, Faculty and Portfolios
- Board proposal on operating model and high level organizational structure in October
- Detailed design on all streams and elements of the operating model