

Case Study

Professional Services Efficiencies – Financial Benchmarking

SUMS
Consulting

The challenge

A SUMS member recognised the need to ensure high levels of maturity in its operating model for professional services. In particular, they needed to demonstrate an optimal staffing structure and an appropriate cost base in line with sector norms, and suitable to achieve its strategic ambitions.

This was especially important given the fluid and rapidly changing policy landscape in the sector and the likely implications for student recruitment for the University over the coming period.

On the face of things, the University was in good health with positive student recruitment trends - amongst the leaders in the sector - and a healthy operating surplus close to its KPI target of 5%. However, the University was acting strategically, taking a proactive

approach that rightly recognised the impact of rising recurrent costs from its staffing base outstripping growth in its primary income stream. In essence, the University was seeking to address financial challenges before they impacted on the business.

What happened?

SUMS carried out sophisticated, in-depth benchmarking and diagnostic analysis of the professional services staffing cohort, running the rule over the University in comparison to its regional competitors and sector best practice.

We held initial sessions with internal stakeholders who had access to key data sets in order to assess what data was available and to understand any existing analysis. SUMS then combined its analysis with both quantitative and qualitative intelligence from elsewhere in the sector to





create a bespoke benchmarking model. This generated a set of specific insights into areas of maximum opportunity.

Following our analysis, SUMS hosted workshop sessions with the professional services leadership team and Vice-Chancellor's group where findings were shared and top-level target operating model design principles were explored and agreed. We concluded this diagnostic phase of work with detailed recommendations for how the University could adopt best practice in key areas of professional service delivery whilst significantly reducing the cost footprint.

The outcome

SUMS identified a clear and evidence-based need for the University to reconfigure its operating model for professional services in pursuit of modern, customer-focused services that are delivered at a far lower cost than was currently the case.

SUMS also identified professional service areas that were disproportionately staffed in comparison with similar institutions and made recommendations for reconfiguring the operating base. This provided a pathway to both greater efficiency and future-proofing provision.

The Vice Chancellor's Group agreed a set of design principles for reconfiguring the target operating model across professional services. Key to this was the agreement to retain faculty-based professional services functions rather than move to full centralisation; align all non-academic posts to professional services groupings and line management structure, regardless of their physical location; and refocus service delivery based on the convenience and benefit to the customer, be that student, colleague or external stakeholder. The outcomes helped to shape a second phase of work where service areas were prioritised for in-depth target operating model development.