OE RESOURCE REQUEST APPLICATION

I. SPONSORSHIP

A. Initiative

Initiative	Organizational Simplification	
Initiative Manager	Moira Perez	
Phone		E-Mail	

B. Sponsorship

| Sponsor Name	Frank Yeary		
Sponsor Signature		Date	
Sponsor Name	Keith Gilless		
Sponsor Signature		Date	
OE Program Office Signature		Date	

C. Give the title of the resource

Timekeeping – An Automated Campus Solution

II. PROBLEM STATEMENT/CASE FOR CHANGE

A. Identify and describe what needs the proposed solution is seeking to address.

1. **Costly variation in administration of pay rules** - There is no campus standard for reporting time worked or leave usage. Departments have created their own systems, leading to differences in interpretation of pay rules that affect vacation accrual rates, payout amounts upon separation, and differences in other aspects of time reporting that have a financial impact on the university.
2. **Avoid department expenses to maintain individual systems and reduce error rates** - When there is a change in pay rules, as occurs when collective bargaining agreements change, each department implements the pay rule change on its own resulting in wide spread redundancy of efforts to maintain all these systems. This situation also contributes to an extraordinarily high error rate in attendance data and leave usage, resulting in liabilities to the University.
3. **Workload -** A single automated timekeeping system supported centrally would significantly reduce the workload of staff now charged with collecting and entering time for department employees, and for staff who must manually feed leave usage into the payroll system.
4. **Preparing for shared services centers** – One of the lessons learned from setting up the HR Center was that timekeeping cannot be moved into the center until it is standardized. Standardizing on a manual, paper system is not the optimal solution.
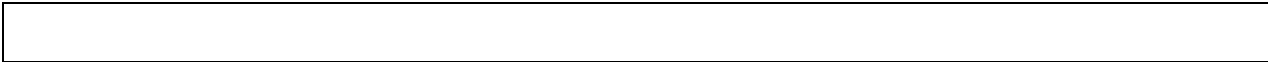
B. Describe the solution that is being proposed to meet the identified need(s).

Implement an automated timekeeping system using an external vendor that is likely to be compatible with whatever payroll and HR information system are adopted systemwide. Use the next 12 months to move the campus to this "bridge" timekeeping solution which will need to remain in place for the next 3-5 years to. We will also use this time to prepare the campus for conversation to the system-wide solution. This will include:

- Standardizing our pay rules
- establishing the campus infrastructure needed to support a common system.
- Moving employees who are on semi-monthly pay to bi-weekly pay (Berkeley is the only campus in the system that continues semi-monthly pay, creating additional workload for those who keep records, cut checks, and maintain the payroll system)

This is all work that will need to be done regardless of the UC choice in timekeeping solutions.

The vendor product must support all of the identified requirements:

> Pay Cycle Control
> Reporting
> Batching
> Scheduling
> Hiring, increases, anniversaries
> Time Clocks
> Leaves
> Union Rules
> Display employee balances
> Multiple funding
> Multiple jobs
> Interface with HCM
> Time Clocks
> Current support
> Long term feasibility to feed to PPS Payroll/HR System

The proposed solution will also address the following:

- Stream line Pay Rules and Pay Through Dates
- Move to Bi Weekly Pay from Semi Monthly
- Move eTime users to TMS and shut down eTime by 6/30/11

Support for eTime ends in June and current users must be shifted to a new system no later than April 1, 2011. We will not have a vendor in place by then. Moving to TMS is presently the most efficient solution.

C. Describe the alternate approaches you evaluated in the process of developing this proposal and why those alternatives were not selected.

