Date: February 8, 2007 (Revision 2)

Project Name: Cost of Providing Contract Training (Customized Instruction)

Executive Deployment Champion: Dr. Vicky Stewart

Project Sponsor: Dr. Erwin

Process Owner: Bruce Budde

Black Belt: Brad Finley

Project Author: Brad Finley

Team Members: Dr. Vicky Stewart, Dr. John Avendano, Bruce Budde

Opportunity (Purpose or Primary Reason for Project): Currently there are multiple ways in which community and business organizations can obtain information and price quotes for contract training. A lack of standardized procedures of accounting for costs, quoting price, and engaging customers creates competition between departments for some of the same customers. In FY ’06 the college delivered $ (insert figure) in contract training.

Business Case (Budget Information): We do not have a standardized method to assure that we are aware of costs for any contract training. ICC’s Accounting and Institutional Research departments do not presently have a way to track all contract training. This project presents an opportunity to establish standardized procedures for offering and accounting of contract instruction.

This project is aligned with the critical success factors of preparation for workplace and making college affordable and accessible.

Goal (Expected Outcomes, Deliverables, and/or Results): The goal is to establish a standardized financial model to be used by any department that is called upon to provide off contract instruction. This model should include the procedures to be followed along with the method for accounting.

Scope (Constraints, Boundaries, and/or Key Risks): Contract training by any department is in scope. This includes Credit and Non-credit instruction. Policy updates are within the scope of the project, since they may result from process improvements.

Risks:
Potential for loss of business to other entities outside of ICC if the financial model results in non-competitive pricing. Communication of changes to departments will be critical.

This project is phased. The first phase only deals with establishing the financial model. Once that is in place we will address the customer engagement phase.

Timeline (Define, Measure, Analyze, Improve, and Control): Lean project of 4-6 weeks. The goal will be to accomplish this in a series of two hour meetings.

Primary Measures:
Net revenue by department, Delivery cost by department, Gross revenue by department, Number of students trained and number of courses offered for most recent academic year. This will have to be obtained directly from departments because Accounting is unable to separate the information. Indirect Costs – will have to be derived. Direct costs that can be measured. ECH and Training hours.

Other (Additional Resources Needed, Critical Considerations, and/or Initial Concerns): Contract Training is defined as any delivery of instruction which is contracted for by business or community organizations. Content experts would include Beth McClain, Aimee Cook, and Associate Deans.