



NACUBO INNOVATION AWARD 2011

Nomination Form

To guarantee consideration completed nomination form must be received or postmarked by **April 1, 2011**

Please mail to: Kristin Witters, Manager, Member Services
NACUBO/Innovation Award
1110 Vermont Ave., NW, Suite 800
Washington, DC 20005
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Please submit a program summary no more than 3 double-spaced pages using a minimum font size of 10 points.

Do not include additional information (reports, forms, etc.) with the nomination form. The Awards Council may request such items during the evaluation process.

Program Title: University of Central Oklahoma Lean University: Culture Shift to Reduce Employee Stress
Institution Name: University of Central Oklahoma
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Institution Type

- Research Comprehensive/Doctoral Small Institution Community College

Award Category Type

- Process Improvement
Recognizes higher education institutions that have successfully re-engineered or designed a program, or improved a service delivery of administrative activity in response to a campus need.
- Resource Enhancement
Recognizes higher education institutions that have successfully reduced costs, increased revenues or improved productivity in response to a campus need.

Topical Area(s)

(Check all that apply)

- Accounting, Finance and Tax Campus Operations Human Resources
 Information Technology Leadership/Institutional Effectiveness Planning and Budgeting
 Risk Management Student Financial Services Other: Process Review

NACUBO Primary Representative

(Endorsement required)

Name (print clearly): Steve Kreidler
Title (print clearly): Executive Vice President
I hereby certify that to the best of my knowledge, the statements and calculations contained herein accurately reflect the circumstances reported.
Date: 3/29/2011 Signature:

University of Central Oklahoma Lean University: Culture Shift to Reduce Employee Stress

Higher education institutions are forced into a survival mode by setting priorities for expenditures and justifying programs. Lean University is an internal process improvement method perpetuating the concept of applying the principles of Lean manufacturing, popularized by Toyota automotive manufacturing, in a university setting. Lean Thinking can be defined as "a systematic approach to identifying and eliminating waste by lining up value-creating actions in the best sequence, conducting these activities without interruption and only when the customer requests them" (Industrial Solutions, Inc.). As UCO employees across that campus evaluate processes, they have developed eyes for waste and adopted a new way of thinking about their tasks and the work environment.

Each process is unique in how the customer specifically benefits, but global impact falls into three areas for higher education Lean events: 1) Improved communication, 2) Empowered decision making for quicker response, and 3) Application of Lean Thinking in everyday activities.

The pervasive benefit to using Lean is the savings realized due to the reallocation of time previously spent on wasteful tasks and the reduction of material costs. Applying Lean principles to existing and new processes enables UCO to maximize utilization of funds and staff which saves over \$400,000 per year. Lean has been applied to over 60 projects and focuses on the service and office processes, but has recently worked in academic areas also. The four primary performance measures of Lean are financial, satisfaction level, operational, and accomplishments. The financial measure is generally tied to salary and supply costs. Satisfaction level measures relate to employee, student, and community impression that the change is an improvement. A major focus is to improve the employees' work environments by making the process transparent and balancing workloads to relieve stress of tasks. Operational measures verify that the process is meeting expectations and compliance of external audiences (auditors, accreditation team members, etc.). Accomplishment measures achievement in meeting target goals and overcoming personal challenges. Lean helps teams meet their goals through improved communication, empowerment of employees within defined boundaries, and acceptance of collaboration across campus divisions.

Lean has opened communication between divisions on the frontlines, allowing the campus to respond to needs more efficiently. Understanding the flow of the process with our customers upstream

(those providing the input for tasks) and downstream (those receiving completed work for the next step in the process) has helped to develop a culture of knowledge sharing, cooperation, and ensuring quality work is produced at each step in a process.

Two examples will be referenced in this application: 1) Physical Plant work order process and 2) Graduate College/International Student application approval process. Specific outcomes result in relief of employee stress, increased accuracy, and improved efficiency.

Employees at the Physical Plant were the first to be involved with Lean at UCO. In 2002, employee morale was low and turn-over was high. Surveys illustrate the level of improvement. In 2006, the American Physical Plant Association surveyed our employees and recorded statements showing that over 80% are proud of their jobs and over 90% felt they positively contributed to the university with the power to make decisions. In the 2006, a campus employee satisfaction survey reflected 60-85% of the UCO staff and faculty rated the Physical Plant shops as good or excellent overall. By 2007, survey results showed an increase to 75-90% satisfaction with the Physical Plant shops.

The number of work orders was reduced from over 1000 per month in 2003 and has been maintained at approximately 300 per month since then. The process is 99% paperless, with only the work order printed for the worker to take to the repair location (saving \$15,000 per year). Twenty-four (24) touches in the process have been reduced to only four touches for a work order to be completed. Reduced work time from an average of 24 days to two or less days. Standardized equipment in buildings to reduce inventory needs. These are a few of the many changes that the Physical Plant employees implemented by 2004 and have maintained over the last seven years.

Survey results are not available for the Graduate College International and Domestic Office Application Approval process, however the improvement in performance tells its own story. The departments involved in getting graduate student applications reviewed and processed are the Graduate College, International Studies, and Academic Colleges and Departments. The Department of International Students reports to the Vice President for Student Affairs, while the other areas report to the Provost/Vice President for Academic Affairs. Wasted action that was identified included: excessive travelling in handling application paperwork with multiple reviews by each office, overproduction of written communication to students from various departments, lack of using staff expertise in application

review, student applications submitted to the wrong department and delayed review, and delays in processing from the Graduate College to the academic department advisor for review.

After less than one year, changes using Lean resulted in the following: 93% of the applications are touched only once by a staff person being processed for review due to accurate and complete documentation being provided, process time for applications in the Graduate Office has been reduced from 30 to 10 days (66% improvement), 75% of the students receive only one letter of correspondence that addresses all of their issues, and correspondence is conducted via email.

Realized financial and emotional savings: eliminated mailing and printing costs for approximately four letters per student, deducted 20 days of waiting for the students to know if they have been approved, and lessened the frustration of staff processing the applications and enabled them to use the time previously spent on reviewing for accuracy and gathering more information toward other tasks.

Both of these examples illustrate how Lean impacts employees. The accomplishment of changing the culture of a department that had been beaten down with frustration and complaints to the outstanding, proactive Physical Plant that is at UCO today is a testimony to the value of Lean. Opening communication and cooperation between student affairs and academic affairs divisions to better serve the student improves the work environment. As described in the examples above, response time is shorter and inputs to request action are clearly understood which result in a higher likelihood that the customer's expectations will be met.

Universities have two issues that can be overwhelming for management: 1) limited staff to service the campus community and 2) work silos restricting communication between divisions and departments. UCO has used Lean Principles to maximize the efforts of staff and to eliminate the barriers faced by isolated departments. Involving employees across the campus in Lean projects and training sessions on Lean Principles reinforces the culture of asking the questions "why" and "how can we do this better" to improve the campus experience for employees, students, and the community. Not only empowering employees to communicate directly with each other across divisions, but changing the mindset to where employees are obligated to look for ways to improve processes and managers coach employees is an innovative concept for higher education.

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