1. **Do nothing for 3-5 years** – We would not be able to move the function to a shared services center unless we added fte to support multiple department processes. Departments with an urgent need to reduce or eliminate this workload would proceed to purchase their own solutions unless directed to wait. In fact, department managers and staff are already asking for an automated solution. This perpetuates variations in the application of pay rules.
2. **Borrow a temporary solution from another UC location** – No viable option exists that is scalable. UCOP tried to help UC Irvine develop its home grown system for use by other locations but in February 2011 pulled it back as not scalable.
3. **Expand the development of our home grown system, TMS** – We are not in the timekeeping business and do not have the staff to design and develop the robust system that is needed to meet our needs. For reasons similar to the UCI situation, TMS is not scalable to the campus.

III. IMPACT AND STRATEGIC ALIGNMENT

A. Describe how the proposed solution aligns with the OE goals:
- Reduce administrative costs and enable the campus to direct more resources to teaching and research
- Advance an effective and efficient operating environment
- Instill a culture of continuous improvement that leads to high quality performance and outcomes

Cost reduction

Based on our experience with the HR Center, there are many people involved in processing timesheets on a monthly basis in each department. Among the 18 client units, we reduced the number of people involved from 22 to 5. The drop in fte was not as dramatic, from 5.4 to 5. However, we believe that there may be additional fte savings now that we have the process centrally managed in the shared services center.

Anecdotal reports from campus departments suggest that a lot of time is spent tracking down timesheets from those who fail to submit them. There are cases where departments have had to hire additional fte to do this, e.g. an additional "receptionist," as it was too time consuming for their payroll manager to do.

Another source of cost reduction is in minimizing process errors. For example, for an HR Center client population of 2,600, we found the following net leave accrual errors:
- 1925 vacation hours were owed to employees
- 2500 sick leave hours were owed to the university

These and other process errors resulted in overpayments of $182,000 in a 7-month period, enough to fund a high level analyst position for a year. This excludes the staff time needed to recover the overpayment.

The error rate per record was 97%. All were corrected but it took on average 37 minutes per employee, or about 1600 hours to clean up. The client departments of the HR Center represent about one-third of the staff records that will need to be cleaned up in moving to an automated system.

Effective and efficient operating environment

Staff across campus have voiced the need for an automated system to reduce the timekeeping workload. Departments are beginning to seek their own external vendor solutions which is not a cost effective way to move from manual to automated solutions. Each department must become an

expert in pay rules, and must maintain system support, or purchase it on an on-going basis from the vendor. A decentralized approach does not leverage our purchasing power.

In addition, within 3-4 years, campuses will be expected to adopt a standard UC timekeeping system as part of the system-wide streamlining efforts.   Campuses have been advised to adopt a bridge solution and begin standardizing this business process to prepare for the transition.   Given the current status of Berkeley's practices, there is much cleanup to do and a short time frame within which to complete it.

The proposed solution also advances the goals of OE by:

- Delivering a common administrative solution with common business practices
- Providing standardized and consistent levels of service across the University
- Maximizing productivity through shared resources across campuses
- Providing a system that will allow staff to operate efficiently and provide a higher quality of service
- Eliminating shadow systems wherever possible
- Establishing benchmarks to measure service improvements
- Reducing staff workload and financial liability due to inaccurate leave reporting

Continuous improvement leading to high quality performance

Moving to a shared services organizational structure for HR functions will require that all clients of a center use the same timekeeping system if cost savings are to be achieved. This was a strong recommendation of the 2009 HR Pilot team which outlined the steps necessary to create the current HR Center that opened 7/1/10. They advised that timekeeping not be moved into the HR Center until all client employees were on the same system. This proved to be quite important to the success of the Center. Additional fte would have been required to maintain multiple timekeeping systems that feed into the payroll system.   We have since found that not only does the system need to be standardized, it needs to be automated. This allows for better auditing of the business process and feedback for continuous improvement.

B. Identify any other anticipated benefits in implementing the proposed solution.

Other Benefits Include:
- The ability to batch files to PPS will reduce the manual entry into PPS by department time keepers. Some timekeepers actually key the data into a system, such as TMS, eTime or a spreadsheet and then hand key the data into PPS. This project would eliminate that completely.
- Eliminate shadow systems for maintaining vacation and sick balances
- Reduce manual monthly adjustments based on leave of absence or time frame of a rehire (for

instance)
- Bi Weekly should also reduce this by eliminating projections for most groups.
- Reduce staff time in administering time keeping
- More accurate time entry
- More streamlined IT system support
- Consistent and more accurate application of pay rules
- Reduces current financial liability due to overpayments
- Benefits employees whose balances may be underreported

C. Identify the risks of not implementing the solution.

- Unable to move the function to the next shared services center; must leave time reporting in the departments resulting in lower savings, or add staff to the center to handle all varieties of department processes

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- Non-compliance with labor laws, union contracts or university policy. Currently each department is interpreting these on their own and establishing work rules based on that interpretation.
- Reduce potential federal penalties for improper reporting of time worked, including overtime
- Cost of on-going or increased liabilities created by inaccurate leave reporting
- Increased inefficiencies maintaining multiple systems
- Not prepared for system-wide implementation within 3-4 years

D. Describe the constituency that is intended to benefit from the proposed solution (e.g. students, faculty, staff, 1-many units)

All faculty, staff and student employees.

E. Describe the extent to which this proposed solution is a collaborative effort either within campus or with external partners.

The collaboration on finding the right solution began in fall 2009 with a cross-campus team convened at the request of the VCAF leadership team.   The team was asked to evaluate the functionality of several vendor options, as well as our campus developed systems . They gathered information from other universities both in the UC and outside the UC with experience using the options they were considering. They recommended we consider either the time keeping module of HCM or Kronos. The latter is already in use for about 3,000 employees in different departments on campus. We do not currently own the necessary module of HCM.

That team was retained and expanded to become the steering committee convened in August 2010, with sub-teams as needed that drill down into various aspects of migrating to a single timekeeping system. The CIO, Controller, and AVC of HR are represented on the steering committee and agreed that the AVC of HR is the campus sponsor of this project.   The Steering Committee has also evaluated the UC Irvine option presented by UCOP as a temporary alternative.

Within 3-4 years, campuses will be expected to adopt a standard UC timekeeping system as part of the system-wide streamlining efforts.   Campuses have been advised to adopt a bridge solution and begin

standardizing this business process to prepare for the transition.

F. <mark>If applicable, describe how the proposed solution may enable additional projects to be considered.</mark>

FOR THE BOX ABOVE BUT IT WON'T GO IN ---
Moving timekeeping to a shared services center is contingent on standardizing and automating the process.

G. What is the impact of the proposed solution on the existing systems and processes? Does it eliminate the need for existing systems and processes?

> There are currently many time keeping systems on campus that would be replaced by this implementation. Below are a few of the systems that need to change immediately:
>
> - eTime: There are approximately 1200 users that would be moved to the new system.
> - TMS: Although an interim solution for eTime users, TMS would be replaced by a campus implementation of a vendor product
> - Universe: Student Affairs has over 2000 employees using their custom solution. The support for this system will expire June 2011.
> - Many department created systems developed to assist with the time keeping process
> - All department shadow systems developed to track leave accruals because the payroll system is not compliant with current campus policy
>
> Business processes that will be helped by implementing a vendor solution include replacing the numerous outside systems used to track projections, leave accruals and adjustments due to schedule variations.

H. <mark>What is the impact on the proposed solution on the workload?</mark>

Profile/Impact in hours	Current Workload	1-time workload requirement	Ongoing workload requirement
Student	None	Learn a new method	None
Staff	Significant reduction for some (timekeepers)	Slight increase for a few (cleaning records)	Significant reduction
Faculty	None	Learn a new method	None – potential reduction if the time system can replace effort reporting

IV. WORK PLAN AND PROPOSED SOLUTION DESIGN

A. Provide a statement of:
- Deliverables — results the solution must deliver to achieve the stated objectives.
- <mark>Constraints — factors that may limit the options for providing the solution (*e.g., an inflexible deadline*).</mark>

Deliverables –

Implementing a campus wide vendor timekeeping system, including the following project objectives:

- Implement Time Keeping, Accruals, multiple jobs functionality
- Perform Fit Gap Analysis for existing campus systems and campus solution
- Develop Best Practice recommendation for administering time keeping within a department by soliciting user input into the design of those practices
- Develop Standard set of pay rules signed off by central office
- Develop Standard Pay cycles
- Move Semi Monthly employees to BiWeekly pay cycle
- Develop interface between vendor time keeping system and the PPS system for batching time including leave usage.
- Audit and clean up of balances

Constraints ---
- Procurement process requires time to negotiate and prepare documentation.

B. Provide a work plan for the proposed solution with high-level steps to complete the solution, including timeline. (Try to limit your plan to no more than seven steps.)

	MILESTONE	TIMELINE
1.	Planning • Complete preparation of procurement documents • Establish Teams • Recommend Roll Out Options • Develop Project Charter	January 2011 – March 2011
2.	Design • Fit Gap Analysis • Standardize Pay Rules and Pay Cycles	March 2011 – April 2011
3.	Build • Software Configuration • Data Conversion and Validation • System and Acceptance Testing	April 2011 – June 2011
4.	Deploy • Training Plan and Curriculum Development • Train the Trainer • Deployment	July 2011 – September 2011 Note: there is flexibility in a phased roll out.
5.		
6.		
7.		

C. What are the data requirements for the proposed solution?

> IST is a partner in identifying how to migrate current data, if possible into a new system. However, most records are manual and housed in departments across campus. Department staff may need to assist populating a new system. The new system will need to interface with PPS and HCM.

D. What are the technical requirements for the proposed solution?

> Batching Capabilities, Interface to PPS, Interfacing with HR data (Hires, separations, merits, anniversaries), Integrated solutions for HR related updates, Default Schedules, Split Schedules, Work Study, Summer Schedules, Alternate Schedules, Leave Accruals, Track and Display Employee Usage, Display Employee Balances, Holiday Pay, Other Leaves, track Comp Time, Time Clocks, Time Sheets, Multiple Pay Cycles, Union Rules, Shift Diff and Overtime Calcs, Ability to correct time entered, Reporting, Multiple Assignments, Multiple Funding, Project tracking, Multiple Approvals, Email Messages to employees and administrators

E. What are the greatest risks for the proposed solution and the plan to reduce or eliminate the risks.

	RISK	MITIGATION PLAN
1.	Not ready for SSCs in October	Include resources in the plan for consultants to assist with implementation preparation; OR phase implementation and delay the transition to automation for some units
2.	Our bridge is not compatible with the systemwide solution	Select an option that will give us maximum flexibility to transition.
3.		
4.		
5.		

F. How does the proposed work plan allow for evaluation and course correction to ensure the outcomes meet the campus needs?

> We already have a steering committee that has been at work since September 2010. There is already communication with key stakeholders. We will have feedback pilot departments working this spring implementing a possible automated bridge solution. Once a vendor solution is identified, we will begin information sessions with key stakeholders to get their input on change management issues. As each department is brought online, their feedback will be reviewed by the steering committee and used to recalibrate as needed.

v. CHANGE MANAGEMENT

A. What is the change management plan to successfully implement the outcomes of the proposed solution?

> A vital component of the project success is to provide the appropriate amount of training to the appropriate staff, at the appropriate time. Training for the vendor implementation will provide users with the knowledge skills and support they need to become proficient in completing time and attendance processes with as seamless transition as possible. This will be accomplished through various modes of instruction, train the trainer approach and materials provided by the vendor.
>
> The training plan will be based on the following assumptions:
>
> - Whenever possible we will have employees trained "just in time". In other words, employees

will be able to return from training and immediately use their new knowledge coupled with on-line reference materials. This requires training to begin as close to "Go Live" as possible.

- Functional leads and subject matter experts will be available to provide expertise and guidance in the development and review of training material content.

- All major business process and system changes will have been clearly communicated to all potential users prior to any training or forum presentations. Incorrect or incomplete communication will negatively impact training readiness and acceptance.

- The immediate supervisors of trainees will be responsible for ensuring that their employees attend all required training classes and/or forums. They will support their employees by granting the necessary time away from their jobs to attend needed training.

- Training facilities will be available and will need to be functional for providing training, and will need to have technical support.

- Training facilities will have enough seats/time availability to meet our goal of training users prior to "Go Live". There will be enough trainers to develop and deliver all the classes and Forums necessary to complete all the training.

- The training environment will be prepared, supported, and available for each training session

- Supervisory relationships are accurately identified in HCM

The goal of role analysis is to ensure that training is provided for the proper audience. The functional leads will identify the roles that will require training and also forecast the population that will be assigned each role. This will assist in identifying the overall training requirements, the necessary room specifications, and the total number of trainers.

B. What incentives and/or disincentives are proposed to influence behavioral changes necessary for the successful outcome of the proposed solution?

Campus departments are already asking for an automation of timekeeping. If we do not respond soon, we risk they will begin finding their own solution. For individual employees who are not currently reporting their time, automating the process will be a significant change in department practices. We will work with unit heads on appropriate incentives for participation.

C. Who has been identified as the change leaders and implementers to carry out the changes necessary for the successful outcome of the proposed solution?

Project governance will consist of two components: Managing project scope and adhering to policy's governing time keeping. As well as the process for requesting, approving and managing system requirements and requests. The governance process will facilitate communication about such changes and provide a common process for tracking such requests.

This project already has a steering committee which convened in August 2010, and has sub-teams as needed that drill down into various aspects of migrating to a single timekeeping system. The CIO, Controller, and AVC of HR are represented on the steering committee and agreed that the AVC of HR is the campus sponsor of this project. Recommendations from the steering committee are shared with the CIO and Controller. Decisions about specific functionality are made by the AVC of HR, or other

appropriate functional owner, based on information from the steering committee. Decisions that have an impact on resources beyond these units are bumped up to the VC of Administration and Finance.

Scope control throughout this project will involve numerous decisions regarding software configuration and customization as well as redesign of business processes. The following criteria will be used to assess recommendations.

- Number of users and constituencies served
- Mandatory(UCOP, Federal, or State Requirement) vs. desired change
- Support of the University Mission
- Groups impacted
- Functional development impact
- Technical development impact
- Technical recommendation
- Potential cost savings
- Efficiency of business processes
- Replacement of a shadow system
- Compliance with project time line
- Risk mitigation

These criteria will be applied from a University-wide perspective and will include intermediate and long-term considerations. Further, decisions will take into account the impact on units across the entire institution.

The governance structure will include the following roles. Responsibilities will be further defined in the project charter. The roles will include:

Role	Responsibility
Executive Sponsor Jeannine Raymond, AVC-HR	Champions executive support and approval for the project. Plays a major role in addressing project issues and changes in scope.
Timekeeping Steering Committee Heather Archer, Academic Personnel Elise Woods, Library Jean Nordstrom, Dir of Payroll, interim Delphine Regalia, Controller, interim JR Schulden, IST Lisa Coulter, HRIS, project manager Steve McCabe, RSSP Theresa Richmond, Director, HR Center Skip Noble, Facilities Deb Harrington, Director, LR and ER Note: there are additional user subteams for parts of the project, e.g. pay rules and pay cycles	This team is comprised of senior executives and principal stakeholders who are committed to the project and have the authority to make policy decisions with wide campus impacts. This team will act as the decision makers for the project based on recommendations and presentations from the core project team and Project Manager. Decisions that govern the interpretation and policy of time keeping will be escalated to the Steering Committee for final direction.

Project Manager Lisa Coulter	The project manager's role is to assist the Steering Committee in the overall management of the project and all aspects relating to the success of the project. The project manager will ensure that all aspects of the time keeping initiative are coordinated. Risks and issues will be escalated to the Steering Committee when necessary.
Core Project Team JR Schulden Others to be determined	The project team is responsible for completing the project deliverables as defined in the project plan. The core team is charged with taking lead roles in the project and working closely to provide critical input to help guide project decisions.
Business Analysts To be determined	The Business Analyst will assist the project team in providing input and guidance in business process design and will serve as the functional point of contact.
Programmer/Analyst To be determined	Works with the Kronos team in the design of the system. provides technical analysis and design options of submitted modification or requests.

VI. FUNDING MODEL AND BUDGET

A. Could the proposed solution move forward with partial funding? If yes, describe the revised scope, including the associated savings impact.

> Negotiations for a vendor will be time sensitive and require a contract for services. It is unlikely partial funding is realistic unless the project is broken into phases. However, this does not maximize out purchasing power. We could slow down the implementation but it may result in increased costs overall.

B. What is the plan for sustainable funding to support ongoing operations of the proposed solution?

> Timekeeping is already supported by IST. However there would be new costs for licensing and server support of a new system. New costs are estimated at $ 240K annually. This could be recovered from the savings of automation. However, this is a temporary solution until there is a UC implementation in 3-4 years. It is unknown at this time how such a systemwide implementation will impact the on-going run rate of our campus bridge. It is likely that the value of the OE investment is in cleaning up our current business process and preparing all campus users for a more robust automated environment where on-going support is covered centrally rather than by individual campuses.

C. Please download and fill out the OE Resource Request Budget Template located at [location] and follow the instructions on the first worksheet in the workbook to complete the budget ant line descriptions. Include both completed sheets with the Resource Request.

VI. ASSESSMENT PLAN

Please use the table below to detail your metrics.

METRIC CATEGORY	SPECIFIC MEASURE	MEASURE BASIS	DATA COLLECTION METHOD	DATA COLLECTION FREQUENCY	FUNCTIONAL OWNER OF DATA COLLECTION	LARGER GOAL TO WHICH METRIC RELATES
EXAMPLES:						
FINANCIAL PERFORMANCE						
1 Reduction in average price of office supplies	*Avg price*	*Per item*	*Look at vendor catalogs*	*Quarterly, first day of each quarter*	*Procurement Director*	*Overall reduction of 15% in average price of office supplies*
OPERATIONAL PERFORMANCE						
1 Reduction in average processing time per transaction	*Avg person-hours required*	*Per transaction*	*Survey of transaction processors*	*Semi-annually*	*Director of Billing*	*Reduction of 20% in average transaction processing time*
FINANCIAL PERFORMANCE						
1						
2						
OPERATIONAL PERFORMANCE						
1 reduction in position s need to handle timekeeping	Headcount and fte	Current in depts	Inventory dept staff	Benchmark prior to implementation	AVC-HR	Reduction of 75% in number of people handling timekeeping; and 8% reduction in fte
2 reduction in errors	Number of late timesheets	Monthly filings	Audit records in new system	Monthly	AVC-HR	At least 95% of timesheets filed on time
PRODUCT / SERVICE QUALITY						
1 interfaces with PPS without problems	Error rate and processing time	Per update	Audits	Monthly	IT and Functional project leads	Less than 5% errors in updates to PPS; seamless interface daily
2						
EMPLOYEE SATISFACTION						
1 employees can enter time easily	Number of training sessions needed; calls to help desk	monthly	Logs kept by help desk	Monthly	Functional project lead	Frequency of calls for help and training diminish over the implementation period
2						
CUSTOMER SATISFACTION						
1 Key stakeholders are satisfied with the automated process	Direct feedback	Monthly during first 12 months	Direct conversations and surveys	At least monthly	AVC-HR	Employees enter time easily by deadlines and managers have summary data
2						
PUBLIC RESPONSIBILITY						
1						

2					
SUPPLIER PERFORMANCE					
1					
2					